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HOUSE OF REPRESENTATIVES—*Thursday, May 26, 1983*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O gracious God, we are in awe of Your presence and the majesty of Your power. Yet we humbly place before You our innermost thoughts and needs, those feelings we hold from all else, asking that You would forgive that which is selfish and bless that which is noble and good. Help us to open our hearts to Your spirit that we may be filled with a sense of higher purpose and that the goals of justice and liberty and righteousness and peace will ever be our way. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. DEWINE. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. DEWINE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 331, nays 23, answered "present" 5, not voting 73, as follows:

[Roll No. 140]

YEAS—331

Ackerman	Annunzio	Barnard
Addabbo	Anthony	Barnes
Albosta	Archer	Bartlett
Anderson	Aspin	Bateman
Andrews (TX)	Badham	Bates
Bedell	Fazio	Lehman (CA)
Beilenson	Ferraro	Lehman (FL)
Bennett	Fiedler	Lent
Bereuter	Florio	Levin
Berman	Foley	Levine
Bethune	Ford (TN)	Levitas
Bevill	Fowler	Lewis (CA)
Bilirakis	Frank	Lewis (FL)
Boehlert	Franklin	Lipinski
Boggs	Frenzel	Lloyd
Boland	Frost	Loeffler
Boner	Fuqua	Long (LA)
Bonker	Garcia	Long (MD)
Bosco	Gaydos	Lott
Boucher	Gephardt	Lowery (CA)
Britt	Gibbons	Lujan
Brooks	Gilman	Luken
Broomfield	Gingrich	Lungren
Brown (CA)	Glickman	Mack
Broyhill	Gonzalez	MacKay
Bryant	Gradison	Markey
Burton	Gramm	Marlenee
Byron	Green	Martin (IL)
Campbell	Gregg	Martin (NC)
Carney	Guarini	Martin (NY)
Carr	Gunderson	Matsui
Chandler	Hall (OH)	Mavroules
Chappell	Hall, Ralph	Mazzoli
Chappie	Hall, Sam	McCain
Cheney	Hamilton	McCandless
Clarke	Hammerschmidt	McCloskey
Clinger	Hansen (UT)	McCollum
Coelho	Harrison	McCurdy
Coleman (MO)	Hartnett	McDonald
Coleman (TX)	Hatcher	McEwen
Collins	Hefner	McGrath
Conable	Hertel	McKernan
Conte	Hightower	McKinney
Cooper	Hiler	McNulty
Corcoran	Hillis	Mica
Courter	Holt	Michel
Crane, Daniel	Hopkins	Mikulski
Daniel	Horton	Minish
Dannemeyer	Howard	Moakley
Daschle	Hoyer	Molinari
Daub	Huckaby	Mollohan
Davis	Hughes	Montgomery
de la Garza	Hunter	Moody
Dellums	Hutto	Moore
Derrick	Hyde	Morrison (CT)
DeWine	Ireland	Morrison (WA)
Dicks	Jeffords	Murphy
Dixon	Johnson	Murtha
Donnelly	Jones (NC)	Myers
Dowdy	Jones (OK)	Natcher
Downey	Jones (TN)	Nelson
Dreier	Kaptur	Nichols
Duncan	Kasich	Nielson
Dwyer	Kazen	Nowak
Dymally	Kennelly	O'Brien
Dyson	Kildee	Oakar
Early	Kindness	Obey
Eckart	Kogovsek	Olin
Edwards (AL)	Kramer	Ortiz
Edwards (CA)	LaFalce	Oxley
Edwards (OK)	Lagomarsino	Packard
English	Lantos	Panetta
Erdreich	Latta	Parris
Evans (IL)	Leach	Pashayan
Fascell	Leath	Patman
Paul	Seiberling	Thomas (GA)
Pease	Sensenbrenner	Torres
Penny	Shannon	Torricelli
Pepper	Sharp	Towns
Perkins	Shaw	Traxler
Petri	Shelby	Udall
Porter	Shumway	Valentine
Price	Sikorski	Vandergriff
Pritchard	Siljander	Vento
Pursell	Sisisky	Volkmer
Quillen	Skeen	Vucanovich
Rahall	Skelton	Walgren
Ratchford	Slattery	Watkins
Ray	Smith (FL)	Weber
Regula	Smith (IA)	Wheat
Reid	Smith (NE)	Whitehurst
Richardson	Smith (NJ)	Whitley
Rinaldo	Smith, Denny	Whittaker
Ritter	Snowe	Williams (OH)
Robinson	Snyder	Winn
Rodino	Spence	Wirth
Roe	Spratt	Wise
Rogers	Stangeland	Wolf
Rose	Stark	Wolpe
Rostenkowski	Stenholm	Wortley
Roth	Stratton	Wright
Roukema	Studds	Wyden
Rowland	Stump	Wylie
Roybal	Sundquist	Yates
Rudd	Swift	Yatron
Savage	Synar	Young (FL)
Schaefer	Tallon	Young (MO)
Scheuer	Tauke	Zablocki
Schneider	Tauzin	Zschau
Schulze	Taylor	
Schumer	Thomas (CA)	

NAYS—23

Brown (CO)	Forsythe	Roberts
Coats	Gejdenson	Roemer
Coughlin	Goodling	Sabo
Dickinson	Harkin	Schroeder
Dorgan	Hawkins	Solomon
Durbin	Lowry (WA)	Staggers
Emerson	Miller (OH)	Walker
Evans (IA)	Mitchell	

ANSWERED "PRESENT"—5

Jacobs	Oberstar	St Germain
Lundine	Owens	

NOT VOTING—73

Akaka	D'Amours	Jenkins
Alexander	Dingell	Kastenmeier
Andrews (NC)	Edgar	Kemp
Applegate	Erlenborn	Kolter
AuCoin	Feighan	Kostmayer
Biaggi	Fields	Leland
Bliley	Fish	Livingston
Bonior	Flippo	Madigan
Borski	Foglietta	Marriott
Boxer	Ford (MI)	Martinez
Breaux	Gekas	McDade
Carper	Gore	McHugh
Clay	Gray	Miller (CA)
Conyers	Hall (IN)	Mineta
Coyne	Hance	Moorhead
Craig	Hansen (ID)	Mrazek
Crane, Philip	Heftel	Neal
Crockett	Hubbard	Ottinger

Patterson	Simon	Weiss
Pickle	Smith, Robert	Whitten
Rangel	Solarz	Williams (MT)
Ridge	Stokes	Wilson
Russo	Vander Jagt	Young (AK)
Sawyer	Waxman	
Shuster	Weaver	

□ 1015

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 2681. An act to make certain amendments to sections 4, 13, 14, 15, and 15B of the Securities Exchange Act of 1934; and

H.R. 2990. An act to increase the permanent public debt limit, and for other purposes.

The message also announced that the Senate had passed bills and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 212. An act to authorize funds for the U.S. Travel and Tourism Administration;

S. 379. An act to cancel certain indebtedness in connection with disaster relief activities;

S. 778. An act authorizing appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes;

S. 840. An act to amend the Act of October 15, 1966 (80 Stat. 953; 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution, so as to authorize additional appropriations to the Smithsonian Institution for carrying out the purposes of said Act;

S. 929. An act to amend the Act of July 2, 1940, as amended, pertaining to appropriations for the Canal Zone Biological Area;

S. 930. An act to authorize the Smithsonian Institution to purchase land in Santa Cruz County, Ariz.;

S. 1293. An act to extend authorizations for appropriations for the Disaster Relief Act of 1974, and for other purposes;

S. Con. Res. 7. Concurrent resolution to authorize and provide for a bust of Carl Hayden to be placed in the Capitol;

S. Con. Res. 35. Concurrent resolution to authorize the printing as a Senate document of a revised edition of "The Capitol"; and

S. Con. Res. 41. Concurrent resolution providing for an adjournment of the Senate from May 26, or May 27, 1983 to June 6, 1983, and an adjournment of the House from May 26, 1983, to June 1, 1983.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I ask for this 1 minute for the purpose of inquiring of the distinguished majority leader the program for next week.

The Speaker will recall that last night there was some discussion over that program. The gentleman from Pennsylvania was not aware that the gentleman from Illinois was on his feet desiring to make a statement to the effect that the Speaker and I had earlier concluded that because of the situation next week, the number of Members who were obligated for this or that, that it would be best to have a program of some consequence Wednesday, but that rollcall votes could be deferred until Thursday because the gentleman from Massachuesetts (Mr. BOLAND) wanted to bring up the housing appropriation bill and that we do have a big schedule to meet in June and that we had to take advantage of it.

So, having made that comment, I would be glad to yield to the distinguished majority leader in expectation that he would renew his unanimous-consent request.

Mr. WRIGHT. Well, I thank the gentleman for yielding.

We would like very much to renew that unanimous-consent request which is to the effect that we may have a special day for the consideration of bills on suspension of the rules next Wednesday, the first of June.

If that consent is granted, then we would roll the votes until Thursday. We would spend the day considering those bills and debating them and any which required rollcall votes would be postponed for the voting purpose until Thursday. Then Thursday we would follow by taking up the HUD appropriation bill, and if time remained in that week, then we would follow with the Energy and Water Appropriation bill. If it did not, we would conclude with the HUD bill for next week.

Mr. MYERS. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Indiana.

Mr. MYERS. I thank the gentleman for yielding.

Mr. Speaker, some of us also examined that schedule that was prepared a number of weeks, in fact several months ago. We made plans to be here Wednesday and Thursday and some of us had made plans for Friday thinking it would not be a heavy day, with the expectation that the schedule as previously printed would be carried out.

Now, what does that do to us who have made plans for Friday? Are we going to be inconvenienced because we are changing for those who cannot get back on Wednesday?

Mr. WRIGHT. If the gentleman will continue to yield, no, I would say those of us who plan to be here will be greatly convenienced. We will get the bonanza of a day in which we may contemplatively regard these legislative matters without the necessity of voting at that moment. Sometimes it is good. Put it over and think about it overnight and then get to vote on the next day. It is a wonderful thing.

Mr. MYERS. If the gentleman will continue to yield, now in cow pasture language, what is the gentleman saying?

Mr. MICHEL. Mr. Speaker, may I ask the majority leader if the starting time for next Thursday will be 10 o'clock in the morning.

Mr. WRIGHT. We will go into session at 12 o'clock noon next Wednesday, for the benefit of the gentleman from Indiana and others of us who are so diligent that we plan to be here come whatever.

Then on Thursday and Friday, we would go in at 10 a.m. We would adjourn by 3 o'clock on Friday.

Mr. MICHEL. I thank the gentleman.

PERMISSION TO DESIGNATE WEDNESDAY, JUNE 1, 1983, FOR SUSPENSION CALENDAR

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that next Wednesday, June 1, may be designated as a special day for the consideration of bills under suspension of the rules.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair at this time would like to congratulate the gentleman from Massachusetts (Mr. CONTE). The Chair understands the gentleman will be receiving an honorary degree next week.

WAS BOB DORNAN THE KEY TO COMPROMISE PACKAGE ON MX?

(Mr. WOLPE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLPE. Mr. Speaker, during the debate on the MX missile some of us expressed skepticism on the so-called compromise package that some of our colleagues had worked out with the President.

Mr. Speaker, that skepticism may have been a bit hasty.

The Long Beach Press Telegram reports that the President has rounded out his arms control team of Weinberger, Adelman, and Rowny by appointing our former colleague, Mr. Bob Dornan, as special consultant to Mr. Kenneth Adelman.

Now perhaps this was the key, the unknown element of that compromise package that our colleagues embraced with such enthusiasm.

I franky did not know that Bob Dornan was an expert in the arms control field. I served with Bob on the Africa Subcommittee and I enjoyed working with him there. I do not ever recall his professing any particular interest in the arms control areas.

I do recall him, however, speaking passionately on the subject of human rights. And in the Long Beach paper reporting the new appointment, Mr. Dornan is quoted as saying, "I'd be good in the field of human rights. I'm Catholic and a lot of these dictators are Catholic. I could talk to them the way the Carter administration couldn't. I'd go down to a guy like former Argentine President Leopoldo Galtieri and say, 'Look, you SOB, it's wrong to torture people. If you don't believe it, go ask your priest.' "

That, my colleagues, is the Bob Dornan that I know and remember so well.

BOB DORNAN TO BE WITH ACDA

(Mr. DOWNEY of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOWNEY of New York. Mr. Speaker, I slept a lot easier last night knowing that potentially our former colleague, Bob Dornan, will be with ACDA.

Rarely, for those of us who have served with him, have we seen an intellect like Bob's. The ability to see the connection between such disparate issues or of the architecture of the Parthenon, Charles Manson and the Tate-LaBianca murders, Cambodia, Soviet worldwide homogeny, and the tidewaters of the Chappaquiddick.

Being able to blend these unique gifts and bring them to the Arms Control Agency is something that I do not know whether it will cause the Soviets to rush to the table or from it.

BOB DORNAN IS NOT, WAS NOT AND WILL NOT BE CONSULTANT TO ARMS CONTROL AND DISARMAMENT AGENCY

(Mr. EDWARDS of Alabama asked and was given permission to address the House for 1 minute.)

Mr. EDWARDS of Alabama. Mr. Speaker, I guess it had to happen and there was not a better time for it to happen then last night about 7 o'clock, when we thought we were going to be done with the MX, for this May 11 article to show up around here on the floor. Something about our former colleague, Bob Dornan, going on as a consultant with the Arms Control and Disarmament Agency.

Mr. Speaker, our former colleague is not, was not, and will not be a consultant or an employee or on the payroll of the Arms Control and Disarmament Agency.

Now I know that tears up some of our friends on the other side. I know they would love to have old Bob to kick around for a long time.

He also will not, has not, and is not on the payroll of the National Security Council.

□ 1030

I think it is fair to say, Mr. Speaker, that, as is the case of many former Congressmen and many administrations, Democrat and Republican alike, there has been an effort and there will be an effort to try to help our former colleagues find a proper place in Government. but I think the administration agrees, and we all agree, that these two agencies are not the place, and I would hope that those of you who have come to the floor prepared to beat us over the head with this thing will let us get on with the substitution of Senate Concurrent Resolution 26 for House Concurrent Resolution 113, and get on with the other business of the House.

A TRAGIC EVENT IN EL SALVADOR

(Ms. OAKAR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. OAKAR. Mr. Speaker, the slaying of the naval officer in El Salvador, the first known American adviser to El Salvador to be killed, is indeed tragic. My only hope is that the Reagan administration will be more zealous than they have been in pursuing the murderers of the four American missionaries and the labor leaders who were so brutally slain in the past.

Perhaps this tragic murder will give all Americans an additional reason to look at our Government's misbegotten foreign policy in El Salvador.

WE OUGHT TO BE CAREFUL ABOUT A NATIONAL AIRPORT BUILDUP

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, we have all heard about the build-down as an arms control measure. We are going to see something called build up National Airport. The current traffic is 13.6 million passengers a year. Secretary of Transportation Dole has proposed capping that at 14.8 million, and the Appropriations Committee has, basically, in a subcommittee, indicated that that traffic limit ought to stay at 16 million passengers a year, in effect vetoing Secretary Dole's recommendations.

National Airport was designed before the development of large jet aircraft, and current noise abatement traffic profiles and traffic procedures have reduced the margin of safety at the airport.

I think we ought to hold off raising the level of passengers and airplanes at that airport beyond Secretary Dole's recommendations until current regulatory procedures are allowed to run their course. Otherwise, I fear that we may be jeopardizing safety of passengers as well as the convenience of the public if we precipitously lift passenger restrictions. And I think that substantially raising the level of traffic at National Airport right now is not a very prudent thing to do. In this connection, my colleagues may be interested to know that my Subcommittee on Transportation, Aviation and Materials of the Science and Technology Committee will be holding hearings in July on issues involving airport safety.

Mr. WOLF. Mr. Speaker, will the gentleman yield?

Mr. GLICKMAN. I yield to my colleague, the gentleman from Virginia.

Mr. WOLF. Mr. Speaker, on behalf of the entire Washington metropolitan area, we want to thank Congressman GLICKMAN for that honest, fair, decent and wonderful statement, and say God bless DAN GLICKMAN.

Mr. GLICKMAN. I appreciate the remarks of the gentleman.

MEMORIAL DAY 1983

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, on May 30, Memorial Day will be celebrated throughout America.

The observance of Memorial Day began shortly after the Civil War. The earliest official version occurred in 1868 when the commander in chief of the Grand Army of the Republic, Gen. John Logan, officially recognized what was then called Decoration Day. It was a day set aside to decorate the graves of more than 140,000 who had fallen in the Civil War. It was an act of reconciliation intended to bring our country together following the most tragic period of our history. Since that time, approximately 736,000 service men and women have lost their lives in battles from San Juan Hill to Vietnam.

Mr. Speaker, almost every culture and nation throughout history has

honored their deceased through memorials and shrines. However, no modern nation has taken better care of its veterans and their survivors as a matter of national pride and humanitarianism. The Continental Congress in 1776 adopted the first national pension law to provide for veterans with service-connected disabilities. Since that time, the Congress has continued to carefully develop programs and benefits to assist those who have served and sacrificed in their country's behalf. Over the past 200 years, our Nation has built a legacy of just and adequate treatment in payment to these individuals, while holding to the belief that a strong national defense requires an equally strong system of rights and benefits for veterans.

Mr. Speaker, we must all realize that any system of compensation or act of condolence is only partial restitution for the enormous loss of a loved one's life. We should all use this Memorial Day to set aside a time to reflect on this fact, and to recommit ourselves to that sense of sacrifice and patriotism upon which our great Nation was founded.

Mr. Speaker, today our Veterans Committee has sent a letter to each Member of the Congress on legislation passed by the House during this session benefiting veterans and also legislation pending that might be helpful to Members as they address veterans groups over the Memorial Day weekend.

CIVIL RIGHTS COMMISSION MASSACRE

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, it is an honor to follow the gentleman from Mississippi who reminded us that Memorial Day was founded after the Civil War when so many gave their lives to hold this Union together and to demand equal rights for all citizens. His reminder makes it shameful to look at today's newspapers and find out that the President's Civil Rights Commission massacre occurred going into this weekend of Memorial Day which began commending the Civil War.

It is shocking the President would appoint new people and fire old people who did not agree with his politics. The President is going against a 25-year tradition against an agency that for 25 years has been one of bipartisan independence. The President is insisting it not be independent or bipartisan but rather his partisan puppet.

On this Memeorial Day weekend, when we think of the Civil War, when we think of the lives of people that have been given to maintain the Union and equal justice and freedom for all, this is a very, very shameful occurrence by the administration.

RONALD REAGAN HAS CONTEMPT AND DISDAIN FOR CIVIL RIGHTS

(Mr. MITCHELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MITCHELL. Mr. Speaker, my colleagues in the House, especially my Republican friends standing there in that little clump, there was never a scintilla of doubt in my mind but that Ronald Reagan has a contempt and a disdain for civil rights. There was never any doubt in my mind about that. At first, he opposed the voting rights extension. Then, when it looked like it was going to pass, he jumped on it and in unctuous tones talked about how he cared about civil rights.

You just ask any civil servant who has not been intimidated into silence, and he will tell you that the word has been passed in all of the agencies, "Go slow, do not enforce civil rights laws."

Ronald Reagan failed in his initial attempt to destroy the U.S. Civil Rights Commission. Now he is attempting the political rape of that Commission. Reagan can use all of his theatrical skills that he wants, he can go on the air and on the tubes using all of those smooth phrases, but the record shows that this President, more than any other President in recent history, has a contempt, a disdain for those of us who are black and brown and minority, and it shows clearly in his dastardly attituded toward civil rights in the U.S. Civil Rights Commission.

WEAPONS IN SPACE

(Mr. BROWN of Califorina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of California. Mr. Speaker, when we get to the defense authorization bill, I have joined with a number of colleagues in offering an amendment to reduce by $19 million the Air Force program for antisatellite missiles. I am not going to argue that case, but I am going to urge each of the Members to try and acquaint themselves with the background for this program so that we may have a reasonable discussion.

What we are doing with this modest $19 million authorization is crossing the threshold into putting weapons into space. It is an important threshold. It involves many billions of dollars, and numerous studies have said that that threshold should not be crossed without a thorough congressional discussion.

I want to see that discussion begin, if we can. It does require that the Members take an enlightened interest in it, and I want to urge the Members to do that in preparation for this debate which I think will be a good exercise, regardless of the outcome.

A TRIBUTE TO ERIC HOFFER

(Mr. PAUL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PAUL. Mr. Speaker, last week America lost a real treasure, a national resource, when Eric Hoffer, the longshoreman/philosopher, a favorite of mine, died quietly at his home in San Francisco.

We hear a great deal about freedom in this Chamber, but Eric Hoffer lived it. He knew what it means to be an independent, self-reliant individual in this overorganized, oppressively centralized society. He knew what it meant to have nothing, to take risks, to work hard, to stand on his own. When he wrote about freedom, as he did so eloquently, he new what he was talking about.

The son of a German immigrant, Hoffer learned to read English and German by the time he was 5. Two years later, as the result of a fall, he was blind. After his mother died, he was raised by a German housekeeper who, somehow, convinced the child that he did not have long to live. "My childhood was a nightmare, and its shadow still hovers in the back of my mind," he once recalled.

If Eric Hoffer ever let this background get him down, he never told anyone. Regaining his sight at 15 he began once again to read—it was "my only occupation and my pastime," he said—and, 3 years later, he headed for California, "the poor man's country."

For 3 days he starved on Los Angeles' skid row, eventually finding work as a dishwasher, a migrant farm laborer, and lumberjack. In 1943 he settled down as a longshoreman in San Francisco, where he lived until last week.

It was in the late 1930's that Eric Hoffer began to write, capturing the popular imagination with "The True Believer" (1951), "The Passionate State of Mind" (1955), and "The Ordeal of Change" (1963). Admired by Presidents Eisenhower, Johnson, and Reagan, he received the Presidential Medal of Freedom in February.

As an ardent champion of liberty and foe of totalitarianism, he clearly understood how true, unsubsidized capitalism befriends the working class. Hoffer wrote:

> I cannot see myself living in a socialist society. My passion is to be left alone and only a capitalist society does so. Capitalism is ideally equipped for mastering things but awkward for mastering men. It hugs the assumption that people will perform tolerably well when left to themselves.

Left to himself, Hoffer not only did tolerably well, he was a shining example to all Americans. He will be missed, but he will not be forgotten.

TRAGEDY IN EL SALVADOR

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, it is with great sorrow that I report to my colleagues in the House the death of Lt. Comdr. Albert A. Shaufelberger, U.S. Navy, in El Salvador. This terrible assassination of a young American officer is testimony to the brutality of political terrorism in El Salvador today.

Lieutenant Commander Shaufelberger was shot as he sat in his car near the campus of Central American University in San Salvador. He was off duty and in civilian clothes at the time of his death. He served with distinction as the deputy commander of the U.S. Military Training Group and was chief of the naval section. He worked closely with Salvadoran military personnel and was assigned to a training group in La Union, a city in eastern El Salvador.

A career naval officer, Lieutenant Commander Shaufelberger was from Tripp Island, S.C. My heart goes out to his family and loved ones and I share their grief in this hour of supreme sadness.

He died in the service of his country in a beleaguered nation where American personnel are trying to bring stability and democracy to that small nation. This is a human tragedy for which caring people will show compassion. It is not a Gulf of Tonkin situation.

In recent years, an increasing number of Americans serving overseas have fallen victim to blind terrorism which seeks to win objectives by the brute application of fear. In El Salvador, a small group is attempting to impose its will on the majority of freedom loving people who wish to live in an open and democratic society.

I am certain that all of my colleagues will join me in sending our condolences to the family of Lieutenant Commander Shaufelberger. He died in the service of his country in a land that desperately needs America's help in order to bring stability and peace to that long-suffering nation.

SPOUSAL IRA BILL

(Mr. BEREUTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEREUTER. Mr. Speaker, every now and then, Members of Congress hear of Federal laws or regulations which are unexpectedly, patently unfair and which demand legislative remedy. The present compensation laws on spousal individual retirement accounts provide the latest example.

Under the present laws on spousal IRA's, the full $2,250 tax deduction can be claimed only if the nonworking spouse receives absolutely no compensation during the tax year. If, as a constitutent of mine recently learned, one spouse earns an annual total of $40 as an election official, for example, and is honest enough to report it, the law bars that couple from claiming the full $2,250 deduction.

To rectify this oversight in the "Economic Recovery Tax Act of 1981", I call Members' attention to H.R. 2468, which would provide that a spouse earning less than $250 annually would not be disqualified from the benefits of a spousal IRA. This would make a minor change in our tax laws, but it is a change which equity demands.

I hope that all of my colleagues will join me in supporting this modest but necessary legislation.

□ 1045

NEW SPENDING DENIES FUNDS TO PRIVATE SECTOR

(Mr. BATEMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BATEMAN. Mr. Speaker, since the House convened in January, it has voted for $2.7 billion in additional current year budget authority, and $7.6 billion in new budget authority for fiscal year 1984. The House has also passed legislation which will result in $4.6 billion in additional appropriations for fiscal year 1983.

Given our current budget situation all of this additional spending will be funded either through borrowing or higher taxes. Additional borrowing would further reduce the already limited capital available to the private sector, and thereby slow the economic recovery.

If the Congress chooses to burden our citizens with even higher taxes than they are now paying, that would also slow the recovery, since consumers would have less to spend and businesses would have less to invest.

The end result of either increased borrowing or higher taxes is slower growth and fewer jobs.

The sensible course is to reduce spending.

INTRODUCTION OF INCOME-DEPENDENT EDUCATION ASSISTANCE ACT OF 1983 (IDEA)

(Mr. PETRI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PETRI. Mr. Speaker, today I am introducing legislation that will create a new supplemental student loan program. This program will increase student aid without increased deficits because it will be self-financing.

I call my proposal the Income-Dependent Education Assistance Act of 1983, known as IDEA for short. Under IDEA, the borrower's income after graduation determines his interest rate and the length of time he takes to repay his loan.

Those with high incomes after school will help subsidize those participants with low postschool incomes, but in no case will anyone's loan repayments exceed 15 percent of his income in any year. Education loan money will be available to everybody without a taxpayer subsidy.

There is a great need for additional student loan capital, particularly at the graduate school level. IDEA meets that need fairly and efficiently by relating loan repayment to the financial returns the borrower receives from his education. At the same time, the borrower is assured that he will always have enough income to meet his loan repayment obligations. Since the highest interest rate anyone will pay is still less than he would pay on a personal loan from a bank, even those students who anticipate high future incomes will not be deterred from participating in the program.

I hope all my colleagues will take a look at this program and agree that it is a good IDEA.

WHEN WILL WE EVER CONTROL SPENDING?

(Mr. MACK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MACK. Mr. Speaker, this week it was reported that the Federal deficit for the first 7 months of fiscal 1983 totaled $132 billion.

While this debt was mounting, this House passed over 25 pieces of legislation, each requiring spending above 1983 program levels. Of the 25 pieces of legislation, at least 6 began new spending programs. The two appropriation bills alone will increase spending $20.4 billion in fiscal year 1983 above the amounts already enacted. The total economic impact of this Congress action on spending will not be known for years.

The question I want to ask is: If we cannot control spending now, when we have already put this country in debt $132 billion for this fiscal year, when will we ever control spending? The answer is: When the Constitution requires a balanced budget.

SPENDING IS BECOMING A HABIT IN THE HOUSE

(Mr. BURTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON. Mr. Speaker, this house recently passed H.R. 1983 the emergency mortgage foreclosure bill. This bill authorizes $760 million in new spending for fiscal year 1983, and another $100 million in new spending for fiscal year 1984.

This is becoming a habit in the House, Mr. Speaker, and I am alarmed. Since this Congress convened in January, the House has passed a number of bills which add up to a total of almost $3 billion in new budget authority.

Since we are going to run about a $200 billion deficit this fiscal year alone, and will be facing another horrendous deficit next year, all of these new dollars are going to have to be borrowed.

Mr. Speaker, every dollar of new spending that this House has voted since January is a dollar that is going to be denied those in need. If we want to put people back to work, we must, I repeat, we must reduce this deficit.

Those in this House who yell the most about deficits and jobs should be aware of the fact that our economy will never improve so long as we continue to pile onto our deficit.

MAKING SPORT OF FORMER MEMBERS

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, I am sorry that an erroneous report in my hometown newspaper was used as an excuse by some on the other side of the aisle to make sport of one of our former Members.

It appears that at times we operate around here with a veneer of civility, suggesting that we have respect for one another. Yet, when one leaves, I guess that person becomes an object of sport and gives us a reason to question his sincerity and question his intellect.

I would just like to say that those Members who did that should realize that if Mr. Dornan had still been a Member, they could have had their words taken down.

What kind of place is this? Is this nothing more than a tunnel of winds here? Do we suggest that we have respect for one another while we are here, but as soon as we leave those that remain drop that respect and make sport of someone else? It made a good, fun thing to do this morning, laugh at somebody else. But I will tell you, it really is something in this place when people question the sincerity of others, somebody who has served in the Armed Forces, for this country, somebody who has served in this body, someone who has every belief in full participation in democracy that we do.

Who are we to suggest that our intellect is superior to someone else, that our sincerity is greater than someone else? We ought to be ashamed at our display this morning. You may have some disagreements with Mr. Dornan, but you have no right to question his motivations. You have no right to question his patriotism. You have no right to question his intellect. You have no right to question his sincerity. Ladies and gentlemen, we should be ashamed of what we did this morning.

DEFENDING THE PRESIDENT

(Mr. EDWARDS of Oklahoma asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS of Oklahoma. Mr. Speaker, I had not intended to rise on the floor this morning and I have no prepared statement, but I rise because of a statement by our colleague from Maryland (Mr. MITCHELL) about the President of the United States.

The President of the United States may be criticized for a great many policies which people on the other side of the aisle may not agree with, but the President of the United States is not a racist. The President of the United States does care for people regardless of their color.

No man in this Chamber who has watched my voting record, who has seen the number of votes I get from blacks and minorities in my district, believes I am a racist. Everybody in this Chamber knows my record when it comes to human rights. And I want to say I personally resent people taking this floor to try to disparage the President of the United States because they may disagree with his policies and claiming that because of his policies they have concluded that he does not care about America's minorities. The men the President has nominated to serve on the Commission to enforce civil rights laws in this country are all well qualified and all have long and commendable records on civil rights issues. It is wrong and unfair to attack these appointments and to conclude from them that the President is insensitive to civil rights. I resent the statements by the gentleman from Maryland.

WE SHOULD ACT TO STOP DEFICITS

(Mr. WALKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALKER. Mr. Speaker, today we are going to learn how phony all this liberal talk about budget deficits really is. It is apparent from what we are going to consider today that much of their concern obviously goes no further than the speeches on this House floor, because their actions are going to speak louder than their words.

We will have brought before us today some deferrals. We are going to disapprove some money which the President says we can save. The President is saying, "Here is money, 16 million dollars' worth, that can be saved." Congress does not want to save it; it wants to go ahead and spend it.

I was interested to look at one of the things that we want to spend some money on. Nearly a quarter of the money is in a program called appropriate technology, which is one of the great Golden Fleece Award winners of all time. That particular program has given us such things in the past as the solar dog house, the solar outhouse, the solar hot dog cooker, and the solar beeswax melter. There are things for which we will be asking America to sit still for even more deficit spending. Instead, let us stop the spending.

INADEQUATE FUNDING FOR WEST FRONT RESTORATION

(Mr. TRAXLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAXLER. Mr. Speaker, without attempting to beat a dead horse further to death, the House yesterday spoke on a matter of some interest to me and to others of this body, and I wish to assure the body that the chairman of the Legislative Subcommittee of the Committee on Appropriations will honor the wishes of the House in regards to the House's determination to reconstruct the west front rather than extend it. I am confident when we go to conference on the supplemental appropriation bill, the desires and the wishes of the House will be carefully observed and construction ultimately will begin to reconstruct the west front.

I only rise to point out to the membership that the sum of money to restore the west front that was in the amendment is not adequate. The Architect, Mr. White, is a gentleman and an expert in his field. I would not want, a year from now, when he comes back for a supplemental sum, to be criticized. I would not want anyone suggesting that what he has done would be improper or that he was not properly supervising the plans or construction.

The sum of money in the House adopted Roybal amendment is not adequate to do the restoration. The restoration, I assure my colleagues,

will go forward. We will be asked later, several years from now, to appropriate more funds. Be aware and know that it will be an absolute certainty because the sum that was offered in the Roybal amendment cannot, under any circumstances, do the job.

ODE TO OUR COUNTRY

(Mr. DANIEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANIEL. Mr. Speaker, since we will not be in session on Memorial Day, let me take advantage of this opportunity to pay tribute to those who died that our flag might continue to float free under God by reciting this ode (author unknown):

They did give that you might live, our country,
Their lives in the air when the need was there,
Their bodies to the sea when that had to be,
Their sweat and toil, their blood to the soil,
Before they would yield a rock, a pebble or a field of this, our country,
Blood, sinew and bone, all they had, all they did own,
They did give that you might live, our country.

Those who have died for our country can fail only to the extent that we the living fail them. They gave their all and we can do no less than to give our best.

WITHHOLD CONTRIBUTIONS TO DNC

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, this weekend the Democratic National Committee will be holding a telethon. I would hope that those Democrats across the country who disagree with the Democratic participation in the MX missile decision and with the participation of many members of the Democratic leadership in the House of Representatives will use this opportunity to tell the operators who will be taking calls from the public to withhold their contributions to the Democratic National Committee and to voice their opposition to the policy and the participation by members of the Democratic leadership in this House, and members of the Democratic Party in the decision to deploy the MX missile.

I would hope this opportunity would be used by all of those who are concerned about arms control, real arms control, who are concerned about the nuclear buildup that is raging in the world today, and would take this opportunity to tell that to the Democratic Party; that this is a policy that they cannot be complacent in; that they cannot participate in these decisions to increase the number of nuclear warheads, and to withhold their contributions and to tell this to those people who will be receiving calls this weekend on behalf of the Democratic National Committee.

CONGRATULATIONS TO THE PRESIDENT AND UNFAIR TIP REPORTING REQUIREMENTS

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, I wish to address the House on two subjects this morning.

The first is to congratulate the President, for appointing Linda Chavez Gersten as Executive Director of the U.S. Civil Rights Commission. She is a hispanic, a New Mexcian, and has strong civil rights credentials. She worked for Congressman DON EDWARDS and his House Judiciary Subcommittee, and she has been a member of numerous Hispanic organizations such as the National Council for La Raza.

Presently, she holds a high position with the American Teachers Federation, an outstanding organization that has stood behind many causes on behalf of the working people of this country.

I rarely commend the President, especially on civil rights issues. This appointment, however, is a good one and deserves widespread support.

Mr. Speaker, last year Congress enacted the Tax Equity and Fiscal Responsibility Act (TEFRA) to help close the staggering revenue gap created in large part by the irresponsible tax and spending policies of the Reagan administration. Although the new law closed some business tax loopholes and credits, it also imposed new regressive excise taxes and reporting requirements on middle America.

One of the more onerous provisions of TEFRA is the new tip reporting requirement for restaurant employees. If employees do not report tips to their employer equaling 8 percent of the establishments gross receipts, then the remainder is allocated to the employees, and is reported to the IRS.

This new requirement assumes income and taxes income that may have never been received. To impose a tax on income that was never received is a repudiation of our whole tax system.

Furthermore, the reporting requirement does not take regional differences into account. Tips obviously vary from region to region; from New York City to the small rural towns in my district in New Mexico. On several occasions waiters and waitresses have expressed to me the hardships the new requirement will impose upon them.

Therefore, I have cosponsored legislation to repeal this provision and I have cosigned a letter to House Ways and Means Committee Chairman DAN ROSTENKOWSKI urging him to set aside time for hearings on this issue.

Mr. Speaker, before we go after these hard working and relatively underpaid employees, we should look to collect taxes from those most able to pay. After all, our tax system is based on the progressive principles of equity and the ability to pay.

□ 1100

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2420

Mr. HARKIN. Mr. Speaker, my name was inadvertently added as a cosponsor of H.R. 2420, and I ask unanimous consent to remove my name as a cosponsor of H.R. 2420.

The SPEAKER pro tempore (Mr. BENNETT). Is there objection to the request of the gentleman from Iowa?

There was no objection.

EXPRESSION OF APPRECIATION FOR SERVICES OF EX-CONGRESSMAN DORNAN

(Mr. WOLF asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, this statement that I am about to make, I might say, is not meant as criticism of anybody, but I wanted to say something on this subject.

When I first ran for Congress, one of the Members who came out and helped me was Bob Dornan. I was a particular fan of Bob's, and for one particular reason: He did more to help the POW cause then probably any other Member of Congress.

The fact is—and I may have my facts wrong—that Chairman SOLARZ appointed Bob Dornan as chairman of the Committee for Human Rights.

I think that we have to be careful on this floor before we attack people. I have noticed in the last couple of months that these 1-minute speeches, perhaps on both sides of the aisle, have been used more to attack than they have to put out positive ideas. Every time we attack somebody we have to remember that generally that person has a spouse, children, a mother and father, and friends, and I would hope that we would use these 1-minute speeches to disagree but not be disagreeable.

Mr. Speaker, I want to take my hat off to Bob Dornan for the job he did in Congress on behalf of all the POW's. A number of the families involved who live in my congressional district have told me about the job that Bob Dornan did. We respect him

for that, and I appreciate his service in this Congress.

APPROVING THE OBLIGATION AND EXPENDITURE OF FUNDS FOR MX MISSILE PROCUREMENT AND FULL-SCALE ENGINEERING DEVELOPMENT OF A BASING MODE

The SPEAKER pro tempore. Pursuant to clause 5, rule I, the unfinished business is the question of the adoption of the Senate concurrent resolution (S. Con. 26) on which further proceedings were postponed on Wednesday, May 25, 1983.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore. The question is on the Senate concurrent resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CARNEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 223, nays 167, not voting 42, as follows:

[Roll No. 141]

YEAS—223

Anderson	Edwards (OK)	Lent
Andrews (TX)	Emerson	Levitas
Applegate	English	Lewis (CA)
Archer	Erdreich	Lewis (FL)
Aspin	Fazio	Lipinski
Badham	Fiedler	Livingston
Barnard	Fields	Lloyd
Bartlett	Foley	Loeffler
Bateman	Franklin	Long (LA)
Bethune	Frenzel	Lott
Bevill	Frost	Lowery (CA)
Bilirakis	Fuqua	Lujan
Bliley	Gekas	Lungren
Boehlert	Gephardt	Mack
Boggs	Gilman	Madigan
Boner	Gingrich	Marlenee
Breaux	Glickman	Martin (IL)
Britt	Gore	Martin (NC)
Broomfield	Gramm	Martin (NY)
Brown (CO)	Gregg	McCain
Broyhill	Gunderson	McCandless
Burton	Hall, Ralph	McCollum
Byron	Hall, Sam	McCurdy
Campbell	Hamilton	McDade
Carney	Hammerschmidt	McDonald
Chandler	Hansen (ID)	McEwen
Chappell	Hansen (UT)	McGrath
Chappie	Hartnett	McKernan
Cheney	Hatcher	Mica
Clinger	Hefner	Michel
Coats	Hightower	Miller (OH)
Coleman (MO)	Hiler	Molinari
Coleman (TX)	Hillis	Mollohan
Conable	Holt	Montgomery
Cooper	Hopkins	Moore
Corcoran	Horton	Morrison (WA)
Coughlin	Hoyer	Murtha
Courter	Huckaby	Myers
Crane, Philip	Hunter	Neal
Daniel	Hutto	Nelson
Dannemeyer	Hyde	Nichols
Daub	Ireland	Nielson
Davis	Jones (NC)	O'Brien
de la Garza	Jones (OK)	Olin
Derrick	Jones (TN)	Ortiz
DeWine	Kasich	Oxley
Dickinson	Kazen	Packard
Dicks	Kemp	Parris
Dowdy	Kindness	Pashayan
Dreier	Kramer	Patman
Duncan	Lagomarsino	Pepper
Dymally	Latta	Porter
Edwards (AL)	Leath	Price
Pritchard	Siljander	Volkmer
Pursell	Skeen	Vucanovich
Quillen	Skelton	Walker
Ray	Smith, Denny	Watkins
Regula	Snowe	Weber
Reid	Snyder	Whitehurst
Rinaldo	Solomon	Whitley
Ritter	Spence	Whittaker
Roberts	Spratt	Williams (OH)
Robinson	Staggers	Wilson
Roemer	Stangeland	Winn
Rogers	Stenholm	Wolf
Roth	Stratton	Wortley
Roukema	Stump	Wright
Rowland	Sundquist	Wylie
Rudd	Tallon	Yatron
Schaefer	Tauzin	Young (AK)
Schulze	Taylor	Young (FL)
Sensenbrenner	Thomas (CA)	Zablocki
Shaw	Thomas (GA)	Zschau
Shelby	Valentine	
Shumway	Vandergriff	

NAYS—167

Ackerman	Gibbons	Obey
Addabbo	Gonzalez	Ottinger
Albosta	Goodling	Owens
Annunzio	Gradison	Panetta
Anthony	Green	Patterson
AuCoin	Guarini	Paul
Barnes	Hall (IN)	Pease
Bates	Hall (OH)	Penny
Bedell	Harkin	Perkins
Beilenson	Harrison	Petri
Bennett	Hawkins	Rahall
Bereuter	Hertel	Ratchford
Berman	Howard	Richardson
Boland	Hughes	Ridge
Bonior	Jacobs	Rodino
Bonker	Jeffords	Roe
Bosco	Johnson	Rostenkowski
Boucher	Kaptur	Roybal
Boxer	Kennelly	Sabo
Brooks	Kildee	Savage
Brown (CA)	Kogovsek	Scheuer
Bryant	LaFalce	Schneider
Carper	Lantos	Schroeder
Carr	Leach	Schumer
Clarke	Lehman (CA)	Seiberling
Clay	Lehman (FL)	Shannon
Coelho	Leland	Sharp
Collins	Levin	Sikorski
Conte	Levine	Sisisky
D'Amours	Long (MD)	Slattery
Daschle	Lowry (WA)	Smith (FL)
Dellums	Luken	Smith (IA)
Dingell	Lundine	Smith (NE)
Dixon	MacKay	Smith (NJ)
Donnelly	Markey	St Germain
Dorgan	Matsui	Stark
Downey	Mavroules	Stokes
Durbin	Mazzoli	Studds
Dwyer	McCloskey	Swift
Dyson	McHugh	Synar
Early	McKinney	Tauke
Eckart	McNulty	Torres
Edwards (CA)	Mikulski	Torricelli
Evans (IA)	Miller (CA)	Towns
Evans (IL)	Mineta	Traxler
Fascell	Minish	Udall
Ferraro	Mitchell	Vento
Florio	Moakley	Walgren
Ford (MI)	Moody	Wheat
Ford (TN)	Morrison (CT)	Wirth
Forsythe	Mrazek	Wise
Fowler	Murphy	Wolpe
Frank	Natcher	Wyden
Garcia	Nowak	Yates
Gaydos	Oakar	Young (MO)
Gejdenson	Oberstar	

NOT VOTING—42

Akaka	Flippo	Rangel
Alexander	Foglietta	Rose
Andrews (NC)	Gray	Russo
Biaggi	Hance	Sawyer
Borski	Heftel	Shuster
Conyers	Hubbard	Simon
Coyne	Jenkins	Smith, Robert
Craig	Kastenmeier	Solarz
Crane, Daniel	Kolter	Vander Jagt
Crockett	Kostmayer	Waxman
Edgar	Marriott	Weaver
Erlenborn	Martinez	Weiss
Feighan	Moorhead	Whitten
Fish	Pickle	Williams (MT)

□ 1115

The Clerk announced the following pairs:

On this vote:

Mr. Pickle for, with Mr. Akaka against.

Mr. Vander Jagt for, with Mr. Williams of Montana against.

Mr. Erlenborn for, with Mr. Borski against.

Mr. Daniel B. Crane for, with Mr. Rangel against.

Mr. Sawyer for, with Mr. Crockett against.

Mr. Marriott for, with Mr. Waxman against.

Mr. Shuster for, with Mr. Kastenmeier against.

Mr. Craig for, with Mr. Biaggi against.

Mr. Fish for, with Mr. Kostmayer against.

Mr. Robert F. Smith for, with Mr. Russo against.

Mr. PANETTA changed his vote from "yea" to "nay."

So the Senate concurrent resolution was concurred in.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

The SPEAKER pro tempore. The Chair lays before the House the following message from the Senate.

The Clerk read as follows:

S. CON. RES. 41

Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Thursday, May 26, 1983, or Friday, May 27, 1983, pursuant to a motion made by the majority leader in accordance with this resolution, it stand adjourned until 12 noon on Monday, June 6, 1983, and that when the House adjourns on Thursday, May 26, 1983, it stand adjourned until 12 noon on Wednesday, June 1, 1983.

The SPEAKER pro tempore. The question is on the Senate concurrent resolution.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

PERMISSION TO CONSIDER IN THE HOUSE RESOLUTIONS DISAPPROVING DEFERRAL OF CERTAIN BUDGET AUTHORITY

Mr. YATES. Mr. Speaker, I ask unanimous consent that House Resolutions 177, 178, and 181, disapproving the deferral of certain budget authority, each be considered in the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

DISAPPROVING ENERGY CONSERVATION DEFERRAL

Mr. YATES. Mr. Speaker, I call up the resolution (H. Res. 177) to disapprove the energy conservation deferral, and ask for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. Res. 177

Resolved, That the House of Representatives hereby disapproves the proposed deferral of budget authority in the amount of $4,500,000 for energy conservation, Department of Energy, to delay or terminate the national appropriate technology assistance service and consumer technology (deferral numbered D83-74), as transmitted by the President to the Congress on April 21, 1983, under section 1013 of the Impoundment Control Act of 1974.

The SPEAKER pro tempore. The gentleman from Illinois (Mr. YATES) is recognized for 1 hour.

Mr. YATES. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. REGULA), for the purpose of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, the Committee on Appropriations brings to the House House Resolution 177, a resolution disapproving the deferral of budget authority for certain energy conservation programs.

The deferred amount is $4,500,000 and covers two separate conservation programs. The consumer product technology deferral is $3,000,000. The particular program is directed at increasing the efficiency of heat pumps, lighting systems, and combustion systems. Significant advancements in any of these areas offer the potential for reductions in energy consumption that will far outweigh the cost of development.

The second program covered by this resolution disapproving deferral of budget authority is the National Appropriate Technology Assistance Service. The deferred amount is $1,500,000. Over the last several years the Government has made an investment of more than $30,000,000 in appropriate technology. The National Appropriate Technology Assistance Service is designed to disseminate the information gained from the previous experiences to a wide audience.

Mr. Speaker, energy conservation continues to offer the best opportunity for progress in the short term for saving energy. I urge that the resolution disapproving the deferral of budget authority be approved.

Mr. REGULA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we in the minority on the Interior Subcommittee on the Committee on Appropriations agree with the position just stated by the chairman.

I recognize that historically there have been some real turkeys in this program. My colleague, the gentleman from Pennsylvania (Mr. WALKER), will be pleased to enlighten us on those. However, let me point out that the one the gentleman is referring to such as solar doghouses, and so forth, are projects that were funded about 4 years ago under a prior administration.

Under the present program and under the program that is at issue today, there are no grants. This is basically a system, to stimulate energy conservation; $4.5 million, is not a lot when you talk about the potential benefits of energy conservation. It is a system that will provide technical assistance to small inventors as they develop new technologies.

I would dare say that every Member of this House has had an individual at some time or another call him at home or in Washington and say, "I am working on a great idea to save energy. Where can I get some technical advice?" With this program that we funded in our 1983 appropriation and the administration is proposing to defer, we provide that opportunity for advice to the small inventor.

I think the value of energy conservation is clearly illustrated in what has happened to imports of oil from the Middle East. Our imports have dropped dramatically and much of this has resulted from conservation of petroleum in this Nation.

It illustrates how changing technology, whether it be in automobiles, home heating, or whatever, has enabled us to reduce the outflow of our wealth for petroleum. It has enabled those who are faced with expensive heating bills to achieve lower heating costs through heat pumps and other types of technology.

I think for the amount of money involved, $4.5 million, we have a worthwhile program here of helping that small inventor who may have an idea, such as the heat pump of the future, that will be very beneficial in terms of energy conservation.

I urge the Members to support the committee position on this and reject the deferral.

Mr. CONTE. Mr. Speaker, we have before us three resolutions presented by the Interior Subcommittee under the able leadership of Mr. YATES. These resolutions, if enacted, will disapprove the administration's proposed deferral of budget authority for activities which the Congress intended to receive funds this fiscal year. The administration has provided its justifications for this action, however, my distinguished colleagues on the Interior Subcommittee have found these justifications to be insufficient reason to delay the obligation of budget authority this fiscal year.

Two of the deferrals are within the Department of Energy. One, $8,750,000 for fossil energy research and development, and, the other, $4,500,000 for energy-efficient consumer products research and development and technology information dissemination service through the National Appropriate Technology Assistance Service (NATAS).

The administration's motive in both these cases is that the activities return to the private sector where feasible. We can appreciate this motive and support it, however, we should not abandon our responsibilities on the hope or belief that the private sector will assume them.

The third proposed deferral is within the Department of the Interior's administration of territories; $10,000,000 was appropriated for the first phase of construction of a hospital in the Northern Marianna Islands. The administration proposes to defer $3,188,000 of this amount to the last quarter of the fiscal year. Government financed construction obligations are customarily up front and not piecemeal so as to avoid construction delays and increased costs.

I urge your support of these three resolutions disapproving deferrals of budget authority for the reasons I have mentioned and those given by Mr. YATES after the able consideration by the subcommittee he chairs.

Mr. REGULA. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania (Mr. WALKER).

Mr. WALKER. Mr. Speaker, I thank the gentleman very much for yielding.

I would say to my colleagues that the issue here is deficits and spending. This deferral, sent by the administration, is really language saying, "Here is money that we don't think we have to spend. Here is money that can be saved for the taxpayer," and they have sent the deferral to Capitol Hill.

Now, if we disapprove that deferral, what we are doing is we are adding on to the deficit. If you are going to add on to the deficit, it seems to me it should be for worthwhile efforts.

I highly question whether or not this is the program that Members ought to be adding money back into deficit spending for.

We have the National Appropriate Technology Assistance Service. What this is is an attempt to keep alive a program which in the past, as my colleague has pointed out, gave us the Golden Fleece winner of the solar power doghouse.

I would also point out to my colleagues that it gave us some other very notable Golden Fleece winners, including the solar outhouse, the solar beeswax melter, and the solar hot dog cooker.

Now, the question is whether or not the American people think that when we are adding on to the deficit, whether those are areas where we ought to be adding in the money.

I just feel that here is a chance to say whether you are for deficits or against them. Here is a place where the administration says we do not have to spend the money; so therefore, it seems to me that we should not spend the money.

Let us vote no on disapproval and let us go ahead and allow the administra-

tion to save the country a little bit of money. Sure, it is $4.5 million. Around here that is considered a little bit of money.

□ 1130

Out in my district that is considered a lot of money.

I think if we are going to begin the savings in this body and begin to do something about the deficit, here is a good place to start.

I yield back the balance of my time and appreciate the gentleman yielding.

Mr. YATES. Mr. Speaker, I yield myself 1 minute.

I do not think there is a grant program we have ever had that does not have some kind of bizzare example of where grants have been given, grants that upon reflection might not have received such approval.

But during the days of energy shortages, during the last administration, at a time when there was so much emphasis on using the power of the Sun, of solar energy, of using the power of the wind, there were grants that were made with the thought that perhaps there were opportunities to channel some of the energy from the Sun into pedestrian purposes such as my friend from Pennsylvania's solar doghouse.

That did get a Golden Fleece Award from Senator PROXMIRE, but Senator PROXMIRE is not the judge of so many of these things.

I think this has been a beneficial program. As was pointed out so ably by the gentleman from Ohio, the conservation programs that this country has had over the past few years have reduced our energy output, have reduced the demands for oil from other countries of the world. The criticism advanced by my friend from Pennsylvania (Mr. WALKER) is not properly addressed to the entire $4.5 million but, really, the $1.5 million which is the amount made available for the national appropriate technology program. I think it is a good program.

Mr. Speaker, I have no more requests for time and I suggest that we have a vote.

Mr. REGULA. Mr. Speaker, I yield myself 1 additional minute.

I just want to make it clear to the Members that what the committee would like is a yes vote, yes vote to support the continued conservation program, continue the support for technological help to the small inventors, to those that are trying to develop technology for the future.

I think it is important that we go forward now with these programs when we are not in a crisis state. So many times Government reacts only in an era of crisis. When we are not being pressed as hard as we were in the past years, it gives us time to use these dollars more carefully and not attempt to solve each problem by throwing money at it.

This is a responsible approach to developing conservation and I urge all of my colleagues to vote yes on the issue before us.

Mr. YATES. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5(b) of rule I, the Chair announces that he will postpone further proceedings on this matter until after all the deferral resolutions have been considered.

The point of order of no quorum is considered withdrawn.

DISAPPROVING FOSSIL ENERGY RESEARCH AND DEVELOPMENT DEFERRAL

Mr. YATES. Mr. Speaker, I call up the resolution (H. Res. 178) to disapprove the fossil energy research and development deferral, and ask for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. RES. 178

Resolved, That the House of Representatives hereby disapproves the proposed deferral of budget authority in the amount of $8,750,000 for fossil energy research and development, Department of Energy, to terminate research projects during fiscal year 1983 (deferral numbered D83-73), as transmitted by the President to the Congress on April 21, 1983, under section 1013 of the Impoundment Control Act of 1974.

The SPEAKER pro tempore. The gentleman from Illinois (Mr. YATES) is recognized for 1 hour.

Mr. YATES. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. REGULA), pending which I yield myself such time as I may utilize.

Mr. Speaker, the Committee on Appropriations brings to the House, House Resolution 178, a resolution disapproving the deferral of budget authority for certain fossil energy research and development programs.

The deferred amount is $8,750,000 and covers five separate fossil energy programs: Magnetohydrodynamics, gasifier systems, unconventional gas recovery, coal-fired closed cycle gas turbine cogeneration and peat gasification.

The Congress has faced the continuation of the magnetohydrodynamics program on three different occasions in the last 2 years and now faces it again. House Resolution 178 overturns the deferral and once again confirms the Congress resolve to continue the MHD program.

A recent study of MHD states:

It is recognized that a major investment will be necessary to bring the technology to a state of commerical readiness. However, because high temperature MHD power generation plants offer the highest theoretical efficiency of all known fossil energy thermal conversion systems, the probable cost of the technology development program is small in comparison to the potential payoff.

I think an MHD program should be continued.

The other fossil energy programs involved in the deferral will enhance the Nation's energy capability, particularly as it relates to our coal resources. Improved gasification systems will offer better efficiency, lower emissions and versatility in the use of coal.

Mr. Speaker, I urge that House Resolution 178 disapproving the deferral of budget authority be disapproved.

Mr. REGULA. Mr. Speaker, I yield myself such time as I may consume.

The chairman has outlined this very adequately.

This issue has bipartisan support in the subcommittee and I think fundamentally what we are talking about is energy independence. We have to make a decision as a national policy: Do we want to continue developing our own resources, be it gas from revonias shale, be it MHD, be it fluidized beds, be it technologies that will allow us to burn high sulfur coal in the United States, and that will produce electricity from our sources.

While today there is a surplus of petroleum energy, in the world, this could change very rapidly. Many of the experts say we are in a very short interlude of energy surplus.

As I mentioned earlier, it is vitally important that the United States move forward with continued research on alternative sources of energy so that we as a Nation will have energy independence, so we will not be subject to blackmail in the world marketplace as the economy recovers and as needs for energy grow.

We are building today not for next year or next week or even the next couple of years. What we are doing is building a technology and the knowledge that we need for the decades ahead so that the United States will continue to be a strong economy based on adequate energy and based on energy independence.

Again, I urge my colleagues to vote yes in support of this resolution.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. REGULA. I yield to the gentleman,

Mr. YATES. The coal reserves of the United States have been compared with the oil reserves of Saudi Arabia and the other Arab States. These programs will permit more efficient use of

coal in a more environmentally benign fashion, and that is why the committee believes we should go forward.

I agree with the gentleman.

Mr. REGULA. I thank the gentleman for his contribution. I would just add one thing. That is that what we are really talking about is a cost effectiveness.

While the opponents are saying we should not spend the money now, now is the time to spend the money. It is a modest amount. We can do it in a cost-effective manner when we are not under pressure because of an energy crisis.

It seems to me that the orderly, rational way to address the need for alternative sources of energy and for energy independence as a nation is to go at it with a slow but steady development of the technology we need.

Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. LUNGREN).

Mr. LUNGREN. I thank the gentleman for yielding. I will just inform my colleagues that I intend to ask for a vote on this for a number of reasons.

One is I think the way we have been operating in this House in the last week is not a very good reflection of this institution. We had, of course, a number of Suspension Calendar bills earlier this week. We then, under the rules we have adopted in this House for the last couple of Congresses, made sure that the debate took place on a different day than the vote took place.

People come in here and they do not know what they are voting on and a lot of things get through this place without much consideration whatsoever.

Now we have deferrals coming up virtually at the last minute as a number of Members are waiting breathlessly to step on airplanes to go on the different conferences around the country and around the world, for very good reasons, but, nonetheless, they have been delayed.

We happen to have a very short period of time to even discuss this.

Third, we hear every day in the well the series of 1 minutes from the other side of the aisle condemning the Reagan deficits. These are the Reagan deficits. This President spends more than any President ever has. He has gotten more deficits than any President ever has had.

□ 1140

He has outstripped President Carter in a short period of time. Then when he sends us some deferrals, not across-the-board slashes, but specific deferrals on specific programs that in his judgment and in the judgment of the Energy Department which is charged with the responsibility of carrying out these actions, what do we do? We reject them. We reject them because they say "Well, this is only $8 million and we are all for energy and if you vote against this, you are against energy."

If you look at this very carefully, the administration is suggesting in several instances that we do not need to spend the money because it is in excess of what is necessary for them to carry out the program. They talk about $4.5 million being deferred because in their judgment these funds are in excess of that required to carry out planned program requirements in the areas of peat research, fluidized-bed coal gasification and unconventional gas recovery from eastern gas shales.

They are not canceling the programs. They are saying "We do not need this extra money." Then they go on to another program: $1.25 million is deferred to avoid initiation of a coal fired combined cycle gas turbine coal generation facility which has already been demonstrated.

Now the committee says it has not been demonstrated at that precise temperature.

Well, the administration suggested it is not necessary to do so. When are we going to stop complaining that the administration is spending too much money and then suggest, when they come over here with a very carefully worded example of where we do not have to spend money in this particular budget year, and allow them to go through? We cannot have it both ways. We cannot continually condemn them for allowing these bills to pile up and up and up and at the same time, when they give us deferments of reasonable, modest, almost significant amounts, as we have heard from those who support this position, then we reject them.

It seems to me we ought to do that and I would suggest we have a no vote on this.

Mr. YATES. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I recognize the cogency of the argument of the gentleman from California but I would respectfully point out to him that our committee considered not only these deferrals, we considered a much larger number of deferrals, and our committee took no action with respect to $44 million in deferrals; that the few that we did take were based upon programs that the committee considers to be of vital importance in connection with trying to achieve greater efficiency in the utilization of the Nation's most significant energy resource.

It is for that reason that we brought these to the House.

Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut (Mr. RATCHFORD).

Mr. RATCHFORD. Mr. Speaker and Members what we are talking about this morning is a whole question of energy policy, energy independence, energy alternatives.

Disapproval critically relates to that fact. I am among those concerned because currently OPEC does not have its act together, that we in America, beginning with Congress and the administration, feel that we do not need an energy policy.

Nothing could be further from the truth.

Now is the time to pull together a policy, now is the time to build a foundation for independence and now is the time to offer alternatives.

The main alternative offered in this resolution relates to one of the largest resources, that is the resource known as coal.

The whole question of coal gasification, the whole question of what we are going to do to provide a means for clean and, in addition to that, environmentally sound burning of coal is contained in this resolution.

So while OPEC is in disarray, now is a unique opportunity for us to pull together and there is no better way than an expression, through this resolution which says "OPEC, some day we hope America will be energy independent enough not to be concerned about you," and this is one small step toward that end.

Mr. Speaker, I urge support of the resolution.

Mr. REGULA. Mr. Speaker, I yield myself such time as I may consume.

I would point out one further thing: We just finished a vote to insure the military security of this Nation. Equally important to the security of the United States is energy independence.

I think if we are going to go forward on research of items important to our military security, we also should go forward on research with respect to items important to our energy independence.

● Mr. BOUCHER. Mr. Speaker, today we will vote on a measure to disapprove the administration's proposed deferral of $8.75 million in fossil energy research and development programs. I urge my colleagues to join me in supporting House Resolution 178, sending a clear message to the President that we can no longer defer investments in our Nation's energy future.

Mr. Speaker, I believe that investments in new coal technologies are urgently needed to enable America to achieve energy independence in the years ahead and to restore the economy of coal-producing areas in southwest Virginia, where unemployment now ranges from 20 to 36 percent. This is one area in which modest expenditures will reap enormous economic returns in the future.

Fossil fuels, which now provide over 90 percent of the U.S. energy supply, are expected to supply the majority of

the Nation's energy needs well into the next century. Expanded use of our domestic stores of coal, natural gas, and oil will not only help to free us from our dangerous dependence to foreign oil but also provide a much needed source of employment to thousands of idled workers. A strong fossil energy research and development program is crucial to our success on both of these fronts.

The administration, however, seems to ignore the rich resources we have at hand, the staggering unemployment levels in our coal-producing areas, and our unhealthy energy vulnerability. The President's request for the fiscal year 1984 Department of Energy funding in fossil energy, for example, represented a 56-percent reduction from the fiscal year 1983 appropriated level. I believe that this request demonstrated a disturbing insensitivity to our Nation's problems, and I was pleased to join my colleagues on the Committee on Science and Technology and in the full House in rejecting those unwise and shortsighted cuts.

Now we are presented with a request for deferral of funds already appropriated for fossil energy research. This deferral would result in the curtailment of technology development programs which hold promise for expanding significantly our use of U.S. coal reserves.

The health of the fossil energy industry and the well-being of the entire Nation are dependent upon today's commitment to a continuing flow of improvements and innovations in the production and the utilization of our U.S. energy resources. I urge my colleagues to help assure that the progress we are making in coal research is not disrupted by the President's proposed deferral.●

Mr. REGULA. Mr. Speaker, I yield back the balance of my time.

Mr. YATES. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LUNGREN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5(b) of rule I, the Chair announces that he will postpone further proceedings on this matter until after all the deferral resolutions have been considered.

DISAPPROVING ADMINISTRATION OF TERRITORIES DEFERRAL

Mr. YATES. Mr. Speaker, I call up the resolution (H. Res. 181) to disapprove the administration of territories deferral, and ask for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. RES. 181

Resolved, That the House of Representatives hereby disapproves the proposed deferral of budget authority in the amount of $3,188,000 for Administration of Territories, Department of the Interior, for construction of the Northern Mariana Islands hospital (deferral numbered D83-55), as transmitted by the President to the Congress on February 1, 1983, under section 1013 of the Impoundment Control Act of 1974.

The SPEAKER pro tempore. The gentleman from Illinois (Mr. YATES) is recognized for 1 hour.

Mr. YATES. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Ohio (Mr. REGULA), pending which I yield myself such time as I may utilize.

Mr. Speaker, House Resolution 181 disapproves the deferral of budget authority related to the construction of the hospital in the Northern Marianas.

The funds proposed for deferral, $3,188,000, would be made available in the fourth quarter of this fiscal year for the inflation adjustment for the Northern Marianas which is required by Public Law 94-241.

The Congress provided $10 million in the 1983 Interior Appropriations Act for the first-phase construction of a new hospital in the Northern Marianas.

The hospital is very much needed. Everybody has conceded that.

A construction contract is ready to be signed. The $10 million appropriated in fiscal year 1983 can be obligated in this fiscal year and is needed to allow the construction to proceed without unnecessary interruptions and delays.

I want to point out to my friend from Pennsylvania (Mr. WALKER) what the results of this deferral would be in the construction of this hospital.

Reducing the obligations this fiscal year by the amount proposed would result in a minimum estimated increase in the total project cost of at least $500,000 because they are ready to go forward with construction and the deferral would delay it. It is estimated that the additional construction cost would be at least $500,000.

The Appropriations Committee has included the required inflation adjustment of $3,188,000 in the 1983 supplemental. Therefore, there is no need to defer the obligation of funds for the hospital and delay this very necessary project.

Mr. Speaker, I urge a vote to overturn the proposed deferral.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I will not take much time. I think the chairman has outlined this very clearly. It is a contractual obligation we have and to defer this matter would simply put off the inevitable. The money has to be paid. We have an obligation under the covenant by which we govern the trust territories including the Marianas.

If we fail to provide this money now, it is estimated that it will result in an additional cost of $500,000.

I urge my colleagues to vote "yes" on the resolution.

Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. DANNEMEYER).

Mr. DANNEMEYER. I thank my colleague from Ohio for yielding me this time.

Mr. Speaker, I am trying to recollect how many opportunities we in the House have to consider deferrals on the floor of the House in any 1 year. I may be wrong but I do not think it is more than a dozen times.

The amount of money involved here is not all that great, $3,188,000; but the language from the administration reads as follows:

The message from the President transmitting the proposed deferral indicated that not all of the new budget authority provided in fiscal year 1983 for construction would be needed in the current year. The Administration proposed to make the deferral funds available during the fourth quarter of fiscal year 1983 for the annual guaranteed inflation adjustment of the Northern Marianas Covenant grant, as required in Public Law 94-241, thereby eliminating the need for supplemental appropriations.

□ 1150

Mr. Speaker, I suppose we are seeing here the beginning of the benefit of a slowdown of the rate of inflation in this country, if I understand what the President is recommending, and they are saying they do not need this $3.188 million. And we can, by our vote, say today whether we want to save—not the taxpayers, the taxpayers are not going to pay this—our great grandchildren or our great great grandchildren the privilege of repaying the debt for those of us living today who elect to say that we are going to spend and consume and transfer to another generation the duty to pay for what we have consumed today.

I just do not choose to go down that road yet another time.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from Illinois.

Mr. YATES. I thank the gentleman for yielding.

Mr. Speaker, I think the gentleman may be suffering from a misapprehension in the allocation of the funds.

The inflation amount which is required by law has been proposed by the administration to be paid from the funds that are needed for the hospital. That is the reason for the deferral. The inflation adjustment is going to have to be paid anyway. If this deferral is approved, it is going to cost the taxpayers an additional $500,000 for the hospital.

For that reason, I suggest that the administration in this instance is totally wrong.

Mr. DANNEMEYER. I respect the comments of my colleague and I cannot conclude necessarily that the recommendations of the administration are devoid of substance. And I will give the benefit of the doubt to them.

I hope we in the House will evidence by our votes that we want to save the people who will have to pay this debt, $3.188 million.

Mr. REGULA. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. GEKAS).

Mr. GEKAS. Mr. Speaker, I have reviewed the three deferrals requested here and I am constrained to support this latter one only because it contains what I consider to be contract provisions that must be adhered to.

The others, the ones that have already been debated, are a far different animal and to add unnecessarily to the deficits of which we are all so scared.

Mr. REGULA. Mr. Speaker, I yield back the balance of my time.

Mr. YATES. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. MINISH). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DANNEMEYER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5(b), rule I, and the Chair's prior announcement, further proceedings on this vote will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on all the deferral resolutions.

Pursuant to clause 5(b) of rule I, the Chair will now put the question on each resolution on which further proceedings were postponed in the order in which that resolution was considered.

Votes will be taken in the following order:

House Resolution 177, de novo, and House Resolutions 178 and 181, by the yeas and nays,

The Chair will reduce to 5 minutes the time for any electronic votes after the first such vote in this series.

DISAPPROVING ENERGY CONSERVATION DEFERRAL

The SPEAKER pro tempore. The pending business is the question of agreeing to the resolution, House Resolution 177.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 280, nays 107, not voting 45, as follows:

[Roll No. 142]

YEAS—280

Ackerman	Dicks	Hertel
Addabbo	Dingell	Hightower
Albosta	Dixon	Hopkins
Anderson	Donnelly	Horton
Andrews (TX)	Dorgan	Howard
Annunzio	Dowdy	Hoyer
Anthony	Downey	Huckaby
Applegate	Durbin	Hughes
Aspin	Dwyer	Hutto
AuCoin	Dymally	Ireland
Barnes	Dyson	Jacobs
Bates	Early	Jeffords
Bedell	Eckart	Johnson
Bellenson	Edwards (AL)	Jones (NC)
Bennett	Edwards (CA)	Jones (TN)
Bereuter	Edwards (OK)	Kaptur
Berman	English	Kazen
Bevill	Erdreich	Kennelly
Boehlert	Evans (IL)	Kildee
Boggs	Fascell	Kogovsek
Boland	Fazio	LaFalce
Boner	Feighan	Lantos
Bonior	Ferraro	Lehman (CA)
Bonker	Florio	Lehman (FL)
Bosco	Foley	Leland
Boucher	Ford (MI)	Lent
Boxer	Ford (TN)	Levin
Britt	Fowler	Levine
Brooks	Frank	Levitas
Broomfield	Frost	Lipinski
Brown (CA)	Fuqua	Livingston
Bryant	Gaydos	Lloyd
Carper	Gejdenson	Long (LA)
Carr	Gephardt	Long (MD)
Chandler	Gilman	Lowry (WA)
Chappell	Glickman	Luken
Clarke	Gonzalez	Lundine
Clay	Goodling	MacKay
Clinger	Gore	Madigan
Coelho	Gradison	Markey
Coleman (MO)	Green	Martin (IL)
Coleman (TX)	Guarini	Matsui
Collins	Gunderson	Mavroules
Conte	Hall (IN)	Mazzoli
Cooper	Hall (OH)	McCloskey
Coughlin	Hall, Ralph	McCurdy
Courter	Hall, Sam	McDade
D'Amours	Hamilton	McHugh
Daniel	Hammerschmidt	McKernan
Daschle	Harkin	McKinney
Davis	Harrison	McNulty
de la Garza	Hatcher	Mica
Dellums	Hawkins	Michel
Derrick	Hefner	Mikulski
Miller (CA)	Rahall	Stokes
Mineta	Ratchford	Stratton
Minish	Regula	Studds
Mitchell	Richardson	Sundquist
Moakley	Ridge	Swift
Molinari	Rinaldo	Synar
Mollohan	Robinson	Tallon
Montgomery	Rodino	Tauke
Moody	Roe	Thomas (GA)
Morrison (CT)	Rose	Torres
Morrison (WA)	Rostenkowski	Torricelli
Mrazek	Roukema	Towns
Murphy	Rowland	Traxler
Murtha	Roybal	Udall
Myers	Rudd	Valentine
Natcher	Sabo	Vento
Neal	Savage	Volkmer
Nelson	Scheuer	Walgren
Nichols	Schneider	Watkins
Nowak	Schroeder	Wheat
O'Brien	Schulze	Whitley
Oakar	Schumer	Whittaker
Oberstar	Seiberling	Whitten
Obey	Shannon	Williams (OH)
Olin	Sharp	Wilson
Ortiz	Sikorski	Wirth
Ottinger	Siljander	Wise
Owens	Sisisky	Wolf
Panetta	Skelton	Wolpe
Parris	Slattery	Wright
Patterson	Smith (FL)	Wyden
Pease	Smith (IA)	Wylie
Penny	Smith (NE)	Yates
Pepper	Smith (NJ)	Yatron
Perkins	Snowe	Young (AK)
Petri	Spratt	Young (MO)
Porter	St Germain	Zablocki
Price	Staggers	Zschau
Pritchard	Stangeland	
Pursell	Stark	

NAYS—107

Archer	Gramm	Miller (OH)
Badham	Gregg	Moore
Barnard	Hansen (ID)	Nielson
Bartlett	Hansen (UT)	Oxley
Bateman	Hartnett	Packard
Bethune	Hiler	Pashayan
Bilirakis	Hillis	Patman
Bliley	Holt	Paul
Breaux	Hunter	Quillen
Brown (CO)	Hyde	Ray
Broyhill	Jones (OK)	Ritter
Burton	Kasich	Roberts
Byron	Kemp	Roemer
Campbell	Kindness	Rogers
Carney	Kramer	Roth
Cheney	Lagomarsino	Sensenbrenner
Coats	Latta	Shaw
Conable	Leach	Shelby
Corcoran	Leath	Shumway
Crane, Philip	Lewis (CA)	Skeen
Dannemeyer	Lewis (FL)	Smith, Denny
Daub	Loeffler	Snyder
DeWine	Lott	Solomon
Dickinson	Lowery (CA)	Spence
Dreier	Lujan	Stenholm
Duncan	Lungren	Stump
Emerson	Mack	Tauzin
Evans (IA)	Marlenee	Thomas (CA)
Fiedler	Martin (NC)	Vucanovich
Fields	Martin (NY)	Walker
Forsythe	McCain	Weber
Franklin	McCandless	Whitehurst
Frenzel	McCollum	Winn
Gekas	McDonald	Wortley
Gibbons	McEwen	Young (FL)
Gingrich	McGrath	

NOT VOTING—45

Akaka	Foglietta	Reid
Alexander	Garcia	Russo
Andrews (NC)	Gray	Sawyer
Biaggi	Hance	Schaefer
Borski	Heftel	Shuster
Chappie	Hubbard	Simon
Conyers	Jenkins	Smith, Robert
Coyne	Kastenmeier	Solarz
Craig	Kolter	Taylor
Crane, Daniel	Kostmayer	Vander Jagt
Crockett	Marriott	Vandergriff
Edgar	Martinez	Waxman
Erlenborn	Moorhead	Weaver
Fish	Pickle	Weiss
Flippo	Rangel	Williams (MT)

□ 1210

Messrs. LEATH of Texas, PASHAYAN, LATTA, and GINGRICH changed their votes from "yea" to "nay."

Messrs. HAMMERSCHMIDT, LENT, ROBINSON, PARRIS, ENGLISH, and McCURDY changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5(b), rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on each of the additional resolutions on which the Chair has postponed further proceedings.

DISAPPROVING FOSSIL ENERGY RESEARCH AND DEVELOPMENT DEFERRAL

The SPEAKER pro tempore. The pending business is the question of agreeing to the resolution, House Resolution 178.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the resolution, House Resolution 178, on which the yeas and nays were ordered.

The Chair will advise the Members that this is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 265, nays 121, not voting 46, as follows:

[Roll No. 143]

YEAS—265

Ackerman	Carr	Evans (IA)
Addabbo	Chandler	Evans (IL)
Albosta	Chappell	Fascell
Anderson	Clarke	Fazio
Andrews (TX)	Clay	Feighan
Annunzio	Clinger	Ferraro
Anthony	Coelho	Florio
Applegate	Coleman (MO)	Foley
Aspin	Coleman (TX)	Ford (MI)
AuCoin	Collins	Ford (TN)
Barnard	Conte	Fowler
Barnes	Cooper	Frank
Bates	D'Amours	Frost
Bedell	Daschle	Fuqua
Beilenson	Davis	Gaydos
Bennett	de la Garza	Gejdenson
Berman	Dellums	Gephardt
Bevill	Dicks	Gilman
Boehlert	Dingell	Glickman
Boggs	Dixon	Gonzalez
Boland	Donnelly	Gore
Boner	Dorgan	Green
Bonior	Dowdy	Guarini
Bosco	Downey	Gunderson
Boucher	Duncan	Hall (IN)
Boxer	Durbin	Hall (OH)
Breaux	Dwyer	Hall, Ralph
Britt	Dymally	Hall, Sam
Brooks	Dyson	Hamilton
Broomfield	Early	Harkin
Brown (CA)	Eckart	Harrison
Bryant	Edwards (AL)	Hatcher
Byron	Edwards (CA)	Hawkins
Carper	Erdreich	Hefner
Hertel	Mitchell	Schroeder
Hightower	Moakley	Schulze
Hopkins	Molinari	Seiberling
Horton	Mollohan	Shannon
Howard	Montgomery	Sharp
Hoyer	Moody	Sikorski
Huckaby	Morrison (WA)	Sisisky
Hughes	Mrazek	Skelton
Hutto	Murphy	Slattery
Jeffords	Murtha	Smith (FL)
Jones (NC)	Myers	Smith (IA)
Jones (TN)	Natcher	Smith (NE)
Kaptur	Neal	Smith (NJ)
Kazen	Nelson	Snowe
Kennelly	Nichols	Spence
Kildee	Nowak	Spratt
Kogovsek	O'Brien	St Germain
LaFalce	Oakar	Staggers
Lantos	Oberstar	Stangeland
Lehman (CA)	Obey	Stark
Lehman (FL)	Olin	Stokes
Leland	Ortiz	Studds
Lent	Ottinger	Sundquist
Levin	Owens	Swift
Levine	Panetta	Synar
Levitas	Parris	Tallon
Lipinski	Patman	Thomas (GA)
Livingston	Patterson	Torres
Lloyd	Pease	Torricelli
Long (LA)	Penny	Towns
Long (MD)	Pepper	Traxler
Lowry (WA)	Perkins	Udall
Luken	Petri	Valentine
Lundine	Price	Vento
MacKay	Pritchard	Volkmer
Markey	Rahall	Walgren
Marlenee	Ratchford	Watkins
Martin (IL)	Regula	Wheat
Matsui	Richardson	Whitley
Mavroules	Ridge	Whitten
Mazzoli	Rinaldo	Williams (OH)
McCloskey	Ritter	Wilson
McDade	Rodino	Wirth
McGrath	Roe	Wise
McHugh	Rogers	Wolf
McKernan	Rose	Wolpe
McKinney	Rostenkowski	Wright
McNulty	Roukema	Wyden
Mica	Rowland	Wylie
Michel	Roybal	Yates
Mikulski	Rudd	Yatron
Miller (CA)	Sabo	Young (MO)
Miller (OH)	Savage	Zablocki
Mineta	Scheuer	
Minish	Schneider	

NAYS—121

Archer	Gregg	Nielson
Badham	Hammerschmidt	Oxley
Bartlett	Hansen (ID)	Packard
Bateman	Hansen (UT)	Pashayan
Bereuter	Hartnett	Paul
Bethune	Hiler	Porter
Bilirakis	Hillis	Pursell
Bliley	Holt	Quillen
Brown (CO)	Hunter	Ray
Broyhill	Hyde	Roberts
Burton	Ireland	Robinson
Campbell	Jacobs	Roemer
Carney	Johnson	Roth
Cheney	Jones (OK)	Schumer
Coats	Kasich	Sensenbrenner
Conable	Kemp	Shaw
Corcoran	Kindness	Shelby
Coughlin	Kramer	Shumway
Courter	Lagomarsino	Siljander
Crane, Philip	Latta	Skeen
Daniel	Leach	Smith, Denny
Dannemeyer	Leath	Snyder
Daub	Lewis (CA)	Solomon
Derrick	Lewis (FL)	Stenholm
DeWine	Loeffler	Stratton
Dickinson	Lott	Stump
Dreier	Lowery (CA)	Tauke
Edwards (OK)	Lujan	Tauzin
Emerson	Lungren	Thomas (CA)
English	Mack	Vucanovich
Fiedler	Madigan	Walker
Fields	Martin (NC)	Weber
Forsythe	Martin (NY)	Whitehurst
Franklin	McCain	Whittaker
Frenzel	McCandless	Winn
Gekas	McCollum	Wortley
Gibbons	McCurdy	Young (AK)
Gingrich	McDonald	Young (FL)
Goodling	McEwen	Zschau
Gradison	Moore	
Gramm	Morrison (CT)	

NOT VOTING—46

Akaka	Foglietta	Russo
Alexander	Garcia	Sawyer
Andrews (NC)	Gray	Schaefer
Biaggi	Hance	Shuster
Bonker	Heftel	Simon
Borski	Hubbard	Smith, Robert
Chappie	Jenkins	Solarz
Conyers	Kastenmeier	Taylor
Coyne	Kolter	Vander Jagt
Craig	Kostmayer	Vandergriff
Crane, Daniel	Marriott	Waxman
Crockett	Martinez	Weaver
Edgar	Moorhead	Weiss
Erlenborn	Pickle	Williams (MT)
Fish	Rangel	
Flippo	Reid	

□ 1220

Mr. FRANKLIN changed his vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

DISAPPROVING ADMINISTRATION OF TERRITORIES DEFERRAL

The SPEAKER pro tempore (Mr. DONNELLY). The pending business is the question of agreeing to the resolution, House Resolution 181.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the resolution, House Resolution 181, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 266, nays 116, not voting 50, as follows:

[Roll No. 144]

YEAS—266

Ackerman	Coleman (MO)	Gibbons
Addabbo	Coleman (TX)	Gilman
Albosta	Collins	Glickman
Anderson	Conable	Gonzalez
Andrews (TX)	Conte	Gore
Annunzio	Daschle	Green
Anthony	Davis	Guarini
Applegate	de la Garza	Gunderson
Aspin	Dicks	Hall (IN)
AuCoin	Dingell	Hamilton
Barnard	Dixon	Hammerschmidt
Barnes	Donnelly	Hansen (UT)
Bates	Dorgan	Harkin
Bedell	Dowdy	Harrison
Beilenson	Downey	Hatcher
Bennett	Duncan	Hawkins
Bereuter	Dwyer	Hefner
Berman	Dymally	Hertel
Bevill	Dyson	Hightower
Boehlert	Early	Hopkins
Boggs	Eckart	Horton
Boland	Edwards (AL)	Howard
Boner	Edwards (CA)	Hoyer
Bonior	English	Huckaby
Bonker	Erdreich	Hughes
Bosco	Evans (IL)	Hutto
Boucher	Fascell	Hyde
Boxer	Fazio	Ireland
Breaux	Feighan	Jeffords
Britt	Ferraro	Jones (NC)
Brooks	Florio	Jones (TN)
Broomfield	Foley	Kaptur
Brown (CA)	Ford (MI)	Kazen
Bryant	Ford (TN)	Kennelly
Carney	Fowler	Kildee
Carper	Frank	Kogovsek
Carr	Frenzel	LaFalce
Chandler	Frost	Lagomarsino
Chappell	Fuqua	Lantos
Clarke	Gaydos	Leath
Clay	Gejdenson	Lehman (CA)
Clinger	Gekas	Lehman (FL)
Coelho	Gephardt	Leland

Lent	Nelson	Smith (FL)
Levin	Nichols	Smith (IA)
Levine	Nielson	Smith (NE)
Levitas	Nowak	Smith (NJ)
Lipinski	O'Brien	Snowe
Livingston	Oakar	Spence
Lloyd	Oberstar	Spratt
Long (LA)	Obey	St Germain
Long (MD)	Olin	Staggers
Lowery (CA)	Ortiz	Stangeland
Lowry (WA)	Ottinger	Stark
Lujan	Owens	Stokes
Luken	Panetta	Studds
Lundine	Parris	Sundquist
MacKay	Patterson	Swift
Madigan	Pease	Synar
Markey	Penny	Tallon
Martin (IL)	Pepper	Thomas (GA)
Matsui	Perkins	Torres
Mavroules	Petri	Torricelli
Mazzoli	Price	Towns
McCloskey	Pritchard	Traxler
McDade	Rahall	Udall
McGrath	Ratchford	Valentine
McHugh	Regula	Vento
McKernan	Richardson	Volkmer
McKinney	Ridge	Watkins
McNulty	Rinaldo	Wheat
Mica	Rodino	Whitley
Michel	Roe	Whitten
Mikulski	Rose	Wilson
Miller (CA)	Rostenkowski	Wirth
Mineta	Roukema	Wise
Minish	Rowland	Wolf
Mitchell	Roybal	Wolpe
Moakley	Sabo	Wortley
Molinari	Savage	Wright
Mollohan	Scheuer	Wyden
Moody	Schneider	Wylie
Morrison (CT)	Schroeder	Yates
Mrazek	Schumer	Yatron
Murphy	Seiberling	Young (AK)
Murtha	Shannon	Young (FL)
Myers	Sharp	Young (MO)
Natcher	Sikorski	Zablocki
Neal	Skelton	

NAYS—116

Archer	Hall, Sam	Paul
Badham	Hansen (ID)	Porter
Bartlett	Hartnett	Pursell
Bateman	Hiler	Quillen
Bethune	Hillis	Ray
Bilirakis	Holt	Ritter
Bliley	Hunter	Roberts
Brown (CO)	Jacobs	Robinson
Broyhill	Johnson	Roemer
Burton	Jones (OK)	Rogers
Byron	Kasich	Roth
Campbell	Kemp	Rudd
Cheney	Kindness	Schulze
Coats	Kramer	Sensenbrenner
Cooper	Latta	Shaw
Corcoran	Leach	Shelby
Coughlin	Lewis (CA)	Shumway
Courter	Lewis (FL)	Siljander
Crane, Philip	Loeffler	Sisisky
Daniel	Lott	Skeen
Dannemeyer	Lungren	Slattery
Daub	Mack	Smith, Denny
DeWine	Marlenee	Snyder
Dickinson	Martin (NC)	Stenholm
Dreier	Martin (NY)	Stratton
Durbin	McCain	Stump
Edwards (OK)	McCandless	Tauke
Emerson	McCollum	Tauzin
Evans (IA)	McCurdy	Thomas (CA)
Fiedler	McDonald	Vucanovich
Fields	McEwen	Walgren
Forsythe	Miller (OH)	Walker
Franklin	Montgomery	Weber
Gingrich	Moore	Whitehurst
Goodling	Morrison (WA)	Whittaker
Gradison	Oxley	Williams (OH)
Gramm	Packard	Winn
Gregg	Pashayan	Zschau
Hall, Ralph	Patman	

NOT VOTING—50

Akaka	Conyers	Dellums
Alexander	Coyne	Derrick
Andrews (NC)	Craig	Edgar
Biaggi	Crane, Daniel	Erlenborn
Borski	Crockett	Fish
Chappie	D'Amours	Flippo
Foglietta	Marriott	Smith, Robert
Garcia	Martinez	Solarz
Gray	Moorhead	Solomon
Hall (OH)	Pickle	Taylor
Hance	Rangel	Vander Jagt
Heftel	Reid	Vandergriff
Hubbard	Russo	Waxman
Jenkins	Sawyer	Weaver
Kastenmeier	Schaefer	Weiss
Kolter	Shuster	Williams (MT)
Kostmayer	Simon	

Mr. HAMMERSCHMIDT changed his vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

□ 1230

GENERAL LEAVE

Mr. YATES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on the resolutions just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

WAIVING CERTAIN POINTS OF ORDER AGAINST H.R. 3133, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT APPROPRIATIONS, 1984

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 211 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 211

Resolved, That all points of order against the consideration of the bill (H.R. 3133) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1984, and for other purposes, for failure to comply with the provisions of section 303(a)(1) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. During the consideration of the bill, all points of order against the following provisions in said bill for failure to comply with the provisions of clause 2, rule XXI are hereby waived: beginning on page 2, line 8 through page 4, line 2; beginning on page 4, line 14 through page 5, line 16; beginning on page 6, line 4 through page 7, line 15; beginning on page 8, lines 7 through 11; beginning on page 8, line 20 through page 11, line 10; beginning on page 13, lines 6 through 16; beginning on page 14, line 5 through page 15, line 10; beginning on page 17, line 11 through page 19, line 6; beginning on page 20, line 6 through page 22, line 18; beginning on page 23, line 3 through page 26, line 4; beginning on page 29, line 15 through page 30, line 7; and beginning on page 32, lines 12 through 17; and all points of order against the following provisions in the bill for failure to comply with the provisions of clause 6, rule XXI are hereby waived: beginning on page 2, line 8 through page 3, line 2; beginning on page 6, lines 4 through 18, and beginning on page 9, line 18 through page 10, line 2. It shall be in order to consider the amendment printed in the Congressional Record of May 25, 1983, by, and if offered by, Representative Roe of New Jersey, and all points of order against said amendment for failure to comply with the provisions of section 303(a)(1) of the Congressional Budget Act of 1974 (Public Law 93-344) and clause 2, rule XXI are hereby waived. It shall be in order to consider the amendments printed in the Congressional Record of May 25, 1983, by, and if offered by, Representative Wirth of Colorado, all points of order against said amendments for failure to comply with the provisions of section 303(a)(1) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived, and said amendments shall be considered en bloc even if affecting portions of the bill not yet read for amendment.

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Tennessee (Mr. QUILLEN), and pending that I yield myself such time as I may use.

Mr. Speaker, the resolution waives certain points of order against consideration of the bill (H.R. 3133) making appropriations for the Department of Housing and Urban Development and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1984, and for other purposes.

The rule waives points of order under section 303(a)(1) of the Congressional Budget Act of 1974 which prohibits action on appropriation matters pending adoption of the first concurrent resolution on the budget for the fiscal year.

Under the terms of the act, the concurrent resolution is supposed to be reported from the committees on the Budget of each House by April 15 and action on a conference report completed by May 15. The House committee actually beat its deadline by 3 weeks. The Senate, however, was unable to pass a resolution until 4 days after the date by which a conference report is supposed to be acted on.

The resolution is now pending a request for a conference. However, the Committee on Appropriations faces a schedule which requires final action on their bills within a period in which Congress will meet for only 10 weeks.

There is no hope of meeting that schedule if action is deferred on appropriation bills until a conference agreement on the budget is in place. The Budget Committee supports this schedule and recommended that this waiver be granted.

The Committee on Appropriations, therefore, has asked the Rules Committee to provide a method by which action can begin on the appropriations cycle. The committee has selected for earliest action those appropriations bills which present the least contro-

versy with respect to issues in the budget conference.

Mr. Speaker, the rule also waives points of order under clause 2 of rule XXI against large portions of the bill for which no authorization has yet been enacted into law. In almost all cases, authorizing legislation has at least been reported and the subcommittee chairman advises that he is aware of no authorizing committee opposed to the waivers.

Three waivers of clause 6 of rule XXI are also provided with respect to provisions which make limitations applicable to both appropriations in the bill and to funds previously appropriated. Technically these would be considered reappropriations and require a waiver of the rule.

Mr. Speaker, under the terms of the Budget Act points of order under section 303(a)(1) lie against both the bill and any amendments which would add new budget authority. In some cases, consideration of appropriation bills prior to adoption of the budget resolution would cause that point of order to operate somewhat like a modified closed rule.

In the present case, however, that presents no controversy. The gentleman from New Jersey (Mr. ROE) appeared before the committee to testify on behalf of an amendment to restore funds for the clean lake program. And the gentleman from Colorado (Mr. WIRTH) appeared with regard to an amendment to restore funding for the Environmental Protection Administration. The rule waives necessary points of order against both amendments requested to be made in order.

Any germane limitation or any amendment to reduce funding is in order, without any special provision in the rule.

Mr. Speaker, the gentleman from Massachusetts (Mr. BOLAND) and his able ranking member (Mr. GREEN) have consistently managed this bill in cooperation with the administration and the authorizing committees.

Last year, it was the only appropriation enacted before the beginning of the fiscal year. The subcommittee has again presented the House with a fair and promptly reported measure that will enable Congress to discharge its responsibilities for the important programs funded in the bill.

Mr. Speaker, H.R. 3133 appropriates a total of $54.2 billion in new budget authority for fiscal year 1984, which is $9.5 billion above the budget request and $4.5 billion above last year's appropriation for fiscal year 1983. Most of the additional money, $9.3 billion, is for HUD's assisted housing programs, and this figure is $9 billion above the President's request. The amounts include: $16.5 billion for HUD including $12.96 billion for the subsidized housing program, an increase of $4.3 billion over fiscal year 1983, and $9.36 billion over the administration's request which the administration is opposed to; $626 million for 14,000 elderly or handicapped units; $1.431 billion for operation of low-income housing projects; $3.47 billion for community development block grants (CDGB), a reduction of $1 billion from fiscal year 1983; $440 million for urban development action grant the same as the fiscal year 1983 appropriation.

Mr. Speaker, we are operating under far from ideal circumstances. But given the difficult situation, I think the committees have discharged their responsibilities in the fairest manner possible. I urge the adoption of the rule to permit the House to act on this vital measure.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, it would be redundant for me to explain the provisions of the rule, since it has been so ably explained by the gentleman from Massachusetts (Mr. MOAKLEY).

It is absolutely imperative that we get down to the business of dealing with appropriation measures in this House. This bill not only appropriates funds for HUD, but also 17 other independent agencies.

Although it is $9.4 billion over the budget request and some $4.5 billion over what was appropriated last year, I feel that these agencies need the additional funds and we should pass the measure on the floor of the House.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. QUILLEN. I would be happy to yield.

Mr. WALKER. I just want to clarify one point. Am I correct that the rule that we are about to vote on does waive the provisions of the Budget Act, an act which is meant to discipline the House in its spending habits?

Mr. QUILLEN. It does.

Mr. WALKER. I thank the gentleman.

Mr. QUILLEN. Mr. Speaker this bill includes funding for the Veterans' Administration. We all know how important it is to see that the Veterans' Administration goes forward with its great work for the veterans of this Nation.

Then we could go right down the list of the various other independent agencies. They are also doing important work for the people of this country.

□ 1240

Mr. Speaker, I yield 1 minute to the gentleman from Colorado (Mr. BROWN).

Mr. BROWN of Colorado. I thank the gentleman from Tennessee for yielding.

There are several points I think everyone agrees on with regard to this rule before the House. The bill very clearly appropriates money for programs not yet authorized. The rule waives complying with that section.

The rule very clearly waives the requirement that we must have a budget resolution before we authorize programs with spending.

Third, it is very clear that it is significantly over the request of the President.

I would clearly admit that there are many areas that many of us may agree are worthwhile for moving ahead with the bill but the fact is the integrity of the process is at stake here. I would hope Members would vote to turn down this rule and ask for a rule that is consistent with budgeting procedure, which is our best hope for bringing this budget into balance.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Yesterday, Mr. Speaker, I expressed concern about the excessive number of waivers in the supplemental appropriation bill.

However, these appropriation bills must be passed by the House and certain waivers are absolutely necessary. I support these waivers in this measure and I urge adoption of the rule.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CARNEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 274, nays 99, not voting 59, as follows:

[Roll No. 145]

YEAS—274

Ackerman	Byron	Eckart
Addabbo	Carney	Edwards (AL)
Albosta	Carper	Edwards (CA)
Anderson	Carr	Edwards (OK)
Andrews (TX)	Chappell	English
Annunzio	Clarke	Erdreich
Anthony	Clinger	Evans (IA)
Applegate	Coelho	Evans (IL)
Aspin	Coleman (MO)	Fascell
AuCoin	Coleman (TX)	Fazio
Barnard	Collins	Feighan
Barnes	Conte	Ferraro
Bates	Cooper	Florio
Bedell	Coughlin	Foley
Beilenson	Courter	Ford (MI)
Bennett	D'Amours	Ford (TN)
Berman	Daschle	Fowler
Bethune	Davis	Frank
Bevill	de la Garza	Frost
Boehlert	Dellums	Fuqua
Boggs	Derrick	Gaydos
Boner	Dicks	Gejdenson
Bonior	Dingell	Gibbons
Bonker	Dixon	Gilman
Bosco	Donnelly	Glickman
Boucher	Dowdy	Gonzalez
Boxer	Downey	Gore
Breaux	Duncan	Gradison
Britt	Durbin	Green
Brooks	Dwyer	Guarini
Broomfield	Dymally	Hall (IN)
Brown (CA)	Dyson	Hall (OH)
Bryant	Early	Hall, Ralph

Hall, Sam	Michel	Scheuer
Hamilton	Mikulski	Schneider
Hammerschmidt	Miller (CA)	Schroeder
Harkin	Mineta	Schumer
Harrison	Minish	Shannon
Hatcher	Mitchell	Sharp
Hawkins	Moakley	Shaw
Hefner	Mollohan	Shelby
Hertel	Montgomery	Sikorski
Hightower	Moore	Sisisky
Hillis	Morrison (CT)	Skelton
Holt	Mrazek	Slattery
Howard	Murphy	Smith (FL)
Hoyer	Murtha	Smith (IA)
Huckaby	Myers	Smith (NE)
Hughes	Natcher	Smith (NJ)
Hunter	Neal	Snowe
Hutto	Nelson	Snyder
Ireland	Nichols	Spratt
Jacobs	Nowak	Staggers
Jones (NC)	O'Brien	Stangeland
Jones (OK)	Oakar	Stark
Jones (TN)	Oberstar	Stokes
Kaptur	Obey	Stratton
Kazen	Olin	Studds
Kennelly	Ortiz	Swift
Kildee	Ottinger	Synar
Kogovsek	Panetta	Tallon
LaFalce	Pashayan	Tauzin
Lantos	Patman	Thomas (GA)
Leach	Patterson	Torres
Leath	Pease	Towns
Lehman (CA)	Penny	Traxler
Lehman (FL)	Pepper	Udall
Leland	Perkins	Valentine
Lent	Price	Vandergriff
Levin	Pritchard	Vento
Lewis (CA)	Quillen	Volkmer
Lewis (FL)	Rahall	Walgren
Lipinski	Ratchford	Watkins
Livingston	Ray	Wheat
Lloyd	Regula	Whitehurst
Long (LA)	Richardson	Whitley
Long (MD)	Ridge	Whitten
Lowry (WA)	Rinaldo	Williams (OH)
Lujan	Ritter	Wilson
Luken	Robinson	Wirth
Lundine	Rodino	Wise
MacKay	Roe	Wolpe
Madigan	Rogers	Wright
Markey	Rose	Wyden
Matsui	Rostenkowski	Yates
Mazzoli	Roth	Yatron
McCloskey	Roukema	Young (AK)
McCurdy	Rowland	Young (FL)
McDade	Roybal	Young (MO)
McKinney	Rudd	Zablocki
McNulty	Sabo	
Mica	Savage	

NAYS—99

Archer	Gregg	Morrison (WA)
Badham	Gunderson	Nielson
Bartlett	Hansen (ID)	Oxley
Bateman	Hansen (UT)	Packard
Bereuter	Hartnett	Parris
Bilirakis	Hiler	Paul
Bliley	Hopkins	Petri
Brown (CO)	Jeffords	Porter
Broyhill	Johnson	Roberts
Burton	Kasich	Roemer
Campbell	Kindness	Schulze
Chandler	Kramer	Sensenbrenner
Cheney	Lagomarsino	Shumway
Coats	Latta	Siljander
Conable	Levitas	Skeen
Corcoran	Loeffler	Smith, Denny
Crane, Philip	Lott	Solomon
Daniel	Lowery (CA)	Spence
Dannemeyer	Lungren	St Germain
Daub	Mack	Stenholm
DeWine	Marlenee	Stump
Dickinson	Martin (IL)	Sundquist
Dreier	Martin (NC)	Tauke
Emerson	Martin (NY)	Thomas (CA)
Fiedler	McCain	Vucanovich
Fields	McCandless	Walker
Forsythe	McCollum	Weber
Franklin	McDonald	Whittaker
Frenzel	McEwen	Winn
Gekas	McGrath	Wolf
Gingrich	McKernan	Wortley
Goodling	Miller (OH)	Wylie
Gramm	Molinari	Zschau

NOT VOTING—59

Akaka	Gephardt	Pickle
Alexander	Gray	Pursell
Andrews (NC)	Hance	Rangel
Biaggi	Heftel	Reid
Boland	Horton	Russo
Borski	Hubbard	Sawyer
Chappie	Hyde	Schaefer
Clay	Jenkins	Seiberling
Conyers	Kastenmeier	Shuster
Coyne	Kemp	Simon
Craig	Kolter	Smith, Robert
Crane, Daniel	Kostmayer	Solarz
Crockett	Levine	Taylor
Dorgan	Marriott	Torricelli
Edgar	Martinez	Vander Jagt
Erlenborn	Mavroules	Waxman
Fish	McHugh	Weaver
Flippo	Moody	Weiss
Foglietta	Moorhead	Williams (MT)
Garcia	Owens	

□ 1250

Mr. McEWEN and Mr. NIELSON of Utah changed their votes from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1984

The SPEAKER pro tempore. Pursuant to House Resolution 197 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2969.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2969) to authorize appropriations for fiscal year 1984 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, to authorize appropriations for such fiscal year for civil defense, and for other purposes with Mr. ROSTENKOWSKI in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Wednesday, May 18, all time for general debate on the bill had expired.

Pursuant to the rule, the bill is considered by titles under the 5-minute rule, and each title is considered as having been read. The Chair may determine when title III is considered for amendment under the 5-minute rule. After the bill has been considered in its entirety, it shall be in order to consider an amendment printed in the CONGRESSIONAL RECORD of May 17, by, and if offered by, Representative DELLUMS which shall be debatable before consideration of amendments for 1 hour equally divided and controlled by Representative DELLUMS and a Member opposed thereto.

The CHAIRMAN. The Clerk will designate section 1.

Section 1 reads as follows:

That this Act may be cited as the "Department of Defense Authorization Act, 1984".

□ 1300

Mrs. SCHROEDER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have a question for the chairman of the committee at this time, and I will ask it because I am a little perplexed after the events of yesterday.

Because of the death in El Salvador, I was wondering, referring to the people who are in Central America, do we know whether or not they are getting combat pay.

Mr. PRICE. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Illinois.

Mr. PRICE. Mr. Chairman, I thank the gentlewoman for yielding.

I understand that they would, on an individual basis, if they were fired upon.

Mrs. SCHROEDER. In other words, no one down there is getting it today unless they are fired upon, and then they can apply for it?

Mr. PRICE. That is correct.

Mrs. SCHROEDER. So currently others who are down there would not be receiving it at this time, because it is considered only whether they fired on the individual and not the whole group?

Mr. PRICE. That is correct.

Mrs. SCHROEDER. I thank the chairman for illuminating us on that.

PARLIAMENTARY INQUIRY

Mr. BROWN of California. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. BROWN of California. Mr. Chairman, I am looking at the bill and I see title I and section 101 and I am not sure what the Chair means by section 1. I have an amendment on page 6.

The CHAIRMAN. The Chair will advise the gentleman that section 1 precedes title I.

Mr. BROWN of California. Then I have no amendment to what precedes title I.

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, with all due respect to the leadership, I think the decision for us to go forward debating the military authorization bill for fiscal year 1984 at this time is a gross absurdity. The House has already decided that it will rise at 3 o'clock. This is a multibillion-dollar piece of legislation. We

would not be back in here until Wednesday. That day there will be no votes. Thursday of next week there will be some votes. Friday there will be no votes. We would not be able to come back to the military authorization bill until the week of June 13.

So this kind of disjointed approach to the military authorization bill of 1984 is a great tragedy, because this bill is probably the most important piece of legislation that we will debate this year in this Congress. It will determine, based on how much money we authorize for the military budget, how much money we will authorize for various other nonmilitary items in our national budget; No. 2, it will determine in large measure the nature of America's role in the world as it will have a great deal to do with the shaping of America's foreign policy; and No. 3, it certainly will have a great deal to do with the determination of the direction of the nuclear arms race at a time when millions of American people are concerned, (a) about the rapidly rising military budget, (b) the militarization of our foreign policy, and (c) this rapidly escalating arms race.

I think the decision to have us try to rush through title I in 2 hours, when there are a number of significant amendments that will be offered to title I that we ought to debate seriously and over a lengthy period of time, for example, whether we ought to go forward with the procurement of the B-1 bomber. This is a terribly important issue. The question of binary gas is an amendment that will be offered in title I. The last time this amendment was offered, this Congress debated that matter for 5 consecutive solid hours. There are amendments on the Pershing missile, an incredibly significant weapon, one that in this gentleman's humble opinion, is perhaps more dangerous and would take us more rapidly toward nuclear war than even the MX missile. That matter will be debated in title I. the question of the sea launch cruise missile. The ground launch cruise missile, with enormous implications for the nuclear arms race, enormous implications for the matter of arms control.

So here we are rushing through title I at this moment, an approach that lacks coherence.

Mr. HERTEL of Michigan. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from Michigan.

Mr. HERTEL of Michigan. I thank the gentleman for yielding.

I thank the chairman of the Subcommittee on Installations and I agree with the importance that he is talking about this bill does deal with and of course the great expense and the great responsibility regarding this bill, but I differ. I think it is a good time to start the bill. I think it might, since we have a good majority present today, a very high number of Members present today, since they understand that we will have business until 3 o'clock and they have known that for 2 days, but I think the perspective of them beginning to think about some of the serious questions that are raised by the gentleman and will be raised by different titles of the bill might actually call more attention to those amendments in question over the next 2 weeks.

It is a different way of doing such an important bill, but I think there are great advantages in it and I hope we can proceed.

Mr. DELLUMS. I thank my colleague.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the distinguished Speaker.

Mr. O'NEILL. Mr. Chairman, I regret the position that the gentleman is taking. We just had a rollcall. There were 373 Members here at the present time. I would say on the normal rollcall that we have across the year, that would be higher than the normal average, but the interesting thing is if you want to be a participant you have to be on the field. And we have 373 Members and the schedule has been out there for some time now that we are going to rise at 3 o'clock. I think we just have to follow the schedule.

I regret the fact that it may be an amendment that he has at the present time, but there are sufficient Members here, without any question, who had responded to the last rollcall, 373.

Mr. DELLUMS. If I may reclaim my time, I appreciate the remarks of the distinguished Speaker and this gentleman certainly does not want to fly in the face of the Speaker's judgment.

I am simply saying that we want to take the 2 hours to engage in some general discussion of the significant issues that are contained in this legislation as per the comments of my distinguished colleague from Michigan, then I think that that is wholly appropriate.

The CHAIRMAN. The time of the gentleman from California (Mr. DELLUMS) has expired.

(By unanimous consent, Mr. DELLUMS was allowed to proceed for 5 additional minutes.)

Mr. DELLUMS. What I am suggesting, however, is that if we go forward debating specific amendments without a significant number of Members on the floor, what will happen is that we will end up in a very circumspect debate, short in duration, narrow in its focus, and suddenly we are voting.

I am simply saying that trying to vote at this particular moment does not give this bill, nor any amendments thereto, the significant attention and the necessary debate that we ought to have as we go forward with specific amendments.

Mr. HERTEL of Michigan. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from Michigan.

Mr. HERTEL of Michigan. I thank the gentleman for yielding.

I thank the gentleman again because I would like to clarify politely my difference.

Last year we spent many days and many nights on this bill and in fact I have to agree with the Speaker, we did not have as many Members present to vote on some of the amendments as we do today.

I think this discussion now puts again the Members on notice in their offices and in their various committees that we are going to have action and votes if we come to ends of discussion on different items between now and 3 o'clock.

I think we should proceed. I think we have an excellent chance to have more Members than usual participate, because in fact there are fewer committee meetings and fewer appointments today during the next 2 hours than normal.

Mr. DELLUMS. I appreciate the gentleman's comments.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from Ohio.

Mr. SEIBERLING. I thank the gentleman for yielding.

Mr. Chairman, I share some of the gentleman's concerns, perhaps it is purely a parochial concern. I happen to be chairing a hearing right at the moment and one of the most important amendments that involves this legislation is going to come up under title I, dealing with antisatellite weapons. I intend to offer an amendment to prohibit the operational testing, the use of the funds authorized, to prohibit testing of antisatellite weapons until such time as Congress decides otherwise.

The reason for that is that if we ever start down the road and complete operational testing of antisatellite, then there is no possibility of verification of an antisatellite treaty if we ever get one.

It seems to me if we do not get one, we are going to find that the United States has lost its principal means of monitoring, during a time of crisis which could lead to war, the activities of the other side.

□ 1310

So it is a crucial matter, from the standpoint of both arms control and defense, that we do not foreclose our options to ban in a treaty antisatellite weapons, and I feel that that should be discussed when we know there is a maximum number of Members in town. I happen to know that there is already a delegation in Europe attend-

ing an international conference, Members who happen to be vitally concerned with this issue.

PARLIAMENTARY INQUIRY

Mr. STRATTON. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. DELLUMS. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, is the Committee currently considering title I of the bill, or are we considering section 102 of the bill?

The CHAIRMAN. Title I of the bill has not been designated yet.

Mr. STRATTON. Mr. Chairman, will the gentleman yield further?

Mr. DELLUMS. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I think what we are talking about are possible amendments to the bill. The amendments relate to the particular titles. It was my understanding that we were going to undertake the consideration of the bill by title. The amendment that the gentleman from Ohio refers to is in title III. So I would think, for the purposes of expedition, we ought to move into these titles rather than simply debate the first section.

Mr. DELLUMS. Mr. Chairman, if I may reclaim my time, the latter comment is precisely the reason that this gentleman took the well, and that is to say that we are talking about debating significant amendments here that on one level cost an incredible amount of money.

For example, the B-1 bomber amendment alone is a $6 billion amendment. And we are talking about debating this amendment when Members are on their way to catch airplanes in about another hour or hour and a half. I am saying you cannot debate a $6 billion amendment with the enormous military and economic and strategic implications at this particular hour. That is all I am suggesting. I am not suggesting in any way that there are not enough Members here to vote. I am simply saying that we do not have enough time to give these kinds of amendments the significant attention they need and deserve.

Mr. MICHEL. Mr. Chairman, I move to strike the last word.

I wonder if I could have the attention of the gentleman from New York (Mr. STRATTON), the chairman of the Procurement Subcommittee, for a short colloquy.

As you know, the bill contains a 50-percent cut in funding for the commercial construction equipment program, a reduction that totals $120 million. I have to express strong concern over this reduction, because it would result in the termination of two excellent contracts the Army has negotiated with Caterpillar Tractor Co., and a similar contract with the J. I. Case Co.

Because the Army is buying standard commercial items in bulk quantity under these contracts, it was able to obtain prices at a rate 50 percent below the standard commercial rate. These are excellent contracts for the taxpayers, and they also give a shot in the arm to high-unemployment areas of the Midwest where we have never received our fair share of defense dollars.

Would the gentleman agree with me that these represent excellent contracts that should be encouraged?

Mr. STRATTON. If the gentleman will yield, I agree that these appear to be favorable contracts, though I would suspect that even under a reduction in funding, the remaining purchase cost would fall substantially below the commercial rate. There is no question but that the combat engineer equipment currently in use is aging and in need of replacement. We need to move ahead with a procurement process that will achieve standardization and replacement of the equipment.

I regret that in this case, as in several others, the Army did not notify and seek our approval for these multiyear contracts, as is required by law. Nor did the Army request authority for multiyear contracting on these programs this year. This certainly had some impact on the committee's funding decisions, as obviously did the House-passed budget resolution.

Mr. MICHEL. I can understand and share the gentleman's concern over the absence of effective information and consultation on the part of the Army. I can also understand the constraints under which the gentleman's committee was operating with respect to the budget resolution. I know that neither one of us feels that the levels contained in either the House or the Senate resolution allow the expenditures necessary to effectively modernize our forces.

I had considered offering an amendment that would restore the funds for this construction equipment program, but after consultations with the gentleman and others, it appears that the best course of action would be to seek a higher level in conference. If the Senate comes in at a higher level, thus enabling completion of the contracts, and assuming that we have sufficient maneuvering room under the budget resolution, would the gentleman be willing to accept such a level in conference?

Mr. STRATTON. I recognize the need to move ahead with this program and to obtain the best possible prices for the equipment. If the Senate does come in at a higher level that better accomplishes this objective, and if the budget resolution provides the room, we would certainly be willing to consider additional authorization for these engineer equipment programs in conference.

Mr. MICHEL. I thank the gentleman.

Mr. DURBIN. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to my good friend, the gentleman from Illinois, because obviously the gentleman would have as much interest in this as I do, since we kind of share the territory down there that is involved.

Mr. DURBIN. I thank the gentleman for yielding.

Mr. Chairman, I would like to associate myself with the remarks in the colloquy that has just taken place on the floor of the House.

This particular item in the defense contract is really not only crucial in terms of our national defense, but in terms of our regional needs in central Illinois, with the high unemployment we are facing in communities like Decatur and Peoria. This is a shot in the arm that will help us immensely. I really appreciate the statement made by the gentleman in relation to our planned activities in terms of the conference committee, and I am hoping that we can achieve there what is important not only from the defense viewpoint but also from the viewpoint of the regional needs of Illinois.

Mr. MICHEL. I thank the gentleman.

Mr. STRATTON. Mr. Chairman, if the gentleman will yield further, I think this underscores something that is often overlooked, that a successful and ongoing defense program can contribute to meeting the problems of unemployment.

The CHAIRMAN. The Clerk will designate title I.

Title I reads as follows:

TITLE I—PROCUREMENT

AUTHORIZATION OF APPROPRIATIONS, ARMY

SEC. 101. Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement of aircraft, missiles, weapons and tracked combat vehicles, and ammunition and for other procurement for the Army as follows:

For aircraft, $3,331,800,000.

For missiles, $2,990,900,000.

For weapons and tracked combat vehicles, $4,738,400,000.

For ammunition, $2,272,500,000.

For other procurement, $5,045,700,000.

AUTHORIZATION OF APPROPRIATIONS, NAVY AND MARINE CORPS

SEC. 102. (a) AIRCRAFT.—Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement of aircraft for the Navy in the amount of $10,716,900,000.

(b) WEAPONS.—Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement of weapons (including missiles and torpedoes) for the Navy as follows:

For missile programs, $3,090,800,000.

For the MK-48 torpedo program, $124,600,000.

For the MK-46 torpedo program, $248,000,000.

For the MK-60 torpedo program, $105,400,000.

For the MK-30 mobile target program, $22,100,000.

For the MK-38 minimobile target program, $2,000,000.

For the antisubmarine rocket (ASROC) program, $17,300,000.

For the modification of torpedoes, $111,800,000.

For the torpedo support equipment program, $72,100,000.

For the MK-15 close-in weapons system program, $126,700,000.

For the 5-inch/54-caliber gun mount program, $16,100,000.

For the MK-75 76-millimeter gun mount program, $11,100,000.

For the MK-19 gun mount program, $900,000.

For the 25-millimeter gun mount program, $700,000.

For the 9-millimeter handgun, $500,000.

For small arms and weapons, $2,500,000.

For the modification of guns and gun mounts, $13,600,000.

For the guns and gun mounts support equipment program, $9,300,000.

(c) SHIPBUILDING AND CONVERSION.—Funds are hereby authorized to be appropriated for fiscal year 1984 for shipbuilding and conversion for the Navy as follows:

For the Trident submarine program, $1,759,000,000.

For the SSN-688 nuclear attack submarine program, $2,042,400,000.

For the aircraft carrier service life extension program (SLEP), $95,900,000.

For the CG-47 Aegis cruiser program, $3,435,000,000.

For the DDG-51 guided missile destroyer program, $79,000,000.

For the battleship reactivation program, $57,700,000.

For the LSD-41 landing ship dock program, $509,000,000.

For the LHD-1 amphibious assault ship program, $1,379,700,000.

For the LPD-4 amphibious ship service life extension program (SLEP), $13,800,000.

For the MCM-1 mine countermeasures ship program, $301,000,000.

For the MSH-1 minesweeper hunter program, $65,000,000.

For the TAGS ocean survey ship program, $34,500,000.

For the TAH hospital ship program, $260,000,000.

For the TAK(FBM) missile resupply ship program, $900,000.

For the TAFS combat stores ship program, $16,100,000.

For the TAO-187 fleet oiler program, $524,600,000.

For the TAKR fast logistic ship program, $246,500,000.

For the strategic sealift ready reserve program, $31,000,000.

For the LCAC landing craft air cushion program, $161,100,000.

For service craft and landing craft, $134,300,000.

For outfitting, post delivery, and cost growth, $1,003,100,000.

(d) OTHER.—Funds are hereby authorized to be appropriated for fiscal year 1984 for other procurement for the Navy in the amount of $4,583,500,000, of which—

(1) the sum of $684,500,000 is available only for the ship support equipment program;

(2) the sum of $1,600,500,000 is available only for the communications and electronics equipment program; and

(3) the sum of $930,300,000 is available only for the ordnance support equipment program.

(e) PROCUREMENT, MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement for the Marine Corps (including missiles, tracked combat vehicles, and other weapons) in the amount of $1,800,400,000.

AUTHORIZATION OF APPROPRIATIONS, AIR FORCE

SEC. 103. (a) Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement of aircraft and missiles and for other procurement for the Air Force as follows:

For aircraft, $21,051,300,000.

For missiles, $5,719,100,000.

For other procurement, $6,935,600,000.

(b) Of the funds authorized to be appropriated in this section for aircraft for the Air Force, the sum of $112,100,000 is available only for contributions by the United States as its share of the cost for fiscal year 1984 of acquisition by the North Atlantic Treaty Organization of the Airborne Warning and Control System (AWACS).

(c) Of the funds authorized to be appropriated in this section for missiles for the Air Force, the sum of $464,000,000 is available for procurement of two hundred and forty missiles under the AGM-86B air-launched cruise missile program and the sum of $14,000,000 is available for advance procurement for such program.

(d) Notwithstanding any other provision of law, procurement of the B-1B aircraft program may be carried out under a multiyear procurement contract in accordance with section 2306(h) of title 10, United States Code.

AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES

SEC. 104. Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement by the Defense agencies in the amount of $1,053,200,000.

EXTENSION OF AUTHORITY PROVIDED SECRETARY OF DEFENSE IN CONNECTION WITH THE NATO AIRBORNE WARNING AND CONTROL SYSTEM (AWACS) PROGRAM

SEC. 105. Effective on October 1, 1983, section 103(a) of the Department of Defense Authorization Act, 1982 (Public Law 97-86; 95 Stat. 1100), is amended by striking out "fiscal year 1983" both places it appears and inserting in lieu thereof "fiscal year 1984".

SECURE COMMUNICATIONS EQUIPMENT

SEC. 106. The Secretary of Defense is authorized to procure secure telephone communication systems, including equipment and related items, during fiscal year 1984 for the Department of Defense and other Government agencies and entities to support a national program to provide secure telephone service. Of the funds authorized to be appropriated pursuant to this title, not more than $60,000,000 may be used to provide secure telephone equipment and related items to the Department of Defense and other Government agencies and entities in support of such a national program. Equipment provided to Government agencies and entities outside the Department of Defense under the authority of this section and such related services as may be necessary may be furnished by the Secretary of Defense with or without reimbursement.

LIMITATION ON ARMY PROCUREMENT

SEC. 107. The Secretary of the Army may not make a contract for the purpose of establishing a second source for production of the engine for the M-1 tank.

LIMITATIONS ON NAVY PROCUREMENT

SEC. 108. (a)(1) None of the funds appropriated pursuant to the authorization of appropriations for the strategic sealift ready reserve program under section 102(c) (under Shipbuilding and Conversion for the Navy) may be obligated or expended for the acquisition of a specific vessel for that program until (A) the Secretary of the Navy has notified the Committees on Armed Services and on Appropriations of the Senate and House of Representatives of the proposed acquisition of that vessel for that program, and (B) a period of thirty days of continuous session of Congress has expired following the date on which that notice was received by those committees.

(2) For purposes of paragraph (1), the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of such thirty-day period.

(b) None of the funds appropriated pursuant to the authorization of appropriations for the LCAC landing craft air cushion program under section 102(c) (under Shipbuilding and Conversion for the Navy) may be obligated or expended until the Secretary of the Navy has submitted a report to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives which—

(1) responds to the Comptroller General decision B-203652 of April 20, 1983;

(2) evaluates the feasibility of establishing a second source for the production of the landing craft air cushion;

(3) recommends a specific acquisition strategy for such program that ensures procurement of the best landing craft air cushion for the Navy and, to the extent feasible, provides that such procurement shall be competitive if practicable and appropriate; and

(4) describes a plan to conduct a new source selection competition or the landing craft air cushion program and evaluates the feasibility of that competition.

AMENDMENT OFFERED BY MR. BROWN OF CALIFORNIA

Mr. BROWN of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of California:

Page 6, line 22, strike out "$5,719,100,000" and insert in lieu thereof "$5,699,691,000, none of which shall be available for space defense (antisatellite) systems".

(By unanimous consent, Mr. BROWN of California was allowed to proceed for 5 additional minutes.)

Mr. BROWN of California. Mr. Chairman, as usual, in situations here on the floor, we are embarking upon a discussion that is fraught with significant policy implications and yet with a relatively small number of persons here to participate in the debate and to explore the policy issues that are involved. Let me first explain what my amendment does.

What we have done is remove a $19 million item for the procurement of the so-called ASAT, the antisatellite weapon which is contained in the procurement section of the bill.

□ 1320

Let me make it very clear that this is not an effort to impede the develop-

ment of an antisatellite weapon. There are funds in the order of $200 million for research and development on antisatellite weapons. There are additional funds in the order of several hundreds of millions of dollars which are pertinent to research and development of an advanced-technology satellite weapon which would also have antiballistic-missile capabilities.

So there will be at a minimum several hundred million dollars in this year's budget applicable to the problems of antisatellite weapons. What my amendment does is deal with $19 million aimed at the initial steps in procurement of an operational system which would be, as I mentioned earlier today in a 1-minute speech, crossing the threshold into the actual deployment of operational space weapons.

Now, I am not against the militarization of space. I would be crazy to do that. Space now is occupied by billions of dollars worth of hardware, of which 75 percent is military related. To say that we do not want to militarize space is just being unrealistic.

What I am saying is that this is a threshold which you cross when you go beyond the so-called force extenders that we have in space to the actual weaponry that we are proposing to put in space with the antisatellite missile. I am not even arguing not crossing that threshold. I am just arguing that it requires congressional discussion.

Here is a case where there is lots of material. I have in my hand here a secret document—I left it over in my briefcase—but it is a classified secret GAO study and it says that this is a lousy system, that it is going to cost not $3.6 billion, which is what the Air Force says it wants, but probably $15 billion, and then it will not do the job. The GAO report says that the system was conceived at a time when the mission was different; what we really need to do is to ask the Air Force to make another analysis with an updated mission before it and to come back and recommend to the Congress a system which will meet the current mission requirements, not last year's mission requirements.

That is what the GAO says. It says we in Congress are about to undertake a multibillion-dollar expenditure and we ought to look at it for a little while. I am urging that course on you. The vehicle that I am using to urge this on you is this amendment, because if you vote this year for $19 million, that is what we call the entering wedge, the camel's nose under the tent. Next year it is $200 million, and then the year after, it is $300 million.

I am giving you real figures. The runout cost if $3.6 billion, if the cost estimates are right. This is the system which, when it was originally studied 10 years ago, they said would cost $500 million. It has only gone up seven times, and that is not bad for a weapons system.

But what the GAO is saying is not only has the DOD estimate changed, the technology has changed, the mission requirements have changed, and Congress really has not even debated this. I do not recall a single debate on this floor on ASAT weapons in the course of the 20 years since I have been here. I think it is time that we have a debate, because now we are talking about the next great leap forward in the arms race, making space a Star Wars kind of an environment in which we are going to have more fun and spend more money than you ever dreamed of in this poor, earthbound environment that we have. You cannot imagine how much money you are going to be able to spend in space.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I am happy to yield to the gentleman from Alabama.

Mr. DICKINSON. I thank my colleague for yielding.

Mr. Chairman, let me say I very much share your concern and I agree that this is a fertile field for exploring, for discussion. We have to make some decisions sometime in the near future.

If the gentleman is attacking a specific system, all right, let the system stand on its own bottom, so to speak, defend itself as to whether or not it is viable, whether or not it is economically feasible.

But I think what you are probably really going at and would like to have explored here is the concept of whether this is something we want to do, regardless of what system is employed; we just happen to have the money. If I understand the gentleman correctly, he is really concerned with the concept.

Mr. BROWN of California. May I respond to that? The gentleman has known me long enough to know that I am kind of a peacenik and I really do not want to be carrying on the arms race out in space, but I am trying to broaden my perspective here; I am trying to talk in terms the gentleman understands.

I say to the gentleman that this is the worst possible system. I can tell him of at least two or three better systems just off the top of my head. I have been on the civilian space committee for the last umpteen years, too, and we get a little exposure to what one can do in space and what needs to be done in space, and I will be glad to argue with the gentleman not the question of whether we should militarize space, but should we get the best possible bang for the buck in space.

Mr. DICKINSON. So that I understand, the gentleman is really attacking this particular system as not being cost effective and the best possible, rather than opposing the concept of saying we should do something in the antisatellite business.

Mr. BROWN of California. I think that is a correct expression, and I did not invent the criticisms I am making; I am basically using the GAO's criticisms.

Mr. DICKINSON. All right. I thank the gentleman.

Mr. BROWN of California. Let me continue with my line of reasoning, then. I am trying to make the point here that this is a significant policy decision which deserves the full consideration of the House. It does so on the basis of the GAO report, and I have cited that, but let me cite another fundamental reason which I think we all have to recognize.

It is obvious to all of us that in the euphoria of this administration and its commitment to expanding the defense system, the Department of Defense undertook to plan for a large number of options for spending money in the interest of the national defense. That euphoria is beginning to calm down a little bit. It is now recognized that in both the House and Senate budget resolutions there is going to be some reduction in the rate of growth of the military budget. We do not know what the precise amount of that reduction is, but it will not be the 10-percent real growth that the President has asked for. It may be 5 percent or 6 percent or 7 percent. But somewhere there is going to be a little crunch.

Here is the situation that faces us: As all of the gentlemen on the Committee on Armed Services and the Committee on Appropriations know, we have a menu of new starts, this is a new start, the procurement of a new multibillion-dollar system. We are going to get those in under the tent maybe this year.

□ 1330

The CHAIRMAN pro tempore (Mr. GEPHARDT). The time of the gentleman from California (Mr. BROWN) has expired.

Mr. BROWN of California. Mr. Chairman, I ask unanimous consent that I may be allowed to proceed for an additional 10 minutes.

The CHAIRMAN pro tempore. Is there objection to the request from the gentleman from California?

Mr. STRATTON. Reserving the right to object, Mr. Chairman, I think the gentleman has made clear his amendment. The committee has just 2 hours this afternoon to try to discuss this matter and try to move along on a very important bill, as the gentleman from California (Mr. DELLUMS) has been indicating, and I think that the committee is going to have to be constrained to object to undue extensions of time.

The gentleman has had more than adequate time, and we have a number

of Members who would like to speak against the gentleman's amendment.

Therefore, Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

Mr. BROWN of California. Mr. Chairman, I ask unanimous consent that I may be allowed to proceed for 5 additional minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

Mr. STRATTON. I object, Mr. Chairman.

The CHAIRMAN pro tempore. Objection is heard.

Mr. BROWN of California. Mr. Chairman, I ask unanimous consent that I may be allowed to proceed for 1 additional minute.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BROWN of California. Mr. Chairman, I very much regret that the gentleman does not see fit to allow for full and extended discussion of this matter. As the gentleman knows, my only purpose is to lay out a subject of great policy importance to this Congress in a way which I feel will get reasonable discussion. I think the gentleman wants to have that reasonable discussion.

If this degenerates into an effort to silence Members who have a particular interest in this subject by the use of tactics such as the gentleman has just used, I think that we may not make very much progress this afternoon, much as the gentleman might wish to do so.

The CHAIRMAN. The time of the gentleman from California (Mr. BROWN) has expired.

Mr. DICKINSON. Mr. Chairman, if the gentleman would not leave the well, I am seeking recognition.

The CHAIRMAN. For what purpose does the gentleman from Alabama (Mr. DICKINSON) rise?

Mr. DICKINSON. Mr. Chairman, I am seeking recognition in my own right, and I move to strike the requisite number of words.

The CHAIRMAN. The gentleman from Alabama (Mr. DICKINSON) is recognized for 5 minutes.

Mr. DICKINSON. Mr. Chairman, let me proceed and yield to the gentleman in the well, if I may, in deference and in recognition of the fact that the gentleman has yielded to me for a considerable time in the discussion. I do this not for the purpose of stretching it out but in order that we might have a full discussion here.

The gentleman has alluded to this matter and has said that this particular system is the thing he objects to, more than going forward with the concept of an ASAT: am I correct in that understanding?

Mr. BROWN of California. Mr. Chairman, if the gentleman will yield, that is one of the main points I am going to make. That is one of several points, yes.

Mr. DICKINSON. I am not that knowledgeable about this system, certainly not having spent the time with it that the gentleman in the well has. As the gentleman pointed out, he has for many years, I guess since the inception of the Committee on Science and Technology, served on that committee and been intimately acquainted with it.

This ASAT's is a relatively new thing for the military. We do know that for several years now the Soviets have built and had operationally flown antisatellite weapons, whether they are supposed to be one revolution or two revolutions. We know that they have exploited the possibility of antisatellite mines. They have even put something up there and let it sit for a while and then waked it up so it can go in for attack.

So the type of antisatellite weapon we are using would vary as to the height above the ground. This is a very low ASAT that we are talking about, is it not?

Mr. BROWN of California. That is correct.

Mr. DICKINSON. What would the gentleman feel should be the thrust that the Air Force or the Department of Defense should go forward with, if not the particular one we are talking about?

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I am glad to yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, the gentleman is correctly recognizing the technical problems here. The Soviets do have an antisatellite weapon that is operational with the capacity to—what do we call it?—terminate enemy satellites, and that is us.

Mr. DICKINSON. Yes, kill.

Mr. BROWN of California. That is in a low-Earth orbit which covers some of our satellites, but not very many.

The capacity we are proposing to develop with this $19 million is a much advanced type of satellite. It is the so-called miniature vehicle type with maneuvering capability, but it also is limited to the low-Earth orbit.

The GAO report and most of the literature in this field says that at the rate they are proposing to go, in 1987 this would perform 3 percent of the antisatellite missions that are needed, and when fully completed, it would do about 25 percent of the missions.

It does nothing to interdict the high-level satellites, as the gentleman has correctly pointed out. The capacity to do both the high-level and the low-level satellites can be achieved in several different ways. It could be done with direct firing of certain of our missiles using pellets as an exploding device in the missiles. And they have the capacity to go either at low levels or at high level. The preferred solution——

Mr. DICKINSON. Mr. Chairman, let me just point out to the gentleman that my time is limited, too.

Mr. BROWN of California. Mr. Chairman, I will ask for additional time for the gentleman, and when I do, I am sure the chairman of the subcommittee will not object to that request.

Mr. DICKINSON. Then, Mr. Chairman, I am glad to yield to the gentleman.

Mr. BROWN of California. The preferred solution, if I may say so—and this is based on some analysis of the literature—and the cheaper solution actually and the solution that fits best into the DOD's long-range plan is to develop a satellite base, a fairly low-powered missile satellite laser, a satellite mounted laser system. I could give the gentleman the technical details as to the power, and so forth. But it would be one which would have the capacity to home in on an enemy satellite, get fairly close to it, and then incapacitate it by use of a laser beam. This can be done at both high level and low level.

Some reports indicate a couple of dozen satellites of this sort would give us the capability to destroy all Soviet satellites at less than the cost that would be necessary using the miniature vehicle indicated to achieve the same results.

The CHAIRMAN pro tempore. The time of the gentleman from Alabama (Mr. DICKINSON) has expired.

(On request of Mr. BROWN of California, and by unanimous consent, Mr. DICKINSON was allowed to proceed for 5 additional minutes.)

Mr. DICKINSON. Mr. Chairman, I thank the gentleman for getting more time for me.

Is it not true, though, that the ASAT we are attempting to develop—and we are just now attempting it—which in this instance is using an F-15 aircraft, would put a modified SRAM on it, and then a seeker onto it? That will go up to, say, in the neighborhood of 150 miles, but these are designed, or this particular one is designed against two threats to our fleet: A radar satellite and an electronic satellite, and it is designed against a particular threat. Am I correct in that?

Mr. BROWN of California. The missile was designed to meet certain mission requirements of a high priority, and it does meet certain of those mission requirements, not all of them. Among those mission requirements specifically is the one the gentleman refers to.

Mr. Chairman, if the gentleman will continue to yield, there has been a considerable analysis of this business of the use of this satellite for the purpose of knocking out the Soviets ocean-observing satellite system, the reconnaissance satellite over the ocean. Obviously those satellites have the capacity to target in real time American carrier task forces and to destroy them with remote nuclear weapons. Naturally we do not want that to happen.

But to follow this interesting theory a little bit further, we ask the question, When is that threat likely to develop? It is likely to develop in the event of an all-out nuclear war, and at no other time. In the event that threat develops and the all-nuclear war develops, we do not really have to worry about that little antisatellite weapon, let me assure the gentleman.

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I am pleased to yield to the gentleman in the time that I have remaining.

Mr. KRAMER. Mr. Chairman, I appreciate the gentleman's yielding.

One of the concerns I have, as I have listened to the discussion, is that the Soviets last August engaged in a simulated first strike against the United States, and they launched that first strike with the use of their presently existing ASAT systems and then followed it with ICBM and then SOBM simulated launchings. And then they did live ABM firings.

So that test clearly confirms what we believe the Soviet doctrine is—to try to take to the extent possible possession of the high ground, which is in this case space, and start out any first strike against the United States by blinding us, silencing us, and making it impossible for us to communicate, to listen, and to transmit.

□ 1340

Of course, I think the implications in that are ominous, indeed, and what the gentleman is suggesting, I think, without the development of this type of capability is that the Soviets would be free to launch that kind of first strike against us, and in addition to that also keep all their satellite capabilities intact, which to me indicates an intolerable situation in which our capabilities of responding are going to be severely constrained, if not totally eliminated. If, indeed, that is the case, and my conclusions about that are correct, what we are doing is moving away from deterrence, because we are making it much more attractive for the Soviet Union to contemplate a first strike and it seems to me it is incumbent upon this body to do all that it is possible to do to deter that kind of a temptation from ever coming to pass.

I believe, therefore, it is necessary for us to develop an equivalent capability.

Mr. DICKINSON. Mr. Chairman, if the gentleman would care to respond, I will yield to him.

Mr. BROWN of California. Yes. I recognize the validity of the gentleman's line of reasoning, the need to match the Russians in the kinds of military capabilities they may have in space; but the gentleman has not really correctly represented the capability of the U.S.S.R.'s anti-satellite capability.

The technology is very limited in the Soviet ASAT. It cannot blind us, for example. It cannot take out our communication satellites.

It can under some circumstances take out our low-level reconnaissance satellites, which give us immediate real time targeting capability.

Mr. MOAKLEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise today to urge my colleagues to support the Brown amendment which would delete the procurement funds in the DOD authorization.

Let me emphasize, Mr. Chairman, that the amendment would only delete $19.4 million in procurement money, but it would not affect the over $200 million which is being requested for research and development.

I am gravely concerned over the fact that there has been so little discussion of this weapons system in the Congress. Research and development of the present ASAT has been going on for several years, but no one seems to know precisely how much the program will ultimately cost, nor will the Defense Department reveal any details about the current schedule.

I think it is only fair that we have the opportunity to discuss the need for an antisatellite weapon before we begin authorizing funds for its procurement. The cost of the weapon could well be staggering. Next year, the DOD plans to request a tenfold increase in procurement funding over this year, putting it at $197 million.

It also should be noted, Mr. Chairman, that the original projections placed the total cost of the ASAT program at $3.6 billion; but a recent General Accounting Office report concluded that the U.S. ASAT "will be more complex than originally envisioned, potentially costing in the tens of billions of dollars."

I would like to remind my colleagues that tens of billions of dollars would put the ASAT in league with our major strategic weapons systems. I believe that we should devote as much time and more scrutiny to procurement of the ASAT as we would to the B-1 or any other major weapons program.

What troubles me at the present time, Mr. Chairman, is that a momentum is developing, a momentum which will limit our options and preclude us from making any rational decisions once this program is under way. I do not think we can afford to have a multibillion-dollar weapons system slip into the budget without very careful consideration. I do not think the American people would stand for such fiscal extravagance. While Americans are committed to a strong defense, they are not willing to pay for an ill-conceived Pentagon spending spree.

Mr. Chairman, I think it is very obvious to all of us that our economy presently is in no shape to afford what could be a massive defense program, whose need has not been debated, much less established.

I would like to appeal to all my colleagues just on the basis of commonsense, that the major funding request for the overall program will not be reduced by this amendment; but it is not responsible to begin actual procurement for the ASAT when we have yet to discuss its implications and ultimate costs.

Mr. Chairman, I believe that deploying the ASAT may represent a new and irreversible step in the arms race. The military forces of both the United States and the Soviet Union have long relied on satellites for a variety of support functions, such as weather, navigation, early warning, reconnaissance, and treaty verification. These functions are used to enhance our overall security and maintain peace. Satellite reconnaissance, Mr. Chairman, for example, allows the superpowers to monitor each other's military activities, be it missile launches or maneuvers of conventional forces. I really question the wisdom of forging ahead with weapons which would surely endanger these vital and stabilizing applications.

Though this is not the appropriate moment to discuss arms control agreements or foreign policy matters, I strongly believe that we should have the opportunity for such discussion before embracing this major weapons system.

Mr. Chairman, one thing is clear. It would be unwise to proceed now with procurement money before we have fully considered this matter. I ask that my colleagues support the Brown amendment.

Mr. Chairman, I yield to the gentleman from California (Mr. BROWN).

Mr. BROWN of California. Mr. Chairman, I hope the gentleman will participate in a little dialog with me on this matter. I would like to request that the gentleman have some additional time and hope that we can use that advantageously to more fully explore all these issues.

As the gentleman will recall, I was in the midst of making a point about the overall fiscal situation that faces the country, and the gentleman has reiter-

ated and strengthened my logic on that, but the thing that I was trying to get to is that under the stringencies that are going to be required with some of our reduced projections of military spending, some of these new starts are going to have to be sacrificed. The question is, Which of them should it be?

Now, we are going to have proposals to sacrifice the MX, we have already had that, the B-1, and a number of other programs which have been on the agenda for a long time.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. MOAKLEY) has expired.

(On request of Mr. BROWN of California, and by unanimous consent, Mr. MOAKLEY was allowed to proceed for 5 additional minutes.)

Mr. MOAKLEY. Mr. Chairman, I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I think that the wise members of the Armed Services Committee are going to want to look at the menu that they have before them and they are going to ask whether they really need this new, ineffective, overcost system, when there are so many other things that should have a higher priority in this particular case in which we have not come anywhere close to exploring all the policy issues, some of which I wanted to get into a little bit more.

I have a chart over here at the side, for example. In the center in red is the cost of the ASAT system. The solid part is the $3.6 billion that the DOD estimates. The hatched is what the GAO estimates.

Alongside of it are some programs which could be bought for the same money; like a space station, for example, which has the capability of moving us further into being able to command space this system could ever possibly do.

This is the space station, for example, a manned space station in near Earth orbit with the capability for docking other vehicles, for storing fuels or whatever is needed, for supplies, for being permanently inhabited, for being used to mount laser stations, for example, if one wishes to do so, and to accomplish a great many other missions.

Along with that, of course, you need the kind of vehicle, what we sometimes call a space tug, which can be used for some of these many tasks that are necessary if we are to really command space in the future.

□ 1350

What this ASAT does is take away precious money not only from other defense systems, new carriers, new submarines, new airplanes, but it takes it away from more effective programs for controlling space. I assure all of the gentlemen here that there are many of these on the menu at NASA which they are not able to move ahead with. Even with a general in the second spot in NASA, most of their efforts have been devoted to meeting the short-range needs of the shuttle basically to benefit the Defense Department and not to move into some of the new opportunities to command space which, if we do not move into, leads to our losing the superiority that we have had for so many years.

We are losing two of those areas of superiority right now. We are losing in communications satellites to the Japanese and in Earth reconnaissance to the French, and those are going to be even more than they are now, multibillion-dollar commercial opportunities which we are going to lose because we want to build an ASAT.

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. MOAKLEY. I yield to the gentleman from Colorado.

Mr. KRAMER. I appreciate the remarks of the gentleman and could not agree with him more that the time has come to build a space station on an expedited basis.

The problem, however, between the relationship between what the gentleman is saying and this amendment is even if the amendment were to succeed with the $19 million taken out of this authorization. I do not see any connection between this and expediting the construction of the space station.

In fact, we have introduced some legislation that follows along, I think, the lines of the gentleman's thinking in that it does transfer those shuttles that it has committed to the Department of Defense to indeed the Department of Defense in terms of a space command, on the assumption that NASA is spending 60 percent of its R&D money today on the shuttle, and that it needs to be doing other things, and that the way to cure that problem is, of course, not to take $19 million out of this authorization bill but, in fact, take a tremendous operational expense associated with the shuttle and transfer it to another place and leave that money remaining to NASA to pursue other things such as the space station that the gentleman eloquently pointed out needs to be done on an expedited basis.

The CHAIRMAN pro tempore. The time of the gentleman from Massachusetts (Mr. MOAKLEY) has expired.

(On request of Mr. BROWN of California and by unanimous consent Mr. MOAKLEY was allowed to proceed for 5 additional minutes.)

Mr. MOAKLEY. I yield to the gentleman from California.

Mr. BROWN of California. In response to the gentleman from Colorado, I commend him for the approach that he is taking. I think he is one of those who is most concerned and has done the most to see this country develop a really significant space program for the benefit of all of the people of this country. Here I am quoting from the original NASA Act, the program was intended to be for the benefit of all of the people of this country.

The gentleman has correctly recognized that a space station in near Earth orbit, inhabitable, manned with all of the things that could be done there, is our next major opportunity in space.

I commend him also for pointing out what the drain is on NASA's budget from the shuttle, which he proposes to alleviate and the DOD has already initiated steps to take over a portion of that funding into their own budget. I think that is commendable and I welcome that.

I hope the gentleman was not saying that this little, old, tiny $19 million is going to make the difference on the space station. I pointed out to the gentleman that this is $19 million this year and that next year the Air Force says they want $200 million, and the year after, several hundred million more, shooting for that $3.6 billion that they say will give them the system by 1987, but which will not.

We will end up pouring enough to build three space stations into this program if we are not extremely careful. That is the thing that I want to avoid, because when we do spend the money for three space stations, and when we have the system deployed in 1995, do you know what? It is obsolete. It is obsolete, because the Russians are already working on their laser capability in maneuverable space vehicles and targeting capability which can knock them out.

So you want to put $10 billion into a system that will be obsolete before it is completed, and when it is completed can accomplish 25 percent of the mission.

I do not think you want to be that.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. MOAKLEY. I yield to the gentleman from Missouri.

Mr. VOLKMER. I would just like to commend the gentleman from Massachusetts and also the gentleman from California for bringing this to the attention of the House on the question of the disparity in the budget as it pertains to the civil space programs and where we are going now with the military space programs.

I would just like to point out to the House that the question of whether or not we are going to have a space station is a very serious one because of the fact that we are having impacts upon the budget on the civil space program. We are presently spending less as a percent of the budget for civil

space programs now than we did 10 years ago, 8 years ago, or 5 years ago. We are spending less than one-tenth of 1 percent on space and yet the military continues to erode that.

If you find that this is part of it, and then you see the other parts that are gradually coming along, there is going to be very little left for civil space programs. I think we must look very closely at this and the subcommittee of the Committee on Science and Technology on which I serve, which has to do with space applications, plans to hold hearings later this year just on where we are going in our policy.

I think we need to look at this seriously, whether we are going to ultimately end up with an almost totally military space policy, or are we going to have room for manufacturing in space, which is presently on line. But we are going to need the space station to do it adequately where we are going to be able to manufacture pharmaceuticals that cannot be done here on Earth, pharmaceuticals that will mean life for people that cannot now have them because they cannot get them.

Are we going to be able to do such things as manufacture crystals that cannot be done because of impurities here on Earth that we can do in space? Metal fabrications and purity that can be done in space as well.

But none of it can be done adequately or in the amounts needed unless we are able to more toward a space station concept. We are having difficulty right now. We had difficulty this year with the administration on the amount of money that we were able to get into the authorization on a space station. The amount the administration wanted to go with is very small and would not even give us enough for really a thorough study.

I just would like to say again that I want to commend the gentleman for bringing this up.

Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, the amendment of the gentleman from California (Mr. BROWN) would delete $19.4 million in procurement funds for the antisatellite system.

The letter which the gentleman and some of his associates circulated, the "Dear Colleague" letter, indicates that the Soviets are believed to have a crude antisatellite capability. The fact of the matter is that they have a very extensive capability and they have, in fact, actually killed a satellite while we are just getting started.

The New York Times Magazine section last fall, and that is hardly a newspaper that is regarded as a part of the military-industrial complex, pointed out in a very colorfully illustrated article the extent to which the Soviet Union has already moved into space with a space capability far beyond what we want.

□ 1400

The gentleman says that he only wants to cut the procurement funds. But the gentleman from Ohio (Mr. SEIBERLING), whose committee is operating while the House is under the 5-minute rule, said that he had an amendment that would knock out the research and development money and prevent any testing.

It is not generally known that the Soviet Union has in fact been launching space craft at a rate of more than 75 per year for the past 10 years, which is what the New York Times Magazine was devoting itself to pointing out. This is four to five times the effort of the United States. The Soviets have been putting 660,000-pound payloads into orbit every year, which is 10 times what the United States is doing.

An estimated 70 percent of the Soviet space launches serve a purely military role while another 15 percent serve dual civilian-military roles.

Soviet military satellites perform a variety of reconnaissance, intelligence, and communications roles. One of these military activities has been the continuing development and testing of antisatellite capability using orbital interceptors.

According to the Secretary of Defense the Soviets are developing a very large space booster similar to the Saturn V booster that was used in the Apollo program and, as we know from that program, these boosters have the capability of launching very heavy payloads into orbit, including those very high 22,000-mile orbit occupied by communication satellites.

The new Soviet boosters are estimated to have six to seven times the launch weight capability of the Space Shuttle.

The new Soviet booster will be capable of putting large, permanently manned space stations into orbit and these will support both defensive and offensive weapons in space.

General Bernard L. Davis, the commander of SAC, testified before the Armed Services Committee that space constitutes the high ground of the future, as the gentleman from Colorado (Mr. KRAMER) has been pointing out to us. General Davis believes that possession of the high ground would permit control of the outcome of future conflicts.

Now, we have had a treaty with the Soviet Union and other countries since 1967 that bans the employment of weapons of mass destruction in space, but we also have agreements with the Soviet Union that we will not interfere with each other's technical means of verification, including satellites. But peacetime treaties are the first casualties in time of war.

At present, thought is being given to negotiations with the Soviet Union toward a mutual and verifiable ban on these antisatellite systems. Such an agreement may be desirable but there are serious verification problems contained in such an agreement.

And in any case such an agreement must be negotiated and we cannot help the negotiations by simply legislating a U.S. antisatellite capability out of existence.

We found that out in connection with the long and finally successful argument with regard to the MX.

If we pass the Brown amendment, we are simply going to cease to play the game.

The CHAIRMAN pro tempore. The time of the gentleman from New York has expired.

Mr. RAY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the distinguished subcommittee chairman, the gentleman from New York, (Mr. STRATTON).

Mr. STRATTON. I thank the gentleman for yielding.

I just want to conclude, Mr. Chairman, that if we pass this amendment we will simply cease to be players in this game and even if it is found that an antisatellite treaty would be in our national interest, we would have no negotiating leverage at the table.

For that reason I urge a no vote on the amendment.

I believe the gentleman from Texas would also like to be heard if the gentleman from Georgia would yield to the distinguished gentleman from Texas.

Mr. FROST. Mr. Chairman, will the gentleman from Georgia yield to me?

Mr. RAY. Mr. Chairman, I yield to the gentleman from Texas.

Mr. FROST. Mr. Chairman, I rise in opposition to the amendment to delete fiscal year 1984 funding for the advance procurement of miniature, air-launched antisatellite weapons, or ASAT.

An American ASAT is needed to counter similar efforts by the Soviet Union to develop and deploy antisatellite weapons. In fact, the Soviets already have an operational system which has the capability to engage low-orbiting U.S. space systems. And future improvements of the Soviet ASAT could eventually threaten American space-based systems which play a crucial role in the defense of our country. Our failure to respond to this threat by not deploying our own ASAT system could, in my view, pose a serious threat to our national security.

I realize that this amendment seeks only to strike procurement funding from the bill, and would leave money in place to continue research and de-

velopment of the ASAT program. Still, no part of the ASAT program can be discontinued while the Soviets continue to pursue their efforts so vigorously.

The continued deployment, testing, and procurement in our ASAT program does not mean that we should not try to limit, if not end altogether, the deployment of these space systems. The Soviet Union and the United States should resume negotiations on the entire question of limiting outer space weapons. Accordingly, I have joined a number of my colleagues in cosponsoring legislation urging the President to resume bilateral talks with the Soviets for the purpose of negotiating a comprehensive treaty on this matter.

However, these negotiations may take a long time and may not immediately be successful. In the interim, delaying any part of the ASAT program while the Soviets continue to refine and improve their antisatellite capability would leave our space-based systems in a vulnerable position. The entire ASAT program is vital to our deterrent and we should proceed along with it on schedule, until an actual agreement with the Soviet Union has been signed.

Therefore, I strongly urge my colleagues to vote against this amendment.

Mr. RAY. Mr. Chairman, in conclusion, I just want to register my remarks as being in total opposition to the amendment.

● Ms. KAPTUR. Mr. Chairman, I rise in support of the amendment to delete the $19.4 million earmarked to begin procurement of an antisatellite weapons system.

According to President Reagan, space devices that would intercept and destroy strategic ballistic missiles before they reach U.S. soil create "a vision of the future which offers hope." This fantasy of real Star Wars is anything but "a vision of the future which offers hope." It is a dangerous fantasy which distracts attention from the hard realities of the arms race. Far from ending the threat of nuclear war, it introduces new threats.

Weapons that have not yet been developed are the very ones that ought to be outlawed by treaty. It is far easier to negotiate agreements before a new kind of arms race has started, than after each side fears that the other is ahead and begins a massive deployment. The Soviet Union, in 1981, proposed a treaty to ban "weapons of any kind in outer space." Should we not seize this opportunity rather than push for a new arms race? We must keep ourselves from spending billions of dollars a year for something which we can easily halt now.

I urge my collegues to support the Brown, Moakley, Seiberling amendment which does indeed help us insure "a vision of the future which offers hope."●

Mrs. SCHROEDER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment and compliment the gentleman from California (Mr. BROWN) for his vision.

You know, not many of us are very good historians but obviously the gentleman from California is.

When you look at what has happened in the past, so often we have been technology driven and gotten terribly excited and done things that then caused us grave, grave problems later on.

I think this is the real genie-out-of-the-bottle problem. I think everybody should be aware of it and treat it with that seriousness.

Let us talk about what the gentleman's amendment does, because one of the hardest things to do in this body is to just focus on the amendment.

The gentleman's amendment does not touch research and development. It leaves in $206 million for research and development. It allows research and development to go forward.

The gentleman's amendment only goes after $19.4 million of procurement. Now that is not going to balance the budget, we all know that; in military terms this is a very, very small amendment. In fact, in our Committee on Armed Services we can pass that in seconds; $19 million hardly registers on the scale of the total package that we are going to be taking about when we talk about this whole bill.

But the reason this is so important is that when you look at space, I think the hope that everybody has on this planet is that space will be used as the eyes and ears to preserve peace.

Whenever you get an arms-control agreement, the main way to monitor it is through space, with monitoring satellites.

Once we deploy antisatellite satelite, then everybody else will feel they can, too, in particular the Russians.

I guess what I am saying that is if I were looking at this as a legal problem, we are talking about an equity problem: We have to go to the table to negotiate the nondeployment of weapons in space with clean hands. And if we have already started the procurement of weapons to deploy in space, we have not come to the table with clean hands. We cannot plead that.

Now let me go back to history again. If you go back and even read Dr. Kissinger's statement, he said one of the biggest mistakes we made in SALT II was pushing to MIRV missiles, oh how he wished we had not done that.

We did it because we did not want to negotiate because we thought we were the only ones that were going to be able to figure that out.

So what happened? The Russians figured it out, too. It only escalated the level of terror. It took them a little longer, but we would have been much better off if we had not been driven to say: "No, no, no, we are going to go full speed ahead and we do not think you are going to catch up." They will catch up. My vision of what keeps happening to us is that there is a certain nostalgia that somehow we are going to have some technology and we are going to be able to restore the planet to where it was after World War II, when we were the only nuclear act on the planet, or the only satellite act on the planet or the only act on the planet. That is nostalgic, that is marvelous, but it is not reality. Reality is we now have another superpower who is willing to absolutely spend every nickel they got, as long as we keep being willing to send them wheat so they do not starve to death, they will spend everything they have got to match it as quickly as they possibly can.

So it seems to me with that new reality and with that new given, the smartest and the most sane thing to do for long-range survival is to not move forward to deployment, but rather to go back and attempt to get some kind of an agreement that there will not be deployment of weapons in space.

Now we talk about "there is a big difference in space"; yes, it has been militarized. One of the military uses of monitoring the military is the other side.

But you are going to lose that, you are going to lose the eyes and ears reason if you allow both sides to deploy antisatellite missiles because then in a matter of seconds you knock out the eyes and the ears. And I think that is where we are.

I stand on the Democratic side of the aisle. I am embarrassed that the Carter administration walked away from the treaty negotiations on space and the nonmilitarization of it because of the invasion of Afghanistan.

□ 1410

I think that is shameful. I would hope that those Members on the other side of the aisle would join with us and say to the Reagan administration: "Go back to the table. Let's get some progress on this and let's move forward."

Again I think that makes much more sense than rushing to do this procurement, which is very minimal, and to proceed to only make ourselves in a more vulnerable position.

The CHAIRMAN pro tempore (Mr. MOAKLEY). The time of the gentlewoman from Colorado (Mrs. SCHROEDER) has expired.

(By unanimous consent, Mrs. SCHROEDER was allowed to proceed for 5 additional minutes.)

Mrs. SCHROEDER. Mr. Chairman, I guess what I am saying is, yes, we know the force extenders are there; yes, we know we use space for military monitoring and we know how terribly important that is and we should not do anything on the first basis, we should not be the first ones in any way, shape, or form to deal with the eyes and ears problem of space.

Mr. DOWNEY of New York. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from New York.

Mr. DOWNEY of New York. I thank the gentlewoman for yielding.

Mr. Chairman, I think some Members may be concerned once again about the question of whether or not the Soviets are ahead of us or whether we are ahead of them and that issue is always raised.

Am I correct in understanding that within a few years time we will be able to equip F-15's, should we so desire to, to destroy Soviet satellites?

Mrs. SCHROEDER. That is my understanding, yes.

Mr. DOWNEY of New York. So the question is not here of robbing the United States of a capability to destroy, if it wanted to, Soviet satellites. And I might add that I agree with the gentlewoman that that is potentially provocative. We will retain that capability, but what the gentleman's amendment seeks to do is only prevent an arms race in outer space where we provide that capability to satellites to go after one another; is that correct?

Mrs. SCHROEDER. That certainly is my version of what the gentleman from California said, but I would be glad to yield to the gentleman from California to see whether that is what he is doing.

Mr. BROWN of California. I thank the gentlewoman for yielding.

The $19 million procurement, as I indicated, is just a first stage in a major effort to acquire capability which could be used for any number of antisatellite missons.

I have to tell the gentleman, the program that is contemplated is an expansion of the F-15 program.

If the gentlewoman will yield further, perhaps the gentleman does know and the gentlewoman that the United States has been working on antisatellite capability since 1962. We actually had an operational system from 1964 to 1975. It is not a problem with our having a system. We are just trying to upgrade that system into a huge new system.

Our system has always been ahead of the Soviets, as a matter of fact. We have the capability today to knock out any one of their satellites if we wish, but what we are upgrading our capabilities now in this new program is to knock out 100 satellites, anywhere. You know what that means? That means nuclear war has occurred.

Mr. DOWNEY of New York. If the gentlewoman will yield further, it seems to me that as we both move to first-strike arsenals, it really becomes incumbent upon I think both sides to preserve, as the gentlewoman mentioned, the eyes and ears of both strategic arsenals in the event, heaven help us, that war were to break out. To destroy one side or the other's ability to do damage assessment might only precipitate a further conflagration.

I share a vision I think along with the gentleman of outer space being an area that is devoted to peace and I do not think there is anyone who would disagree with the Nation that if we can preserve outer space for the purpose of scientific research and monitoring and verification of existing agreements. The Soviets can keep their spy satellites and we can keep ours, that would be a far more preferable position to be in than one where we attempt to have a killer satellite program and the Soviets have an anti-killer satellite program and then we have an anti-anti-killer satellite program.

Caspar Weinberger said, "Well, you know it is like going to the Moon." You have the technical capability to do this, therefore we should do it.

What he fails to recognize in that analogy is that the Moon is not hostile. It is not fighting at you on the way there.

As the gentleman pointed out, if we decide to go ahead with this, the Soviets inevitably will try to counter and we will try to counter their counter.

So, I think the gentlewoman and gentleman from California for trying to arrest what will be a monstrously expensive proposition that will come to naught.

Mr. KRAMER. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Colorado.

Mr. KRAMER. I thank the gentlewoman for yielding.

Mr. Chairman, I have some sympathy for the discussion, but I truly do not believe the discussion represents the world as it is. It represents the world as some of us perhaps prefer it was.

The truth of the matter is, one, we do not have any antisatellite capability today. The program here does not involve antisatellite satellites. It is a homing device on the top of an airplane. The truth of the matter is the Soviets have had an antisatellite satellite now deployable for the last 10 years and they have exercised——

Mrs. SCHROEDER. If I may reclaim my time, do we not have a awful lot of money in research and development? Does the gentleman mean we have just been throwing it down a rathole?

The CHAIRMAN pro tempore. The time of the gentlewoman from Colorado (Mrs. SCHROEDER) has again expired.

(At the request of Mr. KRAMER and by unanimous consent, Mrs. SCHROEDER was allowed to proceed for 1 additional minute.)

Mr. KRAMER. If the gentlewoman will continue to yield, the gentlewoman is a very highly intelligent and distinguished lawyer and, or course, one of the great ways to pursue a lawsuit successfully is sometimes to divert from the real issue.

The issue is not the R&D money here, the issue is that the Soviets have indeed militarized space, they have an ASAT capability, they have a fractional orbital bombardment system, they have ship targeting capability from space and clearly they are working on now directed energy concepts to put on top of large space stations.

Mrs. SCHROEDER. If I may reclaim my time, one of the things I worry about about my dear colleague from Colorado is that I sometimes am afraid he sleeps with a nightlight and forgets to find out what we have got.

We also have been doing all sorts of research and development in that area. We have made tremendous strides.

The difference is between whether you are doing research and whether you actually then move to deploy it. And we have done some phenomenal research.

Mr. PRICE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto end at 2:30.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Ilinois?

Mr. SEIBERLING. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

Mr. PRICE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto end at 2:45.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. HARTNETT. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

Mr. PRICE. Mr. Chairman, I move that all debate on this amendment and all amendments thereto end at 2:45.

The CHAIRMAN pro tempore. The question is on the motion offered by the gentleman from Illinois.

The motion was rejected.

Mr. HARTNETT. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. PAUL. Mr. Chairman, will the gentleman yield?

Mr. HARTNETT. I yield to the gentleman from Texas.

Mr. PAUL. I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to this amendment that we are currently debating. I have been a staunch and regular critic of the excessive expenditures in the Defense Department and I think that in this sense though it is a proper thing to develop space technology and I feel that this is a legitimate defensive expenditure in contrast to some of the other ways we spend our defense budget.

I happen to think that it is not totally the proper way of doing this because I think this is a type of technology that we need, but we really should not do this until we save the money elsewhere.

The more proper thing that I would like to see is that we would save money by maybe bringing some troops home, maybe by not giving Pakistan 75 aircraft and providing the entire defense for Japan. I think we could make legitimate savings because now it is estimated that more than 50 percent of our budget is used to defend other nations. And I happen to believe we ought to be defending ourselves and this type of technology would go a long way in that direction.

□ 1420

I would like to make a comment on another subject. Just 2 days ago and confirmed again today, this House voted to release hundreds of millions of dollars for research and development of the MX missile. The reason we needed the missile, we were told repeatedly, was to insure our defense against the Communists. Today, however, though, a front-page article in the Washington Post reported that Secretary of Commerce Malcolm Baldrige has pledged to the Chinese Communists that within 60 days this administration will have streamlined procedures and cleared the decks for the transfer of high technology material and equipment that has military application.

As you may know already, the administration has requested legislation that would declare Communist China non-Communist for the purposes of receiving foreign aid and low-interest loans. Last year we exported $400 million worth of high-tech equipment to Red China—equipment that has military applications.

Ten years ago Prof. Antony Sutton of the Hoover Institution at Stanford University demonstrated that the military industrial complex of the Soviet Union had been built by the West, largely with the help of subsidies of Western governments. It is becoming increasingly clear that this administration intends to pursue a similar policy of national suicide with Communist China.

How much longer will this Congress vote for defense systems and $274 billion defense budgets to defend against enemies we have largely created ourselves? Rather than spending billions more on military projects, we should spend billions less on foreign aid, export subsidies, loan guarantees, and other programs that benefit only the enemies of freedom. Without an enemy armed by us, our military expenditures could be greatly reduced. I am convinced the American people are sick and tired of being the patsies for all the interventionist international schemes that exist today. It is time for a policy change. It makes no sense to me whatsoever to continue to compensate for bad policy by throwing more money into our pervasive worldwide military machine. What we need now is defense and less confrontation.

I believe we should vote no on this amendment so that the funds can be spent in the proper way for the defense of this country.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. HARTNETT. I yield to the gentleman from California.

Mr. BROWN of California. Just for the purpose of clarifying a statement, the gentleman referred to this ASAT as a defensive system. Now, I know that term is used with different connotations, and I would like to ask the gentleman if he is thinking of it as a defensive system in the sense of it being a deterrent or as a defensive system in the sense of being able to resist an attack by the other side.

Mr. PAUL. If the gentleman will further yield, I think that anything where we develop space technology, where we can use it in a military way, adds to our defense. I happen to think that antiballistic missiles and space technology, the shuttle, all can be worked in and can benefit our defense, in contrast to, say, the nuclear arms buildup. I have been on the gentleman's side in the position of not voting for MX's and B–1's and nuclear bombs and this continual race, and I try to make the point that this is necessary to break the system up, because we are financing the enemies; and all we resort to is more expenditures. But I would say that this type of an expenditure would add to space technology and understanding of how we could defend ourselves from a missile attack. I am not so concerned about the tank coming down through Alaska and attacking the United States; so, therefore, I do not vote money for more tanks. But I do think that an expenditure like this would add legitimacy to our defense posture.

Mr. OTTINGER. Mr. Chairman, I move to strike the requisite number of words, and I rise in strong support of the amendment of the gentleman from California.

Contrary to the gentleman who just spoke, it is quite clear, as I see it, that creating these weapons for outer space is essentially an offensive expenditure vastly expanding the arms race and what we will have to spend in the future, not a true defensive measure, even though the President has so described it and tried to create in the American public an atmosphere of "well, we can do away with a nuclear war if we can establish an adequate defense system in space." All of the experts who have looked into this, including those who have come before the Science Committee on which I serve, have said that there is not a defensive system, an ABM system or a satellite system that cannot be overcome with more sophisticated defensive weapons.

Therefore, we will create this satellite system to try and knock down Soviet missiles and Soviet satellites, and they will create a new system to overcome that, and we will have to create a new system to overcome that, and what we are going to do is to repeatedly experience in the military sphere that we have seen in the past years, you spend more and more money on more and more sophisticated weapons, be they labeled offensive or, as the MX was cynically labeled by the President, peacekeeper, supposedly defensive, and you end up far less secure than you were before.

That is really what terribly concerns me. Our efforts ought to be, as this administration's efforts have not been, to try to reach agreements with the Russians so that we do not have to spend these vast resources, they do not have to spend these vast resources that just escalate beyond belief the levels which both sides have to spend in order to just stay equal or fall behind.

Now, as these weapons get more and more sophisticated, as we go to an outer space system, you do become a lot less safe, as has been pointed out here before on the floor. Those satellites are what we depend on for verification in any kind of a treaty to limit weapons. You create the ability to knock those out, you do not pursue an effort to try to get both sides to prevent that, and you end up with a situation where we are much more vulnerable to attack than we were before, and the Russians are much more vulnerable to attack. We enhance our ability, particularly with the MX, of having a first-strike capability which will lead the Russians to launch on warning. I think this is just insanity.

I do not understand how this House could have approved the MX yesterday and today. It just seems to me we are creating a situation where we are spending vast billions of dollars which

can be used for our real security on weapon systems that are going to make us much less secure. I cannot understand it.

Mr. EDWARDS of California. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from California.

Mr. EDWARDS of California. I thank the gentleman for yielding.

Mr. Chairman, I commend the gentleman on his statement. As the gentleman from New York knows, I represent an area in California that is very heavy in space development, and for more than two decades I have always supported the appropriations and authorizations for Federal space programs, and with great enthusiasm, because I think that it has to be done. However, from day one the understanding here in this Congress was that there would be no militarization of space and that we would, on the other hand, try to work with other nations for the internationalization of space, in order to protect us from this escalation into a militarization, because there is going to be no end to it. I think somebody the other day, and somebody from the Pentagon, said they were not talking about peanuts here. We are talking about a program, if it really gets going, of $200 to $300 billion a year, because space is pretty darn big.

So I certainly commend the gentleman on his statement and the gentlewoman from Colorado, and I would hope that this body would have the wisdom to support the amendment offered by the gentleman from California (Mr. BROWN).

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Ohio.

Mr. SEIBERLING. I thank the gentleman for yielding.

Mr. Chairman, I think the gentleman has made an excellent statement.

About 11 years ago, a group of us on the House Science Committee, which I then served on, met with Gen. James Gavin who was then no longer on active duty, and he made a very cogent observation which we seem to have forgotten. He said, "If you let the military do what they want to do, they want to develop the military aspects of every single new technological aspect that comes along."

The CHAIRMAN pro tempore (Mr. DOWNEY). The time of the gentleman from New York (Mr. OTTINGER) has expired.

(On request of Mr. SEIBERLING and by unanimous consent, Mr. OTTINGER was allowed to proceed for 5 additional minutes.)

Mr. SEIBERLING. If the gentleman will yield further, General Gavin said that the military, if you let them, will take the entire economy in exploiting all of the technology developments that come along. That is the reason why we are having this debate today. The military can only think in terms of military threats on the other side and how to counter them on this side. And that is OK. That is their job. But that is not our job as civilians. We have gotten ourselves locked into a military approach toward arms control and toward deterrence. And it is high time that we reasserted ourselves as civilian leaders in this country, starting with the President of the United States, and reach out over the military psychology and appeal to the civilians who, hopefully, are running things in the Soviet Union. There is only one way to find out and that is to appeal to them.

But it is interesting, to me, that in 1981, the Prime Minister of the Soviet Union said that he wanted to sit down and negotiate a treaty to keep weapons out of space. Our Government did not go for that. Just recently, Andropov has reiterated that. It seems to me that for us to lock ourselves in for development which, once testing is completed, will have passed the point of no return on any ability on either side to verify these weapons, would be a tragic error, particularly when we are so dependent upon satellites for monitoring what goes on in the Soviet Union.

□ 1430

I think the gentleman has hit the nail on the head and we should absolutely oppose any development; continue research but not operational testing, and certainly not procurement of these weapons.

Mr. OTTINGER. The gentleman is perfectly right. The fiscal consequences of this we are beginning to see very markedly now because we have virtually issued, under this administration, with the Congress going along, a blank check to the military. The amount of redundancy and waste we are financing is just staggering. We are doing a Pershing missile and we are doing cruise missiles, and we are going to do the MX, the B-1 bomber and we are going to do Trident missiles. We have the Stealth bomber, the B-1 bomber, and a whole new generation of weaponry in absolutely every field without any sense of what is really needed to overcome threats.

We say that one of the rationales of this is, "Well, we will spend so much we are going to bankrupt the Russians." That is really nonsense. The Russians are a totalitarian society and to the extent they have to, they will deprive their civilian sector to finance these military developments. They have made that clear not only in words but in actions.

We, on the other hand, are in fact going bankrupt. We have our bank bare now, and we are not able to spend what we need to train our future scientists and engineers, to educate our children, to see to it that our cities do not fall apart at the seams, the transportation systems that are vital to be able to get goods, including military goods, to where they are needed.

This administration's blind military spending policy comes at a great cost to the American economy. We cannot continue to pump hundreds of billions of dollars into destabilizing weapons systems and expect any lasting form of economic recovery. Mr. Chairman, this money would be better spent on programs to rebuild America's crumbling industrial base. The real threat to our national security is not the lack of sophisticated weaponry—we have enough to destroy the world many times over. The real threat lies in America's increasing inability to compete with other countries on the world marketplace. Until we redirect our tax dollars from senseless and dangerous military programs toward revitalizing our industrial base, we run the risk of becoming a second-rate nation, one that lacks the industrial technology and capital to compete effectively in the world market and provide for the needs of its citizens.

In fact, this ruinous policy of unending escalation of the military is hurting our ability to have a strong national security far more than it is theirs. At some point this Congress has got to say, "Hey, we are going to put this to a stop. We are going to study the true defense needs of this country and we will all willingly finance them, but we will not finance every new advance in military technology whether it makes us more secure or not."

It seems to me this is one of the clear dividing lines. A new generation of weaponry in space is clearly going to be a program which involves hundreds of billions of dollars which will bankrupt us out into the future so that our children and our grandchildren will not be able to afford decent ways of life, they will not have jobs and they will not have the experience and the technical education needed to keep this country strong in the days ahead and is going to subject them to the tremendous risks of accidental war as we are unable to verify any kind of arrangements that we may have or, indeed, that mistakes in our radar such as occurred five times in the last year and a half were in fact mistakes before we can rectify them and not destroy the Soviet Union and have them destroy us by accident.

There has to be some limit on this never-ending escalation that creates an evermore dangerous world, and that is what this debate is really all about.

The CHAIRMAN pro tempore (Mr. DOWNEY). The time of the gentleman from New York (Mr. OTTINGER) has expired.

(On request of Mr. SEIBERLING and by unanimous consent, Mr. OTTINGER was allowed to proceed for 2 additional minutes.)

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I would be glad to yield to the gentleman from Ohio.

Mr. SEIBERLING. I thank the gentleman for yielding.

Mr. Chairman, the gentleman is absolutely right. If we do not get this spiraling weapons race under control, we are abdicating our responsibility to the people who elected us to our offices.

Clemenceau, the President of France who led France to victory in World War I, made a remark which is as true today as it was then: "War is much too important to be left to the generals." If that is true, I suggest that it is even more true of peace.

Mr. MARKEY. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Massachusetts.

Mr. MARKEY. I thank the gentleman for yielding.

Mr. Chairman, I think it is very important for us to note the comparable position the United States and the Soviet Union are in right now with regard to antisatellite technology. Presently, none of the Soviet antisatellite weapons seriously threaten the survival of our satellites. The Soviet Union recently developed an antisatellite weapon which is slow, usually takes more than an hour to reach its target, and their antisatellite weapon is only effective against low-orbit satellites and has only been produced in limited numbers. The Soviet antisatellite weapon is also launched by a large, easily verifiable ground-based booster rocket.

What is very disconcerting to us is to read in the May 19 New York Times and Washington Post the testimony by the administration that they do not want to sit down and negotiate with the Soviet Union; that while we have an advantage, while we can freeze that into permanent status in which we, who have the technical advantage, will not be jeopardized by a great leap forward by the Soviet Union, that we do not sit down with them but, rather, we go forward with the procurement of this technology which will eventually result.

As Senator PRESSLER said, and this is Senator PRESSLER talking:

> If we do not get this resolved, we are going to find ourselves spending $200 billion or $300 billion for something that will be far more expensive than anything we have seen on the ground, and far more dangerous.

Mr. BURTON. Mr. Chairman, I move to strike the requisite number of words.

I find this debate quite interesting. I am really interested in all the perspectives that I have heard today.

As I understand it, the Soviet Union is putting about 5 times as many satellites in orbit as we are. I suspect that many of those are experimental satellites that are trying to upgrade their ability to shoot down other satellites. I would think that, anyhow.

We talk about the expenditures. I want to cover just a few points I have heard today because I want to get this off my chest.

Mr. Chairman, we worry about us spending so much money. Time and again we have heard on this floor that they have outspent us by over $400 billion in the last decade alone. They have four new ICBM weapons systems that have been developed in the last 10 years and they have four more that are on the drawing boards and under construction. The only one we have is the MX missile, and we are having a tough time getting that through. We finally got it through this House.

It really concerns me when I hear my colleagues on the other side of the aisle talk about Andropov wanting to work things out. As I recall, Andropov was the head of the KGB when the Hungarian freedom fighters were fighting for their freedom, and when they lost, Andropov had the head of the Hungarian freedom fighters come in to talk to him and said he was going to grant him amnesty. He came in and talked to him, and a short time later he had him shot.

That is the caliber of people we are dealing with over there. The only thing they understand is strength, and they take advantage of weakness. I think it is imperative that the people of this Congress accept their responsibilities and do what is necessary to make sure we do not become inferior to the Soviet Union in any way.

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. BURTON. I yield to the gentleman from Colorado.

Mr. KRAMER. I thank the gentleman for yielding.

Mr. Chairman, I appreciate the words of my colleague, and I would like to just make a further point concerning the role of that great peacekeeper of all time, Secretary Andropov.

The Soviet space program is $45 billion a year as opposed to our total civil and military space program budget of about $15 billion, so there is a 3-to-1 ratio there, but it is even more exaggerated than that because about 90 percent of their space effort, whereas only about 50 percent of ours, is military.

But the guy that the gentleman is talking about who supposedly wants to demilitarize space, in fact, sits on top, unlike this country, of the entire Soviet space effort. Soviet Military Power, the recently published edition of which Secretary Weinberger has testified about on a number of occasions, spells this out very clearly on page 66.

> The military, political and economic value of Soviet space programs dictates the general control and direction of the Soviet space effort rests with the Politburo. The fundamental decisions for military space system research, design, development, testing and production at the national level are made in the Soviet Defense Council. Both of these organs are headed by General Secretary Andropov. All 5 components of the armed forces take part in the development and operation of the Soviet space program.

The Soviets conceptualize space as an area of warfare. It is in their doctrine. It is something that they believe is absolutely essential to control in order to win a war; whereas, we continue to talk as though the world is not as it is, as though the world is a sanctuary and space is a sanctuary contained within that environment. Unfortunately, nothing could be further from the truth. While we delude ourselves with this clean-hands rhetoric, how we must go to the bargaining table with clean hands, if we continue on the course that we have taken the past decade, we will not have any hands to go to the bargaining table with.

□ 1440

Mr. BURTON. I think it was Robert Kennedy who said that we should look at the world the way it is, and not the way we want it to be, because you have to live in this world. I think that was a very astute comment, even if it was from the other side of the aisle; but the fact of the matter is that we do not look at the world the way it is. The Soviet Union is exploiting the military area every single day and we are not doing anything about that. It really concerns me.

They are also beating us in the propaganda war. The American people who watch us and see us on television get from Andropov what he wants. A little girl wrote to him recently and received a four-page letter back and in the letter he said he wanted peace and he did not want nuclear war. He did not mention all the hundreds and thousands of people getting killed in Afghanistan or the yellow rain that is being dropped on Cambodia or any of the other things that he is perpetrating on humanity, the tragedies. He did not mention those, but we consume that.

I hope that we can awaken the American people to the real atrocities that are going on in this world and to be prepared so that we do not have to live through those things.

The CHAIRMAN pro tempore. The time of the gentleman from Indiana has again expired.

(At the request of Mr. SEIBERLING, and by unanimous consent, Mr. BURTON was allowed to proceed for 2 additional minutes.)

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. BURTON. I yield to the gentleman from Ohio.

Mr. SEIBERLING. It is not the gentleman's position, I hope, that we should not have negotiations with the Soviet Union because they are doing a lot of things that we do not like; that is not the gentleman's position, is it?

Mr. BURTON. No; my position is that we negotiate at the conference table from a position of strength and not weakness, because we will never get a meaningful disarmament treaty or any other kind of treaty if we go over there with our hands tied, like many of the people in this Congress want to do.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield further?

Mr. BURTON. Certainly.

Mr. SEIBERLING. Is it the gentleman's position that we have no strength, that we are in a position inferior militarily to the Soviet Union?

Mr. BURTON. I think in the area of nuclear throw weight and ICBM's, we are in an inferior position in those areas.

Mr. SEIBERLING. What about antisatellite technology?

Mr. BURTON. Well, from what I have been able to gather, as I said before, they are putting up five times as many satellites as we are right now and they already have satellites up there that they have experimented with that can shoot down other satellites, so I think they are ahead of us.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield further?

Mr. BURTON. Yes.

Mr. SEIBERLING. Is not one of the reasons why the Soviets make propaganda points against us because they constantly say that they are willing to sit down and negotiate and our administration is saying that it is not. What does that do to the attitude of the American people and people in the rest of the world, what does that make them think of the United States as to which side wants to try to end this arms race and which side is trying to continue it?

Mr. BURTON. As I recall, we have had arms negotiators at the table every time they have sat down.

Mr. SEIBERLING. Well, I suggest that one of the things we could do is take up Mr. Andropov's offer to sit down and discuss keeping weapons out of space. What is wrong with that?

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. BURTON. I yield to my colleague, the gentleman from Colorado.

Mr. KRAMER. I have no concern at all about discussions and negotiations and I think they ought to take place; but I think that they ought to take place with the understanding of what the world is today.

The gentleman has asked a very interesting question which I think can be answered very simply. Are we inferior to the Soviets in ASAT technology? Clearly, I think yes. They have had an operational system for 10 years. We do not.

The CHAIRMAN pro tempore. The time of the gentleman from Indiana has again expired.

(At the request of Mr. BROWN of California, and by unanimous consent, Mr. BURTON was allowed to proceed for 5 additional minutes.)

Mr. BURTON. I yield to the gentleman from Colorado.

Mr. KRAMER. I thank the gentleman for yielding.

Again, let us talk about the world as it is, not the world as we want it to be.

The Soviet ASAT system which is now operational has the capability to seek and to destroy U.S. systems in near Earth orbit.

The Soviets conduct yearly tests to practice satellite interception and to refine the ASAT system.

One direction of the Soviet Union's space weapons program is toward the development and deployment of a space-based laser system.

The Soviets could launch the first prototype of a space-based laser antisatellite system in the late 1980's; an operational system capable of attacking other satellites within a few thousand kilometer range could be established in the early 1990's.

Space-based ABM systems could be tested in the 1990's and so forth.

All I am saying to the gentleman is fine, we can negotiate, we can talk, we can enter into agreements; but we had better darned do so with our eyes open and our ears open, looking at the world as it truly exists and not as we want it to exist.

Let us take the SALT I as the perfect example. SALT I, defined by Kissinger, by Mel Laird, by Ambassador Jerry Smith, as a freeze, as a freeze on the strategic arms race and sold to the U.S. Senate in 1972 under that concept. And yet what happened after that agreement was entered into? Why, the United States restrained itself from 1972 on. The Soviets deployed 20 new strategic systems within a decade.

Now, that is the kind of real world that we are living in and we better well recognize it when we go to the negotiating table.

Mr. BURTON. I would just like to make one comment. You know, the Boy Scout motto—we throw these cliches around—is "Be prepared." I think that should apply also to the world peace situation.

While we are negotiating, and we should negotiate in good faith, we should continue to keep doing what is necessary so that we do not fall behind the Soviets. They certainly do not wait for us. We know as far as the intermediate range ballistic missiles, they are building one new SS-20 per week and deploying them and we see them working over in Southeast Asia right now.

So we should not be waiting. We should negotiate and negotiate in good faith, but at the same time we should not keep our hands tied and just wait on them, because they are not waiting on us.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield to me?

Mr. BURTON. I yield to the gentleman from California.

Mr. DELLUMS. Let us analyze the statement the gentleman just made. The gentleman said that we ought to go forward, negotiating in good faith, but simultaneously let us continue to develop the weapon systems that we need.

Now, let us look at that in a little more detail. I would assert, and I would appreciate if the gentleman would respond, that in going forward with new nuclear technologies, we are radically altering the nature of our nuclear policies.

I am saying, for example, that in the development of certain technologies, we are going beyond deterrence to a war-fighting capability, which does have policy implications; so that statement has to be dealt with in that context.

Second, under the guise of modernization of our nuclear forces, we are also going beyond verifiability; that is, we are developing exotic, sophisticated, nuclear technologies that may very well take us beyond our capacity to bring the world back within the confines of arms control, simply because we create nightmares for arms controllers, for example, by developing missile technologies, et cetera; so that statement has important implications.

Mr. BURTON. I would like to reclaim my time.

I would like for the gentleman to make that statement to our adversary, the Soviet Union.

Mr. DELLUMS. Well, I am making it to my colleague. We are in this thing together here.

Mr. BURTON. I know the gentleman is making it to me, but they do not hear the gentleman. The gentleman ought to direct it to them, because I hear the gentleman but they do not.

The problem is that they continue to build and build and build, while we have rhetoric here on this floor.

Mr. DELLUMS. But the gentleman is sidestepping my question. If we are concerned about arms control, I am simply saying to the gentleman that the statement, "Let us go forward with certain technologies," has enormous intellectual, political, and diplomatic implications to us, that we have to look beyond the simple words and understand what it means.

What does it mean for us to go beyond deterrence to war-fighting? What does it mean for us to go beyond verifiability to nonverifiability? These are the issues that I cry out to have debated on this floor.

Mr. BURTON. Well, I say to the gentleman from California (Mr. DELLUMS), that I received from the gentleman this week four letters. Let me tell you what those letters said.

The CHAIRMAN pro tempore. The time of the gentleman from Indiana has again expired.

(At the request of Mr. DELLUMS, and by unanimous consent, Mr. BURTON was allowed to proceed for 5 additional minutes.)

Mr. BURTON. I received from the gentleman from California this week four letters. One said to cut off all funds for the Pershing II.

Mr. DELLUMS. Right.

Mr. BURTON. One said to cut off all funds for the cruise missile.

One said to cut off all funds for the B-1B bomber.

One said cut off all funds for the MX missile.

Mr. DELLUMS. The gentleman got all of them.

Mr. BURTON. The gentleman says he is not for unilateral disarmament. What more could the Soviets ask from this body than what the gentleman has asked for.

Mr. DELLUMS. If the gentleman will yield to me, I have never suggested unilateral disarmament.

Mr. BURTON. Well, what is that?

Mr. DELLUMS. The Soviets do not have some of those technologies.

Mr. BURTON. Shakespeare said that a rose by any other name would smell as sweet.

Mr. DELLUMS. It is not unilateral disarmament. What I am saying, and I would meet the gentleman's question head on, I am not talking about unilateral disarmament, but I am saying that as one of the superpowers, we have a prime responsibility to avert nuclear war, to take some unilateral action that would continue to create——

Mr. BURTON. If I may reclaim my time——

Mr. DELLUMS. Wait a minute—to create an environment that would allow bilateral negotiations to take place.

Mr. BURTON. I would like to reclaim my time.

Mr. DELLUMS. If we are going to debate, let us debate.

The CHAIRMAN pro tempore. The gentleman from Indiana is recognized.

Mr. BURTON. The point is as I see it, that to do the things that the gentleman suggests would put us in a position of unilaterally disarming, as I see it.

The problem with that is the Soviet Union simply does not do that. When we talk, they build. When we build, they build. When we stop, they build, and as a result when we go to talk to them at Geneva and negotiate, we continually negotiate from a position of weakness and they literally, some of them have laughed at our negotiators when we talk about dismantling the SS-20's, if we would not deploy the Pershing II's and ground launched cruise missiles; so they are never going to get serious.

While the gentleman says we should negotiate in good faith in all these issues, and we should, we should not stand idly by and let them run away from us, because in 5 to 10 years, if the gentleman's philosophy is followed, we are going to be in such an inferior position that we are going to have to come to nuclear blackmail and that may cost many of us, if not all of us, our freedom.

□ 1450

Mr. HARTNETT. Will the gentleman yield?

Mr. BURTON. I yield to my colleague from South Carolina.

Mr. HARTNETT. I appreciate my colleague from Indiana yielding.

I would say to my colleague from Indiana that this is the first time that I have heard proper rhetoric from this side. The gentleman from California, for whom I have a great deal of respect, is, through his proposals, through his amendment, advocating unilateral disarmament on behalf of the United States.

This is the same gentleman who wanted to do away with all of the funds for civil defense, for nuclear war.

Not only do we not want to have a deterrence in our own nuclear capability, but let us do away with all of the civil defense moneys that might protect the very citizens whom he wants to keep free from a nuclear holocaust.

I would say to my colleague from Indiana that when we are told by the gentleman from California that we go beyond a deterrence to a war-fighting capability, that when your deterrence is no longer a deterrence it is probably time that you build that deterrence at least to a war-fighting capability.

I do not want my colleague from Indiana to be ashamed whatsoever or to let this element over here who advocates unilateral disarmament to browbeat you into thinking they know more than you do.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield? Mr. Chairman, I object and I move that the gentleman's words be taken down.

What do you mean? Who are you talking about? We are all colleagues; we are American citizens.

I move that the gentleman's words be taken down, Mr. Chairman.

Mr. HARTNETT. I respectfully ask that my words be taken down, Mr. Chairman.

The CHAIRMAN pro tempore (Mr. DOWNEY). The gentleman will suspend. Does the gentleman from South Carolina seek to modify his previous statement?

Mr. HARTNETT. Mr. Chairman, I would have to read exactly what I said.

Mr. Chairman, I believe I said that there is an element here in this Congress—it has been referred to as the peace community, the freeze community, the progressive community, or whatever, who advocates unilateral disarmament, if that is what I said, sir.

Mr. SEIBERLING. Mr. Chairman, I ask that those words also be taken down.

The CHAIRMAN pro tempore. The Clerk will report the words objected to.

PARLIAMENTARY INQUIRY

Mr. BURTON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will desist until the Clerk reports the words of the gentleman from South Carolina.

□ 1453

PARLIAMENTARY INQUIRY

Mr. KRAMER. Mr. Chairman, would the Chair kindly tell us when a parliamentary inquiry would be in order?

The CHAIRMAN pro tempore (Mr. DOWNEY of New York). The gentleman will state his parliamentary inquiry.

Mr. KRAMER. The parliamentary inquiry is: Can the Chair tell us the procedure that relates to taking down words and what will follow?

The CHAIRMAN pro tempore. The procedure is as follows: After the Clerk reports the words, the Speaker will review the words of the gentleman from South Carolina, making a ruling thereon; unless, of course, the gentleman from South Carolina wishes, by unanimous consent, to withdraw his words.

FURTHER PARLIAMENTARY INQUIRY

Mr. KRAMER. Mr. Chairman, I have a further parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. KRAMER. Mr. Chairman, is the ruling of the Speaker the final word on that or is there an appeal process or how does that work exactly?

The CHAIRMAN pro tempore. The Chair would inform the gentleman that the Speaker would rule on that but that after the Speaker has ruled it would be in order to dictate the consequences of the ruling of the Chair by proper motions in the House.

Mr. KRAMER. I see. Otherwise, if there was not an appeal of the ruling of the Chair, then it would be a final ruling by the Speaker; is that correct?

The CHAIRMAN pro tempore. The gentleman is correct, if the House

adopts a motion consistent with the Speaker's ruling, should the words be ruled out of order.

PARLIAMENTARY INQUIRY

Mr. HARTNETT. Mr. Chairman, parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. HARTNETT. Mr. Chairman, I am not certain as to which of my remarks struck such a sensitive chord among my colleagues here this afternoon. My words that have been now requested to have been taken down were to the point that there is an element here in the House that would advocate unilateral disarmament. Now it is my understanding, Mr. Chairman, and I would like a ruling on this, that the element means a section, a portion, a fraction or a part or less than the whole and my statement was that there was an element or a less than the whole membership of this House who would advocate a unilateral disarmament and I would like the Chair to rule.

The CHAIRMAN pro tempore. It is neither the intention nor the privilege of the current presiding officer of the Committee of the Whole to make such a ruling. That is the prerogative of the Speaker and when the gentleman's words are read to the House, the Speaker will so rule.

Mr. DELLUMS. Mr. Chairman, I would like to make a unanimous-consent request.

The CHAIRMAN pro tempore. The gentleman will state his unanimous-consent request.

Mr. DELLUMS. Mr. Chairman, I would like to make a unanimous-consent request to address the House for 1 minute.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

Mr. HARTNETT. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

Mr. LELAND. Mr. Chairman, I would like to make the same request.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas.

Mr. HARTNETT. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

Mr. BURTON. Mr. Chairman, has my time expired?

Mr. SEIBERLING. Mr. Chairman, I move to strike the last word.

PARLIAMENTARY INQUIRY

Mr. BURTON. Mr. Chairman, parliamentary inquiry.

The CHAIRMAN pro tempore. The Chair is awaiting the reading of the statement of the gentleman from South Carolina and will not entertain any business during that time.

The Clerk will report the words of the gentleman from South Carolina.

The Clerk read as follows:

Mr. HARTNETT. I do not want my colleague from Indiana to be ashamed whatsoever or to let this element over here who advocates unilateral disarmament to browbeat you into thinking they know more than you do.

Mr. DELLUMS. Mr. Chairman, I insist that the words be taken down.

The CHAIRMAN pro tempore. The Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DOWNEY of New York, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that the Committee having had under consideration the bill (H.R. 2969) to authorize appropriations for fiscal year 1984 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, to authorize appropriations for such fiscal year for civil defense, and for other purposes, reported that certain words used in the debate were objected to and on request were taken down and read at the Clerk's desk, and he herewith reported the same to the House.

The SPEAKER. The Clerk will report the words objected to.

The Clerk read as follows:

Mr. HARTNETT. I do not want my colleague from Indiana to be ashamed whatsoever or to let this element over here who advocates unilateral disarmament to browbeat you into thinking they know more than you do.

The SPEAKER. The Chair is ready to rule.

The statement as made by the gentleman from South Carolina is apparently not directed at any particular Member.

The House has had rulings in situations, perhaps analogous to this in the past: A statement by the gentleman from Mississippi (Mr. Rankin), that: "it has been amazing to me to hear these Members rise on the floor and give aid and comfort to those enemies, those traitors within our gates, for every Communist in America is a traitor to our Government and is dedicated to its overthrow." That was held in order by Speaker Martin on November 24, 1947, since it did not reflect on any individual Members.

This is a ruling that has been made by this House before and it seems that there is an established precedent.

While the remarks of the gentleman are in order, the Chair would caution him that in the tone of his voice or things of that manner it is against the rules of the House to make any statement that would be personally offensive.

The Chair has ruled that both the gentleman's statements were not personal to any particular Member of the House.

The Committee will resume its sitting.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2929, with Mr. DOWNEY of New York, Chairman pro tempore, in the chair.

Mr. PRICE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DOWNEY of New York, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2969) to authorize appropriations for fiscal year 1984 for the Armed Forces for procurement, for research, development, test, and evalulation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, to authorize appropriations for such fiscal year for civil defense, and for other purposes, had come to no resolution thereon.

REQUEST FOR CONSIDERATION OF HOUSE RESOLUTION 194, URGING THE PRESIDENT TO PROVIDE FOR GREATER CONSIDERATION OF INTERNATIONAL CURRENCY EXCHANGE RATES AT THE WILLIAMSBURG SUMMIT

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs be discharged from further consideration of the resolution (House Resolution 194) urging the President to provide for greater consideration of international currency exchange rates at the Williamsburg summit, and ask for its immediate consideration in the House.

The Clerk read the title of the resolution.

The SPEAKER pro tempore (Mr. BROWN of California). Is there objection to the request of the gentleman from Wisconsin?

Mr. BROOMFIELD. Mr. Speaker, reserving the right to object, I will yield to the gentleman from Wisconsin (Mr. ZABLOCKI) for an explanation.

Mr. ZABLOCKI. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, this resolution has been introduced by the gentleman from Michigan (Mr. TRAXLER) and the gentleman from Indiana (Mr. HILLIS).

Mr. Speaker, I rise in support of House Resolution 194, urging the President to provide for greater consideration of international currency

exchange rates at the Williamsburg summit.

The resolution urges the President to include on the agenda at Williamsburg the need for coordination of economic policies among the industrial nations, aimed particularly at reducing disparities in economic policies, interest rates, and exchange rates, and at hastening economic recovery.

Several changes will be proposed to the resolution as introduced. These changes have been worked out with officials of the Treasury and State Departments to insure that there is nothing in the resolution which would serve to embarrass or undercut the President's position at Williamsburg.

As the Williamsburg Summit is to be held May 28-30, it would be useful if the House could report the resolution today.

The Senate passed a similar resolution, Senate Resolution 135, yesterday.

Mr. Speaker, I urge the adoption of House Resolution 194.

I, therefore, hope, Mr. Speaker, there will be no objection, and that the resolution will be adopted.

Mr. BROOMFIELD. Further reserving the right to object, Mr. Speaker, I also support this resolution, House Resolution 194, urging the President to seriously consider the question of international currency exchange rates at the upcoming Williamsburg summit.

As my colleagues well know, the issue of international currency rates is a complex and important one which is frequently discussed here in the House. The growing strength of the dollar has had, in many cases, a negative impact on U.S. product competitiveness around the world. I am certain that an issue as important as this one will be addressed at the Williamsburg summit.

I want to commend the President for his key role in having this important summit here in America. I also want to congratulate him for his leadership in the international economic arena. His efforts to bring about greater understanding, harmony, and a spirit of cooperation among the major trading nations of the world are noteworthy. In this increasingly interdependent world, he has consistently stressed the importance of dialog and coordination in international economic efforts. While recognizing the President's major contributions in the area of economic summitry, I support this resolution and urge my colleagues to join me in this important effort regarding international currency.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield under his reservation of objection?

Mr. BROOMFIELD. Mr. Speaker, I am happy to yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Speaker, this is pretty serious business to bring up at this time of the evening, at a time when most of our Members are not present.

I am not going to object to this resolution because it is rather bland and all of us want the subject discussed at the summit.

But when this Congress decides to resolve, to tell the President what to do at a summit, literally on the 11th hour beforehand, without adequate consideration and debate, I am afraid that we have embarked on a course of rather sloppy procedures.

I am very disappointed that the committee would bring this resolution up at this time. I shall not object because I have written the President, myself, urging that this be a high priority item at that summit. But I think we have to be careful, if we do not give due consideration to that which we do in this House, that which we do will not get consideration from those from whom we seek it.

I thank the gentleman for yielding.

□ 1510

Mr. TRAXLER. Mr. Speaker, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Michigan.

Mr. TRAXLER. I thank the gentleman for yielding.

Mr. Speaker, I want to extend my appreciation to the chairman of the committee, the gentleman from Wisconsin (Mr. ZABLOCKI), and the ranking minority member, my good friend, the gentleman from Michigan (Mr. BROOMFIELD). The gentleman from Indiana (Mr. HILLIS), who is the cosponsor of the resolution, would agree with the committee amendments. I support the committee amendments. I congratulate the committee.

Mr. Speaker, I rise in support of House Resolution 194, a measure which encourages the President to discuss the problems of realining currency exchange rate at the Williamsburg Economic Summit. This resolution, which was originally introduced by myself and Mr. HILLIS of Indiana, has been cosponsored by 52 other Members.

Mr. Speaker, currency exchange rates are an essential part of international trade. If currency exchange rates are not properly monitored, it can lead to international trade consequences which can cost jobs in many nations, as it has recently in the United States, while providing other nations with windfalls to which they are not entitled.

The fact is a simple one. If the dollar is overvalued compare to another currency, American products become more expensive for foreign buyers to purchase. Conversely, foreign products become cheaper in our domestic markets. The consequence is that our balance of trade drops in to the negative column, and while our consumers might believe that they are getting the benefit of a cheaper product, they are setting themselves up for a disruption of American industry that can cost consumers much more in the future.

This resolution as we introduced it received the endorsement of several groups, including the Motor Vehicle Manufacturers Association, the United Auto Workers, the Iron and Steel Institute, and the Business Roundtable.

This support represents the fact that key American industries—autos and steel—know that the realignment of currency exchange rates is an essential step toward worldwide economic recovery through the removal of artifical impediments to fair international commerce.

Foreign producers have a cost advantage which is not derived from the economics of producing goods overseas. It has nothing to do with quality of products. Rather it simply means that they are artificially cheap in our market, costing us in a downturn in industry, and the demands for social services for those who are unemployed as a result of this fundamental imbalance in international trade.

Mr. Speaker, I urge all of my colleagues to support House Resolution 194 so that we can quickly encourage the President to discuss an essential issue in a positive fashion at Williamsburg.

Mr. BATEMAN. Mr. Speaker, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Virginia.

Mr. BATEMAN. Mr. Speaker, this resolution is to my mind a mischievous exercise. It is either mischievous or it is a piece of flotsom, having little or no meaning. Whichever it may be, I think it ill serves our country, our House, and the Congress as whole, as we are about to enter into a very serious discussion of major economic problems facing the entire international community, problems on which the President, the administration and certainly leaders of the Congress have had input into it, which are complex, which have the potential of putting us in a position of contention with some of our most important allies, because all things that are best for them may not at all be best for the people of the United States.

These matters are being addressed and they are going to be addressed very delicately. And it is everyone's hope who is associated with the upcoming summit, which is being held in my district, in Williamsburg, Va., in the next few days, that these matter are going to be discussed among our friends and allies on a constructive and uncontentious basis, and that we will indeed make progress toward a true international recovery which will keep pace with out recovery here in

our own economy and perhaps fuel an international recovery to an even greater extent.

These things are vastly important. They are vastly complicated. From what I have read of this resolution, there is not a thing in it that addresses a subject matter that the newspapers and every economic commentator has not already included as among those things obviously which are going to be discussed.

If that is indeed the case, then why does this Congress need to inject itself into passing resolutions saying do that which everyone knows you are already going to do or is it going to be used by some as a basis for saying because the Congress has articulated a particular concern that is a major dominant concern and you must go further along those lines than you think is in the best interest of the people of the United States.

I submit again, this resolution, brought at this last hour before we adjourn and could act before the summit begins, is not a constructive exercise. I believe it to be mischievous in what its results, however good intended, I am sure its proponents may have in mind. It is either superfluous or mischievous in this Member's view.

Mr. BROOMFIELD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin (Mr. ZABLOCKI)?

Mrs. HOLT. Mr. Speaker, reserving the right to object, I would like to associate myself with the remarks of the gentleman from Virginia (Mr. BATEMAN).

I feel that it is completely out of order to bring something up of this magnitude at this hour of the day, and I think that we are really dealing in an area that the Congress should not be making recommendations at this point in our negotiations as we are about to start the summit.

Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

PERSONAL EXPLANATION

(Mr. HARTNETT asked and was given permission to address the House for 1 minute.)

Mr. HARTNETT. Mr. Speaker, I regret the fact that my colleagues, two of whom were somewhat offended by my remarks of a few moments ago, and I further regret that perhaps instances which might have occurred in my part of America, unjust instances, may have made undue sensitivity on behalf of my colleagues to what I consider to be proper use of the English language. I apologize to my colleagues if I offended them.

Mr. Speaker, I looked up the word "element" in the Speaker's dictionary here and it is defined as "one of the constituent parts, principals, materials, or traits of anything."

As I said in my parliamentary inquiry, I believe it is a part of less than the whole, but if my statement had any connotation which was considered to be unpleasant or offensive to my colleagues, I certainly apologize. I regret the entire instance, but I felt that I was within my limits.

Mr. DELLUMS. Mr. Speaker, will the gentleman yield?

Mr. HARTNETT. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Speaker, I thank the gentleman for yielding.

As one of the Members of the House that my colleague directs his statement to, I appreciate very much the gentleman's statement and the sincerity of it. And I understand that as we debate these matters passionately that tempers flare.

All I am suggesting is that we not personalize our debate. We are not here to project our personalities. It would seem to me that our discussions, that our battles ought to be over policy, over ideas, and over directions. And this particular gentleman was very sensitive to the statement that my colleague made. And I felt that when my colleague pointed in this direction, that it was more than simply words, that it was a total statement that communicated something less than total respect.

I respect my colleague as my colleague and as a citizen of this Nation and as a citizen of the world and it is only within the context of that kind of mutual respect can we carry out debate in this democratic marketplace of ideas. And the gentleman full knows that I have never attacked any person's character or any personality on the floor of this Congress. My battle on the floor here is on direction and on ideas and has nothing to do with personalities.

I certainly accept my colleague's apology and to the extent that the gentleman can be part of making sure that we never engage in that kind of challenge again, I appreciate it.

AUTHORIZING THE SPEAKER TO ACCEPT RESIGNATIONS AND TO APPOINT COMMISSIONS, BOARDS AND COMMITTEES, NOTWITHSTANDING ADJOURNMENT

Mr. SMITH of Florida. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the House until Wednesday, June 1, 1983, the Speaker be authorized to accept resignations, and to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

GENERAL LEAVE

Mr. DEWINE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material on the subject of the special order of the gentleman from New York (Mr. MCGRATH) today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PAY FOR PERFORMANCE

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DANNEMEYER. Mr. Speaker, recent pay-for-performance proposals by the Office of Personnel Management have taken a beating. In public, some groups claim that OPM seeks a return to the spoils system. In private, you hear other things. Listen to this one:

> I'm not going to go through another RIF. * * * That's the roughest thing I've ever done * * * the bad ones are so high on the seniority list you can't get them; people doing a good job * * * you look them in the eye and tell them they don't have a job; that's tough.

Was that Don Devine, Director of OPM, hammering away at his favorite theme in an executive dining room? No. It certainly was not. The speaker was no one less than Kenneth T. Blaylock, president of the American Federation of Government Employees, in an August 1982 closed-door meeting.

Mr. Blaylock is correct. Would that his remarks were not behind closed doors. The debate over good Government rules would profit from this kind of candor.

Mr. Speaker, I insert the full text of a Washington Times article in the RECORD at this point.

[From the Washington Times, May 20, 1983]

BLAYLOCK PRIVATELY ADMITS SOME U.S. WORKERS OVERPAID

(By Tom Diaz)

The president of the nation's largest nonpostal federal employee union has admitted in private that some federal employees are overpaid.

Kenneth T. Blaylock, president of the American Federation of Government Employees, told a union vice president at a Jan. 19, 1983, meeting that it was wrong to say that "the lower grades are not getting the fruit of the loom."

According to documents obtained by The Washington Times, "There are two or three levels . . . where the federal pay on a nationwide basis, really, in a lot of areas is higher than that same skill level in the private sector," Blaylock said.

In discussions with government officials on a joint council that advises the president on federal pay, Blaylock said the union has been "talking out of both sides of (its) mouth, to be very honest, over there where we sit on that board."

An AFGE vice-president said of new federal employees at the same meeting, "They've got a pretty good salary right now, and unemployment what it is out on the street, they feel they're pretty fortunate in getting a job."

Dr. Donald J. Devine, director of the Office of Personnel Management, said he was "very glad to see that Mr. Blaylock does recognize the incontrovertible facts about federal pay. It is very generous relative to the private sector."

Blaylock also has complained in private that union seniority rules make it difficult to keep good workers during reductions-in-force. The union recently fired a number of its own employees because of budget cutbacks, a move Blaylock said last August he hoped to avoid.

"I'm not going to go through another RIF of sending people out the door," Blaylock told the executive council at a meeting in New York on Aug. 28, 1982. "That's the roughest thing I've ever done . . . the bad ones are so high on the seniority list you can't get them, people doing a good job for the union you look them in the eye and tell them they don't have a job, that's tough."

But Blaylock has adamantly opposed administration proposals to change the rules governing its own RIFs so as to make performance more important than seniority in determining which civil servants are laid off.

"The members of Congress who are trying to 'help' employees by attempting to block the implementation of our reforms should take note that the behind-closed-doors opinion of union leaders themselves is in favor of using performance for personnel actions," Devine said.

A House appropriations subcommittee recently approved an amendment barring use of fiscal year 1983 funds to put the proposed rule changes into effect. Senate Majority Whip Ted Stevens, R-Alaska, who is chairman of the Senate Civil Service subcommittee, has announced that he will support a similar measure in the Senate.

The documents obtained by The Times provide a rare picture of the union's opinions of members of Congress, including Stevens.

Union leaders criticized Stevens in 1982 for suggesting civil service retirement reform and "not voting with us."

Blaylock suggested in March of last year that the union might need to "ring Stevens' bell," and in a June 1982 meeting complained, "I don't know where the hell Ted is going."

More recently, however, the leaders expressed satisfaction with Stevens' actions. "The people in Alaska have done a pretty good job on Mr. Stevens," Blaylock said on Jan. 21, 1983.

A spokesman for Stevens declined to comment.

The union apparently has a smoother relationship with the House Post Office and Civil Service Committee. For example, during a March 1982 discussion of election "targeting," AFGE Political Affairs Director Jane McMichael told the national executive council that she would need time to discuss with them "some targeting on some hearings that we are scheduling with the Post Office and Civil Service Committee around the country."

"We expect to have five or six of them between now and, say, the middle of September. We want to have them in key cities and we'd like to talk to you about options and possibilities for those hearings, and then building political stuff around that," she said.

MISSING CHILDREN'S DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. McGRATH) is recognized for 30 minutes.

● Mr. McGRATH. Mr. Speaker, I have taken this special order today to focus attention on the tragedy of missing children. Today marks the 4-year anniversary of the disappearance of Etan Patz, probably the most publicized missing child case. May 25 has been designated by those involved in the search for Etan as National Missing Children's Day.

Etan is one of thousands of children who left home for school one day and never returned. Statistics are hard to come by, but estimates range from 150,000 to 1½ million children who disappear in the United States each year.

Last year, I was pleased to cosponsor the Missing Children Act, which was signed into law by President Reagan. This law encourages the National Crime Information Center to accept more specific data on missing persons, such as blood type, dental records, and scars that would be helpful in identifying children. The system is available to local law enforcement agencies to locate missing persons.

The Missing Children Act is certainly a step in the right direction, but we must not let public consciousness of this serious situation fall by the wayside. It is our duty to achieve new levels of public awareness so that we can work, not only toward the location of children who have disappeared, but also toward the prevention of child abduction.

The task of locating missing children has been assisted by the creation in 1983 of Child Find, Inc., the only national, nonprofit agency for the location of abducted children. As of January 1983, Child Find is averaging the location of 10 missing children each week. In its first 1½ years, Child Find located more than 300 children. The founder of Child Find and many of its volunteers are parents of missing children, parents who live in hope that one day their child will be found.

Child Find has worked to develop a comprehensive kidnapping prevention and family identification program. It has support groups in every State that work to educate the public on how to prevent child abduction. Child Find maintains a toll-free spotters hotline through which parents and informants can call for assistance. It acts as a clearinghouse for information on missing children from all parts of the United States, keeping detailed descriptions, photographs, and all other relevant data on file, circulating it to schools and welfare organizations nationwide.

Each year on May 25, Child Find sponsors National Missing Children's Day. Today, I join Child Find in attempting to increase public awareness of the problem of missing children nationwide. In particular, Child Find urges those States which have not yet adopted a felony offense statute making the transportation of a child by a noncustodial parent across State lines a felony to do so. Happily, some 42 States have such laws on the books. Child Find also encourages the adoption of uniform penalties for parental kidnapping in order to deter this all-too-common occurance.

The tragedy of missing children is a horrifying reality. Many children are abducted by estranged parents in custody disputes. Others are taken by strangers, sometimes sex offenders or extortionists. Of all the children abducted by strangers, approximately 80 percent are never accounted for, 10 percent are homicide victims, and 10 percent are returned to their families. Those who are not found are numbered in the estimated 2,000 unidentified children that coroner's offices bury each year. Those who are found, the innocent children, sometimes never recover from the trauma they experience.

Americans must now begin to deal with the growing problem of child abduction. We must approach this serious issue from the perspective of prevention and work within our communities to educate both parents and children.

Mr. Speaker, Child Find has been active in many States and localities across the Nation, and I would urge my colleagues to learn more about the activities of this organization and other which are attempting to deal with this serious and growing national problem. If my colleagues desire more information on this subject, I would urge them to contact Child Find at its national office in New Paltz, N.Y.●

● Mr. LEWIS of Florida. Mr. Speaker, on July 27, 1981, at a Sears store in Hollywood, Fla., 6-year-old Adam Walsh disappeared. His remains were found 16 days later in a canal near Vero Beach, Fla.

Little Adam was not the only child who disappeared or was abducted that month, that week, or that day, nor was his disappearance unique.

But the facts surrounding Adam's disappearance and murder did heighten public sensitivities. His abduction and horrible fate sent a shock throughout the Nation.

The public—horrified, sickened, and downright frightened—rose up with Adam's parents, John and Rebe

Walsh, to fight for the lives and safety of the thousands of children who disappear or are abducted each year.

Mr. and Mrs. Walsh won one battle in September 1982 when President Reagan signed the Missing Children's Act.

But the war rages on, and today, on National Missing Children's Day, I want to pay tribute to the people who are continuing the fight.

Since the creation of Child Find, Inc., hundreds of missing children are found each year due to the dauntless and untiring efforts and the information gathered by this nonprofit agency.

The people who work for and with Child Find, Inc., deserve much credit for their persistence, dedication and energy in fighting the endless battles, one after another, each day, every day.

On this day—set aside to bring attention to the problem of missing and abducted children and the intense sorrow of their parents—I offer my prayers for the suffering children and parents, and extend my heartfelt thanks to those working so hard to ease the pain.●

● Mr. ANDERSON. Mr. Speaker, I commend our colleague, Congressman RAYMOND MCGRATH, for requesting this special order in behalf of Child Find, and thereby to focus national attention upon the tragic phenomenon of missing children on this, National Missing Children's Day. Sadly, nearly 150,000 children in the United States annually are reported missing. The parents and families of such children suffer untold hours, days, weeks, months, and, in too many instances, years of misery, not knowing whether their children are even alive, and if so where.

Founded just over 2 years ago by Gloria Yerkovich, herself the mother of a missing child, Child Find is a nationwide organization which was created to fill the void which previously existed because there was no comprehensive effort to assist these anguished families locate their missing children. Child Find's own records show that, of the approximately 150,000 children who are abducted in this country each year, two-thirds are spirited away by an estranged parent. This is precisely what happened to Ms. Yerkovich's daughter, Joanna.

Regrettably, National Missing Children's Day marks the fourth year since Etan Purtz was last seen by his parents. For on May 25, 1979, young Etan, then age 6, disappeared while on his way to catch a schoolbus. Evidently, his abductor was a stranger. Etan is just one of some 80 percent of the missing children who are never accounted for. A mere 10 percent of those missing are found and returned to their rightful families; tragically, the remainder of these children are discovered dead.

I sincerely hope that, as a result of this special order and other activities which may occur today throughout the Nation to lament our missing children, our people will become more sensitive to the suffering of these children and their families. Hopefully, we also may become enlightened enough by the efforts of such organizations as Child Find that we will find time in our own lives to assist the proper authorities in whatever way we can to return missing children to their rightful families.

Mr. Speaker, Child Find maintains a toll-free "Spotters Hotline." I hope that anyone who has any information about a missing child will help reunite that child with his family by calling the "Spotters Hotline"—1-800-431-5005. We should all keep in mind that, for the parents of a missing child, the most severe torment is not knowing anything about that child.●

● Mr. KEMP. Mr. Speaker, every year, an estimated 150,000 children disappear, either by being abducted by a parent involved in a custody dispute, or by strangers. These alarming statistics not only warrant our attention—they warrant our action.

Some people are acting. Child Find, a private agency specializing in tracking these children, I am very proud to say, is located in my State of New York. This superb organization, staffed by volunteers and run on shoestring funding provided by a handful of concerned citizens, has managed, over the past 2 years, to return nearly 300 missing children to their parents.

Child Find acts as a clearinghouse for information on missing children, circulating descriptions and relevant data to schools and local welfare agencies. It maintains a toll-free telephone service for parents, informants and missing children, and runs a nationwide network of retired FBI agents and private detectives. Much of the detective work is done for free.

I applaud the efforts of Child Find along with the many other small groups working around the country to help reunited children with their parents, and I recognize, along with them, that much more need to be done.

Last year, President Reagan signed into law the Missing Children Act. But passage of this bill was only the beginning. In order to mandate adherence to the principles of the act, each State must pass its own version of the Missing Children Act. I am proud that my State has passed such legislation and it has recently been signed into law by Governor Cuomo.

Certainly, in a country where stolen cars are frequently returned to their owners, it is a sad and shocking commentary that abducted children will most likely never be seen by their parents again.

We must all stand in support of further appropriate measures to help prevent these occurrences from happening. The thought of never seeing your child again and constantly praying for his or her safety and return is a tragedy no one should ever experience.

I want to thank my colleague Mr. MCGRATH for taking a leadership position in calling our attention to this critically important issue.●

● Mr. BIAGGI. Mr. Speaker, today is National Missing Children's Day and I participate in this special order with a sense of urgency and out of deep concern. It has been estimated by the Department of Health and Human Services that approximately 1.8 million children are missing from their homes. The increased number of runaways and parental kidnapings—so-called child snatching cases—has exacerbated the problem. The New York Times estimates that 100,000 incidents a year involve child snatching alone.

The statistics, though staggering, do not capture the untold frustration and suffering that parents endure. In fact, since January of this year, I have been involved in just such a case of a missing child in New York City and have firsthand knowledge of the emotionally battering experience. On June 3, 1982, a little girl of 3 was taken at gunpoint by her noncustodial father in violation of a court order. At the time of the abduction the father had no visitation orders at all, because, in fact, he had already stolen the child on a previous visit. Facts of the case reveal that the custodial mother had been beaten by the father which places the child at risk for further abuse. My office has placed numerous phone calls to the local police handling the investigation, the district attorney's office, the local FBI, as well as Child Find and Children's Rights of New York. These agencies, although sympathetic, are hampered by both New York law and the lack of enforcement of Federal statutes.

Although the Missing Children's Act, which I strongly supported during the prior Congress, provides that descriptions of missing children be entered into the Federal Bureau of Investigation's National Crime Information Center (NCIC), this has been underutilized for several reasons. Law enforcement agencies claim that they lack the expertise to use NCIC, have limited manpower to supervise entries and deletions and oftentimes still have the perception that cases of missing children are limited to jurisdictional problems. Moreover, child stealing laws vary widely in strength and enforcement. For example, all of the agencies contacted in New York decried the New York practice which restricts issuing criminal warrants for custodial interference, thus not allowing many parents rightful access to nationwide FBI searches.

There can be no doubt that services provided under the Missing Children's Act and the Parental Kidnapping Act are not clear to many on the State and local level. In addition, the problem of lack of Federal enforcement can no longer be tolerated.

I applaud the efforts of Child Find as well as local law enforcement agencies but I believe that we need to strengthen the laws to bring these children home.●

● Mr. LELAND. Mr. Speaker, I appreciate having this opportunity to speak to the issue of our greatest and most precious resources—children.

Up until October 12, 1982, there existed a multitude of shortcomings in the judicial system of finding a missing child. All too often, the tragedy of a missing child was compounded with ineffective methods used in locating them, causing, in most cases, a more desperate situation to be perpetuated.

On October 12, 1982, the Missing Children's Act was signed into law, mandating the creation of a national clearinghouse of computerized information to aid parents in their quest to track the hundreds of thousands of children reported missing each year. For the first time, reliable statistics were compiled nationwide, adding to the information compiled by local concerns.

The Missing Children's Act makes use of the Federal Bureau of Investigation's National Criminal Information Center computer for the clearinghouse, giving parents access to the local offices, thus enabling better cooperation with local enforcement authorities.

Considering that approximately 1.8 million children are missing, almost 50,000 disappearing each year, the Missing Children's Act provides a necessary vehicle in which to locate most of these kids. We need only look back to the murders of the children in Atlanta to recall the problem of coordinating efforts to locate children. It was realized at that time that laws actually worked against effective investigative practices. This situation must never be repeated, and we are here today to focus attention on the hundreds of thousands of missing children, by recognizing National Missing Children's Day.●

● Mr. DREIER of California. Mr. Speaker, last Congress we passed H.R. 6976, the Missing Children Act, which established a Federal clearinghouse to help locate missing children. I rise today, on National Missing Children's Day, to remind my colleagues that there is still much to be done.

Each year, an estimated 150,000 children disappear from their homes and neighborhoods—an average of over 3,000 children per week. Two-thirds are abducted by estranged parents in custody disputes; the rest, however, are taken by strangers. Of these children, 10 percent are found alive and 10 percent are found dead. The others are never seen by their parents again. I know we can all appreciate the lifelong anguish that this uncertainty creates.

Child Find, a nonprofit corporation dedicated to helping parents find their missing children, has been instrumental in combating this tragedy. In the 2 years that Child Find has been in existence, it has helped return 240 missing children to their parents. In the month of December 1982 alone, 38 missing children were brought home to their families. With passage of the Missing Children Act, Child Find is sure to be even more effective in combating child kidnaping.

Much more, however, can be done. The public must be made aware of the national tragedy of missing children and of the courageous work of Child Find to combat it. I ask my colleagues, then, to take this message home to their constituents; to do everything they can to bring local and national attention to National Missing Children's Day. If we can make this and every May 25 a day of recognition and concern, we will be taking an important first step toward ending the national crisis of missing children.●

● Mr. FISH. Mr. Speaker, it is with great concern that I join my colleagues today in calling for heightened public awareness to the serious problem of missing children.

Approximately 150,000 children are reported missing in the United States each year. Parents in custody disputes account for about 100,000 of this figure. But the other 50,000 are taken by strangers, such as sex offenders or extortionists. Ten percent of those children are found alive, and 10 percent are found dead. The rest are never seen by their parents again, and until recently there has been little recognition of the private anguish endured by their families. Public outrage over the fact that our Nation had a system for tracking stolen cars but not stolen children led to passage of the Missing Children's Act which provides for a national clearinghouse for information on missing children. Passage of this act is a step in the right direction, but it is only a beginning.

In the past few years, several agencies have been formed to assist parents of missing children. I am extremely pleased to note that Child Find, Inc., the only nationwide nonprofit agency of this kind, located in my own home State of New York, has been successful in getting 28 States to recognize May 25, the anniversary of the disappearance of Etan Patz, as Missing Children's Day. In addition, Child Find, Inc., has been successful in reuniting over 300 missing children with their parents in the past 2½ years since it began operation. Staffed with volunteers, the thought of those reunions is the only reward the Child Find, Inc., people get for their labors. I take this opportunity to commend them on their unselfish dedication to insuring that our Nation's children be protected in advance of tragedy.

I appeal to the world community to join in assuming the responsibility for the safety of our Nation's children.●

● Mr. COATS. Mr. Speaker, I commend my colleague from New York (Mr. MCGRATH) for arranging this special order in recognition of National Missing Children's Day. All of us need to be reminded that the issue of missing children is a national problem which still needs our immediate and continual attention.

While accurate statistics of missing children are for the most part unavailable, the Department of Health and Human Services estimates that 1.8 million children are missing from their homes each year. Families may never know what becomes of these children or even if they are still alive. As a father of three, I cannot imagine a more unbearable anguish than such separation and uncertainty.

Last year, the Congress and the President approved legislation which offers a ray of hope to our Nation's missing children and their parents. The main provisions of the Missing Children's Act expend the types of information maintained in the National Crime Information Center (NCIC) computer and authorizes the exchange of information between the Federal center and State and local law enforcement officials. In the case of missing children, even the task of identification is rendered more difficult than in the case of adults because few children maintain common identifiers such as a driver's license or a social security number. Fingerprints are rarely on file, and even height and weight descriptions are quickly dated. The act is intended to focus attention on the unique problems of missing children and to encourage local police to place the data which does exist into NCIC's computer system.

Additionally, parents can now contact the FBI to inquire whether or not their child's name and vital information has been entered into the NCIC computer. If the information has not been listed by local or State officials, the FBI can enter it into the computer.

This legislation, however, has its limitations because it does not in any way alter the obligation of either State of Federal law enforcement officials to search for missing children, only to help identify the subject once found. For this reason, agencies like Child Find, Inc., are vital in locating abducted children. As of January 1983, Child Find is averaging the location of 10 missing children each week. Other organizations work with runaways or

driftaways and attempt to reunite them with their families.

I hope that the interest generated by this special order will stimulate greater concern for missing children and encourage further efforts to locate, identify, and reunite these children with their families.●

● Mr. FORSYTHE. Mr. Speaker, today many Americans will be commemorating National Missing Children's Day, sponsored by Child Find, Inc. This May 25 is the anniversary of the disappearance of Etan Patz, and is dedicated to him and the many other missing children in the United States. In response to the increasing number of missing children, Congress passed the Missing Children's Act in September of 1982 and the President signed it into law.

Unfortunately, this legislation neither guarantees that all missing children will be found nor does it prevent their deaths. However, it does provide a National Clearinghouse on Children; any missing child who is reported is entered into a computer, thus making this information available across the country. This data bank facilitates the local law departments as well as reassures the parents of a missing child that a widespread search is being conducted.

Despite outpourings of sympathy from outraged communities and compassionate people, parents often find themselves alone and without focus in their search for their child. The Missing Children's Act provides a focal point and involves many local law departments rather than just one or two. I urge the Members of Congress and all my fellow Americans to recognize May 25 as National Missing Children's Day, thus calling attention to issues which affect the 150,000 children who are missing in the United States each year.●

● Mr. ROE. Mr. Speaker, I rise today to join my colleagues in brifgifg attention to the tragedy of missifg children in our Nation. The disappearance of young children in the United States is unfortunately reaching epidemic proportions. According to statistics supplied by the Department of Health and Human Services, an estimated 150,000 children disappear each year.

Last September, President Reagan signed into law the Missing Children's Act, of which I was most proud to be a cosponsor. That legislation gave parents of missing children the legal right to insist their child's records be included in the FBI's computerized register and be distributed to local law enforcement agencies around the Nation. In effect, it established the first national clearinghouse for information on missing children in this country.

That legislation was a major step forward in the battle to locate missing children, but it is simply not enough. Greater national awareness must be given to this problem where young people are stolen and probably mistreated. They leave behind grieving and heartbroken families who often feel helpless as to what to do to find their loved ones.

One group that has taken the lead in this endeavor is Child Find, Inc., the only national nonprofit agency formed specifically to locate abducted children. The work of that group has been absolutely outstanding. As of the beginning of 1983, Child Find, Inc., was locating an average of 10 missing children every week. During its first 18 months of operation that fine organization was instrumental in finding more than 300 children who had been reported missing.

On May 25 of each year, Child Find sponsors National Missing Children's Day to bring attention to this national tragedy. That day marks the disappearance of Etan Patz of my own State of New Jersey, a 6-year-old who was abducted from his home in 1979.

Mr. Speaker I would like to take this opportunity to strongly commend Child Find for its exceptional work and devotion to the cause of finding missing children. We must direct all the resources of this country to bring this dangerous horrifying reality under control. For indeed, children are the greatest national asset we have.●

● Ms. SNOWE. Mr. Speaker, I appreciate the opportunity to take part in this special order in commemoration of National Missing Children's Day. On this, the anniversary of the disappearance of Etan Patz, it is important that each of us take time to consider our response to this serious national problem.

Each year approximately 150,000 children disappear from their homes. Over 50,000 of these children are not runaways or victims of parental kidnappings. Tragically, many will become the victims of crime, exploitation, and abuse. Every year approximately 2,000 unidentified children are found dead.

For parents, the disappearance of a child represents their worst nightmare come true. The agonizing period of desperate waiting and silent prayer ensues, while all faith and trust for the safe return of their child must be surrendered into the hands of local and State law enforcement officers.

Until very recently, little attention was paid to the difficulties and deficiencies encountered by parents and authorities in their effort to locate missing children. Parents have run up against local police departments who refused to begin the search for a missing child for 24 hours, thereby losing the most critically important hours for tracing an abducted child. The FBI has frequently declined to become involved in a case without clear proof of abduction or evidence that the victim was transported across States lines. Local police have found themselves grossly deficient in the manpower or equipment necessary to be effective.

In 1981, legislation was introduced into the House and Senate to create a national computer information network to assist law enforcement agencies in locating and identifying missing children. Last year, Congress easily approved legislation to extend the use of modern computer technology to help insure the protection of our children. The need for this law was underscored by the fact that only 10 percent of all missing children were ever entered into the FBI's national missing persons file, established in 1975. In addition, no means existed for a national listing of the physical characteristics of unidentified bodies and the necessary cross-checking with an updated listing of missing children. Passage of the Missing Children's Act offers parents the assurance that a coordinated effort and means of identification nationwide is being utilized in the search for their child. This is the least we can do.

Since 1981, attention to this problem has increased greatly among the public and government officials alike. Child Find, Inc., the only national nonprofit agency for the location of abducted children, has succeeded in locating over 300 children. A number of parent groups, created to provide support to families and friends of missing children, have given innumerable hours of dedicated effort to this tragic cause.

National Missing Children's Day provides us with the opportunity to offer our sorrow and support to those whose lives have been forever changed by the disappearance of a child and to recognize those whose devotion and tireless efforts have brought a small ray of hope into the lives of these people. More importantly, however, National Missing Children's Day, allows us to renew our commitment to continue the search for ways to eradicate this national tragedy.●

● Mr. COURTER. Mr. Speaker, I would like to share in commending Child Find, Inc., on its anniversary, which is proclaimed National Missing Children's Day. At last, through the efforts of Child Find and Federal legislation in the form of the Missing Children's Act passed last September, the heartbreaking issue of missing children is getting the nationwide attention it deserves, and the results are promising.

This issue is one in which all of us who have young children in our families have a stake. As a parent and a New Jersey resident, I am particularly proud of my own State's contributions toward the national effort of locating missing persons of all ages.

Within New Jersey is contained the only countywide Missing Persons

Bureau in the Nation. This bureau, working under the auspices of the Bergen County Sheriff's Department, claims at least four full-time detectives dedicated to the sole purpose of trying to find missing children and adults. In particular, Sgt. Richard Ruffino is nationally known for his expertise in this field and is called upon by law enforcement agencies across the country to assist on individual missing person cases.

This Missing Persons Bureau also claims a specially designed computer system donated by TRW which cross-matches files on missing persons and unidentified deceased persons in the New Jersey, New York, and Pennsylvania area. This tracking system housed in the Missing Persons Bureau can be used not only alone, but also in conjunctions with the FBI's national computer tracking system. In this way, the bureau serves as a national model to demonstrate that the effectiveness of a system working within the State can also contribute on a greater level to the effectiveness of the national system, and, ultimately, to hopeful eradication of thousands of people being forever lost to their families and loved ones.

Finally, I would like to add that New Jersey has the potential for serving as a national model on another scale, if currently pending missing children legislation passes the New Jersey Senate next month. This State legislation would establish a Missing Children's Commission to provide specialized training to law enforcement officers and medical examiners, and would officially develop a statewide tracking system for locating missing persons. In addition, this legislation would establish a full-time unit within the New Jersey State Police to create a centralized file on missing persons and would coordinate the efforts of the local police departments in the State.

I am proud of the efforts New Jersey is making to solve the tragedy which we all share concerning missing children. New Jerseyans have shown that they are willing to do more than talk about the reality of the issue; they have vowed to act on the reality of the issue. With increased efforts on the part of the State, we can truly help to lessen the grief of those who have lost someone they loved and who find themselves endlessly waiting for that person to return.●

BACK INTO THE WOODS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

Mr. PAUL. Mr. Speaker, in the past few weeks and even today on the House floor the chorus of voices urging the convening of another international monetary conference has risen to deafening levels. The President has now announced that if the subject is raised at the Williamsburg Conference this weekend—as it most certainly will be raised by Francois Mitterand—he will agree to discuss it.

The only model used however for such a conference is the Bretton Woods Conference held July 1-22, 1944, in the hills of New Hampshire. I am convinced a new international monetary conference, like the first one 39 years ago, will lead us back into the woods.

The Bretton Woods Conference established a very unstable international monetary system known as a gold exchange standard. The link to gold was rather weak, and it finally snapped in 1971, after a decade of international monetary crises. Simply put, the system established by the 1944 Conference made the dollar the foundation of the international system and all other currencies were directly fixed to the dollar, and only indirectly fixed to gold.

Even though the dollar was loosely linked to gold, only certain privileged holders of dollars—non-U.S. citizens—could get gold for their dollars. The result was predictable. During the period 1945-71, the U.S. Treasury lost over 400 million ounces of gold worth over $14,000,000,000 at the fixed price of $35 per ounce. One would have thought that this gold flight from the Treasury would have caused a few policy changes, but the only two of importance until 1968 were the establishment of the exchange stabilization fund in 1961 in a futile attempt to bolster the dollar in international currency markets, and the creation of the London Gold Pool in the same year in an effort to suppress the price of gold.

In 1968 the situation became intolerable. The market price of gold exceeded $35 per ounce, and a "two-tier" price system—official and market prices—emerged. This inherently unstable rigged price system collapsed completely in 1971, and President Richard Nixon ended the Bretton Woods experiment in a 30 minute speech one Sunday afternoon in August.

Even while it lasted, the Bretton Woods agreement did not work. Billed as a system of fixed exchange rates, there were thousands of devaluations in the 1945-71 period and dozens of devaluations even among the major currencies. What the agreement accomplished was the exporting of American inflation—the Consumer Price Index rose at roughly a 2-percent per year rate for the period—and the loss of American gold.

Now we are being told that this conference is the model for the reformation of the chaotic world financial system. But rather than leading us to a sound world financial system, it will probably lead us to a global system controlled by a world central bank. Robert Mundell, the supply-side economist, has already called for the establishment of a world central bank to administer a new Bretton Woods agreement.

Such a policy would be a catastrophe. Today conditions are even less favorable than in 1944. The gold is gone and the productivity of the United States is on the wane. Rather than government control of the world's financial system, we need less control and more reliance on the free market system and an honest gold standard.

Fixed exchange rates, without a real standard of value such as gold linking our currencies, nothing but persistent inflationary and financial chaos can result.

We can have freedom and sound money, both nationally and internationally, by adopting a gold standard. But such a standard would be incompatible with a world central bank or an IMF, and it would unemploy thousands of international bureaucrats. To achieve freedom and sound money, we do not need another summit meeting, we need only to act. Were we to adopt a gold standard, all our major trading partners would be compelled to follow suit within a matter of months, simply to protect their own currencies from a strong dollar. The world would then be on an international gold standard—monetary stability without tears or an elitist system managed by the international bankers.

The choice is quite clear: Shall we continue in our futile attempts to control economies by force of international agreements, or shall we choose free markets and gold?

If we reenter the Woods will we ever get out? I doubt it.

□ 1520

EL SALVADOR REPORT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. OBERSTAR) is recognized for 10 minutes.

(Mr. OBERSTAR asked and was given permission to revise and extend his remarks.)

Mr. OBERSTAR. Mr. Speaker, I have visited El Salvador twice in the past 15 months, first in February 1982 and again in March of this year. I went there because of my concern over the level of human rights violations in El Salvador and the course which President Reagan has set for our policy with respect to the conflict in that country. I have previously had extensive experience in the Caribbean, living in Haiti for 3½ years as a teacher of English and French, traveling extensively throughout that country, and following developments in the

Caribbean Basin for the 20-plus years since I last lived in Haiti.

Having been to El Salvador twice and having followed the developments closely there over the past 3 years, I feel this administration has based our policy on an unfortunate and unrealistic appraisal of the reality of the conflict in Central America in general and in El Salvador in particular. I certainly do not want to see an anti-American, pro-Soviet government come to power in El Salvador or anywhere else in the Western Hemisphere. But I would like to see a democratically elected government in El Salvador which would respect the human rights of Salvadoran citizens. Unfortunately, American policy, while nominally directed toward the goal of preventing the rise of communism and encouraging respect for human rights, may very well produce the opposite.

The administration view of El Salvador is not the reality of El Salvador that I and so many of our colleagues have seen in the past 3 years. Poverty, ignorance, oppression are the real enemies of the Salvadoran people. The Government of El Salvador, however, does not attack these enemies. Instead, it permits injustices against the people, against noncombatants, to go unpunished, and has paid muted lipservice to the crying need for land reform, for economic development in rural areas, respect for human rights of its own citizens, freedom of speech, freedom of religion, and freedom of the press.

It would be unforgiveably naive to deny the presence of anti-American, violent, and oppressive elements within the antigovernment forces in El Salvador. But it would be equally naive to deny all Cuban and Soviet interference in the region. Likewise, it is utter stupidity to blame the conflict in El Salvador strictly on external forces.

The conflict within El Salvador will assume major strategic importance to the United States only if the President chooses to escalate our involvement there, raising the stakes in that country. It is unfortunate that as he does so, he bases the U.S. policy on an unwise and an unquestioning support for a government which does not respect the basic rights of its own citizens. Our policy, as a consequence, is fatally flawed.

I ask my colleagues to consider the question of whether any such policy on the part of our Government can succeed. In the past, our incantations of anticommunism have insulated U.S. policy from criticism, no matter how flawed that policy might be. But, fortunately, such days are behind us. The American people will no longer unquestioningly and blindly support repressive rightwing governments simply because they claim to be anti-Communist. The American people today demand that human rights must be a fundamental cornerstone of our foreign policy.

The gentleman from Vermont (Mr. JEFFORDS) and the gentleman from New Mexico (Mr. RICHARDSON), who traveled with me in El Salvador, have prepared the following report of our trip to Central America:

A MILITARY STALEMATE

A balance of military power has been created in El Salvador that makes continued killing possible, but precludes decisive victory for either side.

Since 1981, the United States has invested $137 million in military aid in El Salvador. In addition, it has provided increasingly sophisticated and deadly equipment and placed ever greater emphasis on tactical advice and instruction in the basics of counter-insurgency warfare. Congress is reviewing a request for $110 million more.

El Salvador is a tiny country the size of Massachusetts with a population of 5,000,000, and terrain only modestly suited for successful guerrilla war. The combined armed forces number more than 30,000. The guerrillas are estimated at one-sixth that number. El Salvador's neighbors, Honduras and Guatemala, have cooperated with the government by closing their borders to eliminate any safe haven for guerrilla forces. Two years ago, a guerrilla "final offensive" was deflected without U.S. aid. And yet the fighting continues. The opposition has grown in strength, experience, effectiveness and morale. More than 40,000 Salvadorans—almost one percent of the population—are dead, and almost one million have lost or left their homes.

Why?

Despite its apparent numerical advantage, the government's actual number of field forces is, to quote an American advisor, "crummy." Army troops are deployed in roughly equal numbers to 14 departmental commands, where 75 percent are assigned not to active duty but to guarding strategic targets. Three U.S.-trained and two smaller Venezuelan-trained battalions constitute an active "reaction force" of just 4,000 men.

The FMLN strategy of economic sabotage has yielded maximum gains in return for a minimum of effort. Without seriously endangering it own forces, the opposition has drained the government of roughly $600 million in economic resources and kept more enemy troops from entering the fighting.

According to General Garcia, the guerrillas have initiative and surprise on their side. To counter this, the army needs new tactics. The General says, "We must be able to react, but we lack mobility; it takes us two or three or four days to move around. By the time we arrive, there is nothing there. We need land and air transport, and we need better intelligence. In Vietnam, you found out where the enemy was, brought in the B-52's, pulverized the area, and then brought in patrols. We can't do this."

The Salvadoran military has been criticized even by its friends for lacking imagination and energy in fighting the war. Visiting military facilities, our delegation found soldiers neither panic-stricken nor confident. Large numbers of troops, including officers, were on furlough for Holy Week. Both senior and junior officers seemed confused about the army's tactics and military purpose.

Younger officers criticized the high command for not maintaining close communications with Departmental Commands, and for spending too much time in the safety of San Salvador. General Garcia, in turn, complained about his field commanders' unwillingness to respond openly and flexibly to necessary tactical adjustments.

No one denied accusations that the military is corrupt. One Army adviser responded, however, that the corruption "is not bad enough to interfere with prosecution of the war."

Presently the Salvadoran Armed Forces are well equipped, lacking neither weapons nor ammunition. They have 18 functioning helicopters, but want more. The Air Force has added A-37 attack planes, armed with 500-lb. bombs, and rocket flares for target identification.

The FMLN is also increasingly well armed, mostly through the capture or purchase of government weapons. The Salvadoran government and its advisors are still uncertain how much outside support the guerrillas are receiving. The most prominent theory is that cash, medical supplies and ammunition may be arriving on a fairly regular basis by air from nearby countries, including Nicaragua, but that new weapons are no longer required or received from that source.

Air Force Commander Bustillo, however, questioned this hypothesis. He said that military supplies for the left were not arriving by air.

The FMLN controls the entire Department of Morazan, except the local Army headquarters, and almost as much of Chalatenango. Heavy fighting in the eastern Departments of Usulutan and San Vicente has caused extensive economic damage. After heavy bombing and ground fighting from all three U.S.-trained battalions, the government has drastically reduced guerrilla activity in Guazapa, north of San Salvador. The government controls most heavily populated areas but cannot win decisive victories in remote regions under guerrilla control.

The government has also been criticized for its massive sweeps in Morazan and Chalatenango, causing military and civilian casualties on both sides, but producing no lasting gains. Once the Army retreats to the barracks, the rural areas return immediately to guerrilla hands.

At U.S. prompting, the military plans to train lighter, more mobile battalions of 85-90 men each. The ultimate goal is to place three battalions in each Department after training the first 6-8 this year. These battalions would not only fight the guerrillas, but protect territory from recapture. General Garcia has begun to withdraw National Guard detachments from isolated villages where they were being picked off "like sitting ducks," and combined them in larger, more effective countryside units.

Despite the proposed changes, rumors persist that the army plans a major new sweep through Morazan in the few weeks ahead.

A year ago, after the March elections, the Salvadoran military leadership spoke as if the war were won. Now its officers talk hopefully about "saving El Salvador" and complain about each other's mistakes and aberrant policies. One adviser says candidly, "we are not trying to win in El Salvador. We are simply trying not to lose."

The guerillas are not even close to a military victory. They do not control areas of heavy population or critical strategic importance. They have yet to prove themselves in open battle with large numbers of government troops, and they have no choice but to flee increasingly brutal Air Force bombing. But they have shown themselves able to survive and strengthen themselves in the midst of a hostile military and political cli-

mate. Their morale is high, and even Salvadoran military officials will admit that the guerrillas—rather than the government—have the most to gain from a prolonged military conflict.

HUMAN RIGHTS AND WRONGS

El Salvador is engaged in a civil war, but more people die by murder than in combat.

Our delegation met with Tutela Legal, the human rights organization affiliated with the Archdiocese of San Salvador. They reported 2,963 noncombatant deaths attributed to the army from May to December of last year, and 46 charged to the guerrillas.

At the Mariona and Illopango prisons, we visited political prisoners who described midnight arrests, beatings, torture with electric shock, chemical burns and rape. Their testimony was supported in some cases by ghastly and graphic physical evidence.

At the San Roque center for displaced persons, administered by the Catholic Church, 350 women, children and old men are crowded into one large old building, cluttered with hammocks, cots, makeshift furniture, cooking utensils and sacks of donated food. Again the delegation heard tales repeated of merciless terror and torture by government troops.

While in El Salvador, the delegation investigated two recent cases typical of Salvadoran human rights and justice.

MASSACRE AT LAS HOJAS

On February 22, the army killed a group of at least 18, but by some accounts as many as 74, campesinos near the village of Las Hojas, in the Department of Sonsonate. Our delegation discussed this massacre with the Commander of the Sonsonate Garrison, Colonel Gonzalez Araujo; U.S. Embassy and Salvadoran government officials; and friends and relatives of the victims.

According to Colonel Gonzalez Araujo , an Army patrol was attacked by a group of subversives wielding machetes, hand grenades and at least two M-16's. At least five of those killed (all from one family), he said, were identified subversives. Seven others, however, were members of the Asociacion Nacional Indigena Salvadoreña (ANIS), a local farm cooperative owned and operated by one of El Salvador's last remaining Indian communities. Colonel Gonzalez Araujo said he had warned cooperative leader Esquino Lisco in vain against subversive infiltration. Unfortunately, said the Colonel, ANIS gets money from U.S. union groups who are now denouncing these killings. "I am amazed," concluded Gonzalez Araujo, "that everyone screams when 17 subversives are killed, but no one protests when I lose 50 men."

According to Esquino Lisco, 200 soldiers entered the village of Las Hojas around 6:00 AM on the 22nd. Masked local members of the Civil Patrol guided the soldiers from hut to hut, where men and boys were selected and taken away. Village leaders immediately contacted the Sonsonate garrison who told them no patrols had been sent out. In late morning, they found the bodies: hands tied, several beheaded or macheted, most shot, all dead. Among those killed were two young boys and men aged 75 and 82. They were unarmed.

No one is certain how many people were killed. The villagers from ANIS identified the seven from their village plus four friends from a nearby area. They saw an estimated total of 74 bodies, but said people from other villages were too afraid to identify them. Before long, dogs and vultures made identification impossible. A local judge confirmed 18 dead, however, before night fell.

According to Esquino Lisco, the Army may have moved against ANIS in response to pressure from local landowners wishing to graze cattle on Indian land. Colonel Gonzalez Araujo called this accusation "infantile." He also expressed disbelief that these troops would be stupid enough to kill people and leave them tied up. This, he said, "would have been a military mistake." Finally, he said he asked his captain why it was necessary to shoot a 75-year-old man armed only with a machete. The response, good enough for the Colonel, was that the 75-year-old was "big and strong," and that a Salvadoran armed with a machete was "quick like a beast," a very dangerous man.

Although this is a common enough horror story in El Salvador, the Las Hojas massacre has several unique characteristics. The ANIS cooperative, in spite of Colonel Gonzalez Araujo's denials, has not been suspected of guerrilla support. It is located in a fairly peaceful area, and has a friendly relationship with Minister of Defense Garcia himself.

The government's Commission on Human Rights launched an immediate investigation of the incident and submitted a report to President Magaña on March 17. The Commission Report seems to support Esquino Lisco's version.

In our discussions, General Garcia called the Las Hojas incident "very special" and "extraordinary," and President Magaña termed it "incredible." Both said it would be treated under Salvadoran law, but neither promised specific action. The U.S. Embassy has pulled its military advisers from Sonsonate Department and made clear its desire to see swift disciplinary action.

T.J. WESTERN

The Salvadoran Army has a reputation for fighting the civil war on a nine-to-five schedule. The Hacienda Police, however, does its best work at night. Operating under Decree 507, a martial law statute issued in December, 1980, the Hacienda Police cools the fires of revolt wherever and whenever they seem to arise. The Decree permits prisoners to be apprehended at any time, held indefinitely without formal charges or a lawyer, and admits as evidence information obtained by torture without specifically sanctioning torture itself.

On March 26, the Hacienda Police arrested two American journalists, T.J. Western and Joan Ambrose-Newton, whom they suspected of running guns to the FMLN. Western was held in Hacienda Police Headquarters, while Ambrose-Newton was placed under house arrest. Western's arrest was, typically, carried out by armed men in civilian dress. The evidence was a taped telephone conversation of a story Western filed with a radio station in San Diego in which he included quotations from guerrilla and government sources.

The manner in which this arrest was made, the flimsiness of the "evidence" and the method of gathering the evidence are all routine in El Salvador. Mr. Western could have been held for years under Salvadoran law with no lawyer, no trial, no rights. Fortunately, he is a citizen of the United States, and after intense pressure from Rep. Oberstar he was released. Ms. Ambrose-Newton was freed shortly thereafter.

INSTITUTIONAL PROBLEMS AND HUMAN RIGHTS

The Salvadoran army has never officially endorsed repression, but it steadily practices it. According to the U.S. Embassy, all U.S. military training instructs soldiers in the proper care and treatment of prisoners. Despite this, the military has taken less than four dozen prisoners in the course of the war. Only two were taken during the recent full-scale offensive near Guazapa. The FMLN, on the other hand, has on several occasions transferred large numbers of prisoners to the International Red Cross. Colonel Blandon, of El Salvador's First Brigade, dismissed this FMLN effort as a publicity ploy. But it is precisely this kind of publicity that the Salvadoran military itself desperately needs.

While arguing for more U.S. military aid, Air Force Commander Bustillo incredibly credited the U.S. with weaning him away from napalming his own people. "Before the U.S. started helping us, we had to use napalm, because we didn't have any other equipment. We bought it from Israel several years ago, and used it until 1981. If we hadn't done that, I might not be sitting here today."

A similar argument supports Decree 507. If the Hacienda Police could not legally pick people up, question them, and be sure they would be kept off the streets, the assumption is that police would kill them instead. As one inmate of Mariona prison told us, "the lucky ones are the ones who make it to jail."

El Salvador's most glaring institutional failure is its lack of an effective criminal justice system. The system is simply not set up to charge even the most obviously guilty with their crimes. Judges, selected by political criteria, have little independence and no means of self-protection. Decree 507, it is argued, legally permits the military to take actions necessary during a civil war. When the military is accused of crimes, however, El Salvador uses its inefficient legal system to free them. Thus Colonel Moran could proudly ask our delegation, "When has anything been proven against the Hacienda Police?"

Decree 507 is supposed to deal with "crimes against the state." In January, 1981, Rudolfo Viera, head of the nation's agrarian reform agency, ISTA, was murdered along with two U.S. agricultural advisors, Mark Hammer and Michael Pearlman. One of these men was an official of the state; all were participating in a high-priority government program. There is conclusive evidence that a Lieutenant in the National Guard was directly responsible for the murders. Despite this, he was freed by a judge unsympathetic to land reform and is presently still on duty. When asked why Decree 507 could not be used to arrest a man who killed an important state official, Colonel Moran said that 507 could not be used for "common crimes, and murder is a common crime in El Salvador."

This double standard of justice is frustrating not only to the victims, but also to those seeking to defend the government's human rights record against outside criticism. Said one U.S. advisor, "The maddening thing is that they can do whatever they want when they want to do it, but they can't do anything at all when they don't."

THE ATTEMPT TO EXPLAIN

The military of El Salvador sees itself as the only institution that can save El Salvador from communism, a view it believes most Salvadorans share.

In a civil war, they argue, human rights are inevitably violated. As one Colonel pointed out, there were human rights viola-

tions, even a "scorched-earth" policy, during the American civil war. It is the same in El Salvador.

According to Colonel Moran, "most laws are designed to deal with common crimes, but you can't fight subversion with the same methods. Subversion is a cancer which attacks slowly, and our judicial system simply isn't set up to deal with it."

All of the military officials we talked to felt frustrated by criticism of civilian combat casualties. Air Force Commander Bustillo claimed that his forces identify their targets as carefully as possible, but "sometimes you don't know if you're dealing with a civilian situation or with the guerrillas. In an occupied area, you cannot distinguish. There are a lot of collaborators with the guerrillas. We call them the militia. Sometimes you have three of four militia behind every fighter. I condemn the fighters who bring their families with them into combat."

The Air Force considers Guazapa, the area of the heaviest bombing, a "free-fire zone" within which all targets are legitimate because of its importance to the fighting.

Military officials also complain, with some reason, that world attention focuses almost entirely on non-military victims of the fighting and ignores army casualties. According to the U.S. Embassy, El Salvador's military experiences an extraordinarily high ratio of deaths to soldiers wounded, because decent health care facilities and a rapid medical evacuation are lacking. When we visited a military hospital in San Salvador, we saw an incredibly overcrowded and outdated facility described as by far the best available for military personnel. Doctors claim that guerrilla medical care is better, in part because of the number of university-trained physicians who have joined the opposition.

Despite our obvous interest in human rights problems, neither American nor Salvadoran government officials could promise significant improvements in the months ahead. They seemed to feel that if the present situation is not adequate, we must accept it, for El Salvador is capable of little more.

"The world wants us to fight this war wearing white," said General Garcia. "But on the enemy, there are no similar demands. We are doing our best to return from battle without any stains. But when there are stains, we have done our best to wipe them out."

AGRARIAN REFORM

Even the Department of State accepts that El Salvador's political unrest stems primarily from historically grotesque disproportions in the allocation of land and economic power. Following the military coup in 1979, an ambitious program of agrarian reform was set up to remedy these inequities and halt the country's slide toward civil war.

Many military officials opposed the reform at first, but it has since earned considerable support, particularly from General Garcia and the high command. But the most important of the program's three phases, aimed at the country's richest agricultural area, the coffee lands, has been abandoned. The other two elements have met continued resistance from the extreme right and economic sabotage from the left. The program's remnants, bolstered by U.S. aid and the determination of *campesino* groups, seems likely to play a significant political and economic role in El Salvador.

Phase I of the reforms affected 300 large farms containing roughly 15 percent of the country's arable land and 35 percent of its sugar and cotton. The farms became cooperatives and previous owners were promised eventual compensation. Many of this group have second homes in the United States and close political affiliations with the right-wing ARENA party.

U.S. and Salvadoran officials, as well as spokesmen for the campesino groups, confirm that ARENA has launched an active campaign to reverse the Phase I program and return the land to its original hands. Following the March elections, ARENA gained control of ISTA, the agency administering the program, and opponents allege it has directed propaganda and political pressure against the cooperatives. ARENA argues that the cooperatives are failing due to incompetent management and that the country cannot afford such economic weakness during a period of civil war.

Colonel Gonzalez Araujo, of Sonsonate, told the delegation that "the land reform has not been a total success, but it's not our fault. Our people are going through a period of development. We lack a strong culture. We are essentially individualists, and do not work well under a cooperative system. We like to have our land, our house, our pig and our women. We are not prepared for profound changes, and as a result, the cooperatives are a disaster."

Our delegation visited two Phase I cooperatives. One is doing exceptionally well. The second, Hacienda Canada, has inadequate housing, no medical care, no schooling, no ability to irrigate its land, and despite the fact that it's a cattle farm, no cattle. The cooperative has not prospered and now has been denied credit, yet without credit, the members can seek only to survive. Hacienda Canada is hampered by the influence of its previous owner, a relative of the ARENA deputy to the National Assembly from that district, who managed recently to recover the Hacienda's entire 200-head cattle herd.

According to the U.S. Embassy, approximately 15 percent of the Phase I cooperatives are either out of business or in deep trouble. Most are in the easern provinces of Usulutan and San Vicente, where ARENA's resistance to the reform is ironically reinforced by the FMLN's economic sabotage.

Above all, beneficiaries of Phase I need credit. Secondly, they need this credit at something less than the 27 percent rate presently provided. Farming equipment and construction equipment are urgently required.

We discussed Phase III, "Land to the Tiller," with the U.S. Embassy, Salvadoran government officials and with campesino groups. Most agree that Phase III is still active and that it has almost finished identifying potential beneficiaries. But it is difficult to provide compensation to previous owners in order to clear the way for definitive titles. Another problem is the bureaucracy involved in the 16 separate administrative steps necessary to proceed from initial application to final deed. As a result, only 1000 final titles have been issued from 38,000 applications.

It is not easy to assess how important agrarian reform is for a political solution and economic justice in El Salvador. If the reforms are reversed, thousands of campesinos will lose the economic stake they have in the government's success in the civil war. If the land reform dramatically increases in scope and success, on the other hand, government support will broaden at the expense of the extreme right, and the chance for national reconciliation isolating both extremes would increase. Defense Minister Garcia told our delegation that the government cannot win the war if land reform does not succeed.

Currently the reforms are barely holding their own. The recent problems with Phase I, the elimination of Phase II, and the fact that Phase III does not generally affect either the best land or the wealthiest landowners, all have a dampening effect. Colonel Majano, who initiated the coup which produced these reforms, told the delegation that they "were very important at the start, but they do not have much prestige right now. People's top priority right now is to survive. There are 900,000 displaced persons in El Salvador. They are not worried about a title to land; they are worried about their need to eat."

President Magaña believes the reforms will survive and hopes to make them more effective in the months ahead. But he, too, made it clear that land reform will not solve El Salvador's basic economic problems—the price of coffee, cotton and sugar.

The delegation believes land reform is important, and that U.S. aid will encourage it. This does not suppose that this program will immediately end the fighting or produce instant economic justice, but that it will constitute an essential and wise investment in an impoverished country long overdue for social change.

THE LEFT

We cannot currently measure the popular appeal of El Salvador's left. U.S. Embassy and Salvadoran government officials told the delegation that support for the left tallied perhaps ten percent. The FDR-FMLN, on the other hand, claimed it could win free elections easily. Neither guess means much.

The future political power of the FDR-FMLN will depend on the course of the war, the progress of agrarian and political reforms, propaganda, the future of Nicaragua, U.S. aid to the current government and, most importantly, the left's ability to create political alliances among those not now openly opposing the government.

Last December, Joaquin Villalobos, Commander of the Salvadoran People's Revolutionary Army (ERP), was interviewed by the Nicaraguan press. He described the latest campaigns:

"The eastern part of the country has been virtually paralyzed economically . . . there is no transportation and electricity, while a great shortage of fuel has resulted from the destruction of more than a dozen tanker trucks. Water is rationed and the railroad has been paralyzed, thereby threatening the coffee and cotton harvests . . .

"In the central sector of the country, four Departments have been seriously affected by the energy shortage. The main northern highway is constantly interrupted by sabotage actions . . .

"The prolongation of this situation and our continued military blows are putting the enemy in a tough spot."

The intriguing question about that last sentence is Commander Villalobos' definition of the word "enemy." When electricity is shut off to the eastern sector of El Salvador, the pumps supplying potable water to the poor shut down. People don't stop drinking the water, they just get sick. A *campesino* leader complained, too, of the guerrilla's penchant for burning buses,

which causes grave inconvenience and leads to higher fares.

Our delegation met with a familiy, including three young men, who had recently deserted the guerrillas during fighting in Guazapa. They were recruited, they said, in Cabanas, and promised food and money in return for their support. After a year of hunger, unkept promises and yearning for a freer life, they turned themselves in to the Army.

Two years ago, the guerrillas hoped in vain to shake the government through massive national strikes and popular demonstrations. Since that time, they have constructed a resilient and disciplined armed force which must resort to economic warfare hurting many the left claims to serve. This results in a loss of respect among the people which the government—brutal and divided as it is—has been slow to exploit.

As a result, the FDR-FMLN is the single most important left-of-center political force in a nation of desperately poor people. It has refrained—with few exceptions—from the atrocities so characteristic of the armed forces and continually presented its political case to the people through Radio Vinceremos.

The left's importance to social change is often not admitted but understood. A *campesino* leader who defended U.S. military aid and criticized the guerrillas admitted that, without the guerrillas, the pressure for social and political change would disappear. A western diplomat with close ties to the government told us, "El Salvador would never have begun to face up to its problems if not for the war and the world attention it has brought."

Visible political support for the FDR-FMLN is not substantial, but this is not surprising in a population living under martial law. Those who take comfort from this have forgotten the mass public demonstrations of 1980, and may well be ignoring the potential of the left to organize support rapidly within a truly democratic framework—should one come to exist—or if the guerrillas make significant military gains.

RECONCILIATION AND THE PROBLEM OF POWER

El Salvador's most likely future is continued war. The military stalemate is perpetuated by political intransigence on both sides and by hatred and distrust. Ultimately however, reconciliation, whether voluntary, through national exhaustion, or by military surrender, must inevitably occur.

For more than two years there has been unsuccessful talk of dialogue or negotiations in El Salvador. That talk has increased lately, but fundamental obstacles remain.

DEMANDS OF THE LEFT

The dominant coalition within the Salvadoran left is the FDR-FMLN, a collection of political parties and organizations including armed factions. It united formally in 1980 for the purpose of changing the government of El Salvador. The groups in the coalition come from varying backgrounds and political perspectives, but they claim to be genuinely united in their tactics and goals.

In Mexico, our delegation met with Oscar Acevedo and Salvador Samayoa, members of the Revolutionary Democratic Front and spokesmen for two of the five armed groups making up the FMLN. They restated their support for dialogue with the government, as detailed in a proposal to President Magaña and Defense Minister Garcia last October.

That proposal calls for unconditional discussions, and the left's offer still stands. Acevedo and Samayon made it clear, however, that currently the FDR-FMLN will not take part in elections.

They argue that free elections can only be held when basic freedoms, including those of speech, assembly and the press, are guaranteed. These guarantees, they say, are not possible unless the FDR-FMLN is accepted by both the government and the armed forces. Once such a provisional government is created and the armed forces contain FMLN and Army officers, free elections could be held.

The FDR-FMLN does not believe that international observers or even an international peacekeeping force can guarantee the elections' integrity. They are the sufficient protectors for their own participation. They do not, however, consider themselves the sole legitimate, participants, other than the armed forces, in a provisional government, or in discussions leading to elections or an end to the war. They suggest that other sectors instead, including the church, labor, business, political parties and academia be included. They hope that these groups, in combination with the FDR-FMLN, could press for military reforms which must precede meaningful elections.

The FDR's views are also held by many others in Salvadoran society: labor leaders, church officials and even one high Salvadoran government officals. At a minimum, the FDR believes that Decree 507 should be repealed. It also wants an end to the ability of right-wing death squads to operate with impunity and the creation of a credible criminal justice system. This is not possible, they argue, unless major changes are made in the military high command.

The FDR-FMLN refers to the Presidential elections planned for December as a "farce." Both the U.S. and Salvadoran goverments consider the left's demands to be neither realistic nor democratic. Official spokesmen question the opposition's right to seek even a provisional role in government through violence. Even some left sympathizers question the practicality of negotiated integration of FMLN members into the armed forces.

PEACE THROUGH ELECTIONS

El Salvador held Constituent Assembly elections in March 1982, confirming the deep desire of the Salvadoran people for participatory democracy. Unfortunately, the elections did not significantly alter the allocation of political power: it remained concentrated in the military. Also, the base of the electoral initiative was too narrow to move El Salvador toward national reconciliation.

The government of El Salvador encourages the FDR-FMLN to lay down its guns and particpate in the December presidential elections. Both President Magana and U.S. Ambassador Hinton made it clear that broad participation in the elections will help resolve the war.

The Salvadoran government has created a Peace Commission to encourage the left's participation. Its first project was to draft an amnesty law, submitted recently to the Constituent Assembly, urging guerrillas to defect. Unlike earlier amnesty proposals, rebels would go to special amnesty boards, rather than the Army, who would help them re-integrate into society. According to Peace Commission members with whom our delegation spoke, the amnesty will not attract "hard-core Marxists." Instead, it seeks those who joined the guerillas out of desperation, or in response to false promises, and who now wish to return to normal life. The amnesty would last for sixty days and also extend to people imprisoned for nonviolent crimes under Decree 507.

Government amnesty proposals aside, it is extraordinarily naive to believe that the December presidential elections will somehow bring peace. Perhaps the most they might produce is a civilian leadership more committed to the agrarian reform and somewhat more willing to stand up to the military. Elections held in a poorly educated, undemocratic and economically divided society are simply not likely to be legitimate enough to bring meaningful governmental or social change. According to one church leader, trying to build a free society through elections of the kind planned for December is like constructing a house by starting with the ceiling. Ambassador Hinton has suggested that candidates of the left campaign from outside the country by television and radio. This begs the question, however, of how they would participate in the government should they win a significant share of votes. It also ignores the central problem of how to distribute political power meaningfully in El Salvador.

THE PROBLEM OF POWER

The government says it neither should nor will share power with the opposition before elections. But the opposition will not participate in elections unless their integrity and openness are guaranteed. The FDR-FMLN says these guarantees will come only through sharing the power.

Each side has legitimate reasons for its position. The government, however, must give far greater thought to methods to achieve valid elections. If they refuse to share power with the left, they must at least deny equally illegitimate power to the far right, including high officials in the armed forces.

With power comes responsibility, but all sides try to avoid responsibility for daily events in El Salvador. Despite this, the sources of rightist terror are not shrouded in mystery. They are known to the Salvadoran government, to the Salvadoran left and to the United States.

In the case of the Sonsonate massacre, the facts are clear and the implicated are identified, but those purported to have power are still reluctant to act. President Magaña promised our delegation that "I am going to do something, for sure. When, how, I don't know. The question is not whether it is wrong. It is how do I do something about it. It is very difficult."

Last November, Army troops murdered eleven compesinos from the Department of Santa Ana. The government has privately stated it is willing to prosecute this case, but the witnesses have been threatened and are in hiding, unwilling to testify.

These incidents are not unique. They are typical. Hundreds, if not thousands, of kidnappings, disappearances and murders over the past three years have been carried out by the military or by death squads allied to them. This connection was confirmed by a high civilian political leader in El Salvador who says, "all of the death squads are related to the military, or to paramilitary groups which have connections to the military."

The military must be reformed before a reconciliation in El Salvador can occur. This reform will not come from the military high command, because the high command itself is implicated in the abuses. As one observer told us, "If Garcia accuses one of his colonels of a crime, the colonel will accuse

Garcia of three. As a result, Garcia makes no accusations."

The reform will not come from President Magaña, who clearly lacks the confidence and backing to challenge the military publicly.

And the reforms will not come from present U.S. policies. The U.S. Embassy claims that American training has improved the professionalism of the three instant reaction battalions, but this is not clear. In any case, American training has touched only about 7,000 Salvadoran soldiers, about half of whom are still in the military. The U.S. is not permitted by law to train the National Guard, Hacienda Police or National Police. What's more, Salvadoran military officials, with the possible exception of Garcia, do not believe that U.S. military aid will ever be withdrawn because of continued human rights violations. They only acknowledge such violations as regrettable but inevitable side effects to civil war.

Exiled Colonel Majano says that a gradual re-organization of the Salvadoran military must occur. The armed forces must defend rather than rule El Salvador. This will only happen gradually according to Majano, and if the Army as an institution is not dismantled. This process will, he says, inevitably require many senior officers to retire.

Even if Majano's vision were to come true, the FDR-FMLN must modify its policies for a reconciliation as well. Many doubt that opposition forces are willing to abide by the rules of any political process which does not guarantee them victory. Some even suggest that eliminating repression, far from removing the rationale for the FDR-FMLN cause, merely ensures an immediate triumph for the left.

These concerns are not trivial. The FDR-FMLN could reasonably argue that U.S.-style elections are not readily transferable to El Salvador. Similar arguments have delayed the electoral process in Nicaragua, whose government is a close ally of the Salvadoran left. Our delegation believes quite strongly that free elections, whatever their specific problems, are the best way to convey governmental legitimacy. Without them, the prospects for representative government in El Salvador do not exist.

We believe that the left must commit itself to abide by the results of truly democratic elections, once they become possible in El Salvador. To make this commitment, they too may have to be willing to repudiate their elements that are unwilling to participate in dialogue and elections.

DIALOGUE

Everywhere in El Salvador, there is talk of dialogue. But none of this talk, unfortunately, is between the government and the left.

The government blames the FDR-FMLN for publicly refusing its October dialogue proposal before waiting for a government response. If they had only waited, it is hinted, something important might well have occurred.

U.S. officials in El Salvador describe the war effort as a mechanism for pressuring the guerrillas to join the electoral process, not as a means of crushing the left.

Two of the military officials we talked to in El Salvador, Colonel Bustillo and Colonel Blandon, cautioned against those who simply dismiss "negotiation" or "dialogue" as dirty words.

The FDR-FMLN believes that while the government is almost ready to negotiate seriously, no Army official dares take the first step.

The church has been and remains willing to facilitate talks, and the *campesino* groups have wanted dialogue for some time.

The Salvadoran civil war has deep historical roots. It has been waged viciously and determinedly by both sides, and the hatred and fear will not readily be controled. But the majority of El Salvador's people yearn desperately for peace. This desire must be harnessed and brought to bear on both sides to make progress toward a settlement.

We do not believe that a Salvadoran reconciliation will be effected by the actions of regional powers. Mexico, Venezuela, Costa Rica, Colombia and Panama all can play a constructive role in this process. The United States is the key external power. But Salvadorans of all sectors have the primary responsibility. All sides should participate in discussions, for the cumulative weight of Salvadoran opinion, exhausted by war, is most likely to produce peace.

The ingredients for direct dialogue between left and right may not exist. It is possible that the left, pleased with the war's progress, views dialogue merely as a political feint on the way to ultimate power. And the military has yet to seriously consider sharing power with the rest of the government, let alone with the left. Dialogue is an uncertain goal to pursue. But the deadly goals of war are all too certain. This is why dialogue must begin, and soon.

THE UNITED STATES

El Salvador is not a performing dog. Its government has not—and never will—behave in a manner wholly dictated by, or satisfactory to, the United States.

But even if El Salvador is prepared to follow the U.S. lead, it must first determine where the U.S. wants it to go. Last October, U.S. Ambassador Deane Hinton told the American Chamber of Commerce in El Salvador that:

"In the first two weeks of this month, at least 68 human beings were murdered in El Salvador under circumstances which are familiar to everyone here. Every day, we receive new reports of disappearances under tragic circumstances. American citizens have been among the murdered, among the disappeared. Is it any wonder that much of the world is predisposed to believe the worst of a system that almost never brings to justice either those who perpetrate the acts or those who order them? The 'Mafia' must be stopped. Your survival depends on it. The gorillas of this Mafia, every bit as much as the guerrillas of Morazan and Chalatenango, are destroying El Salvador."

Shortly thereafter, however, President Reagan let it be known that the Administration did not have such severe problems with El Salvador's record on human rights.

In January, Assistant Secretary of State Thomas Enders traveled to Spain to explore European interest in a mediated solution to El Salvador's civil war. This effort, too, was publicly scrapped by U.N. Ambassador Jeane Kirkpatrick and the White House.

The United States is pursuing two fundamentally inconsistent policies toward El Salvador. The first, embodied in our foreign assistance law, makes all U.S. military aid contingent on significant governmental improvements, particularly in human rights. This approach can be faulted for its imprecise language and lack of flexibility or subtlety, but the policy message from Congress is clear: shape up or no aid. The choice is yours.

But this policy, overwhelmingly accepted as law two years ago, has been implemented poorly, if at all, by the Administration. So far three aid certification documents have been issued. But all paint unconvincing and in some ways ludicrous descriptions of events in El Salvador.

Whether the speaker is Haig, Kirkpatrick or the President, the White House's message to El Salvador is loud and clear: Whatever you do, and to whomever you do it, we will continue to support you and send arms.

In his most recent speech on Central America, the President said that the armed forces of El Salvador were "in the final analysis, fighting for us all"; that is, they are fighting for the United States.

In El Salvador our delegation saw the marks which torture leaves on the human body; we saw photos of men and women beheaded and split like sheep; we heard relatives tell of the death and mutilation of a 75-year-old man; we heard a colonel admit without shame that he napalmed his countrymen; we heard the statistics confirming that no kind of atrocity is unusual in El Salvador; we heard the president of the country admit that he has little power; we heard the military tell us repression is essential; and we heard it all justified in the name of anti-communism, and nothing more.

The President's message to El Salvador is getting through. The message of Congress—a balanced message which we believe reflects the attitudes and the ideals of the American people—is not.

The Salvadoran opposition deserves more consideration than if it were merely an invention of Cuba, fueled by international communism, and intent solely on Marxist totalitarian rule. On the other hand, it may be something less than a broad-based collection of idealistic freedom-fighters seeking to liberate El Salavador from the clutches of a pernicious oligarchy. But whatever it is, it is not a threat to U.S. national security, and we look awfully foolish and easily frightened pretending it is.

If the United States were to speak with one firm voice, and if that voice has a reasonable measure of understanding and humanity and were supported by modest levels of assistance, then U.S. leverage in El Salvador could at last be honestly defined. We are convinced that the prospects for a successful Marxist revolution in El Salvador would diminish dramatically, as well.

The United States has invested more than a half billion dollars in this tiny country in the past 27 months. But the war is at a stalemate, right-wing terror continues, the military has yielded no power, and land reform barely survives. The government's Human Rights Commission, the Peace Commission, and the December elections are all we have to show for the weak, wavering and heavily diluted message we have conveyed to El Salvador. These initiatives are not sufficient; they must be reinforced. That reinforcement must come from Congress. It is highly unlikely to come from the President.

Some say it is folly to anticipate or even actively seek fundamental change in El Salvador. They argue that violence is endemic to the culture, and that institutional problems—particularly in the field of criminal justice—are too great.

We reply that it is somewhat arrogant for a society with a $250 billion defense budget and $25 billion in annual arms sales to castigate any other society for its tendency toward violence. We do not claim that Salvadorans are more pacific than their global brethren, but we do see a people yearning for peace with a strength possible perhaps only in those who have endured devastating civil war.

Constructing a functioning criminal justice system is a formidable task, but the justice system is not really the problem in El Salvador. The killing is. Even in the United States, no state could cope with 450 homicides and 50 disappearances a month.

A church leader summed up the Salvadoran dilemma in El Salvador:

There is still the willingness to kill in all the armed forces. That is the fundamental problem. The desire to kill exists. That is what matters. Not that you killed 10 yesterday, and 30 the day before yesterday. If the military does not somehow develop the will to change, El Salvador will not change. It is that simple."

We are convinced that there are many forces in El Salvador who would like to see the military change. Most are outside the military; some are within the armed forces and some are Army leaders in exile. They seek the U.S. as an ally. But instead, the White House is content to stand with exaggerated firmness against an enemy whose motivation it oversimplifies and has never attempted to understand. In so doing, it neglects the role we have barely begun to play in a more honorable alliance with moderate forces seeking essential change in El Salvador. If, as a nation, we continue this course, we will risk not only national interest, but our own self-respect and popular unity, as well.

RECOMMENDATIONS

1. No U.S. military aid without major reforms

There should be no U.S. military aid sent to El Salvador until there have been: a substantial, verifiable decline in human rights violations; progress in agrarian reform; a new, credible criminal justice system; government willingness to participate unconditionally in dialogue; and the creation of a political atmosphere conducive to authentically free elections.

Specific prerequisites to free elections must be the lifting of the state of siege and repeal of Decree 507, which legalizes the suspension of civil liberties in El Salvador.

It is evident that the reforms listed above cannot occur unless the Salvadoran military is reorganized and reoriented to produce an armed force that preserves internal order and defends El Salvador from external foes—and at the same time submits to domestic law and democratically elected civilian rule.

The Salvadoran government is receiving U.S. military aid, even though it does not qualify under the intent of current U.S. law. New legal language applying conditions to U.S. aid to El Salvador must be clear enough to prevent any misinterpretation by either government. The law should also contain a mechanism that guarantees the Congress an opportunity to approve or disapprove any presidential certification that the legal conditions for military aid have been met.

The U.S. Embassy in San Salvador should monitor more vigorously and account in detail for all U.S. material supplied to El Salvador. A portion of U.S. military assistance, if legal requirements are met, should be urgently directed to upgrading and expanding medical care and rehabilitation of Salvadoran military injured in the civil war.

2. No falsely manufactured aid emergencies

If the Salvadoran government should qualify for aid under the guidelines stated above, deliveries of that military assistance in any given year should be scheduled to prevent artificial shortfalls created by rapid spending at the start of the fiscal year. In both 1982 and 1983, shortfalls of this nature resulted in administration requests for emergency assistance. The administration should not deliver military aid assuming that emergency or supplemental aid will be forthcoming.

3. Continued economic and humanitarian aid

U.S. economic assistance to El Salvador is necessary and desirable as a basis to begin the process of dialogue among all parties, to strengthen the moderates in the Salvadoran government and to recognize the crying needs of the people in the country, without regard to the makeup of the government.

This assistance must emphasize the agrarian reform program, medical supplies and health care, education, and humanitarian aid to persons displaced by the violence.

Aid may appropriately be used to compensate landowners under the "Land to the Tiller" program, and U.S. law should be changed to permit this. However, owners of farms expropriated under Phase I of the reforms should not receive compensation from U.S. aid funds, until it is legally guaranteed that this money would be reinvested in El Salvador. Instead, U.S. assistance should provide credit at concessional rates of interest to Phase I cooperative farms and technical assistance where needed and requested.

Persons displaced by violence desperately need care, feeding and rehabilitation. Assistance to these persons will require a substantial effort; aid must be distributed impartially, regardless of the political preferences of those in need.

4. Immediate dialogue encouraged by the U.S.

The United States needs to develop an El Salvador policy that a majority of Americans can support and that recognizes the history of economic and social injustice in that country. It must be based on a realistic assessment of U.S. interests in El Salvador and the region as a whole.

The United States, perhaps alone among all interested outside parties, has the power and the influence to reconcile the forces now contending for control of El Salvador. U.S. policy's primary goal should be reconciliation—rather than a course which further polarizes the Salvadoran people both militarily and politically.

Accordingly, the United States should encourage unconditional discussion among all substantial political and economic factions in El Salvador, including the FDR-FMLN. The discussion agenda need not be defined in advance, but it should focus on alternatives to ending the violence and construction of a stable and democratic way to allocate political power.

It is the Service Committee's belief that only those lacking conviction in the logic and justice of their own positions need fear to encourage or participate in these talks.

● Mr. JEFFORDS. Mr. Speaker and Members of the House, I am pleased to be able to join with my colleague from Minnesota (Mr. OBERSTAR) today in inserting for the benefit of my colleagues the report on our recent trip to El Salvador.

While coverage of events in El Salvador in our news media comes and goes, one thing is clear: For Salvadoran citizens the pattern of violence and human rights abuses goes on unabated. In our report, we have tried to present our observations from our trip to El Salvador as objectively as possible. With my colleagues Mr. OBERSTAR and Mr. RICHARDSON, I have come to the inescapable conclusion that U.S. policy is based on some mistaken impressions of that country and the region.

I am troubled that this Congress has not exercised greater control over the course of American policy in Central America. The level of interest in this issue in my State of Vermont and in the rest of the United States is a clear indication that Americans are deeply troubled about our involvement in that region. We owe it to our constituents to become better informed about this issue and I hope that our report will help other Members to understand El Salvador better and contribute to the emergence of a more sound policy.●

ROBERT K. DORNAN

(Mr. HUNTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUNTER. Mr. Speaker, I rise to object to some of the remarks that were directed at our former colleague, Robert Dornan, this morning when it was anticipated that he would be working with the administration arms control team.

I would like to say, Mr. Speaker, that Mr. Dornan demonstrated an ability to articulate national defense issues well; he was a very eloquent speaker, very well-reasoned, very well-motivated and was a respected Member of this House. It disturbs me greatly to see some other Members, some of his colleagues who treated him with respect as a Member of this House, saying the things that they said about him today as a former Member of the House who is under consideration for an arms control position.

No Member of this House is a better speaker than Bob, none has studied the arms control issue to greater degree, and his participation in the negotiations process would serve America well.

I salute my friend Bob Dornan as an exceptional legislator, and, look forward to his career as a member of the Reagan administration.

NATIONAL MISSING CHILDREN'S DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. SMITH) is recognized for 10 minutes.

Mr. SMITH of Florida. Mr. Speaker, each year thousands of children are missing, disappearing from their homes, and vanishing by abduction, assault, and murder. This tragic situa-

tion led to the enactment of National Missing Children's Day which we are again commemorating today. Today also has been proclaimed Missing Children's Day in Florida by Gov. Bob Graham. Recent, infamous cases in Florida have involved not only the kidnaping of children, but gruesome murders that have received attention in Florida and throughout the country.

As a member of the Florida State Legislature, I was an original cosponsor of Missing Children's Day. I believe it is important to protect our children because they are our future. So, therefore, I am honored to be a part of today's special order on National Missing Children's Day.

Floridians are familiar with cases where missing children have been found safe. But far more have disappeared without a trace, some murdered in such a way as to strike fear into the heart of every parent, not just in Florida but across the Nation. These defenseless children, these distraught families need help that only large Government agencies can adequately provide. Among the promises this Nation gives its people is freedom from fear. As a parent, I know of no greater fear than to have my child vanish—unless it is the fear that he might be physically harmed. Our children need the very best protection we can give them.

In the last year, 3,000 children were buried in John Doe graves. If these missing, unidentified children could have been identified through a computer search, they might be alive today. The FBI's National Crime Information Center has had a missing persons file since 1977. But that file could only search after being provided with name, race, and date of birth.

Florida has established a unique computer system, the only one of its kind in the United States, that searches on the basis of physical description alone, without name or date of birth. In addition while in Florida I sponsored a bill that appropriated $76,000 to the Florida Department of Law Enforcement to establish a statewide clearinghouse for missing children. The TRW Co. donated computers for the program. This clearinghouse is designed to collect, store, and disseminate information on missing children and act as a central depository. Also, it will provide assistance to parents as a liaison from law enforcement agencies to the public.

The FBI is in the process of duplicating Florida's system. A five-member national panel including Broward County, Fla.'s medical examiner, Dr. Ronald Wright was established to help the FBI create a national unidentified dead body file. The FBI hopes to have this capability by late summer.

It is a known fact that an estimated 60 percent of missing children are sexually abused, physically exploited, and psychologically damaged through abduction and kidnaping. Over 1,800,000 children disappear from their homes in the United States each year. Concerned parents of my district have contacted Hollywood police about voluntarily fingerprinting schoolchildren as a personal safety measure. The program called I. M. Thumbbuddy will allow police to fingerprint children and allow only the parents to hold onto their children's fingerprints for identification purposes. Other preventive measures include: keeping a recent photo of your children, a record of a child's scars and identifying marks, dental records and making sure your children know their address and phone number.

This one effort to voluntarily fingerprint our children is an ounce of preventive medicine. Thus far, 96 percent of some Broward schools have been fingerprinted. In Hollywood, Fla., elementary schools with a total enrollment of 4,867 students, 3,620 children have been fingerprinted. This menace threatening our families must end, and can end, through public awareness and cooperation with our national agencies. That is why I am joining my colleagues in support of commemorating National Missing Children's Day.

□ 1530

RENEWABLE ENERGY INDUSTRY DEVELOPMENT ACT OF 1983

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. WYDEN) is recognized for 5 minutes.

● Mr. WYDEN. Mr. Speaker, today Congressman HEFTEL and I introduce two bills to foster our renewable energy industry's competitiveness at home and abroad.

The Renewable Energy Industry Development Act calls for an assessment of the competitiveness of our renewable energy industry and for the establishment of a Federal Government focal point for the renewable energy export industry. Congressman HEFTEL's bill establishes eligibility for the energy tax credit for U.S.-produced renewable energy equipment employed in beneficiary developing countries.

Our bills attempt to fulfill this Nation's responsibilities under the international energy program to foster our energy independence through the growth of a domestic renewable energy industry.

A cohesive approach is necessary. Otherwise, short-term energy prices and surplus supplies of fossil fuels may result in dramatic setbacks in the progress of unit-cost reduction and manufacturing economies of scale that are accelerating the commercial use of renewable energy technologies.

Also, absent an assertive trade policy in the renewable energy sector—one that is consistent with our free trade stance and with international trade agreements—our present market preeminence in this sector will be eroded.

The vitality of our domestic renewable energy industry hinges on international market development, and the competition is fierce and growing more so all the time. The export market accounts for 50 percent of sales by U.S. photovoltaic manufacturers, for example.

Though a growing worldwide market exists for renewable energy technologies and related services, America is increasingly losing ground to our competitors.

The U.S. share of the world market in photovoltaics for instance, has dropped from 80 percent in 1980 to 55 percent in 1982. Europe is expected to grow to 20 percent of the world market by 1990, and the fastest market growth is from Japan, with about 20 percent of the present market and an expected 35 percent share by 1990.

Though our technology is often superior, the aggressive marketing practices of our competitors clearly indicate the growing importance of marketing skills and investment strategy over that of technology.

By now most of us are familiar with the concept of industrial targeting. As practiced by Japan, this is a policy by which the Government identifies industrial sectors which it wishes to promote to a position of world competitive prominence, and then takes a series of Government-directed measures designed to insure that result. This strategy has proven highly effective in placing Japanese firms in a position of international competitive advantage.

Our bills form the basis for a comprehensive marketing strategy for the U.S. renewable energy industry—a strategy that does not distort free market competition or violate international agreements.

The Renewable Energy Industry Development Act devotes existing resources within the U.S. Government to develop a better understanding of the competitive strengths and disadvantages of American renewable energy industries, to better understand the Government intervention abroad that seriously affects trade and investment flows, and to insure timely communication of potential market opportunities to U.S. businesses by the many U.S. agencies that have overseas operations.

In short, the bill gives the Secretary of Commerce the responsibility for developing a comprehensive program for identifying strengths and weaknesses in U.S. competitiveness and developing a strategy for improvement.

Specifically, the Development Act calls for the President to appoint an interagency working group from ap-

propriate Federal agencies to, within 6 months of enactment, conduct an evaluation of the domestic renewable energy industry and related service industries. The Secretary of Commerce is to chair the working group.

This working group is specifically directed to consult with representative industry groups and relevant agency heads in developing this assessment and subsequent plan of action.

At a minimum, the evaluation shall include:

An assessment of the current technical and commercial status of the domestic renewable energy industry and related service industries in domestic and foreign markets;

An assessment of the Federal Government's activities affecting commerce in the domestic renewable energy industry and of the potential for consolidating and coordinating such activities, and;

An assessment of where improvements can be made in the domestic renewable energy industry to increase the international markets for such industry.

Once the evaluation is complete, the working group, consistent with existing law, shall establish a program for enhancing commerce in renewable energy technologies and consolidating or coordinating existing activities for that purpose.

At a minimum, this program shall provide for:

The broadening of participation by the renewable energy industry in international commerce;

The promotion of the domestic renewable energy industry and related service industries on a worldwide basis;

Increased participation by the Government and industry in international product standard-setting activities, so crucial to insuring international market access; and

The development of an information program to: First, insure appropriate United States and foreign officials are aware of U.S. renewable energy industry capabilities; and second, insure information on export opportunities is available to the domestic renewable energy industry.

Mr. Speaker, achieving national security through energy independence will prove evasive if we let our domestic renewable energy industry falter.

Our stake in maintaining a healthy industry in this sector is clear. It is equally clear that overseas markets are of growing significance to the health of our industry, and that we have arrived at the point where we need to be organizationally equipped to provide the kind of leadership necessary to give assertive direction to the development and implementation of a trade policy in this sector.

Today, the American worker and American industry faces global markets and intense foreign competition. This bill is intended to get the United States to think coherently about our trade objectives and goals in this sector. We must begin now to define what our national interest is in renewable energy technology and services trade and how best to achieve it.●

THE IMPACT OF CARGO RESERVATION ON AGRICULTURAL EXPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Louisiana (Mrs. BOGGS) is recognized for 5 minutes.

● Mrs. BOGGS. Mr. Speaker, some individuals and organizations in the agricultural community have expressed concerns that the Competitive Shipping and Shipbuilding Act (H.R. 1242) will substantially increase transportation costs for American agricultural exports. I would like to take this opportunity to correct what are apparent misunderstandings of the provisions and underlying purpose of the bill.

The legislation does not circumvent markets or prevent foreign interests from entering the U.S. shipping trade. It simply reserves a small portion of that trade for U.S.-flag vessels. The intent of H.R. 1242—and its companion bill, S. 1000—is not to prop up an ailing industry, but to create new, more advantageous market conditions which will enhance competitiveness.

The bill does not provide a subsidy to the maritime industry but merely guarantees that a portion of the U.S. shipping market will be reserved for U.S. operators. This type of aggressive market policy is necessary in order to counter the maritime policies of other nations, much as some segments of the agricultural community require Government assistance to compete with other nations' agricultural subsidies.

The competitive market for U.S.-flag shipping services resulting from this bill would in no way resemble current market conditions. Therefore, existing U.S.-flag, foreign-flag rate differentials, such as those in the Public Law 480 program, cannot be used to estimate the costs of the bill, which would, in fact, be very small.

The most immediate impact of this legislation would be to increase the efficiency of the existing merchant marine through full employment resources. Operators will be faced with a large, predictable market allowing them to plan effectively and institute cost-saving measures such as long-term chartering and arranging for backhaul cargoes. In addition, operators will be prompted to devise more creative uses for existing ships, for example, employing tankers in the commercial grain trade.

The vessels constructed under this bill will be modern, technologically advanced ships able to offer reduced rates. The bill formally requires shipyards and ship operators to reduce costs by 15 percent. The Secretary of Transportation is required to set guideline rates, based on world market rates and U.S. shipbuilding and operating costs. The guideline rates will set the maximum rate that can be charged.

Estimates show that in the first year of enactment, the cost increase associated with H.R. 1242 will be approximately 13 cents per ton. This would add roughly 0.08 percent to the landed price of U.S. agricultural exports.

I know that others in the agricultural community, particularly farmers, have expressed concerns about the bill based on their prior experiences with the freight rates for shipments in the Public Law 480—food for peace—program.

Although freight rates for U.S.-flag vessels in the Public Law 480 program may be at great variance with those of foreign carriers, this would not be the case under the proposed bill. To begin with, the mere size of the market created by the enactment of H.R. 1242 would necessitate construction of modern, efficient vessels capable of moving large shipments at significantly reduced costs.

In 1979, the entire Public Law 480 program shipped a mere 5.7 million tons of cargo of which the U.S.-flag share amounted to under 3 million tons. If H.R. 1242 were enacted today, it would provide 36 million tons of cargo for U.S. vessels in its first year in effect. This would represent an increase of 1,100 percent over the size of the Public Law 480 program in the first year alone. If this volume of trade increases as projected by the Department of Transportation, by the year 1998, the bill will result in a volume of trade on U.S.-flag vessels in excess of 180 million long tons per year, over 60 times the volume of the current Public Law 480 program.

The small size of the Public Law 480 program has made it prohibitive for investors to construct new vessels for the trade. Hence, many of the bulk ships engaged in carrying Public Law 480 cargoes are World War II vintage vessels under 30,000 dwt. These vessels are less automated and require crews of approximately 35 men. They generally lack fuel-efficient powerplants and thus incur high fuel costs on a ton/mile basis.

The size of the trade created by H.R. 1242 would foster construction of large, modern, and efficient vessels, capable of moving up to four times the amount of cargo as a 30,000 dwt vessel, yet requiring a crew of only 22 men: a reduction in crew size of almost 40 percent. These vessels would be powered most probably by diesel engines which use much less fuel than steam engines.

The situation that exists in the Public Law 480 market does not prove

the case against cargo reservation as much as it illustrates the need for such a program. For a minimal price, with the enactment of H.R. 1242 U.S. agricultural exporters will enjoy the benefits of an efficient, reliable, domestic transportation structure which would add to the security of this Nation's international trade flow.●

EXPLANATION FOR MISSED VOTES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. GILMAN) is recognized for 5 minutes.

● Mr. GILMAN. Mr. Speaker, I was unavoidably detained earlier today and was unable to record my vote on three occasions. Had I been present, I would have voted:

On rollcall No. 135: On Approving the Journal, "aye,"

On rollcall No. 136: On agreeing to House Resolution 203, "aye."

On rollcall No. 137: House Resolution 209, the rule providing for consideration of H.R 3069, supplemental appropriations for fiscal year 1983, "no."●

INTERPARLIAMENTARY UNION MEETING IN HELSINKI

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. BATEMAN) is recognized for 5 minutes.

● Mr. BATEMAN. Mr. Speaker, I rise to join my colleagues who represented our Congress at the spring meeting of the Interparliamentary Union in Helsinki, Finland. I felt very privileged to be a member of this delegation and would want to advise all Members of this body that it was extremely well represented. The chairman of our delegation, the distinguished gentleman from Florida, Senator CLAUDE PEPPER, was a very dynamic, energetic, and effective chairman and spokesperson for our country. Whatever political differences might divide the members of our IPU delegation here in the Congress were never manifested during the course of the conference. I can truly say that, as representatives of our country and its ideals and political philosophy, we all spoke with one voice.

For my part, the experiences I garnered as a representative at the Helsinki Conference were invaluable. To witness and participate in the debates before a conference of over 90 nations of the world and to gain a further insight into the conceptions and misconceptions of so many of those representing other parliamentary bodies was of great value and would benefit any Member of our body. In candor, it was very disheartening to listen to so much of the totally unfounded and unrealistic criticism of our country, its policies, and even its motives. Some of this criticism was outrageous in the extreme and based upon no fact whatsoever. Yet, unfortunately, there seems to be a willingness on the part of some parliamentarians not only in the Communist bloc but in the underdeveloped nations which routinely accepts any negative point of view with respect to our country and its policies. It fell my lot to make a statement on behalf of our delegation before the Joint Committee on Political Questions, International Security and Disarmament and on Parliamentary Juridical and Human Rights questions, which was in the nature of a general rebuttal of some of the extreme remarks which had been made during the first 1½ days of the meetings of that committee. I would like at this time for the edification of the body to recite the brief remarks that I delivered on April 26 before the IPU committee to which I have just referred. Those remarks are as follows:

While the general tenor of the debate in our proceedings has been worthy of this assembly of parliamentarians, and has formed a basis for seeking solutions, there has been a propaganda exercise by some critical of the government and people I represent. I invite a comparison with the reasoned and conciliatory statement of my colleague, Representative Hyde, to the accusatory and flamatory rhetoric of the spokesmen for the Soviet Union and the Democratic People's Republic of Korea, and other spokesmen this morning.

My country has offered in the INF talks and in the ongoing START talks very serious proposals to which there has been no meaningful response or counter-proposal by the negotiators for the Soviet Union. This meeting is not the arena for negotiating a reduction in nuclear arms, but the record here should be made clear that the United States of America is serious and recognizes the desirability of reduced and balanced nuclear forces.

Those who protest their desire for disarmament need only test my country's sincere desire for peace, security and self-determination for all nations and their people. Despite hundreds of intermediate weapons targeted on NATO countries, my country has offered to desist from deployment of similar weapons in western Europe if there is an appropriate reduction in such weapons deployed by the Warsaw Pact nations. On the other hand, we are told only that the status quo should be retained with over one thousand Soviet warheads in 351 SS-20's in place and targeted on Western Europe. We are in effect asked to unilaterally disarm.

Much was said about the need to bar the use of chemical and toxical weapons. This was, of course, quite proper. Yet more than words are necessary, especially from nations whose forces, based upon overwhelming evidence, have been so recently involved in the use of such weapons against the helpless populations of Kampuchea and Afghanistan. Yet these same nations have resisted a call for on-site, meaningful investigations, which would focus the spotlight of world opinion upon their actions.

One nation yesterday made reference to a state of quasi-war existing in northeast Asia and an incorrect allegation that my country has occupation forces on the Korean peninsula. That charge is preposterous. There are no forces of the United States of American in any country in the world except by invitation of the legitimate government of the host country as a part of securing that country from aggression or other external interference to the security and continuity of that government.

To be realistic, we should have heard about the incursion by Vietnam into the territory of Kampuchea and that country's disregard of the United Nations call for the removal of its troops and for the cessation of hostilities. We should have heard assurances that incursions into the territory of Thailand and hostile acts against its people would cease.

The American group at the IPU has no constitutional authority to negotiate the terms of disarmament. That is the purview of our representatives at the ongoing disarmament talks. We of the United States UPU group do, however, with complete confidence assure all parliamentarians and all mankind that our nation's policies are and will be controlled by the overriding desire of our people to live in peace, secure in their freedom, and that we wish for all other nations and people these same blessings.

Generations unborn cry out for us to find peace where freedom and international security are a reality. The United States will continue its historic and predictable policy of peace, freedom and security of all peoples and their governments.

Again, I felt honored to be a part of the distinguished delegation from our Congress to the Interparliamentary Union and commend our chairman, the distinguished gentleman from Florida, Senator CLAUDE PEPPER, and vice chairman ROBERT STAFFORD of Vermont, for their effective leadership of the delegation.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SHUSTER (at the request of Mr. MICHEL), from May 26 through June 6, on account of official business.

Mr. HOWARD (at the request of Mr. WRIGHT), from May 26 until June 2, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DEWINE) to revise and extend their remarks and include extraneous material:)

Mr. GILMAN, for 5 minutes, today.

Mr. BATEMAN, for 5 minutes, today.

Mr. MCGRATH, for 30 minutes, today.

Mr. PAUL, for 5 minutes, today.

(The following Members (at the request of Mr. SMITH of Florida) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 30 minutes, today.

Mr. OBERSTAR, for 10 minutes, today.

Mr. SMITH of Florida, for 10 minutes, today.
Mr. WYDEN, for 5 minutes, today.
Mr. STARK, for 5 minutes, today.
Mr. BOGGS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. CONTE, following Mr. REGULA.

(The following Members (at the request of Mr. DEWINE) and to include extraneous matter:)

Mr. MCGRATH.
Mr. CORCORAN in two instances.
Mr. LUJAN.
Mr. PORTER in two instances.
Mr. CAMPBELL in two instances.
Mr. LEWIS of California.
Mr. PETRI in two instances.
Mr. GEKAS in two instances.
Mr. GILMAN in two instances.
Mr. KEMP in two instances.
Mrs. HOLT.
Mr. MARTIN of North Carolina.
Mr. SUNDQUIST.
Mr. FORSYTHE.
Mr. RUDD.
Mr. SMITH of New Jersey.
Mr. LIVINGSTON.
Mr. MCCANDLESS.
Mr. NIELSON of Utah.

(The following Members (at the request of Mr. SMITH of Florida) and to include extraneous matter:)

Mr. BARNES.
Mr. SOLARZ in two instances.
Mr. RODINO.
Mr. DYSON in two instances.
Mr. HOYER.
Mr. HOWARD.
Mr. EDWARDS of California in two instances.
Mr. GAYDOS.
Mr. LANTOS in two instances.
Mr. TORRICELLI.
Mr. LONG of Maryland.
Mr. ACKERMAN.
Mr. MOLLOHAN.
Mr. FEIGHAN.
Mrs. COLLINS in two instances.
Mr. RAHALL.
Mr. OTTINGER.
Mr. LOWRY of Washington.
Mr. HEFTEL of Hawaii.
Mrs. BOXER in two instances.
Mr. DONNELLY.
Mr. STARK.
Mr. IRELAND.
Mr. BOUCHER.
Mr. FAZIO.
Mr. WALGREN.

SENATE BILLS AND CONCURRENT RESOLUTIONS REFERRED

Bills and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 379. An act to cancel certain indebtedness in connection with disaster relief activities; to the Committee on the Judiciary.

S. 840. An act to amend the Act of October 15, 1966 (80 Stat. 953; 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution, so as to authorize additional appropriations to the Smithsonian Institution for carrying out the purposes of said Act; to the Committee on House Administration.

S. 930. An act to authorize the Smithsonian Institution to purchase land in Santa Cruz County, Ariz.; to the Committee on House Administration.

S. 1293. An act to extend authorizations for appropriations for the Disaster Relief Act of 1974, and for other purposes; to the Committee on Public Works and Transportation.

S. Con. Res. 7. Concurrent resolution to authorize and provide for a bust of Carl Hayden to be placed in the Capitol; to the Committee on House Administration.

S. Con. Res. 35. Concurrent resolution to authorize the printing as a Senate document of a revised edition of "The Capitol"; to the Committee on House Administration.

ENROLLED BILLS SIGNED

Mr. HAWKINS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2681. An act to make certain amendments to sections 4, 13, 14, 15, and 15B of the Securities Exchange Act of 1934; and

H.R. 2990. An act to increase the permanent public debt limit, and for other purposes.

ADJOURNMENT

Mr. SMITH of Florida. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore (Mr. BROWN of California). Pursuant to the provisions of Senate Concurrent Resolution 41, 98th Congress, the House stands adjourned until Wednesday, June 1, 1983, at 12 o'clock noon.

Thereupon (at 3 o'clock and 34 minutes p.m.), pursuant to Senate Concurrent Resolution 41, the House adjourned until Wednesday, June 1, 1983, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1225. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the annual report on the economic viability of depository institutions, pursuant to section 206 of Public Law 96-221; to the Committee on Banking, Finance and Urban Affairs.

1226. A letter from the Department of Energy, transmitting the draft environment impact statement for the proposed international electric transmission line connecting Sherbrooke, Quebec, and Comerford, N.H., pursuant to section 102(2)(C) of Public Law 91-190; to the Committee on Energy and Commerce.

1227. A letter from the Secretary of Health and Human Services, transmitting the fifth annual report of the National Center for the Prevention and Control of Rape, convering the fiscal year 1982, pursuant to section 601(a)(2) of Public Law 96-398; to the Committee on Energy and Commerce.

1228. A letter from the acting Secretary of State, transmitting notice of determination to furnish assistance to private sector organizations operating within the country of Bolivia, pursuant to section 620(q) of the Foreign Assistance Act of 1961; to the Committee on Foreign Affairs.

1229. A letter from the Assistant Secretary for Legislative and Intergovernmental Affairs, transmitting a report of political contributions for L. Paul Bremer III, Ambassador-designate to the Netherlands, and members of his family, pursuant to section 304(b)(2) of Public Law 96-465; to the Committee on Foreign Affairs.

1230. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

1231. A letter from the Secretary of Labor, transmitting the semiannual report of the Inspector General covering the period October 1, 1982, through March 31, 1983, pursuant to section 5 of Public Law 95-452; to the Committee on Government Operations.

1232. A letter from the Inspector General, Department of Health and Human Services, transmitting a final report of his office on the review of identification security techniques and alternate issuance systems, entitled "False Identification—The Problem and Technological Options"; to the Committee on Government Operations.

1233. A letter from the Inspector General, Department of Health and Human Services, transmitting the "Abbreviated Annual Report" for the Office of Inspector General that consolidates the three quarterly reports issued from January 1, 1982, through September 30, 1982, pursuant to section 204(b) of Public Law 94-505; to the Committee on Government Operations.

1234. A letter from the Administrator, Office of Federal Procurement Policy, Office of Management and Budget, transmitting a report on the major activities of the Office, pursuant to section 8(a)(1) of Public Law 93-400; to the Committee on Government Operations.

1235. A letter from the Clerk of the U.S. Claims Court, transmitting the court's judgment order in Docket No. 28, *Hannahville Indian Community, etc.* v. *The United States;* to the Committee on Interior and Insular Affairs.

1236. A letter from the Assistant Attorney General of the United States, transmitting a draft of proposed legislation to amend title 28, United States Code, to authorize payment of travel and transportation expenses of newly appointed special agents of the Department of Justice; to the Committee on the Judiciary.

1237. A letter from the Director, Office of Personnel Management, transmitting a draft of proposed legislation to amend section 3109 of title 5, United States Code, to clarify the authority for the appointment

and cmmpensation of experts and consultants as Federal employees, and for other purposes; to the Committee on Post Office and Civil Service.

1238. A letter from the General Services Administration, transmitting repair and alteration prospectuses for fiscal year 1984, pursuant to section 7(a) of Public Law 86-249; to the Committee on Public Works and Transportation.

1239. A letter from the Chairman, Services Policy Advisory Committee, U.S. Trade Representative's Office, transmitting the statement of the Services Policy Advisory Committee on its views on trade in services, pursuant to the Trade Acts of 1974 and 1979; to the Committee on Ways and Means.

1240. A letter from the Acting Assistant Secretary of the Army (Manpower and Reserve Affairs), transmitting a draft of proposed legislation to amend titles 10 and 14, United States Code, relating to periods of original enlistments and reenlistments in Regular components of the Armed Forces, by authorizing the Secretaries concerned flexibility in the periods of enlistment and reenlistment; jointly, to the Committees on Armed Services and Merchant Marine and Fisheries.

1241. A letter from the Comptroller General of the United States, transmitting a report on the examination of the financial statements of the Federal Deposit Insurance Corporation for the year ended December 31, 1982 (GAO/AFMD-83-61; May 24, 1983); jointly, to the Committees on Government Operations and Banking, Finance and Urban Affairs.

1242. A letter from the Secretary of Health and Human Services, transmitting to amend the Social Security Act to make certain program and administrative improvements in the programs of aid to families with dependent children and supplemental security income and for other purposes; jointly, to the Committees on Ways and Means and Education and Labor.

1243. A letter from the Secretary of Health and Human Services, transmitting the report on reimbursement of clinical laboratories under medicare, pursuant to section 918 of Public Law 96-499; jointly, to the Committees on Ways and Means and Energy and Commerce.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HANSEN of Idaho:

H.R. 3152. A bill to provide for an equitable resolution of certain financial problems associated with the Washington Public Power Supply System, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

By Mr. CHAPPIE:

H.R. 3153. A bill to amend section 35 of the Mineral Lands Leasing Act to provide for the disposition of certain revenues under the Geothermal Steam Act of 1970; to the Committee on Interior and Insular Affairs.

By Mr. CORCORAN (for himself, Mr. MICHEL, and Mr. MADIGAN):

H.R. 3154. A bill relating to the treatment of certain rentals of farm and business real property for purposes of section 2032A of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. DOWDY of Mississippi:

H.R. 3155. A bill to authorize construction of an interim plan for flood control at Jackson, Miss.; to the Committee on Public Works and Transportation.

By Mr. FORSYTHE (for himself and Mr. BIAGGI) (by request):

H.R. 3156. A bill to amend the Merchant Marine Act, 1936, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Ways and Means.

By Mr. FRENZEL:

H.R. 3157. A bill to amend the Tariff Act of 1930 regarding same condition drawbacks and same kind and quality drawbacks, and for other purposes; to the Committee on Ways and Means.

By Mr. GIBBONS (by request):

H.R. 3158. A bill to implement the Customs Convention on Containers, 1972; to the Committee on Ways and Means.

H.R. 3159. A bill to require that customs duties determined to be due upon a liquidation or reliquidation are due upon that date, and for other purposes; to the Committee on Ways and Means.

By Mr. GILMAN:

H.R. 3160. A bill to require the Secretary of the Interior to conduct a study to determine the manner in which the area know as the Goshen Historic Track in Goshen, N.Y., can be protected; to the Committee on Interior and Insular Affairs.

By Mr. HAMMERSCHMIDT:

H.R. 3161. A bill to encourage and facilitate the expansion and development of export markets for poultry and eggs produced in the United States; to the Committee on Agriculture.

H.R. 3162. A bill to name a dam on the Arkansas River, Ark., as the "Wilbur D. Mills Dam"; to the Committee on Public Works and Transportation.

H.R. 3163. A bill to name a lock and dam on the Arkansas River, Ark., as the "Joe Hardin Lock and Dam"; to the Committee on Public Works and Transportation.

H.R. 3164. A bill to name a lock and dam on the Arkansas River, Ark., as the "James W. Trimble Lock and Dam"; to the Committee on Public Works and Transportation.

H.R. 3165. A bill to name a lock and dam on the Arkansas River, Ark., as the "Arthur Ormond Lock and Dam"; to the Committee on Public Works and Transportation.

H.R. 3166. A bill to name a reservoir created by a dam on the Arkansas River, Ark., as the "Winthrop Rockefeller Reservoir"; to the Committee on Public Works and Transportation.

H.R. 3167. A bill to name a lock and dam on the Arkansas River, Ark., as the "Emmett Sanders Lock and Dam"; to the Committee on Public Works and Transportation.

By Mr. HEFTEL of Hawaii (for himself and Mr. WYDEN):

H.R. 3168. A bill to amend the Internal Revenue Code of 1954 to provide that the energy investment tax credit shall be allowed for certain U.S.-produced energy property used predominantly in any beneficiary developing country; to the Committee on Ways and Means.

By Mr. WYDEN (for himself and Mr. HEFTEL of Hawaii):

H.R. 3169. A bill to amend the Energy Policy and Conservation Act to facilitate commerce by the domestic renewable energy industry and related service industries; to the Committee on Energy and Commerce.

By Mr. HOWARD (for himself, Mr. RODINO, Mr. FAUNTROY, Mr. BARNES, Mr. FRANK, Mr. OTTINGER, Mr. FOGLIETTA, Mr. WEISS, Mr. DELLUMS, Mr. WEAVER, and Mr. HERTEL of Michigan):

H.R. 3170. A bill to establish the Commission on Modern Farm Animal Practices to investigate intensive farm animal husbandry to determine if such farm animal husbandry has any adverse effect on human health, to examine the economic, scientific, and ethical considerations with respect to the use of intensive farm animal husbandry, and for other purposes; jointly, to the Committees on Agriculture and Energy and Commerce.

By Mr. IRELAND (for himself, Mr. FASCELL, Mr. BENNETT, Mr. PEPPER, Mr. CHAPPELL, Mr. FUQUA, Mr. MICA, Mr. NELSON of Florida, Mr. MCCOLLUM, Mr. LEWIS of Florida, Mr. MACKAY, Mr. MACK, Mr. SMITH of Florida, and Mr. BILIRAKIS):

H.R. 3171. A bill to amend the Agricultural Marketing Agreement Act of 1937 to subject imported tomatoes to the same pack of contaifer restrictions applicable to domestic tomatoes; to the Committee on Ways and Means.

By Mr. MCCOLLUM:

H.R. 3172. A bill to amend the Internal Revenue Code of 1954 to increase the amount of the credit allowable for contributions to candidates for public office; to the Committee on Ways and Means.

By Mr. MATSUI:

H.R. 3173. A bill to amend the Internal Revenue Code of 1954 to provide for the application of cash or deferred arrangement rules to money purchase plans; to the Committee on Ways and Means.

H.R. 3174. A bill relating to the tariff treatment of certain telescopes not designed for use with infrared light; to the Committee on Ways and Means.

By Mr. MILLER of California (for himself, Mr. PERKINS, Mr. CLAY, Mr. KILDEE, Mr. MARTINEZ, Mr. OWENS, Mr. HARRISON, Mr. WILLIAMS of Montana, and Mr. RINALDO):

H.R. 3175. A bill to provide for the compensation of individuals who are disabled as a result of occupational exposure to toxic substances, to regularize the fair, adequate, and equitable compensation of certain occupational disease victims, and for other purposes; to the Committee on Education and Labor.

By Mr. PETRI (for himself, Mr. MARTIN of North Carolina, Mr. SENSENBRENNER, Mr. FORSYTHE, and Mr. NIELSON of Utah):

H.R. 3176. A bill to establish a supplemental higher education loan program in which a borrower's annual repayment obligation is dependent upon both postschool income level and borrowing history, and for other purposes; jointly, to the Committees on Education and Labor and Ways and Means.

By Mr. WYDEN (for himself, Mr. SWIFT, Mr. AUCOIN, Mr. BONKER, Mr. LOWRY of Washington, and Mr. WILLIAMS of Montana):

H.R. 3177. A bill to amend the Pacific Northwest Electric Power Planning and Conservation Act to protect the rights of parties to proceedings undertaken to establish the rates for the sale and disposition of electric energy and capacity and for the transmission of non-Federal power by the Bonneville Power Administration; jointly, to the Committees on Interior and Insular Afairs and Energy and Commerce.

By Mr. BADHAM:

H.J. Res. 283. Joint resolution designating the week beginning November 6, 1983, as "National Disabled Veterans Week"; to the Committee on Post Office and Civil Service.

By Mr. FUQUA (for himself, Mr. WINN, Mr. VOLKMER, Mr. LUJAN, Mr. CARNEY, and Mr. AKAKA):

H.J. Res. 284. Joint resolution commemorating the 25th anniversary of the National Aeronautics and Space Administration; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

152. By the SPEAKER: Memorial of the Senate of the State of Colorado, relative to Raoul Wallenberg; to the Committee on Foreign Affairs.

153. Also, memorial of the Legislature of the State of Colorado, relative to boundaries of the Southern Ute Indian Reservation; to the Committee on Interior and Insular Affairs.

154. Also, memorial of the Legislative of the State of Hawaii, relative to restitution for the losses and damages suffered by Native Hawaiians; to the Committee on Interior and Insular Affairs.

155. Also, memorial of the General Assembly of the State of Iowa, relative to veterans of the Vietnam era; to the Committee on Veterans' Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 358: Mr. BARTLETT.

H.R. 430: Mr. WON PAT and Mr. CLINGER.

H.R. 534: Mr. PAUL.

H.R. 943: Mr. PAUL.

H.R. 991: Mr. MITCHELL.

H.R. 1146: Mr. ROE, Mr. YOUNG of Missouri, Mrs. KENNELLY, Mrs. BOXER, Mr. REGULA, Mr. DURBIN, Mr. FAZIO, and Mr. D'AMOURS.

H.R. 1196: Mr. YOUNG of Florida.

H.R. 1199: Mr. BRITT, Mr. MCCANDLESS, Mr. BURTON, and Mr. KRAMER.

H.R. 1219: Mr. TAUKE.

H.R. 1249: Mr. RICHARDSON, Mr. SMITH of Iowa, Mr. REID, Mr. SIKORSKI, and Mr. MCKERNAN.

H.R. 1307: Mr. ANDREWS of Texas, Mr. DAVIS, and Mr. OBERSTAR.

H.R. 1400: Mr. SKELTON.

H.R. 1543: Mr. ACKERMAN.

H.R. 1595: Mrs. SCHROEDER, Mr. SHANNON, Mr. OLIN, Mr. GINGRICH, Mr. KOGOVSEK, Mr. LANTOS, Mr. GRAY, Mr. PEASE, Mr. GEJDENSON, Mr. HUTTO, Mr. MOODY, Mr. FAZIO, Mr. OBERSTAR, and Mr. WHEAT.

H.R. 1693: Mrs. COLLINS, Mr. COYNE, Mr. DELLUMS, and Mr. SAVAGE.

H.R. 1918: Mr. SKELTON.

H.R. 1961: Mr. EMERSON, Mr. RAHALL, Mr. SCHUMER, Mr. DEWINE, and Mr. SKELTON.

H.R. 1984: Mr. HILLIS, Mr. ZABLOCKI, Mr. SPRATT, and Mr. SIMON.

H.R. 2053: Mr. ADDABBO, Mr. BIAGGI, and Mr. LUKEN.

H.R. 2124: Mr. SPRATT, Mr. HAMILTON, Mr. SCHAEFER, Mr. MORRISON of Connecticut, Mr. MADIGAN, Mr. PURSELL, Mr. NEAL, Mr. MOODY, and Mr. FORD of Tennessee.

H.R. 2168: Mr. BOEHLERT and Mr. DEWINE.

H.R. 2225: Mr. DENNY SMITH and Mr. MCCOLLUM.

H.R. 2250: Mr. MCDADE, Mr. WEAVER, Mr. D'AMOURS, Mr. GRAY, Mr. SEIBERLING, Mr. SHANNON, Mr. VENTO, and Mr. IRELAND.

H.R. 2391: Mr. MARLENEE.

H.R. 2449: Mr. ANDERSON.

H.R. 2700: Mr. SUNIA.

H.R. 2747: Mr. HUGHES, Mr. EMERSON, Mr. HERTEL of Michigan, Mr. MADIGAN, Ms. FERRARO, Mr. MRAZEK, and Mr. MCCOLLUM.

H.R. 2787: Mr. OLIN, Mr. BATES, and Mr. TORRICELLI.

H.R. 2814: Mr. YATES.

H.R. 2835: Mr. MITCHELL and Mr. VENTO.

H.R. 2872: Mr. ROSTENKOWSKI, Mr. RUSSO, Mr. FEIGHAN, Mr. HORTON, and Mr. KINDNESS.

H.R. 2911: Mr. SKEEN.

H.R. 2916: Mr. MCEWEN, Mr. TORRICELLI, Mr. ROE, Mr. JEFFORDS, Mr. LIPINSKI, Mr. SENSENBRENNER, Mr. DANIEL, Mrs. BOXER, Mr. FISH, Mr. GINGRICH, Mr. HUBBARD, Mr. HILER, Mr. WOLF, Mr. WYDEN, Mr. SABO, Mr. HUTTO, Mr. WON PAT, Mrs. ROUKEMA, Mrs. MARTIN of Illinois, Mr. SUNDQUIST, Mr. WISE, Mr. LOTT, Mr. DREIER of California, Mr. WHITTAKER, and Mr. PARRIS.

H.R. 2996: Mr. VANDERGRIFF.

H.R. 3021: Mr. COYNE, Mr. HERTEL of Michigan, Mr. HAWKINS, Mr. D'AMOURS, Mr. STARK, Mr. CROCKETT, Mr. ROYBAL, Mrs. SCHROEDER, Mr. SMITH of Florida, Mr. KILDEE, Mr. ZABLOCKI, Mr. BROWN of California, Mr. BARNES, Mr. FRANK, Mr. CORRADA, Mr. DIXON, Mr. DWYER of New Jersey, Ms. KAPTUR, Mr. RAHALL, Mr. TORRICELLI, Mr. WISE, Mr. HUGHES, and Mr. LOWRY of Washington.

H.R. 3024: Mr. DANIEL, Mr. RUDD, Mr. PHILIP M. CRANE, Mr. WINN, and Mr. HARTNETT.

H.R. 3050: Mr. ANDREWS of North Carolina, Mr. BATEMAN, Mr. CAMPBELL, Mr. CLINGER, Mr. DOWDY of Mississippi, Mr. GLICKMAN, Mr. HYDE, Mr. KASTENMEIER, Mr. KOGOVSEK, Mr. NEAL, Mr. SMITH of Florida, Mr. STAGGERS, Mr. TORRICELLI, and Mr. VALENTINE.

H.R. 3062: Mr. HILER.

H.R. 3074: Mr. TOWNS, Mr. NOWAK, Mr. FRANK, Mr. OBERSTAR, Mr. VANDERGRIFF, Mr. WEISS, Mr. SAM B. HALL, JR., Mr. ROE, Mr. WISE, Mr. MCKINNEY, Ms. OAKAR, Mr. RATCHFORD, Mr. FORSYTHE, Mrs. BOXER, and Mr. EDWARDS of California.

H.R. 3103: Mr. MILLER of California.

H.J. Res. 103: Mr. PETRI.

H.J. Res. 153: Mr. RANGEL, Mr. BATEMAN, and Mr. SIMON.

H.J. Res. 168: Mr. CHANDLER, Mr. SHAW, Mr. LUNGREN, Mr. WEBER, Mr. OTTINGER, Mr. TAUKE, Mr. WHITTAKER, Mr. SUNDQUIST, Mr. REGULA, Mr. COLEMAN of Missouri, Mr. ROBERTS, Mr. WHITEHURST, Mr. LEVITAS, Mr. PARRIS, Mr. QUILLEN, Mr. CORCORAN, Mr. WALKER, Mr. MARRIOTT, Mr. SKELTON, Mr. TORRICELLI, Mr. KEMP, Mr. VOLKMER, Mr. HANSEN of Idaho, Mr. MCKERNAN, Mr. FLORIO, Mr. VALENTINE, Mr. DE LUGO, Mr. BILIRAKIS, Mr. SHARP, Mr. NICHOLS, Mr. ZSCHAU, Mr. CLINGER, Mr. BERMAN, Mr. ALBOSTA, Mr. FAZIO, Mr. DE LA GARZA, Mr. FUQUA, Mr. GUNDERSON, Mr. PASHAYAN, Mr. MCCAIN, Mr. DICKINSON, Mr. SYNAR, Mr. CHAPPELL, Mr. WORTLEY, Mr. MCCLOSKEY, Mr. EDGAR, Mr. JONES of Tennessee, Mr. APPLEGATE, Mr. PRITCHARD, Mr. TOWNS, Mr. STUDDS, Mr. ANDREWS of Texas, Mr. BOEHLERT, Mr. MCEWEN, Mr. DIXON, Mr. COURTER, Mr. MICA, Mr. JENKINS, Mr. WINN, Mr. HEFNER, Mr. GRAY, Ms. FERRARO, Mr. SCHUMER, Mr. COOPER, Mr. HARRISON, Mr. DAVIS, Mr. WHEAT, Mr. GREEN, Mr. JONES of North Carolina, Mr. HANCE, Mrs. BYRON, Mr. ANDREWS of North Carolina, and Mr. BETHUNE.

H.J. Res. 218: Mr. OBERSTAR, Mr. VALENTINE, Mr. BADHAM, Mrs. HOLT, Mr. TAUKE.

H.J. Res. 225: Mr. AKAKA, Mr. ALEXANDER, Mr. BATEMAN, Mr. BOLAND, Mr. BONER of Tennessee, Mrs. BOXER, Mr. BURTON, Mr. CHAPPIE, Mr. CLINGER, Mr. COELHO, Mr. CONYERS, Mr. CORCORAN, Mr. HANSEN of Idaho, Mr. KEMP, Mr. LAGOMARSINO, Mr. LOWERY of California, Mr. MARTIN of New York, Mr. MOORE, Mr. MORRISON of Washington, Mr. RANGEL, Mr. DENNY SMITH, Mr. STENHOLM, Mr. TOWNS, Mr. VANDERGRIFF, and Mr. WON PAT.

H.J. Res. 258: Mr. BROWN of California, Mr. SIMON, Mr. MURPHY, Mr. FORD of Michigan, Mr. KINDNESS, Mr. LUJAN, Mr. GONZALEZ, Mr. LAFALCE, Mr. HOYER, Mr. SABO, Mr. KASICH, Mr. COYNE, Mr. GRAMM, Ms. OAKAR, Mr. SKEEN, Mr. OWENS, Mr. DOWDY of Mississippi, Mr. KOGOVSEK, Mr. ROWLAND, Mr. GUNDERSON, Mr. TAUKE, Mr. MICA, Mr. WATKINS, Mr. MCEWEN, and Mr. BATEMAN.

H. Con. Res. 40: Mr. EARLY.

H. Con. Res. 127: Mr. ANDREWS of North Carolina, Mr. BENNETT, Mr. BEVILL, Mr. BOEHLERT, Mr. BREAUX, Mr. BURTON, Mr. CHANDLER, Mr. CHENEY, Mr. CONABLE, Mr. CONTE, Mr. CORRADA, Mr. COURTER, Mr. DAUB, Mr. DICKINSON, Mr. DYSON, Mr. FASCELL, Mr. FEIGHAN, Mr. FORSYTHE, Mr. GREEN, Mr. HANSEN of Idaho, Mr. HATCHER, Mr. HORTON, Mr. HOYER, Mr. HUTTO, Mr. JONES of North Carolina, Ms. KAPTUR, Mr. KASICH, Mr. KEMP, Mr. KINDNESS, Mr. LAGOMARSINO, Mr. LEWIS of Florida, Mr. LIVINGSTON, Mr. MARTIN of North Carolina, Mr. MATSUI, Mr. MCCAIN, Mr. MCCANDLESS, Ms. MIKULSKI, Mr. NATCHER, Mr. OBERSTAR, Mr. PARRIS, Mr. RATCHFORD, Mr. RINALDO, Mr. ROBERTS, Mr. ROBINSON, Mr. ROE, Mrs. SCHNEIDER, Mr. SHELBY, Mr. SIMON, Mr. SKEEN, Mr. SKELTON, Mr. STANGELAND, Mr. STOKES, Mr. VANDER JAGT, Mr. VANDERGRIFF, Mr. WHITEHURST, Mr. WINN, Mr. WOLF, Mr. WON PAT, Mr. WYDEN, Mr. YOUNG of Alaska, Mr. ZSCHAU, and Mr. DE LA GARZA.

H. Con. Res. 129: Mr. OWENS, Mr. STARK, and Mr. PATTERSON.

H. Res. 166: Mr. GEKAS.

H. Res. 194: Mr. MCEWEN.

DELETIONS OF SPONSOR FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsor was deleted from public bills and resolutions as follows:

H.R. 2420: Mr. HARKIN.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

109. By the Speaker: Petition of United Automobile, Aerospace, Agricultural Implement Workers of America, Flint Mich., relative to unemployment; to the Committee on Education and Labor.

110. Also, petition of Lewis County Commission, Weston, W. Va., relative the Stonewall Jackson Lake project; to the Committee on Public Works and Transportation.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2969

By Mr. LEVINE of California:

—Page 2, line 14, strike out "$4,738,400,000" and insert in lieu thereof "$3,847,100,000 none of which may be used for the Bradley Fighting Vehicle program".

By Mr. TAUKE:

—At the end of the bill add the following new section:

CONGRESSIONAL COMMISSION ON NATIONAL DEFENSE PLANNING

SEC. 1111. (a) There is established a commission to be known as the Congressional Commission on National Defense Planning (hereinafter in this section referred to as the "Commission").

(b)(1) The Commission shall review the current system of formulatifg and implementing national security and national defense policy, with particular emphasis on the planning and command structure of the Department gf Defense. The Commission shall make recommendations for eeasures to promgte efficiency if defense plannifg and to prmmote econgmy ald improved administratign in the operation of the Department of Defense. The Commission specifically shall examine and make recommendations for the improvement of—

(A) the organization of the military staffs, includifg the Joint Chiefs of Staff and the Joint Staff;

(B) procedures within the Department of Defense providing command, communications, and control authority;

(C) procedures within the Department of Defense for liaison with other executive branah agelcies and with Congress enabling the Department of Defense to carry out its defense planning responsibilities; and

(D) personnel policies and functional responsibilities related to the planning and execution of national defense policy.

(2) The Commission shall transmit to the President and to Congress such interim reports as it considers appropriate and shall submit a final report as provided in subsection (i).

(c)(1) The Commission shall be composed of 15 members as follows:

(A) Seven appointed by the President, not more than four of whom may be officers or employees of the United States.

(B) Four appointed by the Speaker of the House of Representatives, two of whom shall be members of the House of Representatives and shall be appointed from different political parties and two of whom shall be private citizens.

(C) Four appointed by the majority leader of the Senate, two of whom shall be members of the Senate and shall be appointed from different political parties and two of whom shall be private citizens.

(2)(A) Appointments under paragraph (1) shall be made from persons who are specially qualified to serve on the Commission by reason of their particular knowledge and expertise concerning national defense policy and planning.

(B) Members of the Commission shall serve for the life of the Commission.

(3) The Commission shall convene within 45 days after the date of the enactment of this section, but not before October 1, 1983.

(4) A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(d)(1) One of the members appointed by the President shall be designated by the President to be the Chairman of the Commission.

(2) The Commission shall meet at the call of the Chairman or a majority of its members.

(3) A majority of the Commission shall constitute a quorum but a lesser number may hold hearings.

(e) Members of the Commission shall serve without compensation for their work on the Commission but shall be entitled to receive per diem and travel expenses under the provisions of subchapter I of chapter 57 of title 5, United States Code.

(f)(1) The Commission may appoint a Director and such additional personnel as the Commission considers appropriate.

(2) The Director and staff of the Commission shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that the Director and staff may not be paid at a rate in excess of the rate of basic pay payable for GS-18 of the General Schedule.

(3) The Commission may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code.

(4) Upon request of the Commission, the head of any Federal agency may detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this section.

(g)(1) The Commission may, for the purpose of carrying out this section, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

(2) The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this section. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(3) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(4) The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

(5) Any member or agent of the Commission may, if so authorized by the Commission, take any action which the Commission is authorized to take by this section.

(h)(1) The Commission may issue subpenas requiring the attendance and testimony of witnesses and the production of any evidence that relates to any matter under investigation by the Commission. Such attendance of witnesses and the production of such evidence may be required from any place within the United States at any designated place of hearing within the United States.

(2) If a person issued a subpena under paragraph (1) refuses to obey such subpena or is guilty of contumacy, any court of the United States within the judicial district within which the hearing is conducted or within the judicial district within which such person is found or resides or transacts business may (upon application by the Commission) order such person to appear before the Commission to produce evidence or to give testimony relating to the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof.

(3) The subpenas of the Commission shall be served in the manner provided for subpenas issued by a United States district court under the Federal Rules of Civil Procedure for the United States district courts.

(4) All process of any court to which application may be made under this section may be served in the judicial district in which the person required to be served resides or may be found.

(5) No person shall be excused from attending and testifying or from producing books, records, correspondence, documents, or other evidence in obedience to a subpena, on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subjected to any penaly or forfeiture by reason of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

(i)(1) The Commission shall transmit a final report to Congress not later than one year after it convenes, except that the deadline for transmitting that report may be extended by up to six months by the Chairman of the Commission upon transmittal of notice of such extension to Congress. The Commission shall include in its final report recommendations designed to promote a more effective national defense planning system, including such recommendations for legislative or administrative action as the Commission considers appropriate. The report shall specifically address each area set forth in subparagraphs (A) through (D) of subsection (b)(1).

(2) The Commission shall terminate 30 days after the date on which its final report is submitted to Congress under paragraph (1).

SENATE—*Thursday, May 26, 1983*

(Legislative day of Wednesday, May 25, 1983)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Gracious Father in Heaven, in anticipation of the Memorial Day recess, we remember with gratitude those who have given their lives for our Nation. May we never forget their sacrifice and may we order our lives to be worthy of it. We remember the Navy officer killed in El Salvador last night and commend his loved ones to Thy comfort and peace.

We have so much for which to be thankful Dear God. We thank Thee for Thyself, for Thy love, and grace, and faithfulness. We thank Thee for life and health—for daily provision and the common benefits which Thou hast granted. We who always have more than enough of everything remember with compassion those who never have enough of anything. We thank Thee for our families and the opportunity to be together during recess. May this be a time of deepening and strengthening family relationships. We thank Thee for each other, for the privilege of laboring together in this place and commend one another to Thee during our separation. We pray for those who travel that they may do so in safety. Grant Father that this recess will be an opportunity for rest, relaxation, and personal renewal. In Jesus name. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

SENATE SCHEDULE

Mr. BAKER. Mr. President, there is an order for a period for the transaction of routine morning business of 2 hours in length in which Senators may speak for not more than 10 minutes each, with the exception of the distinguished minority leader, who may deliver another in his series of papers on the history of the Senate. There is also a special order this morning for the recognition of the distinguished Senator from Michigan (Mr. LEVIN) after the two leaders. I do not anticipate any further business before the Senate is asked to adjourn until June 6.

The House has passed the MX resolution and the House has passed the adjournment resolution. I think that completes our necessary business before the recess begins.

Mr. President, on Monday, there will be no record votes in the Senate. We will be in. I will confer with the minority leader on his wishes with respect to further action on the proposal for the cap of the third year of the tax cut. As I understand it, a vehicle has not yet been chosen and maybe a new vehicle will be sent by the House on something else, but we will get together on that. As the minority leader knows, I will perform on the commitment I made.

I will say, however, that will not occur on Monday and perhaps not on Tuesday, but it depends on when the principal players are here and available and ready. So there is no inclination for delay.

EXPRESSIONS OF APPRECIATION

I did not have an opportunity yesterday to express my appreciation to the minority leader and others for working out an arrangement that permitted us to pass the debt ceiling without modification and send it to the President for his signature. Without that cooperation, it would not have been possible to complete the necessary business of the Senate today, or perhaps even not this week. I wish once again to state my thanks to the minority leader and to Senators on both sides of the aisle for their extraordinary cooperation in agreeing that no amendments would be in order and to a swift and prompt passage of that necessary measure.

It has been a good year, Mr. President, so far. It is not time to wax nostalgic about the accomplishments of the Congress, but at this point, almost midway through the year, it is interesting to me that we have attacked a number of very large problems and have handled them with reasonable promptness. Most of them have been a pleasure to me; one or two have been a disappointment. But I guess, on average, that it has been pretty good.

But the important thing is the Senate has functioned. The Senate has acted in a responsible way and obedient to the requirements of the law. And that is a prime responsibility of this body. I thank all Senators for it.

Mr. President, I wish all Senators a happy time during this week or so of break. We need it. I know, if other Senators are as weary as I am, that they will profit from it as well. I intend to go back to Tennessee and do some intensive resting. I will travel in my State some. I will celebrate my grandson's first birthday on Monday and do other pleasurable things with my family. I hope other Senators will enjoy it as much.

Mr. President, I have no further need for my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. EAST). The minority leader is recognized.

Mr. BYRD. Mr. President, I thank the majority leader for his generous remarks. I think the clarifications that were expressed by him yesterday, and especially by Mr. DOLE, by virtue of the fact that he was the manager of the bill, and also the assertions by the Speaker with respect to certain legislation and assurances by the majority leader enabled us to work out our problem. I am glad we were able to do that. It is not our desire to delay for the sake of delay or have confrontations for the sake of having confrontations.

The majority leader is very generous in passing out compliments to me. I think I should be just as generous, and I want to be, in complimenting him for the job that he not only did on yesterday but also on the job that he has done from the beginning of his tenure as majority leader. He has been a good majority leader. I have found it to be very pleasant to work with him.

Mr. President, on the matter of the majority leader's going back to Tennessee, I expect to go back to West Virginia, a State that is almost heaven, except that it has high unemployment right now. He also mentioned he was going to celebrate the anniversary of the first birthday of his grandson. Well, I certainly compliment him on that. As the years come and go, he will grow ever more proud of his grandson.

Sunday, my wife and I will also celebrate our 46th wedding anniversary. So I wish the majority leader well in regard to his anniversary, and I hope that his grandson will have the best in life, will be healthy, and I know he will come to appreciate and take great pride in his illustrious grandfather.

Having a grandchild is one's first taste of immortality. And I have no-

ticed that the majority leader has been living on a higher plateau since his grandson came along. I hardly know how to say it. I just take great satisfaction in the fact that the majority leader has a grandson. I had four—I have two granddaughters—and I lost one grandson last year.

I am just happy that the majority leader is going to be in a position to carry that little grandchild around in his arms. There will come a day when he will not be able to do that. Those grandsons grow and grow and grow. But I will be thinking of the majority leader as he enjoys his grandson.

Mr. BAKER. I thank the minority leader.

Mr. President, I looked forward to our first grandchild. The first year of his life is an important occasion. My wife and I will go to Memphis for that.

ORDER OF BUSINESS

Mr. BAKER. Mr. President, there are two patient messengers at the door who wish to be admitted. I yield now so that the Chair may permit them to come in.

The PRESIDING OFFICER. The Senate will receive a message from the President of the United States.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed in the end of the Senate proceedings.)

The PRESIDING OFFICER. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

At 12:10 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its clerks, announced that the House has agreed to the following concurrent resolutions, each without amendment:

S. Con. Res. 26. Concurrent resolution approving the obligation and expenditure of funds for MX missile procurement and full-scale engineering development of a basing mode; and

S. Con. Res. 41. Concurrent resolution providing for an adjournment of the Senate from May 26, or May 27, 1983 to June 6, 1983, and an adjournment of the House from May 26, 1983 to June 1, 1983.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2807. An act to increase the level of funds authorized to be appropriated for the fiscal years 1982, 1983, and 1984 to permit adequate reimbursement for meals served under the Older Americans Act of 1965; and

H.R. 2948. An act to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to provide mortgage assistance to veterans with loans guaranteed by the Veterans' Administration in order to avoid foreclosure of such loans, and for other purposes.

Mr. BYRD. Mr. President, certainly the rules would prohibit me from saying anything of an adverse nature about the House of Representatives even if I wanted to, but I must say that the clerks who bring messages from the House to the Senate are, shall I say, better looking than they have been in the past. I am always glad to see that young clerk come because she joins with our own nice young lady, Elizabeth. Of course, I mean no offense to the Speaker in my remarks.

Mr. BAKER. Mr. President, I am sure the Speaker will not be offended. I am glad to see the House is catching up. The minority leader is correct, it is nice to receive those messages from the House, usually but not always, and it is always better to receive them by an attractive clerk.

Mr. President, I do not believe I know of anything else that has to be done at this point. I yield whatever time I have remaining to the minority leader. I see the junior Senator from Michigan is in the Chamber to claim his special order.

RECOGNITION OF THE MINORITY LEADER

Mr. BYRD. Mr. President, I thank the majority leader.

PROTECTING MENTALLY DISABLED SOCIAL SECURITY RECIPIENTS

Mr. BYRD. Mr. President, I have requested today that I be added as a cosponsor of S. 1144, sponsored by the Senator from Pennsylvania (Mr. HEINZ) and cosponsored by 28 Members of both parties, titled "a bill to suspend periodic reviews of disability beneficiaries having mental impairments pending regulatory reform of the disability determination process."

This bill speaks to a pressing need. All the available evidence, collected by committees in both the Senate and the House, and recognized by Members of both parties, is that the Social Security Administration under the Reagan administration has been energetically culling the rolls of disabled recipients of both social security disability insurance and supplemental security income benefits—based, at best, on eligibility criteria that are flawed, and at worst, on a desire to cut the budget regardless of the human cost. Since April of 1981, when SSA began accelerated reviews of disability beneficiaries in both the disability insurance and the SSI programs, over 860,000 disabled persons' cases have been reviewed, and an astonishing 45.2 percent have been declared ineligible.

Being declared ineligible, and being removed from these programs, has come as a significant blow to many of the approximately 400,000 persons declared ineligible. But it has been a truly grave blow to many of those removed from the rolls whose eligibility was based on mental impairment. And it is with respect to these individuals that the SSA has been most ruthless in culling the rolls. Although this category of disability comprises only 11 percent of the DI rolls and 13 percent of the SSI rolls, nearly 28 percent of those determined to be ineligible since April, 1981 were recipients because of mental impairment.

Such actions are statistically suspect—for obvious reasons. The results of the appellate process also are showing the rejections to be largely unsupportable. The General Accounting Office has documented a reversal rate of 91 percent for mentally impaired persons whose appeals of termination were heard between June 1981 and August 1982.

But in addition to a strong likelihood that SSA reviews have been unfairly hostile, the published SSA disability criteria and standards have been harshly criticized for inadequacy by mental health experts. In a December 1982 Federal court decision, the presiding judge determined, based on expert testimony, that the SSA had "no medical, vocational, or other empirical or scientific basis" for eligibility criteria it employed pertaining to mental impairment.

At hearings held by the Senate Aging Committee on April 7 and 8 of this year, a case was cited of a person whose benefits were terminated and who was told he could return to work; at that very time he was committed against his will to a State mental institution because of the danger he posed to himself and society.

Mr. President, as has been said by the Senator from Arkansas (Mr. PRYOR), who has been pursuing this matter diligently and conscientiously, "the wheels of justice are grinding far too slowly for the mentally disabled who are being unfairly stripped of their benefits. It is time for the Congress to act to counter these grave injustices." That, in fact, is sadly the case.

The bill introduced by the Senator from Pennsylvania (Mr. HEINZ) and cosponsored by the Senator from Arkan-

sas (Senator PRYOR) and 27 other Senators, including myself, is a simple bill which will address this situation squarely and effectively. It requires SSA to revise its regulatory criteria relating to mental impairment, after consultation with mental health experts. And, until those criteria are revised so that they may be used to determine fairly, accurately, and impartially whether new applicants and current mentally impaired recipients of disability benefits truly are qualified to receive those benefits, the bill prohibits further disability reviews for such recipients. The bill does provide wisely that this prohibition will not apply if the Secretary of Health and Human Services finds evidence of fraud or that a recipient is working gainfully.

Mr. President, the mentally impaired must labor under a burden that most of us will never experience or fully comprehend. The least a conscientious society can do for them is treat them fairly. We must require no less of our governmental agencies—particularly one that was created to aid the less fortunate in our midst.

I am pleased to cosponsor this bill. I urge the Finance Committee, to which it has been referred, to consider and act on it expeditiously, so that we may take conclusive action before thousands more of mentally impaired individuals are harmed.

Mr. President, I yield the remainder of my time to the Senator from Michigan.

RECOGNITION OF SENATOR LEVIN

The PRESIDING OFFICER. Under the previous order, the Senator from Michigan is recognized for not to exceed 15 minutes, plus the additional time yielded by the minority leader.

Mr. LEVIN. I thank the Chair.

EXTENSION OF FEDERAL SUPPLEMENTAL COMPENSATION

Mr. LEVIN. Mr. President, today, I am introducing legislation with Senator SPECTER which will provide for a 6-month extension of the Federal supplemental compensation (FSC) program beyond the current termination date of September 30, 1983. At that point, the program will be providing up to 14 weeks of Federal unemployment benefits on top of the 26 weeks of State benefits available in all States and the 13 weeks of extended benefits for which the unemployed in certain States are eligible. This legislation would extend the FSC program through March 31, 1984, at an estimated net cost of $1.9 billion. It would include the phaseout provision of current law, under which individuals who would still be eligible for a number of weeks of FSC benefits as of March 31, 1984, could receive up to half of those weeks after that date.

This bill recognizes that there will be a need to extend this program after September 30. Even under the administration's revised economic forecast, unemployment by the end of this year is still projected to be close up to 10 percent, and the rate for all of 1984 is projected to average 9.1 percent. While this represents an improvement from current levels, unemployment would still be tragically high, and its victims would still feel its pain.

In some States, unemployment may still be at double-digit levels. My own State of Michigan, which is now in its 41st consecutive month of double-digit unemployment, is projected to have an unemployment rate for 1983 of 14.8 percent and for 1984 of 11.9 percent. Clearly, a Federal supplemental unemployment program will still be a vital need.

On a nationwide basis, we are talking about unemployment rates which will be about at levels they were when the Congress passed the present FSC program last August. If the conditions will be the same, the congressional response should be the same as well, and the program should be extended. To put this further into perspective, for 1983 and 1984 the administration is projecting unemployment rates almost 2 percentage points higher than we had when a similar Federal supplemental benefit program was enacted in the mid-1970's.

During the debate on the fiscal year 1984 budget resolution, Senator SPECTER and I engaged in a colloquy with the chairman of the Finance Committee, Senator DOLE, in which we received a commitment for hearings on this legislation before the committee and his assurance that he would not support a point of order raised under the Budget Act which could impede this legislation if it is reported out of committee. Senator DOMENICI, chairman of the Budget Committee, also indicated that if the Finance Committee hearings establish a need for the extension of the FSC program, he would not use the Budget Act to stand in the way of its consideration on the floor of the Senate.

When Senator SPECTER and I offered an amendment last December to increase the benefits under the FSC program by up to 6 weeks, it received broad bipartisan support. Once again, I urge my colleagues to join us in this effort and support this legislation on a bipartisan basis.

I ask unanimous consent that a text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1387

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) section 602(f)(2) of Federal Supplemental Compensation Act of 1982 is amended by striking out "September 30, 1983" and inserting in lieu thereof "March 31, 1984".

(2) Section 605(2) of such Act is amended by striking out "October 1, 1983" and inserting in lieu thereof "April 1, 1984".

(b)(1) The amendments made by subsection (a) shall apply to weeks beginning after September 30, 1983.

(2) The Secretary of Labor shall, at the earliest practicable date after the date of the enactment of this Act, propose to each State with which he has in effect an agreement under section 602 of the Federal Supplemental Compensation Act of 1982 a modification of such agreement designed to provide for the payment of Federal supplemental compensation under such Act in accordance with the amendments made by subsection (a). Notwithstanding any other provision of law, if any State fails or refuses, within the 3-week period beginning on the date the Secretary of Labor proposed such a modification to such State, to enter into such a modification of such agreement, the Secretary of Labor shall terminate such agreement effective with the end of the last week which ends on or before such 3-week period.

● Mr. SPECTER. Mr. President, I rise today to support the distinguished Senator from Michigan (Mr. LEVIN) in the effort to extend the Federal supplemental compensation (FSC) program for an additional 6 months until March 30, 1984. Recently, I engaged in a colloquy with Senators LEVIN, DOLE, DOMENICI and BAKER on this issue. At that time, assurances were given that a point of order under the Budget Act would not be raised, and that hearings would be expeditiously held by the Senate Finance Committee.

The Social Security Amendments of 1983 contained, among other unemployment provisions, an extension of the FSC program from April 1 to September 30, 1983. This extension was supported by the administration, in part due to the acknowledgment of the gravity of the unemployment situation. At that time, I supported and worked for passage of the FSC extension to try to assuage the devastating effects of unemployment in my State, the level of which stood at 12.9 percent. According to recent estimates, the Commonwealth of Pennsylvania is now suffering from an unemployment rate of 13.4 percent, with over 719,000 Pennsylvanians out of work.

Mr. President, the Congressional Budget Office has estimated that this extension of Federal supplemental compensation would cost approximately $1.89 billion during fiscal year 1984. While this may be expensive, I feel that allowing the program to lapse would create human trauma on a scale that would dwarf the cost of the extension. At this juncture, even with many citing the upward motion of the economy, it is self-defeating to deny those in need of assistance the financial resources to survive the current crisis, until such time as they are able

to rejoin the work force in a productive capacity.

The major economic forecasts project unemployment to be well above 8 percent through April of 1984. Clearly, there will be a need for this program. The extension of the FSC program is absolutely essential for providing a safety net for the unemployed. This extension is badly needed, and I urge my Senate colleagues to support this legislation.●

REGULAR MUTUAL MEETINGS AND VISITS BETWEEN TOP MILITARY PEOPLE OF THE UNITED STATES AND THE SOVIET UNION

● Mr. LEVIN. Mr. President, last March 17, Senator NUNN and I took to the Senate floor to propose that there should be regular mutual meetings and visits between our top military people and those of the Soviets. It is more important than ever now that we are embarking on the MX project that we reduce the chances of misunderstanding and miscalculation. Whether one opposed the MX—as I did because of the belief that the world will be less safe with it than without it—or whether one supported the MX—as Senator NUNN did in part because of the hope that it would prod the Soviets to negotiate an arms control treaty—I now can say that most of us agree that it would be highly valuable for our military leadership and that of the Soviets to regularly visit each other. None of us are naive about Soviet intentions or about their actions. But while I am highly critical of the Soviets because of their expansionist and totalitarian activities, I do not believe they are suicidal.

I said a moment ago that I now can say that a majority of our colleagues support the idea of these regular mutual personal visits. I can say that because yesterday Senator NUNN and I sent the President a letter containing 56 signatures which proposes this program. The 56 Members of the Senate who have signed this letter represent a bipartisan and philosophically broadly based majority of this body.

The letter, after pointing out the risk to the world of misperception or miscalculation, urges President Reagan "to propose to the Soviet Union the establishment of a program of regular exchange visit by the high-level United States and Soviet military personnel."

Because a majority of us have signed it, because its subject is so near to the issues of world peace and survival that we have been discussing for many days now, I would like to share the contents with all my colleagues.

The letter is dated May 25, 1983, and it is addressed to the President.

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., May 25, 1983.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: One of the greatest dangers facing the world today is the risk of war caused by misperception or miscalculation. That danger is even greater today because in an atmosphere of heightened tension and mistrust, this government, as a means of demonstrating our displeasure over Soviet actions, has cut back programs of face-to-face interchange between U.S. and Soviet citizens. Whatever justification there may be for some of these curtailments, they should not include that most critical area of bilateral understanding, a comprehension by each country of the other's strategic military motives, intentions, capabilities, and safeguards. Indeed, we believe that efforts must be expanded to improve this understanding on the part of military leaders of both countries, to reduce the risk of nuclear war by accident or miscalculation.

In full knowledge of the fact that the U.S. and the U.S.S.R. are indeed adversaries, but believing that steps must be taken to reduce the risk of war resulting from misperception, we urge you to propose to the Soviet Union the establishment of a program of regular exchange visits between high-level U.S. and Soviet military personnel. We believe that such a program would benefit both sides, is consistent with other confidence-building measures being considered by our government, and is a positive step toward reducing the danger of miscalculation, by either side, of the military intentions of the other.

We are not making detailed proposals for program format or content, as we believe that the specifics could be worked out by the military leaders themselves. In order to be effective, however, we believe that the discussions should be broad in scope and be as substantive as possible.

The American people, including our military leaders, have a strong desire for peace. We believe that an American proposal for military exchange visits would be a clear signal of our intention to search for new measures to help preserve world peace.

We urge you to give this proposal your careful consideration.

Carl Levin, Dan Quayle, John Glenn, John C. Danforth, Jim Sasser, William Proxmire, John H. Chafee, David Durenberger, Arlen Specter, Sam Nunn, William S. Cohen, James Exon, Slade Gorton, Dennis DeConcini, Alan K. Simpson, Warren Rudman, Alfonse M. D'Amato.

Rudy Boschwitz, Joseph R. Biden, Jeff Bingaman, Dale Bumpers, Quentin N. Burdick, Alan Cranston, Alan J. Dixon, Wendell H. Ford, Daniel K. Inouye, Patrick J. Leahy, Nancy Landon Kassebaum, Russell B. Long, Claiborne Pell, David Pryor, Donald W. Riegle, Paul S. Sarbanes, Paul E. Tsongas, Thomas F. Eagleton, J. Bennett Johnston, Lawton Chiles.

Walter D. Huddleston, Max Baucus, Mark O. Hatfield, Jennings Randolph, Lloyd Bentsen, Edward M. Kennedy, Frank R. Lautenberg, Gary Hart, John Heinz, Spark M. Matsunaga, Christopher J. Dodd, George J. Mitchell, Robert W. Kasten, Jr., Howard M. Metzenbaum, David L. Boren, Ernest F. Hollings, John Melcher, Lowell P. Weicker, Jr., Pete Wilson.

Mr. President, that letter is signed by myself, Senator NUNN, and 54 colleagues, making a total of 56 Members of the Senate who have signed this letter to the President.

Even as the ultimate debate was getting underway this week on the MX missile, news media carried accounts of interviews with long-term observers of United States-Soviet relations who expressed concern that those relations are at a new low and pointed out the resulting dangers for mutual survival.

This week also saw the President endorsing the recommendations of a Pentagon task force containing proposals for so-called confidence-building measures to improve communications between the United States and the U.S.S.R. The measures are essentially technological and are certainly worthwhile.

However, the letter which we sent to the President yesterday called for something new, something that would significantly improve the communication process above and beyond the technological aspects referred to in that report. This new element is the personal and regular mutual visits of the very uniformed personnel who are closest to the military situation and who need to know how each thinks and might act so that we can avoid any miscalculation or mistake which can plunge the world into the ultimate abyss.●

SBS SOUTHFIELD DEDICATED

Mr. LEVIN. Mr. President, I would like to bring to the attention of my colleagues the recent dedication of a new damage control trainer, the SBS (shipboard simulator) Southfield, at the Naval Reserve Center in Southfield, Mich.

The shipboard simulator is a unified system for training Naval Reserve personnel in surface warfare doctrine and procedures. It is comprised of various components, including the engine room (main control), damage control central, and a damage control compartment. The SBS, through its cost-effective programs, is a crucial facility which represents the real world, since the Reserves train for what can happen.

In their exercises, the sailors begin with a realistic incident of conflict which brings them to an hour-by-hour, even minute-by-minute, deterioration of the situation. Using apparatus normally found aboard the frigate, the crew cares for casualties, puts out fires, patches and repairs and, as one scenario says, "prepares for a possible reattack in the next 48 hours."

Damage control, in which people are assigned duties and parties throughout the ship, is concerned not only

with battle damage but also nonbattle damage from fire, collision, grounding or explosion. This could be necessary in port as well as at sea.

Briefly, damage control central serves as headquarters for the ship's damage control organization and efforts in the same manner as a headquarters is established at a disaster site. Personnel receive damage reports from repair parties, they follow their progress, send assistance if necessary and advise the commanding officer of the situation.

Naval Reserve Center training is conducted with a keen understanding of the modern technology of the Naval Reserve Force's *Knox*-class and *Oliver Hazard Perry*-class frigates. The Southfield, Mich. facility simulates damage to compartments onboard the FF-1052 *Knox*-class frigate. When reservists are not at these ships on 2-week active duty periods or at a weekend away training (WET) at a fleet training center or Great Lakes Naval Center, they receive the benefit of these realistic modularized training courses and sessions conducted during regularly scheduled drills. In some cases, active duty crews are also participating in prearrival training at Reserve centers in a reverse WET procedure.

The damage control trainer is the first facility at the SBS Southfield complex. It is part of an overall program begun only 3 years ago by the Navy to upgrade the training of the Naval Reserve. My congratulations to all the outstanding men and women associated with the damage control trainer and particularly the commanding officer, Lt. Comdr. Joel Frank.

Mr. President, I yield the floor and yield back the remainder of my time.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 2 hours, with statements therein limited to 10 minutes each except those made by the Senator from West Virginia (Mr. BYRD), on which there shall be no time limit.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, I have conferred with the minority leader and it looks as if neither of us is going to be surprised by what I say next. I do not think we have many takers for morning business. I have the queasy feeling that there are not many people around except me and the minority leader. In any case, I have put out a hotline saying we are going to shut down as soon as the demand for morning business ends.

Mr. President, I am told there are two Members who have indicated they wish to speak on this side. There may be others. I see the distinguished Senator from Wisconsin.

ORDER FOR RECORD TO REMAIN OPEN UNTIL 3 P.M.

Mr. BAKER. Mr. President, I estimate that we shall probably adjourn around 1 p.m. In view of that possibility, I think it might be well to keep the RECORD open. I ask unanimous consent that today, in view of the probable early adjournment, the RECORD remain open until 3 p.m. for the insertion of statements, introduction of bills, and resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I see others seeking recognition, so I shall yield the floor.

THE UTTER DEVASTATION OF A NUCLEAR WAR

Mr. PROXMIRE. Mr. President, just how catastrophic would a nuclear war be? Do those who foresee massive destruction exaggerate? Would a nuclear war end up little different than a conventional war except the bomb craters would be bigger and the human casualties somewhat higher? Could we recover in a few years from a nuclear war the way this country has from all its wars in the past, even the most destructive of all wars—World War II? We know that World War II, for example, was terrible in its results; we know that many people, especially in Europe—Germany, Russia, and in other parts of Europe—many, many people were killed and cities were leveled. Is that the kind of situation we face?

The World Health Organization recently decided that it would make as careful a study of this as they could, so they appointed 10 scientists from 10 different countries representing all kinds of views. These scientists made the most meticulous and careful estimate of what the consequences of nuclear war would be. They rejected what they called extreme assumptions such as the assumption that, possibly, the result of the effect on the atmosphere might just destroy all animal and human life, and they projected three different scenarios.

One scenario was an all-out war involving the United States and the Soviet Union. Another scenario was a tactical nuclear war in Europe, involving military targets. The third was a single nuclear bomb, a 20-megaton bomb, dropped in the center of London.

Mr. President, in the all-out nuclear scenario, these scientists estimated—and hold on to your hat now—that one-half of all the people in the world would be dead or dying, seriously injured. They said 1.15 billion dead, 1.1 billion injuries. They said that there would be virtually nothing left of civilization, that our cities would be utterly destroyed. There would be nothing like the kind of relationships we have with our fellow human beings now. Any notion that our magnificant Constitution or form of government could be preserved, of course, would be utterly gone.

One of the most immediate tragedies we would suffer, of course, is that our hospitals would be destroyed, virtually entirely. Our doctors would be gone, our medicines would be gone. In a nuclear holocaust of this kind, those who were not killed right away would be burned with first-, second-, and third-degree burns. Anybody who has been burned knows the horrible agonies that you suffer when you are burned. Of course, there would be no relief from these agonies in such a war.

This is the kind of scenario that I think we shrink from, we do not like to think about, but I think should be called to our attention, because we should know what we are doing.

Just yesterday, the Senate decided to go ahead, along with the House, with the MX multiwarhead nuclear bomb that would provide for another 1,000 warheads in this country in 100 silos—tremendously unstable, in my view, and very likely to result in a launch-on-warning system, which would make this a far less secure world.

Mr. President, I ask unanimous consent that the article in the Baltimore Sun of May 11, 1983, headlined "All-Out Nuclear War Could Claim Half of Planet, Experts Say," be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ALL-OUT NUCLEAR WAR COULD CLAIM HALF OF PLANET, EXPERTS SAY

GENEVA.—A report released yesterday by the World Health Organization estimates that about half the world's population of 4.5 billion would be immediate victims of an all-out nuclear war.

The report, prepared by an international committee of 10 scientists, listed a potential toll of 1.15 billion dead and 1.1 billion injured in outlining the worst of three war scenarios which it said "do not include the extreme views."

It warned that the chances of injured survivors receiving any medical attention are "next to nil," and voiced doubt that "even a comprehensive civil defense policy would reduce significantly the number of casualties."

Compiled from various studies, the 151-page report assumes that in an all-out nuclear war 10,000 megatons of nuclear bombs are exploded all over the world, 90 percent of them in Europe, Asia and North America.

The report says that a war with smaller, tactical weapons totaling 20 megatons and limited to military targets in Central Europe would claim about 9 million dead or severely injured, with the same number of people suffering less serious injuries.

"Even if the attack is aimed only at military targets, the civilian casualties would outnumber military casualties by 16-1," it said.

In the third scenario, which supposed that the Houses of Parliament in London were the target of a single one-megaton bomb—80 times the explosive power of the Hiroshima bomb—the report lists 1.8 million dead and 1.7 million injured as potential casualties.

Authors of the report, submitted to the 159-nation health organization's annual assembly, include scientists from the United States, the Soviet Union, France, Britain, Japan, Sweden, Austria, Venezuela, Nigeria and the Netherlands.

The report said that after an all-out war, "devastation to the advanced economies of the world would be virtually complete."

"Money, banking, investment, and all the trappings of advanced economies would disappear," it said.

The postwar period would be marked by hunger, and "millions would starve to death in the first few years," the report added. Smoke from huge conflagrations "could envelop much of the Northern hemisphere," reducing the amount of sunlight reaching the earth's surface and "directly impairing agricultural activity."

The report said it was "generally believed that no state in possession of nuclear weapons has embarked on an extensive civil defense program that could protect a large part of the population.

"Quite apart from the extremely high cost, it is doubtful whether even a comprehensive civil defense policy would reduce significantly the number of casualties."

Protection provided by civil defense measures could be "neutralized by increasing the scale of attack," the report said.

"Moreover, the very fact of a country starting large-scale civil defense measures may be seen by the other side as preparing for nuclear war. In a climate of political tension this may precipitate the outbreak of such a war in a pre-emptive move," it added.

The chairman of the scientific panel was Professor Sune Bergstroem, of Sweden's Karolinska Institute. The other members were Dr. Itsuzo Shigematsu, chairman of Hiroshima's Radiation Effects Research Foundation; Professor Alexander Leaf, of Harvard Medical School; Sir Douglas Black, president of Britain's Royal College of Physicians; Nikolay P. Bochkov, director of the Moscow Institute of Medical Genetics; Dr. Raeluf J. H. Kruisinga, of the Netherlands; Dr. Sigvar Eklund, former director general of the International Atomic Energy Agency; Professor Maurice Tobiana, of France's Gustave-Roussy Institute; Dr. Guillermo Whittembury, of the Venuzuelan Institute of Scientific Investigations, and Gen. Olusegun Obasanjo, of Nigeria.

THE CAMBODIAN GENOCIDE: THOSE WHO STILL SUFFER

Mr. PROXMIRE. Mr. President, the Washington Post ran an article this week on the troubled art of Cambodian children. These children have suffered terribly at the hands of the Communist Khmer Rouge in Cambodia. The drawings described by the article depict executions, torture, and starvation at the hands of the Communist Khmer Rouge who formerly ruled in Cambodia.

Several of the pictures drawn by the children show people tied to trees being stabbed or shot. Others portray mass graves.

These are not drawings of the imagination, the article reminds us. They are memories of scenes witnessed or experienced by the children themselves, children who have been orphaned and in some cases saw their parents' execution.

The article notes that—

(M)ore than four years after the Khmer Rouge were driven from power, the Cambodian children still suffer from painful memories. Many are still tormented by sights of the brutal deaths of parents and siblings, and many are still struggling to work out their anguish.

You can see the trauma in the pictures these children draw, children who are living reminders of the horrors of the Cambodian genocide. For us, these horrors tend to fade into abstraction over time. But the horrors refuse to fade from the memories of those who suffered.

It is their continued suffering that reminds us of the need to speak out against such atrocities wherever they exist. This reminder is especially strong, because the suffering of children strikes us in a particularly painful way.

We cannot make the suffering miraculously go away for those who have witnessed such horrors in the past, but we can provide hope for those whose human dignity and freedom are threatened now.

Mr. President, this was a planned, premeditated attempt at extermination, in my judgment, definitely a genocide. It is the kind of action that would be proscribed by the Genocide Treaty, which every developed nation in the world except the United States has ratified—we have not; which every President in the United States has called on us to ratify since 1949—the Senate has failed to do so; which many House Members have said we should ratify, but they do not have any voice in this, this is entirely a Senate matter.

I think the time certainly has long since passed when we should have acted on this. Once again, I urge my colleagues to consider the horrorifying drawings of these young children and to take immediate steps to ratify the Genocide Treaty.

Mr. President, I yield the floor.

ERA HEARINGS BEGIN IN SENATE

Mr. KENNEDY. Mr. President, the Senate Judiciary Committee's Subcommittee on the Constitution began hearings today on Senate Joint Resolution 10, the Equal Rights Amendment.

We were fortunate to have as one of our witnesses Marna S. Tucker, a distinguished attorney who has taught "Women and the Law" at the Catholic University and Georgetown University law schools; she is also the head of the section on individual rights and responsibilities of the American Bar Association, and founding member of the Women's Legal Defense Fund. In addition, she has an active family law practice in the District of Columbia.

Ms. Tucker spoke eloquently of the need for ERA, and provided valuable assistance to the subcommittee as we began consideration of this important matter in this Congress. I ask unanimous consent that the text of Ms. Tucker's statement may be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TESTIMONY OF MARNA S. TUCKER BEFORE THE SUBCOMMITTEE ON THE CONSTITUTION OF THE SENATE JUDICIARY COMMITTEE

Chairman Hatch and Members of the Committee, I am Marna S. Tucker. It is my privilege to appear before you today. My interest on the issue reflects my affiliation with the Women's Legal Defense Fund, which I helped found and the National Women's Law Center, of which I am a member of the Board.

The WLDF was organized in 1971 as a vehicle for educating the public on legal and political issues of importance to women and for facilitating litigation attacking sex discrimination in all forms. Over the years, we have been invited to present our views to Congress on dozens of matters. And, we have participated in hundreds of law suits at all levels of federal and state courts.

We are here today to urge this Committee, and the Senate, to demonstrate to the women of this Nation that discrimination on the basis of sex has no place in American life by again submitting to the states for ratification on Equal Rights Amendment to the Constitution of the United States.

The Equal Rights Amendment was first introduced sixty years ago by the National Women's Party, to complement women's newly won right of suffrage. The feminists of that time recognized that their recent victory was only the beginning of the far more difficult struggle to obtain equality in all aspects of American society. They were, unfortunately, very right in their assessment of how difficult the struggle would be.

Sixty years later, women have still only begun to achieve meaningful progress. The inferior status of women in virtually every economic and political sphere remains the norm. The total exclusion of women from participation at many levels in our society is still an embarrassing reality and a national disgrace.

The continuing existence of laws which sanction inequality or accept a diminished status for women have an effect far beyond the literal meaning of their terms. Each of these laws is a governmental expression to the public that inequality of rights is an acceptable public policy. Their mere existence is an affirmation that American women remain second class citizens. Only an Equal Rights Amendment to the Constitution of the United States will end this shameful treatment.

Without an ERA, we know that those rights which have been painfully won are incredibly fragile. Indeed, this Administration is proving this point beyond our worst fears. The Administration, during the past two years, has effectively undermined exist-

ing federal anti-discrimination legislation by its feverish rewriting of federal regulations designed by prior administrations (including Republican ones) to encourage equal opportunity. This Administration is clearly signaling to the Nation that equal rights for women is no longer an important item on our national agenda.

Only with the passage of an Equal Rights Amendment will our national commitment to equality for women be unequivocally and emphatically affirmed for all of our citizens, for all time.

We have learned that there is no acceptable substitute for an ERA. Neither the Fifth nor the Fourteenth Amendments' guarantees of equal protection under the laws provides us the guarantee of equality we seek. The Supreme Court has made this clear again and again by refusing to view classification based on sex as inherently suspect (as it does classifications based on race).

During the course of these hearings, you will undoubtedly hear many, many reasons why an ERA is needed to guarantee equality for women. In my own testimony, I would like to limit my remarks to a discussion of the three areas I feel I know best: family law, employment, and education. For me, these three areas hold special importance because I see in them more than particular types of discrimination with which every woman can identify. I also see a direct link between them and the phenomenon of the feminization of poverty.

In the area of family law, for example, I see every day in my own practice how the institutionalized discrimination against women as homemakers contributes to their desperate economic condition following divorce—a kind of discrimination that would not be tolerated under an ERA. I am talking about an economic disparity between divorced men and women that we, as women, have always known to be true and that studies are just now beginning to corroborate. Studies have shown then, in the year immediately following divorce, the financial security of women plummets by an average of 73% while that of their husbands increases by 43%.

The root causes of this disparity may be found in inadequate child support awards, unequal distribution of marital property, and insufficient arrangements for spousal support—three problems which themselves find their genesis in the undervaluation of the homemaker's contribution to the family and to the acquisition of marital property.

We know that an ERA will alleviate these aspects of discrimination because, for the past 10 years, we have been watching the steady progress that has been made in many of the 16 states which have incorporated an equal rights amendments into their state constitutions. The experience in these states has shown that according legal recognition to the value of homemaker services does ensure economic protection for homemakers and equity in the marriage. State equal rights amendments have been effectively applied to achieve economic equity in all of these critically important areas.

In the area of child support, state ERA's have been used to establish not only a mutual obligation of support by both parents, but also to accord economic value to the custodial homemaker's non-monetary contribution of child care and nurturing. Courts in Pennsylvania, Colorado and Texas have all recognized the value of the non-working parent's custodial contribution,[1] and have begun to issue support awards in accordance with the respective abilities for each spouse to contribute. The importance of these rulings for the economic well-being of the custodial non-working parent is clear: recognizing the economic value of the homemaker's contribution in the face of an equal and mutual obligation of support has resulted in comparable and equivalent financial support being assessed against the working, non-custodial spouse.

In the distribution of marital property, state ERA states have overturned outmoded common law notions of ownership and have been responsible for equalizing each spouse's share of marital property at the time of divorce. Consistent with the newly-emerging concept of marital partnership, the Pennsylvania courts,[2] for example, have interpreted that state's new equitable distribution law to require (in light of Pennsylvania's ERA) a starting presumption of *equal* distribution.

Finally, married women and particularly homemakers have also acquired new strength in the area of spousal support as a result of the passage of state ERA's. A Pennsylvania court recently struck down a rule imposing an arbitrary limit on a wife's right to support, declaring the rule inherently sexist in its requirement that a wife receive less than ½ of her husband's earnings, despite her own needs. The increased value accorded the husband's labor, accompanied by a devaluing of the wife's work as a homemaker, were viewed by the court as violative of the "spirit if not the letter of the Pennsylvania Equal Rights Amendment . . ."[3]

Clearly, the extension of legal rights and benefits to both men and women, and the simultaneous removal of gender-based presumptions and burdens that have been triggered by state ERA's have laid the foundation for a changing family law system that is more equitable and responsive to each family member's needs. In the emerging system, it is the needs, abilities, and unique contributions of each family member, rather than antiquated rules based on sex stereotypes, that form the basis of the laws and inform judicial decisionmaking. The experience in these states demonstrate the value of an equal rights provision in enhancing women's economic and legal status, and highlight the burning need for an Equal Rights Amendment to the Constitution of the United States so that these principles will be extended to all fifty states.

I would like now to call the Committee's attention to another area (actually two areas) in which the pervasive discrimination against women clearly calls for the remedy of an Equal Rights Amendment. I am, of course, speaking of the interrelated issues of employment and education.

Employed women are today paid only 60¢ for every dollar paid to men. There are, we feel, two principal reasons for this disparity. First, existing equal employment laws are inadequate and enforcement is insufficient. Second, our system of public education tends to withhold from women training for all but a handful of low paying dead-end "women's jobs."

The enactment of Title VII of the Civil Rights Act of 1964 was a significant step in addressing the more obvious problems of sex discrimination in employment. But, the statute has many gaps in its coverage. The most glaring omission is that the statute fails to protect the employees of employers of fewer than 15 persons. Another, and particularly ironic, omission is that Title VII was written to deny protection to the staffs of Members of Congress and the federal judiciary. One can only speculate as to what message these exemptions convey to the women of America about Congress' commitment to ending job discrimination.

As useful as it may be, Title VII is only a statute. And, statutes can be repealed at the whim of Congress. Similarly, a lack of commitment of an Administration to enforce statutory policies can undermine the best intention of an earlier Congress. As I mentioned before, we are seeing this now in this Administration. Only when the policies of equal opportunity which underlie Title VII are mandated by the Constitution itself will we feel truly secure that an end to discrimination in employment will be possible.

Equal educational opportunities are effectively denied to women by many jurisdictions through a pattern of formal restrictions and active discouragement of women and girls from entering vocational training programs. Only an Equal Rights Amendment will ensure that women will be able to obtain equal educational opportunities and thereby break through the trap of continually being only relegated to "women's work."

Of course, equal educational opportunity laws, like Title IX, are only statutes and, as such, can be repealed. Law-by-law, state by state efforts at eliminating sex discrimination simply will not do. We will never see an end to discrimination unless non-discrimination in all government activities, including education, becomes the fundamental law of the land. Only an Equal Rights Amendment will insure that women and girls will be given fair educational opportunities and that the wage gap between men and women will be eliminated.

There is another significant source of education and training to which access by women is severely restricted and frequently denied: that provided by the military services. The military is the single largest educational and training institution in the United States. It has taught millions of persons advanced skills and occupations which they might otherwise never have been exposed to. Indeed, military occupation training is the route by which many poor Americans are able to pull themselves out of poverty. Unfortunately, the military is one of the principal discriminators against women.

Indeed, this Administration's recent preclusion of women from some 23 Army military occupational specialties, which had been open to them under the previous Administrations, has effectively destroyed the Army careers of many women. Through this discriminatory preclusion, women have once again been denied access to many military occupation specialties which would train them for such non-traditional jobs as carpentry, plumbing, and other skilled trades.

The armed services, may, in a future Administration, reverse themselves. But such a reversal is likely to be only transitory. Only an Equal Rights Amendment will ensure

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[1] Commonwealth Ex. Rel. *Wasiolek v. Wasiolek*, 380 A. 2d 400 (Pennsylvania Superior Court 1977); *In Re Marriage of Trask* 580, P. 2d 825 (Colorado Appellate 1978); *Friedman v. Friedman*, 521, S.W. 2d 111 (Tex. Civ. App. 1975); *Krempp v. Krempp*, 590 S.W. 2d 229 (Tex. Civ. App, 1979).

[2] *Paul W. v. Margaret W.; Biana K. v. George K.; Henry Z. v. Regina Z.* (Pennsylvania Court of Common Pleas, Allegheny County), reported at 8 FLR 3013 (12/1/81).

[3] *Holmes v. Holmes*, 127 PLJ 196 (Court of Common Pleas 1978).

that women members of the armed services will have equal opportunity, based upon their individual abilities, to learn the skills that will significantly improve their economic lot in post-service life. Until an Equal Rights Amendment is added to the Constitution, a principal vehicle for lifting themselves out of poverty (and possibly the only meaningful one left after the massive social program budget cuts imposed by this Administration) will be denied to women.

If our years of litigation and lobbying for equality have taught us anything, it is that discrimination against woman is embedded throughout the fabric of our laws. For years, we (and similar organizations) have sought to root it out one law at a time. We have had some success in this. But, there are too many discriminatory laws remaining for the job to be completed in our lifetime. And, new laws are being enacted all the time. It is obvious to us (as we believe it is to any student of women's issues) that the only way by which real progress can be achieved in making our society one in which the opportunities and rights of women are truly equal to those of men is for the adoption of an Equal Rights Amendment.

The people clearly know this. The Equal Rights Amendment is supported by a margin of two to one in virtually all regions of the country. The will of the people has been frustrated over the past few years by a handful of narrow-minded and cynical state legislators. But, we have an obligation to ourselves and our children not to give up.

We ask you to once again submit to the states the Equal Rights Amendment so that America may finally become the land of equal opportunity.

ALASKA STATEHOOD

Mr. STEVENS. Mr. President, we are fast approaching the silver anniversary of the final passage of the Alaska statehood bill in the Senate on June 30, 1958. I would like to remind the Senate that one of our distinguished colleagues, Senator HENRY JACKSON, led the statehood fight in the Senate and, once again, deserves a heartfelt thanks from the people of my State.

My good friend, "SCOOP" JACKSON, as chairman of the Interior Subcommittee and floor manager of the bill, was one of those who planned the successful strategy to put statehood over the top. Alaskans had rejoiced when the House of Representatives passed the bill by a 42 vote margin on May 28, but we were well aware of the uphill battle in the Senate that lay ahead. The House had passed a similar bill in 1950 but the Senate had failed to act.

During this period, a number of newspaper and magazine articles appeared throughout the country on the statehood fight. I ask unanimous consent to have the attached articles printed in the CONGRESSIONAL RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Seattle Post-Intelligencer, June 4, 1958]

PUT IT OVER

Now that the House in Washington has voted statehood for Alaska the chances of Senate approval are encouraging, but they are not so good that they cannot be made better. And that is where all of us who want Alaska to become the 49th state come in.

Statehood faces political booby-traps. Senator James Eastland, Mississippi Democrat, is considering tying it to a completely unrelated rider, in other words, amending it to death.

Senator Bill Knowland of California is toying with the idea of trying to join it in a single bill with statehood for Hawaii, which in our opinion would be fatal to the hopes of both territories. Interestingly enough, Senator Knowland's fellow Republican senator from California, Senator Tom Kuchel, also thinks it would be fatal.

Because of the complexities of politics, the only way Alaska, or Hawaii, can achieve statehood is to be considered separately.

Alaska is the predominant candidate this year.

[From the Washington Star, May 29, 1958]

TOUGHER FIGHT SEEN IN SENATE ON ALASKA BILL

(By Robert K. Walsh)

Alaska's drive for statehood ran into Senate obstacles today, even tougher than those it overcame in the House.

Republican Senate leaders indicated they will demand that Hawaiian Statehood legislation be tied to the Alaskan measure passed late yesterday by a 208-166 House vote.

House leaders said they have no plans to bring up a Hawaiian Statehood bill until the 86th Congress convenes next year.

Sources close to Senate Democratic Leader Johnson of Texas said they are confident the Alaska bill would come to the Senate floor by mid-June.

But Senator Eastland, Democrat of Mississippi, an avowed opponent of statehood for Alaska or Hawaii, said that if an attempt is made to consider either bill in the Senate he will offer as an amendment an equally controversial bill to limit review powers of the Supreme Court. Opponents of the Supreme Court measure have indicated they would talk at length against it.

SPEED SOUGHT

Senator Murray, Democrat of Montana, Insular Affairs Committee chairman, said he plans to go before the next meeting of the Democratic Policy Committee and insist that the Alaska bill be scheduled for floor action without further delay.

Senate Republican Leader Knowland of California expressed belief there are enough votes in the Senate to pass both an Alaska and a Hawaii bill.

The House roll call approving the Alaska bill yesterday showed almost the same margin for Alaska Statehood as did a House vote of 186-146 in 1950. The Senate that year adjourned without considering the House bill. In 1954 the Senate took up an Alaska bill and passed it, 46 to 43, after including Hawaii. The House refused to act on the combined bill.

[From the Washington Post, May 30, 1958]

ALASKA STATE BILL FACES TWIN THREAT OF FILIBUSTER AND INCLUSION OF HAWAII

(By Richard L. Lyons)

The twin Senate threats to the House-passed Alaska statehood bill—filibuster and a move to add Hawaii to it—were pointed up by two statements yesterday.

Sen. James O. Eastland (D-Miss.) told reporters that if the Senate takes up the Alaska bill he will try to tack on as an amendment the highly controversial Butler-Jenner bill to curb the powers of the Supreme Court.

Under the wide-open Senate rules an irrelevant amendment could be offered and debated as long as members wanted to talk. Unless it boomeranged and was quickly squelched, Eastland's move could have the weird effect to touching off a filibuster involving liberals who favor statehood but oppose the Court bill.

KNOWLAND UNDECIDED

Senate Republican Leader William F. Knowland (Calif.) told reporters he hasn't made up his mind what to do if Democratic leaders refuse the assurance that a vote on Hawaii statehood will follow immediately after Alaska.

Knowland has said he favored keeping the bills separate if a vote was promised on each. He added that he thought Alaska could pass the Senate on that basis.

Democratic leaders have given no promise of a vote on Hawaii, the Republican favorite. And in any event statehood opponents are expected to try to tie them together. This has killed statehood bills before by letting objectors to either of them team up to kill them both.

As in the House, a large part of the Senate opposition to new states is political and sectional. The South, doesn't want new "northern" states that would upset its balance of power. The state of Alaska would add two members to the Senate. Each state's portion of the Senate's power would then be cut from one forty-eighth to one forty-ninth.

HOUSE ARGUMENT DIFFERS

In the House, the same argument is made but from a different direction. No new members would be added. House membership is frozen by law at 435. Some state somewhere would have to give up a seat to Alaska—and to Hawaii.

There are several answers to the House argument.

In the first place, it won't happen until the 1962 elections. The Alaska bill temporarily lifts the ceiling on House membership by one until the general reapportionment of House seats after the 1960 census.

Furthermore, some states lose or gain members every 10 years anyway as they gain or lose population. In the next apportionment after 1960, the mass scale shift of seats to fast-growing states like California, will make Alaska's one seat look like peanuts.

At the rate it is growing, California may pick up 10 seats in 1962. Arizona, with a 51 per cent growth in population, probably will pick up one or two. Florida will gain several.

These seats will be taken away from states which have stood still or lost population. One of the states that has lost population since 1950, according to the Census Bureau, is West Virginia. But four of its six House members voted for Alaska statehood.

Congress can raise or eliminate the ceiling on House membership. Congress imposed it only after the present 48 states had been admitted. Until then House membership had increased as new states were admitted. The Constitution says only that each state must have at least one member in the House and none shall have more than one for each 30,000 population.

ALASKA: LAND OF BEAUTY AND SWAT

In the House dining room of the Capitol one day last week, a youthful dark-haired man was having lunch when he heard the roll-call bell. He jammed the last quarter of his tuna sandwich into his mouth, gulped his coffee and hurried up to a gallery overhanging the Democratic side of the aisle. There, Michael Anthony Stepovich, 39, Alaska's first native-born Governor, watched intently as one by one the Congressmen below called out their votes. A few minutes later, the House passed the Alaska statehood bill. Stepovich glanced at his wife sitting a few seats away, and broke into a broad, gold-tipped smile.

Mike Stepovich, happy as a sourdough with a new-found nugget, turned to leave, stopped to sign autographs for well-wishers, then stepped outside to pose for pictures and some hugs-and-backslap horseplay with Alaska's Democratic Delegate E. L. ("Bob") Bartlett and with two engineers of the House victory: New York's Democrat Leo O'Brien and Pennsylvania's Republican John Saylor. It was Floor Manager O'Brien, counseled at every turn by Speaker Sam Rayburn, who had beaten back strong-willed opposition from Virginia's Democratic Howard Smith, chairman of the Rules Committee, and Minority Leader Joe Martin, "It's great, it's great," sighed the Governor. "I'm very happy for the people of Alaska."

The people of Alaska were happy for themselves, too. In the Moose Hall on Franklin Street in Juneau, American Bar Association President Charles Rhyne (Time, May 5) had just finished his speech to the Alaska Bar Association when a newsman slipped in, gave the news of the House vote and sparked the audience to cheers. Throughout the territory, the cheers echoed, sometimes with a little reservation ("We've been this far before"); the Fairbanks News-Miner front-paged a picture of a pair of hands with fingers crossed (for the bill needs Senate approval). In Fairbank's Elks Club, scores of Alaskans tied on a wingding of a binge. At bars and soda fountains, drinks were on the house. Said a Unalakleet-born Eskimo named Oliver Amouak: "It's a good thing. I like to see it come on fine. I will enjoy my first vote for President."

CRICKS AND DAFFODILS

To Alaskan oldtimers, even the weather had augured well for statehood. Not since 1912, when Alaska first became an organized territory and won its first real, if tiny, measure of home rule, had the winter been so mild and the breakup so early. Parkas, mukluks, beaver caps and sealskin coats were thankfully stored away. The ice was gone from the Yukon River, and from the Porcupine, the Koyukuk and the Selawick. Out to Woodchopper, to Steel Creek, Poorman and a hundred other placer gold camps, packed the glint-eyed prospectors in search of a glint in the sand and gravel. In the villages of the Panhandle in the southeast, the red salmonberry blossoms fluttered, and the Indians span out to gather wild celery and Indian rhubarb, came home for feasts of delicate herring eggs (cooked in seal oil, garnished with soy sauce). Spring yawned in the lower valleys, and out popped the arctic poppy, shooting star, lupine and forget-me-not (Alaska's official flower). And now, after a long winter's self-imposed confinement, out lumbered the great Alaskan bears—and with them the sudden sparkle of high military brass from Washington, who, it just so happens, favor the bear season as the best time for Alaskan inspection trips.

School was out, and that meant that once again Eskimo and Indian children in the Alaska Native Service boarding school in the Panhandle were flown home to their villages in Anaktuvuk Pass in the Brooks Range, and to Chukwuktoligamut near the Bering Sea. In the heartland city of Fairbanks (pop. 11,000), fourteen hundred 4-H Club members relieved their mothers of that wintered-in, cabin-fever feeling by piling outside and scurrying to register for their summer activities. Bud Hilton's Thawing Service advertised steam-cleaning service for building exteriors, while out on the Alcan Highway, dust warnings replaced ice-warning signs. On the Fairbanks outskirts moose calves, abandoned by their mothers, bawled like babies, and into a downtown pool hall waddled a full-grown porcupine. It was 80° in the Panhandle's Ketchikan, and 60-lb. salmon flopped through the water in search of fishermen. Farther up the Panhandle, in the capital city of Juneau (pop. 7,200), gardens danced with lilacs and daffodils, and folks admired the new paint job that glistened on the twelve story Mendenhall apartment building (preparation, some gossiped, for the filming of Edna Ferber's Ice Palace). In a cocktail lounge a jukebox played Squaws Along the Yukon ("Oogah, oogak, oogah, which means I love you, won't you be my honey so I can oogah, oogak, you?).

NICKELS AND PEANUTS

On the coast of Baranof Island, Sitka, last capital of Russian America [1] was bustling with the clack and crunch of a new $55.5 million pulp mill building. Up to the north, Nome's Sah Yung Ah Tim Mim Chapter (Eskimo's talk for "strength gone from the body") of the National Foundation for Infantile Paralysis was busy pressing its immunization drive, and Bush Pilot Neal Foster, 41, reported that Nome (pop. 2,000) was having a pleasant day at 45° and that "a bunch of people are getting their boats in the water here now, mostly for seal hunting."

Perhaps the most surprised man in the whole territory was Alaska's own Attorney General J. (for James) Gerald Williams, who had confidently offered to roll a peanut with his nose from Big Delta 120 miles to Tok Junction, if Alaska should win statehood.

POLKA DOTS AND PIONEERS

Doubter Williams and more particularly, the rearguard of anti-statehood people have a certain amount of cold logic on their side. Despite its rapid urban development, Alaska is still a wildly savage land. It is bigger (586,400 sq. mi.) than two of Texas plus one Indiana, and 99% of the land—much of it faceless tundra—is owned by the Federal Government. Nearly one-fourth of the 213,000 population is in military uniform manning a polka-dot pattern of defense posts, and the rest of its inhabitants depend chiefly on two sources of income: fishing and timber.

But the statehood forces are encouraged—not awed—by such statistics. They see Alaska as resources waiting for resourcefulness, as a challenge to be met better by home government than by the Interior Department, 3,500 miles away in Washington. For more than anything else, statehood is a matter of heart, a spirit singing. In the cities, in the countless villages that all but defy outside contact, the zest to build and to carve something fresh and distinctive beats with the same kind of pioneer's pulse that drove the trail blazers of the continental West.

LOOK SHARP

"There's no second-generation money here," says 38-year-old Anchorage Millionaire (real estate) Wally Hickel, who went to Alaska from Claflin, Kans. in 1940 with 37¢ in his pocket. "This is the crib. We're it. We're trying to make a Fifth Avenue out of the tundra, to accomplish in less than 50 years what the U.S. did in 100. Where else could you get that kind of mission, in a land that cozies you with beauty on one hand and swats you hard—if you're not looking sharp—with the other?"

Says Alaska Federation of Labor President Bob McFarland, 47 (home town, Republic, Wash.): "You find so many brilliant people here, people attracted by the sense of challenge that Hawaii, for example, could never supply. Yet life is slower and tastier somehow. I've been back to New York twice—a walk up Times Square and I've just about had it. Now put the reins in our hands and see what we do with it." Says Governor Mike Stepovich: "Only the people of little faith are against statehood now."

COFFEE ROYALS AND PAN GINNEY

Mike Stepovich typifies the pioneer's sense of destiny better than any Alaskan Governor before him. A Republican appointed by a Republican Administration, Stepovich handles himself like a man of the people, and the people—65% Democrats, 35% Republicans—like him that way. That they like best is his open-faced friendliness, his native talent for conveying to doubters "outside" what Alaska is all about. "I'm Mike Stepovich," he says quietly to strangers, and then, tentatively: "I'm Governor of Alaska." Unschooled in the well-oiled sophistication expected of Governors, he is content to make his points with an earnest warmth that radiates when he waits his turn in a bowling alley or a barbershop—or a territorial committee meeting. And beneath all of this is the tough mettle that was born in him and was strengthened on the cold, hard anvil of Alaskan living.

Mike was born in a Fairbanks log cabin on March 12, 1919. His father was known far and wide as "Wise Mike," an emigrant from Seribia who followed the gold rush call to Alaska in 1898. Wise Mike was rugged and sometimes mean tempered, and there are those who say he won his nickname with wise-guy answers to everything. His breakfast appetizer was four or five coffee royals—a couple of slugs of bourbon sweetened with a dash of coffee—and his hobby was seven-deck "pan ginney" dealt out at the Pastime Café. Wise Mike laboriously scratched dust for 30 years before he came up with a modest gold strike, but instead of investing it in "pan ginney," he put his faith in Alaska and bought real estate in Fairbanks.

[1] Established by Alexander Baranof, a Siberian dry-goods salesman, manager of the Russian American Co., chartered in 1799 by Russia's Emperor Paul. Ordered to promote discovery, commerce and agriculture and to propagate Christianity. Baranof virtually ruled Alaska for 20-odd years. Through his trading company, which was to Alaska what Hudson's Bay Co. was to Canada, Baranof ably enhanced Russia's claim to the territory by organizing the country, setting up trade relations with England, the U.S. and Spain, and turning Sitka itself into a glittering, sophisticated Russian colony.

CATS AND DOGS

The Stepoviches were divorced when Mike was an infant, and his mother took him to Portland, Ore. when he was six months old. When he was 16, young Mike began spending his summers near Fairbanks working in his father's mines. For $5 a day, he drove a "Cat" and bought food for the camp, sometimes packed in 35-40 lbs. on his back across swampy terrain. Alaska's beauty and swat got him; he decided to take a permanent swat at it himself.

Back in the states at Columbia Prep. and later at the University of Portland and Spokane's Gonzaga University, Mike played baseball (first base), gave up a chance to turn pro, went on instead to Notre Dame for his law degree. After that, he put in 3½ years on Navy desk duty, was discharged a yeoman third class. In 1947 he returned to Portland to court a hearty, good-looking social worker named Matilda Baricevich. "Mat" knew that marriage to Mike meant frozen bliss in the tundra. "I rather looked forward to it," she says, "even though I had the usual idea of eternal snow and sled dogs cuddling up to you in a cabin for warmth." Mike went on to Fairbanks in the fall of 1947, took his bar exams. Before the year was out, he was appointed city attorney and had settled down with Mat in a four-bedroom frame house.

STEP BY STEP

Mike soon quit his job to set up private practice in a cubicle on Cushman Street. He liked the law but being the friendly sort, found it hard to apply himself seriously. He lost his papers on the way to court to try his first case; he seemed forever to be playing golf or shooting the breeze with friends on Cushman Street while Mat stayed home and cared for an increasing crop of children—now the famous "eight little'itches" (five months to nine years old), who are part of a Step-by-Step plan that calls for an even dozen children.

Alaska was growing, and so was Mike Stepovich's awareness of it. In 1950 he ran for a seat in the territorial legislature. He was elected to three terms. It was in the legislature, under the tutelage of an old friend and longtime Republican bigwig named John Butrovich Jr. ("Butro and Stepo") that Mike sank himself deep into Alaska's problems.

YAHOOS AND TEARS

For years, the statehood theme had whisked like a williwaw across the territory, sweeping up the visionaries, tossing the stubborn into stormy waves of opposition. In Washington, Alaska's longtime (first elected in 1944) delegate to Congress, onetime Gold Miner Bob Bartlett, spent his days and nights trying to carve out a 49th star on an unrelenting congressional conscience. Another missionary was a former newsman and editor of the Nation, Dr. Ernest Gruening (Time, June 16, 1947), appointed Governor of Alaska by Franklin Roosevelt in 1939. A diehard conservationist, crusty Ernest Gruening soon realized that Alaska's sleeping giant needed prodding, even at the cost of some of his own conservationist ideals. Says Anchorage Times Publisher Bob Atwood: "Gruening taught Alaskans that they could speak up and yell like yahoos for their rights."

In late 1955 a band of 55 Alaskans, elected by the voters, met at the University of Alaska near Fairbanks. Housewives, lawyers, pilots and merchants, they brought with them packets of state papers, copies of constitutions and history books, set to work writing a provisional constitution. For 75 days, the Alaskans labored, phrasing, rephrasing, arguing. At length, on Feb. 5, 1956, emotionally spent, physically exhausted, brimming with pride, they voted tp approve a finely hewn document. "These are good, tough men and women, and I wondered if we might not be getting carried away," recalls Alaska University President Ernest N. Patty, "so I looked for [Real Estate man] Muktuk Marsdon—this big, tough man with a face like granite. And there he was, digging tears from the corners of his eyes and actually throwing them down on the floor—completely disgusted with himself, apparently, but unable, as the rest of us to hold it back.

BEST FRIEND

Congress was unimpressed. Eisenhower's Interior Secretary Douglas McKay appeared similarly uninterested. It was only after McKay's resignation in 1956 that Alaska's hopes grew again. President Eisenhower appointed Nebraska's Republican ex-Senator Fred Seaton to McKay's job, and Seaton became the best friend Alaska statehood ever had in official Washington.

Fred Seaton flew into Alaska in 1957, looking for a new Governor. "There were 17 candidates and a dozen others being urged by individuals or groups," says he. "I saw this young lawyer in Fairbanks. Just 37 at the time. He never applied for the job. The more I saw him, the more I knew I was going to recommend him." Steering Mike Stepovich from behind were two powerful Republicans: Territorial Senator Butrovich and Fairbanks Publisher (News-Miner) Bill Snedden.

TIME TO SHINE

"You know," says Mike Stepovich, "a fellow doesn't quite realize, right after his election or appointment to such a job, just how much it means. People say hello, everything's gay and fine. And then comes that time—the time when you know you're going to have to stop just showing your teeth and start producing." Mike started producing right after his inauguration in June 1957. Says Matilda, who calls him "Mali" (Slavic for "little boy"): "When we were living in Fairbanks and Mali was practicing law, the jacket pocket on every one of his suits used to be torn from getting caught on a parking meter where he'd be leaning up while talking with the boys. There haven't been any torn pockets since we came to Juneau. But he's getting a shine on the seat of all his trousers."

No cheechako (newcomer), Mike Stepovich knows his country, puts in a solid day's work in his office in Juneau's grey stone Federal Building, deals with the 47 appointive territorial boards and commissions, oversees emergency work projects, orders examination of fiscal programs that will help prove Alaska's ability to stand alone, confers with Washington and territorial officials, studies his mail, e.g., "We the undersigned students have been recently examined by Dr. Brownlee and 60 having been found with defective teeth, do humbly petition our Governor, Mike Stepovich, to send us a dentist."

TIME TO CHANGE

Up on Squaw Hill, in the three-story, columned gubernatorial mansion, Mike pursues a rollicking, split-second family life. The eight little 'itches have to be undressed in assembly-line fashion for their showers; the mansion's third floor is blocked off ("We're always losing Dominic," says Matilda); Band-aids, next to food and clothing, are the big expense, what with the children falling downstairs or sliding too fast down the bannisters, or falling off the gubernatorial totem pole that stands outside. After dinner and a session of TV-watching, church-going Roman Catholic Mike sings out: "Prayers, everyone, let's say our prayers." He and the youngsters then kneel in a cluster about a big armchair before they are paraded off to bed.

In the morning Mike swings out of bed at 6:30, goes down the hall to look in on the children, methodically counts heads as he passes from room to room. Then, midst the morning chatter and leggy tumbling of this brood, the Governor of Alaska hoists his three youngest children to the stately hardwood table on which, 91 years earlier, U.S. Secretary of State William Seward proudly signed the historic Alaska purchase with Russia (for $7,200,000) and, one by one, proceeds to diaper them.

DISCOVERY

Mike's use of so hallowed a table symbolizes no bottomless irreverence for Alaskan tradition, but rather the muscular spirit of the ever changing, booming vastness that was once a faraway, forgotten frontier. As Governor, he has, in a sense, discovered Alaska all over again. "Man," says he, "it wasn't until I got into office that I really began to appreciate, with our resources potential, how much we could have accomplished even by now, if only we had the freedom and the responsibility to operate."

Stepovich's Alaska faces problems that will only become more intense with statehood. Once federal supervision and federal dollars are removed, Alaskans, who now pay a territorial income tax equal to 14 percent of their federal tax, will have to dig even deeper to pay increased costs of self-government. They are already strapped by what they call F.C.L.—fearful cost of living. Virtually everything Alaska uses is brought in by steamer and airplane, and because the territory produces so little for ships and planes to haul profitably back to the States, the freight charges boost retail prices to alarming levels. A Seattle dollar shrinks about 19¢ in Juneau, 29¢ in Anchorage, 35¢ in Fairbanks. Wages consequently run 15–40 percent higher than comparable Stateside payrolls, and that is a factor that holds back large-scale investment from Stateside in Alaska's potential.

RHAPSODY IN RICHES

But Alaska's promise sends statehooders into rhapsody. The oil boom, centered in the Kenai Peninsula, has brought the big U.S. oil companies hurrying north to drill the place full of holes—even though drilling a well there costs almost three times as much as it does at home—and already they have filed for leases on 27 million acres. The timber business racked up $34.3 million in 1957, and that economic youngster is still in short pants. Near Ketchikan, hard by the 16 million-acre Tongass National Forest, is a new, $52½ million pulp mill, and timber folk talk about production of 2 billion board feet a year (*v.* 33 billion Stateside). Scarcely tapped, too, is Alaska's mineral treasure, which boasts 31 of the 33 metals on the U.S.'s critical list (exceptions: industrial diamonds, bauxite). The North American continent's only major tin deposits lie in the Seward Peninsula, and some of the world's biggest known iron-ore deposits wait in the Klukwan section. Coal, as one engineer says, is "all over the damn place."

Alaska's biggest business is fishing (1957 take: $93 million), which is controlled by Se-

attle packers, supervised by an absentee government—and this outside control is the pet hate of Alaska statehooders. They claim that it weakens the Alaskan labor market by bringing in outsiders for half its 25,000 seasonal work force, and more important, severely depletes stocks by the use of fish traps. As it is, the industry is slipping (8,000,000 cases packed in 1936 v. 2,500,000 in 1957), and the sagging market makes it all the more imperative that the new state get new, diversified industry if it is to pay its own way.

OPULENCE AND ELEMENTS

Alaska has already made a running start with the resource of people. Anchorage, near the Kenai Peninsula, vibrates with a population of 35,000, has an opulent subdivision of $35,000 homes built by enterprising Wally Hickel. Two tall apartment houses peak the skyline, a glassed-in, year-round swimming pool ripples within sight of icy mountains, and fashionably dressed men and women frequent the Westward Hotel's spiffy cocktail lounge. Juneau still straggles with dingy, narrow streets from the roaring gold-rush times. Local phone service ends twelve miles from town, electricity 19 miles, the road 26 miles. In Juneau too, as if insulated from the rest of the territory by the mountains, are those who are most vocal against immediate statehood, led by the Juneau Empire's Publisher William Prescott ("Alamo") Allen, a former Texan.

Fairbanks was once a settlement quilted with sod-chinked log cabins. Today, livelier than ever, it still has many cabins, but the city has good utilities, the University of Alaska (on-campus enrollment: 700), a handsome Professional Building, and an urban redevelopment program that is chewing up the old cabins once inhabited by the bawds of "the line" to make room for more acceptable businesses.

Alaska has a stir and a throb that reaches far beyond the cities, into the tundra, across the forbidding mountains and glaciers, into the valleys. For most Alaskans, each day is a dare, each night a doubtful victory. Territorial Police Superintendent Bob Brandt's meager force of uniformed police and U.S. deputy marshals patrol the vastnesses in planes, helicopters and on dog sleds, alert for signs of old trappers who sometimes die on the trail and are eaten by their dogs; for pillagers who ransack the remote cabins, where a food cache is a guarantee of life for the inhabitant; for the hardy men who are inexplicably swallowed up in the unmapped oblivion.

DYNAMIC CHEMISTRY

The airplane, operated by scheduled airplanes as well as by oldtime bush pilots and private owners, is the tie to the cities for the thousands who live in wilderness villages. Airlines touch Point Barrow in the far north on the Arctic Ocean. Kotzebue on Kotzebue Sound, Attu in the Aleutians. Bush Pilot Don Sheldon, 36, hauls Indians and Eskimos, dog teams, pregnant women, dynamite and lumber, drops his handy craft onto a slippery strip in Umiat or on crags high in the mountain ranges. He brings groceries to Schoolteacher Charlie Richmond (home town: Tuxedo Park, N.Y.), who lives in Sleetmute (pop. 120) on the Kuskokwim River, where English-speaking Eskimos still attend Sleetmute's Russian Orthodox Church. Pilots transport Fairbanks Attorney Ed Merdes, 32, head of the Alaskan Junior Chamber of Commerce, who periodically visits club chapters in such places as Metlakahtla, south of Ketchikan. And they see, day after day, the strengthened heart of a people willing to challenge new frontiers.

"I tell you this," says John Butrovich, with the special kind of awe that seems to flourish in Alaskans "a dynamic chemistry is working here." That chemistry is a passion for life and growth. To Mike Stepovich and the rest of Alaska's leaders, statehood is a birthright, and they have etched that declaration on the skylines of the cities and on the cold, unyielding glaciers of their land.

[From the U.S. News & World Report, July 11, 1958]

HOW THE 49TH STATE WILL CHANGE U.S.

Alaska will take its place as the 49th State in the union by Christmas of this year. Hawaii, if present plans work out, is likely to become the 50th State before the end of 1959.

A place in the union was assured for Alaska on June 30 when the U.S. Senate voted in favor of Alaskan Statehood, 64 to 20. The House of Representatives, on May 28, 1958, had approved an identical bill by a vote of 208 to 166.

Statehood for Hawaii in the not-distant future was made virtually a certainty by the size of the vote for Alaska and by the political pressures now built up.

STATEHOOD MACHINERY

In the case of Alaska, the machinery that turns a territory into a State will soon begin to move. By or before August 1, Michael A. Stepovich, now territorial Governor of Alaska, will proclaim dates for primary elections and a general election to select officials and legislators—including two Senators and one Representative in Congress—who will govern and act for the new State.

In either the general or primary election, or in a special election, the people of Alaska must decide by ballot whether or not to accept the invitation to join the U.S. Governor Stepovich says that the vote will be at least 10 to 1 to accept.

Once all preliminaries are completed, President Eisenhower will proclaim Alaska to be a State. This proclamation will come before the end of 1958.

A 49th star then, by law, will go into this nation's flag on July 4, 1959. Alaska's two Senators and one Representative will take their seats in the 86th Congress on Jan. 3, 1959—unless Congress changes the opening date—to represent the first new State to join the union since Arizona was admitted in 1912.

REWRITING THE ALMANACS

The moment that Alaska is proclaimed a State, many things will change.

Texas will become next to the largest, not the largest State in the union. Nevada will become the State with next to the smallest population, not the smallest. The population of the United States will go up by 210,000. The highest mountain peak in the United States will become Mount McKinley, at 20,320 feet not Mount Whitney in California, at 14,495 feet.

New boundaries for the U.S. will be laid down. For the first time in American history, the nation will have a State that is not contiguous to any American territory and one that lies partially within the Arctic Circle. Canada will be bounded on the northwest, as well as on the south, by the United States. Soviet Russia will become the next-door neighbor of the U.S.

The almanacs will show that within the United States there are 21 active volcanoes, all, but one in Alaska. Montana's glaciers will take second place behind those of the 49th State. The Kodiak bear, the polar bear, the walrus, the sea otter will join the fauna of the nation. So will the seals on the Pribilof Islands, breeding grounds for 80 per cent of the world's fur seals.

The coldest spot in the country next winter will not be Bismarck, N. Dak., but Fort Yukon, Alaska, where the thermometer has dropped as low as 78 degrees below zero. The wettest spot will not be the Puget Sound area of Washington State, with 140 inches of rainfall, but Latouche in the Alaskan panhandle, where the average annual rainfall is 177 inches.

4,000 MILES OF HIGHWAY

Alaska will be the only State not reachable by railroad. It can be reached by automobile over the Alaskan Highway, 1,200 miles of which lies in Canada. To make the total motor trip from the U.S. border to Fairbanks, Alaska, requires a minimum of eight days—about the same time it takes to drive across the U.S. from New York to San Francisco. The distance is around 2,350 miles starting from Great Falls, Mont., or Seattle, Wash.

There are about 4,000 miles of highway in Alaska, most of it paved. This is about 2,000 miles less than the 5,843 miles of city streets in New York City.

YOUTH AND GROWTH

Alaska is a young man's country. The median age of its population is only 26 years—that is, half the people are older than 26, half are younger. The comparable figure for the United States is 31.

Because of its young population, Alaska's birth rate is well about the U.S. average. It stands at 35 births for each 1,000 of population each year. The U.S. average is 25.

In percentage of growth, if the new State holds its present pace, it will exceed every other State with the exception of Nevada, which it now equals. Between 1940 and 1950, the population of Alaska increased by 77 per cent, while that of the U.S. went up by 14 per cent.

Numerically, of course, Alaska's growth is not as startling. It gained an estimated 56,000 people between the 1950 census and 1957. That is a greater gain than each of 12 other States made during the same period. Twenty-eight States, however, picked up more than four times that number of people. California gains as many people in six to eight weeks as Alaska gained in the seven-year period.

ALASKA'S GOVERNMENT

The new State is all set to establish a government much like those in most other States. The Alaska constitution, written in 1955 by a constitutional convention of 55 delegates, was given approval in the Statehood bill that passed Congress. The job of writing the constitution took 75 days.

Under the terms of the constitution, the citizens of Alaska will elect a Governor, a secretary of state and a legislature. The Governor's term will be four years, and no one can be elected to more than two full terms.

The first Governor of Alaska as a State could conceivably serve very close to three full terms. He will take office Jan. 1, 1959, and his term will expire Dec. 3, 1962, just 28 days less than a full four-year term. The constitution provides that a Governor serving less than a full term still could be elected to two four-year terms.

The Alaskan legislature will consist of two houses—a Senate of 20 members and a

House of Representatives of 40 members. Senators will serve four-year terms, and Representatives will serve for two years.

POLITICAL IMPACT

Though Alaska, with its 210,000 citizens, will be the State with the smallest population, its entrance into the union is to have considerable impact on the politics of the nation.

Alaska's two Senators will push Senate membership up to 98. Their two votes could swing the balance of power on many questions, especially if the Senate remains closely divided between the two parties as it has been for the past six years.

In the U.S. House of Representatives, Alaska's Representative will push membership up to 436, temporarily. In 1960, after a new nation-wide census, House membership will revert to 435, with this number reapportioned among the States on the basis of new population figures.

AS ALASKA GOES . . .

Alaskan politicians hold that Alaska's voting is a better indicator of national political trends than Maine ever was. As a territory, Alaska's elections have preceded national congressional elections in the States.

In 1946 and again in 1952, when Republicans won control of Congress, Alaska had voted Republican. In 1948, 1950, 1954 and 1956—all years when Democrats won control of Congress—Alaskans voted Democratic.

The Democratic victory in 1956 was a landslide. Since then, both Republicans and Democrats have been busier with the final push for Statehood than with politics. Now, with Alaska's star stitched on the flag, politics is expected to get back to normal.

Politics, however, is about the only thing Alaskans expect to get back to normal. With Statehood an accomplished fact, they look for their part of the world to boom as never before.

[From the U.S. News & World Report, July 11, 1958]

ALASKA: LAND OF OPPORTUNITY? YES—FOR THOSE WHO ARE WILLING TO WORK AND WAIT

FAIRBANKS, ALASKA.—This new State of Alaska is a land of great opportunity—but a land, too, of great problems and real hardships.

It is no "El Dorado," where streets are paved with gold. If a man wants to get rich quick, Alaskans advise him to go elsewhere.

Opportunities are here in profusion. Natural resources of all kinds are waiting to be developed. There is plenty of room—and a great need—for new business ventures. Many young men, coming here to grow up with the new State, will make fortunes. Big industries will develop. Cities will grow.

Yet the opportunities that Alaska offers are for the kind of people who can take the rugged life that this Far Northern country provides, and who are willing to work and wait for the pay-off. Developing Alaska is going to take time. Right now, you have to scramble even to find a job.

These are the impressions you get by traveling across that vast expanses of this new State and talking to its people.

The main impression you get is of Alaska's tremendous size—and its emptiness.

BIGGEST STATE

Statistics will tell you that Alaska is more than twice as big as Texas, yet contains only 210,000 people, about 4,000 miles of highways and 490 miles of railroad.

But you have to travel across Alaska before these statistics begin to have any real meaning. You can fly for hours and you will see no towns, no roads, no railways. What you see are forests, mountains, tundra, snow—a veritable wilderness.

A trip such as this brings you face to face with Alaska's biggest problem, distance, and its biggest lack, transportation. Just getting to Alaska's stores of riches is difficult. Getting those riches out to a market is even more difficult. And it's fantastically expensive.

The cost of exploiting Alaska's resources is too high, in many cases, to permit a profit.

This is one of the hard economic facts of life which this new State is up against. A Ketchikan banker says:

"Unless we get a transportation system that is cheaper than the one we have now, Alaska never will amount to much."

WANTED: MORE CAPITAL

To build the transportation system that is needed, and the industrial plants that are needed, huge sums of money will be required. This brings you to another great lack that is limiting Alaska's opportunities—a lack of capital.

Alaskan banks, which had assets of only 174 million dollars last year, are unable to make really large loans such as industrial projects require.

"Local capital is scarce," says E. F. Stroecker, president of the First National Bank of Fairbanks. "People come here without any money to make it—and then they take it out with them."

Alaskans confidently expect that Statehood will speed the solution of these problems. They expect that more railroads and highways will be built. A bill already has been introduced in Congress to help finance the paving of the Alaska Highway across Canada, which now is Alaska's only land link with the rest of the U.S. A railroad link across Canada also is envisioned.

WITH STATEHOOD: CHEAPER ROUTES

One transportation gain from Statehood is immediate. The Statehood Act eliminates laws which prevent shipping of goods across Canada by rail and sea. This is expected to open up cheaper routes. Further reductions in shipping costs are foreseen as new industries grow up in Alaska to provide a "back haul" for ships which now return empty after taking supplies to Alaska.

Another hope is to seal off the Knik Arm of Cook Inlet near Anchorage to provide Alaska's biggest city with a port that is free of ice the year around.

With their own State government and voting members in Congress, Alaskans believe they will be better able to put through the changes that must be made if Alaska is to grow and prosper.

Most Alaskans realize, however, that Statehood will not solve Alaska's problems overnight, or even in a few years. They concede that it's going to be a long, hard pull.

Yet Alaskans are excited about the prospects. They regard Statehood as a challenge. Their imaginations seem to be fired by the idea of taming a wild, raw country.

WHAT ALASKANS ARE LIKE

Another big impression that you get in Alaska is of the imprint that this frontier country has made on the people.

Most people here strike you as unusually self-reliant, ambitious and hard working. You meet many young men who hold two jobs so they can save capital to start a business of their own. Established businessmen will tell you how they worked as common laborers to get their start.

This is the kind of people you will be competing against if you come up here. The competition won't be easy.

If you come to Alaska, you'd better bring some money along. It costs a lot to live here. Prices are high. And jobs, at the moment, are scarce. With the recent cutback in military spending, there is a large amount of unemployment in Alaska, particularly among construction workers.

Engineers, surveyors, secretaries, physicians, dentists, nurses and some other skilled types of workers are still in demand. For the long-range future, all kinds of workers will be needed. Right now, however, an ordinary laborer is warned to stay away unless he has a definite prospect of a job—and the price of a ticket home.

ONE SHORTAGE: WIVES

For women seeking marriage, Alaska offers a happy hunting ground. There are 16 men for every 10 women here. And most of the men are young.

If you get a job in Alaska, the biggest problems you will face are high prices and housing difficulties.

In Ketchikan, the southernmost community of any size in Alaska, it costs 20 per cent more to live than in Seattle, according to the Alaska Resources Development Board. The farther north you go, the more expensive life becomes. In Juneau, the increase over Seattle living costs is 24 per cent; in Seward, 28 per cent; Anchorage, 34 per cent; Fairbanks, 50 per cent; Nome, 51 per cent.

Most newcomers rent homes rather than build them. If you try to build, you run into high costs for clearing land, for labor and for building materials. Building a house around Ketchikan can cost as much as $35 a square foot, compared with $15 in the Pacific Northwest. In Juneau, a new three-bedroom house will cost $30,000 to $45,000, without any frills.

Rents are high, too. A two-bedroom apartment in Juneau costs $180 a month.

Nearly all of Alaska's food must be shipped in, so food is also expensive. The same is true of clothes, or almost anything that you buy.

ALSO HIGH: WAGES

Yet the newcomer who gets a job up here will find, in most cases, that his wages take care of the increased cost of living. Wages run far above "Stateside" levels. An electrician in Ketchikan gets $7 an hour. Loggers in the woods around Ketchikan clear $500 a month. In Wrangell, sawmill workers get $2.56 an hour. Construction laborers in Sitka are paid $3.81 an hour.

For the small businessman with some capital to invest, countless opportunities are foreseen in Alaska. All kinds of service facilities are needed. Good restaurants are scarce. So are good hotels. It's hard to get repair services in many places. Building construction is expected to boom as Alaska's population grows.

With its own factories, Alaska could produce some of the things it now must import. Needs suggested by Ernest Gruening, former Governor of Alaska, include woodworking plants, furniture factories and plants to produce building materials.

Water power is available in Alaska in abundance, waiting only to be harnessed.

Commercial fishing, Alaska's principal industry, is expected to improve when Alaska, as a State, gains power to ban fish traps from coastal waters. These traps now are said to be depleting the salmon supply.

A PLACE TO VISIT

Tourism is another industry that is expected to grow. Alaska is a tourist's paradise—if he can get there. It offers magnificent scenery, excellent hunting and fishing. How to get to Alaska is shown in the chart on this page.

Soon, Alaskans hope, improving transportation and Alaska's admission to Statehood will bring a flood of tourists. Then there will be lots of business opportunities—for hotels, motels, all kinds of services for tourists.

Another opportunity that Alaska offers is one that always has held a strong lure for the adventurous and the ambitious. That is free land.

There are, in Alaska, about 1 million acres of arable land that are near enough to transportation to be turned into farms now. Another 3 or 4 million acres can be brought into farming reach with improved transportation.

Much of this vast expanse of virgin land is available for homesteading.

Area under cultivation now is only about 20,000 acres. Most of the farming is in the Matanuska Valley, about 50 miles from Anchorage. Another farming region is in the Tanana Valley, near Fairbanks.

Crops of many kinds can be grown in Alaska, and the area needs all the food it can raise.

If you are thinking of homesteading in Alaska, however, read the article on page 70 to get a picture of the problems involved. Homesteading, you will find, costs money, even though the land is free.

Dr. Allan H. Mick, director of the Alaska Agricultural Experiment Station in Palmer, estimates that a homesteader should have at least $25,000 in capital if he plans to go into dairying, for example.

BIGGER HOMESTEADS?

Alaskans hope that, with Statehood, homesteading can be made more attractive. One change they urge is an increase in the number of acres that can be claimed. The present limit is 160 acres, and farmers say that this is just not enough land to insure a profit.

The individual who comes to Alaska must be prepared for the kind of life up here. That life, though interesting, is often rugged.

WHERE WINTERS ARE COLDEST

Alaskan winters can be brutal. Along the coast, it's not much colder than in States near the Canadian border. The average January temperature in Anchorage, for example, is 11 degrees above zero, with minimums around 36 below. But, in the interior and far north, it's colder. In Fairbanks, the January average is minus 11.6 degrees and the mercury sometimes drops to 66 below zero.

Winter nights are long, and days are short. Alaskans at Point Barrow never see the sun from late in November until late in January. Those in Fairbanks get less than four hours of sunshine on December 21.

In summer, you get lots of sunshine. The sun never sets from May to August in Point Barrow, disappears only briefly each night in Fairbanks in June. But, in summer, a new difficulty arises. Swarms of mosquitoes appear. No one ever really gets used to their onslaught.

Living accommodations outside the larger cities are often crude, by modern American standards.

Some people find these discomforts hard to endure. Women often complain of the isolation, the darkness and the way children are forced to stay indoors in the winter. Alaskans like to get "outside" once a year for a vacation.

Alaska, in other words, is no place for a "softie." Yet those who learn to live its life grow to like it. Those who come here are settling down in increasing numbers to stay.

THE SCHOOL SETUP

One thing that surprises a visitor is to learn that Alaska has one of the best school systems anywhere.

Studies show, for example, that students in Alaska public schools maintain higher grades and have higher intelligence quotients than the average students in the other 48 States. Fewer Alaskan youngsters drop out of school before finishing high school. And Alaskans over 16 years of age have a general educational level two years higher than the average for all other States.

You get these figures in talking with Dr. William K. Keller, head of the Education Department at the University of Alaska. He gives this explanation:

"Because of our climate, school activity is concentrated indoors.

"Alaska's school system also is conservatively run. We stick mainly to the three R's and don't go in for the frills that have become the fashion in the States. Students in Alaskan schools get more homework to do than is the general practice in the States.

"We have made studies which show that students in the eighth grade in Alaska schools are doing work that is done in the ninth and tenth grades in Stateside schools."

Every community has its grade school—even Indian and Eskimo villages where the schools are run by the Federal Bureau of Indian Affairs. For students in smaller communities where there are no high schools, the Territorial Government pays tuition in city high schools. But Dr. Keller estimates that only 2,700 of 36,000 Alaskan students live in areas where there are no high schools.

You can go to college in Alaska. The University of Alaska, at Fairbanks, has more than 600 students. But many Alaskans go away to college because it gives them a chance to see the outside world.

Churches are found in every Alaskan community, just as in the older States. Anchorage, for example, has 36 churches listed in its telephone book, and Fairbanks has 21. The Roman Catholic Church maintains parochial schools in the larger cities.

PROBLEM: COST CUTTING

Much of Alaska's future as a State depends on the "big business" that it can attract. Many of its resources are of the kind that take a big concern, with plenty of capital, to exploit. The problem is to bring the costs of industrial operation in Alaska down to a level where its products can compete in the open market with those of States more favorably located.

Oil is an example. A big oil discovery was made last year on the Kenai Peninsula. Now about 40 million acres of potential oil or gas land is under lease or application for lease. Oilmen estimate that more than 100 million dollars will be spent in the next two years in search of additional oil fields.

Oilmen caution, however, that the high cost of labor and transportation poses serious problems for the industry. One said:

"We'll have to find oil on the Kenai in a really big way before we can make it a paying proposition."

If the Kenai field proves to be of such proportions, oilmen say the oil could be piped to tidewater and then transported by tanker to West Coast ports at competitive prices.

Elsewhere in Alaska, though, it appears that known oil and gas deposits will just have to stand idle for the time being waiting for transportation to improve and costs to come down.

STATUS OF MINING, TIMBERING

Mining and timber operations encounter the same problem. There are huge deposits of gold, coal and a variety of metals. But only gold, coal, sand and gravel are now being produced on any large scale.

Alaskans predict a mining boom that will make the old "gold rush" small by comparison, if costs of operation and transportation are brought down.

You get an idea from all this about why Alaskans are so excited about Statehood. They see all these riches, all these opportunities on every hand, waiting to be developed.

What they hope is that admission to the union as the 49th State will remove the obstacles that now are blocking the progress of this land of opportunity.

WHAT ALASKA OFFERS: AN ON-THE-SPOT APPRAISAL

(Reported from Juneau, Sitka, Anchorage, Fairbanks)

JOBS

Plentiful for engineers of all kinds, surveyors, secretaries, nurses, physicians, dentists, other professional and semiprofessional people. Openings scarce for construction workers, mechanics, skilled and semiskilled labor. Unemployment is a problem in some areas.

LAND

State of Alaska will have 102.5 million acres of the area's best land to sell, give away and lease to individuals and business firms. Alaska's remaining public land—about 265 million acres—will be owned by the Federal Government, but much of that land is open to exploration and leasing for mineral and timber rights.

FARMS

See page 70 for the story on homesteaders prospects.

SMALL BUSINESSES

As Alaska grows, new businesses will get their chance—gasoline stations, stores, hotels, restaurants, many others. Many Alaskan businessmen started out 20 to 30 years ago as manual workers, holding two jobs to get capital, and made a go of it. But—risks are high, capital is scarce, the rate of interest on loans from banks, on the average, is 8 per cent.

HUNTING AND FISHING

Some of the world's best remaining game preserves are in Alaska. There are Kodiak bears, grizzlies, polar bears, brown bears, white Dall sheep, moose, caribou. Rivers teem with trout and grayling. Twenty-pound salmon are common.

OIL

About 40 million acres of potential oil and gas land already are under license or applied for—about four times the acreage of a year ago. With Statehood, Alaska's oil-promising tidelands can be tapped, too.

TIMBER

Vast stands of spruce, hemlock and cedar will be the basis of a big timber and pulpwood industry someday. One pulp mill is op-

erating near Ketchikan, another is being built near Sitka, two others are in the planning stage. But most of Alaska's timber is in national forests, subject to federal rules. It takes a lot of capital to set up a lumbering operation today.

MINING

As in timber, minerals appear to be a field for the big operators now. Labor and transportation costs are high; expensive equipment is needed to make an operation successful. Only gold, coal, sand and gravel are being mined in quantities, but Alaska's mineral riches are an enormous asset for the future—and prospectors still hunt for the big strike, in gold, uranium, platinum, other scarce minerals.

[From Newsweek, June 9, 1958]

ALASKA: AT LAST, STATEHOOD?

After 42 years of knocking at the doors of Congress for admission to the Union the Territory of Alaska—which the U.S. bought from Russia in 1867 for $7.2 million—this week was in the strongest position it has ever achieved toward obtaining statehood—a goal as glittering to most Alaskans as the gold that had lured thousands of their forebears there at the turn of the century.

One big hurdle was overcome last week when the House passed the Alaska statehood bill by 208 to 166. It was true that House passage, in itself, was far from being a clincher. Once before the House had passed a similar bill only to see it wither and die in the Senate. Others had reached the floor. But never before had such a bill gone through the House with the current one's steam. Helping to build up the pressure had been crisp, smooth-talking Michael A. Stepovich, appointed just a year ago as Alaska's fifteenth governor, who once said: "Statehood will mean I'm out of a job, but I'm all for it."

The outlook in the Senate was brighter than it had ever been. One Senate insider put it like this: "Alaska will become a state this year. You can bet your last dollar on that."

Nevertheless, there would be pitfalls ahead and a wall of opposition—not solid perhaps, but formidable—from the Southern bloc. Alaska usually votes Democratic and probably would send two Democratic senators to Washington, but the southerners are fearful that they would be pro-civil-rights Democrats. The southerners may even attempt to launch a talkfest of filibuster proportions.

A more serious threat would be the effort of the bill's foes to tie it in with statehood for Hawaii. The company of Hawaii, with its entirely different problems (a racial question and left-wing influence on labor), has dragged Alaska down to defeat before. This strategic threat has already been posed by Republican Minority Leader William F. Knowland. The California senator has demanded a firm commitment from the Democratic leadership that a separate bill for Hawaiian statehood will be scheduled for floor action immediately after Alaska. Barring such a commitment, it is expected to try to tie Hawaii to the Alaska bill on the floor. (Senate rules permit this: House rules don't.)

Against Knowland and the Hawaiian strategists stands Democratic Majority Leader Lyndon B. Johnson. Lukewarm toward Alaska in the past, Johnson is determined now that statehood shall get through. Intimates consider it unlikely that he will give Knowland any commitment whatever on Hawaii.

Big Mixup: Alaska's victory in the House ended a poltical comedy-drama. First, the House Republican leaders got the impression at their regular meeting with President Eisenhower that he did not want the bill passed. Rep. Joseph Martin Jr., dutifully went to work to kill it—only to discover that the White House was working at the same time to save it. After statehood opponents sprang a quick teller vote that tentatively throttled the bill, Seaton (who was then in Alaska) and Democratic Rep. Leo O'Brien of New York spent hours on the phone rounding up the congressmen whose votes saved it.

If Alaska becomes a state, it will be the largest in size—586,400 square miles compared with Texas's 267,339—and the smallest in population—215,000 to Nevada's 231,000. It will bring three flourishing cities into the union—Juneau (population: 7,000), the capital nestled at the foot of green mountains that rise to white glaciers; Anchorage, the largest (population: 30,000), and Fairbanks (10,000), both new-looking bustling towns.

Of more importance to the future is the territory's vast and untapped mineral wealth lying largely within the 182 million acres of public land owned by the Federal government.

Under the bill, a full 102,550,000 acres of the Federal land would be given to the state. Once the state started leasing the mineral rights to this land, there might be a mineral rush, comparable—though on a business level—to the days of the sourdough.

THE 49TH

If Alaska joins the community of states, it will raise a problem. How to arrange the 49 stars that will spangle the nation's banner.

By precedent, the rearrangement of stars could be decided either by the President or by Congress. In either case, the Army's heraldic branch, which has been studying design possibilities ever since the question of new statehoods came up, will play an important advisory role. It has received hundreds of suggestions from many sources, including from private citizens, and of them, these three look like favorites:

Seven rows of seven stars.

Five rows of five stars and four of six, alternating.

A spiral arrangement which would have the advantage of easily absorbing another star when and if Hawaii achieves statehood.

Alaskans, meanwhile, still cherish their own territorial flag, which undoubtedly will become their state flag after accession. It represents the constellation Ursa Major, or Great Bear (more commonly known as the Big Dipper), with the North Star at upper right, gold on blue. The bear has long been a symbol to Alaskans and the North Star represents their aspirations. This design was chosen by the Alaska Legislature 30 years ago after a territorywide contest, sponsored by the American Legion. The winner—and all citizens with ideas about the new pattern of the American flag can take heart from this—was an Aleut named Benny Bensen. He was 13 years old.

BOOSTING PRODUCTIVITY

Mr. PERCY. Mr. President, among the many subjects that fascinated our beloved distinguished colleague Senator Jack Javits during his tenure in the Senate was a subject that has now at long last come front and center upon the American economic stage and is increasingly becoming reconginzed as the key to U.S. economic well-being in the future. The subject is that of productivity; on the farm, in the factory, with respect to services including those of government at all levels, particularly the Federal Government.

Senator Javits recognized that productivity improvement had to be a cooperative effort between business, labor, and Government. There were simply too many pieces of the productivity puzzle to try and improve our record by one or two efforts. It demands a concerted approach and that is the way Senator Javits and others in Congress and private enterprise have moved the Nation in recent years. Labor-management committees and the quality circles—imported in concept from Japan—have been having a marked improvement on productivity improvement in many industries.

President Reagan has recognized that the Government has an important role to play—but by no means the only role—in enhancing productivity. In the very first paragraph of his 1983 economic report, the President noted that "for more than a decade, the economy had suffered from low productivity growth and a rising rate of inflation. Government spending absorbed an increasing share of national income. A shortsighted view of economic priorities was destroying our prospects for long-term prosperity."

The economic recovery program passed by Congress in 1981 addressed that concern and implemented programs like the business and individual tax cuts and the spending reductions that will move us toward higher productivity in the long run. These were important steps to take to address this national problem. Along with regulatory reform, they are the major components of the Government's productivity effort.

The President and many of us in Congress recognized that we could do more to improve productivity, however. I joined with other Senators in supporting a measure calling on the President to call a White House Conference on Productivity this year. Congress passed the measure and I am pleased that there will be just such a conference this fall.

Preparatory conferences will soon be underway across the country, under the able leadership of former Treasury Secretary Bill Simon. The Christian Science Monitor on May 19 ran an excellent editorial about the upcoming White House Productivity Conference, citing the many elements that compose a productivity revival.

Mr. President, I ask unanimous consent that this editorial from the Monitor be included in the RECORD at the close of my remarks.

I commend this editorial to my colleagues. It is important for all of us to focus our attention on this crucial element of national economic recovery.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PRESIDENT AND PRODUCTIVITY

American workers remain among the most productive in the world. They still on average outstrip the Japanese, for example, despite Japan's well-deserved reputation for hard work and labor-saving technology. But U.S. productivity growth has faltered. Under present trends it would not be long before Japan's productivity overtook America's.

Keeping U.S. productivity high is a complex challenge involving individual employee and management attitudes as much as corporate and government policy. A key element is public awareness of problems and possible solutions. It can be enhanced by September's big White House Conference on Productivity—and momentum toward it that has now begun.

Next month comes a meeting on capital investment (Durham, N.C., June 14-16), the first of four preparatory conferences. Then human resources (St. Louis, June 21-23); government roles (San Diego, July 19-21); private sector initiatives (Pittsburgh, Aug. 2-4).

These topics offer some sense of the conference's range of concerns under the guidance of an advisory committee representing business, labor, education, and other segments of society. Further indications lie in the 11 policy areas to be considered:

Reorganizing government.

Promoting benefits from productivity improvement techniques.

Improving general training and skills of American labor.

Informing U.S. business of foreign technology developments.

Sharing government research with industry.

Establishing awards for improvements in productivity.

Revising tax laws.

Reviewing antitrust laws.

Reviewing patent laws.

Improving reliability of productivity measures.

Revising federal civil service laws.

A full assignment. One, we might say, that will require high productivity from the participants, not to mention chairman William Simon. And one that, if it is to go beyond publicity, will demand administration and congressional follow-up on the mandated recommendations for action. These are to be delivered to the president within 120 days after the Washington conference, Sept. 22-23.

Will there be hot news for Tokyo then or not?

QUESTION OF CYPRUS

Mr. PERCY. Mr. President, on May 17, I had the opportunity to host a meeting in the Committee on Foreign Relations with the Secretary General of the United Nations, His Excellency Javier Perez de Cuellar. The Secretary General is a remarkable individual who had a distinguished career as a Peruvian diplomat before his appointment to the top post at the United Nations. He is an impressive leader of an organization which still holds promise as a force for diplomacy and negotiation in areas of conflict.

In this regard, my colleagues should be aware of the most recent report of the Secretary General on the question of Cyprus. Last week, the press reported on a proposal by the Government of Turkey to establish a "Turkish-Cypriot independent state" in the northern part of Cyprus now occupied by Turkish troops. This would be a development in direct contradiction to several Security Council resolutions. Secretary General Perez de Cuellar stated earlier in May that it is his intention to strengthen his personal involvement and "to give fresh impetus to the negotiating process" embodied in the ongoing U.N.-sponsored intercommunal talks, and his increased involvement should be welcomed. I also welcome the administration's commitments to me to give the Cyprus situation a higher priority. I shall ask unanimous consent that the May 6, 1983, report of the Secretary General be included in the RECORD following my remarks.

As the Secretary General told the Foreign Relations Committee and other Members of the Senate last week, he will use his good offices to promote peace and understanding and a greater respect for human rights around the world. Because his remarks concern many issues of interest to the Senate, I ask unanimous consent that the complete statement of the Secretary General to the Foreign Relations Committee also be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

QUESTION OF CYPRUS: REPORT OF THE SECRETARY GENERAL

I. INTRODUCTION

1. At its thirty-fifth and thirty-sixth sessions, the General Assembly deferred consideration of the question of Cyprus (decisions 35/428 and 36/463). The reports of the Secretary-General submitted to the Assembly at those sessions remain before it (A/35/659 of 25 November 1980 and A/36/702 of 20 November 1981). The following information is submitted for the purpose of bringing the information in those reports up to date.

II. INTERCOMMUNAL TALKS

2. The intercommunal talks, which are being held in the framework of the mission of good offices entrusted to the Secretary-General by the Security Council, have continued on a regular basis under the auspices of my Special Representative, Mr. Hugo J. Gobbi. Until 21 April 1982, the Greek Cypriot community was represented by Mr. George Ioannides, who was succeeded on 30 April 1982 by Mr. Andreas V. Mavrommatis. The Turkish Cpyriot community continued to be represented by Mr. Unit Suleyman Onan.

3. Since January 1982, the "evaluation" of the status of the negotiations with regard to some aspects of the Cyprus problem, which was submitted by the Special Representative for the consideration of the parties on 18 November 1981, has continued to be used as a method of discussion. In analysing the negotiating process, the "evaluation" identifies, on the one hand, "points of coincidence" and, on the other, "points of equidistance" where substantive divergences have to be bridged. The two interlocutors have been discussing systematically the elements indentified in the "evalution", beginning with the "points of coincidence" regarding the constitutional aspect. Discussion of this topic was concluded on 10 March 1982. From 17 March to 18 May 1982, the interlocutors discussed "points of equidistance", with special reference to the questions of freedom of movement, freedom of settlement and the right of property. On 25 May 1982, the interlocutors began discussion of the points relating to the organs of the federal Government, and transitional provisions. This was followed by a re-examination of the general constitutional provisions. On 25 November 1982, the interlocutors began discussion of the territorial aspect. Since the beginning of the year, the talks have continued to deal with various aspects of the Cyprus problem. By consent the pace of the talks was adjusted in connection with the presidential elections in Cyprus and thereafter as required. The latest meeting in the talks took place on 14 April 1983. The atmosphere of the talks has remained co-operative and constructive.

4. In the exercise of my mission of good offices, I have also maintained personal contacts with both sides, as well as through my Special Representative, with a view to promoting the negotiating process. On 4 April, 8 June and 4 October 1982 and on 8 March and 24 April 1983, I met with President Kyprianou for extensive exchanges of views. On 9 April, 9 June and 14 October 1982, I had comprehensive talks with His Excellency Mr. Denktash. I expect to have an opportunity to meet with Mr. Denktash again in the very near future.

5. It is my intention to strengthen my personal involvement within the framework of my mission of good offices. In particular, I shall make every effort to give fresh impetus to the negotiating process, following up the work done during the current phase of the negotiations. As I have reported on this subject to the Security Council, my efforts will seek to encourage the parties to develop an overall synthesis covering the remaining major unresolved issues, and I and my Special Representative shall do our utmost to assist them in this endeavour.

III. OTHER PROVISIONS

6. As regards other provisions of the various resolutions under this item, the situation has remained essentially as described in my report dated 20 November 1981 (A/36/702). The United Nations Peace-keeping Force in Cyprus (UNFICYP) had continued to supervise the cease-fire lines of the Cyprus National Guard and the Turkish and Turkish Cypriot forces and to provide security for civilians in the buffer zone between those lines. It has also continued to discharge certain humanitarian responsibilities (see A/34/620, paras. 22 and 24). In this connection, UNFICYP has continued to assist in the transfer of Greek Cypriots from the north to the south of the island. As at 30 April 1983, 921 Greek Cypriots lived in the north, 169 Turkish Cypriots remained in the south. I have reported in detail on these matters in my reports to the Security Council on the United Nations operation in Cyprus, most recently on 1 December 1982 (S/15502).

7. The Committee on Missing Persons in Cyprus, which began its deliberations in July 1981 (see A/36/702, para. 8), has been unable so far to perform its substantive functions, despite sustained efforts by its members and all possible assistance provided by my representatives both in Cyprus and at United Nations Headquarters. In July 1982, the Chairman and one other member of the Working Group on Enforced and Involuntary Disappearances of the Commission on Human Rights visited Cyprus and met with the representatives of both communities on the Committee on Missing Persons as well as other officials. They were also in contact at Geneva with the third member of the Committee. On 17 December 1982, the General Assembly adopted resolution 37/181 whereby it, inter alia, invited the Working Group on Enforced or Involuntary Disappearances to follow developments and to recommend to the parties concerned ways and means of overcoming the pending procedural difficulties of the Committee on Missing Persons in Cyprus and, in co-operation with it, to facilitate the effective implementation of its investigative work on the basis of the existing relevant agreements; called upon all parties concerned to facilitate such investigation in a spirit of co-operation and good will; and requested the Secretary-General to continue to provide his good offices with a view to facilitating the work of the Committee on Missing Persons in Cyprus. My representatives and I have continued our efforts to assist in overcoming the persisting difficulties so as to enable the Committee to carry out its humanitarian task.

THE SECRETARY GENERAL'S MEETING WITH THE SENATE FOREIGN RELATIONS COMMITTEE

Mr. Chairman Percy, Senators, I would like to express my sincere thanks for the welcome which you have extended, and for this opportunity to meet with members of the Foreign Relations Committee and the other distinguished Senators who are present today. May I first introduce several senior colleagues who are with me. Jean Ripert is the Director-General for Development and International Economic Co-operation, my senior colleague for economic matters. Brian Urquhart, whose special area of responsibility is peace-keeping and the Middle East, is Under-Secretary-General for Special Political Affairs. Bill Buffum is a former American Ambassador and Assistant Secretary of State who is now Under-Secretary-General for Political and General Assembly Affairs. I would also like to introduce Mrs. Phyllis Kaminsky, a gifted and energetic American, whom I have just appointed as Director of the United Nations Information Center in Washington. I hope you will get to know her well as the senior United Nations Representative in Washington.

Mr. Chairman, I am profoundly conscious of the role played by the United States Senate, and the Foreign Relations Committee in particular, in shaping the present structure of international relations, including the establishment of the United Nations. I know of the high importance which President Roosevelt and Secretary of State Hull attributed to obtaining the support and understanding of this Committee's Members for the concept of a world organization of fully sovereign states which would unite their strength to maintain international peace and security and promote economic and social well-being.

It is frequently said that it was naive to expect the victorious powers in World War II to be able to work together in peace-time, given the great disparity in interests and ideology between East and West. We all know that it has indeed proven difficult—for a good part of the time, impossible. But to me the concept of working together reflects an imperative. For unless there is a degree of co-operation among the five Permanent Members of the Security Council in dealing with conflict situations and unless these powers, especially the United States and the Soviet Union, support the Council and its decisions, the Council cannot fulfill its responsibility under the Charter to maintain peace.

I think the question must be asked: is the actual state of affairs in the interest of any of the major powers? Regional conflicts persist that take an enormous toll in human life and resources. They encourage arms acquisition, at the cost of economic development, and add to the fear and uncertainties that burden international relations. In some cases the disputes were not even brought to the Security Council until fighting was underway. The Council's resolution, which, by the way, need the concurrence of all five Permanent Members, have too often been ignored. Looking at the war between Iran and Iraq, at the South Atlantic conflict, at the current tragedy in Lebanon, I do not believe that there is likely to be a long-term gain for any of the parties directly involved or for the major powers either. I would not suggest that the Security Council could necessarily have prevented or resolved all of these conflicts even if it enjoyed the authority of the combined support of the Permanent Members. But I can say that the Council's impact would have been far greater.

I am naturally conscious of the criticism in this country of the performance of the United Nations. Certainly there are legitimate grounds for criticism. If something isn't working well, one should say so—as I myself have done—with the purpose of improving it. On the other hand, criticism which is unjustified or without constructive purpose can diminish the authority of the Organization which is needed if it is to be effective in strengthening international security.

One of the most frequent criticism is that the United Nations is an extravagant organization—that our budget is out of control. As the largest contributor to the United Nations—twenty-five percent—the United States certainly has full justification in following this subject closely—in particular, the United States Congress, which has the ultimate athority on American expenditures. I feel it may be worthwhile for me to give you a few facts.

Over the past eight years, the annual growth in United Nations expenditures has been only two percent in real terms. This increase stems from the belief of the majority of the 157 Member States that the Organization should do more in the political, economic and social fields. I consider it my duty and responsibility in the interest of all Member States to ensure the greatest possible efficiency in the utilization of available resources. The budget which I am submitting for the 1984/85 biennium provides for real growth of only 0.7 percent. It may be of interest to you to know in this connection that, on a per capita basis, the United States ranks twelfth in its contributions to the United Nations.

May I just add, by the way, that it is extremely important that the assessed contributions of Member States be received on time. Delayed payment results in heavier expenses and inefficiency—not in greater economy.

Another frequent criticism of the United Nations is that it has become increasingly politicized. The attention and the time devoted now in some of the operational agencies to political issues, especially with regard to the Middle East and southern Africa, gives rise to understandable concern. The ultimate answer to this problem is to achieve, with all of the efforts which that will require, fair and lasting solutions to these problems.

In this connexion, it must be borne in mind that certain fora in the United Nations system, such as the General Assembly, were specifically designed to serve as political arenas for the airing of problems. As distinct from operational and other organs such as the International Court of Justice and the Secretariat, it would go against the grain of the General Assembly and run counter to the concept of the founders of the United Nations to deprive them of their political character. Indeed, it would be as if an attempt were made to turn the United States Senate into a merely technical body. And let us not forget that the General Assembly's decisions, aside from those on budgetary questions, are recommendatory in character.

The fact should not be obscured, in any event, that the important operational work of the United Nations agencies is going on successfully. Millions of refugees in many parts of the world are being assisted by the United Nations High Commissioner for Refugees in environments of high political sensitivity without adverse impact of politicization. Progress is being made in the promotion of health, education and other fields on the basis of co-operation at the operational level among the 157 Member States of the United Nations. The United Nations Development Programme operates very effectively on the basis of consensus under the leadership of your former Congressional colleague, Brad Morse, in bringing assistance to developing countries. Both the United States and the USSR are on its Governing Council.

These achievements show that the concept of an international organization in which the sovereign states of the world are joined in common purpose can work and is working in important fields. The United Nations, let me add, is ready to move quickly to provide the necessary military and civilian personnel and services in Namibia the moment the necessary conditions have been achieved for implementation of Security Council resolution 435. We had the same capability to move quickly in providing observers and administrators that might have been part of a peaceful resolution of the Falklands/Malvinas conflict. The United Nations peace-keeping forces have been effective in preventing renewed conflict and affording an opportunity to find lasting resolutions of disputes. They fulfilled their mandate in southern Lebanon with remarkable courage although they were neither authorized nor equipped to meet a massive movement of forces into their area of operation. At present, the United Nations, and only the United Nations, is engaged in seeking a political solution of the Afghanistan problem. I am deeply concerned about the deteriorating situation in Central America and I have offered my good offices to the parties.

Maintenance of peace, of course, entails many things besides the resolution of immediate political conflicts and crises. Lasting peace will surely depend, too, on international economic co-operation, progress in social justice and human rights, and a reduction in arms.

Progress toward securing greater respect for human rights is slow and difficult, but there is movement, and I attach high priority to the effort. The United Nations deals with such problems both publicly and privately. The Human Rights Commission is an inter-governmental body which has moved beyond its earlier concentration on standard setting to scrutiny of human rights violations in every part of the globe. Further, through the good offices of the Secretary-General, I myself try, by the exercise of quiet diplomacy, to discourage persecution of vulnerable groups, summary executions, arbitrary imprisonment and other violations of individual human rights.

I am convinced of the great political importance that must be attached to economic issues. There are signs of economic recovery in some industrial countries, in particular in the United States, which, in the longer term, offer much hope for the world economy. However, the economic situation in developing countries remains poor and, in some cases, desperate. There are indications that hunger, malnutrition and disease are actually on the rise as governments are constrained to reduce support to the poor elements in these societies.

Recovery in industrial countries will take time to produce renewed growth in the developing world. Meanwhile, a deepening recession in the Third World can abort recovery in the industrial world. This means that immediate action will be needed beyond what is already contemplated to strengthen the liquidity of the developing countries and lighten their debt burden. The markets for their products must be kept open and their commodity earnings stabilized.

In these areas the United States can play a key role in providing leadership among the industrial countries. I am greatly heartened by decisions in the Congress in the past few weeks which will greatly improve the financial situation in United Nations instruments of development and cooperation such as IDA and UNDP. I trust that leaders of the industrialized countries meeting in Williamsburg will take into account the constructive approach shown by the developing countries both in the New Delhi Summit and in the Group of 77 meeting in Buenos Aires. The forthcoming session of UNCTAD in June should provide an opportunity for progress.

The relationship between arms and security is perhaps the most fateful problem of the present era. It is one with which I know the Senate is deeply preoccupied. I personally am convinced that greater security is not likely to be obtained through a further expansion of weapons of mass destruction of their deployment in the areas of the deep sea-bed and outer-space, which until now have remained protected. I have had the opportunity to speak with President Reagan and more recently with General Secretary Andropov, and I am convinced that there is an opportunity now to find a means of stabilizing the military relationship between East and West and beginning the essential process of reducing nuclear weapons.

In this connexion, let me end by stressing that a strong and effective United Nations can facilitate a reduction in arms. First, it can contribute to the resolution of conflicts and crises that add tension to the relationship between the major powers; secondly, with regard to the smaller regional countries, a strong United Nations can offer a promise of security which can lessen the tendency on the part of these governments to feel that their security can only be assured through military strength; and thirdly, it can contribute to economic development and social progress, thereby diminishing the causes of instability that frequently lead to recourse to arms.

This is a further reason why the strong support which the Senate has given to the United Nations over the years is as farsighted for the United States as it is essential for the United Nations.

SUPPORT FOR RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND SELF-SUFFICIENCY ACT OF 1983

Mr. ZORINSKY. Mr. President, I am honored to join several of my distinguished colleagues in cosponsoring S. 1300, the Rural Electrification and Telephone Revolving Fund Self-Sufficiency Act of 1983, introduced last week by Senator HUDDLESTON.

For almost 50 years, rural electric cooperatives, aided by programs of the Rural Electrification Administration, have provided power at reasonable prices to improve the quality of life of rural people, and to help make this country's agriculture the most productive in the world. The side effects of this program have served to improve the quality of life in our cities, and serve as one of the most stable pillars of our economy.

Ten years ago the rural electric cooperatives came to Congress with a plan to make themselves more self-sufficient. The centerpiece of this proposal was the rural electric and telephone revolving fund, a self-sustaining source of rural electric loan funds that is replenished through loan repayments. Two years ago the rural electrics came to us with a plan that recognized the recent large increases in interest rates, and supported a change in the loan criteria that eliminated the special 2-percent interest rate except for the most extreme hardship cases.

That history of responsibility is being repeated with this latest proposal to amend the Rural Electrification Act of 1936. In a nutshell, rural electric systems are asking us in this bill to allow the interest rate on their revolving fund loans to be periodically adjusted in order to keep that fund a self sustaining financing mechanism. In 1973 we could not foresee the high interest rates and inflation that have sharply increased the costs of utility financing and put a special strain on the revolving fund to the point that it will begin having to dip into its principal sometime in the 1990's.

It is a tribute to the rural electric systems of this country that we have this proposal before us now. Too often there is a tendency to wait until the ceiling is caving in before asking for immediate, emergency help. Instead, we have a well-thought-out, reasonable plan that has been studied for almost 2 years. It asks for no quick-fixes or crash programs, but a simple, sensible solution to maintaining one of the most successful programs this Government has ever created.

We should encourage this sort of responsible action, and we should help maintain our rural electric systems and the important part they play in rural life and American agriculture, by supporting passage of this bill.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 12:10 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its clerks, announced that the House has agreed to the following concurrent resolutions, each without amendment:

S. Con. Res. 26. Concurrent resolution approving the obligation and expenditure of funds for MX missile procurement and full-scale engineering development of a basing mode; and

S. Con. Res. 41. Concurrent resolution providing for an adjournment of the Senate from May 26, or May 27, 1983 to June 6, 1983, and an adjournment of the House from May 26, 1983 to June 1, 1983.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2807. An act to increase the level of funds authorized to be appropriated for the fiscal years 1982, 1983, and 1984 to permit adequate reimbursement for meals served under the Older Americans Act of 1965; and

H.R. 2948. An act to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to provide mortgage assistance to veterans with loans guaranteed by the Veterans' Administration in order to avoid foreclosure of such loans, and for other purposes.

ENROLLED BILLS SIGNED

At 12:34 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks,

announced that the Speaker has signed the following enrolled bills:

H.R. 2681. An act to make technical amendments to sections 4, 13, 14, 15, and 15B of the Securities Exchange Act of 1934; and

H.R. 2990. An act to increase the permanent public debt limit, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore (Mr. THURMOND).

HOUSE BILLS REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 2807. An act to increase the level of funds authorized to be appropriated for the fiscal year 1982, 1983, and 1984 to permit adequate reimbursement for meals served under the Older Americans Act of 1965; to the Committee on Labor and Human Resources.

H.R. 2948. An act to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to provide mortgage assistance to veterans with loans guaranteed by the Veterans' Administration in order to avoid foreclosure of such loans, and for other purposes; to the Committee on Veterans Affairs.

H.R. 3069. An act making supplemental appropriations for the fiscal year ending September 30, 1983, and for other purposes; to the Committee on Appropriations.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, May 26, 1983, he had presented to the President of the United States the following enrolled bill:

S. 967. An act to amend the Independent Safety Board Act of 1974 to authorize appropriations for fiscal years 1984, 1985, and 1986.

REPORTS OF COMMITTEES

The following reports of commmittees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S.J. Res. 75. Joint resolution to provide for the designation of June 12 through 18, 1983 as "National Scleroderma Week."

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 108. Joint resolution authorizing and requesting the President to designate October 15, 1983, as "National Poetry Day."

By Mr. HATFIELD, from the Committee on Appropriations, with amendments:

H.R. 3069. An act making supplemental appropriations for the fiscal year ending September 30, 1983, and for other purposes (Rept. No. 98-148).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary:

Julia Smith Gibbons, of Tennessee, to be U.S. district judge for the western district of Tennessee;

H. Ted Milburn, of Tennessee, to be U.S. district judge for the eastern district of Tennessee;

Bobby Ray Baldock, of New Mexico, to be U.S. district judge for the district of New Mexico;

Ronald A. Donell, of West Virginia, to be U.S. marshal for the northern district of West Virginia for the term of 4 years;

Charles F. Goggin III, of Tennessee, to be U.S. marshal for the middle district of Tennessee for the term of 4 years.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BINGAMAN (for himself, Mr. SASSER, Mr. SARBANES, and Mr. EAGLETON):

S. 1385. A bill to prohibit the implementation of certain regulations and actions proposed by the Office of Personnel Management and published in the Federal Register on March 30, 1983; to the Committee on Governmental Affairs.

By Mr. TSONGAS (for himself, Mr. CHAFEE, and Mr. MELCHER):

S. 1386. A bill to establish a supplemental student loan program in which the size of annual repayments is dependent upon a borrower's income level, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. LEVIN (for himself and Mr. SPECTER):

S. 1387. A bill to extend the Federal Supplemental Compensation program until March 31, 1984; to the Committee on Finance.

By Mr. SIMPSON (by request):

S. 1388. A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans and to increase the rates of dependency and indemnity compensation for surviving spouses and children of veterans; to the Committee on Veterans' Affairs.

By Mr. LAXALT (for himself and Mr. HECHT):

S. 1389. A bill to transfer administration of certain lands in California and Nevada to the Bureau of Land Management; to the Committee on Energy and Natural Resources.

By Mr. SPECTER:

S. 1390. A bill to amend chapter 67 of title 31, United States Code, to permanently authorize revenue sharing, to increase funding for fiscal year 1984 for units of general local government, and to index future funding to the rate of inflation; to the Committee on Finance.

By Mr. INOUYE:

S. 1391. A bill for the relief of Dr. Eric S. Casino; to the Committee on the Judiciary.

By Mrs. HAWKINS:

S. 1392. A bill to amend title 44, United States Code, to require the inclusion of a statement of cost in certain Government publications; to the Committee on Rules and Administration.

By Mr. DOMENICI (for himself, Mr. BENTSEN, Mr. DECONCINI, and Mr. BINGAMAN):

S. 1393. A bill to extend and make technical corrections to the existing program of research, development and demonstration in the production and manufacture of guayule rubber; to the Committee on Environment and Public Works.

By Mr. STEVENS:

S. 1394. A bill to establish a nationwide maximum standard of blood alcohol content for lawful operation of a motor vehicle, and to establish a victim compensation fund; to the Committee on Commerce, Science, and Transportation.

By Mr. MOYNIHAN:

S. 1395. A bill entitled the "Radiological Emergency Response Planning and Assistance Act of 1983"; to the Committee on Environment and Public Works.

By Mr. DOMENICI (for himself, Mr. JACKSON, Mr. WALLOP, Mr. MCCLURE, Mr. BAKER, Mr. BYRD, Mr. GARN, and Mr. HATCH):

S. 1396. A bill to amend the Internal Revenue Code of 1954 to extend the period for qualifying certain property for the energy tax credit, and for other purposes; to the Committee on Finance.

By Mr. DANFORTH (for himself and Mr. EAGLETON):

S. 1397. A bill to amend the Internal Revenue Code of 1954 to provide an alternative test for qualification for the credit for rehabilitated buildings; to the Committee on Finance.

By Mr. WALLOP:

S. 1398. A bill to amend the Internal Revenue Code of 1954 and title IV of the Social Security Act to provide for the support of dependent children through a child support tax on absent parents, and to provide for a demonstration program to test the effectiveness of such tax prior to full implementation; to the Committee on Finance.

By Mr. PERCY:

S. 1399. A bill to amend the Tariff Act of 1930 to prevent the exportation or importation of certain vehicles; to the Committee on Finance.

By Mr. PERCY (for himself, Mr. DIXON, Mr. LUGAR, Mr. DANFORTH, and Mr. LAXALT):

S. 1400. A bill to enhance the detection of motor vehicle theft and to improve the prosecution of motor vehicle theft by requiring the Secretary of Transportation to issue standards relating to the identification of vehicle parts and components, by increasing criminal penalties applicable to trafficking in stolen vehicles and parts, by curtailing the exportation of stolen motor vehicles and off-highway mobile equipment, and by establishing penalties applicable to the dismantling of vehicles for the purpose of trafficking in stolen parts, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. SIMPSON (by request):

S. 1401. A bill to amend title 38, United States Code, to clarify the authority of the Administrator to permit a Federal fiduciary, administratively appointed by the Veterans' Administration, to deduct from the beneficiary's estate a modest commission for fiduciary services; to the Committee on Veterans' Affairs.

S. 1402. A bill to amend title 38, United States Code, to permit substitution of a veterans' housing loan entitlement when the veteran-transferee is not an immediate transferee; to the Committee on Veterans' Affairs.

S. 1403. A bill to amend title 38, United States Code, to provide for a 5-year extension to permit States to apply for Federal aid in establishing, expanding or improving

State veterans' cemetaries; to the Committee on Veterans' Affairs.

S. 1404. A bill to amend title 38, United States Code, to authorize the Administrator to make contributions for construction projects on land adjacent to national cemeteries in order to facilitate safe ingress or egress; to the Committee on Veterans' Affairs.

By Mr. STEVENS:

S.J. Res. 110. Joint resolution proposing an amendment to the Constitution of the United States with respect to limiting campaign contributions and expenditures; to the Committee on the Judiciary.

By Mr. PERCY (for himself, Mr. PELL and Mr. DODD):

S.J. Res. 111. Joint resolution expressing the sense of the Congress with respect to international efforts to further a revolution in child health; to the Committee on Foreign Relations.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DECONCINI (for himself and Mr. DURENBERGER):

S. Res. 156. Resolution expressing the sense of the Senate that extended voluntary departure status should be granted to El Salvadorans in the United States whose safety would be endangered if they were required to return to El Salvador; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BINGAMAN (for himself, Mr. SASSER, Mr. SARBANES, and Mr. EAGLETON):

S. 1385. A bill to prohibit the implementation of certain regulations and actions proposed by the Office of Personnel Management and published in the Federal Register on March 30, 1983; to the Committee on Governmental Affairs.

PROHIBITING THE IMPLEMENTATION OF CERTAIN REGULATIONS

● Mr. BINGAMAN. Mr. President, I am introducing legislation to prohibit the implementation of certain regulations proposed by the Office of Personnel Management and published in the Federal Register on March 30, 1983.

The proposed new regulations are intended to implement a new performance management system, change reductions-in-force regulations, revise pay administration under the Fair Labor Standards Act, limit the scope of collective-bargaining rights, and make changes in the prevailing rate pay system. These changes are far reaching and controversial. They have been proposed at a time when the esteem of the Federal work force is perhaps at an all-time low. Severe cutbacks in the Federal personnel benefit system have occurred recently, and additional benefit losses have been proposed by the administration and other study groups.

I strongly believe that the Congress and the administration should be concerned with recruiting and retaining a highly skilled work force necessary to administer the laws and provide vital Government services. These proposed regulatory changes, if allowed to be implemented, will impact negatively on morale of the Federal worker and on personnel management.

The continued erosion of Federal benefits is unfair and unwise from a management standpoint. It jeopardizes efforts to recruit highly skilled workers, breaks the promises made to employees when hired, and encourages dedicated employees to leave Federal service. I believe those of us in Congress who believe in efficient and effective Government should support efforts to resist unfair and counterproductive assaults on Federal workers. By providing recognition, respect, and fair treatment to the Federal worker, we insure professionalism in the work force necessary to carry out the vital missions of Government.

The Senate Subcommittee on Civil Service, Post Office and General Services, on which I am the ranking Democratic member, recently held a hearing on the proposed regulations on April 13, 1983. At that time I indicated my concern with the proposed changes and called upon Donald Devine, Director of the Office of Personnel Management, to demonstrate with facts that the proposed changes are necessary, that they would be implemented properly, and that the performance appraisal and merit pay systems now in place have worked properly. I am still awaiting response to these and other questions which I raised.

The new regulations would overturn major existing statutory policy in a number of important areas. The Civil Service Reform Act of 1978 created the merit pay system, which embodies the concept of pay for performance only to managers and supervisors at the GS-13 through 15 levels. These new regulations would apply the concept Government-wide; yet OPM has not come forth with empirical data indicating the success of the merit pay system. Many of the comments we have had from the General Accounting Office and others as to the implementation and operational results of the merit pay system and the underlying performance appraisal system have been negative.

The Merit System Protection Board (June 1981) and recently GAO studied agency implementation of the merit pay and performance appraisal system as well as employee attitudes and perceptions of the process. Both studies reflect employees' lack of trust and confidence in the system as well as employees' concerns with performance standards and ratings. In fact, in the words of key administration officials in a memorandum to the President from the Cabinet Council on Management and Administration,

(T)here has been insufficient evaluation of existing systems to conclude that they do not and can not work, and there is little evidence that OPM can develop a uniform system that is superior to existing system.

The memo goes on to raise many other specific questions and problems regarding the regulations, which are left unanswered.

Under the new regulations, the Federal Labor Relations Authority would no longer have sole authority in the field of labor-management relations, as provided for under the Civil Service Reform Act. The new regulations would give broad regulatory power to OPM to decide the scope of what is a bargainable item. The new regulations would result in a much reduced set of matters that are considered bargainable and would suggest consultation and not negotiations. This aspect of the new regulations would have a significant adverse impact on current labor-management agreements creating much uncertainty and turmoil, without any apparent beneficial results.

The new regulations would also diminish the intended result of veterans' preference laws as applied in reduction-in-force situations. The new regulations would stress performance of employees rather than seniority and limit bumping and retreat rights. This would be a major break with private sector practices. According to a number of sources, private industry overwhelmingly attaches greater significance to seniority in determining retention. The new system also would be based on the performance appraisal system, but evidence indicates that such systems may not be adequately developed to be used as a key element in deciding which employees lose their jobs. These systems may also be easily misused for political reasons to simply get rid of unwanted or unpopular employees. I am also concerned that OPM is proposing major changes to the RIF process without adequate study. No documentation has been supplied indicating a need for these proposed changes.

Not only have these proposed regulatory changes not been carefully studied by OPM but apparently comments from other agencies on them are not being considered. I would like to share with my colleagues information that I have received which suggests the suppression of negative interagency comments on the proposed regulations. I ask unanimous consent that a copy of a Social Security Administration memorandum from the Associate Commissioner for Management, Budget, and Personnel to the Assistant Secretary for Personnel Administration, be inserted following my remarks. These comments raise nu-

merous questions and concerns which trouble me greatly. According to a cover letter attached to the memo,

• • • these are the concerns that the Social Security Administration has regarding the civil service regulations which the Office of Personnel Management proposed on March 30, 1983. However, the Social Security Administration has been told by the Department of Health and Human Services that, since President Reagan has approved them, no comments will be passed on by the Department of Health and Human Services or its agencies to OPM!

According to the comments the

• • • changes are being perceived by our managers and employees as regressive, punitive and inequitable. The changes would have a very negative impact on our program operations and severely impair our ability to get our job done in the years ahead. Our ability to fulfill our mission to serve the public would, no doubt, be irreparably harmed.

Mr. President, the proposed regulations amount to further cutbacks in Federal employee benefits and protections. They will have an adverse impact on personnel management in the Federal Government. They make apparently unjustifiable major changes in statutory policies and they have not been adequately evaluated. I am also disturbed that relevant, valid comments by key administrative officials and the comments of major agencies, regarding these changes are not being considered. Each of these major changes deserves the full consideration of the Congress before being adopted. I urge my colleagues to join me in supporting this legislation to prohibit their implementation by regulation.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HEALTH
AND HUMAN SERVICES,
May 4, 1983.

From: Associate Commissioner for Management, Budget and Personnel.

Subject: SSA comments on proposed OPM regulatory changes—Information.

To: Assistant Secretary for Personnel Administration, OS.

The attached comments on the proposed OPM regulations reflect the thoughts and concerns of both line management officials and human resources staff. Because of the importance of the subject matter, we have both general and specific comments.

While the proposed regulations are directed toward increasing public credibility, improving productivity, expanding accountability and adopting certain private sector practices, the message they convey to employees and managers is quite different. The changes are being perceived by our managers and employees as regressive, punitive and inequitable. In trying to create a system that treats 2 million employees alike, management's flexibility is reduced and employees' self-esteem is diminished.

At the heart of most of the proposed changes is the performance appraisal. Historically there has been limited success with appraisal systems in either the public or private sector. While we believe we have taken a step in the right direction, the performance based appraisal system implemented in the Federal sector only 2 years ago is still far from perfect. These regulations add tremendous pressure to a fledging system. We fear that adding links to the appraisal system to the point that all personnel actions are tied to it will cause the whole system to topple of its own weight.

Although we concur with the position that outstanding performance should be recognized, we believe the proposed linkage goes too far. The tremendous effort we have devoted to promoting the concept that "fully successful" means employees are doing their jobs and doing them well will be undermined. Managers and employees alike would view changes such as limiting certain career ladder promotions and within-grade increases to employees exceeding "fully successful" performance as a reversal of policy and another reason to distrust "the system."

We cannot help reflecting on the irony which implementation of these regulations would present in view of the massive changes effected just 2 years ago. Untold workyears and over $1.3 million were spent developing and issuing 85,000 performance plans, training employees and managers, implementing the new system and promoting the rationale for a performance based appraisal system. Now we would have to repeat much of this work, starting with a revision of all 85,000 performance plans, each with an average of 6 job elements. This redundant effort would do little to enhance employee and management confidence and acceptance of the new system. Further, managers gain nothing and in fact lose under the proposals. They would be responsible for managing several appraisal systems (for example merit pay, bargaining unit and nonunit) while operating with less flexibility under a system that promotes unionism.

Besides being concerned about the message being sent to current employees and managers, we must consider the effect on prospective employees. Those incentives that have helped attract good people in the past are disappearing. The Government will not be an appealing place to work. To recruit and retain the best people in the right jobs, we need a system that acknowledges individuality and provides management the flexibility to motivate, recognize and promote or we will never achieve the productivity sought.

Except for reduction-in-force, virtually all of the proposed OPM regulatory changes are barred from implementation for the duration of the existing contractual agreements covering SSA's bargaining unit employees. In fact, AFGE has taken the position that our Master Agreement prevents us from implementing any new regulations. As a minimum, we will need to litigate that issue. Beyond the contract bar period, extensive labor relations implications exist in administering the new regulations.

Until April 1986, when the last SSA contract expires, working conditions for our unit employees will be substantially different particularly in areas linked to compensation. Approximately 60,000 of SSA's 85,000 employees are members of bargaining units. Aside from management and supervisory personnel, opportunities for union expansion within SSA still exist. Forced maintenance of personnel systems which so dramatically differ for unit and nonunit employees will obviously increase union organizational activities. We can only expect a substantial number of accretions to the unions' membership.

Rather than reducing conflicts between employee unions and management, the regulations will have an exacerbating effect on day-to-day line operations and will cause a commensurate increase in grievance and third party actions. Disagreements over performance appraisals that are now settled through the grievance procedure and expedited arbitration could well result in multiple grievances and/or EEO complaints over the application of the appraisal.

We feel very strongly in SSA that because of the contract bars, it would be a serious mistake to implement these changes for any of our employees. Managers and nonunit employees will be subject to more restrictive policies than other employees. Managers also will have the burden of operating several personnel systems with no commensurate perquisites. The damage done to managers beginning with the Civil Service Reform Act would be reinforced by these proposals. If we are forced to implement, we may never be able to regain the trust and confidence of our valuable managers.

We urge you to take a very strong position in responding to OPM on these proposals. The changes would have a very negative impact on our program operations and severely impair our ability to get our job done in the years ahead. Our ability to fulfill our mission to serve the public would, no doubt, be irreparably harmed.

NELSON J. SABATINI.●

● Mr. SASSER. Mr. President. The clock is rapidy ticking away the 60-day comment period that began March 30, 1983, with the Federal Register publication of proposed Office of Personnel Management rules that make comprehensive changes in benefits and working conditions for Federal employees. The time runs out on May 31.

The changes contemplated during this very short space of time are sweeping ones. They are likely to have a significant effect on the civil service system for years to come. The proposed regulations eliminate automatic in-grade pay raises in favor of a performance appraisal based system. Layoff rules are revised to place more emphasis on performance and less on seniority. And fewer employees are eligible for overtime pay under the rules now being considered.

OPM also published a notice of its proposed policy guidance to Federal managers that may have the effect of curtailing Federal employees bargaining rights.

Now, while there may be some merit in these proposals, there is also room for potential politicization and other abuses. That is why I think that it is very important that the Congress have an opportunity to carefully examine the proposed regulations to test whether they correctly interpret both the intent and the letter of the civil service laws.

I think the Congress needs to look closely at the record of the Federal agencies in their administration or performance appraisals and merit pay plans now in effect. We now have several years of experience with the application of these merit principles to

the Senior Executive Service to draw upon for information. In the absence of such an evaluation, I can see no sound basis for the precipitous decision by OPM to apply these principles to the entire Federal work force.

Further, the record of the Reagan administration to date is not one that gives me confidence that it really wants to promote a strong civil service system.

Over the past couple of years, the Reagan administration has:

Frozen adjustments in Federal retired pay;

Reduced Federal retiree benefits;

Curtailed health care benefits, while increasing premiums by 56 percent;

Imposed an unpopular 1.3-percent medicare payroll tax on all Federal workers;

Included all newly hired Federal workers in the mandatory social security system; and

Reduced the amount of space assigned to the average Federal worker from 166 square feet to 135 square feet.

I am proud that Congress has thus far halted other proposals that the Reagan administration would like to see effected. These include the requirement that Federal employees work more years to qualify for retirement benefits, make a larger contribution to their retirement fund, and accept a pay freeze.

Given the lack of concern that has been demonstrated time and time again by this administration, I do not believe that the Congress should allow extensive changes to be made in the civil service system by administrative dictum.

I compliment Senator BINGAMAN for introducing S. 1385, to prohibit the implementation by the Office of Personnel management of these regulations. I am pleased to join with him as an original cosponsor of this legislation.

On Wednesday, April 13, the Civil Services Subcommittee, of which I am a member, heard testimony from Dr. Don Devine on these proposed regulatory changes. In the course of that hearing, it was revealed that no study of the performance appraisal system for the Senior Executive Service has been done. However, anecdotal reports from the affected employees reveal a number of complaints. In fact, Dr. Devine himself told the subcommittee that the SES appraisal system did not work well the first year.

Further, according to the Office of Management and Budget, Cabinet Council on Management and Administration memorandum alluded to in the hearing: "Current performance appraisal systems are still new enough to managers and employees that they lack credibility." The Cabinet Council for Management and Administration memorandum also states its view that moving to such a procedure at this time is likely to trigger an unprecedented number of appeals and grievances to snarl the system.

Overall, then, there appears to be little or no documentation by the Office of Personnel Management to support its claim that linking the performance appraisal system to pay, promotions and job protections for the entire work force will result in increased productivity.

I have written to Dr. Don Devine, the Director of the Office of Personnel Management, asking that the comment period for the proposed regulations be extended from 60 to 180 days and ask unanimous consent that the letter be printed in the RECORD. This would give the congressional committees time to study the proposal and take whatever action is necessary.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., April 21, 1983.

Hon. DONALD DEVINE,
Director, Office of Personnel Management, Washington, D.C.

DEAR DR. DEVINE: Sweeping proposals to revise regulations governing criteria for Federal employee pay increases, layoff rules, and overtime pay were published by the Office of Management and Budget in the March 30, 1983 Federal Register. These proposed regulations deserve the closest scrutiny before any final decision is made about their implementation.

As a member of the Senate Civil Services Subcommittee, which is charged with the oversight of this personnel system, I call on you to extend the period of comment for these proposed new regulations from 60 to 180 days.

It is essential that Congress have the opportunity to examine not only the legislative authorities for the proposed regulations, but also the record of the Federal agencies in their administration of performance appraisals and merit pay plans now in effect. For example, your OPM investigation initiated at the request of the Special Counsel for the Merit Systems Protection Board recently found that DOE performance ratings were incorrectly used to lay off 19 senior executives at the Department of Energy. Before the OPM findings were issued K. William O'Connor, the Special Counsel for the MSPB, said he has reason to believe that DOE engaged in a "pattern of prohibited personnel practices" in conducting its reduction-in-force in this case. Further, I am not aware of any OPM evaluation of the overall record of the Federal agencies on the use of performance appraisals for pay and layoff decisions relative to senior executives.

Without such an evaluation of the present performance appraisal system, I believe that OPM has no sound basis for the decision to link pay and RIF decisions to such appraisals for the rest of the Federal work force.

Groups representing Federal workers should also have an opportunity to study the proposed changes so that OPM can have the benefit of their comments concerning the impact that such revisions may have on the Federal work force. The 60 day period is too short a time for an adequate analysis of these regulations by these organizations.

The Senate Subcommittee on Civil Services held its hearing on April 13th to discuss these regulations with you. The House Civil Service Committee hearing is set for April 21st. A number of questions are being raised in the course of these hearings. An extension of the time for comment on the revised regulations will allow time for Congressional questions to be fully answered.

In sum, we need to see some hard data to justify the wholesale changes in the Federal personnel system that are proposed in the March 30 Federal Register. The Congress and organizations representing Federal employees also need sufficient time to analyze the impact of these regulations on the Federal work force. Consequently, I call on you to extend the comment period on your March 30th regulations to 180 days.

Thank you for your prompt attention to this matter.

Sincerely,

JIM SASSER,
U.S. Senator.

Mr. SASSER. Mr. President, as a result of the April 13, Civil Services Subcommittee hearing on the proposed changes, Senators TED STEVENS and JEFF BINGAMAN have notified me that an amendment to the supplemental appropriations bill will be offered by Senator STEVENS to prohibit the expenditure of funds to implement the procedures before October 1, 1983. I support that move.

I ask that Senator STEVENS' and BINGAMAN's letter about this amendment be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, D.C., May 24, 1983.

Hon. JIM SASSER,
U.S. Senate,
Washington, D.C.

DEAR JIM: On March 30, 1983, the Office of Personnel Management published proposed regulations in the Federal Register affecting major changes in the civil service laws. These changes include: (1) extending certain merit pay principles now only applicable to mid-level managers to the rest of the workforce; (2) reducing the importance of seniority in reductions in force and increasing the importance of performance; and (3) providing guidance on the negotiability of certain items in the collective bargaining process.

Due to the significance of these changes, our subcommittee held a hearing on April 13. Dr. Devine, the Director of OPM, testified and answered questions regarding these changes.

We have concluded that such extensive changes in the operation of the civil service should not be made through the regulatory process. Therefore, Senator Stevens will be offering an amendment in the Appropriations Committee to the Supplemental Appropriations bill prohibiting the implementation of these regulations prior to October 1. We have discussed with OPM our desire to consider these issues in the context of legislation. In fact, the Subcommittee will be holding a hearing on May 26 on S. 958, a bill to reform the Merit Pay System in the Federal Government. We hope to use that

legislation to address the specific issues raised in the regulations.

We urge your support for our amendment in the Approporiations Committee.

Cordially,

JEFF BINGAMAN.
TED STEVENS.

Mr. SASSER. Mr. President, however, I think the prohibition of implementation of these regulations found in S. 1385, is also needed. This bill would not allow the regulatory changes to take effect at all. I urge my Senate colleagues to rapidly pass S. 1385.

● Mr. SARBANES. Mr. President, I rise to support the legislation introduced today by my colleague from New Mexico, Mr. BINGAMAN which would prohibit the Office of Personnel Management from implementing a package of proposed regulations affecting the administration of the civil service. This legislation is identical to a bill introduced earlier in the House by Representative SCHROEDER.

In my view the proposed regulations, published on March 30 in the Federal Register, are far too broad and far reaching in their impact to be implemented administratively without congressional input. It should be clear that such sweeping policy changes need to be carefully examined by the appropriate congressional committees and considered by the full Congress. I strongly urge my colleagues to join in the effort to prevent OPM from moving ahead with these proposed changes through the regulatory process.

The proposed regulations are each objectionable for specific reasons which I will outline below. Taken as a group, however, the proposals are even more disturbing. These proposals, when considered in the context of other administration policies and actions, represent and are being perceived as a continuation of an across-the-board assault on the pay, benefits, and job security of Federal employees. This broad assault and the underlying attitude it reflects are unjustified, unnecessary, and harmful to the long-term strength of the civil service and the Federal Government. We must move to a more balanced, less confrontational, and ultimately more effective approach toward managing the Federal work force.

The proposed regulation on retention during a reduction in force has two major problem areas. First, by assigning a greater emphasis to performance than to seniority, the proposal assumes a workable, objective performance appraisal system. In my discussions with Federal employees there has been a strong consensus that the performance appraisal process is too often highly subjective and even arbitrary. Second, by allowing consideration of only the most recent performance appraisal, the proposal would make retention during a RIF open to favoritism, and blatant manipulation. I am deeply concerned that, because of these two factors, this proposal would pave the way for wholesale replacement of career employees on the basis of political loyalty or other transient considerations with each change of administration or agency management.

The proposals to change eligibility standards for within grade and quality step increases in pay are flawed in that they also assume an accurate and objective performance appraisal system. Experience with the merit pay system has shown that, while the concept is appealing, fair and consistent implementation is much more difficult. But even beyond the implementation problems these proposals are fundamentally flawed and poorly timed. By making ingrade pay increases more difficult to achieve, these proposals will have the effect of a pay freeze and a further loss in purchasing power for Federal employees. According to the Congressional Budget Office, Federal compensation has already slipped significantly behind comparability with the private sector. To propose at this time that the relatively small ingrade increases be further limited is highly inappropriate. Such a change would only add to the perception that the Federal civil service is no longer interested in attracting or retaining high caliber personnel.

Another ominous feature of the proposed regulations is the effect on veterans' preference. The regulations would create what amounts to a "conditional veteran" for retention purposes. Veterans who meet performance criteria would retain their preference ratings. Those veterans who receive one unsatisfactory evaluation, however, would lose their preference.

The Civil Service Reform Act of 1978 did not make veteran employees immune from removal for unacceptable performance. However, employees subject to removal for unacceptable performance are afforded additional safeguards. In particular, the agency must meet a substantial evidence standard in making its case against an employee. Nowhere has Congress indicated a willingness to weaken veterans' rights during a RIF. In my view, OPM has no right to divest an employee eligible for preference of his or her status.

Finally, I would like to comment on the proposed changes in what can or should be negotiated by agencies with employee representatives. By emphasizing a list of what is not negotiable OPM is clearly signaling agency management personnel not to actively involve employee unions on major decisions. I note with interest that the list provided of areas in which unions can be consulted is relatively short and the areas mentioned are trivial by comparison. I would urge just the opposite approach. Instead of emphasizing what is not negotiable we should be encouraging agencies to consult fully with employee representatives on all major decisions. Even areas that are technically nonnegotiable should be open to discussion and consultation. It should be clear that management and labor, in the Government as in the private sector, have strong mutual interests and can benefit from each others unique strengths. Only by actively and consistently seeking input from employee groups can management move beyond confrontation and realize the benefits of cooperation.

I strongly urge my colleagues to join in supporting this legislation to prevent OPM from implementing such broad policy changes without congressional participation.●

By Mr. TSONGAS (for himself, Mr. CHAFEE, and Mr. MELCHER):

S. 1386. A bill to establish a supplemental student loan program in which the size of the annual repayments is dependent upon a borrower's income level, and for other purposes; to the Committee on Labor and Human Resources.

INCOME-DEPENDENT EDUCATION ASSISTANCE ACT OF 1983

● Mr. TSONGAS. Mr. President, today I am introducing, together with Senator CHAFEE of Rhode Island, legislation to create a new supplemental student loan program. This proposal is identical to legislation developed and offered by Congressman PETRI of Wisconsin in the House.

The Income-Dependent Education Assistance (IDEA) Act of 1983 responds to changing needs for educational financial assistance. Today's economy demands greater technical and professional skills requiring additional graduate level study. There is a growing demand for lifelong education approaches that allow an individual to interrupt their careers of family life and return to school to build and sharpen skills. Rapid changes in industry generate an urgent need for retraining opportunities.

The IDEA program would increase access to loan capital for purposes like these. It would be open to all individuals regardless of financial circumstances. The program would require little or no taxpayer subsidy by offering credit at a rate sufficient to meet costs. IDEA would help the borrower meet the costs of financing through repayment schedules which vary depending on postgraduate income.

Access to adequate financing is increasingly important as the costs of education continue to rise, in spite of lower inflation. It is not uncommon to find costs of attendance at some universities exceeding $10,000 a year. While costs rise, Congress has been setting limits on subsidized student loan programs in response to growing

deficits. IDEA would provide up to $40,000 a year of educational financing, including up to $10,000 a year for graduate training, and $2,500 a year for collegiate or vocational study.

Higher education costs have also produced growing individual debt burdens that bring additional problems. Postgraduation job selection can be affected by large educational debts. A borrower may be forced to seek high paying employment, regardless of personal preferences or society's needs. Mathematicians may decline to be schoolteachers, engineers may not pursue doctoral degrees or research, and physicians may be financially unable to practice community medicine. An assortment of representatives reflecting the interests of graduate programs and their students have pointed to growing debt burdens as a problem that may begin to turn students away from low- or moderate-paying fields, or discourage them from pursuing graduate education altogether.

This program offers an alternative. By varying annual repayment obligations according to income, IDEA makes education and employment decisions less vulnerable to short-term postgraduation salary considerations. Moreover, this mechanism shields the individual from extraordinary burdens stemming from income fluctuations due to unemployment, retraining, child care, or other voluntary or involuntary changes in job status.

No borrower will be required to pay more than 15 percent of their income on IDEA debt in any year. Most IDEA loans would be repaid in 12 to 18 years. A single table would indicate to a borrower how much they owed in any year based upon income and borrowing history. For lower income graduates, IDEA would produce annual repayment burdens below those of the current GSL program. Borrowers with high postgraduate income would pay a premium interest rate, but still below commercially available rates.

The income-dependent repayment mechanism is implemented by the Treasury Department as part of the tax collection process. This approach also minimizes the growing problem of default on student loans. As estimated $1.8 billion in loans will be defaulted on this year. At current levels, these revenues alone could double the financial assistance provided to graduate students.

The IDEA program does not alter other student assistance programs. It does provide an important supplement to existing financial assistance programs for students.

There is a large and growing need for legislation like this. There is general agreement that the cost of graduate school education is rising beyond the means of many able students. Individual schools, and some States like Massachusetts have taken steps to create additional financial mechanisms to cope with the growing need. The problem is national, however.

Further, recent cutbacks in student aid programs have curtailed the availability of financing, especially for family members who may barely fail to meet various means test requirements. This creates a particular hardship for particular groups: middle-income families who cannot afford to send their children to many quality schools, or wage earners trying to retrain themselves or advance their careers.

This bill creates a mechanism for financing these needs with little or no taxpayer subsidy. The Government would simply make it possible to do something that the private market finds very difficult to do—lend money for the purposes of investing in the capability of people.

The importance of this investment cannot be overestimated. Theodore Schultz has suggested that fully 80 percent of all our wealth stems from investment in people, while the remaining 20 percent comes from capital put into plant, equipment, and other physical resources. This bill makes it possible to borrow against future earnings to improve individual capabilities.

Let me describe this proposal in more detail. Any student may borrow up to $40,000 under this program with a maximum of $2,500 each year available for college or vocational training and $10,000 per year for graduate work. There is no limitation on participation based upon family or personal income. To protect the individual from taking on debt burdens beyond their means, any amounts borrowed under other Federal programs are subtracted from these limits.

The $40,000 limit is also reduced by $2,000 a year for each year over age 35 so that borrowers will not assume obligations disproportionate to their remaining earning years.

Interest on these loans will be charged at a rate of 2 percent over the average for 91-day Treasury bills during the preceding year. At current rates this amounts to approximately 10 percent. This is an amount sufficient to cover the Government's cost of funds and administrative expenses. This charge allows the program to operate with little or no taxpayer subsidy. It still provides access to loan capital for educational purposes at a rate far below commercial sources. As a further protection for the borrower, interest charges are prohibited from exceeding 14 percent.

The most distinctive feature of this bill is its income-dependent approach to structuring repayment. There have been many efforts in the past to structure an education financing proposal that could adjust repayment to reflect the earnings experience of the borrower. The approach adopted in this bill utilizes the lessons learned from these prior efforts.

I believe the income-dependent approach used here is ideally suited to a supplemental program such as we are proposing. It is particularly appropriate for financing the cost of education for professional students, participants in vocational programs, and others who do not qualify for subsidized, means-tested, financial assistance.

This program has been carefully designed to make it easy for the individual to use, for schools to participate in, and for the Government to administer.

Upon leaving school and entering repayment, borrowers will figure out their annual repayment amounts in conjunction with filing their individual income tax return. They will utilize an extra line in the "Other Taxes" section of the form 1040 together with a separate simple form. A simple chart with income on one axis and maximum account balances on the other, will be used to find the repayment amount due.

The taxpayer will be responsible for this amount just like other income taxes due, and they will be responsible for estimated tax payments or additional withholding. The rules will be similar to those which currently govern people with nonwage income.

The repayment is calculated by first looking to the total outstanding principal and interest owed, and calculating the payments necessary to pay off the IDEA debt over an assumed period of 12 years at a 10 percent rate of interest.

This amount is then modified using a progressivity factor derived from the current tax tables. The progressivity factor builds in a cross-subsidy of low-income individuals by high-income people. It makes it possible to ease the repayment burden for those who end up in low-wage circumstances.

Again, as a further protection, regardless of the annual payment due, no individual or couple is required to pay more than 15 percent of their income for IDEA repayment in any year.

This 15-percent cap is a burden comparable to that experienced by individuals under the current financial assistance programs. It is roughly the burden on a person who earns $15,000 a year and is repaying $15,000 in loans under the current GSL program with its 8-percent interest rate.

Many individuals may borrow from the IDEA program as well as existing financial assistance programs. To avoid unmanageable debt burdens as a result of the combined borrowing, provisions are also made to convert other borrowing into IDEA loans so as to cover the individual with the protection of the 15-percent cap.

A borrower continues to repay until the loan and accrued interest have been repaid. Even if the loan is not fully repaid, it is forgiven after 30 years of repayment, or when the borrower becomes disabled, reaches age 70, or dies.

High-income borrowers are also required to stay in repayment for at least 12 years, or until total payments equal 150 percent of the normal rate. This makes it possible to provide the cross-subsidy necessary for low-income borrowers.

This program will be conducted through existing administrative mechanisms. State guarantee agencies will supply funds to individual educational institutions for lending purposes. These funds will be raised by issuing debt obligations approved by the Secretary of Education and in a form specified by the Treasury Department.

The schools will supply machine-readable lists of applicant data, funds disbursed, and enrollment status of borrowers to the Education Department. Accounts will be maintained by the Education Department as they currently are for other financial assistance programs.

Repayments will be collected by the Internal Revenue Service as part of tax collection and deposited in an IDEA loan trust fund. These funds may be drawn upon by the Education Department to make interest and principal payments on the debt obligations issued by the State guarantee agencies originally.

This bill fills an important gap in providing greater access to loan capital for education. I would like to emphasize that it has been designed to complement other programs based on need, not supplant them.

While it serves the needs of graduate students particularly, it also does not attempt to address all of the problems inherent in graduate school financing. We should make it possible for individuals to borrow for educational purposes. That does not mean the Federal Government can step back from its commitment to provide grant assistance for advanced scholarship. In 1968, the Federal Government offered some 51,000 fellowships to graduate students across the country. That number has fallen to fewer than 10,000 in 1983. Federal grants and fellowships in 1980 from all sources amounted to only about $40 million.

All would agree, however, that access to loan capital for education is crucial. The approach proposed in our legislation today could make an important contribution to insuring an adequate investment in our human resources. I urge my colleagues to join with us in prompt consideration and adoption of this bill.

Mr. President, I ask unanimous consent that a summary of the major provisions be included in the RECORD, and that the bill be printed in its entirety.

There being objection, the material was ordered to be printed in the RECORD, as follows:

S. 1386

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Income-Dependent Education Assistance Act of 1983".

TITLE I—SYSTEM FOR MAKING INCOME-DEPENDENT EDUCATION ASSISTANCE LOANS

SEC. 101. ESTABLISHMENT OF PROGRAM.

(a) IN GENERAL.—The Secretary shall establish a program of entering into agreements with guarantee agencies for the purpose of providing funds to eligible institutions which have entered into an agreement under section 102 to make loans to eligible students in accordance with section 103.

(b) TERMS OF AGREEMENTS WITH GUARANTEE AGENCIES.—Any guarantee agency which desires to participate in the program under this Act shall enter into an agreement with the Secretary which provides that—

(1) the guarantee agency will issue debt obligations in accordance with subsection (c) to the extent approved by the Secretary under paragraph (3) of such subsection;

(2) the proceeds of sale of such debt obligations will be allocated among eligible institutions in accordance with subsection (d) or used for making consolidation loans under subsection (e);

(3) the full faith and credit of the United States is pledged for the repayment of the principal and interest of such debt obligations;

(4) the Secretary will pay the interest and will repay the principal of such obligations from funds available under this Act (including the amendments made by title II of this Act) plus an additional amount as determined by the Secretary to be necessary to cover the administrative expenses of the agency for its activities under this Act; and

(5) the guarantee agency will comply with such regulations as the Secretary or the Secretary of the Treasury may prescribe to protect the fiscal interest of the United States and to ensure effective administration of the program under this Act.

(c) ISSUANCE OF APPROVED DEBT OBLIGATIONS.—

(1) TERMS OF OBLIGATIONS.—In order to be approved by the Secretary under paragraph (3), debt obligations which a guarantee agency proposes to issue shall—

(A) provide for repayment of the principal amount of the obligation in not less than 15 years;

(B) be in a form approved by the Secretary of the Treasury for this purpose (which may include, at the Secretary's discretion, conventional, variable rate, zero coupon, or zero coupon variable rate obligations);

(C) bear interest which, notwithstanding section 103 of the Internal Revenue Code of 1954, shall be included in gross income for purposes of Federal income tax.

(2) AMOUNT OF OBLIGATIONS.—The Secretary shall not approve under paragraph (3) the issuance of any debt obligations by a guarantee agency in excess of the amount required by that guarantee agency to provide to each of the eligible institutions served by that agency the sum such institution needs to make IDEA loans to eligible students in accordance with section 103 plus the amount such agency requires to make consolidation loans under subsection (e).

(3) APPROVAL OF OBLIGATION.—If the Secretary determines that the debt obligation which a guarantee agency proposes to issue meets the requirements of this section, and regulations prescribed thereunder, the Secretary shall so notify such guarantee agency and authorize the agency to include in the terms of such obligation a certification of approval of the obligation by the Secretary.

(d) ALLOCATION OF PROCEEDS OF DEBT OBLIGATIONS.—Each eligible institution which has an agreement with the Secretary under section 102 shall notify the guarantee agency of the State within which it is located of the amount of IDEA loans for which students have applied and the amount of such loans which are approved by the Secretary. The guarantee agency shall, from the proceeds of debt obligations issued under this section, allocate to each such institution an amount equal to the sum of such approved loans.

(e) CONVERSION AND CONSOLIDATION OF OTHER LOANS.—

(1) IN GENERAL.—A guarantee agency may, upon request of a borrower who has received federally insured or guaranteed loans under title IV of the Higher Education Act of 1965, make a new loan to such borrower in an amount equal to the sum of the unpaid principal and accrued unpaid interest on the title IV loans. The proceeds of the new loan shall be used to discharge the liability on such title IV loans. Except as provided in paragraph (2), any loan made under this subsection shall be made on the same terms and conditions as any other loan under this Act and shall be considered a new IDEA loan for purposes of this title and section 6306 of the Internal Revenue Code of 1954.

(2) EXCEPTIONS.—For the purposes of section 105, interest charges on any IDEA loans used to discharge any title IV loans under paragraph (1) shall be determined in accordance with regulations prescribed by the Secretary, as if proportionate shares of the new IDEA loan had been made on the origination date of each such title IV loan. In the case of a discharge of any consolidation loan made under section 439(o) of the Higher Education Act of 1965, the origination date shall be deemed to be the origination dates of each of the title IV loans which the consolidation loan consolidated.

(f) GUARANTEE AGENCY.—For the purpose of this section, the guarantee agency with respect to the eligible institutions in any State shall be—

(1) the State or nonprofit private institution or organization in such State which has in effect an agreement with the Secretary under section 428(b) of the Higher Education Act of 1965; or

(2) if no agreement is in effect under such section in such State, or the State or institution or organization which has that agreement does not enter into an agreement under subsection (b) of this section, (A) the State or institution or organization in another State which has in effect an agreement under section 428(b) and which enters into an agreement under subsection (b) of this section, or (B) the Student Loan Marketing Association.

SEC. 102. AGREEMENTS BY ELIGIBLE INSTITUTIONS.

(a) TERMS OF AGREEMENT.—In order to qualify for an allocation of funds under section 101, an eligible institution shall enter

into an agreement with the Secretary which—

(1) provides that funds made available to the institution under this title will be used exclusively for the purpose of making loans to students in accordance with section 103;

(2) contains assurances that the institution will provide to the Secretary the lists and other information required by section 104;

(3) provides that the institution will provide to each student applying for a loan under this title a notice provided by the Secretary of the student's obligations and responsibilities under the loan;

(4) provides that, if a student withdraws after receiving a loan under this title and is owed a refund, the institution will pay to the Secretary a portion of such refund, in accordance with the regulations prescribed by the Secretary to ensure receipt of an amount which bears the same ratio to such refund as such loan bore to the cost of attendance of such student; and

(5) contains such additional terms and conditions as the Secretary prescribes by regulation to protect the fiscal interest of the United States and to ensure effective administration of the program under this Act.

(b) ENFORCEMENT OF AGREEMENT.—The Secretary may, after notice and opportunity for a hearing to the institution concerned, suspend or revoke, in whole or in part, the agreement of any eligible institution if the Secretary finds that such institution has failed to comply with this title or any regulation prescribed under this title or has failed to comply with any term or condition of its agreement under subsection (a). No funds shall be allocated under this title to any institution while its agreement is suspended or revoked, and the Secretary may institute proceedings to recover any funds held by such an institution. The Secretary shall have the same authority with respect to his functions under this Act as he has with respect to his functions under part B of title IV of the Higher Education Act of 1965.

SEC. 103. AMOUNT AND TERMS OF LOANS.

(a) ELIGIBLE AMOUNTS.—

(1) ANNUAL LIMITS.—Any individual who is determined by an eligible institution to be an eligible student for any academic year shall be eligible to receive an IDEA loan for such academic year in an amount which is not less than $500 or more than the lesser of—

(A)(i) $2,500 in the case of any student who has not completed a course of undergraduate study; or

(ii) $10,000 in the case of any other student; or

(B) the cost of attendance at such institution, determined in accordance with section 484 of the Higher Education Act of 1965.

(2) LIMITATION ON BORROWING CAPACITY.—No individual may receive any amount in an additional IDEA loan

(A) if the sum of—

(i) the amount of such additional loan,

(ii) the amount of any other IDEA loans made to such individual during the current calendar year, and

(iii) the current account balance of such individual (as of the close of the preceding calendar year),

equals or exceeds $45,000; or

(B) if the sum of the original principal amounts of all IDEA loans to such individual (including the pending additional loan) would equal or exceed (i) $40,000, minus (ii) the product of (I) the number of years by which the borrower's age (as of the close of the preceding calendar year) exceed 35, and (II) one-twentieth of the amount specified in clause (i), as adjusted pursuant to paragraph (3).

For the purposes of clause (A) of this paragraph, the current account balance shall be determined in accordance with section 6306(d)(2) of the Internal Revenue Code of 1954.

(3) ADJUSTMENT OF LIMITS FOR INFLATION.—Each of the amounts specified in paragraphs (1)(A), (2)(A), and (2)(B)(i) shall be adjusted for any calendar year after calendar year 1985 by the cost-of-living adjustment for such calendar year determined under section 6306(h)(3)(C) of the Internal Revenue Code of 1954, rounded to the nearest multiple of $100 (or, if such adjustment is a multiple of $50, such adjustment shall be increased to the next higher multiple of $100).

(4) COMPUTATION OF OUTSTANDING LOAN OBLIGATIONS.—For the purposes of this subsection, any loan obligations of an individual under student loan programs under title IV of the Higher Education Act of 1965 shall be counted toward IDEA annual and aggregate borrowing capacity limits. For purposes of annual and aggregate loan limits under any such student loan program, IDEA loans shall be counted as loans under such program.

(b) DURATION OF ELIGIBILITY.—An eligible student shall not be eligible to receive a loan under this title for more than a total of 9 academic years, of which not more than 5 academic years shall be as an undergraduate student and not more than 5 academic years shall be as a graduate student.

(c) TERMS OF LOANS.—Each eligible student applying for a loan under this title shall sign a written agreement which—

(1) is made without security and without endorsement, except that if the borrower is a minor and such note or other written agreement executed by him would not, under the applicable law, create a binding obligation, endorsement may be required.

(2) provides that such student will repay the principal amount of the loan and any interest or additional charges thereon in accordance with section 6306 of the Internal Revenue Code of 1954;

(3) provides that the interest on the loan will accrue in accordance with section 105;

(4) certifies that the student has received and read the notice required by section 102(a)(3); and

(5) contains such additional terms and conditions as the Secretary may prescribe by regulation.

(d) DISBURSEMENT OF PROCEEDS OF LOANS.—The Secretary shall, by regulation, provide for the appropriate notification of eligible institutions of the amounts of loans which are approved for any eligible student, and for the allocation of the proceeds of such loan by semester or other portion of an academic year. Proceeds of loans under this title shall be credited to any obligations of eligible students to the institution related to the cost of attendance at such institution, with any excess being paid to the student.

SEC. 104. INFORMATION REQUIREMENTS FOR LOAN PROGRAM.

(a) RESPONSIBILITIES OF ELIGIBLE INSTITUTIONS.—Each eligible institution which receives funds under this title shall—

(1) submit to the Secretary, at such time and in such form as the Secretary may require by regulation, a machine readable list of applicants and the amounts for which they are qualified under section 103;

(2) after receipt of notification of the amount of loans approved for its students and disbursement of the proceeds of the loan, submit to the Secretary, in the form required by such regulation, a machine readable list of recipients and the amounts received;

(3) promptly notify the Secretary, on request, of any change in enrollment status of any recipient of a loan under this title; and

(4) at the time of submitting the list required by paragraph (1), submit to the Secretary a machine readable list of eligible students who have previously received loans under this title but who are not included as current applicants in the list required by such paragraph.

(b) RESPONSIBILITIES OF THE SECRETARY.—The Secretary shall, on the basis of the lists received under subsection (a)(2), establish an obligation account, by name and taxpayer identification number, with respect to each recipient of a loan under this title. The Secretary shall provide for the increase in the total amount stated for each such account by any amounts subsequently loaned to that recipient under this title and by the amount of any interest charges imposed pursuant to section 105. The Secretary shall, with the notice required by section 6306(a)(1) of the Internal Revenue Code of 1954, transmit to each recipient of a loan under this title a statement of the total amount of the obligation of such recipient as of the close of the preceding calendar year.

SEC. 105. INTEREST CHARGES.

Interest charges on loans made under this title shall be added to the recipient's obligation account at the end of each calendar year. Such interest charges shall be based upon an interest rate equal to the lesser of—

(1) the sum of the average bond equivalent rates of 91-day Treasury bills auctioned for the prevous year, plus two percentage points, rounded to the next higher one-eighth of one percent; or

(2) 14 percent.

SEC. 106. DEFINITIONS.

"For purposes of this title—

(1) the term "Secretary" means the Secretary of Education;

(2) the term "eligible institution" has the meaning given it by section 435(a) (1) or (2) of the Higher Education Act of 1965;

(3) the term "eligible student" means a student who is eligible for assistance under title IV of the Higher Education Act of 1965 as required by section 484 of such Act; and

(4) the term "IDEA loan" means a loan made under this title.

TITLE II—COLLECTION OF INCOME-DEPENDENT EDUCATION ASSISTANCE LOANS

SEC. 201. REPAYMENTS USING INCOME TAX COLLECTION SYSTEM.

(a) IN GENERAL.—Subchapter A of chapter 64 of the Internal Revenue Code of 1954 (relating to collection) is amended by adding at the end thereof the following new section:

"SEC. 6306. COLLECTION OF INCOME-DEPENDENT EDUCATION ASSISTANCE LOANS.

"(a) NOTICE TO BORROWER.—

"(1) IN GENERAL.—During January of each calendar year, the Secretary of Education shall furnish to each borrower of an IDEA loan notice as to—

"(A) whether the records of the Secretary of Education indicate that such borrower is in repayment status,

"(B) the maximum account balance of such borrower,

"(C) the current account balance of such borrower as of the close of the preceding calender year, and

"(D) the procedure for computing the amount of repayment owing for the taxable year beginning in the preceding calendar year.

"(2) COPIES OF NOTICE TO TREASURY.—The Secretary of Education shall compile the notices required by paragraph (1) and submit the compilation to the Secretary.

"(3) FORM, ETC.—The notice under paragraph (1) (and the compilation thereof under paragraph (2)) shall be in such form as the Secretary may by regulations prescribe and shall be sent by mail to the individual's last known address or shall be left at the dwelling or usual place of business of such individual.

"(b) COMPUTATION OF ANNUAL REPAYMENT AMOUNT.—

"(1) IN GENERAL.—The annual amount payable under this section by the taxpayer for any taxable year shall be the lesser of—

"(A) 15 percent of the modified adjusted gross income of the taxpayer for such taxable year, or

"(B) the product of—

"(i) the base amortization amount, and

"(ii) the progressivity factor for the taxpayer for such taxpable year.

"(2) BASE AMORTIZATION AMOUNT.—

"(A) IN GENERAL.—For purposes of this section, the term 'base amortization amount' means the amount which, if paid at the close of each year for a period of 12 consecutive years, would fully repay (with interest) at the close of such period the maximum account balance of the borrower. For purposes of the preceding sentence, a 10 percent annual rate of interest shall be assumed.

"(B) JOINT RETURNS.—In the case of a joint return under section 6013 where each spouse has an account balance and is in repayment status, the amount determined under subparagraph (B)(i) shall be the sum of the base amortization amounts of each spouse.

"(3) PROGRESSIVITY FACTOR.—

"(A) IN GENERAL.—For purposes of this sector, the term 'progressivity factor' means the number determined under tables prescribed by the Secretary which is based on the following tables for the circumstances specified:

"(i) JOINT RETURNS; SURVIVING SPOUSES.—In the case of a taxpayer to whom section 1(a) applies—

"If the taxpayer's modified adjusted gross income is:	*The progressivity factor is:*
Not over $6,550	0.429
Not over 9,750	0.500
Not over 13,950	0.571
Not over 18,100	0.643
Not over 22,400	0.786
Not over 27,250	0.893
Not over 32,550	1,000
Not over 40,500	1.000
Not over 52,900	1.152
Not over 72,800	1.272
Not over 97,500	1.364
Not over 135,900	1.485
140,700 and over	1.500

"(ii) HEADS OF HOUSEHOLDS.— In the case of a taxpayer to whom section 1(b) applies—

"If the taxpayer's modified adjusted gross income is:	*The progressivity factor is:*
Not over $5,450	0.429
Not over 8,600	0.500
Not over 10,250	0.607
Not over 13,400	0.643
Not over 16,600	0.714
Not over 20,850	0.857
Not over 26,150	1.000
Not over 31,450	1.000
Not over 39,400	1.094
Not over 52,650	1.313
Not over 71,200	1.406
95,050 and over	1.500

"(iii) UNMARRIED INDIVIDUALS, ETC.—In the case of a taxpayer to whom section 1(c) applies—

"If the taxpayer's modified adjusted gross income is:	*The progressivity factor is:*
Not over $5,450	0.467
Not over 7,500	0.500
Not over 9,650	0.533
Not over 11,850	0.600
Not over 13,950	0.667
Not over 16,600	0.767
Not over 20,850	0.867
Not over 26,150	1.000
Not over 31,450	1.000
Not over 37,800	1.118
Not over 48,400	1.235
Not over 68,550	1.412
78,600 and over	1.500

"(iv) MARRIED INDIVIDUALS FILING SEPARATE RETURNS.—In the case of a taxpayer to whom section 1(d) applies—

"If the taxpayer's modified adjusted gross income is:	*The progressivity factor is:*
Not over $3,275	0.483
Not over 4,875	0.552
Not over 6,975	0.655
Not over 9,050	0.759
Not over 11,200	0.862
Not over 13,625	1.000
Not over 16,275	1.000
Not over 20,250	1.182
Not over 26,450	1.333
Not over 36,400	1.485
37,500 and over	1.500

"(B) RATABLE CHANGES.—The tables prescribed by the Secretary under subparagraph (A) shall provide for ratable increases (rounded to the nearest 1/1000) in the progressivity factors between the amounts of modified adjusted gross income contained in the tables.

"(C) INFLATION ADJUSTMENT OF MODIFIED AGI AMOUNTS.—For inflation adjustment of amounts of modified adjusted gross income, see subsection (h)(4).

"(4) MODIFIED ADJUSTED GROSS INCOME.—For purposes of this subsection, the term 'modified adjusted gross income' means adjusted gross income for the taxable year—

"(A) determined without regard to the deductions from gross income allowable under section 62 by reason of—

"(i) paragraph (7) thereof (relating to profit-sharing, annuities, and bond purchase plans of self-employed individuals),

"(ii) paragraph (10) thereof (relating to retirement savings), and

"(iii) paragraph (14) thereof (relating to reforestation expenses), and

"(B) increased by—

"(i) interest and dividends exempt from the tax imposed by chapter 1, and

"(ii) the items of tax preference described in section 57 (other than paragraph (9) thereof).

"(c) TERMINATION OF BORROWER'S REPAYMENT OBLIGATION.—

"(1) IN GENERAL.—The repayment obligation of a borrower of an IDEA loan shall terminate only if there is repaid with respect to such loan an amount equal to—

"(A) in the case of any repayment during the first 12 years for which the borrower is in repayment status with respect to any loan, the sum of—

"(i) the principal amount of the loan, plus

"(ii) interest computed for each year the loan is outstanding at an annual rate equal to 150 percent of the annual rate otherwise applicable to such loan for such year, and

"(B) in the case of any repayment during any subsequent year, the principal amount of the loan plus interest computed at the rates applicable to the loan.

"(2) NO REPAYMENT REQUIRED AFTER 30 YEARS IN REPAYMENT STATUS OR AFTER AGE 70.—No amount shall be required to be repaid under this section with respect to any loan for any taxable year after the earlier of—

"(A) the 30th year for which the borrower is in repayment status with respect to such loan, or

"(B) the taxable year in which the borrower attains age 70.

"(3) EXCEPTION FOR DE MINIMUS LOANS REPAID DURING FIRST 12 YEARS IN REPAYMENT STATUS.—In any case were the maximum account balance of any borrower is $3,000 or less, subparagraph (B), and not subparagraph (A), of paragraph (1) shall apply to repayment of such loan.

"(4) DETERMINATION OF YEARS IN REPAYMENT STATUS.—For purposes of paragraphs (1)(A) and (2)(A), the number of years in which a borrower is in repayment status with respect to any IDEA loan shall be determined without regard to any year before the most recent year in which the borrower received an IDEA loan.

"(d) DEFINITIONS.—For purposes of this section—

"(1) MAXIMUM ACCOUNT BALANCE.—The term 'Maximum account balance' means the highest amount (as of the close of any calendar year) of unpaid principal and unpaid accrued interest on all IDEA loan obligations of a borrower.

"(2) CURRENT ACCOUNT BALANCE.—The term 'current account balance' means the amount (as of the close of a calendar year) of unpaid principal and unpaid accrued interest on all IDEA loans of a borrower.

"(3) REPAYMENT STATUS.—A borrower is in repayment status for any taxable year unless such borrower—

"(A) was, during at least 6 months of such year, an eligible student, as that term is defined in section 106(a)(3) of the Income-Dependent Education Assistance Act of 1983, and

"(B) has not attained age 55 before December 31 of the taxable year.

"(4) IDEA LOAN.—The term 'IDEA loan' means any loan made under title I of the Income-Dependent Education Assistance Act of 1983.

"(e) PAYMENT OF AMOUNT OF OWING.—Any amount to be collected from an individual under this section shall be paid—

"(1) not later than the last date (determined without regard to extensions) prescribed for filing his return of tax imposed by chapter 1 for the taxable year ending before the date the notice under subsection (a) is sent, and

"(2)(A) if such return is filed not later than such date, with such return, or

"(B) in any case not described in subparagraph (A), in such manner as the Secretary may by regulations prescribe.

"(f) FAILURE TO PAY AMOUNT OWING.—If an individual fails to pay the full amount required to be paid on or before the last date described in subsection (e)(1), the Secretary shall assess and collect the unpaid amount in the same manner, with the same powers,

and subject to the same limitations applicable to a tax imposed by subtitle C the collection of which would be jeopardized by delay.

"(g) LOANS OF DECEASED AND PERMANENTLY DISABLED BORROWERS; DISCHARGE BY SECRETARY.—

"(1) DISCHARGE IN THE EVENT OF DEATH.—If a borrower of an IDEA loan dies or becomes permanently and totally disabled (as determined in accordance with regulations of the Secretary of Education) then the Secretary of Education shall discharge the borrower's liability on the loan.

"(2) LIMITATION ON DISCHARGE.—The discharge of the liability of an individual under this subsection shall not discharge the liability of any spouse with respect to any IDEA loan made to such spouse.

"(h) NOTICE AND CREDITING OF COLLECTIONS SPECIAL RULES.—

"(1) NOTICE TO THE SECRETARY OF EDUCATION.—The Secretary shall notify the Secretary of Education of the amount collected under this section with respect to any individual and the Secretary of Education shall credit that amount to the account of such individual.

"(2) CREDITING OF AMOUNTS PAID ON A JOINT RETURN.—Amounts collected under this section on a joint return from a husband and wife both of whom are in repayment status shall be credited to the accounts of such spouses in the following order:

"(A) first to repayment of interest added to each account at the end of the preceding calendar year in proportion to the interest so added to the respective accounts of the spouses, and

"(B) then to repayment of unpaid principal, and unpaid interest accrued before such preceding calendar year, in proportion to the respective maximum account balances of the spouses.

"(3) COMPUTATION OF ALTERNATIVE ANNUAL PAYMENT FOR INDIVIDUALS WHO HAVE ATTAINED AGE 55.—

"(A) IN GENERAL.—In the case of an individual who attains age 55 before the close of the calendar year ending in the taxable year, in lieu of the amount determined under subsection (b)(1)(B) for such individual there shall be substituted (if greater) for such amount an amount equal to the product of—

"(i) the amount which, if paid at the close of each year for a period of 15 consecutive years, would fully repay at the close of such period the individual's current account balance (as of the close of the calendar year in which the individual attains age 55), and

"(ii) the greater of 1 or the progressivity factor applicable to such individual for such taxable year.

"(B) MARRIED INDIVIDUALS FILING A JOINT RETURN.—In the case of a joint return, in lieu of the amount determined under subsection (b)(1)(B) there shall be substituted (if greater) for such amount an amount equal to—

"(i) in the case where both spouses have attained age 55, the sum of the amounts determined under subparagraph (A) for each spouse, or

"(ii) in the case where only 1 spouse has attained age 55, the sum of—

"(I) the amount determined under subparagraph (A) for such spouse, and

"(II) if the other spouse is in repayment status, the amount determined under subsection (b)(1)(B) (without regard to this subparagraph) with respect to such other spouse.

For purposes of this subparagraph, paragraph (2) shall not apply and payments shall be credited to the accounts of the respective spouses under regulations prescribed by the Secretary of Education.

"(4) INFLATION ADJUSTMENT IN COMPUTATION OF PROGRESSIVITY FACTOR.—

"(A) IN GENERAL.—Not later than December 15 of 1986 and of each 3rd calendar year thereafter, the Secretary shall prescribe tables which shall apply in lieu of the tables contained in subsection (b)(3)(A) with respect to the succeeding 3 calendar years.

"(B) METHOD OF PRESCRIBING TABLES.—The table which under subparagraph (A) is to apply in lieu of the table contained in clause (i), (ii), (iii), or (iv) of subsection (b)(3)(A), as the case may be, shall be prescribed—

"(i) by increasing each amount of modified adjusted gross income in such table by the cost-of-living adjustment for the calendar year, and

"(ii) by not changing the progressivity factor applicable to the modified adjusted gross income as adjusted under clause (i).

If any increase under the preceding sentence is not a multiple of $10, such increase shall be rounded to the nearest multiple of $10 (or, if such increase is a multiple of $5, such increase shall be increased to the next highest multiple of $10).

"(C) COST-OF-LIVING ADJUSTMENT.—For purposes of this paragraph, the cost-of-living adjustment for any calendar year is the percentage (if any) by which—

"(i) the CPI for the preceding calendar year, exceeds

"(ii) the CPI for the calendar year 1983.

"(D) CPI FOR ANY CALENDAR YEAR.—For purposes of subparagraph (C), the CPI for any calendar year is the average of the Consumer Price Index as of the close of the 12-month period ending on September 30 of such calendar year.

"(E) CONSUMER PRICE INDEX.—For purposes of subparagraph (D), the term 'Consumer Price Index' means the last Consumer Price Index for all-urban consumers published by the Department of Labor.

"(5) RULES RELATING TO BANKRUPTCY.—

"(A) IN GENERAL.—An IDEA loan shall not be dischargeable in a case under title 11 of the United States Code.

"(B) CERTAIN AMOUNTS MAY BE CANCELLED.—If any individual receives a discharge in a case under title 11 of the United States Code, the Secretary of Education may cancel any amount of the portion of the liability of such individual on any IDEA loan which is attributable to amounts required to be paid on such loan for periods preceding the date of such discharge.

"(5) FINALITY OF ASSESSMENT AND COLLECTION.—The first sentence of subsection (b) of section 6305 shall apply to assessments and collections under subsection (c) of this section."

(b) APPLICATION OF ESTIMATED TAX.—Subsection (g) of section 6654 of such Code (relating to failure by individual to pay estimated income tax) is amended by striking out "plus" as the end of paragraph (1), by striking out "minus" at the end of paragraph (2), by redesignating paragraph (3) as paragraph (4), and by inserting after paragraph (2) the following new paragraph:

"(3) the amount required to be repaid under section 6306 (relating to collection of income-dependent education assistance loans), minus."

(c) CLERICAL AMENDMENT.—The table of sections for subchapter A of chapter 64 of such Code is amended by adding at the end thereof the following new item:

"Sec. 6306. Collection of income-dependent education assistance loans."

SEC. 202. ESTABLISHMENT OF STUDENT LOAN REPAYMENT TRUST FUND.

(a) IN GENERAL.—Subchapter A of chapter 98 of the Internal Revenue Code of 1954 (relating to trust fund code) is amended by adding at the end thereof the following new section:

"SEC. 9504. INCOME-DEPENDENT EDUCATION ASSISTANCE LOAN TRUST FUND.

"(a) CREATION OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the 'Income-Dependent Education Assistance Loan Trust Fund' consisting of such amounts as may be appropriated or credited to the Income-Dependent Education Assistance Loan Trust Fund as provided in this section.

"(b) TRANSFER OF CERTAIN RECEIPTS.—There are hereby appropriated to the Income-Dependent Education Assistance Loan Trust Fund amounts received in the Treasury on any loan made under title I of the Income-Dependent Education Assistance Act of 1983.

"(c) EXPENDITURES FROM TRUST FUND.—Amounts in the Trust Fund shall be available, as provided by appropriation Acts, for the following purposes and in the following order of priority:

"(1) repayment of principal on IDEA debt obligations;

"(2) payment of interest on such obligations;

"(3) advancing of funds directly to schools for new loans to students, provided the Trust Fund balance is adequate, in light of anticipated obligations under (1) and (2) above, and anticipated receipts from borrower's repayments; and

"(4) return of any excess funds to the Treasury.

(b) CLERICAL AMENDMENT.—The table of sections for subchapter A of chapter 98 of such Code is amended by adding at the end thereof the following new item:

"Sec. 9504. Income-Dependent Education Assistance Loan Trust Fund."

INCOME-DEPENDENT EDUCATION ASSISTANCE ACT SYNOPSIS

The IDEA Act creates a new, supplementary student loan program in which repayments are determined by post-school income of the borrower and are collected by the IRS as part of the individual income tax. The program avoids taxpayer subsidies but does contain an internal cross-subsidy from those with very high post-school incomes to those with very low incomes. Essential features follow:

Students may borrow up to $40,000 total ($2,500 per year undergraduate and $10,000 per year graduate), but any amounts borrowed under other federal programs are subtracted from these limits. The $40,000 limit is phased out between age 35 and age 55 so that borrowers do not assume obligations disproportionate to their remaining earning years.

Borrowers' accounts are charged interest each year at the average 91-day T-bill rate for the year plus 2 percent, but in no case more than 14 percent.

For a given account balance, the annual repayment amount due for a given year varies according to income. The progressivity is derived from the income tax rates applicable to single and married taxpayers.

Borrowers with higher post-graduation incomes will pay higher effective interest rates for their loans than lower-income borrowers. For highest income borrowers, the

IDEA interest charge will in any case be below that commercially available, while lowest income borrowers will have any unpaid portion of their loans forgiven after 30 years. A majority of borrowers will pay off their loans at the T-bill plus 2 percent rate in 12 to 18 years.

No borrower will be released from her obligation until she has been in repayment for 12 years or repaid the loan at 150 percent of the normal T-Bill plus 2 percent rate.

Borrowers may convert GSL and NDSL debt to IDEA loans of the same origination date.

No borrower will owe more than 15 percent of his income for IDEA repayments in any year. Along with the progressivity in the normal repayment schedules, this assures borrowers that their payments will be manageable, regardless of job changes, unemployment, retraining, homemaking, et cetera.

No means tests restrict IDEA borrowing. They would not reduce government costs and would prevent participation by future high income earners.

IDEA repayment obligations may not be discharged in a bankruptcy proceeding but may be rescheduled or forgiven for a bankrupt person by the Secretary of Education.

Initial capital comes from federally guaranteed bonds sold by guarantee agencies and repaid from borrowers' repayment amounts deposited in an IDEA Trust Fund. If zero coupon bonds are approved by Treasury for this purpose, no appropriations will be required; otherwise appropriations will be needed in the first years to pay interest on the bonds until repayments start coming into the Trust Fund.

Schools submit machine-readable lists of borrowers to Education for approval and establishment of computerized accounts that can be cross-checked against new loan requests and IRS tapes to ensure compliance.

Borrowing limits and repayment schedules are indexed for inflation.

INCOME-DEPENDENT EDUCATION ASSISTANCE (IDEA) OUTLINE OF PROPOSED BILL

I. LOAN PROVISIONS AND BORROWER ELIGIBILITY

A. Loan Provisions

1. Non-secured loans with interest accruing at 2 percent over the average for 91-day Treasury bills over the preceding year, but in no case more than 14 percent per year.

2. Annual repayments vary by borrower according to current income and the maximum IDEA account balance (unpaid principal and unpaid accrued interest); payment is made through the Internal Revenue Service, which is given the same statutory authority to collect amounts due as it has in the case of individual income taxes.

B. Borrower Eligibility

1. Eligible students are those meeting the definition that governs the Guaranteed Student Loan program, with the following differences:

a. no limitations based upon family or personal income

b. borrowing under other federal loan programs is counted toward IDEA annual and cumulative limits (see below)

c. borrowing limits decrease to zero over age 35 to 55 (see below).

2. Borrowing may take place for a total of nine academic years, of which no more than five years each may be in undergraduate or graduate studies.

3. Students may borrow:

a. up to $2,500 (or the cost of attendance if less than $2,500) per year as an undergraduate or other non-graduate student

b. up to $10,000 (or the cost of attendance if less than $10,000) per year as a graduate student

c. up to $40,000 cumulative loan principal, plus up to $5,000 in accrued but unpaid interest added to original principal: The $40,000 lifetime borrowing limit decreases by 5 percent per year of age of the borrower over 35 years (i.e., is $20,000 at age 45 and $0 at age 55)

4. There are no loan origination fees or in-school interest payments due on IDEA loans; interest accruing while a borrower is in school is added to original principal borrowed and repaid on leaving school.

5. GSL and NDSL borrowers may convert such loans to IDEA loans of the same origination date; in doing so they assume the obligation to pay accrued interest at the IDEA rate and receive the income-dependent annual payment levels and 15 percent of income payment ceiling applied to converted loans.

II. REPAYMENT MECHANISM

A. Establishment of Borrower Obligation Accounts

1. The Education Department will maintain records on the outstanding loan obligations of borrowers, including current unpaid principal and accrued interest, highest outstanding balance, annual interest charges, payments made, and current repayment status.

2. The Secretary of Education will use information obtained from educational institutions to update account information and will report the status of individual accounts to borrowers annually.

B. Payments will be made to the Internal Revenue Service by using a special supplemental form to the Form 1040, and rules governing collection of taxes due, penalties for delinquent payments, and estimated taxes and withholding will apply to the collection of IDEA payments.

C. Determination of Payments Due

1. Annual payments on IDEA debts will reflect the borrowing history, current income level, age, and marital status of borrowers.

a. A Modified Adjusted Gross Income calculation (MAGIC) adds certain preference income to a borrower's Adjusted Gross Income as reported for individual income tax purposes.

b. The maximum outstanding unpaid principal and interest owed by a borrower will determine the "base amortization amount" (BAA) required to pay off IDEA debts over 12 years at an assumed interest rate of 10 percent per year. The 10 percent rate is an estimate of the actual average T-bill plus 2 percent rate that is charged on the loan, current T-bill rates are approximately 8 percent and declining; for married couples filing joint returns, the BAA will reflect the borrowing history of any spouse(s) in repayment status and their combined income.

c. The Modified Adjusted Gross Income (MAGI) of a taxpayer determines a "progressivity factor" that, when multiplied by the base amortization amount, adjusts the annual payment due according to ability to repay. The actual progressivity adjustments result in payments due that are from 150 percent to less than 50 percent of the BAA, with borrowers earning approximately $30,000 paying roughly 100 percent of BAA.

d. Notwithstanding the size of the annual payment due as determined by outstanding IDEA obligations and current income, no individual or couple will have to pay more than 15 percent of MAGI in IDEA loan payments in any year. The 15 percent cap is roughly the burden on a $15,000 per year earner repaying $15,000 in loans under the current GSL program with its 8 percent interest rate on loans (annual payment of $2,235 or 14.9 percent of income, ignoring the cost of origination fees); under IDEA, A $15,000 single borrower would pay 10.4 percent of her income on a $15,000 maximum account balance ($1,555), while a $30,000 earner would pay 7.4 percent of income ($2,202) and a $50,000 earner would pay 5.6 percent of income ($2,800) on tha same $15,000 account balance.

e. Although they will also be protected by the 15 percent of MAGI cap on annual payments due, borrowers over age 55 will have to pay back loans at a minimum rate of amortization of 15 years at an assumed interest rate of 10 percent even if their MAGI would otherwise permit a smaller payment. This provison is included as a safeguard against abuse of the forgiveness provisions in (2)(c) and (2)(d) below, and operates in conjunction with the phased out borrowing limits between age 35 and 55 to ensure loan repayment and manageable debt burdens

2. Borrowers will be released from further obligations to make loan payments when:

a. loan principal and accrued interest at the normal (T-bill plus 2 percent rate have been reduced to zero over a period of 12 to 30 years,[1] or

b. loan principal and accrued interest at up to 150 percent of the normal rate have been reduced to zero over a period of less than 12 years,[2] or

c. a borrower has been in repayment status for a period of 30 years,[3] or

d. a borrower reaches age 70,[4] or

e. a borrower dies or is disabled.

3. Borrowers are temporarily released from annual repayment obligations while in school if under the age of 55; non-students and all borrowers age 55 and over make annual repayments. Years in which a borrower is not in repayment status are not counted toward the twelve-years of repayment required of all borrowers who do not repay their loans over a shorter period at 150% of the T-bill plus 2% normal interest rate. Non-repayment years also do not count toward the thirty-year maximum repayment period. If a borrower leaves repayment status and borrows additional IDEA funds, the twelve and thirty year periods begin again upon the borrower's return to repayment status.

4. The progressivity factors used to adjust annual payments according to income are indexed (as are the borrowing limits) for inflation to avoid "bracket creep."

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[1] For most borrowers, repayment of the IDEA loans should be completed in 12 to 15 years.

[2] In practice, the highest rate that a taxpayer will pay during a 12-year repayment period will be approximately 11.25 percent for a $35,000 earner, 12.75 percent for a $40,000 earner, 14.75 percent for a $50,000 earner, and 18.75 percent for an earner who averages $75,000 in earnings over 12 years of repayment.

[3] In practice, the actual rates of interest paid on loans forgiven in part after 30 years will be as high as 7 percent for a $10,000 earner, 9.75 percent for a $15,000 earner, 11.75 percent for a $20,000 earner, and 14 percent for a $25,000 earner (which would fully repay over $26,000 in IDEA loans at even the maximum chargeable rate under the program).

[4] This allows at least 15 years of repayment by borrowers who do not begin repayment until the latest possible time, i.e., 55 years of age.

5. Married couples make payments based upon combined incomes and combined IDEA obligations if they file joint returns. Payments are credited to spouses' individual accounts on a pro rata basis, first based upon the interest charged the accounts in the previous year, and then according to the size of the highest historical balance of the respective accounts.

a. When spouses die or cease to be married, the surviving or now single spouse resumes responsibility for his or her IDEA debt.

b. Special provisions govern the payments of couples who have one spouse over age 55 and subject to the mandatory minimum amortization rate (see II.C.1.e.).

6. While IDEA obligations will not be dischargeable in bankruptcy, a bankrupt person will be free to apply to the Secretary of Education for forgiveness or rescheduling of overdue IDEA payments.

III. ROLE OF EDUCATIONAL INSTITUTIONS

A. Institutions through which students apply for IDEA loans must be "eligible institutions" under the Higher Education Act of 1965 and agree to fulfill responsibilities of information gathering and reporting. Foreign schools, however, are excluded. Machine-readable lists of applicant data, funds disbursed, and enrollment status of current and past borrowers must be supplied by eligible institutions to the Education Department.

B. Institutions must also refund to the Education Department loans or portions of loans made to students who withdraw from school during a term in which they have borrowed IDEA funds.

C. Violation of the agreement between an eligible institution and the Education Department to perform the above duties can result in the termination of the eligibility of the school to channel IDEA loans to its students.

IV. FUNDING MECHANISM

A. Guarantee agencies supply funds to educational institutions for lending purposes.

1. The agencies issue debt obligations approved by the Secretary of Education and in a form specified by the Treasury Department.

2. The Education Department will make interest and principal payments on the obligations, which shall have a return equivalent to Treasury bills of comparable maturity (which shall be at least fifteen years).

3. Guarantee agencies may be current agencies approved under the GSL program, other entities which may qualify under GSL rules, or the Student Loan Marketing Association.

B. Payments made on agency obligations will be made from the Income-Dependent Education Assistance Loan (IDEAL) Trust Fund, which shall contain such amounts as may be appropriated from general revenues for the purpose and all amounts received from borrowers making repayments through the IRS.

INCOME

	500	10000	15000	20000	25000	30000	35000	40000	50000	75000	100000	150000
INCOME-DEPENDENT EDUCATION ASSISTANCE (IDEA): TAXPAYERS FILING JOINT RETURNS												
(1) Progressivity factor [1]	0.429	0.504	0.589	0.706	0.843	0.949	1.000	1.000	1.116	1.280	1.493	1.500
(2) Annual payment per $10,000 maximum account balance (MAB) [2]	$630	$740	$865	$1,036	$1,238	$1,392	$1,468	$1,468	$1,639	$1,879	$2,191	$2,202
(3) Percentage of income [3] payable per $10,000 MAB	12.6	7.4	5.8	5.2	4.9	4.6	4.2	3.7	3.3	2.5	2.2	1.5
(4) (a) Maximum annual payment	$750	$1,500	$2,250	$3,000	$3,750	$4,500	$4,750	$6,000	$7,500	$11,250	$15,000	$22,500
(4) (b) MAB amortizable at rate in (6) [4]	11,905	20,270	26,056	28,958	30,291	32,328	33,267	42,014	52,517	78,776	105,035	157,552
(5) Years required to pay back loan at indicated actual interest rates charged on IDEA loans												
8 percent				19	14	11	10	10	9	7	6	6
10 percent					17	13	12	12	10	8	6	6
12 percent						17	15	15	12	9	7	7
14 percent							24	24	15	10	8	8
(6) Maximum effective interest rate paid at end of 30 years notwithstanding rates charged [5]	4.75	6.25	7.75	9.75	12.00	13.75	#	#	#	#	#	#
(7) Maximum effective interest rate paid at end of 12 years (or shorter period if 150 percent of actual interest rate) [6]						9.00	10.00	10.00	12.25	15.50	19.25	19.50
INCOME-DEPENDENT EDUCATION ASSISTANCE (IDEA): UNMARRIED TAXPAYERS												
(1) Progressivity factor [1]	0.467	0.544	0.707	0.847	0.971	1.000	1.066	1.142	1.249	1.468	1.500	1.500
(2) Annual payment per $10,000 maximum account balance (MAB) [2]	$685	$798	$1,037	$1,243	$1,425	$1,468	$1,565	$1,677	$1,833	$2,155	$2,202	$2,202
(3) Percentage of income [3] payable per $10,000 MAB	12.6	8.0	6.9	6.2	5.7	4.9	4.5	4.2	3.7	2.9	2.2	1.5
(4) (a) Maximum annual payment	$750	$1,500	$2,250	$3,000	$3,750	$4,500	$4,750	$6,000	$7,500	$11,250	$15,000	$22,500
(4) (b) MAB amortizable at rate in (6) [4]	10,949	18,797	23,332	24,135	26,259	31,510	33,267	42,014	52,517	78,776	105,035	157,552
(5) Years required to pay back loan at indicated actual interest rates charged on IDEA loans												
8 percent			19	13	11	10	9	8	7	6	6	6
10 percent				17	13	12	11	10	8	7	6	6
12 percent				30	16	15	13	11	9	7	7	7
14 percent					24	24	17	14	11	8	8	8
(6) Maximum effective interest rate paid at end of 30 years notwithstanding rates charged [5]	5.50	7.00	9.75	11.75	14.00	#	#	#	#	#	#	#
(7) Maximum effective interest rate paid at end of 12 years (or shorter period if 150 percent of actual interest rate) [6]					9.50	10.00	11.25	12.75	14.75	18.75	19.50	19.50

[1] Based upon income level of borrower; derived from income tax rate structure and specified in Income-Dependent Education Assistance Act.

[2] MAB is highest amount of unpaid principal and accrued interest during the history of a borrower's IDEA obligation account.

[3] Income is Modified Adjusted Gross Income (MAGI)—Adjusted Gross Income plus certain additional preference income.

[4] 15 percent of MAGI maximum payment; indicated balance is fully amortized at the end of 30 years if the maximum payment is made each year.

[5] This figure is relevant for low-income borrowers whose annual payment may not fully pay off loans within 30 years (after which they are forgiven) at the actual applicable rates; if payments are limited by the 15 percent of income ceiling, the 30-year effective rate will be lower.

[6] Borrowers are released from their loan obligations after 12 years if they have repaid loans at the applicable interest rates, and are released at an earlier date if they have repaid all loans at 150 percent of the normally applicable rates.

An individual in repayment status for more than 12 years will never pay more than the actual interest rate charged each year on IDEA loans, which is limited to 14 percent in any year; the "#" symbol indicates potential effective rates in excess of 14 percent, and in these cases the balance indicated in (4) would have been repaid in a period shorter than 30 years at even the 14 percent maximum rate.

Note.—Interest rates are rounded to nearest ½ percent; years are rounded to nearest year.●

Mr. CHAFEE. Mr. President, a strong Federal commitment to education is as good as any investment we can make in the future growth and prosperity of our Nation. Providing financial assistance for students and their families has been the cornerstone of that commitment. Such important programs as Pell grants, guaranteed student loans, supplemental educational opportunity grants, and college work study have enabled millions of young people to pursue educational goals who might not otherwise have had the opportunity.

These programs should continue to receive our support. I believe it is incumbent upon the Federal Government to respond to the changing educational needs of our country by taking the lead in developing innovative strategies to assure that students will have sufficient resources to pursue undergraduate study as well as research and graduate training. Such steps must be taken in order to bolster our ability to respond to the rapidly changing field of high technology.

In order to help accomplish this, I am pleased to join with Senator TSONGAS today in introducing the Income-Dependent Education Assistance Act of 1983. This legislation will establish a program to make additional sources of loan capital available to students, with repayment schedules which are adjusted according to post-graduation income.

This additional access to education financing is extremely important in light of the sykrocketing costs of attending many institutions of higher learning today. This is especially significant with respect to those pursuing graduate study, who often face higher costs combined with the additional burden of foregone income. The anticipation of high-education-loan debts should not be permitted to dissuade graduate students from pursuing careers in such critical fields as mathematics, science instruction, engineering or medicine.

The IDEA program will encourage students to pursue their career plans according to considerations other than post-graduation income. It will also provide the flexibility necessary for individuals to embark upon educational goals without incurring unworkable loan burdens due to income fluctuations resulting from unemployment, retraining, child care, or changes in job status.

The supplemental student-loan program which IDEA creates is an innovative approach to one of our Nation's most challenging programs. Today's economy requires enhanced technical and professional skills. There is an increasing demand for educational programs which are lifelong in scope, and enable individuals to interrupt their careers and resume their education to build and refine skills. The growth of high technology will continue to generate an urgent need for retraining opportunities.

The IDEA program will be an important addition to the group of student financial assistance programs which are playing a key role in building a strong future for our country. This legislation represents a timely and significant step forward in demonstrating the Federal commitment in this vital endeavor.

By Mr. SIMPSON (by request):

S. 1388. A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans and to increase the rates of dependency and indemnity compensation for surviving spouses and children of veterans; to the Committee on Veterans Affairs.

DEPENDENCY AND INDEMNITY COMPENSATION

Mr. SIMPSON. Mr. President, I approach the desk to introduce by request of the administration a bill proposing to provide a cost-of-living increase of 3.5 percent to disabled veterans and beneficiaries of the dependency and indemnity compensation program (DIC), effective April 1, 1984.

The administration's 3.5-percent proposed cost-of-living adjustment is the same as the increase in the Consumer Price Index, the indicator which by law establishes the cost-of-living adjustment in other Federal income payment programs such as social security and veterans' pensions.

The effective date of April 1, 1984, represents a 6-month delay from the customary October 1 effective date and is similarly in keeping with the administration's policy to require delay in making cost-of-living adjustments in all Federal income-payment programs for fiscal year 1984 in a conscientious attempt to reduce the Federal deficit.

By Mr. LAXALT (for himself and Mr. HECHT):

S. 1389. A bill to transfer administration of certain lands in California and Nevada to the Bureau of Land Management; to the Committee on Energy and Natural Resources.

DEATH VALLEY MONUMENT

Mr. LAXALT. Mr. President, I introduce for appropriate reference a bill to provide for the transfer of a small portion of the far western border of the Death Valley Monument to the Bureau of Land Management to facilitate the development of a significant ore body.

This small portion of the monument is on the western edge adjacent to Saline Valley. It is on the far side of the crest of Ubehebe Peak in an area which is virtually unreachable from the monument floor and completely hidden from the visitors to the monument. There will be no impact whatever on the scenic values of the monument.

The ore body contains significant deposits of molybdenum, and copper, and other metals important to our economy. The ore body has been extensively tested including core drilling and is fully mapped. The company involved is the successor in interest to the original holder of the mineral claims going back to prior to the moratorium on mining.

Administrative remedy has been attempted, without success, although the claims to the minerals are legitimate and the case for developing these minerals is strong. I believe we cannot withhold from development promising mineral deposits when our reliance on foreign sources of so many of the materials critical to our needs has become pervasive. I believe it is important that this legislation be carefully considered.

By Mr. SPECTER:

S. 1390. A bill to amend chapter 67 of title 31, United States Code, to permanently authorize revenue sharing, to increase funding for fiscal year 1984 for units of general local government, and to index future funding to the rate of inflation; to the Committee on Finance.

GENERAL REVENUE SHARING

Mr. SPECTER. Mr. President, one of the most pressing issues confronting the Congress today is the reauthorization of the Federal general revenue sharing program. Revenue sharing constitutes the most productive partnership between Federal and local governments. It comprises the single largest Federal program assisting local authorities, providing $4.6 billion annually. General revenue sharing is a comprehensive and flexible program, allowing funds to be used for a wide range of programs and activities, determined at the local level, and giving localities the opportunity to respond quickly to new problems.

For my State of Pennsylvania, the general revenue sharing program has provided an annual allocation of $225 million. These funds have been used for various essential expenditures such as services for the poor, elderly and youth, fire and police protection, transportation, and recreation activities.

The need to continue this program has been fully documented. A recent Pennsylvania survey found that revenue sharing accounted for almost 17 percent of the average local budget. It is the only direct Federal funding for more than 93 percent of all municipalities in Pennsylvania. If revenue sharing did not receive reauthorization, at least 87 percent of Pennsylvania localities would be compelled to compensate by raising taxes or cutting services. If a municipality's current general revenue sharing entitlement had to be raised from property taxes alone, it would add an average of 4.4 mills, or a total increase of 61.2 percent, to the property tax rate.

Mr. President, I am convinced that the general revenue sharing program is worthwhile and deserving of reauthorization. As an indication of my support, I have cosponsored S. 41, a measure introduced by Senator DURENBURGER that extends the program another 3 years. But while I believe a reauthorization to be essential, it alone is not enough to compensate for the loss in spending power revenue sharing has suffered. Since 1976, the last time the program was increased, revenue sharing has lost 52 percent of its value due to inflation.

Despite its loss in value, revenue sharing in recent years has become more vital to municipalities. Present economic conditions have exacted a harsh toll upon the tax base of many local governments. In addition to the problems caused by a recessionary economy, local governments are facing substantial reductions in Federal aid. According to the Library of Congress, Federal assistance fell 9.32 percent from fiscal year 1981 to fiscal year 1982, and 11.8 percent from fiscal year 1982 to fiscal year 1983.

The bill I am introducing today will preserve revenue sharing by offering a permanent authorization of this program. In addition, this measure increases its annual funding to $7.8 billion, to account for the rate of inflation since 1975, and indexes future payments to the rate of inflation.

This will place revenue sharing on the same footing as much of the rest of the Federal budget. The rate of increase in the defense budget takes inflation into account, and the Congress in 1981 indexed personal income taxes to inflation. With much of the Federal budget indexed to inflation, the major program of assistance to localities should be similarly indexed.

In terms of efficiency and effectiveness, the general revenue sharing program is an ideal Federal response to

the fiscal problems and revenue constraints of local governments. It is entirely consistent with the administration's New Federalism proposal. The program allows local governments wide latitude to determine their most pressing needs and allocate their revenue sharing dollars accordingly. Administrative costs for this program are less than 2 percent, requiring fewer than 100 Federal employees to manage what is the largest Federal grant program—a total of $4.6 billion allocated to 39,000 units of government. Our budgetary problems would be reduced considerably if all Federal programs had a similar track record.

Clearly, general revenue sharing has been a success in Pennsylvania and throughout the Nation. It serves as a positive model for future partnerships between the Federal Government and local communities. To govern most efficiently, our local officials must continue to have the authority to respond to their particular needs and problems. A permanent authorization of revenue sharing in addition to a retroactive and continued indexing of this program would provide the tools necessary for responsive community action.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1390

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (1) of section 6701(a) of title 31, United States Code, is amended by striking out "October 1, 1981, and October 1, 1982" and inserting in lieu thereof "October 1, 1983, and October 1 of each succeeding calendar year".

(b) Paragraph (2) of section 6703(b) of such title is amended by striking out "$4,566,700,000" and inserting in lieu thereof "$7,800,000,000".

(c) Section 6703 of such title is amended by adding at the end thereof the following new subsection:

"(d)(1) For each fiscal year, beginning in fiscal year 1985, the dollar amount in paragraph (2) of subsection (b) shall be adjusted by multiplying such amount by the inflation adjustment factor for the 12-month period ending on the preceding July 1 and, as adjusted shall be substituted for such amount for such fiscal year beginning after such 12-month period.

"(2) The Secretary shall, not later than October 1 of each calendar year (beginning in 1984), determine and publish in the Federal Register the inflation adjustment factor for the immediately preceding 12-month period ending on July 31 in accordance with this subsection.

"(3) The term 'inflation adjustment factor' means, with respect to a calendar year, a fraction the numerator of which is the average monthly Consumer Price Index (all items—United States city average) published by the Bureau of Labor Statistics of the Department of Labor for the most recent 12-month period ending on July 31 and the denominator of which is the average monthly Consumer Price Index (all items—United States city average) for the 12-month period ending July 31, 1983.".

(d) The amendments made by this Act shall take effect for fiscal years beginning after September 30, 1983.

By Mrs. HAWKINS:

S. 1392. A bill to amend title 44, United States Code, to require the inclusion of a statement of cost in certain Government publications; to the Committee on Rules and Administration.

GOVERNMENT PUBLICATION COST REFORM ACT OF 1983

Mrs. HAWKINS. Mr. President, today I am introducing the Government Publication Cost Reform Act of 1983 to inform taxpayers, the Congress, and Federal agencies about the cost of producing Government documents. This is a logical first step before intelligent choices can be made on how to make economies in an overlooked area of Government expense.

Our Government Printer, Dan Sawyer, tallies GPO's printing operation cost at $608 million in fiscal year 1982. Another $1.2 billion was spent by other parts of the Government in direct printing costs.

But printing costs represent only a fraction of total publication costs. Substantial staff time of highly paid professionals goes into research, writing and layout of publications. And costly equipment must be used in the process. Thus, the unit cost of many publications is far higher than the cost of paper and ink.

For that reason, the Government Publication Cost Reform Act requires that publications issued by Federal agencies list on their inside covers the total costs of production. That way the costs per copy can be calculated and intelligent decisions, concerning publications to cancel and which should receive increased circulation can be made.

This is not a new idea. The State of Florida approved similar legislation 11 years ago. Other States, including Tennessee, Georgia, Montana, Oklahoma, Maine, and Nebraska have also enacted analogous laws to control wasteful spending on publications.

At a time when many important Federal programs are being subjected to intense scrutiny to slow the growth in Federal spending, it is essential that the same attitude govern Federal publication costs.

Mr. President, I ask unanimous consent that a copy of the bill be published in the RECORD at this point and urge that my colleagues carefully consider its adoption.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1392

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Government Publication Cost Reform Act of 1983".

SEC. 2. Title 44 of the United States Code is amended by inserting at the end thereof, the following new chapter:

"CHAPTER 39—GOVERNMENT PUBLICATIONS: STATEMENTS OF COST

"Sec.
"3901. Definitions.
"3902. Statements of cost.

"§ 3901. Definitions

"As used in this chapter—

"(1) the term 'Government publication' shall have the meaning given such term by section 1901 of this title, except such term shall not include—

"(A) public bills and resolutions,

"(B) the daily Congressional Record,

"(C) the Federal Register,

"(D) House and Senate reports, including reports of committees and joint committees,

"(E) any publication determined by the issuing component to be required for official use only or for strictly administrative or operational purposes which have no public interest or educational value, and

"(F) any publication classified for reasons of national security pursuant to criteria set forth in an Executive order;

"(2) the term 'preparation cost' includes expenditures for materials, salaries, and operating expenses of personnel involved in researching, writing, editing, reviewing, or otherwise preparing a Government publication, or expenditures for procuring the same services from an non-Governmental source; and

"(3) the term 'printing cost' includes expenditures for processes of composition, platemaking, presswork, binding, and microfilm, or expenditures for procuring such processes from a source other than the Government Printing Office.

"§ 3902. Statements of cost

"(a) Every component of the Federal Government which issues any Government publication shall cause to be printed on such publication adjacent to the name of the issuing component the following statement, with cost data inserted:

"This Government publication was prepared and printed at a cost of:

	All copies	Per copy
Original issue:		
Preparation cost		
Printing cost		
Total costs (predistribution)		
Latest reprint:		
Preparation cost		
Printing cost		
Total costs (predistribution)		"

"(b) The statement required by subsection (a) of this section shall be printed in at least eight-point type and shall be set in a box composed of a one-point rule.

"(c) The component of the Federal Government which issues any document described in subparagraphs (B), (C), or (D) of section 3901(1) shall cause to be printed on such publication adjacent to the name of the issuing component the following statement, with cost data inserted: 'This document was issued at a printing cost of $, or $ per copy.' This statement shall be printed in at least eight-point type and shall be set in a box composed of a one-point rule.".

SEC. 3. The table of chapters at the beginning of title 44, United States Code, is amended by inserting after the item relating to chapter 37 the following new item:

"39. Government Publications:
Statements of cost ..... 3901".

SEC. 4. The amendments made by this Act shall take effect with respect to Government publications printed after the date of enactment of this Act.

By Mr. DOMENICI (for himself, Mr. BENTSEN, Mr. DECONCINI, and Mr. BINGAMAN):

S. 1393. A bill to extend and make technical corrections to the existing program of research, development, and demonstration in the production and manufacture of guayule rubber; to the Committee on Environment and Public Works.

NATIVE LATEX COMMERCIALIZATION AND ECONOMIC DEVELOPMENT ACT OF 1983

Mr. DOMENICI. Mr. President, today I am introducing legislation, along with Senators BENTSEN, Mr. DECONCINI, and Mr. BINGAMAN, to extend the Native Latex Commercialization and Economic Development Act of 1978 for an additional 5-year period.

In 1977 I came before this body to introduce the Native Latex Commercialization and Economic Development Act and to explain the need to develop a domestic source of natural rubber.

Guayule is a rubber-producing shrub which grows wild in Mexico and southern Texas and is ideally suited for cultivation in other arid States in the Southwest, such as Arizona, New Mexico, and California. Guayule can be grown with minimal irrigation and contains commercial quantities of extractable latex—the raw material for the manufacture of natural rubber.

Presently, the United States imports all of the natural rubber which is used in domestic production, at a cost exceeding one-half billion dollars per year. Almost all of it comes from Southeast Asian rubber plantations of the tree Hevea braziliensis.

Natural rubber is an essential and strategic commodity. It is required in the manufacture of all kinds of tires. Truck tires, for example, contain about 60 percent natural rubber, while aircraft tires are essentially pure natural rubber. Therefore, it is an important initiative to develop a domestic source of natural rubber.

Since passage of the Native Latex Act, tremendous progress has been made in the research and development of a viable domestic guayule industry. The Department of Agriculture and the Department of Commerce, working in concert, as the Joint Commission on Guayule Research and Commercialization, have undertaken important research efforts. Those research efforts have been enhanced through involvement by the National Science Foundation, the Bureau of Indian Affairs, the Departments of State, Energy, Defense and the Federal Emergency Management Agency. While progress has been made, there are still many questions to be answered before natural rubber production can be a viable industry in this country.

For example, seed production is still poor and needs to be increased; the best method of developing new varieties has not been determined; the yield level in many areas is still too low for profitable production; and the best method of establishing the crop has still not been determined.

In a combined 1980 and 1981 report to the Congress, the Joint Commission has outlined exactly what research efforts still need to be accomplished before guayule production will become viable.

The legislation which I am introducing today extends the act for 5 more years, at authorizations that are consistent with past years' authorization levels. The work that has been accomplished under this act is extremely important and the extension of the program is essential in this Senator's opinion. I ask unanimous consent that the text of the bill appear at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1393

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first section of the Native Latex Commercialization and Economic Development Act of 1978 (hereinafter referred to as "the Act") is amended to read as: "That this Act may be cited as the Native Latex Commercialization and Economic Development Act of 1983".

SEC. 1. Section 2(e) of the Act is amended to read as follows—

"(e) Congress further recognizes that ongoing research into the development and commercialization of native latex has been conducted by the Department of Agriculture, the Department of Commerce, the National Science Foundation, and other public as well as private and industrial research groups, and that these research efforts should be continued and expanded.".

SEC. 2. Section 3 of the Act is amended by striking out subsection (e).

SEC. 3. Section 4(b) of the Act is amended to read as follows—

"(b) The Joint Commission shall consist of the following members: Three individuals designated by the Secretary of Agriculture from among the staff of his Department; three individuals designated by the Secretary of Commerce from among the staff of his Department; a representative of the Bureau of Indian Affairs of the Department of Interior; a representative of the National Science Foundation; a representative of the Department of State; a representative of the Department of Defense; and a representative of the Federal Emergency Management Agency. Each of the members of the Joint Commission shall be an individual who, on behalf of the Department or Agency which he represents, supports research, development, demonstration and commercialization activities involving native latex.".

SEC. 4. Section 5 of the Act is amended—

(1) by striking out clause (c) and inserting in lieu thereof the following—

"(c) accelerating present plant breeding, genetics, and selection programs for the purposes of improving and increasing latex yields, expanding insect and disease resistance, broadening the ranges of drought and cold resistance of the Parthenium plant, and providing a system of regional research trials for enhancing and increasing the supply of foundation seed for certified seed production;";

(2) by striking out "experimental plantings" and all that follows in clause (d) and inserting in lieu thereof the following—"large-scale experimental plantings (aggregating ten thousand acres or more) to provide shrub for feedstock to process in the development rubber processing facility described in clause (g);"; and

(3) by striking out clause (g) and inserting in lieu thereof the following—

"(g) accelerating the refinement of present extraction and processing technologies and future extraction technologies, including the development and construction of a developmental rubber processing facility for the extraction and production of test quantities of solvent extracted guayule natural rubber;".

SEC. 5. Section 6 of the Act is amended—

(1) by striking out "may be carried out through the Regional Commissions or otherwise and" in the second sentence;

(2) by striking clause (a) and inserting in lieu thereof the following—

"(a) continuing support of research and development on extraction and processing technology being developed by the Department of Agriculture;";

(3) by striking clause (b) and inserting in lieu thereof the following—

"(b) an acceleration of an economic analysis and feasibility study of native latex production and usable byproducts;"; and

(4) by striking clause (c) and inserting in lieu thereof the following—

"(c) an immediate study for the purpose of determining the environmental, social and economic impact of native latex commercialization;".

SEC. 6. Section 7 of the Act is amended by inserting ", the Government of Australia, the Government of Israel, and the Government of Egypt" after "Mexico".

SEC. 7. Section 10 of the Act is amended—

(1) by striking out "the provisions of this section" and inserting in lieu thereof "the provisions of this Act"; and

(2) by striking out ", acting through the Regional Commissions or otherwse,".

SEC. 8. Section 11 of the Act is amended—

(1) by inserting "Department of State," after "Department of Energy,"; and

(2) by striking out "Federal Preparedness Agency" and inserting in lieu thereof "Federal Emergency Management Agency".

SEC. 9. Section 13 of the Act is amended—

(1) by striking out "The Secretary of Agriculture and the Secretary of Commerce" and inserting in lieu thereof "The Secretaries"; and

(2) by inserting after the first sentence the following new sentence: "Dispositions under this section may include sales of the materials involved to other Federal departments and agencies for testing purposes.".

SEC. 10. Section 14 of the Act is amended by striking out "The Secretary of Agricul-

ture and the Secretary of Commerce" and inserting in lieu thereof "The Secretaries".

SEC. 11. Section 15 of the Act is amended—

(1) by striking out "The Secretary of Agriculture and the Secretary of Commerce" and inserting in lieu thereof "The Secretaries"; and

(2) by striking out "1982" and inserting in lieu thereof "1987".

SEC. 12. (a) Section 16(a) of the Act is amended by striking out "and" where it appears after "1981,", and by inserting after "1983," the following: "$5,000,000 for the fiscal year ending September 30, 1984, $5,500,000 for the fiscal year ending September 30, 1985, $6,500,000 for the fiscal year ending September 30, 1986, $7,500,000 for the fiscal year ending September 30, 1987, and $8,000,000 for the fiscal year ending September 30, 1988,".

(b) Section 16(b) of the Act is amended by striking out "and" where it appears after "1981,", and by inserting after "1983," the following: $2,500,000 for the fiscal year ending September 30, 1984, $3,000,000 for the fiscal year ending September 30, 1985, $3,500,000 for the fiscal year ending September 30, 1986, $4,000,000 for the fiscal year ending September 30, 1987, and $4,500,000 for the fiscal year ending September 30, 1988,".

By Mr. STEVENS:

S. 1394. A bill to establish a nationwide maximum standard of blood alcohol content for lawful operation of a motor vehicle and to establish a victim compensation fund; to the Committee on Commerce, Science, and Transportation.

NATIONAL DRUNK AND DRUGGED DRIVER PREVENTION ACT OF 1983

Mr. STEVENS. Mr. President, the public is becoming increasingly aware of the problem posed by drunk and drugged drivers on our national roadways. The fact that 1 out of every 2 Americans will be involved in an alcohol or drug related accident in his or her lifetime is a statistic that is unacceptable in this day and age. It is imperative that Americans stop looking at the occurrence of drunk or drugged driving as something that is not a serious infraction of social conduct. Movement in this direction has already begun, due in great part to the efforts of such citizen awareness groups like Mothers Against Drunk Driving (MADD), Students Against Drunk Driving (SADD) and Remove Intoxicated Drivers (RID). Further, credit should be given to Senator DANFORTH, and his efforts in conjunction with title II of S. 1108. Senator DANFORTH has been a leader in the Senate, along with Senator PELL, in the renewed national concern over drunk driving. Their efforts, and those of Representative BARNES, were instrumental in the passage of the Pell-Barnes legislation in the last Congress.

However, although the Pell-Barnes legislation and S. 1108 encourage the States to set mandatory minimum standards to deter drunk or drugged driving, and to punish and rehabilitate violators, I do not feel that this has been a sufficiently comprehensive solution to the problem before us. In addition to addressing the problem from the enforcement side, it is essential that we provide a mechanism by which the needs of the victims of alcohol and drug related traffic accidents can be addressed. With these concerns in mind, I introduce the National Drunk and Drugged Driver Prevention Act of 1983.

By Mr. DOMENICI (for himself, Mr. JACKSON, Mr. WALLOP, Mr. MCCLURE, Mr. BAKER, Mr. BYRD, Mr. GARN, and Mr. HATCH):

S. 1396. A bill to amend the Internal Revenue Code of 1954 to extend the period for qualifying certain property for the energy tax credit, and for other purposes; to the Committee on Finance.

ENERGY SECURITY TAX INCENTIVES ACT OF 1983

Mr. DOMENICI. Mr. President, along with my distinguished colleagues, Senators JACKSON, WALLOP, MCCLURE, JOHNSTON, BAKER, BYRD, GARN, and HATCH, I am today introducing legislation to provide an extended period of time during which certain renewable energy and synthetic fuels property will remain eligible for energy tax credits.

Existing energy tax credits for solar, wind, geothermal, and biomass renewable energy resources will expire on December 31, 1985. If project sponsors are unable to complete construction and place the renewable energy property in service by the end of calendar year 1985, then the energy tax credit cannot be taken. The threat that these energy tax credits may not be available to projects which do not meet the 1985 deadline may prohibit renewable energy projects from being initiated today.

Energy tax credits for certain synthetic fuels property expired on December 31, 1982. There exists, however, an affirmative commitments provision which applies to this type of energy property and provides that the energy tax credit will remain available until 1990 if, prior to the 1982 expiration date, certain commitments to a project had been made. Specifically, a project must have completed engineering studies and applied for construction and environmental permits prior to the end of 1982. Because the availability of energy tax credits is crucial to the financial feasibility of these projects, those project sponsors who could not complete the requirements regarding the 1982 date cannot now proceed. The worldwide recession, the temporary glut of crude oil and the sharply decreasing prices for that oil, resulted in many projects being placed on the back burner and consequently unable to meet the 1982 deadline.

The legislation which I am introducing is limited in scope in that it would simply provide an "affirmative commitments provision" to the existing energy tax credits available for qualifying solar, wind, geothermal, and biomass renewable energy property and amend the current tax law relating to the affirmative commitments provision for synthetic fuels by changing the 1982 date to June 1987. Further, the legislation proposes changes which will insure that equipment used to mine and convert oil shale and tar sands to synthetic fuels is eligible for the energy tax credit.

Specifically, this proposal would extend the availability of the renewable energy tax credits to December 31, 1992, for those taxpayers who make certain demonstrable commitments to renewable energy projects by a date certain. If the taxpayer meets the following criteria, then the tax credits would be extended until 1992:

By January 1, 1986, feasibility studies to commence construction of the renewable energy project have been completed and all environmental and construction permits required by law to commence construction have been applied for; and by January 1, 1988, binding contracts have been signed for at least 50 percent of the reasonably estimated cost of all equipment for the project or 50 percent of the reasonably estimated cost of that equipment specially designed for the project.

Second, with respect to certain equipment used for the production of synthetic fuels from coal, tar sands, or oil shale, this proposal would amend the existing affirmative commitments provision by changing the existing December 31, 1982, date to June 30, 1987, by which time all engineering studies to commence construction of the project must be completed and environmental and construction permits required to begin construction must be applied for; however, all other requirements of the existing affirmative commitments provision would remain the same.

During the lameduck session of the last Congress I was joined by several distinguished colleagues in introducing an amendment to the Surface Transportation Act of 1982 which amended the existing affirmative commitments provision by changing the current 1982 date to December 31, 1985. With the assistance of the distinguished chairman of the Finance Committee, Senator DOLE, and the distinguished senior Senator from Louisiana, Senator LONG, the Senate was able to accept that amendment. Unfortunately, time did not allow the House conferees to act favorably on the amendment, although the distinguished chairman of the Ways and Means Committee confirmed that he would attempt to consider this matter during this Congress.

Those who seek to develop our Nation's vast resources of coal, oil shale,

and tar sands, are no longer eligible for an energy tax credit unless they were able to qualify the project under the current affirmative commitments provision. Many project sponsors were simply not able to proceed with projects in light of the severe economic downturn, high interest rates and erratic crude oil prices caused by the temporary glut of supply. While so many sponsors are on the verge of making commitments to develop synthetic fuels we should, I believe, continue to encourage development. It would, in my opinion, be foolhardy to discontinue support in the form of energy tax credits just at that time when the Synthetic Fuels Corporation appears to be making real progress in implementing the objectives of the Energy Security Act. Further, recent history has amply demonstrated how vunerable we remain to sources of energy not totally in our control. To fail to develop synthetic fuels now, just because we are not confronted with an imminent crisis, is to close our eyes to the reality that oil and gas reserves, for example, are both finite in quantity and subject to supply interruptions in an unstable part of the world.

The rationale for my continued support of the extension of certain commitment dates to the existing affirmative commitments provision for synthetic fuels property, applies equally to the proposal of this bill which is designed to provide an affirmative commitments provision for renewable energy property. Project sponsors, whether attempting to construct a solar thermal power tower, a geothermal powerplant or a windfarm, need assurance now that if they diligently proceed with project development and for whatever reason are unable to complete construction and begin operation of the facility by the end of calendar year 1985, the energy tax credit will be available for some longer period of time.

There are numerous reasons why the Congress must act decisively and within the near term. First, project sponsors may not proceed with renewable energy projects now on the drawing boards if slippage or project delay or any other unforeseen uncontrollable circumstance threatens the likelihood of the project being placed in service before the all-important December 31, 1985, date. Second, large-scale, multimillion dollar renewable energy projects require significant leadtimes and large amounts of upfront funding prior to actual construction of the project. If project sponsors require the tax credit to make the project economically feasible and they cannot qualify for the energy tax credit by the December 31, 1985, cutoff date, then they will cease work on these projects now, even though the tax credit expiration date is nearly 3 years hence.

This proposal which we introduce today is an interim emergency measure which is needed so that project sponsors have the assurance they need to proceed. Expedient action will send these developers of our abundant domestic energy resources a clear and unambiguous signal that Congress still encourages the marketplace to develop these resources; that Congress recognizes the need for additional time for those projects which have been delayed by a lengthy time of economic uncertainty and drastically fluctuating world energy supply and demand; and that Congress remains committed to early development of solar, wind, geothermal, biomass, and coal, oil shale, and tar sands resources.

As one who remains concerned about our continued vulnerability to the instability of the oil-producing nations, and as a long-time advocate of synthetic and renewable energy resources, I would urge the Congress to take early action on this proposal. I do not believe it wise to abandon our efforts in midstream or to shortchange the financial and technical commitment we have already made as a nation to the development of alternative energy. To that end, I strongly support synthetic and renewable energy project development and I would urge the Congress to recognize this need for additional time to insure that these energy projects will be built.

Mr. JACKSON. Mr. President, I join with the distinguished senior Senator from New Mexico, Mr. DOMENICI, and our colleagues in introducing legislation to extend the benefits of energy tax credits for certain renewable energy property and certain synthetic fuel property. The measure we are introducing today is vital to synthetic fuels and renewable energy projects now on the drawing boards and enactment will signal to these project sponsors that Congress continues to support the construction and operation of these enormously valuable undertakings.

This proposal first provides that when a solar, wind, geothermal, or biomass energy project has been initiated and certain firm commitments have been made to go forward with the project, the energy tax credits will remain available for that project for an additional 7 years beyond the current tax credit expiration date of December 31, 1985. Under existing law, renewable energy projects must be in operation by the end of calendar year 1985 in order for the energy tax credit to be claimed. Because many of these renewable energy projects are first-of-a-kind facilities, the tax credits are crucial to the economic viability of the project; indeed, the availability of these tax credits, or the lack thereof, may well be the determining factor in whether the project is built or not.

The unfortunate reality is that the uncertainty that these new projects will actually be operational by 1985, coupled with the fact that the renewable energy tax credits will expire at the end of 1985, means that new projects will not be initiated and projects already on the drawing boards will be terminated unless there is some immediate assurance that these energy tax credits will be available for qualifying projects beyond 1985. This is especially true in view of the variety of major obstacles already confronting the sponsors of renewable energy projects. First, as is the case with many energy projects, long leadtimes are generally involved, thereby increasing the difficulty for project sponsors in meeting the December 1985 termination date of the existing tax credits. Second, the job of project sponsors in securing financing for these projects has been made significantly more difficult by the continuing recession. Finally, the technical risks associated with many of these first-of-a-kind projects present the likelihood of delay—delay which could be fatal to a project if it results in missing the 1985 tax credit termination date.

This proposal also provides for changes to the existing affirmative commitments provision for certain equipment used in synthetic fuels production facilities. Currently, unless all engineering studies were completed and construction and environmental permits applied for by December 31, 1982, the affirmative commitments provision is no longer available to the taxpayer and the expiration date of the existing energy tax credits cannot be extended until December 31, 1990. The change recommended in this proposal merely extends the date by which this initial work must be completed; all other requirements of the existing affirmative commitments provision remain the same, including the date to which the energy tax credit is currently extended, that is, December 31, 1990.

Synthetic fuels project sponsors are faced with first-of-a-kind projects which are too risky and expensive for sponsors to proceed without the benefit of the energy tax credits. Indeed, the pace of development has slowed considerably, or stopped completely, for those projects which could not meet the December 1982 affirmative commitments deadline. When Congress enacted the Energy Security Act in 1980 and established the Synthetic Fuels Corporation, authority for an aggressive program of synthetic fuels development was put into place and an industry capable of producing 500,000 barrels of crude oil equivalent per day by 1987 was envisioned. Delays at the

SFC and uncertainties resulting from a worldwide recession, along with a drastic change in world crude-oil prices, have all contributed to the fact that we have yet to see large-scale production from synthetic fuels plants.

Finally, this proposal included provisions to clarify the eligibility of certain energy-related equipment used in the recovery of liquid fuel from oil shale and tar sands. These particular changes will insure that all equipment related to synthetic fuels development is equally eligible for the existing energy tax credits.

With respect to the specific provisions of the bill the proposal provides for an affirmative commitments provision for solar, wind, geothermal, and biomass energy credits which would be similar to the one already available for other energy property, including synthetic fuel property. Our bill provides that if by January 1, 1986, feasibility studies to commence construction of the renewable energy project have been completed and all environmental and construction permits required by law to commence construction have been applied for; and by January 1, 1988, binding contracts have been signed for at least 50 percent of the reasonably estimated cost of all equipment for the project or 50 percent of the reasonably estimated cost of that equipment specially designed for the project, then the energy tax credit will remain available to that project until December 31, 1992.

With respect to synthetic fuels property, the existing affirmative commitments provision would be amended by changing the current December 31, 1982, date to December 31, 1985. All other elements of the existing provision would remain the same.

The extension we propose is absolutely essential if the original intent of Congress in encouraging these domestic energy projects is to be fulfilled. The importance of new synthetic and renewable energy sources should not be overlooked, even during a time of falling oil prices. We have made a national commitment to synthetic and renewable energy. This legislation offers an important means of renewing that commitment, and pressing toward resolution of our national need to provide secure domestic energy resources through development of renewable, inexhaustible sources of energy and our vast supply of solid fossil fuel resources.

Our legislation does not address the need to extend generally the duration of energy tax credits, nor does it address the need to increase the amount of those credits. While I support additional action in both of these areas, I believe it is important at this time, when so many energy projects are entering the critical "go or no-go" stage, to assure project sponsors that tax credits will be available to them if they proceed with due diligence in the development of their projects. This legislation is a recognition of the obstacles facing these projects, and offers continued congressional assistance. I urge prompt consideration and action on this legislation.

Mr. BYRD. Mr. President, I am pleased to join with my distinguished colleague from New Mexico in the introduction of the "Energy Security Tax Incentives Act of 1983." This is an important piece of legislation which will extend and continue the tax incentives for the development of synthetic fuels and other alternative energy technologies. This legislation would amend the current tax law relating to the affirmative commitment provision for synthetic fuels by changing the date from 1982 to December 1985, and would provide an affirmative commitment provision for existing energy tax credits for renewable energy technologies.

The bill includes a technical amendment relating to modifications to chlor-alkali electrolytic cells. Such modifications involve the application of new technology to reduce the amount of energy used to produce caustic soda and chlorine, two basic feedstocks for the chemical industry. That industry, Mr. President, is an important part of West Virginia's economy. This new technology is similar to that used to make energy-saving modifications to electrolytic cells used by the alumina industry, which were eligible for the energy credit in 1980. The alumina and chlor-alkali industries are the two largest industrial users of electricity in the United States. Modifications to their electrolytic processes save substantial amounts of energy.

The 1980 and 1982 legislative actions concerning alumina and chlor-alkali cell modifications resulted from the failure of the IRS to exercise authority delegated to it, when the energy credits were enacted in 1978, to administratively qualify items of energy-saving investment in addition to items specifically eligible by statute.

The energy investment credits for conservation property generally expired at the end of 1982. However, a rule in existing law allows an extended effective period for credits on qualifying investment involved in projects with relatively long-term construction periods. Under this so-called "affirmative commitment rule," certain energy credits are extended through 1990 for qualifying investment in projects with a construction period of 2 years or more where certain actions are undertaken in connection with the project, first by the end of 1982 and, second, by the end of 1985.

When alumina cell modifications were made eligible for the energy credit in 1980, the affirmative commitment rule was extended to this investment. However, eligibility for the affirmative commitment rule was not extended to chlor-alkali cell modifications when this investment was made for the energy credit.

This legislation would extend the affirmative commitment rule to include chlor-alkali modification investments in qualifying long-term projects. This is particularly important for one modification project in West Virginia, for which over $11 million was expended on preliminary activities at the end of 1982. This project will result in the creation of over 200 jobs during the next several years. In my State of West Virginia, where unemployment is at 21 percent, these jobs are sorely needed. It is estimated that energy credits totalling less than $5 million will be generated from this project.

Mr. President, this legislation provides tax incentives which are essential for encouraging continued private sector investment in the development of technologies to produce synthetic fuels, and other technologies important to this Nation's energy future.

Mr. McCLURE. Mr. President, I am pleased to cosponsor the Energy Security Tax Incentive Act of 1983. I support full and complete extension of the energy investment tax credits that expired in 1982; their loss was critical to industry's capital investment in new energy facilities. Moreover, the loss of these tax benefits coincided with other economic disincentives, including an outlook for lower energy prices over the near and long term. Therefore their loss was particularly inopportune.

The bill being introduced today does not go as far as I would hope for; namely, full extension of the previous investment tax credits. However, the measure does address those matters approved, in part, by the Senate last year. When the Tax Equity and Fiscal Responsibility Act passed the Senate it contained an extension of certain energy investment tax provision; however, those provisions were not contained in the final law. The failure to extend these investment tax provisions has had a critical impact on energy investments in the areas of renewable resources—including biomass energy, solar, wind, and geothermal—and synthetic fuels.

According to the Synthetic Fuels Corporation, for example, the failure to extend certain tax provisions has injured its ability to carry out its program for the development of a synthetic fuels capability in the United States. Loss of tax benefits along with other economic events has resulted in the cancellation of a number of proposed synfuels projects. At a minimum the Corporation must now offer additional dollars of support to offset each dollar of unavailable tax benefit.

I ask that the SFC analysis appear at this point in my remarks.

The analysis follows:

EFFECT OF INCOME TAX CHANGES ON PROGRAM OF U.S. SYNTHETIC FUELS CORPORATION—JANUARY 24, 1983

Income tax events of 1982 have injured the ability of the U.S. Synthetic Fuels Corporation (SFC) to carry out its program for the development of synthetic fuel plants in the United States. By limiting the amount and timing of tax benefits, such changes reduced the attractiveness of private investment in synfuels. The loss of tax benefits coincided with other economic disincentives including a sharply lower outlook for energy prices over the long term and the recession-induced fall in corporate cash flows that resulted in more conservative investment behavior. One result has been cancellation of a number of proposed synfuel projects.

To offset the negative events SFC must offer the surviving projects more support, which will consume its fixed pool of authorized funds on fewer plants. Large synfuel projects today typically require loan guarantees subsequently convertible to price guarantees for the full 75 percent of capital that is SFC's legal maximum, plus a significant amount of additional price guarantees. SFC guaranteed loans must be repaid with interest, and SFC price support payments are taxable income over a period of distant years, causing both forms of aid to have a lower discounted present value than net tax benefits that occur in the early years of a project. SFC must in some instances offer several dollars of additional support to offset each dollar of unavailable benefit.

It appears that under present tax and economic conditions average SFC assistance will equal 100 percent of a plant's cost. In this analysis, it is assumed that SFC's obligational authority of approximately $16 billion is sufficient to bring about the construction of 10 large coal and oil shale projects at an average cost of about $1.5 billion each, with the remainder used for tar sands and miscellaneous small projects. (The actual range for large projects may be from $.5 billion to as much as the legal ceiling of $3 billion.) An estimate is made below of the equivalent number of additional large plants SFC could foster if pre-1982 tax benefits were restored and the ETC were amended to a fuller effectiveness. For analytical purposes, it is assumed that availability of such tax benefits would permit SFC to reduce its assistance to each project and that the reduction would impact both forms of assistance equally.

The number of major plants that SFC can support is a critical aspect of its mission of providing a diversified portfolio of synfuels projects by assisting with the funds available. There are approximately twenty significant technologies applicable to the principal synthetic fuel resources, of which six for oil shale, ten for coal gasification/liquefaction and six for direct coal liquefaction. Even if each assisted plant is unique, SFC will be able to support about half the available technologies. Several additional technologies could be brought to the production stage if SFC's funds were supplemented by improvement of tax benefits. The relative importance of such tax changes is assessed below.

1. Extension of Energy Tax Credit Affirmative Action Date. The Energy Tax Credit (ETC), which dates from 1978, in essence grants an additional 10 percent investment tax credit to certain expenditures on a wide variety of alternate energy facilities. Although it is available for projects through 1990, its use by synfuels investors is sharply curtailed by an "affirmative commitment" date that required completion before January 1, 1983 of all necessary engineering studies and the filing of applications for all environmental and construction permits for the commencement of construction. (Oddly, the ETC for alternate energy other than synfuels is available for projects begun through 1985 without any "affirmative commitment".) Because of the economic disincentives that prevailed during 1981-2, many synfuels projects were unable to proceed at a pace that enabled them to meet the deadline. SFC estimates that only about half a dozen projects of the 30 potentially qualified projects presently under consideration have, with near certainty, met the deadline. It is assumed that 50% of SFC assistance will eventually go to projects that failed to meet the deadline.

The ETC is a potent incentive to synfuels projects. One dollar of ETC has the same impact on rate of return on equity as four dollars of incremental SFC assistance. The affirmative action date cutoff will probably require SFC to offer $2.0 billion of additional aid to projects that were unable to comply in a timely fashion, which aid would otherwise be available to subsidize an additional 1.3 large synfuel plants. Therefore SFC recommends the extension of the date to January 1, 1986, which is the affirmative action date for execution of contracts involving 50 percent of construction cost.

2. Broadening the Eligibility of Synfuel Outlays for ETC. The ETC, when enacted, contained certain restrictions that make it less effective for synfuel plants than an extra 10 percent investment tax credit. SFC recommends the following amendments to the ETC.

a. Inclusion of Ancillary Facilities. The ETC is not applicable to certain items of equipment essential to synfuels projects but not in the main stream of conversion, e.g. oxygen plants. It is estimated that 35 percent of the physical equipment and construction cost of a typical plant comprises such ineligible items. SFC recommends broadening of the ETC to include them, which would be equivalent to $1.6 billion of incremental SFC assistance to the industry and would effectively permit SFC to sponsor one additional large plant.

b. Inclusion of Tar Sands and Eligible Heavy Oil. The ETC applies to projects that produce synthetic fuel from coal and shale, but not from tar sands and certain heavy oils that the SFC is authorized to support. Broadening of the ETC to apply to such projects would offset incremental SFC assistance of $0.3 billion, equivalent to sponsorship of an additional 0.2 large synfuel plant.

3. Restoration of Benefits Removed by TEFRA. The 1982 tax act (TEFRA) introduced several benefit reductions that are especially painful to synfuel projects due to their capital-intensiveness. SFC recommends that the previous benefits be restored for synfuel plants.

a. Capitalization of Production Period Interest. TEFRA requires the capitalization of interest expense incurred for acquisition of real property during construction. Because synfuels plants require long construction periods, this was a costly change. (As Treasury regulations have yet to be issued the impact is unknown. The "worst case" is assumed to be applicable, namely 90 percent of plant costs deemed real property.) If the tax laws were amended to again permit current expensing of interest, SFC support of about $2.0 billion would be freed up to assist another 1.3 plants.

b. Reduction of Basis by One Half of ITC. TEFRA requires this basis adjustment, which reduces depreciation benefit. Elimination would be equivalent of $0.7 billion of SFC incremental support, or another 0.5 large plant.

c. Reduction of Basis by One Half of ETC. This is similar to the above change. If ETC were made fully effective as recommended above, the additional benefit of eliminating this item would allow SFC to save $0.7 billion of supports, equivalent to another 0.5 plant.

d. Change in 5-Year ACRS. TEFRA reduced the effectiveness of depreciation for 1985 and later years. Restoration of the previous law would allow SFC to conserve $1.3 billion of supports, enough to sponsor another 0.9 large plant.

Summary of Impacts. Taken together, the recommended changes listed above would have a cumulative result of benefiting the rate of return on synfuel projects to the same degree as $8.6 billion of SFC assistance. If such benefits were fully available, the SFC's authorized funds might be sufficient to support 15 to 16 large plants, rather than the 10 presently envisioned. SFC would thereby come much nearer to achieving the technological diversity that is the main thrust of its program.

The SFC recommends legislative actions that would provide the foregoing tax benefits to private sector sponsors of synfuel projects.

Summary of additional SFC support (resulting from certain tax changes) that could assist additional projects

	Billions
1. Extension of ETC affirmative action date	$2.0
2. Broadening eligibility of ETC to include:	
(a) Ancillary facilities	1.6
(b) Tar sands and heavy oil projects	.3
Subtotal	1.8
3. Restoration of benefits removed by TEFRA:	
(a) Capitalization of interest during construction	2.0
(b) Reduction of basis by 50 percent of ITC	.7
(c) Reduction of basis by 50 percent of ETC	.7
(d) Change in 5-year ACRS schedule	1.3
Subtotal	4.7
Total	8.6

Totals may not add due to rounding.

Mr. McCLURE. Mr. President, this measure would extend the affirmative commitment dates for solar, wind, geothermal, and biomass energy properties, as well as synthetic fuel projects. The measure also would clarify the eligibility of certain tar sands properties and equipment, shale oil equipment, and synthetic fuels production equipment.

By Mr. DANFORTH (for himself and Mr. EAGLETON):

S. 1397. A bill to amend the Internal Revenue Code of 1954 to provide an al-

ternative test for qualification for the credit for rehabilitated buildings; to the Committee on Finance.

CREDIT FOR REHABILITATED BUILDINGS

Mr. DANFORTH. Mr. President, in 1978, we passed the credit for qualified rehabilitated buildings, the purpose of which was to provide incentives to taxpayers to rehabilitate and modernize older buildings. This credit was modified and expanded in the Economic Recovery Tax Act of 1981. These actions by the Congress reflected our concern about the declining usefulness of existing, older buildings, primarily in central cities and older neighborhoods of all communities. We believed at the time that it was appropriate to extend the policy objective of the investment tax credit to enable business to rehabilitate and modernize existing structures. It was felt that this change in the investment tax credit would promote greater stability in the economic vitality of areas which had been deteriorating. I believe we have seen that this change in the law has been successful in achieving its objectives.

The credit for rehabilitation of older buildings is premised on the idea that we were providing an incentive only for rehabilitation of older buildings, not for new construction. To avoid giving the credit for new construction, both the 1978 and 1981 legislation required, as a condition of the credit, that at least 75 percent of the existing external walls of a building be retained in place as external walls in the rehabilitation process. It was felt that this requirement would prevent construction which was essentially new construction from qualifying for the credit.

Unfortunately, what we did not foresee at the time was that this requirement excludes many rehabilitation projects which are without question rehabilitation and not new construction. This problem arises where, because of the shape of the existing building, less than 75 percent of the existing external walls are retained in place as external walls even though virtually the entire existing building is retained in place.

For example, in downtown St. Louis, a 40-year-old office building is being rehabilitated and expanded into a hotel. The expansion will cover a small part of one side of the existing structure, leaving the other three sides entirely as they now exist. If this were a plain, rectangular building, the expansion would cover far less than 25 percent of the existing external walls. However, the building is shaped similar to an "E," with the legs of the "E" on the side to which the expansion is to be added. Thus, because of the indentations on that side of the building, less than 25 percent of the existing external walls will remain as external walls, even though three of the four sides of the building will remain untouched.

This is just one example. The Treasury Department is aware of a number of other situations where, because of the unusual shape of a building, the rehabilitation will not meet the letter of the requirements, yet clearly meets our objectives in limiting the credit to those situations where there is truly a rehabilitation, not new construction. Officials with whom I have discussed this problem at Treasury agree that there is a problem which should be addressed legislatively. Although Treasury has no official position on the bill I am introducing today, as of yet, the initial reaction of the Office of the Tax Legislative Counsel is favorable.

This bill is very straightforward and is aimed at solving this problem without opening up the rehabilitation credit to projects which are actually new construction. Under this bill, the requirement of current law that 75 percent of existing external walls be retained in place as external walls is deemed to be met if three conditions are met:

First, 50 percent or more of the existing external walls are retained in place as external walls, and

Second, 75 percent or more of the existing external walls are retained in place—but not necessarily as external walls—and

Third, 95 percent or more of the existing internal structural framework is retained in place.

The provisions of this bill would be effective for qualified rehabilitation expenditures incurred after May 26, 1983, the date of introduction.

Mr. President, I ask unanimous consent that the text of the bill be printed in full in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows;

S. 1397

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ALTERNATIVE TEST FOR DEFINITION OF QUALIFIED REHABILITATED BUILDING.—Subparagraph (A) of section 48(g)(1) is amended by adding at the end thereof the following new clause:

"(iv) the requirement in clause (iii) shall be deemed to be satisfied if in the rehabilitation process:

"(I) 50 percent or more of the existing external walls are retained in place as external walls;

"(II) 75 percent or more of the existing external walls are retained in place (but not necessarily as external walls); and

"(III) 95 percent of the existing internal structural framework is retained in place."

SEC. 2. EFFECTIVE DATE.—The amendments made by this section shall be effective for qualified rehabilitation expenditures incurred after May 26, 1983.

By Mr. WALLOP:

S. 1398. A bill to amend the Internal Revenue Code of 1954 and title IV of the Social Security Act to provide for the support of dependent children through a child support tax on absent parents, and to provide for a demonstration program to test the effectiveness of such tax prior to full implementation; to the Committee on Finance.

CHILD SUPPORT TAX ACT

Mr. WALLOP. Mr. President, in the 1983 state of the Union message, President Reagan stated his administration intends "to strengthen enforcement of child support laws to insure that single parents, most of whom are woman, do not suffer unfair financial hardship." The President's comments were directed to a growing problem in this country, the abandonment of families by the parent who had been the primary provider. Over the past decade, single parent families increased by the phenomenal rate of 69 percent. Such families represent about 20 percent of all families, up from 9 percent in 1960.

The rise in single parent families has lead to several distressing developments. Single parent families are most often headed by a female. They account for 90 percent of such families, and the economic and social burdens of raising children in a broken family fall on women. The economic difficulties of this situation are reflected in the growing femanization of welfare. The number of poor families in this country has not grown appreciably. What has happened is that the number of male-headed families below the poverty level has declined while the number of female-headed families has increased by one-third since 1970. The rate of poverty among female-headed families is six times the rate for male-headed families. One-third of the female-headed families live below the poverty level.

As more and more female-headed families fall into poverty, there is increased demands placed on our social welfare system. What has traditionally been a personal responsibility, the care of one's family, is becoming a public responsibility, paid for by the taxpayers. The other side of the coin is that fathers are successfully evading their responsibilities. Only about 50 percent of families with child support orders ever receive any funds. And, many single parent families do not even have a child support order. In discussing this problem last year, I described the child support situation for one group of women, those receiving AFDC. While over 80 percent of all families on AFDC have an absent parent, only 38 percent even have a court order for child support. The ability to obtain an order reflects the legal ties between the parents. About 80 percent of divorced women on welfare have legal support orders. Only 11 percent of those never married have an agreement. However, only 39 percent

of the families ever receive any money, and often the payments are much less than the order. What it comes down to is that only 15 percent of families on welfare receive any support from the deserting parent.

With over 2 million fathers not honoring child support agreements, and many others not even faced with such an obligation, it is the taxpayer who is being asked to bear the expense of raising their families. This is a ridiculous, and immoral, situation. I certainly support the administration's efforts to improve enforcement of child support laws. Last year, I introduced S. 2437, the Child Support Tax Act, in an attempt to stimulate reform of our system for child support.

Today, I am reintroducing this legislation. The bill is a very strong measure. It imposes a tax on those parents who have abandoned their families, and are not paying any child support. The funds would be returned to the families. My bill is directed to only those families receiving public assistance, that is AFDC. Other alternatives exist. Some would cover all families where a situation of child support might exist. Collection methods other than a tax have been suggested. One suggestion is to amend the law regarding our W-4 tax forms, the withholding forms. When a support order exists, the parent with the order or the local court would request that the employer withhold the child support from the paycheck. This could be done once a month, with a small fee paid to the employer. Funds would go directly to the trustee handling the support order.

The State of Wisconsin is preparing to embark on a demonstration project using the concepts in the Child Support Tax Act. This will be an opportunity to test this approach. I hope that the introduction of my bill will stimulate further discussing and innovation concerning this serious problem. I would ask that the bill be printed in the RECORD at this point along with a description of the bill and several recent articles on the child support problem.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1398

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Child Support Tax Act".

ESTABLISHMENT OF TAX

SEC. 2. Subtitle D of the Internal Revenue Code of 1954 (relating to miscellaneous excise taxes) is amended by inserting after chapter 38 the following chapter:

"CHAPTER 39—CHILD SUPPORT TAX

"Sec. 4701. Imposition of tax.
"Sec. 4702. Definitions and special rules

"SEC. 4701. IMPOSITION OF TAX.

"(a) GENERAL RULE.—There is hereby imposed for each taxable year a child support tax on every liable absent parent in an amount to—

"(1) in the case of a parent having support obligations for 1 child, 20 percent of the lesser of—

"(A) such parent's adjusted gross income (as defined in section 62) for such taxable year; or

"(B) the amount of the contribution and benefit base for such taxable year as determined for purposes of title II of the Social Security Act (as determined under section 230 of that Act);

"(2) in the case of a parent having support obligations for 2 children, 30 percent of the lesser of such amounts; and

"(3) in the case of a parent having support obligations for 3 or more children, 40 percent of the lesser of such amounts.

"(b) MONTHLY APPLICABILITY.—The tax imposed under this section shall apply only to adjusted gross income attributable to months during any part of which the taxpayer has been certified as a liable absent parent in accordance with section 464 of the Social Security Act.

"SEC. 4702. DEFINITIONS AND SPECIAL RULES.

"(a) DEFINITIONS.—For purposes of this chapter—

"(1) LIABLE ABSENT PARENT.—The term 'liable absent parent' means an individual who has been determined under section 464 of the Social Security Act to be the liable absent parent of a child for whom a benefit is being paid under such section 464.

"(2) SUPPORT OBLIGATION.—The term 'support obligation' means child support payments for which a liable absent parent has been determined to be responsible under section 464 of the Social Security Act.

"(b) SPECIAL RULES.—For purposes of this chapter—

"(1) WITHHOLDING OF TAX.—The provisions of chapter 24 (relating to collection of income tax at source of wages) shall apply to the tax imposed under this chapter in the same manner as they apply to the tax on income imposed under subtitle A; except that—

"(A) the Secretary shall prescribe the amount to be withheld based upon the relevant amount applicable to an individual; and

"(B) from the amount withheld by an employer, such employer may retain as reimbursement for administrative expenses an amount equal to 1 percent of the taxes owed by his employees under this chapter and withheld by such employer.

"(2) INFORMATION, RETURNS, ADMINISTRATIVE PROVISIONS, PENALTIES, ETC.—Except as otherwise provided in this chapter, the provisions of subtitle F (relating to procedure and administration) shall apply to the tax imposed by this chapter in the same manner as they apply to the tax on income imposed by subtitle A.".

CHILD SUPPORT PAYMENTS

SEC. 3. (a) Section 451 of the Social Security Act is amended by inserting "paying Federal child support benefits under section 464," after "For the purpose of".

(b) Part D of title IV of such Act is amended by adding at the end thereof the following new section:

"FEDERAL CHILD SUPPORT BENEFITS

"SEC. 464. (a)(1) Any eligible child of a liable absent parent shall be eligible to receive child support benefits under this section at an annual rate determined under paragraph (1) or (2). Such benefits shall be paid by the Secretary on a monthly basis for each month during all of which such child is an eligible child, and shall be paid for use on behalf of such child to the custodial relative (referred to in subsection (b)(1)(B)) of such child or, if the Secretary determines it to be appropriate, to another person (including an appropriate public or private agency) who is interested in the welfare of such child.

"(2) The annual rate for benefits under this section for the calendar year 1984 shall be—

"(A) $2,000 for an eligible child living in a household in which he is the only household member eligible for such a benefit;

"(B) $1,500 for each eligible child living in a household in which there are two household members eligible for such a benefit;

"(C) $1,335 for each eligible child living in a household in which there are three household members eligible for such a benefit;

"(D) $1,250 for each eligible child living in a household in which there are four household members eligible for such a benefit;

"(E) $1,165 for each eligible child living in a household in which there are five household members eligible for such a benefit;

"(F) $1,080 for each eligible child living in a household in which there are six household members eligible for such a benefit;

"(G) $1,000 for each eligible child living in a household in which there are seven household members eligible for such a benefit;

"(H) $915 for each eligible child living in a household in which there are eight household members eligible for such a benefit;

"(I) $830 for each eligible child living in a household in which there are nine or more household members eligible for such a benefit;

"(3) The annual rate for benefits under this section for the calendar year 1985 and each calendar year thereafter shall be the rate in effect (for each type of household described in paragraph (2)) for the preceding calendar year, increased by a percentage equal to the percentage increase (if any) in the average of the total wages reported to the Secretary of the Treasury for the preceding calendar year (as determined for purposes of section 215(q)(1) of this Act) as compared to the average of the total wages so reported for the second preceding calendar year, rounded to the nearest $5.

"(4) Notwithstanding the provisions of paragraphs (2) and (3), the amount of benefits paid under paragraph (1) in any taxable year to any child or children of a liable absent parent shall not exceed the amount of the child support tax collected from such parent for such taxable year.

"(b)(1) For purposes of this section, an eligible child means an individual—

"(A) who has not attained the age of 18;

"(B) who—

"(i) is living in the home of a relative specified in section 406(a)(1); or

"(ii) was removed from such home pursuant to a voluntary placement agreement or as a result of a judicial determination to the effect that continuation therein would be contrary to the welfare of such child;

"(C) one (or both) of whose parents is a liable absent parent with respect to such child; and

"(D) on whose behalf benefits have been applied for under this seciton.

"(2) For purposes of this section, a liable absent parent means an individual—

"(A) who is absent from the home of one or more of his children on other than a temporary basis;

"(B) has a legal obligation under State law to furnish support for such child or children; and

"(C) whose whereabouts have been established by the State, the Internal Revenue Service, or the Federal Parent Locator Service.

"(3) All determinations of family status for purposes of this section shall be made on the basis of the applicable State law.

"(c)(1) Any amount of any benefit received under this section (or the amount of any such benefit for which a child would be eligible if application were made therefor) shall be considered unearned income of such child for purposes of part A of this title.

"(2) All requirements of this part relating to establishment of paternity, locating of absent parents, and collection of child support (if any) ordered by a court in addition to the tax imposed by section 4701 of the Internal Revenue Code of 1954, shall apply to each State with respect to each child in such State applying for or receiving benefits under this section in the same manner as they are applicable with respect to each child applying for or receiving aid to families with dependent children. Any relative of a child receiving a benefit under this section, or other individual living in the same household as such child, shall be eligible for aid under the State plan approved under part A in the same manner as the relative of a child, or other individual living in the same household as a child, not receiving such benefits.

"(3) The State shall certify to the Secretary of the Treasury each individual who is determined to be a liable absent parent, and the Secretary of the Treasury shall notify such individual and his employer (if any) of such certification and of the imposition of the child support tax under section 4701 of the Internal Revenue Code of 1954.

"(d) The provisions of this section, and the imposition of the child support tax under section 4701 of the Internal Revenue Code of 1954, shall not be construed as a limitation upon the right of any State or any court to order, suspend, or amend any child support obligation under State law.

"(e) Whenever the Secretary finds that more or less than the correct amount of benefits has been paid with respect to any child, proper adjustment or recovery shall be made by appropriate adjustments in future payments to such child or by recovery from or payment to such child. The Secretary shall make such provision as he finds appropriate in the case of payment of more than the correct amount of benefits with respect to a child with a view to avoiding penalizing such child who was without fault in connection with the overpayment, if adjustment or recovery on account of such overpayment in such case would defeat the purposes of this section, or be against equity or good conscience, or (because of the small amount involved) impede efficient or effective administration of this section.

"(f)(1) The Secretary is directed to make findings of fact and decisions as to the rights of any child applying for benefits under this section. The Secretary shall provide reasonable notice and opportunity for a hearing to any individual who is or claims to be an eligible child and is in disagreement with any determination under this section with respect to eligibility of such child for benefits, or the amount of such child's benefits, if such child requests a hearing on the matter in disagreement within 60 days after notice of such determination is received, and, if a hearing is held, shall, on the basis of evidence adduced at the hearing affirm, modify, or reverse his findings of fact and such decision. The Secretary is further authorized, on his own motion, to hold such hearings and to conduct such investigations and other proceedings as he may deem necessary or proper for the administration of this section. In the course of any hearing, investigation, or other proceeding, he may administer oaths and affirmations, examine witnesses, and receive evidence. Evidence may be received at any hearing before the Secretary even though inadmissible under the rules of evidence applicable to court procedure.

"(2) Determination on the basis of such hearing shall be made within 90 days after the child requests the hearing as provided in paragraph (1).

"(3) The final determination of the Secretary after a hearing under paragraph (1) shall be subject to judical review as provided in section 205(g) to the same extent as the Secretary's final determinations under section 205.

"(g)(1) The provisions of section 207 and subsections (a), (d), and (e) of section 205 shall apply with respect to this section to the same extent as they apply in the case of title II.

"(2) The Secretary may prescribe rules and regulations governing the recognition of agents or other persons, other than attorneys, as hereinafter provided, representing claimants before the Secretary under this section, and may require of such agents or other persons, before being recognized as representatives of claimants, that they shall show that they are of good character and in good repute, possessed of the necessary qualifications to enable them to render such claimants valuable service, and otherwise competent to advise and assist such claimants in the presentation of their cases. An attorney in good standing who is admitted to practice before the highest court of the State, Territory, District, or insular possession of his residence or before the Supreme Court of the United States or the inferior Federal courts, shall be entitled to represent claimants before the Secretary. The Secretary may, after due notice and opportunity for hearing, suspend or prohibit from further practice before him any such person, agent, or attorney who refuses to comply with the Secretary's rules and regulations or who violates any provision of this paragraph for which a penalty is prescribed. The Secretary may, by rule and regulation, prescribe the maximum fees which may be charged for services performed in connection with any claim before the Secretary under this section, and any agreement in violation of such rules and regulations shall be void. Any person who shall, with intent to defraud, in any manner willfully and knowingly deceive, mislead, or threaten any claimant or prospective claimant or beneficiary under this section by word, circular, letter, or advertisement, or who shall knowingly charge or collect directly or indirectly any fee in excess of the maximum fee, or make any agreement directly or indirectly to charge or collect any fee in excess of the maximum fee, prescribed by the Secretary, shall be guilty of a misdemeanor and, upon conviction thereof, shall for each offense be punished by a fine not exceeding $500 or by imprisonment not exceeding one year, or both.

"(h)(1)(A) The Secretary shall, subject to subparagraph (B), prescribe such requirements with respect to the filing of applications, the suspension or termination of assistance, the furnishing of other data and material, and the reporting of events and changes in circumstances, as may be necessary for the effective and efficient administration of this section.

"(B) The requirements prescribed by the Secretary pursuant to subparagraph (A) shall require that eligibility for benefits under this section will not be determined solely on the basis of declarations by the applicant concerning eligibility factors or other relevant facts, and that relevant information will be verified from independent or collateral sources and additional information obtained as necessary in order to assure that such benefits are only provided to eligible children and that the amounts of such benefits are correct.

"(2) In case of the failure by any child (or his custodial relative or guardian) to submit a report of events and changes in circumstances relevant to eligibility for or amount of benefits under this section as required by the Secretary under paragraph (1), or delay by any child, relative, or guardian in submitting a report as so required, the Secretary (in addition to taking any other action he may consider appropriate under paragraph (1)) shall reduce any benefits which may subsequently become payable to such child under this section by—

"(A) $25 in the case of the first such failure or delay,

"(B) $50 in the case of the second such failure or delay, and

"(C) $100 in the case of the third or a subsequent such failure or delay,

except where the child, relative, or guardian was without fault, or where good cause for such failure or delay existed.

"(i) The head of any Federal agency shall provide such information as the Secretary may require for purposes of determining eligibility for or amount of benefits under this section, or verifying other information with respect thereto.

"(j) Whoever—

"(1) knowingly and willfully makes or causes to be made any false statement or representation of a material fact in any application for any benefit under this section,

"(2) knowingly and willfully makes or causes to be made any false statement or representation of a material fact for use in determining rights to any such benefit,

"(3) having knowledge of the occurrence of any event affecting (A) his initial or continued right to any such benefit, or (B) the initial or continued right to any such benefit of any child in whose behalf he has applied for or is receiving such benefit, conceals or fails to disclose such event with an intent fraudulently to secure such benefit either in a greater amount or quantity than is due or when no such benefit is authorized, or

"(4) having made application to receive any such benefit for the use and benefit of another and having received it, knowingly and willfully converts such benefit or any part thereof to a use other than for the use and benefit of such other person,

shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

"(k) The Secretary may make such administrative and other arrangements as may be

necessary and appropriate to carry out his functions under this section.

"(l) For purposes of title XIX of this Act, any child, or relative or other person living in the same household as such child, who would be eligible for aid to families with dependent children under the State plan approved under title IV-A but for the fact that such child is eligible (or would be eligible if he applied therefor) for benefits under this section, shall be deemed to be an individual receiving aid to families with dependent children under such State plan.".

(c) Section 402(a)(7) of the Social Security Act is amended—

(1) by striking out "and" at the end of subparagraph (B);

(2) by adding "and" at the end thereof; and

(3) by adding at the end thereof the following new subparagraph:

"(D) shall include as unearned income the amount of any benefit received under section 464 by any such child, relative, or other individual whose needs are taken into account under subparagraph (A);".

EFFECTIVE DATE

SEC. 4. The amendments made by sections 2 and 3 of this Act shall become effective on January 1, 1988.

DEMONSTRATION PROGRAM

SEC. 5. (a) The Secretary of Health and Human Services (referred to in this section as the "Secretary"), in consultation with the Secretary of the Treasury, shall undertake a demonstration program, which shall be voluntary on the part of any State, under which those States participating in the program shall put into effect—

(1) a State child support tax which the Secretary determines is substantially equivalent (at the State level) to the child support tax established under chapter 39 of the Internal Revenue Code of 1954; and

(2) a State child support payment program which the Secretary determines is substantially equivalent (at the State level) to the child support payment program established under section 464 of the Social Security Act.

(b) The Secretary shall, in the case of any State participating in the demonstration program established under subsection (a), waive any requirement of part A of title IV of the Social Security Act as may be necessary (as determined by the Secretary) to carry out such demonstration program.

(c) The Secretary shall, to the extent feasible, approve demonstration programs under subsection (a) in at least six States, and shall include the widest variety of States possible based upon such characteristics as urban-rural differences, population characteristics, cost-of-living, and standard of living.

(d) The Secretary shall pay to each State participating in the demonstration program under subsection (a) an amount equal to the reasonable administrative expenses incurred by such State (as determined by the Secretary) in carrying out the program, including administrative expenses incurred in collecting the child support tax.

(e) The Secretary, and the Secretary of the Treasury, shall provide technical assistance to States participating in the demonstration program under subsection (a) to assist such States in locating absent parents, collecting the child support tax, and making child support benefit payments.

REPORTS AND EVALUATION

SEC. 6. (a) The Secretary shall submit an annual report to the Congress on the demonstration program under section 5. Such report shall include—

(1) an analysis of any obstacles or potential obstacles to the implementation of the demonstration program or of the nationwide implementation of the child support program established under sections 2 and 3 of this Act;

(2) any recommendations for legislation to ensure the effective implementation of such programs; and

(3) a plan for the implementation of such programs.

(b) The Office of Management and Budget shall submit a report to the Congress on the budgetary ramifications of implementing the nationwide child support program established under sections 2 and 3 of this Act. Such report shall be submitted prior to January 1, 1984.

(c)(1) The Secretary shall provide for independent evaluations which describe and measure the impact of such programs. Such evaluations may be provided by contract or other arrangements and all such evaluations shall be made by competent and independent persons, and shall include, whenever possible, opinions obtained from program participants about the strengths and weaknesses of the program.

(2) The Secretary shall develop and publish standards for evaluation of the effectiveness of the program in achieving the objectives of this Act, and provide for annual evaluation of the program based on a selective sample of States. Such standards shall specify objective criteria which shall be utilized in evaluation of the program and shall outline techniques and methodology for producing data.

(3) The Secretary shall make a report to the Congress concerning the results of evaluations required under this section which shall be comprehensive and detailed and based to the maximum extent possible on objective measurements, togethr with other related findings and evaluations and his recommendations.

(d) The Secretary is authorized to expend such sums as may be necessary to carry out the provisions of this section, but not to exceed for any fiscal year an amount equal to one-half of 1 percent of the administrative expenses incurred in carrying out such programs.

DESCRIPTIVE ANALYSIS OF THE CHILD SUPPORT TAX ACT

PART 1

A tax will be imposed on the adjusted gross income of a liable absent parent at the rate of 20% of income for the first child, an additional 10% for the second, and another 10% for three or more children.

The tax base is the same as that used for the FICA tax, and will increase at the same rate as the FICA wage base.

The liable parent is an individual determined under Section 464 of the Social Security act to be the liable absent parent of a child seeking support.

The tax shall be withheld in the same manner as the federal income tax is withheld. Up to 1% of the withholding will be applied to employer administrative expenses for the withholding.

PART 2

Eligibility for the child support benefit shall include any family applying for AFDC where there is an absent liable parent. Benefits will be paid monthly by Health and Human Services for a child's support from the Child Support Benefit Fund.

Each child be given a Social Security number and have an account established in the Fund. Their benefits shall be the greater of the absent parent's actual contribution or $2000 minimum for a single child, an additional $1000 for the second through fourth child, and proportionately reduced benefits for each additional child. No family will receive more than $10,000 in minimum benefits.

In the event that a child support account does not collect enough revenue to match the minimum benefit, the child would continue to qualify for the minimum benefit. An alternative would be to continue to cover such children under AFDC. The custodial parent would be eligible for custodial parent benefits under AFDC.

PART 3

The Office of Child Support Enforcement would be responsible for locating parents. The Department of Health and Human Services shall administer distribution of benefits from the Child Support Benefit Fund. The Department of the Treasury shall oversee notification of employers regarding withholding and shall collect the tax.

The program would be effective in 1988. For years 1984 to 1988, a state demonstration project shall be in operation to test the feasibility of the program. At least six states would be eligible to participate (the state of Wisconsin is already working on a program). The states would have to have an effective income tax and collection procedure. The federal government would assist with a 90% federal match for administrative expenses. The bill also requries annual evaluation of the operation of the program.

[From the U.S. News & World Report, Mar. 21, 1983]

ON THE TRAIL OF THOSE DEADBEAT DADS

(By Patricia A. Avery)

A Pennsylvania man wins 4.6 million dollars in the state lottery only to end up in legal negotiations with two states over nonpayment of child support.

A Michigan mother had to go to court when her former husband, a judge earning $52,000 a year, fell more than $6,600 in arrears on support payments for their two children.

An Arizona woman reports her child is suffering from malnutrition because she has only $10 a week for food and her ex-husband isn't sending money.

These are a few of the distressing stories behind figures showing that an estimated 2 million fathers do not honor agreements to support children of broken marriages. In fact, government figures show that more than half of all fathers who should be paying child support give less than required—or nothing at all. Fathers represent 95 percent of the parents who fall behind on support.

So serious is the problem that Congress and state legislatures are seeking new ways to track down deadbeat dads and make them pay.

In most cases, when a father stops payment, his children and former wife quickly find themselves at the bottom of the economic ladder. The result: The financial responsibility of the father is shifted to the taxpayer.

FORCED MOVE

An example is a 27-year-old woman who had lived with her husband and three children in a wealthy suburb of Flint, Mich.

After the divorce, the man paid only a fraction of his support payments, although he was earning $50,000 a year. His family soon was living in an inner-city subsidized-housing project.

"It was a nightmare," the woman says. "My children and I went from a typically middle-class existence to poverty practically overnight."

A study in California shows that there is little relationship between income and the father's failure to comply with court-ordered child support. Says researcher Lenore J. Weitzman of Stanford University: "Men with incomes between $30,000 and $50,000 were as likely to fail to comply as those with incomes of under $10,000."

The delinquent parent often can escape local supervision of court-ordered support payments simply by moving out of state. In Florida and Texas, just moving to another county makes a new court proceeding necessary. Only 11 states have mandatory wage withholding for child support. While some states will jail a parent for nonsupport, in most cases the penalties are slight.

"Trying to achieve a legal remedy was a total farce and a failure," says a 37-year-old Tallahassee, Fla., mother who had to sell her three-bedroom ranch house and has battled her former husband across state lines over support for their three children. "States and judges simply do not cooperate," she says. "Uniformity in laws and enforcement is desperately needed."

Why do men—even successful, middle-class professionals—turn their backs on their own children? David Chambers, a law professor at the University of Michigan, lists a number of reasons:

Some are angry at ex-wives and the courts for what they see as an unfair financial burden.

Writing a support check can be a painful reminder of happier times, bringing on depression and remorse.

Men separated from their children sometimes have only weak emotional attachments to them.

Remarriage can mean a new family and additional financial burdens.

Whatever the reason, the women and children these men neglect often feel isolated. "I thought my case was unique and that I had been unlucky enough to marry a totally irresponsible guy," says a Maryland woman abandoned with one child while pregnant with another. "But then I found there were great numbers of women going through this."

REMEDIES SOUGHT

So many women face the problem that nearly a dozen child-support advocacy groups have been formed to lobby for stiffer laws against runaway parents. In Arizona, one group is asking the Legislature to have neglect of support payments noted on credit reports.

Federal law provides for garnishing of federal tax refunds of delinquent parents when the children are on welfare, but Congress is being asked to expand this provision to all runaway parents and to order wage withholding for federal employes owing child support.

New York State officials in early March said that up to 60,000 New Yorkers could have state-income-tax refunds withheld this spring for failure to pay child support.

One aid in finding such parents is the Federal Parent Locater service. This computer system uses records of the Internal Revenue Service and other agencies to trace those whose support payments are in arrears.

However, since the federal government wants to reduce welfare spending, the priority still is given to tracking down fathers whose families receive such federal benefits. Nonwelfare mothers have to pay a fee to use the service—and, in many states, must pay an application fee to enlist the aid of the local child-support agency.

Because of this, women's groups are pushing for a federal income-withholding system for child support or a wage-attachment provision that would follow a person from job to job.

"This isn't a matter of camp fees and expensive vacations," says Patricia Kelly of KINDER, a Michigan group focusing on the problem. "It's a matter of shoes and food for children. We will continue to seek remedies for as long as it takes."

[From the Wall Street Journal, Oct. 5, 1982]

SEDUCED AND ABANDONED: AMERICA'S NEW POOR

(By Bruce Chapman)

The way we use and understand certain words has special importance in public life—billions of dollars could be riding on it.

The interpretations analysts give to demographic and economic terms tend to influence the way problems get defined, issues developed, legislation drafted and those billions of dollars spent.

Take the concept of "poverty."

Poverty in America, as officially measured, went from 25.4 million persons below poverty level in 1970 to 31.8 million in 1981. With seeming incongruity, that rise took place during the very period when federal programs to combat poverty were greatly expanded.

Slow overall economic growth in the '70s and three recessions, may have played a part in the perverse upward trend of poverty. But on closer inspection it also appears that the official measure of poverty may be somewhat overstating the numbers of the truly poor.

For instance, the official measurement of poverty doesn't take into consideration the value of such in-kind benefits as Medicaid, public housing subsidies, school lunches and food stamps—federal programs whose costs, after inflation, grew eightfold, from $5.2 billion to $42.4 billion between 1965 and 1980.

MORE SINGLE-PARENT FAMILIES

Also a source for possible official overstatement of poverty is the underground economy, which cannot be measured accurately, but which nearly all economists believe has been expanding; obviously, it's largely ignored when "poverty" is measured.

Recent data now points to another factor in today's relatively high official poverty levels—the expanding number of single-parent families, more than half of them poor or near-poor. There was a 69 percent increase in single-parent families during the past decade, and such families now constitute 19 percent of all families with children.

There does seem to be at least a partial connection between the change in attitudes toward family life, the rise in single-parent families and high poverty rates. It is not a neat or uniform equation, of course, and one can expect suggestions from a few quarters that no link exists at all.

At the outset, for example, some question the proposition that the traditional family institution in America really is in decline. They tend to dismiss the doubling of the divorce rate in the last 15 years as mere evidence that bad marriages are being ended with less hesitation these days. Likewise, they may chalk up the last decade's 30 percent drop in the remarriage rate to a more sophisticated populace who have learned that "getting burned once is enough." Perhaps.

But it's hard to dismiss the increased rate of marital separation, especially when one considers that separation is often just a euphemism of abandonment. The increases in separation is of particular concern among black families, where there were 225 separated persons per 1,000 married persons in 1981. That figure was up from 172 per 1,000 in 1971. For whites, the increase was from 21 to 29 per 1,000.

Nor can one rationalize easily the growing number of out-of-wedlock births that, as a proportion of all births, rose from 5.3% in 1960 to 17% in 1979.

Among whites the increase was from 2% in 1960 to 9% in 1979, while for blacks the number rose from 22% in 1960 to 55% in 1979. Four out of 10 of all out-of-wedlock births, moreover, are to teen-agers.

One result of such a surge in divorce, separation and out-of-wedlock births, then has been a concurrent rise in single-parent families—90% of them are maintained by women.

These facts are worrisome in themselves, but might be consigned to the "social issue" agenda alone if they did not, in turn, tell us something about today's economic issues, notably the problems of poverty and of public spending on social programs meant to alleviate that poverty. Family dissolution is helping to create a strain on an already taut federal budget.

Census Bureau figures suggest that when a father physically leaves his family, for instance, he tends also to leave his former dependents to their own devices financially—and often to the care of government. Only two-fifths of single-parent families maintained by women receive child support payments from the father; and only 7% of never-married women with children. On the other hand, one-half of all families maintained by women receive some form of public assistance.

Thus, the single-parent family is the newly significant factor in the nation's high poverty figures and in growing social spending. It is not that such families are poorer today (they are not), but that there are so many more of them swelling the ranks of the poor.

When the effect of the growth of single-parent families is examined, in fact, poverty was in retreat in the past decade. Poverty levels for year-round, full-time workers have fallen close to zero, and those few full-time workers who are in poverty are there primarily as a result of large family size, not low salaries.

Much of the new data that illuminate the relationship of single-parent family status to poverty are found in a recent Census Bureau report by Gordon Green and Edward Weiniak; "Changing Family Composition and Income Differentials."

Among the Green-Weiniak revelations is that real median family income, which went up only 1% for whites in the 1970s, and declined 5% for blacks, reflects the consequences of increased family breakup, but does not represent what happened to intact families (two parents). The real income of intact families went up in the '70s. Indeed, as Messrs. Green and Weiniak estimate, if one statistically adjusts the family composition of the 1980 population in the U.S. to reflect that which prevailed in 1970, real median family income would be seen to go

up 3% for whites and 11% for blacks. In other words, had we not seen the increase in single-parent families in the 1970s, and all other factors had remained constant, we might not have seen such slow growth in median family income and such a high rate of poverty.

POVERTY-DIVORCE LINK

In reporting the Green-Welniak study, the Census Bureau did not examine "causality" between changing family composition and high poverty rates, but pointed only to the strong correlation. After all, from the data, one could argue that poverty contributes to family breakup, as well as vice versa. Personally, however, I question whether poverty per se is playing a larger-than-usual role in today's level of family dissolution, since we saw no comparable trend, say, in the far worse times of the Great Depression.

By coincidence, a little-notice report released last June by Greg J. Duncan of the University of Michigan's Survey Research Center used different statistical methodology from that of the Census Bureau, but came to similar conclusions, with direct evidence of the link between poverty and family composition changes. Mr. Duncan's report stated, "Divorce is economically disastrous for many of the women and children involved in it, accounting for much of the flows into and out of poverty."

Those who deny the existence of a real decline in the traditional family in America, and those who accept it but deny that it has any serious consequences in effecting income levels, would have us ignore the new reality of poverty in America. But as with other social and economic interactions, the new poverty reality must be recognized if either the changed society or the changed economy is to be understood.

By Mr. MOYNIHAN:

S. 1395. A bill entitled the Radiological Emergency Response Planning and Assistance Act of 1983; to the Committee on Environment and Public Works.

RADIOLOGICAL EMERGENCY RESPONSE PLANNING AND ASSISTANCE ACT OF 1983

Mr. MOYNIHAN. Mr. President, I rise today to offer legislation that recognizes what is by now altogether clear to those familiar with the debate in this Nation over nuclear power: if we are to have a domestic nuclear-power industry, it must exist within a large framework of institutions and procedures that make clear who is responsible for regulation and who is responsible for protecting the safety of the public.

Some years ago it became evident that in our hurry—that does not exaggerate the great expectations of the postwar period—to develop nuclear energy we paid far too little attention to the problem of disposing of the nuclear waste that results. Carroll L. Wilson, of the Massachusetts Institute of Technology, has aptly described this as paying too much attention to the front of the machine and too little to the back. With the passage of the West Valley demonstration Project Act of 1980, providing for the Federal Government to take the nuclear waste now stored at West Valley, N.Y., and prepare it through solidification for permanent storage, we began to address that responsibility.

Even more recently, it has become evident that in our early arrangements we also failed to pay enough attention to how communities are to respond should something go radically wrong in a nuclear reactor.

It would seem that despite nearly four decades of experience with these issues, there are fundamental questions still unanswered. From the creation of the old Atomic Energy Commission under the Atomic Energy Act of 1946, through its amendment by the Atomic Energy Act of 1954, to the creation of the Nuclear Regulatory Commission under the Energy Reorganization Act of 1974, Congress has found that a domestic nuclear-power industry requires the presence of Federal regulation. it has so required, in part, because the possibility of a domestic nuclear-power industry devolved from the Federal Government's own role in bringing this Nation into the nuclear age.

Yet the thrust of regulation over the last 37 years has been directed to the licensing, siting, construction, and safe operation of nuclear powerplants. The latest edition of the U.S. Government Manual, in its entry on the NRC, so states:

> The Nuclear Regulatory Commission's purpose is to assure that the civilian uses of nuclear materials and facilities are conducted in a manner consistent with the public health and safety, environmental quality, national security, and the antitrust laws.

It has only been within the last several years that the Nation has become greatly aware of, and properly concerned with, the question of what happens when despite the best of these assurances, something goes wrong.

Mr. President, I should make clear that, in the main, the record of the U.S. nuclear-power industry in protecting the public, and the efforts of the Federal regulatory authority to insure that it does so, has been commendable. Especially in light of some evidence that suggests other nations may have not.

Yet the incident at Three Mile Island, however anomalous, has concentrated our focus on what happens in the instance of a nuclear emergency. Even in the absence of that incident, prudence would have dictated that we direct more attention to the question of response to nuclear accidents.

The NRC has, of course, not neglected this concern. In conjunction with the Federal Emergency Management Agency (FEMA) standards and guidelines have been promulgated for the protection of the public in the case of an emergency. But we are beginning to learn that the resources of State and local governments alone are not wholly adequate.

The NRC now requires that each nuclear powerplant site have an offsite radiological emergency response plan. There are 87 such sites with reactors operating or under construction. Yet of the 53 currently operating sites, only 16 have federally approved State or local emergency evacuation plans.

It is no doubt true that there are separate explanations to describe why each of the 37 remaining sites is operating without the required and approved plan for emergency evacuation. But it is surely true that some of these sites are located in States and in the vicinity of communities that are hard-pressed to provide the resources needed to satisfy the requirements of Federal law.

The guidelines for preparing radiological emergency response plans developed by the NRC and FEMA require State and local governments to consider 16 major planning standards and 212 evaluation criteria. In addition to the development of the plans themselves, there must be periodic review and adjustment.

The fact of the matter is that many State and local governments are in need of additional resources to handle this responsibility. It is only reasonable that Federal assistance be provided to meet the requirements of Federal law. That is the situation that the legislation I introduce today seeks to address.

Moreover, as a letter I have received from Gov. Mario M. Cuomo of New York makes clear, there are large questions of responsibility yet to be settled. As Governor Cuomo notes, the Federal responsibility for onsite safety has been made clear, but the responsibility for offsite safety needs clarification. Governor Cuomo notes that discussions conducted by his staff with the NRC and FEMA reveal that these agencies do not disagree that there must be a better delineation of responsibility.

That, too, is a purpose of the legislation I introduce today.

Mr. President, this matter arises in part as a major nuclear powerplant site in my State—one of the 37 in the Nation operating without an approved emergency response plan—faces a shutdown order early next month due to the absence of an approved emergency evacuation plan. The situation at the Indian Point nuclear powerplant site could well be the harbinger of yet a new crisis in the domestic nuclear-power industry.

Mr. President, the legislation I offer today—the Radiological Emergency Response Planning and Assistance Act of 1983—would help rectify the troubles we have encountered in making sure the public is protected from the possibility, be it however remote, of a nuclear emergency.

The legislation has two general objectives: First, to provide planning assistance from the Federal Government to State and local governments preparing and updating required emergency response plans, and second, to establish a radiological emergency response trust fund, through fees set by the Nuclear Regulatory Commission and collected annually from the operators of civilian nuclear powerplants, to be used in offsetting the costs to State and local governments of a variety of emergency response needs.

The first provision of the bill would carry an authorization of $3,000,000 for each of the fiscal years 1984 and 1985. These funds would allow the NRC to provide grants directly to State and local governments, upon application, for the preparation and updating of emergency response plans. In determining the amount of the grant to be awarded, the NRC will take into account but will not be limited to such factors as:

population density in the zone covered by the plan;

revisions to a plan required through findings of deficiency by FEMA;

the estimated cost of preparing the plan; and special circumstances that require additional studies by State and local governments in order to complete a plan.

The second major provision in the bill I introduce would establish a radiological emergency response trust fund with fees collected annually from powerplant operators. The fund would be available for a variety of purposes, including:

Offsetting cost associated with the training of State, local, or other personnel who will assist in case of a nuclear emergency, paying the costs of training State National Guard units to participate in response to an emergency, paying the costs of full field exercises and drills in testing emergency response plans, paying the costs of acquiring communication systems and equipment needed in an emergency, and offsetting other costs associated with the implementation of emergency response plans.

Mr. President, there are two other general provisions of the legislation I introduce. First, the bill authorizes the President, upon a request from a State or local government, to enter into agreements on a case-by-case basis to make available Federal personnel, including members of the Armed Forces, to supplement State, local, and other personnel in the implementation of emergency response plans. Clearly, there are some cases when the proximity of Federal personnel, including units of the Armed Forces, makes it possible to supplement the resources of State and local government.

Second, we must do a better job, generally, of finding out who is available and what is available in case of an emergency. For this reason, the legislation I introduce authorizes FEMA to prepare an inventory of Federal personnel—including the Armed Forces—that could be used immediately to respond to a radiological emergency. This inventory would include personnel and resources available in the vicinity of each operating powerplant site and those personnel and resources that could be relocated quickly to the site of an emergency; $1,000,000 would be authorized to FEMA to carry out this inventory.

Mr. President, the legislation I offer today is the closest we have ever come to having a comprehensive mechanism for handling a side of the nuclear-power equation that has, perhaps, been paid insufficient attention. We have developed reasonable and effective means for dealing with the safe operation of nuclear powerplants. We have not, in a comprehensive fashion, answered the question; What happens if something goes wrong?

This measure is vital not only to the safety of our Nation's residents, but to the viability of a nuclear-power industry if we are, indeed, to have one. The measure is neither pronuclear nor antinuclear. It says, simply, that we must have the resources to do the job and that the Federal Government has a responsibility, if it sets requirements in Federal law, to provide those resources.

The measure is timely in light of recent NRC decisions. It is necessary in light of our situation in New York. It is responsible in that it addresses a matter that needs clarification. It is prudent in that it represents a sound investment of tax dollars. And above all, it is essential, for a failure to develop an adequate response to possible nuclear emergencies would be irresponsible.

Mr. President, I ask unanimous consent that the text of the bill, as well as the correspondence I have received from the Honorable Mario M. Cuomo, Governor of New York, be entered in the RECORD following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1395

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Radiological Emergency Response Planning and Assistance Act of 1983".

TITLE I—FINDINGS AND PURPOSES

FINDINGS

SEC. 101. The Congress finds that—

(1) The Nuclear Regulatory Commission, in carrying out its mandate to protect the public health and safety, requires that each nuclear powerplant site have an offsite radiological emergency response plan;

(2) the Nuclear Regulatory Commission requires State and local governments to prepare radiological emergency response plans for the areas surrounding the sites of nuclear powerplants;

(3) there are 87 nuclear powerplant sites, with reactors operating or under construction, that require offsite radiological emergency response plans and involve hundreds of State and local governments; and

(4) the joint Nuclear Regulatory Commission and Federal Emergency Management Agency guidelines for the preparation of State and local radiological emergency response plans includes sixteen major planning standards and 212 evaluation criteria.

PURPOSES

SEC. 102. The purposes of this Act are—

(1) to provide direct Federal financial assistance to State and local governments for emergency radiological planning and preparedness activities; and

(2) to make Federal personnel, equipment, and other resources available to assist in implementation of offsite radiological emergency response plans.

TITLE II—RADIOLOGICAL EMERGENCY RESPONSE PLANS AND PREPAREDNESS ASSISTANCE

PLANNING ASSISTANCE

SEC. 201. (a) The Nuclear Regulatory Commission is authorized and directed to provide grants directly to State and local governments to prepare or update radiological emergency response plans as required by 10 CFR part 50.

(b) Such grants shall be distributed to State and local governments based upon an application for assistance.

(c) In determining the amount of a grant, the Nuclear Regulatory Commission shall consider—

(1) the population density within the emergency planning zone for which the plan is being prepared;

(2) any revisions to the plan required as a result of a finding of deficiencies made by the Federal Emergency Management Agency;

(3) special studies that State and local governments may be required to undertake in order to prepare the plan; and

(4) the total estimated cost of preparing or revising the plan.

(d) There is hereby authorized to be appropriated to the Nuclear Regulatory Commission for the purposes of carrying out this section $3,000,000 for each of the fiscal years 1984 and 1985.

PREPAREDNESS FUND

SEC. 202. (a) There is hereby established in the Treasury of the United States a trust fund to be known as the "Radiological Emergency Response Trust Fund" consisting of such amounts as may be appropriated or transferred to such fund as provided in this section.

(b) The Nuclear Regulatory Commission is directed to establish a fee to be paid annually by the operators of each civilian nuclear powerplant for which a radiological emergency response plan must be prepared in accordance with 10 CFR part 50.

(c) All fees imposed under subsection (b) shall be paid to the Treasury of the United States and deposited in the Radiological Emergency Response Trust Fund.

(d) Amounts in the trust fund shall be available for—

(1) paying the costs of training State, local, or other personnel to participate in radiological emergency response activities;

(2) paying the costs of training National Guard units to participate in radiological emergency response activities;

(3) paying to State and local governments the costs of full-field exercises and drills involved in practicing and testing emergency response plans; and

(4) paying to State and local governments the costs of acquiring communication systems, radiological monitoring equipment, warning systems, or other equipment required to implement radiological emergency response plans.

(e) There is hereby authorized to be appropriated to the Nuclear Regulatory Commission for the purpose of carrying out subsection (d) an amount equal to the fees deposited under subsection (c) for each fiscal year.

TITLE III—FEDERAL RESOURCE ASSISTANCE

CASE-BY-CASE USE OF FEDERAL PERSONNEL AND OTHER RESOURCES

SEC. 301. (a) Within sixty days of receiving a request from a State or local government that is preparing or has prepared a radiological emergency response plan in accordance with 10 CFR part 50, the President is directed to make a determination as to the availability of Federal personnel, including the Armed Forces, or other Federal resources to be used in the implementation of State or local emergency response plans.

(b) Based upon a finding of availability under subsection (a), the President is directed to enter into agreements with State and local governments to make available Federal personnel, including the Armed Forces, or other Federal resources to be used in the implementation of State or local emergency response plans.

RESOURCES AND NEEDS INVENTORY

SEC. 302. (a) The Federal Emergency Management Agency is directed to prepare—

(1) an inventory of Federal personnel, including the Armed Forces, and Federal resources that could be used to respond immediately if a radiological emergency occurred at a civilian nuclear powerplant; and

(2) an inventory of the resources needed to respond effectively and efficiently to a radiological emergency at each civilian nuclear powerplant required to have a radiological emergency response plan in accordance with 10 CFR part 50.

(b) The findings under subsection (a) are to be reported to the President and the appropriate committees of Congress not later than six months after the date of enactment of this Act.

(c) There is hereby authorized to be appropriated to the Federal Emergency Management Agency in fiscal year 1983, and to remain available until expended, $1,000,000 to carry out the purposes of subsection (a).

STATE OF NEW YORK,
EXECUTIVE CHAMBER,
New York, N.Y., May 16, 1983.

Hon. DANIEL PATRICK MOYNIHAN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MOYNIHAN: I am writing to request that you initiate a hearing process to: (1) achieve a clairification and a precise specification of the respective responsibilities of local, state and federal governments for off-site emergency plans at our nation's nuclear plants, and (2) devise a federal system for the administration and funding of the extensive activities undertaken by all three levels of government in the implementation and (3) examine the consequences of decisions required by this off-site emergency planning process.

In 1954, the federal government established its pre-emptive authority for the licensing and operation of nuclear power plants and has maintained its singular authority for on-site monitoring of the safety of these facilities. However, federal agencies have attempted to redefine the responsibilities of state and local governments, as well as those of the utilities, for offsite safety.

The Nuclear Regulatory Commission has recognized that it lacks "statutory authority over state and local governments to require them to develop and implement emergency response plans." (Report to Congress: Areas Around Nuclear Facilities Should Be Better Prepared for Radiological Emergencies, United States General Accounting Office, March 30, 1979.)

The allocation of responsibility for meeting federal regulations and mandates remains unclear, and recognition of this lack of clarity is increasing daily. Recent discussion by my staff with the NRC and FEMA revealed that these agencies "do not disagree" that there is a need for an immediate delineation of these responsibilities.

The Reagan Administration also appears to share this concern. Secretary of Energy Donald P. Hodel has said difficulties with emergency planning threatens "the viability of the nuclear power industry." In a Department of Energy memorandum dated April 28, 1983, Hodel wrote: "The breakdown of Federal, state, local and private utility cooperation in developing and implementing a workable emergency evacuation plan in the event of a serious accident at a nuclear power plant has become an issue of national significance."

The Secretary has established a special working group to study the problem and recommend "Federal actions to remedy this situation.

We applaud that action, as well as the recent decision by NRC Chairman Palladino to join with us in a study of the various factors affecting the future of the Shoreham nuclear power plant in Suffolk County, New York.

Given the increasing concern with reactor safety and public perception of planning problems, we are likely to see increased attention focused on the operation of nuclear power plants. Currently, 37 of the nation's 53 sites for nuclear power plants do not have evacuation plans which meet federal preparedness mandates.

Almost certainly we will experience a continuing redefinition of the degree of risk to be imposed upon our society. The definition of safety does not recognize geographic boundaries and must be addressed as a national issue.

The recent Supreme Court decision in *Pacific Gas & Electric Co.* v. *Energy Resources Conservation and Development Commission*, Docket No. 81 1945 (April 20, 1983), held in part, that Congress, in passing the 1954 (Atomic Energy) Act and in subsequently amending it, intended that the federal government should regulate the radiological safety aspects involved in the construction and operation of a nuclear plant.

With that responsibility for regulation comes an equivalent obligation—for insuring that the process for enforcement of regulations does indeed clearly define the roles of all levels of government.

The existing nuclear power plants, in whatever political jurisdiction they may be, were constructed to comply with the then existing federal requirements. Changes in the requirements place the utility and ultimately the consumer at risk for the costs of compliance with unanticipated regulatory requirements, or for the costs of decommissioning a facility. These costs should not be the burden of a single locality, state, or utility. These costs are caused by a changing federal regulatory process and the problem they create cries for a federal solution.

The illogic of an imprecise, but apparently singular state and local responsibility for off-site preparedness is made even clearer when compared to federal recognition of the areas in which the federal government has sought to per-empt local responsibility; e.g., transportation of nuclear waste has been considered by the federal government to be totally within its jursidiction; employees working within nuclear facilities have been determined to be of concern to the federal government.

If these are indeed matters of such import to the federal government, by what logic are the health and safety of all of those who might be impacted by the operation of a nuclear facility not the responsibility of the federal government? The disposal of nuclear waste and the decommissioning of nuclear plants are equally part of a federal responsibility for an industry which it actively fostered and promoted.

The public is not well served by a protracted disagreement on these issues. The public needs both a clear definition of responsibility and decisive action to support and implement effective emergency planning. Large scale nuclear power plants symbolize for some the imposition of a relatively new technology which fosters an increasing anxiety for not only the technical issues, but also a need for a clear understanding of the political process established by Congress to define "safety" within national rather than local boundaries.

I therefore respectfully request that you schedule Congressional hearings on this issue to consider changes in the role of the federal government. We believe that these changes could extend to the assumption of all responsibilities within the emergency planning zone, the direct provisions of funding through a federal initiative, or the standby availability of federal personnel and/or the National Guard to assume full authority in the event of an accident. Enclosed are: (1) suggested specific questions and (2) suggested federal actions which need to be addressed.

Sincerely,

MARIO M. CUOMO, *Governor.*

I. SUGGESTED QUESTIONS TO BE ADDRESSED BY HEARING

1. What is and should be the responsibility, if any, of the federal government in the establishment and development of *standards* for off-site emergency preparedness plans for nuclear power plants? What federal agency is or should be responsible for this activity?

2. What is and should be the responsibility of state government if any, in the development and establishment of standards for off-site emergency preparedness plans for nuclear power plants? Should state governments be allowed to enact more rigid standards or requirements than those imposed by the federal government?

3. What is and should be the responsibility, if any, of local governments, in the development and establishment of standards for off-site emergency preparedness plans for nuclear power plants? Should local governments be allowed to impose more stringent standards or requirements than those required by either the federal or state gov-

ernments? What is a local government for purposes of this question?

4. What is and should be the responsibility of the federal government, if any, in the *preparation* of off-site emergency preparedness plans for nuclear power plants?

5. What is and should be the responsibility of state government, if any, in the preparation of off-site emergency preparedness plans for nuclear power plants?

6. What is and should be the responsibility of local governments, if any, in the preparation of off-site emergency preparedness plans for nuclear power plants?

7. What is and should be the responsibility of the federal government, if any, for the *Implementation* of off-site emergency preparedness plans for nuclear power plants?

8. What is and should be the responsibility of the state government, if any, for the implementation of off-site emergency preparedness plans for nuclear power plants?

9. What is and should be the responsibility of local governments, if any, for the implementation of off-site emergency preparedness plans for nuclear power plants?

10. What is and should be the responsibility of the federal government, if any, in determining the *adequacy and implementability* of an off-site emergency preparedness plan for a nuclear power plant?

11. What is and should be the responsibility, if any, of state government in determining the adequacy and implementability of an off-site emergency preparedness plan for a nuclear power plant?

12. What is and should be the responsibility, if any, of local governments in determining the adequacy and implementability of an off-site emergency preparedness plan for a nuclear power plant?

13. What is and should be the responsibility of the federal government, if any, for financing the costs of development and implementation of an off-site emergency preparedness plan for a nuclear power plant?

14. What is and should be the responsibility of the state government, if any, for financing the costs of development and implementation of an off-site emergency preparedness plan for a nuclear power plant?

15. What is and should be the responsibility of the local governments, if any, for financing the costs of development and implementation of an off-site emergency preparedness plan for a nuclear power plant?

II. SUGGESTED FEDERAL ACTIONS TO BE CONSIDERED BY HEARING

1. The Congress should consider the assumption by the Federal government of full responsibility for ownership, siting, design, construction, quality control, operation, emergency response and waste disposal. This approach has been adopted in other nations, such as France and England, in a manner which has reduced public policy uncertainty, facilitated standardization of design, construction and operation, and reduced private sector risk.

2. The Congress should enact legislation which clearly defines and delineates the respective responsibilities of Federal, state and local governments, and the licensee of a nuclear power plant in the development and implementation of off-site emergency preparedness plans.

3. The Congress should enact legislation to provide financial assistance to state and local governments for preparedness plans. A model for such legislation is the proposal for the reaction of the Radiological Emergency Response Plans and Preparedness Fund for State and Local Governments, recommended by the Nuclear Regulatory Commission Office of State Programs in 1979.

4. The Congress should consider the establishment of federally-funded, federally-trained special radiological response teams, as suggested by Westchester County Executive Andrew O'Rourke. An alternative might be a program of Federal funds and training for selected National Guard Units which could then be available to respond immediately if a radiological emergency might occur.

5. The Congress should consider legislation to create a special fund to reimburse ratepayers and local governments in those circumstances where a nuclear power plant cannot open or must close because it cannot comply with federal requirements for off-site emergency preparedness. Perhaps the Federal government should acquire these facilities for use only in an emergency situation, such as envisioned by the creation of the Strategic Petroleum Reserve.

By Mr. PERCY:

S. 1399. A bill to amend the Tariff Act of 1930 to prevent the exportation or importation of certain vehicles; to the Committee on Finance.

By Mr. PERCY (for himself, Mr. DIXON, Mr. LUGAR, Mr. DANFORTH, and Mr. LAXALT).

S. 1400. A bill to enhance the detection of motor vehicle theft and to improve the prosecution of motor vehicle theft by requiring the Secretary of Transportation to issue standards relating to the identification of vehicle parts and components, by increasing criminal penalties applicable to trafficking in stolen vehicles and parts, by curtailing exportation of stolen motor vehicles and off-highway mobile equipment, and by establishing penalties applicable to the dismantling of vehicles for the purpose of trafficking in stolen parts, and for other purposes; to the Committee on Commerce, Science, and Transportation.

MOTOR VEHICLE THEFT

Mr. PERCY. Mr. President, motor vehicle theft is one of the fastest growing property-related crimes in America. According to the Uniform Crime Reports from 1981, auto theft now represents a $5 billion a year criminal activity, including $3.4 billion in the value of property and $1 billion a year spent in the criminal justice system. And these costs are not borne just by those unfortunate victims of auto theft, but passed on to all of us in the form of higher automobile insurance premiums.

In recent years, the cost of theft coverage has increased dramatically due to this rising criminal activity. The theft portion of comprehensive coverage now costs an average of over $30 per vehicle, and in some high-crime areas can cost $400 or more. For instance, on the south and west sides of Chicago, motorists pay $332 annually for theft coverage on a standard-sized 1983 car. Even in outlying Cook County, motorists pay $105 annually for the same car, or three times the national average.

Increases have not been as dramatic in rural areas, but reports of auto theft in those areas are increasing in frequency, so the cost of comprehensive coverage can be expected to rise there also.

Auto theft used to be a crime of juvenile joyriders. This has now changed. Auto theft is increasingly a crime of the professional thief. This change in the nature of auto theft is reflected in the lower recovery rates experienced in recent years. A decade ago 80 percent of the vehicles stolen were recovered, usually within a block or two of their original location, and there was a 25-percent arrest rate. Today, there is a 15-percent arrest rate. And the recovery rate for stolen vehicles has declined to approximately 52 percent from more than 80 percent 9 years ago.

The driving force behind this crime is the high profit and low risk in motor vehicle theft and the increasing involvement of the professional thief. There are two major components to the current crime wave. First is the proliferation of the so-called chop shops, spurred by the spiraling cost of replacement parts of automobiles damaged in accidents. Some experts estimate that it would cost $30,000 to replace completely, part by part, an automobile that cost $7,000 new. The economics of car parts have made it enormously profitable to operate the chop shops, which disassemble stolen automobiles into replacement parts for sale to repair shops. Once a part has been separated from an automobile, it cannot be identified as having come from a stolen vehicle.

The only exceptions are the engine and the transmission, which are stamped with a vehicle identification number. These numbers are required by the States of Georgia and Tennessee, which 15 years ago recognized the value of identifying numbers. It has been the experience of those in the field that these two parts are almost never sold in the criminal market, and are usually discarded despite their value because of the higher risk of dealing with identifiable parts.

Because of the impossibility of tracing most auto parts, law enforcement officials are unable to prove that parts in the possession of suspected thieves have, in fact, been stolen. As a result, fewer than 15 percent of auto thefts end in arrest, and only a tiny fraction of those result in a conviction.

The second major problem is the unchecked export of the stolen cars overseas. Currently, a thief need only drive to the docks and pay to have the car shipped, or drive across the border to Mexico or Canada. There is no verification of the legality of the car.

The auto theft problem has been the subject of a number of recent articles and analyses. For example, a Chicago

Sun-Times editorial from April 19, 1983.

I would also like to draw my colleagues' attention to an excellent column on this problem by Leo Callahan, president of the International Association of Chiefs of Police (IACP) which appeared in the February 1983 issue of the Police Chief. In addition, Vernon Guidry, Jr., of the Baltimore Sun has written a commendable article that I know my fellow Senators will want to read.

Mr. President, I ask unanimous consent that these articles and a section-by-section analysis of the legislation be included in the RECORD at the close of my remarks.

The bills I am introducing today would give the law enforcement community the tools needed to combat this crime wave. The Motor Vehicle Theft Law Enforcement Act, would require that motor vehicle manufacturers place the vehicle identification number on a limited number of major component parts of the automobile, at a maximum cost of $10 per vehicle, if found cost effective. The bill would increase Federal criminal penalties for trafficking in stolen motor vehicles and their parts. It would require motor vehicle shippers to record vehicle identification numbers and to file export declarations with Customs. In addition, the bill would make it a Federal offense to import or export stolen self-propelled vehicles, or their parts, with knowledge that the vehicle or part was stolen. The bill would also prohibit the importation or exportation of vehicles or parts whose identification numbers the importer or exporter knows to have been removed, obliterated, tampered with, or altered.

I am also introducing as a separate bill, title III of the Motor Vehicle Theft Law Enforcement Act, dealing with the problem of export controls. This bill is identical to H.R. 1744, introduced by Representative PETE STARK. Representative STARK, who also is a cosponsor of the Motor Vehicle Theft Law Enforcement Act, sponsored by Representative BILL GREEN, introduced H.R. 1744 to expedite the consideration of this vitally important legislation by the House of Representatives. I am introducing the export provisions as a separate measure to accommodate my colleagues in the House. It is my expectation, however, that the Senate will consider this legislation as a single package.

These measures have received support from a broad spectrum of concerned groups and individuals, united into the Coalition To Halt Automotive Theft. Among the Coalition's members are representatives from the insurance and automotive repair industries, automotive dismantlers and recyclers, law enforcement associations, and consumers. The chairman of the Coalition is Ronald Sostkowski, director of the International Association of Chiefs of Police's Division of State and Provincial Police, and the vice chairman is Penny Farthing, senior legal counsel for the American Insurance Association.

The Motor Vehicle Theft Law Enforcement Act is identical in every major substantive respect to legislation which I introduced in the 96th and 97th Congresses. Hearings have been held on this legislation by a Judiciary Subcommittee, and the Foreign Relations Committee touched on this subject while discussing a convention with Mexico on the return of stolen cars and airplanes. In addition, the Senate Permanent Investigations Subcommittee held hearings in 1979 on the very serious problem of organized crime involvement in motor vehicle theft.

I strongly recommend that my colleagues join the concerned groups and individuals of the Coalition To Halt Automotive Theft, and give these measures their support.

Mr. President, I ask unanimous consent that the texts of these two bills be printed in the RECORD at this time, along with other material I referred to earlier.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MOTOR VEHICLE THEFT LAW ENFORCEMENT ACT OF 1983 SECTION-BY-SECTION ANALYSIS

Section 1—Title

Section 1 of the bill provides that the bill when enacted may be cited as the "Motor Vehicle Theft Law Enforcement Act of 1983"

Section 2—Findings and purpose

Section 2 sets forth findings by the Congress and the purpose of the legislation.

TITLE I—IMPROVED IDENTIFICATION FOR MOTOR VEHICLE PARTS AND COMPONENTS

Section 101—Motor vehicle parts and components security standards

Section 101(a) adds a new paragraph to Section 102 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1391), defining "motor vehicle security standard." This is a minimum performance standard relating to methods and procedures for the identification of new motor vehicle parts and components (other than motorcycle parts and components).

Subsection 101(b) adds to section 103 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1392) a new subsection, (j), dealing with the effectuation of such standard. The Secretary of Transportation is required, under subsection (j), to publish a proposed motor vehicle security standard requiring an identification number on key components or parts within 12 months after the date of enactment of the Act, and to promulgate a final Federal motor vehicle security standard not later than 24 months after enactment. Such standard is to take effect between 180 days and one year from the date of promulgation. However, if the Secretary finds it is in the public interest and show good cause, the effective date may be earlier or later. The standard will apply only to parts and components which are (a) included in the assembly of a motor vehicle manufactured after the effective date or (b) manufactured as new replacement parts or components for motor vehicles after the effective date. It is anticipated that the parts manufactured exclusively for use as replacement parts or components that are equivalent to a part or component required by a federal Motor Vehicle Security Standard to bear an identification number, would bear an appropriate marking which identifies such part or component as a replacement. Such a marking would be affixed by the manufacturer of such replacement part or component.

The part or component identification number should be permanently affixed by riveting, welding, stamping, impressing, burning or some other basically equivalent manner such as the use of an adhesive material which is tamper proof and self-destructing, and hence non-reuseable. if the material is removed from the part of the component.

Paragraph (3)(A) of new subsection (j) requires that before promulgating any security standard, the Secretary must conduct a study to determine the cost of implementing such standard and the benefits attainable as a result of such standard. In preparing such a study, the Secretary must consider the effect which such standard may have on production and sales by the domestic manufacturers.

The most desirable number which could be utilized for component identification would be the same as that required for the vehicle identification number (VIN) under U.S. Department of Transportation Federal Motor Vehicle Safety Standard No. 115 (i.e. 17 characters). However, for some methods of application, requiring all 17 characters may be difficult and costly. Accordingly, it may be necessary to make use of a derivative of the VIN for some component parts. Identification of parts and components is to be accomplished in the least expensive way consistent with the purposes of the Act.

Paragraph (3)(B) of new subsection (j) directs the Secretary to include the results of such study in the publication of the proposed Federal motor vehicle security standard. Under paragraph (3)(C), the Secretary shall have no authority to promulgate any such standard unless the Secretary determines the benefits from the standard are likely to exceed the costs of such standard.

Paragraph (4)(A) provides that no security standard promulgated by the Secretary under the section shall impose additional costs upon the manufacturers of motor vehicles in excess of $10.00 (adjusted for inflation beginning in 1982) per motor vehicle. The level of costs per motor vehicle will be determined by the Secretary as part of the cost-benefit study required prior to the promulgation of the standard.

Subparagraph (B) provides that any manufacturer, subsequent to the promulgation of the standard, may petition the Secretary to amend such standard for the purpose of adjusting the standard to be in compliance with the paragraph in paragraph (4)(A). Upon a showing by such manufacturer that the costs of compliance with such standard will result in costs in excess of $10.00 per motor vehicle (adjusted for inflation), the Secretary shall amend such standard to eliminate the costs which exceed $10.00 per motor vehicle.

Subsection (5) states that no security standard may require the numbering or other identification of more than a total of four parts or components for trailers, nine parts or components for trucks, and four-

teen parts or components for any other motor vehicle. This limitation is to be exclusive of the VIN (Vehicle Identification Number) currently required under Federal Motor Vehicle Safety Standard 115 (the Public Vehicles Identification Number).

The parts and the components selected by the Secretary of Transportation should be those which will primarily deter professional thieves who either resell the vehicle itself or cut it up for parts. Such parts and components should be part of the vehicle at the time of original manufacture.

The maximum limitation of 14 parts and components to be numbered was derived from a listing prepared by the Justice Department based on a four-door passenger car. It is anticipated that the parts and components for passenger cars required to be identified by the Secretary will be from the Justice Department list. The components the Justice Department believes are necessary to accomplish the purposes of the Act in regard to component identification for passenger cars are: the engine; the transmission; each door allowing entrance or egress to the passenger compartment; the hood; the radiator core support of the front end assembly; each front fender; the deck lid, tailgate, or hatchback (whichever, if present); the trunk floor pan; the frame (or, in the case of a unitized body, the supporting structure which serves as the frame); and one additional confidential location selected each year by the manufacturer with notification to law enforcement of the exact location. There is no intent that the Secretary require that the full authorized number of parts or components be actually marked. However a sufficient number should be marked to accomplish the purposes of the Act. The bill allows that, as the theft profile changes or as cars and body styles change, different components may be marked; and such change, however, will be subject to rulemaking.

Paragraph (6) directs that the Secretary shall take several factors into account in prescribing motor vehicle security standards. First, the Secretary shall consider relevant available motor vehicle security data, including the results of research, development, testing and evaluation activities conducted pursuant to the Act.

Second, the Secretary shall also review available studies carried out by motor vehicle manufacturer which evaluate methods and procedures for the identification of motor vehicle parts and components and the effects which such methods and procedures may have with respect to reducing motor vehicle thefts and with respect to the costs of motor vehicle ownership.

Third, the effect of the implementation of such standard upon the cost of motor vehicle insurance shall be considered by the Secretary.

Fourth, the Secretary shall take into account savings which may be realized by consumers through alleviating inconveniences experienced by consumers as a result of the theft and disposition of motor vehicle parts and components.

Finally, the Secretary should take into account considerations of safety.

Subsection 101(c) amends Section 103(d) of the National Traffic and Motor Vehicle Safety Act of 1966 which applies general Federal supremacy status to standards issued by the Department of Transportation under this bill. The Federal program cannot be modified by State actions. This does not mean that the states are preempted from enforcing, by an appropriate method, identical federal motor vehicle security standards at the pre-consumer level of distribution; provided, however, that such state enforcement scheme does not create an undue burden on interstate commerce or present serious danger of conflict with Federal enforcement programs.

Section 102—Authority of Secretary to study security devices and systems

Section 102 amends section 106 of the National Traffic and Motor Vehicle Safety Act of 1966 by adding a new paragraph which authorizes the Secretary to conduct studies regarding the development of security devices and systems which are designed to deter individuals from entering a locked motor vehicle and starting the motor vehicle for the purpose of stealing the motor vehicle.

Section 103—Report regarding security devices and systems

Section 103(a) requires the Secretary of Transportation, 12 months after the date of enactment, to submit a report to the Congress, regarding security devices and/or systems designed to deter the unauthorized entering or starting of a locked motor vehicle for the purpose of stealing the motor vehicle.

Subsection (b) provides that in this report, the Security is to determine whether an objective standard for such systems can be devised so that the systems are not compromised by the demonstrations of them which may be necessary to show compliance with the standard, and whether it would be more beneficial if security devices and systems were left as options for auto manufacturers to offer in areas of high crime rates.

Subsection (c) states that the report may include any other matters relating to motor vehicle security which the Secretary considers appropriate. The report shall include recommendations for legislative or administrative action and is to be prepared after consulting with the Attorney General.

Section 104—Technical and conforming amendments

Section 104 amends sections of the National Traffic and Motor Vehicle Safety Act to reflect the substantive amendments set out in Sections 101 and 102 and makes technical and conforming changes.

Section 105—Termination of certain provisions and amendments

Section 105 provides that the provisions of Title I and the amendments made in Title I shall be repealed, according to Section 104(a)(1), at the end of June 30 of the fourth successive year following the first June 30 which occurs at least 15 months after the effective date of the Federal Motor Vehicle Security Standard to be promulgated, unless the Secretary of Transportation and the Attorney General of the United States submit a joint written statement to Congress which makes several findings.

Subsection 105(b) outlines the findings to be made: (1) a finding based on the most recent available statistics contained in the National Crime Information Center, the most recent available statistics compiled in connection with publication of the Uniform Crime Reports and upon other sources including the perceptions of the law enforcement community of the Nation which deals with motor vehicle theft and any increases in arrest or prosecution rates relating to motor vehicle theft, that there have been beneficial impact upon the rate of thefts or the rate of recovery of motor vehicles, or motor vehicle parts and/or components during the period the motor vehicle security standard is in effect: (2) a finding that such impact is significantly attributable to the operation and enforcement of such motor vehicle security standard: and (3) a judgment that the provision of Title I should remain in effect.

Subsection (c)(1) directs that the provisions of paragraphs (2) through (4) shall apply if the repeals and amendments specified in subsection (a) take effect. Paragraph (2) of subsection (c) provides that any Federal motor vehicle security standard shall cease to have any force or effect after the repeals specified in subsection (a) take effect. Paragraph (3) provides that any administrative proceeding relating to any provision of law repealed in accordance with subsection (a) which is pending on the effective date of such repeal shall be continued as if subsection (a) had not been enacted, and orders issued in any such administrative proceeding shall continue in effect until amended or revoked by the Secretary of Transportation in accordance with the National Traffic and Motor Vehicle Safety Act of 1966, or by operation of law.

The provisions of paragraph (4) specify that the repeals provided by subsection (a) shall not affect any suit, action, or other proceeding lawfully commenced before the effective date of such repeals and that all such suits, actions or proceedings shall be continued, proceedings therein had, appeals therein taken, and judgments therein rendered, in the same manner and with the same effect as if subsection (a) had not been enacted.

TITLE II—ANTIFENCING MEASURES

Section 201—Motor vehicle identification numbers: Forfeitures

Section 201 amends Chapter 25 of title 18, United States Code by adding a new section 510. "Altering or removing vehicle identification numbers." Subsection (a) of such section provides that, with exceptions, whoever knowingly removes, obliterates, tampers with, or alters any identification number for any motor vehicle shall be fined not more than $5,000, imprisoned for not more than 5 years or both.

Subsection (b) of new Section 510 provides that the provisions of subsection (a) shall not apply to any motor vehicle scrap processor or motor vehicle demolisher if such person is engaged in the processing of any motor vehicle, or part or component thereof into metallic scrap for purposes of recycling the metallic content and is in compliance with applicable State law regarding the disposition of such items. Such exemption also applies to persons acting under the authority of the Secretary of Transportation or State law to restore or replace such markings.

For purpose of new Section 510: (1) the term "identification number" means any identification number required by the Secretary of Transportation under any Federal motor vehicle security standard, Federal motor vehicle safety standard or other regulation.

(2) The term "motor vehicle" has the meaning given it in section 102 of the National Traffic and Motor Vehicle Safety and Security Act.

(3) "Motor Vehicle Demolisher" is defined as any person, including motor vehicle dismantler or motor vehicle recycler, who is engaged in the business of processing motor vehicles, parts or components which renders the item unsuitable for further use as a

motor vehicle, or part or component thereof.

(4) The term "motor vehicle scrap processor" means any person who is engaged in the business of purchasing motor vehicles, parts or components for the purpose of processing such motor vehicles into metallic scrap for recycling. It does not include any activity of such a person relating to the recycling of a motor vehicle or a motor vehicle part or component as a used motor vehicle or used motor vehicle part or component.

(5) The term "processing" means loading, unloading, crushing, flattening, destroying, grinding up, handling, or otherwise reducing a motor vehicle part into metallic scrap.

Section 201 also adds a new section 511 to title 18 of the United States Code which creates a statutory right of seizure for Federal law enforcement officials of any motor vehicle, part or component whose identification number has been removed or altered. Exemptions from this provision apply in the case of such a motor vehicle part or component which has been attached to a motor vehicle without any knowledge by the owner that the identification number has been tampered with. Motor vehicles or parts whose identification numbers have been damaged by fire or accident are likewise exempt from forfeiture. The provision for seizure and forfeiture incorporates by reference the laws relating to seizures and forfeitures under the customs laws.

Effective in 1969, the Department of Transportation issued Federal Motor Vehicle Safety Standard No. 115 requiring a public VIN (Vehicle Identification Number). Under Title I of this Act, the Secretary of Transportation will be given regulatory authority to require identification numbers for components of the vehicle also. Consequently, after the enactment of Section 510 it would be a Federal crime to remove or alter the public VIN on any existing motor vehicle manufactured after January 1, 1969, or future motor vehicle because such identification number is already required by Department of Transportation regulations. On the other hand, the removal or alteration of the identification number for certain components would only become a Federal crime when such removal or alteration occurred after the establishment of a Department of Transportation regulation requiring an identification number for such component. Neither Section 510 or 511 are intended in any fashion or manner to restrict or preclude the States from passing and enforcing their own criminal laws relating to the removal or alteration of identification numbers affixed by the manufacturer to the motor vehicle and its components.

Section 202—Definition of securities

Section 202 amends 18 U.S.C. 2311 to include "motor vehicle title until it is cancelled by the State indicated thereon or blank motor vehicle title" in the definition of securities. At present a fully executed motor vehicle title would qualify as a "security" under the provision "document evidencing ownership of goods, wares, and merchandise" in the definition of "securities" in section 2311 of title 18, United States Code. However, a blank certificate would not be a "security".

Section 203—Sale or receipt of stolen motor vehicles

Section 203 amends 18 U.S.C. 2313 by ensuring that Federal jurisdiction will attach and remain with a stolen motor vehicle once it has crossed a State or United States boundary after being stolen. It thus becomes unnecessary to prove that such a vehicle has retained its interstate character in order to prosecute, as is presently necessary under the Dyer Act. Section 203 also amends 18 U.S.C. 2313 to make a Federal crime of possession of a motor vehicle or aircraft which has crossed a State or United States boundary after having been stolen. Presently, it is a crime to "receive" such a vehicle but possession is not specified.

Section 204—Trafficking in certain motor vehicles, motor vehicle parts, or motor vehicle components

Section 204 creates a new section 2319 of title 18, United States Code, which deals with traffickers in stolen motor vehicles or their parts with knowledge that their identification numbers were removed, obliterated, tampered with, or altered. It provides for criminal penalties of up to $25,000 in fines or 10 years imprisonment, or both. The bill retains the present Dyer Act Policy that the illegal possession of such a vehicle or part must include an intention on the part of the possessor to dispose of the vehicle or part. The section is aimed at the dealers and peddlers of such stolen items. It includes the exemptions provided in section 201. In addition, it is not designed to reach an individual who possesses such a vehicle or part for his own personal use even where the individual knows that the identification number has been removed, obliterated, tampered with, or altered. Such an offense would be subject to prosecution only under appropriate State and local laws; it would not add to the burdens of the Federal courts.

The terms "identification number", "motor vehicle" and "motor vehicle scrap processor" have the meanings given to them in Section 201.

Section 205—Definition of racketeering activity

Section 205 amends section 1961 of title 18, United States Code, commonly known as the RICO statute (Racketeer Influenced and Corrupt Organizations), to allow prosecution under this statute of those individuals and businesses which traffic in stolen vehicles and their parts. The existence of this prohibition and appropriate prosecutions under it should have a significant deterrent impact upon those businesses presently engaging in the knowing receipt and disposition of stolen vehicles and their parts and components.

Section 206—Nonmailable motor vehicle master keys

Section 206 amends the Master Key Act (39 U.S.C. 3002) to prohibit the mailing of devices which are designed or adapted primarily to open or to make inoperable any of the locks or the ignition switches of two or more motor vehicles. The provision also prohibits the mailing of any advertisement for such a device and authorizes the United States Postal Service to issue a mail stop-order in an appropriate case. Violations of this section would be within the investigative jurisdiction of the United States Postal Service.

TITLE III—IMPORTATION AND EXPORTATION MEASURES

Section 301—Amendments to title 18, United States Code

Section 301 adds a new section 553 to chapter 27 of title 18, United States Code, creating a federal offense within the investigative jurisdiction of the U.S. Customs Service to import or export or attempt to import or export, stolen self-propelled vehicles, vessels, or aircraft, or their parts, with knowledge that the vehicle or part was stolen. The section also prohibits the importation or exportation of vehicles or parts whose identification number the importer or exporter knows to have been removed, obliterated, tampered with, or altered. These offenses are punishable by a fine of up to $10,000, up to five years' imprisonment, or both. This section would obviously not be applicable to the importation or exportation of the conveyance by the lawful owner or his agent.

For purposes of this section, the term "self-propelled motor vehicle" includes any automobile; truck; tractor; bus; motorcycle; motor home; and any other self-propelled construction equipment, special use equipment and any other such vehicle designed for running on land but not on rail.

The term "vessel" has the meaning given it in section 401 of the Tariff Act of 1930 (19 U.S.C. 1401).

The term "aircraft" has the meaning given it in section 101(5) of the Federal Aviation Act of 1958 (49 U.S.C. 1301(5)).

Section 302—Amendments to Tariff Act of 1930

Section 302 creates two new sections to the Tariff Act of 1930. Section 626 subjects any individual who imports, exports, or attempts to import or export any stolen self-propelled vehicle, vessel, aircraft or parts thereof, or any self-propelled vehicle or vehicle part whose identification number has been removed, obliterated, tampered with or altered, to a civil penalty of up to $10,000 per instance, to be determined by the Secretary of the Treasury. In addition, under this section, any of the above-described self-propelled vehicles, vessels, aircraft or parts are subject to seizure and forfeiture, if they are imported or exported. This section is likewise not applicable to the importation or exportation of the conveyance or part by the lawful owner or his agent. The section also provides for a fine of up to $500 for any person attempting to export a used vehicle who fails to present identifying documents to the appropriate customs officer prior to lading or export. Regulations governing this are to be prescribed by the Secretary of the Treasury.

The terms "self-propelled motor vehicle" and "aircraft" have the same meaning as in section 301.

For purposes of this section the term "used" refers to any self-propelled vehicle, the legal title of which has been transferred, by a manufacturer, distributor or dealer, to an ultimate purchaser.

"Ultimate purchaser" means the first person, other than a dealer, who purchases a self-propelled vehicle for purposes other than resale.

TITLE IV—REPORTING REQUIREMENTS

Section 401—Report regarding theft of off-highway mobile equipment

Section 401(a) povides that the Attorney General of the United States, as soon as practicable after the date of enactment of this Act shall establish a task force to study problems relating to the theft of off-highway mobile equipment and steps being taken to prevent the theft and subsequent disposition of such equipment. The task force shall prepare a report containing the results of such study, after consultation with the Secretary of Transportation, and shall submit such report to Congress not later than 2 years after the date of enactment of this legislation.

Section 401(b) lists those who will be members of the task force. Members of the task force shall serve without pay but are eligible for travel expenses. Subsection (c)(3) provides that the Attorney General, or his delegate shall serve as the chairman of the task force.

Subsection (d) requires that the report contain information relating to; (1) the development and effectiveness of identification numbering systems for off-highway mobile equipment and the major components and attachments of such equipment by manufacturers, user groups and others and the progress which has been made toward the development of a uniform national and international identification numbering system; (2) improvements in formats and procedures of the National Crime Information Center relating to reporting the theft of off-highway mobile equipment and the major components and attachments of such equipment, and the extent to which affected groups are furnishing information in accordance with such procedures shall be included in the report; (3) efforts made by the owners of off-highway mobile equipment voluntarily to affix identification numbers to such equipment and the major components and attachments of such equipment and to otherwise protect such equipment components and attachments, from theft shall be included in the report; (4) measures being taken by the manufacturers of off-highway mobile equipment relating to its physical security features; and (5) the effectiveness of any State laws relating to the titling of off-highway mobile equipment and/or making it unlawful to remove, obliterate, tamper with or alter any identification number affixed by a manufacturer to an off-highway equipment as a major component or attachment of such equipment and permitting seizure by law enforcement officers, for investigative purposes, of off-highway equipment and major components and attachments if identification numbers for such equipment, components, or attachments have been removed, obliterated, tampered with or altered.

The Report shall also cover the availability of certificates of origin which (A) contain adequate internal security features to deter forgery, alteration and counterfeiting; (B) list the identification number of the off-highway mobile equipment involved and major components and attachments of such equipment at original value; and (C) are suitable to serve as proof of ownership for off-highway mobile equipment through assignment to subsequent purchasers as stated in Paragraph (6).

The Report shall cover any action being taken by auction businesses, banks and other financial institutions (in connection with the making of loans) and insurance businesses to deter the reintroduction of stolen off-highway mobile equipment and major components of attachments of such equipment into the normal channels of commerce; as well as, the need for educational and training programs for State and local law enforcement officials designed to familiarize such officials with problems relating to the theft of off-highway mobile equipment will be part of the report.

In addition, the report shall include recommendations for legislative or administrative action if the task force considers any such action to be considered appropriate.

Subsection (e) defines for purposes of this section, the term "off highway mobile equipment" to mean a work machine which is (1) self-propelled or pushed or towed by self-propelled work machine; (2) the primary function of which is off-highway in application and (3) any on-highway operation of which is incidental to the primary function of the work machine. Such term includes self-propelled agricultural, forestry, industrial, construction and any other non-transportation special use equipment.

Section 402—Report regarding auto theft measures for state motor vehicle titling programs

Section 402(a) provides that the Secretary of Transportation, as soon as practicable after the date of enactment of this Act shall establish a task force to study problems which relate to motor vehicle salvage and which may affect the motor vehicle theft problem. The task force should propose a report containing the results of such study and submit such report to Congress and the chief executive officer of each state not later than 18 months after the enactment of this legislation.

Section 402(b) lists those who will be members of the task force. Members of the task force shall serve without pay but are eligible for travel expenses. Subsection (c)(3) provides the Secretary of Transportation, or his delegate, shall serve as chairman of the task force.

Subsection (d)(1) requires the task force report to be made only after a meaningful consultation process and review of existing laws, practices, studies, and recommendations regarding the affect that motor vehicle titling measures and controls over motor vehicle salvage may have upon the motor vehicle theft problem.

Subsection (d)(2) requires that the task force report specify the key aspects of motor vehicle antitheft measures necessary to prevent the deposition or use of stolen motor vehicle, or major components of motor vehicles, and to prevent insurance fraud or income tax fraud based upon false reports of stolen vehicles. The task force report is required to indicate any of the antitheft measures for which national uniformity to be adequately effective. The task force is also asked to recommend viable ways of obtaining any necessary national uniformity.

In addition, the task force report shall include other recommendations of legislative or administrative action at the state level or at the Federal level, and any recommendations for actions by private industry which may be appropriate.

Section 403—Report regarding implementation of the act

Section 403 states that the Attorney General of the United States in consultation with the Secretary of Transportation, Secretary of the Treasury, and the Postmaster General, shall submit to the Congress a report on the implementation and development of the provisions of title I, the provisions of title 18 and title 39, United States Code, which are added by the amendments made in title II, and the provisions of title 18, United States Code, and the Tariff Act of 1930 (19 U.S.C. 1202 et seq.) which are added by the amendments made in title III, and the effectiveness of such provisions in helping to prevent and reduce motor vehicle related theft. Such report shall be submitted on or before the first June 30 which occurs at least 15 months after the date of enactment of this act and on or before each June 30, thereafter for the following 9 successive years.

[From the Chicago Sun-Times, Apr. 19, 1983]

CURB CAR THEFTS

Auto theft insurance is expensive because almost 3,000 vehicles are stolen *daily* in this country. Thefts are so frequent because it's easy to sell unmarked auto parts to body shops. Currently, only engines and transmissions are marked with identification numbers.

A remedy proposed by Sen. Charles H. Percy (R-Ill.) and Rep. William Green (R-N.Y.) makes sense: Require serial numbers on major auto parts, making it easier to nab thieves and chop-shop operators.

That would raise car prices about $5 per car—but help curb rising insurance costs and the dangers often associated with car thefts. It's a good tradeoff.

TAKING THE PROFIT OUT OF VEHICLE THEFT

(By IACP President Leo F. Callahan)

In 1981, an estimated 1.07 million motor vehicles were reported stolen nationwide—one out of every 150 motor vehicles registered that year. The average value of these vehicles, $3,173, accounted for an estimated loss of $3.4 billion nationally. This figure represents the tangible property loss alone, not the $1 billion spent in theft investigation and prosecution, nor the cost of increased insurance premiums. Add the cost of these "intangibles," and the total national cost of vehicle theft crimes to the public increases to almost $5 billion.

Long thought of as an amateur crime and teenage prank often termed "joy-riding," motor vehicle theft today is a highly sophisticated, well-structured criminal enterprise. This is borne out in the statistics. Where a decade ago 80 percent of the vehicles stolen were recovered within a block or two of their original location and there was a 25 percent arrest rate; today, we have about a 14 percent arrest rate with 61 percent of those arrested under 21 years old. The recovery rate for stolen vehicles has declined to approximately 55 percent. The reason for the change is that the perpetrators for the vast majority of the vehicle thefts are hardened professionals.

Motor vehicle theft has become a successful and profitable enterprise because it is both time and cost efficient. A vehicle can be stolen in less than a minute with tools costing less than $50. The vehicle can then be sold "as is"; dismantled in a "chop shop" and the parts sold or in other cases, a new car may be created using the frame and legitimate title from a totally wrecked car, with the remainder of the needed parts chopped from stolen vehicles. Today, vehicle theft is a low-risk crime. Current criminal penalties are weak, stolen parts are often untraceable, and it is often viewed as a "victimless crime" by the criminal justice system because in most instances insurance companies reimburse individuals whose cars are stolen.

In an effort to combat professional vehicle theft by taking the profit out of the crime, a Motor Vehicle Theft Prevention and Law Enforcement Act has been introduced in each session of the U.S. Congress since 1979. And while minor revisions have been made during the bills history, the key provisions remain the same:

Vehicle identification numbers imprinted on all major components of a car, providing this does not cost more than $10 per vehicle.

Stiffer penalties for trafficking in stolen parts or vehicles, with a maximum fine of $25,000 and or 10 years in prison.

Stiff penalties for tampering with federally mandated VIN numbers, amounting to a fine of $5,000 and or five years in prison.

Stricter control on the exporting of vehicles and parts.

Expansion of anti-racketeering statutes to include motor vehicle theft, permitting the federal government to seize salvage yards suspected of dealing in stolen parts and vehicles.

Unfortunately, these bills, aimed at the professional theft operations and intended to enhance law enforcement efforts in the investigation and prosecution of vehicle thefts, have not been signed into law. They have had one major stumbling block: opposition to the component numbering requirement.

In the 97th Congress, there were more than 50 co-sponsors of the Motor Vehicle Theft Law Enforcement Act of 1981, H.R. 4325. A number of organizations testified in support of the bill, including the IACP, the American Association of Motor Vehicle Adminstrators, the National Automobile Theft Bureau, and the Association of Automotive Dismantlers and Recyclers. While there were individual concerns by each organization, one factor remained constant: the component numbering requirement is the key to the legislative package. In the 97th Congress, the legislation was opposed by some who viewed it as initially cost prohibitive, and the long-term cost/benefit ratio questionable. The impact of their position is obvious—the legislation failed to become law.

Supporters of the legislation will not let the failure of the bill go unanswered. A new Motor Vehicle Theft Law Enforcement Act is now being readied for introduction by Representative Bill Green (R-NY) in mid-February. The new bill will be ostensibly the same as its predecessors.

The IACP will take a significant position in support of this new legislation. In addition to acting on the advice of the IACP Vehicle Theft Committee in support of the bill and in accordance with two IACP resolutions endorsing passage of similar legislation, the Association has accepted chairmanship of the National Coalition since its inception in 1979, and we believe that a strong law enforcement stand is imperative to passage of this anti-crime legislation during the 98th Congress.

If the vehicle theft bill does not pass in this session, it will probably be a result of opposition, once again, by the manufacturers to the component numbering requirement. We, in law enforcement, realize the benefits of vehicle identification numbers and the handicap under which we investigate vehicle thefts because so few parts are numbered. The effectiveness of component marking is evidenced in the fact that automatic transmissions are thrown away by professional car thieves because they are numbered and, therefore, unusable. Transfer this fact to the major components of the vehicle and it is logical to conclude that they, too, would become unusable to the thief.

Law enforcement's stand on this issue can only be for passage of the legislation. In the absence of a uniform, national program, state component numbering programs may be the only alternative. The IACP has taken the position that a national program would be more economic and cost effective, and would enjoy a much higher success rate because of its uniformity. However, if the legislation does not pass in the current congressional session, and the trends in the motor vehicle theft and clearance rates continue to rise, it may be that our only solution will be state legislative initiatives to require component numbering.

With the number of supportive congressional representatives, we are encouraged that the Motor Vehicle Theft Law Enforcement Act will, in its fourth attempt, become law. We will certainly do our utmost to promote the legislation, and encourage your individual support as well.

[From the Baltimore Sun, Feb. 28, 1983]

POLICE WOULD FIGHT AUTO THEFT WITH MORE SERIAL NUMBERS

(By Vernon A. Guidry, Jr.)

WASHINGTON.—Some law enforcement officers think they've found a magic bullet to use against some of the most sophisticated, organized thieves around—automobile "chop shop" operators.

As magic bullets go, it isn't very dramatic. What they want is serial numbers affixed in more places on automobiles.

That seems simple, obvious and, superficially at least, easily defeated by a criminal industry known for its ability to brush past anti-theft roadblocks.

"It could stop 90 percent of the problem, and that's no exaggeration," says Lt. Vladimir Ivkovich, who heads auto enforcement for the Illinois secretary of state's office.

Lieutenant Ivkovich is unlikely to harbor any starry-eyed views about auto theft enforcement. He's had car windows shot out and had a pipe bomb thrown at his home for his efforts against Chicago-based thieves, by all accounts the most violent in the nation.

Other knowledgeable officers, although seemingly not as optimistic as Lieutenant Ivkovich about the potential benefits of the idea, endorse it to a man.

"We need the numbers," says Detective Sgt. Clarence O. Brickey, a Maryland State Police expert on auto theft. While Maryland does better than the national average on recovery, Sergeant Brickey estimates the value of unrecovered motor vehicles stolen in Maryland last year at about $11 million.

The insurance industry, too, is pushing hard for additional locations of vehicle identification numbers—or VINs, as they are known in the trade. About half the cost of comprehensive auto insurance coverage is allocated to theft. Insurance industry representatives say additional VINs would reduce theft and therefore premiums, to more than offset any added cost.

In Congress, Senator Charles H. Percy (R-Ill.) and Representative S. William Green (R-N.Y.) have been trying for years to win passage of legislation to require manufacturers to place VINs in a number of locations in addition to the dashboard, engine and transmission where they are located now. In addition, the measure would make it a crime to tamper with or remove such numbers.

The legislation has gone nowhere. The automobile manufacturers are against it, lately joined by the Reagan administration, although Justice Department and FBI officials freely admit they favor it.

The industry maintains it would be too large a financial burden, although Mr. Green's bill would limit the cost to no more than $10 a car. The industry says too, that the value of the additional VINs is dubious, unproven.

Ford, which has been conducting a test program, said as recently as last week that a mandate for additional VINs was premature and unjustified by the results of its program to date.

Speaking for the administration, the Office of Management and Budget said last year that the proposals "would impose additional, and substantial, burdens on the American automobile industry, without any assurances, based on the limited data available, that the bills would achieve their intended results."

Besides, the budget office wrote, the proposals were "inconsistent with the administration's objective of eliminating unnecessary federal regulations."

How can law enforcement officers and the insurance industry be so sure if the auto industry says the proof isn't there? Largely from their experience with the "chop shops"—where stolen cars are taken apart—and the way that illegal and legal business dovetail to make the market for stolen auto components.

The experience of law enforcement with the parts that are numbered, the engine and transmission, is that there is little market for these items from stripped cars, say authorities.

While some chop shops will attempt to change the VINs, most won't, preferring to traffic in the virtually untraceable, highly salable other parts of the car—the sheet metal "crash parts," or those most likely to be damaged in a crash.

The chop shops are chiefly interested in the "front clip" of an automobile. That includes what body shop men, legal and otherwise, call the "doghouse," which consists of hood, front fenders, grille, headlights, bumpers, radiator and inner fenders.

The rest of the clip consists of the cowl, which is the dash, firewall, all wiring and the steering section.

The chop shops usually simply cut the front clip across the floorboard at the door opening.

Doors are also usually bent up in collisions, so they are in heavy demand as well. The shops also traffic in the rear clip, and in pickup beds and cabs.

For those who say that the chop shops would simply change the numbers, there is this exchange between senators and a convicted auto thief named Wilfred Charles Bunnell, Jr., in hearings held in the Senate three years ago.

Mr. Bunnell first testified that he, unlike most chop shop operators, did change the VINs on engines and transmissions. But he said he would have balked at VINs on hoods, fenders and the like.

First, he said, it would be hard, if not impossible, to change the numbers without making the job detectable.

Then there was the matter of having hot, traceable material around until it could be altered. "If these parts had numbers," he told the senators, "you couldn't leave them sit around because if you did, any law enforcement agency could walk in to your shop or wherever it was, look at the part and check it right then because the number would be on it."

The haul from chop shops is destined largely for body shops and garages, legitimate and not. Some officials are wondering if the present state of crime and law enforcement is forcing the businesses into fundamental crookedness.

One federal law enforcement official suggests that numbering might have its chief impact in deterring borderline businessmen from buying stolen parts.

This official, who declines the use of his name, put it this way:

"There are three kinds of businessmen: the honest one, the outright thieves and

those who'll close their eyes for a good price or same-day delivery of a part. We've got to work on that swing group, otherwise, we'll only have those who'll go along with it left in business."

The anti-theft legislation will likely be reintroduced in this Congress, at least on the House side, in hopes of clearing committee action early enough this session to allow a floor vote. House backers also hope that early action will prompt a Senate response.

But there is more pessimism in the upper chamber, where the budget office opposition and the anti-regulatory view is likely to weigh more heavily.

The auto industry has been of two minds about regulation, depending on who is being regulated. The industry maintains that the placing of additional VIN locations on autos should be strictly voluntary. But, a manufacturers' group told Congress last year, one way to cut down auto theft might be to regulate used auto parts dealers more closely.

[From the Baltimore Sun, Feb. 28, 1983]

CAR THIEVERY NOW IN HANDS OF PROS

(By Vernon A. Guidry, Jr.)

WASHINGTON.—In car theft, the joy ride has been over for a decade.

Once chiefly the province of kids, auto theft has increasingly become the work of slick professionals engaged in a multi-billion dollar criminal industry.

And as it has grown, ominous trends have developed. "Auto theft is no longer nonviolent," says Sgt. Clarence O. Brickey, the Maryland State Police expert on the issue.

Thieves fighting for territory or haggling over protection have found murder a way to settle their disputes. Police officers, including a Washington detective living in Annapolis, have become targets.

But with $4 billion in cars stolen annually, there seems to be plenty to go around. The thieves have more than kept pace with law enforcement.

Anti-theft devices, some of them mandated by the U.S. government, are aimed at the juvenile joy riders who, less than a generation ago, accounted for nearly two-thirds of the persons arrested for car theft. Adult pros can crack most in a minute or two.

Some pros even keep an inventory of popular, late-model cars in their territory and can steal them on order.

Once a car is stolen, another set of skilled criminals often takes over, either "retagging" the car for resale or, more often, "chopping" it into untraceable, highly marketable "crash parts," the portions most often damaged in accidents.

Sergeant Brickey figures that "chop shops" account for 50 percent of the professional auto theft problem, retagging another 20 percent, with insurance fraud and other scams accounting for the rest.

"The problem's so bad you begin to wonder if we can turn it around," says one federal law enforcement official.

The causes of such pessimism are many. In 1965, fewer than 700,000 motor vehicle thefts were reported nationwide. By 1980, thefts were over 1 million a year, and that wasn't the most telling statistic.

According to federal statistics, the values of recoveries made in car theft cases is shrinking, indicating that commercial criminals are at work.

Value of the recovery is used as a yardstick of the severity of the crime. A stolen car "recovery" may be only a stripped hulk. In 1967, for instance, the value recovered was 86 percent nationally. By 1971, the figure had dipped to 74 percent, and in 1981, the last year for which figures are available, the recovery had dropped to 51.7 percent of the value of the stolen vehicles.

And there is the question of law enforcement. Critics of the late J. Edgar Hoover once sneeringly claimed he instructed his FBI agents to concentrate on interstate car theft cases while ignoring tougher problems like organized crime. Now, the bureau is intent on making "higher quality cases" against organized crime, white-collar crime and illegal drugs.

Also, U.S. attorneys are increasingly suggesting that local authorities prosecute the auto cases under a Reagan administration policy of closer coordination of federal and local law enforcement efforts. The results are declining prosecutions even of what the bureau calls "commercial car theft cases," those involving large-scale thieves.

In 1978, 730 persons were convicted in federal car theft cases. In 1979 the figure was 494, and in 1980, the last year for which the bureau has these figures, the number was 400.

Car theft operations, even the commercial-sized ones, aren't all that easy to detect without inside help.

Early last year, police in Prince Georges county picked up a car thief who decided to deal rather than face his second conviction as an uncooperative felon.

That tip led police to Calvert county and Raymond Fowler, body shop owner and used car dealer. Among Fowler's customers was District Court Judge Larry Lamson, who bought a popular 4x4 truck from him.

On a wooded piece of land outside Prince Frederick, police found 7 portions of automobiles, an entire 1980 Olds and 19 assorted odds and ends, mostly car doors, which after front ends, are the most sought-after crash parts. Checking also revealed that Judge Lamson had unwittingly bought a stolen truck.

Fowler entered guilty pleas to several felony and misdemeanor counts, including operating a recycling plant without a license. In early January he received a 10-year prison term and was fined $15,000. The prison term was suspended, but he was sent to the county jail for six months or until he pays at least $8,000 of the fine, whichever is longer.

Such operations tend to be small potatoes, however, compared to those in other areas of the country. Law enforcement officials agree the New York area probably has the most theft by volume, the Boston area probably has the most per capita and Chicago and the Midwest the deadliest.

In Chicago, where organized crime is called "the outfit," it is generally thought to content itself with demanding protection money from car theft rings. And police there are far from immune to attacks. One of Illinois' best-known auto theft experts is Lt. Vladimir Ivkovich, attached to the secretary of state's office.

Lieutenant Ivkovich has had the windows shot out of his car. One morning he awoke to find that a huge pipe bomb had been placed at his back door as he and his wife and daughter slept. The bomb did not go off.

That kind of violence came to Maryland in early January when Donald P. Bennett, an Annapolis resident and detective in the District of Columbia, was shot outside his home.

Police in Annapolis, working with Washington detectives, arrested a man who was a suspect in an auto theft case Detective Bennett was working on when he was shot.

There is a relatively simple tactic that virtually the entire law enforcement establishment and the insurance industry believe would be very effective against chop shops, considered the No. 1 problem.

That is the addition of a few more spots on an automobile where the manufacture stamps the "vehicle identification number" or VIN.

Police and the insurance industry want the numbers on the valuable "crash parts," along with a statute making it illegal to tamper with them.

Since 1978, attempts have been made to pass such legislation. Auto manufacturers, more recently aided by the Reagan administration, have succeeded in blocking it. The manufacturers say it is burdensome and won't work.

Sponsors of the legislation are going to make another try in this Congress, but they expect to have an extremely difficult time.

S. 1399

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part V of title VI of the Tariff Act of 1930 (19 U.S.C. 1581 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 626. UNLAWFUL IMPORTATION OR EXPORTATION OF CERTAIN VEHICLES: INSPECTIONS

"(a)(1) Whoever knowingly imports, exports, or attempts to import or export—

"(A) any stolen self-propelled vehicle, vessel, aircraft, or part of a self-propelled vehicle, vessel, or aircraft; or

"(B) any self-propelled vehicle or part of self-propelled vehicle from which the identification number has been removed, obliterated, tampered with, or altered;

shall be subject to a civil penalty in an amount determined by the Secretary, not to exceed $10,000 for each violation.

"(2) Any violation of this subsection shall make such self-propelled vehicle, vessel, aircraft, or part thereof subject to seizure and forfeiture under this Act.

"(b) A person attempting to export a used self-propelled vehicle shall present, pursuant to regulations prescribed by the Secretary, to the appropriate customs officer both the vehicle and a document describing such vehicle which includes the vehicle identification number, before lading if the vehicle is to be transported by vessel or aircraft, or before export if the vehicle is to be transported by rail, highway, or under its own power. Failure to comply with the regulations of the Secretary shall subject such person to a civil penalty of not more than $500 for each violation.

"(c) For purposes of this section—

"(1) the term 'self-propelled vehicle' includes any automobile, truck, tractor, bus, motorcycle, motor home, self-propelled agricultural machinery, self-propelled construction equipment, self-propelled special use equipment, and any other self-propelled vehicle used or designed for running on land but not on rail;

"(2) the term "aircraft" has the meaning given it in section 101(5) of the Federal Aviation Act of 1958 (49 U.S.C. 1301(5));

"(3) the term 'used' refers to any self-propelled vehicle the equitable or legal title to which has been transferred by a manufacturer, distributor, or dealer to an ultimate purchaser; and

"(4) the term 'ultimate purchaser' means the first person, other than a dealer purchasing in his capacity as a dealer, who in

good faith purchases a self-propelled vehicle for purposes other than resale.".

S. 1400

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Motor Vehicle Theft Law Enforcement Act of 1983".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds and declares the following:

(1) The annual number of reported motor vehicle thefts has exceeded one million one hundred thousand. Approximately 50 per centum of all larcenies reported to law enforcement authorities in the United States are directed against motor vehicles, motor vehicle accessories, or the contents of motor vehicles. The recovery rate of stolen motor vehicles has decreased significantly during the most recent decade.

(2) The theft of motor vehicles and the disposition of stolen motor vehicles, and motor vehicle parts and components, are becoming more professional in nature. Such theft and disposition activities also have attracted criminal elements which have used intimidation and violence as a means of obtaining increased control of such activities. Such activities are having a serious effect on interstate and foreign commerce. There is indication that criminal elements are using motor vehicle theft proceeds to purchase addictive and illegal drugs for resale and for other illicit activities which are extremely harmful to the Nation.

(3) The theft of motor vehicles has brought increased and unnecessary burdens to motor vehicle users and to American taxpayers, as the national financial cost of motor vehicle-related theft offenses currently approaches $4,000,000,000 annually. Such financial cost has had an impact on the overall rate of inflation through higher insurance rates.

(4) National and international uniformity relating to certain standards, such as motor vehicle identification and titling, would further facilitate commerce and prevent criminal abuse.

(5) A cooperative partnership between the States and the Federal Government is required to devise appropriate interrelated systems in the area of motor vehicle titling and registration in order to help curb motor vehicle theft.

(6) The theft of motor vehicles and their parts and components, and their unlawful disposition, can be curtailed significantly through the more effective use of the facilities of the National Crime Information Center by both law enforcement authorities and State motor vehicle registrars.

(7) Manufacturers should be encouraged to increase their efforts to develop better security systems to thwart the theft of motor vehicles and off-highway mobile equipment. Such measures should be creative, innovative, convenient, effective, and cost beneficial.

(8) The motor vehicle and off-highway mobile equipment insurance industries should be encouraged to continue and to improve their practices relating to premium discounts or surcharges based upon the theft potential (determined by experience) of such vehicles or mobile equipment and on the soundness of their theft prevention systems. Such efforts by the insurance industry will help create a marketplace incentive for the manufacturing of motor vehicles and off-highway mobile equipment which are more impervious to both amateur and professional theft.

(9) The cooperation and assistance of the motor vehicle insurance industry are needed to curb the growing problem of insurance fraud through improvements in procedures for claim processing, disposition of salvage vehicles, and issuance of policies.

(10) Motor vehicle antitheft campaigns at the local level which have increased citizen involvement and have been sponsored by the motor vehicle insurance industry have been effective in reducing motor vehicle theft.

(11) An increased vigilance by used motor vehicle dealers, motor vehicle dismantlers, recyclers, and salvage dealers, and by motor vehicle repair and body shops, is crucial to curtail the use of their important industries to facilitate crime through the disposition of stolen motor vehicles and their parts and components.

(12) The shipment of stolen motor vehicles and their parts and components, as well as stolen off-highway mobile equipment, outside the United States is a serious problem. The cooperation of shippers and operators of vessels, railroads, and aircraft is necessary to hinder such illicit exportation.

(13) The continued assistance and cooperation of Canada and Mexico are key ingredients necessary to aid the United States in efforts to protect the property of residents of the United States by limiting the opportunity for stolen motor vehicles and off-highway mobile equipment to enter Canada and Mexico from the United States.

(14) Federal, State, and local prosecutors should give increased emphasis to the prosecution of persons committing motor vehicle thefts, with particular emphasis given to professional motor vehicle theft operations and to persons engaged in the dismantling of stolen motor vehicles for the purpose of trafficking in stolen motor vehicle parts and components.

(15) The commendable and constructive efforts of the Attorney General of the United States, the Secretary of Transportation, the Secretary of the Treasury, the Secretary of State, and the Secretary of Commerce in the formation of the Interagency Committee on Auto Theft Prevention, with cooperation from the private sector, should be continued and expanded.

(16) The commendable efforts of the National Committee on Uniform Traffic Laws and Ordinances in amending various sections of the Uniform Vehicle Code by incorporating in such Code desirable antitheft measures relating to vehicle titling and controls over motor vehicle salvage can be beneficial in controlling the motor vehicle theft problem if the insurance industry, motor vehicle manufacturers, and other business entities affected by the motor vehicle theft problem adequately support the National Committee in implementing such measures.

(b) It is the purpose of this Act—

(1) to improve the identification numbering systems for motor vehicles and their major parts and components;

(2) to increase the Federal criminal penalties imposed upon persons trafficking in stolen motor vehicles and their parts and components;

(3) to establish procedures to reduce opportunities for exporting stolen motor vehicles and off-highway mobile equipment; and

(4) to establish a task force to study antitheft measures for State motor vehicle titling programs.

TITLE I—IMPROVED IDENTIFICATION FOR MOTOR VEHICLE PARTS AND COMPONENTS

MOTOR VEHICLE PARTS AND COMPONENTS SECURITY STANDARD

SEC. 101. (a) Section 102 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1391) is amended by redesignating paragraph (3) through paragraph (15) as paragraph (4) through paragraph (16), respectively, and by inserting after paragraph (2) the following new paragraph:

"(3) 'Motor vehicle security standard' means a minimum performance standard relating to methods and procedures for the identification of new motor vehicle parts and components (other than motorcycle parts and components). For purposes of this paragraph, 'motorcycle' means a motor vehicle with motive power having a seat or saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground.".

(b) Section 103 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1392) is amended by adding at the end thereof the following new subsection:

"(j)(1) The Secretary, not later than twelve months after the date of the enactment of the Motor Vehicle Theft Law Enforcement Act of 1983, shall publish a proposed Federal motor vehicle security standard.

"(2) Subject to the requirements of paragraph (3), the Secretary, as soon as practicable after such twelve-month period but not later than twenty-four months after such date of enactment, shall promulgate a Federal motor vehicle security standard. Such standard shall take effect not earlier than one hundred and eighty days, and not later than one year, after the date on which such standard is promulgated, unless the Secretary finds, for good cause shown, that an earlier or later effective date is in the public interest, and publishes his reasons for such finding. Such standard shall apply only to motor vehicle parts and components which are (A) included in the assembly of motor vehicles manufactured after the effective date of such standard; or (B) manufactured as new replacement parts or components after such effective date.

"(3)(A) The Secretary, before promulgating any Federal motor vehicle security standard under this subsection, shall conduct a study to determine the cost of implementing such standard and the benefits attainable as a result of the implementation of such standard. Such study shall include an evaluation of the effect which such standard may have upon production and sales by the domestic motor vehicle manufacturing industry.

"(B) The Secretary shall include the results of such study in the publication of the proposed Federal motor vehicle security standard specified in paragraph (1).

"(C) The Secretary shall not have any authority to promulgate any such Federal motor vehicle security standard unless the Secretary determines, as a result of such study, that the benefits of such standard are likely to exceed the costs of such standard.

"(4)(A) No motor vehicle security standard promulgated by the Secretary under this subsection may impose additional costs upon manufacturers of motor vehicles in excess of $10 per motor vehicle. The level of costs per motor vehicle imposed by any such standard shall be determined by the Secre-

tary as part of the study which is required in paragraph (3)(A).

"(B) Any manufacturer, subsequent to the promulgation of any such Federal motor vehicle security standard, may petition the Secretary to amend such standard for the purpose of complying with the requirements of subparagraph (A). Upon a showing by such manufacturer that compliance with such standard will cause costs which exceed $10 per motor vehicle, the Secretary shall amend such standard in such manner as may be necessary to eliminate costs which exceed $10 per motor vehicle.

"(C)(i) At the beginning of each calendar year (commencing in 1984), as there become available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Secretary and publish in the Federal Register the percentage difference between the price index for the twelve months preceding the beginning of such calendar year and the price index for the base period. The amount specified in subparagraph (A) and subparagraph (B) shall be adjusted by such percentage difference. Such amount so adjusted shall be the amount in effect for such calendar year.

"(ii) For purposes of this subparagraph:

"(I) The term 'base period' means calendar year 1980.

"(II) The term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics.

"(5) No motor vehicle security standard promulgated by the Secretary under this section may require the numbering or other identification of more than a total of four parts and components for any trailer, nine parts and components for any truck, and fourteen parts and components for any other motor vehicle.

"(6) In promulgating motor vehicle security standards under this section, the Secretary shall take into account—

"(A) relevant available motor vehicle security data, including the results of research, development, testing, and evaluation activities conducted pursuant to this Act;

"(B) available studies carried out by motor vehicle manufacturers which evaluate (i) methods and procedures for the identification of motor vehicle parts and components; and (ii) the effects which such methods and procedures may have with respect to reducing motor vehicle thefts and with respect to the costs of motor vehicle ownership;

"(C) the effect of the implementation of such standard upon the cost of motor vehicle insurance;

"(D) savings which may be realized from the implementation of such standard through alleviating inconveniences experienced by consumers as a result of the theft and disposition of motor vehicle parts and components; and

"(E) considerations of safety.".

(c) Section 103(d) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1392(d)) is amended by inserting "(1)" after the subsection designation and by adding at the end thereof the following new paragraph:

"(2) Whenever a Federal motor vehicle security standard established under this title is in effect, no State or political subdivision of a State shall have any authority either to establish, or to continue in effect, with respect to any motor vehicle part or component, any security standard which is not identical to such Federal motor vehicle security standard.".

AUTHORITY OF SECRETARY TO STUDY SECURITY DEVICES AND SYSTEMS

SEC. 102. (a) Section 106 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1395) is amended by redesignating subsection (b) and subsection (c) as subsection (c) and subsection (d), respectively, and by inserting after subsection (a) the following new subsection:

"(b) The Secretary is authorized to conduct studies from time to time regarding the development of security devices or systems, or both, which are designed to deter individuals from entering a locked motor vehicle and starting the motor vehicle for the purpose of stealing the motor vehicle.".

(b) Section 106(c) of the National Traffic and Motor Vehicle Safety Act of 1966, as so redesignated in subsection (a), is amended by inserting after "this section" the following: ", and to conduct studies as authorized to be carried out by subsection (b) of this section,".

REPORT REGARDING SECURITY DEVICES AND SYSTEMS

SEC. 103. (a) The Secretary of Transportation, not later than one year after the date of the enactment of this Act, shall submit a report to the Congress regarding security devices or systems, or both, which are designed to deter individuals from entering a locked motor vehicle and starting the motor vehicle for the purpose of stealing the motor vehicle.

(b) The report required in subsection (a) shall seek to determine—

(1) whether a Federal motor vehicle security standard can be devised which is objective in its evaluative capacity, but which does not result in the compromising of motor vehicle security systems in the process of demonstrating compliance with such standard; and

(2) whether it would be more beneficial for motor vehicle manufacturers to offer special security devices or systems as options for motor vehicles which will be used primarily in areas having high crime rates.

(c) The report required in subsection (a) also may include an examination and review of any matters relating to motor vehicle security which the Secretary of Transportation considers appropriate to examine and review. The Secretary shall prepare such report after consulting with the Attorney General of the United States. Such report shall include recommendations for such legislative or administrative action as the Secretary considers necessary or appropriate.

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 104. (a)(1) The first section of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1381) is amended—

(A) by inserting ", and to improve the identification numbering systems for motor vehicle parts and components" after "traffic accidents" the last place it appears therein;

(B) by striking out "and" after "development;"; and

(C) by inserting "; and to establish security standards for motor vehicle parts and components" after "register".

(2) The heading for title I of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1381 et seq.) is amended to read as follows:

"TITLE I—MOTOR VEHICLE SAFETY AND SECURITY STANDARDS".

(3) Section 101 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1381 note) is amended by striking out "Safety Act of 1966" and inserting in lieu thereof "Safety and Security Act".

(4)(A) Section 103(a) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1392(a)) is amended—

(i) in the first sentence thereof, by inserting ", and shall establish by order Federal motor vehicle security standards in accordance with subsection (j)" before the period at the end thereof; and

(ii) by striking out the last sentence thereof and inserting in lieu thereof the following new sentences: "Each such standard shall be practicable and shall be stated in objective terms. Each such Federal motor vehicle safety standard shall meet the need for motor vehicle safety, and each such Federal motor vehicle security standard shall meet the need for motor vehicle security.".

(B) Section 103(b) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1392(b)) is amended by inserting "or a Federal motor vehicle security standard" after "standard".

(C) Section 103(c) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1392(c)) is amended by inserting ", or a Federal motor vehicle security standard (subject to the provisions of subsection (j))," after "standard" the first place it appears therein.

(D) Section 103(e) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1392(e)) is amended by inserting "or any Federal motor vehicle security standard" after "standard".

(E) Section 103(f) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1392(f)) is amended by inserting "Federal motor vehicle safety" after "prescribing".

(5)(A) Section 106(a)(1) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1395(a)(1)) is amended—

(i) by striking out "and" after "vehicles,"; and

(ii) by inserting before the semicolon the following: ", and (C) the theft of motor vehicles and motor vehicle parts and components".

(B) Section 106(d) of the National Traffic and Motor Vehicle Safety Act of 1966, as so redesignated in section 102(a), is amended by inserting "or motor vehicle security" after "safety".

(6) Section 107 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1396) is amended by inserting "and motor vehicle security standards" after "standards" each place it appears therein.

(7)(A) Section 108(a)(1)(A) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1397(a)(1)(A)) is amended by inserting "or Federal motor vehicle security standard" after "standard" the first place it appears therein.

(B) Section 108(a)(1)(C) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1397(a)(1)(C)) is amended by inserting "and Federal motor vehicle security standards" after "standards".

(C) Section 108(b)(2) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1397(b)(2)) is amended by inserting "and Federal motor vehicle security standards" after "standards" each place it appears therein.

(D) Section 108(b)(3) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1397(b)(3)) is amended by inserting "or Federal motor vehicle security standard" after "standard".

(E) Section 108(c) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1397(c)) is amended by inserting "or

Federal motor vehicle security standard" after "standard".

(8) Section 110(a) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1399(a)) is amended—

(A) by inserting "or Federal motor vehicle security standards" after "standards"; and

(B) by inserting "or security" after "safety" the last place it appears therein.

(9) Section 111(a) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1400(a)) is amended—

(A) by inserting "or Federal motor vehicle security standards" after "standards"; and

(B) by inserting "or security" after "safety" the last place it appears therein.

(10) Section 114 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1403) is amended by inserting "and Federal motor vehicle security standards" after "standards".

(11)(A) Section 120(a)(2) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1408(a)(2)) is amended by inserting "and Federal motor vehicle security standards" after "standards".

(B) Section 120(b) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1408(b)) is amended by inserting "and motor vehicle security" after "safety" each place it appears therein.

(12)(A) Section 123(a) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1410(a)) is amended—

(i) by inserting "or motor vehicle security standard" after "standard" the first place it appears therein;

(ii) in paragraph (1)(B) thereof, by inserting "or security" after "safety" each place it appears therein; and

(iii) in paragraph (1)(D) thereof, by inserting "or security" after "safety" each place it appears therein.

(B) Section 123(e) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1410(e)) is amended by inserting "or security" after "safety" the first, second, third, fourth, sixth, and last places it appears therein.

(13) The heading for part B of title I of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1411 et seq.) is amended to read as follows:

"PART B—DISCOVERY, NOTIFICATION, AND REMEDY OF MOTOR VEHICLE DEFECTS OR FAILURES TO COMPLY".

(14) Section 151 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1411) is amended—

(A) in paragraph (1) thereof, by inserting "or security" after "safety"; and

(B) in paragraph (2) thereof, by inserting "or Federal motor vehicle security standard" after "standard".

(15)(A) Section 152(a) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1412(a)) is amended—

(i) in paragraph (1) thereof, by inserting "or Federal motor vehicle security standard" after "standard"; and

(ii) in paragraph (2) thereof, by inserting "or security" after "safety".

(B) Section 152(b) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1412(b)) is amended—

(i) by inserting "or Federal motor vehicle security standard" after "standard"; and

(ii) by inserting "or security" after "safety" the last place it appears therein.

(16) Section 153(a)(2) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1413(a)(2)) is amended by inserting "or security" after "safety".

(17)(A) Section 154(a)(1) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1414(a)(1)) is amended—

(i) by inserting "or Federal motor vehicle security standard" after "standard"; and

(ii) by inserting "or security" after "safety" the last place it appears therein.

(B) Section 154(b)(1) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1414(b)(1)) is amended by inserting "or a motor vehicle security standard" after "standard".

(18) Section 155(b) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1415(b)) is amended—

(A) in paragraph (A) thereof, by inserting "or security" after "safety" the first place it appears therein, and by inserting "or a Federal motor vehicle security standard" after "standard"; and

(B) in paragraph (C) thereof, by inserting "or security" after "safety".

(19) Section 157 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1417) is amended by inserting "or security" after "safety".

(20) Section 158(a)(2)(A) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1418(a)(2)(A)) is amended—

(A) by inserting "or security" after "safety" the first place it appears therein; and

(B) by inserting "or Federal motor vehicle security standard" after "standard".

(b) Reference in any other provision of Federal law to the National Traffic and Motor Vehicle Safety Act of 1966 hereby is deemed to be a reference to the National Traffic and Motor Vehicle Safety and Security Act.

TERMINATION OF CERTAIN PROVISIONS AND AMENDMENTS

SEC. 105. (a)(1) The foregoing provisions of this title and the amendments made in this title shall be repealed, and the amendments specified in paragraph (2) shall be made, at the end of June 30 of the fourth successive year following the first June 30 which occurs at least fifteen months after the effective date of the motor vehicle security standard which the Secretary of Transportation is required to promulgate under section 103(j) of the National Traffic and Motor Vehicle Safety Act of 1966, unless the Secretary of Transportation and the Attorney General of the United States, during the one-year period preceding June 30 of such fourth successive year, submit a joint written statement to the Congress which makes the findings specified in subsection (b).

(2)(A) The amendments contained in this paragraph shall be made in accordance with the provisions of paragraph (1).

(B) Section 510(b)(2) of title 18, United States Code, as added in section 201(a), is amended by striking out "of the Secretary of Transportation or under authority".

(C) Section 510(c) of title 18, United States Code, as added in section 201(a), is amended by striking out paragraph (1) and redesignating paragraph (2) through paragraph (4) thereof as paragraph (1) through paragraph (3), respectively.

(D) Section 511(a)(2) of title 18, United States Code, as added in section 201(a), is amended by striking out "which is authorized by the Secretary of Transportation or".

(E) Section 511(c) of title 18, United States Code, as added in section 201(a), is amended by striking out paragraph (1) and redesignating paragraph (2) and paragraph (3) thereof as paragraph (1) and paragraph (2), respectively.

(F) Section 511(c)(2) of title 18, United States Code, as added in section 201(a) and as so redesignated in subparagraph (E), is amended by striking out "510(c)(4)" and inserting in lieu thereof "510(c)(3)".

(G) Section 2320(b)(1) of title 18, United States Code, as added in section 204(a), is amended by striking out "is authorized by the Secretary of Transportation or".

(H) Section 2320(c) of title 18, United States Code, as added in section 204(a), is amended by striking out paragraph (1) and redesignating paragraph (2) and paragraph (3) thereof as paragraph (1) and paragraph (2), respectively.

(I) Section 2320(c)(2) of title 18, United States Code, as added in section 204(a) and as so redesignated in subparagraph (H), is amended by striking out "510(c)(4)" and inserting in lieu thereof "510(c)(3)".

(b) The statement specified in subsection (a) shall include—

(1) a finding, based upon the most recent available statistics contained in the National Crime Information Center, the most recent available statistics compiled in connection with publication of the Uniform Crime Reports, and upon other sources (including the perceptions of that portion of the law enforcement community of the Nation which deals with motor vehicle theft, as well as any increase in arrest or prosecution rates relating to motor vehicle theft), that there has been a beneficial impact upon the rate of thefts or the rate of recovery of motor vehicles, or motor vehicle parts and components, or both, during the period in which the motor vehicle security standard which the Secretary of Transportation is required to promulgate under section 103(j) of the National Traffic and Motor Vehicle Safety Act of 1966, as amended in section 101(b), is in effect;

(2) a finding that such impact upon the rate of thefts or the rate of recovery of motor vehicles is significantly attributable to the operation and enforcement of such motor vehicle security standard; and

(3) a judgment that the provisions specified in subsection (a)(1) should remain in effect and the amendments specified in subsection (a)(2) should not be made.

(c)(1) The provisions of paragraph (2) through paragraph (4) shall apply if the repeals and amendments specified in subsection (a) take effect in accordance with subsection (a).

(2) Any Federal motor vehicle security standard established by the Secretary of Transportation under section 103(j) of the National Traffic and Motor Vehicle Safety Act of 1966, as amended in section 101, shall cease to have any force or effect after the repeals specified in subsection (a) take effect.

(3) Any administrative proceeding relating to any provision of law repealed in accordance with subsection (a) which is pending on the effective date of such repeal shall be continued as if subsection (a) had not been enacted, and orders issued in any such administrative proceeding shall continue in effect until amended or revoked by the Secretary of Transportation in accordance with the National Traffic and Motor Vehicle Safety Act of 1966, or by operation of law.

(4) The repeals specified in subsection (a) shall not affect any suit, action, or other proceeding lawfully commenced before the effective date of such repeals, and all such suits, actions, and proceedings shall be continued, proceedings therein had, appeals therein taken, and judgments therein rendered, in the same manner and with the

same effect as if subsection (a) had not been enacted.

TITLE II—ANTIFENCING MEASURES

MOTOR VEHICLE IDENTIFICATION NUMBERS; FORFEITURES

SEC. 201. (a) Chapter 25 of title 18, United States Code, is amended by adding at the end thereof the following new sections:

"§ 510. Altering or removing motor vehicle identification numbers

"(a) Except as provided in subsection (b), whoever knowingly removes, obliterates, tampers with, or alters any identification number for any motor vehicle, or any part or component of a motor vehicle, shall be fined not more than $5,000, imprisoned for not more than five years, or both.

"(b) The provisions of subsection (a) shall not apply to—

"(1) any motor vehicle scrap processor or motor vehicle demolisher, when—

"(A) such person is engaged in the processing of any motor vehicle, or any motor vehicle part or component, into metallic scrap for purposes of recycling the metallic content of such motor vehicle, part, or component; and

"(B) such person, in carrying out such processing, complies with any applicable State law relating to the disposition of such motor vehicle, part, or component; or

"(2) any person, acting under authority of the Secretary of Transportation or under authority of State law, who is engaged in restoring or replacing any identification number specified in subsection (a).

"(c) For purposes of this section:

"(1) The term 'identification number' means any identification number which is required by any Federal motor vehicle safety standard or any Federal motor vehicle security standard established by the Secretary of Transportation under the National Traffic and Motor Vehicle Safety and Security Act or by any other regulation issued by the Secretary of Transportation.

"(2) The term 'motor vehicle' has the meaning given it in section 102 of the National Traffic and Motor Vehicle Safety and Security Act.

"(3) The term 'motor vehicle demolisher' means any person, including any motor vehicle dismantler or motor vehicle recycler, who is engaged in the business of processing motor vehicles, or motor vehicle parts or components, or both, in a manner which renders the subject of such processing unsuitable for any further use as a motor vehicle or a motor vehicle part or component.

"(4) The term 'motor vehicle scrap processor' means any person—

"(A) who is engaged in the business of purchasing motor vehicles, or motor vehicle parts or components, or both, for the purpose of processing such motor vehicles, parts, or components into metallic scrap for recycling;

"(B) who, from a fixed location, utilizes machinery and equipment for processing and manufacturing ferrous or nonferrous metallic scrap into prepared grades; and

"(C) whose business produces metallic scrap for recycling as its principal product.

Such term does not include any activity of any such person relating to the recycling of a motor vehicle or a motor vehicle part or component as a used motor vehicle or a used motor vehicle part or component.

"(5) The term 'processing' means loading, unloading, crushing, flattening, destroying, grinding up, handling, or otherwise reducing a motor vehicle or a motor vehicle part into metallic scrap.

"§ 511. Forfeiture of certain motor vehicles, motor vehicle parts, and motor vehicle components

"(a) If any identification number for any motor vehicle, or any part or component of a motor vehicle, is removed, obliterated, tampered with, or altered, then such motor vehicle, part, or component shall be subject to seizure and forfeiture to the United States unless—

"(1) in the case of a motor vehicle part or component, such part or component has been attached to a motor vehicle without any knowledge of the owner of such motor vehicle that such identification number has been removed, obliterated, tampered with, or altered;

"(2) such motor vehicle, part, or component has a replacement identification number which is authorized by the Secretary of Transportation or which is in conformity with any applicable laws of the State in which such motor vehicle, part, or component is located;

"(3) such removal, obliteration, tampering, or alteration—

"(A) is caused by any collision or fire which results in damage to that portion of such motor vehicle, part, or component on which such identification number is displayed; or

"(B) is carried out in accordance with the provisions of section 510(b)(1) of this title; or

"(4) such motor vehicle, part, or component is in the possession or control of a motor vehicle scrap processor, unless such motor vehicle scrap processor has knowledge of the fact that such identification number was removed, obliterated, tampered with, or altered in any manner other than by collision, five, or the processing of such motor vehicle, part, or component in accordance with the provisions of section 510(b)(1) of this title.

"(b) All provisions of law relating to—

"(1) the seizure and condemnation of vessels, vehicles, merchandise, and baggage for violation of customs laws, and summary and judicial forfeiture procedures applicable in the case of such violations;

"(2) the disposition of such vessels, vehicles, merchandise, and baggage or the proceeds from such sale;

"(3) the remission or mitigation of such forfeitures; and

"(4) the compromise of claims and the award of compensation to informers with respect to such forfeitures;

shall apply to seizures and forfeitures incurred or alleged to have incurred under the provisions of this section, insofar as applicable and not inconsistent with such provisions. Such duties as are imposed upon the collector of customs or any other person with respect to the seizure and forfeiture of vessels, vehicles, merchandise, and baggage under the customs laws shall be performed with respect to seizures and forfeitures of property under this section by such officers, agents, or other persons as may be designated for such purpose by the Attorney General.

"(c) For purposes of this section:

"(1) The term 'identification number' has the meaning given it in section 510(c)(1) of this title.

"(2) The term 'motor vehicle' has the meaning given it in section 102 of the National Traffic and Motor Vehicle Safety and Security Act.

"(3) The term 'motor vehicle scrap processor' has the meaning given it in section 510(c)(4) of this title.".

(b) The table of sections for chapter 25 of title 18, United States Code, is amended by adding at the end thereof the following new items:

"510. Altering or removing motor vehicle identification numbers.

"511. Forfeiture of certain motor vehicles, motor vehicle parts, and motor vehicle components.".

DEFINITION OF SECURITIES

SEC. 202. Section 2311 of title 18, United States Code, is amended by inserting after "voting trust certificate;" the following: "motor vehicle title until it is canceled by the State indicated thereon or blank motor vehicle title;".

SALE OR RECEIPT OF STOLEN MOTOR VEHICLES

SEC. 203. Section 2313 of title 18, United States Code, is amended—

(1) by striking out "moving as, or which is a part of, or which constitutes interstate or foreign commerce," and inserting in lieu thereof "which has crossed a State or United States boundary after being stolen,"; and

(2) by inserting "possesses," after "receives,".

TRAFFICKING IN CERTAIN MOTOR VEHICLES, MOTOR VEHICLE PARTS, OR MOTOR VEHICLE COMPONENTS

SEC. 204. (a) Chapter 113 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 2320. Trafficking in certain motor vehicles, motor vehicle parts, or motor vehicle components

"(a) Except as provided in subsection (b), whoever buys, receives, possesses, or obtains control of, with intent to sell, transfer, distribute, dispense with, or otherwise dispose of, any motor vehicle, or any motor vehicle part or component, with knowledge that any identification number for such motor vehicle, part, or component has been removed, obliterated, tampered with, or altered, shall be fined not more than $25,000, or imprisoned for not more than ten years, or both.

"(b) The provisions of subsection (a) shall not apply in the case of any motor vehicle, or any motor vehicle part or component, if—

"(1) such motor vehicle, part, or component has a replacement identification number which is authorized by the Secretary of Transportation or is in conformity with the applicable laws of the State in which such motor vehicle, part, or component is located; or

"(2) the removal, obliteration, tampering with, or alteration of the identification number for such motor vehicle, part, or component (A) is caused by any collision or fire which results in damage to that portion of such motor vehicle, part, or component on which such identification number is displayed; or (B) is carried out in accordance with the provisions of section 510(b)(1) of this title.

"(c) For purposes of this section:

"(1) The term 'identification number' has the meaning given it in section 510(c)(1) of this title.

"(2) The term 'motor vehicle' has the meaning given it in section 102 of the National Traffic and Motor Vehicle Safety and Security Act.".

(b) The table of sections for chapter 113 of title 18, United States Code, is amended by adding at the end thereof the following new item:

"2320. Trafficking in certain motor vehicles, motor vehicle parts, or motor vehicle components.".

DEFINITION OF RACKETEERING ACTIVITY

SEC. 205. Section 1961(1) of title 18, United States Code, is amended—

(1) by inserting "sections 2312 and 2313 (relating to interstate transportation of stolen motor vehicles)," after "section 1955 (relating to the prohibition of illegal gambling businesses),"; and

(2) by inserting "section 2320 (relating to trafficking in certain motor vehicles, motor vehicle parts, or motor vehicle components)," after "sections 2314 and 2315 (relating to interstate transportation of stolen property),".

NONMAILABLE MOTOR VEHICLE MASTER KEYS

SEC. 206. (a)(1) Section 3002 of title 39, United States Code, is amended by redesignating subsection (b) and subsection (c) as subsection (c) and subsection (d), respectively, and by inserting after subsection (a) the following new subsection:

"(b) Except as provided in subsection (c) of this section, any device which is designed or adapted primarily for the purpose of operating, circumventing, removing, or rendering inoperable the ignition switch, ignition lock, door lock, or trunk lock of two or more motor vehicles, or any advertisement for the sale of any such device, is nonmailable matter and shall not be carried or delivered by mail.".

(2) The heading for section 3002 of title 39, United States Code, is amended to read as follows:

"§ 3002. Nonmailable motor vehicle master keys and other devices".

(3) Section 3002(a) of title 39, United States Code, is amended by striking out "subsection (b)" and inserting in lieu thereof "subsection (c)".

(4) Section 3002(c) of title 39, United States Code, as so redesignated in paragraph (1), is amended by inserting "and subsection (b)" after "subsection (a)".

(5) Section 3002 of title 39, United States Code, as amended in paragraph (1), is further amended by adding at the end thereof the following new subsection:

"(e) Upon evidence satisfactory to the Postal Service that any person is engaged in a scheme or device for obtaining money or property through the mail by advertising or offering for sale any motor vehicle master key or device made nonmailable by this section, the Postal Service may issue an order of the same kind and with the same incidents as that authorized by section 3005 of this title.".

(6) The table of sections for chapter 30 of title 39, United States Code, is amended by striking out the item relating to section 3002 and inserting in lieu thereof the following new item:

"3002. Nonmailable motor vehicle master keys and other devices.".

(b)(1) The heading for section 1716A of title 18, United States Code, is amended to read as follows:

"§ 1716A. Nonmailable motor vehicle master keys and other devices".

(2) The table of sections for chapter 83 of title 18, United States Code, is amended by striking out the item relating to section 1716A and inserting in lieu thereof the following new item:

"1716A. Nonmailable motor vehicle master keys and other devices.".

TITLE III—IMPORTATION AND EXPORTATION MEASURES

AMENDMENTS TO TITLE 18, UNITED STATES CODE

SEC. 301. (a) Chapter 27 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 553. Unlawful importation or exportation of stolen motor vehicles, off-highway mobile equipment, vessels, or aircraft

"(a) Whoever imports, exports, or attempts to import or export—

"(1) any motor vehicle, off-highway mobile equipment, vessel, aircraft, or part of any motor vehicle, off-highway mobile equipment, vessel, or aircraft, knowing the same to have been stolen; or

"(2) any motor vehicle or off-highway mobile equipment or part of any motor vehicle or off-highway mobile equipment, knowing that its identification number has been removed, obliterated, tampered with, or altered;

shall be fined not more than $10,000, imprisoned not more than 5 years, or both.

"(b) For purposes of this section—

"(1) the term 'motor vehicle' means any automobile, truck, tractor, bus, motorcycle, or motor home, but such term does not include any off-highway mobile equipment;

"(2) the term 'off-highway mobile equipment' includes any self-propelled agricultural machinery, self-propelled construction equipment, self-propelled special use equipment, and any other self-propelled machine used or designed for running on land but not on rail or highway;

"(3) the term 'vessel' has the meaning given it in section 401 of the Tariff Act of 1930 (19 U.S.C. 1401); and

"(4) the term 'aircraft' has the meaning given it in section 101(5) of the Federal Aviation Act of 1958 (49 U.S.C. 1301(5)).".

(b) The table of sections for chapter 27 of title 18, United States Code, is amended by adding at the end thereof the following new item:

"553. Unlawful importation or exportation of stolen motor vehicles, off-highway mobile equipment, vessels, or aircraft.".

AMENDMENT TO TARIFF ACT OF 1930

SEC. 302. Part V of title VI of the Tariff Act of 1930 (19 U.S.C. 1581 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 626. UNLAWFUL IMPORTATION OR EXPORTATION OF CERTAIN VEHICLES AND EQUIPMENT; INSPECTIONS.

"(a)(1) Whoever knowingly imports, exports, or attempts to import or export—

"(A) any stolen motor vehicle, off-highway mobile equipment, vessel, aircraft, or part of any motor vehicle, off-highway mobile equipment, vessel, or aircraft; or

"(B) any motor vehicle or off-highway mobile equipment, or part of any motor vehicle or off-highway mobile equipment, from which the identification number has been removed, obliterated, tampered with, or altered;

shall be subject to a civil penalty in an amount determined by the Secretary, not to exceed $10,000 for each violation.

"(2) Any violation of this subsection shall make such motor vehicle, off-highway mobile equipment, vessel, aircraft, or part thereof subject to seizure and forfeiture under this Act.

"(b) A person attempting to export any used motor vehicle or off-highway mobile equipment shall present, pursuant to regulations prescribed by the Secretary, to the appropriate customs officer both the vehicle or equipment, as the case may be, and a document describing such vehicle or equipment, as the case may be, which includes the vehicle or equipment identification number, as the case may be, before lading if the vehicle or equipment, as the case may be, is to be transported by vessel or aircraft, or before export if the vehicle or equipment, as the case may be, is to be transported by rail, highway, or under its own power. Failure to comply with the regulations of the Secretary shall subject such person to a civil penalty of not more than $500 for each violation.

"(c) For purposes of this section—

"(1) the term 'motor vehicle' includes any automobile, truck, tractor, bus, motorcycle, or motor home, but such term does not include any off-highway mobile equipment;

"(2) the term 'off-highway mobile equipment' includes self-propelled agricultural machinery, self-propelled construction equipment, self-propelled special use equipment, and any other self-propelled machine used or designed for running on land but not on rail or highway;

"(3) the term 'aircraft' has the meaning given it in section 101(5) of the Federal Aviation Act of 1958 (49 U.S.C. 1301(5));

"(4) the term 'used' refers to any self-propelled vehicle the equitable or legal title to which has been transferred by a manufacturer, distributor, or dealer to an ultimate purchaser; and

"(5) the term 'ultimate purchaser' means the first person, other than a dealer purchasing in his capacity as a dealer, who in good faith purchases a self-propelled vehicle for purposes other than resale.".

TITLE IV—REPORTING REQUIREMENTS

REPORT REGARDING ANTITHEFT MEASURES FOR STATE MOTOR VEHICLE TITLING PROGRAMS

SEC. 401. (a) The Secretary of Transportation, as soon as practicable after the date of the enactment of this Act, shall establish a task force to study problems which relate to motor vehicle titling and controls over motor vehicle salvage and which may affect the motor vehicle theft problem. The task force shall prepare a report containing the results of such study and shall submit such report to the Congress and to the chief executive officer of each State not later than eighteen months after such date of enactment.

(b) The task force shall consist of—

(1) the Secretary of Transportation, or his delegate;

(2) the Attorney General of the United States, or his delegate;

(3) the Secretary of Commerce, or his delegate;

(4) the Secretary of the Treasury, or his delegate;

(5) at least five representatives of State motor vehicle departments, to be designated by the Secretary of Transportation; and

(6) at least one representative, to be designated by the Secretary of Transportation, from each of the following groups: (A) motor vehicle manufacturers; (B) motor vehicle dealers and distributors; (C) motor vehicle dismantlers, recyclers, and salvage dealers; (D) motor vehicle repair and body shop operators; (E) motor vehicle scrap processors; (F) insurers of motor vehicles; (G) State law enforcement officials; (H) local law enforcement officials; (I) the American Association of Motor Vehicle Administrators; (J) the National Automobile

Theft Bureau; and (K) the National Committee on Traffic Laws and Ordinances.

(c)(1) The members of the task force shall serve without pay.

(2) While away from their residences or regular places of business in performance of services for the Federal Government, members of the task force shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Federal Government service are allowed expenses under section 5703 of title 5, United States Code.

(3) The Secretary of Transportation, or his delegate, shall serve as chairman of the task force.

(d)(1) The report required in subsection (a) shall be made after a meaningful consultative process and review of existing laws, practices, studies, and recommendations regarding the problems specified in subsection (a).

(2) The report shall specify the key aspects of motor vehicle antitheft measures necessary to prevent the disposition or use of stolen motor vehicles, or the major components of motor vehicles, and to prevent insurance fraud or income tax fraud based upon false reports of stolen vehicles. The report shall indicate any of the antitheft measures for which national uniformity would be crucial in order for the measure to be adequately effective. The report shall recommend viable ways of obtaining any national uniformity which is necessary.

(3) The report also shall include other recommendations for legislative or administrative action at the State level or at the Federal level, and recommendations for industry actions, if the task force considers any such actions to be necessary or appropriate.

REPORT REGARDING IMPLEMENTATION OF ACT

SEC. 402. On or before the first June 30 which occurs at least fifteen months after the date of the enactment of this Act, and on or before each June 30 thereafter for the following nine successive years, the Attorney General of the United States, in consultation with the Secretary of Transportation, the Secretary of the Treasury, and the Postmaster General, shall submit to the Congress a report on the implementation and development of the provisions of title I, the provisions of title 18 and title 39, United States Code, which are added by the amendments made in title II, and the provisions of title 18, United States Code, and the Tariff Act of 1930 (19 U.S.C. 1202 et seq.) which are added by the amendments made in title III, and the effectiveness of such provisions in helping to prevent and reduce motor vehicle-related theft.

By Mr. SIMPSON (by request):

S. 1401. A bill to amend title 38, United States Code, to clarify the authority of the Administrator to permit a Federal fiduciary, administratively appointed by the Veterans' Administration, to deduct from the beneficiary's estate a modest commission for fiduciary services; to the Committee on Veterans' Affairs.

S. 1402. A bill to amend title 38, United States Code, to permit substitution of a veteran's housing loan entitlement when the veteran-transferee is not an immediate transferee; to the Committee on Veterans' Affairs.

S. 1403. A bill to amend title 38, United States Code, to provide for a 5-year extension to permit States to apply for Federal aid in establishing, expanding, or improving State veterans' cemeteries; to the Committee on Veterans' Affairs.

S. 1404. A bill to amend title 38, United States Code, to authorize the Administrator to make contributions for construction projects on land adjacent to national cemeteries in order to facilitate safe ingress or egress; to the Committee on Veterans' Affairs.

VETERANS' AFFAIRS

Mr. SIMPSON. Mr. President, I have several bills to introduce at this time at the request of the administration.

The first would provide authority for the Veterans' Administration to pay reasonable commissions to federally appointed fiduciaries who are providing services to the estates of incompetent veterans or their minor or incompetent dependents. It is not always appropriate for a family member or relative to provide the fiduciary services needed by the estate of certain veterans and their dependents. However, since the VA has no current authority to make reasonable payments for the services of a federally appointed fiduciary, it has to rely on services provided gratis. This bill would allow the Veterans' Administration an alternative where the interests of the veteran or dependent would be better served by remunerating a Federal fiduciary.

The second bill proposes to correct a problem which arises infrequently but which can create a great burden for a veteran. In a case, for instance, where a veteran has a VA mortgage that he transfers to his wife in a divorce settlement, the VA loan remains in the veteran's name. Should his divorced wife later sell the house to another veteran who wishes to apply for a VA loan, present law will not allow the new veteran loan-applicant to obtain a VA loan because the law requires that entitlement to a VA loan be transferred from one veteran to another veteran with no intermediate substitution of another owner such as the wife. This bill would remove the overly restrictive language which precludes a substitution of someone other than a veteran as an owner of a VA mortgage.

The third bill proposes to extend for another 5 years the Veterans' Administration's grants-to-States program, which provides funding to help States build or improve State veteran cemeteries. This is a program which augments the capacity of our National cemeteries to provide suitable burial sites for veterans. In view of the large number of World War II veterans reaching the average age of 65, the Administration proposes to provide funds to States for another 5 years to increase the capacity of State cemeteries for veterans.

The final bill for introduction today would authorize the Veterans' Administration's Administrator to make contributions of funds to States to help defray the cost of constructing projects, such as roads and traffic lights, on State land adjacent to national cemeteries in order to facilitate safe ingress and egress to a national cemetery.

By Mr. STEVENS:

S.J. Res. 110. Joint resolution proposing an amendment to the Constitution of the United States with respect to limiting campaign contributions and expenditures; to the Committee on the Judiciary.

CONSTITUTIONAL AMENDMENT LIMITING CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

Mr. STEVENS. Mr. President, I send to the desk for proper referral a proposed constitutional amendment which would be very simple. It states: "Congress shall enact laws limiting the amounts of contributions and expenditures made in election to Federal office."

We have seen extreme pressure on our campaigns for election to Federal office brought about because of the Supreme Court decision in *Buckley* v. *Valeo* (424 U.S. 1, 96 S. Ct. 612, 46 L. Ed. 2d 659 (1976)), which indicated we did not have the authority to limit the overall expenditure of campaign funds, except in the case of Presidential candidates who accept public campaign funds.

As a result of that, Congress repealed the limitations that applied to all others. We now have a situation where there are no limitations on the expenditure for campaigns for Federal office, except as I have noted. There are limitations on campaign contributions, and this amendment, of course, would continue that authority to limit the amounts that may be contributed to candidates for Federal office.

I think it is highly important that Congress face up to this question. The amendment would not, obviously, become effective for some period of time, but it is a subject that requires, in my opinion, the full attention of the Congress.

I am hopeful that the Judiciary Committee and the Subcommittee on the Constitution will give this matter the attention that it deserves. It will not be without controversy, but we are not strangers to controversy, Mr. President, I, for one, would like to see the time come when there would be a limitation on the expenditures and the upward pressure on candidates, so that those who are seeking reelection, those who are seeking to challenge incumbents, or those who are seeking to fill a vacancy would not have this pressure that is brought about by the necessity to raise ever-increasing amounts to campaign for Federal office. This amendment does not set the limits. It would authorize Congress to set the limits. It would be a matter

that would be, I think, most appropriate as far as the Congress is concerned.

I have had the intention to propose this amendment for some time, but I had the occasion last Sunday to watch our distinguished colleague from this side of the aisle, the Senator from Arizona (Mr. GOLDWATER), who remarked about the subject of the increasing pressure on candidates to raise funds because there is no limit on expenditures.

We all talk about the question of limitations on contributions, but the court held that is all we can do under the Constitution, unless a Presidential candidate agrees to spending limits as a condition of accepting public campaign moneys. The real problem is the amount of expenditures. If we could establish reasonable limits on expenditures, I think the pressures to raise funds would be much less.

Mr. President, I do ask that this bill be properly referred, and I will be sending a letter to all Members of the Senate urging them to join with me in sponsoring this amendment so that the power of Congress to set limitations on both contributions and expenditures will be affirmed.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

Mr. STEVENS. I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 110

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

"ARTICLE—

"SEC. 1. The Congress shall enact laws limiting the amounts of contributions and expenditures made in elections to Federal offices.".

ADDITIONAL COSPONSORS

S. 391

At the request of Mr. STENNIS, the name of the Senator from Florida (Mrs. HAWKINS) was added as a cosponsor of S. 391, a bill to repeal the denial of the use of the accelerated cost-recovery system with respect to tax-exempt obligations, and the expiration of the authority to issue such obligations.

S. 602

At the request of Mrs. HAWKINS, the names of the Senator from Alabama (Mr. HEFLIN), and the Senator from Ohio (Mr. GLENN) were added as cosponsors of S. 602, a bill to provide for the broadcasting of accurate information to the people of Cuba, and for other purposes.

S. 1144

At the request of Mr. BYRD, his name was added as a cosponsor of S. 1144, a bill to suspend periodic reviews of disability beneficiaries having mental impairments pending regulatory reform of the disability determination process.

SENATE JOINT RESOLUTION 55

At the request of Mr. MATHIAS, the names of the Senator from Arkansas (Mr. BUMPERS), and the Senator from Kentucky (Mr. FORD) were added as cosponsors of Senate Joint Resolution 55, a joint resolution to recognize the pause for the Pledge of Allegiance as part of National Flag Day activities.

SENATE JOINT RESOLUTION 75

At the request of Mr. SYMMS, the names of the Senator from New Hampshire (Mr. HUMPHREY), and the Senator from New York (Mr. D'AMATO) were added as cosponsors of Senate Joint Resolution 75, a joint resolution to provide for the designation of June 12 through 18, 1983, as "National Scleroderma Week."

SENATE JOINT RESOLUTION 86

At the request of Mr. HOLLINGS, his name was added as a cosponsor of Senate Joint Resolution 86, a joint resolution to designate the week of June 12, 1983, through June 16, 1983, as "National Brick Week."

SENATE JOINT RESOLUTION 108

At the request of Mr. THURMOND, his name was added as a cosponsor of Senate Joint Resolution 108, a joint resolution authorizing and requesting the President to designate October 15, 1983, as "National Poetry Day."

SENATE RESOLUTION 130

At the request of Mr. GORTON, the names of the Senator from Maine (Mr. COHEN), and the Senator from New York (Mr. D'AMATO) were added as cosponsors of Senate Resolution 130, a resolution expressing the sense of the Senate that the President should award the Presidential Medal of Freedom to Barney Clark, to be presented to his family in his memory.

SENATE RESOLUTION 156—RELATING TO THE STATUS OF EL SALVADORANS IN THE UNITED STATES

Mr. DECONCINI (for himself and Mr. DURENBERGER) submitted the following resolution, which was referred to the Committee on the Judiciary:

S. RES. 156

Whereas ongoing fighting between the military forces of the Government of El Salvador and opposition forces is creating potentially life-threatening situations for innocent nationals of El Salvador;

Whereas the Immigration and Naturalization Service has apprehended 41,780 nationals of El Salvador who have fled from El Salvador and entered the United States since 1980;

Whereas such Service since 1980 has expelled and sent back to El Salvador an average of over six hundred of such nationals each month;

Whereas at the end of fiscal year 1982 there were 22,314 El Salvadorans with asylum claims pending before the Immigration and Naturalization Service;

Whereas deportation of such nationals could be temporarily suspended, until it became safe to return to El Salvador, if the Attorney General, upon the recommendation of the Secretary of State, provides such nationals with extended departure status; and

Whereas such extended voluntary departure status has been granted in recent history in cases of nationals who fled from Vietnam, Laos, Iran, and Nicaragua: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Secretary of State should recommend to the Attorney General that extended voluntary departure status be granted to aliens who are nationals of El Salvador and that the Attorney General should exercise his discretion and grant such status to such aliens until the situation in El Salvador has changed sufficiently to permit their safety residing in that country.

Mr. DECONCINI. Mr. President, it has frequently been my concern as a U.S. Senator and as a student of American history that all too often the relationship between American foreign and domestic policy is obscured, that policymaking in these two spheres is kept apart artificially and to the detriment of overall U.S. interests. I believe that the latest instance of this disregard of the importance of viewing these issues together was the recent passage of the Immigration Reform and Control Act of 1983.

However, the purpose of the resolution I am introducing today is to help deal with a problem originating not in the artificial separation of domestic and international policy, but, in this instance, in the artificial linking of these policies. The problem that I refer to is the status of refugees coming from El Salvador to the United States.

We are all well aware of our Nation's relationship with the Government of El Salvador. The administration has made very clear its decision to help that government fight off leftist forces backed by Soviet/Cuban aid and institute economic reforms to help rectify years of oligarchial rule. I have supported the President in this decision.

But we are considerably less aware of the extent to which refugees from El Salvador are coming into this country, the hardships that they have experienced prior to and in order to get here, and—what is worst of all—we do not realize the hardships that they are forced to endure here in the United States.

Now, the State Department had advised the Immigration and Naturaliza-

tion Service that at this time it does not recommend the blanket granting of voluntary departure for illegal Salvadorans presently in the United States. A recommendation to grant voluntary departure for Salvadorans would include providing them a safe haven in the United States until the political situation in that nation stabilizes, as well as providing other special immigration measures such as permission to work in the United States. According to the State Department, the high levels of violence in El Salvador do not warrant the granting of voluntary departure to Salvadorans in the United States. The State Department justifies this determination by indicating that basic public services are still being maintained in El Salvador, particularly in the major cities. I believe that the State Department's case ignores the crucial testimony of Americans who have been to El Salvador and, more importantly, the Salvadorans who have entered this Nation.

Who in the Chamber has not heard accounts of atrocities, random violence, and deliberate sabotage committed by both sides in the conflict in El Salvador and committed against innocent civilians? The U.S. High Commissioner for Refugees determined in its September 1981 study that the large number of Salvadorans who enter the United States illegally is causally related to the internal strife in El Salvador, and comparison of INS yearly totals of Salvadorans in this country helps to confirm this determination. Yet, the State Department ignores this evidence in favor of a carefully tailored, impersonal overview of the situation in El Salvador.

At the end of the fiscal year 1982, there were 22,314 Salvadorans waiting in the United States for their claims of asylum to be decided. Since 1980, of the only 1,300 asylum requests decided, INS has granted approximately 6 percent. Through deportation, voluntary departure, or voluntary withdrawal, INS has sent over 24,000 Salvadorans back to their war torn country. This means that every month we send more than 600 people back to a situation where their lives are in imminent danger, either from random or intentional violence.

The granting of blanket periods of voluntary departure is not a particularly unusual means for the State Department to deal with immigrants from nations under the throes of civil war. For varying lengths of time aliens from Ethiopia, Uganda, Iran, and Nicaragua have been granted blanket periods of voluntary departure during the last few years. In 1976, the State Department advised that requests by Lebanese nationals for extensions of voluntary departure should be viewed sympathetically on a case-by-case basis.

I suggest, Mr. President, the main difference between these nations and El Salvador is our own Government's relations with those other governments. I believe that the true source of the State Department's reluctance to recommend granting Salvadorans temporary voluntary departure status is the view that this would reflect adversely on our Nation's policy of assisting the government in El Salvador.

To me such a judgment does the opposite of what it intends to do. To refuse to recognize the sufferings of these people implies a guilty conscience. I believe it conveys to other nations of the world the view that the Salvadoran Government, by design or impotence, is totally responsible for this suffering and that the U.S. Government, realizing the responsibility of the Salvadoran Government, is burying its head under the sand.

The lives that would be saved and the suffering that would be alleviated are reasons enough in my mind to warrant the granting of voluntary departure for Salvadorans, but the opportunity to show to the world that we are cognizant of the suffering caused by the civil war in El Salvador—which I believe has as its root cause the intervention of outside Communist sources—should be appealing enough for even the State Department.

Therefore, I urge my fellow Senators to join with me in support of the resolution I am introducing today urging the State and Justice Departments to great voluntary departure status for Salvadorans.

AMENDMENTS SUBMITTED

DEPENDENCY AND INDEMNITY COMPENSATION

CRANSTON (AND OTHERS) AMENDMENTS NO. 1302 and 1303

(Referred to the Committee on Veterans Affairs.)

Mr. BYRD (for Mr. CRANSTON, for himself, Mr. RANDOLPH, and Mr. MATSUNAGA) submitted two amendments intended to be proposed by them to the bill (S. 1388) to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans and to increase the rates of dependency and indemnity compensation for surviving spouses and children of veterans, as follows:

Insert after title II, the following new title III:

TITLE III—INCREASES IN COMPENSATION ON ACCOUNT OF HOSPITALIZATION

SEC. 301. (a) Section 3011(c) of title 38, United States Code, is amended—

(1) by inserting "(1)" after "(c)"; and

(2) by adding at the end thereof the following new paragraph:

"(2) This section shall not apply to the payment of a temporary increase in compensation for hospitalization, treatment, or convalescence.".

(b) Clause (8) of section 3012(b) is amended to read as follows:

"(8) by reason of termination of a temporary increase in compensation for hospitalization, treatment, or convalescence, shall be the day on which the hospital discharge or termination of treatment or convalescence occurred, whichever is earlier.".

Redesignate title III as title IV and section 301 as section 401 and amend section 401 as so redesignated to read as follows:

SEC. 401. (a) The amendment made by titles I and II of this Act shall take effect on April 1, 1984.

(b) The amendments Made by title III of this Act shall take effect on October 1, 1983.

Add at the end of the following new title:

TITLE —EFFECTIVE DATE OF FUTURE INCREASES

SEC. . It is the sense of the Congress that any increases enacted to take effect in fiscal year 1985 and subsequent fiscal years in the rates of disability compensation and dependency and indemnity compensation payable under chapters 11 and 13, respectively, of title 38, United States Code, shall take effect on December 1 of the fiscal year involved, and that the President should include in the budgets submitted for fiscal year 1985 and for each subsequent year, pursuant to section 1105(a) of title 31, United States Code, requests for appropriations to achieve such purpose in each such year.

NOTICES OF HEARINGS

COMMITTEE ON SMALL BUSINESS

Mr. WEICKER. Mr. President, I would like to announce that the Senate Small Business Committee will hold a hearing on S. 628, legislation dealing with farmers eligibility in the SBA disaster program, on June 8, 1983, at 9:30 a.m. in room 428A Russell Senate Office Building. For further information, please contact Mike Haynes of the committee staff at 224-5175.

Mr. President, I would like to announce that the Senate Small Business Committee will hold a full committee markup on pending legislation on June 16, 1983, at 9:30 a.m. in room 428A Russell Senate Office Building. For further information, please contact Mike Haynes of the committee staff at 224-5175.

Mr. President, I would like to announce that the Senate Small Business Committee will hold an oversight hearing on the small business development center program, on June 21, 1983, at 8:30 a.m. in room 428A Russell Senate Office Building. For further information, please contact Mary Meyers of the committee staff at 224-5175.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. GARN. Mr. President, at 9:30 a.m. on Monday, June 6, the Committee on Banking, Housing, and Urban

Affairs will hold a hearing on the gold holdings of the International Monetary Fund and of central banks throughout the world. This will be followed by a second hearing on the same topic on Tuesday, June 28, at 9:30 a.m.

During the April 28 markup of S. 695, the legislation that would authorize the U.S. contribution to an increase in IMF resources, Senator HAWKINS, Senator MATTINGLY, and I agreed that a hearing on these gold holdings is needed.

Our original intention was to complete these hearings prior to next month's planned Senate floor action on S. 695. Accordingly, the hearings were originally scheduled for May 17, with Under Secretary of the Treasury Beryl Sprinkel slated to be the leadoff witness.

Senator HAWKINS has taken the lead in working to schedule other witnesses for these hearings. Some of the witnesses she most wants to have testify were unable to appear on May 17.

For this reason, the May 17 hearings were postponed, and Secretary Sprinkel's appearance was rescheduled for June 6. Unfortunately, some of the witnesses Mrs. HAWKINS has contacted were not able to schedule an appearance before the end of June. Rather than forgo those witnesses, Senator HAWKINS requested that the second hearing be held on June 28, even though this could be after Senate floor action on S. 695. Senator MATTINGLY and I have agreed to her request.

ADDITIONAL STATEMENTS

A LOSS FOR THE NATION

● Mr. SYMMS. Mr. President, I was pained to learn of the assassination of Lt. Comdr. Albert Schaufelberger in San Salvador yesterday.

Of course, all Americans are outraged when a citizen, representing our Nation in a troubled area abroad, is struck down. I am particularly upset because I knew Albert.

We spent a day together touring the Salvadoran Navy facilities at La Union on May 14. Albert's assignment was to direct the U.S. training of that tiny country's navy to enable them to prevent the flow of arms and munitions to the rebels from the Communist bloc countries through Nicaragua. He was a dedicated believer in fighting the insidious actions of the Soviet Union in Latin America. He opposed the expansion of an extracontinental power into the Americas. He believed that a bloc of new Soviet satellites should not be closer to the Senate floor than his hometown of San Diego. For this he was willing to give his life.

An exceptional Naval officer, Albert fulfilled the finest traditions of the U.S. Armed Forces. His record, from his Annapolis days to his assignment as a military adviser in El Salvador, is worthy of the highest praise.

We do not yet know the exact circumstances of his death or those who brought it about.

However, we must not allow this outrage to blind us to the very principles for which Albert lost his life.

At this time, we must resist the impulse from some quarters to panic. We must resist the impulse to withdraw to an island America in the face of those who fight against freedom and self-determination. We have a stake in the fighting in El Salvador.

We have an obligation to protect our people with every possible precaution. As we have seen in Beirut, with responsibility comes a measure of risk. We cannot shrink from the obligations to help others help themselves. Ultimately, the defense of our allies is a defense of ourselves.

No one was more actively dedicated to this belief than Lt. Comdr. Albert Schaufelberger.●

FOR THE RELIEF OF STEPHEN RUKS

● Mr. MURKOWSKI. Mr. President, a bill has passed the House and will come under consideration in the Senate in a short time. H.R. 745 would provide for payment of $9,700 by the Department of Transportation to Mr. Stephen Ruks of Cordova, Alaska, in compensation for damages to his plane sustained during a rescue mission in 1976.

Stephen Ruks had responded to a request from the Coast Guard to help in locating a downed plane on the beach near his home in Cordova. In the course of his mission he crash-landed the plane. Mr. President, Mr. Ruks made two mistakes prior to his crash. First, he did not obtain a Civil Air Patrol mission number from the Coast Guard. And second, he deemed the rescue of people in trouble to be of higher priority than his own safety or that of his aircraft. Despite warnings of soft sand, Mr. Ruks decided to try to land. He crashed, damaging the plane heavily. We may thank God that Mr. Ruks himself was not injured.

But when Mr. Ruks applied to the Coast Guard for compensation of the damages, they told him that, while they acknowledged his bravery and were grateful for his help, they had no statutory authority to pay damages.

Mr. President, there is more to this than just a failure to procure the requisite mission number. The Coast Guard specifically asked Mr. Ruks to help them on the rescue mission. Mr. Ruks complied and did all in his power to succeed. It was his very unselfishness that led to this accident. How can the Congress, let alone the people of this country, deny just compensation to Mr. Ruks?

Mr. Ruks was acting in his capacity as a member of the Civil Air Patrol. The CAP is an independent, federally chartered, nonprofit corporation, whose primary purpose is to interest young people in aviation. It was established in 1941, and today boasts about 5,000 aircraft and has an office in every State of the Union, and the District of Columbia. The CAP is not attached to any military body, but is available to respond to any requests for help. Needless to say, the CAP is a vital arm in rescue operations in my State of Alaska, where 83 missions flown in 1982 resulted in 14 finds and 16 lives saved, the highest number of rescues in the country. The State itself recognizes the value of the CAP—it contributes more to the CAP than does any other State.

The Civil Air Patrol is a vital adjunct to Coast Guard rescue operations in Alaska. But we must remember that it is essentially a voluntary organization. Such voluntary groups used to abound in this country. It is tragedy that due in part to the overgrowth of the Federal Government's involvement in social affairs the value of neighbor helping neighbor has been lost. President Reagan has taken a positive stand toward encouraging the revitalization of community voluntarism in this country. If in the face of these efforts we deny someone just compensation for damages incurred when voluntarily helping to save lives, we are undermining not only our President's efforts, but perhaps our chance to revive a sense of community in this country.

Mr. President, I urge passage of H.R. 745 for the relief of Mr. Stephen Ruks.●

PROGRESS ON INFANT FORMULA CODE

● Mr. KENNEDY. Mr. President, 2 years ago the World Health Organization adopted an International Code of Marketing of Breast Milk Substitutes in an effort to halt the misuse of infant formula, which contributes to infant mortality and malnutrition throughout the Third World.

For those of us who have long supported the implementation of such an international code, the vote 2 years ago in Geneva was just the beginning—the real task, of course, was to see that it was implemented. Since then, progress has been steady, if somewhat spotty.

We have seen the largest international manufacturer of infant formulas, the Nestlé Corp., announce its intentions to abide by the code. And we have seen a number of governments move to implement the goals of the code, if not all of its provisions.

Recently, Mr. President, Edward Baer, codirector of the infant formula program of the Interfaith Center on Corporate Responsibility in New York wrote a thoughtful article assessing the progress made in implementing the code. As he concludes:

Two years are a very short time for countries to adopt sweeping legislation to control marketing practices of powerful national and multinational corporations. It will be five or ten years before we can truly evaluate the successes of the Code. What is important, however, is the establishment of a set of international norms of conduct for the infant food industry, which health workers and health systems can strive to enforce.

Mr. President, I commend to the attention of Senators who were involved in the long effort to adopt the Infant Formula Code the excellent article by Mr. Baer and I ask that it be printed in the RECORD.

The article follows:

[From Studies in Family Planning, April 1983]

AN UPDATE ON THE INFANT FORMULA CONTROVERSY

(By Edward Baer)

In the pages of this journal two years ago, there appeared an analysis of the landmark meeting, Infant and Young Child Feeding, sponsored in Geneva by the World Health Organization and UNICEF in October 1979.[1] That unusual gathering produced agreements in five broad areas relating to improving infant feeding practices; the most controversial one centered on the need for governmental control over commercial marketing and promotion of infant formula and other breastmilk substitutes.

The purpose of this article is to review the progress that has been made since the October 1979 meeting and to outline some future directions that the debate is likely to take. Particular attention will be paid to the role of nongovernmental organizations (NGOs) or citizens' groups—in helping to transform the question of "commerciogenic malnutrition"[2] malnutrition caused by commerical forces) into a major international public health policy issue.

EMERGENCE OF THE ISSUE

Improper infant feeding practices constitute a problem of absolutely staggering proportions. Some health experts, including UNICEF Executive Director James Grant,[3] have estimated that as many as one million infant lives a year could be saved by the promotion of breastfeeding. Others have estimated that ten million cases a year of malnutrition and infectious disease are directly attributable to faulty bottlefeeding. It is among low-income families that the tragedies of bottle-induced infant malnutrition, dehydration, and death are most commonly encountered. There is probably no other public health intervention that offers greater protential for a dramatic saving of human life and human suffering at such low cost as the promotion and protection of breastfeeding.

In response to a ground swell of public interest in the problem of faulty bottlefeeding and the infant food industry's fear that a public campaign against bottlefeeding would grow unchecked, WHO and UNICEF convened the meeting on infant and young child feeding practices. One agreement arising from that meeting was that WHO and UNICEF should organize a process for developing an international code of marketing. That process led swiftly to the development of a draft code that was debated vigorously and rigorously in a series of meetings beginning in early 1980.

THE WHO/UNICEF INTERNATIONAL CODE OF MARKETING

Not surprisingly, there were bitter disagreements among governments, the industry, health experts, legal experts and citizens' groups over key issues of the code, including its aim, the scope of the products to be included, the differences between educational advertising and promotional advertising, distinctions between free samples and free supplies, and distinguishing between legitimate support for health services and inappropriate inducements to win brand loyalty.

The draft code that emerged in the spring of 1981 was inevitably the imperfect result of hard bargaining and compromise in a highly charged political environment. The fact that WHO and UNICEF stuck to the process of debating regulation of multinational corporations—hardly the usual substance of these agencies' mandates—is testimony to the need for meaningful controls over marketing and promotion of products that directly compete with breastfeeding.

The code thus reflects a compromise between the weak, voluntary general principles favored by industry and industrialized countries, and the strong, specific, and binding restrictions favored by many health professionals with front-line experience and by most government officials in developing countries. The infant food industry was involved at every step of the drafting. Indeed, had they not participated, the code would have been far stronger, and could have addressed issues of "demarketing" infant formulas rather than focusing only on questions of marketing tactics. Demarketing involves downward changes in corporate sales and profit goals because of the predictable dangers of normal product use.[4] Industry's intimate involvement in the process imposes grave responsibilities on it to follow the provisions of the code voluntarily, as required by Article 11.3.[5] Regrettably, this has not yet been translated into practice by any of the major infant food manufacturers.

The WHO/UNICEF International Code of Marketing of Breastmilk Substitutes covers all breastmilk substitutes, bottlefed complementary foods, and bottles and teats. Its main provisions include:

No advertising or other forms of promotion to the consumer;

Detailed explanations in all information for the family of the advantages of breastfeeding, the dangers and costs of bottlefeeding, and the difficulty of reversing the decision to commence bottlefeeding;

No free samples directly or indirectly to mothers, nor any gifts of articles or utensils that promote the use of bottlefeeding;

No promotion in the health care system;

No direct contact between mothers and company personnel;

No gifts or other inducements to health workers;

Disclosure of financial relationship between health workers and companies;

No sales commissions;

Clear labels with warnings and instructions, but without baby pictures; and

Voluntary compliance to the code by companies, independent of measures taken by national governments or others.

The debate over the code at the May 1981 World Health Assembly was one of the most dramatic moments in the history of international health policy. The infant food industry lobbied long and hard to disrupt the approval process and prevent adoption of the code. Industry representatives lavishly entertained the delegates and offered them trips out of Geneva if they agreed to be absent for the crucial vote on the code. Nestlé seated its own attorney on the Guatemalan delegation until his credentials were challenged by the WHO Secretariat. The Reagan administration bitterly opposed the international consensus on the need for strong measures to control harmful industry marketing practices. Arrayed against the industry's lobbyists was the International Baby Food Action Network (IBFAN), a coalition of 100 groups from 65 countries. IBFAN distributed data on recent promotional practices of the industry and their health consequences.

When the code was finally adopted, 118 countries voted to approve it "as a minimum requirement" and "in its entirety." Only the United States voted no, arousing worldwide condemnation of the Reagan administration's decision to "put profits before people."

The overwhelming vote of support for the code was unprecedented in three ways. First, it marked the first time in UN history that member nations voted to adopt a specific code of marketing to control the activities of a transnational industry. It was particularly significant that the two lead agencies, WHO and UNICEF, did so as part of their mandate to protect and promote public health. Second, it marked a new form of international organizing and cooperation among nongovernmental organizations. The successes of IBFAN in mobilizing people, resources, and public attention across national boundaries of both the developing and developed world have already been replicated in the formation of Health Action International—to work on problems engendered by the pharmaceutical industry—and the Pesticide Action Network—to engage in advocacy efforts concerning the global pesticide industry. A similar precedent was established in cooperation among NGOs, national governments, and officals of UN agencies in pursuit of the common goal of reasonable regulation of the infant food industry in order to protect infant health. Third, there was an unusual degree of agreement between developing and developed countries over the need for regulation of multinational corporations and a specific instrument for effecting the regulation.

SINCE THE ADOPTION OF THE CODE

Following the adoption of the code in May 1981, many national governments have undertaken activities in the general area of promoting healthy infant feeding practices. Unfortunately, very few governments have moved decisively to implement the code as a "minimum requirement," as stipulated by the World Health Assembly. Rather, many governments are opting for a much softer "probreastfeeding" approach that threatens fewer entrenched economic interests. Barriers to effective implementation of the code include:

Organized opposition by the infant food and pharmaceutical industries;

Lack of political and technical support from WHO and UNICEF (in part because

Footnotes are at end of the article.

the U.S. government has threatened to cut off funds);

Absence of an organized, powerful constituency (with some notable exceptions, poor mothers are not influential lobbyists); and

Absence of a regulatory infrastructure (people, money, expertise, organizational reach) capable of tracking and enforcing norms of industry behavior.

In fact, practical implementation of the code was so spotty that the World Health Assembly in May 1982 passed a resolution reaffirming the code and calling on the WHO Secretariat to take special measures to set up a comprehensive action program to assist member states in their implementation work. The WHO director general's report to the January 1983 meeting of the WHO Executive Board contains additional information about governmental activity, but again it appears that few nations have taken up the code as a "minimum requirement."[6] This does not mean that the code has been a failure. It merely indicates that progress through established legislative channels will be sporadic and piecemeal.

There must be sustained direct pressure on manufacturers to follow the provisions of the WHO/UNICEF code strictly, universally, and promptly. One key element in this struggle is the international Nestlé boycott now being conducted in eight countries around the world. Direct economic pressure on Nestlé has forced management to make rhetorical promises to follow the code. But Nestlé practices do not yet live up to promises, as recent data on Nestlé violations of the code clearly reveal.[7] Furthermore, Nestlé has refused to make even rhetorical pledges to follow the code in Western Europe. What is at stake is the clear intent of the World Health Assembly for one universal health care standard. The outcome of the Nestlé boycott is all the more crucial since other companies are watching to see how far Nestlé is pushed into meaningful compliance with the code. Clearly, no company will voluntarily adopt stricter standards than the industry leader.

The most hopeful sign is the continued vigorous growth of citizens' groups and networks in both developed and developing countries. IBFAN has developed a comprehensive Education/Action Pack in English, French, and Spanish for training groups around the world. A cycle of regional IBFAN training conferences has already begun. Dynamic national coalitions have been established for the promotion and protection of breastfeeding in India, the Philippines, Malaysia, Kenya, Trinidad, Peru, Costa Rica, and many other developing countries. As these groups become better organized, pressure will grow on governments, infant food companies, and health professionals to implement the letter and spirit of the code within a broad context of promoting maternal/child health care and, in particular, policies to enhance the status of women. Organizing women to make demands on the health care system and on social services more generally must be a high priority of any group seeking to promote healthy infant feeding practices. Even in the United States, women's groups are organizing at the local level for protection against unscrupulous marketing practices. In Washington, DC, for example, the city council is considering a bill to implement the code in all municipal and private health facilities to bring down the city's infant mortality rate, which is nearly twice the national average.

Through the work of citizens' groups on the infant formula controversy, people learned to work together in international cooperation; to apply grass-roots economic pressure on international health and corporate policymakers; to marshal scientific facts and evidence in defense of people's basic economic and political rights to freedom from hunger and exploitation; and to recognize that our political and economic institutions, no matter how awesome they seem, are, in fact, vulnerable to popular pressure.

Two years are a very short time for countries to adopt sweeping legislation to control marketing practices of powerful national and multinational corporations. It will be five or ten years before we can truly evaluate the successes of the code. What is important, however, is the establishment of a set of international norms of conduct for the infant food industry, which health workers and health systems can strive to enforce. Over time, the significance of the code will also be in terms of education and organizing. Fundamentally, the code seeks to redefine the relationship between the health care professions working in the public interest and the private infant food industry. It may never be possible to exercise any real legislative control over the inducements that a company sales person offers a doctor in the privacy of his or her office. But we can strive to make health professions less naive about the sophisticated sales campaigns aimed at shaping their knowledge, attitudes, and behavior.

REFERENCES AND NOTES

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[2] Derrick Jelliffe, "Commerciogenic Malnutrition?" *Food Technology* 25 (1971): 55.

[3] James Grant, Executive Director, UNICEF, Statement before the Second Committee of the General Assembly of the United Nations, New York, 24 September 1981.

[4] James Post and Edward Baer, "Demarketing infant formula: Consumer products in the developing world," *Journal of Contemporary Business* 7, no. 4 (winter 1980).

[5] World Health Organization, "International Code of Marketing of Breastmilk Substitutes," (Geneva, 1981).

[6] World Health Organization, Report by the Director General, "Infant and young child nutrition including nutritional value and safety of products specifically intended for infant and young child feeding and the status of compliance with and implementation of the International Code of Marketing of Breastmilk Substitutes," WHO Executive Board Document EB1/21, Geneva, 11 November 1982.

[7] International Baby Food Action Network, *Breaking the Rules* (London, 1983).●

THE NEED FOR INCREASED PROMOTION OF TRAVEL AND TOURISM

● Mr. SASSER. Mr. President, I commend yesterday's passage of S. 212, which authorizes funds for the U.S. Travel and Tourism Administration. In a fiscal year that stands to produce perhaps the largest annual budget deficit ever realized by the Federal Government, this authorization bill represents a small but important investment that can and ought to produce both jobs and increased business activity for the American people, and more tax revenues for all levels of American government.

The broad, bipartisan support already forthcoming for S. 212 suggests that it should not be necessary to outline all of the arguments in its behalf.

So, I shall allude briefly to what I consider the two principal bases for a fully funded and active Travel and Tourism Adminstration at the national level.

First, it makes economic sense for all Americans because an improved travel and tourism industry means an instant influx of dollars into the economy, increased tax revenues for Federal, State and local levels of government, and jobs.

Second, the governments of every other developed and developing nations with the potential for attracting foreign visitors recognize the importance of the travel and tourism industry. As a consequence, nearly every one of them spends more on a per capita basis than the United States does in promoting travel and tourism. We are clearly behind in this index; passage of S. 212 will be a signal to all concerned that we intend to rectify our poor showing in this regard.

On the first point, consider just a sampling of the economic facts, as compiled recently by the Travel and Tourism Government Affairs Council and the U.S. Travel Data Center:

Travel receipts make up over 6.5 percent of the U.S. gross national product.

Domestic and international travel in 1981 represented $191 billion in expenditures in the United States, was responsible for a $40 billion payroll, 4.6 million in directly related and 2.2 million in indirectly related jobs, generated $9.3 billion in Federal tax revenues, $6.6 billion in State tax revenues and $2 billion in local tax revenues.

One new job is created by every 54 foreign visitors to the United States.

Foreign visitors spend $23,212 every minute in the United States.

The significance of the industry is felt at the State level, too, particularly in States like Tennessee, which has so many tourist attractions. There, in my home State, the industry employs 71,000 people; it is the third largest employer in the State—in fact, in nearly half our States, it is the largest employer—and represents a payroll of $476 million. It has a $2.5 billion impact on the State's economy and represented $211.8 million in tax revenues for Tennessee and its local governments in the most recent year for which data are available.

Obviously, the widespread benefit of a focused national tourism policy, aided by a National Tourism and Travel Administration, can mean real, tangible economic benefits throughout the Nation, especially when there is but the slightest upturn in economic conditions overall.

When one considers the importance of the industry and then takes note of the amount called for in this authorization, one may very well wonder why we have chosen to be so modest in our commitment—especially so when one compares the commitment of the United States to that of other countries with an interest in the travel and tourism industry.

Pick up the travel section of any Sunday newspaper and you will understand. Expensive ads paid for by Government-subsidized travel services and airlines fill the pages.

In fact, says the Travel and Tourism Government Affairs Council, in 1981, the United States ranked 56th out of 56 countries listed when it came to boosting spending for worldwide travel and tourism promotion on a per capita basis.

When it came to promotion spending among selected developed countries, the United States ranked last on a per capita basis.

And in 1981, Spain, Italy, Greece, Morocco, Malaysia, Germany, Yugoslavia, Kenya, Finland, Sri Lanka, Macao, Korea, Norway, Hong Kong, Thailand, and Singapore maintained more overseas government tourism offices than the United States.

We all know that the United States has much to offer—to its own people and to all those who want to share in the greatest democratic experience in the history of the world. This, in and of itself, ought to be enough to bring more people to visit the United States.

The evidence suggests, however, that we have to take some additional steps to bring more people to our country to visit. The economic and related benefits of a healthy travel and tourism industry are indisputable. We can begin to reap more of these benefits through the investment that S. 212 represents, and I commend its passage in the Senate.●

HISTORIC SIGNING

● Mr. D'AMATO. I rise this afternoon to applaud the recent signing of a withdrawal agreement by Israel and Lebanon. This historic document raises the hope that, at long last, all foreign forces will be withdrawn from Lebanon and clearly demonstrates Israel's commitment to peace. The time has come for the total restoration of Lebanese sovereignty over that war-torn nation. The Government of Lebanon, under the leadership of President Gemayel, must be afforded an opportunity to address the serious domestic, political, and economic problems which plague that nation.

It is important to remember, however, that the actions taken by the leaders of Israel and Lebanon represent only the first step in a process designed to achieve this important goal. While a number of Arab nations have indicated support for the accords, Syria remains adamant in its rejection of the agreement. Thus far, President Assad has voiced total opposition to the proposal and refused to participate in further negotiations on the issue of troop withdrawal from Lebanon.

Thousands of Syrian soldiers are pouring into Lebanon. Recent estimates indicate that the Syrian force in that country has swelled to more than 50,000. Meanwhile, PLO guerrillas, with active Syrian support, have been crossing into Lebanon from Syria by the hundreds. Today, less than 1 year after their evacuation, there are nearly 15,000 PLO terrorists in Lebanon. The presence of Syrian and PLO forces in Lebanon poses a direct threat to the security of Israel and to the future of Lebanon.

The current situation demands forthrightness on the part of all nations in the Middle East. Only through an earnest cooperative effort can peace be achieved in that volatile region. It is my firm desire that all countries, including Syria, will realize the benefits which would result from a reduction of hostilities.

Today, it is more imperative than ever that the United States continue to actively pursue peace in the Middle East. We should be grateful for the vital role which Secretary Shultz, Ambassador Habib, and Ambassador Draper have played in the negotiation process.

I am pleased to be a cosponsor of Senate Resolution 148 and wish to take this opportunity to commend the Israeli and Lebanese Governments for their tireless efforts to achieve peace and remain hopeful that all foreign forces will soon be withdrawn from Lebanon.●

AN ELOQUENT ADDRESS ON NATIONAL SERVICE

● Mr. PELL. Mr. President, our colleague and my friend and neighbor, Mr. DODD (the Senator from Connecticut) gave a remarkably eloquent and thoughtful commencement address to his alma mater, Providence College, on Monday, May 23, 1983.

He told a gathering of about 8,000 individuals in the Providence, R.I., Civic Center that the Nation should establish a national service program in which each young man and woman would owe a year or two to America.

I think his idea of a form of national service is an excellent idea and one which I have believed in and supported for many years. In my view, national service could be a powerful force in meeting the military and nonmilitary needs of the Nation, as well as strengthening the sense of service which, historically, has been so instrumental to our success as a society.

My colleague presented a persuasive case for national service in his address and I would like to share his remarks. I ask to have his remarks printed in the RECORD.

The commencement address follows:

REMARKS OF SENATOR CHRISTOPHER J. DODD—PROVIDENCE COLLEGE COMMENCEMENT ADDRESS

Not long before I entered Providence College in 1962, President John Kennedy issued his inaugural challenge for Americans to ask what they could do for their country.

Barely a month after I arrived on campus as a freshman, we were holding our breath through the Cuban missile crisis. It was in my sophomore year, that I was sitting in my room in Aquinas Hall on that Friday afternoon, November 22, 1963 when word came in that the President had been shot. When I was a senior, touched by the challenge of President Kennedy, encouraged by my parents and supported by Providence College, I decided to enter the Peace Corps. I was not alone. By then, 150,000 other Americans had also applied to join the Peace Corps. At the time of my graduation, of course, Lyndon Johnson was also asking young Americans to fight in Southeast Asia, as well as serve in urban ghettoes and rural hamlets as VISTA volunteers, or to join the National Teacher Corps.

Shortly after I left Providence the pace accelerated. People my age had faced the fire hoses and police dogs of Birmingham and Selma in the civil rights struggle. Now some marched in support of the Vietnam War; others organized moratoriums against it. Still others cut their hair and dressed respectably to work in the 1968 presidential primaries.

In short, it was a time when the prevailing culture not only tolerated but virtually dictated active roles by young people in the theatre of national politics.

Only a few short years thereafter a staple of commencement speeches charged that youth had gone too far. A little less obsession with air pollution and little more worry about basic accounting was in order. Some problems, it was said, were too complex to be solved by, say, chaining yourself to the fence at the local powerplant.

By the time you, the class of 1983, entered Providence College the context had changed considerably. Early in your sophomore year, candidate Ronald Reagan came up with what is now considered one of the masterstrokes of the 1980 campaign. Looking right through the camera into the eyes of one hundred million watching Americans, he did not issue us a challenge; rather he asked us a question—a simple question:

"Before you vote next Tuesday," he said, "Ask yourself a simple question: are you better off now than you were four years ago."

Are you better off. Not we. Not our families. Not our communities. Not our country. Nor is our world a safer or healthier place in which to live. Just you. It had taken just twenty short years for John Kennedy's challenge to be turned on its head. The challenge for the '80's had become: "What has your country done for you?"

As a political strategem, of course, the question was brilliantly conceived. After all, Mr. Reagan was talking to what has been described as the "me generation." You are what you read, we are told. And during your years at Providence College, you could go into any bookstore and pick up best selling

self-help paperbacks by pop psychologists telling you to be "Your Own Best Friend" or extolling the virtues of "Looking Out for Number One." We had become, said another best seller, "The Zero Sum Society" in which any group's gain was the occasion for another's equal and offsetting loss. Helping your neighbor was out. Career planning was in. The new cardinal sin was to miss a rung on the ladder of success or wander even momentarily off the "fast track."

This spring, I have noticed, some commencement addresses are beginning to dissent. This bloodless pragmatism has gone too far, they are saying. Youth today, we hear, is just plain selfish.

Let me say as clearly, as directly, and as emphatically as I know how; I disagree. Nothing in your class of 1983 makes you inherently either more selfish or more generous than your predecessors. The potential for either is certainly there. The real issue here is not whether we have the capacity to be selfish, but rather, what will the leaders of our nation inspire us to believe and to become.

It is for that reason that I object to President Reagan's challenge—"Are you better off today than you were four years ago"—not because of its tactical success but because it is a challenge unworthy of a great nation.

History will someday assess how well our generation managed its stewardship of the United States. And it will not measure us by superficial standards of personal achievement. The benchmark will not be the individual balances in our checking accounts or the strength of our personal résumés.

History, I am confident, will judge us collectively, as a people. It will ask what we did to make this country a more just, humane, and decent society. And it will want to know what we did to share the blessings this great nation enjoys with less fortunate peoples throughout the globe.

You and I cannot predict the answer to the question of how history will judge us.

But the outcome may well hang on which Presidential challenge becomes the moral imperative of the eighties. The appeal to personal gain? Or the summons to our better selves?

If it is the former, then I am not optimistic that the verdict will be favorable.

This is not a plea for a return to the policies and programs of the sixties. Some of my colleagues have a certain nostalgia for the era. But Thomas Wolfe was right "You can't go home again." The problems of the eighties are different and will require a different agenda of solutions.

Still a quality of consciousness of that time does deserve revival. Its sense of shared responsibility. Its understanding that the proper unit of your personal concern is not just yourself but also your family, your community, your nation, your fellow men and women.

That spirit is not unique to the period I have described. My parent's generation had it, and it enabled them to beat both Depression and World War. It infused Americans who built our cities and industries and pushed back the frontier.

But the sad truth is that that spirit is not much in evidence today. What is worse, neither side of the political spectrum seems to recognize how desperately it is needed.

Certainly that is the case with the philosophy that says government should get out of the business of trying to help people. Government is not the solution; it's the problem, we've been told. The media ought to publish more good news. No problem is so troublesome that it can't be answered by a good anecdote.

Unfortunately, the problems confronting this nation are genuine, significant, and stubborn. A plague of joblessness and homelessness. Competition from aggressive and technologically advanced foreign competitors. A shrinking natural resource base. A deteriorating school system. The looming possibility of a nuclear Armageddon.

Without an active government, and even more important without an involved citizenry, there is no hope they can be solved. But many critics of the classic conservative philosophy miss the mark too. The traditional liberal response to the recognition of a problem is so automatic as to be Pavlovian. First, a surfeit of guilt that we have let things get so bad. Then a collective mea culpa. And finally, for catharsis a new line item in the federal budget.

Strangely enough, both sides have ignored America's most valuable resource—the one to which we have always turned when challenged by crises in the past—the talent, the ingenuity, and the resolve of the people of this country.

That is the resource we have to reactivate. If our generation is to expect a favorable verdict from history, the emphasis will have to be a little less on "me" and a little more on "we."

It will take, in short, a rejuvenation of our national spirit.

That does not seem to me an impossible task. As I said earlier, I am unpersuaded by the notion that the classes of 1983 or 1984 or beyond are any less inclined toward public service than those in earlier generations. I still believe that such an inclination is one of the better constant and innate instincts of human nature.

What have changed, in my judgment, are the expectations society has of us and the opportunities society offers to nurture that instinct. Today, as one of the early administrators of the Peace Corps put it, "Little is asked of youth except that they be consumers of goods and services."

The Teacher Corps is gone. The Administration's current budget request envisions an end to VISTA. We fund barely a third as many Peace Corps volunteers today as we did the year I graduated from Providence College.

However, I happen to believe that given the challenge and the opportunity there would be just as great a response from your generation today as there was to John Kennedy's call in mine. There is nothing uniquely heroic about the young people of any generation. They were really no different from you.

In fact, one of the earliest Peace Corps volunteers explained things rather simply in 1962 when he said—and I quote him: "I'd never done anything political, patriotic, or unselfish because no one ever asked me to. Kennedy asked."

Well, my fellow alumni of Providence College, it's time to ask again.

One approach to asking that question would be the establishment of a system of national service.

Under such a system, all young Americans—male and female—would owe our nation one or two years of public service—in their choice of the armed services, an expanded Peace Corps, or in programs to address our most pressing domestic needs.

It is possible—even likely—that administrative and financial constraints would mean not everyone would actually serve. But everyone, without exception, would have to be available.

No one would be drafted into military service. The option of a non-military domestic or overseas alternative would be there. In fact, public opinion research suggests that many would opt for the armed services. And frankly, that strikes me as a great advantage over what we have now.

The present system, one observer has commented, is not so much a voluntary army as a mercenary one. We pay kids from the ghettoes and barrios and poor rural areas to protect our national security so that kids from the suburbs won't have to.

National service would help restore some balance. It would acknowledge that all of us have a stake in keeping this nation strong and safe—and that the responsibility of those who benefit most in society is just as great as those who are less fortunate.

For those who opt for some form of domestic service, there would be no shortage of opportunity to contribute. Right now we need people to manage day care centers. There is a nursing shortage. Not enough people are available to help the elderly. Much of our housing crisis could be solved with a concerted effort to rehabilitate existing stock. There are public lands in need of reforestation and inner-city kids who could use tutoring. In short, there is a challenge to help this society reach its full potential.

Lastly, national service would mean an expanded Peace Corps. I can tell you from personal experience that nothing you could do would give you a greater feeling of exhilaration or a greater sense of accomplishment. And nothing would serve your nation better.

The United States exports many things to our neighbors around the world. No export has been more valuable than the combination of American know-how and good will that is the Peace Corps' special hallmark. Our merchandise has won us markets and our military might wars. But in the developing countries, America's goal in the future must be to win the hearts and minds of the peoples who live there. And no program has been more cost-effective at helping teach both us and them to accept, understand, and respect each other.

I do not want to pretend that any single program—or set of them—holds the key to the future. The challenge is more spiritual than structural; the response will have to be a change in temperament, not in technique.

So the first step necessarily, I believe, has to be a shift in attitude and values.

Sometimes the angle of vision of a foreigner can help us see things about ourselves which we alone cannot quite get in focus. At the end of the last century, the British biologist, Sir Thomas Huxley, traveled through the United States.

At the conclusion of his visit, some American reporters tried to fish from him a compliment about the expanse, power and wealth of our country. Sir Thomas was uncooperative.

"I cannot say that I am in the slightest degree impressed by your bigness or your material resources," he replied. "Size is not grandeur and territory does not make a nation. The great issue . . . is what are you going to do with those things?"

That is the question to which each succeeding generation of Americans must give an answer. I hope that some of the things I have said today will help you with yours.

I cannot leave without expressing my gratitude and pride for the degree which Providence College is conferring on me.

To receive an honorary degree is a great privilege. To receive one from your alma mater and that of your father, from a college that you hold in high esteem and warm affection, and to be joined in receiving this honor by five distinguished Americans—Max Alperin, Archbishop James Hickey, Daniel Nugent, Kenneth Walker and Carl Yastrzemski—who have contributed vitally to their communities, is all the more so. But I am especially moved by something else.

In recent years you have awarded similar degrees to Lech Walesa, Tip O'Neill, and Father Bruce Ritter. At first glance there might seem to be little in common among those whom you are honoring today and the leader of Poland's working people, a powerful American politican, and a priest whose ministry is the streets of New York City. But there is something that unites them. It is the spirit of service to others and to a higher ideal that I admire so greatly and that I have tried to describe to you.

To join their company is a true honor.

In conclusion, let me just say that the things I have been talking about have a special relevance to New England. In the early days of settlement here, the economy was largely agricultural. Wresting a living from the hard soil of our region was never easy. It took hard work, discipline, and a determination to succeed. What has seen New Englanders through has been a tradition, handed down from one generation to the next, that each would do its best. Throughout three and a half centuries, each of those generations vowed to leave the land better than they found it.

It is one of our best traditions. Let us, too, in our time, in our generation, under our stewardship, leave this land we love better than we found it.

Thank you and Godspeed.●

MARYLAND STUDENT HONORED BY AAA FOR HEROISM

● Mr. MATHIAS. Mr. President, each year since 1949 the American Automobile Association has honored young Americans with its School Safety Patrol Lifesaving Medal. The award is presented to safety patrol members who, while on duty, have saved the lives of those in danger.

This year, one of the five national recipients of the award is from Maryland. She is 12-year-old Joelle Patton, a student and a member of the Safety Patrol at the Beltsville Adventist Church in Beltsville, Md.

Mr. President, I ask that an account of Joelle's act of heroism prepared by the AAA be included in the RECORD at this point.

The account follows:

MARYLAND STUDENT HONORED

On January 7, 1983, Joelle Patton, a school safety patrol at Beltsville Adventist School, was escorting three kindergarten children across the school parking lot. Suddenly a car turned into the parking lot from Ammendale Road at a high rate of speed. The accelerating vehicle with tires squealing, was headed straight toward Joelle and the three kindergarten children. Suddenly one little girl started running toward her teacher and into the path of the fast moving car. Joelle screamed at the girl to stop. She then reached out, grabbed and held the child by the shoulder with her right hand while stopping the other two children with her left arm.

The scared kindergarteners later said they could feel the wind created by the speeding car as it traveled within two to three feet of them, at an estimated speed of 35 MPH.

Mr. MATHIAS. Mr. President, it gives me great pleasure to join with Joelle's family, her school and her community in congratulating her for this unselfish act. We can all be proud of Joelle Patton's concern for her classmates.●

OUR CHALLENGE

● Mr. SYMMS. Mr. President, Memorial Day is a poignant time for us all. We must never forget the men and women who gave their lives for freedom in the world wars, the Korean war and Vietnam. And we must honor their sacrifice by avoiding the indecisiveness and dithering displays of weakness that lead to war. Only a strong and determined America can enjoy peace.

With this in mind, I would like to introduce into the RECORD a poem by H. Leonard Emry, of Pocatello, Idaho. Mr. Emry has composed many poems over the years with the encouragement and support of his wife, Esther. Now he has published a booklet of poems called Our State of Idaho, from which I draw this veteran's work, "Our Challenge," and introduce it into the RECORD.

The poem follows:

OUR CHALLENGE

We watched them as they left their homes
at Freedom's call for men,
Our gallant boys who fought so well our
Country to defend.
They did not hesitate to go, nor stop to
question why,
But cheerful still 'though well they knew
that some of them must die.

It's not an easy thing for those who go to
foreign lands
To fight for principles that they can hardly
understand.
It should be for a worthy cause when men
their lives must give.
It's hard for them to die before they've had
a chance to live.

How proud they were to do their part that
day they went away.
They felt so sure their deeds would build a
better world some day.
A world that would again be filled with
things we hold most dear.
A world secure, forever free from want and
dread and fear.

Most of those wars are over now.
Some victories were won.
The price of peace and liberty has been a
costly one.
Some of those boys who did so well have
now come home again.
While others who so bravely fell on foreign
soil remain.

They did their part; they gave their all to
keep our liberty.
Much of the work that still remains depends
on you and me.
If we would have that better world; their
dream for everyone,
There still is much for us to do before the
task is done.
The principles for which they fought are
dear to us today.
Let's do our best to keep them safe and
work and plan and pray.
To keep all evil from our shores and from
our towns and plains.
So that our loved ones never will be forced
to fight again.●

THE FUTURE OF AMERICAN PUBLIC EDUCATION

● Mr. GLENN. Mr. President, the intellectual advancement, economic prosperity, and national security of our Nation depend on the high-quality instruction expected from our public schools. Yet this administration, instead of promoting an agenda to achieve educational excellence, has chosen to criticize the performance of public schools. The American people want more. They want leadership in the highest ranks of the Government.

We are at a time of transition when, as a nation, we will chart the course that revitalizes this powerful engine of public education or we will watch it disintegrate. Given the immensity of the stakes involved, it is refreshing to know that others outside Government are giving the matter full reflection and their most carefully considered suggestions for change.

Indicative of the concern and commonsense of the American people on this vital question, the Norman, Okla., Transcript printed an editorial on May 22, 1983, that goes to the heart of the crisis in lucid, yet provocative language. I heartily recommend that my colleagues study the transcript's recommendations as we attempt to fashion a new direction for our public schools. Mr. President, I ask that the entire editorial be printed in the CONGRESSIONAL RECORD.

The editorial follows:

[From the Norman (Okla.) Transcript, Sunday, May 22, 1983]

WHO WILL LEAD?

Who will lead us out of the "rising tide of mediocrity" cited by the Reagan administration's blue-ribbon panel on education?

The nation is at risk. Our national security is threatened, the presidential commission reported. The next generation will pay dearly, unless we commit ourselves to quickly improving the quality of education in our public schools.

Yet, after several weeks of nonstop handwringing and finger-pointing, the question remains: Who will provide the leadership necessary to meet this national threat?

It would seem a golden opportunity for an administration that is widely perceived as being less than enthusiastic about education in general and public education in particular. A national consensus on improving the nation's public schools already exists. President Reagan merely has to pick up the reins and step into the spotlight. A call for excellence in our public schools, coupled with a demonstrated effort to achieve it, would amount to a much more attractive national challenge than the one issued recently by

this president on the development of more exotic weapons on earth and in space.

But this hasn't happened, and it is not likely to happen. Mr. Reagan's single initiative in the wake of the report's warning about the quality of public schools has been to call for some constitutionally questionable and costly help for private schools. Public education is a problem for the states in the administration's topsy-turvy view of the federal role.

"Education is a family matter, a local matter, a grass-roots matter," lectured Education Secretary T.H. Bell this month. "It's up to the states, and I think they've been doing a bum job." Mr. Bell said the Reagan administration will restrict itself to providing leadership and enforcing civil rights and equal opportunity laws, and will not provide new money or impose new controls. In truth, the Reagan administration is providing no leadership and little more than lipservice for civil rights concerns. Its commitment to date has been to reverse the federal government's established leadership role in public education and to relax civil rights and equal opportunity laws whenever possible.

Education will always be, as Mr. Bell states, "a grass-roots matter." But it is ridiculous to imply that grass-roots concerns are of no concern to a Washington government that spends "grass-roots" dollars. States will have to do their part, if any improvements are to be made in our schools. But so will the federal government.

The Reagan administration's non-response to the documented problems of American education is disturbing for a number of reasons. Most disturbing, however, is the historical ignorance displayed—the near total lack of appreciation this administration shows for the crucial role public schools have in keeping our large, pluralistic society on track.

Traditionally, public education has offered one-way tickets out of deprived circumstances. It's key to the promise of an even break for the poorest citizens and of a better life for all citizens. An administration that would allow that promise to fade for either philosophical or financial reasons is itself a threat to our continued security.●

DAIRY PRICE SUPPORT PROGRAMS

● Mr. BOSCHWITZ. Mr. President, the dairy industry is still plagued by the problems of overproduction and underconsumption. More than last year, this combination has created a still-growing dilemma: Huge surpluses of Government stocks, and costs in the billions.

The reason we are in that circumstance has been rehashed so often that it would serve no useful purpose to discuss it except to say that all three dimensions of the problem—overproduction, underconsumption and the huge surpluses—must be addressed if the dairy price support program is to survive.

On April 16, USDA began collecting the first of two 50-cent assessments on each hundredweight of milk sold. The second 50-cent assessment will not be collected before August 1. This was to allow Congress time to change the law.

By assessing each hundredweight of milk 50 cents, more than $650 million is collected and that goes directly to reduce the cost of the dairy program. As a result, the assessment makes the dairy program cost less and it becomes more affordable.

The assessments were a compromise last year between those who wanted to cut the price across-the-board and those who favored an incentive plan. The split was close, and the assessment plan the result—even though no one really liked it.

How will the assessments be replaced? A favorite plan among the most ardent of the budget-cutters here in Congress would be to cut the support price by $1.50 across-the-board. Proponents of the plan say that this would be effective, fair and easy to implement.

Critics of this plan allow that it would be easy to implement, but maintain that it would be neither effective nor equitable. Let us consider an example. If we applied a $1.50 price cut would the surpluses go away and the cost of the program go down? So far that has not proven to be the case. Farmers have actually expanded production to keep up a cash flow or maybe some want to keep their production up in case we come in with a base plan. That way they would have a higher base.

Using this price-cut philosophy, the price would have to come down $4 or more to bring the dairy market into balance. That equilibrium would be accomplished through a combination of farmers going out of business and increased consumption due to lower prices. To lower the prices so severely would so disrupt the industry that USDA will not consider it.

Across-the-board cuts are popular with some people, but they just will not solve the budget problems. This type of price cut would still make the program cost more than $1.6 billion in fiscal year 1984.

The other alternative is to adopt a plan that offers dairymen an incentive to cut back production. These are most often called base plans because they require comparing a farmer's current production with his past production.

I have historically endorsed, and offered, incentive plans for two reasons. First, we can keep more farmers in business by encouraging everyone to cut back a little. These plans are not unfairly rigged against the younger, highly leveraged dairyman or those who lack the size to absorb across-the-board cuts. Second, a base plan can save the Government a lot of money very quickly. This takes the wind out of the arguments of those who want to eliminate the dairy program.

Presently there are two base plans being considered: The Dairy Production Act of 1983, which I introduced along with Senators ANDREWS, BOREN, BURDICK, LEVIN, MELCHER, RIEGLE, and ZORINSKY, and the voluntary incentive program (VIP), a program introduced by Senators KASTEN and PROXMIRE.

Both the VIP plan and mine have a certain similarity—we give incentives for those who reduce production. Both plans allow new producers to get into business and this is important because dairying is one of the few ways for young farmers to enter into farming.

Critics of our base plans for dairy are cautious due to experience with other commodities. Right now, there are complex acreage allotment/marketing quota plans for tobacco and peanuts that have been unchanged since the 1930's. The plans require that the right to produce these crops must be bought by a beginning farmer. This not only adds to his costs but also to the consumer costs. The USDA understandably wants to prevent a similar situation from arising in dairy. And I agree. That is why the incentive plans have definite termination dates designed to prevent the base from acquiring a salable value.

THE NEW PROPOSAL

Out of the morass, a compromise has emerged. In concept it is similar to PIK—a short-term program to reduce supplies and bring the market into balance.

For the first time the administration has been willing to consider an incentive plan for dairy with a base and a simple plan that would not become institutionalized and has a definite termination date. That is a big step foward because it is clear that an incentive plan built on a base is the only way to quickly reduce the surplus and simultaneously lower CCC dairy expenditures. It can best be described as a paid diversion plan. But if the USDA is to make diversion payments they insist on a cut in the support level.

Right now the compromise that is being worked on looks like this:

First, on October 1, 1983, a paid diversion program ($10 per cwt) would be implemented. It would last for 15 months and be partially funded by a 50-cent self-help fee on all milk marketed. Farmers would contract to reduce their production by 5 to 30 percent from their base. The base period would be either the 1982 marketing year—October 1, 1981 to September 30, 1982—or an average of 1981 and 1982 if that is more favorable to the producer. The Secretary of Agriculture could proportionately adjust the amount of each farmer's contracted reduction if, due to too many farmers signing up, a milk shortage would result.

Second, on October 1, 1983, the price support level would be reduced from the present $13.10 to $12.60/cwt. The farmer's check would be reduced by the 50-cent fee and so be $12.10.

Third, on December 31, 1984, the paid diversion program would end. The 50-cent fee would also end.

Fourth, on January 1, 1984, if the Secretary of Agriculture projects CCC dairy removals to be in excess of 6 billion pounds in 1985, the price would go to $12.10. Since the fee would end, the farmer's check would remain the same. If production is down and removals are projected to be under 6 billion pounds, then the price stays at $12.60—with no fee—or higher if the Secretary chooses.

Fifth, on July 1, 1985, if production still is not down and CCC dairy removals are still projected to be more than 5 billion pounds in the next 12 months, the Secretary would have the discretion to lower the price to $11.60—with no fee. The Secretary could raise the price as well if conditions warranted it.

Sixth, there would be a mandatory 15-cent checkoff for promotion. If there is already a checkoff within a State, it would be credited against the 15 cents. But no matter how much the State promotion checkoff is, the Federal checkoff for promotion would be at least a nickel.

Seventh, the USDA would state by a separate letter—it would not be part of the law—that it is their intention to increase the make allowance if CCC purchases go down.

OMB JUMPS IN

The compromise was developed over several weeks in negotiations between USDA and interested Members of the House and Senate. It is estimated to cost only $757 million in fiscal year 1984. Agreement was reached on May 18. The problem in dealing with the administration is that no agreement is ever final until OMB has had a chance to approve it. The result in this case was that after both sides had agreed to this approach on dairy, OMB threw in a new element—the dairy compromise was not OK unless target prices were frozen, too.

Fun and games—Let us change the rules at the end of the process to try to obtain some leverage. This attempted linkage of dairy with target prices has wisely been rejected by the House Agriculture Committee. They are separate issues and should be treated as such. Each must be considered on its own merits.

When the dairy plan reaches the Senate I hope my colleagues will join me in keeping it unemcumbered by the target price debate. Although I have much respect for Mr. Stockman, this blatant attempt to dictate agricultural policy is reprehensible and must not be tolerated.●

THE WISE USE OF CONSUMER CREDIT

● Mr. DANFORTH. Mr. President, one of the most important lessons any consumer can learn is the wise use of credit. The Missouri Consumer Credit Association—Education Foundation has worked hard to bring this message to young people in high schools throughout Missouri. Since 1975, the association has sponsored a statewide program for high school seniors to enhance their understanding of consumer credit. As part of this program the foundation conducts an annual essay contest.

The first place winner of this year's contest is Monty Joseph, a student at Hillcrest High School in Springfield, Mo. I offer my congratulations to Mr. Joseph, to his family, and to his friends for a job well done.

Mr. President, Mr. Joseph's essay reflects hard work and serious research, and his observations on the wise use of consumer credit merit our attention. I ask that his essay be printed in the RECORD.

HOW TO USE CONSUMER CREDIT WISELY

(By Monty Joseph)

Because credit is beneficial to consumers, the buyer has a responsibility to protect the system.

Consumer credit is a formulated plan with many built-in advantages. For instance, the buyer (by using the credit system) can purchase items now for which he ordinarily would not have the money. The agreement that the purchase will be paid for out of future income is made with the creditor. Various essentials such as a home or an automobile can be bought on credit that, in reality, would take years or even a lifetime to otherwise buy. Newlyweds can begin to accumulate the possessions that make for a stable life. They need not wait month after month, year after year, until they have saved up the money to pay cash for a home and its furnishings, a car and other things to which young families aspire.

The immediate use of something can be obtained that would be impossible to do so without the credit system such as an unexpected medical need or other sudden emergency. Also, current and existing expenses do not have to be ignored with the intent of saving up for some future expense such as a college education. The credit plan allows the debtor to pay for those items when the need for them arises.

These are some advantages to consumer credit, but there are unfavorable factors, too. Here is where responsibility comes into the picture. Consumer credit is, for those who use it wisely, a very advantageous plan. People who do not understand the benefits of prudent utilization become aware of its pitfalls. For instance, to the foolish buyer, the credit system allows impulsive purchasing, causing one of two things: he will either buy items he really doesn't have use for, or it may be something that is much more expensive than he actually has money to acquire. It gives him a false sense of security and, as a result, causes him to rely too heavily on the system. This can happen when one does not understand how credit works. This can and does happen because people mistake the negative aspects of the credit plan for its benefits and, in so doing, allow credit to become detrimental to the consumer.

It doesn't have to be this way. Anyone can see that the problem does not lie in the system, but in the consumer. These disadvantages arise when the buyer uses consumer credit foolishly and on the "spur of the moment." Therefore, the positive factors will emerge when proper use of this system is carried out.

Look at all the positive factors. As mentioned before, immediate purchases can be made—purchases for various essentials, substantial or expensive items and services—that normally could not be made without the credit system. It is because of this that one would not have to "dip into family reserves" to pay for these common necessities.

This plan adds convenience and availability to buying. Credit cards, for example, take a lot of the "hassle" out of buying. There is a small fee to pay but it is justifiable when the advantages are taken into consideration, such as not having to carry much money around and easy replacement if the card is lost or stolen. Credit cards are only one form of consumer credit. There is also service credit, bank cards, installment credit, personal loans, as well as other plans.

This system is not only beneficial to the consumers; but merchants also gain from the credit plan. Consumer credit provides stability to consumer demand. It underwrites mass production, mass distribution, and mass consumption, causing lower prices. Commonsense tells us that more people will continue to buy with the credit system in effect. Without it, each household would literally have to "pinch every penny." Yet, with it, consumer credit encourages habits of thrift and forces families to set-up a budget which prevents overbuying.

The advantages of consumer credit far outweigh the disadvantages; but, as seen before, with wise usage of credit, these pitfalls can become virtually nonexistent. Credit properly used is seldom abused.

The following are six guidelines for wise use of consumer credit: (1) Establish a steady employment record. (2) Budget income to cover the necessities of life and savings before contracting for the purchase of luxuries. (3) Shop as carefully when buying on credit as when paying cash. (4) Know the exact amount of the finance charge and all other costs of credit making sure all terms and conditions of the agreement are understood before signing the contract. (5) Do not contract for larger payments than the budgeted income will permit. (6) Build a good credit record by paying as agreed.

Credit purchases provide a service to consumers, but with that service comes responsibility. Buying on credit is harmful to the foolish consumer, but for the foolish consumer only. Overwhelming advantages are in store for the buyer who uses credit wisely.●

THE EMERGENCY AGRICULTURE CREDIT ACT OF 1983

Mr. HUDDLESTON. Mr. President, recently all Senators received a letter from many prominent rural oriented interest groups, urging the Senate to immediately consider S. 24, the Emergency Agricultural Credit Act of 1983. I agree that this legislation is urgently needed by our Nation's farmers. I request that the letter be printed in the RECORD.

The letter follows:

MAY 23, 1983.

To: All Members of the United States Senate.

DEAR SENATOR: The listed organizations are contacting you regarding S. 24, the

Emergency Agricultural Credit Act of 1983. Speedy Senate consideration of this bill is of paramount importance to our organizations because of our concern for the thousands of farmers that we either do business with, or represent, that have been pushed to the brink of financial failure.

As you are aware, S. 24 was favorably reported out of the Senate Agriculture Committee on March 18. The House of Representatives overwhelmingly passed a very similar bill (H.R. 1190) by a vote of 378 to 35 on May 3. Expeditious consideration is warranted in light of the major expenses incurred by farmers during these spring months and the advent of 23 states having run out of farm operating loan funds in the current fiscal year.

While there are some signals that this nation's economy might be on an upswing, there is a general agreement that any improvement in the farm sector will lag considerably behind, caused principally by a continuing worldwide recession. According to April Economic Indicators, projected 1983 net farm income will be approximately $19.2 billion, slightly worse than last year's devastating income level. This marks the fourth bad year in succession for America's farmers.

We have recently witnessed an alarming rate of farm bankruptcies, liquidations and delinquencies. Even so, we must emphasize that the cumulative effect of this difficult period could well result in far greater problems lying ahead of us.

We believe S. 24 properly addresses the short-term agricultural credit crisis and serves as recognition of the futility of letting many of our productive farmers fail when they have been, and can continue to be, such a vital part of our entire economy.

We would greatly appreciate your urging Senate leadership to hastily provide for full Senate consideration of S. 24.

Thank you for your consideration.

Sincerely,

CENEX, Center for Rural Affairs, Walthill, Nebraska, Cooperative League of the USA, Emergency Land Fund, Atlanta, Georgia, Interreligious Taskforce of US Food Policy, National Catholic Rural Life Commission, Des Moines, Iowa, National Council of Churches Working Group on Domestic Hunger and Poverty, National Farmers Organization, National Farmers Union, National Rural Electric Cooperative Association, National Rural Housing Coalition, Rural Advancement Fund/National Sharecroppers Fund, Charlotte, North Carolina, Rural America, Rural Coalition.

NOTICES OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS

● Mr. STEVENS. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD this notice of a Senate employee who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The Select Committee on Ethics has received a request for a determination under rule 35 which would permit Mr. Steve Harris, of the staff of Senator RIEGLE, and Mr. Barbour of the staff of Senator HATFIELD, to participate in a program sponsored by a foreign educational organization, Soochow University, in Taipei, Taiwan, from May 28 to June 5, 1983.

The committee has determined that participation by Mr. Harris and Mr. Barbour in the program in Taipei, at the expense of Soochow University, to discuss trade and economic matters, is in the interest of the Senate and the United States.

The Select Committee on Ethics has received a request for a determination under rule 35 which would permit Ms. Susan Hollywood, of the staff of Senator GRASSLEY, to particpate in a program sponsored by a foreign educational organization, Soochow University, in Taipei, Taiwan, from May 28 to June 5, 1983.

The committee has determined that participation by Ms. Hollywood in the program in Taipei, at the expense of Soochow University, to discuss trade and economic matters, is in the interest of the Senate and United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. John L. Mica, of the staff of Senator PAULA HAWKINS, to participate in programs sponsored by Seoul National University, Republic of Korea, and Sino American Cultural and Economical Association in the Republic of China, from March 26 to April 2, 1983.

The committee has determined that participation by Mr. Mica in the programs in the Republic of Korea and the Republic of China, at the expense of Seoul National University and the Sino American Cultural and Economical Association, respectively, to discuss with Government officials and business groups concerning foreign policy, defense, and agricultural issues, is in the interest of the Senate and the United States.

The select committee has received a request for a determination which permits Mr. Richard F. Kaufman of the Joint Economic Committee to participate in a conference on security and economic issues in Tokyo, Japan, on March 28, 1983, paid for by the International House of Japan and the Institute for Domestic and International Policy Studies.

The committee has also received a request for a determination which permits Dr. James K. Galbraith to participate in a program on economic issues in Berlin, Federal Republic of Germany, on April 28, 1983, paid for by the Wissenschaftszentrum Berlin (Berlin Science Center).

The committee has determined that participation by these individuals in these programs is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Sheldon J. Himelfarb, of the staff of Senator CHARLES MCC. MATHIAS, JR., to participate in a program sponsored by Soochow University, in Taipai, Taiwan, from May 27 to June 5, 1983.

The committee has determined that participation by Mr. Himelfarb in the program in Taiwan, at the expense of Soochow University, to participate in seminars and meetings, is in the interest of the Senate and the United States.

The Select Committee on Ethics has received requests for determination under rule 35 which would permit Mr. Robert Ludwiczak, of the staff of Senator GRASSLEY, Mr. Lindy Marinaccio, of the staff of Senator PROXMIRE, Ms. Annette Fribourg, of the staff of Senator CHAFEE, and Ms. Cynthia Jurciukonis, of the staff of Senator RIEGLE to participate in a program sponsored by a foreign educational organization, Seoul National University in Seoul, Korea, from May 29 through June 5, 1983.

The committee has determined that participation by Mr. Ludwiczak, Mr. Marinaccio, Ms. Fribourg, and Ms. Jurciukonis in the program in Korea, at the expense of Seoul National University, to discuss United States-Korean economic, political, and security relations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Kevin Coyner, of the staff of Senator MURKOWSKI, to participate in a program sponsored by Seoul National University, Republic of Korea, from May 29 to June 5, 1983.

The committee has determined that participation by Mr. Coyner in the program in the Republic of Korea, at the expense of Seoul National University, to discuss with Government officials and business groups foreign policy, economic, and security issues, is in the interest of the Senate and the United States.●

THE FIGHT FOR DEMOCRACY AND HUMAN RIGHTS IN SOUTH KOREA

● Mr. KENNEDY. Mr. President, on May 22 the North American Coalition for Human Rights in Korea sponsored a memorial service to mark the third anniversary of the bloody Kwangju uprising. That event has become the foremost symbol of repression by the South Korean Government of President Chun Doo Hwan.

Now we learn that political opposition leader Kim Young Sam, who has been under protracted house arrest

and who had begun a hunger strike to protest the abuses of the government, has been taken from his home by plainclothesmen and placed under guard in Seoul University Hospital. Several of Mr. Kim's aides have also been detained.

Kim Young Sam is the former leader of the now outlawed New Democratic Party. After the assassination of President Park Chung Hee in 1979, both Kim Young Sam and Kim Dae Jung were regarded as major contenders for presidential elections projected for 1980 before they were thwarted by military coup.

We all recall the harassment and abuse endured by Kim Dae Jung and his family because of his political role. That abuse finally ended as he, his wide and two sons have at last been allowed to leave South Korea and come to the United States. Other prominent political prisoners have also been released. these moves have been welcomed around the world.

Nevertheless, these steps fall short of the true goal we all must have in South Korea: The climate of repression must be eased, and respect for human rights and democracy must be enhanced. The South Korean authorities should now carry out their professed intention to lift restrictions on a broad range of freedoms, including political activity by opposition leaders.

In apprehending Kim Young Sam, the South Korean Government claims that it is saving Mr. Kim from inflicting upon himself the fate of an unnecessary death. However, it appears to me that if the Government is truly concerned about the health of Mr. Kim, it should proceed to restore full respect for basic rights and to bolster the democratic institutions to which Mr. Kim himself is committed.

When beginning his hunger strike on May 19, Kim Young Sam stated:

I am entering this hunger strike to show that we must expand our fight for democracy, and only through a fight at the peril of one's life can we achieve democratization. If, through the sacrifice of my life it would help bring about a democratic government, then I will happily submit to this final act of service.

Let us devoutly hope that such a just goal does not require such a tragic path.●

EDUCATIONAL PROGRAMS FOR THE DISADVANTAGED

● Mr. JOHNSTON. Mr. President, I am very concerned about a situation which recently came to my attention and which I intend to review more closely between now and full Senate consideration of the fiscal year 1983 supplemental appropriations bill. The TRIO program is one of the most productive educational programs for the disadvantaged. Recently, I discovered that 37 of the programs currently in operation will not be continued. One of them is in my home State at Southeastern Louisiana University. Despite receiving very high marks for its operation and administration by the Department of Education, the program at Southeastern is being discontinued because its application for refunding received lower scores. In other words, the program at Southeastern is being terminated because it failed to practice the grantsmanship which many of the major universities can practice as a result of their great resources. The program at Southeastern is being discontinued even in the face of broad acknowledgements that its program is one of the best in the region. Similar terminations have occurred at many of the other 36 program sites—including 4 in the State of Mississippi, 4 in New York, 3 in Pennsylvania and 3 in Georgia—just to name a few. I want to put the Senate on notice that this matter may require further consideration during full Senate consideration of the supplemental appropriations bill.●

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, in accordance with Public Law 84-944, appoints the Senator from New York (Mr. MOYNIHAN) to the Senate Office Building Commission.

ORDER FOR STAR PRINT OF S. 1363

Mr. BAKER. Mr. President, it has been called to my attention that mistakes were made in a bill introduced yesterday, which is numbered S. 1363. I ask unanimous consent that a star print of the bill be made to correct those mistakes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO JUNE 6, 1983

Mr. BAKER. Mr. President, I have conferred with the minority leader, who indicates that there is no further requirement for time in morning business on his side. There is no further request on this side.

The record will be open until 3 p.m. today for the insertion of statements and the introduction of bills and resolutions.

Mr. President, I therefore move, in accordance with the provisions of Senate Concurrent Resolution 41, that the Senate now stand in adjournment.

The motion was agreed to; and at 12:45 p.m. the Senate adjourned until Monday, June 6, 1983, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate May 26, 1983:

DEPARTMENT OF STATE

Hume Alexander Horan, of New Jersey, a career member of the Senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democractic Republic of the Sudan.

THE JUDICIARY

Gene Carter, of Maine, to be U.S. district judge for the district of Maine vice Edward T. Gignoux, retired.

Hector M. Laffitte, of Puerto Rico, to be U.S. district judge for the district of Puerto Rico, vice Hernan G. Pesquera, deceased.

COMMISSION ON CIVIL RIGHTS

Morris B. Abram, of New York, to be a member of the Commission on Civil Rights, vice Mary Frances Berry.

John H. Bunzel, of California, to be a member of the Commission on Civil Rights, vice Blandina Cárdenas Ramirez.

Robert A. Destro, of Wisconsin, to be a member of the Commission on Civil Rights, vice Murray Saltzman.

Linda Chavez Gersten, of the District of Columbia, to be staff director for the Commission on Civil Rights, vice Louis Nunez, resigned.

FARM CREDIT ADMINISTRATION

Joseph Alison Kyser, of Alabama, to be a member of the Federal Farm Credit Board, Farm Credit Administration, for a term expiring March 31, 1989, vice Lawrence Owen Cooper, Sr., term expired.

U.S. INTERNATIONAL TRADE COMMISSION

Lyn M. Schlitt, of Virginia, to be a member of the U.S. International Trade Commission for the remainder of the term expiring December 16, 1985, vice Willam Alberger, resigned.

Susan Wittenberg Liebeler, of Calfornia, to be a member of the U.S. International Trade Commission for the remainder of the term expiring December 16, 1988, vice Michael J. Calhoun, resigned.

Seeley Lodwick, of Iowa, to be a member of the U.S. International Trade Commission for the term expiring December 16, 1991, vice Eugene J. Frank, resigned.

EXTENSIONS OF REMARKS

LAWRENCE W. REED ON THE FUTURE

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. PAUL. Mr. Speaker, I would like to call the attention of my colleagues to an article by a brilliant young economist, Prof. Lawrence W. Reed. Mr. Reed is chairman of the Department of Economics at Northwood Institute in Midland, Mich.

In this well-written piece, Mr. Reed examines the folly of economic forecasters who try to predict the future. As he observes, forecasters are often "walking on ice so thin you can hear it cracking as they go." We all know from experience what faulty economic models do to our budget and deficit projections.

In this article, Mr. Reed also notes that the meddling of politicians makes life difficult for both economic forecasters and businessmen. He writes, "Today, it is not enough to consider endogenous market forces when contemplating the future. One must reckon with the exogenous influence on the market of colossal, erratic government. Politicians and their bureaucratic foot soldiers throw their weight around like bulls in a china shop. Predicting the outcomes of the political process is like trying to forecast which vases the witless bulls will break next."

I should also note that Larry Reed is the founder and director of the Northwood Institute "Freedom in Third Century America" seminar. In addition to contributing numerous articles to the Freeman and other publications, Mr. Reed is in demand as a speaker around the country. One of his speeches, "The Fall of Rome and Modern Parallels," was published in Vital Speeches.

His article on forecasting follows:

[From the Freeman, May 1983]

ECONOMISTS AND THE FUTURE

(By Lawrence W. Reed)

In September, 1981, an economist from a major university in Michigan made known his economic forecast for 1982. His prognostications were widely publicized; perhaps some business or government decisions were based on them. According to the economist, the sluggish conditions of 1981 would give way to recovery early in 1982. Auto sales would improve to an annual rate of 9.7 million vehicles by the second quarter. Unemployment would "stabilize" at about the 8 percent level. Economic expansion would spread to all major sectors, with the overall "rate of growth" doubling by the end of the year. Price rises would remain about as strong as they were in 1981. Many of his predictions were expressed in precise mathematical quantities.

What a difference a few months can make! Anyone who was awake last year knows that this particular forecaster entirely missed the mark. And yet, he employed one of the most sophisticated mathematical models money can buy.

What does an economist do, having erred so grievously? Quietly retreat into the shadows of academe? Not at all! Undaunted, he will wipe the egg from his face, resume his place in the crowded fraternity of economic soothsayers, and begin work on next year's prediction for Gross National Product—to the nearest tenth of a percent. In the welter of fallicious forecasts, hardly a soul will single him out anyway.

The dismal record of the forecasting profession led one economics professor at the State University of New York to conclude recently that non-economists on balance are better at seeing the future than are the professional forecasters. Perhaps it is time for the professional soothsayers to re-examine their premises and methods.

What is it about the future that makes it so hard to describe? The answer is at once both simple and profound: it hasn't happened yet!

Human hindsight is often "20-20" but it is beyond human mental limits to really know with much precision what tomorrow will bring. No palm reader, no fortune teller, no astrologer, no forecaster, not even an econometrician, can ever dispel the uncertainty of the future. Austrian economist Ludwig von Mises, in Human Action, tells us:

"If it were possible to calculate the future state of the market, the future would not be uncertain. There would be neither entrepreneurial loss nor profit. What people expect from the economists is beyond the power of any mortal man." [1]

So it is that the existence of uncertainty is a commentary on the nature of the human condition itself. It is what Murray Rothbard terms "a fundamental implication derived from the existence of human action." In his monumental work, Man, Economy, and State, Rothbard expounds:

"This must be true because the contrary would completely negate the possibility of action. If man knew future events completely, he would never act, since no act of his could change the situation. Thus, the fact of action signifies that the future is uncertain to the actors. This uncertainty about future events stems from two basic sources: the unpredictability of human acts of choice and insufficient knowledge about natural phenomena."

* * * * *

THERE IS A NEED TO JUDGE WHAT THE FUTURE MAY BRING

To say that the future is uncertain, however, does not mean the end of the matter. Surely, entrepreneurs who assemble the tools of production today, as Rothbard points out, must make decisions based upon what they think the future will hold. They make it their business to grapple with questions such as: What will the general state of business be next year? How much will materials cost and will they be available? What wage rate will be required to attract and keep the kind of employees we need? What will be the effect on sales if we change our prices? What are our competitors likely to do? Where will the best markets for our products be? Is this a good time to seek outside financing or will interest rates decline in coming months? Should we be working down our inventories? What will the politicians do that might affect our business?

Consumers, securities investors, government policymakers, and, of course, economics professors on the lecture circuit, join businessmen in the search for information about the future. The real question is, what can we reasonably say about tomorrow and what methods enable us to say it? A review of the more prominent methods of economic forecasting is now in order.

A. SIMPLE TREND PROJECTION

This approach relies upon pure extrapolation of previous trends in some economic activity and as such offers little more than a pretense to being scientific. It works only insofar as current trends continue. It does not begin to account for, let alone incorporate, any significant changes or turning points.

* * * * *

Thomas Malthus, early in the nineteenth century, used a kind of simple trend projection to forecast starvation and over-population. More recently, the so-called "Club of Rome" relied on the same approach to predict the same thing. In Malthus' case, the Industrial Revolution interfered with his projection rather decisively. The Club of Rome's projection did not foresee the decline of birth rates in industrialized countries.

To the extent that forecasters employ simple trend projection (and many of them do), they are walking on ice so thin you can hear it cracking as they go.

B. GROSS NATIONAL PRODUCT MODELS

The concept of GNP purports to express the total value of all goods and services produced during a given period of time. It is the consummation of "national income accounting"—the process of identifying and adding up all the components which comprise the economy.

* * * * *

What on the surface appears to be massively profound turns out to be something much less. GNP, being the most "aggregate" of statical aggregates, is riddled with problems and errors and, what's worse, problems and errors of unknown magnitude.

Those problems and errors stem from both the complexities of statistical measurement and the difficulties of basic conception (what to include). What follows is an accounting of just a few.

1. Errors of estimation. Simon Kuznets himself, the "father" of GNP, suggested

[1] Ludwig von Mises, Human Action: A Treatise on Economics (3rd revised ed.; Chicago: Henry Regnery Co., 1966), p. 871.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

once that assuming an average margin of error for national income estimates (a prime component of GNP) of about 10 percent would be reasonable! Yet, some economists routinely predict quarterly GNP figures in tenths of one percent. Congress often makes public policy based upon those computations which, even if accurate, conjure up what Roger Garrison describes as "the vision of a dietician who weighs a locomotive both before and after the crew boards it, then uses the difference between the two weighings as the basis for prescribing a diet for the whole crew." [5]

2. Incentives for collectors of the data to fabricate or twist the statistics for personal or political advantage. We know that economic statisticians in communist and Third World countries are notorious for this. Is it really unreasonable to assume that some twists or fabrications happen here too? In a recent, rather blatant example, the government decided to quietly start counting the 1.7 million members of the armed forces in this country as part of the work force for the first time. That at least will make the official unemployment figures look better for those in public office.

3. Incentives for individuals providing the statistics to report incorrect figures. Such distortions occur as individuals attempt to guard trade secrets, evade taxes, or mislead competitors.

4. No account is made for the activities of the "subterranean economy." Giving Caesar the slip has become common practice as Americans are called upon to dig deeper in their pockets for what Caesar claims is his. Underground transactions, which totally escape the tax and data collectors, probably amount to hundreds of billions of dollars and probably are rising.

5. Things not exchanged for dollars are not included. Paint your own house and the value of the work performed is not calculated by the statisticians; hire a painter and his wages become a part of GNP. Likewise, if a man divorces his wife and then hires her as a cook for $100 a week, GNP will increase by $5200 annually.

6. Government spending raises GNP. When government spends more, it diverts funds away from more efficient allocation by the market. One economist suggested—with some sincerity—that it might be more in line with reality if government expenditures were subtracted from GNP!

7. Inappropriate depreciation allowances. These are determined by often unrealistic assumptions underlying the tax laws. Inflation in recent years, for instance, has rendered depreciation allowances quite inadequate.

8. Changing quality of goods not reflected. GNP would not rise if an improvement in a product did not result in a higher price.

9. Exclusion of leisure. Leisure is very much an economic good (subjectively valued and incapable of quantification) and people often opt to "consume" more of it and to consume less of the more "traditional" goods and services.

* * * * *

C. ECONOMETRICS

Many of the problems of simple trend projection and GNP models are present in the more sophisticated, heavily quantitative, econometric models. These constructs, which many once thought to be quite promising, often comprise hundreds of mathematical equations that purport to represent relationships among the major aspects of economic activity. Expensive, high-speed computers churn out the meticulous forecasts of the econometrician.

The record of these models has been dismal indeed.

* * * * *

Economists have acknowledged for decades that the function of the entrepreneur is to anticipate changes in the marketplace. Once the entrepreneur has made a decision, he then exposes his wealth and income by arranging factors of production in such manner that he may satisfy future consumer demand. If he anticipates correctly, he will earn entrepreneurial profits; if his judgments are wrong he will incur losses. Any number of variable and unforeseen elements may arise to affect the outcome: changes in fashion and technology, government policy, labor union activities, competition, prices, and even the weather. None of these elements is entirely predictable; none can be accurately determined by past performance. Attempts to mathematically estimate these elements in advance or to attach numerical significance to the subjective judgments of the entrepreneurs themselves are pure folly. They are doomed to suffer the failure which lies in gross simplicity and imprecision.

NOT A PRECISE MEASURE

It is ironic that econometrics strives for the exactness of numbers and yet bogs down in static equations which necessarily cannot begin to account for all the relevant factors and their interrelationships. Economist Henry Hazlitt tells us that if a mathematical equation is not precise, it is worse than worthless; it is a fraud:

"It gives our results a merely spurious precision. It gives an illusion of knowledge in place of the candid confession of ignorance, vagueness, or uncertainty which is the beginning of wisdom." [8]

Perhaps Mises said it best when he wrote:

"The fundamental deficiency implied in every quantitative approach to economic problems consists in the neglect of the fact that there are no constant relations between what are called economic dimensions. There is neither constancy nor continuity in the valuation and in the formation of exchange ratios between various commodities. *Every new datum brings about a reshuffling of the whole price structure.*[9] (emphasis added)

The equations of econometric models profess complexity, yet they really represent a feeble, simplistic, and futile effort to mirror the infinitely more complex network of human actions we call "the economy." They fail to account for many unforeseen economic variables and make little effort to recognize the interaction between economic and noneconomic variables. Their static, impersonal, and aggregative approach leaves acting man out of the picture, replaced by lifeless equations of often dubious value. The one way could be reliably predictive would be if people ceased changing and became robots; then the econometrician could "get a handle" on them.

One observer recently commented that to predict economic events, one must first predict political events. Unfortunately, there is much truth in that statement. Today, it is not enough to consider endogenous market forces when contemplating the future. One must reckon with the exogenous influence on the market of colossal, erratic government. Politicians and their bureaucratic foot soldiers throw their weight around like bulls in a china shop. Predicting the outcomes of the political process is like trying to forecast which vases the witless bulls will break next. Econometric models are incapable of foreseeing such events.

The failure of econometric forecasting should come as no surprise. But it would be surprising were its practitioners to admit failure.

D. STATISTICAL INDICATORS

This approach utilizes measurements of economic activity which supposedly "lead," "coincide with," or "lag" the business cycle.

A list of leading indicators generally includes the money supply, housing permits, stock prices, raw materials prices, inventories, and corporate profits.

Roughly coincident indicators include industrial production, factory capacity, retail sales, and personal income.

Unemployment, bank rates on short-term business loans, labor cost per unit of output in manufacturing, and new capital appropriations are considered key lagging indicators.

Obviously, the group which is supposed to have the most predictive value is the group of leading indicators. The Commerce Department compiles the monthly, "Composite Index of Leading Indicators," a widely followed statistic. Just how reliable is it?

The index's lead time in signalling the onset of recessions has ranged from four months to nearly two years, which makes it a shaky guide for anyone trying to plan for economic swings.

The index's performance in calling the upturns is only marginally better. On several occasions, it has signalled booms or busts which never materialized.

Statistical indicators, regardless of their category, often have substantial inherent weaknesses. Many of those weaknesses are akin to those described above with regard to GNP, itself viewed as "roughly coincident" to the business cycle.

* * * * *

Assuming it possible to assemble accurate statistics which indicate what they are supposed to and do not require later revision, we might have a sketchy picture of where "the economy was or perhaps where it presently is. But we still couldn't say for certain, based on the figures, where it is heading.

EDUCATED SPECULATION

Having said all that, it nonetheless stands to reason that if we are to be able to say anything at all about the economic future, we probably should know something about the economic present and past. That's where reliable statistics might play some part, not as a basis for simple trend projection, but merely as descriptions of economic activity already behind us or underway. Even the finest and most accurate statistics, though, should only be ingredients in a more fundamental approach now to be examined. For want of a more descriptive title, I shall call it Educated Speculation.

This approach is characterized by the following:

1. A clear recognition of the uncertainty of the future with no "leaps of logic" or mindless extrapolations.

[5] See p. xii of Garrison's Foreword to *National Income Statistics* by Oskar Morgenstern, Cato paper No. 15 (San Francisco: Cato Institute, 1979).

[8] Henry Hazlitt, "The Failure of the 'New Economics'" (Princeton, N.J.: D. Van Nostrand Company, Inc., 1959), p. 99.

[9] Mises, p. 118.

2. Careful use of only the most meaningful statistics, understanding all of the limitations of such aggregates discussed above. This implies a task of "de-aggregating" aggregates—of analyzing economic activity as it results from acting decision-making, welfare-maximizing individuals.

3. A sound understanding of basic economic principles and of the political process.

4. A thorough grasp of the causes and consequences of the business cycle.

With these tools, an economist can proceed to say something about the future and have some reasonable grounds for saying it. He still must be wary, though, of how far he can go. Brian McAndrew, writing in the Cato Institute's Policy Report for November 1981, clarifies this point:

"If forecasters recognized the limitations of economic theory and empirical information, they would realize that the most an economist can hope to do is explain the likely consequences of different policies. An economist can show, for instance, that a minimum wage tends to cause unemployment because it alters supply and demand conditions in the labor market. An economist cannot say exactly when, where, and by how much unemployment will rise (i.e., he cannot forecast the unemployment rate), but he can say that if a minimum wage law is instituted unemployment will tend to increase. In addition, he can, by combining theory with empirical information, get a rough idea of the amount of unemployment caused by the minimum wage at different times in the past, but he cannot say what this amount will be in the future."[10]

THE AUSTRIAN THEORY

In this world of radical interventionism, correct business cycle theory is crucial to our ability to say anything about the future. Cycle theories abound, but the one which fully integrates an explanation of the cycle and its features with an analysis of the entire economic system is known in various circles as the "Austrian malinvestment theory."

Propounded first by Ludwig von Mises and later enlarged by Nobel laureate Friedrich von Hayek, the Austrian theory holds that the source of the cycle lies in money and credit expansion orchestrated by central authorities and proceeds to explain its effects. It is the theory which enabled Mises during the subtle inflation of the 1920s to warn of a coming depression. Few believed him until it happened. I direct the interested reader to more detailed accounts found in the works of Mises, Hayek, and Rothbard.

In the final analysis, the art of entrepreneurship is the art of "educated speculation." It is upon the shoulders of the entrepreneur in the market economy that the burden of "educated speculation" rests. For him, it is, in the words of Rothbard, "a matter of intuition, 'hunch,' and deep insight into the slice of the market that the entrepreneur knows and is dealing with."[11] Entrepreneurship remains a vital, creative talent which economists would do well to spend more time examining. (See two works by Israel M. Kirzner: Competition and Entrepreneurship and Perception, Opportunity, and Profit.)

"Educated speculation," as I have termed it, is really economics brought down to earth. It may not be as fancy as econometrics or GNP modeling, but neither is it as pretentious. It says simply that an economist should be an economist, not an aspiring prophet.

The reader who began this essay hoping to discover a crystal ball may be disappointed that I have really offered nothing of the kind. Instead, what I have attempted to show is that much of what is commonly referred to today as "economic forecasting" goes far beyond the real abilities of economists to predict the future. Rothbard offers us this sobering reflection:

"As Ludwig von Mises used to point out to those who were tempted to succumb to the razzle-dazzle of economic forecasting: If someone were really able to forecast the economic future, he wouldn't be wasting his time putting out market letters or econometric models. He'd be busy making several trillion dollars forecasting the stock and commodity markets. Let it be a reminder to anyone tempted to partake of, or give credence to, this modern form of soothsaying."[12]

[10] Brian McAndrew, "The Failure of Econometric Forecasting," *Policy Report*, November 1981, p. 6.

[11] See p. xi of Rothbard's Foreword to Ramsey's *Economic Forecasting.*

[12] *Ibid.*, p. xii.●

READAGAN AND GRAIN

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. HERTEL of Michigan. Mr. Speaker, 17 months ago when martial law was declared in Poland, I introduced a measure to stop U.S. grain sales to Russia. At the time the United States had to make a strong statement condemning the Soviet's actions, and I felt a grain embargo was the best way to make that statement. Unfortunately, this idea was never adopted.

Over the months the tension in Poland has eased only slightly. It is disappointing to watch the President prepare for grain sales to Russia when the United States should be taking firm action against the Soviets. I am submitting an editorial from the Detroit News about President Reagan's decision to negotiate a grain agreement with the Soviets.

The article follows:

REAGAN AND GRAIN

President Reagan's decision to negotiate a long-term grain agreement with the Soviet Union should strengthen his standing in the farm states, but it does zilch for his credibility.

Last year, you my recall, he banned further grain negotiations until such time as the Polish situation improved. It was hypocritical, he reasoned, to feed the Soviets while their stooges in Warsaw were tightening the screws on the Poles.

Now, the president is suddenly amenable to a grain deal with the Soviets because it's "consistent with United States agricultural export policy and reflects our commitment to re-establish the United States as a reliable supplier."

Why the turnaround?

It's certainly not because things are any better for the Polish people. Gen. Jaruzelski's troops still patrol the streets, Solidarity is outlawed, selected activists stand trial while hundreds more languish in concentration camps, and the secret police jerk Lech Walesa around like a monkey on a string.

Nor has the Kremlin's foreign policy mellowed in recent months. To the contrary, Russian forces still ravage Afghanistan, Soviet surrogates are active in Africa and the Middle East, and Communist arms shipments to Central America continue apace.

Thus, we can only conclude that Mr. Reagan's move represents the triumph of political expediency over principle—a principle that has become particularly burdensome to him as he ponders the prospects for a second term.●

NATIONAL PUBLIC RADIO

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. MINETA. Mr. Speaker, we have all watched over the last several years as National Public Radio has established itself as an important and influential outlet for some of the most insightful and perceptive reporting available from any source.

NPR is truly broadcast journalism at its finest.

Yet now NPR faces the difficult challenge of surviving fiscal problems of enormous difficulty. The Los Angeles Times has today editorialized in support of NPR, and I call my colleagues' attention to that editorial.

I hope that the new management of NPR understands the depth of public support for NPR and finds a vehicle to enable all of us who listen to and believe in NPR to contribute to its continued existence as a strong and viable journalistic force for many years to come.

The editorial follows:

[From the Los Angeles Times, May 25, 1983]

TIDING THEM OVER

National Public Radio is many things—classical music, opera and jazz, drama, reruns of old comedy and first-runs of new comedy. But for about 8 million listeners it is first of all an evening news program called "All Things Considered" and a morning program appropriately known as "Morning Edition."

Recently the public network, whose reporters add analysts do such a splendid job of squeezing some sense out of the human condition, has had trouble making ends meet. There is a lot of second-guessing about what, or who, went wrong. But with valued old friends like these, what you really want to know is how much they need to tide them over.

"All Things Considered" was the first of the network's news programs, and it promptly set such lofty new standards for radio journalism that to this day only public radio comes close to meeting them.

Public radio's news operations have grown since "All Things Considered" went on the air in 1971. The show no longer offers just a sanctuary on a shoestring from the bell-ringing, pan-banging school of radio journalism but comprehensive accounts of the whole world's day as well. The show's curi-

osity has no limits. It can go from a superbly rich examination of American politics to advice on what to do if a Gila monster bites you.

A loss of some federal grants, the recession that made it difficult to replace those grants with private funds, and new ventures that did not pan out have left public radio $6 million in the red. To cover the loss, new management is looking first at spending cuts. That approach is defended, in part, on the ground that trimming both staff and budget would force producers and reporters to be as innovative and refreshingly different as they were in the old days when creativity was all that they could afford.

Another view, understandably held by many of the staff at public radio, is that the larger staff and budget have not stifled innovation but have made it possible to be innovative about many more things.

The staff wants to make an open appeal for contributions to support news operations at present levels. Many local stations resist the idea, arguing that such an appeal would skim off money that they would otherwise get during their own fund-raisers. That argument overlooks the fact that most contributors mail checks to local stations precisely because of the high quality of public radio news.

We think that the new management should try a fund-raiser. Our guess is that there are several million listeners who care less about what went wrong at National Public Radio than about how much the valued old friends need to tide them over.●

TOLLESON UNION HIGH SCHOOL 1983 ARIZONA STATE CHAMPION DRILL TEAM

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. STUMP. Mr. Speaker, I would like to take this opportunity to congratulate, and bring to the attention of my colleagues, the 1983 Arizona State Champion Male and Female Drill Team, MCJROTC, from Tolleson Union High School, Tolleson, Ariz.

In this year's "Black Jack" Pershing Meet at Arizona State University, the Tolleson Male and Female Drill Team won the sweepstakes trophies for competition with and without arms. Their outstanding performances topped those of 25 other teams. They have been State champions for 7 of the past 10 years, and are in the top 10 of naval honor schools. Recently, they were invited to compete in the National High School Drill Team Championship, 1983, in Orlando, Fla.

Their success is not only a reflection of their abilities, but also a reflection of the dedication of their instructors and their community. I take great pride in the interest and abilities the drill team has shown, and highly commend the students, their instructors, and the parents alike.

Active participation in American traditions and institutions is a good habit which needs nurturing early in life, because the freedoms all Americans cherish demand the dedicated spirit of each new generation. These young men and women exemplify what I believe is the great majority of American youth; a group which is rarely recognized by the media. They are demonstrating a desire to participate which their generation will need to take on the duties and responsibilities that accompany freedom. That is why we should congratulate and encourage their efforts today.

I am certain my colleagues will join me in honoring these patriotic young people and encouraging their continued expression of that patriotism.

Thank you, Mr. Speaker.●

IDA HONOROF—OUTSTANDING CITIZEN HONORED

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. DYMALLY. Mr. Speaker, I would like to call the attention of my colleagues to a remarkably dedicated woman who is an outstanding example of commitment to our democratic process. Ms. Ida Honorof, from Lynwood, Calif., has spent a career as an advocate on the public behalf. Her special interest has been in the area of proper nutrition, and nutritionally related health problems. She has been a leader in the fight to moderate the consumption of junk foods, and in the difficult struggle to keep dangerous herbicides and pesticides from finding their way into the foods we eat.

She has been selected by the National Nutritional Foods Association to receive their highly coveted and prestigious Rachel Carson Memorial Award for 1983. It will be presented at the 45th annual convention of the NNFA to be held this year in Denver, Colo., on Monday, July 25, 1983. In recognition of her achievements the Lynwood Journal of April 20, 1983, praised her work. This article was preceded by a March 28 commentary on her achievements on KABC-TV by former Los Angeles County Supervisor Baxter Ward. I think the concern for others which has been demonstrated by Ida Honorof deserves wide recognition and emulation. I, therefore, submit for the record the texts of the March 28 and April 20 commentaries on Ms. Honorof and her work:

[From the Lynwood Journal, April 20]

FOR FIGHTING JUNK FOODS AND PESTICIDES LYNWOOD "ACTIVIST" WINS U.S. HONOR

The National Nutritional Foods Association has singled out a Lynwood consumer activist as the recipient of the highly coveted "Rachel Carson Memorial Award" for 1983. Ida Honorof will be honored during the NNFA's 45th annual convention in Denver, Colorado on July 25. The NNFA forwarded a news release concerning the award stating, "It is being presented (to Honorof) in keeping with the spirit and accomplishments of Rachel Carson, world renowned author of 'Silent Spring,' to a person from outside the health/natural foods industry. It stands for outstanding contributions to the protection of the environment, nutrition information, health freedom and/or generally improving the quality of life."

In choosing Ida Honorof, the Award committee clearly recognized that Honorof ideally projected the principles of Rachel Carson. In her daily work, Honorof best represents Carson's goals and ideals. Honorof is of impeccable integrity and exhibits commendable courage against the "most powerful adversaries" including the junk food and pesticide cartels. Honorof is the recipient of many awards for her "untiring and relentless efforts to protect the consumer". In 1973, the Associated Press presented her their First Prize Award for Investigative Reporting, for exposing one of the largest pesticide food contamination scandals. Cal Werner, CAPTRA News editor, wrote: "Ms. Honorof continues to take on government agencies, and anything else, in her partisan fight for the consumer".

Honorof's Newsletter, Report to the Consumer, reaches thousands of consumers and lawmakers in the United States and around the world. She hosts "Consumer Awareness" on radio station KPFK at 5 P.M. on the second and fourth Mondays of each month, and is a most aggressive health freedom advocate.

She is credited with leadership in getting diethylstilbestrol (DES) banned from use in animal protein meant for the kitchen tables. Honorof also is credited with saving thousands of lives during the "Swine-Flu campaign, is a leading figure in keeping fluoridation out of California; the organizer of a 'Committee Against Home-Front Chemical Warfare'; 'Citizens Concerned with Toxic Pesticides' and is co-author of 'Vaccination—The Silent Killer—A Clear and Present Danger' ". Currently, the Lynwood resident has organized and is the chairperson of "Save Our National Forests".

[From Baxter Ward Commentary, KABC-TV News, March 28]

In the mid-seventies, the L. A. County Board of Supervisors were given the following information in a formal report from senior members of the county staff: "Herbicides which produce toxic dioxins have not been used by the Forest Service in 1973, 1974, or to date in 1975. This is confirmed by use permits to the Forest Service, and (by) the County Monitoring Program, which has discovered no trace of dioxin in any of the 250 samples of soil, water, and air examined in the County Pesticide Laboratory over the past 12 months". That same formal report to the supervisors contained this additional assurance: "Besides studying soil, water, and air, authorities also examined wildlife and found no trace of dioxin or certain other dangerous chemicals in tests of horses, rabbits, coyotes, squirrels, deer or fish."

This information was submitted to the Board because a dispute had arisen regarding a proposal on September 2d 1975 that they give $90,000 to the U.S. Forest Service, to conduct a spraying program in the Angeles National Forest. The spraying had been conducted under the same arrangement for several years in the past. But a fuss had been kicked up by a lady named Ida Honorof. She is a consumer advocate, specializing in environmental issues. She was aware

that dioxin had been banned for military uses by the U.S. Surgeon General, back in 1970. A $3.5 million bionetics study by the federal government showed these herbicides caused cancer, birth deformities and genetic damage. Despite these cautions, Ms. Honorof charged the county still was financing a type of the kind of spraying that was so dangerous in Vietnam. And she insisted that residues of the spray would be dangerous to everyone—especially expectant mothers and all women of child-bearing age.

The issue dragged on until October 30th of that year. As Acting Board Chairman that date, I asked that Ms. Honorof meet immediately with top county staff members, to see if her charges were substantial. It developed that the information given the Board about the dioxin being not found in tests—was simply because the county had no facilities with which to test for dioxin. A senior medical official for the county tried to explain this away with this suggestion: "It was an honest mistake." They weren't able to test for dioxin, and so they didn't find any.

Then what about the animal tests? Come to find out—the animals were not from the Angeles Forest. The rabbits, for example, were from Long Beach and Downey, the coyotes from Malibu and the Antelope Valley plus a lion from Lion County Safari. Ms. Honorof and the county officials agreed the supervisors should be advised to request dioxin monitoring equipment from the EPA. That advice never was relayed to the Board of Supervisors. Ms. Honorof's long-standing warnings went largely unheeded. Also unheeded was a remarkable warning from the manufacturer of one of the dangerous chemicals used in the Angeles Forest. On the lable, it clearly said, "Do Not Use In Recreational Areas."●

NEW COURSE FOR EPA?

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. SIKORSKI. Mr. Speaker, the following editorial appeared in the St. Paul Pioneer Press on May 23, 1983. It highlights the fact that President Reagan is finally realizing the dangers of acid rain and the need for a quick, thorough clean-up of hazardous waste sites and also the tough challenges that face William Ruckelshaus in his new capacity as administrator of the EPA.

NEW COURSE FOR EPA?

President Reagan's speech at the swearing-in ceremony for William Ruckelshaus as the new Environmental Protection Agency administrator is the strongest anti-pollution statement the president has made since he took office.

Mr. Reagan urged Mr. Ruckelshaus to tackle the issue of acid rain "head on" and to seek an early compromise with state officials, Congress and the Canadian government on control of the problem. The president also advised the new EPA administrator to "accelerate efforts" to clean up abandoned hazardous waste sites and to ensure that the public's health is not endangered by "bureaucratic snafus or legal disputes" surrounding the program.

The president's tone was far different from earlier statements. He has repeatedly argued for a delay in federal action to curb acid rain while more research is conducted and has stoutly defended the EPA's floundering cleanup efforts in the face of mounting criticism from Congress and the public.

If Mr. Reagan was speaking from conviction and not mere political expediency, the nation can expect a welcome change in the administration's attitude toward environmental cleanup. Such a change would be of great help to Mr. Ruckelshaus as he sets about the task of reviving the EPA. He must solve myriad problems left behind by his predecessor, Anne Burford, who displayed little interest in environmental protection and little ability as an administrator.

One of Mr. Ruckelshaus' top priorities will be the filling of key jobs in the agency. More than a dozen of the EPA's top policy makers either resigned or were fired during the turmoil in March. The people he chooses will be early indicators of how serious he and the president are about getting the EPA back on track.

Another indicator will be Mr. Ruckelshaus' budget request. Since the Reagan administration took over, the EPA budget has been reduced by 35 percent and the number of employees has been reduced from more than 14,000 in January 1981 to 11,500 at the end of 1982. A continuation of this pattern will leave Mr. Ruckelshaus presiding over an agency that lacks the personnel and resources to carry out its responsibilities.

Mr. Ruckelshaus' biggest challenge will be to reverse the administration's policy of seeking legislative changes to weaken environmental standards. The timing of his appointment is such that he will have little opportunity to develop a legislative program for the current session of Congress. Perhaps the best he can do is prevent the old Burford-Reagan program from becoming law.●

EXPANDING ALCOHOL FUELS PRODUCTION

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. DORGAN. Mr. Speaker, I am introducing a bill (H.R. 3101) which allows the Secretary of Agriculture to guarantee, in kind, contracts made by farmers to supply grain to manufacturers of liquid fuels. My colleagues, Mr. DASCHLE, Mr. ROBERTS, and Mrs. SMITH of Nebraska, have joined me in this important effort.

Our bill clarifies the intent of the Surplus Commodities Disposal Act of 1982, which sought to expand farm markets and to boost the production of alcohol fuels. Alcohol fuels are used as environmentally safe octane enhancers in gasoline in place of lead. They also serve as fuel extenders when mixed with gasoline to form gasohol.

After the two oil price shocks of the seventies, we recognized the need to reduce our imports of foreign oil and to increase our production of domestic energy sources. We also realized that we must expand our alcohol fuels production to remain competitive with foreign producers. At the same time, Congress passed laws to reduce the lead content in gasoline to protect our citizens and the environment.

A strong alcohol fuels program could help meet all three goals. However, our performance has not matched our plans.

For example, in January 1983, the demand for alcohol fuels was 187-percent greater than it was in January 1982. Nationwide in 1983 there will be estimated sales of about 3.5 billion gallons of gasohol compared to 2.2 billion gallons in 1982. Some experts expect the demand for alcohol equivalent fuels alone to hit 18 to 22 billion gallons by 1990, with demand far outstripping supply.

Meanwhile, the Department of Energy's research and development program for alcohol fuels has been sharply cut. From $22 million in 1980, funding fell to $10 million this year. Future funding for the USDA loan guarantee program for a alcohol fuel projects also remains in question. Hence, we need a new approach to stimulate alcohol fuels production.

Our bill addresses the need to expand alcohol fuels production, but it does so without creating a new Federal program. It does not require the Secretary of Agriculture to guarantee loans nor mandate that Congress appropriate Federal funds.

What the bill does is authorize the Secretary to stand behind the ironclad contracts, or grower agreements, which farmers make with liquid fuels manufacturers.

For example, if a drought made it impossible for farmers to deliver grain the Secretary of Agriculture could step in to provide that grain. Before doing so, the Secretary would establish the process by which farmers would fully repay the USDA in cash or in kind, for all costs incurred.

Without such a guarantee, some commercial banks might hesitate to finance excellent projects for alcohol fuel production because they lack experience in working with the farm community. Projects of this scale simply exceed the financial capacity of most local banks which customarily finance farmers and agricultural projects.

My colleagues and I are confident that no shortfall of deliveries will occur under these agreements. But if there is, the USDA can fulfill the contract and then receive reimbursement from the farmers. This will insure a stable supply of feed stocks to the manufacturer of liquid fuels and thereby reassure potential investors in such projects.

I reiterate that this bill does not guarantee loans, require appropriations, or force the Secretary to back up any contract unless he choses to do

so. It merely clarifies the intent of a 1982 law in order to meet a national need of increased alcohol fuels production.

The text of H.R. 3101 follows:

H.R. 3101

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 423 of the Agricultural Act of 1949 (7 U.S.C. 1433b) is amended by—

(1) redesignating subsection (c) as subsection (d); and

(2) inserting after subsection (b) the following new subsection:

"(c)(1) The Secretary may guarantee, in kind, contracts for the delivery of agricultural commodities produced in the United States which are made between producers of such agricultural commodities and manufacturers of liquid fuels in the United States.

"(2) If the Secretary performs under such guarantee, the Secretary shall require that such producers reimburse the Secretary in cash or in kind, as the Secretary may specify, in an amount equal to the value (as of the date of such performance) of the commodities delivered by the Secretary and the costs directly associated with such performance.".●

CHOOSING SIDES IN NICARAGUA

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. LIVINGSTON. Mr. Speaker, a recent editorial in the New Orleans Times-Picayune/States-Item has noted that the Nicaraguan Democratic Force opposing the Sandinista regime is a broad-spectrum coalition of many different elements. These freedom fighters are by no means all Somocistas.

I commend the editorial to my colleagues.

The editorial follows:

[From the New Orleans Times-Picayune/States-Item, May 19, 1983]

CHOOSING SIDES IN NICARAGUA

Top members of the Nicaraguan Democratic Force, the largest of several groups fighting the Sandinista regime in Nicaragua, are touring the United States to compete with the well organized and fully publicized campaign of Sandinistas and their sympathizers for popular and diplomatic support. The anti-Sandinistas suffer handicaps, but they have strengths that should receive support here.

One handicap that is also a strength is that, unlike the communist-style order and discipline of the Sandinistas, the "contras" are a collection of many elements. The Democratic Force is a broad-spectrum coalition; the other major anti-Sandinista group is rallied around Eden Pastor, the Sandinista hero "Captain Zero" who accuses the Sandinistas of betraying their own revolution. The two operate at different ends of the country and have been unable to agree on a unified command.

It is, in fact, the contras who are continuing the real Nicaraguan revolution to establish a free, pluralist democracy, while it is the Sandinistas who are attempting to sidetrack it into their own Marxist-Leninist dictatorship.

It is odd that the question of supporting such groups should be so bitterly debated in the United States. The Reagan administration has had to spend an inordinate amount of time and effort to get money from Congress to help them, and the subject of "covert" support has brought an uproar to the congressional intelligence oversight committees.

The distinction opponents of support for the contras require the public to make is interesting. It was, we are to believe, proper—even morally imperative—for us to support the rebels against a Somoza regime that was morally insupportable but no direct threat to U.S. international interests. But now it is improper—even immoral—for us to support rebels against a Sandinista regime that is allied with Cuba and the Soviet Union, actively opposed to U.S. interests and helping supply brother rebels throughout Central America.●

A SALUTE TO REV. DR. H. HUDSON BOBBITT ON HIS 50TH ANNIVERSARY

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. GUARINI. Mr. Speaker, an outstanding clergyman is observing his 50th anniversary serving in the ministry of the Lord. Rev. Dr. H. Hudson Bobbitt, pastor of Salem Baptist Church, is being honored at an anniversary celebration and banquet to be held at the Meadowlands Hilton, Secaucus, N.J., on Sunday, May 29, 1983.

It is my privilege to extend congratulations to him, his wife, Gladys Sidwell Bobbitt, and to the parishioners of Salem Baptist Church, who have done an outstanding job of serving God and man for many, many years.

Fifteen years ago the Reverend Bobbitt was called to the pastorate of the Salem Baptist Church in Jersey City, N.J.

A native of St. Paul, N.C., he entered the ministry at the age of 12 and preached his first sermon at the age of 13.

This year marks his 50th year in the ministry, which includes the pastoring of churches in North Carolina, Virginia, and Maryland before coming to New Jersey in 1968.

He graduated from Red Stone High School in Lumberton, continued his studies at Fayetteville State Teachers' College and Shaw University, all of North Carolina. He received the degrees of bachelor of arts, bachelor of divinity, master of divinity, and doctor of divinity from Virginia Seminary and College in Lynchburg, Va.

The Salem Baptist Church and Jersey City, N.J., have been enriched through the many programs and activities of the Reverend Dr. Bobbitt's pastorate. These include not only the renovation of the interior and exterior of the church facilities, but also the physical development and improvement of the neighborhood; 184 units of church-sponsored housing for the community are the fruits of labor of the Salem Baptist Church in conjunction with the Claremont Lafayette Presbyterian Church in the area. The Salem Accredited Nursery School services the children of working parents of the community with fundamental educational training along with transportation facilities available for those who need it. The Salem Community Center and parking lot provide a place for recreational and dining facilities for community and church-related activities.

Through Reverend Bobbitt's efforts the Opportunities Industrialization Center was established in Jersey City to help satisfy the educational needs of the adult community. In 1975 he was elected president of the New Jersey State Council of OIC—the job training organization founded by the Reverend Leon Sullivan in Philadelphia originally and later in many cities of the Nations.

The Reverend Dr. Bobbitt is an actively supporting member of the local branch of the NAACP, the Interdenominational Ministerial Alliance of Jersey City and Vicinity—in which he has served as president, and is a former member of the Board of Directors of Jersey City Meals-on-Wheels, He is a recent recipient of the United Negro College Fund Award for a generous contribution by the Salem Church to the fundraising telethon.

The community, the State and the Nation have been richly blessed by the many-faceted activities and programs that this man of God has implemented and continues to encourage and support for the betterment of mankind everywhere.

Ministering to the sick, the needy, and the bereaved of the parish does not diminish his concern and efforts in behalf of others in the community. The scope of his involvement truly merits the gala anniversary celebration and banquet.

The parishioners are equally proud of Mrs. Gladys Sidwell Bobbitt, wife of Reverend Bobbitt, who deservedly bears the title "First Lady of Salem Baptist Church" as she also is making her mark of service to the church and community.

A native of Covington, Ga., her early education was completed in Atlanta, Ga., and Norfolk, Va. She attended Virginia State College and graduated cum laude from Clark College in Atlanta, with a bachelor of arts degree in the social sciences. From Morgan State, she earned a master of science degree in history and social sciences and recently from Jersey City State

College received a master of arts degree in student personnel services-guidance.

Mrs. Bobbitt is an active participant in the activities of the church, serving as church school teacher, member and soloist in the temple choir, and member and officer of the Courtesy Guild.

In the community, she is an active member and past president of the Interdenominational Ministerial Wives of Jersey City and Vicinity, a member of the Alpha Kappa Alpha Sorority, Inc., Beta Alpha Omega Chapter, and member of the Jersey City Branch NAACP.

She is presently employed as assistant director of operations of the Corporation for Employment and Training in Jersey City. She has taught in the school systems of Norfolk, Va., and Jersey City, N.J. She was also employed as a social worker with the Welfare Department in Baltimore, Md.

Counseling and assisting in the development of individuals both in the economic and religious world are a very natural and gracious highlight of her life.

Mrs. Bobbitt is also on the advisory board for adult education for the Jersey City Board of Education.

Reverend Bobbitt has done so much for the people of the 14th District. He has worked beyond the needs required by his church and has been involved in helping alleviate community problems and improving the quality of life for all people. He has accepted the challenge to provide help, inspiration, opportunity, friendship, advice, and guidance.

Ralph Waldo Emerson said:

> Abraham Lincoln was at home and welcome with the humblest, and with a spirit that commanded the admiration of the wisest. His heart was as great as the world but there was no room in it to hold the memory of a wrong.

Reverend Bobbitt has walked in the steps of Abraham Lincoln as well as the Lord.●

MSGR. MICHAEL A. DRAVECKY, 50 YEARS OF SERVICE

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. GAYDOS. Mr. Speaker, on June 18, 1933, a young man from Munhall, Pa., took his priestly vows at St. Vicent's College in Latrobe, Pa., and embarked upon a career of pastoral service to thousands of people in western Pennsylvania.

Next month that priest—now Msgr. Michael A. Dravecky—will mark the 50th anniversary of his ordination into the service of God. A mass commemorating the occasion will be celebrated at 2 p.m., Sunday, June 12, at Holy Trinity Church in McKeesport, one of several parishes Father Dravecky has served over the past half-century.

Following the mass, the Holy Trinity Parish Council has scheduled a reception in Elks Lodge 136 where friends, fellow priests, church dignitaries, and local officials will extend their personal congratulations to this spiritual leader so loved by so many.

Father Dravecky's first assignment, after ordination, was to relieve the pastor of a church in Old Madison, Westmoreland County, who was on sick leave. Later, on April 6, 1934, he was named assistant pastor at St. Michael's Church in Braddock. He served there with Father A. Kasincy for 2 years before assuming the pastorate of Seven Dolors Church in Yukon, Pa.

On March 19, 1947, Father Dravecky moved to St. Joseph's Church in West Aliquippa and was pastor there for 15 years before being assigned to Holy Trinity Church in Duquesne. A year later, July 2, 1963, he assumed similar duties at Holy Trinity in McKeesport.

During his 11-year stay in the McKeesport church, Father Dravecky undertook a large-scale remodeling program. The school building was renovated and a new kitchen and cafeteria installed. The sanctuary of the church was completely redone.

Declining enrollment in the school system also brought about major changes. Holy Trinity's grade school was merged with St. Mary's and the Holy Trinity building was pressed into service as a temporary high school—the forerunner of the present Serra District High School.

In 1967, Father Dravecky was appointed dean of the South Central Deanery, and on May 12, 1968, was invested as a monsignor by Bishop John J. Wright of the Pittsburgh Diocese.

Monsignor Dravecky left Holy Trinity in May 1976, transferring to St. Barnabas' in Swissvale where he served until his retirement from the active ministry in 1982.

Monsignor Dravecky, a son of the late Michael and Elizabeth Toth Dravecky, was one of five children. A brother, John, resides in Churchill Borough, Pa.; another brother, George, lives in Fort Lauderdale, Fla.; a sister, Sister Angeline, is a Vincentian Sister of Charity; and another sister, Helen, is deceased.

Mr. Speaker, on behalf of my colleagues in the Congress of the United States, I would like to extend our congratulations to Monsignor Dravecky on this memorable milestone in his life and wish him health and happiness for years to come.●

IN SUPPORT OF HOUSE JOINT RESOLUTION 226

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. PEPPER. Mr. Speaker, today I am stating that Mr. FRENZEL was inadvertently omitted from the list of cosponsors who joined me in supporting House Joint Resolution 226, designating the week of May 22 through May 28, 1983, as "National Digestive Disease Awareness Week." I apologize for the omission and I thank him very much for his support.●

NEW YORK CITY CONSUMER AFFAIRS DEPARTMENT'S VIEWS ON NATURAL GAS LEGISLATION

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. ADDABBO. Mr. Speaker, consumers in Metropolitan New York, as well as in other parts of the country, have been hard hit by rising natural gas prices. Last March, in introducing H.R. 1752, the Natural Gas Policy Act Amendments of 1983, I put before my colleagues a measure which would give consumers quantifiable price relief and yet maintain the natural gas industry's flexibility to respond to supply demands of the future. Though a variety of studies have appeared in recent days analyzing the many bills and proposals under consideration in the House, I always feel that the most meaningful assessments often come from those who are closely attuned to the people back home.

This week, I received a letter from the New York City Department of Consumer Affairs, compiled after long and careful study of natural gas legislation and the effects various proposals would have on consumers in New York City. The department, headed by Commissioner Simon P. Gourdine, understanding that protection for the consumer also includes taking the needs of all segments of the industry into account, concluded that H.R. 1752 is a comprehensive and sound approach to a difficult problem and supports it above all other proposals before Congress.

H.R. 1752 will save New York City consumers $560 million the first year, with additional savings later on. Other areas of the country will benefit similarly. Since I know my colleagues are extremely interested in the natural gas debate I reprint the commissioner's letter here for their study.

DEPARTMENT OF CONSUMER AFFAIRS,
New York, N.Y., May 19, 1983.

Hon. JOSEPH P. ADDABBO,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN ADDABBO: On behalf of the New York City Department of Consumer Affairs, I would like to express my strong support for your proposed amendment to the Natural Gas Policy Act of 1978 (NGPA). Of all such proposals before Congress, H.R. 1752 offers the greatest amount of consumer protection and best addresses the market conditions and pricing contracts which have driven natural gas prices upward at a time when supplies are ample. H.R. 1752 will save New York City consumers approximately $560 million in its initial year, with even greater annual savings resulting from the proposed market and contract corrections in later years.

New York City and its residents are major consumers of natural gas. Approximately 2.8 million of its households together use more than 239 million mfc of natural gas annually for heating and cooking purposes. Businesses and consumers currently spend in excess of $1.2 billion per year to purchase natural gas in New York City. Any substantial change in the NGPA will have a profound effect on New York City consumers.

The natural gas market is in disarray: consumers are paying increasingly high prices despite abundant supplies; deep expensive contracted gas is being produced while shallow cheap gas is being left in the ground; and the market is losing incentive for increased production and exploration. Any legislative proposal aimed at correcting these problems, securing adequate long-term supplies and maintaining reasonable prices, must do three things: first, it must maintain an orderly transition to full decontrol as planned under the NGPA; second, it must in some way continue to regulate the market to assure consumers that prices will be fair and reasonable; and third, it must attempt to place the natural gas industry in a free market environment as a part of the nation's larger market-oriented energy policy so that scarce investment capital is allocated efficiently.

H.R. 1752 satisfies all three criteria. It insures a smooth transition of full market pricing by maintaining the NGPA schedule for phased decontrol of certain new gas supplies. It assures consumers that prices will be fair and reasonable by not deregulating old gas. And, it allows prices to begin to reflect actual costs by voiding all inflationary contract provisions and by limiting "take or pay" requirements. H.R. 1752 also starts to move the natural gas industry into a free market environment by encouraging true negotiation of contracts between pipelines and producers.

Specifically, H.R. 1752 will repeal the NGPA ceiling price adjustor for new gas and void all indefinite price escalators, both of which have caused prices only to rise and negated any downward influence in the market. The bill provides a market out clause for all contacts for the purchase of new gas and limits all "take or pay" provisions to 50 percent. These proposed amendments will allow supply and demand signals to more accurately set the market value of natural gas. Other important proposals in H.R. 1752 include an amendment to require the Federal Energy Regulatory Commission (FERC) to conduct a tariff study on all minimum charges; a five-cent per mmbtu profit incentive for interstate pipeline transportation service; and a requirement that all contracts be filed with FERC and made available to the public. Finally, H.R. 1752 does not repeal the current power of the President or Congress to impose controls on the natural gas market.

In addition, H.R. 1752 will provide immediate price relief by reversing FERC's rulings on production related allowances and btu gas measurement, and by requiring specific contract authority to change NGPA ceiling prices. These additional proposals will result in an initial annual saving of approximately $200 for each residential customer in New York City.

In sharp contrast to H.R. 1752 is the Adminstration's proposal. While S. 615 will clearly place the gas industry in a deregulated free market, it will do so at the expense of consumers and businesses alike.

The Administration's bill would deregulate the price of all natural gas; old gas contracts would be cancelled by November, 1984 and the remaining controls on all gas lifted by 1986, with incentives to renegotiate contracts up to those dates. In order to encourage the renegotiation of contracts, S. 615 includes a market out provision which would allow either party to cancel any contract not renegotiated by January 1985. The proposal also would repeal the President's or Congress's current ability to impose controls on natural gas.

Under S. 615, pipeline companies would be prohibited from automatically passing on price increases of an amount greater than the preenactment price, plus inflation. However, if a pipeline company wanted a higher price, it could appeal to FERC for approval. In those requests, FERC would have to consider the availability of lower priced gas and the pipeline's need to acquire this gas for existing customers. Under S. 615, producers will be free to cancel old gas contracts after November 1984, and in the interim it can be expected that they will offer pipelines an opportunity to renegotiate old gas contracts at a substantially higher price so pipeline companies can avoid the total cancellation after November 1984. It will be these renegotiated higher priced contracts which will form the basis for an appeal to FERC. In other words, there is nothing in S. 615 which sets an absolute inflation price cap on old gas contracts to protect consumers. It merely leaves it up to the discretion of FERC to approve increases—a body which we have seen continually abdicate responsibility to consumers, such as in its production related cost decision, which became effective March 5, 1983.

The Administration's proposal to limit "take or pay" provisions to 70 percent is similarly inadequate. The idea of limiting "take or pay" provisions is commendable; however, 70 percent will clearly not be enough to offset the sharp price increases brought about by the FERC-approved higher rates.

If passed, the Administration's bill would have a detrimental effect on New York City consumers. In order to measure the impact of this proposal, the sales volume and prices of old gas of the three major pipeline suppliers to Consolidated Edison and Brooklyn Union Gas, the City's energy suppliers, were examined. A conservative price measure was used by relying upon the gas price for Section 103 as the basis for the lower range of estimation, and the upper level of estimated increase was premised upon the market clearing price.

For all consumers purchasing gas from Consolidated Edison, the estimated increase would range between $93.6 and $258.7 million, depending upon how high the price of old gas rises. For Brooklyn Union Gas customers, the increase would range between $68.6 million and $190.7 million. The total estimated impact for all consumers in New York City would range between $162.2 million and $449.4 million annually. This works out to a projected annual median increase of approximately $400 per gas consumer in New York City. These increases are for consumers only. When combined with the concomitant increases to business customers, the impact on New York City could be severe. At a time when the Administration is radically reducing emergency energy assistance programs, food stamps, and other social programs targeted for the poor, upon whom these increases would have the greatest impact, it is now proposing a deregulatory policy which would afford little or no consumer protection, vastly increase producer surpluses (windfall profits) and permit the price "spike" that the NGPA was expressly enacted to prevent.

In closing, I would again stress my strong support for H.R. 1752. New York City and its consumers can ill afford the energy bills which would result from the Administration's proposal. The effect on New York City households, particularly low income families, would be severe. The NGPA and the natural gas market need to be corrected, but it must be done in a manner which is fair and reasonable for all. Legislation must reflect the needs of consumers, businesses and the nation alike. At this point in time we cannot afford to sacrifice one for the sake of another. H.R. 1752 is a comprehensive and sound solution to this difficult problem.

Sincerely,

SIMON P. GOURDINE,
Commissioner.●

NATIONAL SCIENCE FOUNDATION

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. HOYER. Mr. Speaker, on May 12, the House adopted the fiscal year 1984 authorization for the National Science Foundation. I voted for that legislation and I would like to take this opportunity, once again, to express the importance of many of the provisions of this bill, which make concrete this Nation's continuing commitment to excellence in scientific research. In this regard, the $50 million authorized to upgrade and modernize science laboratories and equipment represents an urgent and important investment.

Equally important, however, is the fact that the legislation earmarks $15 million for research in the social, behavioral, and information sciences. We have for too long ignored the important contributions of these disciplines and concentrated on the physical and natural sciences alone. Close examination of our productivity problems reveals the sources to be behavorial rather than technological. Indeed,

much of our capital stock consists of human skills and not machinery and equipment.

The National Science Foundation's research programs in the social and behavorial sciences have supported important work in economics, psychology, sociology, political science, anthropology, and linguistics, among other disciplines. Indeed NSF support to a prominent member of the economics faculty at the University of Maryland, Dr. Mancur Olson, helped support the writing of his recent book, the "Rise and Decline of Nations," which offers a new theory to explain rapid changes in economic growth.

I look forward to the swift passage of the authorization in the Senate, and then ultimate approval by the President.●

WILLY LOMAN IN PEKING

HON. GERALD B. H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. SOLOMON. Mr. Speaker, a much needed perspective on Sino-American relations was provided recently in a column by William Safire in the New York Times. Mr. Safire points out quite correctly that it is the Chinese themselves, and not the Reagan administration, who are to blame for the current tensions between our two countries. By relentlessly harping on the Taiwan issue, by loudly demanding changes in U.S. refugee law, and by clumsily courting the Soviet Union, the Chinese have managed to undermine their own interests, however self-serving, in seeking a closer relationship with the United States.

Too often, we hear loud cries from Congress blaming our own country for any setback that occurs in our bilateral relations with other countries. But let us never forget that any substantive relationship is always a two-way street. Mr. Safire makes abundantly clear that the Chinese have been quite a bit less than forthcoming in their dealings with the United States. I ask that the column by William Safire be included at this point in the RECORD.

[From the New York Times, May 9, 1983]

WILLY LOMAN IN PEKING

(By William Safire)

WASHINGTON, May 8—Arthur Miller's "Death of a Salesman," directed by the author and starring Stephen Ying, who translated the play into Chinese, opened in Peking last week.

The tragic hero, Willy Loman, lugs his suitcases filled with false values onstage to dramatize to a new audience that success in life is better measured by the love of a family than the liking of customers.

A question arises: Why, a dozen years after the first talks between Zhou Enlai and Henry Kissinger, have Chinese-American relations progressed so little?

The tendency of Americans is to blame ourselves for the blunders of others. We lash our own backs for being indiscreet about playing the China card against the Russians, or for otherwise offending Chinese sensibilities.

But it was Peking that overplayed its hand that resulted in its loss of leverage in world affairs.

The essence of Zhou Enlai's diplomacy was to induce the nonthreatening American barbarians into standing up to the threatening Soviet barbarians by beginning to cooperate in trade and strategy against Moscow. Already ideologically estranged from the Soviet Union, the Middle Kingdom skillfully exploited America's desire to worry the Russians by establishing a new Chinese-American relationship. Thus, Chou received U.S. help and recognition while demonstrating to Moscow that China could not be intimidated.

But consider the situation today: the new Chinese leaders have lost their international leverage.

In relations with the U.S. after snatching normalization from Mr. Carter at no cost, Peking acted with ill grace toward the further Reagan concessions. To Deng Xiaoping, the Taiwan issue suddenly became more important than the common interest in containing Soviet hegemony. The startling offer by Mr. Reagan in August of 1982 to ultimately cut off all arms sales to Taiwan was met with "not enough" from Peking. Later, visiting Secretary Shultz was pelted with press insults on his departure.

When a young female tennis player; Hu Na, defected, Peking loudly demanded that the U.S. change its fundamental law on refugees; the Reagan men were then forced to react by granting the young woman asylum; in a fit of Peking, China cut off future official cultural exchanges. Not very subtle, and wholly ineffective. The message from Peking was a threat to play their Russian card: If you don't give us everything we want, we'll start dealing with the Russians.

That was blundering. The Soviet leaders might be willing to accommodate Chinese desires by rearranging the disposition of some border troops, but on the matter that affects Chinese-Russian affairs most directly—Vietnam's takeover of China's ally, Cambodia—the Russians will surely stick with their client, Vietnam. That clearly tells the third world, which China would like to lead, that the Chinese cannot get a superpower to lay off one of its neighbors.

This inept bipolar byplay has brought Peking the worst of both worlds. The Russians are not worried that the Chinese will embrace the Americans, and so they go ahead and support Vietnam. At the same time, the Americans are not worried that the Chinese will rapproche with the Russians, and so we theaten to withdrawn from the Asian Development Bank if Peking tries to kick out Taiwan.

Evidently the Chinese leaders are becoming aware of their loss of diplomatic leverage. The Peking Daily is now being published in English, and a flock of press agents has been added to the previously stone-faced Peking ministries. A deft new ambasador has been dispatched to Washington, intelligence cooperation has picked up, a Jeep deal has been signed, and Henry Kissinger was summoned to Peking last month, presumably to establish a front, back or side channel.

Such cosmetics cannot cover up the diplomatic decline when what is really needed is a demonstration of internal stability. The world knows that Deng's recent railing at the U.S. for continuing even a reduced support for Taiwan is evidence of his own internal weakness—Mao and Zhou were never forced to play to the crowds at home on the Taiwan issue.

To recoup, and to regain the position in the world suitable for the government of a billion people, Peking should seek to reassure the Taiwanese, not frighten them by demanding arms cutoffs. China should offer genuine market opportunities to American business, instead of trying to expand the protectionist bureaucracy that stifles investment. It should return to delicacy and subtlety, instead of pursuing the politics of petulance by crassly playing the Russian card.

This is not to suggest that China should take a ride on a smile and a shoeshine. As Willy Loman learned too late, the relationships that count are built on steady accretions of trust and not on the shifting sands of material gain.●

ENTERPRISE ZONES DESERVE A FAIR TRIAL

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. McGRATH. Mr. Speaker, for the past several years, a bipartisan group of Members of Congress has been urging the enactment of legislation to establish urban "enterprise zones." The current version of the enterprise zones legislation, H.R. 1955, introduced by Represenative BARBER CONABLE, currently has more than 140 House cosponsors. I am pleased to be a cosponsor of this legislation.

Mr. Speaker, no one expects enterprise zones to be a panacea for the problems faced by depressed urban areas. However, it does represent an innovative approach to the serious problems faced by our urban areas today, and it deserves a fair hearing.

I am pleased to include in the RECORD a May 23 editorial which appeared in Newsday, the Long Island newspaper, which makes a responsible case for the enterprise zones legislation.

[From Newsday, May 23, 1983]

ENTERPRISE ZONES DESERVE A FAIR TRIAL

The White House got nowhere in Congress last year when it proposed legislation that would grant tax advantages to businesses for setting up shop in low-income areas and employing disadvantaged people.

Now the administration is trying again, with a bill that has been modified to meet some congressional reservations. The Senate is expected to approve it this time, but passage in the House is still considered doubtful.

That's too bad. It's an innovative proposal, relatively inexpensive to implement, and it deserves a trial. If it fails a fair test, Congress can always scrap it later.

The purpose is to encourage establishment of "enterprise zones" where federal tax incentives would encourage businesses to create jobs for the unemployed poor. The

program would require states and localities to put together a package of their own measures to reduce business costs. These packages could include tax cuts, relief from normal regulations, improved local services and citizen-involvement programs.

The enterprise-zone idea has been championed for years by Rep. Jack Kemp (R-Buffalo) and was adopted by Ronald Reagan before his election. With that background and its reliance on private initiative and regulatory relief, the program has "Republican" stamped all over it.

Critics contend that the effectiveness of tax incentives is unproved and that the zones won't do much good. But the program would tie together a novel combination of incentives in a way that hasn't been tried. The administrative expenses are minimal and the White House is asking authorization to grant tax benefits to only 75 zones, so the cost isn't likely to be great.

And it just might work. We hope the House is willing to find out.●

THE GRAND CANYON OF TAX LOOPHOLES

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. DORGAN. Mr. Speaker, I am pleased to join Congressman PICKLE in introducing legislation, H.R. 3110, to slam the door shut on a provision of our tax law that is becoming the Grand Canyon of tax loopholes. The tax loophole I am taking about is ingenious. It is also outrageous. It adds absolutely nothing to our Nation's productivity. Its benefits flow entirely to loophole lawyers and their wealthy clients. Unless this loophole is plugged, and plugged soon, it will cost American taxpayers literally billions and billions of dollars by adding to an already ballooning Federal deficit.

Put simply, our bill would stop tax-exempt organizations and governments from selling tax breaks. But how, one asks, is it possible that organizations that do not pay any taxes to begin with have any tax loopholes to sell? That just does not make any sense.

Well, that is the ingeniousness of this tax loophole. It does not make any sense. But it is happening. All across the country, cities, counties, universities, and Federal agencies are getting into the act through sophisticated and new uses of so-called sale-leaseback and leveraged-leasing transactions. Essentially, what happens is that a tax-exempt entity arranges to have a private group construct a big project, such as a courthouse. The private group, because it pays taxes on its profits, gets to claim a plethora of tax breaks, including accelerated depreciation and investment tax credits in building the courthouse. The tax-exempt agency then leases the courthouse from the private group at a cost that reflects a passthrough of a portion of the tax benefits taken by the private group. The private group is happy because it has reduced its tax bill at almost no risk. The tax-exempt agency is happy because its budget looks smaller; instead of buying the building outright, it makes lease payments on it over a number of years.

Everybody should be happy? It looks like a free lunch, right? Wrong.

It does not take a genius or an understanding of complex arithmetic to figure out who is getting fleeced. It is the American taxpayer. One concrete example shows how. Recently, the Oversight Subcommittee of the Ways and Means Committee, on which I serve, looked into the Navy's decision to lease rather than buy 13 specialized cargo ships to support the rapid deployment of marine brigades in crisis areas. The testimony revealed that the Navy will save $480 million in its budget by leasing rather than buying. But, at the same time, the U.S. Treasury will lose $750 million in revenues from tax benefits that will accrue to private groups that carry the title to the ships. The difference between what the Navy saves and the Treasury loses is $270 million.

In effect, the Navy's decision to lease these ships rather than buy them results in a front-end cost overrun of $270 million. That is a $270 million cost overrun incurred before even one ship is built. That is $270 million that flows from the Treasury to the private lessors and their middlemen, the lawyers and accountants who arranged the deal. Not so incidentally, in this instance, the legal fees to arrange the Navy transaction, alone, cost $4.2 million, and the Navy picked up the tab. That is $270 million, in just this one case, that is added to the Federal deficit.

The rent-a-navy tax scheme is only the most celebrated example. There are many others. In just the past few months, Congressman PICKLE and his staff have uncovered dozens of other cases. Counties are leasing sewage treatment plants; cities are leasing city halls, museums, and convention centers; and universities are leasing campus facilities. The engine driving this new leasing rollercoaster is, simply enough, Federal tax breaks.

And no one should be deceived or lulled to sleep about the true and potentially enormous costs to the American taxpayer of these new leasing schemes.

Mr. Speaker, the tax loophole that brought us the "rent-a-navy" scam is a backdoor spending program for the wealthy of potentially colossal proportions. It is a spending campaign being undertaken through the Tax Code and largely hidden from public view. It is, purely and simply, a tax shelter without any redeeming qualities.

Our bill would put an end to this loophole that is picking the pockets of the American taxpayer. I urge my colleagues to support it, and to move for its enactment at the earliest possible date.

At the same time, we should understand that this loophole is a problem that does not stand alone. There would be no strong force for "sale-leasebacks" and "leverage leasing" on the scale we are seeing today if it were not for the extraordinary tax subsidies conferred upon wealthy individuals and large corporations in the 1981 Tax Act. The 1981 Tax Act provided a whole new vista to the tax shelter industry. In my view, Congress is going to have to take a new look at the entire system of capital cost recovery now set in place. In the meantime, we must act to end the selling of tax breaks by nontaxable entities that threatens to add a new dimension to the hemorrhaging Federal deficit.

Mr. Speaker, without objection, I would like to include, at this point in the RECORD, a summary entitled "Key Provisions of the Government Leasing Act of 1983."

KEY PROVISIONS OF THE GOVERNMENTAL LEASING ACT OF 1983

In general, the bill would require straight-line depreciation over extended recovery periods for property used by tax-exempt entities and would tighten the present law denial of investment credits for this property.

DEPRECIATION PROVISIONS

A. The bill would require that depreciation deductions for property used by tax-exempt entities be computed by using the straight-line method and the following extended recovery periods: 5 years for property in the 3-year class; 12 years, in the 5-year class; 25 years, in the 10-year class; and 35 years, in the 15-year public utility class and the 15-year real property class.

B. Depreciation deductions for mass commuting vehicles eligible for safe-harbor lease treatment under present law would not be affected by the bill.

INVESTMENT CREDIT PROVISIONS

A. The bill would extend the present law denial of the investment credit for property used by certain tax-exempt entities to cover—

1. property used by any foreign person (when income from the property is not subject to U.S. tax), any foreign government, any international organization and any possession of the United States; and

2. property used pursuant to a contract that purports to be a service contract but is more properly treated as a lease.

B. The bill would allow the rehabilitation credit for qualified rehabilitation expenditures for buildings leased to tax-exempt entities (as under present law), but not where the building or rehabilitation expenditure has been financed by a tax-exempt industrial development bond.

EFFECTIVE DATES

A. In general, the bill would apply to property placed in service by the taxpayer after May 23, 1983.

B. The bill would not apply to property used pursuant to binding contracts which on May 23, 1983, and thereafter required the taxpayer to acquire, construct, recon-

struct, or rehabilitate the property and required the tax-exempt entity to use it. This exception would apply to property used by the United States only if it is placed in service before January 1, 1984.●

A TRIBUTE TO B. F. SMITH

HON. WEBB FRANKLIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. FRANKLIN. Mr. Speaker, I want to take this opportunity to pay tribute to a gentleman from my district who is retiring after a long career of service to the Mississippi Delta.

B. F. Smith of Leland, Miss., has served as executive vice president of the Delta Council, an agricultural and economic forum for that area, for the past 26 years. He is retiring this month, and May 27 has been designated "B. F. Smith Day" in our State in his honor.

There is no way to measure the value that he has had to the Mississippi Delta area and to the Delta Council organization during his years there. He has understood the economic and social problems and advantages of our region, and has worked steadily to come up with progressive solutions for whatever problems we have had.

He has been the Delta's most respected lobbyist throughout his career, and his counsel and advice has been welcomed by many of our Nation's leaders.

Mr. Speaker, on May 27, citizens throughout Mississippi will gather in Cleveland, Miss., to honor B. F. Smith, and it gives me great pleasure to join them in saluting this man who has been such a great asset to our State and to this country.●

STRENGTHEN CIVIL SERVICE

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. FOGLIETTA. Mr. Speaker, today I am introducing a bill that will strengthen our Nation's civil service, and turn back the vicious and unfounded attacks that the administration has continually launched against Federal workers, their reputations, their salaries, their benefits, and ultimately their jobs.

As many Members are well aware, the Office of Personnel Management published, in the Federal Register of March 30, proposed regulations that drastically alter promotion and retention procedures. Let me say at the outset that these regulations, if implemented, could decimate our Nation's civil service.

Mr. Speaker, like many of my colleagues, I support the concept of a merit pay system for Federal workers, as embodied in the Civil Service Reform Act of 1978. The key to a successful merit pay system, however, is an accurate and effective employee performance appraisal system.

Numerous reports from the General Accounting Office have pointed out the shortcomings of the merit pay systems currently in operation for the Senior Executive Service and employees in GS levels 13 through 15. Supervisors are not adequately or appropriately trained in employee performance evaluation. Employees are not as fully involved in setting critical elements and performance standards as sound and fair management policy would dictate. Employees are not informed of critical elements and performance standards in a timely fashion. The systems were not given a debugging period of several years, as is usually done before basing personnel decisions on the evaluations the system provides.

Rather than working to correct these deficiencies, OPM has expanded these imperfect systems to cover all Federal employees, making the consequences for our Nation's civil service that much more serious and undesirable. The success of a performance appraisal system ultimately rests upon employee acceptance and support. It is clear to me that the current system does not enjoy, nor does it deserve, such support.

These new regulations will only exacerbate the situation. They displace the veterans' preference with regard to retention during a reduction in force. They severely limit an employee's right to appeal an unfavorable performance rating. They remove the prohibition against forced distribution of ratings, opening the door for the institution of a curve of evauation grades. They curtail union bargaining rights. Under these regulations, over half of all Federal workers will never be eligible for promotion to the top within-grade levels of their jobs, no matter how well they perform.

The bill I am introducing today, with the bipartisan support of almost 20 original cosponsors, is essential to creating the accurate, discerning, and equitable merit pay system that is the intention of current law. It requires GAO to evaluate each agency's performance appraisal system and report its findings and any recommended modifications to Congress. Additionally, any time that an agency proposed to change its appraisal system or that OPM proposes changes in the regulations that govern all agencies' appraisal systems, the GAO will be required to evaluate the changes and their probable impact. The bill sets up specific standards by which these evaluations are to be made, and it insures that employees are appropriately involved in the process and that supervisors are adequately trained in performance appraisal skills. It also more specifically notes union bargaining rights with regard to agencywide standards for appraisal and merit pay systems.

Mr. Speaker, the current performance appraisal systems are flawed, both in their design and in their implementation. Similarly, the newly proposed regulations are seriously deficient. They do not implement a merit pay system that is an incentive for improved performance. My bill provides for careful, detailed study, thus allowing Congress to act to correct shortcomings that are identified. It is unfortunate and unfair that the administration, playing on unfair and untrue stereotypes of the lazy, overpaid Federal paperpusher, has continued its scapegoat treatment of Federal workers with these regulations.

With this bill, I hope to bring some reasoned, rational consideration to this important issue. I am hopeful that this bill will receive expeditious and favorable consideration, and I would be pleased to have more of my colleagues join me as cosponsors of this legislation.

Thank you.●

A CALL TO CONSCIENCE, A CALL TO ACTION

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. AuCOIN. Mr. Speaker, I am once again honored to join my colleagues in our call to conscience vigil, the congressional effort to draw attention to the plight of the Soviet Jews. I want to commend my colleague, Congressman WIRTH, for organizing this demonstration of congressional concern for the victims of Soviet oppression.

During the Vigil, we commend the individuals and families seeking freedom and emigration from the Soviet Union. The names change, but the message remains the same—thousands of Soviet Jews from all walks of life continue to be denied the right to free thought, religion, and emigration.

So, today, Mr. Speaker, I issue a call to conscience on behalf of all Soviet Jewry—academics stripped of their titles, Soviet refuseniks imprisoned, students denied entrance to universities, workers deprived of jobs, husbands unable to join their wives abroad, and the list goes on.

We in the United States are watching with alarm the startling decline in Soviet emigration. The Soviet Union has slammed the door on the emigration of Soviet Jews. Last year, emigration of Soviet Jews fell to its lowest annual level in over a decade with less

than 3,000 Soviet Jews allowed to emigrate.

We are also watching with alarm a fundamental qualitative change in the lives of Soviet Jews. Jewish cultural activity and religious observance are being attacked with frightening vengeance. Soviet KGB officials, armed with threats of arrest, persist in conducting sudden raids, confiscating private property and banning the teaching of Hebrew an other educational pursuits. Soviet authorities have targeted Jewish scientists and academicians for intimidation and public degradation. They continue their oppression of Soviet Jews in flagrant violation of the Helsinki Final Act in which they pledged to uphold basic human rights, among them, the rights to cultural expression and emigration.

What we watch with distress, we must respond to with vigor and resolve. If the protests of our friends in the Soviet Union are forcibly silenced, we must be their voices and take up their cry.

As concerned and active proponents of their cause, I fervantly hope that we can individually and collectively intensify our involvement by working for more prisoners of conscience, by writing more letters and continuing to speak out against the injustices being perpetuated upon Soviet Jews at every opportunity.

I have sponsored House Concurrent Resolution 63 with my colleague from Connecticut, BARBARA KENNELLY, to further the cause of Soviet Jewry. I am encouraged by the strong bipartisan support my resolution has received from over 180 Members and am more determined than ever to pursue this resolution to successful passage. The more Members of Congress who join me in this pursuit, the more likely the Soviet Union will sit up and take notice.

We know that despite grave risk, there are many within the Soviet Union who continue to speak out, to protest and virtually put their lives on the line for human rights and freedom. As they maintain their vigil, we in the West must maintain ours. There is no excuse for indifference when human dignity and basic civil liberties are at stake.

If we fail to take action, the words of a leading refusenik Yuri Tarnopolsky, may become all too true. In reflecting upon Soviet emigration policy, he wrote:

> If they deprive us of 3 years, they will deprive us of 4. If 4, than 5 is still easier to take away. If today we have no job, than tomorrow we will have no foreign mail and telephone calls. If tomorrow we have no mail, the day after tomorrow there will be no higher education for our children and no free access to other places in the country. They will start putting us into prison for the slightest protest. The noose around our neck will tighten step by step, and the world will be be adapted to that process.

Mr. Speaker, we cannot ever let ourselves reach that point. As chairman of the first session of the World Conference on Soviet Jewry in Jerusalem, Gerald Kraft articulated a message that we must send to the Soviet Union and send repeatedly: That in this "dark time," Soviet Jews are "not alone, not forgotten." The actions of Congress and communities around the world not only raise the level of awareness but "extend the bond of humanity" to Soviet Jews themselves.

May we in Congress, inspired by the courageous struggle of so many Soviet Jews, call on the President and the Kremlin to take significant steps to liberate Soviet Jews once and for all.●

CARMINE VARANO, R.P. CITED FOR PROTECTING CONSUMERS

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. GUARINI. Mr. Speaker, I wish to report that the U.S. Department of Health and Human Services Food and Drug Administration has issued its Commission's special citation to one of my constituents, Carmine Varano. Since 1978 Mr. Varano has conducted an international one-man campaign to remove the dangerous pharmaceutical product, camphorated oil, from public use.

Mr. Varano, who is a registered pharmacist, called to the attention of all concerned the dangers of camphorated oil, which caused severe injuries when consumed and which is of doubtful therapeutic value. Because of Carmine's persistency, Richard S. Schweiker, then Secretary of Health and Human Services, on September 20, 1982 signed the final regulations which appeared in the September 21, 1982 Federal Register, removing camphorated oil from the marketplace.

The OTC Miscellaneous Internal Drugs Panel investigating Mr. Varano's charges states in a preliminary report released February 6, 1980:

> The risk of poisoning in infants and young children, as evidenced by numerous reports in the literature and by the National Clearinghouse for Poison Control Centers, is a major factor in the panel's assessment that camphorated oil is not safe for OTC use. The panel strongly recommends the FDA act swiftly to remove camphorated oil from the market. The report cited National Clearinghouse for Poison Control Centers (Division of Poison Control, FDA) statistics recording 706 ingestions from 1974 to 1978, of which 421 occurred in children less than 5 years of age. The panel noted that infants and fetuses are at greater risk because their kidneys cannot detoxify camphor.

Today, at 10 a.m. the 1983 FDA Honors Award Ceremony features the presentation of the Commissioner's special citation to Mr. Varano:

> For assisting the Food and Drug Administration in removing camphorated oil from the market and exemplifying the role of the individual health professional in protecting the public health.

In addition, the New York Society of Hospital Pharmacists, on June 25, 1983, in the Nieuw Amsterdam Ballroom, will present the first Harold Neham Award to Carmine Varano because [his] persistence in getting camphorated oil removed from the market was a significant contribution to the practice of pharmacy and to the promotion of consumer safety.

The New Jersey Pharmaceutical Association, on July 2, 1983, at the Hershey Hotel in Hershey, Pa., will present Mr. Varano with the William H. McNeill Award for 1983 for rendering outstanding community service.

The National Clearinghouse for Poison Control Centers, in Rockville, Md., wrote:

> The Division of Poison Control joins the poison control community in expressing special appreciation to Mr. Carmine Varano, R.P. of Jersey City, N.J. for his diligent and tireless efforts over the years in the crusade to have camphorated oil removed from the market.

Pharmacy International of Cambridge, United Kingdom, has commended Mr. Varano for "alerting us to the hazards of camphorated oil."

On February 8, 1980, during the process of his investigation, Mr. William E. Gilbertson, Director, Division of OTC Drug Evaluation, Bureau of Drugs, wrote to our awardee:

> Members of my staff, many of whom are also pharmacists, share your view that camphorated oil is an antiquated remedy and that its potential harmful effects, because of accidental ingestion, far outweigh any possible therapeutic benefits.

Mr. Gilbertson's concluding paragraph states:

> I wish to congratulate you on your long but fruitful efforts on behalf of the American consumer in spotlighting the dangers of camphorated oil. Hopefully, your goal will be achieved in the not too distant future.

Also, the American Society of Hospital Pharmacists sent their congratulations, as well as the University of Mexico Medical Crisis Center in Albuquerque, N. Mex., and the National Association of Retail Druggists, Washington, D.C. as well as the American Pharmaceutical Association, and the American Academy of Pediatrics, and officials at Duke University in North Carolina, and Tulane University, University of Louisville, as well as the Hudson County Pharmacists Society, the National Association of Retail Druggists, American College of Apothecaries, College of Pharmacists of British Columbia, Duke University Medical School, Poison Control Center, National Association of Chain Drug Stores, Quakertown Community Hospital in Pennsylvania, Eli Lilly & Co., Pharmaceutical Division, and the

Board of Pharmacy of the State of New Jersey.

I have been pleased for the past 4 years to work closely with Carmine Varano and I admire his dedication. He has received the editorial accolades of the Drug Intelligence and Clinical Pharmacy publication, the Garden State Pharmacy Owners Newsletter, Pharmacy Times, Jersey Journal, Drug Topics Publication, the National Association of Retail Druggists' Newsletter, Pharmacy International, the publication of the biomedical press, printed in the United Kingdom and the New York State Council of Pharmacists Newsletter.

I am sure that parents and the children of America will join this Nation's pharmacists in this tribute to Mr. Varano, who is praised by former U.S. Secretary of Health and Human Services Richard S. Schweiker, who wrote:

As I reviewed your file, I was very much impressed by your personal dedication and perserverance as you pursued this important public health problem. I, therefore, want you to know that I and my colleagues in the Food and Drug Administration appreciate your diligence and concern. Through your example, others should recognize that individuals like yourself are important in making ours a better and healthier society.

It is my pleasure to have such a dedicated constituent working for America residing in my district.

It was Marcus Aurelius who said: "The true worth of a man is to be measured by the objects he pursues."

Carmine Varano, R.P., indeed has echoed these thoughts in this the 20th century.●

SALUTE TO PERTH AMBOY, N.J., ON THE 300TH ANNIVERSARY OF ITS FOUNDING

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. DWYER of New Jersey. Mr. Speaker, on May 30, 1983, the city of Perth Amboy—New Jersey's first incorporated city—celebrates the 300th anniversary of its founding.

It is both an honor and a privilege to bring this most significant moment in our history to the attention of the Congress.

The city of Perth Amboy and the people who have called this city their home have been vital forces in our Nation's commercial development and cultural growth.

Perth Amboy's pivotal role in the birth of our Nation came early on, when the city served as the colonial capital from 1686 to 1775.

The customs district of Perth Amboy is also the Nation's oldest, and many of New Jersey's early industries and crafts found their roots in this coastal center.

New Jersey's first printing was done in Perth Amboy in 1723 by William Bradford who printed New Jersey's currency and the proceedings and laws of the New Jersey Assembly.

In 1737, John Watson, one of the first portrait painters in America, established the first picture gallery in the Colonies. Perth Amboy is also one of the homes of the terra cotta industry. Sculptor Victorio Cianni is responsible for some of the beautiful statuary in our Nation's Capitol.

The 19th century also saw many important events in the life of the city and the progress of our Nation. In 1863, Dr. Solomon Andrews, a mayor of Perth Amboy, built the Aereon, the first airship in the world that, without an engine, could be flown at will by the pilot and travel either with or against the wind.

Seven years later, on March 31, 1870, the day following the adoption of the 15th amendment to the Constitution, the first black voter in the United States, Thomas Peterson, cast his ballot in a special election held in Perth Amboy.

These events and advancements mark just some of the many which have established Perth Amboy's preeminence in the history and progress of our State and Nation.

It is a city full of life, rich in ethnic diversity and culture, unique in its successful mix of the old and new. It is an industrial hub, yet still a home town in the truest sense. My distinguished predecessor in this House, Edward J. Patten, is a native of Perth Amboy. I, too, am truly proud to have been born and raised in this fine city.

There will be many commemoratives highlighting Perth Amboy's tricentennial in 1983, each focusing on different aspects of this city's growth and vast contributions to its home county of Middlesex, the State of New Jersey, and our Nation.

It is a story that will continue to unfold in many new and productive ways, I am sure, as Perth Amboy embarks on its fourth century. Its citizens and distinguished civic and business leaders will meet the challenges of the coming decades with the vigor and commitment they learned from their predecessors.

Let us offer a warm tribute to the city of Perth Amboy, on this, the 300th anniversary of its founding, with every good wish for a future that is as bright and rich as its past.●

THE IMPOSSIBILITY OF MANAGING THE MONEY SUPPLY

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. PAUL. Mr. Speaker, yesterday the Federal Open Market Committee met to decide the fate of our economic recovery. In complete secrecy, and probably also in complete ignorance, the 12-member group discussed subjects like the recent statistical movements in varigus kinds of bank accounts. I am sure that they also reviewed briefing papers on interest rates, various price indexes, and some other statistical material relating to the economy. They no doubt used words that seem to convey a sense of wisdom, although I am not sure what metaphors like tight and loose really mean when some people use them.

I would like to share with my colleagues the following article from yesterday's Wall Street Journal by Alfred L. Malabre, Jr. His discussion of the problems with managing the money supply are strong evidence that we need a fundamental reform in our Nation's monetary system. The pretense of knowledge that modern, orthodox economic theory attaches to interpretations of statistics is dangerous. We know very well, from painful experience, that we cannot fine tune our economy with fiscal policy. When are the economists going to wake up and admit that we cannot centrally plan monetary policy either?

In a free market system, the supply and demand for money would be determined by a process that is inherently self-stabilizing. Under the international gold standard we saw the benefits of fantastic economic growth—without central planning for monetary policy. Yet, the economists at the turn of the century told the world that they could smooth out business cycles by managing monetary policy.

Mr. Speaker, I ask that Mr. Malabre's article be printed as strong evidence that we are today at great risk from managed money.

[From the Wall Street Journal, May 24, 1983]

VELOCITY THROWS THE MONEY MEN A CURVE

(By Alfred L. Malabre Jr.)

One of the least enviable tasks confronting Washington's assorted policy makers will be tackled today by the dozen members of the Federal Open market Committee. The group, composed of Federal Reserve Board governors and various presidents of regional Federal Reserve banks, must attempt once again to figure out how much or how little money the Fed should be pumping into the economy through its multibillion-dollar dealings in government securities.

Today's meeting—one of eight or so held each year, in addition to less formal committee contacts—will surely influence the business outlook, as Federal Reserve officials down the line move to implement committee policy. But for better or for worse? Given the complexity of money management nowadays, that determination seems as uncertain as the committee's closed-door deliberations are secretive.

To manage the nation's money supply adroitly may seem a wonderful straight-forward idea. Simply estimate, on the basis of labor and material resources, how swiftly

the economy can expand in a healthy fashion from year to year. Then see to it that the Federal Reserve promotes a rate of money-supply growth consistent with healthy economic expansion.

But between the idea and the reality—to borrow a line from T.S. Eliot—falls the shadow. And, in the business of managing the money supply, shadows have been falling all over the place of late—even over a matter as basic as defining what measure of the money supply should be managed. Is it M1, currently defined to include currency and checking-account deposits? Or M2, which adds to M1 a variety of other savings-type money? Or M3, which is larger still? Will the real money supply please stand up?

TRACKING THE NUMBER

And now still another shadow, larger and of a different sort, has begun to form. It has to do with what economists call velocity. Unrelated to Nolan Ryan's fastball, this velocity gauge tracks the number of times in the course of a year that the money supply is spent and respent. Economists can monitor this turnover-of-money rate by simply dividing the gross national product by the money supply, using as the denominator whatever happens to be their favorite version of M.

The shadow is developing because the velocity of money has been behaving recently in a peculiar manner that can only further complicate the already complicated task of money-supply management.

The velocity measure, by virtually every estimate, has slowed since mid-1981, about when the 1981–82 recession set it. Such a slowdown isn't remarkable over the course of a recession, particularly a severe one. But the 1981–82 slowdown in velocity was unusually pronounced, even for a recessionary period. And its persistence beyond the recession, which apparently ended late last year, is unmatched since the 1930s.

What happens to the velocity of money is important because, among other things, it influences price behavior and, ultimately, general economic activity. A slowdown in money turnover tends to ease inflationary pressures and limit economic growth and, conversely, a speedup spurs inflation and, up to a point, economic growth.

The extent to which changes in velocity actually do have an effect, however, depends as well on what may be happening to the size of the money supply. The supply, using M1 or M2 or M3, has risen at annual rates well above the rate of 3% or so at which, it's estimated, the economy can grow each year in a healthy manner. But monetary velocity, again using any M, concurrently has slowed. M1's annual rate of turnover approximated 6.4 times in the first quarter, some 3% below a year earlier, and M2's turnover rate was about 1.5, down nearly 6%.

Over the full post-World War II era, monetary velocity has been gradually on the increase. M1 turnover, for instance, has risen at an average annual rate of roughly 3%, normally climbing somewhat faster than that in expansion phases of the business cycle and falling, though less sharply than of late, in recessions.

The long-term velocity rise is widely attributed to such developments as the spread of more efficient monetary-exchange mechanisms—credit cards, for example—as well as understandable efforts to hold down financial balances and acquire tangibles in an era of a depreciating dollar. Velocity tends, nonetheless, to slow during recessions because individuals, for a while at least, strive to rebuild financial assets, the dollar tends briefly to strengthen and the Fed, fighting to turn business around, moves to pump up the money supply.

The Fed's latest pumping effort, which began in mid-1982, is no exception. But the continuing brisk rise of the varigus M's since the recession is exceptional and helps explain the remarkable velocity slowdown that has accompanied the current recovery.

The resulting situation can be assessed from sharply differing points of view. There is, for instance, the appraisal of economists who retain a belief that money-supply growth can be smoothly promoted from year to year. In this view, velocity is only a tangential matter whose periodic deviations from a consistent long-term pattern of growth seem inconsequential. Such "monetarist" economists as Allan Meltzer of Carnegie-Mellon University in Pittsburgh concede that the recent velocity slowdown may appear exceptional. But they conclude that it really amounts to nothing more significant than the usually long tail-end effect of an unusually long and severe recession.

This so-called monetarist view, however, is less comforting than it may seem at first glance. As Robert A. Brusca, an economist at New York's Irving Trust Co., explains: "Monetarists worry that the past stable growth rate in velocity will reemerge. If it does, the substantial amount of money the Fed has pumped out will begin to have a greater stimulative impact; thus, the monetarists fear a spending spree with severe inflationary consequences" as velocity picks up in the wake of sharp money-supply increases.

To be sure, the Fed can cut back sharply on money-supply growth if velocity does accelerate in coming months. Some observers expect that this will be the case, and that the cutback will prevent the unfortunate consequences that Mr, Brusca mentions. A problem with this scenario, however, is that accompanying the new recovery is a record-smashing federal budget deficit that must be balanced. And, to the extent that the Fed would be compelled to assist in the financing effort by acquiring Treasury securities, the money supply will tend to swell further, In this view given the deficit's Brobdingnagian dimensions, the Fed will indeed hate to gallop to the Treasury's aid, however much its money managers would rather be reining in the money supply.

SOMETHING TO THINK ABOUT

Still another view, expressed by Mr, Brusca, is that "velocity may not resume the way monetarists fear." If so, the Fed's recent largess may provide in retrospect a necessary antidote for an enduring slowdown in turnover. Frank Mastrapasqua of Smith Barney, Harris Upham & Co., a New York securities firm, is among economists who think that the long-term pattern in velocity probably won't resume. Instead, he foresees "a secular change in the behavior of the velocity," largely as a result of "the general transition from an inflationary to a disinflationary environment" in which lenders are at last receiving rates of return that more than offset inflation.

"Velocity is the key policy issue for 1983," Mr. Mastrapasqua declares.

The difficulty is that neither Mr. Mastrapasqua nor Carnegie-Mellon's Mr. Meltzer nor, for that matter, Fed Chairman Paul A. Volcker can know precisely how fast the money supply, however measured, will be turning over six months or a year hence. Only if the turnover rate fails to resume at least its normal long-term trend does recent Fed policy appear entirely appropriate.

Whatever develops, the recent behavior of velocity provides the Fed's money managers with something to think about whenever they tire of pondering how to define each M and whether M1 or M2 or M-whatever is the most important version of the money supply. Compared to managing the money supply adroitly, belting a Nolan Ryan fastball out of the park seems simple.●

YEARS OF BIG-SPENDING DEFICITS MUST BE STOPPED

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. PARRIS. Mr. Speaker, last week the Members of this House were denied the opportunity to vote in favor of capping Federal spending while at the same time it was decided that we would increase the public debt limit to nearly $1.4 trillion. It is obvious to me that we are returning to "business as usual" in this Congress, returning to the misdirected priorities of the past and the failed policies of Jimmy Carter.

Now it is time for those who believe in responsible government to reorder the priorities of this Congress.

For too many years now, the liberal, big spenders of this House took too little notice of the many billions and billions of dollars that were authorized each year.

Only when the people of this great country began to scream out after the pain of the years of the previous administration was it decided that something must be done.

I support and have always supported a balanced budget in peacetime. I cast my vote in favor of the balanced budget amendment in the last session of Congress—when the more liberal Members of this House helped this amendment to its defeat.

In supporting such a budget, I also realize we must never allow working American taxpayers to be squeezed by high taxes as they were before the tax cuts of 1981.

Our dilemma should be clear to every Member of this House: If we allow the debt to continue to increase at the current rate, we will subject our citizens to high interest rates and increasingly high unemployment. But, if we chose to hold our debt down by increasing taxes, we hurt our citizens by taking money from their pockets. We also risk bringing our emerging recovery—which is so dependent on private investment—to an abrupt halt. Only if we hold our debt down by limiting spending will we truly help our citizens and restore the economy.

The fiscal 1984 budget is being worked out in a conference committee. As far as I am concerned, the confer-

ees will be ironing out the differences between two budgets: one bad, the other worse. I cannot, and will not, support a budget reflecting the same policies that the people voted out of office in 1980. We cannot afford to tax any more, we cannot afford to overspend and we cannot afford huge deficits.

It is time for every Member of this Congress to take a stand on the fiscal 1984 budget and do something about this disgrace. It is time for us to be responsible to the taxpayers of this country, it is time for us to adopt a responsible budget.●

SIMPLIFYING THE DELIVERY OF HUMAN SERVICES: A ONE-STOP SYSTEM

HON. CARROLL A. CAMPBELL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. CAMPBELL. Mr. Speaker, I recently introduced a bill that will assist the truly needy while reducing waste in human service programs at the same time. This can be accomplished by implementing a one-stop system for the delivery of human services. This system would centralize human services, which would eliminate programmatic fragmentation so as to assure that an applicant for services under any one program will be informed of and have access to all of the services which may be available to him or his family. The one-stop system would also improve efforts to reduce fraud through upgraded program coordination.

How will all of this be accomplished? This bill would initiate between four and eight pilot projects around the Nation. Each of the projects could include: The consolidation of agency locations and related transportation services; the development of a common set of terms for use in all of the human service programs; the development of a single comprehensive family profile that is suitable for use under all human service programs; the implementation of unified planning, needs assessment, and evaluation; and many other initiatives.

All administrative savings from this program would be redirected to the programs that are involved in the pilot projects. This bill does not reduce funding for any Federal or State program. In fact, it could actually result in more available funds for actual benefits by reducing unneeded overhead and duplicative administrative cost, and improve caseload management for social workers. Several localities and one State have already made significant progress in instituting some of these ideas. One project expects administrative savings of 40 percent or more, which will be redirected to benefit recipients. The statutory authority provided by this legislation, however, would permit a more comprehensive implementation on a trial basis of this integrated delivery system model.

Mr. Speaker, I would like to commend our following colleagues for cosponsoring this legislation: Messrs. MATSUI, MOORE, PEASE, HANCE, MARTIN of North Carolina, THOMAS of California, FRENZEL, VANDER JAGT, ARCHER, GIBBONS, SCHULZE, ANTHONY, STARK, CONABLE, RANGEL, JEFFORDS, KINDNESS, FORSYTHE, SPENCE, GINGRICH, LAGOMARSINO, WON PAT, HUGHES, BONIOR, of Michigan, TAUKE, HYDE, GOODLING, Mrs. KENNELLY, and Mrs. BOXER.●

CONTROLLING THE COST OF NATURAL GAS

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. WALGREN. Mr. Speaker, consumers from all parts of the country have been hit with astronomical increases in their natural gas bills over the past 2 years. What has frustrated many of us is the fact that these price increases have come at a time of falling demand and excess supply. Much of this increase was caused by contracts signed by pipelines and producers during the supply shortage of 1977. These long-term contracts locked in high prices, without allowing them to fall with changing market conditions.

As we struggle over legislation to solve the problems in the natural gas industry, I want to share with my colleagues the following article from the New York Times. The article describes the kind of actions pipelines can take which would provide consumers concrete relief before the next heating season.

The Energy and Commerce Committee is working on comprehensive proposals to rewrite the 1977 National Gas Pricing Act. There is little agreement on the fundamental question of price control and there is realistic apprehension that the Congress and the administration may deadlock and be unable to act. Yet there should be wide agreement on providing support in law for the necessary relief from particularly onesided contracts that are resulting in the actions covered by these articles.

The articles follow:

PIPELINES ACT TO CUT GAS COSTS—THEY REFUSE TO BUY OR OFFER LOWER PRICES

(By Thomas J. Lueck)

In a series of abrupt, unilateral moves to reduce the prices they pay to natural gas producers, the nation's major gas pipeline companies appear to have put an end, at least temporarily, to the rapid escalation in gas prices over the last two years.

These moves by the pipeline companies, coming at a time of huge gas surpluses, have been aimed at reducing the amount of high-priced gas they must purchase under contracts signed when supplies were tight.

Industry analysts, as well as consumer groups, have attributed the rising cost of gas largely to these contracts. With pipelines committed to buying large quantities of gas from newly discovered wells, some of them charging as much as 10 times the price of gas from older wells, the average cost of the fuel has risen more than 50 percent since Jaluary 1981.

But now, after a year of negotiations to reduce their costs, a growing number of pipelines are taking a more aggressive stance by either refusing to buy the gas or offering a lower price of a take-it-or-leave-it basis.

SUPPLY AND DEMAND

"You reach the point where supply and demand considerations can't be ignored," said Lawrence A. Crowley, an analyst for Rotan Mosley Inc. in Houston.

He said that in January, he had expected natural gas prices to rise by 6 percent this year. But since then, because of the mounting pressure by the pipelines to lower their costs, "prices have probably flattened out" for the remainder of the year, he added.

The moves also are likely to result in lower costs for consumer, as the pipelines pass along their savings.

The economic squeeze facing the pipelines has resulted largely from the loss of large industrial customers. Pipeline companies are allowed by state and Federal government regulators to pass the price of their gas to customers, and have therefore been the subject of mounting protests from residential gas users. But many industrial customers, instead of protesting have begun switching to fuel oil to fire their boilers.

"You can say all you want about passing costs through, but when an industry is faced with losing a big part of its market, it's time to make some changes," said Jerome McGrath, the president of the Interstate Natural Gas Association of America.

PRICE TO PRODUCERS CUT

In one of the most aggressive moves in the pipeline industry, the Transco Energy Company this month began a program aimed at retaining its industrial market by cutting the prices it will pay to gas producers. The company delivers gas from offshore producers in the Gulf of Mexico to customers in 11 Eastern states, including New York.

Transco announced on May 1 that it would buy gas from producers at no more than $3.05 per thousand cubic feet, a price far below what many of producers had received for their gas during the last two years. Transco maintained that if it were to compete with the price of fuel oil, it could pay no more for its gas supplies. The wholesale price of five gallons of No. 6 residual fuel oil, which produces as much energy as a thousand cubic feet of gas, now ranges from $4.59 to $4.73 on the East Coast.

W. J. Bowen, Transco's chairman, said last week that hundreds of gas producers had agreed to the lower price, and that the pipeline has so far obtained just under a third of the supplies it needs this month.

But he characterized the program as a "short-term, partial solution to current industrywide problems."

HUGE COSTS FROM CONTRACTS

Indeed, many pipelines, including Transco, continue to face huge costs stem-

ming from their prior contracts for high-priced gas. Many of these contracts included provisions, termed "take-or-pay," that require the pipelines to continue paying for large volumes of gas even if they have no need for it.

Most of the pipelines, while they have stopped buying much of the gas, have also refused to pay the penalties. Mr. McGrath estimated that interstate pipeline companies will accumulate $3 billion in liabilities under the take-or-pay contracts this year, an amount that could grow to $17 billion.

Tenneco Inc., another major pipeline operator, has launched a cost-cutting program even broader than Transco's. After a meeting with 250 of its gas producers in Houston two weeks ago, the company said it was "suspending performance" of many of its prior contracts.

"The producers were given the option of assenting," said Frank Reed, a Tenneco spokesman. "But that really didn't matter: We said we'd do it anyway."

The company said it would no longer honor take-or pay-contracts that required it to buy more than 50 percent of the production of high-priced gas from any wells. It also said it intended to buy more of its gas from wells that have been in operation for more than five years, thus contravening contracts it had signed to buy large volumes of the more expensive, newly discovered gas.

Other pipelines, with different approaches to the problem, have taken equally aggressive measures. Last month, for example, the Columbia Gas System invoked a seldom-used legal concept—force mejeure—to reduce its obligations under take-or-pay contracts.

Force majeure means an unexpected event that relieves one of contractual obligations. Columbia, which serves parts of New York State and seven other Eastern states, said it could not have anticipated the exceptionally warm winter and the depth of the recession, which combined to reduce demand for gas.●

NATIONAL PROFESSIONAL SECURITY MONTH

HON. DAN MARRIOTT

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1981

● Mr. MARRIOTT. Mr. Speaker, today I am introducing to the Congress a resolution to authorize and request the President to proclaim September 1983, as "National Professional Security Month." The resolution would honor security professionals throughout the United States for the outstanding service they provide in protecting the assets—people, property, and information—of private industry, government and public institutions.

Private security has been identified as one of the fastest growing sectors of our economy, grossing in excess of $10 billion annually, a figure which is projected to reach $50 billion by the late eighties.

With a workforce of over 1 million men and women, private security is not only one of our Nation's largest employers, but it also plays an important role in our efforts to combat crime affecting both private and public institutions. The men and women of private security supplement the efforts of our public law enforcement agencies. Were it not for them, crime would be an even more serious problem and our taxpayers would have to bear the burden of additional police expenditures.

Private security has also played an important role in drug abuse education and in preventing white-collar crime and terrorism, enhancing cooperation between the private and public sectors against crime, and in enhancing economic growth through private initiative.

I should also point out that the American Society for Industrial Security (ASIS), with its more than 18,000 corporate security members, has played an important role in both educating and elevating the quality and ethics of this important sector of our economy. ASIS has strongly supported efforts by this Congress to combat the theft of America's high technology by the Soviet bloc, crimes by computer, and other criminal enterprises.

The resolution which I am introducing today recognizes the efforts and contributions of the more than 1 million private security practioners in America. I urge all my colleagues to give this careful scrutiny and to consider joining me as cosponsor.●

CONGRESSIONAL SALUTE

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. ROE. Mr. Speaker, on Sunday, June 5, the residents of my congressional district and the State of New Jersey will join together in testimony to an outstanding community leader, esteemed veteran of World War I, and good friend—the Honorable Sidney R. Milburn—whose birthday celebration commemorating the 90th year of his birth will provide an opportunity for his and many, many friends to express tribute to his lifetime of good works.

Mr. Speaker, there is much that can be said of Sid Milburn and his lifetime of achievements in service to people and I would like to insert at this point in our historic journal of Congress a mayor's proclamation issued by the Honorable Walter J. Jasinski, mayor of Wayne, N.J., declaring May 31, 1980 as "Sidney Milburn Day" in appreciation of our honoree Sid's involvement and service to the people of the township of Wayne. This resolution of distinction is, as follows:

PROCLAMATION—SIDNEY MILBURN DAY

Whereas, Sidney Milburn has been an active member of the American Legion for 61 years and was a Charter Member of the American Legion when it was formed in Paris, France in 1919; and

Whereas, he served as Commander of the Anthony Wayne American Legion Post #174 in 1937; and

Whereas, he is a Charter Member of Mountain View Masonic Lodge founded in 1925; and

Whereas, he has been associated with Wayne Savings & Loan Association since 1925, where he presently serves as Vice Chairman; and

Whereas, he is a charter Member of the Sales Executive Club of New York City founded in 1927; and

Whereas, Mr. Milburn served as Executive Vice President of the Wayne Chamber of Commerce and was responsible for millions of dollars in new ratables being brought into the township; and

Whereas, he served as Director of Civil Defense, Disaster and Flood Control in Wayne for over 30 years; and

Whereas, Mr, Milburn has been active in the Wayne Senior Citizen Association for 8 years and was chosen "Man of the Year" in 1978 by this group; and

Whereas, he has been selected "Man of the Year" for 1980 by the Anthony Wayne American Legion Post #174; and

Whereas, he has been a benefactor of untold charities in Wayne and Passaic County and has served on many Township committees,

Now, therefore be it resolved, that I, Walter J. Jasinski, Mayor of the Township of Wayne do declared Saturday, May 31, 1980,

SIDNEY MILBURN DAY

and further be it resolved, that citizens of Wayne are grateful for Mr, Milburn's involvement and service to the community over these many years.

Mr. Speaker, it is important to call to your attention that in addition to the prestigious affiliations enumerated in Mayor Jasinski's proclamation, Mr. Milburn is also proud of the many State, county, municipal, and Federal appointments that he has attained throughout his career pursuits which included: Director, New York State Motor Truck Association for 22 years; New Jersey Oil Trades Association; and American Red Cross for 35 years.

We are proud to boast that Sid is a native of our great sovereign State of New Jersey. He was born in Hoboken, N.J., on June 5, 1893, and adopted Wayne as his hometown at the end of a canoe cruise down the Ramapo and Pequannock Rivers in 1935.

Mr. Speaker, I would like to insert at this point a most descriptive newspaper article authored by a highly adroit and talented staff writer of the News of Passaic County, N.J., Kevin Coughlin, under date of January 29, 1981, which has warmly and eloquently intertwined the richness of wisdom, quality of leadership, and sincerity of purpose that Sid has imparted throughout his lifetime which has truly endeared him to all of us.

The news article reads, as follows:

FOR ONE SENIOR CITIZEN, EVERY DAY'S A RESOLUTION

(By Kevin Coughlin)

WAYNE.—Traditionally, New Years is a time for resolutions. But 89-year-odd Sidney

R. Milburn will not be making any special vows this year.

"To me, every day's a resolution," says the spry old-timer, whose accomplishments and life history would make for a lively book.

Although Milburn's body has suffered the ravages of war and age, and his "leaky" heart has known the pains that accumulate over nearly nine decades on this planet, his mind remains keen and his spirit strong.

"The kids are at me all the time to write a book," admits the man Mayor Walter Jasinski calls "one of the pioneers of Wayne," and who recently returned from a 10-day, 1,500-mile excursion across Ireland.

"If I live to be 95, I might spend the last two years putting some of that stuff together," the white-haired Milburn continues. "The philosophy would be: Keep going, don't quit. Not only would it be the philosophy, it would be the rule."

Sitting amidst stacks of magazines, books, photographs and plaques strewn about the office of his three-room apartment, Milburn explains that aging does not necessarily mean slowing down. To do so would lead to "cabin fever," he insists.

If recognition of Milburn's activities with various seniors groups, the American Legion, the Passaic County Board of Public Transportation, the Masons, the township's Chamber of Commerce and its Civic Defense organization, the mayor declared May 31, 1980, "Sidney R. Milburn Day."

Indeed, Milburn's many achievements could scarcely be crammed onto the proclamation. Has engineering research on automobile tires for the U.S. Rubber Co. and B.F. Goodrich earned him recognition from the prestigious society of Automotive Engineers, the Army decorated him for his command of an artillery regiment at the battles of St. Mihiel and the Meuse-Areonne in World War I and he was present at the inception of the American Legion in Paris following the conflict.

But Milburn, the jut-jawed product of an Irish immigrant and an English sailor, is proudest of his 72 years in Wayne. In 1925 he was among the founders of the township's first bank, the Wayne Savings & Loan Association. As vice-chairman, Milburn still performs occasional appraisals for the bank.

Later, Milburn became executive vice-president of the Chamber of Commerce during the township's explosive growth in the 1960s. He figures he personally helped attract $60 million in ratables by convincing the U.S. Rubber Co., American Cyanamid and the Holiday Inn, among others, that "Wayne was the place to be."

The Hoboken native learned that accidentally, on a 1908 American Canoe Association trip down the Ramapo and Pompton rivers.

"At Mountain View I was entranced by the fact that here was virgin territory, so I left my canoe here and bought a piece of land from a farmer," recalls Milburn, urging a listener to hold his laughter at the price.

"I paid $125 for a half-acre, on the Lincoln Park side of the river, and bought a bungalow. That lot today is worth about $18,000," he says with a hearty chuckle.

Educated as a laboratory worker at Stevens College in Hoboken, Milburn held a number of office and sales jobs until President Woodrow Wilson declared war on Germany in 1917. The next day he enlisted in the 13th regiment of the New York National Guard, and soon found himself in Europe serving as sergeant major of a 400-piece motorized artillery unit that Marines nicknamed "the 8-inch infantry."

Milburn's unit boasted 12 8-ton Howitzers, hauled by Holt Caterpillar tractors.

The big guns thundered so continuously that the breech blocks overheated, preventing loading, says Milburn, whose collision with a 225-pound shell damaged four vertebrae. In additional the cannons' roar left him with a "tin ear," today, visitors must shout questions into the good ear.

"You'd think somebody opened the doors of hell when those things went off," he said, remembering. "We blew holes in highways behind the Germans big enough to put this house in—you couldn't fill them. You had to go around them."

Toward the war's end, a colonel suggested the American Legion idea to him. Milburn says he helped "ballyhoo" it, and then "gave the ball to professionals." Over the years Milburn organized regular reunions for his regiment; the last of which came in 1972. Of the original 1,872 soldiers, Milburn says he cannot name five who are living.

"Outliving peers is a hard thing, says Milburn, who lost his brother in a freak motorcycle accident long ago. Milburn's wife, Marjorie, died before Christmas eight years ago.

"When you live happily with somebody for 55 years and they're dead as a doorknob in five minutes' time, it's quite a shock," he says. To avert loneliness, Milburn sold his home on Jacobus Avenue and moved into a converted barn owned by a friend. There he cooks for himself and keeps busy with visits from business acquaintances and two nieces he raised after their mother's death. Lulls are filled by browsing through picture albums—he's an avid photographer—or reading "US News & World Report," a half-dozen newspapers, trade journals and a historical version of the bible.

Most of Milburn's teeth are gone, the result, he says, of "monkeying around" with nuclear techniques for curing tire rubber. Doctors removed Milburn's cancerous left lung several years ago, forcing him to quit smoking, drinking, canoeing and golfing—a sport that kept him physically fit. Last week he sold his car because his reflexes are a bit slow. Heart ailments, chronic cystitis and a hiatus hernia ("a ruptured gut") have slimmed him from a robust 195 pounds to 150 pounds and shortened his breath so he must climb the 13 steps in his home upon his hands and knees.

Yet despite the vagaries of antiquity, Milburn steadfastly refuses to complain.

When you get past 70, it's an inherited gift, and you shouldn't be critical of it," he asserts, citing his mobility as the key to independence.

While a $93 monthly pension combined with Social Security payments, occasional bank work, wise savings and a low rent have put him in better financial shape than many senior citizens, Milburn maintains that happiness flows from the mind, not the wallet. Much of the loneliness and sorrow associated with old age is self-inflicted, he says.

But if (people are) happy-go-lucky and interested in helping each other, no matter how tough the life is, they enjoy it," says Milburn. "The ones who are happiest are the ones who realize they're living on borrowed time."

Mr. Speaker, it is indeed appropriate that we reflect on the deeds and achievements of our people who have contributed to the quality of our way of life here in America and I appreciate the opportunity to call your attention to Sid Milburn's lifetime of good works. As we gather together in a birthday celebration to a good friend and distinguished citizen, we extend the appreciation of the Congress to Sid for his good deeds, friendship, and good will he has so willingly and abundantly given over these many years that mean so much to the lives of all of us who have had the good fortune to know him. We do indeed salute a great American, the Honorable Sidney R. Milburn, for his standards of excellence which have truly enriched our community, State, and Nation.●

H.R. 2948 VETERANS' HOUSING BENEFITS AMENDMENTS OF 1983

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. GILMAN. Mr. Speaker, earlier this week the House voted unanimously to adopt H.R. 2920, the Veterans' Administration health program of 1983. Today I rise before you to ask that H.R. 2948, the Veterans' Housing Benefits Amendments of 1983 enjoy the same support.

During the recent recession the Veterans' Administration reported an increase in mortgage delinquencies and foreclosures which they alticipate will continue into the recovery period. H.R. 2948 authorizes the VA to provide limited mortgage assistance from a revolving fund to veterans with VA home-loan guarantees who are delinquent in their payments. By extending relief to the unemployed, underemployed, and seriously ill veteran, the VA is able to continue its fine service and save the cost and pain of foreclosing on veteran-owned properties.

Congress has continuously strived to meet the changing need of the 11 million veterans who have secured direct VA loans and loan guarantees for the purpose of purchasing or constructing a home. Additionally H.R. 2948 authorizes the VA to guarantee or refinance a loan for a manufactured house under conditions currently applying to loans of conventionally built homes. These amendments also provide for the reentitlement of a veteran's loan guaranty when a second veteran assumes the outstanding loan under his own entitlement.

And finally, the veterans' benefits amendments authorizes the improvement of national cemeteries and the extension of the State cemetery grant program to insure that our men and women who have served in the military have a final resting place.

I believe accordingly, that this measure is deserving of our wholehearted support.●

THE BENEFITS OF COOPERATION WITH ISRAEL

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. OTTINGER. Mr. Speaker, last week Israel and Lebanon took a giant step toward settling their dispute by signing an agreement on the withdrawal of troops from Lebanon. With this accord, we have a chance finally to have an end to the fighting in the Middle East; let us not let this opportunity slip through our fingers.

As Mr. Thomas Dine points out, cooperation with Israel has, in the past, resulted in some of the most significant strides toward peace in the Middle East, I call my colleagues' attention to Mr. Dine's article in the New York Times explaining why the United States must continue to support Israel if the new agreement is to be brought to fruition.

AMERICA, BE WARM TO ISRAEL

(By Thomas A. Dine)

WASHINGTON—Will Secretary of State George P. Shultz be able to build on his progress in the Middle East, or will the Syrian and Palenstine Liberation Organization buildup in Lebanon produce another confrontation? The answer may depend on whether the Administration learns from recent experience or whether it returns to mistaken assumptions.

Until recently, the administration pursued a policy of conflict with Israel and cooperation with the Arabs. Areas of common interest between the two countries were virtually ignored. The Administration used a steady stream of threats and small punishments intended to bring Israel around to its point of view, but the differences only widened. Meanwhile, as Israeli officials got the cold shoulder, a procession of Arab leaders consulted closely with President Reagan.

The events surrounding the Shultz mission changed all this, at least for the moment. He determined, before going to work with Israel as an ally. In an initiative to improve the atmosphere, he got President Reagan to approve the sale of American-designed components for a new jet fighter to be built in Israel, despite opposition by the Secretary of Defense. In Israel, he declared his intention to put the relationship back on a basis of trust, and demonstrated real concern for Israel's security and appreciation of the fact that the goals of Israel, America and Lebanon are essentially similar: to restore the sovereignty of Lebanon, secure the removal of all foreign forces there and prevent Lebanese territory from again being used as a base for those who would destroy Israel.

Israel responded, making major and painful concessions to achieve an agreement. Secretary Shultz came home with something tangible.

Now America again faces a basic challenge from Syria and the P.L.O. Syria has moved 10,000 more troops into Lebanon's Bekaa Valley, bringing its total force to perhaps five times that of the Lebanese Army, and the P.L.O. has infiltrated a thousand fighters into Beirut. Yasir Arafat and President Hadez al Assad of Syria speak openly of protracted armed struggle, and Mr. Assad has declared the Lebanese Government of Amin Gemayel illegitimate. They seem to be planning to rekindle the civil war and possibly to seize the whole country in order to open another front in the war against Israel. This could give Moscow another strategic foothold in the Eastern Mediterranean.

The Administration optimistically predicts that as criticism mounts in other Arab countries, Syria and the P.L.O. will realize that it is in their interest to withdraw. And when the political environment improves, America would then be prepared to serve as a mediator, to bring about the simultaneous withdrawal of Israeli, Syrian and P.L.O. forces, finally letting Lebanon be Lebanon.

Suppose the Administration is wrong? It was, after all, optimistic about the Syrians for eight months preceding the Israel-Lebanon accord, and has admitted surprise at the strength of Syria's rejection of it. Nor is this an isolated example of excessive optimism about the Arabs that has been the hallmark of Administration policy. King Hussein was supposed to sit down with Israel, with Mr. Arafat's blessing; the Arab summit meeting in Morocco was expected to produce a truly moderate Arab position; the Saudis were supposed to pressure the other Arabs toward peace, etc,

Is the Administration drifting back toward a policy based on conceptual errors that led to past failure, again distancing America from Israel in the forlorn hope of wooing the Arabs.

If the Administration is wrong, and the Syrians do not yield to our entreaties, getting them out will depend on American solidarity with the Israeli and Lebanese Governments. America and Lebanon alone cannot stop 4,000 Syrian tanks; Israel's military and moral strength is the only real deterrent. If America distances itself from Israel, it may weaken the very foundation of the effort to restabilize Lebanon.

Israel has no territorial aspirations in Lebanon; Syria does. The P.L.O. wants back the bases and freedom of action it once enjoyed. This is not the time for illusions about the Arabs, nor for distance between America and Israel. It is the time to say to Syria, the P.L.O. and their patron, the Soviet Union, that we stand with Israel and Lebanon for Middle East peace. The Administration's proposal to sell 75 F-16's to Israel is a step in the right direction.

Two actions Mr. Reagan has not taken are particularly important to send this message. The first is to invite Menachem Begin to Washington for a consultation that has been delayed too long, and to do so in a way that reaffirms the strong bonds between the two democracies. The second is for Mr. Reagan to end his peculiar silence on the Soviet buildup in Syria, stating plainly that it is a dangerous escalation that America opposes.●

OUTSTANDING JOURNALISTIC ACCOMPLISHMENTS OF LARRY MATTHEWS OF WMAL RADIO

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. WOLF. Mr. Speaker, I want to recognize and bring to the attention of other Members the outstanding journalistic accomplishments of Larry Matthews, a WMAL-AM Radio reporter and a resident of Herndon in the 10th Congressional District of Virginia.

Larry recently received one of electronic journalism's highest honors, the George Foster Peabody Award, for his outstanding 15-minute program called "They Served With Honor." The program aired on WMAL, 630 a.m. on Veterans Day, 1982, and culminated a week-long series of stories revolving around the dedication of the Vietnam Veterans Memorial.

The Peabody Awards were established over 40 years ago by the faculty of the University of Georgia School of Journalism, and are presented annually to stations, networks, and individuals for meritorious achievements in radio and television journalism. I know that the members of the professional journalism community are aware of the significance of the Peabody Awards, and I want to share with them and my colleagues the description of Larry's program, as written by the Peabody selection board:

The program is called "They Served With Honor," WMAL, Washington, D.C. With the dedication of the Vietnam Veterans Memorial in Washington, the nation took a giant step in a healing process which had been slow in process. Reporter Larry Matthews of the WMAL news team brought to listeners of that excellent radio station a very moving examination of the memorial itself, and indeed of the entire Vietnam experience through personal reflections of veterans of that conflict. There was a rifleman, a nurse and former prisoner of war and others who talked about the memorial and the times and the events which had changed and shaped their lives.

This excellent use of radio to tell a significant story, one in which all Americans are interested has been judged by the Peabody board to be worthy of this Peabody recognition.

Mr. Speaker, on behalf of my fellow 10th District residents, I congratulate Larry Matthews of WMAL for this outstanding journalistic accomplishment.●

MARTHA KETSDEVER: A REAL AMERICAN HERO

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. DENNY SMITH. Mr. Speaker, it is a great honor and privilege for me to share with the Members of the U.S. House of Representatives the western regional winning essay in the GI Joe: A Real American Hero essay contest.

The winner, 11-year-old Martha Marie Ketsdever of Albany, Oreg, is a sharp young lady with a vision for what is needed from each of us to improve the lives of those around us.

Her essay follows:

I believe a real American hero is a person who gives their time up to do a special task. And Real American Heroes have strong feelings of respect for humans and his country. A Real American Hero shares his happiness and discoveries with all people. A Real American Hero also saves peoples lives and makes people joyful. I think if you added this all up a Real American Hero is loving, respectful, generous, etc. I wonder what the world would be if everyone was a Real American Hero?●

DISHONOR

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. MINETA. Mr. Speaker, I rise to call my colleague's attention to a recent article by Richard Cohen in the Washington Post about Harvard University's intention to honor John J. McCloy. Perhaps more than any other individual, Mr. McCloy is responsible for the entirely unlawful and unwarranted internment of 110,000 loyal Americans during World War II.

Perhaps even more offensive is Mr. McCloy's continued defense of the internment as a reasonable and necessary policy. As the Members of this House knew, the Commission on Wartime Relocation and Internment of Civilians has recently reported to Congress that, contrary to Mr. McCloy's view, the internment was caused by race prejudice, war hysteria, and a failure of political leadership.

Mr. McCloy was one of those men whose leadership failed.

Yet now Harvard University will honor him by naming a special program after him. I believe for Harvard to take such a step is a thoughtless and entirely unnecessary slap in the face of all Americans who care about civil rights, fair play, and the integrity of our constitutional guarantees of freedom and equal justice.

I hope Harvard will have the good sense to reconsider this truly offensive gesture.

Mr. Cohen's article follows:

[From the Washington Post, May 19, 1983]

DISHONOR

(By Richard Cohen)

Harvard University is about to honor John McCloy, an 88-year New York lawyer and former government official whose influence was so great that when the late Richard Rovere coined the term "Establishment" he made McCloy its chairman. It is no surprise that Harvard, which is to the Establishment what China is to pandas, is about to name a program after him. It is merely a disgrace.

Rovere knew his man. McCloy has been chairman of almost everything—the Chase Manhattan Bank, the Council on Foreign Relations and the Ford Foundation for starters. He was assistant secretary of war during World War II, friend and adviser to nine presidents, president of the World Bank, High Commissioner of Germany and, in his spare time, counsel to the oil industry and lawyer to, among others, the Rockefellers.

But buried in that virtually unbelievable resume are some controversial and reprehensible actions. It was McCloy who ran, and who still defends, the program to intern some 127,000 Japanese-Americans during World War II. And it was McCloy, again in his capacity as assistant secretary of war, who rejected suggestions that the Allies bomb the Nazi extermination camp at Auschwitz. It is these two actions that have stirred controversy among students at Harvard, which intends to name a German-American scholarship program after McCloy.

Things would be simpler if McCloy were either an evil or an insensitive man. He is neither. He has devoted much of his life to public service, performing with such distinction that presidents from Roosevelt through Reagan have called on him. He had the integrity and the guts to stand up to Joe McCarthy, had the vision and wisdom to question—at the time and from within the government—the bombing of Hiroshima and was, as every cliche artist knows, the "architect" of the Atlantic Alliance.

But there remains this business of the failure to bomb Auschwitz and the incarceration of the Japanese. Of the two, the latter is the more unambiguous evil. It was a totally American operation uncomplicated by questions of feasibility and cooperation of allies. The incarceration should never have happened and would not have if the Japanese had been, like Italian- and German-Americans, white.

That, in a nut shell, was the conclusion of the congressional commission that investigated the incarceration of the Japanese. It pointed out that there was not a single, verifiable incident of sabotage committted by a Japanese-American—not that it would have justified internment of an entire ethnic group even if there had been. It pointed out, further, that the forced removal of Japanese from the Pacific Coast to camps in the interior was so clearly illegal that the Justice Department refused the task. The Army—which is to say McCloy—had to do it.

McCloy has been unapologetic about his role, never acknowledging that the policy was, as the commission said, the result of "race prejudice, war hysteria and the failure of political leadership." Instead, he has talked of a nonexistent military necessity and the need to do what had to be done. And in the spirit of Marie Antoinette's let them eat cake remark, he has said, "The war caused disruption in all our lives."

Government, though, not only has an obligation to win wars, but also to protect the rights of its citizens. It was the duty of government, and of McCloy, to stand up to West Coast racism and protect the rights, property and, in some cases, the very lives of the Japanese. This was especially true by 1944 when even President Roosevelt privately acknowledged that there was no reason (except his upcoming reelection campaign) to continue the incarceration.

McCloy, though, has never acknowledged this. Instead he stands unrepentant for having directed maybe the greatest violation of civil liberties in American history, indicating either that he has learned nothing from history or has his values on upside down. This is what the students are trying to tell Harvard. By naming a program after McCloy, the school doesn't just honor him. It dishonors his victims.●

A TRIBUTE TO ROBERT MAYER

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. LEVINE of California. Mr. Speaker, I am pleased to join my colleague HOWARD BERMAN today to honor Robert Mayer. I can think of countless reasons why Robert Mayer should be honored. He is a successful architect, respected businessman, World War II veteran, and a dedicated family man. I choose today to emphasize his longstanding commitment and service to his community.

As president of Mayer & Taylor architectural planning design firm, Mr. Mayer has been practicing in his community since 1946. He has been involved in all phases of architecture, planning, and design, and has assisted in the positive development of the Los Angeles area by providing numerous office buildings, shopping centers, libraries, schools, and medical centers.

Mr. Mayer has also taken an active rule in numerous community organizations. He is a member of both the Free and Accepted Masons and of ACRE (Association of Corporate Real Estate Executives). He is the past president of the Westwood Lodge B'nai B'rith and of the Guardians. He was formerly vice president of the Men's Association of Vista del Mar Child Care Center. Currently, Mr. Mayer is chairman of the West Los Angeles Regional Chamber of Commerce.

On June 17, Robert Mayer will be honored by the chamber of commerce as its outgoing chairman. The chamber and various community members are eager to thank him for his unselfish dedication and relentless work during his tenure. I feel such service also deserves congressional recognition. I, therefore, wish to invite my colleagues to join with me today in honoring Robert Mayer for his longstanding commitment and contributions to his community.●

THINKING THINGS OVER

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

Mr. WHITEHURST. Mr. Speaker, I call to the attention of my colleagues a thoughtful column by Vermont Royster which appeared in the Wall Street Journal today, May 25, 1983.

As a former professor of history, I am pleased to read this kind of public statement, which clearly and succinctly explains the roots of Latin Ameri-

ca's long history of economic, political, and social troubles.

Those who quarrel with President Reagan's policies would do well to consider Mr. Royster's summary. There are no easy answers to the endemic woes of Latin America, and while the future of the people of Central America is hardly a rosy one, it will be infinitely grimmer if the United States does nothing to stop the spread of Marxism in this hemisphere. Reform is always a possibility in a free society, but it is surely an impossibility in a Communist one.

[From the Wall Street Journal, Wednesday, May 25, 1983]

LATIN AMERICA'S WOES

(By Vermont Royster)

"El Salvador is ripe for Communist exploitation because of its extreme poverty.

In various forms this sentiment is expressed by many critics of President Reagan's aid program, including Senator Dodd of Connecticut. It's undoubtedly true but not very helpful.

For in every country of Latin America, even the relatively more prosperous ones, there are large masses of the poor and always have been. This is no doubt one cause of repeated political turmoil in all of them, from the tip of Cape Horn to the Rio Grande, which has long made whole of Latin America a major foreign policy problem for the U.S. Over the years we've tried many different approaches, none of them successful, in maintaining good relations with our neighbors to the south.

What remains to be explained are the differences, economic and political, between the two halves of the New World which have developed along divergent paths and which are the root source of our problem. The northern continent is spanned by only two major countries, Canada and the U.S. both economically flouishing and politically stable. Latin America remains broken into fragments, mostly impoverished and constantly beset by political instability. Why?

The answer doesn't lie in geography alone. Although it's true that South America is split by the Andes, more formidable than the Rockies, and by tropical jungles unknown in the temperate north, the physical resources are nonetheless large. Oil is there in great quantities, iron ore is abundant; so are non-ferrous metals. Plant diversity is large, grazing land plentiful.

Moreover, all Latin America was more than a century ahead of the north in being settled by more advanced Europeans.

Part of the answer may lie in the differences between those early colonizers, north and south. For the most part, the Spanish and Portugese came less to settle than to exploit. They hoped to tap the riches, especially gold, and return home rich. Those who remained were no less exploitive; they didn't merely push the natives out of the way, as was done in North America; the natives were subjucated.

The northern colonizers, mostly French and English, came to settle in the new land as permanent residents. While they were also exploiters, their intent was to keep their riches in the new country and make them grow.

One consequence of this was a society in the north with a smaller gap between rich and poor than in the southern hemispheres, where there were a few exceedingly rich and many in poverty. Today what we think of as the "middle class" hardly exists in Latin America and it suffers from the want of this stabilizing influence in its political affairs.

Colonial Latin America remained primarily a producer of raw materials and a market for European (mostly Spanish) manufacturers. Local manufacturing was discouraged. So for a long time the industrial revolution passed it by. Only recently has industry played an important economic role. The result was that the few large landowners became the dominant social and political group, with the masses reduced to peonage.

Another factor that must be recognized is the role of the church. The Reformation, as well as the industrial revolution, passed by Latin America. The church remained monolithic and ecclesiastically authoritarian. There was little of the kind of questioning that began with questioning the ways of worshipping God and led North Americans to a questioning of the ways of organizing the State, which in turn led to our own revolution and our present political structure.

What has all this to do with our present policy toward Latin America, or more specifically toward El Salvador? Here the answers are even more obscure. But a few things are clear.

For one, the Reagan administration can't be blamed for any "failure" in our policies toward our southern neighbors. Any such mistakes long antedate Mr. Reagan. Indeed, though most of the debate is about his military's program, he has proposed more economic aid for Central America than any of his pedecssors. So far Congress has approved only a small part of that economic program.

For another, it's clear that as long as both Central and South America are beset by economic troubles they will remain fertile ground for all sorts of political unrest. Democracy in the sense we think of it will be almost impossible. Argentina, for example, will be prey to Peronistas on the one hand and military cliques on the other. El Salvador, like Nicaragua, will be prey to Communists and other radical groups.

What isn't clear at all is how Latin America can be freed of its economic woes no matter how much aid we pour into it. For years its countries have blamed us for all their woes despite the aid we've given over those years. The truth is that the area is a bottomless pit and will be until Latin America changes in a more fundamental way; most of whatever aid we give will be siphoned off long before it reaches the improverished masses. That's what makes it all so discouraging.

The best we can do, probably, is to use our influence and our money to combat the efforts of Communist forces, Cuban and Soviet, to subvert El Salvador and its neighbors. There is no doubt that is what they are trying to do and no doubt that if they do it things will not go well with our interests in our own hemisphere. On that point President Reagan is correct.

But that said, we need to recognize that we can expect no "victory" in the ordinary sense of the word. If we succeed in savings El Salvador it will be replaced by another. The woes of Latin America run too deep for us to remove and, I suspect, they will long be with us.●

DOMESTIC NEEDS ARE IMPORTANT

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. COLLINS. Mr. Speaker, in a continuing effort to let the voices of the people be heard regarding defense appropriations, I would now like the opportunity of introducing Sidney DeKoven, vice president of Metro Seniors in Action.

We, the Members of Congress, must transfer the initiative exemplified by Mr. DeKoven and enact legislation which will allocate budgetary funds in such a way as to benefit the needs of all Americans. The Dellums fiscal year 1984 defense appropriations alternative has these requirements in mind.

The proposals included in this plan will aid education, housing, transportation, and other programs while supporting the development of an adequate defense. This statement was made at the Chicago Peace Council hearing on April 23, 1983.

STATEMENT OF SIDNEY DEKOVEN, METRO SENIORS IN ACTION

My name is Sidney DeKoven. I am the vice president of Metro Seniors in Action, a cosponsor of this hearing. I am happy to see the Congressional representatives who are here. I am also taking note of those who did not come or send a representative. I will be sure and let the members of Metro Seniors know who showed up and who didn't.

I cannot speak about exact dollars and names of fancy weapons. All I know is that services in Chicago are going without needed funds, while you in Congress allocate more and more funds for more and more weapons.

I live in Chicago Housing Authority's senior housing. While some federal money is given to the authority, it is not near enough. We cannot even afford adequate security in our buildings; it is not the Russians we have to worry about, it is muggers who prey on the elderly. Seniors' very lives are threatened daily—here in Chicago—not by some mythical threat. We cannot continue to build up the military at the expense of the elderly, the poor, and the children of our city.

I add my voice and the endorsement of Metro Seniors to the testimony heard this afternoon. Chicago and other cities are suffering because of the buildup of weaponry by the Pentagon. How many more guns do we need before we can turn our attention to the poor and hungry in our own cities? Not only cities, but suburbs, towns, and rural areas are going without.

Is any weapon worth risking the economic security of our citizens? I say no. Spend the money we need on a good defense, not waste and excess. Then use *our* tax dollars to improve *our* housing, *our* transportation, *our* health services, and *our* cities. Our best defense is economic security, not military insecurity.●

ACQUIRED IMMUNE DEFICIENCY SYNDROME

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mrs. SCHNEIDER. Mr. Speaker, I urge my fellow colleagues to support today's amendment to the supplemental appropriations bill, offered by the fine gentlemen from Kentucky and Massachusetts to increase funding to the CDC and NIH to allow them to intensify their efforts to find a cause and cure for AIDS—the acquired immune deficiency syndrome.

In 4 short years, AIDS has become one of our Nation's most serious health problems. AIDS strikes at the heart of the body's defense, leaving its victims helpless in the face of other life-threatening diseases.

Presently the number of people who have contracted AIDS is small, but it is increasing every day and striking at persons in all walks of life. Of late there have been reports of possible AIDS victims in several foreign countries. Our Government has a responsibility to assist fellow Americans who face a life-and-death situation due to AIDS. This supplemental appropriation will greatly assist those in the CDC and NIH who are actively seeking a cause and cure for AIDS. The Members of this House should be commended for the compassion they have shown today to fellow Americans who are victims of this cruel disease, by their show of support for this amendment.●

HOPE FOR OREGONIANS

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. AuCOIN. Mr. Speaker, after more than 2 years of misery, thousands of out-of-work Oregonians are cautiously entertaining hopes of going back to their jobs, bouyed by news that Oregon's unemployment rate declined to 10.4 percent in April.

This figure does not take into account the Oregonians who have become too discouraged to look for work, nor does it include those who have exhausted their unemployment benefits. But it is the lowest that Oregon's jobless rate has been in 19 months, and for that we are glad.

Today I want to pay tribute to organizations in my home State which are working to help pull jobless Oregonians through the most distressing and painful ordeal our State has suffered since the Great Depression.

The first are Oregon's community colleges, which have banded together under the Take Charge program, and opened their doors to unemployed workers to present workshops on job search techniques, budgeting, self-employment, business information, community resources; and job training.

Take Charge recognizes that the first way to help unemployed workers, many of whom have never had to face the emotional and financial shock of being out of work, is to direct them to services already available in the community. By offering this assistance in a workshop format, jobless people have the chance to meet and exchange ideas with others going through the same experience, lightening the burden just a little.

The staff of the community colleges have volunteered their time to take this program on the road, presenting workshops in shopping centers and in rural community halls around the State. A long list of outstanding business and community leaders are lending their efforts to Take Charge, showing that Oregonians know how to band together to help each other when times are tough.

Demonstrating the same determination. Mr. Speaker, are Portland radio station KYXI and the Portland Chamber of Commerce, which have started a unique program to help relieve long-term unemployment by providing incentives to local businesses to hire new or returning workers.

On April 1 of this year, KYXI, in cooperation with the Portland chamber, began the Portland Employment Project (PEP). Through PEP, incentive packages, including up to $5,000 of free on-the-air advertising, are offered to qualified firms that hire the unemployed.

The packages are being offered to up to 25 new businesses that have started operation in the Greater Portland area which hire 10 or more full-time permanent employees. Existing businesses are also being offered packages if they add 20 or more full-time permanent positions by expanding or adding to their current facilities.

KYXI is also inviting local businesses to donate incentive packages of their own. Mr. Speaker, KYXI and the Portland Chamber of Commerce are due high praise for this critical humanitarian effort. I heartily commend PEP and Oregon's Take Charge program to my colleagues in the hope that they will spread the word about these grassroots projects to the media and businesses in their congressional districts.●

MICHIGAN AND NATION NEED TO SAY "YES" TO BUSINESS

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. BROOMFIELD. Mr. Speaker, the resurgence of the American automotive industry is one of the early miracles of our mounting economic recovery.

Domestic auto sales are up; workers are being recalled to their jobs; and assembly lines are beginning to roll again.

But General Motors Chairman Roger B. Smith, addressing the Greater Detroit Chamber of Commerce, said Tuesday continuation of the industry's rejuvenation will depend on decisions made by Michigan government leaders.

"An industry that nearly everyone was counting down and out a few years ago is once again a healthy, major competitor. We've invested tremendous resources and stretched our organizations to their fullest to make the recovery happen, but how strong the recovery is—and how long it lasts * * * depends a lot on what happens here in Michigan with the beleaguered business climate we're all so concerned about," Mr. Smith said.

American auto manufacturers have invested billions and trimmed back their costs in order to be competitive in Michigan's ailing and unattractive business climate.

"We've been saying, 'Yes' to Michigan. Now it's time for Michigan to say 'Yes' to business." Mr. Smith said.

If State government makes the right decisions, Michigan is in a unique position to benefit from the Nation's economic recovery. "We have the State's leading industry reformed, modernized, and ready to help lead the recovery * * * and we have a new State administration that can serve as a catalyst to the recovery process," Mr. Smith further stated.

He called upon State government to develop a more cohesive, consistent approach to supporting the business it already has and to attracting new firms.

"Business needs a stable, secure environment to feel confident about making the kind of long-term investments it must make for the future. A State that offers less than this will be hard pressed to induce business to make that kind of commitment," he said.

Specifically, he recommended that the State reduce its high costs for welfare, unemployment compensation and workers' compensation. He urged the State's leaders to plan for long-term solutions to problems rather than short-term fixes.

Mr. Speaker, speaking as one whose congressional district lies in the heart of Michigan's automobile industry, I could not agree more with Mr. Smith's assessment and his recommendations. I would only add that everything he has said about the State government of Michigan could also be said of the Federal Government and especially of the Congress.

There is ample evidence of what the enterprise and ingenuity of American industry can accomplish if government becomes an ally instead of an adversary. At the very least, government should not become a roadblock to progress. I applaud Roger Smith for his courage and insight and commend his remarks to the Congress as well as to the leaders of Michigan government.●

A TRIBUTE TO MR. JOHN (JACK) FOWLE

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. EDWARDS of California. Mr. Speaker, I would like to pay tribute to a dear friend, whose sudden death a month ago has created a loss that will be shared by many. John (Jack) Fowle was a fine and strong man, and I want to share with my colleagues some of the many and generous deeds by which he is best remembered.

Jack spent the majority of his 75 years as a resident of the Los Altos area of the San Francisco Bay area. The Fowle family has a long history of community service to Las Altos, which has included the donation of the land upon which the Los Altos City Hall now rests. Jack Fowle served as the city's first town clerk, as a city council member for more than a decade, and ultimately as the mayor of Los Altos.

Although Jack was a public figure for many years, he was never one to seek out recognition for his many achievements. He was a gentle man, as his brother-in-law, Alan Cranston said, "he contributed so much—in his thoughtful, quiet determined way—to enhance the lives of so many." Jack's kind and loving ways are carried on through his family in his charming wife, Eleanor, and his children, Michael Fowle and Linda Burke.

I have known the Fowle family for many years, and it has been a cherished association. As Eleanor said to me recently, Jack always took thoughtful care of the small details of life as well as having broad vision and he was concerned for other people as long as he lived. Jack and his service to others will be deeply missed.●

CONGRESSIONAL SALUTE TO THE CLERGY AND CONGREGATION OF ST. ANTHONY'S PARISH COMMUNITY

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. ROE. Mr. Speaker, on Sunday, June 5, the residents of my congressional district and State of New Jersey will join with Msgr. Joseph A. Ciampaglio, pastor, and the people of St. Anthony's Parish, Hawthorne, N.J., in eucharistic liturgy commemorating the 75th anniversary of the founding of this highly esteemed parish.

During the course of the year, the clergy and laity of St. Anthony's will be celebrating this most important diamond jubilee history of their parish devoting themselves in an outstanding program dedicated to the remembrance of the blessings of the Parish of St. Anthony's three quarters of a century and strengthening the resolve of all to continue their most notworthy efforts in service to God and mankind.

Mr. Speaker, the faith and devotion of our people in a full communion of understanding, ever caring and respecting the individual religious beliefs of this fellowman has been the lifeline of our democracy—ever inspiring our people with hope and urging the individual on to great achievements and purpose in pursuing the fulfillment of his or her dreams and ambitions. The exemplary leadership and outstanding efforts of our citizens so important to our quality of life are in the vanguard of the American dream and today we express our appreciation to the pastor, Msgr. Joseph A. Ciampaglio, and his predecessors whose esteemed dedication and unselfish devotion in promulgating spiritual guidance, goodwill, fellowship and brotherhood in service to God have truly enriched our community, State and Nation.

May I also commend to you the lay teachers and sisters of the Order of St. Dominic who make an outstanding contribution to the pastor and congregation through their dedicated educational endeavors at the parish school.

Mr. Speaker, with your permission, I would like to insert at this point in our historic journal of Congress a brief profile on the history of St. Anthony's Parish and its beginnings, as follows:

ST. ANTHONY'S PARISH COMMUNITY, HAWTHORNE, N.J. 1908-83

As the parish community of St. Anthony's celebrates its 75th anniversary, we pause to reflect upon our past, enjoy our present and anticipate our future.

Originally started as a mission from Our Lady of Lourdes Church in Paterson, the first Mass celebrated on October 4, 1908 in a building known as Lill's Hall. In 1908, church land was donated by Robert Patton, a well-known New York lawyer, whose father was the Dean at Princeton University. The land was donated on the condition that a church be built within two years. On September 10, 1910, the first wooden chapel was erected and dedicated and Reverend William J. Van Zale was appointed Pastor. He served as Pastor until 1925. A Sunday School was started in 1908 and in September, 1912, the first Parochial school of 8 grades and attended by 48 students was started in the church basement.

Father William Thompson served as Pastor from 1925 until 1951 and during those years a new church was constructed. The Church in which we worship today was formally dedicated on November 25, 1934.

In 1951, Father Ladislaus Flek was appointed. Temporary Administrator of St. Anthony's, and he served until 1952.

Monsignor Joseph M. O'Sullivan was appointed Pastor of St. Anthony's in 1952 and he served the parish until 1966. Monsignor O'Sullivan was instrumental in purchasing the real estate adjacent to the school in order to build the church parking lot. During his time of service to St. Anthony's, he was honored with the title of Protonitary Apostolic. On September 30, 1956, the cornerstone of the newly constructed auditorium, school entrance and new rectory was placed by Bishop James A. McNulty.

In 1966, Monsignor Joseph R. Brestel became Pastor of St. Anthony's and he served until his retirement in 1978. He was also honored by being appointed Protonitary Apostolic, and he serves as Vicar General to the Bishop of the Paterson Diocese.

From 1978 to 1979, Father Allen Stepen served as Temporary Administrator of St. Anthony's Parish.

In 1979, Monsignor Joseph A. Ciampaglio was appointed Pastor of St. Anthony's, and he serves as Pastor to the present day.

St. Anthony's Parish consists of approximately 2500 families, served by Monsignor Ciampaglio, Father James Donnelly, Father Martin Glynn, and Father Chester Moczydolwski. There are approximately 30 staff members. The Parish school is staffed by lay teachers and sisters of the Order of St. Domonic and has an enrollment of 280 children.

St. Anthony's is a community filled with a beautiful and vibrant people who love their parish and generously give of themselves in service to it. These servicers are provided both within the community and within the borough of Hawthorne by all age groups such as the Golden Horizon for Senior Citizens, the Rosary Society; for the women of the parish, the Holy Name Society for the men of the parish; the Legion of Mary, where men and women sanctify themselves through apostolic work; St. Anthony's Couples Club; St. Vincent De Paul Society, which helps needy families; Teen Action Group for the high school students; Boy Scouts, Brownie and Girl Scouts.

The parish also offers spiritual growth opportunities through Marriage Encounter, Gursillo, Adult Religious Education and Saint Anthony's Novena and Feast Day Celebration. In the area of religious education, besides offering the parochial school facility, we provide religious education for children of public school, grades 1 through 8. Junior high school and also special religious education for the handicapped and mentally retarded.

The Rite of Christian Initial of Adults has also been implemented as the new and ongo-

ing process available to any adult wishing to become a Catholic.

All parishioners are encouraged to become actively involved in one or more parish organizations, programs or projects and new families are formally welcomed throughout the year and are appraised of all the activities and organizations available to them. Much of this activity is communicated throughout the parish via a weekly bulletin, a monthly newsletter, the Carrillon, which is mailed directly to the home. Also available is the diocesan weekly newspaper, the Beacon.

All of these things cause this community to become utilized in prayer, word and sacrement; which offers constant revitalization both spiritually and physically and makes our awareness of Jesus' presence in each other and in the community constantly deepened.

We are truly "Embracing the Lord in Each Other."

Mr. Speaker, I am pleased to have this opportunity to seek national recognition of the distinguished pastors, associate priests, sisters and parishoners of St. Anthony's. In their dedication and devotion to our people, in service to God and mankind, and through their noble deeds and quality leadership, they have truly enriched the cultural, educational and religious endeavors of our community, State and Nation. We do indeed salute the people of St. Anthony's Parish upon the commemoration and celebration of their diamond jubilee anniversary.●

A TRIBUTE TO MRS. ODESSA LONG PREVOT

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. DIXON. Mr. Speaker, I rise to pay tribute to a special woman who was a pillar of the community. Mrs. Odessa Long Prevot served in the health profession and community until her death on May 6, 1983, in Los Angeles, Calif. She is survived by two sons, Louis Dean, Jr., M.D., and Roland Dean, M.D., four grandchildren and many relatives and friends. Mrs. Prevot leaves behind a legacy for all of those who are committed to providing health care for others. For her, medicine and the desire to assist the sick and infirm led her across the country in search of those in need of her services. Mrs. Prevot's tenure in the health field can be termed as distinguished and impressive. The qualities she excluded were patience, skill, and professionalism in dealing with all she came in contact with. At a time when health care is being relegated to a secondary priority, her achievements serve as an inspiration for all of us, and I feel worthy of sharing her biography with my colleagues in the House.

Mrs. Odessa Long Prevot was born in 1906 in Atlanta, Ga. Later she began what was to become a career of excellence, as a nurse. For a more than 10 years she served at Memorial General Hospital in Detroit, Mich.

In the early 1960's Mrs. Prevot, in the spirit of family unity, came to Los Angeles, Calif., and joined her two sons.

While involved at the Beverly Glen Hospital for 7 years, Odessa Long Prevot, never neglected her duties, even when there seemed to be no possible time to attend to the many patients that admired her and viewed her as a valuable asset to the community. Along with this sincere dedication, Mrs. Prevot displayed understanding and an unremitting determination to make others comfortable. She never saw her position as simply a job. She enjoyed what she did and continued to work on private duty so she could serve in a greater capacity. In addition, Mrs. Prevot always demonstrated the skills necessary for participation in the medical profession. She administered the greatest amount of concern and attentiveness to her patients.

As a conscientious and devoted member of the Church of Religious Science, she continually gave to her community in Project Invest. Mrs. Prevot, a woman who displayed a great love for humankind was always deeply involved in activities in which she could share with a variety of people. She was an active member in the New Frontier Democratic Club, the California League of Women Voters, Las Madrinas, Alpha Kappa Mothers's Club, the Eastern Star and the Masonic Lodge.

Mrs. Odessa Long Prevot's contribution to society was great and will not go unrecognized. Through her humanitiarian efforts she touched many lives. I join with her many friends in Los Angeles and her devoted sons in paying tribute to her. We will miss her dearly, but are greater for having had the privilege of her association●

TRIBUTE TO CONGRESSMAN RICHARD BOLLING

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. SKELTON. Mr. Speaker, I take this opportunity to pay tribute to the Honorable Richard Bolling, former Member of this Congress from the State of Missouri. Congressman Bolling has recently received the Distinguished Service Award, an honor he highly deserves. His 34 years of leadership if this House will long be remembered. His dedicated work to make this body function more effectively as the representative of the people, plus his work for the State of Missouri, well qualify him for the Distinguished Service Award.

Congressman Bolling has been missed here in Congress, particularly by the Members of the Missouri delegation. It is a privilege to have him back in these Chambers again, especially on such a noteworthy occasion. I extend my deepest congratulations to him, and am proud to have had the privilege to have been able to serve with him.

ARTICLE SALUTES HON. CLAUDE PEPPER

HON. TOM BEVILL

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. BEVILL. Mr. Speaker, for many years, Mrs. Jo Cox, of Cox Gap, Ala., was one of Capitol Hill's most dedicated employees. She now has moved back to the Fourth District of Alabama, where she writes a regular column for the Reporter, which serves Albertville and Boaz, in my district.

I was very impressed with a recent column she wrote on our good friend and outstanding Member of Congress, CLAUDE PEPPER, following a trip he made to Birmingham. I believe all of our colleagues should have an opportunity to read these fine words about CLAUDE PEPPER, and I ask that the article be reprinted in the CONGRESSIONAL RECORD.

The article follows:

[From the Reporter, Albertville-Boaz, Ala., May 10, 1983]

STRAIGHT TALK—AGE OF NO CONSEQUENCE TO REPRESENTATIVE CLAUDE PEPPER

(By Jo Cox)

COX GAP, ALA.—Having lived in Washington for over 30 years, my pulse just naturally quickens when politics is mentioned. Such was the case when I got the news that Claude Pepper was going to be in Alabama.

He was to speak at the Relay House which occupies the uppermost floor of the Bank for Savings Building in Birmingham. I knew this lofty peak would be a spectecular scene, but the most eye-catching view was all those Democrats! Hundreds of them. All smiling and huggin' and kissin'. It was a sight to behold.

Having a field day were former Congressman Albert Rains, who served 20 years in the House of Representatives, and Carl Elliott, who has 16 years to his credit.

In the middle of all this action was Claude Pepper, a small man in stature but one who stands tall among the elderly. He is the man who has not forgotten them. Millions count on him to protect their rights. Now as Chairman of the House Rules Committee and the Select Committee on Aging, he is in a position to do so.

Claude Pepper is the oldest member of Congress, having served 14 years as United States Senator from Florida and currently serving out his 20th year as a Congressman from the Miami area.

Age is of no consequence to this man. He walks with the quickened pace of a man half his age. Although he wears a pacemaker, bifocals, and a hearing aid, he is tireless

and seems to get better and more powerful with age.

When I think of him, one memory stands out. His office in the Senate Office Building was right next door to mine. At the time I was a secretary in the office of Senator Albert Hawkins of New Jersey. This was my first job on Capitol Hill, and I was a bit shy. Scared would be a better word. A Senator held an exalted status in my young eyes, and to think that a member of the United States Senate would notice me—much less speak to me—was beyond my wildest imagination.

But this one did.

Every time I passed him in the corridor, he had a pleasant greeting for me and a smile on his face. Sometimes he even asked how I was. Now at 82, he hasn't changed.

I watched him there at the luncheon. Looking into each face. Clasping each outstretched hand. It was a lesson in brotherly love. It was a sight that quickened my heart.

Pepper was born on his father's 129-acre farm about a mile and a half east of Dudleyville, Alabama, in Chambers County. He grew up in the poverty of rural life. His family history dates back before the Revolutionary War. Both his grandfathers fought for the Confederacy in the Civil War. He grew up in the Baptist Church and hasn't strayed since.

When he was 10 years of old, his family moved to Camp Hill where there was a better chance to go to school. He says he has always had a desire to be somebody. He credits his Camp Hill high school principal. He says he was the most inspirational man he has ever known, lifting up almost every student who was in that school to a higher perception of life, to a desire to be somebody and to contribute something to his country.

Pepper set high goals himself. One night he got to dreaming about the future and wrote on the wall. "Someday Claude Pepper will be a United States Senator." That ambition never left him. He graduated from the University of Alabama in 3 years, went on to get his law degree from Harvard in 1924, and was elected United States Senator in 1936.

I knew all this background on Claude Pepper before I came. I wondered. Would he be the same man who passed me in the Senate hallways back in 1946? Would he be as nice now as he was then? I wondered. But not for long. That same smile was there. Those same kindly eyes. Yes, here was a man who has made old age meaningful and productive. An example for us all.●

GABE RESCIGNO, 48 YEARS OF COMMUNITY SERVICE

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. OTTINGER. Mr. Speaker, I would like to call to the attention of my colleagues the distinguished career of Mr. Gabe Rescigno who will retire this month as principal of the Greenvale School in Eastchester, N.Y. Mr. Rescigno has served in the Eastchester school system for more than 48 years, starting as a teacher in the old Wilmot School in 1935 and working his way up to his current post of principal which he has held since 1962.

Gabe has been honored many times for his dedication and service to the Eastchester community, but I think the greatest tribute to Gabe's accomplishments and contributions are the thousands of students who have benefited from his wisdom, his guidance and compassion, and his willingness to work with others.

Gabe's record of community service, however, goes far beyond his contributions to the Eastchester school system. He is the founder and first president of the Eastchester Historical Society. He was an appointee to the original committee that founded the Eastchester Volunteer Ambulance Corps and has served as the public relation chairman, treasurer, and senior adviser to the corps since 1952. The Boy Scouts of America have cited him many times for his leadership as scoutmaster and merit badge counselor.

The list could go on forever, as so it seems that Gabe Rescigno's diverse accomplishments do. I am honored to be among those who will honor Gabe Rescigno at his retirement dinner May 31 at the Stouffer's Inn in White Plains, N.Y. His life-long dedication to the service of others is a shining example to all of us.●

KELLY JOHNSON—THE MASTER DESIGNER

HON. BOBBI FIEDLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Ms. FIEDLER. Mr. Speaker, Lockheed Corp. is dedicating the Kelly Johnson and Development Laboratory at Rye Canyon, Calif. This is a well-merited honor to one of the great aircraft designers—Kelly Johnson.

It may well be that future generations consider the great achievement of our era to be our mastery of the air and our airplanes our greatest artifact. Indeed, like the great cathedrals of the Middle Ages, airplanes are intended to serve a real, practical purpose, are built by the hands of many craftsmen, and remain great, soaring reminders of the limitless ability of people to transcend the time and place in which they find themselves. We do not know about the Master Masons of the building of the cathedrals. We do know about Kelly Johnson.

Kelly Johnson started designing aircraft back in the heroic age of aviation, when southern California seemed full of people with the plans of new airfoil sections tucked in their shirt pockets and would sketch out on tablecloths aircraft that were to revolutionize our way of life a generation later. Kelly Johnson used slide rule and T-square to do his work, not today's computers. Yet his imagination and inspiration were as limitless as those that built the cathedrals. He sketched out the basic design of the Lockheed P-38 fighter plane on the top of a dresser in a hotel room. But not only did Kelly Johnson design where other people could not design, he also designed what other people could not design.

Kelly Johnson designed a twin-engine fighter that could take on—and defeat—its single engine opponents, the Lockheed P-38 Lightning. It was the P-38-equipped fighter squadrons of the Army Air Force that were the cutting edge of our advance in the Pacific during the Second World War. A generation later, we had reason to be thankful for the superb performance of another Kelly Johnson design. High-altitude aerial photography from Lockheed U-2's kept our country's leaders informed during the Cuban missile crisis and made it even more clear that knowledge is power, power that we were able to use for peace. Today Lockheed SR-71's—like the U-2, a product of Kelly Johnson's from the "Skonkwuerks," the top-secret Lockheed design shop—keep their eye on potential troublemakers and troublespots throughout the world. Operating higher and faster than any other aircraft in military squadron service today, the SR-71 is very much the eyes of America.

For these, and many other, aircraft, Kelly Johnson has received the esteem and admiration of his fellow aviation professionals. The naming of this new facility is an addition to an already impressive string of honors. But words such as mine are by no means the way that Kelly Johnson's contributions shall be judged—they shall be judged by his creations, his airplanes, and they shall endure long after those for whom they were created.●

TRIBUTE TO ROBERT MAYER

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. BERMAN. Mr. Speaker, I would like to take this opportunity to congratulate Robert Mayer, outgoing chairman of the board of the Western Los Angeles Regional Chamber of Commerce, on his outstanding term of service with the chamber.

Bob Mayer has contributed his time and efforts to the chamber of commerce while maintaining a leading role in his field of architecture, planning, and design. In his work he has been responsible for the construction of shopping centers, banks, theaters, restaurants, office buildings, medical buildings, retail stores, industrial buildings, naval housing, libraries, schools, low-

cost housing, and high-rise apartments.

He has been a longtime resident of Los Angeles, attending John H. Francis Poly-Technic High School and the University of Southern California School of Architecture, from which he graduated magna cum laude. He holds architectual licenses in 19 States, including California, as well as a license with the National Council of Architectural Registration Board. Bob Mayer is a corporate member of the American Institute of Architects, a fellow of the Institute of Store Planners, and a panel member of the American Arbitration Association.

Bob Mayer's service to his country and his community do not stop there, Mr. Speaker. He served in the Air Force during World War II in Europe, and was discharged with the rank of captain. He has served as president of the Westwood Lodge B'nai B'rith and of The Guardians, and is former vice president of the Men's Association of the Vista del Mar Child Care Center. He is also a member of Westgate Lodge No. 335, Free and Accepted Masons, and the Association of Corporate Real Estate Executives.

I am pleased to be able to join with my colleague MEL LEVINE and the members of the Western Los Angeles Regional Chamber of Commerce in congratulating Robert Mayer as he passes the gavel as chairman of the board. He has earned our admiration and respect, and I offer him my commendations and personal best wishes on this occasion.●

NEED FOR INCREASED DOMESTIC URANIUM PRODUCTION

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. RICHARDSON. Mr. Speaker, the domestic uranium industry is facing a severe crisis. Due to the current depressed uranium market, practically all new investment in uranium exploration and development has been halted. More than half the operating mines and mills have closed, and those that remain open are producing at drastically reduced levels. In my district in New Mexico, the uranium industry once provided almost 8,000 jobs. But today, only 1,200 are employed in the local uranium industry and more plant closings are scheduled. According to the Department of Energy, foreign suppliers have captured almost one-third of the domestic uranium market. It is not in the long-term interest of our Nation to allow our domestic industry to continue to decrease production. If we become dependent on foreign supplies, we could face the same problems we faced during the past OPEC oil embargoes.

Mr. Robert P. Luke, executive vice president of Kerr-McGee Nuclear Corp., recently made some noteworthy remarks before the AIF Fuel Cycle Conference in Kansas City, Mo., on March 21, 1983. His comments clearly and concisely outline the history of the U.S. uranium industry, the current problems facing the industry, and an agenda to insure the future viability of the uranium industry in America, Mr. Luke champions the concept of government/industry cooperation, trust, and interdependence. I urge my colleagues to carefully read Mr. Luke's insightful remarks.

U.S. URANIUM—A FOCUS ON THE FUTURE

(By Robert P. Luke, Kerr-McGee Nuclear Corp.)

We are witnessing the beginning of a third major transition in the U.S. uranium industry since its development during the 1950's. The first transition came with the change in government policy to private ownership of nuclear fuel in the early 1960's. The second transition was the result of rapid shifts in government policy and attitudes toward nuclear power in the early 1970's. During the 1980's we should see the development of a more mature, predictable and consistent government policy toward Atomic Energy. These are the ideas I want to discuss with you this afternoon.

Twenty years ago, in the spring of 1963, the members of this Atomic industrial Forum were immersed in a debate of the first question of transitional importance to our industry: "The Private Ownership of Nuclear Fuel Materials." Some of you participated in those discussions. I salute your perseverance.

Others of you will recall that "Private Ownership" would for the first time allow, and after ten years, require, that licensed U.S. electric utilities own and privately finance their reactor fuel. Under private ownership, it would become necessary for electric utilities to purchase natural uranium and UF_6 conversion services. Also, the Atomic Energy Commission would offer enrichment services under toll contracts and would repurchase plutonimum from spent reactor fuel.

Why do you suppose that in 1963, the AEC, supported by the nuclear industry, proposed these revolutionary ideas? [1] In retrospect, considering today's problems, was private ownership a sound plan?

In proposing private ownership, the AEC believed the commercial power reactor development and demonstration program had proven itself; it believed that the prospect for a commercial industry, competitive with conventional coal, oil and gas-fired plants, was close at hand. Indeed, plans for 500 megawatt class reactors had been confirmed by Connecticut Yankee and Southern California Edison only months before. The government expected that private ownership would limit the AEC's already large investment in enriched uranium while providing a future market for the enriched plants.

There were other important arguments favoring private ownership. It was generally agreed that the availability of toll enriching services to foreign customers would encourage the overseas sales of U.S. light water reactors, thereby encouraging atomic power development by spreading the fixed costs of gaseous diffusion.

There was also the letter of March 17, 1962, from President John F. Kennedy to Atomic Energy Commission Chairman, Dr. Glenn Seaborg, directing the AEC to "take a new and hard look at the role of nuclear power in our economy." [2]

The letter went on to say; ". . . your study should identify the objectives, scope, and content of a nuclear power development program in light of the nation's respective energy needs and resources and advances in alternate means for power generation. It should recommend approprite steps to assure the proper timing of development and construction of nuclear power projects, including construction of necessary prototypes. There should be, of course, be a continuation of the present fruitful cooperation between government and industry—public utilities, private utilities, and equipment manufacturers. Upon completion of this study of domestic needs and resources there should also be an evaluation of the extent to which our nuclear power program will further our international objectives in the peaceful uses of atomic energy . . ."

The Kennedy letter was undoubtedly influential in creating the atmosphere for private ownership, but even more importantly, perhaps, by late 1963 the Administration, the Congress and the industry had jointly concluded, rightly or wrongly, that private ownership would enhance achievement of a common objective: The rapid commercialization of nuclear power. The Private Ownership Amendment passed in 1964.

What ensured, over the next ten years, was a worldwide commitment to atomic power that surprised all expectations. From 1964 to 1974 more than 200 atomic power plants were ordered in the United States alone. Large investments were made in reactors, fuels and reprocessing facilities. Plans were developed for expansion of the enrichment plants. A massive uranium exploration and development program took place in the U.S. and overseas. The oil embargo occurred near the end of this period, and, at the time, seemed to magnify the urgency of atomic power development. During these years the overriding concern in our industry was adequacy of supply. Would there be enough of the materials and equipment for atomic power?

As you know, circumstances were due to change very abruptly during the decade that followed. But let us look back at the conditions and expectations that prevailed in the U.S. at the time we moved to private ownership and in the years immediately following.

The early 1960's in the United States are best described as a period of optimism, stability and national self-confidence. It was a time marked by sustained economic growth, stable prices, improving productivity and

[1] Before private ownership the U.S. government had laid the plans and set the rules for uranium procurement. The U.S. AEC virtually owned and controlled the free world's supply of enriched uranium. The AEC leased enriched uranium at reasonble charges for peaceful uses—principally, the power reactor development program—a program that had been nurtured by the U.S. govnernment for almost a decade.

[2] During the 1950's, the government/industry effort to produce enriched uranium for the defense program had been extremely successful. By the end of 1962, the AEC had purchased more than 40 million pounds of U_3O_8; about 50 percent from domestic mines and mills, and 50 percent from Canada and other foreign sources. These purchases, coupled with future commitments, were substantially surplus to defense needs.

trade surplus. Peak load grew seven percent each year and electric rates were declining. Energy prices were stable, and the nation enjoyed an energy surplus. Most oil and gas fields operated at restricted production rates.

We were then a nation prepared to take risks, a nation with an eye to the future, a nation prepared to rely on technical advancement.

During the early 60's these qualities were demonstrated;

First, by the Cuban Missile Crisis;

Second, by the U.S. commitment to place a man on the moon within ten years;

Third, by creation of the U.S. Navy nuclear submarine program—the most sophisticated strategic weapons system yet devised.

These years were marked by progress and a strong sense of direction. Leadership flowed from the government with complete reliance on the scientific, management and technological strength of the American free enterprise system. In effect, the Private Ownership Act of 1964 was simply a sign of the times.

However, the times changed. The early 1970's brought a second major shift in government policy toward atomic power and with this shift the second major transition in the uranium industry.

During these years, a new philosophy began to take root in America. The successful cooperative programs between industry and government that had been our hallmark of strength during the 1950's and 1960's began to fade. The importance of technological development in the private sector—including the nuclear power program—seemed at odds with other political priorities. For some reason, the 1970's saw an adversary position develop between government and industry in the United States. Almost overnight, cooperative goal setting, the encouragement of nuclear power and a shared approach to problem solving between government and industry—so successful in the past—came to be viewed by many as an unclean, if not immoral, relationship.

Starting with organization plan No. 3 of 1970 (EPA) followed by the Energy Reorganization Act of 1974, we fragmented regulatory authority and, in effect, withdrew from the government commitment to develop nuclear energy. The 1970's saw the abolishment of the Joint Committee on Atomic Energy, the division of the AEC into its regulatory and promotional components, and then the diffusion of the latter. Increasingly burdensome and unpredictable regulatory requirements were imposed on the nuclear industry.

During the decade of the 1970's, the philosophy that saw government/industry cooperation as unfit, fostered as system of law allowing a handful of government agencies to impose oppressive economic control over American industry.

By the end of the 1970's the results were clear inflation, unemployment, the loss of world markets, energy dependence, pessimism and a general undermining of the U.S. economy. People began to focus almost entirely on current problems. Few, if any, looked to commonly shared objectives for the future.

For our industry, the past eight or nine years have taken their toll. Only half the planned U.S. Nuclear power projects remain on order, and those are delayed. Consequently, after a decade of exploring for new uranium deposits and drawing plans to expand production capacity, our domestic uranium industry has fallen into an exponential contraction.

The situation in the uranium industry is perhaps more serious than with the U.S. nuclear industry at large. Practically all new investment in domestic uranium exploration and development has been halted. All new major mine/mill construction projects have ceased. More than half the operating U.S. mines and mills have closed, and those that remain are producing at drastically reduced rates.

For several years uranium buyers and producers have focused their attention almost entirely on inventories and spot market conditions. Buyers of uranium have become sellers . . . and producers, brokers.

U.S. production has now collapsed to an annual rate of about 15 million pounds, U_3O_8 . . . and is still dropping. Only a handful of the strongest U.S. producers remain in operation.

Coincidentally, yet another major transition in the uranium industry appears at hand. A transition that in the months immediately ahead will force us to raise our heads and refocus on the future of uranium supply in the United States.

Our preoccupation with the inventory and gyrating spot markets of the past eight years should soon dissipate. Short-term inventory problems will become less significant. Instead, U.S. utilities and their suppliers will increasingly concern themselves with establishing firm uranium procurement plans for the second half of the 1980's and the decade beyond.

Since the normal lead times for mine development and fuel procurement are five to ten years, our industry must reset its planning horizons, accordingly. In the near future, I believe that even the public utility commissions will see the wisdom of concentrating on long-term rather than short-term uranium supply.

As we shift our attention from today to 1990, new concerns arise. Obviously, uranium imports will be a key factor in future uranium supply.

It does not appear that percentage uranium import limits will be reestablished in the United States during 1983. However, if oil import taxes are suggested by the Administration as a means of rehabilitating domestic oil exploration. It would not be surprising to see similar proposals for uranium.

As unique and rich uranium deposits are developed in other countries and offered in the world market, I recognize that our domestic utilities must be in a position to compete for a share of that production.

But it is not in the long-run interest of our utilities, our producers, our enrichment industry, our reactor and fuels industry, nor, for that matter, the foreign uranium consumer and producer nations of the free world, for this great country to become substantially dependent on uranium from sources outside the United States. Unfortunately, the depressed state of our industry will make it difficult to preserve sufficient domestic capacity if problems develop from too much dependence on foreign supply.

The question of domestic uranium industry viability has passed to the President and to the Department of Energy. I hope, as our new energy secretary considers his policies and obligations, he will understand the importance of a demestic uranium indutry to the long-term U.S. atomic power program. I hope he will understand the difficulty, cost, and inefficiency inherent in reviving a fully retired industry. I hope he will understand that ultimately the success and survival of our UF_6 industry, our enrichment enterprise, and perhaps our reactor and fuels industry are closely tied to a viable U.S. uranium industry. I fear the "viability studies" called for in last year's NRC Authorization Bill will now come after the toll has been taken and will amount, in retrospect to a damage report or body count. However, I urge the Administration to promptly organize for completion of these studies.

In this regard, the Grand Junction office of the Department of Energy has in the past compiled useful statistical information on the uranium industry. Although Kerr-McGee agrees that the NURE program should be eliminated, we hope that the basic statistical program at Grand Junction will be continued.

Imported uranium is not principally responsible for the current surplus inventory problem. The inventory build-up was instead the combined result of economic problems, including drastically reduced load growth, regulatory delays, impacting U.S. nuclear power projects, and ten years of unpredictable closed and open-season government enrichment contract policies. Nor is imported uranium the only future concern of those domestic producers who struggle on.

We find our industry in a weakened condition, facing strong foreign competition, at each step forced to deal with an increasingly difficult state and federal regulatory requirements. We see politically strong antinuclear objectors focusing new attention on uranium raw materials. We seem to be in constant conflict with our own government, while our foreign competitors are either government companies themselves or are strongly supported, protected, and sometimes financed by their government.

Even so, as we look to the future, we can not parallels developing between the 1960's and current trends in the United States. Once again we find ourselves after ten years of malignant inflation, entering a period of relatively stable price levels. Most believe this trend will continue, and that also, for the first time in ten years, a period of sustainable economic growth and stable interest rates lies just ahead. Without inflation, we will soon find it possible, once again, to make long-term plans and not be preoccupied with short-term conditions. It is an environment vital to the uranium and atomic power industry.

Like the 1960's, we find today, in the colleges and universities across this nation, our students caught up once again in science and engineering. We look again, with favor, on "Hi Tech". Like the 1960's our most promising youth are seeking scientific careers in private industry and business."

Also, for the first time since the 1960's we have an energy surplus. At least temporarily, completed oil and gas wells are waiting their turn in the market. Once again, we hear talk of changes from government to private ownership.

Despite twenty years of production, there are abundant resources of uranium remaining in the United States. Rich new deposits have been found in Australia and Canada as well. We have an experienced uranium industry, albeit much reduced, capable of expanding to meet future needs.

At the time of private ownership a great uncertainty existed about future atomic power costs, fuel performance, reliability, and reactor safety systems. Today, twenty years of accumulated experience have proven fuel designs and established an excellent record of safety and performance.

Without the terrible inflation of the 1970's, we can look forward to completing

the current nuclear plant construction backlog with stable rather than continued upward adjustments in capital cost estimates. Soon, rate hearings should come less frequently.

The United States will enter the 1990's with the largest atomic power program in the world, approximately 120,000 megawatts. These reactors will demand annually more than 40 million pounds of U_3O_8, 16 million kilograms of uranium as UF_6, and more than 20 million enrichment separative work units. Our industry will be more than two times the size of the French program . . . three times the size of the Japanese program . . . four times the size of the German program . . . and larger than all three combined. With this basic load and the investments already made in U.S. enrichment, fuels, and reactor industries, there is no economic or technological reason why the United States should not be the strongest competitor in the world nuclear market.

The only thing we lack, the element which helped set the stage for progress in the 1960's, is a philosophy of government/industry cooperation, trust, and interdependence.

If the U.S nuclear industry is to regain its health and if U.S. uranium is to play an important role in meeting future demand, our government must renew its commitment to technological leadership. The long lead times and high capital costs in the nuclear industry require that the White House, the Department of Energy, the NRC, and EPA, and the Congress find some common ground upon which long-term decisions about atomic power can be made. These decisions must be explained to the public. Part of this will require persuading the mainline environmental groups not to oppose nuclear energy for the sake of opposition, but to evaluate the technology on its own merits, in comparison to others, and in the context, of the nation's need for reliable supplies of energy.

New goals must be adopted for the nation's uranium and enrichment industry. Here are some suggestions:

First, the United States will maintain a domestic industry capable of supplying sufficient uranium, enrichment, and other fuel cycle services to meet the needs of the U.S. power program, plus future Department of Defense requirements;

Second, the appropriate organization (perhaps the Department of Energy, perhaps the Department of Commerce, perhaps a new government/industry marketing organization) will take the lead in establishing an aggressive, cooperative effort between government and industry to sell U.S. fuel services including enrichment services and perhaps U.S. reactors and technology in the world market;

And third, all departments and agencies will review current and future laws and regulations in light of these objectives.

It may seem strange for a private company to ask the government for anything but less interference in its affairs. But considering the complex nature of the atomic fuels industry, it may be the only path left open. It will be extremely difficult to achieve a new consensus on atomic power, considering the industry's segmentation, the lack of centralized congressional jurisdiction and the splintering of executive regulatory authority. But it can be achieved. It has been achieved in the past.

Some years ago, a common rule of thumb for the distribution of fuel costs was: one-third of total fuel cost for natural uranium, one-third for enrichment, and one-third for fabrication (with recovered uranium and plutonium values offsetting reprocessing and spent fuel disposal costs). This distribition provided two-thirds of total fuel cycle revenue to private industry and one-third for the government.

Now, with higher enrichment costs and expected government charges under the Waste Policy Act, about two-thirds of total fuel costs will go for government services and one-third for the private fuel industry. With the U.S. government controlling 60 to 70 percent of the uranium fuel business, and in a position to approve or deny investment in the remainder through its licensing authority, is it reasonable to think that the private sector can operate independently?

In a recent commentary for the Energy Daily, Lewellyn King noted, "What really makes the French nuclear program different and more viable than ours is that it has an agenda and is orderly. It is probably the most cohesive high-technology undertaking in the Western World.

The new Secretary of Energy needs to develop a similarly credible nuclear agenda for the U.S. A new program must not be a restatement of goals that patently cannot be achieved or tired old ideas or rhetoric that is at odds with the facts. Public money is at stake, future technologies leadership is in the balance and electricity security for the next century is at issue."

In my view, the development of congruent government policies that seek not only to regulate, but to support, an integrated uranium fuels industry capable of meeting the needs of our 200 billion dollar U.S. nuclear power program is an obligation of our government that cannot be long postponed.

During 1983, as we focus on the future, let us initiate in the Atomic Industrial Forum, and elsewhere, discussions of our goals for this decade . . . goals for U.S. atomic power, uranium supply and enrichment.

Most of us gathered here this afternoon share more than professional comradery—we share a common providence. We know that fifty years hence, somehow, despite today's problems, the technologically advanced people of this earth, including many of our children and grand children, will lead a more productive and comfortable life. And, atomic power will be their principal source of energy.

Thank you.●

A TRIBUTE TO ALECK BRATT

HON. ALAN WHEAT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. WHEAT. Mr. Speaker, I am honored today to pay tribute to a truly outstanding citizen who lives in Missouri's Fifth Congressional District, Mr. Aleck Bratt.

The National Jewish Hospital and National Asthma Center will present Mr. Bratt with the NJH/NAC Humanitarian Award for exceptional philanthropic and community service at a dinner on June 1 in Kansas City. Mr. Bratt's continued selfless service to the community deserves special recognition, and I am proud to be able to formally recognize his efforts.

Mr. Bratt's influence has pervaded numerous business, civic, political, and religious organizations in Kansas City for more than 40 years.

A son of Russian Jewish immigrant parents, Mr. Bratt is a native of Kansas City and was educated in the city's public school system. After graduating from Manuel High School, he served a 40-month stint in the U.S. Army during World War II. He served 2 years of active duty in England and France and in 1946 was awarded an honorable discharge from the Army.

Mr. Bratt, 66, has worked in his father's profession, the auto parts business, for more than 40 years. He previously owned the Lone Eagle Auto Parts Co. and currently owns the Wornall Auto Parts Co. on 85th Street.

His countless hours of community service include serving as the first president of the Park Lane Hospital and serving on the hospital's board of directors. For more than 5 years, he was chairman of the Jackson County Sports Authority and now serves on the board of trustees of the Hyman Brand Hebrew Academy.

He is a distinguished member of his synagogue, the Beth Israel Abraham Congregation and is a member of the B'nai B'rith in Kansas City. His activities as chairman of the Democratic Forum have earned him the respect of all those who serve as elected officials in Kansas City.

Mr. Bratt is also a devoted family man, and he and his lovely wife Ann have raised two fine sons. His travels are too vast, his accomplishments too numerous, and his influence in individual lives too great to be recounted here in full.

Mr. Bratt deserves this special recognition, and it with great pleasure that I am asking my colleagues to join with me and the residents of Kansas City in honoring a man whose tireless dedication to his community is being justly rewarded. Mr. Bratt is truly one of Kansas City's finest residents.●

TRIBUTE TO MARY LAYTON

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. WYLIE. Mr. Speaker, it is a privilege, as ranking minority member of the Banking Committee, to pay tribute to Mary Layton, an esteemed member of the minority staff who will retire on June 3 after 31 years of distinguished service on the Committee staff. She has served this House for a total of 38 years when her work for several Members of Congress is counted.

A graduate of Blackstone Junior College and Virginia Commercial College, Mrs. Layton first came to the Hill in

1945 and to the committee in 1947. At that time there were only four staff members, including Mary Layton, but an enormous amount of work was done by a staff which was tiny by today's standards.

Mary brought several unique qualities to the committee staff, which have been admired by countless people whose dealings with the committee have given them the opportunity to gain the friendship of Mary Layton. Foremost among these qualities is the southern charm of her native Lynchburg, Va. Mary has a sense of style and good taste which is unequaled in Washington.

Another unique quality which Mary will take with her when she leaves is her recollection of the history and lore of the committee, going back to the end of World War II. This is more than an ability to tell entertaining stories. It is the institutional history which is relied upon daily and which cannot be replaced. During her tenure Mary has seen every member of the present Banking Committee take his or her place in the lower row among the incoming freshmen.

It gives me great pleasure to honor Mary today and to tell my colleagues and Mary's loving friends some good news to temper the sadness with which we anticipate her departure. Mary is blessed with good health and is looking forward to an active retirement with an extensive travel, vigorous gardening, and the opportunity to spend more time with her family and friends.●

MX MISSILE

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. SYNAR. Mr. Speaker, yesterday the House voted on the President's proposal to base the MX missile in existing Minuteman silos. It is important to point out that this was not a vote on the original concept of the MX. That is, it was not a vote to build a survivable, land-based missile that could accurately retaliate against any Soviet attack. Rather, it was a vote on whether or not to place the MX in highly vulnerable Minuteman silos that could be eliminated in a Soviet first strike.

The fundamental question I asked myself before this vote was this: Will the MX, based in Minuteman silos, add to our national security? The answer was unequivocally "no." The MX will be just as vulnerable to Soviet attack as our existing land-based missiles. As my friend Senator DALE BUMPERS of Arkansas said the other day. "The Soviet Union won't even have to retarget their missiles." We will be just as vulnerable to a Soviet first strike as ever, and the "window of vulnerability" will still be wide open.

I support weapons that do improve our deterrent capabilities. I support the B-1B, the cruise missile, the Pershing II, the Trident, and many, many others that have a well-defined and important role in our national defense. I also support the President's recommendation that we begin moving away from MX-like weapons, and begin developing smaller, single-warhead missiles. I wholeheartedly support the development of the proposed Midgetman missile.

I do not, and will not, vote to give the President a blank check to buy every weapons system that comes down the pike regardless of its effectiveness. The Scowcroft Commission says the MX will cost $15 billion—others say over $20 billion. Either way, we should be spending that money on weapons that improve our deterrence, and improve our national security.●

EDUCATING FOR EXCELLENCE

HON. HERBERT H. BATEMAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1983

● Mr. BATEMAN. Mr. Speaker, I recently had the opportunity to appear on "Crossroads: Decision for the Eighties," a program produced by the Center for Excellence, an educational television network, and hosted by Dr. James Morris, professor of history at Christopher Newport College. I am proud that both the center and the college are in the First Congressional District of Virginia, which I represent.

When I appeared, Dr. Morris had just completed a program discussing the requirements placed on our educational system by the current revolution in information processing technology. Mr. John Curtis, founder and president of the center, and Dr. Donald J. Senese, Assistant Secretary for Educational Research and Improvement, U.S. Department of Education, were guests on that program.

Dr. Senese earlier delivered a statement, "Education for Excellence in a Technological Age," to a group of faculty and students of Christopher Newport College. Given the timeliness and importance of this topic, I want to share Dr. Senese's comments with my colleagues.

Good Afternoon. It is a real pleasure to be here with all of you today in the beautiful and historic Newport News area and at one of the outstanding educational institutions in the Commonwealth of Virginia—Christopher Newport College.

When we look at the defense of the United States, we must look to this area which has a critical role—a key area protecting our Atlantic coast and the home of the ship building industry on which we depend for such vital construction as our aircraft carriers.

Within the midst of this strategic location, I must also express my pleasure at the invitation from Christopher Newport College. While the Commonwealth of Virginia has many old and venerable and excellent institutions of higher education, Christopher Newport College has come to the forefront of educational excellence within two decades. Yours is an urban institution not only serving the traditional student but providing great services to the non-traditional student. Your institution represents the view that education has no career or age boundaries; you cater to all those who wish to learn.

I am especially pleased to see my former colleague from my teaching days, Dr. Bob Hermann, head of your Psychology Department, Bob is an excellent educator and you are fortunate to have him as a member of your faculty.

I would like to discuss with you today some of the work and important initiatives which represent the current focus within the U.S. Department of Education, especially the Office of Educational Research and Improvement. Of major impact to all aspects and on all levels of education are the new development in technology.

Our country, indeed, all developed nations of the world are undergoing a shift from operating as an industrial economy to becoming an information-service economy. The technological revolution is not in the future—it is now. From videogames to the microcomputer to additional uses of the silicon chip, technology is changing our way of life.

Technology and its applications to education are a major policy concern of the U.S. Department of Education. On June 22, 1982, at a national teleconference held in Washington, D.C., U.S. Secretary of Education Terrel H. Bell said:

"The growing computer industry has been a major cause of the increased demand for individuals with basic and higher level skills, particularly in the related fields of math and science. We should assist school districts to explore uses of technology to improve skill instruction, to prepare for employment and to increase the productivity of teaching."

Dealing with technology is one of the most significant challenges educators have faced in modern times. It is important for those of us who are in the field of education to at least look at the technology available to use today, and to consider the even more sophisticated technology that is rapidly becoming available.

We must deal with the impact that technology will have upon the generation of students now in school. These children and young people will be the first generation to live out their adult lives in what is now being referred to as "the information age." How we act upon this knowledge, and prepare today's students for this inevitability, will determine their ability to cope with the world at hand as well as our nation's ability to maintain its status among nations.

Education is the key to dealing with technology. We cannot ingore the developments we see around us. As educators we cannot allow the complexity of the situation to overwhelm us into indifference.

The Office of Educational Research and Improvement has been given the lead role in implementing Secretary Bell's initiative in educational technology; we have been working with other offices in the U.S. Education Department to identify uses and the potential of technology to improve education.

OERI sponsored a conference in Pittsburgh this past November bringing together over forty years whose task was to identify the key research issues for computers in the fields of math, science, reading, and writing. I believe the final report will be of tremandous help to educators.

Several of OERI's components have been very active in a variety of projects and programs directly related to work with educational technology. Among them the Office of Libraries and Learning Technologies, the National Center for Education Statistics, and the National Diffusion Network.

The Office of Libraries and Learing Technologies is working with state and local educators to assist them in identifying the issues and opportunities in instructional technology. Our Office of Libraries and Learning Technologies is also working with the U.S. Edcuation Department's Regional Offices to assist dissemination projects in technology and to provide opportunities for teacher training in computer literacy.

Presently, the National Center for Educational Statistics, is holding meetings of experts to examine the whole question of computer literacy.

The National Diffusion Network has been active in identifying outstanding programs in technology which would be beneficial to school districts throughout our country. They have established "Lighthouse Schools" in an attempt to focus on outstanding applications of technology to classroom and educational needs. the Lighthouses are hosting visitors from all over the country and providing material on their adaptations of technology to individual school use. We have received a great response from these programs. I have had the opportunity to personally visit four of the five Lighthouses currently in operations and I have been impressed with the effectiveness each has displayed with its particular use of technology. Some of the applications include:

A computer assisted instruction program developed to assist in the improvement of basic skills instruction for compensatory education populations:

A regional alternative occupation education program in high-technology for secondary school age youth, some of whom were previous school dropouts:

Computer assisted instruction for secondary mathmatics courses.

Indeed, education for a technology era is an important priority, however, it is not our only focus. In fact, we cannot look at technology alone. We must consider it in relation to other personnel problems and facts of education, paticularly the quality and excellence of education.

A few years back, critics viewing problems in education posed the question "Why Can't Johnny Read" Professor Eric Zom updated the education crisis in an article in the Chicago Tribune (August 12, 1981) when he related this problem to the technology age. His article entitled "If Johnny Can't Read, How Will He Plug In To The Electronic World" He said:

"You can call him Johnny: long-suffering mascot of national illiteracy; standard bearer of our collective disgrace; blot on Western culture.

"He still can read very well, his writing is getting worse, and he's about to be victimized by one of the most dramatic undertakings in the history of civilization; the Information Revolution, a watershed in human development to compare with the Industrial Revolution 150 years ago and the invention of the printing press in 1440.

"During the projected Information Revolution of the next 20 years, Johnny will be overrun by these marching to the muted, staccato drumbeats of clicking electronic keyboards.

"The common person supposedly will have access to the equivalent of 10,000 mental slaves. Money will be made and business conducted by buying, selling, and trafficking in information and its complicated delivery systems.

"The already evident truth will become more obvious; Power, for individuals and nations, is knowledge.

"Where will that leave Johnny, the person who does not have a functional ability to read or write *any* language?

"He will find that there are fewer jobs for unskilled workers. His world will be highly complex and interconnected, and daily life will demand conrol of sophisticate cable and computer technology; he will be unable to take advantage of this vast technology with his so-so-skills.

"Self-styled experts will speculate endlessly "Why Johnny Can't Log On."

His prognosis is an apt one. No matter what other programs or initiatives we might attempt to implement in the educational arena we must not ignore basic education. Without a concern for a conscious attempt to have excellence in education, other efforts will be futile.

U.S. schools are doing an impressive job of educating many students from a variety of economic and ethnic backgrounds; we are doing great in quantity but not very well in quality. As that great scholar of the American educational system Dr. Russell Kirk has noted: "A great many are schooled; very few are educated."

In his State of the Union address this year, President Ronald Reagan focused on this very issue. In urging a widening of our education horizon, the President stated:

"We Americans are still the world's technological leader in most fields. We must keep that edge, and to do so we need to begin knowing the basics—starting with our educational system. While we grew complacent, others have acted. Japan, with a population only about half the size of ours, graduates from its universities more engineers than we do. If a child does not receive adequate math and science teaching by the age of 16, he or she has lost the chance to be a scientist or engineer.

"We must join together—parents, teachers, grassroots groups, organized labor, and the business community—to revitalize American education by setting a standard of excellence."

In examining the question of excellence, one might ask just what comprises excellence of education. And, to be sure, that is not an easy question to answer. The phrase itself is simple enough. But the implications which it holds for education who are attempting with modern day problems of education indicate a highly complex problem.

Over the past decade or two, many people both within and outside the educational community, have come to question the educational community, have come to question the quality of the education being provided by most of our schools. And, their concerns are not without foundation. Unfortunately, certain factors indicate that the education being offered to most young people is not what it should be.

Employers are expressing disappointment with the secondary school and even college, graduates who are not or have recently entered the workforce. A high percentage of these recent graduates hate not mastered even the basic skills. Many have difficulty with spelling, use of correct grammar, and simple mathematical computations. Many could be defined as functional illiterates. Whatever title we might designate for these unfortunate individuals is unimportant, the fact is that individuals who lack the basic competencies do not form the basis of a trainable, appropriate workforce needed by business and industry to meet our nation's goals.

The problems experienced by such persons are tragic for them on a human level to say nothing of the dangerous position in which it places our nation.

The success ef our educational system is intimately tied to our national security. For the past decade, Scholastic Aptitude Test scores have shown a decline. Last year for the first time since the decline began, there was a very slight upturn. A number of individuals would like to believe that the scores have bottomed out, that improvement is already here. Hopefully, such an assessment is correct. But whether or not the upturn is just a one time improvement or the beginning of a definite turn around that will show increases in future years as well, the low level which these scores have reached nationwide indicate a long uphill battle to readily signify any real improvement in the schools.

It has taken some courage to acknowledge and confront the fact that something is wrong with our schools. Most of us have always accepted, without question, that our nation's schools were engaged in the business of eduction. We assumed that students were being taught, in a superior fashion reading, writing, and arithmetic with proper doses of history and other academic disciplines part of a rigorous curriculum.

Given the opportunity, most young people want to learn, their education should be a rewarding experience. Every single student enrolled in school should have the opportunity to receive an excellent education, one which provides them further education, gainful employment, and a fulfilling lifestyle.

Recognizing the importance of education, and concerned about its current direction, the Reagan Administration has given a return to excellence a high priority.

A major difficulty in attempting to remedy current problems in the schools is that of understanding just what it is that the schools aren't doing. Why are they failing? What is wrong with the educational programs that they offer?

In order to do this, and consequently improve the educational atmosphere within such schools, we need to identify what it is that constitutes an effective school. There are such schools. There are schools which go beyond the average in motivating and academically preparing their students.

The National Institute of Education, a component of OERI, has been engaged in looking at what is needed in order to improve the instructional effectiveness of schools. While there are many and varied characterstics of schools which display a consistent degree of instructional effectiveness there appear to be some bottomline characteristics, which run as a common thread throughout these schools: For example:

Strong administrative leadership by the school principal:

Teacher expectations that students can reach high levels of achievement, regardless of pupil background.

School-wide emphasis on basic skills.

One would think that all schools should possess such characteristics. Apparently some, in fact, many, don't. Perhaps, also, there are other ingredients or combinations of ingredients which make a school "work"—a school that is able to provide the type of educational atmosphere in which students succeed year after year.

Perhaps by identifying these schools and by giving some exposure to their programs, other schools could benefit. Effective

schools seem to be the exception rather than the standard. This needs to be changed. School officials need to be exposed to sucessful schools, the programs that they offer, and the way in which they offer them. This would enable other schools and school districts to replicate successful programs if they met a particular school system's needs. It could also enable colleges and universities to better adapt their coursework and programs for the secondary graduates who will be attending their institutions of higher learning. With better prepared secondary students, college coursework can be improved.

As part of the program to identify schools which have programs that could be identified as excellent. Secretary of Education Bell is implementing a program to acknowledge outstanding public secondary schools throughout the country. A separate program will be initiated for recognition of outstanding private schools.

Fifteen-member panels of experts in the field of education, made up of individuals not affiliated with the Federal government, will review nominees for recognition of their school programs. Public high schools, as well as middle and junior high schools, will be nominated by each state's chief school officer.

The attributes for an effective school which will be judged by the panel include: clear academic and behavior goals; order and discipline; high expectations for students; teacher efficiacy; rewards and incentives for teachers and students; positive school environment; administrative leadership; community support; extent of concentration on academic learning time; frequent and monitored homework; regular and frequent monitoring of student progress; well-coordinated curriculum; variety of teaching strategies; and opportunities for student responsibility.

Those selected by the panel will receive public recognition. They will be awarded a plaque in honor of their outstanding achievement or achievements.

It is hoped that national attention will be focused on some of the good qualities of some of the schools throughout the nation. While it is understood that not everyone will agree on the qualities that cause one school to be better than another, attempting to look at the question is a step in the right direction.

If we can focus attention on what is right with American education, perhaps it will have positive ramifications. In introducing this program, Secretary Bell said:

"* * * if we also spark a little debate or controversy over the qualities that make a school stand out above the others, so much the better * * *"

Also very much concerned with the issue of what makes a good school is the Secretary's National Commission on Excellence in Education. Hard at work for over a year, their work will be completed by the end of March. The Commission is providing what is probably one of the most comprehensive, intensive looks at education, throughout the country, that has ever been done.

It would be against the policies of the Reagan administration which strongly supports each state's authority to operate and administer its own school system, for the Commission to attempt to set any type of National standards. It will not. What it will do, as charged by Secretary Bell, is to make "practical recommendations for action" to public officials, educators, parents, and others who set school policies.

Usually it is the students in the schools who take the tests—today, I believe that we, the educators, are also being tested. Can we turn things around? Can our schools once again provide an outstanding example to the rest of the world of the highest standards of educational principles and practices? With our shift in emphasis to excellence, I believe that we have started down the road to achieving that goal. Let us not get stuck along the way but more full speed ahead. We will all benefit from the results.

There is an important role for institutions like Christopher Newport College. We need to go beyond the stage where elementary and secondary schools blame colleges for lowering admission standards and the college claim that has only done so in response to the poor academic products being turned out by our elementary and secondary schools.

We all have an interest in a strong educational system. This Administration has continued student aid programs seeking only to target them more carefully to the students who need funds. Yet, there is also an emphasis on an important American trait and quality—self-help. The Administration's Education Savings Account plan is designed to help parents save for the college education of their child or children. It will also have the effect of assisting our economy by adding to the pool of savings for our nation. We need to increase this pool if we are to meet the economic challenges of investment for future prosperity.

While we encourage students to attend college, we must guarantee that this education must be worth something. As I mentioned earlier, we have entered an age of technology. We must be willing to use this important tool at all levels to improve student learning, increase teacher productivity, and develop more effective schools. We must be able to reach out to the traditional and non-traditional student to prepare them for the great challenges of tomorrow.

We are entering a period in our history—especially through the block grant proposals of the Education Consolidation and Improvement Act—which gives State and local educators a greater voice in decision-making. Colleges and universities can play a crucial role in assisting and preparing educators to make the correct decisions and exercise new responsibilities.

It has been a pleasure to be with you today and I wish Christopher Newport College well as it pursues the goals of educational excellence and quality.●

U.S. POLICY ON APARTHEID

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. SOLARZ. Mr. Speaker, today the New York Times published an editorial eloquently asserting the pressing need for the United States to make clear its opposition to South Africa's apartheid system. Since many of us are deeply concerned about the horrendous results of this systematic, institutionalized system of racial discrimination, I ask that this timely editorial be reprinted in today's CONGRESSIONAL RECORD.

The Congress is currently considering a number of bills relating to South Africa. They include legislation introduced by Representative DIXON, H.R. 1083, requiring the United States to oppose IMF assistance to South Africa; Representative GRAY, H.R. 1392, prohibiting new investment in South Africa; and Representative RANGEL, H.R. 1020, prohibiting the export to South Africa of nuclear material and technology. In addition, I recently introduced H.R. 1693, which places certain restrictions on or economic relationship with South Africa.

I would like to urge my colleagues to give careful consideration to all of these bills, and to join me in working for the passage of legislation in this House that would indicate to South Africa and the world that the United States is willing to act against the day-to-day horrors of the apartheid system.

[Editorial from the New York Times, May 26, 1983]

South Africa can segregate its races, but it cannot segregate itself from the violence its policies breed. This is the meaning of last weekend's terror bombing in Pretoria, which claimed 17 lives, white and black, and left 217 wounded. Bombs beget bombs, and South Africa has compounded a gruesome deed by loosing its warplanes against Mozambique, insisting that its targets are guerrilla installations.

One can mourn all the victims without indulging the injured innocence of South Africa's white rulers. To the challenge of racial violence they offer a single explanation: It's a Communist plot, backed by the Soviet Union and carried out by the outlawed African National Congress. And they propose a single remedy: an eye for an eye.

But the true, and truly evil, explanation is homegrown. It is the system of apartheid, which has the appalling effect of making 21 million blacks strangers in their own land. For all the years of talk of power-sharing or conciliation, in every vital respect power in South Africa remains the monopoly of 4.5 million whites. The huge black majority is left with "citizenship" rights in patchwork homelands that Pretoria pretends are sovereign states.

Apartheid—apartness—means that, theoretically, blacks must carry passbooks and are forbidden to spend more than 72 hours in white urban areas. But if apartheid were literally enforced, it would bankrupt a white economy grown prosperous on cheap black labor. And yet for a black to question this system is to risk jail, torture or death.

Reflecting on the French Revolution, Burke warned: "A state without the means of some change is without the means of its own conservation." But in the name of conservatism, South Africa's rulers have imposed a radical system that denies the majority the hope of real and peaceful change. Then Communists are blamed for the explosive result.

These truths are apparent to the Reagan Administration, which has applied the soft nudge of "constructive engagement" to the hard rulers in Pretoria. The State Department evenhandedly deplores all violence, putting the desperation of victims on the same plane as the brutality of masters. But for all this restraint, Washington has yet to

wrest a single tangible benefit in the form of change from the South Africans or in Namibia, which they illegally occupy.

If the latest bloodletting fails to sober Pretoria, it ought to impress Washington. "I weep for my country," said Bishop Desmond Tutu, a black dismayed by both bombings who has tried consistently to touch the troubled conscience of his white overlords. "We cannot solve problems this way."

President Reagan also has a chance, if he will but use it, to speak to that same conscience in behalf of all those in South Africa, white and black, who yearn for peaceful change instead of hatred, repression and death.●

HUMAN RIGHTS IN CHILE

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. BARNES. Mr. Speaker, Amnesty International recently issued a comprehensive report entitled "Chile: Evidence of Torture." The report documents cases of Chilean prisoners who had been tortured during detention and were examined by an Amnesty International mission which visited Chile in the spring of 1982. The incidence of torture in Chile is only a symptom of the systematic repudiation of human rights, individual freedom, and political democracy that exists in Chile since the military took over the control of the country from an elected civilian government in 1973.

During the next 19 weeks, Amnesty International will be conducting a special campaign on torture in Chile, to publicize the plight of the thousands of Chileans who have been murdered, tortured, and exiled during the last 10 years. As part of the campaign, Amnesty International has enlisted the cooperation of 19 Members of Congress to submit for the record each one of the 19 case histories documented in the report. I am today submitting for the record the first case history. Pedro Leonardo Lopez Fabbri was detained and subjected to torture on a number of occasions. His story testifies to the rapidly deteriorating human rights situation in Chile. The account of Mr. Lopez's ordeal follows:

CASE HISTORIES

(A number of those examined are not being named, at their request.)

Case No. 1—Pedro Leonardo López Fabbri—Chile

Personal details.—He is 28 and worked as a school teacher until his imprisonment in 1975. Since then he has been a clothing retailer. He was married in 1974 and has two sons, aged three and six.

State of health before arrest.—At the age of six, he sustained a trauma to the head and lost consciousness. An electroencephalogram test was taken and found to be normal. He has noticed some weakening of the muscles of the left hand, which is especially apparent under conditions of stress. No medical examination has ever revealed any neurological abnormalities.

Previous detention and alleged torture.—He was arrested on 11 September 1973 in Valparaíso and held until 16 September. While in detention he was struck behind his right ear with a rifle butt. He did not lose consciousness. He was also struck on his left knee and left elbow. He was not systematically tortured.

From 6 April until 27 June 1975 he was detained in Silva Palma navy detention centre in Valparaíso. For the first 22 days he was held incommunicado, during which time he claims to have undergone psychological torture involving threats and accusations broadcast to him and the other prisoners for about eight hours a day. During this period of detention he tried to commit suicide by throwing himself out of a second-story window but was prevented from doing so.

Time and place of arrest and detention.—He was arrested again on 25 March 1982. He was taken to the CNI centre in Santiago where he was held until 4 April when he was transferred to Valparaíso, from where he was released on 8 April.

Duration of alleged torture.—He said he was tortured at the CNI centre on seven days; on the last five days the torture was exclusively psychological.

Interrogation and torture.—His account of events was as follows:

He was arrested at 2:30 pm on 25 March 1982. No arrest-warrant was shown. He was blindfolded and forced into a car, in which he was driven for about half an hour. When they reached their destination he was led down a concrete spiral staircase to a large room where he was told to undress and then was given overalls and zapatillas (lightweight footwear). His blindfold was exchanged for a mask. He was then taken to his cell, which measured about 1.5m by 2m and a little over 2m high. The cell contained a concrete bunk plus mattress, pillow and a blanket.

His first interrogation took place two days after arrest. It was conducted in another room in the presence of about five other people. He was asked about his connections with political parties. He was beaten: struck on the head, punched on the right side of his chest and beaten with a rubber truncheon on the shoulders. Afterwards he was stretched out on a bed, to which his wrists were tied with cloth, this causing sharp, painful extension of the elbows. A cloth strap was tied round his thighs; his ankles were tied down and his head was put in a special device which prevented him from raising it. He was gagged with a towel. A metal object was fastened to the inner side of his right foot. Two electrodes (in addition to the one fastened to his foot) were then used to administer electric shocks to the lobe of his right ear, to his chest, abdomen, testicles, penis area, anus, legs and the soles of his feet. He was electrically tortured three times that day. He thought the electrodes used were electric wires. While he was being electrically tortured he could hear a generator, so he believed it was possible to vary the current. He did not lose consciousness during the electric torture, nor did he have generalized convulsions.

Two days later he was again interrogated and electrically tortured while naked.

Other types of torture inflicted on him included burning with a cigarette lighter in the kidney region and on the palms of both hands. The burns were superficial and left no marks.

He was in addition psychologically tortured for five days, on two of which he was interrogated for eight hours. During these sessions his family's and his own life were threatened and an attempt was made to hypnotize him by a man nicknamed "Doc", who was large and very fat. His mask was removed. He was first told to breathe deeply, then that the pain in his head was being shifted down to his legs. He was then told to conduct an imaginary orchestra and behave as though he were watching a Chaplin film. He was not actually hypnotized but behaved as though he were. He was also asked to write his life story.

He was held incommunicado for 10 days at the CNI centre, masked throughout, except when he was in his cell. He wore overalls and zapatillas. The food was good. He was allowed to use the toilet, but his cell was cold and he could not get warm, even though he had a blanket. His cell light was always on.

Medical examination and/or attention during detention—Immediately after he arrived at the CNI centre he had a medical examination, carried out, he believed, by a doctor. It consisted of examination of the heart and lungs and measurement of blood pressure. He was asked whether he had any bruises or other marks on his body and what illnesses he had previously had. The doctor was assisted by a woman—a nurse, he presumed. When he showed symptoms of anxiety, the doctor gave him two tranquillizers. He could not see the doctor because of the mask, but thought he was about 50. The doctor made a record of his findings, which the subject later saw when he signed his release papers. He was examined in a special room.

While in prison he had diarrhea. A medical assistant took him to the doctor, who provided treatment and recommended that he be allowed to stay in bed all day—which was normally forbidden.

Before he was transferred from the CNI centre to Valparaíso he was medically examined again.

Early symptoms described.—During one of the torture sessions he had difficulty breathing and was given manual artificial respiration.

He said he had pain, swelling and an accumulation of blood around the elbow which he ascribed to the stretching of his elbows during electric torture. He had pain, swelling, discoloration, weakness and enhanced sensitivity to touch in his legs and feet. There were sharp pains and swelling in the part of his thorax where he had been punched on the right side. He had observed skin changes where he had been electrically tortured: the lowest part of the abdomen, both inguinal regions, the front of his thighs and the insides of his legs at the crura. He explained that the lesions were small and round with brown scabs. After about a week these scabs dropped off leaving some lighter areas which later became hyperpigmented.

During torture he suffered from tachycardia.

He lost 2kg while in prison. Once he vomited, and he had diarrhea, with accompanying abdominal pains, for four days. There was no blood in the stools.

For four days he had blood in his urine and had pain when he urinated; his testicles were swollen.

While in detention be had headaches around the forehead.

He also suffered from insomnia and nightmares. He was depressed, felt passive and lethargic and easily got tired. He would weep for almost no reason.

Present symptoms described.—The leg is still painful after walking for only a short while. There is also some swelling, and he feels weaker and more sensitive to touch. He complains of pains on the inner side of the right elbow. There are no gastrointestinal or urological symptoms. He still has headaches around the forehead, particularly when he is under stress.

He feels isolated, somewhat as if he were "under a glass bell", but does not have any actual relationship problems.

He suffers from insomnia and nightmares and he awakens easily and frequently. He has been given tranquillizers, which he says help. He feels rather depressed, somewhat passive and lethargic and gets tired easily. He is emotionally labile.

Medical documentation.—There is a certificate of a physical examination by a local doctor, dated 12 April 1982, which states:

"Physical examination: There were groups of punctiform, small round burns, scattered over various parts of the body and red burns in the inguinal region and on the thighs, legs and ankles.

"He had pain and tenderness in both ankles and in the middle line of the right thigh. Part of the skin on the thigh and feet is whitish-pink with desquamation of the epidermis, as if punched out. The thigh lesion is 10cm long and 0.5cm wide.

"Diagnosis: Groups of several small, punctiform burns, clustered and diffused (burns caused by electricity); circular erosions on thighs and scabs on the feet; contusion of the ribs on the right side; anxiety."

Clinical examination (one month after the alleged torture).—He seemed somewhat tense but otherwise normal mentally.

There was tenderness in both temporal regions.

Thorax: There was local tenderness and pain on springing the ribs. This was most marked over the right eighth and ninth ribs in the midclavicular line.

X-ray thorax (27 April 1982): Normal.

There was tenderness in the trapezius muscle of the shoulder.

There was tenderness and slight swelling of the right medial epicondyle but no limitation of movement.

There was oedemic swelling of both ankles, particularly on the right side. There was marked tenderness over the medial aspect of the lower tibiae, particularly on the right.

Peripheral nervous system: There was altered sensation in the medial part of both legs, especially of the right leg. There was normal sensitivity to pain.

Skin: A number of small hyperpigmented spots, about 2mm in diameter and often present in clusters, were evident on the entire abdomen as well as proximally on the thighs adjacent to the perineum. On the right leg were two scars measuring 17mm by 7mm and 9mm by 5mm. The central parts of the scars were pale, atrophic and shiny, and there was a reddish purple poorly defined margin.

CONCLUSION

The medical delegates found consistency between the torture alleged and the symptoms described. There was consistency also between the symptoms described and the description given by a local doctor two weeks after the alleged torture. The findings of the examination by the medical delegates, carried out one month after the alleged torture, were consistent with the symptoms described.●

HANDICAPPED EQUALITY AT THE PUMPS

HON. CARROLL A. CAMPBELL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. CAMPBELL. Mr. Speaker, until recently, most handicapped citizens had to pay full-service prices for gasoline since they were unable to pump gas into their own automobiles. However, I was pleased to hear that Mr. George Fellers of Anderson, S.C., took the lead to participate in a voluntary program initiated by Mayor Darwin Wright's Committee for the Handicapped. This program places blue wheelchair signs above gasoline pumps, which indicates station attendants will pump gasoline for the handicapped at self-service prices.

I would like to share with my colleagues the following article by Mr. John Gouch, a staff writer for the Anderson Independent-Mail:

EQUALITY AT THE PUMP—STATION ALLOWS HANDICAPPED TO PAY SELF-SERVICE RATES

(By John Gouch)

Imagine for moment you're handicapped. You drive your specially-equipped car into a service station and ask the attendant to fill the tank with lead-free gasoline—at $1.54 a gallon.

Meanwhile someone who isn't handicapped stops at the self-service pumps and buys lead-free gas for just under $1.20 a gallon.

"I've been in a wheelchair for five-and-a-half years and for five-and-a-half years I've had this problem," said Conny Dempsey.

But thanks in part to Dempsey's efforts, a barrier to the handicapped was removed Monday at the Holiday Amoco service station on North Main Street in Anderson.

Dempsey, Mayor Darwin Wright and representatives of the Mayor's Committee for the Handicapped gave station owner George Fellers a small sign Monday that lets handicapped people know an attendant at the station will pump their gas at self-service prices

The voluntary program began Monday when the blue sign was placed at Fellers' station, and committee members hope other stations throughout the county will join the program.

People in cars marked by the state highway department's special handicapped license plates will be able to buy less-expensive self-service gasoline at stations displaying the signs, although an attendant will pump the fuel.

"There's interest all through the county for this," said Leland Stoddard chairman of the committee. Since being formed several years ago, the committee has worked to promote the construction of wheelchair ramps and designation of handicapped parking areas in the county "All the service station owners who came to our meeting were very enthused."

Larry Vaughn, a member of the committee, said the group met with several service station operators and oil company distributors several months ago after Dempsey told them of the problem. Both men work at Badische Corp. in Anderson.

He said six stations in the area already plan to participate, and others are expected to join the program. Service station owners can contact the chamber of commerce to obtain a special sign.

Dempsey said this may be the first voluntary program of its kind in the country, although California law requires service stations in that state to participate.

"I think we owe it to the handicapped to pump their gas for them," said Fellers. "It's not their fault they're handicapped."

He said the price difference between full- and self-service gasoline reflects the difference in the cost of paying attendants to pump fuel. An attendant at a self-service station can serve more customers than at a full-service station, he said.

Vaughn estimated handicapped drivers can save around $240 a year in the program.●

THE ANTIMYCOPLASMA TREATMENT PROGRAM FOR ARTHRITIS SHOULD BE INVESTIGATED BY THE NIH

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. PORTER. Mr. Speaker, on May 19, 1983, Dr. Thomas McPherson Brown of the Arthritis Institute of the National Hospital of Arlington, Va., testified before the Appropriations Subcommittee on Labor, Health and Human Services, and Education, on which I am privileged to serve, about the exciting work he has underway in the area of antimycoplasma treatment for rheumatoid arthritis.

Dr. Brown's success has been phenomenal and I have submitted his testimony and his curriculum vitae to the CONGRESSIONAL RECORD for all the Members to review.

CURRICULUM VITAE—THOMAS MCPHERSON BROWN, M.D.

1929: Graduated from Swarthmore College, Swarthmore, Pennsylvania. Attended four years. Degree: A.B. (Joshua Lippincott Fellowship).

1933: Graduated from Johns Hopkins Medical School, Baltimore, Maryland. Degree: M.D. (Henry Dennison Strong Fellowship). (May, 1932-October, 1932, University of Gottingen, Germany, and Rotunda Hospital, Dublin).

1933-1934: Internship, Johns Hopkins Hospital, Baltimore, Maryland (12 months).

1934-1937: Residency at Johns Hopkins University Hospital, Baltimore, Maryland. Total of 36 months as an Assistant Resident.

Instructor in Medicine at Johns Hopkins University.

1937-1939: Resident on Rheumatic Fever Division, Rockefeller Institute Hospital, New York, New York.

1939-1940: Chief Resident, Medical Service, Johns Hopkins Hospital, Baltimore, Maryland.

Associate in Medicine, Johns Hopkins Hospital.

1940-1942: Co-director of Biological Division, Johns Hopkins Hospital, Baltimore, Maryland.

Associate in Medicine, full-time.

1943-1946: Assistant Professor of Medicine, leave of absence, Johns Hopkins Hospital, Baltimore, Maryland.

Service in Army: 4/42-11/45.

4/42-5/45: Major, 118th General Hospital, Medical Officer.

5/45-9/45: Major, 118th General Hospital, Chief of Medical Staff.

9/45-11/45: Lt. Col. 118th General Hospital Commanding Officer.

1946 (Jan.-July): Assistant Professor of Medicine, full-time, Johns Hopkins Hospital, Baltimore, Maryland.

1946-1948: Chief of Medicine and Director of Arthritis Research, Veterans Administration Hospital, Washington, D.C.

Adjunct Clinical Professor, George Washington University School of Medicine.

1948-1955: Professor of Medicine, Executive Officer, Department of Medicine, George Washington University School of Medicine, Washington, D.C.

1948-1969: Chairman, Department of Medicine, George Washington University School of Medicine, Washington, D.C.

Chief of Medicine, George Washington University Hospital.

1948-1970: Director, Arthritis Research Unit, George Washington University.

1955-1970: Engene Meyer Professor of Medicine, Department of Medicine, George Washington University School of Medicine.

1948-1962: Consultant in Arthritis and Infectious Diseases, Veterans Administration Hospital, Washington, D.C.

1965-1967: Co-Director, Rehabilitation Research and Training Center (PT-9).

1967-1970: Director, Rehabilitation and Training Center (RT-9).

1969-1970: Director, Section of Rheumatology, Department of Medicine, George Washington University.

1970 to present: Professor Emeritus, George Washington University. Director, Arthritis Institute of the National Hospital for Orthopaedics and Rehabilitation, Arlington, Virginia.

Present Membership in:

Society for Clinical Investigation.

American Clinical and Climatological Association.

Southern Society for Clinical Research.

American Rheumatism Association.

American Medical Association.

Washington Academy of Sciences.

American College of Physicians.

D.C. Society of Internal Medicine.

American Board of Internal Medicine (Diplomats).

Arthritis and Rheumatism Association of Metropolitan Washington.

D.C. Rheumatism Society.

Arlington County Medical Society.

Medical Society of Virginia.

Medical Society of D.C.

Present Positions Held:

Director, Arthritis Institute, National Hospital for Orthopaedics and Rehabilitation, Arlington, Virginia.

Chairman of the Board, Arthritis Institute of the National Hospital for Orthopaedics and Rehabilitation, Arlington, Virginia.

President, Arthritis Clinic of Northern Virginia, Arlington, Virginia.

Member of the Board of Trustees, National Hospital of Orthopaedics and Rehabilitation, Arlington, Virginia.

Member of the Board of Directors, Sidwell Friends School.

Member of the Board, Arthritis and Rheumatism Association of Metropolitan Washington.

Member of the Board, Lupus Foundation, Washington, D.C.

Honors:

Phi Beta Kappa.

Sigma Xi.

Ivy Medal (Swarthmore).

Cum Laude Society.

Alpha Omega Alpha.

American Men of Science.

Who's Who.

Encyclopedia Brittanica.

Outstanding Service Citation—President's Committee for Handicapped, 1956.

Physician of the Year—District of Columbia.

AOA.

Past Positions Held:

Vice-Chairman, Subcommittee on Medicine, National Research Council.

Member, Council, American Medical Association.

Member, Research Study Section, Vocational Rehabilitation Service, Department of Health, Education, and Welfare.

George Washington University Committee of Eighteen.

George Washington University Senate, Executive Committee.

Chairman, Faculty Committee to Advise and Consult with the Board of Trustees on the Selection of a President, George Washington University.

Member of Board of Managers, Swarthmore College.

Director, George Washington Medical Division, D.C. General Hospital.

President, D.C. Rheumatism Society.

Vice-President Eugene and Agnes Meyer Foundation.

Chief-of-Staff, National Orthopaedic and Rehabilitation Hospital, Arlington, Virginia.

Section on Medicine, National Research Council.

Consultant, National Institute of Arthritis and Metabolic Diseases, National Institutes of Health.

National Committee Member, American Rheumatism Association.

Consultant to the White House.

Member, Council on Drugs, American Medical Association.

TESTIMONY OF THOMAS MCPHERSON BROWN, M.D.

Mr. Chairman, I am deeply honored to be invited for the second time to appear before this committee. My objective on this occasion is to acquaint you with the underlying mechanism of the arthritis process as we see it and emphasize why the role of mycoplasma in rheumatoid arthritis has such an extraordinary significance in directing treatment.

It is fair to say that the majority of the individuals in this room have personal connection with the problem and are well aware of its seriousness.

The term mycoplasma is unfamiliar to most people but for those individuals with rheumatoid arthritis, knowledge of this agent and treatment designed specifically to oppose it could mean the difference between a productive life and one of progressive disability.

Mycoplasmas are among the most extraordinary agents in the microbial world. They hold a position half-way between visible bacteria and the invisible viruses which live within the cells. Although mycoplasmas are the size of viruses and also live within the cells, their disease producing methods and properties are totally different. For example, interferon which you have heard about as a virus destroyer, has no effect on mycoplasma. Furthermore, mycoplasmas, unlike viruses do not damage the cells in which they live. Mycoplasma have a unique affinity for the synovial membrane of joints and can cause arthritis in a variety of animal species including swine, sheep, rats, and recently we discovered classical rheumatoid arthritis in a gorilla associated with mycoplasma.

It is suggested these agents enter the joint tissue early in life when the cellular immunity is weak and remain as parasites for many years. How then do they ultimately relate to the progressive, destructive changes in the joints in arthritis and degrade the body as a whole?

Over the years fixed tissue antibodies, which represent the defense mechanism of the cells, begin to increase in concentration in the tissues surrounding the cells that are infected. Finally when the concentration of these antibodies become sufficiently high the stage is set for a reaction to occur between the two forces, the extra-cellular and the intra-cellular mycoplasma. This is comparable to the build-up of two opposing armies. The opening gun or the beginning of the disease in the clinical sense is when the two forces are suddenly thrown together. By injury, stress, barometer alterations, and other environmental factors. The initial reaction is one of inflammation in the spaces between the cells and this rapidly extends to produce hot, swollen, tender joints. A reaction is designed to keep the infestious process from spreading. Unfortunately, this protective mechanism also becomes a barrier to the entry of the body's defense forces. Thus it is the nature of the disease to produce its own road block which accounts for the chronic unrelenting nature of the disease process.

With this knowledge in hand the first step in treatment is to reduce the inflammation with anti-inflammatory medications. This effect is generally temporary. The use of stronger drugs such as gold salts, antimalarials and penicillamine, though initially very effective, is greatly limited because of their severe toxic properties which accounts not only for tissue injury from the medication but also waning of effectiveness. Thus the history of many modern drugs for arthritis is a brilliant beginning and a bad ending and all the while there is a progression of the disease process.

We have found that certain antibiotics, notably those of the tetracycline family, suppress the growth of mycoplasmas. These agents are virtually nontoxic and when given in the proper manner are not rejected by the body. In order to penetrate the inflammatory barrier they must be given in most cases by vein or intramuscular injection and at a frequency, dosage, and continuity regulated on an individual basis. In milder cases oral treatment may suffice, which provides hope for a preventive approach to arthritis through early treatment.

Because of the benign nature of this type of treatment and the specificity of the action of the antibiotics one observes slow but sustained and steady improvement without the concern of drug rejection and treatment failure so often encountered with other methods.

One of the most important findings which has come to light through our long term studies relate to the role of the products of joint inflammation. The toxic substances characteristically present in inflamed tissues escape into the blood stream and are transported to the liver where they are destroyed. As they pass through the system they may affect the body in a devastating fashion because of their persistence. In the bone marrow these toxic materials interfere

with formation of blood and therefore anemia is commonly observed in severe rheumatoid arthritis and cannot be corrected until the disease has improved. In the central nervous system these toxins promote depression, inability to concentrate, loss of memory, loss of interest in one's vocational effort and mental irritability. In the muscular system these toxins are responsible for excessive fatigue and persistent weakness which is difficult to overcome by physical means. Gland functions are also depressed and there is an effect upon the digestive system and many other basic physiological processes. In the course of time through the continuity of the antimycoplasma treatment method there is a gradual reduction in the many brush fires of joint inflammation and the smoke from these fires, namely the toxic substances, generally diminishes. As a result an extraordinary change takes place. Normal functions begin to return. Strength is increased. The blood count rises to its normal level. Mental acuity, ability to concentrate, improvement in memory and a return of interest in work as well as a lessened sense of irritability all become noticeable dividends from this new approach in treatment. It is now clear that that which has been previously considered to be due to stress and psychological weakness with resulting physical breakdown is in actuality a major aspect of the disease process and is completely reversible. In our cases, the return to a normal state of well-being has often taken as long as 2½ to 5 years and this remarkable potential for improvement would never have been observed in short-term studies limited by drug toxicity. It should also be mentioned parenthetically, that as the mycoplasma is being reached and its activity suppressed, pain relievers of various types become far more effective and the severe pain of arthritis is much more easily managed.

During the year since I last appeared here a particularly important research finding has been reported by Dr. Elli Jansson and her associates in Finland. They have developed a method for isolating mycoplasmas from the infected joint fluid of the arthritic patient in a much higher incidence than ever encountered by other investigators. In our country Dr. Lewis Thomas, distinguished researcher and director of the Sloan-Kettering Cancer Institute, who has spent years investigating mycoplasmas, recently published a new book in which he devoted an entire chapter to mycoplasma and rheumatoid arthritis. We, ourselves, have investigated mycoplasmas and arthritis for over 40 years and have isolated the organism from the joint fluid and other tissues. In recent times by utilizing programed computer analysis of all clinical and laboratory parameters used in following the progress of our patients it has been possible to measure accurately the degree of disease control over a 5-year period. During this period approximately 90 percent of patients treated have shown sustained improvement. There are few comparable long-term studies in the literature with other methods of treatment because of the high drop out rate from drug toxicity. The best figures available with these other methods reveal less than 10% sustained control in a 5-year period.

It is quite evident to us that with proper training and development of interest by physicians in this program and with adequate research support to allow us to move ahead, the enormous problem of arthritis, which has defied understanding for 2,000 years, can be conquered.

Finally, Mr. Chairman, I submit that this pathogenic concept leading to a successful and basic treatment methodology can no longer be ignored. The time has come for proper funding of this effort which I hope you will agree could be one of the most useful objectives, not only in the field of arthritis, but in medicine as a whole.

Thank you, Mr. Chairman, and the committee for this opportunity.●

LET US NOT UNDO THE GAINS MADE TOWARD CLEAN AIR

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. OTTINGER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

New York City has attempted, with some success, over the past 10 years to improve its air quality. Con Ed is now attempting to reverse these gains by installing coal conversion plants without installing the scrubbers necessary to keep the air quality at its present level. While I am in favor of converting these plants to coal and thereby reducing our dependence on foreign oil, I vehemently oppose this conversion if it cannot be done without spewing 66,000 tons of sulfur dioxide into the New York City air.

I would like to commend to my colleagues the following article by Joanna Underwood and James Cannon which appeared recently in the New York Times.

The article follows:

KEEP AIR CLEAN HERE

(By Joanna D. Underwood and James S. Cannon)

Means are at hand to give New York City residents cheaper electricity without significantly sacrificing clean air. To prevent the loss of that opportunity, New Yorkers ought to make their voices heard.

At issue is whether and how the Consolidated Edison Company will convert three of its power-producing boilers at two plants from oil to coal.

The decision will have important consequences not only for New York City but also for the nation as a whole.

The issue of Consolidated Edison coal burning has received pitifully little attention. New York State Department of Environmental Conservation hearings on Con Ed coal conversion have been under way for nine months. More than 50 volumes of testimony sit mostly unnoticed in public offices, while the metropolitan area's 10 million residents remain largely unaware that the decision will dramatically affect the quality of the air they breathe—and the cost of electricity for Con Ed's 2.7 million customers, as well.

Three choices present themselves.

First, coal could be burned in New York City in the way Con Ed has proposed. The utility's plan involves burning low-sulfur coal—in two boilers at Arthur Kill on Staten Island and in one at Ravenswood in Queens—but without introducing the most sophisticated pollution-control techniques to reduce sulfur dioxide emissions that the coal burning would produce.

The second choice involves burning coal at these plants with the installation of the advanced pollution-control equipment. If this were done, air quality would not be degraded very much.

But, third, if neither path is taken, Consolidated Edison would likely continue burning low-sulfur oil, as it has since 1971.

Con Ed says its plan would save its customers about $3.5 billion, or $1.50 per month on their bills for the 27-year lifetimes of the boilers, because of the reduced cost of the coal to be burned. This approach would eliminate the risk of depending on imported oil. But coal burning as Con Ed proposes would enormously increase air pollution in the city and metropolitan area.

Under Con Ed's plan, the emission of sulfur dioxide—one of five key air pollutants regulated under the Federal Clean Air Act—would increase more than 700 percent over levels from the three boilers in the late 1970's. Each year, this would mean an additional 66,000 tons of this pollutant in the air, aggravating respiratory ailments. At present, the boilers emit 10,000 tons a year. The increase would exceed the present combined discharges from smokestacks on top of every office building, apartment and house in all five boroughs.

Not all of this pollution load would blow out to sea. Some would travel into upstate New York and New England, worsening acid rain problems. Some would move over Connecticut and Long Island and into New Jersey.

A second approach, however, could offer impressive savings to consumers while maintaining satisfactory air quality for all New Yorkers. Burning coal with the best available sulfur dioxide control equipment—"scrubbers"—would save money for ratepayers. The initial cost of the scrubbers would be high. This cost has been Con Ed's major reason for refusing to consider scrubbers. But compared with the cost of continued oil burning, the overall cost would still offer savings, as even Con Ed concedes, of more than $1 billion over the boilers' lifetimes.

Use of scrubbers would mean that only about 11,000 tons of sulfur dioxide would be added per year, bringing the total to 21,000. This much smaller increase might be partly or totally offset if other utilities and industrial plants in the region agreed to reduce their emissions to compensate for Con Ed's increase, or if Con Ed limited its coal-burning plants' operating time.

Scrubber technology has been proved effective and reliable. Even the head of Conoco Inc., which owns the nation's second largest coal producing company, advocates scrubbers' use in power plant conversions from oil to coal as a means of dealing with environmentalists' opposition and promoting rapid expansion of coal burning.

If Con Ed's request is granted, the impact of the decision will not only fall on New Yorkers, it may also set a precedent for utilities elsewhere, which may conclude that scrubber requirements can be avoided if even New Yorkers pay scant attention to protecting their air.

During the next few months, an administrative law judge will review the hearing record and make a recommendation to the commissioner of the Department of Environmental Conservation on whether to grant the air quality permit Con Ed has requested. Community groups and private citizens should immediately involve themselves and make their voices heard.●

COMPUTERS MAY WIDEN GAP IN SCHOOL QUALITY BETWEEN RICH AND POOR

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. DONNELLY. Mr. Speaker, in January, I introduced H.R. 91, legislation to provide tax incentives to computer firms to donate computers to elementary and secondary schools. To be eligible for this additional tax deduction, a corporation would have to donate at least 75 percent of the equipment to school districts where the average family income falls below the national median income. This is to insure that less affluent school districts become full participants in the technological revolution.

In line with this concept, I would like to share the following article with you and my colleagues that appeared in this morning's Wall Street Journal: "Computers May Widen Gap in School Quality Between Rich and Poor." This article will clearly explain the need for inclusion of specific distribution requirements in any and all computer contribution legislation that may come out of the Congress. I hope that you will find this piece as informative as I did.

[From the Wall Street Journal, Thursday, May 26, 1983]

CLASS MACHINES—COMPUTERS MAY WIDEN GAP IN SCHOOL QUALITY BETWEEN RICH AND POOR

SOME SEE THEM AS EQUALIZER, BUT TWO ATLANTA SCHOOLS SEEM TO POINT OTHER WAY RIVERWOOD HIGH, 18; PRICE, 6

(By Margaret Loeb)

ATLANTA—Luther Judson Price High School is in a poor, inner-city neighborhood. Riverwood High is in one of Atlanta's wealthy suburbs. But one day last March, Price had six microcomputers to help its students learn while Riverwood had just three.

Now, however, Riverwood has unpacked 15 more computers, the gift of generous parents. The new score, 18 to six in Riverwood's favor, points up a worry voiced by many educators: that computers, potentially a great equalizer, may instead widen the gap between the rich and the poor.

"The advantage of the American school system is that it's decentralized," says Andrew Molnar, a program director with the National Science Foundation. Essentially, he says, "schools that want to introduce computers are free to do so; the disadvantage is there are going to be major discrepancies between those who have the resources and those who don't."

Jerome T. Murphy, associate dean at Harvard's graduate school of education, emphasizes the disadvantage. "We have a system of education in this country that is highly inequitable," he says. "There is tremendous diversity between school districts and among the states. Computers are a small exacerbation of a more fundamental problem."

SEEN AS KEY TO FUTURE

With the move toward an information and services-based economy, many think that computer knowledge—both knowledge from computers and a knowledge of them—will become a key to jobs and prosperity. Legislators see it as a way to attract high-tech industries to their recession-stung states. Educators and parents see it as a way to give children a better future.

"Everything you see on TV—it's computer this and computer that," says Joyce Hines, a senior at an inner-city high school here. "If it's going to take over, maybe I can get a job with one."

Computers are likely to become a permanent fixture in the classroom. Educators say they cut down on teaching time and seem to improve learning in various subjects. Harvard is making computer work a graduation requirement. The state of Utah is requiring computer literacy for all new teachers, starting next fall.

But in the schools' rush to show they are in touch with the future, equity issues have largely been ignored, says Ernest L. Boyer, the president of the Carnegie Foundation for the Advancement of Teaching. "There's much evidence," he says, "that if we aren't careful, the affluent districts, where parents are themselves caught up in computer possibilities, will provide a lot of opportunity for young people while in poverty districts many young people won't be coming in touch with any of these new developments."

TOO SOON TO WORRY?

According to a survey by Market Data Retrieval, a market-research firm, 72.6 percent of the country's richest high schools had instructional computers in the fall of 1982 while only 45.5 percent of the poorest high schools did. But since all this is relatively new—another survey found that instructional computers had reached into the classrooms of about 64 percent of U.S. secondary schools—some educators believe that it's too early to worry about equity.

"We don't have more than 200,000 microcomputers in schools," says Frank Withrow, the acting director of the U.S. Department of Education's division of educational technology. "If you arbitrarily say that every kid is entitled to 30 minutes a day on the computers, we would need four million in U.S. schools."

Other educators note that schools, despite any lack of local wealth, can often acquire computers with federal aid, state block grants, corporate donations or their own discretionary funds. They say the equity issue is really one of interest and student demand.

In Montana, for instance, the Stevensville school system has 48 computers for about 1,100 students, although it has one of the lowest per-pupil expenditure records in the state. "It's strictly priorities," says a school official. "A school system can have computers if it's willing to sacrifice somewhere else." But it often takes less of a sacrifice at a rich school than at a poor one.

MONEY AND DISCOUNTS

Education agencies are beginning to tackle computers at the state and district level. Some, like the Houston school district, are allocating funds for hardware, software and teacher training. Others are starting out by arranging equipment discounts, offering curriculum advice and promoting software-sharing programs. "A few states are moving ahead to make computers a budget-line item, but it's more the exception than the rule," says Henry Ingle, the director of a technical assistance project for state education agencies.

While corporate donations are an option for poorer schools—computer manufacturers are increasingly responsive to schools' requests for help—federal aid may prove a disappointing salve. Despite a rush of bills on mathematics, science and educational technology, "the proposals, while likely to have an impact, won't have the kind of impact that the rhetoric would have you believe," says Harvard's Mr. Murphy.

Of course, some students have computers at home. But there again, they aren't the poorer youngsters, so that just makes the equity problem worse.

At Scarsdale High School in Westchester County, N.Y., Corwith Hansen, assistant principal, says he isn't sure how many students have home computers, but "there's a small handful of kids who have surpassed anything we can offer them here." One student with a home computer wrote some programs now used by the school administration. Another earns $300 to $500 a month consulting and hopes to collect royalties on programs he writes. "But the school can't take credit for that," Mr. Hansen says. "He spent his bar mitzvah money on equipment, then earned it all back."

For disadvantaged students, such opportunities often don't exist. "Poor students would have access only in school, if at all," says Chicago Superintendent Ruth Love. "It's a major concern. We don't want to take away—we want the affluent and middle class to have access. We just don't know how to compensate with the poor."

Another concern of some educators is their belief that different schools use computers in such ways to reinforce the contrasting ambitions of their students. The national PTA told its state officers:

"At the secondary-schools level, a vocationally oriented curriculum in such areas as word processing, data processing and computer repair is developing for inner-city youngsters, whereas middle-class youngsters are being provided with higher-level uses of the computer in a precollege-level curriculum."

In assessing the problem of inequity, a closer look at two high schools, one in Atlanta's inner city, the other in a wealthy suburb may provide some insight.

PRICE HIGH SCHOOL

Eight years ago, when Assistant Principal Narvie Hill Williams come to Luther Judson Price High School, her main task, she says, was to "stop the girls from fighting—there was a lot of that."

Things have improved over the years. She no longer has to accompany students to court "at least once a week for drugs or weapons." But fundamental problems affecting this school, with its high percentage of disadvantaged students, will probably never go away.

No wonder, then, that administrators here have trouble separating computers from deeper socioeconomic problems.

"At a faculty meeting, a department head expressed concern that we weren't in touch with the computer world," Mrs. Williams says. "I'm kind of torn. We need them; it's a fact of life. We want kids to be competitive. But we don't need them to the exclusion of basic needs."

For her, smaller classes and more teachers are higher priorities. So is money for special projects, such as showing her "regionally provincial" students parts of the city that every middle-class Atlantan is familiar with.

"The school," she says, "is a child's only resource in a community like this."

Only a fraction of the 780 students at Price use the schools' six educational computers. They aren't available before or after school because they are locked away—"so no one steals them," says Sybil Allen, an eighth-grader. For an hour each day, the computers are available on a first-come, first-served basis, but it isn't clear how many students take advantage of that time. The only schedule use of the computers is in remedial-reading classes, where 150 or so students use them.

One eighth-grader, Tracy Love, describes her work this way: "The computer gives me a paragraph to read. I put an answer on my work sheet and the computer lets me know if I'm right or wrong." When she answers correctly, the computer screen fills up with little "wows."

"The kids fall out of their chairs when they see that," says Linda Clements, a remedial-reading teacher.

Charles Mason, Price's principal, says he plans to buy another computer for the school this summer. He also hopes that Price will be accepted in a proposed city pilot program that would finance $400,000 of computer software and equipment for about eight schools.

Not everyone at the school has an interest in computers. James Shepherd, a junior, thinks learning with computers would be pretty odd.

"I think they're working on a computer that can walk around," he says. "It would be strange to have it walk up to you and say. 'Here's your assignment.'" He adds: "I'd rather deal with my own kind."

RIVERWOOD HIGH

Last December, a parent donated $5,000 toward Riverwood's planned computer lab and promised to match that amount if the PTA could raise another $5,000 before year's end. Sherry Hines, PTA co-president, got on the phone. It took just one call.

Although many students here had computers at home, private-school children, with whom Riverwood students compete for admission to elite colleges, already had computer labs in their schools, Mrs. Hines says. The kids at Riverwood, she believes, were suffering by comparison.

Now the school has 15 new computers, and Principal Leonard Jones hopes that many of the school's 1,200 students will use them in math, science, English, foreign languages and personal finance, as well as basic to advanced computer courses. Mr. Jones is excited by the possibilities.

"For 200 years," he says, "education has been the same—someone standing up and lecturing. This is the first time we can teach 15 different students all at their own rates."

There are some computer-savvy students here who will doubtless be putting the computers to good use. Travis Brown, for instance, went to computer camp last summer. He ties up the phone for hours, his sister complains, using it to hook up to other computers in the area. Computers mean so much to him that his parents have devised a new punishment: Recently they "grounded" him awhile from using the family computer.

Travis finds the school's three older computers pretty pedestrian. "These are the worst," he says. "They're no fun to use. They're probably five years old. There's stuff we can't do on them."●

RETIREMENT OF BUD AND EVA CONRAD

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. LEWIS of California. Mr. Speaker, next month, the Valley News, a newspaper in my district, which has been owned and published by the same family for over 33 years will change hands. The community of Apple Valley will be holding a dinner to honor the couple who have run this paper since 1950 and I would like to take this opportunity to join their many friends and admirers in expressing my gratitude and appreciation to my close friends, Bud and Eva Conrad.

Bud is a veteran of the U.S. Marine Corps. He served in World War II, was wounded in the South Pacific, and decorated for bravery with the Purple Heart. Following the Marine Corps, Bud went into the printing business where he met and married Eva who was a publicist with K F I in Los Angeles.

In 1950 they purchased the Valley News and it became their lives. Eva ran the news editorial and business angle of the paper while Bud managed the shop portion. During this career they found the time to raise two wonderful sons, John and Bowen.

Eva devoted much of her energies to promoting the community of Apple Valley and its businesses. She served on the Apple Valley Part District Board of Directors, the San Bernardino County Airport Commission, and the Saint Mary Desert Valley Hospital Board. Eva is a licensed pilot and a charter member of the 99's a women's pilot organization.

Over the years, the Valley News has supported causes and candidates that were not always popular. However, remaining true to its convictions, this newspaper has retained the reputation of being a very independent publication. Eva's column, "Speak no Eva," was gossipy, yet informative and has over the years become a Conrad family notebook. "Police Blotter" was another popular column which gives a story of the human tragedy as well as comedy in the community. Bud and Eva have been town boosters for clubs, organizations, law enforcement and youth activitives.

Mr. Speaker, I take great pride in commending to my colleagues Mr. and Mrs. Bud Conrad—a classic team in a classic American community—running what will always be remembered as a classic among American newspapers. I know their efforts and service have helped to make the community of Apple Valley a better place in which to live.●

THE NEED FOR A NEW AMERICAN POLICY TOWARD SOUTH AFRICA

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. SOLARZ. Mr. Speaker, last February I introduced comprehensive legislation, H.R. 1693, which would modify our policy toward South Africa to manifest our opposition to the legally sanctioned system of racism which exists in that nation.

This bill, which is the product of 2 years of hearings and research I conducted as chairman of the Subcommittee on Africa, has three parts: First, establishment of a set of legally enforceable fair employment standards for American firms operating in South Africa with more than 20 employees; second, a ban on loans by U.S. banks to the South African Government or its parastatal entities, except for loans made for educational, housing, or health facilities which are available on a totally nondiscriminatory basis in areas open to all population groups; and third, a ban on the importation into the United States of the South African krugerrand or any other gold coin minted or offered for sale by the South African Government.

REASONS FOR THE BILL

South Africa offers the world a unique example of systematic, legally enshrined discrimination on the basis of race. Of the 24 million people who live in South Africa, only the 4 million whites enjoy full political, legal, and economic rights. Millions of blacks have been stripped of their citizenship and arbitrarily assigned to ethnically based homelands which have remained in a state of perpetual underdevelopment. Blacks are consigned to an inferior educational system in which per pupil spending is roughly one-tenth of the spending in white schools. Blacks and other nonwhite South Africans have been uprooted from their homes in order to allow white citizens to move in.

To keep the country locked into a policy of white supremacy, the Government refuses to allow political participation by nonwhites in parliamentary elections. The Government has shown no desire to discuss the possibility of political power-sharing arrangements which would include Asians, coloreds, and blacks, as well as whites. Nor has the Government recognized that by pursuing its present policies it greatly increases the chances of serious and sustained violence in South Africa. While supporters of the present South African regime call it a bastion against the advance of communism, the truth is that it is the very existence of the apartheid policies of

the South African Government which constitutes the greatest incentive for Communist expansion in southern Africa.

In the final analysis, a political resolution of South Africa's problems will come from within South Africa, not from the United States or any other outside nation. Yet given the large amount of economic interaction between our two countries, there are a number of steps we could take which would have a significant symbolic and substantive impact upon events in South Africa.

We should take those steps for humanitarian, as well as strategic reasons. In the first place, the apartheid system in South Africa is repugnant to our own democratic principles. Second, South Africa's racial policies are assailable on strategic grounds. It is inconceivable that a small minority in South Africa will be able to continue indefinitely the denial of political rights to the majority of its people solely on the basis of race. It is therefore in the enlightened self-interest of the United States, in terms of our future relations with South Africa as well as many other African and Third World countries, to distance ourselves from the South African regime and demonstrate in meaningful and concrete terms our affinity with the legitimate aspirations of nonwhite South Africans.

I believe we can achieve that goal through the legislation I have introduced.

THE ECONOMIC RELATIONSHIP

The United States maintains extensive economic ties with South Africa. The 350 American companies in South Africa employ nearly 100,000 workers, of whom about 70 percent are black.

While some American firms have been in the forefront of progressive reforms at the workplace, many others are paying lip service to fair employment principles. The Sullivan Code, a statement of fair employment principles drawn up by the Reverend Leon Sullivan of Philadelphia and signed by over 140 companies in South Africa, has provided some momentum for equal employment opportunity. But the Sullivan Code is voluntary, and as Reverend Sullivan himself has testified, many of its signatories have honored the code more in the breach than in the observance. Indeed, that is one of the reasons Reverend Sullivan has spoken out in favor of a mandatory code.

On a study mission to South Africa in 1980, I found that the overwhelming majority of blacks with whom I spoke felt that the United States should withdraw all investment, or at least prohibit new investment, in South Africa. Significantly, they also said that if those measures could not be achieved and U.S. firms were to remain in their country, those companies should abide by a fair employment code which eliminates racial bias and provides equal opportunity in the workplace.

Whatever the advantages of disinvestment by American firms may be, disinvestment is clearly not politically feasible at this time. There are, however, a number of other actions Congress could take which would have a constructive impact on the prospects for peaceful change in South Africa and which would be well received by the majority of the people in that country.

FAIR LABOR CODE

The bill I have introduced sets out seven fair employment principles which American companies with more than 20 employees must adhere to: No segregation at the workplace; equal employment; equal pay; establishment of minimum wage and salary structure; increased representation of nonwhites in managerial, supervisory, and administrative jobs; improvement of the quality of employees' lives outside the workplace; and labor union recognition and fair labor practices.

The bill empowers the Secretary of State, with help from corporations, labor unions, and other interested parties in South Africa and the United States, to monitor compliance with these principles. Failure to comply would result in the following penalties: loss of the right to enter into any contract with the U.S. Government; loss of the right to export any goods or technology directly or indirectly to South Africa; and loss of the use of any services of the Export-Import Bank.

The adoption of this enforceable code of fair employment for American firms in South Africa should not be viewed as legitimizing our corporate presence there. Nor should it be seen as a catalyst for wholesale, immediate change in South Africa. An effective fair employment code can, however, make a meaningful difference in the lives of the men and women who work for American firms and can send an unmistakable signal that our country does not countenance South Africa's system of racial discrimination.

BANK LOANS

Another component of my legislation is a ban on American bank loans to the South African Government or its parastatal institutions, except for any loans made for educational, housing, and health facilities which are available on a totally nondiscriminatory basis in areas open to all population groups. Some American banks have had the foresight to suspend all loans to the South African Government. Other American banks have taken a different approach and have thereby helped to provide financial and psychological sustenance for the apartheid regime.

The South African Government has hailed the loans if has received from American banks as evidence of its international creditworthiness and respectability. South Africa says these loans are used to support black development—but adways in the context of separate development, rather than for facilities accessible to and benefiting all population groups. It is simply unacceptable for American banks to directly promote a policy of racial separation through these loans.

My bill does not bar loans from U.S. banks to private entities in South Africa. However, it would limit U.S. sources of foreign exchange for the South African Government.

KRUGERRAND SALES

Finally, my legislation would bar the importation into the United States of the krugerrand or any other gold coin minted or offered for sale by South Africa. Current holders of these coins would be allowed to keep or sell them.

Since the U.S. Government removed the restrictions on the purchase of gold by American citizens in 1975, South Africa has flooded the U.S. market with krugerrands. Since 1978 Americans have purchased nearly half of all the krugerrands sold by South Africa. In 1982, this amounted to $363 million.

South Africa in the past has used the sale of krugerrands to help push the cost of gold to abnormally high levels. While the resulting upsurge in gold prices has been the principal stimulus in the resurgence of the South African economy, South Africa has not used its increased wealth to promote genuine social change.

As gold prices have risen, the South African Government has not undertaken any steps to dismantle apartheid, institute nondiscriminatory franchise, end residential segregation, terminate its homelands policy, or put large sums of money into black education and social services. The majority of the government's increased earnings has gone into defense expenditures and major industrial and commercial projects run by the government, and to expand social services for whites—not blacks.

By barring the importation of the krugerrand, Congress will prevent South Africa from draining away precious foreign exchange from our country in a manner which supports apartheid. A prohibition on krugerrand sales will symbolize to black South Africans that the United States is increasingly allied with their struggle for human rights, social justice, and complete political equality.

WAIVER PROVISIONS

The legislation allows for termination or waiver of various provisions to meet changing circumstances. The President may waive fair employment provisions of the bill upon a Presiden-

tial determination that enforcement would harm the national security interest of the United States. Congress would then have 30 legislative days to overturn that decision by a joint resolution of disapproval. In addition, the fair employment guarantees in the bill would no longer apply if the President determined that the Government of South Africa has terminated its system of racial discrimination.

Provisions of the bill governing bank loans and krugerrand sales would be waived for up to 1 year if the President determines that the Government of South Africa has made substantial progress toward the full participation of all the people of South Africa in the social, political, and economic life of that country, and toward an end to discrimination based on race or ethnic origin. This waiver could also be overturned by joint action of the House and Senate within 30 legislative days.

The multifaceted, measured approach I have outlined here will not work miracles in South Africa. It can, however, demonstrate to the majority of the people of that country that the United States is willing to act, as well as speak out, against the day-to-day horrors of the apartheid system. It can demonstrate to many of our friends on the African Continent—including such strategically important nations as Nigeria, Kenya, and Zimbabwe—that the United States shares their view that South Africa's racial policies are unacceptable.

Passage of the bill would have a beneficial effect within South Africa and would help us shore up our relationships throughout the continent. Not incidentally, it would undermine efforts of the Soviet Union to portray us as defenders of the apartheid system while itself posing as an advocate of human dignity and freedom.

Some opponents of this type of legislation make the claim that quite diplomacy will prove more effective than mandated restrictions on commercial activity. But those who advocate a course of gentle persuasion and voluntarism toward South Africa carry a particularly heavy burden of proof. For 34 years, since the Nationalist Party came to power in South Africa, the United States has pursued quite diplomacy—and the situation inside South Africa has not significantly improved.

The current administration policy of "constructive engagement" with South Africa is being interpreted by Pretoria as an offer of tacit support. At the same time it is condemned as an implicit endorsement of racism by spokesmen for the black majority which will eventually rule South Africa, by African states, and even by some of our Western allies.

When change does come to South Africa—as it inevitably will—the United States may wind up paying a heavy price for leaving the impression, our public pronouncements notwithstanding, that we would not offer meaningful opposition to the apartheid system.

Another critique of bills regulating our commerce with South Africa comes from those who claim it is wrong to single out South Africa when many other African nations, not to mention other countries elsewhere, have engaged in a systematic denial of human rights and escaped any punitive action by the United States. In fact, over the past several years, Congress has passed legislation directed against the Central African Empire, Uganda, Zaire, Cuba, Chile, Argentina, Vietnam, Cambodia, and other nations in an effort to improve human rights or simply to express American abhorrence over the way people in these nations have been treated. Having imposed on these countries sanctions ranging from reduction in military assistance to elimination of economic aid and trade, Congress would certainly be justified now in placing modest restrictions upon our commerce with South Africa.

This legislation, which I first introduced 3 years ago, has been the subject of extensive hearings in the House. It has won the support of the AFL-CIO, United Auto Workers, American Federation of State, County, and Municipal Employees, NAACP, Congressional Black Caucus, Rev. Leon Sullivan, Americans for Democratic Action, National Council of Churches, and the Washington Office on Africa.

I believe the bill I have introduced would serve both our sense of national purpose and our national interest. This bill is currently cosponsored by 48 of my colleagues, and I would very much welcome the support of other Members for this legislation.●

THE 60TH ANNIVERSARY OF SAN JOSE HOSPITAL

HON. DON EDWARDS

OF CALIFORNIA

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. EDWARDS of Califorina. Mr. Speaker, it is our great pleasure to bring to the attention of our colleagues the 60th anniversary of San Jose Hospital in San Jose, Calif., and to recognize the important contributions it has made to the community.

In 1921, a group of local businessmen and physicians incorporated the original San Jose Hospital as a profitmaking venture. Its founding was spurred by the aging, overcrowded hospitals then in existence, the burgeoning numbers of physicians moving into the valley following the end of World War I, and the vision of a growing San Jose.

The hospital's first patient was admitted in June 1923 when it opened with 78 beds; 2 years later the first of many expansions began with a further addition of 33 beds. The postwar period and growth decades of the 1950's and 1960's in Santa Clara County produced several growth projects, most notably the 200-bed Oaks addition in 1968 which, in total increased the hospital's licensed bed capacity to 578 beds.

San Jose Hospital never produced a cent of profit for its incorporating stockholders and, in 1937, its capital stock was called for redemption at one-third its cost and the hospital became a nonprofit institution which it still is today.

Throughout its history, San Jose Hospital has had a reputation for being responsive to the health-care needs of the community. For example, it was one of the first community hospitals to provide for open-heart surgery, have an intensive care unit, and establish an oncology center for cancer patients. Also, it created an inpatient psychiatric care center for disturbed young people, and opened an alternative birth center.

Today, San Jose Hospital offers a broad range of healthcare services in each of the traditional areas—medicine, surgery, obstetrics, pediatrics, psychiatry, and emergency health care—plus a wide variety of specialized health care programs. It also provides a range of supplementary and special services, all tailored to meet the needs of those it serves.

We commend the achievements of San Jose Hospital, and we know our colleagues join us in congratulating all the individuals associated with that institution for its long and distinguished history of community service.●

COAL LABOR UNION OPPOSED TO SLURRY PIPELINES

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. RAHALL. Mr. Speaker, as a member of both committees with jurisdiction over legislation which would grant coal slurry pipelines the power of Federal eminent domain authority, for several years now I have had the opportunity to hear every conceivable argument for and against the bill.

This is now the fifth consecutive Congress to consider coal slurry pipeline legislation. Only once during all these years has the full House had an opportunity to vote on such a bill when in July 1978 a coal slurry bill was defeated by a vote of 246 to 161.

However, both the Committee on Interior and Insular Affairs and the Committee on Public Works and Transportation have on occasion reported the bill in the past. This year is no different with the Interior Committee having already reported H.R. 1010, the Coal Pipeline Act of 1983, and the Public Works Committee currently considering the bill.

Coal slurry proponents say that enactment of H.R. 1010 is in the public interest. It is interesting to note, however, that those who mine this Nation's coal believe otherwise. For the benefit of my colleagues, following is a column by Richard Trumka, president of the United Mine Workers of America, which was recently printed in the Beckley (W. Va.) Post Herald. Mr. Trumka quite eloquently explains the union's reasons for opposing coal slurry pipelines.

The article follows:

[From the Beckley (W. Va.) Post Herald, May 17, 1983]

FROM THE UMWA—COAL SLURRY PIPELINES: FALSE PROMISES, FALSE HOPE

(By Richard L. Trumka, President, UMWA)

(Editor's note: Recently, we invited the United Mine Workers of America to provide us with guest columns concerning union affairs. This is the first column in response to that invitation. Subsequent columns will be published weekly on receipt. We appreciate the cooperation of the UMWA and are happy to participate in this joint venture in communication.)

In examining the coal slurry pipeline bill now before Congress, it is appropriate to ask the age-old question: Who benefits?

The proposed legislation grants the federal right of eminent domain to the coal slurry pipeline interests. Eminent domain is the awesome power to take private property and right-of-way from owners, whether they be local or state governments, private corporations, or individuals. Clearly it is a power that should be exercised with the utmost care, and only with the complete assurance that it is in the best interests of the American people.

There are only three groups of interests who will definitely benefit if this legislation passes—some large coal companies (who are themselves dominated by big oil), electric utility companies, and the pipeline companies. Conspicuously absent from this list is the American public.

A favorite argument of the pipeline promoters is that the American public would benefit by the lower utility rates that would result. Anyone who must pay utility bills every month can see immediate flaws in this idea. First, it is by no means proven that the coal slurry pipelines would in fact lower the transportation costs of coal. And if they did, the savings would not go to the consumer. In a memo to President Reagan, his Council of Economic Advisers stated, "coal will sell at the highest price possible, subject to competition from other fuels . . . If transportation rates drop, it will simply increase the return to owners of coal mines."

The argument of lower transportation costs also assumes that coal slurry pipelines will increase competition. But pipelines, by their nature, are inflexible transportation alternatives. Railroads can increase or reduce their ability to haul coal as demand rises and falls. Pipelines will be designed to transport specific amounts of coal. Any increase in demand beyond the pipelines' design capacity, therefore, could not be handled by pipelines. Given this inflexibility, only minimal competition would be offered.

Not only would consumers not benefit, they would actually end up paying higher prices for other goods that are transported by rail. If coal slurry interests are allowed to usurp the most lucrative part of the railroads' business, the railroads would be forced to raise the transportation costs of other goods to make up for the loss of revenue. There certainly will be no benefit to the American people if this happens. And unless and until transportation costs of other goods are readjusted, the railroads and their employees' pension plans will be imperiled. This is not what Congress had in mind when in 1976 and again in 1980, it adopted legislation to ensure the survival and economic viability of our nation's rail transport systems.

The next question to be considered is the impact on employment. The proposed legislation would trade 40,000 permanent jobs in the railroad industry for 7,000 temporary jobs building the pipelines, according to most studies done on the subject, including one by the U.S. Office of Technology Assessment (OTA). The pipelines would also disrupt the traditional eastern coal production patterns and shift an ever increasing amount of production to the west, displacing workers and causing communities and entire regions to suffer.

The people of southern West Virginia have been told that the passage of the coal slurry pipeline bill would be a benefit to their economically depressed coal industry. The proposed pipeline from this area, which would join with another one from Cairo, Ill., and continue to Georgia, would primarily service a few large mines that produce steam coal. Most of the unemployment problems of the coal industry in the Beckley area, however, are caused by the lack of a market for metallurgical coal. Since it is not possible to transport metallurgical coal via coal slurry pipelines there will be no benefit to those miners employed at mines that produce metallurgical coal.

Another argument of the special interests in favor of coal slurry is that the railroads don't have the ability to transport increased amounts of coal. A look at the facts prove otherwise. When coal production increased by 38 percent from 1973 to 1980, the railroads met the need. And between 1977 and 1981, they increased their coal car loadings by nearly 22 percent.

The United Mine Workers of America is not suggesting that there are no problems with railroad transportation of coal. The Staggers Act of 1980 to deregulate the railroad industry is not being properly applied. As a result, rail costs are too high.

The solution is to make the Interstate Commerce Commission enforce the law. The UMWA is supporting the amendment to the Staggers Act of 1980 sponsored by Congressman Nick Joe Rahall, D-W. Va., and Sen. Wendell Ford, D-Ky., directing the ICC to follow the intent of Congress when it initiated the railroad deregulation.

In addition, there remain significant environmental questions that are unanswered. These questions also involve the rights of the states to control their own water resources.

To transport coal by slurry, it is pulverized to roughly the consistency of sugar and mixed with an equal weight of water—about 200 gallons of water for each ton of the coal. The western states where most of the coal slurry pipelines would be used, such as Wyoming, Montana, Arizona, etc., already have a shortage of water. To make enough water available for coal slurry without endangering the public, they would have to cut back the availability of water used by others, such as ranchers, agricultural interests, coal liquefaction and gasification projects and reclamation efforts.

When the coal gets to its destination and the water is extracted from it, there is the problem of what to do with the water. It is not clear whether elements that go into the water with the coal, such as mercury and lead, would be extracted along with the water. Coal slurry pipelines interests show no inclination to build a second pipeline to return the water to its point of origin for recycling—an expensive proposition that may prove necessary.

The results of this coal slurry pipeline bill would not even be good for the entire coal industry—only those large coal operators located near the point of origin of the pipeline who have long term markets and contacts for their coal would be insured access to the pipelines.

According to the minority view of the House Committee on Public Works and Transportation, written in part by Nick Joe Rahall, "The small operator cannot enter long-term contacts under these conditions and will not be able to gain access to the pipelines after the contracts are signed."

Again quoting the minority view of the House committee. "The coal slurry pipeline bill is blatant special interest legislation that confers the awesome power of the federal right of eminent domain to a select few private corporations. It should be defeated."

The United Mine Workers of America concurs with this position. This is bad legislation. It is bad for the consumers, for railroad workers, for coal miners, for small coal operators, for the environment and for the American public. This legislation does not serve the best interests of our nation.●

DEFENSE APPROPRIATIONS FISCAL YEAR 1984

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mrs. COLLINS. Mr. Speaker, like other Americans, many Chicagoans have lost health benefits due to layoffs. The transfer of budget funds from social programs to the military budget, coupled with fiscal conservation in all programs but defense appropriations, have made for a severely restricted allocation and distribution of funds. And Chicagoans, like other Americans, are getting wary of it.

While I have been a supporter of an adequate defense to insure U.S. safety, I do not appreciate the vicious and irrational way in which our social programs have been railroaded. It appears, by judging from the record of the Reagan administration, as soon as a program begins to show signs of development and progress, its budget is cut from underneath.

There is no better example of this need for a long-term commitment than in the area of health services. Benefits from health programs are sometimes not immediate. Instead, fruition may develop in the ensuing generations.

Today, I am submitting the testimony of Dr. William Rollow of the Chicago Coalition for a National Health Service as presented before the Chicago Peace Council on April 23, 1983. His statement encourages an excellent, yet long-range effort which will safeguard our health for the future.

THE IMPACT OF MILITARY SPENDING ON CHICAGO AND ALTERNATIVES FOR 1984

(By William Rollow, M.D.)

I appreciate the opportunity to provide testimony on these important issues.

I speak not only as a representative for the Chicago Coalition for a National Health Service, but also as a physician who has practiced in the public and private sectors in Chicago for the past six years.

Health care in Chicago is entering a very frightening period for patients and health providers. Our economy has been in decline since the early seventies. But this has only recently begun to have a substantial impact on the health sector. Health care expenditures, both public and private, were largely uncontrolled in the past two decades, making this one of the most profitable sectors of the economy. Now it has been decided by the Reagan administration that the health needs of our people must take second place to accelerated and exaggerated military expenditures. Money for health and welfare programs is being used to prepare us to intervene against peoples' movements in other countries and to confront the Soviet Union, which of necessity has always maintained a defensive posture with regard to nuclear war. The result has been a deterioration of health services for our own people, in addition to violence and the threat of catastrophe for people in other nations.

Cuts in health and welfare programs are not immediately followed by measurable declines in the health status of our people. Instead, there is a lag time. In some areas, the lag may be as long as two decades. This is true for the development of cancers due to less vigilant protection against occupational and environmental toxin exposures. In other areas, such as infant mortality and infectious disease control, the lag time is much shorter.

For the average Chicagoan, however, health statistics are not as visible a concern as health services. In this area, recent cuts at the federal and state levels have begun to strike fear in the hearts of our people.

Many Chicagoans have lost health insurance due to layoffs. In many cases, they look to public assistance in meeting their health care needs. In the past two years, however, the State has cut some $400 million in medical expenditures. Even worse, 139,000 persons now receiving General Assistance—which primarily benefits those unemployed for extended periods—are about to be completely dropped from benefits. Elderly individuals who now pay more out of pocket for health care than they did prior to Medicare's implementation in 1966, are being hurt by new Medicare reimbursement formulas.

As a consequence of these cuts in public expenditures for health services, many Chicagoans are unable to get the necessary care. Some stay at home with untreated illness, some come to the hospital or doctor's office and are of necessity turned away to seek care in crowded public facilities. Many live in neighborhoods where the local hospital is on the verge of closure due to financial problems, as eighteen of Chicago's hospitals are.

This is how health care looks to Chicagoans, and they are scared about it. Something must be done to improve this picture.

What is the solution? The solution is not a return to the days of uncontrolled spending on health care. However profitable this approach has been for private entrepreneurs, it only marginally improved health and services for our people. And, as is particularly clear in these hard times, these improvements are very inequitably distributed.

Instead, we need two things. First, we need a commitment to adequate spending on health care at the federal level. Second, we need for that spending to occur in a system which is accountable to and controllable by the public which is footing the bill.

Over the long run, this is only able to be accomplished through a nationalization of health service services, with funding on a per-person regionalized basis, and control over services at the level of the local community. Such a program is embodied in the National Health Services Act, which has been introduced into Congress on an annual basis since the early '70's. I commend this bill to your attention and support.

Over the short run, we must look to other measures. An initial step in the right direction would be the diversion of funds earmarked for unnecessary and wrong military expenditures to health and welfare programs. This money should be used to create an expanded network of public clinics which would be backed up by services provided in community hospitals and as necessary in tertiary public hospitals like Cook County and the University of Illinois. With real community input into the operation of such a system, and with the use of organizational techniques developed by health plans in recent years, we could insure in the most economical way possible that people get needed health services.

Let's restore the faith of Chicagoans in government. Let's dedicate ourselves again to building a society in which the needs of our people are met.●

A HIGH PRODUCTION STRATEGY TO REBUILD AMERICA

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. OTTINGER. Mr. Speaker, for the past 2 years, I have been working with 75 of my Democratic colleagues to develop an alternative strategy to the collapse of President Reagan's economic policy. Under the name the "National Economic Recovery Project," we organized ourselves into separate task forces, each of which examined specific issues and outlined proposals designed to develop a coherent path toward economic recovery. On Tuesday, May 24, we held a press conference to announce the plan to the public.

Mr. Speaker, I would like to submit for the RECORD the statement of principles for the project "A High Production Strategy To Rebuild America." the basis of the plan is to help the millions of unemployed return to work, to reduce the deficit which has skyrocketed under Reagan's leadership and rebuild our Nation's industrial strength through high investment and high production; 150 of my Democratic colleagues have endorsed the outline of the project. I hope my colleagues will take the time to study this solid economic recovery proposal.

A HIGH PRODUCTION STRATEGY TO REBUILD AMERICA

A strong and growing economy is the basis of our prosperity, our social stability and justice, our national security and our influence in the world.

We believe that Americans are seeking a common vision and a practical plan to rebuild our economy in the wake of the devastation caused by Reaganomics. We Members of Congress have therefore proposed "A High Production Strategy to Rebuild America." Although not all of us agree with every proposal we describe, we believe they offer the direction and options Americans must consider if we are to rebuild our economy.

INTRODUCTION

America's recovery hinges on creation of a maximum production plan to create enough jobs in every community for all Americans who need work.

Maximum production in every community is needed to revive local tax bases, which finance essential services. It is needed to help stimulate increases in productivity by assuring business decision makers that demand for their products will be strong enough to justify capital investment to improve efficiency. And workers who have the security of a certain job can confidently adjust to—and initiate—new labor saving technology.

A maximum production jobs plan will also help solve our Social Security difficulties by increasing the number of employed people contributing to the system, ensuring solvency for generations to come.

I. NATIONAL GOVERNMENT MUST NURTURE INVESTMENT, INNOVATION AND GROWTH AMONG PRIVATE BUSINESSES WHILE ENSURING SUFFICIENT PUBLIC INVESTMENT TO BOTH MEET THE NEEDS OF BUSINESS AND PROVIDE THE JOBS AND SERVICES THAT BUSINESS MAY NOT PROVIDE

Economic growth and maximum production require a healthy and dynamic private sector aided by an efficient and humane public sector. Under federal leadership, business, labor and government must be brought together to work cooperatively to create a climate for growth.

Monetary Policy and the Federal Reserve Board

We must abandon the monetarist policy of restrictive money growth, which has produced high real interest rates and periodically starved crucial industries of investment capital. We must require the Federal Reserve Board to respond to national economic policy by reducing interest rates and ensuring sufficient availability of funds for productive investments. This should include disincentives on credit for unproductive purposes and encouragement of credit to improve productivity.

National industrial policy

We must develop a national industrial strategy to make essential industries competitive with foreign producers and to support and encourage newer, high technology industries, which will dominate future innovation and economic growth. Among its elements:

A national investment facility to meet the essential investment needs of industry and the economic development needs of our communities.

Expanded support of research and development by both business and government.

A renewed commitment by government and business to provide education and training programs for Americans, including those displaced from their jobs, so they will have the skills necessary to perform the jobs of the future.

An aggressive campaign to increase American exports, including expanded Export-Import Bank financing; export trading companies; and pursuit of international agreements that will open markets to U.S. goods, prevent dumping of subsidized imports in the U.S., and adjust currency exchange rates to achieve fair competition.

Strategies to encourage worker participation in management, profit-sharing, and ownership in U.S. corporations, to improve the quality of work life and enhance industrial productivity and innovation.

Public investment

Adequate public investment is essential to provide an assured and steady "locomotive" for economic growth, creating jobs that meet community needs while stimulating demand for the goods and services of private business.

To ensure that investment, Congress should institute a national "capital budget." It should also create an agency to coordinate and organize the many, disparate federal investment programs, including:

Maintenance of our highways.

Expansion and renovation of mass transit systems to improve service, attract new riders and conserve energy.

A modern and competitive railroad system.

A program to ensure adequate water supplies, including repair of existing systems and waste treatment and disposal.

Programs to improve energy efficiency.

Strategies to maintain our watersheds and protect and conserve the land and its resources.

Programs to stimulate the construction and renovation of housing.

II. THE FUNDAMENTAL SOLUTION TO THE URGENT PROBLEM OF GOVERNMENT FINANCING IS A MAXIMUM PRODUCTION ECONOMY, WHICH WILL GENERATE NEW TAX REVENUES AND SHRINK PERSISTENT DEFICITS IN FUTURE YEARS

A strategy to rebuild America will not require huge new taxes on the American people. Rather, it will be financed by resources shifted from wasteful to productive uses, by the increased revenues from a fully productive economy, and by a tax code that ensures that those who profit pay their fair share.

We must finance the cost of government with a tax system that is simple, fair, progressive and productive. We must repeal the Reagan tax giveaways, which have decimated our revenue base, and repeal those tax expenditures that reward unproductive investment. All tax expenditures should be put into the budget and be subject to the same review as other expenditures. Automatic tax indexing without regard to the state of the economy must be repealed.

The explosion of Pentagon spending under President Reagan cannot reverse the decline of American power in the world that has resulted from his economic policies and his attempts to conduct foreign policy from behind the barrel of a gun. The Pentagon's spending frenzy is sapping our economic strength, distorting our industrial base and, ultimately, reducing our security.

While it is a staggering moral issue, the arms race is also an economic disaster. A mutual, verifiable agreement to control and reduce both nuclear and conventional arms is essential to a sound economy.

Even without such agreements, we must moderate the Pentagon's spending, redirecting those resources to areas that will truly increase our security. We believe that by eliminating wasteful expenditures and cancelling ineffective or redundant weapons, we should hold real growth in Pentagon spending to no more than three percent in fiscal year 1984. Such restraint will increase our national security and influence in the world.

III. WE MUST CONTROL INFLATION BY TAKING PREVENTIVE ACTION IN THE MOST VOLATILE AND INFLATIONARY SECTORS OF THE ECONOMY

Economic growth and maximum production cannot be sustained without an effective program to control inflation.

Throughout the 1970s, the major causes of the inflation that raged through the economy were energy, food, housing and health care. Prices rose in those four sectors twice as quickly as in the economy as a whole.

Inflation in oil and food prices has recently subsided, due to the temporary oil glut, current abundant world harvests, and the deepest recession since World War II. Some housing prices have stabilized because high interest rates have driven most potential buyers out of the market, artificially reducing demand. As a result, overall inflation rates have dropped dramatically, during the deep recession. However, energy, food, and housing prices could skyrocket at any time; the inflation of health care has never subsided. We need a tough-minded policy to prevent another round of 1970s-style inflation.

Reducing our vulnerability by reducing oil imports

We must reduce our vulnerability to inflationary price jolts due to oil company actions, OPEC policies or the instability of Middle East politics. We must move away from our dependence on imported fossil fuels and into a new era of renewable, safe energy sources.

We must reestablish emergency measures to cope with future external jolts or destabilizing price changes.

The federal government must play a lead role in a crash program to encourage energy efficiency, use our vast coal resources in an environmentally acceptable manner and build new, solar-based renewable energy industries, which promise significant economic growth in the coming decades. An energy efficiency program will save America billions: reducing our dependence on imported oil spares us the costly, futile effort of building a rapid deployment force to protect Middle East oil routes.

Controlling food price inflation

The U.S. exports more food than any other nation. Unlike other nations, though, we have weak mechanisms for insulating our domestic food market from temporary price jolts due to sudden shortages of supply. Sudden price jolts ripple through the agricultural economy and eventually inflate farm land prices.

Growing corporate control and concentration in farming, processing and marketing presents a serious threat to future food prices.

Controlling inflation in food prices requires that we maintain adequate reserves to avoid wild fluctuations in grain and commodity prices which are a disaster for producer and consumer alike. It also requires that we establish a reliable floor under the income of family farmers, who are fast becoming an endangered species.

Preventing housing price inflation

The major cause of skyrocketing housing prices in the past decade has been a shortage of houses and apartments as the postwar "baby boom" has become a family boom. Misguided high interest policies have added to the problem by crippling the housing industry and adding outrageous financing costs on top of increasing housing prices. The steadily upward curve of housing costs has made this sector ripe for speculation further fueling inflation.

An anti-inflation program for housing must expand direct investment in housing, hold down interest rates and increase housing for low and moderate income people. Low-income people will need continued federal assistance to find, affordable housing.

Controlling health care costs

The dominant health care financing systems in this country have inflation built into them. "Health care delivery systems" are delivery systems for treatment after disease or injury has occurred.

The keys to an anti-inflation program in health care are a change in the financing system to encourage cost containment, greater commitment to health maintenance organizations, and much more emphasis on the prevention of disease.

Adopting an incomes policy

With an anti-inflation program, the government must seek a consensus with labor and business to achieve an "incomes policy," in which a balance is achieved among wages, productivity, the prices of necessities, lower interest rates, and resumed growth in investment and job creation.

IV. WE MUST RECOGNIZE THAT ECONOMIC GROWTH REQUIRES A HEALTHY AND LIVABLE ENVIRONMENT. ARGUMENTS THAT WE MUST ROLL BACK SAFETY,' HEALTH AND ENVIRONMENTAL PROTECTIONS IGNORE THE HUGE, HIDDEN, HUMAN, ECONOMIC AND ENVIRONMENTAL COSTS OF SUCH ROLLBACKS

We must maintain a strong commitment to clean air and water, to the control of acid rain and the safe disposal of toxic wastes. Development of permanent disposal sites for nuclear waste should be accelerated.

We cannot go back to the era of economic growth fueled by wasteful consumption. The realities of the new era require that we plan our economic growth. Job creation and economic development must come primarily from investments in retooling the basic capital equipment of society to feed, house, transport and inform our society in ways that conserve rather than consume our natural resources. We should treat our resources as a public trust. We should make decisions about their use and development as trustees for this and future generations. We must protect the wild and natural land and unspoiled air and water that our country has left.

Based on these principles for a maximum production plan to rebuild America, we will be offering specific legislation and task force reports throughout this session of Congress.●

DEPARTMENT OF TRANSPORTATION MARITIME PROMOTION PACKAGE

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. FORSYTHE. Mr. Speaker, the health of our Nation's merchant marine is deteriorating. Our carriers in both the liner and bulk trades are having trouble securing adequate cargoes. The costs of constructing and operating ships in the United States have skyrocketed and have almost priced our carriers out of the world market. Moreover, our carriers who operate in international commerce are competing against foreign operators who are benefiting in many cases from massive government construction subsidies and drastically lower operating costs. I could go on about similar problems in other parts of our maritime industries, but right now I want to concentrate on the problems of our carriers.

It is time to focus our attention on this important segment of our Nation's economy. We must act now to save our merchant marine. We must try some new approaches to provide assistance because the construction and operating subsidies have not worked to the extent anticipated. A little fix here and there has not worked in the past and I do not see any reason to believe it will work in the future.

I hope today to start a process of reassessment of the Federal programs aimed at fostering the growth and competitiveness of our merchant marine. At the request of the administration, I am introducing the Department of Transportation's draft legislation "To amend the Merchant Marine Act, 1936, and for other purposes." While I do not necessarily agree with everything in this legislation, at least it is a starting point from which we can proceed. The draft legislation has five elements.

First. It would continue the statutory authority to permit subsidized U.S. operators to construct and acquire vessels outside the United States and then reflag them in order to receive operating subsidies.

Second. It would allow reflagged vessels of less than 5 years of age to be immediately eligible to carry government-impelled cargoes.

Third. It would encourage foreign investment in U.S.-flag shipping by increasing the allowed foreign ownership limit from 49 percent to 75 percent.

Fourth. It would authorize a U.S.-flag operator engaged in foreign commerce to use capital construction funds in connection with foreign-built ships.

Fifth. It would permit subsidized U.S. operators who are eligible for repair subsidy to have repairs done in foreign shipyards without subsidy or in U.S. yards with subsidy.

This legislative proposal does not provide answers for all the problems besetting our maritime industries. In fact, there will undoubtedly be those who will argue that it might cause harm to some sectors of the industry. However, we need to be honest in our assessment of what the Federal Government can do to help our maritime industries. There are, after all, limits. We cannot be "all things to all people." It may not be possible, for example, to maintain a U.S. presence in the world's shipping trade and at the same time provide substantial financial support to the U.S. shipyards. We may have to look at other alternatives rather than forcing U.S. carriers to use U.S.-built ships. The cost impact of such a requirement across the board—increased capital costs to the carriers, increased charges for shippers for transporting goods, and increased prices for U.S. consumers—simply may not be worth it. Consequently, I believe this legislative proposal should be studied along with all the other proposals we are considering. We cannot afford to dismiss out-of-hand any ideas.

Included with the Executive communication was a "Statement of Purpose and Need" that was prepared by the Department of Transportation to describe the administration's proposed legislation. I have attached that document to my remarks for the benefit of my colleagues.

STATEMENT OF PURPOSE AND NEED

The draft bill provides the legislation to implement promotional elements of President Reagan's program to revitalize the U.S.-flag merchant marine. The cornerstone of this revitalization program is the authority to permit subsidized U.S.-flag operators to acquire modern and efficient vessels outside the United States. In order to enhance the ability of U.S.-flag carriers to profitably operate this foreign tonnage, the President's program encourages the investment of funds in such vessels, and removes obstacles to the carriage of certain reserved cargoes. The draft bill also encourages foreign investment in U.S.-flag shipping by authorizing the permissible foreign ownership in certain programs under the Merchant Marine Act, 1936, to be increased from 49 percent to 75 percent, and permits tax-deferred monies in Capital Construction Funds to be used to acquire ships outside the United States. In addition, the draft bill would amend the Cargo Preference Act of 1954, so that certain reflagged foreign-built tonnage would no longer be required to wait three years before being eligible to transport the substantial cargoes subject to that Act. Finally, the draft bill would relieve all U.S.-flag ships of the current 50 percent ad valorem duty on repairs performed abroad, in order to provide flexibility to ship operators in making such repairs and to reduce the amount of subsidy paid for repair work.

Section 101 of the draft bill would amend the Merchant Marine Act, 1936, to provide authority for subsidized U.S.-flag ships operators to construct or acquire vessels outside the United States and still be eligible to receive operating-differential subsidies (ODS). Since the enactment of the Merchant Marine Act in 1936, ODS vessels have been required to be constructed in the United States. Such vessels were generally built with the aid of construction differential subsidy (CDS). In order to assist subsidized operators in meeting their contractual obligations to replace overaged ships, Public Law 97-35 (approved August 13, 1981) added a section 615 to the Merchant Marine Act that authorizes the payment of ODS for the operation of foreign-built, U.S.-flag vessels in the absence of available CDS until the end of fiscal year 1983. However, restrictions placed on this authority for fiscal year 1983 mean that, for all practical purposes, the authority provided by section 615 was available only in fiscal year 1982. The draft bill would amend section 615 to continue to authorize U.S.-flag operators to construct or acquire vessels outside the United States and still be eligible to receive ODS. It would also clarify current authority under section 615 to acquire existing vessels outside the United States to be reflagged and made eligible to receive ODS. Section 615 authority would be effective upon a determination by the Secretary that the foreign built vessel is over 5,000 DWT and would be suitable for use by the Federal government for national defense or military purposes in time of war or national emergency. This provision would allow replacement of overaged vessels to continue on schedule and thus avert a decline in the size of the U.S.-flag liner fleet, which is the primary U.S. source of military sealift capability.

Section 102 of the draft bill would amend the Merchant Marine Act, 1936, to provide immediate eligibility for reflagged vessels for the carriage of Government-impelled cargoes under section 901(b)(1) of that Act, commonly referred to as the Cargo Preference Act of 1954. Cargoes covered by the Cargo Preference Act of 1954 are a major source of revenue for virtually all U.S. liner operators and many U.S. bulk operators. However, that Act now requires that foreign-built or rebuilt vessels must be documented under U.S. laws for three years before they can carry such cargoes. This requirement is at variance with the thrust of sections 101 and 201 of the draft bill which seek to eliminate barriers to the acquisition of vessels constructed outside the United States. The U.S.-flag vessels constructed or acquired pursuant to these proposals cannot be denied immediate access to such important cargoes if we are to have a strong U.S.-flag merchant marine. Therefore, section 102 of the draft bill would amend the Cargo Preference Act of 1954 to provide immediate eligibility for certain reflagged vessels for the carriage of Government-impelled cargoes. In order to promote a strong, modern and efficient merchant marine, the Secretary of Transportation would have to find any such vessel to be less than five years of age on the date of current registry under the U.S.-flag. A vessel older than five years but less than ten years of age on the date of current registry could be given immediate

eligibility if the Secretary determined, upon consultation with the Secretary of Defense, that the particular ship was necessary for the security of the national defense. Vessels currently authorized to carry Government-impelled cargoes would not be required to meet proposed eligibility criteria.

Section 103 of the draft bill would amend the Merchant Marine Act, 1936, to encourage foreign investment in U.S.-flag shipping and permit the current 49 percent foreign ownership in U.S.-flag vessels to be increased to 75 percent. This would attract needed capital to the industry, but still retain U.S. management control.

There currently are no U.S. ownership requirements for a U.S. corporation to operate U.S.-flag vessels in the foreign trade of the United States. Section 104(3) of the Vessel Documentation Act, as amended (46 U.S.C. 65b(3)), requires that such a corporation be a U.S. corporation within the meaning of the Act, that the president or other chief executive officer and chairman of the board of directors of such corporation be citizens of the United States, and that no more of its directors be noncitizens than a minority of the number necessary to constitute a quorum. As long as these requirements are met, such a corporation may be wholly owned by noncitizens of the United States.

However, a problem arises with respect to the citizenship requirements for a U.S. corporation which avails itself of one or more of the promotional programs provided by the Merchant Marine Act, 1936. Subsection 905(c) of that Act (46 U.S.C. 1244(c)) mandates the use of the citizenship definition set forth in section 2 of the Shipping Act, 1916, as amended (46 U.S.C. 802, 803). This section 2 definition requires that the controlling interest of a U.S. corporation be owned by citizens of the United States. Since the fundamental purpose of the Merchant Marine Act, 1936, is to assist U.S.-flag vessels to compete in the foreign trade of the United States, and all U.S. corporations who operate such vessels have therefore benefited by one or more of the programs provided by that Act, the section 2 citizenship definition controls. As a result, foreign ownership in U.S. corporations operating U.S.-flag vessels in the foreign commerce of the United States is currently limited to 49 percent.

Revitalization and expansion of the foreign trade segment of the U.S.-flag fleet will require substantial capital investment. Therefore, section 103 of the draft bill would authorize an increase in the amount of foreign investment in such U.S. corporations from 49 percent to 75 percent. This relaxation of existing citizenship requirements would provide additional potential sources of capital for investment in U.S.-flag shipping that will be necessary to construct new vessels and to purchase and reflag used foreign-built tonnage.

Section 104 of the draft bill makes conforming changes to section 9 of the Shipping Act, 1916, which requires the Secretary's approval where a U.S. citizen charters or transfers a U.S.-flag vessel to any noncitizens. The provision would extend this approval process to any situation where a U.S.-flag vessel is transferred to foreign registry, even where the vessel is not owned by a U.S. citizen. This change will allow the Secretary to prevent operators from placing vessels under U.S. flag on a temporary basis only to take advantage of promotional benefits under the Merchant Marine Act, 1936.

Section 201 of the draft bill would amend the Merchant Marine Act, 1936, to permit U.S.-flag vessel operators to use existing and newly deposited tax-deferred monies in Capital Construction Funds (CCF) to construct or acquire foreign-built vessels.

Section 607 of the Merchant Marine Act, 1936, authorizes the Secretary of Transportation to permit a citizen of the United States owning or leasing vessels to defer the tax on certain funds generated by "eligible" vessels when such funds are deposited into a CCF, and subsequently used for the acquisition (including construction or reconstruction) of "qualified" vessels. An "eligible" vessel must be constructed or reconstructed in the United States, documented under U.S. law, and operated in the foreign or domestic commerce or fisheries of the United States. A "qualified" vessel, for which CCF funds may be expended, must be constructed or reconstructed in the United States, documented under U.S. law, and generally operated in the foreign, Great Lakes, fisheries or noncontiguous domestic trades of the United States.

The tax-deferred funds from a CCF are an important source of capital for the construction of U.S. flag vessels, particularly for subsidized operators engaged in foreign commerce. Present law, however, requires that CCF funds may be used only in connection with vessels constructed in the United States. Thus, subsidized operators who acquire foreign built ships under section 101 of the Act would be deprived of this important source of capital for the acquisition of their vessels. Non-subsidized U.S. flag operators who acquire tonnage abroad all are in the same difficult position with regard to the availability of CCF funds to assist in their capital programs. Section 201 of the draft bill would amend section 607 of the Merchant Marine Act to authorize a U.S.-flag operator engaged in foreign commerce to use CCF funds in connection with foreign-built vessels.

Section 202 would amend the Merchant Marine Act, 1936, to conform section 615 of that Act to the amendments made by section 201 of the bill.

Sections 203 and 204 of the draft bill would amend the Tariff Act of 1930, and the Merchant Marine Act, 1936, to relieve all U.S.-flag operators of the current 50 percent ad valorem duty on repairs performed abroad. These actions would also permit subsidized operators who are eligible for repair subsidy to perform such repairs outside the United States without subsidy or within the United States with subsidy.

Pursuant to the Tariff Act of 1930, a 50 percent tariff is currently levied on the cost of non-emergency foreign repairs that have been made on U.S.-flag merchant vessels. This ad valorem duty adversely affects the ability of U.S.-flag vessels to compete with foreign-flag vessels in the international commerce of the United States. By requiring U.S.-flag vessels to return to the United States for such repairs, this ad valorem duty limits the flexibility of our liner operators, places undue hardship on our bulk carriers operating in foreign-to-foreign trades, and results in the interruption of service with the loss of operating revenues. Additionally, this duty places the U.S.-flag operator at a cost disadvantage with foreign competitors who are not subject to such a measure. Section 203 of the draft bill would repeal section 466 of the Tariff Act of 1930, as amended (19 U.S.C. 1466), so that the current 50 percent ad valorem duty would no longer apply to foreign repairs made to U.S.-flag vessels. This would help put U.S.-flag vessel operators on a par with foreign-flag competitors.

Section 606 of the Merchant Marine Act, 1936, currently requires subsidized operators to perform repairs in the United States or the Commonwealth of Puerto Rico. Section 204 of the draft bill would amend this section to permit subsidized operators who are eligible for repair subsidy to perform such repairs in foreign shipyards without subsidy, or within the United States and the Commonwealth of Puerto Rico with subsidy. As maintenance and repair costs currently account for about 5 percent of all ODS outlays, and the average differential for these costs is approximately 30 percent, allowing foreign repairs for subsidized vessels would result in significant ODS savings.●

FORBES MAGAZINE SALUTES RICH PRODUCTS AND SAYS BUSINESSMEN LIKE ROBERT RICH ARE THE KEY TO AMERICAN ECONOMIC GREATNESS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. KEMP. Mr. Speaker, as an adament believer in free enterprise and the entrepreneurial spirit, I rise to salute my friends, Robert E. Rich, Sr., and Bobby Rich, Jr., and their dynamic Buffalo company. Mr. Rich, Sr., turned a small dairy business of the 1940's into what is now a diversified, expanding food processing company. Through a series of innovative developments, Rich Products has dominated the frozen nondairy products industry. Under the leadership of its founder and his son, Rich Products is today one of western New York's largest employers and one of America's most dynamic enterprises.

A recent Forbes magazine article details the expansion of Rich Products. I commend this article to my colleagues and present Robert Rich and his son Bobby as example of the type of American citizen that have made our country great and will restore America to economic strength.

ALL IN THE FAMILY

(By Jonathan Greenberg)

Robert Rich pioneered the nondairy dairy industry with soybean-based whipping cream and coffee cream that isn't really cream. For nearly 40 years privately owned Rich Products Corp. has worked this niche profitably. Now Rich's son, Bob Jr., president, has plans to bring Rich out of the niches as a fully diversified food company.

He has already made a start. Rich Products has quadrupled its sales over the past seven years, to $400 million last year, with earnings approaching a healthy 4 percent of revenues. More important, about half of that $400 million was from nondairy replacement products, compared with about 71 percent in 1975. That's only the beginning, says Bob Jr. His goal is to diversify into all areas of prepared foods, including frozen seafoods, fruits and specialty meats. Rich Products will be a $1 billion company by 1986, he says, and ultimately "one of the

major food processing companies in the world."

Bob Jr. is hoping Rich's new Freeze Flo technology will provide a big boost. The process replaces some of the free water molecules in a product with other naturally occurring molecules like sugar and salt. The remaining water becomes bound to these molecules, so that the product remains soft at temperatures lower than the freezing point of water. This means that substances containing quantities of sugar, such as frozen fruit in pie fillings, can be eaten right out of the freezer without being thawed. "Frozen doesn't necessarily mean hard," says Bob Jr.

Will Freeze Flo ever match Rich Products' most successful product, Coffee Rich? If it does, the company is all ready to cash in. It holds 39 patents on the process, which it says cost nearly $5 million to develop. So far, it takes in $2.5 million a year licensing the process to 50 companies. Most of them are in Europe, rather than in the U.S. Rich contends that American companies are embarrassed because his small company beat them to it.

Rich has another key strategy, acquisitions, which operates in an unusual way. It seems to work. Bob Sr. and Bob Jr. try to select other companies that are also run by father-son teams. "We come along as a viable alternative to the public companies," says Bob Sr. "They can still operate their business and not have the rug pulled out from under them if anything should happen." All Rich takeovers are friendly, he says, and most owners stay on afterward because the all-in-the-family policy practically turns them into in-laws. "This violates a lot of rules of the big public companies," says Bob Jr., "but nepotism works."

Robert Sr., now 69 and Rich Products chairman, stumbled onto the secret of nondairy replacement back in 1945 while trying to find commercial applications for what he had learned about product substitution with the War Food Administration during World War II. For the long train ride one day from Buffalo to a distributor on Long Island, he packed some of his new soybean-based "whipping cream" in dry ice to keep it cool. He didn't intend to freeze it, but when he arrived he found it frozen solid. Desperately he mashed it up and found that it still whipped perfectly. That, says Rich, was the beginning of the frozen nondairy products industry—an industry that Rich Products Corp., still based in Buffalo, has dominated ever since.

Rich was also shrewd enough to position his company as a supplier to the food-service sector, the part of the industry that services restaurants, hospitals, schools and the like, rather than supermarkets. The long storage life of his products, he reasoned, would appeal more to cost-conscious food-service operators than to taste-conscious consumers. And instead of competing head-on with General Foods-type conglomerates in ad-influenced retail markets, Rich quietly built up markets behind the scenes.

In 1960, 15 years after starting the company, Rich brought out Coffee Rich, a freezable, pourable, nondairy substitute. It has dominated its market since, currently with a 90% share, claims Rich. Then the company developed another timely product: frozen dough. Supermarkets wanted a fresh-baked aroma in their stores but didn't want the hassle of setting up expensive bakeries. Today Rich Products runs the largest frozen dough plant in the world. Rich claims that its dough for breads, rolls and pastries is sold to most supermarket chains in the country. Last year this accounted for nearly $100 million in sales.

While the Riches are out acquiring other companies, a lot of bigger acquisitors would like to acquire Rich. "We've been approached by literally every major food company in the world," says Bob Jr. expansively. Every offer is promptly rejected before anyone even gets down to the figures. Rich's niche is so rich that the Rich family intends to keep on working it themselves.●

NATIONAL TRAGEDY OF ASBESTOS DISEASE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. MILLER of California. Mr. Speaker, asbestos disease is a national tragedy of stunning proportions. Over 21 million Americans have been exposed to significant amounts of asbestos in occupations ranging from construction to shipbuilding to automobile maintenance.

In the San Francisco Bay area, a portion of which I represent, perhaps a quarter million men and women have been exposed to carcinogenic asbestos in shipyards since the end of World War II.

Hundreds of thousands of these men and women, over the course of many years, will develop disabling diseases as a result of that exposure. As many as 15 percent of heavily exposed workers will die of asbestosis; many more will also die of cancer attributable to occupational exposure to asbestos.

But few victims of occupational diseases will ever receive the workers' compensation awards to which they are entitled. The few who do will wait far longer and receive far less than occupational-injury victims. Less than 5 percent of their medical costs will be paid by the compensation system. And when they die, the survivors' benefits will be one-tenth those of an occupational injury victim.

The unworkability of the compensation system has led over 20,000 asbestos workers to file lawsuits against 260 manufacturers and other third parties; 500 new suits are being filed each week, totally overwhelming the ability of the courts to process the cases. While there have been a few large awards and settlements, the delays are long, and the average benefits, like those under workers' compensation, have been inadequate.

The average return to a successful plaintiff is under $50,000—and one-third of that amount goes to attorneys. The remaining $25,000 to $30,000 represents the workers' lost wages, pain and suffering, medical expenses, and survivors' benefits. The settlement rarely covers the costs accrued by the disabled worker during the protracted litigation period.

And when those meager benefits are gone, the responsible industry is free from obligation, and the bills are paid by the taxpayer.

According to testimony before the Subcommittee on Labor Standards, the cost of providing public assistance to occupationally diseased workers is $3 billion a year—an unwitting taxpayer subsidy of hazardous industries.

The payments of prompt compensation benefits, as well as settlements and judgments in the lawsuits have been further frustrated within the past year by the bankruptcy filings of the Manville Corp., and two other asbestos manufacturers. These actions not only delay the awarding of just benefits to workers, but also jeopardize the financial stability of businesses which are being called upon to shoulder a disproportionate share of the compensation burden.

The enactment of occupational disease compensation legislation has been an elusive goal for many years. Like the events which spurred toxic waste cleanup laws, however, we have failed to act until tragedy has struck.

Today, I am introducing legislation to respond to this sweeping national crisis. This legislation will establish a fair system for providing adequate benefits on a timely basis to occupationally disabled Americans and their survivors—at no expense to the taxpayer of this country.

I am especially proud that the eight cosponsors of this important legislation include every Democratic member of my Labor Standards Subcommittee.

The Occupational Disease Compensation Act replaces the 51 contradictory, complex, and ineffective State systems with a single administrative mechanism for delivering benefits to deserving disease victims.

This legislation builds on existing administrative structures within the Department of Labor. A special task force would be created within that Department to expedite the processing of the enormous backlog of asbestos claims. The asbestos task force would be totally funded by responsible industries, not by taxpayers.

The legislation provides disability and medical benefits to disabled workers, and death benefits to surviving spouses and family members. Compensation under this bill is limited to those with work-related deaths and disabilities, and eligibility tests are rigid to assure that only deserving applicants receive benefits.

Fairness is the central principle embodied in this bill.

The entire financial burden of this compensation program will be borne by responsible employers and the industry. The bill does not require the expenditure of any public funds.

The funding mechanism employed by the bill is an insurance pool based

upon the estimated liability of each participant. The average recipient under this plan would receive higher compensation at a much faster rate than the meager benefits received under the current compensation and tort liability systems. As with other workers' compensation laws, this system would be the exclusive means for workers to receive disability and medical benefits, except in the case of workers who have already sought benefits under the existing State compensation systems. Those workers would be able to proceed with lawsuits filed before the date of enactment of this new law.

My bill contains an important safeguard against the unlikely failure of the new compensation system. Workers who file a claim under this bill could also file a liability suit, but action on that suit would be suspended in order to give the compensation system an appropriate opportunity to process the claim. If the system fails to conclude a case within 18 months of filing, the injured worker will have the right to proceed instead with a lawsuit. This compromise provision will encourage the system to work expeditiously and fairly, while protecting workers' rights.

Last, this legislation recognizes that, as terrible as the asbestos tragedy is, there are many other ticking time bombs in our Nation's workplaces. Other workers who develop occupational diseases should not have to endure the long delays suffered by asbestos workers.

Therefore, my legislation establishes a mechanism for extending the coverage of this act to other diseases and disabilities which result from occupational exposures, based upon expert scientific and medical research.

This legislation has been developed over the course of a year and a half, with the cooperation and full participation of all parties to the asbestos dispute. I want to offer my appreciation to everyone who assisted in that process.

As we move forward with hearings, I expect to hear recommendations for improvements in the legislation. I welcome such advice. We must all recognize that the opposition of any of the major parties can doom this legislation. But it would also doom tens of thousands of disabled workers, their families and their survivors to impoverishment, medical inattention, and even greater tragedies. No responsible person or industry can permit that to occur.

This legislation is the very highest priority of the Subcommittee on Labor Standards. I am totally committed to expediting hearings, markup, and passage in this Congress, and we will begin on that process next month.

SECTION-BY-SECTION ANALYSIS
THE OCCUPATIONAL DISEASE COMPENSATION ACT, GEORGE MILLER, D-CALIF., AUTHOR

Section 1. Section 1 establishes the title of the Act, and provides a Table of Contents.

Section 2. Section 2 contains the Congressional findings and purposes which detail the risk of harmful substances to workers, the inadequacy of the current compensation and litigative processes, and the need for a federal compensation program for occupational disease victims.

Section 3. This section defines the terms which are used in the Act.

Section 4. Section 4 establishes the applicability of the Act to all employees and employers, and for all deaths or disabilities which result from work-related diseases which are covered by the Act.

Section 5. This section establishes the compensation provided the victims of occupational diseases for death or total or partial disability. All medical expenses associated with the diseases are to be compensated. In addition, monetary benefits which are fair, reasonable, and adequate to the needs of the victims will be provided. Benefits for total disability will be 80 percent of the National Construction Average Weekly Wage for disabled workers whose primary exposure to the harmful substance was during employment in the construction industry; and for all other workers, 80 percent of the National Manufacturing Average Weekly Wage. Monetary benefits for partially disabled workers will be based on their wage loss due to the disabling condition, or on the extent of the loss of their physical capacity due to the disabling condition. Death and survivors' benefits are fixed at five years' total disability benefits.

Section 6. This section establishes the criteria for determination of the eligibility of a claimant for compensation. Claimants must demonstrate that the death or disability of the employee was the result of a disease which arose out of employment exposure to a toxic substance, and that the employee did not receive workers' compensation benefits for the same death or disability under a state workers' compensation law or the Longshore Act. Because the initial scope of the bill is limited to asbestos cases, this section also contains medical presumptions establishing the cause and effect relationship between certain diseases and exposure to asbestos.

Section 7. This section requires that claims be filed with the local office of the Labor Department's Office of Workers' Compensation Programs within two years after the death or disability occurs and the claimant knew of the work-relatedness. Claims based on preenactment deaths or disabilities may be filed within two years of the effective date, if not otherwise compensated under the state workers' compensation law or the Longshore Act. Similar rules apply with respect to claims which may be filed based on subsequent coverage of other occupational diseases under the Act.

Section 8. This section establishes the procedure for the adjudication of claims. Claims are processed by the Office of Workers' Compensation Programs, which may submit medical questions of fact for binding determination by impartial medical examiners. The OWCP will issue an order awarding or denying compensation, based on the evidence adduced during the claims adjudicative process, unless a hearing is requested, in which case the administrative law judge will issue an opinion, which will form the basis of the final agency determination.

Section 9. Section 9 provides that any party may petition for review of the agency order by the Benefits Review Board of the Department of Labor, within 30 days of such orders. Subsequent appeals are to the U.S. Circuit Courts of Appeals.

Section 10. Section 10 establishes the relationship between the remedies under this Act and other litigative processes. This Act is to be the workers' exclusive remedy against the employer, union, and agents and insurers of the employer or the union. Those with preenactment deaths and disabilities may file for compensation under this Act if they haven't already received workers' compensation benefits, or have not been denied those benefits on an adjudication on the merits. Those with postenactment claims must file for compensation under this Act. The filing of a claim for compensation serves as an automatic stay of any law suit which the claimant may have against a third party. Such stay remains in effect for 18 months (for all claims filed within the first two years after enactment) and for 12 months (for all claims filed after the second year after enactment). If the final agency determination is made on the compensation claim within the 18 or 12 month period (as appropriate), the claimant must accept that determination, and the law suit is withdrawn. If the final agency determination is not made within the 18 or 12 month period (as appropriate), the claimant may withdraw the compensation claim and proceed with the prosecution of the law suit against the third party.

Section 11. Section 11 contains the mechanism by which the cost of compensating victims, as well as the cost of operating the compensation program, will be borne by responsible employers and industry. There will be no federal financial contribution to this program.

This section authorizes the Secretary to assist in the formation of a pool of insurers to underwrite liabilities under this Act. Responsible employers and manufacturers may secure liability insurance through this pool, or with the approval of the Secretary, self-insure their obligations.

The Secretary is directed to develop a formula for allocating the responsibility for funding benefits under the Act among responsible employers and manufacturers, and to insure through regulatory and enforcement authority provided, that employers and manufacturers meet their obligation to provide sufficient insurance to meet the need of the compensation program.

Section 12. This section provides that monetary benefits shall be paid bi-weekly, and shall commence promptly upon the filing of an uncontested claim, or after the final determination of a claim which has been contested. A mechanism for adjudicating questions arising out of the payment of benefits is provided, as well as penalties for the improper suspension of compensation payments.

Section 13. This section provides that the responsible employers and manufacturers will pay the representation fees of claimants who, because of challenges to their claims for compensation, must secure legal or nonlegal assistance in processing their claims.

Section 14. Section 14 prohibits employer discrimination against an individual who has filed a compensation claim or other legal action, or who has previously been exposed to a toxic substance in the workplace, and provides enforcement procedures.

Section 15. This section establishes a program in the Department of Health and

Human Services for research into improving the surveillance of workers exposed to toxic substances, improving medical treatment of such workers, and studying the development of occupational diseases. This program is to be funded by the employers and manufacturers who contribute to the payment of compensation by a 1 percent surcharge on the cost of the compensation program.

Section 16. This section establishes the procedure by which the coverage of this Act may be expanded to include different workers who may be exposed to toxic substances other than asbestos. The National Institute for Occupational Safety and Health will conduct an ongoing review of medical research, and the Secretary of HHS will report annually on those studies which indicate that the risk of occupational disease among groups of workers exceed that which would be expected in a similar unexposed population by at least 30 percent. In these cases, the Secretary of HHS may recommend that the Secretary of Labor, by formal rulemaking, promulgate regulations to expand the coverage of this Act to include such disease or such groups of workers. The Secretary's regulation to expand coverage will include medically justified presumptions linking diseases with exposure to toxic substances, formulas for apportioning financial responsibility among employers and manufacturers, and provisions for providing insurance coverage of those liabilities. The Secretary's regulation is subject to a two-House Congressional veto.

Section 17. This section requires that the Office of Workers' Compensation Programs establish a separate task force to handle claims presented under this Act, and establish separate procedures for the processing and adjudication of those claims. It directs the Benefits Review Board to prescribe rules of procedure for the discretionary review of appeals taken from OWCP determinations on claims.

Section 18. This section contains the administrative provisions for the insurance pool which will pay the benefits under the Act, permits the designation of a manager of the pool, and authorizes the pool or the Secretary to enter into contracts for the administration of the pool and the management of its responsibilities.

Section 19. This section provides the Secretary with authority to seek to enjoin certain acts or practices which are violative of the Act.

Section 20. This section provides that the holding invalid of any provision of this Act will not result in the invalidation of the rest of the Act; but that a judicial determination that holds invalid the limitation of liability of manufacturers will result in the elimination of such manufacturers' obligation to provide funding of compensation benefits, and similarly, that the holding invalid of any aspect of the compensation program with respect to groups of disabled workers will enable those workers to pursue legal remedies outside the Act.

Section 21. Section 21 provides that the Act will become effective six months after its enactment.●

JUDICIAL CONFERENCE SENTENCING PROPOSAL

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. RODINO. Mr. Speaker, I recently introduced, at the request of the Judicial Conference of the United States, the Sentencing Reform Act of 1983. This proposed legislation was developed by the Conference's Probation Committee under the distinguished leadership of U.S. Circuit Judge Gerald Bard Tjoflat, and was approved by the Judicial Conference at its March meeting. I welcome this proposal as a significant contribution to our efforts to reform the Federal sentencing system.

Few question that Federal sentencing procedures need revision. One pervasive flaw in current Federal sentencing practice is unwarranted disparity in the sentences imposed. The absence of congressional guidance to the judiciary has all but guaranteed that, without apparent justification, similarly situated offenders convicted of the same type of offense will receive different sentences. This disparity exists in part because judges are not required to state their reasons for imposing a particular sentence and in part because the sentencing system is premised on the belief that individualized justice is served by making ad hoc predictions about the likelihood of rehabilitation in a prison environment or on probation. Thus, current law permits persons convicted of the same offense and with the same criminal history to receive different sentences based on suppositions about how long it will take them to be "cured" in prison.

Congress took a substantial step toward eliminating unwarranted sentence disparity in the Parole Commission and Reorganization Act of 1976 (Public Law 94-233). The direction provided to the U.S. Parole Commission by that act has largely resulted in similarly situated Federal inmates serving similar terms in prison. That act, however, has not enabled the Parole Commission to eliminate entirely such unwarranted disparity as is caused by the initial decision whether to incarcerate or by the sentencing court's setting parole eligibility at a later date than that which the applicable parole guideline establishes.

A second major problem in current law is the lack of clearly delineated procedures for imposing sentence. Present law specifically authorizes only imprisonment and fine. There is no sentence of supervised or unsupervised probation; restitution has only recently been added, and is not a separate sentence. There is also no explicit method of resolving factual disputes which materially affect sentencing decisions.

Finally, our current sentencing system relies far too heavily on imprisonment, an incredibly expensive method of attempting to deter criminal behavior. Its usefulness is limited to its ability to punish offenders and to remove them from society so they cannot commit additional crimes. It should thus be reserved for violent or career criminals from whom there is no other appropriate protection. Current Federal law contains no provisions stimulating the use of alternative sentences for nonviolent offenders, and conversely no encouragement to the imprisonment of dangerous criminals.

The House of Representatives began significant efforts to remedy the deficiencies in Federal sentencing practices in the 96th Congress, when the Judiciary Committee's Criminal Justice Subcommittee, under the leadership of our former colleague Bob Drinan, drafted a criminal code reform bill. The Judiciary Committee reported that legislation, but the Congress adjourned before floor action could be taken. The reform effort continued last Congress under the guidance of our colleague from Michigan, JOHN CONYERS. The criminal code bill reported by his subcommittee last Congress has been introduced this Congress as H.R. 2013.

I welcome the Judicial Conference bill as a significant contribution to our work. I am very pleased to note that the bill draws heavily upon the legislation drafted by the Subcommittee on Criminal Justice in earlier Congresses. The basic features of the Judicial Conference bill—judicially developed sentencing guidelines, a more restricted role for parole, and appellate review of sentencing—are concepts which I have endorsed in the past, and which I believe will go far toward resolving the inefficiency and injustice of our current system. I cannot, however, fully endorse the Judicial Conference bill at this time because I believe that sentencing legislation must include two important matters that are insufficiently addressed in the proposal: the sentencing hearing and the use of alternatives to prison for nonviolent offenders.

First, the possession of accurate information is critical to making a sentencing decision, especially in a system utilizing sentencing guidelines. The methods and procedures for acquiring such information currently are not spelled out statutorily and the case law on the matter is not extensive. The Judicial Conference bill, by its silence, would carry forward the current state of the law. It seems to me that the better approach is to spell out in statutory language the means by which both the prosecution and the

defense can insure that all relevant information is provided to the court, and by which the court can resolve factual disputes.

Second, a vital element of sentencing reform is the encouragement of the use of alternatives to prison for nonviolent offenders. Although the Judicial Conference bill takes a significant stride toward this goal by requiring that a judge choose the least restrictive sentence, I believe that the use of alternatives must be further encouraged by specific provisions for new, nonprison sentences. In the past, Judiciary Committee proposals have included such provisions. I also believe that a corollary principle should be considered: most chronic, violent offenders should be guaranteed a lengthy period of imprisonment for the protection of society. While neither the Judicial Conference bill nor the past Judiciary Committee proposals have included such provisions, a proposal along these lines should be studied.

In addition, I cannot now fully endorse the Judicial Conference bill's authorizing the Government to appeal sentences. There are compelling arguments on both sides of this issue which I believe deserve additional study as we consider reform during this Congress.

By submitting this proposal, the judicial branch has joined the administration and the Congress in recognizing the need for a new Federal sentencing system. I am confident that this Congress will enact legislation to that end. I introduce this legislation in the hope of encouraging further debate, and action, on the criminal justice issues before us.

The proposed Judicial Conference bill has three major features:

Determinacy of sentences: Under the bill, incarcerated defendants will know at the time of sentencing how long they will serve if they conform to the rules of the institutions in which they are confined.

Sentencing pursuant to guidelines: Guidelines are to be promulgated by the Judicial Conference on the advise of a Committee on Sentencing Guidelines. Sentencing judges may depart from the guidelines if they find, on the basis of circumstances of the particular offense or offender, that the purposes of sentencing are best served by departure.

Appellate review of sentences: Either the Government or the defendant may seek appellate review of a sentence on the ground that it was imposed as a result of incorrect application of the guidelines, or in violation of prescribed procedures, or otherwise in violation of the laws or Constitution. The defendant may appeal from an above-guideline sentence, and the Government from a below-guideline sentence, on the ground that the sentence is "plainly inappropriate." Government appeals will require a personal approval of the Attorney General or the Solicitor General.

DETERMINACY OF SENTENCES

The bill provides that the sentencing court shall include in the sentence, if a term of incarceration of more than a year is included, the date on which the defendant is to be released on parole if he or she abides by the rules of the institution of confinement. Hence, unless the defendant is penalized for misbehavior in prison, the release date is fully determined at the time of sentencing. The guidelines to be prescribed by the Judicial Conference are to provide guidance on both the total duration of the sentence and the release date.

This bill does not abolish the parole function. The Parole Commission will decide whether—and for how long—a defendant is to be penalized for misbehavior; it will also continue to have responsibility for supervisifg parolees and making revocation decisions. However, the Parole Commission will no longer set parole dates based on the Commission's judgment of the severity of the offense and the offender's risk category. Under the proposed bill, it is the function of the sentencing judge, acting under the guideline system, to select the punishment for the offense; the function of the Parole Commission is to make decisions based on events that occur after sentencing.

The bill repeals the criminal provisions of the Narcotic Addict Rehabilitation Act, thus bringing addicts within the determinate sentencing schemes. It eliminates the indeterminate sentencing feature of the Youth Corrections Act, but preserves the requirement that persons sentenced under the act be confined in separate institutions of the opportunity for them to have the conviction set aside. Both the Narcotic Addict Rehabilitation Act and the Youth Corrections Act would be repealed by both the Senate and House bills.

SENTENCING PURSUANT TO GUIDELINES

Under the bill, sentence is to be imposed that accords with the applicable sentencing guideline unless the court finds, on the basis of the circumstances of the particular offense of information about the particular defendant, that the purposes of sentencing are best served by departing from the guidelines.

The guidelines are to be developed by a committee of the Judicial Conference, consisting of four judges in regular active service and three members who are not, or have not been, either federal or state judges. At least one of the three members must be a nonlawyer. The guidelines are to be submitted to the Congress by the Judicial Conference, and will take effect 180 days thereafter unless Congress prevents that outcome by act of Congress.

APPELLATE REVIEW OF SENTENCES

The bill provides that either the Government or the defendant may seek appellate review of a sentence on the ground that the guidelines were incorrectly applied, that prescribed procedures were not followed, or that the sentence is otherwise illegal. It also provides for defendants' appeals of above-guidelines sentences and Government appeals of below-guideline sentences. However, the Government may appeal only with the personal approval of the Attorney General or the Solicitor General. The bill contemplates that all issues about the sentence, as well as any challenge to the conviction, will be raised in a single appeal. The bill includes amendments to the Federal Rules of Criminal Procedure to ensure that the sentence appealed from is the final sentence of the district court.

In addition to appeals from above-guideline sentences, the bill authorizes a petition for leave to appeal from a within-guideline sentence on the ground that the sentence is "clearly unreasonable."

The present bill permits a Government appeal on the personal approval of the Attorney General or the Solicitor General and in denying appeals for within-guideline sentences. However, it permits an appeal from any sentence outside guidelines.

The fundamental motivation for a guideline system is to reduce disparity by producing binding standards for judges' sentencing decisions. The role of appellate review in such a system is to protect the binding nature of the guidelines, permitting departures from them only for legally acceptable reasons. Restricting appeals from sentences for minor offenses would undermine the binding nature of the guidelines for such cases. Moreover, in cases in which imprisonment is imposed in an above-guideline sentence for an offense that is lower than a Class A misdemeanor, it seems anomalous to restrict the defendant's appellate rights on the ground that the offense for which he was imprisoned was too minor to warrant appellate concern.

Similarly, prohibiting appeals by the Government would undermine the binding nature of the guidelines and—to that extent—permit disparity to persist. It would deny the courts of appeals not only the ability to correct unduly lenient sentences, but also the opportunity to enunciate law about the appropriate justification of below-guideline sentences. There is no sound reason for giving a convicted offender an entitlement to the benefit of a sentence imposed in violation of standards developed by the Congress and the Committee on Sentencing Guidelines. The goal of subjecting discretion to enforceable standards would be ill served by such a rule. The requirement that Government appeals be personally approved by the Attorney General or the Solicitor General should provide ample protection against abuse of the Government's right to take an appeal under the bill.●

SCAPEGOATING AMERICA

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mrs. HOLT. Mr. Speaker, the Williamsburg Summit Conference will bring together the leaders of the free world to discuss economic problems. The Conference comes at a time when the American economy has begun a stronger recovery than many forecasters expected.

We have achieved a dramatic reduction of inflation and cut taxes to generate economic growth, and there is considerable hope that the American recovery will stimulate a world recovery from recession.

However, we have critics among our allies. Some have pursued different economic policies than ours and are complaining that we have caused their problems.

The Summit Conference must not be allowed to become a forum for foreign leaders to blame the United States for their failed domestic economic policies. We must stand firmly for our policy of promoting economic growth without inflation.

Mr. Speaker, the Joint Economic Committee recently heard some excellent testimony on this subject by Dr. David Meiselman, professor of economics and director of the graduate economics programs in Northern Virginia for the Virginia Polytechnic Institute and State University.

I submit that testimony for the interest of the House:

SCAPEGOATING AMERICA

(By David I. Meiselman)

Experience with almost a decade of economic summits suggests that, in general, we cannot expect significant changes in economic policy to follow such meetings. The advanced industrial countries participating in these annual events have close economic and political ties, and there is, and would be, much ongoing communication among the attending countries and their leaders even if economic summit meetings never took place. Such was the case before summits began, and such would be the case if no further summits were held.

To be sure, periodic summits do force leaders to come together on a systematic basis and much planning and discussion takes place in preparation for the event. Thus, there is some potential for facilitating an exchange of ideas, and perhaps some limited coordination of policies.

Along these lines, I would hope that the countries participating in the summit meeting will take effective action to lessen trade barriers, including those erected during the recent recession. Moreover, even if other countries do little to remove thier own barriers, I would hope that the United States is wise enough to lower our barriers so that our own citizens can enjoy the benefits of less restricted trade and commerce. Among other things, lowering trade barriers is a sure and effective way to improve the economic situation and the debt repayment potential of the L.D.C.'s.

I would also hope that more effective policies with respect to east-west trade are adopted. At the very least, western countries should not subsidize trade with the Communist bloc, nor tolerate the export of strategic goods.

The foreign exchange value of the dollar always seems to be a major topic at economic summits. This is understandable in view of the importance of international trade and the key role of the dollar. It seems only yesterday that the French were loudly bewailing the fact that, in their view, the dollar was too weak—not that the franc was too strong, and that the U.S. was exporting inflation. Now, the French and six other socialist governments ranging from Greece and Sweden to Senegal complain of a strong dollar—not a weak franc, and call for intervention in foreign exchange markets to weaken the dollar, and perhaps also to move toward reinstituting large scale intervention in foreign exchange markets, even a resurrection of the failed and defunct Bretton Woods fixed exchange rate system.

To be sure, the dollar has been strong. Equivalently, the franc, the pound and the mark have been weak. Also, the United States is running a current account deficit in its balance of payments, largely because the value of imports exceeds the value of exports. The balance of payments is an accounting statement in which the net surplus (deficit) on current account must equal the net deficit (surplus) on capital account. Because the balance of payments, like other accounting statements, must balance (and because there has been essentially no U.S. government intervention) the current account deficit balances and is essentially identical to the capital account surplus. One result of the capital account surplus is that U.S. interest rates are lower than they would otherwise be, which is most welcome. By the same token, the current account deficit also means that U.S. inflation is lower than it would otherwise be. The result of a strong dollar is, therefore, lower interest rates and less inflation than would otherwise be the case. I believe that most Americans would count both of these as strong pluses. Intervention to weaken the dollar, for given foreign interest rates and prices, must lead to higher interest rates in the U.S., more inflation, or both.

Moreover, a strong dollar is a spur to both export industries and import competing industries in foreign countries. This is why, especially during recessions, countries often try to depress their currencies in order to stimulate sales. Apparently, the French economy is so mismanaged by their socialist government that even a very weak franc has not helped them very much.

It seems to me that if the French wish to intervene in foreign exchange markets they can certainly do so themselves with their own assets, as they have done in recent months. This way, French rather than U.S. taxpayers bear the exchange risks resulting from what is essentially government speculation in exchange markets. This illustrates the important point that any discussion of exchange intervention or fixed exchange rates is largely empty undess it includes the crucial details of which country or international authority has which rights and obligations.

Alternatively, U.S. intervention to buy francs requires that the U.S. also sells dollars to finance the purchase. Where can these dollars come from? First, we could finance the purchase of francs by interesting taxes or increasing the budget deficit. It seems to me that if there is merit to U.S. intervention, then there is also merit in the usual budgetary review and controls. Let Congress appropriate the funds, as in the case of most foreign aid, and let there be the necessary congressional review and authorization. Unfortunately, in the past virtually all such intervention has not only been off-budget, it has also been financed directly by the Federal Reserve's printing press. The dollars created to buy foreign exchange are added to the U.S. money supply, and they are thereby an additional source of inflation and ultimately of higher interest rates, as well. In addition, the U.S. taxpayers, not the French taxpayers, bear the exchange risk.

By the same token, U.S. citizens who claim that the dollar is overvalued, in the sense that they believe that its foreign exchange value will fall, can readily put their own money where their judgments are and buy francs, marks and so forth, or sell the dollar short. But why ask the U.S. taxpayers to fund or participate in these speculations?

Note that the International Monetary Market of the Chicago Mercantile Exchange and other future exchanges offer easy and efficient access to those wishing either to speculate in foreign exchange markets or to hedge against exchange rate changes and volatility.

This is why any scheme that includes intervention in foreign exchange markets means that there is much less control over the U.S. money supply. Indeed, a system of fixed exchange rates, such as the Bretton Woods system, means that the U.S. money supply becomes a by-product of U.S. intervention in foreign exchange markets, a mighty small tail to wag such a big dog.

I may add that, like other systems of government price fixing, the old Bretton Woods—I.M.F. system did not work and could not and did not endure, even in the period of far greater stability and far less inflation. In the process of breaking up in the late 1960's and early 1970's, the fixed rate system itself became an engine of inflation, as country after country intervened to buy one currency or another with its own printing press money. The result was that the whole world was flooded with excess money that was the major cause of inflation in the first half of the 1970's which dwarfed the inflation creating power of O.P.E.C. (See The Phenomenon of Worldwide Inflation, ed. David I. Meiselman and Arthur B. Laffer, 1975.)

Let us not confuse cause and effect. When countries pursue non-inflationary and stable policies, exchange rates themselves are relatively stable. Little or no intervention is necessary to maintain the stable exchange rates. When, as in the 1960's, countries start to pursue inflationist policies and inflation rates differ, no amount of intervention can save the fixed rate regime. Indeed, the same conclusion for the efficacy—rather, lack of efficacy, of intervention was reached by the Working Group on Exchange Market Intervention established at the last Summit of Versailles in their report of March 1983. The Working Group was composed of experts from the countries participating in the Summit as well as representatives of the E.E.C. and the Bank for International Settlements. If countries follow non-inflationist, non-dirigiste policies where persons and property are secure, intervention is not necessary to guarantee exchange rate stability. If countries inflate or create conditions that encourage the flight of capital, no fixed exchange regime can endure or has persisted without the apparatus of a police state. To pursue policies that result in inflation and capital flight, and then to blame the U.S. for a weak franc is surely an exercise in international scapegoating.

U.S. or I.M.F. intervention in exchange markets would effectively underwrite inflationist policies abroad. U.S. intervention in exchange markets, and perhaps also I.M.F. intervention, may also lead to more inflation in the U.S. as well. Under the usual arrangements, if there is U.S. intervention to support the franc, it will mean that the Federal Reserve increases the money supply to buy francs. But for given prices in the United States, there can be no permanent effect on the exchange rate unless French policy also changes, which is not at all assured. The one sure thing is that faster money growth in the United States will make it impossible to maintain the current state of slow or no inflation. Faster money growth in the U.S. will lead to more U.S. inflation, thereby following the French lead. This is a necessary and inevitable result of fixed rates and U.S. intervention to finance them. It may also be one reason why countries and special interests eager for inflation propose or cheer on such policies.

The strong dollar is largely the consequence of the successful anti-inflation policy in the United States, the safe haven the United States affords foreign investors, and the improved prospects for substantial economic recovery. In my judgment, high

interest rates are not the major factor causing the strong dollar. When U.S. interest rates fell sharply from July through November of 1982, the dollar continued to strengthen against the U.K. pound, the German mark, the French franc, the Japanese yen, the Italian lire and other major foreign currencies. If U.S. interest rates are crucial in determining foreign rates, why did the dollar strengthen, not weaken, when U.S. rates cascaded down?

Some of the discussion about possible coordination of policies among countries participating in the Williamsburg Summit focuses, not on important issues of lowering trade barriers and restricting the export of strategic goods to the Communist bloc—an area where coordination is both necessary and possible, but instead centers on the hoped for coordination among nations of domestic monetary and fiscal policies. The details of the coordination are derived from the application of a simple Keynesian economic theory that has been standard fare for some years, especially among economists over the age of 40 who are unaware that the underlying Keynesian theory is essentially empty. The theory deals with the economic aggregates of fiscal policy, government spending, tax receipts and the deficit plus the economic aggregates of monetary policy, the quantity of money. The rate of interest is seen as determined by the interaction between the size of budget deficits and the quantity of money; hence, the presumptions of a tradeoff between fiscal and monetary policy.

In the Keynesian analysis, interest rates are seen as the price of money. Deficits, easy fiscal policy, are interpreted as increasing the demand for money. The first step in that mechanism is that deficits are understood to increase aggregate demand. With more spending, people wish to hold more money to carry on day-to-day spending. For a given supply of money, which would be a tight monetary policy, higher deficits, by stimulating the economy, increase the demand for money relative to the given supply, so interest rates rise. In this view, then, the mix of easy fiscal policy and tight monetary policy leads to higher interest rates, provided, of course, that the deficits stimulate the economy and leads to higher nominal G.N.P.

It follows that, according to Keynesian theory, in order to lower interest rates in one country, the rule is to reduce deficits and/or speed money growth. To coordinate the lowering of interest rates across countries, coordinate deficit reductions and faster money growth.

This theory is appealing, but wrong. If nothing else, interest rates are the price of time, not the cost of money. Interest rates cannot be lowered, except temporarily, by the use of the printing press. Indeed, we have learned from much sad and repeated experience that fast money growth leads to high, not low interest rates, and that slow, stable money growth is necessary for low interest rates.

With respect to fiscal policy, the main problem with this simple theory is that it simply doesn't work in practice. First, the complexity of budgets and taxes, and their impact on interest rates, cannot be understood by reference to the simple aggregate numbers used to describe budget aggregates and budget deficits, as is the current fashion. The inability of aggregate measures to capture the impacts of taxes and government spending may also help to explain why the usual satistical data on government revenues, taxes and deficits have little or no historial relationship to inflation, interest rates, or G.N.P., evidence I presented to this Committee two years ago. (See, "Tax Cuts, Inflation and Interest Rates", Statement to the Joint Economic Committee, U.S. Congress, Hearings on Tax Policy: Are Tax Cuts Inflationary? February 22, 1981.)

One reason one cannot generalize about the effects of budget deficits on interest rates, inflation, and resource allocation, is that so much depends on how the deficits are financed. It makes a great deal of difference whether deficits are financed by selling bonds to the public or whether deficits are financed by the Federal Reserve and the printing press. Similarly, one cannot generalize about the consequences of eliminating deficits per se. It makes a difference whether government expenditures are reduced or taxes are increased. It also make a difference which expenditures, and especially which taxes, are altered. Reducing the deficit by cutting government expenditures that have low productivity or subsidize consumption, in my judgment the bulk of the nondefense budget, would tend to lower interest rates and increase output and employment. Balancing the budget by increasing taxes that fall on investment and capital formation, by reducing returns to capital formation, and by reducing incentives to private borrowing to finance capital outlays may lead to a decline in interest rates, but at the heavy cost of impaired growth.

Thus, it does not even follow that reducing deficits necessarily leads to lower interest rates. That depends on which steps are taken to reduce spending or to increase revenues, not on the size of the deficit, per se.

This is why I am so skeptical about stated concerns for the size of the deficit and the presumed links between deficits and interest rates that omit both reference to the specific measures to eliminate the deficits and to the required analysis of what these budget-balancing measures would do. There is even more uncertainty about evaluating the impacts of stated budget deficits because of the peculiar and arbitrary character of government accounting and budgeting procedures and the statistics the current budget process happens to generate. For example, including so-called "off budget" items involving large numbers of loan and guarantee programs would increase the numbers in the budget and the numbers called "deficit." Treating capital outlays for roads, buildings and the like in a separate capital budget, as private businesses do, with only "expenses" for depreciation and maintenance included in current expenditures, might well reduce the numbers in the budget and shrink the numbers labeled "deficit," but alter nothing of substance. Moreover, because even the best, most disinterested forecasts of budget deficits have almost always been very far off the mark, there is little basis for confidence in the reliability of either budget or deficit estimates. Future government expenditures, revenues, and deficits depend on future inflation and economic circumstances that depend so heavily on future Federal Reserve policies. Future deficits also depend on actions of future Congresses, many members of which have not yet been elected to office.

In addition, the historical evidence also is that there is essentially no tradeoff between fiscal policy and monetary policy.

To avoid misunderstanding, when I state that jiggling with fiscal policy aggregates has little or no effect on short-run stabilization targets, I am not arguing that fiscal policy doesn't matter. Taxes, spending and deficits do matter and do have a great effect on resource allocation, economic efficiency, income distribution, jobs, economic growth and interest rates. Indeed, bloated budgets, high marginal taxes and the tax and expenditure system that is severely biased against saving, investment, working, innovation, risk taking and economic growth and instead is biased toward consumption and encourages battling over how to slice up the pie rather than making the pie bigger is bound to matter greatly precisely because the economic structure and economic results are profoundly altered. The resulting slow growth, high unemployment, high real interest rates and loss of competitiveness surely represent an impact of great magnitude and severity. To paraphrase President Kennedy, "A falling tide lowers all boats."

U.S. real and nominal interest rates depend primarily on U.S. economic policies and economic results. Interest rates in other countries largely result from their separate policies. Under floating rates, there can be and are marked differences in interest rates among countries as exchange rates and the differentials between spot and forward exchange rates adjust in response to differences in nominal interest notes in order to maintain interest parity. Only in a fixed rate world, which no longer exists, do interest rates tend to equality. This is why, for many years, interest rates in Switzerland, Germany and Japan have generally been lower than in the U.S., while rates in Italy, France, Canada and the U.K. have generally been higher than in the U.S.

Countries such as the United States that persist in heavily taxing saving and capital will have little of it, and thereby real interest rates must remain high, whatever the short-run fiddling with the aggregates of fiscal and monetary policy. Countries that print too much money will have inflation and high nominal interest rates, whatever happens to their fiscal policy aggregates or whatever other countries do or do not do with their own fiscal and monetary policy aggregates, particularly in a floating rate world. In addition, the lags in the effects of these policies are so variable and so poorly understood, there is little or no basis for believing that complex coordination among countries can work at all. Forecasts for individual countries are surely full of error, unavoidable error given the current state of economics, so how can there be meaningful coordination among countries.

Moreover, since most proponents of some system of coordinating fiscal and monetary policies among countries wish to act on the basis of flawed economic theories, there is no way such efforts can ever work out as intended. In addition, the record is that despite hundreds of international meetings to discuss such coordination—usually held in some of the most pleasant settings, there is precious little evidence of any successful implementation or results.

There is one more aspect of repeated calls for coordination that troubles me. Most of the other countries participating in the Williamsburg Summit have parliamentary systems and cabinet government. They also have central banks which are effectively branches of their treasury departments. Only in America does the Legislative Branch have so much authority and responsibility for taxes and spending, and only in America is the central bank, the Federal Reserve, at least nominally independent of the Executive Branch of government. This

means that heads of state and government of other countries have a much wider range of options open to them in the operation of monetary and fiscal policies than is the case for our President. As a practical matter, then, I do not see many members of the U.S. House or Senate, who must vote on taxes and the budget, bound by or even strongly influenced by an decisions made by foreign leaders about what U.S. taxes and budget deficits ought to be.

Finally, I believe that, in general U.S. economic policies that result in economic growth and stable prices are not only best for our own people, they are also best for other countries, as well. This means policies of slow and steady money growth, continued deregulation, further tax reductions and tax reform to lessen the bias against saving and investment, and a reduction in bloated budgets. In the international area, this means removing barriers to trade, and exchange markets free of government intervention.

To paraphrase Shakespeare, the fault, dear members of the Joint Economic Committee, is not in our trading partners but in ourselves that we have been in such bad economic shape. And, I would hope that other participants in the Williamsburg Summit come to the point where they admit the same for themselves and their policies.

MAKEMIE CHAMPIONS RELIGIOUS FREEDOM

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. DYSON. Mr. Speaker, I would like to bring the attention of my colleagues to a remarkable individual who first arrived in this country 300 years ago. The Reverend Francis Makemie left the Presbytery of Laggan in Ireland to take up the ministry in what was then the Colony of Maryland. Francis Makemie is remembered for two important contributions to life in America: He built one of the cornerstones of religious liberty in a landmark trial and went on to found the Presbyterian Church. I am inserting the text of a brief historical passage which describes Francis Makemie's experiences in the Colonies.

MAKEMIE CHAMPIONS RELIGIOUS FREEDOM

You are hereby required & commanded to take into your Custody, the Bodies of Francis Makemie & John Hampton, pretended dissenting Protestant Ministers, for Preaching in this Province, without qualifying themselves according to an Act of Parliament. . . ." Thus did Edward Viscount Cornbury, Governor of New York Colony, order the arrest of two Presbyterian ministers for preaching in New York without a special license.

Lord Cornbury held them in jail for a month before they were released on a writ of habeas corpus. Two months later, in 1707, at his trial Makemie argued that as a dissenting minister he had secured a license in Maryland, which was valid in all of England's possessions.

Although Lord Cornbury insisted that the queen had given him authority to require a special license of all ministers not connected with the Church of England, this had not been promulgated. Makemie's lawyers argued that it was therefore not a law.

The jury found Makemie not guilty, on the ground that he had transgressed no law. Makemie lighted a beacon fire for religious freedom in New York.

Twenty-four years earlier, as a young minister in Ireland, Francis Makemie had responded to a call to minister to Presbyterians in the Colony of Maryland. There he served five churches by sailing up the rivers and creeks in a sloop and preaching to the people. To support himself he engaged in trade along the coast and with the West Indies.

Feeling the isolation and loneliness of the American wilderness, Makemie in 1706 invited six other ministers to meet with him in Philadelphia to form the first presbytery for mutual encouragement and to provide churches for needy communities. Thus was the Presbyterian Church first organized in America.

The State of Maryland proclaimed May 14, 1983, as Francis Makemie Day, to honor the achievements of this courageous man. The United States of America is as great and as free as it is today because of the efforts of liberty-loving individuals like the Reverend Francis Makemie. It is indeed an honor to remember the contributions he made to our way of life.●

SUPPORT BUILDS FOR MARITIME SERVICES FINANCIAL RESPONSIBILITY BILL

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. WYDEN. Mr. Speaker, earlier this year I introduced the Maritime Services Financial Responsibility Act (H.R. 1307), a bill to require vessels engaged in foreign commerce calling on U.S. ports to maintain evidence of financial responsibility to pay for shoreside services.

This legislation is necessary to put a halt to the growing and reprehensible practice of foreign ships—particularly foreign State-owned carriers skipping port without paying for services provided by stevedores, marine terminal operators, and similar small businesses in ports from Baltimore to Portland.

Last Friday, the House Merchant Marine Subcommittee held a comprehensive hearing on this legislation. Expert testimony was received from representatives of a wide spectrum of maritime interests forcefully outlining this problem and the need for corrective legislation. I am very pleased at the favorable response this bill has received from in the Merchant Marine Subcommittee and the fact that 14 members of the subcommittee have now agreed to sign on as cosponsors of H.R. 1307.

Further evidence of support can be seen in an editorial that appeared in the Baltimore News-American last week entitled, "Muzzling Maritime Muggers." I ask permission that this editorial be printed in the RECORD and I urge my colleagues—particularly those who represent districts that rely on a strong and healthy maritime economy—to join me in supporting this legislation.

The editorial follows:

[From the Baltimore News American, May 18, 1983]

MUZZLING MARITIME MUGGERS

Time was when U.S. marshals in American ports could place ships with unpaid bills under arrest and post notices that they could not leave port until the bills were paid. Then in 1976 the U.S. government, in all its wisdom, signed foreign treaties prohibiting such action.

The consequences now have come to light with ships' chandlers, tugboat operators and stevedores revealing that irresponsible foreign shipping companies have been running up bills from coast to coast and leaving port without paying them. As a result, some firms have been forced into bankruptcy. In Baltimore alone the losses have been immense.

Now Rep. Barbara Mikulski has joined Rep. Ron Wyden, D-Ore., in introducing legislation in Congress that would require all vessels engaged in foreign trade to establish financial responsibility through insurance, surety bonds or equivalent measures. The bill also calls for a $10,000 fine for any vessel leaving port owing money.

Aside from the direct help the legislation would give to ship suppliers, there would be an important side benefit. The "maritime muggers," as Rep. Mikulski calls them, would be weeded out, and that would mean more business for the legitimate shipping lines.

Needless to say, the legislation is vital for Baltimore and all U.S. ports.●

COMMEMORATING THURSDAY, MAY 26, 1983, AS WORLD TRADE DAY IN CLEVELAND, OHIO

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. FEIGHAN. Mr. Speaker, today has been designated as "World Trade Day" in Cleveland, Ohio.

The President of the United States has declared the week of May 22-28, 1983, as "World Trade Week" in the United States. I take this opportunity to salute the trading community in Greater Cleveland for designating Thursday, May 26, 1983, "World Trade Day" in and throughout northeastern Ohio. As I address this distinguished body, over 1,000 businesspersons are meeting at a world trade day conference in Cleveland, Ohio, to explore new and creative ways of becoming involved in international trade. The theme of their conference, "New Perspectives in World Trade," is highly appropriate in a world so dependent

on international trade for economic growth and development.

I appreciate the importance of international trade to the economy of Cleveland. Over 17,500 jobs in the area are dependent upon exports. As a county commissioner, I was instrumental in establishing Cuyahoga County's division for international trade. Now, as a member of the House Subcommittee on Economic Policy and Trade, I look forward to continuing my involvement in the development of a national trade policy, particularly as it affects the flow of international commerce in Greater Cleveland. Increasing the flow of trade by increasing exports means jobs for the unemployed.

In this increasingly interdependent world, American business, especially the small- and medium-sized companies, must focus more of its efforts on exporting goods and services.

I offer the assistance of my office to work with businesses in my district to become involved in international trade as a natural extension of commerce in the Cleveland area.

Thank you.●

ABORTION AND THE CONSCIENCE OF THE NATION

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. SMITH of New Jersey. Mr. Speaker, every 20 seconds another unborn child is killed by abortion.

The practitioners of abortion employ various poisons, suction devices, and scalpels to inflict death upon the unsuspecting child. This injustice, this violation of fundamental human rights will someday, perhaps soon, be reformed.

Mr. Speaker, it is important that more light be shed on this crucial issue. I therefore commend to my colleagues a very thoughtful, logical, insightful, and timely article on abortion by the President of the United States:

ABORTION AND THE CONSCIENCE OF THE NATION

(By Ronald Reagan)

The 10th anniverary of the Supreme Court decision in *Roe* v. *Wade* is a good time for us to pause and reflect. Our nationwide policy of abortion-on-demand through all nine months of pregnancy was neither voted for by our people nor enacted by our legislators—not a single state had such unrestricted abortion before the Supreme Court decreed it to be national policy in 1973. But the consequences of this judicial decision are now obvious: since 1973, more than 15 million unborn children have had their lives snuffed out by legalized abortions. That is over ten times the number of Americans lost in all our nation's wars.

Make no mistake, abortion-on-demand is not a right granted by the Constitution. No serious scholar, including one disposed to agree with the Court's result, has argued that the framers of the Constitution intended to create such a right. Shortly after the *Roe* v. *Wade* decision, Professor John Hart Ely, now Dean of Stanford Law School, wrote that the opinion "is not constitutional law and gives almost no sense of an obligation to try to be." Nowhere do the plain words of the Constitution even hint at a "right" so sweeping as to permit abortion up to the time the child is ready to be born. Yet that is what the Court ruled.

As an act of "raw judicial power" (to use Justice White's biting phrase), the decision by the seven-man majority in *Roe* v. *Wade* has so far been made to stick. But the Court's decision has by no means settled the debate. Instead, *Roe* v. *Wade* has become a continuing prod to the conscience of the nation.

Abortion concerns not just the unborn child, it concerns every one of us. The English poet, John Donne, wrote: ". . . any man's death diminishes me, because I am involved in mankind; and therefore never send to know for whom the bell tolls; it tolls for thee."

We cannot diminish the value of one category of human life—the unborn—without diminishing the value of all human life. We saw tragic proof of this truism last year when the Indiana courts allowed the starvation death of "Baby Doe" in Bloomington because the child had Down's Syndrome.

Many of our fellow citizens grieve over the loss of life that has followed *Roe* v. *Wade.* Margaret Heckler, soon after being nominated to head the largest department of our government, Health and Human Services, told an audience that she believed abortion to be the greatest moral crisis facing our country today. And the revered Mother Teresa, who works in the streets of Calcutta ministering to dying people in her world-famous mission of mercy, has said that "the greatest misery of our time is the generalized abortion of children."

Over the first two years of my Administration I have ciosely followed and assisted efforts in Congress to reverse the tide of abortion—efforts of Congressmen, Senators and citizens responding to an urgent moral crisis. Regrettably, I have also seen the massive efforts of those who, under the banner of "freedom of choice," have so far blocked every effort to reverse nationwide abortion-on-demand.

Despite the formidable obstacles before us, we must not lose heart. This is not the first time our country has been divided by a Supreme Court decision that denied the value of certain human lives. The *Dred Scott* decision of 1857 was not overturned in a day, or a year, or even a decade. At first, only a minority of Americans recognized and deplored the moral crisis brought about by denying the full humanity of our black brothers and sisters; but that minority persisted in their vision and finally prevailed. They did it by appealing to the hearts and minds of their countrymen, to the truth of human dignity under God. From their example, we know that respect for the sacred value of human life is too deeply engrained in the hearts of our people to remain forever suppressed. But the great majority of the American people have not yet made their voices heard, and we cannot expect them to—any more than the public voice arose against slavery—*until* the issue is clearly framed and presented.

What, then, is the real issue? I have often said that when we talk about abortion, we are talking about two lives—the life of the mother and the life of the unborn child. Why else do we call a pregnant woman a mother? I have also said that anyone who doesn't feel sure whether we are talking about a second human life should clearly give life the benefit of the doubt. If you don't know whether a body is alive or dead, you would never bury it. I think this consideration itself should be enough for all of us to insist on protecting the unborn.

The case against abortion does not rest here, however, for medical practice confirms at every step the correctness of these moral sensibilities. Modern medicine treats the unborn child as a patient. Medical pioneers have made great breakthroughs in treating the unborn—for genetic problems, vitamin deficiencies, irregular heart rhythms, and other medical conditions. Who can forget George Will's moving account of the little boy who underwent brain surgery six times during the nine weeks before he was born? Who is the *patient* if not that tiny unborn human being who can feel pain when he or she is approached by doctors who come to kill rather than to cure?

The real question today is not when human life begins, but, *What is the value of human life?* The abortionist who reassembles the arms and legs of a tiny baby to make sure all its parts have been torn from its mother's body can hardly doubt whether it is a human being. The real question for him and for all of us is whether that tiny human life has a God-given right to be protected by the law—the same right we have.

What more dramatic confirmation could we have of the real issue than the Baby Doe case in Bloomington, Indiana? The death of that tiny infant tore at the hearts of all Americans because the child was undeniably a live human being—one lying helpless before the eyes of the doctors and the eyes of the nation. The real issue for the courts was *not* whether Baby Doe was a human being. The real issue was whether to protect the life of a human being who had Down's Syndrome, who would probably be mentally handicapped, but who needed a routine surgical procedure to unblock his esophagus and allow him to eat. A doctor testified to the presiding judge that, even with his physical problem corrected, Baby Doe would have a "non-existent" possibility for "a minimally adequate quality of life"—in other words, that retardation was the equivalent of a crime deserving the death penalty. The judge let Baby Doe starve and die, and the Indiana Supreme Court sanctioned his decision.

Federal law does not allow federally-assisted hospitals to decide that Down's Syndrome infants are not worth treating, much less to decide to starve them to death. Accordingly, I have directed the Departments of Justices and HHS to apply civil rights regulations to protect handicapped newborns. All hospitals receiving federal funds must post notices which will clearly state that failure to feed handicapped babies is prohibited by federal law. The basic issue is whether to value and protect the lives of the handicapped, whether to recognize the sanctity of human life. This is the same basic issue that underlies the question of abortion.

The 1981 Senate hearings on the beginning of human life brought out the basic issue more clearly than ever before. The many medical and scientific witnesses who testified disagreed on many things, but not on the *scientific* evidence that the unborn child is alive, is a distinct individual, or is a member of the human species. They did disagree over the *value* question, whether to

give value to a human life at its early and most vulnerable stages of existence.

Regrettably, we live at a time when some persons do *not* value all human life. They want to pick and choose which individuals have value. Some have said that only those individuals with "consciousness of self" are human beings. One such writer has followed this deadly logic and concluded that "shocking as it may seem, a newly born infant is not a human being."

A Nobel Prize winning scientist has suggested that if a handicapped child "were not declared fully human until three days after birth, then all parents could be allowed the choice." In other words, "quality control" to see if newly born human beings are up to snuff.

Obviously, some influential people want to deny that every human life has intrinsic, sacred worth. They insist that a member of the human race must have certain qualities before they accord him or her status as a "human being."

Events have borne out the editorial in a California medical journal which explained three years before *Roe* v. *Wade* that the social acceptance of abortion is a "defiance of the long-held Western ethic of intrinsic and equal value for every human life regardless of its stage, condition, or status."

Every legislator, every doctor, and every citizen needs to recognize that the real issue is whether to affirm and protect the sanctity of all human life, or to embrace a social ethic where some human lives are valued and others are not. As a nation, we must choose between the sanctity of life ethic and the "quality of life" ethic.

I have no trouble identifying the answer our nation has always given to this basic question, and the answer that I hope and pray it will give in the future. America was founded by men and women who shared a vision of the value of each and evey individual. They stated this vision clearly from the very start in the Declaration of Independence, using works that every schoolboy and schoolgirl can recite:

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain inalienable rights, that among these are life, liberty, and the pursuit of happiness."

We fought a terrible war to guarantee that one category of mankind—black people in America—could not be denied the inalienable rights with which their Creator endowed them. The great champion of the sanctity of all human life in that day, Abraham Lincoln, gave us his assessment of the Declaration's purpose. Speaking of the framers of that noble document, he said:

"This was their majestic interpretation of the economy of the Universe. This was their lofty, and wise, and noble understanding of the justice of the Creator to His creatures. Yes, gentleman, to all His creatures, to the whole great family of man. In their enlightened belief, nothing stamped with the divine image and likeness was sent into the world to be trodden on . . . They grasped not only the whole race of man then living, but they reached forward and sized upon the farthest posterity. They erected a beacon to guide their children and their children's children, end the countless myriads who should inhabit the earth in other ages."

He warned also of the danger we would face if we closed our eyes to the value of life in any category of human beings:

"I should like to know if taking this old Declaration of Independence, which declares that all men are equal upon principle and making exceptions to it where will it stop. If one man says it does not mean a Negro, why not another say it does not mean some other man?"

When Congressman John A. Bingham of Ohio drafted the Fourteenth Amendment to guarantee the rights of life, liberty, and property to all human beings, he explained that *all* are "entitled to the protection of American law, because its divine spirit of equality declares that all men are created equal." He said the rights guaranteed by the amendment would therefore apply to "any human being." Justice William Brennan, writing in another case decided only the year before *Roe* v. *Wade*, referred to our society as one that "strongly affirms the sanctity of life."

Another William Brennan—not the Justice—has reminded us of the terrible consequences that can follow when a nation rejects the sanctity of life ethic:

"The cultural environment for a human holocaust is present whenever any society can be misled into defining individuals as less than human and therefore devoid of value and respect."

As a nation today, we have *not* rejected the sanctity of human life. The American people have not had an opportunity to express their view on the sanctity of human life in the unborn. I am convinced that Americans do not want to play God with the value of human life. It is not for us to decide who is worthy to live and who is not. Even the Supreme Court's opinion in *Roe* v. *Wade* did not explicitly reject the traditional American idea of intrinsic worth and value in all human life; it simply dodged this issue.

The Congress has before it several measures that would enable our people to reaffirm the sanctity of human life, even the smallest and the youngest and the most defenseless. The Human Life Bill expressly recognizes the unborn as human beings and accordingly protects them as persons under our Constitution. This bill, first introduced by Senator Jesse Helms, provided the vehicle for the Senate hearings in 1981 which contributed so much to our understanding of the real issue of abortion.

The Respect Human Life Act, just introduced in the 98th Congress, states in its first section that the policy of the United States is "to protect innocent life, both before and after birth." This bill, sponsored by Congressman Henry Hyde and Senator Roger Jepsen, prohibits the federal government from performing abortions or assisting those who do so, except to save the life of the mother. It also addresses the pressing issue of infanticide which, as we have seen, flows inevitably from permissive abortion as another step in the denial of the inviolability of innocent human life.

I have endorsed each of these measures, as well as the more difficult route of constitutional amendment, and I will give these initiatives my full support. Each of them, in different ways, attempts to reverse the tragic policy of abortion-on-demand imposed by the Supreme Court ten years ago. Each of them is a decisive way to affirm the sanctity of human life.

We must all educate ourselves to the reality of the horrors taking place. Doctors today know that unborn children can feel a touch within the womb and that they respond to pain. But how many Americans are aware that abortion techniques are allowed today, in all 50 states, that burn the skin of a baby with a salt solution, in an agonizing death that can last for hours?

Another example: two years ago, the *Philadelphia Inquirer* ran a Sunday special supplement on "The Dreaded Complication." "The dreaded complication" referred to in the article—the complication feared by doctors who perform abortions—is the *survival* of the child despite all the painful attacks during the abortion procedure. Some unborn children *do* survive the late-term abortions the Supreme Court has made legal. Is there any question that these victims of abortion deserve our attention and protection? Is there any question that those who *don't* survive were living human beings before they were killed?

Late-term abortions especially when the baby survives, but is then killed by starvation, neglect, or suffocation, show once again the link between abortion and infanticide. The time to stop both is now. As my Administration acts to stop infanticide, we will be fully aware of the real issue that underlies the death of babies before and soon after birth.

Our society has, fortunately, become sensitive to the rights and special needs of the handicapped, but I am shocked that physical or mental handicaps of newborns are still used to justify their extinction. This Administration has a Surgeon General, Dr. C. Everett Koop, who has done perhaps more than any other American for handicapped children, by pioneering surgical techniques to help them, by speaking out on the value of their lives, and by working with them in the context of loving families. You will not find his former patients advocating the so-called "quality-of-life" ethic.

I know that when the true issue of infanticide is placed before the American people, with all the facts openly aired, we will have no trouble deciding that a mentally or physically handicapped baby has the same intrinsic worth and right to life as the rest of us. As the New Jersey Supreme Court said two decades ago, in a decision upholding the sanctity of human life, "a child need not be perfect to have a worthwhile life."

Whether we are talking about pain suffered by unborn children, or about late-term abortions, or about infanticide, we inevitably focus on the humanity of the unborn child. Each of these issues is a potential rallying point for the sanctity of life ethic. Once we as a nation rally around any one of these issues to affirm the sanctity of life, we will see the importance of affirming this principle across the board.

Malcolm Muggeridge, the English writer, goes right to the heart of the matter: "Either life is always and in all circumstances sacred, or intrinsically of no account; it is inconceivable that it should be in some cases the one, and in some the other." The sanctity of innocent human life is a principle that Congress should proclaim at every opportunity.

It is possible that the Supreme Court itself may overturn its abortion rulings. We need only recall that in *Brown* v. *Board of Education* the court reversed its own earlier "separate-but-equal" decision. I believe if the Supreme Court took another look at *Roe* v. *Wade*, and considered the real issue between the sanctity of life ethic and the quality of life ethic, it would change its mind once again.

As we continue to work to overturn *Roe* v. *Wade*, we must also continue to lay the groundwork for a society in which abortion is not the accepted answer to unwanted pregnancy. Pro-life people have already taken heroic steps, often at great personal sacrifice, to provide for unwed mothers. I re-

cently spoke about a young pregnant woman named Victoria, who said, "in this society we save whales, we save timber wolves and bald eagles and Coke bottles. Yet, everyone wanted me to throw away my baby." She has been helped by Sav-a-Life, a group in Dallas, which provides a way for unwed mothers to preserve the human life within them when they might otherwise be tempted to resort to abortion. I think also of House of His Creation in Coatesville, Pennsylvania, where a loving couple has taken in almost 200 young women in the past ten years. They have seen, as a fact of life, that the girls are *not* better off having abortions than saving their babies. I am also reminded of the remarkable Rossow family of Ellington, Connecticut, who have opened their hearts and their home to nine handicapped adopted and foster children.

The Adolescent Family Life Program, adopted by Congress at the request of Senator Jeremiah Denton, has opened new opportunities for unwed mothers to give their children life. We should not rest until our entire society echoes the tone of John Powell in the dedication of his book, *Abortion: The Silent Holocaust*, a dedication to every woman carrying an unwanted child: "Please believe that you are not alone. There are many of us that truly love you, who want to stand at your side, and help in any way we can." And we can echo the always-practical woman of faith, Mother Teresa, when she says, "If you don't want the little child, that unborn child, give him to me." We have so many families in America seeking to adopt children that the slogan "every child a wanted child" is now the emptiest of all reasons to tolerate abortion.

I have often said we need to join in prayer to bring protection to the unborn. Prayer and action are needed to uphold the sanctity of human life. I believe it will not be possible to accomplish our work, the work of saving lives, "without being a soul of prayer." The famous British Member of Parliament, William Wilberforce, prayed with his small group of influential friends, the "Clapham Sect," for *decades* to see an end to slavery in the British empire. Wilberforce led that struggle in Parliament, unflaggingly, because he believed in the sanctity of human life. He saw the fulfillment of his impossible dream when Parliament outlawed slavery just before his death.

Let his faith and perserverance be our guide. We will never recognize the true value of our own lives until we affirm the value in the life of others, a value of which Malcolm Muggeridge says: ". . . however low it flickers or fiercely burns, it is still a Divine flame which no man dare presume to put out, be his motives ever so humane and enlightened."

Abraham Lincoln recognized that we could not survive as a free land when some men could decide that others were not fit to be free and should therefore be slaves. Likewise, we cannot survive as a free nation when some men decide that others are not fit to live and should be abandoned to abortion or infanticide. My administration is dedicated to the preservation of America as a free land, and there is no cause more important for preserving that freedom than affirming the transcendent right to life of all human beings, the right without which no other rights have any meaning.●

BROTHER MELCHIOR NAMED TO HALL OF FAME

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. LIVINGSTON. Mr. Speaker, I recently became aware of the life-long accomplishments of Brother Melchior Polowy of Holy Cross High School in the First Congressional District which I am proud to represent. Brother Melchior's dedication and hard work for Holy Cross' students deserves the highest praise and the attention of all Members. Following is an article which appeared in the Holy Cross High School Alumni Newsletter detailing Brother Melchior's achievements.

BROTHER MELCHIOR NAMED TO HALL OF FAME

If any one person could be called a living symbol of Holy Cross, it is Br. Melchior Polowy. The impression that he has left on generations of students make him a figure nearly larger than life. Br. Melchior, the man has almost become Br. Melchior, the legend.

For his achievements, he will soon be inducted into the New Orleans Sports Hall of Fame. "Br. Melchior was chosen to receive this award for his outstanding influence on interscholastic wrestling in New Orleans," said Austin Wilson, Louisiana-Mississippi Associated Press Sports Editor. "In a city as rich in sports history as New Orleans is, it is quite an honor.

"We began our wrestling team in 1944 when football coach Lou Brownson wanted an off-season conditioning program for linemen while backs were involved in other sports," explained Br. Melchior.

Often called the "Father of High School Wrestling in Louisiana," Br. Melchior coached the 1944 Holy Cross team that won the first interscholastic dual wrestling match ever held in Louisiana by defeating Newman in seven of thirteen bouts. Under his guidance, Holy Cross won an incredible 23 state championships in the period of 1945-1970, including 21 state titles from 1945 to 1965.

"What is amazing about Br. Melchior's accomplishments is not that he won so many championships, but that he was able to keep wrestling alive in that time," said Ed Kavanaugh, head wrestling coach since 1971 and a state champion in 1967. "In those days, few schools had interest in wrestling, and it was only through Br. Melchior's dedication that high school wrestling exists today," he said.

According to Kavanaugh, Br. Melchior required all wrestlers to travel in pairs at all times and to wear a coat and tie to every match. "He had his standards, and if you didn't live up to them, he dismissed you, even if you were a state champion," he said.

Brother's coaching methods were very simple," said Paul Fradella, assistant wrestling coach and a team captain in 1967. "He taught us very few moves, but we knew those moves well. It was physical conditioning and team discipline that won for us. We knew that if we would do all Brother would tell us to do, we would win."

Br. Melchior's teams have always been known for their discipline. "Discipline begins in the home," said Br. Melchior, "and it is the job of the school to continue it."

There are numerous other tales about Br. Melchior, and many of them concern his great strength. "Brother was always strong," said Fradella. "In fact I can't think of one instance that anyone even thought of challenging his strength."

At the age of 12, Br. Melchior was competing with semiprofessional wrestlers at recreational parks and had already begun to train with weights. After becoming a brother in 1939, he came to Holy Cross, and in order to continue his training, he made a set of weights from concrete.

In addition to coaching the wrestling team, Br. Melchior has also served as prefect of the dormitories, prefect of the huddle, assistant coach in football and track, and a teacher of math, religion, and German.

"Brother is also willing to do the 'dirty work' on campus," said Fradella. As one story goes, Br. Melchior was asked in 1978 to tear down a brick wall in the gym in order to expand the training room. To do the job, be brought with him only his dogs and a sledge hammer, although several football players were on hand to help him. He told them to clear out of his way, and twenty minutes later, he had knocked down the wall."

Whether it's doing "dirty work" on campus, teaching classes, supervising the weight room, or coaching the wrestling team, Br. Melchior has willingly accepted every challenge that was put before him in his 44 years as a brother. His dedication is a clear sign to all of what it is to be a Holy Cross Man.●

ANDREW E. HARE COMMENDED

HON. ALAN B. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. MOLLOHAN. Mr. Speaker, often in these times the accomplishments and contributions of some of our citizens are overlooked. So with this in mind, I wish to bring to the attention of my colleagues the recognition of a Wheeling, W. Va., native by President Reagan and Secretary Schweiker.

Andrew E. Hare joined the Reagan administration as Deputy Assistant Secretary for the Department of Health and Human Services on March 1, 1981. He grew up in and around Wheeling, W. Va., graduated from Triadelphia High School there and Bethany College nearby. Several of his brothers and sisters and other relatives are long-time residents of the Wheeling area.

Recently, Andy was recognized by both President Reagan and Secretary Schweiker for his efforts as a vital part of the Reagan administration.

It is gratifying to see an individual from my home territory receive this kind of recognition, and I ask unanimous consent to reprint the letters from the President and Secretary Schweiker.

THE WHITE HOUSE,
Washington, April 22, 1983.

MR. ANDREW E. HARE,
Department of Health and Human Services, Washington, D.C.

DEAR ANDREW: I want to take this opportunity to extend my personal thanks for your fine efforts as a vital member of this Administration.

I can assure you that your personal contribution to our common goal of a leaner and more efficient Federal government will not be forgotten. You can be very proud of the service you are rendering to your Nation.

At this midterm period, it is time to rededicate ourselves to those fundamental principles that the American people entrusted us to carry out. Now, more than ever, I need your continued commitment to provide the leadership this Nation demands and deserves. There is much left to do.

The challenges of the 80's are great. Yet together, with God's help, we will meet them.

With best wishes,
Sincerely,

RONALD REAGAN.

SECRETARY OF HEALTH AND HUMAN SERVICES,
Washington, D.C., January 26, 1983.

ANDREW HARE,
Deputy Assistant Secretary for Legislation, Department of Health and Human Services, Washington, D.C.

DEAR ANDY: Because of your outstanding performance on behalf of the Department of Health and Human Services, I have selected you to receive the HHS Bronze Medallion Seal Award.

I appreciate greatly your personal efforts and hope you will always remember that this award was given to you as an expression of my appreciation for a job well done.

Sincerely,

RICHARD S. SCHWEIKER,
Secretary.●

IS "INDUSTRIAL POLICY" REALLY A DIRTY "WORD"?

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. GAYDOS. Mr. Speaker, as recently as February 15 of this year I again asked my colleagues to consider the Nation's need for an industrial policy, an all-embracing policy that incorporates not only solutions to present problems but anticipates those of tomorrow as well.

The lack of such a commitment in the past, I am convinced was a factor, a major factor, in the loss of such domestic manufacturing industries as radio, television, leather, and glass.

I might remind the House that every major industrial nation in the world today has such a blueprint for the safeguarding of the future health and growth of key industries. Every major industrial power, that is, except the one which set the example for the rest of the world then sat back to rest on its laurels while the rest of the world caught up with it and now is passing it by—the United States.

Mr. Speaker, I call the attention of the House to an editorial in the May 16 edition of Industry Week magazine. I urge my colleagues to read the article by Mr. Stanley Modic, editor. It provides food for thought.

IS "INDUSTRIAL POLICY" REALLY A DIRTY "WORD"?

Should America adopt a national industrial policy? That question continues to be raised as if there were still a choice. The prostitution of free enterprise by government regulation makes it a moot point. The question to resolve is not "if" but rather "which one." The confusion and real danger lie in the fact that the Administration in power has any one of several industrial policies it can embrace depending on the timing, circumstances, and personalities involved, the visibility of the industry affected, and the international objectives at stake, not to mention the domestic political climate and the number of voters involved in any particular issue.

The subject seems to be the antithesis of American business. Yet what is the implementing of a quota or tariff, or negotiating a voluntary restraint on imports under the table, or bailing out one company with loan guarantees, or passing tax legislation promoting exports or investment in equipment or R&D if not pieces of national industry policy?

The head-in-the-sand attitude seems to be that as long as it's not coordinated or thought-out, as long as it's a knee-jerk reaction subject to periodic change, it can't be considered national policy—no matter that the end result of government meddling is the same. The latest example of muddled thinking in this area: Is GM's asking Toyota to bail it out with production and assembly know-how via a joint venture to build small cars any more anticompetitive than Chrysler asking the government to bail it out with loan guarantees? Chrysler thinks so and is asking the government to nix the GM proposal.

Any debate on an industrial policy invariably turns to national planning and assumes the creation of a central-government planning agency calling the economic shots, sitting in judgment on which industries are to prosper and which will be abandoned. As such, business people avoid it like the plague, as if even discussing it gives it credence. In one respect they are right: There is no place for a national central-planning agency, and discussing it would only lend it credibility.

There is, however, a need for a national debate on the elements of national policy in a democracy that are essential if its industry and economy are to maintain their security and standard of living while the world shifts from a series of domestic economies to an internationally competitive, interdependent market arena. It's time for business to start leading that debate, rather than following or avoiding it.●

RESTORE FAIRNESS IN OUR DEFENSE BUDGET

HON. RICK BOUCHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1983

● Mr. BOUCHER. Mr. Speaker, I urge my colleagues to support the amendment to the Defense authorization bill which will restore the scheduled 4 percent wage increase for military personnel. I firmly believe that the passage of this measure will preserve the traditional strength and morale of our combat troops.

In its efforts to sell the MX missile to the Congress and American people, the Reagan administration spoke of the need to strengthen our defenses in light of the increasing size of the Soviet arsenal. Although this theme has been a constant element of administration policy for 2½ years, the administration's proposed defense budget, with its wage freeze for military personnel, fails to recognize our uniformed men and women as the most important component of America's defense establishment.

I believe that the President's proposed wage freeze for military personnel is inconsistent with his goal of a strong America. The President asks us to send a message to the Soviet Union through our defense expenditures, but what kind of message does he send to our troops when he proposes a freeze on their wages? It is clear to me that if we can spend $4.6 billion on a bargaining chip, we can well afford a raise for our combat troops. I urge my colleagues to seize this initiative and to restore fairness in our defense budget.●

DAVID BRODY: A FITTING TRIBUTE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. GILMAN. Mr. Speaker, in today's New York Times there is an excellent article about a distinguished Washington attorney who is known to us all. David Brody, as Washington representative for the B'nai Brith Anti-Defamation League, has been in our Nation's Capital for over a generation, and has seen Presidents, Senators, and Representatives come and go. His particular style of approach has won him the admiration and affection of all of us here on Capitol Hill, and elsewhere. I commend to my colleagues this article as a fitting tribute to the fine work and statesmanship that David Brody exudes, and I am re-

questing that the article be reprinted at this point in the RECORD.

AN "UNELECTED MEMBER" OF THE SENATE

(By Martin Tolchin)

WASHINGTON, May 25.—"Senators Only" said the sign in front of the Capitol subway, but David Brody was waved aboard by Senator Charles E. Grassley, Republican of Iowa, whom he thanked for signing a resolution opposing the sale of advanced weaponry to Jordan.

"Senators Only" said the sign above the elevators in the Capitol, but Mr. Brody was escorted onto the car by Senator Jesse Helms, Republican of North Carolina, whom he congratulated on North Carolina State's N.C.A.A. basketball championship.

"Dave Brody is the unelected member of the U.S. Senate," said Senator Charles McC. Mathias Jr., Republican of Maryland, who is an old friend.

Mr. Brody will be 67 years old next month, is a short, kinetic institution who seems to know just about everyone in Government. He is the Washington representative of B'nai B'rith's Anti-Defamation League, and, like those of many other lobbyists, his office walls are lined with signed photographs of Presidents and other White House notables. "What would we do without friends?" wrote Vice President Bush, and James A. Baker 3d, the White House chief of staff, called Mr. Brody "oftentimes a strong ally, occasionally a worthy adversary, but always a friend."

It is the Senate, however, where Mr. Brody presses his campaigns, which focus on aid to Israel and support of civil rights legislation. Some other lobbyists for Jewish organizations consider him a loner because of his failure to coordinate his activities with them, and some Capitol Hill people regard him as overly persistent. But most consider him effective.

STRATEGY ON AID TO ISRAEL

"Dave Brody can get in and out of more senators' offices quicker than any person I have ever met in my life," said former Vice President Walter F. Mondale.

Mr. Brody's present concerns include the foreign aid authorization bill, which contains an increase in aid to Israel, and legislation that would put teeth into a fair housing bill. On aid to Israel, Mr. Brody tells senators, "You can't win over the Arabs by weakening Israel. If Israel receives the aid it needs, it's in a better position to compromise; a weakened Israel cannot." On the fair housing bill he tells them, "Without effective enforcement, the bill doesn't mean very much."

Mr. Brody is a full-service lobbyist. He introduces senators to constituents, fund-raisers, reporters and "people I think they should meet." He gives personal advice. He suggests positions on a wide range of subjects, including those in which his organization is disinterested.

"I don't come around only when I need something," Mr. Brody said. "I come around to chat on a general exchange of views. I don't have a heavy-handed, demanding style."

"He's given me valuable advice," said Senator Howell Heflin, an Alabama Democrat. "He has a broad range of interests."

Mr. Brody doesn't seem to care if a senator is a Democrat or Republican, liberal or conservative. Some of his closest friends in the Senate voted for the sale of Awacs to the Saudis, which Mr. Brody lobbied hard, and unsuccessfully, to defeat. "Somebody can be against you on one issue, and with you on the next," he said.

His manner can be direct. When Senator Lloyd Bentsen, the Texas Democrat, told him that Israel needed another Golda Meir, Mr. Brody replied, "Senator, if you have the power to resurrect Golda Meir, that's fine with me, but Golda Meir also had problems with our government."

Mr. Brody does considerable entertaining at home, often bringing senators together with the Israeli Ambassador. Rolf Pauls, former German Ambassador to Washington, once quipped that he had seen more senators at Mr. Brody's home than on the Senate floor.

Mr. Brody, a native New Yorker who is a graduate of City College and Columbia Law School came to Washington in 1940 to work for the Department of Agriculture, and joined the league in 1949. He was promoted to chief Washington representative in 1965.

His style has evolved over the decades. "Maybe I am a loner," he said. "I have my own style. You have to be able to relate to people, even when you find yourself in disagreement. You have to deal with members as individuals, and know what their concerns are. I'd have a very narrow range of friends if we had to agree on every issue."●

CONCERN OVER AFGE UNION ACTIVITY

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. RUDD. Mr. Speaker, when I was in college, I worked for the Phelps Dodge Corp. during the summer months in the copper smelter in Clarkdale, Ariz.—at numerous jobs—driving trucks, swinging a 16-pound sledge to knock out twere holes in converters, in the reverberatories, concentrators, and so forth.

Among other things, I learned to respect and appreciate the value of a good trade union.

I still believe in the right of workers in the private sector to organize and bargain collectively over wages and working conditions. But last week I was outraged by a story in the Washington Times regarding a new type of Government union activity.

The Times quoted transcripts of a March 15, 1982, AFGE (American Federation of Government Employees) executive council meeting.

The item said President Kenneth T. Blaylock claimed he had been appointed to an AFL-CIO committee established to "research into the national defense budget." According to the transcript, Blaylock said he had been appointed to the committee by AFL-CIO President Lane Kirkland because "Lane knows that our people work in these defense activities, and we are probably the best conduit for actual information, especially on the procurement systems." Blaylock complained that the appropriations subcommittees of Congress and defense subcommittees do their markups in closed session.

Noting that the Department of Defense (DOD) classifies sensitive information concerning national security, Blaylock continued:

So, I think it's going to dictate that we set up a system inside where we're actually going out to our DOD locals and requesting, you know, that kind of information, and then we'll channel it in so we can begin to put together these horror stories and what have you to use politically and provide information to different committees on the Hill and to our friends up there, to begin to challenge this wide-open defense budget * * *."

The inference of the above statements by the leader of one of our Nation's largest Government unions—whose workers are hired in public trust, as employees of the American people—leads to some serious concerns.

It seems to me there is implicit in this announcement a determined effort to disclose defense secrets—those matters which the Congress in its wisdom believes should be kept confidential.

There have been all too many leaks of our defense secrets. I do not question Mr. Kirkland's loyalty to the United States. I do not believe he would intentionally do anything to impair our ability to defend this Nation against all aggressors.

I do think what he proposes to do here might result in grave unintended consequences. I have asked Director Donald Devine of the Office of Personnel Management and William Webster, the Director of the FBI, to investigate this new union activity to insure that AFGE officials and Federal employees are complying with existing Federal statutes.●

HEWLETT HIGH SCHOOL WINS AWARD FOR SERVICE

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. McGRATH. Mr. Speaker, on June 2, Hewlett High School, which is in my congressional district, will receive the 1983 Newsday Long Island High School of the Year Award for Community Service. In recognition of this accomplishment, I would like to insert in the RECORD an article describing the school's outstanding achievement:

HEWLETT HS WINS AWARD FOR SERVICE

(By Douglas MacLeod)

Hewlett High School has won the eighth annual Newsday Long Island High School of the Year Award for Community Service. The student government organization will receive a check for $2,500, a large banner proclaiming the school as the High School of the Year for Community Service 1983,

and an engraved plaque at a special ceremony at the school.

Hewlett was cited by the judges for serveral community service projects, but particularly for "Just Like You," and imaginative program designed to help break down the prejudice against the handicapped. Hewlett students expressed their position regarding the handicapped in their written presentation: "Disabled people are no different from the members of the society from which they have been segregated for so long. For many years, the disabled community has remained silent while other minority groups have striven to gain recognition. At long last, the handicapped have begun to claim their rightful place in the community. Unfortunately, much of their effort to this point has been in vain."

To meet this challenge, the students of Hewlett, with the cooperation of the South Shore Services for the Handicapped, held rap groups, activist meetings, movie nights and parties at the high school The students felt that only by dealing with prejudice on an individual basis could its detrimental effects be reversed.

In January, the students held a Disabled Awareness Day. Five of them spent an entire day in wheelchairs accompanied by disabled students from Human Resources Schools. After school, there was a discussion group for all the students who were in wheelchairs, including the visiting disabled students. At the oral-presentations portion of the annual awards program, held May 10 in the Newsday auditorium, the students representing Hewlett stressed repeatedly the impact this experience had on them. They learned, they said, how it feels to be disabled and how it feels to be so confined. One of the first lessons they learned from this experience was that other students treated them differently.

Growing out of the "Just Like You" program was a project called "Let My People in" designed to make all the houses of worship in the Five Towns community accessible to the disabled. To accomplish this, the students sent out letters to 30 local synagogues and churches requesting permission to conduct an inspection for accessibility. The students were trained by the Easter Seal Society to conduct valid inspections.

In addition, the Hewlett students engaged in other effective community service activities. Through their Community Concerns Committee they sponsored a drive that collected canned foods from all schools in Hewlett's district. The food was then given to the needy in the community.

This year the students at Hewlett also formed the Drug Task Force to teach students about the dangers of alcohol and drug abuse. The task force is composed not only of students, but of teachers and parents. The students wore antidrug buttons and distributed a newsletter to other students that detailed thc injurious effects of alcohol and drug abuse.

Hewlett students also held a holiday party for the residents of the Woodmere Nursing Home and Health-Related Facility, put on a 24-hour dance marathon that raised $8,000 to help needy college bound students pay for spiraling school costs, and gave a talent show called Cabaret Night to raise money for Sloan Kettering Memorial Cancer Research Center, Manhattan, in memory of three Hewlett students lost to cancer in 1982.

Other activities included a clothing drive, an adopt-a-grandparent project, and the Friends Program, where students volunteer to work through the Peninsula Counseling Center to help younger chiddren with social, physical and mental problems. This year, 40 Hewlett High School students volunteered as "Friends" to young people.

The Newsday Long Island High School of the Year Award for Community Service is open to any public, private or parochial high school in Nassau or Suffolk. This year 36 schools submitted entries, which consist of written presentations of the school's community service activities. From these schools, six finalist schools were chosen, three from Nassau and three from Suffolk.

This year the Suffolk finalists were John R. Glenn High School in Huntington, Shoreham-Wading River High School and Longwood High School in Middle Island. The Nassau finalists were besides Hewlett, John F. Kennedy High School in Plainview and Paul D. Schreiber High School in Port Washington.

The "jury," which picked the eventual grand-prize winner, was composed of Robert M. Johnson, president of Newsday; James Kirby, commissioner of the Suffolk County Social Services Department; Dr. Salvatore Ambrosino, executive director of the Family Service Association of Nassau County; Ann Irvin, executive director of the Nassau County Youth Board; and Eleanor Seidman, associate director of the Community Service Program of Suffolk County.

The students of Hewlett summed up their feelings about their innovative program for the disabled in the final paragraphs of their written presentation: "Our work with the disabled this year has given us a new awareness of the problems in our community. We have also been enlightened by the similarities between disabled students and ourselves. It is our hope that one day no one will refer to a "disabled community"; instead, the disabled will be accepted on their own merits as individuals. Without their handicaps, the disabled are just like us—and just like you!"●

DAUPHIN COUNTY, PA., LAWYERS MEMBERS OF U.S. SUPREME COURT BAR

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. GEKAS. Mr. Speaker, it is good for all of us from time to time to review the balance and separation of powers between the judiciary, executive, and legislative branches of Government.

This week, a group of lawyers came from my home district of Dauphin County, Pa., and presented themselves and were admitted to practice before the Supreme Court of the United States. It was an excellent review of that august body and that process. We heard opinions being rendered by various justices, and I myself was privileged to become a member of the Supreme Court bar. To those people who came down, I am sure it was an outstanding display of American democracy at work, as their visit to Washington also included a visit to the House of Representatives.

It is my pleasure to list here those persons who have become the newest members of the U.S. Supreme Court bar at the request of Carroll F. Purdy, Jr., Esquire, from Harrisburg, and were led as a delegation by Allen Levinthal, executive director of the Dauphin County Bar Association.

From Harrisburg, Pa.:

Karen M. Balaban, William Richard Balaban, Bernadette Barattini, Milton Bernstein, Jeffrey R. Boswell, James F. Carl, Paul James Esposito, John Stephen Feinour, Jack M. Hartman, John Havas, Gregory M. Kerwin, Robert L. Knupp, Robert D. Kodak, Robert B. Lieberman, Joseph R. Lohin, Timothy I. Mark, Larry L. Miller, Wm H. Nast, Jr., Steve C. Nicholas, David H. Radcliff, Andrew Simon Sislo, Craig Allen Stone, Michael Bendix Sutton, Kenneth Albert Wise, Paul L. Zeigler, Francis A. Zulli.●

THE OLYMPIAD ROSE PROJECT

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. WAXMAN. Mr. Speaker, I wish to commend the efforts of all those involved at the Armstrong Nurseries and the Los Angeles Beautiful, Inc., who together have graciously agreed to use all the proceeds from the sale of the Olympiad, the official Olympic rose, for a youth program to help beautify the southern California community as the city of Los Angeles prepares to host the 1984 Olympic games.

The Olympiad rose project will not only add beauty to our environment but allow our youth to become involved in their community and be active participants in the Olympic game preparation.

Armstrong Nurseries, the producers of the stunning Olympiad rose, will also make a large number of rosebushes available for direct sale with all proceeds going to the Los Angeles beautiful fund, and donating some 20,000 Olympiad rosebushes to public gardens, parks and cities across the country, including 7,500 for the city of Los Angeles. Their generosity shall not be forgotten.

As a member of the California delegation, and a representative from the Los Angeles area, I would like to thank Armstrong Nurseries and the Los Angeles Beautiful, Inc., for their work and contributions which will help insure a very successful Olympic event.●

MEMORIAL DAY

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Ms. SNOWE. Mr. Speaker, on Monday, we as a nation will pause for a few moments to honor the men and women who have given their lives in defense of our country.

Throughout this great Nation, from small farm communities to our large cities, millions will take part in Memorial Day ceremonies, parades, or visits to cemeteries to visibly express their gratitude to those who made the supreme sacrifice so that we live in freedom today.

Groups like the American Legion, the Veterans of Foreign Wars, their auxiliaries, and all veterans groups deserve the credit for not letting us forget this occasion.

Throughout the ages, nearly all civilizations have honored their dead. The designation of 1 day to honor our war dead began more than a century ago after a war which divided this Nation had ended. Originally, it was called Decoration Day, a day to take care of and decorate the graves of those who had fought in the Civil War. By 1869, more than 300 communities were holding such observations.

This Nation shall never forget the contributions of our veterans. Moreover, the memories of war will continue to live on in those who are survivors and the dependents of those lost at war. It can be seen in the faces of those who participate in Monday's ceremonies, in veterans who will once again proudly wear their uniforms.

Nearly every community in our Nation has some memorial to honor their sons and daughters who served in our wars. In Washington, there is a new memorial this year to honor those who died in Vietnam. This black granite memorial is simple in design but powerful in its message. More than 1 million people have viewed it since its dedication 6 months ago. This memorial demonstrates the respect and debt we owe to these Americans.

Our ceremonies this year should also be in a spirit of thanksgiving. For in the last decade America has not lost a single soldier from combat.

Today, Americans are at peace throughout the world and no American, thankfully, faces combat to protect our priceless rights. This is a testimonial both to our commitment to world peace and to our renewed pledge to protect our peace with determined strength.●

GOSHEN HISTORIC TRACK

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. GILMAN. Mr. Speaker, I am introducing today a bill which would require the Secretary of the Interior to determine the most viable means to protect the Goshen Historic Track in Goshen, N.Y., and to take the steps to preserve this valuable segment of our national heritage.

Mr. Speaker, it is incumbent upon us to strive to preserve for future generations sites of historic importance such as the Goshen Track. As a nation, it is far more difficult to chart our future course if we have no idea where we have been. And, too often in recent years, we have been penny-wise and pound-foolish in regard to preserving those monuments of our history. As a result of shortsightedness, we have too often lost vital segments of our heritage forever.

I do not want to see the same fate befall the Goshen Historic Track. The track has been beset with severe financial problems over the past few years, and only Federal involvement will be able to salvage it.

The Goshen Historic Track, which originated in 1838, is the site of the first harness racing in our Nation. The Goshen Track has been the site of the Hall of Fame of the Trotter since 1951, and the 21-acre site containing the track has been on the National Register of Historic Sites since 1967.

In 1980, the Goshen Historic Track was 1 of only 40 sites in the United States placed on the Endangered Properties List by the National Park Service. Most of the other 40 sites were saved by private donations; the Goshen Track was not so fortunate. By the terms of the will of C. Roland Harriman, who deeded the track to its current owners, fundraising activities which have been of great benefit to most other endangered historic sites are prohibited.

Mr. Speaker, I am inserting at this point in the RECORD a copy of my bill, and I urge my colleagues to join with me in supporting this effort to preserve a valuable national heritage:

H.R. 3160

A bill to require the Secretary of the Interior to conduct a study to determine the manner in which the area known as the Goshen Historic Track in Goshen, New York, can be protected

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Interior shall conduct a study to determine the most appropriate means of protecting the Goshen Historic Track in Goshen, New York. The Secretary shall examine the feasibility of—

(1) entering into cooperative agreements with the owners of the track to ensure its preservation;

(2) purchasing all or a portion of the track for inclusion in the National Park System for recreational and educational uses; and

(3) such other means of preserving the track as the Secretary may determine to be appropriate.

(b) The area referred to in subsection (a) as the Goshen Historic Track is the area of approximately twenty-one acres, situated within Goshen, New York, which is bounded on the north by Orange Avenue, on the south by South Church Street, on the west by Main Street, and on the east by Park Way.

SEC. 2. There is authorized to be appropriated to carry out this Act such sums as may be necessary for fiscal year 1984.●

WILLIAMSBURG SUMMIT: IDEAL OPPORTUNITY FOR AGRICULTURAL TRADE

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE GF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. CORCORAN. Mr. Speaker, I recently sent a letter to the President of the United States urging him to take the opportunity while in Williamsburg to begin to address international trade problems in agriculture. The General Agreement on Tariffs and Trade, a multilateral agreement establishing standards and remedies in international trade, does not govern most agricultural commodities. In the absence of formal restraints on trade abuse, certain of our trading partners have felt free to subsidize dumping of agricultural goods in the United States and the free world market in general.

With the growing pressure toward protectionism, I believe it would be prudent to try to address these problems now. In my letter, I urge the President to begin the discussion in Williamsburg, and, if necessary, to call for another round of trade negotiations aimed specifically at agricultural trade issues. The text of my letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 22, 1983.

Hon. RONALD REAGAN,
President of the United States,
Washington, D.C.

DEAR MR. PRESIDENT: When you meet with other world leaders at the Williamsburg economic summit, I urge you to focus on agricultural issues as related to our international trade policy. The General Agreement on Tariffs and Trade (GATT) has not been successful in resolving the myriad trade problems confronting the American agricultural community, and the time has come to recognize that agriculture, as a major American industry, cannot realistically be excluded from a comprehensive trade policy.

We need to deal with international trade issues as a totality, rather than permitting the fragmentation of our trade policy to the advantage of other nations and to our detriment. I fear that this has been happening

and that we need to include agriculture under the umbrella of protection from abuse that is, at least potentially, provided under the GATT.

We achieved limited success in the Tokyo round of the GATT with agreements on meat and dairy trade liberalization and market stability. Unfortunately, on the whole, agriculture issues have not been successfully negotiated within the framework of the GATT. With the increase in tensions in the international trade arena and the growing pressure toward protectionism, it is more imperative than ever to try to resolve quickly and fairly the agriculture trade abuses that are taking place.

With particular mind to the clamor for protectionist legislation and the inherent destructiveness of trade wars, I sincerely hope that some progress can be made on the agriculture front now. If the Williamsburg summit is unable to address this issue adequately, I hope you will call for another round of trade negotiations with this specific focus for discussion in mind.

Sincerely,

TOM CORCORAN,
Representative in Congress.●

THE BONNEVILLE POWER ADMINISTRATION FAIR RATEMAKING ACT OF 1983

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. WYDEN. Mr. Speaker, today I join with my colleagues, Mr. SWIFT, Mr. AUCOIN, Mr. BONKER, Mr. WILLIAMS and Mr. LOWRY in introducing legislation to give utility ratepayers in the Pacific Northwest a fair shake.

Over the past 3 years, wholesale electric rates in the region have skyrocketed—rapidly eroding our region's historical competitive advantage in a safe, affordable power supply and sending utility bills through the roof.

The rapid increase in these rates is unacceptable. Equally disturbing, however, is the process by which these increases are arrived at—a process in which the Bonneville Power Administration serves as prosecutor, judge, and jury.

Our bill, "The Bonneville Power Administration Fair Ratemaking Act of 1983" seeks to change this process—to insure that the process by which the BPA rates are determined is a fair and open one, and that the decisions made at the regional level are sound ones, thus avoiding costly and time-consuming administrative and judicial appeals.

This bill will not lower rates overnight. It will, however, give all Northwest users a better shot at affordable and equitable rates over the long run.

One cannot help but be distressed at the enormous controversy and uncertainty which has surrounded the BPA ratemaking process in the 3 years since enactment of the Pacific Northwest Power Act. The pyramiding of appeals before the FERC and the U.S. Ninth Circuit Court of Appeals is but one sign of the frustrations over the present ratemaking procedures.

Perhaps the one point on which all of BPA's divergent customers will agree is that the FERC and the ninth circuit are the least desirable forums for the region to resolve the many complex issues raised in BPA ratemaking; if for no other reason than the paralysis that has occurred at both the FERC and the ninth circuit due to case overloads. The uncertainty over future costs, with the unstable business environment that results from pending appeals, mandates a fundamental reexamination of the process that produces such appeals.

By instilling credibility and fairness in the wholesale ratemaking process at the outset, our bill will result in a heightened sense of "fair play" on the part of BPA's customers, producing finality and reducing the number of appeals to FERC and to the ninth circuit.

Our bill accomplishes this through three significant changes to the conduct of the ratemaking process pursuant to section 7(i) of the Northwest Power Act.

First, our bill requires the hearing officer to be an independent decisionmaker, evaluating evidence—both that of BPA staff and the parties—and rendering an intial decision for the Administrator of BPA to consider.

Currently, the hearing officer is merely a referee, ruling on the admissibility of evidence. He or she does not read the transcripts, examine the evidence or write a decision.

The BPA staff thus serves essentially as prosecutor, judge and jury. The staff formulates the initial rate proposal, presents testimony to defend the proposal, produces a "Staff Evaluation of the Record", and writes the final decision.

To lend credibility to this process, BPA staff proposals—once the initial BPA proposal is offered—need to be placed on an equal footing with those of other parties. To accomplish this, our bill calls for the hearing officer, not the staff, to evaluate the record and write an initial decision.

In order to insure objectivity on the part of the hearing officer, ex parte communication between the Administrator or his staff and the hearing officer is prohibited prior to the rendering of an initial decision. Similiarly, the hearing officer will not be allowed to engage in any ex parte communication with any other party prior to the initial decision.

Second, our bill assures the Administrator's final decision is made on the record of the hearing. Under our bill, any new documents, studies or revised rates produced by the Administrator must be a part of the record, subject to reasonable opportunity for cross-examination and—if good cause is shown—rebuttal.

One of the most critical problems in the rate cases today is that the Administrator relies on important documents which the parties never have an opportunity to examine or challenge. Final cost-of-service, rate design, and revenue requirement studies—that often vary substantially from preliminary studies—are prepared and distributed after the hearings are concluded.

Third, our bill preserves the Administrator's authority to set rates under the act. The Administrator may establish final rates that are different than of the hearing officer. Under our bill, however, such rates must be supported in the record of the hearing and the Administrator must also provide a full and complete justification of the differences between the final rates established by the Administrator and those established by the hearing officer.

Finally, our bill resolves any question concerning the standing of the Pacific Northwest Power Council to participate in the ratemaking process by specifically defining "person" for the purposes of section 7(i) to include the power council.

No one has challenged the Council's right to participate to date; nor in our opinion would there be any valid arguments of law to support such a challenge. Nevertheless, our bill resolves any potential doubt that might arise. As the least cost mandate of the Northwest Power Act and the Power Council's plan are inextricably part of the ratemaking process, our bill guarantees the Council's right to participate and protect this mandate in the ratemaking process.

Our bill, though narrow in scope, addressing only section 7(i) of the Northwest Power Act, responds to the pervasive criticisms of the present ratemaking process we have heard from virtually every customer group in the Pacific Northwest.

The fairness and credibility our bill will instill in the ratemaking process will produce future dividends to us all in the form of confidence in our ability to resolve disputes at the regional level, without resorting to an inadequate appeals process that produces lingering uncertainty, and finality in our rates.

The legislation appears below:

H.R. 3177

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Bonneville Power Administration Fair Ratemaking Act of 1983".

SEC. 2. Subsection (i) of section 7 of the Pacific Northwest Electric Power Planning and Conservation Act (16 U.S.C. 839 et seq.) is amended as follows:

(1) strike out subparagraphs (A) and (B) of paragraph (2) and substitute:

"(A) any person shall be provided a reasonable opportunity to submit oral and written materials;

"(B) any person shall be provided an adequate opportunity by the hearing officer to offer refutation or rebuttal of any material submitted by any other person including the Administrator;

"(C) the hearing officer, shall allow a reasonable opportunity for cross-examination which, as determined by the hearing officer, is not dilatory, in order to develop information and material relevant to any such proposed rate, and

"(D) if the Administrator requests, before the close of the record of the hearing, the hearing officer shall allow the Administrator to file revised rates, provided that the hearing officer shall then allow adequate opportunity for cross-examination of such revised rates and any material submitted to support such rates and, for good cause shown, to offer rebuttal of such revised rates or supporting material.";

(2) strike out paragraphs (3), (4), and (5) and substitute:

"(3) After the record of the hearing has been closed, the hearing officer shall accord persons who have participated in the hearing a reasonable opportunity to file proposed findings of fact and conclusions of law respecting the establishment of rates pursuant to this section.

"(4) As expeditiously as practicable after receiving proposed findings of fact and law pursuant to paragraph (3) of this subsection, the hearing officer shall publish an initial decision on the rates to be established pursuant to this section.

"(5) No interested person, including the Administrator or his staff, shall make or knowingly cause to be made to the hearing officer during the hearing and prior to the publication of his initial decision on rates any ex parte communication relevant to the merits of the hearing, nor shall the hearing officer make or knowingly cause to be made to any person, including the Administrator or his staff, an ex parte communication relevant to the merits of the hearing.

"(6) Any person who participated in the hearing may file exceptions to the hearing officer's initial decision with the Administrator within 30 days of the publication of the initial decision.

"(7) Rates determined by the hearing officer pursuant to paragraph (4) of this subsection shall become the final rates of the Administrator unless, within 60 days of the publication of the initial decision, the Administrator makes a final decision establishing rates that are different than those of the hearing officer, in which case the rates established by the Administrator are the final rates of the Administrator. Any such different rate shall be based on the record assembled by the hearing officer pursuant to the hearing conducted pursuant to this subsection. In any final decision establishing rates that are different than those established by the hearing officer, there shall be included a full and complete justification of the differences between the final rates established by the Administrator and those established by the hearing officer.";

(3) renumber paragraph (6) as paragraph (8); and

(4) add the following new paragraph at the end thereof:

"(9) For purposes of this subsection 'person' includes the Pacific Northwest Electric Power and Conservation Planning Counsel.".●

IS THE POST OFFICE ENDING HOME MAIL DELIVERY?

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. WALGREN. Mr. Speaker, I want to share with my colleagues a recent column by Jack Anderson outlining efforts by the U.S. Postal Service to cut home delivery of mail to American citizens.

Many Americans have expressed a similar concern that the U.S. Postal Service, so anxious to turn a profit, has forgotten its essential responsibility to provide direct mail service to the home of each American. Prescribed by the U.S. Constitution, postal service is an indispensable part of a democracy where citizens can freely communicate with each other. Particularly for the senior citizen, the handicapped, and—in fact—all of us, that communication is hampered when receipt of the mail is made more difficult and cumbersome.

Jack Anderson describes an effort by the Post Office to limit home delivery of our mail. I know from personal experience on behalf of residents in my district the tremendous difficulty caused by the Post Office's inflexible regulations designed to limit door-to-door mail delivery in favor of curbside delivery. Now, according to Mr. Anderson, the Post Office intends to "deliver" mail by leaving it in unsecured "clusterboxes" at the head of a street or road.

I am sure my colleagues on the Post Office and Civil Service Committee are closely monitoring this situation, but each of us in the Congress needs to keep abreast of the Post Office's actions to limit home mail delivery.

Jack Anderson's column follows:

[From the Pittsburgh Press, May 4, 1983]

POSTAL SERVICE BEGINS TO CUT HOME DELIVERY

(By Jack Anderson)

WASHINGTON.—The U.S. Postal Service has mounted a sneak attack on your legal right to have mail delivered to your home.

Without consulting Congress, the Postal Rate Commission or—least of all—the public, the post office poohbahs in Washington have been quietly promoting and installing "clusterboxes"—eight or more individual mailboxes grouped together at convenient neighborhood locations.

The convenience, of course, is all on the Postal Service's side. Customers, including the elderly and handicapped, no longer can pick up their mail at the front door or the curb, but must trudge out in snow, rain, heat or gloom of night to the communal clusterbox, which may be a block away.

Obviously, the clusterbox caper is saving the Postal Service money. But the way the authorities are going about it can best be described as highhanded—or underhanded. Here's how the postal Pearl Harbor works:

By law, all new homeowners are entitled to choose either curbside service or the clusterbox plan. But in new developments, they are rarely given this choice.

Under postal regulations, new housing developments aren't eligible for mail service until at least half the lots are "improved"—an ambiguous term that can mean anything from ground being broken to actual occupancy of the completed house.

But the requirement is waived if developers agree to install clusterboxes throughout the development. To ensure that the first home buyers can have mail delivery, the developers usually agree.

My associates Donald Goldberg and Indy Badhwar have uncovered some outrageous examples of the way the Postal Service's strong-arm strategy has been implemented around the country:

In Dickinson, N.D., clusterbox customers were given a snow job in the form of a congratulatory notice: "Your Postal Service is upgrading the mail delivery in your area . . . (which) is privileged to be one of the first in upper Midwest to receive this service.

Postmasters in East St. Louis, Ill., were exhorted: "NOW . . . you're asked to go out and SELL clusterboxes. . . . That's right . . . SELL!!! Very seldom will a customer come into your 'store' to buy a clusterbox. Furthermore, you are asked to do it now!"

New Jersey postmasters were urged to get developers' cooperation for clusterboxes with this revealing explanation: "The possibility for individual customer complaints about centralization is removed if the centralized delivery mode is in place when the first occupants of a new development move in."

When the residents of Greece, N.Y., a suburb of Rochester, voted to restrict clusterboxes to groups of four instead of eight, regional postal officials in Philadelphia slapped them down with the "supremacy clause" of the Constitution, and told the impertinent citizens that "the type and location of mailboxes is controlled solely by the Postal Service."

Rep. Glenn English, D-Okla., chairman of a House subcommittee on government information said he has received complaints about the communal mailboxes from across the country.

Assistant Postmaster General Eugene Hagburg insisted that clusterboxes do not constitute a reduction in service, and promised that steps would be taken to ensure that customers actually retain their legal right to choice of service.●

OLYMPIAD ROSE

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1983

● Mr. MOORHEAD. Mr. Speaker, I am pleased to join with my colleagues in commending Armstrong Nurseries of Ontario, Calif., for its beautiful and generous involvement in the 1984 Olympics

Because of the efforts and expertise of Armstrong, the legacy of the 1984 Olympics will not only be athletic heroics, but the lasting and ingratiating beauty of a new hybrid of rose, the Olympiad.

Armstrong has given 20,000 rosebushes to parks and gardens all across the United States. In addition, the nursery is giving its proceeds and royalties from the sale of the Olympiad toward the effort to beautify Los Angeles for the Olympic games.

Mr. Speaker, this sort of community support and beneficence deserves our support and sincere thanks.●

IN REMEMBRANCE OF OUR VETERANS

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. LEWIS of Florida. Mr. Speaker, on Monday, May 30, we will honor the memory of the millions of Americans who have lost their lives in service to our country. These honored citizens believed in fighting for the principles of freedom upon which our Nation was founded, over 200 years ago. I would like to take a moment to pay a personal tribute to the servicemen and women who made the supreme sacrifice to protect the individual rights and freedoms that make the United States the greatest Nation in the world. In quoting from the Bible, "Greater love than this no man has than that he lay down his life for his friends."

The first Memorial Day was observed over 100 years ago, commemorating the lives of those who died during the Civil War. Across the Nation, millions of Americans will be attending and participating in ceremonies on this Memorial Day. Hundreds of thousands will visit cemeteries scattered across the United States, reflecting upon the great sacrifices made by family and by friends—sacrifices for the preservation of American liberty.

Here, in Washington, D.C., many will visit Arlington National Cemetery, the resting place of over 180,000 American military veterans, to pay tribute to American servicemen and women. Others will visit the Vietman Veterans Memorial, inscribed with the names of the 57,000 plus Americans who gave their lives during the Vietnam war.

Memorial Day should not just be a day of remembrances. It should give us guidance for today and for the future. As we remember those who gave their lives in defense of this country, we need to recognize the millions of American veterans who served this Nation with courage and distinction and were able to return home. As citizens of this country, and as Members of Congress, we have a debt to these brave men and women which is difficult to repay and we must never lose sight of this.

Let us continue to honor our Nation's flag. It is a symbol that is known throughout the world and looked to for inspiration. Our flag is a tribute to freedom, a tribute to those individuals who helped found our Nation over 200 years ago, and to those individuals who have fought and died to protect its values of liberty and democracy.

This proud legacy of liberty and democracy has been an ongoing tradition in my 12th Congressional District in Florida. Thousands of our men and women have ably served and sacrificed for our country, dutifully carrying out their responsibility when our Nation has needed them.

It is also to the credit of organizations like the American Legion, the VFW and other veterans' organizations who remind us to honor and respect those who have made the ultimate sacrifice and remind us too that freedom has a cost which is borne gladly by all who value our cherished institutions and rich tradition of freedom.

In remembrance of Memorial Day, let us look to a future of peace, a peace that will come through strength and negotiation, a peace that must be earned every day. Let us forget the nature and horror of war, lest those who gave their lives so that we might live in freedom and peace, will have done so in vain.●

OLYMPIAD—OFFICIAL ROSE OF THE 1984 OLYMPICS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. BROWN of California. Mr. Speaker, I would like to use this opportunity to commend the Olympic rose as a California product, and Armstrong Nurseries for developing it.

"Olympiad" is the name of the official rose of the 1984 Olympics. The hydrid was developed in Ontario, Calif., which is a city in my congressional district. The flowers are a beautiful deep red; unique in that they hold their color perfectly. The rose is 4 to 5 inches in diameter, with 30 to 35 broad petals in each bloom.

Armstrong Nurseries, the rose's creator, is donating 20,000 Olympiad rose plants to public gardens and parks in cities across the United States; 7,500 plants have already been donated to beautify local Los Angeles communities in preparation for the 1984 Olympic games.

Beginning in December of this year, Olympiad will go on sale to the general public. Proceeds from this sale will go toward the support of America's Olympic program.

I am very proud that the producer of the Olympic rose, Armstrong Nurseries, is in my congressional district. I am also thankful to have this opportunity to acknowledge them and their product for their contribution to the 1984 Olympic games.●

HOUSE RESOLUTION 172 TO ROLL BACK IMPORTS IN U.S. APPAREL MARKET

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. GILMAN. Mr. Speaker, over the past 25 years we have witnessed a startling influx in the number of imported goods that are being absorbed into the U.S. market. This increase is no less evident than in the textile and apparel industries. Where two decades ago imports comprised only 4 out of every 100 garments sold, they now account for 40 out of every 100 garments sold.

In an effort to protect certain jobs in the U.S. apparel industry by rolling back the present percentage of imports into the American market, I was pleased to see House Resolution 172 introduced.

It is estimated that 660,000 job opportunities have been permanently forfeited to foreign labor sources in this industry alone. House Resolution 172 requests that the President reduce imports of apparel so that imported garments comprise no more than 25 percent of the American apparel market.

This sense of the House resolution illustrates in no uncertain terms the dire threat of extinction facing the American textile and apparel industries. Such a death would directly affect at the least, 38 States that have apparel manufacturing plants. As a cosponsor of House Resolution 172, I believe it is imperative that American industry be given the opportunity to compete; however, we cannot allow ourselves to be so overwhelmed as to decimate an entire industry.

A brief examination of the industry reveals a labor force 80 percent of whom are female and minorities whose job skills rarely extend beyond the apparel industry. In an economy where the majority of households could not exist without dual incomes, and where we as a Congress should be doing everything within our legislative powers to prevent the movement of an entire population from the payroll line to the unemployment line, it is imperative that we confront and attempt to alleviate this situation. I believe that once imports are rolled back to a 25 percent maximum of the total apparel market, that the U.S. industry could begin a recovery and 950,000 jobs would be saved.

Accordingly, I urge my fellow Members to join in expediting the passage of House Resolution 172.●

A TRIBUTE TO MR. JAMES A. FORREST, SR.

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. DYSON. Mr. Speaker, it gives me great pleasure to recognize Mr. James A. Forrest, Sr., a remarkable man from St. Mary's County, Md. Jim Forrest has demonstrated outstanding leadership in creating a strong and vibrant community, and St. Mary's County has been fortunate to have him as a caring, dedicated citizen for over 70 years. He was born in Ridge, Md., on April 15, 1911, and attended elementary school at St. Peter Claver. He graduated from Cardinal Gibbons Institute in 1931 and then entered the Hampton Institute, but hard economic times forced him to leave school and look for work. It is a measure of this man that throughout the Great Depression he always found work, and from 1931 until 1935 he held a variety of jobs.

In that year he and his wife Harriet were married, and they have been married for 48 loving years. From 1935 to 1941 he worked first at St. Mary's Female Seminary, which later became St. Mary's College of Maryland, and then at the Naval Powder Factory—now the Naval Ordnance Station—in Indian Head, Md. He was working there in 1941 when World War II broke out. In the same year he began a long and successful career with the C&P Telephone Co., and retired in 1976 as a supervisor.

During those years Jim and Harriet Forrest raised five children, all of whom have become professionals. It is also a measure of this man that as hard as times were, he was able to educate his children and send all of them on to college. That required sacrifices and long hours of work, but Jim Forrest persevered, and his children all had the benefit of a college education. His first four children had attended Banneker High School, and his fifth child was in the first class of black children that voluntarily desegregated the high schools of St. Mary's County.

Jim Forrest originally became active in community affairs when his children were enrolled in Banneker High School, where he was a member and officer of the Parent-Teacher Association. That began a long and distinguished record of service to his community, which has continued to the present day.

After making a name for himself as a conscientious, dedicated member and officer of the PTA's of his children's schools, word spread of Jim Forrest's talent. In 1973 the Governor of Maryland appointed him to the St. Mary's County Board of Education, and after distinguishing himself in that position he was reappointed to another 5-year term. He became the first black president of the St. Mary's County Board of Education, and held at one time or another all the officer positions on the board.

He has also been a longstanding member of the county fair board, hospital board, the 4-H association, the NAACP minority alliance, the United Parent-Trustee Association, and a number of other civic groups. In addition, he has been very active in St. Aloysius Church.

Jim Forrest is indeed a pillar of his community. He has been devoted to the cause of excellent education both for his family and his fellow citizens, and St. Mary's County has benefited tremendously from his invaluable service. He is now retiring from the St. Mary's County Board of Education, and his community is honoring him on Saturday, June 4, 1983. I would like to bring the attention of my colleagues to Jim Forrest, for he is the kind of man on which strong communities are based. It has been an honor to have Jim Forrest in my congressional district, and although he will no longer be on the board of education, I know his wise and trusted counsel will still be available to those who seek it.●

A VALUABLE SOURCE OF INFORMATION ON THE ARMS RACE

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. LOWRY of Washington. Mr. Speaker, now that the House has voted on House Concurrent Resolution 113, we are faced with a wide range of other arms race issues. Future votes on the MX, the impending deployment of Pershing II and ground-launched cruise missiles in Europe, the progress or lack of it in arms negotiations—these events obligate us to ponder the future direction of American nuclear weapons policy.

As we think about our national security needs, our greatest need is for dependable and objective information. I was therefore very pleased to note the recent publication of the new volume in the Foreign Policy Association's Headline Series, entitled "Nuclear Strategy and Arms Control." This book, by Stanley R. Sloan and Robert C. Gray, offers a concise and thoughtful overview of the nuclear arms race and explains how past decisions relate to the problems which now face us.

In my opinion, the book's most valuable contribution lies in its analysis of the nuclear arms balance and its explanation of the different ways to measure this balance. In particular, it points out the problems with the present administration's pessimistic estimate of the United States-Soviet strategic balance. The measures often used by administration officials give an incomplete picture of our strengths and weaknesses; when other measures are added, we find that, as one example, "under all conditions of war initiation, the United States would have available—after a Soviet attack and American retaliation—a larger number of warheads than would the Soviets."

Nuclear strategy and arms control also analyzes different proposals for arms control. In light of the Strategic Forces Commission's recommendation for emphasis on single-warhead missiles to reduce the value of individual targets, I was especially interested in this comment on the President's START proposal: "The START proposal could lead to a situation in which the Soviet warhead to American silo ratio went from the current 4:1 to 5:1. The ratio of American warheads to Soviet silos could increase from 2:1 to 11:1. Both sides could be faced with the prospect of increased vulnerability of their ICBM's. Thus, the American proposal fails to solve the key problem it is allegedly designed to address."

There is much more of interest in this book, and I recommend it highly. It sets the historical context for our present situation and offers valuable insights for our future decisions. I would only add that one of its authors, Stan Sloan, is a specialist in United States-Alliance relations at the Congressional Research Service. I have benefited from his help and advice in the past, and we in Congress are fortunate to have his knowledge and abilities at our disposal.●

A TRIBUTE TO A DEDICATED PUBLIC SERVANT

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. FAZIO. Mr. Speaker, I would like to note, with appreciation and regret, that Martin J. Fitzgerald has recently resigned as Director of the Office of Congressional Relations at the General Accounting Office to accept a position with the law firm of Ragan & Mason. Too often, in my view, we tend to overlook the key role of congressional liasion staff in the workings of Government. In our committee assignments, we all have occasion to work with career Federal employees who must juggle our demands and those of their agency. The congressional liaison officer must be part diplomat, part press secretary, and must be capable of patroling the border that separates legislative powers from executive powers.

The best congressional liasion officers take the heat from all sides—and

still get the job done. The officer confronts what the Congress considers imperative and what the agency claims is unmanageable and blends those needs to arrive at workable solutions. Martin J. Fitzgerald, in my view, was and is the prototype of this individual. Without compromising the independence or integrity of the GAO, he made it possible for all the committees of Congress to find the ways in which the GAO could best serve the public's interest. He demonstrated flexibility and toughness with an uncanny knack for selecting the appropriate posture.

Mr. Fitzgerald devoted 16 years of service to the GAO, the last 6 of which he served as Congressional Relations Director. His dedication, integrity, and skill earned him the well-deserved respect of his colleagues in both the Congress and the GAO. I believe I speak for all the individuals who worked with Martin Fitzgerald when I say that he will be sorely missed.●

CBS' TRIAL BY OUTTAKE

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. MARTIN of North Carolina. Mr. Speaker, I wish to bring to the attention of my colleagues a most interesting story concerning a libel case against CBS News' hit show, "60 Minutes." At issue is whether CBS defamed a physician in a 1979 program on insurance fraud.

Van Gordon Sauter, president of CBS News, said on the "Evening News" that "these suits will intimidate many news organizations because the cost of doing aggressive journalism * * * is going to be exorbitant." That is one way of looking at the question.

Another way is whether, as George Kennan recently put it, the networks and other commercial media are dedicated "to the oversimplification and dramatization of reality rather than the education of the public to the recognition of its bitter complexities."

In short, the question posed by this case, and by the multimillion-dollar libel suit against CBS by General Westmoreland, is whether CBS News is in the news business, or the entertainment business.

I ask my colleagues to consider this matter, because it has profound implications for the quality of information available to the public on important issues and for the intelligence with which our country makes decisions. It also is directly related to the level of support we give to public broadcasting and to the whole issue of broadcast deregulation.

The article follows:

"60 MINUTES" AND RATHER: UNEDITED AND IN COURT

(By Peter J. Boyer)

LOS ANGELES.—"And now, your honor," announced the attorney for the plaintiff, "it's show time again!"

With that, the lights dimmed, the videotape machine rolled and three color TV sets in the courtroom lit up with a fascinating piece of television footage. Dan Rather, star reporter for CBS News, was seen in a complete and unedited version of a heated confrontation interview, including the banal asides and off-camera directions that usually are purged in the CBS editing room.

It is show time quite often these days in the courtroom of Los Angeles County Superior Court Judge Jack W. Swink, where a jury is hearing the slander suit of a Lynwood, Calif., physician, who says he was wronged in a 1979 episode of "60 Minutes" dealing with insurance fraud. Rather himself is missing a few nights on the "CBS Evening News," where he is anchor, to take the stand this week.

By a series of novel legal manueverings and pretrail court rulings, the case has become something more than a simple slander suit. Galloway v. CBS has put "60 Minutes" itself on trial testing the credibility of the most popular news program in television history and CBS' most valuable and visible reporter, Dan Rather. And to some extent, all of television news is on trial

Most galling to CBS is the fact that in his "prosecution" of the case, the plaintiff's attorney is freely, and gleefully, using CBS' own outtakes—portions of interviews filmed for the disputed broadcast that were not aired.

Outtakes are sacred property to a TV news organization, the television equivalent of a print reporter's note. Although outtakes on occasion have been selectively released, CBS News has never before had to defend itself in a trial in which the court handed the opposition free and complete access, against the network's will, to all of a broadcast's outtakes (nor, for that matter, has ABC or NBC ever been in that position).

The experience has been an embarrassing and humbling one for CBS.

In the outtake mentioned above, the end of a "take" came in the middle of a tough interrogation. Rather, apparently trying to maintain a rapport during the break, assured the flustered woman who was the subject of the surprise interview, "You look terrific!" In another scene, played for the jury in the opening week of the trial, Rather was shown trying to confront a man in a parking lot outside a medical clinic suspected of insurance fraud. Rather, microphone in hand, chased the man about in circles for a while, trying to get him to confess that he was the administrator of the clinic. Finally, giving up, Rather said, "Adios—see you on television."

The man turned out to be a passer-by. The tape of that scene was picked up by the syndicated entertainment news program "Entertainment Tonight," and aired on 132 stations around the country.

The Galloway trial, in its third week, is a diffcult public test for CBS News; even if CBS wins the lawsuit, it will not emerge unscathed. For one thing, the trial comes on the heels of another setback for CBS News, the court-ordered release of a network self-examination that determined that a CBS documentary on Gen. William C. Westmoreland was one-sided. With that embarrassment fresh on the public mind, there now comes Dan Rather being publicly grilled under the fire of cross-examination. The image may not quickly fade.

How did CBS News get into this fix?

It began on the night of Dec. 9, 1979, with the airing of a "60 Minutes" segment called "It's No Accident." Rather, who was then a regular correspondent on "60 Minutes," was the narrator and on-camera reporter for the segment.

The report was a dramatic exposé on insurance frauds, in which the perpetrators faked automobile accidents and injuries, then filed phony claims with insurance companies for damages that never occurred. As Rather explained, "A lawyer, who is in on the set-up, sends the alleged victims to a crooked doctor . . . and they conspire to file phony claims."

"60 Minutes" examined these scams through interviews with an insurance investigator and with people who admitted to having participated in insurance fraud. They spoke to a doctor, a lawyer and a "capper"—a go-between who provides the fabricated claimants and accidents. The identities of these men were hidden.

The thrust of the program was that insurance fraud is not only widespread and hugely profitable, but relatively easy to accomplish. To demonstrate the point, "60 Minutes" had the assistant to an investigator who helped with the program visit a suspect medical clinic to try to obtain a phony medical report. She succeeded. Rather, holding the faked report in his hand, then said, "It was signed by Carl A. Galloway, M.D."

One of the more than 40 million people watching that episode of "60 Minutes" was Carl A. Galloway, M.D.

Galloway had worked part time for six months at that clinic. In fact, the clinic was owned by a shirttail relative—the brother of Galloway's sister-in-law. Galloway says he was told by acquaintances at the clinic that a "60 Minutes" crew had been there, and that his name had been mentioned. But Galloway claims he was stunned when Rather said he signed the phony medical report. He no longer worked at the clinic, and he had never spoken to Rather or anyone else from CBS (Rather maintained in a deposition that he tried twice to telephone Galloway, and, failing to reach him, left a message that "Dan Rather called").

The signature on the report that Rather displayed in the broadcast, Galloway claims, was a forgery.

The doctor did not notify the authorities about the alleged forgery, or take to task those at the clinic responsible for signing his name (a point CBS lawyers have emphasized to the jury). Instead, Galloway hired a lawyer, who wrote a letter to CBS protesting Galloway's innocence, with two affidavits supporting his claim, and asking for a retraction and $1.5 million. CBS declined.

At that point, in early 1980, Galloway's complaint seemed bound to the fate found by so many others—years of costly litigation, resulting in dismissal, negligible settlement or the complainant being run out of court by high legal costs.

Galloway's lawyer, Virgil Roberts, filed suit in federal court, and the case was soon thrown out, the court declaring that it had no jurisdiction. Then, in November 1980, 11 months after the broadcast and just a month within the statute of limitations, Roberts filed suit in Los Angeles Superior Court, naming Rather and CBS.

CBS, on the recommendation of its insurance company, hired the Los Angeles law firm of Lillick, McHose and Charles to

defend the case, with attorney Andrew Robertson assigned to it. Robertson soon asked for an extension from Galloway's attorney, and his request was granted.

A few more months passed, and Galloway, tired of the delays, fired his lawyer and, at the suggestion of a friend, hired Bruce Friedman, a sole practitioner who in 21 years as an attorney had never brought a defamation case to court. His specialty had been automobile accidents and medical malpractice suits.

Friedman hit the ground running. He notified CBS' lawyer that his extension was up and refiled the cases, adding to the list of defendants producer Steve Glauber, who did much of the legwork on the broadcast, and Don Hewitt, creator and executive producer of "60 Minutes."

And Friedman did something else. While boning up on libel law, he came across a provision in the civil code giving certain defamation cases priority status. He applied for priority and won, pushing the Galloway case two years closer to trial.

In the pretrial discovery phase, Friedman asked for a good deal of material related to the disputed segment, including the outtakes. Superior Court Judge Bruce R. Geernaert, who presided over the pretrial phase, asked CBS to yield to Friedman voluntarily all outtakes from the broadcast relating to Galloway.

CBS turned over some outtakes. But Fiedman knew of at least one other interview in which his client was mentioned by name that was not among the material CBS voluntarily provided. CBS said it inadvertently omitted the material.

Geernaert questioned the faith of CBS' effort to comply with his order and instructed the network to turn over all of the segment's outtakes for his inspection. CBS did not strongly challenge that order, and gave him the material.

Then, last Dec. 16, Geernaert took an action that dramatically transformed Galloway v. CBS into something special. He called the lawyers from both sides into court, and told them that after studying the "60 Minutes" outtakes, he had decided to order all of the material turned over to Friedman. Geernaert said that a good deal of the material related directly to Galloway, and beyond that, he felt the plaintiff would benefit by getting a feeling as to "the way this program, 'CBS 60 Minutes,' is put together."

Greenaert went on to explain his decision, and in so doing, effectively put "60 Minutes" itself on trial.

"There's a thread of irresponsibility and lack of concern about reliability and lack of concern about foundation that I don't know how the plaintiff could ever be informed of, other than by listening to and viewing all of the material," Geernaert said.

Geernaert noted some interview techniques he had seen in the outtakes, the way questions would be asked "first in a leading fashion, and even suggesting words that the . . . interviewee might want to use" and then asked again, "without the leading inference . . . clearly to leave the impression that those words and the momentum of the interview was coming from the interviewee, rather than the interviewer . . .

"In effect, there is a misleading concept there," Geernaert said. "It's almost suggested that there should be a 60-minute program on the way the '60 Minutes' program is produced."

Geernaert's ruling and explanation redefined Friedman's case. Friedman decided he would not only seek to prove the narrow point of slander against his client, he would also try to expose "60 Minutes" as "a fraud on the public," assuming that success in the one would assure victory in the other.

The ruling also may have been instrumental in CBS' firing of Lillick, McHose and Charles just before the trial originally was scheduled to begin. The firm was replaced by the firm of O'Melveny and Myers.

In the weeks before the trial, Friedman tried in vain to get Geernaert's permission to go public with what he claimed he had found in the outtakes—proof that "60 Minutes" had staged and rehearsed interviews to dramatize its point. When Geernaert said no, Friedman circumvented the confidentiality order by having a complaint against "60 Minutes" filed with the Federal Communications Commission and including the transcripts of the outtakes as evidence. At that point, the transcripts became public record. (CBS says it may seek sanctions against Friedman for violation of Geernaert's order of confidentiality regarding the outtakes.)

Friedman's strategy was cemented when the trial judge, Swink, allowed him full reference to the outtakes in the trial. Indeed, in presenting his case, Friedman has spent a great deal of time not directly related to the alleged slander of his client, but to the broader matter of "60 Minutes' " methods.

Thus has the world learned such TV news esoterica as the meaning of the terms "sit-down stand-up" (when the TV reporter, sitting down, looks into the camera and gives a narrative) and "reverse." A reverse is employed when a TV reporter is conducting an interview with only one camera present. To suggest an interplay between interviewer and subject when the piece is put together in the editing room, part of the interview is briefly run through a second time, to get footage of the person who was not in the lone camera's frame the first time around.

The jury got a lesson in reverses when Friedman showed a long interview between an insurance claimant and an insurance investigator who was working with "60 Minutes."

The investigator questioned the woman, getting her to change her story, on camera, about a phony accident she had claimed to her insurance company. Then they went through the story again, the woman once more claiming she had had an accident and the investigator once again "breaking" her story.

The investigator, asserting wisdom now in the ways of TV news, testified that the second run-through was an innocent reverse, a common TV news practice. Producer Glauber confirmed that statement in testimony Monday. Friedman argued that it was staging. (More significant, perhaps, was the revelation that the investigator had the woman's signed confession five days before the on-camera interrogation, a development that had little to do with Friedman's access to the outtakes.)

In fact, most of the revelations born of the outtakes have been more of the nature of curiosities than damning evidence of news staging. CBS News insiders privately confess that the outtakes reveal two or three violations of CBS News standards—the worst case, perhaps, being an apparent editing abuse by which the answer to one question was tacked on to a different query.

But the public airing of what is a passionately guarded private process has been painful to CBS, and is not being taken lightly. There are two O'Melveny and Myers attorneys defending the case, trial lawyer William W. Vaughn and First Amendment specialist Robert C. Vanderet. Sitting just behind them is one (sometimes two) CBS Inc. staff lawyer. Joining them last week was Gene Mater, senior vice president of CBS News. Other CBS graysuits occasionally slip in and out of the courtroom.

The Galloway trial presents a special problem to CBS brass. The network's annual convention of affiliated stations takes place this week. The meeting is supposed to be an exercise in self-congratulation, with an emphasis on CBS' bold leadership in television.

Looming above all is the matter of a news organization's claimed right to protect the news gathering process from outside scrutiny and punitive litigation. CBS presented a story on the matter recently on the "Evening News." In that piece, CBS News President Van Gordon Sauter worried that "these suits will intimidate many news organizations because the cost of doing aggressive journalism, journalism that inherently carries some form of legal vulnerability, no matter how reliable the report is, is going to be exorbitant."●

AGRICULTURAL MARKETING AGREEMENT ACT OF 1937

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. IRELAND. Mr. Speaker, today I am introducing on behalf of myself and several other members of the Florida delegation legislation which will amend the Agricultural Marketing Agreement Act of 1937, to require that imported tomatoes conform with pack of container standards imposed on domestic tomatoes under marketing orders. This legislation would not halt imports—it would simply force imported tomatoes to compete fairly with Florida tomatoes.

Further, the bill imposes no requirements on the imported tomatoes which are not also imposed on the domestic produce. It does not seek to exclude imports, but rather to make possible market regulations of equal benefit to domestic and foreign producers.

Regulations imposed on Florida handlers of fresh tomatoes prevent them from mixing different grades and/or sizes of tomatoes within a shipping container. These regulations are important and are designed to create orderly marketing of fresh tomatoes. Different sizes of tomatoes sell for different prices and the same is true for different grades of tomatoes.

Mexico has over the years flooded the U.S. market with tons of tomatoes offered for sale at prices that do not even approach costs of production in Florida. They undercut the Florida price on all packs since there are no regulations to enforce what they put in a package. The ultimate consumer pays dearly for this preferential treatment to Mexican imports.

The USDA's interpretation of the present law requires that imports meet only the minimum requirements being imposed on domestic producers under a Federal marketing order. Hence, tomato imports from Mexico can be all grades and sizes commingled in a single shipping container. USDA contends that the prohibition against the mixing of grades or sizes within a container is a pack regulation and not a grade or size regulation. The Department further maintains that pack regulations cannot be imposed on imports under section 8e of the Agricultural Marketing Agreement Act.

The result of this interpretation is that foreign shippers are permitted to ship different grades and sizes of tomatoes in a single container while American producers must comply with the pack regulation. Foreign-grown tomatoes constitute a substantial volume of tomatoes sold in the United States. Consequently, the lack of pack restrictions on these tomatoes is disruptive to marketing procedures, since the buyer often does not know what he is getting, and also places the domestic producer at a distinct disadvantage.

Mr. Speaker, this legislation has on separate occasions, passed both the House and Senate, but has never been enacted. It would allow several advantages: Standardization of the sizes and grades of tomatoes offered for sale in the United States; and creation of an orderly marketing process. The enactment of this bill would benefit the consumer, grower, shipper, importer, and is fair to domestic and foreign producers alike, since they would be treated equally.

Mr. Speaker, I believe the advantages of this bill far outweigh any other considerations. I, therefore, urge prompt action on this bill in the 98th Congress.●

WORLD TRADE WEEK

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. PATTERSON. Mr. Speaker, this week, May 22-28, has been designated by the President as World Trade Week 1983. World Trade Week is an expression of the importance of international trade to the future of the United States. The growth of the American economy is heavily dependent on the sales of U.S. companies abroad. International trade is our key to greater prosperity. The benefits include more jobs for American workers, profits for business, and a better selection of products for consumers.

Exports now account for more than 16 percent of the total value of all goods produced in this country. Two of every five acres of farmland produce for export, and one of every seven manufacturing jobs depends on overseas trade. However, despite the high volume of our international trade, the United States is left behind when we compare ourselves to the international sales efforts of our leading competitors. Only 10 percent of our firms export and only 7 percent of our gross national product is sold in foreign markets which is less than one-half the total of the other major trading nations. The simple fact is that we and must do much better.

World Trade Week highlights the need for an increased awareness in the United States as to the importance of exporting. We in the Congress must continue to search for means which facilitate export expansion and enhance our understanding of how economically interdependent the world has become.●

RENEWABLE ENERGY INCENTIVE FOR DEVELOPING COUNTRIES

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. HEFTEL of Hawaii. Mr. Speaker, today I am introducing legislation that is cosponsored by my colleague, Mr. WYDEN, to provide that the business energy tax credits provided for investment in renewable energy property will be available for the installation of solar, geothermal, wind, and other U.S. manufactured alternative energy equipment that is installed in developing countries. As the administration and Congress continue to search for ways to help the lesser developed regions of the world, this legislation would greatly assist developing countries in coping with one of their greatest problems: Coping with soaring energy costs and diminishing supplies.

This bill is one of two bills that Mr. WYDEN and I are introducing today to focus this Nation's attention on the place of our renewable energy industry in the international marketplace. This bill in particular accomplishes two goals. First, it provides significant energy benefits for developing countries that install renewable energy equipment to meet their national energy needs. The Caribbean region, for example, is especially suited for renewable energy installations due to its warm sunny climate and reliable winds in certain areas.

Second, the bill requires that the equipment must be substantially constructed in the United States. Thus, this legislation also is designed to create additional U.S. jobs and build a healthier U.S. renewable energy industry.

The introduction of this legislation is particularly timely in view of the renewed interest in Congress in the President's Caribbean Basin Initiative. Under the definitions in this bill, only countries that qualify as "beneficiary developing countries" for the purposes of receiving special tariff considerations under the generalized system of preferences in our trade laws would be eligible for U.S. business energy tax credit treatment. At this time, every country qualifying for benefits provided by the Caribbean Basin Initiative already qualifies as a beneficiary developing country under the generalized system of preferences. Thus, the Caribbean nations would directly benefit from the provisions of our bill.

Mr. Speaker, I hope that Congress can give serious consideration to this bill to extend business energy tax credit treatment to investments in renewable energy equipment that is installed in Caribbean and other developing countries. If we and the administration are truly sincere in our desire to help such countries become independent, stable nations, then helping to free such countries from their reliance on costly imported fossil fuel will go a long way toward accomplishing that goal.●

A TRIBUTE TO BOY SCOUT TROOP 386

HON. HOWARD C. NIELSON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1983

● Mr. NIELSON of Utah. Mr. Speaker, I would like to bring to the attention of my colleagues the great achievement of Boy Scout Troop 386, sponsored by the West Jordan 30th Ward of the Church of Jesus Christ of Latter-day Saints. At a special court of honor held May 19, 1983, 17 Scouts received the highest award possible for a Boy Scout, the Eagle. The enormity of this accomplishment is aptly demonstrated when one considers that only 2 out of every 100 Scouts ever earn the Eagle. I applaud the tremendous efforts of the troop's Scoutmasters Chris Buttars and Carmi McDougal, and their assistants Marty Camberlange, Sheldon Kirkham, and Ralph Reading. Without their constant help and encouragement, this would never have been possible. I think it is fitting that we recognize each of these young men for their fine achievement. They are David D. Buttars, Ky R. Ekstrom, Mike E. Gronning, Doug A. Helton, Raymond A. "Tony" Kemp, Lance R. Kuehne, Brent D. McDougal, Troy D. McDougal, Wilbern L. McDougal, Jr., Keith D. Musig, David C. Palmer, Jeffrey E. Rawlins, Jason R. Reading, Jeffrey E. Reading, Lynn R. Rosier, Jason C. Simonsen, and Kirk William Wiley. Their ages range from 13 to 15

years. The troop committee chairman is Allan Tolman.

It is evident that the Scouting program in Troop 386 is a big success. The success of these Scouts is a great example to show before all the young men in our country to encourage them to do the same. As a father of Eagle Scouts, I can attest to the character development that occurs from being involved in the Scouting program. It teaches leadership skills and duty to one's country. These 17 boys are far more likely to become responsible and productive citizens now that they have learned such important Scouting fundamentals. I encourage my colleagues in the Congress to take every opportunity to support the Scouting tradition.●

BETSY BEAVER: AN ACHIEVEMENT TO BE NOTED

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. GEKAS. Mr. Speaker, so often we, who are Members of this great deliberative body, tend to overlook the extremely important achievements of our constituents. Thus, it is with great pride that I bring to your attention the accomplishments of young Betsy Beaver, a constituent of mine from Millerstown, Pa., as presented in a recent edition of the Shippensburg News-Chronicle:

BETSY BEAVER—THE IVORIES DID NOT SCARE HER

(By Rich Armel)

This is a story of determination and friendship, of shared inconveniences and the gentle support which led to the crumbling of a barrier erected by a physical handicap.

The unlikely friendship is that of a 13-year-old Millerstown girl named Betsy and an Orrstown man named Melvin. The threads that now bind them first intertwined seven years ago.

Betsy Beaver was born a congenital amputee, her left arm not extending much beyond the elbow. She received a residual limb which tapers to a point without fingers. Betsy sees a prosthetist at Elizabethtown Habilitation Center about every year and a half to have the limb refitted to accommodate her growth.

Her parents, Rosemary Beaver and the late Larry Beaver, and Betsy's elder sister Meg, began early to instill a confidence in Betsy that has been a factor in her successful efforts to lead the life typical of any young girl.

"I would say that generally speaking, I have always let her (Betsy) take the lead in the endeavors she chooses," Rosemary Beaver said during a recent telephone interview. "But if there's any way I can help her, I will try to move Heaven and earth to do so. If there is something that she wants to do, we may not be able to go straight through to reach the end, but maybe find another route."

So, when, at age six, Betsy announced that she wished to play the piano, Mrs. Beaver, who plays piano and oboe, put her friends on alert, asking them if they knew of anyone who could show Betsy how she might approach the piano.

"When Betsy expressed an interest, I knew there would have to be some sort of adaptation," she explained.

One of those persons Mrs. Beaver spoke to was her niece, Mary Kathryn Miller, herself a piano instructor, Mary Kathryn was a coworker of Debra Fortna Haglen. Debra Fortna Haglen had once been a piano student of a Mr. Melvin Rohrabaugh, an Orrstown man who despite having a left hand crippled by polio, is an accomplished organist and pianist. Local residents may recall that Rohrabaugh is assistant organist at the Middle Spring United Presbyterian Church.

Mrs. Beaver remembers that, after hearing of Mr. Rohrabaugh, "I picked up the phone, dialed his number and said, 'You don't know me, but . . .' So we piled in the car and were off to Orrstown."

There, they saw how Rohrabaugh worked with the piano, minimizing the use of the left hand. "It was very inspirational to me and I know it was to Betsy," said Mrs. Beaver, recalling the "complete stranger's" hospitality during that June visit several years ago.

Melvin showed Betsy how she would have to learn to play. He also agreed to meet with Mary Kathryn Miller to give her tips on how to teach Betsy.

But, perhaps more importantly, Melvin left Betsy with an inspiration and a pledge to help her set a goal. "I told her that when she learned to play 'How Great Thou Art,' I'd come to sing at her church and she could accompany me," Rohrabaugh said.

It was a promise he kept five years later. He and Michael Reese, who also will be in the Middle Spring program Sunday night, ventured to Betsy's home church, the Pfoutz Valley United Methodist Church, where Betsy and Melvin performed together.

Melvin remains impressed by Betsy's spirit. "This young girl has mastered the piano," he says with a trace of wonder. "It's just remarkable to see her," he says, adding that he's looking forward to her playing Sunday night at the Middle Spring United Presbyterian Church. He invited her to participate in the service.

Betsy began taking lessons from Mary Kathryn Miller shortly after visiting Melvin. When her instructor temporarily stopped giving lessons in order to devote time to a new baby, Betsy was fortunate enough to find another pianist willing to assist her in her unusual approach to the piano. Linda Brofee, also of Millerstown, and an organist at the Pfoutz Valley church, taught Betsy for an interim period.

When Mrs. Brofee quit giving lessons, also to have a baby, Betsy went back to taking lessons from Mary Kathryn who had resumed her instruction.

"She's been very fortunate to have such capable instructors," Rosemary Beaver said.

As the years passed, Betsy occasionally would receive a note from her friend Melvin who would inquire about her progress and remind her of the pact they made.

She was learning to play and play well.

"It's not really that hard," Betsy said recently. She explained, "If there's more than one note for the lower hand on the sheet music, I play the upper note with my right hand."

She said she's looking forward to playing this weekend and revealed she will be the accompanist on "Amazing Grace" and "How Great Thou Art."

She's quick to dismiss her achievements (she also plays cornet and developed an interest in gymnastics), and responds to questions about her efforts with matter-of-fact monosyllables. But others remain struck by her resolve.

"She just excells. She does things the average amputee does not consider," said Jack Smith, the prosthetist who has worked with Betsy since she was seven months old. "Betsy is a remarkable young girl. I've seen a lot of amputees through the years, but If I were to pick a handful of them who could demonstrate what can be done, Betsy would be right there."

The young pianist is currently practicing numbers for a special Sunday School program and has just finished appearing in a production of "Music Man" with sister Meg (their mom played in the orchestra for the show.)

That family togetherness has, no doubt, created an atmosphere conducive to Betsy's drive. But when you hear Betsy and her mother talk, you get the idea that perhaps of equal significance is the tie Betsy shares with a man named Melvin who reinforced her belief that it could be done.

I think we can all be proud of Betsy and happy that she is yet another reminder of the great American spirit to succeed in whatever task we attend.●

OLYMPIAD ROSE

HON. CHARLES PASHAYAN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. PASHAYAN. Mr. Speaker, the city of Wasco, Calif., in the 17th Congressional District, is home to a thriving industry that employs some 920 people, involved in the cultivation of nearly 3,075 of the most beautiful acres imaginable.

This industry produces roses. One of those varieties, the Olympiad, has been developed to commemorate the 1984 Olympic games to be held in Los Angeles.

The Olympiad is a hybrid tea rose produced by Armstrong Nurseries of Ontario, Calif., which is in the 36th Congressional District, ably represented by our colleague, GEORGE BROWN, and grown in Wasco in the district I have the honor of representing.

Armstrong Nurseries has joined with Los Angeles Beautiful, Inc., to provide the royalties and proceeds from the sale of the Olympiad rose to the youth program of Los Angeles beautiful to beautify the communities of southern California in preparation for the Olympics.

And this public-spirited firm has to date donated 20,000 Olympiad rose bushes to public gardens, parks, and cities across the United States, including 7,500 to the city and county of Los Angeles.

I should like to commend Armstrong Nurseries, Los Angeles beautiful, and

everyone involved with the Olympiad rose project for their efforts to beautify southern California for the 1984 Olympics.●

FARMERS' EQUITY ACT

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. CORCORAN. Mr. Speaker, today, along with my colleagues, the Honorable BOB MICHEL and the Honorable EDWARD MADIGAN, I am introducing legislation to correct an oversight in the tax treatment of farm and small business heirs electing the special use valuation method of valuing family farms and businesses for estate tax purposes. When Congress passed the Estate and Gift Tax Reform Act of 1976, it sought to amend the Internal Revenue Code to preserve family farms and businesses by permitting these family operations to establish the estate tax value based on current use value as a farm or business, rather than by assessing the highest possible value assuming the highest and best use of the property. Under the highest and best method, families were losing their farms and businesses, having to sell them to pay ridiculously high estate taxes, a policy of which our Government could not have been proud.

The special use valuation provision was a great step forward, and many heirs immediately elected to use this method. Unfortunately, the IRS took 3 years to publish final regulations implementing this provision, and some of the heirs to these family operations unwittingly violated the yet-to-be-published regulations by cash renting to other family members. The IRS held that this did not constitute qualified use by the qualified heir, and these individuals retroactively lost the right to the special use valuation. This was a harsh and very expensive lesson in the complexity of tax law.

In recognition of the problems created by the delay in publication of final regulations, Congress corrected this in the Economic Recovery Tax Act of 1981—for most individuals. We established a 2-year grace period following death during which period the qualified heir's failure to put the farm to a qualified use will not result in forfeiting the right to elect the special use valuation method. This 2-year grace period was made retroactive and it covered most of the individuals who had failed to anticipate the IRS regulation covering cash rental to another family member.

An unknown but very small number of heirs cash rented for the entire 3-year period preceding publication of the final regulations and are not, therefore, covered by the 2-year grace period. The bill that I and my colleagues are introducing today will forgive the failure of these individuals to foresee the details of the IRS regulations on special use valuation. It will provide, only for these individuals, a full 3-year grace period, to cover the 3 years during which no final regulations were available.

I urge my colleagues to support my bill to restore justice to family farmers and business men and women.●

FOREIGNERS FIRST, SAYS CHEESE INSTITUTE

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. STARK. Mr. Speaker, first prize for objectionable letter of the month goes to the National Cheese Institute for their letter of May 20, supporting a reduction in the USDA's cheese disposal program to poor and hungry Americans.

The letter says this winter's expanded cheese disposal program reduced cheese sales, urges reductions in the milk price support program to discourage excess production—an idea I support—but then it suggests "other solutions to the surplus cheese problem, such as increasing exports to needy countries * * *."

With unemployment still at more than 10 percent, I think charity should begin at home.

At least Marie Antoinette let her people eat cake.●

H.R. 2420, THE FIREARMS OWNERS PROTECTION ACT

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. DERRICK. Mr. Speaker, I rise today to join over 100 of my colleagues in the House in cosponsoring H.R. 2420, the Firearms Owners Protection Act. As a cosponsor of similar legislation during the last Congress, I am pleased to again join my colleague from Missouri, Hon. HAROLD L. VOLKMER, in his efforts to reform and redirect the Gun Control Act of 1968.

Mr. Speaker, while I am vitally concerned over the level of crime and violence in our Nation, I am also fearful that well-meaning efforts to control it have focused almost exclusively on the gun usage, rather than upon the criminal using the weapon. Moreover, I believe that more stringent and mandatory sentencing of criminals using firearms may be the most effective means of achieving the goals we all seek, and wholeheartedly support the mandatory sentencing provisions of H.R. 2420.

Our experience with the Gun Control Act has pointed to some serious deficiencies in the statute, deficiencies which most often impact upon the legitimate and lawful gun owner and collector. Many of the provisions of the statute are vague and have led to inconsistent and arbitrary enforcement. In this respect, H.R. 2420 seeks to set a precise meaning on the definition of "engaging in the business," one of the most ambiguous provisions which has been used to convict collectors who sell only a few firearms without a license. H.R. 2420 draws a careful distinction between persons who are actually engaged in the business of selling firearms, and private citizens who may occasionally purchase or exchange a firearm.

This bill would also require that criminal intent be shown before an individual is subject to penalties for a Federal felony. Under existing law, an individual is subject to such penalties for any violation of the Gun Control Act, regardless of the seriousness or degree of the offense. This bill would also set specific time limits for filing of charges, and mandates the return of firearms upon acquittal.

Mr. Speaker, because this legislation does safeguard an individual's right to own firearms, while eliminating many of the abuses that have occurred under present law, this bill does receive my full support. I urge my colleagues to join in this worthwhile effort.●

THE YOUNG MEN'S INSTITUTE

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. MINETA. Mr. Speaker, it gives me great pleasure to speak today in honor of one of my community's finest civic organizations, the Young Men's Institute. This fine institution is about to celebrate its 100th anniversary.

The Young Men's Institute, an international Catholic fraternal organization, was founded in San Francisco, Calif. in 1883. Since that time, YMI has helped encourage men to attain spiritual and social benefits from their religion, and it has offered these young men opportunities to help improve their communities.

The Young Men's Institute has maintained scholarships for the education of men who aspire to the religious life, and YMI has supported an educational program for the study of religious, social, and economic problems and its has sponsored a wide variety of charitable activities.

The Young Men's Institute offered tremendous benefits to my community by sponsoring the Special Olympics at Agnews State Hospital, the Volunteer Service Group of Agnews State Hospital, a little league team in the city of Santa Clara, and the yearly YMI Parade of Champions.

I would, therefore, like to take this occasion, Mr. Speaker, to ask you and all the Members of the House of Representatives to join me in extending our thanks and good wishes to the Young Men's Institute.

Thank you.●

ARMS CONTROL CIRCLES OPTIMISTIC ON BUILD-DOWN

HON. DOUG BARNARD, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. BARNARD. Mr. Speaker, even though our immediate debate on the MX is over, the question of arms control will probably always be with us. Since an arms control treaty requires both our country and the Soviet Union to agree, we must look for the most realistic, yet flexible, approach that we can find. I have been impressed by the "build-down" proposals, submitted in the Senate by Senator SAM NUNN and Senator WILLIAM COHEN, and in the House by my distinguished colleague, Representative ELLIOTT LEVITAS.

In a recent article in the Atlanta Constitution, Representative LEVITAS outlines this proposal and the support for it. This article is as good an explanation for the lay person as I have seen, and I would like to have it reprinted in the CONGRESSIONAL RECORD.

[From the Atlanta Journal/the Atlanta Constitution, May 22, 1983]

ARMS CONTROL CIRCLES OPTIMISTIC ON BUILD-DOWN

(By Representative Elliott H. Levitas)

There is optimism in the arms control arena these days over an innovative proposal that would reverse the rising tide of nuclear arms, and at the same time provide reliability and survivability of our nuclear deterrent forces. The "mutual guaranteed build-down" approach to arms control offers a realistic, responsible and sane method of bringing the arms race under control.

The concept is that whenever the United States or the Soviet Union adds one new nuclear weapon to its strategic force, two older, less stabilizing weapons would have to be eliminated.

This could be negotiated in the context of the nuclear arms talks which are proceeding in Geneva. The negotiations would have to assure proper verification as well as spelling out the precise details of the ratio betwen weapons added and those removed, the types of weapons that will be counted and the reduction of megatonnage as well as numbers. The "2-for-1" build-down is the conceptual starting point and the Geneva negotiations could flesh out the details in the arms control treaty.

The build-down answers many of the concerns explicit in the arms control debate. It ends the arms build-up in terms of total number of strategic nuclear warheads. It answers the question of how you can move toward actually reducing the nuclear arsenals of the United States and the Soviet Union while at the same time allowing for the necessary modernization of our nuclear forces.

Modernization of our weapons systems is an important element of arms control. In order to reduce the nuclear threat, we must do away with the weapons systems that have the highest potential for first strike use and are vulnerable to attack. We must, therefore, develop weapons which will increase the survivability and reliability of our deployed systems.

By doing away with vulnerable weapons systems, we can reduce the possibility of a "hair-trigger" response to a perceived threat. Under the build-down approach for example, the United States and the Soviet Union could move toward development of single-warhead "midgetman" missiles and away from the dangers of the large, multiple warhead missiles now deployed. This direction has been endorsed by the President's Commission on Strategic Forces—the Scowcroft Commission.

The build-down proposal, however, would force an explicit trade-off between the deployment of new weapons and reductions in existing systems. It would direct decision-making toward the primary concern of developing survivable systems which will contribute to overall stability, but at the same time, it would force a net reduction in the total number of nuclear warheads. Furthermore, by counting warheads rather than missiles, bombers or other delivery systems, we get to the heart of the problem.

Since an arms control treaty requires both our country and the Soviet Union to agree, the build-down is a realistic proposal since it gives each nation the flexibility to build-down in accordance with their own strategies and needs.

The plan has other advantages as an approach to arms control. The build-down concept gives our negotiators some much-needed flexibility. The "2-for-1" formula is an example of how the build-down principle could be applied, but the precise numerical ratio and the precise elements of the formula could be crafted to focus exclusively on one type of weapons mix, or broadened to encompass a wide range of nuclear armaments.

In addition, the mutual guaranteed build-down could easily be implemented as useful counting rules and implementation procedures from the SALT agreements could be applied, and verification procedures could be developed to assure compliance.

Given the rationale of this approach, it is not surprising that it has gained such widespread support. The build-down resolution was originally introduced by Sen. Bill Cohen and Sen. Sam Nunn. I have introduced the build-down resolution in the House along with significant bipartisan co-sponsorship.

The proposal has the support of many proponents of military force modernization such as Sen. Charles Percy, chairman of the Senate Foreign Relations Committee, Sen. Strom Thurmond of South Carolina, Sen. John Stennis of Mississippi and Sen. Orrin Hatch of Utah, as well as the support of many nuclear freeze supporters such as Sen. Gary Hart of Colorado, Sen. Daniel Moynihan of New York, Sen. Bill Bradley of New Jersey, Sen. Robert Byrd of West Virginia and former Secretary of State Edmund Muskie.

President Reagan has recently said he believes the build-down principle "would be a useful means to achieve the reductions (in nuclear weapons) we all seek."

The build-down approach is consistent with, and in fact, complements ongoing arms control efforts, and it is compatible with the goals of the resolution recently passed by the House of Representatives, which calls for freezing the level of nuclear weapons provided we achieve actual reductions in the nuclear arsenals of the superpowers within a specified reasonable period of time. The reduction part of that resolution could accommodate the build-down.

There is no sane person on this planet who does not wish to erase the threat of the ever-spiraling nuclear arms race and make this world a safer place. The mutual guaranteed build-down provides a rational means of arriving at that goal.

I predict that the Congress will adopt a resolution calling for implementation of the build-down principle, which could be incorporated into ongoing arms control efforts, such as the START talks.

The mutual guaranteed build-down supplies a solution to the most complex and perilous problem mankind has ever faced. This appealing, simple and rational approach to nuclear arms control gives all of us hope that it can be accomplished.●

EVELYN ROSE RETIREMENT

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. EDWARDS of California. Mr. Speaker, on Saturday, June 11, the Fremont Unified School District in California is honoring an employee who has served public education for 42 years. The honoree, Mrs. Evelyn Rose, began work on July 1, 1941 and served as secretary to five superintendents during the following 42 years.

Although employees of long duration have offered valuable years of usefulness in various public service agencies, I feel this individual is deserving of special recognition.

Since beginning her employment in the high school from which she graduated, Mrs. Rose worked through the war years expanding the usual secretarial duties to civilian defense responsibilities. She personally wrote to hundreds of local service people who went away to war, keeping them informed of home activities and news of friends.

The Fremont area schools have grown from an enrollment of 450 in 1941 to approximately 25,000 students. Through these years, Mrs. Rose has remained a loyal, conscientious employee and provided her coworkers with the pleasure of her unique humor and candid personality.

I congratuate Mrs. Rose for her many years of service and wish her happiness in her retirement.●

NEW TECHNOLOGY TO CLEAN UP HAZARDOUS WASTE

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. TORRICELLI. Mr. Speaker, the issue of hazardous waste and the problem of how to clean it up is one of the greatest challenges facing our country.

The health of all Americans is threatened by hazardous waste. No situation threatens the lives of people more than when these wastes contaminate local water supplies.

Bergen County, N.J., offers both evidence of the problem and hope for the future. In my congressional district alone there are four major hazardous waste sites. However, also in Bergen County is a company, Groundwater Decontamination Systems, Inc., that has developed a new technology for addressing this terrible problem. This company, and its president, Harold Snyder, deserve praise for their efforts in this area. The process is worthy of careful consideration and I hope the Environmental Protection Agency and companies now beginning to clean up these wastes will take a serious look at this new technology. A description of the process is described below:

Groundwater Decontamination Systems, Inc. (G.D.S.), offers a unique, new, viable and low cost solution to the problem of hydrocarbon and halogenated hydrocarbon ground and groundwater contamination. The system is an efficient and cost effective onsite natural process, which accelerates the biodegradation of hydrocarbon and halogenated hydrocarbon contamination on the soil and in the groundwater.

Biodegradation of organics by naturally occuring soil microorganisms is a process as old as the earth itself. This process takes advantage of that which naturally exists. The technique involves pumping contaiminated ground water from the affected area into an environmentally controlled tank. With the aid of nutrients and air, the process of biodegradation by the naturally occurring microorganisms is accelerated. Once treated, the water is recirculated through the contaminated area of ground and stimulates the biodegradation of the contaminants deposited on the soil. Injection of air into the ground and ground water further accelerates microorganism activity in the contaminated area.

This process has been vigorously tested and is now being used on a site in Waldwick, N.J. Thus far, the process has been very successful. Mr. Snyder and Groundwater Contamination Systems must be applauded for their work in cleaning up the environment.●

THE 196TH ANNIVERSARY OF DEBT

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. PORTER. Mr. Speaker, the Treasury announced a record $129.2 billion deficit for the first 6 months of this fiscal year. That is more than last year's total deficit. Last week the House and Senate raised the public debt limit to over $1,300 billion.

Many believe each of the next 4 fiscal years will produce deficits of over $150 billion. If so, the present public debt of well over a trillion dollars might very well be $2 trillion by 1987—the 200th anniversary of the writing of the Constitution with its famous sixth article concerning the "assumption of debts" by the new government.

The Founding Fathers were worried about the public debt when they gathered for their first meeting in Philadelphia on May 25, 1787. We should be as worried.

It is true that debts have been part of the Nation's history from the very beginning but it is also true that for almost all of the Nation's history, the Congress endeavored to pay the debt and labored to eliminate deficts. Only in the past two decades has the Nation had a Congress that does nothing or little to reduce the debt and to erase the deficit. It is only in the last few years that Congress permitted the debt to increase yearly as the deficits shot up.

This is the anniversary of the start of the Philadelphia Constitutional Convention. It is time for this Congress to be as concerned with the public debt as were the members of the greatest convention in the history of man.●

NATIONAL HISTORICALLY BLACK COLLEGE DAY

HON. CARROLL A. CAMPBELL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. CAMPBELL. Mr. Speaker, on January 27, 1983, I, along with my distinguished colleague, HAROLD FORD, introduced a resolution directing the President to designate September 21, 1983, as "National Historically Black Colleges Day."

This bill (H.J. Res. 105), recognizes the achievements of the 103 historically black post-secondary institutions of the United States. I feel that a speedy adoption of this resolution will signal this body's support for the work of the faculties, administrations, and the 30,000 young men and women who graduate annually from these colleges and universities.

To date, the following members have cosponsored this resolution:

Joe Addabbo, Bill Alexander, Glenn Anderson, Ike Andrews, Beryl Anthony, Bill Archer, Doug Barnard, Mike Barnes, Jim Bates, Charles Bennett, Howard Berman, Ed Bethune, Tom Bevill, Lindy Boggs, Bill Boner, David Bonier, Rick Boucher, Barbara Boxer, Robin Britt, John Bryant, and Tom Carper.

Bill Chappell, William Clay, Cardiss Collins, Silvio Conte, Jim Cooper, George Crockett, William Dannemeyer, Hal Daub, Kika de la Garza, Ron de Lugo, Ron Dellums, Butler Derrick, Mike DeWine, Julian Dixon, Brian Donnelly, John Duncan, Bernard Dwyer, Mervyn Dymally, Bob Edgar, Mickey Edwards, and Benjamin Erdreich.

Walter Fauntroy, Vic Fazio, Geraldine Ferraro, Ronnie Flippo, Thomas Foglietta, Edwin Forsythe, Wyche Fowler, Bill Frenzel, Martin Frost, Don Fuqua, Newt Gingrich, Henry Gonzales, Bill Gray, Bill Green, Frank Guarini, Katie Hall, Sam Hall, Tommy Hartnett, Charles Hatcher, Marjorie Holt, and Frank Horton.

Steny Hoyer, William Hughes, Jim Jeffords, Ed Jones, John Kasich, Jack Kemp, Bob Lagomarsino, Mickey Leland, Bob Livingston, Gillis Long, Jim Martin, Bob Matsui, Romano Mazzoli, Bill McCollum, Barbara Mikulski, Norman Mineta, Parren Mitchell, Henson Moore, Robert Mrazek, Stephen Neal, and Bill Nichols.

Major Owens, Leon Panetta, Bill Patman, Jerry Patterson, Nick Rahall, Charles Rangel, William Ratchford, Richard Ray, Bill Richardson, Robert Roe, Buddy Roemer, Charlie Rose, Augustus Savage, Paul Simon, Norman Sisisky, Larry Smith, Floyd Spence, John Spratt, Jr., Louis Stokes, and Fofo Sunia.

Robin Tallon, Thomas Tauke, Billy Tauzin, Lindsay Thomas, Robert Torricelli, Tim Valentine, Bob Walker, Harold Washington, Henry Waxman, Ted Weiss, Alan Wheat, Bill Whitehurst, Lyle Williams, Charles Wilson, Larry Winn, Jr., Robert Wise, Antonio Won Pat, and Ron Wyden.●

THE OFFICIAL OLYMPIC ROSE

HON. ALFRED A. McCANDLESS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. McCANDLESS. Mr. Speaker, the official rose for the 1984 Olympic games in Los Angeles is a beautiful, deep red tea rose, developed in Ontario, Calif., by Armstrong Nurseries. It is named the "Olympiad."

I want to commend Armstrong Nurseries, which has announced that royalties and proceeds from the sale of the Olympiad rose will be used for the Los Angeles beautiful youth programs fund. In addition, Armstrong nurseries is donating 20,000 Olympiad rose bushes to public gardens and parks all across the United States. Of these, 7,500 rose bushes will be donated to the city and county of Los Angeles, to help beautify the area in preparation for the Olympic games.

Mr. Speaker, I think that all concerned with this joint project should be congratulated. It appears to me that with the Olympiad the United States already has a winner in the Olympics.●

HOWARD INTRODUCES BILL TO INVESTIGATE MASS PRODUCTION OF LIVESTOCK

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. HOWARD. Mr. Speaker, on behalf of all consumers, I am introducing legislation today which would establish a Commission to study the ef-

fects of modern farm animal production. I urge my colleagues to join me in this important effort.

As many of my colleagues know, this practice involves the close confinement of livestock for mass production. Human antibiotics, such as penicillin and tetracycline, are mixed with livestock feed to prevent the widespread disease which would result from such conditions. Many of these drugs are also used to accelerate livestock growth.

In addition to the damaging effects intensive farming has on the animals involved, there is great concern that this practice is potentially dangerous to humans. Several news articles have detailed claims by experts that the use of these drugs in livestock feed could eventually lead to their ineffectiveness in the treatment of human diseases.

It is quite clear that these serious questions will not go away unanswered and it is also clear that a comprehensive study should be immediately commissioned for the sake of all consumers.

Under my bill, the Commission would be comprised of 12 members, 5 of whom are associated with farm animal production. The remaining 7 members would be selected by the National Academy of Sciences with expertise in such fields as physiology, ethology, nutrition, microbiology, epidemiology, etiology, and economics. Following a 2-year study, the commission would report its findings to the Congress.

There will be those that say this matter has been investigated enough already. I admit that this subject has been the focus of many studies. However, under my legislation, the commission would study all the relevant literature published on this subject, in addition to conducting their own hearings. This would result in one comprehensive report on the complex and diverse subject of modern farm animal production. It is time that such an investigation is conducted under close congressional scrutiny, free of any special interest group pressure.

On a final note, I am pleased to report that this legislation has the strong endorsement of consumer, humane, and nutrition groups. I hope that the farming community will also join us in supporting this legislation. It is obviously in their best interests to put these serious questions to rest once and for all.●

DESTRUCTIVE REGULATIONS AIMED AT FEDERAL EMPLOYEES

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mrs. BOXER. Mr. Speaker, I am pleased that the House voted favorably on a bill yesterday to delay the latest line of destructive regulations aimed at Federal employees.

I strongly supported the language in this bill carried by my colleague Representative STENY HOYER, which delays the proposed OPM regulations until a full GAO study is completed.

I have serious concerns about the substance of regulations proposed by OPM and published recently by OPM on March 30. I believe there are a host of both technical and policy problems connected with implementation of the regulations and have expressed my concerns in a letter to the Office of Personnel Management which I cosigned along with a number of my colleagues.

Apart from my specific concerns about the regulations, however, I feel that it is important that an independent agency conduct its own study of the regulations before they are implemented. I believe that such a major set of reforms affecting pay retention and management rights provisions require careful scrutiny. I agree with Mr. HOYER and the members of the Appropriations Committee who specifically included language in the bill calling for a study by the General Accounting Office. Existing statute enables the GAO to review Federal performance appraisal systems and GAO can provide Congress with expert assistance in assessing the prospects of whether or not OPM's proposals can achieve their stated objectives. Additionally, it is my hope that such a study might shed some light on whether the regulations conflict with the intent and substance of existing law.●

A TRIBUTE TO DANIEL ABRAHAM

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. LANTOS. Mr. Speaker, today I want to take this opportunity to honor a man who is a true giant of American industry and commerce.

Daniel Abraham is as exemplary a figure as one could find of a person who started with very little and through grit, determination, imagination and effort, has built one of the most impressive business organizations in the country, Thompson Medical Co.

This is a company that Danny Abraham helped start in 1947, when he purchased a small Pennsylvania firm for $5,000—much of that saved from his Army disability checks. He is today the chief executive officer. Today, 36 years later, Thompson sales total $84 million.

Clearly, it takes a person with extraordinary energy, ability and foresight to build, manage and guide in every sense the growth of a small company into a giant, at each turn anticipating correctly the needs of the American public, and responding to those needs with new and useful products.

To gain recognition for his products, Danny Abraham first had to hitchhike from one town to another, not only developing sales but also his interest in marketing. After he moved the company to New York City, he would call on 50 stores a day, helping to build his growing firm.

But Danny Abraham's interests range far beyond his business. Over the years, he has become a leader in scores of philanthropic and educational institutions.

One of his many philanthropic interests is Bar-Ilan University.

On June 8, Mr. Abraham will be awarded an honorary doctorate for his monumental work on behalf of that outstanding institution.

Danny is a member of the American Board of Overseers and the Global Board to Trustees of Bar-Ilan. Most significantly, he is the founding chairman of the school of economics and business at the university. He has devoted countless hours to developing the business administration program at Bar-Ilan, to help transfer American business management theories and practices to the Middle East.

It has been my privilege today, Mr. Speaker, to honor this great man who has made such an impact on the American business community and on business communities and business education abroad.

We wish him all the best in his commercial and philanthropic endeavors.●

THE DEATH OF COMDR. ALBERT SCHAUFELBERGER

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. LUJAN. Mr. Speaker, this morning, I am sad and I am mad. I am sad for the family and friends of a U.S. Navy commander who was brutally shot to death last night in El Salvador.

I am mad because I do not hear the cries of outrage that this terrible terrorism requires. The human rights of this brave man have been ruthlessly violated. The human rights of the United States have been attacked. Where are the voices of concern? This man was sitting in an automobile, unarmed waiting for a friend when he was shot in the head four times. Does he not deserve the concern and complaint for his rights? I shall be listening for the outcry.

The United States did not provoke this horrible event. The United States has not escalated the situation. The United States is the victim of this terrorist murder. I for one, am very sad, and very mad.

Mr. Speaker, this country has lost a valiant and honorable man, Navy Comdr. Albert Schaufelberger. We are in his debt.●

PIEDMONT'S NEW HUB OPERATION AT BWI

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. HOYER. Mr. Speaker, as my colleagues are well aware, the Washington area is served by three air carrier airports, Washington National and Dulles, owned and operated by the Federal Aviation Administration, and Baltimore/Washington International Airport, BWI, under the auspices of the State of Maryland. As a Marylander deeply committed to BWI, and as a Member of this legislative body, I note with great pleasure the decision by Piedmont Airlines establishing a regional hub operation at BWI. Effective July 15 of this year Piedmont will add 22 daily departures to 11 new markets out of BWI, and the State of Maryland is already hard at work building a $20.9 million expansion of facilities at BWI to accommodate an even larger Piedmont hub operation.

This is certainly the kind of activity Congress had in mind when it passed the Airline Deregulation Act. The aggressive action on the part of Piedmont and Maryland, however, is much more than an airline deregulation success story.

After several attempts at formulating a comprehensive Metropolitan Washington airports policy, former Transportation Secretary Drew Lewis and Aviation Administrator J. Lynn Helms established a policy aimed at achieving a more balanced utilization of the area's three airports. Our new Secretary of Transportation, Elizabeth Dole, is now in the process of implementing and fine tuning this operating policy. I am confident she shares my pleasure in witnessing an airline making a marketplace decision which supports and advances the laudable efforts by her Department to direct future air service growth to BWI and Dulles. I urge my colleagues to see what Maryland and Piedmont are doing, and to "Fly BWI."●

TRIBUTE TO GEORGE MERSHON

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. ACKERMAN. Mr. Speaker, today I have the privilege of sharing with you a story of heroism by a brave young boy from my congressional district in Queens County, N.Y., who saved the lives of two of his schoolmates.

On the morning of December 9, 1982, School Safety Patrol Capt. George Mershon was on duty at the corner of 41st Avenue and 99th Street near Public School 19 in Corona, Queens. On their way to school that day, students, held by patrol members, waited at the corner for the traffic to pass. At this time, George spotted two girls who were about to step into the street in front of an oncoming truck.

One of the youngsters had a sprained ankle and her friend was helping her along. They did not notice the truck heading toward them and did not hear the patrol boy yelling to them to move out of the way. Then, immediately responding to the crisis, George dashed from his post into the street, grabbed the girls, and rescued them from danger. George's action forced the truckdriver to make an abrupt stop—barely 4 feet from the children.

For his valor and quick thinking, George, only 10 years old, will be honored today in a special ceremony as a recipient of the American Automobile Association School Safety Patrol Lifesaving Award. For 34 years the lifesaving medal program has recognized more than 250 youngsters from 28 States for their heroic, lifesaving achievements. The award focuses the spotlight on brave and responsible young leaders of our communities. But the award presented today does more than that. By paying tribute to George's heroism we are also calling attention to the valuable and much-appreciated contributions of the more than 1 million students who serve as patrol members at busy intersections in cities all across the United States.●

TENNESSEE'S SMALL BUSINESS PERSON OF THE YEAR

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. SUNDQUIST. Mr. Speaker, I would like to take this opportunity to congratulate a fellow Tennessean, Mr. Jerry W. Cooper of McMinnville, Tenn., for being chosen Tennessee's Small Business Person of the Year.

Ten years ago Mr. Cooper began a small wood-products manufacturing business which has seen sales grow from under $200,000 to $1.5 million and assets grow from $80,000 to now over $1 million.

The Small Business Administration judges nominees for this award on business activities and civic involvement. More than two dozen criteria including employment practices, profitability, energy and environmental policies, and demonstrated initiative are used in the selection process.

I applaud Mr. Cooper for his achievements. His company's record of success is proof that Jerry W. Cooper is worthy of being National Small Business Person of the Year.●

NATIONAL FREEDOM SHRINE AWARD

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1983

● Mr. LONG of Maryland. Mr. Speaker, I am honored to announce that the Towson Exchange Club will present its National Freedom Shrine Award to Pine Grove Elementary School in a ceremony this afternoon. Pine Grove has earned this honor for exhibiting an outstanding sense of patriotism and history. I had planned to take part in the presentation, but unfortunately legislative business required my presence here.

The Freedom Shrine Award is just one of the many ways that Exchange Clubs all over the Nation remind Americans of our heritage and freedom. It is a collection of 28 historic American documents from the Mayflower compact to the Axis Powers surrenders of World War II. These documents remind us that the freedom we enjoy is the product of the determination and sacrifice of the courageous people that made it all possible.

It is fitting that this award is presented on this Memorial Day weekend when as a nation, we remember those who made the supreme sacrifice to insure the freedom we enjoy this very day. Ours is a very young country, even while it is the oldest continuously existing Republic on Earth. It has a great and glorious past, but to insure an even greater future, we must rededicated ourselves on occasions such as this—to achieving even greated justice and freedom for our fellow human beings. Only in this way can we truly honor the monumental sacrifices that our forefathers made for us.●

HOUSE OF REPRESENTATIVES—*Wednesday, June 1, 1983*

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore (Mr. WRIGHT).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, D.C.,
June 1, 1983.

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore on this day.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Gracious God, we are grateful for every opportunity we have to learn more about the wonders of Your world and we are thankful for the richness of Your creation. Cause us to live each day in joyful response to Your love for us. May the problems that are so much a part of our world and which cry for solution not deter us from using our abilities to heal the wounds between peoples and cause renewed hope and faith for all Your people. In Your name we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore (Mr. WRIGHT). The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
May 27, 1983.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, the Clerk received at 12:50 p.m. on Friday, May 27, 1983, the following messages from the Secretary of the Senate:

1. That the Senate passed S. 726;
2. That the Senate passed S. 973;
3. That the Senate passed S. 727;
4. That the Senate passed S. 684; and
5. That the Vice President appointed Mr. Moynihan as a member of the Senate Office Building Commission.

With kind regards, I am,
Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

POSSIBILITY OF CONSTITUTIONAL CONVENTION TO CONSIDER FEDERAL BALANCED BUDGET/TAX LIMITATION AMENDMENT DRAWS NEARER

(Mr. CONABLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONABLE. Mr. Speaker, few noticed last week when the Missouri Legislature approved a resolution petitioning Congress for a Constitutional Convention to consider a Federal balanced-budget/tax limitation amendment. This is the 32d State to pass such a resolution. There will be serious consideration of this issue in the next legislative sessions in Kentucky, Montana, Washington, West Virginia, and Vermont. More than half the members of the senate in Michigan are sponsoring such an amendment, and in California an active initiative movement is ongoing.

Mr. Speaker, what will the Members of Congress do when the necessary 34 States have called for a Constitutional Convention? Do we want this issue taken away from us and moved to a forum where the result will be not only uncertain, but possibly extremely difficult to administer?

The American people, distressed by our lack of fiscal discipline and well aware that excessive spending cannot go on indefinitely, will take this matter into their own hands through the first Constitutional Convention since 1787 if we do not give them the kinds of reasonable assurance embodied in the carefully thought out and drafted balanced budget expenditure limitation amendment which was passed by the Senate last year but fell short of the necessary two-thirds vote in the House.

The Honorable ED JENKINS of Georgia and I are gathering new cosponsors now, for those who think we should deal with the issue here rather than leaving it to the possible caprice of a Constitutional Convention.

INDIAN SELF-DETERMINATION AND EDUCATION ASSISTANCE ACT AMENDMENTS

Mr. UDALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the Senate bill (S. 973), to make technical amendments to the Indian Self-Determination and Education Assistance Act and other acts, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

Mr. LUJAN. Mr. Speaker, reserving the right to object, and I shall not object, I would like for the gentleman from Arizona (Mr. UDALL) to explain the purpose of the bill.

Mr. UDALL. Mr. Speaker, will the gentleman yield?

Mr. LUJAN. I yield to the gentleman from Arizona.

Mr. UDALL. I thank the gentleman for yielding.

Mr. Speaker, the bill makes technical amendments to four public laws relating to American Indians. Section 1 amends the Indian Self Determination Act to make sure that the provisions of the act are not subjected to the requirements of the Federal Grants and Cooperative Agreement Act.

Sections 2 and 3 make corrections in the land descriptions in two acts dealing with Indian lands in Kansas and Arizona.

Section 4 amends the Indian Claims Act of 1982 by changing the title to the Indian Claims Limitations Act of 1982.

Finally, there was an amendment added to the bill on the floor of the Senate which would allow the Secretary of Commerce to authorize the lease or sale of the Roger Stevens Center for the Performing Arts in Winston Salem, N.C., without affecting the Federal assistance provided under the Public Works and Economic Development Act of 1965.

Mr. LUJAN. Mr. Speaker, further reserving the right to object, I would ask the gentleman, my understanding is that the Department of the Interior and the Department of Health and Human Services, that they would have preferred some different language that would give more discretion to those Secretaries under which act to go, but that while they preferred it, they really had no objection to our moving in this direction; is that correct?

Mr. UDALL. The gentleman is correct.

Mr. LUJAN. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 973

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Indian Self-Determination and Education Assistance Act (Public Law 93-638; 88 Stat. 2203) is amended by inserting after section 8 the following new section:

"SEC. 9. The provisions of this Act shall not be subject to the requirements of the Federal Grant and Cooperative Agreement Act of 1977 (Public Law 95-224; 92 Stat. 3).".

SEC. 2. The Act of October 15, 1982 (Public Law 97-344; 96 Stat. 1645), relating to certain restricted land in Kansas, is amended by striking out "the southeast quarter northwest quarter" in paragraph (2) and inserting in lieu thereof "the south 20 acres of the east 60 acres of the northwest quarter".

SEC. 3. The first section of Public Law 97-386, relating to the reservation of the Pascua Yaqui Tribe of Arizona, is amended by inserting "located in township 15 south, range 12 east, Gila and Salt River Meridian," after "tracts of lands".

SEC. 4. (a) Subsections (a) and (b) of section 2415 of title 28, United States Code, are amended by striking out "Indian Claims Act of 1982" each place it appears and inserting in lieu thereof "Indian Claims Limitation Act of 1982".

(b) The last proviso in the first paragraph under the heading "Administrative Provisions", relating to the Bureau of Indian Affairs, of title I of Public Law 97-394 is amended by striking out "The following" and inserting in lieu thereof "Sections 2 through 6 of this Act".

SEC. 5. Upon request of the North Carolina School of the Arts, Winston-Salem, North Carolina, the Secretary of Commerce shall authorize such school to lease to any person the Stevens Center for the Performing Arts Building, without affecting the Federal assistance provided by a grant under the Public Works and Economic Development Act of 1965, if such transfer documents provide for the operation of such facility as a performing arts center.

● Mr. NEAL. Mr. Speaker, the Stevens Center in Winston-Salem, N.C., is an innovative project that promises to provide desperately needed economic stimulus to downtown Winston-Salem. The owner of the center, the North Carolina School of the Arts, has renovated a historic hotel and theater complex in downtown Winston-Salem to provide the focus for a major revitalization of the area. With a $3.14 million grant from the Economic Development Administration, a charter from the State of North Carolina, and $7 million in private donations, the school produced an impressive centerpiece for further development in the city.

Unfortunately, Mr. Speaker just as the project is about to make a major contribution to the Winston-Salem economy, a problem has arisen that could mean the loss of Federal and private dollars invested. A leasing arrangement proposed by the school of the arts to pay for operating and maintaining the center is considered illegal by EDA. Unless the Congress acts within the next few days, school officials will be forced to close the center to avoid repaying the EDA grant.

Mr. Speaker, although the State of North Carolina has generously agreed to contribute over $120,000 annually for partial funding of the operation and maintenance of the center, these costs have risen substantially. Regrettably, the combination of State funding and ticket revenues is no longer sufficient to cover them. The problem can be solved by allowing a private investor to take responsibility for the center through a lease, while preserving it for its intended use by the school. This resolution would simply allow the school to enter the necessary leasing arrangement without endangering the EDA portion of the project.

The Stevens Center is located in the heart of downtown Winston-Salem in a building that had been abandoned, and was scheduled for demolition. When the school took on the project, it was understood that the EDA grant would function as only a part of the much greater financing package of Federal, State, and private investment designed to create jobs and promote business development in the downtown area.

Mr. Speaker, this expectation has proven true, and in addition to the $7 million in private donations received to build the center itself, another $10 million in private investment has been attracted for renovation of the adjoining properties. By making use of provisions contained in the Economic Recovery Tax Act of 1981, the school and the investors will secure both the needed center operating funds and the expected subsequent investment in the surrounding area.

The school proposes to enter a long-term leasing agreement with private investors, who will pay all operating and maintenance costs of the center, and permanently reserve it for the purposes specified in the EDA grant. Similar leases of such facilities have already occurred in a number of States, including a sale and long-term lease back of the Pantages Theater for the Performing Arts in Tacoma, Wash., and the Shea's Buffalo Theater and Kleinhans Music Hall in Buffalo, N.Y.

Under EDA regulations, this measure is required to allow the transfer of property partially funded by a Federal grant. When the school originally sought approval of the transfer last year, EDA refused to allow the transfer without legislative action.

Mr. Speaker, I understand that EDA is satisfied that the center would continue to be used for the purposes specified in the grant, and EDA officials agree that their regulations would permit them to approve the transfer. The problem arises from general Office of Management and Budget regulations which EDA interprets as requiring repayment of the grant if the school entered into such a leasing arrangement.

It is a shame, Mr. Speaker, that we even need to be considering this legislation today. For over 4 months, the school of the arts, the State government, and the citizens of Winston-Salem have been concerned about the future of this important project, and they have watched as two identical theater projects have been approved. However, in the House, the regular EDA authorization is still in committee, and this is our first opportunity to provide this important legislation.

Mr. Speaker, this legislation requires no separate authorization, and it does no more than remove a technicality that is preventing an important public project to operate on a self-sustaining basis and contribute to the economic development which was originally intended by the grant. I urge my colleagues to support the resolution.●

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. UDALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Today is the day for the consideration of bills under the suspension of the rules, and pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken tomorrow, Thursday, June 2, 1983.

AUTHORIZING APPROPRIATIONS FOR THE NAVAJO AND HOPI INDIAN RELOCATION COMMISSION

Mr. UDALL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1746), to authorize appropriations for the Navajo and Hopi Indian Relocation Commission.

The Clerk read as follows:

H.R. 1746

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 25(a)(4) of the Act of December 22, 1974 (88 Stat. 1712), is amended by striking the figure "$5,500,000" and inserting, in lieu thereof, the figure "$7,700,000".

SEC. 2. Section 25(a) of the Act of December 22, 1974 (88 Stat. 1712), is amended by adding, at the end thereof, the following new paragraph:

"(8) For the purposes of carrying out the provisions of section 15 of this Act, there is authorized to be appropriated not to exceed $15,000,000 annually for fiscal years 1983 through 1987.".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Arizona (Mr. UDALL) will be recognized for 20 minutes, and the gentleman from New Mexico (Mr. LUJAN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Arizona (Mr. UDALL).

Mr. UDALL. Mr. Speaker, I yield myself such time as I many consume.

Mr. Speaker, H.R. 1746 simply extends the appropriation authority for certain programs and efforts of the Navajo-Hopi Relocation Commission. The request for this legislation was submitted to the Congress by the Commission in the last Congress as an executive communication.

The Relocation Commission was created by the 1974 act of Congress providing for the settlement of a 100-year-old dispute between the Hopi and Navajo tribes of Arizona. The 1974 act provided for a judicial partition of the surface of the disputed lands between the two tribes on a 50-50 basis.

Because almost all of the disputed lands were used and occupied by Navajo families, the partition has resulted in the need to relocate nearly 1,200 families, mostly Navajo. The Commission was established to carry out this relocation and to administer the funding necessary to assist in the relocation.

Part of the funding made available is a system of incentive payments to encourage families required to relocate to voluntarily sign up for such relocation. The incentive payment is $5,000 in the first year, 1983, and decreases by $1,000 for the next 4 years. The original amount authorized for this purpose, $5,500,000, has been depleted.

Section 1 of H.R. 1746 increases the authorization by $2,200,000 to $7,700,000.

The 1974 act also provided that a family required to relocate must be paid the fair market value for improvements on the vacated lands; the actual costs of relocation; and an amount which, when added to the reimbursement for improvements, would enable the family to secure a decent replacement dwelling. Funds originally authorized for these purposes, $31,500,000, have also been depleted, largely because of the inflationary rise in the cost of housing. Section 2 of the bill extends the authority for these appropriations by $15 million annually for fiscal years 1983 through 1987.

As I noted, Mr. Speaker, this legislation was submitted by the Commission as an administration proposal and I do not know of any opposition.

□ 1210

Mr. Speaker, I reserve the balance of my time.

Mr. LUJAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this legislation. It is really a very simple bill. The gentleman from Arizona (Mr. UDALL) has very well outlined the provisions of the bill. The Congress set in motion by previous legislation certain things that should happen in resolving the Hopi-Navajo dispute, and now, of course, it takes money to carry out those provisions.

I was originally opposed to the original legislation, as a matter of fact, but we have some developments now that make it a lot easier to solve the problem. The chairman of the Hopis and the chairman of the Navajos are good friends and they are working toward getting this resolved amicably, and so I would support the legislation.

One other thing that is a little unique about this piece of legislation: Normally, when you are trying to solve a problem and you hear everybody agrees on how to solve it, usually it is the parties affected that agree as long as Uncle Sam picks up the tab. Well, in this case even Uncle Sam has agreed that we ought to pass this legislation, as we have administration support for it.

So, Mr. Speaker, I would urge my colleagues to support this legislation.

Mr. UDALL. Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. NEAL). The question is on the motion offered by the gentleman from Arizona (Mr. UDALL) that the House suspend the rules and pass the bill, H.R. 1746.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. UDALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

CATALOG OF FEDERAL DOMESTIC ASSISTANCE PROGRAMS

Mr. BROOKS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2592) to transfer from the Director of the Office of Management and Budget to the Administrator of General Services the responsibility for publication of the catalog of Federal domestic assistance programs, and for other purposes.

The Clerk read as follows:

H.R. 2592

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 61 of title 31, United States Code, is amended—

(1) by adding at the end of section 6101 the following new paragraphs:

"(5) 'Director' means the Director of the Office of Management and Budget.

"(6) 'Administrator' means the Administrator of General Services."; and

(2) by striking out the phrase "Director of the Office of Management and Budget" each time that it appears and inserting in lieu thereof "Director".

SEC. 2. Section 6102 of title 31, United States Code, is amended—

(1) by striking out "prepare and maintain information on domestic assistance programs" in subsection (a) and inserting in lieu thereof "collect and review information on domestic assistance programs and shall provide such information to the Administrator of General Services"; and

(2) by striking out the second sentence of subsection (b) and inserting in lieu thereof "The Director shall be responsible for ensuring that the Administrator incorporates all relevant information received on a regular basis.";

(3) by striking out "Director" in subsection (c) and inserting in lieu thereof "Administrator";

(4) by striking out "and" at the end of subsection (c)(1), by striking out the period at the end of subsection (c)(2) and inserting in lieu thereof "; and", and by adding thereafter the following new paragraph:

"(3) shall ensure that the information in the computerized system is made current on a regular basis and that the printed catalogue and supplements thereto contain the most current data available at the time of printing.".

SEC. 3. Sections 6103 and 6104 of title 31, United States Code, are each amended by striking out "Director" each place it appears and inserting in lieu thereof "Administrator".

SEC. 4. Title 31, United States Code, is amended by striking out section 6105 and inserting in lieu thereof the following:

"§ 6105. Oversight responsibility of Director

"The Director shall have oversight responsibility for the exercise of all authorities and responsibilities in this chapter not specifically assigned to the Director.

"§ 6106. Authorization of appropriations

"After October 1, 1983, there may be appropriated to the Administrator such sums as may be necessary to carry out the responsibilities of this chapter.".

SEC. 5. The analysis of chapter 61 of title 31, United States Code, is amended by striking out the item relating to section 6105 and inserting in lieu thereof the following:

"6105. Oversight responsibility of Director.
"6106. Authorization of appropriations.".

SEC. 6. The Director of the Office of Management and Budget shall transfer to the Administrator of General Services such personnel, property, records, and unexpended balances of appropriations available in connection with any authorities and responsibilities so transferred, as the Director of the Office of Management and Budget determines are necessary to carry out the responsibilities transferred pursuant to this Act.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Texas (Mr. BROOKS) will be recognized for 20 minutes, and the gentleman from New York (Mr. HORTON) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. BROOKS).

Mr. BROOKS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2592 transfers selected responsibilities for the printed Catalog of Federal Domestic Assistance and a related data base from the Director of the Office of Management and Budget to the Administrator of General Services. OMB requested authorization to transfer these responsibilities to GSA since GSA has experience in and greater resources for assembling and disseminating information. GSA agreed to assume the responsibilities, provided the personnel and resources were also transferred.

The Catalog of Federal Domestic Assistance is an annually printed volume that provides easily accessible, up-to-date information on the availability of funds from Federal domestic assistance programs for State and local governments and private individuals and groups. Identical information is maintained in a computerized data base. OMB has had responsibility for production of the catalog and maintenance of the computer data base since 1977.

H.R. 2592 provides for the transfer to GSA of the responsibilities for maintaining and updating the computerized data base and for preparing and disseminating the printed catalog. The bill provides, however, that OMB will retain responsibility for collecting the data on domestic assistance programs from the agencies and reviewing the information collected. In addition, OMB will retain overall responsibility for the quality of both the printed catalog and the computerized data base.

I believe these changes are reasonable and should be enacted. Therefore, I urge the House to pass H.R. 2592.

Mr. HORTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2592, a bill which simply transfers from one executive branch agency to another the responsibility for publishing the Catalog of Federal Domestic Assistance Programs.

This very useful publication has been issued by the Office of Management and Budget each year since 1967. State and local governments have found the catalog especially helpful in obtaining information about Federal assistance programs. Many other individuals have also saved considerable time and money by consulting this document. I am sure all Members realize, for example, how important the catalog is to the caseworkers in their offices.

OMB has recently suggested that the actual publication of this document could be performed more efficiently by the General Services Administration, which has more experience in and resources for assembling and disseminating information. GSA has agreed to assume this responsibility.

Under the bill, OMB will still collect and review the data from the various agencies. It will also retain responsibility for the quality of the publication. Only the maintenance, compilation, and dissemination of the data are to be transferred to GSA.

Since both agencies involved have requested this legislation, and the bill makes no substantive change in the product required by Congress, I see no reason for objection. I urge an "aye" vote on this bill.

Mr. Speaker, I yield back the balance of my time.

Mr. BROOKS. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. BROOKS) that the House suspend the rules and pass the bill, H.R. 2592.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

OFFICE OF FEDERAL PROCUREMENT POLICY ACT AMENDMENTS

Mr. BROOKS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2293) to amend the Office of Federal Procurement Policy Act, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2293

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; REFERENCES

SECTION 1. (a) This Act may be cited as the "Office of Federal Procurement Policy Act Amendments of 1983".

(b) As used in this Act, the term "the Act" means the Office of Federal Procurement Policy Act.

DECLARATION OF POLICY

SEC. 2. Section 2 of the Act (41 U.S.C. 401) is amended to read as follows:

"DECLARATION OF POLICY

"SEC. 2. It is the policy of the Congress that the Federal Government shall rely on competitive procurement practices to supply needed property and services, and that the system for procurement of property and services by the Federal Government shall—

"(1) promote full and open competition;

"(2) establish policies, procedures, and practices which will provide the Government property and services fo the requisite quality, within the time needed, at the lowest reasonable cost;

"(3) promote the development of simplified uniform procurement processes;

"(4) promote the participation of small business concerns;

"(5) support the continuing development of a professionally competent work force;

"(6) eliminate fraud and waste in the procurement process;

"(7) eliminate duplication of procurement activities and redundant requirements placed on contractor and Federal procurement officials;

"(8) promote fair dealings and equitable relationships with the private sector;

"(9) ensure payment is made in a timely manner and only for value received;

"(10) require the description of needs, whenever feasible, in terms of functions to be performed or performance required;

"(11) require, to the extent practicable, the use of commercial products to meet the Government's needs;

"(12) ensure the development of procurement policies that will accommodate emergencies and wartime as well as peacetime requirements;

"(13) require that personal services are obtained in accordance with applicable personnel procedures and not by contract; and

"(14) otherwise promote procurement efficiency, effectiveness, and economy within the Government and for those who do business with the government.".

AUTHORITY AND FUNCTIONS

SEC. 3. (a) Section 6(a) of the Act (41 U.S.C. 405(a)) is amended by striking out the matter preceding paragraph (1) and inserting in lieu thereof the following:

"SEC. 6. (a) The Administrator shall provide overall direction of procurement policy. To the extent the Administrator considers appropriate and, with due regard to the program activities of the executive agencies, the Administrator shall prescribe policies,

regulations, procedures, and forms which shall be in accordance with applicable laws and shall be followed by executive agencies—".

(b) Section 6(d) of the Act is amended—

(1) by striking out "developing" in paragraph (2) and inserting in lieu thereof "establishing"; and

(2) by striking out "for inclusion in the uniform procurement system to be submitted under section 8(a)," in paragraph (7).

(c) Section 6(e) of the Act is amended by striking out "the uniform procurement system" in the first sentence and inserting in lieu thereof "policies, regulations, procedures, and forms,".

(d) Section 6 of the Act is further amended—

(1) by striking out subsections (h) and (i) and inserting in lieu thereof the following:

"(h) The Administrator may, with the concurrence of the Director of the Office of Management and Budget, deny or rescind the promulgation of any final rule or regulation of any executive agency relating to procurement if the Administrator determines that such rule or regulation is inconsistent with policies set forth in paragraphs (1) through (14) of section 2 of this Act or is inconsistent with any policies, regulations, or procedures issued pursuant to subsection (a) of this section.";

(2) by redesignating subsection (j) as subsection (i).

RESPONSIVENESS TO CONGRESS

SEC. 4. (a) Section 8 of the Act (41 U.S.C. 407) is amended—

(1) by striking out "(1)" in paragraph (1) of subsection (a) and by striking out paragraphs (2), (3), and (4) of such subsection;

(2) by striking out "any policy prescribed under section 6(h)" in subsection (b) and inserting in lieu thereof "any policy or regulation prescribed under section 6(a)";

(3) by inserting "or regulation" after "proposed policy" in the matter preceding paragraph (1) of subsection (b);

(4) by inserting "or regulation" after "policy" each place it appears in paragraphs (1), (2), and (3) of such subsection; and

(5) by striking out "any policy" in subsection (c) and inserting in lieu thereof "any policy or regulation".

FEDERAL AGENCY RESPONSIBILITIES

SEC. 5. The Act is further amended by inserting after section 8 the following new section:

"FEDERAL AGENCY RESPONSIBILITIES

"SEC. 8A. (a) To further achieve effective, efficient, and economic administration of the Federal procurement system, the head of each executive agency shall—

"(1) increase the use of full and open competition in agency procurements in accordance with subsection (b);

"(2) ensure that agency procurements are carried out in accordance with all laws, Government-wide policies and regulations, and good business practices;

"(3) establish clear lines of authority, accountability, and responsibility for procurement decisionmaking, including placing the procurement function at a sufficiently high level in the agency to provide—

"(A) direct access to the head of the major organizational element served; and

"(B) comparative equality with organizational counterparts;

"(4) designate a senior procurement executive who shall be responsible for management direction of the procurement system, including unique agency policies and regulations and agency system standards, and who shall serve as the advocate for competition in accordance with subsection (c);

"(5) develop and maintain a procurement management career program to ensure an adequate professional work force;

"(6) establish and maintain procurement records in accordance with subsection (d); and

"(7) prepare and submit annual reports in accordance with subsection (e).

"(b) Efforts to increase the use of full and open competition pursuant to subsection (a)(1) shall include—

"(1) assigning to the senior procurement executive designated pursuant to subsection (a)(4) responsibility for removing barriers to full and open competition and for reporting to the agency head annually on new initiatives required to increase competition and on barriers to full and open competition which such executive was unable to remove;

"(2) setting goals and developing plans for increasing competition on a fiscal year basis;

"(3) using advance procurement planning, market research, business strategies, and testing of the marketplace for alternative products and services;

"(4) describing needs whenever possible in terms of functions to be performed or performance required;

"(5) precluding from Government solicitations qualification requirements, designs, processes, or other conditions which restrict competition and which do not serve legitimate purposes;

"(6) establishing more than one production source for new products, whenever feasible;

"(7) excluding the use of patents or proprietary rights as the grounds for using noncompetitive procedures when competitive alternatives exist;

"(8) limiting those circumstances for which noncompetitive procurement is permitted and requiring written approval at a level above the contracting officer for such procurements;

"(9) publicizing notices of proposed procurement actions well in advance of the time for receipt of bids or proposals and specifically inviting competition unless noncompetitive procurement has been justified and approved;

"(10) designing a system of personal and organizational accountability for competition, which may include the use of recognition and awards to motivate program managers, contracting officers, and others in authority to promote competition in procurement programs; and

"(11) emphasizing competition in programs for procurement training and research.

"(c) The senior procurement executive designated as the advocate for competition under subsection (a)(4) shall be responsible for promoting full and open competition in the procurement of property and services and shall—

"(1) review the purchasing and contracting activities of the executive agency;

"(2) identify and report to the head of the executive agency—

"(A) opportunities to achieve full and open competition on the basis of price and other significant factors in the purchases and contracts of the executive agency;

"(B) solicitations and proposed solicitations which include unnecessarily detailed specifications or unnecessarily restrictive statements of need which may reduce competition in the procurement activities of the executive agency; and

"(C) any other condition or action which has the effect of unnecessarily restricting competition in the procurement actions of the executive agency; and

"(3) prepare and transmit to the head of the executive agency an annual report describing such executive's activities under this section.

"(d)(1) Each head of an executive agency shall establish and maintain for a period of five years a record, by fiscal year, of all procurements other than small purchases (of less than an aggregate of $25,000) in such fiscal year. Such record shall include—

"(A) information identifying the source to whom the contract was awarded;

"(B) the property or services obtained by the Government under the procurement; and

"(C) the total cost of the procurement.

"(2) With respect to any procurement in which noncompetitive procedures were used or in which only one bid or proposal was received after competitive procedures were used, the procurement record shall include, in addition to the information required by paragraph (1)—

"(A) the reason for the use of noncompetitive procedures; and

"(B) the position of the officers or employees of the agency who required and approved the use of noncompetitive procedures in such procurement.

"(3) The information included in the record established and maintained under this subsection shall be transmitted to the Federal Procurement Data Center referred to in section 6(d)(5) of the Office of Federal Procurement Policy Act (41 U.S.C. 405(d)(5)).

"(e)(1) Not later than October 31 of each of 1984, 1985, and 1986, each head of an executive agency shall transmit to the Committee on Governmental Affairs of the Senate and the Committee on Government Operations of the House of Representatives an annual report including the information specified in paragraph (2).

"(2) Each annual report transmitted under paragraph (1) shall include—

"(A) a summary of the activities and accomplishments of the senior procurement executive of the executive agency during the preceding fiscal year; and

"(B) a specific description of all actions that the head of the executive agency intends to take during the current fiscal year to—

"(i) increase competition for contracts with the executive agency on the basis of price and other significant factors; and

"(ii) reduce the number and dollar value of contracts entered into by the executive agency after soliciting bids or proposals from, or evaluating bids or proposals with discussions with, only one source.".

EFFECT ON EXISTING REGULATIONS

SEC. 6. Section 10 of the Act (41 U.S.C. 409) is amended to read as follows:

"EFFECT ON EXISTING REGULATIONS

"SEC. 10. Procurement policies, regulations, procedures, or forms in effect as of the date of enactment of this Act shall continue in effect, as modified from time to time, until repealed, amended, or superseded by policies, regulations, procedures, or forms promulgated by the Administrator.".

AUTHORIZATION OF APPROPRIATIONS

SEC. 7. Section 11 of the Act (41 U.S.C. 410) is amended—

(1) by striking out "September 30, 1980" in the first sentence and inserting in lieu thereof "September 30, 1984"; and

(2) by striking out "three succeeding fiscal years" and inserting in lieu thereof "two succeeding fiscal years".

DELEGATION

SEC. 8. Section 12 of the Act (41 U.S.C. 411) is amended to read as follows:

"DELEGATION

"SEC. 12. (a) The Administrator may delegate, and authorize successive redelegations of, any authority, function, or power under this Act (other than his basic authority to provide overall direction of Federal procurement policy and to prescribe policies and regulations to carry out that policy), to any other executive agency with the consent of such agency or at the direction of the President.

"(b) The Administrator may make and authorize such delegations within the Office as he determines to be necessary to carry out the provisions of this Act.".

PLAN TO TEST NEW PROCUREMENT METHODS AND PROCEDURES

SEC. 9. The Administrator of the Office of Federal Procurement Policy shall develop and submit to the Congress, within one year after the date of enactment of this Act, a plan for testing innovative procurement methods and procedures in selected executive agencies. Such plan must be consistent with the policies set forth in section 2 of the Act. The Administrator shall include in the plan—

(1) a description of the need for and objectives to be achieved in the testing;

(2) a statement of the guidelines and procedures for the testing and the criteria to be used in measuring the success of such testing;

(3) an analysis of the potential costs and benefits which may be derived from such innovative procurement methods and procedures;

(4) a list of the appropriate executive agencies or agency components which will conduct such testing, which shall be limited in number;

(5) an identification of the categories and types of products or services to be included in such testing;

(6) a statement of the methods to be used to evaluate the results of the testing, including provisions to require the audit of such results by the Inspector General of each agency in which testing occurs, or in the case of those agencies not having an Inspector General, by the General Accounting Office; and

(7) an identification of any provisions contained in statutes or regulations that would prevent the conduct of such testing, unless amended or revised.

PROCUREMENT PROCEDURES SIMPLIFICATION; CONFORMING AMENDMENTS

SEC. 10. (a)(1) Section 302(c)(3) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 252(c)(3)) is amended by striking out "$10,000" and inserting in lieu thereof "$25,000".

(2) Sections 201(a)(1), 201(c), and 206(a)(4) of such Act (40 U.S.C. 481(a)(1), 481(c), 487(a)(4)) are each amended by striking out "subject to policy directives" and inserting in lieu thereof "subject to regulations".

(3) Section 602(c) of such Act (40 U.S.C. 474) is amended by inserting "except as otherwise provided by the Office of Federal Procurement Policy Act, and" after "any law inconsistent herewith,".

(b) Section 3709 of the Revised Statutes (41 U.S.C. 5) is amended by striking out "$10,000" and inserting in lieu thereof "$25,000".

(c) The Act of July 27, 1965 (41 U.S.C. 6a-1), is amended by striking out "$10,000" in the third full unnumbered paragraph under the heading "Office of Architect of the Capitol" and inserting in lieu thereof "$25,000".

(d) Section 9(b) of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831h(b)(3)) is amended by striking out "$10,000" and inserting in lieu thereof "$25,000".

(e)(1) Section 303(b) of the Act of July 2, 1980 (15 U.S.C. 631b(b)), is amended by striking out "$10,000" each place it appears and inserting in lieu thereof "$25,000".

(2) Section 8(d)(2)(A) of the Small Business Act (15 U.S.C. 637(d)(2)(A)) is amended by striking out "$10,000" and inserting in lieu thereof "$25,000".

(3) Section 8(e) of such Act (15 U.S.C. 637(e)) is amended—

(A) by striking out "defense" in the first sentence thereof; and

(B) by striking out ", and all civilian procurement actions of $5,000 and above,".

(4) Section 15(j) of such Act (15 U.S.C. 644(j)) is amended by striking out "$10,000" and inserting in lieu thereof "$25,000".

EFFECTIVE DATE

SEC. 11. The amendments made by this Act shall take effect on October 1, 1983.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Texas (Mr. BROOKS) will be recognized for 20 minutes, and the gentleman from New York (Mr. HORTON) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. BROOKS).

Mr. BROOKS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I present for your consideration from the Committee on Government Operations, H.R. 2293, the Office of Federal Procurement Policy Act Amendments of 1983. This legislation reauthorizes the Office of Federal Procurement Policy (OFPP) for another 3 years to continue its efforts in promoting Government-wide procurement reform.

The Committee on Government Operations believes that OFPP has served a worthwhile purpose in promoting efficiency and economy in the Federal procurement process. Over the years, it has aggressively pursued its mandate of: First, promoting full and open competition; second, reducing the extensive volume of agency regulations; and third, simplifying the Government's procurement process. However, considerably more work needs to be done to achieve the goals envisioned by the Commission on Government Procurement and the Congress. Given the increasing resistance by Federal agencies to OFPP's Government-wide reform efforts, it is clear that OFPP must be given additional time and authorities if the Office is to fulfill its important mandate.

H.R. 2293 provides continued funding for OFPP for a 3-year period at its current authorization level of $4 million per year. It also restores OFPP's authority to issue procurement policies and regulations.

The bill also gives OFPP, with the concurrence of OMB, the right to rescind inconsistent regulations of the agencies. This authority relates only to procurement activities of other agencies and does not affect the statutory authority of other agencies over social-economic laws implemented through the procurement process, such as the Secretary of Labor's authority with regard to remedial labor standards, including the Davis-Bacon Act, the Service Contract Act, the Fair Labor Standards Act, and others.

Nothing in this bill should be construed as contradicting the opinion issued by the Attorney General on March 9, 1978, which reaffirmed the Secretary of Labor's authority in this area.

H.R. 2293 also incorporates new sections on Government-wide policy and Federal agency procurement responsibilities. For example, the bill declares that it shall be the policy to use commercial products and functional specifications whenever feasible. Of course, there are some procurement activities, such as construction work, when functional specifications are not practical.

The bill also raises the ceiling for the use of small purchase procedures for civil agency contracts from $10,000 to $25,000. This provision would establish a common small purchase ceiling across the Government and result in savings because of shortened procurement cycles and reduced paperwork.

Additionally, the bill requires the head of each Federal agency to designate a senior procurement executive responsible for overseeing the agency's procurement system. It also establishes new criteria for agencies to follow in promoting full and open competition in their procurements. Finally, the bill requires OFPP to develop a plan to test new and innovative procurement methods and to report its plan to Congress within 1 year.

In summary, the bill provides OFPP with the necessary funding and authority to insure the continuation of essential Governmentwide procurement reforms. I urge the House to support this bill.

Mr. HORTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2293, a bill to continue the Office of Federal Procurement Policy in the Office of Management and Budget for 3 more years.

As a member of the Commission on Government Procurement, which recommended establishment of this Office, and as a cosponsor of this bill and its two predecessors, which created and continued it, I have had a longstanding interest in the work of OFPP.

This Office is not very big, in either budget or personnel, but it performs an extremely important function in

the central management of the Federal Government.

The Constitution vests the President with the "executive power" and directs him to "take care that the laws be faithfully executed." (Article II, sections 1, 3). The Supreme Court has ruled that—

The President may properly supervise and guide (executive officers') construction of the statutes under which they act in order to secure that unitary and uniform execution of the laws which * * * The Constitution evidently contemplated in vesting general executive power in the President alone. (*Myers* v. *U.S.*, 272 U.S. 52, 135 (1926)) H.R. 2293.

OFPP, as part of the "M," or management side, of OMB, is an important tool for assisting the President in securing unitary and uniform execution of laws in the area of procurement. This office—currently under the excellent direction of Don Sowle—has forced procurement officials in the various agencies to address problems of complexity, timeliness, cost effectiveness, and accountability. It has kept alive the possibility of real reform in the Federal procurement system.

My interest, and OFPP's, in this area is not just academic. If the procurement system can be simplified and made more uniform, Government agencies will have to spend less to administer it, and contractors will have to spend less to cope with it. That means savings to the taxpayers in two ways: Cheaper and better administration of the laws, and lower prices for items their Government buys. It also means that in the long run, products and services offered the Government may be still more numerous and cheaper, because more firms may well be willing to compete for Government business.

Mr. Speaker, H.R. 2293 represents a small investment for potentially great returns. I urge all Members to support this bill.

● Mr. McDADE. Mr. Speaker, I rise in support of H.R. 2293 to reauthorize the Office of Federal Procurement Policy. Since its creation in 1974, OFPP has played a vital role in improving the procurement process. It has served as a single contact point for the business community on procurement issues within the executive branch.

OFPP has served as a focal point for the development of procurement policy, and as the motivating force for development of the uniform Federal acquisition regulations (FAR), which should be issued this year. FAR will provide, for the first time, a uniform system of procurement regulations for all agencies, which will be supplemented only with essential additional agency provisions.

Reauthorization of OFPP and reinstatement of its regulatory authority is supported by the procurement community and the major business groups, including the U.S. Chamber of Commerce, Professional Services Council, Computer and Communications Industry Association, and the National Council of Technical Service Industries. Small businesses especially need a focal point for procurement policy. I am pleased to see that this legislation includes language requiring small business participation in the procurement process. I commend my colleagues Messrs. BROOKS and HORTON for this notable change from previous OFPP legislation.

Government procurement has a major effect on the Nation's businesses, their employees, Government employees, and on a broader level, all American taxpayers. The policies ultimately adopted not only affect the expenditure of billions of dollars of taxpayers' money each year, but also will influence the Government's procurement practices for years to come. OFPP's reauthorization is necessary to provide an efficient and effective procurement system.●

● Mr. PORTER. Mr. Speaker, in 1979, the Congress mandated that the Office of Federal Procurement Policy (OFPP) devise a uniform procurement policy so that businesses attempting to sell their goods and services to the Federal Government could do so under one system rather than having to deal with several different Government procurement procedures. OFPP's legislative proposal was presented to the Congress in February 1982 and called for "dual conforming statutes"—one procurement system for the Department of Defense (DOD) and one for the rest of the Government. As the committee notes in its report on the legislation, this provision clearly violates the congressional intent that OFPP develop a single Government-wide statute.

In recent months, I have become more aware of the difficulties facing businessmen attempting to expand their markets by selling their goods and services to the Government. In March, I sponsored a DOD procurement conference in my district. The Department of the Navy presented the program and as a result of their expertise and professionalism, local businessmen were afforded an opportunity to learn DOD procurement policy firsthand. Because the conference was so useful to the businesses in my district, I am working with the Commerce Department on a similar conference in October to explain the General Services Administration's (GSA) procurement procedures. Although I commend the Navy and the Commerce Department for their helpfulness and accessibility, I believe that a uniform system of procurement by all agencies is in the best interest of the Government and the business community.

A single system would remove the complexities inherent in separate procurement systems and would permit businessmen to come to a more complete understanding of Government procurement policy without having to first learn the intricacies of three separate systems. I strongly support provisions of the pending legislation requiring the Administrator of OFPP to submit to the Congress a plan for testing innovative procurement methods and procedures, and to raise the ceiling for the use of small purchase procedures for civil agency contracts from $10,000 to $25,000. I congratulate the OFPP's effort to date to promote full and open competition for Government contracts and to reduce the volume of agency regulation while simplifying the Government's procurement process, and I encourage it to work toward a uniform procurement system as previously mandated by the Congress.●

Mr. HORTON. Mr. Speaker, I yield back the balance of my time.

Mr. BROOKS. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. BROOKS) that the House suspend the rules and pass the bill, H.R. 2293, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

□ 1220

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION AUTHORIZATION

Mr. ENGLISH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2196) to extend the authorization of appropriations of the National Historical Publications and Records Commission for 5 years.

The Clerk read as follows:

H.R. 2196

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2540(b) of title 44, United States Code is amended to read as follows:

"(b) There is hereby authorized to be appropriated to the General Services Administration for each of the fiscal years ending on September 30 of 1984, 1985, 1986, 1987,

and 1988, an amount not to exceed $3,000,000 for the purposes specified in subsection (a). Each such appropriation shall be available until expended when so provided in appropriation Acts.".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Oklahoma (Mr. ENGLISH) will be recognized for 20 minutes, and the gentleman from Ohio (Mr. KINDNESS) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Oklahoma (Mr. ENGLISH).

Mr. ENGLISH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it was in 1934, the year our National Archives opened, that the Congress established a small advisory commission to promote the collection and publication of documents important to the understanding and appreciation of the history of the United States.

Although the National Historical Publications and Records Commission was created in 1934, it had no staff until 1950. And, it was not until 1964 that Federal grant funds were first authorized. The authorized level of funding reached its high point in 1974—$4 million.

So, what we are seeking here today, is continuation of the grant program at a very reasonable level—25 percent below what was authorized almost 10 years ago. And, what we are seeking to reauthorize, is a program that has proven to be strikingly effective over the 19 years that Federal funds have been made available.

Thus far, the grants program of the National Historical Publication and Records Commission has funded projects totaling some $65.5 million. Only $31 million was appropriated; the remaining $34.5 million was from private sources—attracted by the Federal funds.

The projects and products supported by the NHPRC comprise too lengthy of a list for me to read here today. I can assure you, however, that funds have gone to virtually every State, and to projects pertaining to the records of one or another of almost everyone's favorite historical figures or topics.

One thing became very clear at my subcommittee's hearings on the NHPRC: termination of the Federal contribution, will also mean the end of nearly all private support; as a consequence, projects will go unfinished, and others, for lack of funds, will never be started.

Reauthorization will enable the NHPRC to continue its support of historical publications and records preservation across our Nation, and will insure the continued private support of the wide range of Commission-sponsored projects.

Mr. Speaker, recently we debated the fate of the west front of the Capitol. We heard talk of cost and space; but, the decision we made was to preserve for future generations, the nobility and grandeur of this building. It would be unfortunate, to say the least, if this, and other buildings deemed worthy of preservation were condemned to be hollow monuments, devoid of the very essence of our existence—the recorded history of what transpired in them.

Reauthorization of the National Historical Publications and Records Commission will insure through the preservation and publication of our rich documentary history, an enduring mark for future generations of just what kind of people we were and are.

I urge my colleagues to join me in supporting reauthorization of the National Historical Publications and Records Commission. To do otherwise would be tantamount to eating the seed corn.

Mr. Speaker, I reserve the balance of my time.

Mr. ENGLISH. Mr. Speaker, I yield myself such time as I may consume.

Mr. KINDNESS. Mr. Speaker, I rise to urge my colleagues to vote favorably on H.R. 2196, which would reauthorize the grant program of the National Historical Publications and Records Commission, joining our colleague, the gentleman from Oklahoma (Mr. ENGLISH) in this request to the House.

The NHPRC is a part of the National Archives and Records Service which is responsible for the preservation, repair and rehabilitation, duplication and reproduction, description, and exhibition of records or other documentary material deposited into the National Archives. I am now in my third Congress as ranking minority member of the Government Information Subcommittee which has jurisdiction over the Archives. The subcommittee, under the leadership of its present chairman, the gentleman from Oklahoma and his predecessor, our former colleague from North Carolina, Richardson Preyer, has conducted regular oversight of the National Archives and we have been consistently concerned that the truly important historical records of our Nation may not survive in the environment in which they are kept and with the resources granted by the Congress for their preservation.

We have seen, however, that by facilitating the publishing of the papers of important Americans and American institutions (including the Congress), the NHPRC is fostering the preservation of these records. But, to say that is to get ahead of myself.

The scholars who have put together these editions that are on the table here today, we have one here, for example, the papers of George Catlett Marshall. General Marshall's papers, for example, even include photographs and pictures in that book, and it is easy for anyone to read. Others include the papers of George Washington and Thomas Jefferson and Ulysses Grant and other great figures of our Nation's history. But those who have put together these editions have searched for documents around the world to make sure that these collections are as complete as humanly possible, For example, in testimony received by the subcommittee in 1981, we learned that two letters written by Benjamin Franklin were located in the Karl Marx University in Dresden and that the Otoe Indians of Oklahoma possess a letter written to the tribe by Thomas Jefferson.

So, there is more to the job of preserving our Nation's history than building a warehouse in which to store just that which is in the custody of the U.S. Government.

In our oversight hearings, we have seen how the limited grant funds have been used over the years to preserve our history and have concluded that the funds have been used wisely by the Commission. Accordingly, we have again recommended to the Congress that the Commission be authorized to make such grants to continue the partnership of the Federal Government and private sources of funding which has been carrying on the work of preserving our Nation's history.

And, to those who have suggested that the private sector, foundations, universities, and the like, fund these projects in their entirety, I would say that that is as unrealistic as it is inapproriate. Certainly, it is with a bit of self-interest in mind that private foundations have told historians that it is the responsibility of the Government to assist in the preservation of its history. Nevertheless, I concur in that judgment. It is for the benefit of all our citizens that we preserve our history; it is one of the things that makes us different from some other societies who attempt to erase the memory of previous leaders from the history taught to their children.

Mr. Speaker, I would ask whether the gentleman from Oklahoma has any requests for time on that side, and I reserve the balance of my time for the moment.

Mr. ENGLISH. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. BROOKS), the chairman of the Committee on Government Operations.

Mr. BROOKS. Mr. Speaker, I rise in support of H.R. 2196, which would reauthorize the National Historical Publications and Records Commission for the new 5 years at an authorization level of $3 million annually. Congress established the NHPRC in 1934 to promote the collection and publication of the papers of important figures in American history. Until 1964, the Commission's principal role was one of

encouraging governmental and private organizations in the collection and preservation of historical source materials. In that year, with the enactment of Public Law 88-383, which I sponsored, the Commission added the responsibility for compiling and preserving documentary source materials. That law authorized the first appropriations for grants to public and private groups for the preservation of historical documentary source material.

The NHPRC in its present form dates back to 1974 when Congress enacted Public Law 93-536, which I also sponsored. This law redesignated the Commission under its present title and amended the Commission's charter to bring it into preservation, as well as publication, of historical papers.

Mr. Speaker, the Commission has been involved in a large number of valuable publication projects and has assisted in the vital work of conserving and preserving historical documents ranging from municipal records to newspaper photo collections. The $3 million authorization level set by H.R. 2196 should allow the NHPRC to fund the projects which it determines to be of highest national significance. I urge adoption of H.R. 2196.

□ 1230

Mr. KINDNESS. Mr. Speaker, I yield such time as he may consume to the ranking member of the Committee on Government Operations, the gentleman from New York (Mr. HORTON).

Mr. HORTON. Mr. Speaker, I rise in strong support of H.R. 2196, to reauthorize the grants program of the National Historical Publications and Records Commission.

As elected Representatives, we are well aware of the importance of maintaining accurate and complete historical documents. It is from recorded history that we learn from the experiences of our predecessors and strive to avoid the mistakes of the past. The National Historical Publications and Records Commission is providing all Americans with access to previously unavailable historical materials. Some examples of the editions published with the assistance of NHPRC grants are available here on the floor, and I would urge my colleagues who have not had an opportunity to review some of these works to do so. I believe that you will find that we need to preserve these materials for ourselves and future generations.

I would also like to commend the Government Information Subcommittee for its thorough and regular oversight of the National Archives and Records Service. I would urge those who have reservations about this bill because of previous opposition to it by the administration to read the Oversight Findings contained in the committee report on this bill. The subcommittee has very carefully examined the question of whether and to what extent Federal funds should be committed to the effort of preserving our Nation's history and have come to an appropriate conclusion.

We must remember, too, that we are today dealing with an authorization. I am sure, based upon past experience, that the Government Information Subcommittee will continue its close scrutiny of the National Archives and the NHPRC. At the same time, the Commission will have to justify its funding requests before the Appropriations Committees.

This program has been funded continuously by the Congress but has been without an authorization for the last 2 years. We can correct that deficiency by acting today to pass H.R. 2196, and I urge my colleagues to do so.

Mr. ENGLISH. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. KINDNESS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oklahoma (Mr. ENGLISH) that the House suspend the rules and pass the bill, H.R. 2196.

The question was taken; and (two-thirds having voted thereon) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ENGLISH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just under consideration and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

LEBANON EMERGENCY ASSISTANCE ACT OF 1983

Mr. HAMILTON. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 639) to authorize supplemental assistance to aid Lebanon in rebuilding its economy and armed forces, and for other purposes, as amended.

The Clerk read as follows:

S. 639

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Lebanon Emergency Assistance Act of 1983".

ECONOMIC SUPPORT FUND

SEC. 2. (a) It is hereby determined that the national interests of the United States would be served by the authorization and appropriation of additional funds for economic assistance for Lebanon in order to promote the economic and political stability of that country and to support the international effort to strengthen a sovereign and independent Lebanon.

(b) Accordingly, in addition to amounts otherwise authorized to be appropriated for the fiscal year 1983 to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, there are authorized to be appropriated $150,000,000 to carry out such provisions with respect to Lebanon.

(c) Amounts authorized by this section may be appropriated in an appropriation Act for any fiscal year (including a continuing resolution) and shall continue to be available beyond that fiscal year notwithstanding any provision of that appropriation Act to the contrary.

MILITARY SALES AND RELATED PROGRAMS

SEC. 3. (a) In order to support the rebuilding of the armed forces of Lebanon, the Congress finds that the national security interests of the United States would be served by the authorization and appropriation of additional funds to provide training for the Lebanese armed forces and by the authorization of additional foreign military sales guaranties to finance procurements by Lebanon of defense articles and defense services for its security requirements.

(b) In addition to amounts otherwise made available for the fiscal year 1983 to carry out the provisions of chapter 5 of part II of the Foreign Assistance Act of 1961, there are authorized to be appropriated for the fiscal year 1983 $1,000,000 to carry out such provisions with respect to Lebanon.

(c) In addition to amounts otherwise made available for the fiscal year 1983 for loan guaranties under section 24(a) of the Arms Export Control Act, $100,000,000 of loan principal are authorized to be so guaranteed during such fiscal year for Lebanon.

UNITED STATES ARMED FORCES IN LEBANON

SEC. 4. (a) The President shall obtain statutory authorization from the Congress with respect to any substantial expansion in the number or role in Lebanon of United States Armed Forces, including any introduction of United States Armed forces into Lebanon in conjunction with agreements providing for the withdrawal of all foreign troops from Lebanon and for the creation of a new multinational peace-keeping force in Lebanon.

(b) Nothing in this section is intended to modify, limit, or suspend any of the standards and procedures prescribed by the War Powers Resolution of 1973.

The SPEAKER pro tempore. Is a second demanded?

Mr. WINN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection

The SPEAKER pro tempore. The gentleman from Indiana (Mr. HAMILTON) will be recognized for 20 minutes, and the gentleman from Kansas (Mr. WINN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Indiana (Mr. HAMILTON).

Mr. HAMILTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the House amendment to the Senate bill S. 639, a bill to authorize a fiscal year 1983 supplemental appropriations of economic and military assistance for Lebanon to aid in that country's recovery and reconstruction.

This bill would provide $150 million in grant economic support fund money, $100 million in foreign military sales loan guarantees for which an appropriations will not be needed and $1 million in international military education and training (IMET) money.

The funds are needed to begin urgent projects which cannot await the normal fiscal year 1984 appropriations cycle. As of today, there are no funds in this program which are available for obligation. In fact, the State Department advised Congress only last week of its intention to reprogram $20.75 million from both Israel and Egypt in order to start some badly needed programs in Lebanon which are to be funded with this supplemental legislation. When the funds for Lebanon are available, those borrowed from Israel and Egypt will be restored.

U.S. policy in Lebanon is to support the territorial integrity unity and sovereignty of Lebanon. U.S. assistance is designed to help rebuild the economic and security infrastructure of the country by providing the government with the resources necessary to reestablish its sovereign authority throughout the country.

The $150 million in grant economic support fund money will be used to rehabilitate and reconstruct Lebanon's public sector, with most of the funds being spent in the Beirut area focused on the priority sectors of water and sanitation, health, telecommunications and a capital equipment fund for meeting equipment and supply needs in other sectors. Approximately $126 million of the total will finance construction and other capital equipment and related technical services from the United States.

The $100 million of foreign military sales financing will support a second phase of the Lebanese Army modernization program intended to retrain and reequip a military structure seriously depleted by extended civil war. The first phase of the program which involved the training and reequipping of four brigades has been largely completed.

And the $1 million in military training money will support further logistics, maintenance and operations planning training for the army. Training is one of the Lebanese Army's highest priorities.

In the recent past, Lebanon was the victim of the PLO, both directly, when the PLO operated as a state within a state and ignored the sovereign rights of the Government of Lebanon, and indirectly, when innocent Lebanese suffered Israeli retaliation meant for the armed PLO. The vast majority of the Lebanese are determined that there will be no repeat of this unhappy history.

My colleagues are aware that Lebanon has endured nearly 8 years of brutal civil war followed by the Israeli invasion last summer. During that period, the agony of Lebanon and its citizens—as measured in human as well as physical terms—has been enormous. Although the major hostilities are over, the scars of the constant bloodletting and physical destruction are very vivid. Today the agony goes on in the form of continued military occupation of most of the country by foreign troops and the continued efforts by some to try to destabilize the country, as evidenced by the tragic attack on the U.S. Embassy in Beirut.

Mr. Speaker, the Committee on Foreign Affairs feels strongly that the terrorist attack against the American Embassy in Beirut, Lebanon, on April 18, 1983, should not deter the United States from carrying forward its important programs in Lebanon. Rather, it should make us even more resolved. The United States had made a major commitment to assist Lebanon to rebuild its shattered economy and its armed forces. Precisely because there are people trying to destabilize Lebanon and damage U.S. interests, the United States should be redoubling its efforts to achieve its objectives in Lebanon. The economic and military assistance provided in this bill for Lebanon is vital both for that country and also for U.S. efforts to bring security and peace to all nations of the Middle East.

Mr. Speaker, S. 639 is almost identical to the House bill, H.R. 2532, as reported by the Committee on Foreign Affairs. The only significant difference between the Senate passed version of this legislation and the version reported by the Foreign Affairs Committee involved the issue of congressional authorization for the use of U.S. Armed Forces in new or expanded peacekeeping operations. The compromise language being proposed today combines the substance of both versions. Section 4 now reads as follows:

SEC. 4(a) The President shall obtain statutory authorization from the Congress with respect to any substantial expansion in the number or role in Lebanon of United States Armed Forces, including any introduction of United States Armed Forces into Lebanon in conjunction with agreements providing for the withdrawal of all foreign troops from Lebanon and for the creation of a new multinational peacekeeping force in Lebanon.

(b) Nothing in this section is intended to modify, limit, or suspend any of the standards and procedures prescribed by the War Powers Resolution of 1973.

The phrase "substantial expansion in the number or role" of U.S. Armed Forces refers to any significant enlargement of the functions performed in Lebanon by U.S. Armed Forces as well as to any substantial enlargement in the size of the U.S. contingent. The number and role of U.S. forces in Lebanon to date have been quite limited. U.S. Marines are currently in Lebanon as part of a more than 4,000-man peacekeeping force composed of units from the United States, France, Italy, and Great Britain. There are presently about 1,200 marines on the ground, with about 600 more offshore, along with significant numbers of naval support personnel.

An addition of several hundred troops beyond the 1,200 now stationed on the ground in Lebanon would constitute a "substantial expansion in the number" of U.S. Armed Forces for purposes of this provision.

The U.S. Marines currently in Lebanon have been deployed only in certain areas in and around Beirut and have undertaken only a limited number of patrols beyond the perimeters of their current deployment around the international airport. Performance of functions in other areas of Lebanon would constitute a "substantial expansion in the number or role."

To date, U.S. forces have not been deployed to patrol, or take control of, areas where they would expect to meet significant organized resistance. If U.S. forces were to assume functions in which they would encounter such resistance, it would constitute a "substantial expansion" in their role.

U.S. forces might possibly participate in the formation of a new, more permanent peacekeeping force to be stationed in Lebanon following a completed agreement for the withdrawal of all foreign troops. The use of U.S. Armed Forces in conjunction with such arrangements would trigger the statutory authorization provision of this legislation. The establishment of a new peacekeeping force with any form of U.S. participation would of necessity involve a change in the role of United States forces in Lebanon of such significance as would call for congressional authorization.

The requirement for congressional authorization is not meant to impede the performance of the limited functions currently being performed by the U.S. Marines in Beirut or to interfere with their ability to defend themselves if attacked. However, any decision to expand significantly the number or role in Lebanon of United States Armed Forces would require statutory authorization.

If possible, the President should obtain authorization from the Congress before any significant change is made in the size or role of the U.S. forces in Lebanon. The Congress is aware, however, that in order to promote peace within Lebanon and fulfill

international commitments, the deployment of a new or expanded peacekeeping force involving U.S. forces might be necessary prior to final passage of congressional authorization. However, congressional action should be obtained at the earliest possible time. In any case, the Congress expects full consultations by the executive branch with the Congress in a timely fashion should any change be contemplated in the size or role of U.S. forces in Lebanon, including any change in conjunction with the creation of a new peacekeeping force.

It should be noted that authorization similar to that required by this legislation was obtained for the introduction of U.S. Armed Forces into the Sinai as part of an international peacekeeping force formed pursuant to the terms of the Treaty of Peace between Israel and Egypt.

The compromise provision contained in the House amendment also includes language adopted by the Senate to emphasize that the provisions of this legislation requiring congressional authorization are not intended in any way to modify or supersede the requirements of the war powers resolution.

Mr. Speaker, U.S. humanitarian and foreign policy objectives in the Middle East will be well served by the rapid passage of this legislation. Consideration of this legislation comes at a time of heightened diplomatic activity for the conclusion of agreements for the withdrawal of all foreign troops in Lebanon. An agreement was recently reached between Israel and Lebanon. That was an essential first step. Now, attention and diplomatic energies are focused on a Syrian-Lebanese agreement. Such an agreement may take several weeks but it is essential.

Any delay in action on this supplemental request would be inconsistent with the U.S. objective or providing a clear indication to the Lebanese—and others in the region—of our strong determination to support the Lebanese Government's efforts to expand its authority and sovereignty throughout the country. U.S. assistance is also a key element in efforts to act credibly as a catalyst for other donor support for the Government of Lebanon's reconstruction program, including and especially efforts by the World Bank. Helping the Lebanese help themselves rebuild a credible national army and revive its formerly flourishing economy are essential objectives of the U.S. policies in the Middle East at this time.

Mr. Speaker, I urge the adoption of the House amendment to the Senate bill. S. 639.

Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin (Mr. ZABLOCKI).

□ 1240

Mr. ZABLOCKI. Mr. Speaker, I rise in support of S. 639, the Lebanon Emergency Assistance Act. This is an urgent and worthy measure. It deserves prompt action and the fullest possible support.

At the outset I wish to commend the distinguished chairman of the Subcommittee on Europe and the Middle East, the Honorable LEE H. HAMILTON, for his efforts in bringing this legislation before us. He and the members of his subcommittee particularly the ranking Republican member of that committee, Hon. LARRY WINN, have been diligent and responsible in reviewing and expediting consideration of the House companion measure, H.R. 2532, as favorably reported by the House Foreign Affairs Committee on May 19.

Anyone who has observed the tragedy that has befallen Lebanon in recent months knows how deserving that country is of our support and help. Lebanon has suffered immeasurable physical and human agony as a result of civil war compounded by the Israeli invasion last June. While the fighting has ended, the horrible effects of this brutal battering remain. Physical destruction is extensive. Desperately needed are such basic human services as decent medical service, improved sanitation systems, and schools.

The $150 million in economic support funds and $100 million in military aid authorized by this bill will go far toward relieving that suffering and help Lebanon to restore itself physically. An additional $1 million in military training authorization will provide the necessary foundation for reconstituting the Lebanese Army by way of allowing the Lebanese Government to reassert its authority and sovereignty over the entire country.

Let there be no doubt that the funds authorized by this bill will significantly advance U.S. foreign policy objectives in Lebanon and the Mideast area. To the extent that Lebanon is made secure and independent, so will the cause of peace in that troubled region of the world be advanced and U.S. interests served.

Now, as we continue our efforts to complete the agreement providing for the withdrawal of all foreign troops in Lebanon, this legislation and the support it reflects is particularly important. In the face of the tragic bombing of the U.S. Embassy in Beirut, now is the time to show forcefully that we will not be intimidated by terrorism and violence. As we encourage other nations and especially the World Bank to come to the aid of Lebanon, now is the time to set the example.

This legislation accomplishes all of those vital objectives. I therefore urge its passage.

Mr. WINN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to join my friend and colleague, the chairman of the Subcommittee on Europe and the Middle East, in supporting the passage of this legislation to authorize supplemental assistance for the war-torn, friendly nation of Lebanon. Lebanon's pluralistic government, with the support of a majority of the Lebanese people, is struggling to reconstruct and reinvigorate their shattered country after almost 8 bloody years of civil war and the subsequent Israeli invasion of last June.

The years of violence have visited so much destruction on the Lebanese that an estimated $12 to $15 billion will be needed over the next 8 to 10 years to rebuild this once prosperous Middle Eastern friend of the United States. The primary burden of this reconstruction will fall to the private sector and the Government of Lebanon. In some areas, the private sector has already begun to rebound. Nevertheless, at this early and critical point, the Lebanese Government's personnel, administrative capacities, and resource base are not fully recovered from the disruption and atrophy of the long years of conflict. It is still very hard pressed in its efforts to promptly restore public services essential to the rehabilitation of a healthy private sector with a capacity for sustained economic growth. Therefore, the $150 million in economic support funds (ESF), to be authorized in the legislation before us, would be used for repair and rehabilitation of critical water, sanitation, health, and telecommunications services, as well as to provide some credit to expedite recovery of the private sector.

Of equal importance, this legislation would authorize $1 million in military training (IMET) and $100 million in foreign military sales (FMS) loan guarantees for rebuilding, rearming, and training Lebanon's Armed Forces. This assistance is necessary for Lebanon to reestablish effective sovereignty over all of its own territory as foreign troops withdraw and to maintain physical security vital to assuring a stable and prosperous Lebanon over the longer term.

The United States is not alone in its efforts to aid Lebanon and thus advance the fundamental goal of stability in the important Middle East region. France, Italy, the World Bank, and other donors are and/or will be contributing to Lebanon's rehabilitation.

Lastly, the compromise substitute text for S. 639 requires the President to obtain statutory authority from Congress with respect to any substantial expansion in the number or role of U.S. Armed Forces in Lebanon, including the introduction of U.S. forces in conjunction with agreements for withdrawal of all foreign troops from Leba-

non and for creation of a new multinational peacekeeping force.

The House has already conditionally approved appropriation of this proposed supplemental aid for Lebanon in H.R. 6039, the fiscal year 1983 supplemental appropriation bill. The legislation before us now is important to our long-term national security interests in regional stability in the Middle East, and I urge my colleagues to suspend the rules and adopt S. 639 with the substitute amendment.

Mr. HAMILTON. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. DURBIN).

Mr. DURBIN. I thank the gentleman. I have no quarrel with the provisions of S. 639 which provide for assistance to aid Lebanon in rebuilding its economy and its indigenous armed forces, and I applaud the administration's efforts to provide for the orderly withdrawal of all foreign troops, particularly to Secretary Shultz, who I believe has done an extraordinarily good job in this area.

I applaud further Lebanon and Israel for initiating an agreement for withdrawal. I think these are all steps in the right direction.

My concern with this bill relates to section 4. It is my understanding from the statement by the gentleman from Indiana (Mr. HAMILTON) that, since last fall, we have committed almost 1,800 U.S. marines to Lebanon.

Is that not correct?

Mr. HAMILTON. Mr. Speaker, will the gentleman yield?

Mr. DURBIN. I yield to the gentleman from Indiana.

Mr. HAMILTON. I would answer the gentleman; it is 1,200 troops.

Mr. DURBIN. And 600 offshore?

Mr. HAMILTON. The gentleman is correct. We have 1,200 in Beirut, 600 offshore—so it is a total of 1,800.

Mr. DURBIN. Is it the opinion of the gentleman from Indiana, based on the information he has received, that these American troops are not in imminent danger at the present time?

Mr. HAMILTON. Not in the sense that they would be required to engage in hostilities. There is nothing to suggest that the troops would be engaged in combat.

Obviously, there is some risk for those troops from sniper fire. We have already had one marine fatality. As the gentleman will recall, that occurred while he was trying to locate mines.

But I do not think this bill would suggest that the marines would be subject to hostilities.

Mr. DURBIN. Is it the opinion of the gentleman from Indiana that the President is not now required under the War Powers Resolution of 1973 to seek congressional approval to continue stationing troops in Lebanon?

□ 1250

Mr. HAMILTON. The position of the administration was that the War Powers Act did not require them to submit a notice under the War Powers Act, indicating that the troops would be committed for hostile—for purposes of hostilities or circumstances where imminent hostilities were indicated.

The administration did submit a report or a notice to the Congress saying that they had taken note of the War Powers Act. I want to point out to the gentleman that the provision in this bill is that if there is to be any substantial expansion of either the number or the role of the Marines that are in Lebanon, then it will be necessary for the President to get authorization. These marines are now being used in a very limited capacity, really patrolling capacity in a fairly small area in Beirut. And if that role were to be expanded in any substantial way or greater numbers were required, certainly if there was any danger of their being involved in hostilities, then congressional authorization would be required.

Mr. DURBIN. If the gentleman would yield further, it is my understanding from the language of section 4(a) and your explanation this morning which I thought was very explicit, that you look on the expansion, the substantial expansion, in the number and role of American troops in Lebanon to be such as to require some congressional action to maintain this commitment in Lebanon; is that not correct?

Mr. HAMILTON. Yes. Very clearly, I think the bill is quite explicit at that point.

Mr. DURBIN. I am concerned in this regard. The gentleman from Indiana has indicated that the addition of several hundred additional troops in Lebanon would be, in his mind, a substantial expansion in number; that the performance of functions in areas outside Beirut by American troops would be a substantial expansion in the role; that if the troops should encounter resistance, that, too, would be a substantial expansion of role or if there was a requirement that we establish a new peacekeeping force in which we would participate, that these four contingencies would be sufficient in your own mind to trigger the need for congressional approval.

My concern is this: I happen to believe the troops are presently in imminent danger. I wonder if, in creating these new categories that would require congressional approval, we are not virtually surrendering the war powers resolution and our power in Congress to approve the stationing of those troops in the first instance. Are we not in fact walking away from a very obvious danger facing the troops and creating an alternative that would require congressional approval and, in so doing, tacitly approve of the administration's interpretation of the War Powers Resolution?

Mr. HAMILTON. I think by identifying in my statement some of the areas which would require a congressional authorization in the event of an expansion in number or role of the marines there, we do not mean to exclude other possibilities that might occur.

We certainly do not intend to surrender any of the prerogatives of the War Powers Act here and if hostilities are indicated or circumstances which would lead to imminent hostilities, then the War Powers Act clearly comes into play.

Mr. DURBIN. I note in section 4(b) that the committee has specifically mentioned that point and I believe that is very positive in terms of the amendments which have been offered in the House. I would conclude by saying that I believe frankly at this point the administration is in error; in fact, Congressional approval should be necessary under the War Powers Act.

I applaud the committee for the excellent additions that they have made to this bill.

I would reiterate that I support fully the efforts of providing economic and military assistance to Lebanon. I believe we have that obligation to bring some stability to the Middle East.

I thank the gentleman for engaging in this colloquy this morning.

Mr. HAMILTON. I thank the gentleman for raising very excellent questions which I think have clarified one of the key sections of the bill.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. HAMILTON. I yield to the gentleman from Texas.

Mr. GONZALEZ. I thank the distinguished chairman for yielding, to pursue this point here.

About 2 weeks ago, maybe a little bit more, I directed a letter to the chairman of the full committee which—I just arrived and found that I had a rely. I did raise the specific issue of the War Powers Limitation Act; the fact that in complying with the terms of that act, the administration has done no different from what previous Presidents have done, and that is they have just not cared to announce to the Congress what section they are reporting on.

As you know, we have the two sections. And I believe that under the circumstances now, amply on record, the length of time, the extent of the commitment, the nature of the commitment, raises serious contradiction in the assessment of the situation in Beirut, say, as compared to the situation in El Salvador, where the fact that the administration leaders and the President consider these nonhazardous or noncombat areas, but the

Congress, I feel, here, is under a duty of exercising its prerogative under the second section of the War Powers Act. I am very concerned because, you see, in the meanwhile, we are doing the same thing we did in the beginning in Vietnam, absolutely the same thing. We have our soldier boys working under conditions of figment of an imagination, by definition, that they are not exposed to serious bodily harm or injury.

The SPEAKER pro tempore. The Chair wished to inform the gentleman from Indiana that he has 1 minute remaining.

Mr. GONZALEZ. Let me just sum up and say that is there not now a duty on the Congress to invoke the War Powers Act?

Mr. HAMILTON. The gentleman of course raises a very good question. We do try, in this bill, to reaffirm the War Powers Act, because we state specifically in the bill that nothing is intended to modify or to limit the War Powers Act in any way. So, we do reconfirm it. The Congress did not invoke it, but we can certainly remind the administration as we do I think with this section, that if there should be any change, then it is going to have to be reauthorized and of course if there is a commitment of troops, or hostilities or circumstances that would suggest imminent hostilities are indicated, then the War Powers Act clearly comes into play.

Mr. GONZALEZ. But will that not be too late? You have already got 16 Americans killed in the Embassy.

Mr. HAMILTON. The War Powers Act does not apply to every situation in the world where an American serviceman might be as some risk. There are many, many situations around the world where an American serviceman is at risk.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. GONZALEZ. I thank the gentleman.

Mr. WINN. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, I would like to ask the gentleman from Indiana whether or not there was a caucus rule in his caucus about bringing bills to the floor under suspension that call for the expenditures of more than $100 million?

Mr. HAMILTON. If the gentleman will yield.

Mr. FRENZEL. I yield to the gentleman.

Mr. HAMILTON. I thank the gentleman.

Yes, I think there is a rule to that effect.

Mr. FRENZEL. This bill, as I understand it, covers about $251 million.

Mr. HAMILTON. If the gentleman will yield further, this bill covers that amount of money in authorization; in terms of actual expenditure it would not be that large, but it would exceed $100 million.

Mr. FRENZEL. Mr. Speaker, I thank the gentleman from Indiana. I support the bill and intend to vote for it, but I think we bring many too many bills to the floor under suspension. Sometimes there is an emergency need. I take it that is true in this case.

But I think every once in a while someone should speak up for the regular order and the rules of the House and I wish we could do a better job of maintaining them.

I do thank the gentleman from Indiana for his response and the gentleman from Kansas for yielding and I yield back my time.

● Mr. RAHALL. Mr. Speaker, the events of the past year in Lebanon have shed a new light on life in Lebanon and what the United States can do to help alleviate the suffering of the people of Lebanon and start them on a road to recovery and a rebuilding of their war-torn country. Lebanon, struggling to reestablish its Government as an authority in its own country, faces an uphill struggle to free itself from the occupation and influences of outside forces. The United States must stand ready to help Lebanon in its quest for self-determination, free from those who use their country as a battleground to further their own self-interests.

During this past summer and again in the fall, I traveled to Lebanon as well as to five other Middle East countries: Syria, Israel, Egypt, Jordan, and Saudi Arabia. During my travels through Lebanon, I saw firsthand what the ravages of war had done to this country, from the southern ports of Tyre and Sidon to the city streets of Beirut, including west Beirut, to the northern borders. Schools demolished, apartments and private homes leveled, shopping areas and restaurants destroyed, and even hospitals bore scars of repeated bombing and shelling. Beirut, once called the Paris of the Middle East, now reduced to streets filled with the rubble of leveled houses and hollow shells of what once were high-rise apartment buildings. The United States must bear responsibility for the actions of our allies and it is incumbent upon the United States to allocate funds to help the Lebanese in the rebuilding of their shattered country, as ridiculous as this circle appears to the world.

In the past, U.S. aid to Lebanon has paled in comparison to our aid to other countries in that region of the world. Now, Lebanon turns to the United States for help. The Lebanon Emergency Assistance Act of 1983 authorizes $251 million in supplemental fiscal year 1983 economic and military assistance to help Lebanon rebuild its economy and armed forces. I view this step as a positive one as we attempt to help Lebanon rebuild. However, this will not be enough to build the Lebanese Army into a unit able to hold its own against the other forces of the region. The higher allocation to Lebanon is strictly a one-shot deal. The funding level for aid to Lebanon in the fiscal year 1984 budget request sinks back down to the minute levels of assistance before the recent war. Rebuilding the Lebanese Army is not going to be accomplished in 1 year, although progress is now occuring and a great deal of thanks for this goes to our U.S. Marines in Beirut.

In order to guarantee the authority of the Lebanese Government and Army in the future, we must look past any one-shot deals and place the continuing growth of Lebanon among our top priorities. The United States, through weapons supplied to other countries, has contributed greatly to the demise of the Lebanese Government and Army and we now have an opportunity to undo some of the damage we have wrought.

A strong Lebanon benefits the United States as well as Lebanon itself and it is in the best interest of the United States to play a larger role in strengthening Lebanon's territorial sovereignity, establishing the Government authority and helping to rebuild the Lebanese Army. The fiscal year 1983 supplemental is a good starting point but it is not enough. We as a Nation must follow up on our commitment to Lebanon both economically and politically. I urge my colleagues to support the Lebanon Emergency Assistance Act and also to support efforts to make increased funding levels for Lebanon a permanent part of our aid package.●

● Mr. TALLON. Mr. Speaker, I rise in support of S. 639, the Lebanon Emergency Assistance Act. There is an urgent and worthy measure. It deserves prompt action and our fullest support.

Anyone who has observed the tragedy that has befallen Lebanon in recent months knows how deserving that country is of our support and help. Lebanon has suffered immeasurable physical and human agony as a result of civil war compounded by the Israel invasion last June.

While the fighting has ended, the horrible effects of this brutal battling remain. Physical destruction is extensive. Desperately needed are such basic human services as decent medical service, improved sanitation systems, and schools.

U.S. policy in Lebanon should be to support the territorial integrity, unity, and sovereignty of Lebanon. Our assistance is designed to help rebuild the economy and security infrastructure of the country by providing the government with resources necessary to

establish its sovereign authority throughout the country.

The $150 million in grant economic support fund money will be used to rehabilitate and reconstruct Lebanon's public sector, with most funds being spent in the Beirut area, focused on the priority sectors of water and sanitation, health, telecommunications, and a capital equipment fund for meeting equipment and supply needs in other sectors. Approximately $126 million of the total will finance construction and other capital equipment and related technical services from the United States.

The $100 million of foreign military sales financing will support a second phase of the Lebanese Army modernization program intended to retrain and reequip a military structure seriously depleted by extended civil war. The first phase of the program which involved the training and reequipping of four brigades has been largely completed.

In order to guarantee the authority of the Lebanese Government and army in the future, we must look past any one-shot deals and place the continuing growth of Lebanon among our top priorities. This legislation is a good starting point but it is not enough. We, as a nation, must follow up our commitment to Lebanon both economically and politically. I urge my colleagues to support the Lebanon Emergency Assistance Act and also to support efforts to make increased funding levels for Lebanon a permanent part of our aid package.●

□ 1300

Mr. WINN. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana (Mr. HAMILTON) that the House suspend the rules and pass the Senate bill, S. 639, as amended.

The question was taken.

Mr. FRENZEL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill, S. 639, just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

EXTENDING CONGRATULATIONS TO REPUBLIC OF TUNISIA ON 27TH ANNIVERSARY OF TUNISIA'S NATIONAL DAY

Mr. ZABLOCKI. Mr. Speaker, I send to the desk a resolution (H. Res. 214) extending congratulations to the Republic of Tunisia on the 27th anniversary of Tunisia's National Day, and ask unanimous consent for its immediate consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 214

Whereas June 1, 1983, marks the twenty-seventh anniversary of the Tunisian National Day commemorating the victory of the Tunisian people, under the leadership of President Habib Bourguiba, over colonial rule;

Whereas the President and the people of Tunisia share with the Government and the people of the United States the same ideals of liberty, peace, democracy, and progress;

Whereas Tunisia under the government of President Bourguiba is striving to maintain a consistent and commendable degree of economic and social development, while preserving political stability in a sensitive geopolitical environment; and

Whereas relations between Tunisia and the United States have been and continue to be excellent: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that—

(1) President Habib Bourguiba and the Government and the people of Tunisia should be commended for their successful achievement in establishing stable institutions through a free and democratic process;

(2) the pursuit of Tunisia's economic and social development, within circumstances insuring peace, freedom, and full sovereignty, is most important for the stability of the Mediterranean area and for the interests of the United States;

(3) the United States should continue to support the Government of Tunisia in its efforts to achieve a balance between the requirements of its legitimate security and those of its economic and social development; and

(4) the United States should continue to support the maintenance of peace in the Mediterranean area and the economic and social development of Tunisia.

SEC. 2. The Clerk of the House of Representatives shall transmit a copy of this resolution to the President for transmittal to the Government of Tunisia.

The SPEAKER pro tempore. The gentleman from Wisconsin (Mr. ZABLOCKI) is recognized for 1 hour.

Mr. ZABLOCKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the House resolution extending congratulations to the Republic of Tunisia on the 27th anniversary of Tunisia's National Day—today, June 1, 1983.

Tunisia is a small but strategically located country in North Africa with a long history of close cooperation and friendship with the United States. The stability of the Tunisian Government has lasted over the last 27 years since Tunisia's independence and in this effort the Tunisians, both government and people, deserve commendation and congratulations.

Historically, Tunisia has placed a high priority on economic development and the social needs of its country and there is every indication that the Tunisians will continue to do so while devoting a portion of their resources to meet their legitimate security needs.

I urge the adoption of this resolution congratulating our Tunisian friends on the occasion of the anniversary of their National Day and offer our sincere hopes for their continued friendship and steady progress.

Mr. WINN. Mr. Speaker, will the gentleman yield?

Mr. ZABLOCKI. I yield to the gentleman from Kansas.

Mr. WINN. Mr. Speaker, I endorse the comments of my good friend, Chairman ZABLOCKI, and extend congratulations to the Republic of Tunisia on the 27th Anniversary of the Tunisian National Day.

Today—June 1—commemorates the victory of the Tunisian people over colonial rule. Since gaining independence in 1956, the Government and the people of Tunisia have shared with us the same ideals of liberty, peace, democracy, and progress. Moreover, Tunisia has often been helpful to our Nation and the world community as a force of political moderation.

The Tunisians have not only allowed our Sixth Fleet vessels regular access to their ports, but have recently shown a desire to increase cooperation with the United States and a United States-Tunisian Joint Military Commission has recently been established. While maintaining a pro-Western security posture, the Government of Tunisia has also placed a high priority on economic and social development, while preserving political stability in a sensitive geopolitical environment.

As a friend of the United States, we should commend Tunisia on its National Day and I urge my colleagues to adopt the resolution before them.

GENERAL LEAVE

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ZABLOCKI. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 3133, and that I be permitted to include tables, charts and other extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—INDEPENDENT AGENCIES APPROPRIATIONS, 1984

Mr. BOLAND. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3133), making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1984, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from New York (Mr. GREEN) and by myself.

The Speaker pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts (Mr. BOLAND).

The motion was agreed to.

The SPEAKER pro tempore. The Chair appoints the gentleman from Georgia (Mr. LEVITAS) as Chairman of the Committee of the Whole and requests the gentleman from Alabama (Mr. SHELBY) to assume the chair temporarily.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3133, with Mr. SHELBY (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Massachusetts (Mr. BOLAND) will be recognized for 30 minutes, and the gentleman from New York (Mr. GREEN) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, the Committee on Appropriations recommends $54,206,352,000 of new budget authority for the Department of Housing and Urban Development and the 17 independent agencies carried in this bill. The committee has deferred action on approriations for the general revenue sharing program pending authorization decisions.

When the amount requested for this program—$4,566,700,000—is added to the committee's recommendation, a total of $58,773,052,000 would be included in this bill. That is about $200,000,000 less than the informal budget ceiling of $59,000,000,000 that was assigned to the HUD Subcommittee by the full committee.

I should point out, however, that we expect that some additional funds will probably be authorized for the revenue sharing program, and so—in effect—the bill with the recommendations before you essentially uses all of the $59,000,000,000 allocation.

In terms of the President's budget—the bill is $9,447,093,104 above the budget request in budget authority—but only $79,000,000 above in outlays. And, almost all of that $9.5 billion increase is associated with the subsidized housing programs. And it is important to keep in mind that of the $9.5 billion, $2.4 billion of that overage was required because HUD grossly overestimated the level of recaptures available for reuse for the 1984 housing programs.

The Department estimated recaptures from section 8 and public housing projects that will not be built at about $4.3 billion. The committee has included a much more realistic estimate of only $1.9 billion of recaptured funds. So a substantial part of the increase for subsidized housing is directly related to the miscalculation of recaptured contract authority under the section 8 and public housing programs.

Also, the committee's recommendation—which totals $12.95 billion for subsidized housing—represents a level of support that is one one-half the amount carried as recently as fiscal year 1981.

We put special emphasis on providing funds for the subsidized housing programs and if you look at the table on pages 5 and 6 of the report, you will see that the bill includes approximately 200,000 units of subsidized housing. Of that 200,000, however, only 116,000 units are actual incremental units to the roughly 3.7 million subsidized housing units currently under payment by the department.

I believe that it is clear that no Federal program has been as deeply cut during the domestic budget retrenchment of the past 2 years as has the subsidized housing programs. The committee has provided for 10,000 units of new public housing construction—the first funds made available for new public housing construction in almost 2 years. We have increased the number of units for section 202 housing for the elderly and the handicapped from the 10,000 requested to 14,000—we have added 50,000 units of section 8 existing and 15,000 of section 8 moderate rehabilitation units—and we have included 2,000 Indian housing units.

Finally, in connection with subsidized housing, we have included funds for 25,000 units for a pilot housing "voucher" program in a kind of a reserve—to be released should an authorization for such a program ultimately be enacted. It is the subcommittee's feeling that before we rush into a new program—we should look a little before we leap and run a pilot program for a year or two and see how this "voucher" concept will work. Many Members of Congress totally oppose the voucher approach—and we have some serious reservations about it also. But there are some potential positive aspects to the program, and the subcommittee wants to get a look at how the program works before we put all—or a substantial portion—of our eggs in that basket.

On the other hand, I am aware that the 1984 housing authorization bill, which has been reported from the Banking, Finance and Urban Affairs Committee, takes a somewhat different tack—and recommends a $1.3 billion multifamily housing program.

I understand that this concept would be handled something like the current UDAG program—except that the funds would be exclusively for housing construction or rehabilitation. The funds are to be allocated to the States and localities and preference given to projects having 20 percent or more of the residents with incomes of less than 80 percent of the median.

Obviously, if a housing authorization bill is ultimately approved—some compromise between the "voucher" concept and the "multifamily housing UDAG" approach will have to be reached. In conference on our bill I will make every effort to fence off budget authority in a reserve for both a voucher program and a multifamily housing UDAG concept—which could be released—depending ultimately on what is authorized.

Also under HUD, we are providing for a total of $1,431,000,000 for the operation of low-income housing projects. That is a reduction from the budget estimate—but we were able to make that reduction because we denied the Department's request to convert the basis that this program is computed on—what is known as the performance funding formula—to a fair market rent formula. We also rejected the Department's effort to move public housing modernization out of the subsidized housing account and into public housing operating subsidies. Those two proposals required

additional money in 1984 and so by denying them, we could legitimately make a reduction. In addition, we have just turned down a rescission of $69 million of 1983 operating subsidy moneys and converted that to a deferral which permits a further reduction of the 1984 request.

We have included $5 million for housing counseling assistance—which is an increase of $1,500,000 above last year's level.

We have added $25 million to the budget request of zero for assistance for the solar energy and energy conservation bank. This amount is $5 million above the 1983 appropriation.

We have included $3,470,000,000 for community development grants—which continues the program at the same base level that was provided in the 1983 appropriation. Now I know that some of you may have been importuned by the League of Cities and the Conference of Mayor to add $1 billion for this activity. In the recent "jobs bill" we put in an extra $1 billion for community development block grants to help create jobs. But those funds have not even been released by the localities as yet—and I do not believe that this is the time to add another billion dollars for CDBG.

We did, however, restore the urban development action grant program to last year's level of $440 million—which is $244 million above the budget request.

We denied, as we have for years, the Department's effort to shut down the section 312 housing rehabilitation loan program. An estimated $71,500,000 from repayments will be available in 1984 for new loans.

Turning to the independent agencies, we have enhanced the Consumer Product Safety Commission with an add on of $2,500,000. This maintains the agency at the current personnel level and will fund modest expansions in research and enforcement work.

Under the Environmental Protection Agency, we have added $160 million for the operating programs and the Superfund. Within that total there has been an add on of $27,500,000 and 700 additional positions above the budget request for salaries and expenses appropriation. We have added $30,331,000 for EPA's research and development program. We have added $76,442,000 to the abatement, control, and compliance programs. And the Superfund has been increased by $25,000,000 and 100 positions to accelerate investigation and design studies for cleanup of additional hazardous waste dumps.

On balance, I am proud of the EPA mark. I know that there are some who are going to say that it is not enough. But I think it is an excellent beginning. It will help get this agency back on a firm footing and give it a renewed capability to enforce the laws on the books.

We do expect to receive a budget amendment for EPA that will request additional resources in 1984. That amendment may or may not have been transmitted by the time this bill is at the conference stage. But in any case, when we see that budget amendment—if it goes beyond what we have provided here—we will sit down and take a look at the request, analyze it, and make a recommendation for additional resources. And those resources can easily be added to the continuing resolution if necessary. But I want to give Administrator Ruckleshaus an opportunity to get his feet wet and determine his needs—and I want the committee to have an opportunity to review what he think he needs.

Under FEMA, in 1984, we have cut $91,649,000 from budget request. The reduction is primarily in civil defense activities.

The Federal Emergency Management Agency came back this year with another request to increase civil defense by $105,668,000. What FEMA did is change the name of the program that was rejected last year. You may recall that last year the emphasis was on "crisis relocation." This year the emphasis is on "integrated emergency management systems."

But when you look at the table—the detailed table of how FEMA intends to spend the civil defense money—it is almost a mirror image of last year's request. The same level of funding is being requested in 1984 as was requested last year for 1983. The total funds needed—$4.2 billion over a multiyear time period also remain the same. They have changed some names—but the program is largely the same.

However, the committee does believe that some additional resources above 1983 should be included for those aspects of the civil defense program that are truly involved with integrated emergency management activities. So we added $6 million for emergency management assistance—$4 million for emergency operating centers—and $5 million for telecommunications and warning equipment. In all three areas the dollars are being targeted at the kinds of State and local efforts which support a truly integrated emergency civil defense effort.

The committee has learned that the Federal Emergency Management Agency plans to establish another training center in the western portion of the country. The committee has also learned of the possibility of a reduction in funding for regional civil defense training support contracts. These actions are not contemplated in the 1983 or 1984 budget. The Agency is reminded that, pursuant to established reprograming procedures, any such changes—whether proposed to begin in 1983 or 1984—would require the approval of the committee prior to implementation.

For NASA, the bill includes a net increase of $70 million above the budget. The bulk of this increase is made up of two items in the research and development appropriation—$50 million additional for orbiter and engine spares—and $45 million for space telescope.

□ 1310

I might point out that the space telescope was originally estimated to cost $595 million—and we are now looking at a bid of at least $1 billion. The program has encountered some serious technical problems in the past 3 or 4 years. We are also looking at a delay in the launch from the original date of January 1985 to approximately June of 1986. Even with this $45 million enhancement above the telescope's budget request of $120,600,000—NASA will have to absorb an additional $30 or $40 million to meet the requirements for fiscal year 1984—if this program is going to get back on track.

Under the National Science Foundation, beginning on page 37 of the report, we are recommending a total of $23 million above the budget. That net increase is made up of an $8 million reduction in research and related activities and a $31-million increase for science education. I should point out that the National Science Foundation had the largest percentage increase in its 1984 request of all the agencies carried in the HUD bill—20 percent above the 1983 level. Even with that substantially increased request, almost none of it was allocated to science education activities. We believe that is shortsighted—particularly given the recent publicity conerning the Nation's lagging capability in science education.

We have included the budget request of $15,512,000 for Neighborhood Reinvestment Corporation.

We have cut $1,450,000 from the budget request of $25,499,000 for the Selective Service System.

Finally, for the Veterans' Administration, the committee has included the budget estimate for the compensation and pensions and readjustment benefits entitlement programs. The committee added $20 million to medical care to restore the maintenance and repair line item to the original 1984 request of $75 million. The OMB reduced the 1984 request by $20 million—pointing to the $75 million add-on for this activity that was carried in the "jobs bill." However, it was our feeling that maintenance and repair continues to be one of the most effective mechanisms to create jobs and the level of maintenance and repair spending within the VA hospitals could easily be doubled in any given fiscal year.

The committee has reduced the construction, major account by $60 million. This is explained on page 49 and results from an additional $60 million savings from completed construction projects that has accumulated and is available for utilization in 1984.

The subcommittee has also made an effort to insure that VA construction priorities are generally followed from one year to the next. For example, we are aware that some projects previously scheduled for preliminary design under the advance planning fund have never been funded. Some of these projects, such as Allen Park, have also been on the top 10 priority list for many years. So the subcommittee included in the report a listing of the projects to be funded from the advance planning fund. This list was furnished by the VA. Over time, it is hoped that this approach will stabilize the construction priorities within the VA.

Mr. Chairman, we have added $6 million to medical and prosthetic research bringing that to a total of $162,325,000. There is probably no other account in the bill that returns more pay off per dollar invested than this appropriation. Fundamentally, this is what keeps some extremely good doctors in the VA system—the opportunity to do basic research.

With the exception of a provision on the use of funds for Senate office buidings, the 1984 bill contains the same general provisions as the 1983 act. Several of these general provisions limit the use of funds for travel expenses.

During 1984 budget hearings with the Department and other agencies, there were discussions of violations of certain general provisions limiting travel expenditures and other travel abuses. The committee is distressed by these improper travel expenditures. The committee is aware that repayment of certain improper travel expenses have already been made. Officials at the Department and agencies should review current travel practices. Where applicable, travel procedures should be revised to insure that such violations and improprieties do not occur again.

And that, Mr. Chairman, summarized the major areas of the HUD bill.

I want to pay my respects to the staff of this committee, and to the distinguished gentleman on the minority side, the gentleman from New York (Mr. GREEN), who has been a superb member of this subcommittee and who has given such valuable advice not only in the programs of the Department of Housing and Urban Development, with which he is so thoroughly familiar, but all of the 17 agencies that are included in this bill. I also want to thank the other members of the subcommittee for their valuable assistance.

Mr. SHELBY. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Alabama.

Mr. SHELBY. I thank the gentleman for yielding.

Mr. Chairman, as the gentleman knows, I had planned to offer an amendment to this bill to reinstate the $7 million which the Appropriations Committee cut in the general operating expenses account. Unfortunately, as I understand it, because the budget resolution has not been adopted, my amendment would be subject to a point of order.

Frankly, I do not like the idea of being precluded from offering an amendment to restore a cut made by the committee from the Veterans' Administration when the committee has increased the President's budget in other areas. I note the bill would add more than $9 billion in HUD's assistance housing programs. Nonetheless, that is the procedure we must follow under the rule granted by the Rules Committee.

As the gentleman is aware, the Committee on Veterans' Affairs recently conducted a survey of all regional offices which have a loan guaranty operation. This survey revealed that 78 percent of these offices are not operating in accordance with VA central office standards for quality and timely loan processing. Unusual lengthy delays in processing home loan applications exist at almost every VA regional office. Yet, this bill cuts $7 million from the VA nonmedical appropriations, most of which will have to be absorbed by the Department of Veterans' Benefits.

Mr. Chairman, because the economic situation appears to be getting better, there is an increase in requests for appraisals, new loans, and refinancing of old loans. Interest rates are down and people are starting to buy homes again. All this is good for the Nation's recovery.

On the other hand, because of the problems with the economy during the past 2 or 3 years, foreclosures of VA-guaranteed loans have risen by leaps and bounds. As a matter of fact, it is so bad that only last week the House passed a bill, H.R. 2948, to provide some relief to veterans who are faced with losing their homes. As we pointed out during debate last week approximately 98,000 VA guaranteed properties are delinquent—an increase of 20 percent over last year.

Mr. Chairman, our survey of the home loan activity would indicate that to meet existing workloads on a timely basis, the agency today would need 368 people.

For example, Detroit has experienced an increase of 22 percent in delinquent properties over a year ago. Foreclosure rates over this same period have increased by 47 percent. The Detroit regional office is quoted as saying:

> The current workload is unprecedented in that we have both high numbers of incoming requests for appraisals and home loan commitments and at the same time record levels of foreclosures and acquired properties. Michigan's high unemployment rate (15.7% in March 1983) and a concurrent reduction in interest rates have placed conflicting strains in our Loan Guaranty Activity.

It is Detroit's belief that 11 new people would be required for a loan guaranty activity to maintain the existing workload on a timely basis.

Chicago has experienced a 44-percent increase in foreclosed properties since last year and a 13-percent increase in delinquent accounts. They indicate they would need to increase staffing levels by an additional 20 people.

If you can believe this, foreclosures in San Francisco has risen by 183 percent. They advise us that they would need 25 more people.

Denver also needs 25 more people, Cleveland 14, and Seattle 20.

Mr. Chairman, I quote these statistics to demonstrate that there are major problems in our regional offices and I fail to see how we can cut an additional $7 million in the general operating expenses account. Many Members have contacted me regarding the numerous calls they have received from veterans, homebuilders, realtors, and financial institutions concerning the length of time it is taking the VA to respond to applications for appraisals, certificates of reasonable value, and other things which must be done to obtain VA guaranteed home loans.

The President's fiscal year 1984 budget already requires that the Department of Veterans Benefits absorb a 419 reduction in personnel. According to the VA officials with whom I have spoken, this $7 million reduction would mean a loss of another 204 employees. In my view, that would be devastating and would further impact on the problems that currently exist in processing loan applications, compensation, pension and education claims, and other activities required by the Department of Veterans Benefits.

□ 1320

Mr. BOLAND. Mr. Chairman, the gentleman from Alabama, I think, states his position rather fairly. Let me say that the committee recognizes what it has done here. It also recognizes the great work that the gentleman from Alabama, who serves on the Committee on Veterans' Affairs, has done for the Veterans' Administration itself. We can understand his concern over any reduction that might occur within that appropriation.

Mr. Chairman, just let me say that we looked at the general operating expense account and, as the gentleman

knows, there is $712 million carried in this bill under that account. The gentleman is concerned about a $7 million reduction which has been made in the 1984 request for the general operating expense appropriation.

The committee recommends the reduction for a number of reasons.

The General Accounting Office issued a report dated December 22, 1982, with which the Committee on Veterans' Affairs, I am sure, is familiar. That report suggested that the VA could save from $6 million to $21 million annually be reducing overstaffing and improving the productivity at regional offices.

Savings are also possible in the office space rental charge. The 1984 Treasury, Postal Service, and general government appropriation bill limits rental charges for office space to the 1983 level. According to VA's estimate that will save $5,452,000.

The VA has spent approximately $2 million for unoccupied office space on North Capitol Street. Renovation of that space was completed in April 1982. The space is still vacant—over a year later. The VA could save funds if it got rid of that unoccupied space—or moved in and used it. By the way—the VA is expending approximately $40,000 for every month that it refuses to occupy the building.

The gentleman has pointed out the increased workload in the loan guarantee program. I recognize the study undertaken by the Committee on Veterans' Affairs points out an increase in the loan guaranty activity. No increase in funding has been requested by the VA in this area. An increase for the loan guaranty program could come from the savings that I mentioned a moment ago. It could also come from additional funding.

Let me assure the gentleman from Alabama, who has such a deep concern with the Veterans' Administration and its programs and its problems, that we will look at this issue in conference with the Senate. If additional funds are needed, speaking for myself, and I am sure that I speak for other members of the committee, we will provide the resources that the VA considers necessary.

Mr. SHELBY. Mr. Chairman, the gentleman from Massachusetts (Mr. BOLAND) has always been most generous with the Veterans' Administration, and all of us on the Veterans' Affairs Committee have appreciated his outstanding work on veterans' matters. At the time the Subcommittee on HUD-Independent Agencies recommended this $7 million reduction in GOE, I am sure the gentleman was not aware of the existing problems in regional offices relating to the home loan programs.

I am glad to know that he will consider reinstating the general operating expenses account to the level contained in the President's proposed fiscal year 1984 budget during conference. Otherwise, we can expect to get more and more complaints about delays in processing loan applications.

Again, I thank the gentleman for the way he has treated us in the past. I am confident that he will be sympathetic to the restoration of this $7 million during conference.

The CHAIRMAN pro tempore (Mr. ZABLOCKI). The Chair advises the gentleman from Massachusetts (Mr. BOLAND) that he has consumed 17 minutes.

The Chair now recognizes the gentleman from New York (Mr. GREEN).

Mr. GREEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my distinguished subcommittee chairman has fully explained the details of the appropriation bill that we bring to the committee today and there would be little point in my going over the details of that bill when he has, in his usual clear and lucid fashion, explained it so well to the Members.

I thought, therefore, that it might be useful to use my time to discuss very briefly the budget context in which this bill is arising from the points of view of both sides of the House.

As our distinguished chairman pointed out, this bill was marked up under a ceiling which was assigned to our subcommittee as a result of an agreement among the chairman of the Committee on Appropriations and the chairman of the several Appropriations Subcommittees. I think the Members of the House should understand that the ceilings that were assigned to the subcommittees were lower than were called for by the assumptions underlying the first budget resolution as passed by this House and that, therefore, it follows inevitably as we are staying within the ceiling that in significant categories we are providing less in the way of funding than the first budget resolution assumed.

My understanding of the reason for that is that the first budget resolution that has been making its way and finally made its way through the other body calls for lower spending levels than this House's first budget resolution and, therefore, marking up the bills to a lower ceiling would accommodate the imposition of the section 302(b) process under the Impoundment and Control Act of 1974 at such time as the Senate and House conferees can agree on a budget and such a budget can be adopted by both Houses.

In addition, it was my understanding that the leadership on the other side of the aisle wished to save an amount of money which has been rumored to be some $10 billion for a jobs bill later on in this session of the Congress and, therefore, wish to reserve from the funds that were authorized under the first budget resolution a sufficient sum from the several appropriations bills to accommodate such a jobs bill later on without violating the House-passed first budget resolution.

This bill, as I said, has been marked up within those constraints. Plainly, it would have been possible for us to mark up at substantially higher levels and fulfill the wishes of many Members as to individual accounts. I will come to the housing end of things when I discuss the bill in the context of the administration budget submission, but suffice it to say that if one wanted to provide even 100,000 units of section 8 new construction, it would cost something on the other of $15 billion in budget authority. The distinguished chairman has mentioned the desire of many Members for an additional billion dollars for community development block grant funding.

The Committee on Government Operations has authorized general revenue sharing at a level significantly higher than the reserve that we have provided for general revenue sharing. One could go throught the accounts ad infinitum, almost, and point to cases where many of use would like to see higher spending but do not see how we can do that within the constraints within which this bill has been developed.

Turning now to the administration position with respect to the bill, I think it is necessary, as the administration has acknowledged, to divide one's view of the bill into two segments: The first, those portions of the bill other than the additional units committed to the subsidized housing program; and then looking at the subsidized housing program separately.

With that first segment of the bill, the portion of the bill that does not add additional units to subsidized housing, the administration has expressed no objection and has, indeed, in the person of our former colleagues, the Director of the Office of Management and Budget, David Stockman, provided us with a letter stating that there is no objection and the administration is in substantial agreement with that part of the bill, although obviously we have made additions in some areas and subtractions in others, and the administration would rather have what it originally proposed, rather than what we have done, but overall it has no difficulty with that segment of the bill.

□ 1330

Where there remains a substantial disparity between the bill and the administration is the section devoted to subsidized housing, and I think it might be worth looking at that for a minute. As our distinguished chairman has explained, the administration's re-

quest was based on an assumption that the Department of Housing and Urban Development, on reviewing housing projects in its pipeline, would be able to achieve significant recoveries of budget authority. That review has been conducted by HUD and has fallen significantly short of the administration's expectations in that respect. Again, Mr. Stockman has fully acknowledged that, and the administration is no longer proceeding on the assumption that those recaptures will be available.

In addition to that, the administration was assuming that a very substantial portion of its housing program could be accomplished through a new housing voucher program, and that assumption, of course, has also not occurred, as neither the House nor the other body through its authorizing committees seems to be on the way to authorizing what the administration had requested in that effect, and that has very significant budget impacts because the voucher program is based on an assumption of an annual cost per unit of $1,916 and a 5-year run-out period for each unit placed under contract, for a total cost per unit in budget authority of $9,580.

In contrast to that, the nearest existing program with which we have to operate in the absence of the legislation that the administration has requested is the existing section 8 housing program, where the 1984 estimate is that each unit will cost an average of $4,000 and where the units are obligated for a period of 15 years, resulting in a cost per unit of $60,000 in budget authority. Plainly, if we have to produce units using a program with a cost of $60,000 in budget authority, in contrast to the administration's assumption of $9,580 per unit in budget authority, we are going to have a substantially higher amount of budget authority required than the administration anticipated. And that is in fact the case.

Again, I think the administration recognizes the situation in which we find ourselves. Indeed there has not been a new housing bill since 1980, and we, therefore, are forced, in moving forward promptly with the appropriations legislation, to try to operate on the assumption of the existing housing programs in large degree. The administration, has, however, said to us, "all right"—and in this again, I am referring to discussions that the members of the Appropriations Committee on this side of the aisle had with Mr. Stockman—and they said that they would look basically to the question of the number of units that were placed in the bill.

In that respect, we are still somewhat over the administration's request to the tune of 26,000 units. I should point out, however, that 25,000 of those units are the result of the fact that we have included in this, in addition to the other housing, money that we appropriate, with provision for a 25,000-unit program along the lines that the administration requests for a housing voucher program, except that we have priced the program at $2,500 per unit per year as opposed to the administration's estimate of $1,916 per year. And this obviously requires some additional budget authority.

But we could very simply get down very close to the administration's request of 90,000 units simply by canceling out that experimental program that we have included in this bill or, alternatively, by cutting out some of the existing housing units that we have included within the bill and, instead, funding the experimental program we have proposed; or we could have some mix of those.

So I think the Members of the House should understand that although there is still some difference between the administration and the subcommittee on the number of housing units to be funded under this bill, there is an area for accommodation between the House and the administration, and I would hope the House would let us go forward on this basis and let us try to resolve those differences in the conference negotiations.

Mr. Chairman, I have one final comment, and that is on the question of EPA funding. I simply want to say that anyone who looks at the record of what this subcommittee has done by way of providing over $159 million more for EPA than the administration had requested can have no doubt that this subcommittee is sensitive to the needs of our environment and the needs of EPA. We are now at the point where the administration has appointed, and the other body has confirmed, a very distinguished American, Bill Ruckelshaus, to run the EPA. Mr. Ruckelshaus has been in conference with both the distinguished chairman of the subcommittee and with me, asking that we give him a little time to review the EPA budget request, and we will then be making a recommendation to us with respect to that request.

I want to say for myself that I have the greatest sympathy for the job that Mr. Ruckelshaus has taken on and the greatest respect for his capacity in performing that job, and I for one want to assure the Members of the House that I will look with great sympathy on his request for additional funding of the environmental protection programs, but I do think we should give him the time to review his agency and to make those requests to us.

So that, I think, is where we are at this moment, Mr. Chairman, and I would hope that the Members of the House on that basis would support the recommendation of the subcommittee and the full Committee on Appropriations and adopt this legislation.

The CHAIRMAN pro tempore (Mr. SHELBY). The Chair recognizes the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Chairman, at this moment I have no further requests for time.

Mr. GREEN. Mr. Chairman, I now yield 5 minutes to the distinguished ranking Republican on the authorizing committee for the housing programs, the Committee on Banking, Finance and Urban Affairs, the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Chairman, I thank the gentleman from New York (Mr. GREEN) for yielding me this time.

Mr. Chairman, to follow up on the statement of the gentleman from New York—and an excellent statement it was—I rise to express a word of caution about the amount appropriated in H.R. 3133 for the assisted housing programs administered by the Department of Housing and Urban Development.

Mr. Chairman, we pay lip service to the need to keep the Federal budget as tight as possible in order to reduce the inordinately high Federal deficit. Many of my colleagues have called for a freeze on all spending programs as a way to achieve the goal of reducing deficits. And that is not the worst idea that was ever floated around here.

But what does H.R. 3133 provide, particularly in the area of assisted housing? It provides for an increase of about 50 percent over fiscal year 1983 appropriations. In fiscal year 1983 the Congress appropriated approximately $8.6 billion for assisted housing programs, that is, section 8 and public housing. For fiscal year 1984 that figure would jump to $12.9 billion if the provisions of H.R. 3133 are enacted into law. Now, it is beyond me how some Members of this body can decry what they call the Reagan deficits while at the same time voting for increases in our commitments for future spending.

We should not be deceived by the fact that these funds will not be reflected as large outlays in this year or even next year. We should recognize that we are adding to a mountain of commitments built up over a number of years which establishes a baseline of uncontrollable expenditures for years into the future.

At this time, according to the figures used in the HUD budget, our total of prior commitments for assisted housing is approximately $250 billion which we will be required to pay out over the next 40 years, and we would be adding $12.9 billion to that figure if this bill is enacted.

I would call the attention of my colleagues in the House to an article by George F. Will which was published in

the Washington Post on May 26 of this year.

□ 1340

He said:

Since 1973 $363 billion have been committed to Federal subsidization of housing. Ninety percent of that has been obligated in the last 8 years.

We are currently paying off these commitments at a rate of $9.5 billion in fiscal year 1983 and an estimated $10.7 billion in fiscal year 1984.

These figures represent the actual yearly outlays for the commitments built up over prior years for the almost 4 million units currently being subsidized. It is to this figure that we would be adding the over 200,000 subsidized units and the $12.9 billion in budget authority, thereby assuring that the $10.7 billion in subsidies will be increased in fiscal year 1985 and on into the future.

These figures do not include the cost of operating subsidies for public housing, Mr. Chairman. This program, which pays for project operating costs that are not met by rent payments is running at a rate of almost $1.5 billion a year and growing.

In light of these staggering numbers with respect to assisted housing programs, I do not see how we can support an increase above the fiscal year 1983 levels.

I would also remind my colleagues, as they deplore the so-called Reagan deficit, that it was not the President that authorized or appropriated a single penny of the funds that were spent in building up the deficit. If we are to take credit back home for the program we pass, we should also be prepared to take the blame for the deficits that result.

Mr. Chairman, I yield back the balance of my time.

Mr. GREEN. Mr. Chairman, I yield myself such time as I may consume.

I want to thank my colleague from Ohio (Mr. WYLIE) who certainly is one of the most knowledgeable Members of this House on the housing programs for his contribution to the debate. But I do think I ought to spell out why we find ourselves in the posture where we are today in this committee.

There is no question that as a result of past housing programs there are very large Federal obligations of the order of a quarter of a trillion dollars looming out there in full faith and credit Federal commitments under the various housing programs that this Congress has enacted and funded over the years.

That is something that we have to live with and there is nothing this subcommittee can do other than to liquidate those obligations as they come due.

The problem we find ourselves with at this moment, and why we are coming in so much over the administration's request in terms of budget authority for the 1984 fiscal year, is very simply the administration has assumed in each of the last 2 years major recaptures of funds as it reviewed its pipeline, and those recaptures by and large did not occur.

As a result of that, the in excess of $3 billion which the administration assumed would be available for deferral from fiscal year 1983 to fund the fiscal year 1984 housing programs has not, in fact, been available, and far less than the $4.3 billion that the administration assumed would be available in recaptures in the current year to fund the housing programs for fiscal year 1984 are available also.

So we simply have had to put up budget authority where the administration assumed new budget authority would not be required.

The administration, at least in the person of Mr. Stockman, has not quarreled with that fact and, in fact, he has said to the Members of the Appropriations Committee on this side of the aisle that we really should look at the numbers and that that is the basis on which he was prepared to negotiate with us.

As I indicated, we are about 26,000 units over the 90,000 units the administration requested. But I feel on the basis of the discussions we have had and the composition of those 26,000 units that that is a number that can be adjusted between the Appropriations Committee and the administration as this bill wends its way forward.

I would simply ask the Members of the House to bear with us on that and pass this appropriation bill so that we can move to conference and try to resolve whatever differences we may have ultimately with the other body and with the administration.

I should point out that this subcommittee did, with the cooperation of the full Appropriations Committee and this House, pass the appropriation bill last year before the start of the fiscal year and it was signed into law by the President. So I think we have a track record of being able to work out these differences in the past and I would hope the House would, therefore, trust us to resolve those differences in the future.

Mr. Chairman, I now yield 5 minutes to the gentleman from Virginia (Mr. BATEMAN).

Mr. BATEMAN. Mr. Chairman, I rise at this juncture of our consideration of the HUD and Independent Agencies appropriations to express my support for two important NASA research and development projects that could be in jeopardy with the passage of this appropriation.

At the Langley Research Center in Hampton, Va., NASA scientists and engineers are engaged in two research projects that I feel are vital to the continued advancement of our Nation's aeronautics technology.

The first of these projects, the terminal configured vehicle (TCV) program is aiding in the design and development of advanced aircraft systems. TCV research has led to more efficient and effective navigation systems, computer operations and all-weather landing systems. Indeed, the results of TCV research have led to higher world standards in aeronautics systems that are already being incorporated into aircraft, including the B-757 and B-767 flight systems. If we are to see further improvement of the national airspace system, continuation of this research is essential.

The other program that I would like to bring to your attention is the laminar flow control project at Langley. The leading edge flight tests being conducted at the center promise to result in advanced aircraft wing design that could mean greater fuel efficiency in commercial transport aircraft, further enhancing an American position at the forefront of world aeronautics research and development.

H.R. 3133 specifically deletes $5 million for the TVC program and endangers the future of the laminar flow control program. Both of these programs have proven their value to our national aeronautics efforts and show great potential for further advances. The aerospace industry and the Federal Aviation Administration have expressed interest in a number of additional applications of these programs in the future. The Transportation, Aviation and Materials Subcommittee of Science and Technology, as well as the full committee have expressed support for these two programs and their desire to see them continue.

I am calling on Congress to find a way to keep TVC and laminar flow control alive through the allocation of necessary funding so that they can continue to reap major benefits for our aeronautics and aerospace technology in the years ahead.

Mr. GREEN. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. BOLAND. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts (Mr. MOAKLEY).

Mr. MOAKLEY. Mr. Chairman, according to the National Fire Prevention Association, between 1977-81, there were 776,500 fires due to incendiary and suspicious origins in the United States. These fires resulted in 3,830 deaths and $6.8 billion in property loss. As our economy declined during 1981 and 1982, communities across the country noted an alarming increase in the incidence of arson.

In cities and towns across this Nation, prior to the Federal cutbacks in aid to community based antiarson programs, neighborhoods which has

serious arson problems were making significant inroads in reducing the incidence of arson. In Boston, for example, through the use of computers, indepth analysis of property transfers and fires in selected neighborhoods made it possible to accurately predict not only what buildings were to be torched, but on what day the fire was likely to occur. The result was a dramatic decrease in arson for profit.

When Federal funds to arson programs were reduced in fiscal year 1982, the result was that local governments, hard pressed to meet other essential demands which were being transferred to them by the Federal Government, could not afford to reallocate resources to the community based antiarson programs which were just beginning to show their tremendous value. As the antiarson program went under, the arsonist returned in alarming numbers.

It is my understanding that the Federal Emergency Management Agency has been given an additional $1 million for fire prevention to distribute at its discretion. Considering the tremendous toll which arson has on our Nation in both human and financial terms, and given that the U.S. Fire Administrator is impowered under the 1978 amendments to the Fire Prevention and Control Act to specifically address the problem of arson, would you agree that a portion of this discretionary money should be allocated to arson prevention, detection, and control?

And, given that community-based arson programs were involved in these antiarson programs prior to the fiscal year 1982 funding cutbacks in fire prevention, that the Administrator should review the types of programs which were being funded prior to the cutbacks and consider allocating a portion of these new funds to community-based antiarson programs as well?

□ 1350

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. MOAKLEY. Mr. Chairman, I am glad to yield to the chairman of the subcommittee.

Mr. BOLAND. First of all, I want to compliment the gentleman from Massachusetts on his position with respect to antiarson activities. I know of no one who is addressing that problem more assiduously and more carefully and is spending more time on it than the gentleman from Massachusetts.

As all of us know, arson for profit is becoming an increasingly serious and dangerous problem in the United States. In our own State of Massachusetts there have been a number of arson fires committed for profit and our State is making an effort to address that particular problem. But like all programs, additional money is necessary.

We carry in this bill around $750,000 for antiarson activities. We did add an extra $1 million above the budget for fire prevention and control activities in 1984. As you have indicated, the increase is to be distributed at the discretion of FEMA.

I would hope that a good part of the $1 million would be distributed to the antiarson area. It is an area that the subcommittee, a number of Members of the Congress, and the public itself are interested in. We will do everything within whatever influence we have to be sure that FEMA does distribute some of the additional money that we have added to the arson area.

Mr. MOAKLEY. I thank the gentleman.

Mr. GREEN. Mr. Chairman, will the gentleman from Massachusetts yield?

Mr. MOAKLEY. I yield to the gentleman from New York.

Mr. GREEN. Mr. Chairman, I want to commend the gentleman from Massachusetts for his statement. On this side of the aisle the members of the subcommittee are very much concerned about the arson problem and feel that that is an area that FEMA must continue to address and I commend the gentleman for his statement.

Mr. MOAKLEY. Mr. Chairman, I thank the gentleman.

Mr. BOLAND. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Missouri (Mr. VOLKMER).

Mr. VOLKMER. I thank the gentleman.

I would like to, if I may, enter into a colloquy with the chairman.

I understand that the bill adds money for two studies on dioxin—research on human toxicity and a substantial monitoring study, primarily in Michigan and Missouri. I am glad to see Missouri included in the monitoring study because our problems with dioxin are very serious.

I wish to commend the chairman and the committee for this.

However, there is one additional aspect of dioxin that needs research badly; that is in the area of destruction and natural degradation.

It has been estimated by Missouri officials that there are approximately 500,000 tons of dioxin-contaminated dirt in the State of Missouri, and even though incineration has been noted as a method of treatment, it is estimated that the total cost for this treatment would be $1 billion.

I feel we need, and Missouri officials would like to have, additional basic research into natural degradation and methods of speeding up degradation.

I would like to clarify that research into this area would not be precluded by the language in the bill.

Mr. BOLAND. Will the gentleman yield?

Mr. VOLKMER. I will be glad to yield.

Mr. BOLAND. I thank the gentleman.

In fact, I would hope the agency would place some emphasis on this work in allocating the general discretionary add-on provided for EPA research and development of some $8 million. Dioxin is indeed a serious problem in Missouri and in many other places. I think that the bill provides the resources essential for EPA to aggressively attack the various aspects of the problems. I want to assure the distinguished gentleman from Missouri, who has had such a very deep and abiding interest in this problem, that this bill and the position of this committee would not prevent EPA from doing the sort of dioxin research that the gentleman suggests.

Mr. VOLKMER. I thank the chairman very much.

Mr. BOLAND. Mr. Chairman, how much time do I have left?

The CHAIRMAN pro tempore. The gentleman from Massachusetts has 8 minutes remaining.

Mr. BOLAND. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. GONZALEZ) the chairman of the Subcommittee on Housing and Community Development of the Committee on Banking, Finance and Urban Affairs.

Mr. GONZALEZ. Mr. Chairman, first I want to thank the distinguished chairman of this very important committee. At the very outset I express my thanks and admiration for the gentleman for his yeoman work in this area for the past 2 years, particularly last year.

Chairman BOLAND has made it clear by word and deed alike that he supports the basic American commitment to decent housing for every citizen in this country. His recommendations in the pending bill represent about the same total commitment in terms of dollars that our Subcommittee on Housing has recommended.

It is safe to say that neither the gentleman from Massachusetts nor I intend to vitiate much less abandon our Nation's efforts to provide adequate housing for all of our citizens be they old or young, be they handicapped or be they poor.

I salute and commend the gentleman for his efforts.

Where the gentleman and I differ is in the terms, not in the actual objective or the basic commitment to housing, but in some of the recommendations here. For example, the question of the housing voucher demonstration program which our subcommittee has heard testimony on, has considered at hearings, and has twice undertaken that in the last 2 years and twice rejected the idea.

I hope that the Committee on Appropriations in its report on the administration's public housing subsidy plan expresses the fact that the administration's proposed support levels are unrealistically low. Yet those very same levels are proposed for the housing voucher program.

I fear that the net effect of the voucher demonstration would be to isolate families that are in need of housing to areas where units are less desirable, simply because those would be the only places with housing that would be cheap enough for them to afford under the so-called housing voucher demonstration program.

I am also concerned that the administration persists in the belief that there is no need for new assisted housing contruction which the voucher program assumes to be true.

Both the Committee on Appropriations and the Subcommittee on Housing know that there is in fact need for new construction.

As a matter of fact, we have a housing crisis in our country. I believe that the voucher proposal as proposed by the administration is fatally flawed and would much prefer to see a more realistic design brought forward before any funding is made available.

Yet I have faith in the judgment of my good friend and colleague, the gentleman from Massachusetts, and can support this bill even with my reservation about the voucher demonstration.

● Mr. ST GERMAIN. Mr. Chairman, I rise to support passage of H.R. 3133, the HUD-independent agencies appropriations bill for 1984.

As the Members of the House know, the Banking Committee has reported out the 1984 housing authorization bill, H.R. 1, and I am hopeful that that bill will receive early consideration on the floor. H.R. 1 contains important housing initiatives as well as increased funding authorizations for ongoing housing programs, and I will urge my colleagues to support that bill when it comes before the House in what I hope will be a very short time.

I also urge Members to support H.R. 3133, the HUD appropriations bill that is now before the House. While some of my Banking Committee colleagues and I have strong reservations about certain provisions in the appropriations bill, I have every confidence that when the legislative process has run its course, the housing program that emerges will be a very good one. I think we would be far better served by keeping the process going and agreeing to this legislation than by erecting roadblocks to the passage of H.R. 3133.

No one is more conscious than I of the responsibilities of authorizing committees in constructing the programs approved by Congress each year, and I believe the Banking Committee has acted promptly and responsibly in reporting out H.R. 1. On the other hand, I fully understand the efforts made by my colleague from Massachusetts (Mr. BOLAND) in bringing this appropriations bill to the floor at this early date and I encourage my colleagues to vote in favor of H.R. 3133.●

The CHAIRMAN pro tempore. The gentleman from Massachusetts.

Mr. BOLAND. Mr. Chairman, I have no further requests for time and I yield back the balance of my time.

The CHAIRMAN pro tempore. The Clerk will read.

The Clerk read as follows:

H.R. 3133

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1984, and for other purposes, namely:

Mr. BOLAND. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

□ 1400

Accordingly the Committee rose; and the Speaker pro tempore (Mr. DURBIN) having assumed the chair, Mr. SHELBY, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3133), making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1984, and for other purposes, had come to no resolution thereon.

MAKING IN ORDER CONSIDERATION OF H.R. 3135, LEGISLATIVE BRANCH APPROPRIATIONS, 1984

Mr. FAZIO. Mr. Speaker, I ask unanimous consent that it be in order to consider the bill (H.R. 3135) making appropriations for the legislative branch for the fiscal year ending September 30, 1984, section 303(a) of Public Law 93-344 to the contrary notwithstanding.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MARTIN of Illinois. Mr. Speaker, reserving the right to object, has this been cleared with the minority?

Mr. FAZIO. Mr. Speaker, will the gentlewoman yield?

Mrs. MARTIN of Illinois. I yield to the gentleman from California.

Mr. FAZIO. I thank the gentlewoman for yielding.

Yes, I have spoken to the gentleman from Indiana (Mr. MYERS) about it, who is an active member of the subcommittee.

Mrs. MARTIN of Illinois. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CREDIT CARD COUNTERFEITING AND FRAUD ACT OF 1983

The SPEAKER pro tempore (Mr. DURBIN). Under a previous order of the House, the gentleman from New York (Mr. FISH) is recognized for 5 minutes.

● Mr. FISH. Mr. Speaker, today I am introducing a bill to amend title 18 of the United States Code to provide criminal penalties for credit card counterfeiting and related fraud. This bill, the Credit Card Counterfeiting and Fraud Act of 1983, would significantly strengthen current Federal law relating to credit and debit card counterfeiting.

The need for this legislation can be well documented. During the last 3 years there has been an alarming increase in credit and debit card fraud and related criminal activity. Worldwide losses to the credit card industry from credit card counterfeiting have risen from $15 million in 1981 to over $50 million in 1982. This represents an increase of over 330 percent in 1 year alone and nearly seven times greater than the total counterfeit losses for the previous 9 years. Conservative estimates by the industry indicate that for 1983 these losses are expected to double, and will exceed $100 million. Of the amount reported in 1982, the United States alone accounts for about 94 percent of the losses or approximately $47 million.

Historically, card-related criminal activity centered on the use of lost or stolen credit cards. The loss or theft of the card usually resulted in prompt customer notification to the card issuer and a relatively short time period for fraudulent use of the card. However, in recent years criminals have become more sophisticated and have focused their fraud activities on the use of altered and counterfeit cards. As a result, these criminals are able to substantially delay the warning signs and dramatically increasing the fraud losses. The average dollar losses per counterfeit card have been reported by the industry to be $1,000. Some investigators have stated that an ambitious and hard-working criminal could use a single counterfeit or fraudulent card to make $10,000 in phoney transactions.

Many of the card-related crimes reflected in the industry's losses are of a type which were unimagined when the

existing Federal credit card crime laws were first enacted. Counterfeiting techniques have become highly advanced. For example, silk-screening methods are now used to fabricate cards, much in the same manner as T-shirts. In addition, some criminals iron out the original cardholder identifying information on lost or stolen cards and reemboss the cards over the valid account data. In other situations, collusive efforts between criminals and dishonest merchants or merchant personnel result in the use of valid account data on fraudulent sales slips which are then deposited with the merchant's bank. The fraudulent merchant then withdraws cash from the deposit account and disappears, only to reappear in another location to begin the process again.

The sophistication shown by these recent activities results from the introduction of a new and disturbing element in credit and debit card fraud, organized crime. Criminal organizations no longer need to steal cards; they can afford the equipment required to manufacture their own fraudulent cards. There is increasing evidence that credit and debit card crime is becoming a lucrative complement to organized crime's traditional activities in narcotics and gambling. As this occurs, the incidence of violent crimes associated with credit and debit card fraud is also increasing. A concentrated and coordinated counterattack by Congress, law enforcement authorities, the credit card and banking industries is essential.

I am particularly gratified that the distinguished chairman of the Subcommittee on Crime of the House Judiciary Committee, WILLIAM HUGHES, has agreed to join with me as the principal cosponsor of this measure. In addition, we are pleased to have a number of our other distinguished Judiciary Committee colleagues joining with us in this bipartisan effort: Congressman HAROLD SAWYER, Congressman HENRY HYDE, Congressman RON MAZZOLI, Congressman LAWRENCE SMITH, Congressman BILL MCCOLLUM, Congressman CLAY SHAW, Congressman CARLOS MOORHEAD, and Congressman JIM SENSENBRENNER.

The bill we introduce today, deals with the problem of credit card counterfeiting and trafficking, the possession of counterfeit or altered cards and the possession of equipment used to counterfeit or alter cards. In 1970, Congress amended the Truth in Lending Act. Among other things, that statute made it a Federal crime to use or conspire to use counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained credit cards, 15 U.S.C. 1644(a). In addition, that same law made it a Federal crime to transport such cards, in interstate commerce with unlawful or fraudulent intent, 15 U.S.C. 1644(b). The truth in lending law also made it a crime to use any "instrumentality of interstate or foreign commerce" to sell or transport counterfeit fictitious, altered, forged, lost, stolen, or fraudulently obtained credit cards, 15 U.S.C. 1644(c).

As significant as this legislation was, the act of counterfeiting credit cards and the act of altering otherwise valid credit cards were not made Federal crimes. Another loophole in the statute is that it does not punish possession of a fraudulent card or other similar device. Further, case law interpretation of the language of the statute has limited its prohibitions to acts involving credit cards themselves. *U.S.* v. *Callahan*, 666 F. 2d 422 (1982). So, the current law does not, for example, deal with the use or sale of any device or mechanism that could be used in the place of a legitimate payment device—such as sales or credit slips.

Our bill would make it a Federal crime to produce, buy, sell, or transfer a "fraudulent payment device"—for example, counterfeiting and trafficking. The term "fraudulent payment device" is defined in section 2(d) of the bill to cover a broad range of improper payment mechanisms that can be used in a credit card fraud scheme. The term includes all manner of fraudulent or potentially fraudulent devices including counterfeit cards, altered cards, stolen cards, and "white cards". This bill would also punish the possession, with intent to defraud, of five or more fraudulent payment devices. Finally, this measure would punish the production, sale, transfer, or possession of equipment used in making fraudulent payment devices or used to alter otherwise valid cards.

Penalties for the violation of this new criminal law would be as follows: First, in the case of a single violation, a punishment up to $10,000 or imprisonment for not more than 10 years; second, where the offense involves possession of five or more fraudulent payment devices or the possession of any device making equipment, a fine of not more than $50,000 and imprisonment for up to 15 years; and third, in the case of second or repeated offenses, fines may be levied up to $100,000 and imprisonment for up to 20 years.

This legislation is intended to be complementary to the Credit Card Protection Act (H.R. 2885) sponsored by Congressman FRANK ANNUNZIO. That bill is currently receiving active consideration in the Subcommittee on Consumer Affairs and Coinage of the House Committee on Banking, Finance and Urban Affairs. It principally deals with another important aspect of credit card fraud—the dissemination and misuse of credit card numbers. The enactment of both bills is necessary if Congress is to fully address this growing, serious national problem.

Finally, it should be emphasized that this is important consumer legislation. While the direct victims of credit card counterfeiting and credit card fraud are the banks and the credit card companies, they are not the only victims. The losses suffered by the financial institutions and credit card companies are passed on to the consumer in the form of higher fees for the card and increased interest costs. In the past, credit card fraud and counterfeiting was viewed as the cost of doing business. But all segments of society now agree that it costs too much to ignore.

I am extremely hopeful that this legislation will receive prompt and active consideration in the House Judiciary Committee. It is essential that we obtain the passage of effective criminal legislation as quickly as possible so that vigorous enforcement activity against credit and debit card fraud can begin immediately.

STOP IMPLEMENTATION OF WITHHOLDING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CORCORAN) is recognized for 5 minutes.

● Mr. CORCORAN. Mr. Speaker, I am introducing legislation today with the gentleman from New Hampshire (Mr. D'AMOURS), and the gentleman from Mississippi (Mr. LOTT) that continues the fight against imposing withholding on the American people in spite of their clear opposition to it. In an outstanding demonstration of the power and process of a democracy, our constituents inundated us with protests against the interest and dividend withholding requirements of the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA). Appropriately, on May 17, the House of Representatives responded to this appeal for relief by passing H.R. 2973, legislation repealing the withholding provision of TEFRA. The vote was a resounding 382 to 41 in favor of repeal. The Senate passed legislation effectively killing withholding on April 21 by voice vote.

Due to differences in S. 144 and H.R. 2973 that have not yet been resolved, financial institutions are being forced to gear up to implement withholding and the IRS is preparing to enforce it until such time as it is actually repealed. By law, the effective date of the withholding requirement is July 1, 1983, and in the absence of enacted repeal legislation, all of these institutions are going to great expense and devoting much time to a provision that will clearly be repealed before too long. Ultimately, of course, the American people bear the continuing cost of preparing to implement an all-but-dead law.

The Secretary of the Treasury has the authority under section 308(b) of TEFRA to delay "application of some or all of the provisions" of withholding in TEFRA if the payor(s) will suffer "undue hardship." It seems obvious to me that expending great sums of money and time to implement a law that will inevitably be repealed is the ultimate example of undue hardship. Unfortunately the Secretary of the Treasury has not acted on the authority provided in section 308(b) of TEFRA to eliminate this costly burden to both the Treasury and the Nation's financial institutions.

The bill that I am introducing today expresses the sense of Congress that the Secretary of the Treasury should utilize his authority under this provision of the law to delay implementation of withholding until final resolution by Congress (or December 31, 1983, at the latest, as limited by section 308(b) of TEFRA).

It makes absolutely no sense whatever to require financial institutions and the Treasury itself to comply with a law that will not prevail. I urge my colleagues to cosponsor this resolution so that Congress may again speak with one voice against withholding, and I urge my colleagues to support this legislation at the first opportunity.

Mr. Speaker, for the benefit of my colleagues, I ask that a copy of the resolution be printed in the RECORD.

H. CON. RES. 132

Expressing the sense of the Congress that the continuing possibility that the provisions of the Internal Revenue Code of 1954 relating to withholding from interest and dividends will be repealed is creating, for all payors, an undue hardship within the meaning of section 308(b) of the Tax Equity and Fiscal Responsibility Act of 1982 and that the Secretary of the Treasury should exercise his authority under such section to delay the effective date of such provisions until December 31, 1983

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) the continuing possibility that subchapter B of chapter 24 of the Internal Revenue Code of 1954 (relating to withholding from interest and dividends) will be repealed is creating, for all payors, an undue hardship within the meaning of section 308(b) of the Tax Equity and Fiscal Responsibility Act of 1982 (relating to delay in application of such subchapter to certain payors), and

(2) the Secretary of the Treasury should promulgate regulations pursuant to such section 308(b) delaying the effective date of such subchapter B with respect to all payors until December 31, 1983.●

LEBANON EMERGENCY ASSISTANCE ACT OF 1983

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, earlier this afternoon during the consideration of the Suspension Calendar we had the resolution with respect to the additional authorization for aid to Lebanon.

In the resolution is contained language that I am sure is responsive to some of the concerns that have been expressed by some Members of the House, including myself.

Recently I spoke on the House floor and made reference to the letter that I addressed to the chairman of the Foreign Affairs Committee, the gentleman from Wisconsin (Mr. ZABLOCKI), one of our most able leaders in the House, and in fact incorporated into the RECORD the copy of the letter pointing out my grievous concern, which if anything, has deepened today rather than been allayed, with respect to the actual content and the letter of the law known as the War Powers Limitation Act, which this Congress approved in 1974 after great debate and after a veto by President Nixon and then said veto having been overridden by the Congress.

I was present during the entire length of debate of that matter. Though I am not a member of this committee, I have of course felt and have shared this great concern also expressed by many of my colleagues, most of whom also have not been members of this committee, but who because, as in my case, find that this is part and parcel of our inescapable duty as Members of this lawmaking body. We know that our primary source of power and our responsibility is preeminently consecrated to the defense and the promulgation of those interests of a particular locality, that particular geographical district that we have the honor to represent, but at no time, and this incidentally through history, the history of the Anglo-American parliamentary system, this great democratic ediface of representative government, has always been a basic issue, and that is, how far does a Member feel a responsibility to act on matters that are national in scope or transcend the purely parochial limitations of that geographical district?

Well, of course, it is one of those imponderables. You can debate it to the end of time, just like the question of the responsibility of a Representative in representative government. And I guess one of the most extensive debates and utterances about that matter was on the part of the great English representative of the 18th century about the very definition of the responsibility and the accountability of a Representative to his constituents. In other words, to what extent does a Member honor his own judgment, his own knowledge, his own discretion, his own participation in the fray, in the heat of debate, and to what extent does he automatically register what appears to be the consensus of the opinion of the electorate in his particular district?

But in the case involved, the concern is the commitment of our 1,500 or so airborne troops in Beirut, 500 miles up the desert and those serving militarily in El Salvador, which as incidentally been the reason for my continued discussion of this issue and actually the reason why I was motivated to writing the letter, raising the direct question with this committee and its chairman recently.

□ 1410

I have constituents who are in the service and have been at every one of our outlying outposts throughout the world. And in today's dialog, we must remember that this particular bill came up under the Suspension Calendar, which means that you cannot offer any amendments and all you can do is talk about it for 20 minutes. It is true that if a record vote is demanded, it must be approved by a two-thirds vote. But the fact is that there was very little, if any, debate—there were a handful present. The Suspension Calendar, since its reform here of the rules permitting it, is a take-off of what I call the State legislative modus operandi. When I was in the State senate in Texas, we had what is called the local and uncontested calendar, which, up here, we call the Suspension Calendar. It is supposed to be reserved for those bills or resolutions that are "noncontroversial," but, in reality, at times we learned the hard way. This was where the tricky work would take place, and many a bill was slipped on the local and uncontested calendar which was neither local nor uncontested, although here that may not be true, in a blunt way. Nevertheless, we have had these experiences with some of the matters that have been placed on the Suspension Calendar. But today's dialog revealed that the fundamental question, as I said in my letter to the chairman, which the Congress, I believe, is abdicating, is its insistence that the War Powers Limitation Act be complied with. The terms of the War Powers Limitation Act are such that, once a President commits troops or armed services personnel, after a 60-day period, under one section of the act, he is supposed to report to the Congress.

This President now in power, Mr. Reagan, in reporting under the terms of this act, as I discovered when I checked it out 3 weeks ago, has done no more or no less than what two of our prior Presidents have done under the terms of this act. They have complied pro forma with one part of the resolution and then just omitted any reference to the other part.

I remember the debate, when we were arguing these words and provisos of that act and followed it with intense interest, whereas I say and repeat, I was present at every minute

of that debate because I think my fellow citizens will recall and my colleagues particularly that it was a period in which the American people were satiated with what has been described as Presidential wars.

Now, the Congress, it is true, under the Constitution, has the sole and exclusive war-making powers. What I see is the continuing tragic development since the Reorganization Act of 1947 and the so-called post-World War II legislation in which the creation of the Defense Department resulted, among other things, the obvious congressional unwillingness or disinterest or indifference toward reexamining the entire structure as postured in that act of 1947.

As I said long before I ever thought I would be in the Congress, fundamental questions such as the impressing or conscripting of unwilling Americans into undeclared wars that turned out to be hot, from a cold war status to a hot, shooting status, in which somebody was going to get hurt or killed, have not been confronted by Congress.

Is it constitutional? I never thought so. And all during the course of the Vietnam debate, I raised the issue. As a matter of fact, when the extension amendments to the Registration Act in 1967 came up, I was the lone Member to bring up an amendment that would have defined that. At that time, as late as 1967, I could not get 11 Members to stand up to try to get a vote, but 4 years later, in 1971, when I again presented the amendment—and what was the amendment? It was nothing more or less than a reiteration of the provision that is in the first version of the Service Act of 1941. That one had carried by one vote, right before the outbreak of the war—that is, active outbreak of the war, and our participation.

The reason why the debate was that extraneous has been forgotten, has been overlooked, and has been buried in the dust of history. The reason was that issue. So there is a phrase in that original act that says no American shall be conscripted against his will to serve outside of the continental United States unless there is a declaration of war or expressly provided so by the Congress.

So that when the war broke out, of course, the tide of unity, the spirit of service, was so expressive that actually the draft hardly was needed when you had lines of volunteers waiting to enlist. But then we failed to come back, as we have through our history, and reassess the changed world after the so-called end of the war, which I maintain has not ended. We still do not have a peace treaty. The war has not ended. We have 300,000 Americans in Germany alone, 45,000 in Korea, and now our present 1,200 marines in Beirut, and better than 1,500 airborne up on the desert, and an unknown number right now in Central America and South America—particularly in Central America.

So that, with all of these developments, and finally the revulsion, the dissidence, the divisions in our society, are still agitating us and, as I see it, mostly because we failed to address these fundamental issues. If a President did not have the inexhaustible reservoir of unlimited manpower conscription, would his generals give him the same advice under different situations calling for judgment evaluation decisions once a decision is made to transcend the diplomatic and going to the military? This fundamental issue has not been addressed since the Reorganization Act of 1947 when the Defense Department resulted.

So I said then, and I have said through the years, if it were intended that the 1947 act was final, it would be fine. But I have read the debates of that period, and at no time was that act considered a gospel, a Bible, or sacred script. As a matter of fact, the first Secretary of Defense had not been in office 6 months before he had to come to the Congress to ask for a very substantial amendment to that act.

□ 1420

Again, all of this has been forgotten. But how long shall we continue to see through this glass darkly, through a glass that gives us a distorted assessment of the real world, what is happening in the real world, and the fact that when a President is asked, "Mr. President, for how long are you sending the marines to Beirut?" and he says, "I do not know. It all depends on the Government of Lebanon." Today, we are passing a resolution adding millions of dollars to help—among other things, train its military—a government that at this point does not even have control of entire Beirut, much less Lebanon itself, and where now, as a result, as I pointed out, and the motivation for my immediately sending that letter to the chairman, the secret arrangement entered into recently between, among others, the United States and Lebanon and Israel, in which there is no question in my mind, and there has been no denial when the European press has reported it, that what it means is an open-ended, unlimited commitment on the part of our country, where even now I maintain the plans are being made to augment, increase, the number of marines in Beirut.

I got up on this House floor and I said, and I made allusion to words that to me are very, very provocative. They are like hearing a sacred anthem, and that is, "For if the trumpet give an uncertain sound, who then shall do battle?" It is true today as when St. Paul said it, and St. Paul had been a warrior.

And that is true. What is the mission of our marines? What about the mission of the 1,500 or so airborne up on the desert? Peacekeeping? Peacekeeping from whom, from what fighting? When we asked the question, because for the first time in the history of the Congress, the Congress passed a resolution committing troops, this has never been done in the history of the Congress. On Presidential request, yes, but when we asked, "What is the purpose of this? Why do we have troops? Why American troops?"

"Well, because it is going to be a multinational peacekeeping."

"Well, what other countries are involved?"

At that time, the only ones they knew of were Sri Lanka and maybe one South American country, as it has turned out to be, Colombia. Our then-Secretary of State just called up the Colombian President and said, "Well, if you want any more of our aid, you better lend us some soldiers to share up there in the desert," and they did. In fact, they sent a substantial number. They have about 1,000. But outside of that, what other nation is helping compose this so-called multinational peacekeeping? Peacekeeping what?

"Oh, this is because after the Camp David agreements, President Jimmy Carter sent a letter to Sadat and to Mr. Begin, saying, 'Look, you fellows are having some doubts and are worried about each other. If it will help any, I am willing to initiate a movement to form a military peacekeeping mission that will go up there to make sure that we have the agreement safeguarded.' "

But what agreement? Is it an agreement involving the United States? No. It is an agreement between Egypt and Israel.

So I asked the question: "We send the troops. Suppose Israel charges that Egypt is violating. What do we do? Send the troops into Egypt? Suppose it is the other way. Suppose Egypt charges that Israel is violating Camp David. What do we do? Send the troops into Israel?"

The answers are not forthcoming. The only answer was, "That is not going to happen." Well, that is what they told us when we raised the question about the nonhazardous or noncombat status of our boys in places like El Salvador. The administration just told me last week that they do not consider those combat areas; they are not hazardous duty areas. Neither is Beirut.

"You mean," I said, "after our Embassy has been blown to bits, killing 16 Americans, among others, you mean this is a noncombat, nonhostile area?

"Yes, we do not consider this that kind of situation."

I said, "Well, I can understand in El Salvador where you finally let the poor soldier boy carry a sidearm, a pistol."

Two years ago, when I raised the issue that they did not even have that, they finally changed around and allowed them to carry a pistol, they told me the same thing: "That is not hazardous; that is not a combat area."

I said, "By what trick of definition can you say that? Why, there are bombs going off every day." My constituents serving there tell me that the only reason they have been safe has been because both sides involved in that fratricidal conflict have a policy of leaving our personnel alone for the moment. But last week they announced a change in that policy and they murdered our Commander Shaufelberger, who happens to be Navy and who, incidentally, is a classic example of the almost inhuman sacrifice that our mistaken policies are demanding.

No nation, no matter how powerful—and I said this during Korea, before I ever thought I would be here, and I have said it all during Vietnam—there is no nation, I do not care how powerful or how mighty it pretends to be, that can carelessly sacrifice its youth, even one, on the altars of the defense of false policies in behalf of dictators, tyrannical governments, unjust governments, that sooner or later are going to be undone by the people themselves in those countries, but in the meantime, they have, maybe unjustly, because if there is any country that is free and genuinely humane, it is the United States, yet right now in that part of the world and in others, we are alined with the oppressors, with the tyrants, and I do not think that is fair to America, but as long as we persist in policies emanating from our looking through that glass darkly, we will continue to err and fail, disastrously as it turned out in Vietnam, a price for which yet has finally to be paid and the potential fraught not only with mischief but greater disaster right now in Lebanon, if not in Central America before, for we insist on misperceptions.

I have been very troubled in participating in the debates here on the so-called defense appropriations, on the nuclear freeze debates, and seeing here the persistent misconception of the world, whether it is Latin American or whether it is Central Europe, Russia, China.

□ 1430

I am not saying that the United States alone is a nation in darkness because of this. So are these other countries. If ever there was humanity's crying need for bridges of communication between these countries—China, Russia, and the United States—it certainly is now because there is no question in my mind of that, given the war psychosis that has been particularly developed by this President in power toward Russia alone, where our leader says that Russia and its leaders are the focus of all evil, and yet turns around and says, "Mr. Congressman, I want, like never before, twice the military budget of just a budget or two ago, $220 billion"—half of which is for what? The defense of Europe, where we insist on perceiving Europe as if this were still 1947 and where our troops are daily insulted.

Oh, we call them something else. We change the designation, and we call them "defense, defense troops." Do we think those countries and the people of those countries think so? No, as far as they are concerned, they are still occupation troops.

We have seen these tides coming now out of England of what some people say is anti-Americanism, in fact so strong that just less than 1 week ago, the reports coming out of England were that Mrs. Thatcher canceled a personal meeting with President Reagan because her political advisers told her of the rising tide of anti-Americanism because of the so-called cruise missile argument, that is, the stationing of the cruise missile and the Pershing II in Europe which we set for December and on which there is a strong tide of popular unwillingness in middle Europe as well as in England. And these advisers said, "Hey, look, you're going to have an election in June here. Remember that if you meet with President Reagan right now without this question being resolved about the finger on the cruise missile."

England is telling us the same thing the Germans have for some years now, that "If you want to put a nuclear warhead here, then we want to have a little say-so as to when you press the button."

That is the issue. That is the fundamental issue, the issue that is necessitating this tremendous, calamitous burden on the backs of the American taxpayers for this interpretation of defense needs based on a view of the world that I hold is no longer true nor real.

How long are the leaders of our country going to persist in failing to confront the American people with the truth, with the issue? I think most of it is from fear, fear that the American people would be very fearful and apprehensive or would not understand, which means that they are insulting and underestimating and actually showing the real contempt they have for the people.

That is just like all this talk about how much they care for the soldier boys. If they did, if they were really concerned, they would face up to the act, and I hope they will accept an amendment I intend to offer at the first propitious time to give those poor boys at least hazardous duty pay every month, extra pay, because if they are shot dead, they are just as dead if they are shot under a noncombat situation as in a defined combat situation.

It is just an Alice-in-Wonderland, unbelievable situation, and it means we have learned nothing since Vietnam. This is exactly what prevailed in May 1963. This is the reason I feel a particular involvement, for I feel I am charged with knowledge, and I recall May 1963, as if it were today. The President was John Kennedy—a great guy, a wonderful friend.

What were the facts? The same. We had an airman in my district, the son of a very personal friend of mine, who was going to be given some kind of honor or decoration, and I was asked to attend before I returned to Washington. It turned out that the reason he was there was that he had been shipped back because he was an adviser. He had been a cargo master on a helicopter, and while on his last flight, he had received hostile fire, and since he was in an advisory capacity, he had no arms to defend himself with. It was the same story then. Why, they are advisers, they are not in combat, they are not exposed, they are not going out to the battlefield; they are just advisers.

So there was this young airman, this cargo master, confronted with hostile fire, and he turned to the soldier of Vietnam who was armed and asked him to fire back, and he refused. Then he did what I would have done and what any human, with the basic law of self-preservation, would have done; he grabbed the gun and fired back. When he landed, he was threatened with being reported for violating his advisory capacity. So he was shipped home to avoid some kind of an incident. Apparently, he had been on almost 300 of those kinds of missions. I could not believe it.

There was no way I could have invoked the world of 1963, because today, being a little gunshy as a result of Vietnam, there is more awareness. I think most Americans know where Lebanon is and where El Salvador is, though not much more than that, unfortunately, as reflected by our policymakers. But who knew where South Vietnam was in May 1963?

But I did make inquiries, and one big difference between 1963 and 1981, when I raised the issue for the first time with this administration in the case of El Salvador, was that we had access to that President. We do not now.

As a matter of fact, on the last fateful trip to Texas, President Kennedy brought that up and told me to my face that he had made a decision that he would be announcing, and that immediately upon his return, he was going to meet with Cincpac in the Pa-

cific to review what he called—and I quote directly—"that whole Southeast Asia thing." Then, as he was leaving the little cabin, he said, "And I want you to know that as of the end of this year, December 31, we are bringing them all back, including helicopters."

That could have meant only the thing I had been pestering him with since June, and that was this Alice-in-Wonderland, crazy—I do not know what other word to use—policy of exposing an American to loss of life or limb without even having the basic means of defending himself.

And here we are now. That was in 1963. This is 1983. It is the same thing. We saw the Embassy official and 16 Americans who died when our Embassy was obliterated in Beirut. They are dead. Yet they were not receiving the hazardous duty pay that, for a while, the Embassy employees in El Salvador had been given. But we never have even considered doing that for the military because the administration feels that once it does that, then it defines that as a combat area and then they have to go back and report to the Congress on the War Powers Limitations Act.

I ask, what is wrong with that? If I am the President and I have respect for our institutions, which means the coequal and independent Congress, would I not be consulting? Would I not be divulging the secret agreements, agreements announced even by the newspapers?

□ 1440

I think I would, unless I was fearful of something. What that is I do not know.

All I know is that at this point in time the Congress has a duty under the plain words and meaning of those words in the War Power Limitations Act to call for a report on the pain of who is violating that act from the President.

I have appealed for such a thing. Just today I received a reply from the distinguished chairman of the Foreign Affairs Committee. I have not had a chance to evaluate every word he answered me with, but suffice it to say that he agrees with the fundamental premises of the letter I directed.

I say that the Congress has a responsibility because it still has some vestiges of its constitutional power of control of the purse strings. But I am saying that we have a responsibility not just because it involves a handful. I say that even if it were one American, our country cannot afford to waste a life needlessly, fruitlessly, in a cause not only not understood but not even defined, and with the potential for great mischief because there is no question in my mind, I do not have to be a seer or a prophet. Just from the reports that have emanated thus far, there is no question that the United States has accepted a greater responsibility and commitment which can become imminently and preeminently open ended if you have an active outbreak of hostilities. Not even involving the Syrians, which it looks to me as if that is inevitable now, but some of the other organizations, groups, terrorists, and the like which have grown like wild flowers in the Lebanon area.

What are the facts? The facts are that the reasons why we have marines in Beirut is to preserve order for the Lebanese, for the Lebanese Government. But preserve order for whom and from whom? That has not been at all mentioned.

Even at this point it is not determined who exactly bombed and destroyed the American Embassy in Beirut with a heavy toll of life, 16 Americans among others.

What if there is an outbreak of hostilities? Are we involved? What do we do? Does the President then say we are not going to let murderers, we are not going to let terrorists turn us away? Or does it reach a point where we have to withdraw ignominously like we did in Saigon?

These are potentials. Yet they are not factored into any consideration that officially our leaders and policymakers want to admit to.

Does the Congress have a responsibility to ask these questions? I think so. Even if we run the risk that the President can come and say, "OK, boys, if that is what you want, I want the equivalent of a specific Gulf of Tonkin resolution involving Lebanon."

I do not doubt if he exerts his tremendous power and pressure, as he did recently, that he would get such a resolution. That is one thing.

But the other thing is for the Congress to be indifferent to its own laws and to later come back and complain about quote unquote "Presidential wars."

In El Salvador our stake is even greater and our risk is even greater. Such has not been fully appreciated either in the Congress or on the policymaking levels of our present Government, the administration.

It is very distressing to some of us who, because of the geographical situation, and also the history and the cultural traditions, including language and the like, that one has inherited, and it hurts, it hurts very much to see this great country which is really, truly great. If it were not, why would you have the hundreds of thousands of people desperately trying to come into America? You do not see anybody desperately trying to get out. You see the great debate on our immigration revisions about this tremendous problem of people coming in.

What are they coming from? Much of it the result of our policies.

Why should it be that we would be alined with the dictators and the tyrants and the oppressors? The world has changed, but we still see Latin America according to this President, as Calvin Coolidge when he sent the Marines to Nicaragua. For what reason? Because Mexico was exporting Bolshevism. That was before we used Marxism, Leninism, and communism. It was Bolshevism in the 1920's. So they sent the marines.

We had more marines down there than there were Nicaraguan soldiers. What good did it do us?

Let me tell you the heritage that we left. We trained the army that was recently ejected, and we put in power and kept in power one of the most loathsome dictators in the history of any country, and that is saying a lot.

Let me say that what we so cavalierly discuss as our advisory military intervention is a very, very dirty job right now. I would hope that some of our leaders from the Secretary of Defense to the President on down would personally get a GI from over there and just talk to him, try to find some way to really get him to really let his hair down. They will find out.

He will tell you that there is a worse communication situation in El Salvador than there was in Vietnam. He will tell you that our identification is with those forces that have dominated that country, exploited that country, oppressed it. And maybe we could get away with it in the world that existed up to even 5 years ago. It has all changed.

I fail to see why as I have been advocating since April 1, 1980—and certainly nobody can say I was partisan because that was President Carter—to exert American leadership while it still had some leverage. Of course now that leverage is gone but why is it gone? Because we will not exert leadership. We have abdicated leadership. Our Presidents have not forged leadership qualities either in the international financial community, as witnessed at the recent Williamsburg Conference where the only agreement was everybody agreed not to discuss the issues.

Why? Because President Reagan did not want to have an agenda. Why? Because we had nothing in the way of leadership.

The French were saying let us come up with a new monetary system, there is no question that this thing has collapsed.

No. Do not talk about it. Do not bring it up.

□ 1450

We wanted to talk about the Japanese surplus of trade. Well, "No, do not bring that up, because if you do then we will bring up your question, high interest rates and the like."

So, they made agreement, an agreement not to discuss anything. So you

had a supreme tea party at Williamsburg. We have been doing the same thing with Latin America. We have refused to work collectively. So, what has happened? There has been very little reported in our Press, but all throughout Latin America that is all you read. The Contadora group, the five countries, Mexico, Venezuela, Colombia, Panama, Costa Rica, meeting, which they just had their fifth meeting; to do what? To try to see how they can reconcile the situation in Central America, see if they can find some way to accommodate a cessation of these killings that are going on in this strife, because the United States will not exert leadership. We have lost our leverage.

In fact, I tried to tell President Carter in April 1980 that at the most, maybe we would have about 90 days when we could exert some good leverage, whereby we could come in and collectively, that is with our neighbors and partners in the Western World, instead of doing it unilaterally, where we will never get out. The way we are going, I will say, it is a sinkhole; we will not get out, we cannot and if we impressed every able-bodied American, we would not have enough, all because we insist on looking through this glass darkly. And with the fantastic notions that are outworn, because for 200, 300 years, Latin America might have been willing, and those oppressed masses might have been but not now; not in the context of this world.

And so, the United States, threatened with the loss of its hegemony, that is its power, which can be retrieved if we exert the leadership required, but if we do not offer it and insist on predicating our action in a unilateral way, in a military way, we are doomed and foredoomed, not only to failure but to the consequences of the loss of the naturally empirical reality, of the real power of America.

And actually the solutions are not complicated; they are simple. They are just a rededication to the basic faith and principles that America has always stood for.

People throughout the world would recognize it. We need not worry about that. But I say that at this point I hope that when we do have a vote, if we have a vote on this resolution today, that there will be a reexamination and that the Congress will rise to its responsibility, not abdicate, as I charge it has for some time now, The War Powers Limitation Act in its plain language clearly indicates the President, both in the case of El Salvador, but more so in the case of Beirut, is in violation of the terms of the War Powers Limitation Act.

I yield back the balance of my time.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1242

Mr. STANGELAND. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of H.R. 1242, and I further ask unanimous consent that this request appear just prior to the special orders for today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

SEWER CHARGES SHOULD BE TAX DEDUCTIBLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LAFALCE) is recognized for 15 minutes.

● Mr. LAFALCE. Mr. Speaker, today I am introducing two bills that would provide much needed tax relief for taxpayers in North Tonawanda and Niagara Falls in my congressional district, and for taxpayers across the country. The bills would allow taxpayers to deduct their sewer charges for Federal income tax purposes.

The first bill provides that for Federal income tax purposes, a sewer tax is a sewer tax, is a sewer tax no matter how it is figured. User fees, real property taxes, and ad valorem taxes levied to support the operation and maintenance of sewers and waste-water treatment facilities would be tax deductible. Presently, user fees based on the number of gallons of water used by each homeowner and business are not deductible. As a result of this distinction without a difference, North Tonawanda and Niagara Falls taxpayers cannot deduct their sewer taxes for Federal income tax purposes, while taxpayers in several western New York communities can. This inequitable situation is mirrored across the country in neighboring communities.

Ways and Means Committee staff estimate that my bill or similar legislation would reduce Federal tax revenues by $50 to $100 million annually on a fiscal year basis.

The second bill I am introducing today would allow communities that currently have a user fee system to change their method of tax collection to an ad valorem system, thereby allowing taxpayers to deduct their sewer taxes for Federal income tax purposes. The 1977 Clean Water Act amendments permitted the use of ad valorem taxes to raise funds for the operation and maintenance of federally financed waste-water treatment plants if such a system were in place by December 1977. My bill would remove this time constraint and allow communities to adopt ad valorem systems. Clearly this approach places a burden on the local community, but it does provide us with another legislative vehicle to achieve the same objective; that is, to allow taxpayers across the country to deduct their sewer taxes for Federal income tax purposes.

Mr. Speaker, at this point I ask that my two bills be printed in the RECORD.

H.R. 3186

A bill to amend the Federal Water Pollution Control Act to allow all recipients of grants for treatment works to use dedicated ad valorem taxes in order to meet the requirement of the Act that such recipients adopt user charges to pay for operation and maintenance of treatment works

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second sentence of section 204(b)(1) of the Federal Water Pollution Control Act is amended by striking out "which, as of the date of enactment of this sentence,".

H.R. 3187

A bill to amend the Internal Revenue Code of 1954 to allow a deduction for sewer taxes, rents, and other similar sewer charges

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Subsection (b) of section 164 of the Internal Revenue Code of 1954 (relating to definitions and special rules for deduction of taxes) is amended by adding at the end thereof the following new paragraph:

"(6) SEWER TAXES, RENTS, AND OTHER SIMILAR SEWER CHARGES.—The term 'real property taxes' shall include sewer taxes, rents, or similar sewer charges, regardless whether same are computed per capita, or on the basis of real property valuation or usage.".

SEC. 2. Paragraph (1) of subsection (c) of section 164 of the Internal Revenue Code of 1954 (relating to the denial of deduction in the case of certain taxes) is amended to read as follows:

"(1) Taxes assessed against local benefits (other than sewer taxes, rents, or other similar sewer charges) of a kind tending to increase the value of the property assessed; but this paragraph shall not prevent the deduction of so much of such taxes as is properly allocable to maintenance or interest charges.".

SEC. 3. The amendments made by this Act shall apply to taxable years beginning after the date of the enactment of this Act.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CLAY (at the request of Mr. WRIGHT), for June 1 through June 6, on account of representing the House at the meeting of the International Labor Organization.

Mrs. COLLINS (at the request of Mr. WRIGHT), for June 1 through June 6, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. MARTIN of Illinois) to revise and extend their remarks and include extraneous material:)

Mr. FISH, for 5 minutes, today.

Mr. CORCORAN, for 5 minutes, today.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. LAFALCE, for 15 minutes, today.

Mr. ST GERMAIN, for 5 minutes, today.

Mr. FRANK, for 30 minutes, on June 2.

Mr. SHANNON, for 60 minutes, on June 14.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. MARTIN of Illinois) and to include extraneous matter:)

Mr. VANDER JAGT.

Mr. LENT.

Mr. CHANDLER.

Mr. BROOMFIELD in four instances.

Mr. HUNTER.

Mr. GREEN.

Mr. HAMMERSCHMIDT.

Mr. KEMP in three instances.

Mr. HYDE in two instances.

Mr. SHUMWAY.

Mr. LAGOMARSINO.

Mr. ERLENBORN.

Mr. WORTLEY.

Mr. COUGHLIN.

Mr. PORTER.

Mr. FRENZEL.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mrs. LLOYD in five instances.

Mr. HAMILTON in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in five instances.

Mr. EDWARDS of California.

Mr. LANTOS.

Mrs. COLLINS.

Mr. HALL of Ohio.

Mr. GUARINI in two instances.

Mr. OTTINGER.

Mr. GARCIA.

Mr. JONES of North Carolina.

Mr. BONIOR of Michigan.

Mr. WALGREN.

Mr. BEILENSON.

Mr. RODINO.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 684. An act to authorize an ongoing program of water resources research; to the Committee on Interior and Insular Affairs.

S. 727. An act to authorize the Secretary of the Interior to set aside certain judgment funds of the Three Affiliated Tribes of Fort Berthold Reservation in North Dakota, and for other purposes; to the Committee on Interior and Insular Affairs.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. HAWKINS, from the Committee on House Administration, reported that that committee did on May 26, 1983, present to the President, for his approval, bills and a joint resolution of the House of the following title:

H.R. 2990. An act to increase the permanent public debt limit, and for other purposes;

H.R. 2681. An act to make certain amendments to sections 4, 13, 14, 15, and 15B of the Securities Exchange Act of 1934; and

H.J. Res. 265. Joint resolution to provide for the temporary extension of certain insurance programs relating to housing and community development, and for other purposes.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 55 minutes p.m.), the House adjourned until tomorrow, Thursday, June 2, 1983, at 10 a.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Report of a House committee concerning the foreign currency and U.S. dollars utilized by it during the first quarter of calendar year 1983 in connection with foreign travel pursuant to Public Law 95-384 is as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1983

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Joseph P. Addabbo	1/8	1/11	Hong Kong		309.00						309.00
	1/11	1/14	China		225.00						225.00
	1/14	1/18	New Zealand		320.0						320.00
	1/18	1/18	Samoa		75.00		[3] 5,108.00				5,183.00
Hon. Bill Alexander	12/22	1/1	Switzerland		78.00		967.00				1,045.00
Hon. Bill Alexander	2/11	2/13	Germany		255.00		255.35				510.35
	2/14	2/17	Kenya		231.00				208.50		439.50
	2/18	2/19	Seychelles		158.00		3,586.60				3,744.60
Transportation (DOD)							2,322.60				2,322.60
Hon. Bob Carr	2/12	2/13	Italy		89.00						89.00
	2/13	2/16	Israel		300.00						300.00
	2/16	2/18	Egypt		282.00						282.00
	2/18	2/19	Cyprus								
	2/19	2/19	Lebanon								
	2/19	2/21	Saudi Arabia		492.00					492.00	
	2/21	2/23	Tunisia		150.00					150.00	
Transportation (DOD)							6,889.06			6,889.06	
Hon. Julian C. Dixon	2/14	2/15	Mexico		75.00					75.00	
	2/15	2/16	Guatemala		75.00					75.00	
	2/16	2/18	Honduras		187.50					187.50	
	2/18	2/18	Nicaragua		75.00					75.00	
	2/18	2/19	El Salvador		75.00					75.00	
	2/19	2/21	Costa Rica		150.00		[3] 1,590.00			1,740.00	
Hon. Bernard Dwyer	2/12	2/13	Italy		89.00					89.00	
	2/13	2/16	Israel		300.00					300.00	
	2/16	2/18	Egypt		282.00						282.00
	2/18	2/19	Cyprus								
	2/19	2/19	Lebanon								
	2/19	2/21	Saudi Arabia		492.00						492.00
	2/21	2/23	Tunisia		150.00						150.00
Transportation (DOD)							6,889.06				6,889.06
Hon. Jack Edwards	1/8	1/11	Hong Kong		309.00						309.00
	1/11	1/14	China		225.00						225.00
	1/14	1/18	New Zealand		320.00						320.00
	1/17	1/18	Samoa		75.00		[3] 5,108.00				5,183.00
Hon. Bill Gray	1/8	1/9	Italy		119.00		61.86				180.86

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1983—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	1/10	1/14	Zimbabwe		540.00						540.00
	1/14	1/15	Mozambique		130.00						130.00
	1/15	1/17	Tanzania		245.00						245.00
	1/17	1/19	Egypt		267.00						267.00
	1/19	1/20	France		112.00						112.00
Transportation (DOD)							8,787.33				8,787.33
Hon. Jack Hightower	2/12	2/13	Italy		89.00						89.00
	2/13	2/16	Israel		300.00						300.00
	2/16	2/18	Egypt		282.00						282.00
	2/18	2/19	Cyprus								
	2/19	2/19	Lebanon								
	2/19	2/21	Saudi Arabia		492.00						492.00
	2/21	2/23	Tunisia		150.00						150.00
Transportation (DOD)							6,889.06				6,889.06
Hon. Clarence D. Long	1/7	1/9	Mexico		225.00						225.00
	1/9	1/12	Costa Rica		225.00						225.00
	1/12	1/14	Mexico		75.00						75.00
	1/14	1/16	Barbados		432.00						432.00
	1/16	1/19	Antigua		353.20						353.20
	1/19	1/21	Haiti		225.00		[3] 2,891.00				3,116.00
Hon. Clarence D. Long	2/14	2/15	Mexico		75.00						75.00
	2/15	2/16	Guatemala		75.00						75.00
	2/16	2/18	Honduras		187.50						187.50
	2/18	2/18	Nicaragua		75.00						75.00
	2/19	2/21	Costa Rica		150.00		[3] 1,590.00				1,740.00
Hon. Matthew F. McHugh	2/14	2/15	Mexico		75.00						75.00
	2/15	2/16	Guatemala		75.00						75.00
	2/16	2/18	Honduras		187.50						187.50
	2/18	2/18	Nicaragua		75.00						75.00
	2/18	2/19	El Salvador		75.00						75.00
	2/19	2/21	Costa Rica		150.00		[3] 1,590.00				1,740.00
Hon. George O'Brien	2/12	2/13	Italy		89.00						89.00
	2/13	2/16	Israel		300.00						300.00
	2/16	2/18	Egypt		282.00						282.00
	2/18	2/19	Cyprus								
	2/19	2/19	Lebanon								
	2/19	2/21	Saudi Arabia		492.00						492.00
	2/21	2/23	Tunisia		150.00						150.00
Transportation (DOD)							6,889.06				6,889.06
Hon. Clarence Miller	2/12	2/13	Italy		89.00						89.00
	2/13	2/16	Israel		300.00						300.00
	2/16	2/18	Egypt		282.00						282.00
	2/28	2/19	Cyprus								
	2/19	2/19	Lebanon								
	2/19	2/21	Saudi Arabia		492.00						492.00
	2/21	2/23	Tunisia		150.00						150.00
Transportation (DOD)							6,889.06				6,889.06
Hon. John T. Myers	1/8	1/11	Hong Kong		309.00						309.00
	1/11	1/14	China		225.00						225.00
	1/14	1/18	New Zealand		320.00						320.00
	1/18	1/18	Samoa		75.00		[3] —5,108.00				5,183.00
Hon. J. Kenneth Robinson	1/8	1/11	Hong Kong		309.00						309.00
	1/11	1/14	China		225.00						225.00
	1/14	1/18	New Zealand		320.00						320.00
	1/18	1/18	Samoa		75.00		[3] 5,108.00				5,183.00
Hon. Eldon Rudd	1/11	1/13	New Zealand		150.00		118.44		24.00		292.44
	1/13	1/15	Australia		236.00						236.00
	1/15	1/16	Malaysia		102.00						102.00
	1/16	1/17	Sri Lanka		88.91		25.00		6.25		120.16
	1/17	1/19	Thailand		156.00		27.36		6.52		189.88
	1/19	1/22	Philippines		150.00		16.01		92.34		258.35
Transportation (DOD)							15,925.00				15,925.00
Hon. Neal Smith	2/12	2/13	Italy		89.00						89.00
	2/13	2/16	Israel		300.00						300.00
	2/16	2/18	Egypt		282.00						282.00
	2/18	2/19	Cyprus								
	2/19	2/19	Lebanon								
	2/19	2/21	Saudi Arabia		492.00						492.00
	2/21	2/23	Tunisia		150.00						150.00
Transportation (DOD)							6,889.06				6,889.06
George Allen	1/8	1/11	Hong Kong		309.00						309.00
	1/11	1/14	China		225.00						225.00
	1/14	1/18	New Zealand		320.00						320.00
	1/18	1/18	Samoa		75.00		[3] 5,108.00				5,183.00
Terry Berels	2/12	2/13	Italy		89.00						89.00
	2/13	2/16	Israel		300.00						300.00
	2/16	2/18	Egypt		282.00						282.00
	2/18	2/19	Cyrpus								
	2/19	2/19	Lebanon								
	2/19	2/21	Saudi Arabia		492.00						492.00
	2/21	2/23	Tunisia		150.00						150.00
Transportation (DOD)							6,889.06				6,889.06
Jimmy Ray Fairchild	2/12	2/13	Italy		89.00						89.00
	2/13	2/16	Israel		300.00						300.00
	2/16	2/18	Egypt		282.00						282.00
	2/18	2/19	Cyprus								
	2/19	2/19	Lebanon								
	2/19	2/21	Saudi Arabia		492.00						492.00
	2/21	2/23	Tunisia		150.00						150.00
Transportation (DOD)							6,889.06				6,889.06
Aubrey A. Gunnels	1/15	11/18	France		247.00						247.00
	1/18	1/21	United Kingdom		424.00		1,202.45				1,626.45
Aubrey A. Gunnels	2/23	2/24	Bahamas		144.00		160.00				304.00
	2/24	2/27	United States		225.00						225.00
Edward E. Lombard	1/7	1/10	Italy		258.00						258.00
	1/10	1/12	Egypt		182.00						182.00
	1/12	1/14	Pakistan		176.00						176.00
	1/14	1/16	India		300.00						300.00
	1/16	1/18	Hong Kong		206.00		7.72				213.72

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1983—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Marcia L. Matts	1/18	1/21	United States		182.00		4,610.49				4,792.49
	1/8	1/11	Hong Kong		309.00						309.00
	1/11	1/14	China		225.00						225.00
	1/14	1/18	New Zealand		320.00						320.00
	1/18	1/18	Samoa		75.00		[3] 5,108.00				5,183.00
Peter J. Murphy, Jr.	1/18	1/11	Hong Kong		309.00						309.00
	1/11	1/14	China		225.00						225.00
	1/14	1/18	New Zealand		320.00						320.00
	1/18	1/18	Samoa		75.00		[3] 5,108.00				5,183.00
John G. Osthaus	2/12	2/13	Italy		89.00						89.00
	2/13	2/16	Israel		300.00						300.00
	2/16	2/18	Egypt		282.00						282.00
	2/18	2/19	Cyprus								
	2/19	2/19	Lebanon								
	2/19	2/21	Saudi Arabia		492.00						492.00
	2/21	2/23	Tunisia		150.00						150.00
Transportation (DOD)							6,889.06				6,889.06
Edwin F. Powers	1/1	1/3	England		212.00						212.00
	1/3	1/5	Portugal		150.00						150.00
	1/5	1/7	Spain		150.00						150.00
	1/7	1/12	France		395.00						395.00
	1/2	1/16	Switzerland		324.00						324.00
	1/16	1/20	England		424.00		4,466.85				4,890.85
Edwin F. Powers	2/14	2/15	Mexico		75.00						75.00
	2/15	2/16	Guatemala		75.00						75.00
	2/16	2/18	Honduras		187.50						187.50
	2/18	2/18	Nicaragua		75.00						75.00
	2/18	2/19	El Salvador		75.00						75.00
	2/19	2/21	Costa Rica		150.00		[3] 1,590.00				1,740.00
Donald E. Richbourg	1/8	1/11	Hong Kong		309.00						309.00
	1/11	1/14	China		225.00						225.00
	1/14	1/18	New Zealand		320.00						320.00
	1/18	1/18	Samoa		75.00		[3] 5,108.00				5,183.00
William E. Schuerch	1/7	1/9	Mexico		225.00						225.00
	1/9	1/12	Costa Rica		225.00						225.00
	1/12	1/14	Mexico		75.00						75.00
	1/14	1/16	Barbados		432.00						432.00
	1/16	1/19	Antigua		353.20						353.20
	1/19	1/21	Haiti		225.00		2,891.00				3,116.00
William E. Schuerch	2/14	2/15	Mexico		75.00						75.00
	2/15	2/16	Guatemala		75.00						75.00
	2/16	2/18	Honduras		187.50						187.50
	2/18	2/18	Nicaragua		75.00						75.00
	2/18	2/19	El Salvador		75.00						75.00
	2/19	2/21	Costa Rica		150.00		[3] 1,590.00				1,740.00
Austin G. Smith	1/8	1/11	Hong Kong		309.00						309.00
	1/11	1/14	China		225.00						225.00
	1/14	1/18	New Zealand		320.00						320.00
	1/18	1/18	Samoa		75.00		[3] 5,108.00				5,183.00
Committee total					33,452.81		164,245.60		337.61		198,036.02

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Transportation furnished by government aircraft. Cost shown is comparable first-class commercial rate.

JAMIE L. WHITTEN, Chairman, May 9, 1983.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1244. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to establish an improved program for extra long staple cotton; to the Committee on Agriculture.

1245. A letter from the Secretary of Education, transmitting a copy of regulations entitled "Law-Related Education—Institutionalization Projects Notice of Funding Priorities" scheduled for publication in the Federal Register, pursuant to section 405 of Public Law 94-482; to the Committee on Education and Labor.

1246. A letter from the Secretary of Education, transmitting a copy of regulations entitled "Final Priorities for the Innovative Programs for Severely Handicapped Children" scheduled for publication in the Federal Register, pursuant to section 405 of Public Law 94-482; to the Committee on Education and Labor.

1247. A letter from the chairman, National Arthritis Advisory Board, transmitting the annual report of the board's activities for 1983, pursuant to section 437(j) of the Public Health Service Act; to the Committee on Energy and Commerce.

1248. A letter from the Secretary of Education, transmitting the 1984-85 guaranteed student loan family contribution schedule, pursuant to sections 428(a)(2)(D) and 482(a)(2) of the Higher Education Act of 1965; to the Committee on Education and Labor.

1249. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the murder of Lt. Comdr. Albert A. Schaufelberger III, USN, U.S. Navy representative to the military group, El Salvador, on May 25, 1983, pursuant to section 21(c)(2) of the Arms Export Control Act; to the Committee on Foreign Affairs.

1250. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to offer to sell certain defense articles and services to Thailand (transmittal No. 83-31), pursuant to section 36(b) of the Arms Control Act; to the Committee on Foreign Affairs.

1251. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b; to the Committee on Foreign Affairs.

1252. A letter from the Secretary of Defense, transmitting the first semiannual activities report of the Inspector General for the period October 1, 1982, through March 31, 1983, pursuant to section 5(b) of Public Law 95-452, as amended; to the Committee on Government Operations.

1253. A letter from the Secretary of Education, transmitting the sixth semiannual activities report of the Inspector General for the period October 1, 1982, through March 31, 1983, pursuant to section 5(b) of Public Law 95-452, as amended; to the Committee on Government Operations.

1254. A letter from the Administrator, General Services Administration, transmitting the semiannual activities report of the Inspector General for the 6-month period ending March 31, 1983, pursuant to section 5(b) of Public Law 95-452, as amended; to the Committee on Government Operations.

1255. A letter from the Inspector General, Department of Energy, transmitting the first semiannual report of his office for the first half of fiscal year 1983, pursuant to section 208(c) of Public Law 95-91, as

amended; to the Committee on Government Operations.

1256. A letter from the Director, Office of Personnel Management, transmitting the annual report on the financial status of the civil service retirement system for the fiscal year ending September 30, 1982, pursuant to section 121(a) of Public Law 95-595; to the Committee on Government Operations.

1257. A letter from the Deputy Assistant Secretary of Defense (administration), transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1258. A letter from the Deputy Assistant Secretary of Defense (administration); transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1259. A letter from the Deputy Assistant Secretary of Defense (administration), transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1260. A letter from the Deputy Assistant Secretary of Defense (administration), transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1261. A letter from the Deputy Assistant Secretary of Defense (administration), transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1262. A letter from the Deputy Assistant Secretary of Defense (administration), transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1263. A letter from the Attorney General, transmitting the fifth report on steps taken by the Department of Justice to comply with the intent of Congress that section 1073 of title 18 of the United States Code apply to cases involving parental kidnaping and interstate or international flight to avoid prosecution under applicable state felony statutes pursuant to section 10(b) of Public Law 96-611; to the Committee on the Judiciary.

1264. A letter from the Director, Office of Management and Budget, executive Office of the President, transmitting a soil conservation service plan for the South Fork Licking River watershed, Ohio, pursuant to section 5 of the act of August 4, 1954; to the Committee on Public Works and Transportation.

1265. A letter from the Assistant Secretary of the Army (civil works), transmitting a report with respect to providing a spoil disposal area for the Deep Creek project, Newport News, Va., pursuant to section 122(a) of Public Law 94-587 (H. Doc. No. 98-66); to the Committee on Public Works and Transportation, and ordered to be printed.

1266. A letter from the Assistant Secretary of the Army (civil works), transmitting a report from the Chief of Engineers, Department of the Army on Irondequoit Creek watershed, N.Y., pursuant to section 208 of the Flood Control Act of 1965; to the Committee on Public Works and Transportation.

1267. A letter from the Executive Secretary, Office of the Secretary of Defense, transmitting a report covering the period October 1982 through January 1983 on Defense Department procurement from small and other business firms, pursuant to section 10(d) of the Small Business Act, as amended; to the Committee on Small Business.

1268. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend section 709 of title 32, United States Code, to permit the Secretary of Defense to approve certain regulations governing excepted service technicians of the National Guard, and for other purposes; jointly to the Committees on Armed Services and Post Office and Civil Service.

REPORTS OF COMMITTEE ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DE LA GARZA: Committee on Agriculture. H.R. 2477. A bill entitled the Sipsey Wilderness Additions Act of 1983; with amendment (Rept. No. 98-98 Pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. DE LA GARZA: Committee on Agriculture. H.R. 9. A bill to designate components of the National Wilderness Preservation System in the State of Florida; with amendments (Rept. No. 98-102, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. DE LA GARZA: Committee on Agriculture. H.R. 2676. A bill to authorize appropriations through fiscal year 1984 for the National Aquaculture Act; with amendments (Rept. No. 98-155, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. MONTGOMERY: Committee on Veterans' Affairs. H.R. 2937. A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans, to increase the rates of dependency and indemnity compensation for surviving spouses and children, and for the purpose (Rept. No. 98-228). Referred to the Committee of the Whole House on the State of the Union.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under Clause 5 of rule X, the following action was taken by the Speaker:

Consideration of H.R. 2498 by the Committee on Education and Labor extended for an additional period ending not later than June 13, 1983.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. BOXER (for herself, Mr. COELHO, Mr. PANETTA, Mr. FAZIO, Mr. BOSCO, and Mr. BROWN of California):

H.R. 3178. A bill to amend the Federal Food, Drug, and Cosmetic Act to establish certain minimum standards for milk, and for other purposes; to the Committee on Energy and Commerce.

By Mrs. COLLINS (for herself, Ms. FERRARO, Mr. DYMALLY, Mr. HOWARD, Mr. EDGAR, Mr. ADDABBO, Ms. MIKULSKI, Ms. OAKAR, Mr. RANGEL, Mr. FAUNTROY, Mr. BROWN of California, Mr. CROCKETT, Mr. STOKES, Mr. YATES, Mr. OTTINGER, Mr. CLAY, Mr. EDWARDS of California, Mr. LOWRY of Washington, and Mr. MARKEY):

H.R. 3179. A bill to strengthen the development of children and the functioning of families by establishing a comprehensive Federal child care program designed to improve the quality and availability of child care services while protecting parental rights, and for other purposes; to the Committee on Education and Labor.

By Mr. ERLENBORN:

H.R. 3180. A bill entitled: The Child Nutrition Amendments of 1983; jointly, to the Committees on Agriculture and Education and Labor.

By Mr. FISH (for himself, Mr. HUGHES, Mr. HYDE, Mr. MAZZOLI, Mr. MCCOLLUM, Mr. MOORHEAD, Mr. SAWYER, Mr. SENSENBRENNER, Mr. SHAW, and Mr. SMITH of Florida):

H.R. 3181. A bill to amend title 18 of the United States Code to provide penalties for credit card counterfeiting and related fraud; to the Committee on the Judiciary.

By Mr. FRENZEL:

H.R. 3182. A bill to allow producers participating in the payment-in-kind program established by the Secretary of Agriculture with the option to receive from the Secretary a 6-month nonrecourse loan to pay for continued storage of the commodities received by such producers under such program; to the Committee on Agriculture.

By Mr. FRENZEL (for himself and Mr. JENKINS):

H.R. 3183. A bill to amend the Internal Revenue Code of 1954 to assure access of unemployed workers to health benefits coverage, to amend the Social Security Act to provide block grants to States to provide health assistance to unemployed workers, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. GREEN:

H.R. 3184. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for real estate taxes imposed on tenants; to the Committee on Ways and Means.

By Mr. LAFALCE:

H.R. 3185. A bill to amend the Federal Water Pollution Control Act relating to the construction and operation of certain treatment works which are subject to regulation under international treaties; to the Committee on Public Works and Transportation.

H.R. 3186. A bill to amend the Federal Water Pollution Control Act to allow all recipients of grants for treatment works to use dedicated ad valorem taxes in order to meet the requirement of the act that such recipients adopt user charges to pay for operation and maintenance of treatment works; to the Committee on Public Works and Transportation.

H.R. 3187. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for sewer taxes, rents, and other similar sewer charges; to the Committee on Ways and Means.

By Mr. LUJAN:

H.R. 3188. A bill permitting American prisoners of war held by the Japanese after the Bataan death march to sue in the U.S. Court of Claims; to the Committee on the Judiciary.

By Ms. SNOWE:

H.R. 3189. A bill to require the Administrator of Veterans' Affairs to establish an experimental program to determine the feasibility of furnishing diagnostic health-care services to certain veterans in areas of the United States that are geographically

remote from health-care facilities of the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. ANNUNZIO:

H.J. Res. 285. Joint resolution designating December 1, 1983, as "National Civil Air Patrol Day"; to the Committee on Post Office and Civil Service.

By Mr. OTTINGER (for himself, Mr. UDALL, Mr. MARKEY, Mr. DELLUMS, Mr. WALGREN, Mr. WOLPE, Mr. HOWARD, Mr. GARCIA, Mr. WEAVER, Mr. MOAKLEY, Mr. BEILENSON, Mr. COYNE, Mr. FAUNTROY, Mr. SCHUMER, Mr. LEVINE of California, Mr. VENTO, Mr. DOWNEY of New York, Mrs. SCHROEDER, Mr. SEIBERLING, Mr. CROCKETT, Mr. JEFFORDS, Mr. FEIGHAN, Mr. GRAY, Mr. WYDEN, Mr. SCHEUER, Mr. RATCHFORD, Mr. BOSCO, Mr. LAFALCE, Mr. FRANK, Mr. EDWARDS of California, Ms. KAPTUR, Mr. OBERSTAR, Mr. KOSTMAYER, Mr. BERMAN, Mr. BEDELL, Mr. RANGEL, Mr. FISH, Mr. EDGAR, Mr. MCHUGH, Mr. KASTENMEIER, Mr. PEASE, Mr. DASCHLE, Mr. LEHMAN of California, Mr. RODINO, Mr. WEISS, Mr. SABO, Mr. LELAND, Mr. KILDEE, Mr. BROWN of California, Mrs. SCHNEIDER, Mr. SIMON, Mr. MORRISON of Connecticut, Mr. LOWRY of Washington, Mr. LUNDINE, Mrs. BOXER, Mr. OWENS, Mr. ADDABBO, Mr. MCKINNEY, Mr. WIRTH, Mr. SAVAGE, Mr. BARNES, Mr. MITCHELL, and Mr. SIKORSKI):

H.J. Res. 286. Joint resolution calling for negotiations to halt the production of separated plutonium; to the Committee on Foreign Affairs.

By Mr. CORCORAN (for himself, Mr. D'AMOURS, and Mr. LOTT):

H. Con. Res. 132. Concurrent resolution expressing the sense of the Congress that the continuing possibility that the provisions of the Internal Revenue Code of 1954 relating to withholding from interest and dividends will be repealed is creating, for all payors, an undue hardship within the meaning of section 308(b) of the Tax Equity and Fiscal Responsibility Act of 1982 and that the Secretary of the Treasury should exercise his authority under such section to delay the effective date of such provision until December 31, 1983; to the Committee on Ways and Means.

By Mr. ZABLOCKI:

H. Res. 214. Resolution extending congratulations to the Republic of Tunisia on the 27th anniversary of Tunisia's National Day; considered and agreed to.

By Mr. WHITEHURST (for himself, Mr. CORCORAN, Mr. GINGRICH, Mr. KRAMER, Mr. MCDONALD, and Mr. MCEWEN):

H. Res. 215. Resolution relating to the building of weapons for deployment in space; to the Committee on Armed Services.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

156. By the SPEAKER: Memorial of the Legislature of the State of Colorado, relative to the U.S. Air Force Space Command, Peterson Air Force Base, Colo.; to the Committee on Armed Services.

157. Also, memorial of the Senate of the State of West Virginia, relative to a new jobs program; to the Committee on Education and Labor.

158. Also, memorial of the Senate of the State of Texas, relative to the Tax Equity and Fiscal Responsibility Act of 1982; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 800: Mr. BOSCO, Mr. WOLPE, Mr. COOPER, Mr. BROOKS, Mr. ANDREWS of Texas, Mr. JACOBS, and Mr. SUNIA.

H.R. 943: Mr. HYDE and Mr. VENTO.

H.R. 1031: Mr. MOLLOHAN.

H.R. 1092: Mr. PHILIP M. CRANE, Mr. GLICKMAN, Mr. BRITT, Mr. MCCURDY, Mr. RUDD, Mr. STENHOLM, Mr. STOKES, Mr. SIMON, and Mr. WORTLEY.

H.R. 1155: Mr. BATES, Mr. DIXON, and Mr. JACOBS.

H.R. 1176: Mr. ECKART, Mrs. BOGGS, Mr. SHUSTER, Mr. GEKAS, and Mr. TAUZIN.

H.R. 1226: Mr. PETRI.

H.R. 1285: Mrs. KENNELLY, Mr. MORRISON of Connecticut, Mr. KOGOVSEK, and Mr. DYSON.

H.R. 1584: Mr. TORRICELLI, Mr. NEAL, Mr. LEVINE of California, Mr. DYSON, and Mr. DIXON.

H.R. 1646: Mr. MAVROULES.

H.R. 1693: Mr. CARR and Mr. EVANS of Illinois.

H.R. 1870: Mr. ADDABBO, Mr. BATEMAN, Mr. BONER of Tennessee, Mr. BROOMFIELD, Mr. BROWN, of Colorado, Mr. BROYHILL, Mr. CARR, Mr. CLAY, Mrs. COLLINS, Mr. COUGHLIN, Mr. DANIEL B. CRANE, Mr. DEWINE, Mr. DOWNEY of New York, Ms. FERRARO, Mr. FISH, Mr. FOGLIETTA, Mr. GEKAS, Mr. GORE, Mr. SAM B. HALL, Jr., Mr. HANSEN of Idaho, Mr. HOYER, Mr. KASTENMEIER, Mr. LOWRY of Washington, Mr. LUKEN, Mr. MADIGAN, Mr. MARRIOTT, Mr. MCCOLLUM, Mr. MCDADE, Mr. OWENS, Mr. PASHAYAN, Mr. PAUL, Mr. RICHARDSON, Mr. ROBINSON, Mrs. SCHROEDER, Mr. SCHULZE, Mr. SPENCE, Mr. TALLON, Mr. WALGREN, Mr. WATKINS, Mr. WHITEHURST, Mr. WILLIAMS of Ohio, Mr. WOLF, and Mr. YOUNG of Alaska.

H.R. 2012: Mr. CROCKETT, Mr. HERTEL of Michigan, Mr. OWENS, Mr. CLAY, Mr. SAVAGE, Mr. ACKERMAN, and Ms. MIKULSKI.

H.R. 2053: Mr. RALPH M. HALL and Mr. SOLARZ.

H.R. 2118: Mr. NIELSON of Utah and Mr. MCNULTY.

H.R. 2263: Mr. GUNDERSON, Mrs. COLLINS, Mr. MCKINNEY, and Mr. SHAW.

H.R. 2377: Mr. FRENZEL.

H.R. 2453: Mr. RITTER and Mr. WILSON.

H.R. 2483: Mrs. BOXER.

H.R. 2582: Mr. TORRICELLI and Mr. LELAND.

H.R. 2711: Mr. BATEMAN, Mr. CLARKE, Mr. D'AMOURS, Mr. FAZIO, Mr. FISH, Mr. FORSYTHE, Mr. GOODLING, Mr. HILLIS, Mr. HORTON, Mr. KOLTER, Mr. MARTIN of New York, Mr. MORRISON of Washington, Mr. PARRIS, Mr. QUILLEN, Mr. ROBINSON, Mr. SAWYER, Mr. SPENCE, Mr. STANGELAND, Mr. WORTLEY, and Mr. YATRON.

H.R. 2777: Mr. DELLUMS.

H.R. 2817: Mr. BARNES, Ms. MIKULSKI, Mr. LONG of Maryland, Mr. PARRIS, Mrs. HOLT, and Mr. BATEMAN.

H.R. 2885: Mr. PATMAN.

H.R. 2941: Mr. LELAND.

H.R. 3018: Mr. DORGAN and Mr. PANETTA.

H.R. 3021: Mr. LONG of Maryland, Mr. FORD of Michigan, Mr. FROST, Mr. MCCLOSKEY, and Mr. LEVINE of California.

H.J. Res. 1: Mr. PANETTA.

H.J. Res. 235: Mr. BATEMAN, Mr. BETHUNE, Mrs. LLOYD, Mr. CROCKETT, Mr. EMERSON, Mrs. HOLT, Mr. KASICH, Mr. MCNULTY, Ms. SNOWE, and Mr. WHEAT.

H.J. Res. 254: Mr. LEACH of Iowa, Mr. ADDABBO, Mrs. BOXER, Mr. WALGREN, Mr. FORD of Tennessee, Mr. ACKERMAN, Mr. SEIBERLING, Mr. LAFALCE, Mr. FRENZEL, Mr. FORSYTHE, Mr. KASTENMEIER, Mr. KILDEE, Mr. EVANS of Illinois, Mr. JONES of Oklahoma, Mr. SUNIA, Mr. LEVINE of California, Mr. REGULA, Mr. PATTERSON, Mr. WIRTH, Mr. GEJDENSON, Mr. TAUKE, Mr. LIPINSKI, Mr. MATSUI, Mr. DYMALLY, Mr. BONIOR of Michigan, Mrs. SCHNEIDER, Mr. SMITH of Iowa, Mr. VENTO, Mr. FAUNTROY, Mr. FEIGHAN, Mr. DIXON, Mr. MCKINNEY, and Mr. AUCOIN.

H.J. Res. 258: Mr. BARNES, Mr. BROYHILL, Mr. GEKAS, Mr. DYSON, Mr. O'BRIEN, Mr. CLAY, Mr. NEAL, Mr. SCHEUER, Mr. TOWNS, Mr. DIXON, Mr. CAMPBELL, Mr. MAVROULES, Mr. MADIGAN, Mr. EARLY, Mr. COURTER, Mr. RIDGE, Mr. CONYERS, Mr. YOUNG of Florida, Mr. BURTON, Mr. TRAXLER, Mr. RODINO, Mr. GEJDENSON, Mr. FIELDS, Mr. DASCHLE, Mr. ROSTENKOWSKI, Mr. JACOBS, Mr. YOUNG of Alaska, Mr. GRADISON, Mrs. LLOYD, Mr. LENT, Mr. BROWN of Colorado, Mr. WOLPE, Mr. GORE, Mr. LEWIS of Florida, Mr. ACKERMAN, Mr. MARRIOTT, Mr. HAMMERSCHMIDT, Mr. JONES of Tennessee, Mr. HATCHER, and Mr. WHITEHURST.

H. Con. Res. 107; Mr. MOAKLEY, Ms. FIEDLER, Mr. MRAZEK, and Mr. SHANNON.

EXTENSIONS OF REMARKS

CENTRAL AMERICAN POLICY AT THE CROSSROADS

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. BONIOR of Michigan. Mr. Speaker, last week, we all read with deep sorrow of the death of a U.S. military advisor in El Salvador. Even as we mourn this tragic event, and extend our sympathy to the officer's family, we cannot help but be alarmed by the larger implications and by the determination of the Reagan administration to send more military advisers to the region. We cannot help but ask where this policy is leading. And we cannot help but be reminded of the still fresh wounds this Nation suffered in Vietnam.

The parallels between our policy in Indochina and the folly of our current involvement in Central America have been carefully documented by my colleague from Michigan, HOWARD WOLPE, in a recent speech in his home district. I would like to insert this speech in the RECORD with the hope that other Members of Congress will take the time to read it, and to listen to the concerns of their constituents on this issue. Last week, a Washington Post poll reported that a majority of Americans believe there is a great danger that the United States will become too entangled in internal Central American problems. As Congressman WOLPE argues, and as recent news stories so painfully confirm, U.S. policy in Central America is at a crossroads.

The article follows:

CENTRAL AMERICAN POLICY AT THE CROSSROADS

I am happy to have this opportunity to meet with you tonight and share some of my thoughts about the current debate over American policy in Central America. Let me say from the outset that I am more alarmed with our Central American policy and the divisive impact the debate on this policy is having in our country than I have been with any issue since the Vietnam war.

In the past two weeks my colleagues on the Foreign Affairs Committee and I have spent many long hours considering the questions of future aid to El Salvador and the Administration's covert assistance to the anti-Sandinista forces in Nicaragua. We have listened to Administration witnesses, received highly classified CIA briefings and discussed the issues extensively among ourselves. Very frankly, I have a keen sense of deja vu. An all-too-familiar pattern is emerging, and I fear we are about to make the same mistakes we made in Vietnam. I see the same distortions and deceptions. I see the same phony white papers. I see the same effort to brand all opposition to governments we support as Marxist-inspired. I see the same tendency to misinterpret what is essentially an internal struggle as solely the consequence of outside agitation. I see the same inclination to rely on military solutions when negotiated solutions are the only lasting answer. I see the same efforts to blame the critics rather than the flawed policy they criticize. I see the divisiveness of the Vietnam years re-emerging.

We must avoid this outcome. The crossroads we have now reached in our Central American policy is a crossroads for our nation.

THE WRONG DIAGNOSIS AND THE WRONG PRESCRIPTION

My quarrel with the Administration's Central American policy is not with its goals. I share the President's concern that Central American countries not be taken over by Marxist regimes. None of us wants to see the countries of Central America become bases for the projection of Cuban or Soviet power in our hemisphere. What is at issue, however, is the *means* by which the President is trying to achieve those goals. I believe our current policy is counter-productive. It will achieve a result exactly opposite from that which is intended. As the House Select Committee on Intelligence recently concluded in its report on the covert assistance program in Nicaragua:

"If ever there was a formula for U.S. policy failure in Central America, it would involve two elements: (1) acts that could be characterized as U.S. interventionism in Nicaragua, and (2) an alliance with the followers of Somoza. Both characterizations can now be made."

Let me explain in more detail why I believe the President has made the wrong diagnosis in Central America and why his remedy is likely only to deepen the regional crisis.

THE CAUSES OF UNREST

Part of the problem is that the Reagan Administration has misunderstood the causes of revolution in Central America. President Reagan, in his speech to the Congress on April 27 and on other occasions, has emphasized external factors—Soviet and Cuban support for leftist revolutionaries—as the main concern of the United States in the region. He sees Central America almost exclusively as part of a global East-West struggle. He perceives the problem in El Salvador, in particular, as a classic case of externally based communist subversion, which must be combatted at any cost with heavy military assistance.

Tragically, the President and his foreign policy advisors have consistently failed to comprehend the political significance of the enormous poverty and the rampant injustice that has afflicted Central America, or the counter-productive nature of United States policy responses. For decades Central America has been run for the most part by U.S.-supported dictators and right-wing military regimes. The wealthy elites have controlled the land and the resources of these countries, while the campesinos—the peasant farmers—have lived in dire poverty subject to brutal official terror. Unless poverty is eradicated, unless genuine land reform is carried out, unless human rights are respected, Central America will remain a region in revolutionary ferment.

The folly of our current policy is that it will be perceived in the region as only the latest example of "Yankee imperialism"—the gunboat diplomacy that has often characterized our Central American policy. It needs to be emphasized that current Central American sensitivities about United States policy are not without historical foundation. It was 1855 that an American, William Walker, took a private army to Nicaragua, and proceeded to declare himself emperor. It was in 1912 that a large contingent of U.S. military forces went to Nicaragua to protect U.S. interests and ended up staying 21 years, leaving the first Anastasio Somoza as our surrogate in Managua. Somoza and his two sons ruled the land for forty-three years, with the latest Somoza dictator finally being ousted by the Sandinista revolution in 1978.

It should come as no surprise, given the history of our involvement, that the Nicaraguan people mistrust our intentions and do not believe our policy statements. They, like other Latin Americans, do not forget that in 1954 the CIA participated in overthrowing the Jacobo Arbenz regime in Guatamala and that, in 1971, the CIA conspired to destabilize the elected Chilean government of President Salvador Allende.

THE REAGAN APPROACH

Insensitive to this historical record, and to Central American perceptions, the Administration has responded to instability in Central America by spending hundreds of millions of dollars to train and equip military forces to combat communist insurgencies and the Nicaraguan Sandinista government. In El Salvador alone the Administration has spent over $700 million in military and economic aid. Current requests for more assistance, if approved, would bring the total of Reagan Administration aid to El Salvador to over $1 billion.

This means that for every one of the estimated 7,000 guerrillas opposing the Government of El Salvador we will be spending 140,000 hard-earned American tax dollars.

And where are we today after all the money we have spent? Sadly we are probably farther from, rather than closer to, any solution. El Salvador itself is polarized into rival political camps. Fighting goes on throughout the country. The American Ambassador in San Salvador told the Washington Post in a recent interview that the war between the Salvadoran government troops and the guerrillas will be "protracted." Clearly we are talking about years, not weeks or months.

And who are the Salvadorans we are supporting? The army we are backing is erratic at best, criminal at its worst. Since 1979 El Salvador has seen over 30,000 civilian deaths—the majority of them murders committed by right-wing death squads and government security forces using American-

supplied arms. Last week the Salvadoran Catholic Church announced that 364 people had been killed between May 6 and May 12. During the month of April the number of politically motivated killings by leftists guerrillas, right-wing death squads and government soldiers averaged more than 250 per week. Despite ample proof of collusion by security forces in many of these killings, fewer than 200 convictions have been handed down by Salvadoran courts for the 30,000 civilian deaths. These are, of course, the very same government security forces that were involved in killing four American nuns and two American labor advisors. The sad reality is that the right-wing ruling classes continue to resist the change that is so essential in El Salvador: all dissent and protest are branded as Marxist-inspired. They are trying to undercut efforts at land reform; they have made a mockery of the criminal justice system. And when their oppressive policies are challenged, they rely on the brutal efficiency of the death squads.

NICARAGUA

In Nicaragua our government has been running a covert paramilitary operation against the Sandinista government in Managua. The CIA has been training and supplying a group based in Honduras, the leadership of which is composed primarily of former members of the Somoza National Guard. According to the Administration, the American goal is the interdiction of Sandinista arms shipments to the guerrillas in El Salvador. It is clear, Sandinista denials notwithstanding, that Nicaragua has become a major conduit for arms supplies to the Salvadoran guerrillas. The leaders of the anti-Sandinista group receiving American assistance, however, are clearly not limiting their efforts to arms interdiction. They have publicly described their goal as nothing less than the overthrow of the government in Managua. Given these statements and the history of American intervention in Central America, I think it is disingenuous in the extreme for the Administration to persist in characterizing its covert operations as limited to the interdiction of arms. (Incidentally, the House Intelligence Committee reports that there is no evidence that the covert operation has been successful even with respect to this more limited objective.) Support for the "contras", as these Somoza followers are called, has been widely criticized in Congress because it clearly violates a prohibition on such covert action approved by the Congress last fall in the now famous "Boland amendment."

Apart from the clear illegality of the Administration's covert policy, it is becoming increasingly clear that the CIA operation is growing out of control. The numbers of the anti-Sandinista forces are growing. The prospects for civil war appear to be increasing, as do the dangers of a more widespread regional confrontation between Honduras and Nicaragua. The CIA operation also provides the Sandinista leaders an opportunity to strengthen their hold on their national population and to undercut those within and without the Nicaraguan government who have been seeking to moderate the domestic policies of the Sandinistas. The situation is becoming more polarized every day. Indeed, as the House Select Committee has indicated, we could be doing nothing more counterproductive than to assist dissident elements identified with the despised Somoza National Guard against whom the Sandinista revolution was directed.

A NEW APPROACH

The main result of the Administration's policy for the past two years has been growing divisions within Central America and within our own country. President Reagan has justified his policy on the grounds that if we do not stop subversion in El Salvador now, Honduras, Guatemala, Panama and Mexico are the next likely candidates for instability. Ironically, Mexico and Panama, along with Venezuela and Colombia, have urged our government to immediately begin negotiation to resolve the problems of the Central American region. The Contadora group, as these four nations are called, has offered to ogranize regional talks to diffuse the possibility of wider conflict. These nations have also offered to host unconditional negotiations between the parties to the conflict in El Salvador. Unfortunately, the Reagan Administration has refused to embrace actively the efforts of the Contadora Group. Nicaragua and the Salvadoran guerrillas have already agreed to talks, but we have kept them and the Contadora Group at arm's length, refusing to test the sincerity of their offers.

I believe the first element of a new approach to the Central American crisis should be to accept the Contadora Group proposal. We need to make a good faith effort to seek a negotiated solution to the El Salvador problem. This means negotiations not only between those now in the government and the guerrillas, but also with the many moderates—Christian Democrats and Social Democrats—who are now either in exile or refuse to participate with the right wing in the government. We need to encourage free democratic elections which will involve all the political elements of the country. It is instructive to recall our unflagging support for the Cuban dictator Batista which destroyed the prospects of the moderates and opened the door to Fidel Castro. We must not make that same mistake again.

Second, we need to reorient our massive military aid to El Salvador. We need to devote more resources to solving the basic economic problems of the entire region. We must ally ourselves with those who are trying to address the economic and social injustice that underlies regional instability.

Third, we must do everything in our power to promote genuine adherence to basic human rights and genuine land reform among the campesinos. As Senator Christopher Dodd so eloquently put it recently:

"We must help governments only if they will help their own people. We must hear the cry for bread, schools, work and opportunity that comes from campesinos everywhere in this hemisphere. We must make violent revolution preventable by making peaceful revolution possible."

Fourth, we must immediately cease the covert operation mounted by the CIA against Nicaragua. It is undermining our goals in the region. It is tarnishing our image as a nation of justice and law. It threatens to reopen old divisions within the United States itself.

CONSENSUS OR POLARIZATION?

Last week, the Foreign Affairs Committee made some important decisions about aid to El Salvador. The debate within the Committee contained the seeds for both hope and despair. On the one hand, the Committee adopted a compromise resolution which for the first time linked continued American military aid to El Salvador to the willingness of the Salvadoran government to enter unconditional negotiations with the guerrillas. The resolution specified that U.S. aid would be cut off if the Salvadoran government did not begin unconditional negotiations within ninety days of the enactment of the foreign aid authorization. The resolution also laid down two new requirements: the Congress would have to vote to affirmatively approve future aid to El Salvador, and the Administration would no longer be able to use its emergency reprogramming powers to circumvent the Congress.

On the other hand, I would be less than candid with you if I did not confess that I was deeply troubled by other decisions of the committee which had the effect of granting the largest part of the military assistance funds requested for El Salvador by the President.

Next week, the House Foreign Affairs Committee will vote on a resolution to cut off covert assistance to the "contras" attacking Nicaragua from neighboring countries. This resolution has already been approved by the House Select Committee on intelligence. The Resolution does provide for some continued funding to curtail in an overt fashion the unjustified flow of arms to the Salvadoran guerillas from Nicaragua. It explicitly rules out, however, continued funding for the counter-productive covert program being pursued by this administration. I think it is essential we pass this resolution. We need to renounce the current policy of deception. Support for the anti-Sandinista insurgency is, as the Select Committee on Intelligence reported,

"Contrary to US interests. It strengthens internal and international support for the Sandinista regime: undermines the reputation of the United States abroad by calling into question US support for the principles of international law; and polarizes this nation on foreign policy."

ARE WE DOOMED TO REPEAT THE MISTAKES OF VIETNAM?

Throughout the ongoing debate on Central America in our committee, I have frequently heard the argument being made that we need to keep our military aid flowing because we are already so committed it would be a mistake to let down our allies. I shuddered when I heard this argument. It brought vividly back to mind the terrible mistakes and similar justification of our policy in Vietnam. It was only twenty years ago that another American Administration staked our national prestige on a military victory in the developing world. Our policymakers saw the conflict in Southeast Asia arising solely as a consequence of an external Communist threat and our leaders distorted a far more complex reality in order to mobilize public support for massive American involvement in Indochina. As the conflict expanded and American involvement deepened, the decisionmakers quickly developed a vested interest in affirming the correctness of their original flawed analysis, and the stridency of the rhetoric and the alleged stakes of American disengagement were sharply escalated. Gradually, American options narrowed, and the debate within our own country became increasingly emotional and divisive. Who can forget the repeated arguments that with only a little more perseverence or only a little more military involvement, we would turn the corner in Vietnam and victory would be ours.

We have not yet arrived at this point in El Salvador. We are today at a crossroads, however, not dissimilar to that which the Kennedy and Johnson Administrations faced in 1963 and 1964. I fervently hope that we do not fall into the same trap of escalating our

military involvement, rather than working to attack the root causes of revolution and instability in Central America—the corruption, the poverty, the brutality and the political repression.

I worry also about what the debate over Central America is doing to our body politic. The crossroads we face in Central America is also a crossroads for our country. Already we see a growing tendency within the Administration to criticize the critics rather than to face up to a flawed policy. Members of Congress are being pressured to support continued covert activity and more military aid by threats that they will be branded as "soft on Communism" if they fail to support the Administration's approach to Central America. Some, indeed, are making continued military involvement in Central America a patriotic litmus test. The tragic and glaring irony is that American covert operations and cavalier military intervention only increase the historic Central American distrust of United States intentions and strengthen the very Marxist forces the Administration professes to be combatting.

CONCLUSION

In the days and weeks ahead you will be told by the President that we have to maintain the flow of military aid to Central America. You will be told that without this aid Central America will turn communist. You will be told that our national security is in grave danger. And you will be told that the justification for this policy is based on secret information that cannot be divulged to the American people.

Well, I am here to tell you tonight that all of the essential facts are already in the public arena. I have sat through the top secret CIA briefings and I have heard the administration's explanations. I have heard nothing in the secret sessions—absolutely nothing—that justifies current policy in Central America. Indeed, based on what I have heard, I have concluded that our covert operations must be one of the most cost-ineffective and counter-productive efforts in a CIA history that has had many other sad and costly chapters.

The situation in Central America is bad and getting worse. American policy is not only exacerbating regional instability, but is in my view working to the detriment of American national interests. If we going to turn this policy around, it is going to take the efforts of a determined and involved citizenry. I am convinced that on this question, as on so many other issues, the American people are far ahead of their political leaders. Time is running out. We need now to recommit ourselves to the development of a sane policy in Central America—a policy which will embody the best traditions of our country and will better serve the interests of the United States and the countries of Central America.●

CITY OF WIXOM, MICH., CELEBRATES 25TH ANNIVERSARY

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. BROOMFIELD. Mr. Speaker, on June 5, the city of Wixom, Mich., will be celebrating the 25th anniversary of its incorporation. On this joyous occasion, I wish the city and its people my congratulations and warmest best wishes.

While the city itself is 25 years old, Wixom—or Sibley's Corner, as the area was first known—traces its history back to the mid-1800's and the westward expansion of our Nation.

Around this same time, the railroad—that great national unifier—laid track and built a station in the area bringing a promise of growth and prosperity. Indicative of the great influence the railroad had, the area gradually became known as Wixom after the railroad station which was located on the Wixom family property.

For about 50 years, the railroad fulfilled its promise, and Wixom became an active commercial area shipping cattle, cheese, and farm products to market.

But around the turn of the century, the lessening importance of the railroad, the growth in use of the automobile and truck, and a devastating fire, combined to stop the area's growth for close to a half century. Active, commercial Wixom made way for Wixom, the small, peaceful farming community.

Then in the late 1950's, Ford decided to build an automobile plant in the area. As the automobile played an earlier role in the slowing of Wixom, it now served as a catalyst in bringing growth and opportunity back to the city.

In 1958, with the building of the Ford plant and the incorporation of Wixom as a city, a new feeling of optimism and potential was characterized by the city's motto, the "City of Opportunities."

Mr. Speaker, today, Wixom looks forward to bringing to fruition its motto and the spirit it encompasses. The Ford plant continues to provide countless jobs for the region. The city is still served by the railroad, and now it is also reached by a major expressway.

Its community leaders are also working to bring a small jet aircraft field to the area and to develop a high tech industrial park. The city is seeking to take advantage of its location at the center of an educational triangle formed by the University of Michigan, Michigan State University, and Wayne State University.

But with this growth, Wixom seeks to retain its rural flavor and character. As one of its community leaders explained, because Wixom was not caught in the rapid suburban sprawl of metropolitan Detroit, it has been able to plan its growth rather than just having to react to it. While being within an hour's drive of Detroit, Wixom still has wildlife and open farmlands that enhances its rural character. This community leader described life in Wixom as "having your cake and eating it too."

Mr. Speaker, I wish to again express my congratulations and best wishes to Wixom, the "City of Opportunities," on its silver anniversary. May the city and its people always have their cake and eat it too.●

PERSONAL EXPLANATION OF VOTE ON SUPPLEMENTAL APPROPRIATIONS (H.R. 3069)

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. OTTINGER. Mr. Speaker, I would like to explain to my colleagues my "nay" vote on H.R. 3069, the supplemental appropriation bill for fiscal year 1983.

There were two provisions in the bill which I felt were against the interests of the Nation and my constitutents. First, the bill included an appropriation of $454 million for the procurement of the Pershing II missile. The Pershing II weapon system represents a grave threat to the security of the United States and our allies. Deployment of these missiles would drastically increase the chances of an accidental nuclear war because it would be able to strike Soviet target in less than 10 minutes. This will force the Soviet Union into adopting a launch-on-warning strategy, thus increasing the threat of annihilation to the United States and Western Europe. Such a scenario is unacceptable. If we are indeed concerned with protecting the interests of America and our allies we should not be deploying weapon systems which leave us vulnerable to attack and destabilize the fragile relations between the East and West.

I also objected to the bill's priorities for monetary aid to foreign nations. Over two-thirds of the $253 million in foreign aid included in the bill is targeted for military aid. This money, like the Pershing II, will serve only to further destabilize global tensions. I am a strong supporter of aid for our allies; this money, however, should be directed toward the people, not the military. Military aid will only prolong the agony of war for these nations and will do nothing to help construct working and free democracies for the people.

If these two provisions in the bill had been removed, I would have gladly supported the legislation. I cannot, however, justify voting away hundreds of millions of dollars for dangerous military programs which are counter to the interests of the American people and our allies.●

RESEARCH AND DEVELOPMENT

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. CONYERS. Mr. Speaker, over 60 percent of Federal research and development funds is channeled to the Department of Defense. The heavy concentration of R&D in military activities means that other vital areas with direct applications in improving the quality of life and the technologies of economic production have been seriously shortchanged.

The June 1983 issue of Omni magazine includes a notable analysis of R&D by Republican ALBERT GORE, Jr., of Tennessee. His perspective on the failure of current policy is well worth examining, and I recommend it to my colleagues.

[From Omni, June 1983]

FIRST WORD

(By Congressman Albert Gore, Jr.)

"Supply-side science is a tragic, self-defeating mistake that will cripple America for years to come unless it is quickly changed."

Among the casualties of Reaganomics has been federal support for scientific research and development (R&D). In fiscal year 1983 all federal agencies, except the Department of Defense and NASA, have seen their R&D budgets slashed.

Scientific R&D is the indispensable link in a whole chain of activities that lead to technological innovation, increased productivity, and economic revitalization. The Reagan scientific program, however, ignores the importance of R&D and even the ways of science. Supply-side science is more than simply a by-product of the administration's decision to reduce overall government spending it is a tragic, self-defeating mistake that will cripple America for years to come unless it is quickly changed.

The Reagan philosophy, as espoused by the President's science adviser, George Keyworth, and budget director, David Stockman, puts short-term economic concerns before scientific needs. When it comes to establishing research priorities the administration blithely assumes the private sector can and will make up for cuts in government funding, but thoughtful private-sector observers know better.

The Reagan Administration now considers only two areas of research legitimate candidates for federal funding. The first is where there is "substantial prospect for significant gain to the nation, but where private-sector investment is unlikely." In the abstract this sounds fine in practice, however, these criteria have been used time and again as simply an excuse for the elimination of applied R&D programs in transportation, drastic cuts in programs for solar- and renewable-energy R&D, and the outright dismantling of NASA's successful program to transfer space technology to industry. The President has proposed ending the Department of Energy's research on industrial-energy conservation even though an administration review panel strongly underlined the need for it and questioned whether private industry would ever undertake this long-term, high-risk research on its own.

The other area still approved for federal funding is research that provides "a climate for technological innovation which encourages private-sector R&D investment." Translated, this means that any research that leads to scaling down or eliminating federal regulations is okay. But in the field of environmental controls, for example, the administration has actually been gutting the very programs intended to make government regulation more sensible. The President proposed cutting the fiscal year 1982 research budget for the Environmental Protection Agency (EPA) in half. And he vetoed the Environmental Research and Development Act of 1982, in part because it mandated that only the barest minimum of that agency's budget be reserved for long-term research.

To compound the damage caused by these supply-side cuts to federal research budgets, the administration has made perhaps the most serious mistake of all. It has cut funding for training scientists and science teachers. It takes almost a decade to train a Ph. D scientist. Losing fellowship funds, even for a year, can mean the end of a career. Already, abrupt changes in federal support for scientific manpower training have begun to have an impact.

These are hard times—all the more reason why government investments should be well-directed. But Reaganomics as applied to science is seriously diverting our attention and resources.

Recently, for example, the President approved a plan to "privatize"—sell to private industry—this nation's orbiting fleet of weather and Earth-resources satellites. The public has invested heavily in this technology. Research on LANDSAT imaging and telecommunications technology has spun off important applications elsewhere. If selling these satellites will save the taxpayers money, as the administration claims, then we ought to consider it carefully. But we also need to think about what new research opportunities will be lost once we've auctioned them off and dismissed all the scientists and engineers who build and operate them. And while we debate whether to jettison this program and for how much, we need to remember that other nations, like France with its advanced imaging SPOT satellite, are about to overtake us technologically.

We desperately need to end this shortsightedness and rebuild the base of American technology. The money that Stockman and Keyworth feel they are saving now is being diverted largely to defense R&D, which of course has its place but has historically produced few benefits for the civilian economy in proportion to the massive expenditures that are required.

There are no guarantees in science. But we can be thankful that President Kennedy didn't balk at funding the space program because it didn't meet standard investment criteria and that we didn't refuse to form the National Institutes of Health because government computers couldn't calculate the social and medical benefits of curing cancer.

What is needed is not supply-side science but a strong commitment to an aggressive, forward-looking national science policy. I and many of my colleagues encourage the Reagan Administration to develop one.●

SOUTH BRONX EDUCATIONAL SUCCESS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. GARCIA. Mr. Speaker, at a time in our Nation's history when the quality of education is being called into question, it brings me great pleasure to turn to a brighter note. I would like to bring to my colleagues' attention two articles which appeared in the New York Post (Wednesday, May 18, 1983) clearly outlining the successful achievements of Morris High School and its principal, Frances Vazquez, in my congressional district, the South Bronx.

Over the course of her 4 years as principal, Ms. Vazquez has transformed Morris High from a school ridden by student disturbances and apathy, to a professional institution where now 86 percent of the class continue on to college. Insisting upon tough standards, and a "yes you can" attitude, Ms. Vazquez lengthened the school day, required students to express themselves in writing during every class period, and to complete at least a half-hour's homework per subject.

In a nationally televised news conference, Ms. Vazquez' efforts were praised by President Reagan, who called Morris a "miracle school" that is an example of how "leadership" and not money can turn the course of our struggling educational system. Unfortunately, this is somewhat of a simple solution to our problems. The President's black-and-white stance on education, which suggests that our educational problems can be solved through cutting back funds, returning to strong leadership, hard work, and good old basics alone, is insufficient. Yes, "leadership" is of vital importance and has been absent in many school curriculums across the country, as indicated by the President's report on education. And yes, "cheerleading," and courses such as "bachelors life," and the like, attacked by the President, can be done without.

Nonetheless, the President overlooks one major fact regarding our educational system today. Inner city schools are no longer simply centers to educate students. As Ms. Vazquez points out, school for many students is the only structural and supportive factor in their lives, often acting more as a counselor and parental figure than an educator. Morris High School stands as a classic example to the rest of the Nation, that with proper testing, counseling, and forceful leadership and discipline, inner city students, often suffering learning disabilities, language and environmental barriers, are capa-

ble of acquiring a good education. However, without Morris High School's 16 remedial math and reading teachers, funded by the Federal Government under chapter 1 for schools in economically depressed communities, much of Ms. Vazquez' hard work and determination may not have proven as successful.

While private foundations are capable of donating a large proportionate sum of money to educational needs, not all schools are so lucky as Morris High School. Class sizes in inner city schools remain too large, and teachers are overworked under stressful conditions. All too often, schools are unable to test, counsel, and tutor needy students for lack of sufficient funding. In the meantime, students return to the streets frustrated with their efforts, feeling exiled and incompetent. Our educational system is of immense importance in this country's continual attempts to combat poverty, crime, and unemployment and deserves our increased attention.

I wish to extend my utmost praise and gratitude to my constituent, Ms. Vazquez, and all of Morris High School for their dedicated work and service, which further contributes to our continuing efforts to revitalize the Bronx. The articles follow:

[From the New York Post, May 18, 1983]

REAGAN LAUDS S. BRONX "MIRACLE SCHOOL"

(By Niles Lathem)

WASHINGTON.—President Reagan singled out a miracle school in the South Bronx last night as an example of how educators should be using "leadership," not money, to put an end to the alarming decline in America's educational system.

In a nationally televised news conference, Reagan said officials in Morris HS have proven that they can improve the quality of education "just with changes in the leadership from the principal's office on down."

Reagan's citing of Morris as "what schools are supposed to be" was a bright point in an otherwise hardhitting meeting with reporters in which the President:

Declared he will veto any legislation that would raise taxes now or so increase spending as to "rekindle the fires of inflation and high interest rates."

"It is time to draw the line and stand up for the people," Reagan said.

Said he would "look forward to prompt approval" of the MX missile following the House Appropriations Committee's vote earlier in the day to permit the Pentagon to go ahead with the new nuclear-tipped weapon.

Reaffirmed his optimism that Syria will eventually pull out of Lebanon despite its hostile attitude towards the Lebanese-Israeli troop withdrawal accord.

Refused to say if he would veto a bill approved by the House earlier in the day to repeal a law requiring tax withholding on interest and dividends.

The mention of Morris High came as Reagan expressed deep concern over a report which says the quality of education in the nation's schools is declining.

Reagan made clear that the problem will not be solved by throwing federal dollars at it.

Instead he called on school principals across the country to toughen up on the students and make sure they study and actually learn something before graduating—or moving on to the next class.

Morris High was one of three U.S. schools that were awarded a prestigious Ford Foundation grant earlier this year and was singled out in a Time Magazine article—which drew the President's attention.

The accolades came because the school's principal Frances Vazquez, 35, has changed the school from a den of crime and ignorance typical of so many inner city schools to a disciplined educational system since she took over in 1979.

Despite the political hot potato in the report that was dropped in his lap, Reagan said he would not abandon his plans to abolish the Dept. of Education.

"You see, education is not the prime responsibility of the federal government," he said.

Reagan, noting that "the total budget for education is far greater than the defense budget," said educators should be looking for ways to spend the millions they do get each year.

He called for an end to spending money on wasteful programs like "cheerleading."

"How would you like to graduate by getting straight A's in Bachelor's Life?" he quipped.

"What they're talking about can be corrected without money," Reagan said. "It takes some leadership. It takes some return to basics."

"It takes having students learn what they're supposed to learn in a class before they're moved on to the next class, just because they've come to the end of the year. And there's an awful lot of that going on."

Also in the news conference Reagan made clear he has gone as far as he is willing to in compromise talks with worried Senate leaders and promised them a long hot summer of open confrontation if they try to raise taxes or cut his defense budget.

He complained that current budgets now being debated in the House and Senate, which would raise more than $200 billion in new taxes, would cost an average family $3,550 a year in new taxes—"enough to pay for nearly nine months of grocery bills."

"I will veto spending bills that would rekindle the fires of inflation and high interest rates," he said.

"The American people didn't send us to Washington to continue raising their taxes, spending more on wasteful programs or weakening our defense.

"They sent us here to stop that and that's what we're trying to do."

The strong statement came despite appeals from Senate leaders, including Finance Committee Chairman Robert Dole (R-Kan.), for the President to become more involved in the budget negotiations.

HOW YOUNGEST PRINCIPAL TURNED HS INTO REAGAN MIRACLE STORY

(By Jeff Wells)

In 1979, Schools Chancellor Frank Macchiarola took a chance and put the city's youngest high school principal, Frances Vazquez into a struggling high school in the most devastated part of the South Bronx.

It paid off in a small way recently when the Ford Foundation rewarded the school with a $1000 grant for its improvements.

But it also turned into a bonanza of recognition for the staff and kids of Morris HS last night when the President went public with the good news about what a New York City school could achieve with hard work.

"The President said that? I didn't even know," said a startled Miss Vazquez, 35, when called by The Post last night.

Morris is an ordinary zoned high school at 166th St. and Boston Road, just a few blocks from Charlotte Street, traditional stumping ground of Presidents and candidates bemoaning urban blight.

It has 1700 children, 65 percent of them Hispanic, 35 percent of them black, many of them immigrants.

"For many of these kids, our school is the only stabilizing factor in their lives."

But, said the proud principal, the school in the past four years has improved its attendance rate 10 percent, raised its reading and math levels, and cut back on suspensions.

It sends 86 percent of its graduates on to college—and they are so well prepared that the school attracts more than $1 million in scholarships a year.

So, in a time when new Chancellor Anthony Alvarado talks of closing zoned high schools that "just don't work," how did Morris and its young principal do it?

She credits strong security, clear guidelines for behavior, strict enforcement of the rules, a motto of " 'yes you can' meet high standards," and a staff that cares for the kids.

She also allocates more than most schools for guidance counselors for a student body with life's odds stacked against it.●

MRS. PATRICIA C. DEELEY HONORED FOR OUTSTANDING COMMUNITY SERVICE

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. LENT. Mr. Speaker, it is with great pleasure that I rise to inform my colleagues of a notable event taking place later this month in the Fourth Congressional District of New York, which I have the honor to represent.

On June 22, 1983, friends and colleagues of Mrs. Patricia C. Deeley are gathering to honor her upon her retirement as a member of the Boards of Education of the Merrick Union Free School District and of the Bellmore-Merrick Central High School District.

Mrs. Deeley began her public service with the Merrick Board of Education in 1972. As an indication of her outstanding leadership abilities she was chosen as board vice president in both the 1976–77 and 1977–78 school years, and then as board president for the 1978–79 and 1979–80 school years.

As another indication of the high regard in which she was held by her colleagues on the Merrick School Board, in 1973 she was selected to represent that board on the Board of Education of the Bellmore-Merrick Central High School District. She has served since on both boards, and was further honored by being chosen vice president and president of the Bellmore-Merrick Board of Education.

Mr. Speaker, that brief recital of the remarkable leadership Mrs. Deeley has displayed in her service on the two boards of education gives only a hint of her outstanding record of service to the public. Her dedicated and conscientious effort have greatly benefited the students, parents, teachers and administrators of both school districts and have been of inestimable value to the communities served by those districts. Indeed, in a very real sense, Mrs. Deeley's selfless devotion to duty has benefited our Nation. For it is through the public service of responsible citizens like Mrs. Deeley, who give freely of their time and themselves to the service of the public that our Nation has grown to enjoy its enviable reputation around the world.

Truly, Mrs. Deeley has demonstrated in her school board work the very highest standards of good citizenship. Her devotion to civic duty sets an example for every one of us. She is deserving of the highest commendation.

In that respect, Mr. Speaker, I call upon my colleagues in this U.S. Congress to join me in extending our congratulations to this outstanding American citizen for her public service, and in offering our warmest best wishes to Mrs. Deeley for the future. Certainly, her devoted service to the Merrick and Bellmore communities is an inspiration to us all.●

MEDICAL MISSION REPORT ON EL SALVADOR

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. EDWARDS of California. Mr. Speaker, the atrocities in El Salvador continue unabated. Each day in the newspaper are reports about some new brutality which has taken place. In April, President Reagan addressed a joint session of Congress to explain his foreign policy with respect to Central America. He implored Congress to support his plans, particularly those pertaining to El Salvador.

As many of my colleagues and I have reiterated, the problems in El Salvador are due in large part to the disparities within the socioeconomic system and cannot be solved with more arms and fighting. The continued flow of weapons into the country is only serving to exacerbate the problem.

One of the worst problems arising from the continuing conflict is the lack of adequate medical treatment for the people of El Salvador. There are not even enough hospitals and health care facilities to take care of the casualties of the war; the people of the country, for the most part, are left to their own devices for medical treatment. Medical personnel are being harassed, abducted, and murdered. What is even more appalling is that this appears to be the norm rather than the unusual, and seems to be increasing under the new government.

In January 1983, a group of doctors, nurses, and professors went to El Salvador to investigate these reports. Following is an article from the New England Journal of Medicine from April 28, 1983, which summarizes their report upon returning to the United States. I think you will find it very interesting.

MEDICAL MISSION REPORT ON EL SALVADOR

Alarmed by reports of the harassment, murder, and disappearance of doctors, dentist, nurses, members of the medical faculty, social and physical scientists, and members of related health professions, the National Academy of Sciences, the Institute of Medicine, the American Association for the Advancement of Science, the New York Academy of Sciences, and the International League for Human Rights cosponsored a medical mission to San Salvador. The mission's purpose was to determine the fate of those professionals and to assess the impact of conditions in El Salvador on medical institutions and on the health of the people.

From January 11 through January 15, 1983, we spoke with people from a wide range of backgrounds: government officials, the archbishop and others in the Catholic Church, members of the International Committee of the Red Cross, officials in the Ministry of Health, members of nongovermental human-rights organizations, political prisoners, and numerous private citizens, including the families of victims. We also visited four places of detention for political prisoners, two refugee camps, and the public maternity hospital (Maternidad). Wherever we turned we found the chilling effects of the ever-widening devastation to health and health care that thas been caused by the breakdown of education, the slashing of budgets for national health programs, and the repression of human beings by the systematic use of terror in ways that are hideous and frightful.

The persecution of health personnel is real. It began in 1979 and intensified through 1981, when a group of doctors, nurses, and medical students protested the killing and kidnaping of patients and doctors in hospitals—sometime even during surgery. Retaliation against this group by death squads, suspected of being government forces, was swift and brutal. The group's members "disappeared," or fled to avoid death, or were killed.

We came to El Salvador with a list of 20 health workers and scientists who had disappeared in the previous 12 months. Our investigation revealed that only seven could be accounted for: four were in prison, two had been freed, and one was confined to a mental hospital outside the country. There was no trace of the other 13. Moreover, while in San Salvador we were given documentation on the disappearance of 20 additional health workers during 1982. From frightened families and colleagues we also learned of a number of other physicians, nurses, and paramedics who had disappeared or been killed. Since merely notifying the Church and independent human-rights groups of a relative's disappearance can jeopardize the whole family, statistics on disappearances are minimal.

Early in our visit we interviewed the colonels who command the two branches of the security forces—the National Police and the Treasury Police—and the information we gained was unsettling. We learned that there was no central registry of arrests or of the disposition of those who were arrested and no sharing of information between the two armed police forces; they therefore had no knowledge of the persons whose names we gave them. At our request we were shown the detention facilities where political prisoners, including the four medical students on our list, are held for up to 15 days or longer. At the National Police headquarters we walked along a row of foul, pitch-black, steel-barred cells furnished with only a concrete bench and a hole in the floor for a latrine. Led by the Colonel Lopez Nuila, the commander of the National Police, and followed closely by two guards with M-16 rifles, we were forbidden to speak with or examine the dirty, haggard political prisoners.

In July 1982, the International Committee of the Red Cross threatened to leave El Salvador because of its growing concern over human-rights abuses by the Salvadoran armed forces—particularly their practice of not taking prisoners alive. Officials of the International Red Cross told us that, although these problems have not been resolved, they have decided to remain in the country because, on balance, they believe they are a force for decent human behavior.

Health and health care in El Salvador have suffered since 1979 even more than would have been expected in a poor developing country. The rate of endemic diseases is rising dramatically, as social programs are sacrificed so that funds can be allocated to the military. Infant mortality is climbing, the rate of suspected tuberculosis (unverifiable because of a shortage of x-ray film and equipment) is increasing, and there is a high prevalence of measles, diphtheria, and polio because there are no toxoids or vaccines. Malnutrition and skin and intestinal-tract parasites add to the toll.

The Ministry of Health has suffered a 50 percent reduction in its budget during each of the past two years and is finding it difficult if not impossible to provide adequate staff and medical services for the 6000 beds under its jurisdiction. We visited the only public maternity hospital in San Salvador, a facility that has 75 deliveries each day but only 263 beds. The patient turnover is very rapid, but even so, up to three women are assigned to a single bed. Premature births are common, but none of the bassinets for premature babies is functional. The x-ray equipment is obsolete, there is no x-ray film, and the pharmacy shelves are thinly supplied; the anesthesia equipment is outdated and unsafe, but it is used for the 5 to 10 cesarean sections that are performed daily. Dr. Roberto Rivera Martelli, a senior obstetrician who was our host at the hospital, and a man deeply committed to the care of the poor, was taken from this clinic on February 10 (less than a month after our visit with him) by three armed men in civilian clothes and has not been heard from since. Since then, cables have been sent to our embassy in San Salvador and to the colonels who head the National and Treasury Police by our sponsoring organizations, members of the U.S. Senate, the Human Rights Division of the State Department, and individual U.S. citizens, but Dr. Rivera Martelli remains "disappeared."

The public educational system in San Salvador is in disarray. The large number of

schoolteachers and members of the university faculty (including medical-school professors) who have disappeared, been imprisoned as political prisoners, or fled the country has depleted the educational establishment. No professors of basic medical science remain. All entrances to the National University have been sealed for the past two years, and the principal laboratory building located outside the university grounds has been gutted by the military so that only external walls remain. No students have been admitted since the closing of the university. In the past semester, medical students in the last two years of the six-year course have been taught in storefronts and private homes by a few intrepid professors, but the complete absence of equipment, books, medical journals, and demonstration materials makes this valiant effort doomed. The devastation is both physical and intellectual.

Our group visited two facilities for political prisoners that are operated by the Ministry of Justice; Hopango for women and Mariona for men. We were permitted to interview the inmates alone and without time restriction. Medical care in the women's prison is provided by a recent graduate of medical school who devotes a few hours a week to the prison as just one of his four jobs. Medical records are inadequate and incomplete. Prescriptions for medications are usually not available in the prison medical facility, so they are disregarded; if the prisoner is fortunate, her family may obtain the medicine. In both prisons the political prisoners have established their own health facility using minimal supplies of drugs and first-aid materials.

Few prisoners have been tried and convicted. The medical students we saw in Mariona, the men's prison, had been there for two years—and others had been there for as long as four years—without appearing before a judge. However, the prisoners told us that they were the lucky ones. They were alive and probably would not disappear—no matter that they were being held indefinitely without due process.

In summary, we found direct and indirect evidence of frightful violations of human rights, and we found fear among private citizens who feel unprotected in a lawless society. We found that the health of the public has suffered, that medical education, medical care, and medical facilities have been desperately depressed. How can one account for the willful dismantling of the university, including the imprisonment (or worse) of medical professors and practicing physicians and the physical destruction or sealing up of university buildings and the medical school? University personnel with whom we spoke ascribed it to the political liberalism or radicalism that is characteristic of a university campus, to the outspoken indignation of the medical profession at the atrocities and wanton killing of noncombatants and alleged subversives, and to the fear among those in power of middle-class intellectuals. Doctors and other health professionals meet many of the criteria for "disappearing."

We have returned to our affluent country shaken but eager to inform our colleagues, sponsors, and all who will listen that we can save many thousands of lives by protesting to the Salvadoran authorities disappearances and other human-rights violations. Physicians and other concerned persons can help privately by donating equipment and funds through such international relief agencies as the International Committee of the Red Cross and Catholic Relief Services. U.S. foreign aid must make abundant provision for such essentials as food, medicine, vaccines, medical equipment, teaching materials for students, and other forms of economic assistance. Aid to this war-torn country should emphasize life-giving sustenance rather than arms and military equipment.●

LET US TALK ABOUT CENTRAL AMERICA

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. BROOMFIELD. Mr. Speaker, I want to call to the attention of my colleagues here in the House a brief and informative article which sheds some interesting light on the current situation in Nicaragua and Guatemala.

In spite of the administration's efforts to explain to the Congress and the American public why America should be involved in stopping the spread of Soviet influence in Central America, most people are overexposed to the reasons why America should not be involved. Many people seem to prefer to believe the propaganda of the Soviets, Nicaraguans, and Cubans and quickly dismiss as untruths what our own Government is telling us about the reality of Central America.

Fortunately, one of the original leaders of the Nicaraguan revolution, Alfonso Robelo Callejas, recently visited Washington and spoke at length about why he rejected the Sandinista revolution, and why he is now fighting against them. It is quite clear to him that the Sandinistas have radicalized and betrayed the revolution. In spite of their promises to guarantee certain rights and privileges, those rights and freedoms are being denied. The abuses of the Somoza regime are being continued by the so-called liberators, the Sandinistas. His comment regarding Cuban influence in Nicaragua are also enlightening. It is quite obvious that Nicaragua is not run by Nicaraguans at this point. It is essentially a little Cuba directed by Havana.

While many Americans selectively ignore the human rights violations which are occurring on a daily basis in Nicaragua, they orchestrate efforts to cut off all American aid to Guatemala because of violations in that country. Although human rights problems do exist in Guatemala, the present government has made measurable progress in stopping them. Just recently, trade unions were allowed to organize. As you may recall, the previous regime had forbidden trade union activity. The Rios Montt government should be encouraged to pursue its democratic initiatives. We should not abandon them at this critical juncture.

With these thoughts in mind, let me recommend this article to my friends in this Chamber and encourage them to look seriously at what is happening at this very moment in our own backyard.

[From the Washington Times, May 6, 1983]

CENTRAL AMERICA: SECOND THOUGHTS AMONG DEMOCRATS

(By Cord Meyer)

This week, President Reagan received some timely help from unexpected quarters in his attempt to alert the American people to the danger of communist expansion in Central America and to the needs of those who are trying to contain it.

Even the most skeptical Democrats who have dismissed the administration's warnings as right-wing paranoia cannot fail to be impressed by the recent testimony of one of the authentic Nicaraguan heroes of the anti-Somoza revolution, Alfonso Robelo Callejas. He was a member of the original revolutionary junta and now has joined forces with Eden Pastora, the legendary Commander Zero, to form the Costa Rican-based Democratic Revolutionary Alliance, composed of disillusioned Sandinistas.

When he was prevented by the government in Mexico from holding a press conference there to announce his organization's plans to open a guerrilla front in southern Nicaragua, Robelo came to Washington to accuse the Sandinistas of having betrayed the revolution by suppressing the freedoms they had promised to respect. Based on his personal experience in the Sandinista regime and reporting from well-placed sources in Managua, Robelo spelled out for this columnist his current knowledge of the Cuban role in Nicaragua.

"You must understand," he explained, "that Nicaragua is a country occupied by foreign forces." In addition to the 2,000 Cuban military advisers, Robelo maintains, there are 6,000 more Cubans in key positions throughout the government, and U.S. intelligence estimates confirm this. According to Robelo, no important decision is taken by the government without the advice and consent of the Cubans, and he adds that "there is no Boland amendment tying their hands."

In Washington, Robelo had a friendly meeting with Adolpho Calero, the able leader of the Nicaraguan Democratic Front (FDN), the more-conservative exile group which the CIA is said to be supporting. When asked for his opinion; Robelo stated categorically, "the cutting-off of support now to the FDN would be a catastrophe." That is likely to be the reaction of most of America's friends in the region to the House Intelligence Committee's vote this week calling for an end to covert support.

If this surprisingly strong support for the administration's policy from the left wing of the Nicaraguan exile movement does not cause moderate Democrats to rethink their positions, there is more cause for reconsideration in the changing attitude of the American labor movement toward the government of Guatemala.

After a junior officer coup replaced the corrupt military dictatorship in Guatemala in March of '82, Gen. Rios Montt was chosen as president to lead the country through a transition period toward democracy. On March 23 this year, he kept his promise to lift the restrictions on political and trade union activity. Free trade unionists who had been arrested and threatened by the previous tyranny have moved quickly to establish their unions. Last Sunday, in Guatemala City, a founding convention was

held to form the new United Confederation of Guatemalan Unions.

AFL-CIO representatives who attended report that it was an impressive demonstration of the strength and independence of the free trade union movement. Eight labor federations claiming more than 100,000 dues-paying members joined in the new confederation. American labor leaders see this encouraging development as evidence of "a 100 percent improvement" in labor organizing conditions.

Despite this progress, there is no doubt that the reputation of the Rios Montt government has been damaged in the United States by reports of brutal tactics used to break the hold of the guerrillas on Indian villages. Although there has been a drastic reduction in the right-wing terrorism in the cities, there are still disturbing human rights violations.

As a result, there are moves afoot in the Congress to deny all military assistance to the Guatemalan government, to reduce sharply the amount of economic aid and even to obstruct Guatemala's access to international lending agencies. To try to set the record straight, an impressive group of Guatemalan leaders was in Washington this week to plead their case with congressional critics. They were led by the enlightened president of the Guatemalan Council of State, Jorge Serrano.

After hours of discussion with these men, it was impossible to doubt their democratic convictions or their determination to see their country through to free elections. They intend to hold Rios Montt to his pledge to have elections next year. The delay is advantageous to the reformist parties, since the right-wing party is better financed and organized and would profit from an early election.

In a half-finished revolution like that in Guatemala, there is always the danger of a countercoup by disgruntled officers but, as things stand now, the government is on an upward path. It deserves American sympathy and support against the communist guerrillas on the left and the corrupt generals on the right.●

FFA HONORS 22 YOUNG MEN AND WOMEN

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. JONES of Tennessee. Mr. Speaker, this morning the Future Farmers of America held its annual congressional breakfast here in Washington, D.C., to honor 22 young men and women FFA members who have just returned from a 3-week travel seminar in 6 West European countries. Each of these young people are winners, in an individual category, of a 1983 FFA Agricultural Proficiency Award. This is the fifth year of the FFA Agricultural Proficiency Travel Seminar, and I am indeed excited that this year's winner in the category of soil and water management is a young constituent of mine, Mr. Keith Fowler, of Martin, Tenn. Keith is a student at the University of Tennessee at Martin, and is currently completing his sophomore year.

As chairman of the House Agriculture Subcommittee with legislative jurisdiction over Federal soil and water conservation programs, it is with a deep sense of pride that I note this is the fourth straight year that a west Tennessean from my congressional district has won the Soil and Water Management Award. This obviously says something about west Tennessee and the devotion of its youth to the preservation of our Nation's most valuable resource: its agricultural base. While on the one hand we in my region are burdened with some of the most highly erodible farmland in the country, we are also blessed with a rural population which includes the most dedicated and innovative resource conservationists to be found anywhere. Keith Fowler stands high among his peers as a splendid example of a young farmer who has shown a sense of stewardship for the land worthy of special mention.

Since its beginning in 1928, the Future Farmers of America organization has been preparing young people for careers in production agriculture and agriculturally related fields. But unlike other areas of study, the FFA combines classroom discussion with hands-on exposure to create an unbeatable training education experience.

The positive experience which FFA members receive does not go unnoticed. Agricultural leaders, in both business and government, recognize how important FFA is to the future of the agricultural industry in this country.

This International Travel Seminar for Proficiency winners is just one more way FFA is giving students experience for the future—giving them a chance to share agricultural knowledge and ideas, learn from others and develop crosscultural communication. Vocational education in the classroom; leadership skills through FFA; and support from business and government—all add up to an agricultural education experience which cannot be matched.

I am sure Keith has brought back with him from Europe innumerable valuable experiences and new friendships which will broaden him in ways he would never have imagined. I am especially grateful to the many private American businesses and organizations which have devoted their time and financial resources to sponsoring the FFA travel seminar program. They are to be commended for their investment in our Nation's youth; an investment which will pay dividends for decades to come.●

SOCIAL CASE FOR THE AGING

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. CONYERS. Mr. Speaker, Stephen Crystal, who directs planning, management systems, and research for adult services for the New York City Human Resources Administration, has written a timely book entitled "America's Old Age Crisis: Public Policy and the Two Worlds of Aging." The book has been critically well-received, and the Christian Science Monitor named it as one of the best books of 1982.

I would like to insert at this point in the RECORD reviews of Mr. Crystal's book from the Cleveland Plain Dealer, Philadelphia Inquirer, and Christian Science Monitor.

[From the Cleveland Plain Dealer, Dec. 26, 1982]

OLD AGE PUBLIC POLICY NEEDS HARDER LOOK

(By Robert L. Girouard)

"Any book which is at all important," wrote Schopenhauer, "should be reread immediately."

Stephen Crystal's *America's Old Age Crisis* is such a book and deserves to be read and reread by every member of Congress, particularly now, when debate about troubled social programs, Social Security foremost among them, is generating more heat than light, more base political evasiveness than honest, thoughtful confrontation.

Crystal begins by dispelling some of the myths about this nation's aged and the policies affecting them.

One is that the elderly are, by and large, decrepit, helplessly inactive and desperately poor. As it turns out, only about 6% of the elderly live in institutional-care settings, but at an annual cost of $20 billion.

Despite a constantly heard refrain about America's niggardliness toward care of the old, Crystal demonstrates that we are perhaps paying too much—distributed unfairly—and certainly far more than, say, Japan, France and other nations putatively more civilized than we are.

Despite a common perception that most social-program abuses are perpetrated by "welfare mothers," Crystal painstakingly shows how if *anyone* is ripping off the system, it's middle- and upper-middle-income white retirees.

And contrary to the myth that more and more Americans are now taking in their elderly, Crystal demonstrates the reality of the situation: Only one group stands out as taking in its own old, and that is blacks—a fact that helps explain why elderly black women enter nursing homes about seven years later than white women.

One passage in the book is so important to the current Social Security muddle that it is reproduced here in its entirety:

"Consider a married man who retired at 65 in 1977. His maximum payroll taxes since the system's start in 1937 could not have exceeded $7,705, with an equivalent contribution from the employer. Benefits to the employe and his spouse, at about $8,400 for a maximum contributor, would exceed his contributions in the first year. Even more spectacular have been the payoffs to early participants in coverage expansions. Thus,

someone who retired in 1950 under the newly implemented self-employment plan, and who lived until 1977, would have received $43,000 in benefits on an investment of $121.50.

"The mechanism which makes this possible is the time-honored principle of the chain letter or Ponzi scheme. In such a system, those who get in first profit greatly from the investments of those who join later. But there is always a day of reckoning. Future payoff rates will be considerably less beneficial. Future retirees—particularly single people, married women, and those who have paid the maximum tax—are likely to receive less in benefits than they could have received by investing their contribution on their own, in an Individual Retirement Account, for example."

The day of reckoning Crystal talks about is already upon us, and his observations certainly belie the frequent claim of Social Security pensions that they only want what is rightly theirs, i.e., what they put in. If what they put in were what they actually get or expect to get, they would quite simply starve.

Crystal doesn't simply sketch out a doomsday scenario, however. He has some practical, sensible solutions to the mess we're in, vis-a-vis caring for our elderly: First, let's make sure we are more equitable about helping those with genuine need, he says.

He also suggests wider application of advance funding for both public and private pension programs, so they can generate capital instead of radically depleting it; an assets-test for Medicare recipients; an increase in the floor of Supplemental Security Income (SSI) grant levels to improve the lot of the worst-off elderly; and a move, whenever possible, from costly nursing-home care to a network of preventative medicine, based on Health Maintenance Organizations, that allows for home care instead.

America's Old Age Crisis will become a seminal document for crafters of old-age public policy for years to come—if only they will read it, and then reread it immediately.

[From the Philadelphia Inquirer, Jan. 16, 1983]

THE PROBLEMS OF THE ELDERLY IN TOUGH TIMES

(By Elizabeth Taylor)

The current debate over programs and benefits for America's elderly is particularly heated because, as Stephen Crystal observes, the elderly are the "one minority to which we all anticipate belonging." Emerging in the midst of this controversy, Crystal's *America's Old Age Crisis* provides a fresh analysis and even some recommendations for how America might cope with its burgeoning elderly population during hard economic times.

Crystal criticizes the current system, which perpetuates the existence of two classes—or worlds—of old people, "one poor, one comfortable—separate and unequal." Today's policies allow the middle-class elderly to enjoy bigger slices of the pie while poor, old people receive only minimal benefits, he says.

America's Old Age Crisis is sure to invite criticism from the Left, which tends to see the elderly as a homogenous and needy population, and from the Right, which insists that some invisible hand will place food on the table of even the poorest old person.

Crystal challenges the myth that all elderly are poverty-striken. He contends that the proportion of the elderly living below the poverty level has declined and that the American public is mistaken in thinking that the elderly as a block receive insufficient government assistance. In 1982, according to Crystal, one-third of the entire federal budget provided "benefits to the aged." The problem, according to Crystal, is in the distribution—not the level—of benefits.

Crystal indicts the Reagan administration for promoting "two-class" retirement. In the latest round of budget cuts, the Reagan administration preserved Social Security and Medicare—programs which, according to Crystal, are the concerns of the organized, middle-class elderly. Sacrificed instead was funding that provides a lifeline to America's old people living at the poverty line—the Title XX program for social services, which helps pay for in-home care, food stamps, energy assistance, nutrition programs and Medicaid. Crystal attacks the usual demons: fraud, waste and mismanagement. But, he maintains that President Reagan's cuts end up hurting the poor more than eradicating fraud.

Crystal is at his best when navigating his readers through the thicket of benefits—Social Security, Medicare, Medicaid and Title XX—as well as through the myriad pension plans, such as IRA and Keogh. Crystal clarifies ways in which these plans, which have become such an important part of the American economy, operate. Pension programs help shift the burden of caring for the elderly away from the family and promote "systematic inequity," he says. They reward skilled employees of large corporations, who mainly happen to be white men.

Women's economic disadvantages are accentuated in the retirement years, says Crystal. In his brief treatment of women, Crystal points out that women, especially widows, comprise a major portion of the poorest elderly; unmarried women comprise 72 percent of this population. The working married woman benefits little from Social Security, which regards non-working women as the norm.

Crystal's discussion should satisfy the specialists' requirement of sophistication; it comes close to meeting the standards of clarity necessary for a general audience. Unfortunately, Crystal occasionally lapses into jargon ("differential access skills and resources"), but he does better than most social scientists at restraining this sort of excess.

Crystal's recommendations are sensible and innovative, but sketchy. They are important and merit more than the concluding chapter. His proposals reflect a determination to develop a public policy that allows America's old to live comfortably at a more equal standard. His sometimes controversial recommendations include encouraging in-home rather than nursing-home care, expanding Health Maintenance Organizations to provide special care for the elderly, insisting upon mandatory pension coverage, taxing half the Social Security benefit, considering raising the retirement age, increasing Supplemental Security Income. The reader is left wondering how these proposals would fare in the real world where, for instance, political pressures recently deterred the Reagan administration's efforts to cut Social Security.

A year ago, President Reagan, with the cooperation of Congress, established the bipartisan National Commission on Social Security Reform to suggest ways to eliminate a deficit in the old-age benefits program. As the commission deliberated, it is to be hoped that it considered Social Security, as Crystal has done, within the context of the network of assistance programs for the elderly. Members of the Reagan administration, who will soon be considering the commission's recommendations, would be smart to look at this book.

[The Christian Science Monitor, Sept. 10, 1982]

URGENT NEED: NEW POLICY FOR ELDERLY

(By Curtis J. Sitomer)

"Our nation is moving toward two worlds of aging, one poor, one comfortable—separate and unequal," warns Stephen Crystal in an advance copy of a book being published in November.

On this carefully documented premise, Crystal sharply scores U.S. policy for supporting the elderly as inadequate, misguided, and basically unsound.

What most bothers Crystal, who serves as director of the Department of Family and Adult Services at New York City's Human Resources Administration, is that present programs constitute a type of lottery in which the not-so-needy aged are the big beneficiaries and the badly-in-need (women and blacks, in particular) are lost in the shuffle.

Why is this so? Primarily because programs like social security and Medicare are aimed at the broad population and not focused on have-nots.

What would Crystal do? Among other things, he would recarve government policies to extend pension plans to a greater number of the poor; bolster social security benefits to widows and others who most need them; and encourage those capable of working after retirement to continue to do so, if only through part-time employment or shared jobs.

If you haven't guessed, the big culprit is costs. The figures are devastating. Now $191 billion—over 27 percent of the total federal budget—is spent on the elderly. Government estimates indicate an annual outlay of $7,600 per aged person, $15,200 per aged couple. Health expenditures alone average $3,900 a couple.

With inflation and a rapidly increasing older population, these costs will continue to skyrocket. So the only real answer, says Crystal, is to develop "priorities" and an integrated federal old age policy to replace the many fragmented ones that now exist.

All this, of course, sounds good. It is even in line with current Reagan administration thinking involving cost-cutting which, ostensibly, would increase benefits for the most needy and prod the less needy to find ways to better help themselves.

As we have seen, social security reform is not easy to come by—despite opinion polls that the majority of citizens favor an overhaul of the pay-in and benefits systems. Pension plans are big business and run by big businesses. They are not likely to seek a change in clientele from the elderly well-off to the elderly poor.

Stephen Crystal is among a growing band of credible people articulately sounding the alarm. His book is important. We should pay some attention.●

CONGRESSIONAL CALL TO CONSCIENCE FOR SOVIET JEWRY

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. MORRISON of Connecticut. Mr. Speaker, I rise today to add my voice to the Congressional Call to Conscience for Soviet Jewry and to call my colleagues' attention to the plight of Yosif Begun, a Soviet Jew who is being denied the right to emigrate to Israel. In August 1980, Begun completed a 2-year exile sentence on charges of parasitism and violation of passport regulations. His crimes: Teaching Hebrew and seeking permission to emigrate.

Although Begun is not incarcerated, he is a prisoner; he is a prisoner of a brutal regime which denies its citizens basic rights—rights that it promised to uphold when it adopted the Helsinki accords and other treaties. In its treatment of Begun, the Soviet Union has demonstrated its unwillingness to respect human rights and fundamental freedoms, including the freedom of religion or belief.

The victimization of Yosif Begun was brought to my attention by several youngsters who live in my district and who attend the school at Congregation Mishkan Israel of Hamden, Conn. I want to commend these youngsters, Michael Blumenthal, Paul and Douglas Kasper, and Jenya Milstone, for taking the time to write on behalf of Mr. Begun and for helping to focus the Nation's attention on the Soviet regime's treatment of Mr. Begun and Soviet Jews in general.

I also want to share with my colleagues portions of these youngsters' letters because they speak with simplicity, concern, and directness about the struggle of Yosif Begun and other Jews living in the Soviet Union.

The letters follow:

Hon. BRUCE A. MORRISON:

DEAR REPRESENTATIVE MORRISON: I learned about Soviet Jews and I strongly believe that our government should take action and try to improve the situation. Would you please write to a man in Russia who we wrote to. His name is Joseph Begun . . . This man was arrested because he asked to emigrate to Israel. If the Soviet Union sees that we care and we think they are wrong they might set him free.

Sincerely,

MICHAEL BLUMENTHAL.

Hon. BRUCE A. MORRISON:

DEAR REPRESENTATIVE MORRISON: I have heard about Jews in Russia. Please help them out. They have a terrible life. An example of this is Joseph Begun. He is in jail just for learning . . . and teaching Hebrew. Please help.

Sincerely,

PAUL KASPER.

Hon. BRUCE A. MORRISON:

DEAR REPRESENTATIVE MORRISON: My class has been studying about Russian Jews. We all wrote to a man in prison named Joseph Begun. I hope that the U.S.A. government could remind the Soviet Union that we are aware about this imprisonment because of learning and teaching Hebrew and applying for permission to go to Israel. Joseph Begun was a hardworking engineer . . . Thank you very much.

Sincerely,

JENYA MILSTONE.

Hon. BRUCE A. MORRISON:

DEAR REPRESENTATIVE MORRISON: I have learned about Soviet Jews. I strongly believe that our government should do as much as they can do to help Soviet Jews. My class has written letters to a Soviet Jew named Joseph. I hope you will help him. He was put in jail for not having a major job and for teaching Hebrew. I hope you will help.

Sincerely,

DOUG KASPER.

Last, I would like to insert into the RECORD a statement prepared by the National Conference on Soviet Jewry which describes the Soviet's policy of suppression of Jewish culture, especially as it relates to the study of Hebrew:

The statement follows:

SOVIET JEWRY AND THE RIGHT TO STUDY HEBREW

The Soviet government has long pursued a policy aimed at suppressing Jewish culture in the Soviet Union and at severing Soviet Jewry from its cultural heritage. A key element of that policy is the effort to deny Jews the right to study the Hebrew language.

Hebrew, the language of the Bible and of the Jewish people in the State of Israel, is historically the only language which has always been the common property of all Jews everywhere. Knowledge of Hebrew is an integral and essential part, not only of the practice of Judaism—the liturgy and sacred texts which are written in Hebrew—but also of secular Jewish culture. Nevertheless, the Hebrew language has been rendered virtually inaccessible to Soviet Jews through an unpublicized ban enforced by various means.

In the USSR, courses in the Hebrew language exist for certain narrow state purposes, as a part of the curriculum of three universities. Jews, as a rule, are excluded from these courses. Officially approved Hebrew instruction is available elesewhere only in a few Christian religious seminaries. Soviet Jewry is thus denied the opportunity to study Hebrew. No textbooks of the Hebrew language are produced in the USSR and, with the sole exception of a limited edition of Shapiro's Russian-Hebrew dictionary, which appeared in 1963, no books of any kind in Hebrew have been published there for over fifty years. There are no Hebrew newspapers or periodicals. Moreover, throughout the entire length and breadth of the Soviet Union, there is not a single school with Hebrew as its language of instruction. Even the small private Jewish kindergarten in Moscow, where little children were taught the rudiments of Hebrew, has been forcibly closed by the police.

With respect to Yiddish, another Jewish language familiar to a part of Soviet Jewry, the situation is not significantly better. The Jews, who according to official Soviet statistics, number about 1,800,000 (a figure regarded as a substantial understatement by non-Soviet demographers), and who represent the sixteenth largest among over one hundred officially recognized Soviet nationalities, are the only nationality whose language is subjected to such restrictions.

Deprived of any possibility to study the Hebrew language officially, an increasing number of Jews have been studyng and teaching Hebrew privately in recent years. The authorities have sought effective means to suppress such private Hebrew instructions by Jews, without openly forbidding it. The private teaching of Hebrew, in contrast to the private teaching of non-Jewish languages in the USSR, is not regarded as legitimate employment. Newspapers refuse to accept advertisements for Hebrew lessons, and offices of the Ministry of Finance continuously rebuff the efforts of private Hebrew teachers to pay income tax on their earnings. Yosif Begun, as an example to others, was sentenced to 2 years of exile as a "parasite" because his teaching of Hebrew was not considered "socially useful labor." Other teachers have been subjected to arbitrary arrests, searches and seizures, and have been summoned to interrogations, slandered in the official press and threatened with prosecution on all manner of trumped-up charges.

". . . [Recently,] police harassment has been greatly intensified. Hebrew teachers in a number of Soviet cities have been summoned by the KGB and the police and warned that they must immediately cease teaching Hebrew or else they will be tried on various pretexts and subjected to severe punishment. In a number of cases, the police raided their homes and confiscated all Hebrew language material, including textbooks, dictionaries and other teaching aids.

The behavior of the Soviet authorities, with regard to Hebrew language instruction for Jews and Jewish Hebrew teachers, gravely infringes the individual rights of the teachers concerned. Quite apart from basic human rights associated with freedom from arbitrary police harassment (rights guaranteed by Soviet law, as well as numerous international human rights conventions to which the Soviet Union is a signatory), the right to freedom of choice of employment is being flagrantly violated by these Soviet policies toward the study and teaching of Hebrew. This is a flagrant violation of the 1966 International Covenant on Economic, Social and Cultural Rights (Article 6) and Convention No. 122 (1964) of the International Labor Organization (Article 1(2)(a)), as well as Article 40 of the USSR Constitution.

The suppression of the knowledge of Hebrew among Jews is also a blatant violation of the collective cultural rights of the Jewish minority to use and study its own language as expressed in the 1966 International Covenant on Civil and Political Rights (Article 27), and the 1960 UNESCO Convention Against Discrimination in Education (Article 5(1)(c)). All these treaties are signed by the Soviet Union. Finally, the suppression of the Jewish national language violates the Soviet Union's own constitution and laws, which prohibit any form of discrimination on the basis of nationality, as well as any preferences or limitation regarding the national languages of the peoples of the USSR.

The Soviet authorities have never, to our knowledge, created barriers for any Soviet citizen wishing to study any language except Hebrew. Soviet citizens have always been free to study English, German, Japanese, Chinese and other languages, even when problems existed in the relations between the USSR and countries where this

or that language was spoken. Hebrew is the only language which has been made the object of such stringent restrictions.

We believe it is incumbent upon all people of good will to condemn the illegal and sinister attempt by the Soviet government to deny Jews access to the Hebrew language, Jewish culture and literary heritage, of which Hebrew is such an inseparable part. We must protest to the Soviet government regarding the persecution and oppression of those engaged in Hebrew instruction, and to demand that the Soviet government permit Soviet Jews to study Hebrew on the same basis as members of other nationalities are permitted to study their national languages in the USSR.●

A TRIBUTE TO HERMAN AND BARBARA GEIST

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. OTTINGER. Mr. Speaker, on June 7, the Mental Health Association of Westchester County, N.Y., will honor Herman and Barbara Geist at its annual dinner. I would like to take this opportunity to join in this tribute and call to the attention of my colleagues the many years of public service these two friends have devoted to the communities of Westchester County.

Upon his return to his hometown of Mount Vernon, N.Y., after serving with distinction in World War II, Heman Geist was appointed chairman of the Mount Vernon Zoning Board of Appeals. In 1965, he was elected county supervisor from the city of Mount Vernon, a post which he held for 4 years. In 1969, Herman was elected to the newly constituted board of legislators. His fellow legislators thought enough of him to elect him the county board's first chairman. He served in that capacity for 4 years.

Since he has stepped down from elected office, Herman has volunteered his services, knowledge, and time to various organizations. He has served for more than 10 years as the parlimentarian of the National Association of Counties, and is also currently the counsel to the New York State Association of Counties. In the past, he was appointed as special assistant for intergovernmental affairs to former County Executive Alfred DelBello, and served as the president of the Westchester County Bicentennial Committee.

Among his many present activities, Herman serves on the board of directors of the Mount Vernon Hospital and the American Lung Association. He is also the secretary-treasurer of the Westchester County Tri-Centennial Commission, treasurer of the Friends of the Parks of Westchester County, and vice president of the Westchester Community Service Council.

Barbara Geist has also served the communities of Westchester for many years. She has worked as a volunteer in the Mount Vernon public school kindergarten teaching and reading readiness program and has served as the vice president of the southern chapter of Brandeis Women's Committee.

Currently, Barbara is devoting much of her time as a research associate to the Mental Health Association, working within their public affairs committee. Her responsibilities include reviewing proposed and pending legislation in the New York State Senate and Assembly and conducting meetings with the legislators.

As I am sure is obvious to all of you, Herman and Barbara Geist are truly special people who have dedicated much of their lives to the service of their community. It is with great pleasure that I join with the Mental Health Association in honoring these two outstanding individuals.●

DR. SALLY RIDE—FIRST WOMAN IN SPACE

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. BEILENSON. Mr. Speaker, on June 18 the space shuttle *Challenger* is scheduled for launching from the Kennedy Space Center in Florida. For the first time in U.S. history, one of the members of the crew will be a woman—Dr. Sally Ride, a constitutent of mine from Encino, Calif. Dr. Ride, who will serve as a mission specialist, was selected as an astronaut candidate by NASA in 1978, and subsequently served as an on-orbit capsule communicator for the second and third flights of the space shuttle *Columbia.*

As an accomplished, gifted member of a talented group, Dr. Ride's performance will undoubtedly reflect credit on NASA and the U.S. scientific community. However, her flight will do more than that—Dr. Ride's inclusion as a part of the *Challenger* crew is a clear demonstration of the fact that careers in astronautics specifically, and science generally, are open to women. It is up to us to insure that the opportunities for women to pursue careers in space exploration, as well as in fields closer to home, continue to improve.

The following article from United magazine describes Dr. Ride's background and mission:

A WOMAN WITH "THE RIGHT STUFF"

(By Rob Navias and Patricia Walker)

In the blackness of night just before dawn one morning next month. Sally Ride and her four crewmates will leave their quarters at the Kennedy Space Center, climb into a heavily guarded van, and be driven three miles to launch pad 39-A. They will ascend the floodlit launch tower and settle into the space shuttle *Challenger.* A few hours later they will be launched into orbit, and for 31-year-old Sally Kristen Ride, into history. Ride will be the first American woman to fly in space.

Only two Soviet women—Valentina Tereshkova in 1963, and Svetlana Savitskaya last summer—have flown in space in the 22 years that have passed since cosmonaut Yuri Gagarin went up. And it wasn't until 1978 that American women were even selected as astronauts by the National Aeronautics and Space Administration.

"There was no reason for women not to have flown from the start except for the social climate of the United States at the time," says Shannon Lucid, a biochemist and at 40 the oldest of the women astronauts. "Our selection came twenty-two years too late, but other than that, it's fantastic."

As writer Tom Wolfe so picturesquely put it in *The Right Stuff,* the original astronauts were not so much pilots as "human cannonballs." Women were not excluded on the grounds of strength, as zero gravity renders muscle power useless. The stumbling block for women was that only military pilots could apply, for it was thought that civilians might not be "sane" enough.

NASA did, in fact, consider women for space travel in 1960. Thirteen crack women pilots, including Jerrie Cobb, were put through the same tests as male astronauts and were found to do as well, but the project was dropped. Then, in the mid-sixties, the nature of the space program changed to include laboratory experiments and research. Nonpilot scientists were invited to apply, but only men qualified. After some very expensive training (it costs taxpayers $8 to $10 million to train an astronaut), one-third of these men "washed out." In 1977, NASA again opened its doors, and Sally Ride saw an advertisement in a student newspaper at Stanford.

"I don't know why I wanted to do it," remembers Ride, a laser physicist. "I only know that I was on my way out of the room to apply while I was still reading the newspaper. "More than a thousand women and eight thousand men applied. After a series of grueling tests and interviews, 35 were chosen as astronauts, and six—including Ride—were women. Two more women were added to the corps in 1980.

Commenting on the difficult seletion procedure, Ride says. "I wouldn't know what to advise another woman if she asked me how to prepare for a career like this. The best thing you can do is just follow what you want to follow, do what you would have done anyway, and if the opportunity comes along to apply for the space program, then do it."

There are still no women pilots among the astronauts. All eight are "mission specialists," or scientists. One of the women astronauts, Bonnie Dunbar, a biomedical engineer, would like to change that. "I am not trying to overcompensate for being a woman," Dunbar insists, "but with enough flying time, who knows? One of us could get to command a mission sometime. Then we'll get our chance to fly that beautiful shuttle."

Sally Ride grew up a quick, able student in Encino, California. Her parents were supportive of her and her sister's ambitions. "They didn't have any preconceived ideas

about what we ought to do," Sally said in a recent interview. "We could do what we wanted, but then we had to—you know—do it. To this day my parents probably don't know what I'm doing in science. But my father made sure I studied, and that I brought home good grades. "Her sister, Karen, is also in an unusual profession for women—she's a Presbyterian minister.

Ride attended Westlake, a private girls' school in Los Angeles. At that time the school didn't offer science as part of its curriculum. "I don't know if I got there at the right time, or if it was because a couple of us started pushing. But first a woman came from UCLA and taught an absolutely marvelous course in physiology. Then they hired a woman, straight out of college, to teach chemistry and physics, as well as trigonometry and calculus. Those two were the science department, and they were great!"

Although Ride had a passion for tennis that brought her national honors at high school and later at Stanford, her studies eventually won out. Turning in her racquet for research, Ride earned two degrees—one in physics and the other in English. Then she spotted the fateful advertisement.

Sally Ride has a quiet, commanding presence and credits her composure to being in tennis tournaments. Her friends say it's not important for her to be the first woman to fly in space; what is important is that she was selected to fly on an early shuttle mission.

"I don't want to think about the historic aspects until after the flight is over," Ride says in her unaffected manner. "Right now the important thing is for me to train hard enough so I can do a good job."

Few doubt she will do less. Since her selection for the seventh shuttle mission a year ago, Ride has put in ten- to twelve-hour days six days a week, mainly concentrating on the use of the remote manipulator system. In actuality, the system is a robot arm housed in Challenger's cargo bay which Ride will use to grasp a satellite, thrust it out into space, and later retrieve it. If successful, her operation will be duplicated by future astronauts to repair malfunctioning satellites and construct space colonies.

Accompaning Ride on the seventh shuttle mission will be a group of astronauts who are the most diverse crew to fly in space to date. Commanding the flight will be U.S. Navy Captain Robert Crippen, 45, the first astronaut to fly in the shuttle twice, having flown on the first mission in April, 1981. The pilot will be Navy Captain Rick Hauck, 42, who recommended Ride for selection on the mission. Air Force Colonel John Fabian, 44, will work with Ride in the deployment of two communications satellites from Challenger's cargo hold. And, finally, Norman Thagard, 39, is a medical doctor recently added to the crew to study the motion sickness problem that has plagued shuttle occupants in the past.

"Sally is a very smart lady," says Robert Crippen of his flight engineer. "And she's smart in a special way. You get people who sit in a lab and think like Einstein, but they can't *do* anything. Sally, however, can get everything she knows together and bring it to bear where you need it." Ride demonstrated this ability as capsule communicator, or CAPCOM, at Mission Control during two previous shuttle flights. CAPCOM, the only link between the astronauts in space and the officials on the ground, is what TV viewers know as "the voice of Mission Control."

During the second shuttle flight in November, 1981, it was Ride who broke the news to Joe Engle and Dick Truly that their mission had been cut short because of the loss of a power-producing fuel cell. In March of last year, during the third flight, Ride was again at Mission Control when a broken camera on the robot arm threatened to cancel experiments. She came up with a solution to the problem and salvaged that portion of the flight.

During some shuttle experiments that involved blood, an astronaut appeared on the TV screen hanging upside down from *Columbia's* ceiling. Ride, at the Mission Control console, said with a grin, "Hey, is that the vampire to go with the red blood cells?"

"She's light-hearted and enjoys a good time," says Crippen. "She's not a complicated kind of person, and she doesn't get upset about things. She's very easy to be with."

Will privacy be a problem for Ride during her week in space? "We've been working on that," says Crippen, who is so dashingly handsome that women ask him to autograph their clothes. "The shuttle was designed for women as well as men. We'll be respectful of *everyone's* need to be by themselves at times."

Challenger has a large area below the flight deck where meals are prepared and where sleeping quarters are located. Crippen says Ride will be afforded as much privacy as space will allow, but he admits that no one will know how well five crewmates will react to the tight quarters until they are actually in orbit. "We've provided a privacy curtain for Sally for her personal hygiene, and our engineers have modified the potty. But otherwise, she's just one of the guys," Crippen says.

NASA says Ride will carry aboard some cosmetics, just as the men carry shaving gear. Her kit will include a skin moisturizer to prevent dryness in the low-humidity atmosphere inside the shuttle.

Mary Cleave, who joined the corps in 1980, at first pooh-poohed the necessity for makeup, but says she understands it now. "It's a normal cross section of females," she told a reporter, "and some of them are used to wearing makeup. They explained to me, 'When I come off the shuttle, I want to look better than I've ever looked before. If people are used to seeing me in makeup, I'm going to look like hell without it.' " Cleave, known for her humor, adds, "It even made me think I should learn to put it on, so when I get off the shuttle, people will say, 'My God, she has never looked better.' "

Although the selection process for a shuttle crew remains a closely guarded secret, it is widely assumed that the choices are made by George Abbey, the director of flight operations, and John Young, the chief of the astronaut office and the commander of the first shuttle flight.

"Sally's simply a hard worker, and so are all the women," says Young of the new breed of astronauts. "We're interested in who can do the job, and race, creed, or color has nothing to do with it."

One of the chief attributes of an astronaut is the ability to be a team player. "These poeople have to have initiative. They have to be self-starters. And they *have* to be team players," says poker-faced George Abbey. Whether men or women, the scientists coming into the program have to realize that they will be doing other people's experiments, not their own, and that they won't get academic kudos or financial reward as an astronaut. (The women astronauts are earning about $35,000 a year, much less than they would normally earn in comparable jobs in private industry.)

Ride's commander, Robert Crippen, believes her selection occurred simply because it was long overdue. "There has been pressure on NASA to send up a woman astronaut ever since Tereshkova [the first Soviet woman in space]," says Crippen. "I was consulted about the matter, and I thought a woman astronaut would be perfectly acceptable."

"Sally was selected for this flight as testimony to her ability to perform on the job," says Mary Cleave, a friend of Ride's. "She's going to blow everyone's socks off, because she's a real competent lady. There will be a bunch of little girls on this planet who will be looking at Sally and say, 'Hey, if I want to be an astrophysicist, that's okay.' It gives girls of today options we didn't think we had when we were kids."

What the eight women astronauts did have was a sense of direction at an early age that allowed them to enter areas few women had ever been able to break into, and finally into one of the toughest fraternities anywhere—the astronaut corps.

Alan Bean, who was responsible for training the women when they first joined the program, was not at all happy with the idea of women astronauts, but later changed his mind. "At first, I imagined they were just individuals trying to do a man's job," says Bean, the fourth man to walk on the moon. "I was proven wrong. Space is just as natural an element for a woman as it has been for a man."

"I don't think we were selected to fill a role model." says astronaut Judith Resnik, a no-nonsense specialist with a doctorate in electrical engineering. "We might be filling that role model inadvertently, but that's not why we were selected. Of the eight women in NASA, we are first in our fields. We've been the only girls on the block, and you get used to that early," she says.

Although the women astronauts are delighted about the prospect of having a colleague finally flying in space, they are also eager to make the trip themselves. "Any of us would like to swap places with Sally," says Kathy Sullivan. "We envy her."

Judith Resnik, however, takes a more practical approach. "A very small portion of your time working for NASA is in space," She says. "You can't worry about getting your chance." It was recently announced that Resnik will become the second American woman astronaut to fly the shuttle; her mission is scheduled for March, 1984. With 10 flights scheduled for next year and up to twice that number in 1985, it seems unlikely that the other women will have long to wait.

So far, NASA has refused to speculate on whether married couples will ever fly on the same mission. It could happen. Sally Ride herself married astronaut Steve Hawley in a small, private ceremony last summer. For now, Ride is concentrating on her flight and the many tasks she will perform while the world watches. "I haven't had much time to reflect on what it will be like up there," says Ride, casting her eyes skyward. "I'm just excited to have this chance to live out this dream."

When Sally Ride lives out her dream and the space shuttle goes coeducational, one more male-female barrier will be broken down—with luck, for good. "I don't know that any one of us can ever put all the skeptics to rest, and it's unfair that Sally should have that burden entirely on her shoulders," says Kathy Sullivan.

"We're just eight females who happen to work in the same office," muses Mary

Cleave. An office whose doors open up to infinity.●

TEACHERS' RESPONSE TO PRESIDENT REAGAN

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. LANTOS. Mr. Speaker, America's teachers recently responded with admirable eloquence and restraint to President Reagan's unwarranted and unwise attacks on this country's outstanding system of public education.

The President's defense of the thoroughly discredited notion of merit pay for teachers was extremely disheartening for many thousands of teachers in this country who realize, correctly, there is virtually no way such a system can be objectively drawn up and administered.

The President's attacks on Government spending for education, and his claim that the country has not received "our money's worth" for our dollars was extremely disheartening to those teachers, some of whom earn $17,000 or $20,000 per year after a decade of teaching experience. That dedication to the teaching profession is impossible to measure in mere dollars and cents.

I commend to my colleagues' attention excerpts from the excellent testimony presented to the Subcommittee on Elementary, Secondary, and Vocational Education by Mary Hatwood Futrell, secretary-treasurer of the National Education Association.

EXCERPTS OF TESTIMONY ON FINDINGS OF THE NATIONAL COMMISSION ON EXCELLENCE IN EDUCATION

(By Mary Hatwood Futrell)

Mr. Chairman and Members of the Committee, my name is Mary Hatwood Futrell, and I am secretary-treasurer of the 1.7 million member National Education Association (NEA), which represents educators, and education support personnel in all fifty of these United States. I welcome this opportunity to present the views of the NEA on as vital a topic as the recently released National Commission on Excellence in Education report "Nation at Risk".

As you well know, the NEA has been forcefully speaking out on the concerns raised by the Commission on Excellence in Education long before this presidentially-appointed Commission began its work 18 months ago. Excellence in, equity of and access to education for every child in this great nation of ours have been rallying cries for our members for many decades now, and we have geared many of our resources throughout our organization to seeing those goals realized.

We welcome the conclusions of the Commission on Excellence report. We believe that the findings of this prestigious group of educators and public officials have underscored what we at the NEA have been saying for many years now—that the education of our nation's youth is a vital national priority. And we need a strong national commitment to excellence in our schools.

Only through a partnership at the local, state and federal level can this commitment to excellence be successfully forged. In particular, local involvement in the achievement of excellence in education is vital. And our members stand ready to join this equal partnership at the community level to work with others interested in education.

But we must remember the price tag for achieving excellence in our public schools is not small.

That is why it is more imperative than ever before that the federal government continue to play a vital role in the education process. Our nation's beleagured states and cities can hardly be expected to provide the financial underpinnings for the work that lies ahead. Many of them face huge deficits at the same time that they have been forced to take on greater responsibilities for programs once supported and assisted by the federal government. Many have already had to drastically reduce even the most vital of social services at a time when their citizens are in great need.

Mr. Chairman, to ask the states and cities alone to take on greater responsibility for achieving educational excellence at this moment in our nation's history is folly. The federal government must maintain and increase its support of education if we as a nation are to even attempt to reach our goal of excellence in this century and the next.

We at the NEA agree with you, Mr. Chairman, that this national priority must take precedence if our nation is to move ahead on the pressing concerns of maintaining our position of leadership in a rapidly changing world, keeping our economy growing, and ensuring that our citizens remain among the best educated in the entire world.

A GREATER FEDERAL ROLE FOR EDUCATION

To continue, I would like to share the findings of an NEA analysis showing that it would cost an additional 2.2 cents out of every federal revenue dollar to meet the standards proposed by the National Commission on Excellence in Education.

This study, "Spending and Taxing Implications of the Report on the Commission on Excellence in Education" was completed by the NEA Research Department when the Commission on Excellence study was first released.

Following are some of the highlights of this analysis:

Textbooks and teaching materials

The Commission looks favorably on reports that textbooks and materials should comprise at least 5 percent of school operating budget, noting that they now comprise only .7 percent of operating budgets.

Cost? An additional $5 billion in school spending—a seven-fold increase from the current level of $700 million.

Curriculum

The Commission recommends tougher course requirements for graduation from high school. Costs for this factor are nearly impossible to estimate. The implication of the recommendation is fairly clear: teacher assignments would have to be shifted from their present structure.

The National Center for Education Statistics, in its study, "High School and Beyond", and reports from the National Association of Secondary School Principals, project that the following shifts would have to occur: About two-thirds of high school graduates would require one or more additional years of math; about three-fourths of high school graduates would require one or more additional years of science; and about three-fifths of high school graduates would require one or more additional years of social science.

Results? To accomplish this objective, part of the present teaching force would either have to be retrained and shifted from their current teaching disciplines to math, science or social study courses or be phased out and replaced by newly recruited teachers with the appropriate subject matter training. To meet this goal by extending the school day by one hour for high school students only would require an additional 155,000 teachers of math, science, social science, and foreign languages alone.

Cost? Based on average current salary and fringe benefits for secondary school teachers alone, this objective would cost approximately $4 billion. If the school day were lengthened for elementary students as well, further costs would be added.

Teacher salary and working conditions

Longer School Year: The Commission recommends an 11-month contract for teachers. In school year 1979–80, the Center for Educational Statistics reported instructional costs for a 10-month contract of $53.2 billion.

Cost? An 11-month contract would cost an additional 10 percent, amounting to $5.3 billion.

Professionally Competitive Salaries: The Commission recommends professionally competitive salaries for teachers. An estimate of this cost is based on the NEA assumption that teachers should enjoy salaries equal to those employed in accounting. If this were to be so, teacher salaries would have to be raised about $4,000/year up and down the line.

Cost? An additional outlay of $8.6 billion.

The total cost to implement the Commission's recommendation would be approximately $14 billion. This total does not include costs for adding an hour to each school day, nor does it include costs for increasing textbook and teaching material standards beyond the current standard. Obviously, these improvements would add substantially to the total needed for implementation.

At the same time, we must note that the federal government is currently spending only $8.6 billion—less than 1.4 percent of its total revenues—on support for elementary and secondary education. The total federal education outlay for school year 1982–83 equalled $15.1 billion.

It is clear, then, that if we as a nation are serious about our commitment to excellence in education, we must begin to act on that priority and commit our federal resources to it.

For if the federal government were not to significantly expand its meager commitment to public education, the overwhelming burden of implementing the Commission's reforms would fall heavily on already hard-pressed state and local governments. For example, the NEA analysis shows that state governments would have to increase their state school revenues by 12 percent. And local governments, in the absence of an expanded federal commitment, would be forced to up their property taxes by 12 percent.

At a time of recessionary tugs and pulls on our state and local governments, it is hardly realistic to assume that they will be able to take on this added burden.

THE FEDERAL COMMITMENT: MORE VITAL THAN EVER BEFORE

The NEA is pledged to working with state boards of education and legislatures, local school boards and others interested in education. But we know that programs aimed at building excellence into our educational system and strengthening national priorities such as economic performance, technological developments and defense, must have support at the federal level of government. Let's look at a case in point.

In 1958, the U.S. Congress passed the National Defense Education Act as a response to the launching of Sputnik. This program did more to promote improvements in science, math and foreign language education in the U.S. than anything preceding or following it. There is no Sputnik II today. Yet, as the conclusions of the National Commission on Excellence so strongly pointed out, the factors calling for a reaffirmation of federal support for education are stronger now than when Sputnik was launched.

For the past two decades, the federal role in education has centered largely around questions of equity of access and excellence of education. There has been a major effort to assure that every young person—whether from a poor school district, whether handicapped, or from a disadvantaged background, or unable to speak English as a first language—would have an opportunity to be educated to the best of his or her ability. As the Commission on Excellence attested, there is still much work to be carried out on this front.

Yet, the Reagan Administration, both in its hollow response to the Commission's finding, and in its attempts to gut federal education program budgets, has shown its true concern for excellence in education for all: it has none. This Administration has chosen to push platitudes, prayers and private schools instead of focusing on the real needs of American public education.

America's legacy—her children—deserve better. They deserve access to an educational system that will promote a fair and just future for them and their children, and they deserve a system that promotes excellence at the same time.

NEA members who are teachers—the citizens responsible for educating our children—are truly concerned with the direction of our education programs, and the federal commitment to them in the coming decades. Our teacher members are the ones who must face the reality of the effects of the current financial crisis on the schools. And as much as we as a nation are now focusing on the need for improving math and science skills and equipping the schools with computers and other materials that will carry us into the next century, the bottom line is that our schools are having to make much more basic choices. They are having to choose between new books, pencils and paper, and teachers. They are being forced to decide whether to keep art and music, or to slash remedial reading and math programs, not whether to add dynamic new classes on data processing or a third year of French. The money for exciting new programs and changes for excellence is just not there in the majority of the local school districts.

This is why we reiterate our call for strengthened federal support for our nation's public schools.●

POSSIBLE REVERED RESULTS

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. VANDER JAGT. Mr. Speaker, one of the outstanding young legislators in our Michigan State Legislature is State Senator Ed Fredricks. I have the highest regard for him, not just as a legislator but as a human being. I proudly count him as a dear friend, as well. Ed, formerly a vice counsel at the United States Embassy in Seoul, South Korea, and a political officer in the United Nations political section of the Department of State, has recently written an extremely scholarly and interesting article on the real necessity for "strengthening those weaknesses of our Nation's freedoms"—be it free speech or free press.

State Senator Fredricks' research in preparation for this article focuses on the writings of the late John F. Kennedy, as well as Winston S. Churchill. The article, which follows, appeared in the May 14, 1983, edition of the publication Human Events. Not everyone may agree with Senator Fredricks' comments, but he clearly establishes, in my judgment, the need for us to remember and learn from the past.

WORLD WAR II HISTORY SHOULD BE RECALLED: PEACE MOVEMENTS CAN PAVE THE WAY TO WAR

(By Ed Fredricks)

On March 8, Sen. Edward M. Kennedy told a nuclear freeze crowd on the Capitol lawn that President Reagan's arms reduction policy is "voodoo arms control" and concluded that "the case is overwhelmingly for a freeze now, and then for reductions that are so essential."

His brother and late President John F. Kennedy wrote a book in 1940 entitled *Why England Slept*, which chronicled Great Britain's alarming failure to see the coming of World War II. Sen. Kennedy should read this book.

While Sen. Kennedy leads the assault against nuclear weapons today, there are, of course, no demonstrations against nuclear war in the Soviet Union. This gives totalitarian regimes an edge, which John Kennedy identified as the primary shortcoming of free nations.

"In the first place," he began, "democracy is essentially peace loving; the people don't want to go to war. . . . The hatred of war is, in this day of modern warfare, a great disadvantage. . . . The result is that people, because of their hatred of war, will not permit armaments to be built. They are so determined to stay out that they cannot look ahead to the day when they will find occasion to fight." [1]

The father of John and Ted Kennedy, Joseph P. Kennedy, had served as United States Ambassador to Great Britain from 1938 to 1940, when Ted Kennedy was from six to eight years old. The senator and his family saw England first-hand nearly engulfed by a war which it should have foreseen but for which it was not prepared. John Kennedy was undoubtedly helped by access to the inner sanctums of the policymakers, and in fact in August 1939 returned from a visit to Berlin to tell his father that war would break out within a week, which it did.

"We must be prepared to recognize democracy's weakness in competition with a totalitarian form of government," continued Kennedy in his book. "We must realize that one is a system geared for peace, the other for war. . . . It means that in preparing for war today, a democracy may be struck such a knockout blow by a totalitarian form of government. Especially it is complicated by the fact that a democracy's free press gives the speeches of the totalitarian leaders, who state their case in such a 'reasonable' manner that it is hard always to see them as a menace."

When Hitler moved into the Rhineland on March 7, 1936, he proved that well. Already in May 1933 he had given his first "peace" speech, in response to a peace appeal by American President Franklin Roosevelt.

William L. Shirer, in The Rise and Fall of the Third Reich, states that Hitler's first objective "was to confound Germany's adversaries in Europe by preaching disarmament and peace." He warmly thanked Roosevelt for his peace initiative, and asserted "Germany would be perfectly ready to disband her entire military establishment and destroy the small amount of arms remaining to her, if the neighboring countries will do the same . . . because she does not think of attacking but only of acquiring security." [2]

"The world was enchanted," Shirer recounts, "and amongst the London papers The Times, Daily Herald and weekly Spectator there was "rejoicing."

On May 21, 1935, in another "peace" speech Hitler eloquently insisted that "Germany needs peace and desires peace!" These words were "lapped up" in the western democracies of Europe, according to Shirer, while the Times of London "welcomed them with almost hysterical joy."

So the climate was set. The West was panting for peace, and not prepared to keep it. Early on March 7, 1936, Hitler's troops marched into the Rhineland. At 10:00 a.m. German Foreign Minister Konstantin von Neurath apprised the ambassadors of France, Britain and Italy of the German action. "Two hours later," continued Shirer, "the Fuehrer was standing at the rostrum of the Reichstag before a delirious audience expounding on his desire for peace and his latest ideas of how to maintain it."

Had the free world not been so mesmerized by Hitler's cries for peace, World War II would have been stopped cold, and tens of millions of lives saved.

"The 48 hours after the march into the Rhineland" someone heard Hitler say, "were the most nerve-racking in my life. If the French had then marched into the Rhineland, we would have had to withdraw with our tails between our legs, for the military resources at our disposal would have been wholly inadequate for even a moderate resistance."

Shirer wrote: "In March 1936 the two western democracies were given their last

[1] John F. Kennedy, *Why England Slept*, Wilfred Funk, Inc., New York, 1940 and 1961. pp. 48, 49, 125, 126, 179, 180, 183-5.

[2] William L. Shirer, The Rise and Fall of the Third Reich, Simon and Schuster, New York, 1960 (Fawcett World Library edition). pp. 291, 292, 394-6, 401, 403, 404, 405.

chance to halt, without the risk of a serious war, the rise of a militarized, aggressive, totalitarian Germany and in fact—as we have seen Hitler admitting—bring the Nazi dictator and his regime tumbling down. They let the chance slip by."

Former British Prime Minister Winston Churchill states that the British were told then by the French that "according to French information, the German troops in the Rhineland had orders to withdraw if opposed in a forcible manner," But Churchill recalled that British Prime Minister Stanley Baldwin explained to the French that "he was able to interpret accurately the feelings of the British people. And they want peace."

Churchill also observed that "The Times and Daily Herald . . . expressed their belief in the sincerity of Hitler's offers of a nonaggressive pact," and that future Prime Minister Neville Chamberlain emphasized to the French foreign minister that British "public opinion would not support us in sanctions of any kind." [3] So it was the peace movement that paved the way to war!

But is it not different now? Are not the peace demonstrations today because of the *total destructiveness* of nuclear war? Well, according to John Kennedy's book, in the 1930s it was the *bomber* that absolutely terrified the people. Baldwin emphasized in a speech that "There is no power on earth which can protect [one] from being bombed . . . the *bomber will always* get through. . . . The only *defense* is in *offense*, which means that you have to kill more women and children more quickly than the enemy if you want to save yourselves." "The sense of *hopelessness* in this thought," said Kennedy, "profoundly impressed the people. It struck them with a feeling of horror towards war and especially was this directed against the air arm."

But Kennedy reveals in his book that Baldwin later admitted he was "worried" by the Hitler buildup. Why didn't he do something? He quotes Baldwin: "I cannot think of anything that would have made the *loss of the election* [!] from my point of view more certain." If Baldwin was "worried," Kennedy says it was his duty to go to the public in the 1935 election on that issue alone, or "it puts him in the role of deceiving the public and playing politics with the country's welfare."

That's a strong message that Kennedy gives to all of us. When the book was first printed in 1940, Henry Luce wrote in the foreword he hoped one million Americans would read the book. Well, if one American, his brother, would read it, John F. Kennedy will have done this nation a great service.

At the same March 8 rally at which Sen. Kennedy spoke, Congressman Robert Torricelli of New Jersey pleaded: "I want Ronald Reagan to hear a desperate voice of the American people. . . ." Indeed, it may be desperate. Shirer used that very word to describe how in pre-war Europe the "people and their governments *desperately* yearned for the continuance of peace." But President Kennedy underlined as our "weakness" our propensity to become desperate.

The evidence is clear. Mao Tse-tung once said about nuclear war: "Perhaps even more than half [of humanity] will perish . . . but imperialism would be destroyed entirely . . . China would be the last nation to die."

The Soviets have prepared an elaborate underground civil defense network which we have barely given it thought. Leonid Brezhnev predicted that "by 1985, as a consequence of what we are now achieving with detente . . . we will be able to exert our will wherever we need to."

The Berlin Wall still stands and people who leave East Gereany are shot; Eastern Europe is a prison. And now the evidence becomes clearer that the attempt on the life of Pope John Paul II may have come from the Soviet KGB, then headed by Yuri Andropov, who is now in charge of the Soviet Union.

At the same time, people flock to the United States. Yet freedom is in retreat, and stands maligned at the United Nations and around the world. Apparently the people of the world and their leaders have different agendas. Freedom as known in the United States is obviously the agenda of the people of the world.

It is our challenge with our free speech and free press to confront the weakness of our freedoms as defined by Kennedy and convert them into the obvious strength that they can be and should be.●

[3] Winston S. Churchill, *The Gathering Storm*, Houghton Mifflin Co., New York, 1948 (Bantam edition). p. 177.

HATS OFF TO THE PRESIDENT

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. BROOMFIELD. Mr. Speaker, I want to take this occasion to congratulate President Reagan for the successful outcome of the recent 1983 Summit of Industrialized Nations in Williamsburg. I believe that the President is to be commended for the successful outcome of these challenging economic talks. Although some divisions still exist, the overall tone of the meeting was positive and encouraging.

In spite of the grim predictions of the political pundits who forecast a real summit disaster, the ultimate results were encouraging, thanks to the President's skill and leadership and our allies' desire to work together to solve mutual problems. President Reagan approached this important summit with a spirit of understanding and compromise so that the Western Alliance could emphasize its common goals and purposes rather than dwell on the few issues which divide us.

I give credit to the President for the timing of the conference, and for his choice of the site of the meeting. As all of you may remember, the Versailles Summit was characterized by more discord than harmony. Tension and turbulence dominated the relationships among the allies for many months after the summit concluded.

Williamsburg itself is a lovely, relaxed, and informal setting where high-level leaders can make serious decisions in private and in a nonconfrontation environment. The President himself was very skillful in encouraging a nonthreatening approach to problems solving. I believe that these factors directly contributed to the success of the effort.

I was especially impressed by Prime Minister Trudeau's comment that "the President took a gamble in having an unstructured summit, but it produced results and he won the gamble."

Although the participating countries were not in absolute agreement regarding solutions to all of the current problems which confront the industrialized West, the final statement suggested solutions to the key problems which reflected a sound compromise on many complex and controversial issues.

This summit ended on a happy and encouraging note. The participants basically agreed to sustain the current recovery and bring economic growth to their respective nations. This will surely bring new jobs and a better life to the peoples of the world.

It was critical that the seven leaders of the Western Alliance clearly define a common security stance at this conference. In light of the recent increasingly aggressive Soviet posture on many international issues, this common position was vital. I was encouraged to see that the summit members called on the Soviet Union to negotiate constructively on reducing nuclear weapons.

The official summit statement also clearly noted that any attempts by the Soviet Union to divide the West would fail. In addition, the summit leaders made it very clear that unless there was an agreement in Geneva, American nuclear missiles would be deployed in Europe. This Western unity still exists in spite of Mr. Andropov's unprecedented propaganda effort to scuttle any NATO plans to deploy these medium-range missiles.

Our NATO allies realize, as we do, that it takes two to negotiate. If the Soviets are as determined as we are to bargain in good faith to get real results, then progress will be inevitable.

For these reasons, the President deserves our praise for a difficult job well done during a period when serious problems have confronted the alliance. This summit has shown the world that when the free world is threatened by adversity and challenges, it can unite and prevail. This is certainly a message of hope for all of us.●

H. F. V. WILSON RECOGNIZED FOR OUTSTANDING SERVICE

HON. WES WATKINS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. WATKINS.. Mr. Speaker, the city of Ardmore, residents of Carter County and the State of Oklahoma. I would like to recognize a man who has achieved excellence and dedicated his

life toward quality education and community service.

That man is Henry Franklin Vincent (H. F. V.) Wilson of Ardmore. Mr. Wilson has accomplished several firsts in his lifetime as an educator, administrator, and community leader.

Mr. Wilson has been principal and supervising principal for Oklahoma schools for nearly 40 years. He also served as Carter County superintendent of schools for 2 years; was the first black to be elected to a countywide office in Oklahoma.

Mr. Wilson has always been interested in school administration and community service. One of the more significant contributions he has made to education was the creation of a long range scholarship program which provided opportunities for worthy graduates to attend college who otherwise would not have had the privilege.

He was the first scoutmaster of the first black scout troop in southern Oklahoma. He was the president of the Oklahoma Association of Negro Teachers and of the Southern Oklahoma Teachers Association and chairman of the board of control of the Oklahoma Interscholastic League before those organizations merged with the Oklahoma Education Association.

Mr. Wilson is presently a member of the boards or executive committees of the Ardmore United Fund, Human Relations Development and Job Placement, Carter County Democratic Party, Ten-County Southern Oklahoma Development Association, Big Five Community Action Services, Carter County RSVP and a life member of the Ardmore Chamber of Commerce.

He also serves on the deacon and trustee boards of the First Baptist Church. He is a member of the Carter County Retired Teachers Association, Oklahoma Education Association and National Education Association for Retired Teachers and Persons. He was selected Man of the Year by the Ardmore Chamber of Commerce in 1977.

It is an honor, Mr. Speaker, for me to join the residents of Carter County and the city of Ardmore in saluting H.F.V. Wilson and I would like to wish him many, many more years of health, happiness, and community service.●

A TRIBUTE TO REV. MSGR. ROBERT P. EGAN ON HIS 40TH ANNIVERSARY

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. GUARINI. Mr. Speaker, a dedicated man of God, Rev. Msgr. Robert P. Egan, a priest of the Archdiocese of Newark, will celebrate 40 years in the priesthood on July 19, 1983.

On the evening of June 5, this week, at 5 p.m. a liturgy of thanksgiving will be offered in the Holy Family Chapel, College of St. Elizabeth, Convent, Station, N.J. A reception and dinner will follow immediately at St. Joseph's Hall, at the College of St. Elizabeth, where several hundred friends and relatives will join to pay tribute and break bread with Monsignor Egan. The mass will be offered in thanksgiving, the reception in recognition of the years he has spent as a priest.

At Sacred Heart Church, Vailsburg, Newark, he served 11 years; as director of New Jersey Boystown, a home for young boys, he served 26½ years, and is currently in St. Catherine's Parish, in Glen Rock, N.J.

Father Egan was the sixth child born to immigrant parents, James and Delia Egan, on December 23, 1917. His brothers are: Thomas A., Sr., (deceased) James J. Jr., (deceased), and John J.; and his sisters are Eleanor Egan Spinner (deceased), Mary Veronica Egan (deceased), Lillian Egan Ward, and Sister Lucille Anne Egan.

James J. Egan, Sr. came from Ireland at an early age and had a high degree of success as a plastering contractor working in churches, schools, and offices, plus commercial and industrial plants in many parts of New Jersey. James and Delia had a deep love for their church and their family. They were strong believers in education and sacrificed to send their children to the finest private schools, colleges, and universities in the Nation in order to provide their children with what they considered to be the best opportunities.

Two of their children were inspired to give their lives to God, devoting themselves exclusively to the church and their neighbors. Sister Lucille Anne Egan became a nun, and Robert (Bob or Robbie as he is called by his friends), after graduating from Sacred Heart Grammar School and St. Peter's Prep in Jersey City, attended St. Peter's College, and traveled to Seton Hall University, where he began his long arduous studies for the priesthood.

He was ordained at St. Patrick's Cathedral after 5 years at the Immaculate Conception Seminary in Darlington. At the seminary, he had been elected president of the De Sales Union by his fellow seminarians and appointed head prefect at the seminary by the rector and faculty just before his deacon and last year there.

After his appointment to Boystown, he began his work to develop the beautiful functional home for the thousands of young men he has influenced over the years.

Monsignor Egan's true love is Boystown in Kearny, where he came after an 11 year assignment at Sacred Heart Church in Newark. His dream of such a facility became reality when industrialist Charles Englehard donated $500,000, bringing the building fund to within $100,000 of its $1.2 million goal.

On the occasion of his 25th anniversary, in the spring of 1968, the Sacred Heart Union wrote:

When Father arrived here he found there was work to be done quickly and plenty of it. The outdoor asphalt basketball and play areas were just dirt backyards with plenty of mud in wet weather. There was a lack of adequate indoor recreational space. The dining room tables were in need of replacement. The dormitory and stairways were bare. The heating system needed overhauling. There were not enough lockers for the boys. Where four boys once crammed their belongings into a single locker, each boy now has his own.

The first order of business was to correct these situations. Then followed a frantic round of appeals to the newly-organized Ladies Guild, fraternal groups, veterans' organizations and civic associations. In addition to the costly items mentioned above, through his tireless efforts he was soon able to add a dental clinic, infirmary, teachers office and lounge, linoleum coverings throughout the entire dormitory building, garage, storage house for athletic equipment, commercial washing machine and dryer to replace the old outmoded machines, new kitchen equipment, new automatic dish washer, baseball diamond, swimming pool, carpenter and hobby shop, new library ($3,000, worth of books selected by an experienced librarian), new carryall truck, new bus, outdoor basketball courts, volley ball court, roller skating area, whole area black topped, and other major items which may have escaped our attention at the moment.

Father also set himself vigorously to the task of implanting and nurturing a new spirit within the boys. He has taken these boys, many of them from broken homes, dependent, neglected and without hope, and given them love and understanding—a feeling of 'belonging' again, and a conviction that there is a bright future for them in the outside world when they are ready to leave here.

Obtaining necessary public support and financial backing calls for the abilities of a man with a keen sense of public relations. He must embody the persistence of a successful fund-raiser with the drive of a first-rate organizer. Father has proved his ability on all of these counts. To them he has added the zeal of a crusader embarked on a labor of love. He never misses an opportunity to talk about Boystown.

His love of the boys and attention to their problems saw them grow into men and his struggling operation became a financially secure home.

Besides the gifts from the Englehard family, many unions assisted, as well as painters, plumbers, and craftsmen, who always answered his call for assistance. He acknowledged the help of all, writing:

Our Boystown was originally founded in 1872 to provide a cheerful home and solid training for homeless, orphaned and needy boys regardless of race or creed.

Since that date thousands of young men have gone forth from this extraordinary institution equipped with a grammar and high school education, a thorough knowledge of the printing trade, and have taken their

places in their communities as useful, law-abiding, self-supporting citizens, a credit to themselves and to Boystown. Since that date, too, thousands of generous people have enabled us to keep our doors open wide by their prayers, their financial assistance, their time and their encouragement.

We are extremely grateful to all our benefactors for everything that they have done for us. We hope and pray that they have as much joy and happiness in their own homes as they have brought to our Home in Boystown. We are deeply grateful to Almighty God for the blessings He has bestowed on our Home and our family during the past 100 years.

On December 24, 1980, it was announced that Monsignor Egan was leaving Boystown after 26½ years. Many individuals wrote and petitioned for the continuance of Monsignor Egan at the facility. When he departed from Boystown a priest peer wrote Monsignor Egan:

When the annals of this diocese are recorded, you shall go down as one of the Greats.

This has been the assessment of all who have ever know Monsignor Egan: A great son, great brother, great uncle, great priest, a great friend, a great benefactor, a great "Father and Mother to his boys," a great administrator, a great fund raiser, a great builder, a great planner—and in all a great human being.

Perhaps the tribute written to Monsignor Egan by his brother James (deceased) on Monsignor's 25th anniversary in the priesthood sums it up for all:

DEPOSUIT POTENTES DE SEDE ET EXALTAVIT HUMILES

Priest of God!
Devoted son
Of sainted father and mother.

Dedicated
To your priesly vows
Forged in the fire
Of the faith and the constancy
Of sainted father and mother.

Cradled
In the love of God,

Nurtured
In the devotion
To Mary: Ave, Ave, Ave Maria!

Blessed
With the zeal
The charity-the benignity
Of sainted father and mother

In your crowning glory
This Jubilee Day
We rejoice!
In your shadow
We stand. Thankful.
Proud.

Our words, tho trite,
Bear a simple benediction:
God love you!
As you have loved us.

More fitting, fulsome words must,
By right of domain,
Be phrased in the holy lexicon
Of our beloved Sister Lucille Anne,
(The composite replica
Of our sainted father and mother),

To fashion, in eloquent expression,
The joys
That hasten our heartbeats
T'ward a crashing crescendo
Of pride in you
This day,

To unite jubilantly
Before the Throne of God
With the humble prayer
Of sainted father and mother
in Heaven.

I believe the words of "Better Than Gold," written by Abram Joseph Ryan, are most appropriate:

Better than grandeur, better than gold,
Than rank and titles a thousandfold
Is a healthy body and a mind at ease
And simple pleasures that always please
A heart that can feel for another's woe
And share his joys with a genial glow
With sympathies large enough to enfold
All men as brothers, is better than gold.

Better than gold is a conscience clear
Though toiling for bread in an humble sphere
Doubly blessed with content and health
Untried by the lusts and cares of wealth
Lowly living and lofty thought
Adorn and ennoble a poor man's cot
For mind and morals in nature's plan
Are the genuine tests of an earnest man.

Better than gold is a peaceful home
Where all the fireside characters come
The shrine of love, the heaven of life
Hallowed by mother, or sister, or wife
However humble the home may be
Or tried with sorrow by heaven's decree
The blessings that never were bought or sold,
And center there, are better than gold.

I am sure that all my colleagues here in the House of Representatives wish to join me in this tribute to Monsignor Egan for his great work at Boystown in Kearny, N.J. I am certain that the thousands of young men he has provided for can look forward to greater tomorrows because of his love, devotion and leadership. His work is encouraged by Phillips Brooks who wrote:

Nobody knows what a boy is worth,
And the world must wait and see;
For every man in an honored place,
Is a boy that used to be.

May Monsignor Egan's work be continued—for he has heard a different drummer and has stepped to that music.●

DIFFERENT VIEWS OF DEFENSE SPENDING

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. IRELAND. Mr. Speaker, recently Mr. Frank Carlucci, the former high Pentagon official, wrote an article praising the alleged economic benefits of increased defense spending. While supporting the need for a strong defense, a group of business executives who are working to make appropriate reductions in defense spending, Business Executives for National Security, Inc. (BENS), drafted a reply to Mr. Carlucci's statement. The BENS group views defense spending as a necessary sacrifice by the American taxpayer rather than an economic development scheme. Since the defense spending debate is perhaps the most important national topic at the moment, I would ask my colleagues to review both statements with great care. For anyone interested in the work being done by the BENS group, they may be reached at suite 401 of the Euram Building at 21 Dupont Circle, NW., Washington, D.C. 20036, (202) 429-0600.

The statements follow:

DEFENDING AMERICA COST EFFECTIVELY

(By Stanley A. Weiss and James Morrison)

Business Executives for National Security, Inc., (BENS) would like to take this opportunity to present a different view of defense spending than that of Mr. Frank Carlucci in his article "An Economic Defense of Defense Spending" in the Winter issue of Directors and Boards. BENS is an independent organization of business executives whose members favor a strong but much more cost-effective, defense. As we examine the $2 trillion defense spending plans, we are concerned about three major problems.

(1) According to senior defense analysts like Colonel John Boyd, John M. Collins of the Library of Congress, Major General Daniel O. Graham, and General Maxwell Taylor, we lack a coherent, overall national security strategy. This contention, shocking enough in itself, has a major economic implication: without such a strategy it is extremely difficult to assess the value of expensive new weapons systems—the Army alone has over 300 underway—in terms of whether the weapons promote our security or are irrelevant to it.

(2) Even if we could reliably ascertain the need for each new weapons system (its strategic "benefits"), we have an appalling record of underestimating program costs, according to analysts like the Pentagon's own Franklin Spinney and the Heritage Foundation's George W. S. Kuhn. These critics of the military's methods of cost-projection are often criticized by Pentagon officials, but their predictions of cost growth have proven uncannily accurate recently, notably in the rise to $2 trillion (from $1.6 trillion) of the Pentagon's overall spending requests through 1988.

(3) The whole area of military procurement is characterized by a lack of competition (over 80 percent of all contracts come from a "sole source"), a lack of independent evaluations of hardware effectiveness (the same Pentagon and the same defense contractors that seek funding for weapons systems, on the one hand, provide, on the other hand, all the evaluations on how well the weapons perform), and a lack of sanctions to discipline defense contractors with poor performance records. (No major weapons system has been canceled by the Pentagon since World War II, and corporations with some of the worst contract performance records continue to receive new contracts.)

There are real dangers to our national security, in short, and not all of them emanate from the Soviet Union.

As the defense budget ascends to historic heights, and we face the prospect of years of $200 billion deficits to support it, we need to recall that a stable economy is a key component of our national security. Mr. Car-

lucci addresses none of these concerns. Let us turn to some of the concerns he does express.

Mr. Carlucci says:

"Some critics argue that defense spending is wasteful. They are mistaken. Defense spending is not different conceptually than spending on police or fire departments."

This argument misstates the position of defense budget critics. No one is contending that the idea of defense spending is itself wasteful, but rather that there is considerable waste in the execution and specifics of the defense budget. As noted, BENS believes that this waste results from: (1) the lack of a coherent strategy, (2) unreliable methods for estimating program costs, and (3) inefficient military procurement practices.

Indeed, Mr. Carlucci might have added that spending on defense is also no different from spending on food stamps or housing subsidies—any time resources are diverted from the private sector to the public sector through taxes or government borrowing, we must carefully monitor spending. Government spending represents a common economic sacrifice to reach a goal, and we must be sure that as little as possible of that sacrifice is wasted.

Mr. Carlucci says:

"The aggregate effect of the Reagan Administration's planned increases in defense spending will be to give an added push to the defense industrial base, which in turn will mean strengthened industries throughout the economy."

Military spending of about $2 trillion over five years indeed will have major effects on the economy and certainly some industries will be strengthened. BENS has no quarrel with that proposition. But it is a truism that tells us nothing. If the government spent $2 trillion on popcorn, it would strengthen the cooking oil industry, corn growers, corn shippers and popcorn popper manufacturers. But at what cost in the distortion of private sector resources? At what cost to our economic stability?

Mr. Carlucci evidently feels that the spending would have spinoff benefits. He notes that a $100 billion cut in defense spending would trigger a $220 billion GNP decline.

The loss of $200 billion in GNP referred to by Mr. Carlucci represents what is known as the "multiplier effect" of defense spending, in this case 2.2 (i.e., $100 billion to $200 billion). It is important to emphasize that multiplier effects in other economic sectors frequently exceed 2.2. In other words, spending the money in other ways is more productive in terms of total GNP. The multiplier effect for a dollar spent on exports, for example, is about 4.1, according to the Commerce Department. Simply put, an ammunition stockpile does not generate as many dollars as a machine tool—and it shouldn't be expected to. The real question is whether the ammunition stockpile contributes enough to national security to make the sacrifice worth it.

Mr. Carlucci's next contention that "defense spending encourages industrial modernization and technological innovation" and that "the Defense Department has a critical role in developing technologies for our entire society" is at bottom an argument favoring centralized economic planning (or at least capital allocation) to the actions of the marketplace, a surprising orientation coming from a former high official in the present Administration. In America's Technological Slip, President Reagan's science advisor, Simon Ramo, observed that with over half of America's R&D brainpower tied up in defense-related projects, we are stretching out by a full generation our technological advancement in the private sector. In general, the U.S. military seeks state-of-the-art technological advances applicable to weaponry; these tend to have much narrower applicability than technological advances targeted for civilian applicability which improve economy and reliability. While the Pentagon pours billions into the deployment of the high-speed computer chips to which Mr. Carlucci refers, Japan develops cheaper and more reliable chips with greater storage capacity. More than 70 percent of the latest generation of computer chips sold in the U.S. were built in Japan. Once, we dominated the market.

Mr. Carlucci's defense of the military as a manpower trainer is also curiously out of kilter with the Reagan Administration. In revising the CETA program, Administration officials argued strongly that the private sector provided training of higher economic benefit than the public sector. CETA's public sector training programs were shifted to the private sector. Mr. Carlucci apparently takes exception to this, in effect arguing that spending the money on DOD training is preferable economically to spending the money on private sector-based training. Data Resources, Inc. (to whose studies of defense spending Mr. Carlucci elsewhere refers) noted in a November, 1982 report that not only does defense spending produce 2000 fewer jobs per $1 billion spent (compared to $1 billion spent randomly if the economy) but the jobs created tend to be highly concentrated in a handful of primary industrial sectors. "Implementation of anything like that Administration's planned expansion of the DOD budget," the report warns, "will have a major structural impact on the U.S. industrial base and labor markets." The report also predicts intense competition between the defense suppliers and the rest of the private sector over workers with certain skills, presumably bidding up wages.

Mr. Carlucci concludes with the contention that "higher defense spending will improve our position in international trade." He is apparently unfamiliar with an August, 1982 study by the Commerce Department, Sectoral Implications of Defense Expenditures, which concluded that the defense build-up would increase imports and limit exports, "further reducing the U.S. merchandise trade balance." The report notes that military goods, particularly their raw material components, are much more heavily import-dependent than most civilian goods. Defense demand of $1 million generates import demand of $120,000, the study's findings show; non-defense demand of $1 million generates import demand of $89,000. At the same time, the report goes on, the Pentagon tends to be first in line and willing to pay top dollar in many industries operating at close to capacity (like semi-conductors and optical instruments). Export orders may well be delayed or crowded out altogether in these fields, the report concludes.

In short, it is much more accurate to view defense spending as a net drag on the economy than to speak of its economic benefits. That cost is the sacrifice we make to defend our country. We need to make this sacrifice, but we should not kid ourselves about how much it's supposedly going to help the economy. Above all, we are entitled to insist that such spending move toward clear, agreed-upon objectives in a businesslike manner.

[From Directors and Boards, Winter 1983]

An Economic Defense of the Defense Budget

(By Frank C. Carlucci)

(Note.—Defense expenditures help the economy in four less-than-obvious key areas, including expansion and modernization of the industrial base.)

The current defense program is carefully designed to redress a decade of neglect of our armed forces and restore the military equilibrium necessary for deterrence. Because our forces had been allowed to deteriorate so seriously, rebuilding America's defenses will be expensive and take a number of years.

We in the Defense Department are determined not to spend one nickel more than the Soviet military threat to our security requires, and to make every effort to eliminate unnecessary or wasteful expenditures.

The proper measure for our budget is its ability to deter conflict and support our foreign policy. There are those who urge that we cut the budget for purely economic or fiscal reasons.

Some critics argue that defense spending is wasteful. They are mistaken. Defense spending is no different conceptually than spending on police or fire departments. Moreover, while we do not justify the defense budget on the basis of its economic impact, its benefits are substantial in four key areas: the industrial base, industrial modernization, manpower training, and export capability.

Defense and an Expanded Industrial Base

The aggregate effect of the Reagan administration's planned increases in defense spending will be to give an added push to the defense industrial base, which in turn will mean strengthened industries throughout the economy. About half of current defense outlays are payments to military and civilian employees, retired military people and related costs. Of the remaining half, close to 60 percent goes for procurement of a wide variety of weapons systems, research and development, and military construction; the remainder is for such items as petroleum and lubricants.

These defense dollars reach into every corner of our economy. We estimate that in 1983, 62 industries will each supply $500 million (1980 dollars) or more in goods purchased directly by the Defense Department or used in the production of goods bought for Defense. An estimated 43 industries will have direct or defense-induced sales in excess of $1 billion, and 15 industries will exceed $4 billion in sales (see table).

At a time when less than 70 percent of America's manufacturing capacity is being used, and unemployment exceeds 10 percent of the labor force, defense investments are an important factor in a stronger GNP. Using a model of the U.S. economy developed by Data Resources Inc., we found that a $100 billion cut in total defense outlays from FY 1982-1987 would result in a cumulative reduction of $220 billion (1982 dollars) in projected GNP over the same period. If transfer payments were cut by the same amount, such a cut would have a lesser effect on GNP—a cumulative reduction of only $160 billion. Moreover, we estimate that each $10 billion cut in defense spending leads to the loss of about 350,000 private sector jobs.

MAJOR INDUSTRIES SUPPLYING THE DEPARTMENT OF DEFENSE

[Millions in 1981 dollars]

Industry by rank [1]	1983 [2]	1982	1981
Radio and TV communication equipment	17,389	14,535	12,705
Petroleum refining and related products	10,120	9,437	8,577
Aircraft	9,676	7,926	6,753
Miscellaneous business services	8,698	7,580	6,473
Wholesale trade	7,648	6,631	5,963
Shipbuilding and repairing	7,331	6,602	6,320
Aircraft engines and engine parts	6,093	5,205	4,718
Crude petroleum and natural gas	5,944	5,645	4,625
Aircraft parts and equipment	5,852	4,981	4,743
Inorganic and organic chemicals	5,521	4,911	4,402
Complete guided missiles	4,927	4,290	3,665
Blast furnaces and steel mills	4,505	3,867	3,593
Electric utilities	4,353	3,916	3,364
Motor freight	4,287	3,868	3,539
Measuring and control instruments	4,215	3,509	3,178

[1] Ranking is by 1983 Defense production. Dollar amounts are direct purchases by the Department of Defense plus all sales induced by DoD purchasers.

[2] Projected.

Source: Defense Economic Impact Modeling System.

We must also be concerned about the magnitude of the federal deficit; but it is not the case, as some have argued, that the large deficit projections are the result of increased defense spending. Even with the planned increases, defense spending will be only 7.2 percent of GNP by 1987, compared to the 8-9 percent which was typical during the 1950s and 1960s. Over the past two decades the growth in federal spending has not been in defense, but in entitlements, which grew over 330 percent.

It is interesting to note that in 1969, when defense outlays were high due to the Vietnam War—about 44 percent of federal spending—the federal budget was in surplus. In fact, 1969 was the last year of a budget surplus. In contrast, real defense outlays in FY 1983 will be less than they were in 1969—only about 28 percent of Federal spending. Yet we anticipate a significant budget deficit. Clearly the difference between the 1969 surplus and the large deficit projected for 1983 cannot be predominantly explained by an increase in defense spending.

While everyone recognizes the urgency of reducing the federal deficit and moving quickly toward a balanced budget, balancing the budget on the back of defense will not get to the core of the problem. It would, on the other hand, greatly weaken our defenses while eliminating any ancillary benefits.

DEFENSE AS A STIMULUS TO INDUSTRY MODERNIZATION

That part of the defense budget that goes for research and development (9.4 percent of the FY 1983 DoD budget), and a portion of the funds devoted to weapons procurement, are concentrated in high technology industries, such as aerospace and microelectronics. In this respect, defense spending encourages industrial modernization and technological innovation. It contributes, in some cases significantly, to the development in the defense sector of new technologies which can be spun off to the civilian economy.

A number of businessmen and economists are on record as being concerned that the American economy is moving toward a service-oriented economy and away from an industrial and manufacturing-oriented economy. Important elements of defense spending work in the opposite direction, helping to create and stimulate the industrial segment of the economy.

Defense projects provided the initial seeds for electronic micro-miniaturization, nuclear power, jet engine technology, and helicopters. Technologies initially developed under defense contracts have resulted in a wide variety of goods for the public sector, such as flameproof fabrics, fire-retardant paint, new adhesives, new high-temperature and lightweight alloys, and food preservation and packaging techniques. For some civilian industries—computers, jet aircraft, and space communications—the initial development of the industrial base was funded with defense money. Once defense research and development money refined technologies, private industries adopted the improved techniques and created civilian markets.

The most visible example of the spin-off effect of defense technologies is in the computer field. Between 1950 and 1970, federal contracts, primarily from the Defense Department and NASA, provided the R&D funding that revolutionized electronic technology. During the 1970s, private sector markets surged with the exploitation of mini- and microcomputers, quickly displacing the federal government as the primary buyer of new electronic technologies. New companies, such as Digital Equipment Corp., Wang Laboratories, and others, are now ranked in the Fortune 500.

The same pattern could be repeated in the 1990s with Very High Speed Integrated Circuits (VHSIC). The Defense Department is now providing much of the funding for developing these faster and more miniaturized computer and memory chips to control the next generation of radar, missiles, satellites, and aircraft. By 1990, the thumbnail-size VHSIC chips may perform from 10 to 200 times faster than today's fastest chips. These new chips will open the way for further innovations in the commercial sector.

Defense has played a role in the development of management techniques as well as technological advancements. Perhaps the most important innovation spurred by DoD's requirements has been the development of Computer-Aided-Design and Computer-Aided-Manufacturing (CAD/CAM). Defense funds are currently being used to develop even more advanced applications leading toward Computer-Integrated-Manufacturing (CIM), the factory of the future.

The Defense Economic Impact Modeling System (DEIMS) was developed by the Department of Defense to analyze how projected defense expenditures would affect specific segments of industry. Previous efforts to measure the effects of defense spending relied on large scale macroeconomic models, which identified "overall" impact but were inadequate for analyzing detailed industry and service sectors. Although the DEIMS was initially developed to aid Pentagon planners, forecasts are made available freely to American firms interested in broadening their customer bases, diversifying into new and growing commercial areas, and expanding and/or modernizing their capital plant and equipment. Forecasts are also being provided to the Department of Labor and other educational and training organizations to encourage new job entrants to pursue fields that are likely to be in the greatest demand in the future.

Technical advances are putting increasing demands on America's technical manpower pool. Just as the Defense Department has a critical role in developing technologies for our entire society, it also contributes to America's ability to make full use of those technologies.

DEFENSE AS THE LARGEST TRAINER OF SKILLED MANPOWER

Despite current economic difficulties, many academic and industrial authorities are concerned that the United States is not training enough engineers, technicians, computer operators or skilled manpower to keep pace with the other industralized democracies or to create the new technologies necessary to advance further in the high technology revolution. A number of once-predominant American industries such as shipbuilding, automobiles, steel and textiles are no longer growing and may not be important sources of growth in the future. But today the United States still leads the world in computers, electronics, telecommunications and other high technology fields. However, our ability to maintain the lead depends at least in part on being able to train enough skilled people to develop further innovations.

The Department of Defense is the largest single contributor to creating this skilled manpower pool. The services train unskilled people to operate and repair the most sophisticated equipment. Civilian employees of the Department of Defense, and civilian employees in the defense industry, are at the leading edge of technological innovation. At bases throughout the country, the Defense Department is cooperating with local education programs to train workers in critical vocational skills. To help increase the number of graduates with science and engineering degrees, the Defense Department has taken several initiatives to work with our nation's universities.

In addition to our cooperative efforts with civilian educators, the Department of Defense trains military personnel from within its own resources—356,000 recruits for the Active force and 115,000 for the Reserve components in FY 1983. After basic training, each recruit receives specialized training in courses varing in length from four weeks to two years, depending on the specialty. Since about 40 percent of the enlisted force is employed in jobs that are technically oriented—operating computers and nuclear power plants, fixing aircraft, and maintaining shipboard systems—much of this training will be in the technical skills. These same skills are also in high demand in the private economy and many of the young people we are currently training will eventually take their skills with them into civilian jobs.

In this way, the $12 billion the Defense Department spends on training each year will benefit our country twice. First, it will help keep the peace; and second, it will provide trained manpower to fuel our national industrial base.

Besides training for military jobs, the Defense Department provides opportunities to its people for continuing education in their off-duty time. Military personnel in FY 1981 voluntarily enrolled in over 1 million courses and the Defense Department paid $76 million toward their tuition. These courses ranged from high school programs to graduate courses. In that same year over 38,000 military men and women completed their course requirements and received a diploma or degree.

These in-service educational opportunities are in addition to the post-service educational benefits available under the Veterans Educational Assistance Program (VEAP) which, with military add-ons for qualified people, can provide up to $20,100 for school after a three-year tour. Through this combination of in-service and post-service benefits, we are encouraging hundreds of thousands of young people each year to continue their education.

DEFENSE AND OUR MAJOR EXPORTING INDUSTRIES

Finally, it is important to recognize that a significant amount of American exports are from defense-related industries. Consequently, the new technologies, industrial modernization, and a strengthened industrial base that can stem from higher defense spending will improve our position in international trade.

While only 8 percent of American industry is defense-related, more than 30 percent of our exports are from defense-related industries. High export levels are most obvious in the highly defense-oriented industries such as aerospace, ordnance, and vehicles. Under the Foreign Military Sales Program alone, we export about $10 billion worth of goods annually.

But high levels also hold true for civilian exports from high technology industries whose products were made possible by defense-funded technologies. For example, in the radio and TV communications equipment industry, where the defense share of total sales is almost 50 percent, total sales by U.S. firms have increased 60 percent from 1977 to 1980. During those years, DoD purchases from the industry increased by approximately 67 percent and exports grew by 90 percent. Equally significant increases were recorded in the engineering, scientific, and optical instruments industries, where Defense's share of total sales ranges from 10 to 20 percent.

A BURDEN MADE LIGHTER

Impressive as some of these economic benefits may be, I repeat that they should not be seen as a justification for defense spending. Only the military threats we face should justify the amount of money we spend and the equipment and services we buy for our armed forces.

At the same time, we should take some comfort in knowing that as expensive and necessary as our defense budget may be, it is not without major economic benefits. The ability to adequately defend ourselves is a necessary burden we must bear, like any other public good. But it is a burden made lighter by the fact that defense spending also makes significant contributions to our economy.●

LAWYERS ALLIED FOR NUCLEAR ARMS CONTROL

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. CONYERS. Mr. Speaker, I was very pleased to learn recently that a group of lawyers and legal professionals have formed an organization in support of nuclear arms control. The group, called the Lawyers Allied for Nuclear Arms Control, is located in Newark, N.J. A letter by Mr. Daniel Crystal that appeared in the New Jersey Law Journal (March 3, 1983) explains the purposes of the new organization, and the reasons why all citizens have to participate in the sharping of arms control policies. The letter follows:

[From the New Jersey Law Journal, Mar. 3, 1983]

VOICE OF THE BAR

RE: LANAC

Editor, New Jersey Law Journal: I would much rather be writing on happier (and more sentimental) topics on this Valentine's Day, but I feel impelled to write, candidly and realistically, about the growing danger of a nuclear holocaust that will destroy all of us and all we hold dear.

The United States is completing testing of a whole new generation of missiles planned to have pinpointed accuracy on targets within 100–200 yards. It is planning to introduce into Europe cruise missiles intended to reach Soviet targets within some six minutes. The Soviet Union, in response, has warned that, unless the plans to deploy these new missiles (which will give the United States a first-strike capability) are modified, it will go on a launch-on-warning schedule of military planning. If that occurs, the existence of life as we know it on this beautiful earth will depend on the accident of the accuracy of Soviet nuclear-monitoring computers. Any of us who has had the slightest contract with foul-ups of computers in this country that boasts of its high technology will know that, sooner or later, there will be a false blip.

New Jersey did credit to itself in the November election by adopting the resolution for a verifiable on the development, production and deployment of nuclear arms by both the United and the Soviet Union. That success simply was not enough. Plans continue to shift the present balance of nuclear power so as to give an added edge to American arms, and achieve the first-strike capability that appears to be the true hidden agenda. The message of the vote in favor of the nuclear freeze in nine states and the District of Columbia is being ignored. We must redouble our efforts to get that message home.

Last August the House of Representatives rejected a resolution for an immediate freeze by only two votes. With thirty additional pro-freeze Congresspersons elected in November, there is an excellent opportunity to obtain passage of the freeze resolution in 1983. In my judgment, there is no more important task before each of us. Our law practices shrink in importance when we must realistically face the fact that, if the present madness in this arms race rapidly racing to an out-of-control status is not stopped, there will be no legal problems, no clients, no country worth living in, and most emphatically neither lawyers nor law practices.

I do not write these grim warnings lightly. The facts are readily verifiable. We ignore them at our own peril and at the peril of nuclear conflagration for our children, our grandchildren and the society and civilization we have known. It is past time for each of us to become as familiar with what is involved in cruise and Pershing missiles and in the reality of our nuclear submarines and their massive fire power (and the inevitable Soviet response) as we are with summations, title closings and rules of court.

I am well aware that there are mixed feelings on this issue in the legal community. Some choose to block it out, and go about their legal affairs. To them, the answer is that given by Joe Louis once about a boxer, Billy Conn, who planned to win by adroit footwork. Joe Louis told an inquiring reporter, "He can run but he can't hide."

Others condemn the Soviets and say they cannot be trusted. The record of treaty observance by the Soviets appears to negate this view. We are talking about verifiable freezes on both sides. This simply is not the time for bluster, emotion, or machismo on either side. Attorneys are fully capable of examining the record of treaty observance by the Soviets and evaluating whether there has been compliance. After all, we have been arming with nuclear bombs—including hydrogen bombs—since 1945. We are not powerless. The risk taking is fully as great for the Soviets as it is for us.

It is that risk taking which the Administration appears to ignore. The cuts in services for the poor go hand in hand with plans by the Administration to spend an additional $200 billion on delivery systems for new and increasingly lethal nuclear weapons whose existence would be difficult to detect. That policy will inevitably accelerate the frightening arms spiral that is now going on. It will make nuclear war more likely.

I am no solitary Jeremiah sitting by the waters of Babylon. The Physicians for Social Responsibility have just written an appeal to thinking people. They warn in that letter:

1. Nuclear war, even a "limited" one would result in death, injury and disease on a scale that had no precedent in the history of human existence.

2. Medical "disaster planning" for nuclear war is meaningless. There simply can be no possible effective medical response. Most hospitals, would be destroyed, most medical personnel dead or injured, most supplies unavailable. The vast majority of the "survivors" would die.

3. There is no effective civil defense against nuclear war. The blast, thermal and radiation effects would kill even those in shelters, and the fallout would reach those who had been evacuated.

4. Recovery from nuclear war would be impossible. The economic, ecologic and social fabric on which human life depends would be destroyed—in the United States, in the Soviet Union, and in much of the rest of the world, certainly in the Northern Hemisphere.

5. In sum, in this important letter by the Physicians for Social Responsibility, written by its distinguished President, Helen Caldicott, M.B., B.S., there can be no winners in the nuclear war. Worldwide fallout would contaminate much of the globe for generations and atmosphere effects would severely damage all living things, as well as food and water supplies.

Against these demonstrable realities must be posed the totally unrealistic P.R. "messages" that come out of the Administration. For example, T. K. Jones, Deputy Undersecretary of Defense for Strategic and Theater Nuclear Forces, has stated his conviction that "Everybody's going to make it if there are enough shovels to go around . . . Dig a hole, cover it with a couple of doors, and then throw three feet of dirt on top. It's the dirt that does it."

Eugene Rostow, until recently Director of the Arms Control and Disarmament Agency, takes the Pollyanna approach that recovery from nuclear war is a manageable problem. He has said, "Japan after all, not only survived but flourished after a nuclear attack . . . Depending on certain assumptions, some estimates predict 10 million (dead) on one side and 100 million on the other. But that is not the whole population."

The Administration is clearly envisaging a first-strike capability, ignoring its inevitable result in impelling a counter strategy on the

part of the Soviets. Those who are bringing back battleships to the Navy despite the lessons of the sinking of British ships in the Falkland Islands war by modern missiles, appear to have the fantasy that the next war can end in unconditional surrender of Soviets. Presumably, they envision a future movie showing a surrender on the decks of a battleship.

For example, in the new Five-Year Defense Plan, Secretary of Defense Weinberger states that U.S. forces must be capable of "controlled nuclear counter-attacks over a protracted period . . ." in order to "prevail and be able to force the Soviet Union to seek earliest termination of hostilities on terms favorable to the United States."

In the letter by Dr. Helen Caldicott, she says, after listing the comments noted above: "How does one respond to such madness? Do these policymakers understand the consequences of the policies they propose? We think not."

I urge all in the legal community to take these warnings seriously. We have a vehicle to make our voices heard as lawyers and those working in the legal profession. That vehicle is a nationwide organization, Lawyers Allied for Nuclear Arms Control, with the acronym LANAC. We should, as lawyers, do the same effective work for nuclear arms control that is being done by Physicians for Social Responsibility.

I urge all who feel concerned to join LANAC. You can write Steven B. Hoskins, McCarter & English, 550 Broad Street, Newark, N.J. 07102. I believe most strongly that work in and with LANAC is far more important than any legal work any of us are doing now or in the conceivable future.

DANIEL CRYSTAL.

EAST ORANGE.●

AN UNFAIR PENALTY IN CLEANING UP THE GREAT LAKES

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. LAFALCE. Mr. Speaker, today I am introducing legislation which would provide Federal construction and operation and maintenance assistance for wastewater treatment plants designed to comply with the provisions of international treaties.

Several years ago, the United States and Canada entered into an international agreement setting wastewater standards that apply to both nations in our mutual effort to clean up the Great Lakes.

I fully support this agreement and the goals toward which it was aimed. I believe that the United States has a national interest in working with Canada to preserve and protect our shared waterways.

However, one result of the United States-Canada agreement has been that localities bordering the Great Lakes have had to absorb much of the cost of meeting the terms negotiated between the Federal Government and the Government of Canada.

The costs in question are not insignificant. One community in my congressional district, which borders the Niagara River and Lake Ontario, has estimated that the extra costs attributable to the agreement with Canada come to about 20 percent of its total operating budget.

As I noted before, Mr. Speaker, I think that it is in the national interest that our commitment to the treaty be unquestioned. But just as the Nation benefits from the treaty, so, too, the Nation as a whole must bear the costs of compliance.

Accordingly, I am introducing a bill amending the Federal Water Pollution Control Act to provide for the reimbursement of these extra costs to local governments that must now pay them.

I am hopeful that this proposal will receive serious consideration as the Congress reviews our Nation's water pollution control programs.

At this point, Mr. Speaker, I include the text of my bill in the RECORD:

H.R. 3185

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title II of the Federal Water Pollution Control Act is amended by adding at the end thereof the following new section:

"CONSTRUCTION AND OPERATION OF TREATMENT WORKS TO COMPLY WITH INTERNATIONAL TREATIES

"SEC. 220. (a)(1) The Administrator shall pay to any State, municipality, or intermunicipal or interstate agency which constructs any publicly owned treatment works so much of the cost of such construction which the Administrator determines, after consultation with such State, municipality, or agency, is attributable to the increased costs necessary to construct such treatment works to meet any standard or limitation respecting discharges of pollutants or control or abatement of pollution required by any international treaty or agreement, above the costs of construction necessary to meet the effluent limitation, or other limitation, effluent standard, prohibition, pretreatment standard, or standard of performance which would otherwise be applicable under this Act.

"(2) The Administrator shall pay to any State, municipality, or intermunicipal or interstate agency which operates any publicly owned treatment works so much of the cost of operation which the Administrator determines, after consultation with such State, municipality, or agency, is attributable to the increased costs necessary to operate such treatment works to meet any standard or limitation respecting discharges of pollutants or control or abatement of pollution required by any international treaty or agreement, above the costs of operation necessary to meet the effluent limitation, or other limitation, effluent standard, prohibition, pretreatment standard, or standard of performance which would otherwise be applicable under this Act.

"(b) Payments under this section shall be in addition to any other Federal assistance which a State, municipality, or intermunicipal or interstate agency may be eligible to receive under this Act.

"(c) There is authorized to be appropriated such sums as may be necessary to carry out this section for fiscal years beginning after September 30, 1983.".

SEC. 2. (a) Section 207 of the Federal Water Pollution Control Act is amended by striking out "and 209" and inserting in lieu thereof ", 209, and 220".

(b) Section 517 of such Act is amended by inserting "220," after "209,".

SEC. 3. The amendments made by this Act shall take effect October 1, 1983.●

WHERE REAGAN NUCLEAR ARMS SPEEDUP WILL TAKE US

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. SEIBERLING. Mr. Speaker, as we prepare for consideration next week of the Defense authorization bill for fiscal year 1984, it is useful, indeed essential, to ask ourselves where President Reagan's proposed nuclear arms buildup will take us.

To that end, I would like to call the attention of my colleagues to an article by Charles Mohr, a writer for the New York Times, printed in the Akron Beacon Journal for May 31, 1983. Mr. Mohr points out that:

If no arms reduction treaty is reached with the Soviet Union, Reagan's strategic arms program will increase the inventory of strategic nuclear warheads to 14,000 from 9,000, a Congressional Budget Office analysis found.

* * * * *

Even if the President's proposals on arms reductions become the basis of a treaty, most of his overall weapons program could be carried through within the terms of the treaty. The small reduction in overall numbers that the treaty would require would be offset by the substantial increase in the arsenal's power, accuracy and capability.

The article notes that, under the President's current proposals on arms control, older, less capable nuclear weapons systems could be reduced or retired so that arms control would actually coincide with a great increase in U.S. nuclear retaliatory power.

Does anyone believe that the Soviet Union will go for an arms control agreement that allows this to happen, unless it also allows the Soviets to make corresponding modernizations of their strategic nuclear forces?

How can such an approach to arms control be reconciled with the nuclear freeze resolution so recently adopted by the House? Perhaps the President sees no need to make such a reconciliation, since he opposed the nuclear freeze resolution and it has not been adopted by the Senate. But certainly the Members who voted for the resolution ought to ask themselves that question.

And before voting for another installment in a nuclear force modernization program estimated to cost $50 billion a year for the next 5 years, we should be prepared to explain why this huge sum must be spent for that

purpose and not for helping the unemployed or lowering the unprecedented Reagan deficits.

We ought also to ask whether this administration has really tried to find out whether the Soviets are prepared to reach realistic arms control and reduction agreements.

And certainly we should ask ourselves whether 14,000 strategic nuclear warheads will make us more secure or less secure than the 9,000 we already possess.

Mr. Speaker, the full text of the Charles Mohr article follows:

[From the Akron Beacon Journal, May 31, 1983]

WHERE THE REAGAN NUCLEAR ARMS SPEEDUP WILL TAKE US

(By Charles Mohr)

WASHINGTON.—If Congress approves all of Reagan's program to modernize nuclear striking forces, the result will be a dramatic increase in the size and power of the nation's nuclear arsenal, say a congressional staff study and other analyses.

The program will also give the Pentagon the ability to increase the arsenal's size and power more rapidly in future years, according to a Defense Department document.

The Pentagon is, for instance, arguing in Congress that one benefit of new missiles will be "an open missile production line" ready to increase the force size quickly.

Several legislators who had opposed building the 10-warhead MX missile say they are now supporting Reagan's request because he has promised to modify his arms control proposals and to develop a less "destabilizing" small mobile missile with a single warhead.

If no arms reduction treaty is reached with the Soviet Union, Reagan's strategic arms program will increase the inventory of strategic nuclear warheads to 14,000 from 9,000, a Congressional Budget Office analysis found.

More significant, in the opinion of many analysts, the Reagan modernization program will greatly increase the overall number of "hard target kill warheads"—projectiles with accuracy and yield sufficient to destroy missile silos and Soviet command bunkers greatly reinforced with steel and concrete.

The program would also increase the number of such warheads likely to survive a Soviet attack and be available for retaliation.

It is this "hard target capability" that is most desired by the Defense Department and most feared and opposed by the Soviet leadership.

The budget office's analysts found that the Reagan program would increase the inventory of about 1,400 relatively weak and not wholly effective hard-target warheads likely to survive an attack to a much larger number of more destructive weapons.

The total number of hard-target warheads likely to survive attack, the budget office said, would rise to 3,900 by 1990 and more than 6,000 by 1996, increases of 175 and 375 percent.

Even if the President's proposals on arms reductions become the basis of a treaty, most of his overall weapons program could be carried through within the terms of the treaty. The small reduction in overall numbers that the treaty would require would be offset by the substantial increase in the arsenal's power, accuracy and capability.

But, in fact, Reagan is believed most likely to modify his treaty proposal by increasing both a proposed ceiling of 5,000 ICBM warheads and increasing or eliminating a proposed limit of 850 intercontinental missiles.

Reductions or retirements could be made in older, less capable missiles and aircraft so that more lethal new systems with much greater ability to attack Soviet military and command targets could be deployed. Thus, as one critic remarked, "This is force modernization given the name of arms control."

The modernization program will cost about $50 billion a year for the next five years, according to the Congressional Budget Office, and will result in a great increase in U.S. retaliatory power.

It includes a plan to deploy at least 100 large MX missiles with 1,000 hard-target-kill warheads, to design and presumably to deploy a force of Midgetman single-warhead missiles with the same hard-target capability and to build a fleet of 20 Trident submarines, each with 24 launching tubes for multiwarhead missiles. Eventually all these submarines would be fitted with the D-5 submarine missile, which will have the accuracy and hard-target capability of land-based ICBMs.

The plan also calls for deployment of 100 B-1B bombers by the late 1980s and 132 advanced technology bombers in the early 1990s, about 3,000 air-launched cruise missile, and about 400 nuclear sea-launched cruise missiles by 1988.

The Defense Department, meanwhile, has made increasingly clear that it is seeking the potential to increase the size of that proposed force rapidly if the Soviet Union takes what the Pentagon describes as "responsive actions" to counter the United States buildup.

A strategic forces technical assessment review that the department gave Congress in April said the modernization program should "incorporate an inherent growth potential" to counter "Soviet responsive actions."

The review also urges congressional committees to evaluate different missiles by criteria that include some qualities that will be new to many members of Congress.

One is "resiliency" which the Pentagon document defines in a missile as the "capability to counter responsive threats." One example would be the ability to build more missiles quickly.

Another criterion would be "payload flexibility," which in most cases would involve putting fewer but more powerful warheads on MX missiles to counter any Soviet improvements in reinforcement of silos and bunkers.

The review argues that with its great ability to lift heavy weights the MX is much superior to both the Midgetman and the D-5 submarine missile in payload flexibility.●

A TRIBUTE TO THOSE WHO SERVE

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. BROOMFIELD. Mr. Speaker, I want to call the attention of my colleagues in the House to an excellent editorial which appeared in the New York Times on Memorial Day, a day when all of us should pause to think of those who gave of themselves so that we may live as free men and women in this great Nation.

As all of you know, thousands of American fighting men now serve our Nation's security interests in many distant lands and maintain a lonely and challenging vigil. In many embassies and consulates around the world, from Nouakchott to Kuala Lumpur, members of the American Foreign Service also implement America's objectives in the foreign policy area.

All too often, many of us forget about these brave and dedicated Americans as they perform their often lonely and unrewarding tasks many miles away from loved ones and homeland. It is sad that all too many Americans pause to think of them only when tragedy strikes. The recent tragic assassination of Navy Lieutenant Commander Schaufelberger in El Salvador and the deplorable terrorist bombing of the American Embassy in Beirut call to mind the hazards of serving abroad during this difficult period.

It is unfortunate that most of us have nearly forgotten about the American hostages who were held against the rules of international law and diplomacy in Iran. Risks have become an everyday element in the lives of many Americans serving in the Foreign Service. The hostages who were exposed to the Ayatollah's wrath would protest at the old claim that the Foreign Service was a life of "tea and crumpets."

With these thoughts in mind, I recommend that all of my colleagues in this Chamber read this moving editorial and pause to give thanks to those who serve so that we may enjoy our freedoms in America today.

DEATH ON DUTY

Though the United States is not at war this Memorial Day, 20 countries are, and Americans are serving in official capacities in most of them. Casualties are part of the job. Last week, Lieut. Comdr. Albert Schaufelberger was assassinated in El Salvador. Last month, a bomb blast at the American Embassy in Beirut took the lives of 16 Foreign Service officers and Marine guards.

As much as the soldiers who fell at Normandy, Inchon and Khe San, these Americans who face danger in the service of their country also deserve to be remembered.

About 11,000 serve America overseas today, manning embassies, working in agricultural and economic development programs, providing technical or military advice. As conflict spreads, from Morocco to Namibia, from Cambodia to Iraq, from El Salvador to Afghanistan, life becomes more dangerous for the Americans abroad, mostly unarmed and unprepared to deal with sudden violence.

The risk is rising. The State Department counts about a thousand incidents of terror against representatives of the United States between 1969 and 1981, many more than in the previous half century. In the last 15 years, 27 of the department's people, including five ambassadors, have been killed.

That's double the number killed in the previous 187 years.

Our tradition of honoring the war dead is well established. They are officially remembered this day each year, and their names appear on monuments and plaques. The names of those who give their lives in the service of diplomacy are listed on two plaques at the diplomatic entrance of the State Department. But most Americans forget them quickly.

Former Secretary of State Dean Rusk once said, "The American public has not yet come to appreciate . . . how utterly dependent we are upon the insight, wisdom, judgment, patience, courage and gallantry of the people who serve the nation in diplomacy." They deserve a place in every Memorial Day ceremony.●

EYE CARE, INC., SERVING PEOPLE OF HAITI

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. HALL of Ohio. Mr. Speaker, today is the fifth anniversary of a remarkable U.S. organization, Eye Care, Inc. I would like to inform my colleagues about this unique private approach to foreign aid.

Five years ago, a colleague of mine from the Peace Corps experience, Timothy Carroll, and a friend of his, an eye doctor, David Newsome, visited Haiti and were struck by the desperate need that country had for an eye service. That was in January 1977.

Instead of relying on vast machinery cranking out proposals and overhead expenses, they started in a manner which they could afford, and step by step, in the private sector, found the financing and management to operate the five rural clinics which are now working at full capacity throughout Haiti.

Upon their return to the States, an ophthalmic team was organized, and in March 1978, a 10-day clinic was held at a school for handicapped children in the capital city of Port-au-Prince. It was clear from this experience that ophthalmological help was needed, not in the form of medical safaris, nor flying doctors, nor expensive building schemes. Rather, what was needed was an in-country, medical infrastructure, which would not be dependent on the public sector. It would not be "foreign aid," but the sharing of common experience and needs to bring medical accessibility where it had not been available before. No step was taken in Haiti without approval of the local community which was going to be affected. No one told Haiti how it had to be done, but many were asked how best it could be accomplished.

From that first temporary screening setup, Eye Care Haiti has expanded to this year's strength of five clinics. Even the organization of Eye Care Haiti, which was recognized as a public utility in Haiti in 1981, was carefully put into place by the Eye Care, Inc., philosophy of creating a managerial network as well as a medical one.

There is a central office in Port-au-Prince which handles the administration. Each clinic is staffed by an ophthalmologist. Four are Haitian, and the fifth clinic is served on a 3-month rotational basis by the Department of Ophthalmology at Georgetown University. Three of the clinics are equipped with microsurgery operating rooms and postoperative facilities. The doctors are aided by ophthalmic assistants under the instruction of Kitty Middleton, a Creole-speaking woman from Wisconsin who has done an outstanding job of introducing a new medical concept to Haiti and having the entire medical community recognize its worth. This cadre of ophthalmic assistants working in the field are the backbone of the organization. They represent the uniqueness of the design. By recruiting candidates locally, and training them locally, in Creole, local acceptance, central to any medical program in the country, is more readily attained than with outsiders. Folk medicine has been honored when appropriate and a true ecumenic spirit pervades the work when voodoo priests and M.D.'s can work side by side to prepare and treat a patient.

The five clinics screen approximately 100 patients each per day. For 3 days each week, those patients that are able stream into the clinics for examinations and treatment. When surgery or confinement is necessary, a date is set for the nearest operating room, and the Eye Care staff arranges for all the details.

The other 2 days of the week the clinic teams, headed by the ophthalmic assistants, go into the mountains and villages in a 20-mile circumference from the clinic building, and conduct outreach screening. Each of the 5 teams has 10 to 20 sites that they visit on a regular basis, usually on the village's market day so that they can see the greatest number of people.

All of this activity centers around a few remarkable people. Mireille Jolicoeur, a capable U.S.-trained administrator from the village of Petit Goave, must perform tasks in an expert fashion across a wide spectrum of needs. She balances books, budgets, and personnel, so that all surgical patients are well tended and necessary drugs are made available. Dr. Reynold Monsanto, as the president of Eye Care Haiti and director of the Eye Care clinic in Jacmel, is the selfless model of doctor/humanitarian that makes such efforts successful. The dedication in time and spirit of the two Frederiques proved that 2 people could do the work of 10 if the heart were in the right place. Kittie Middleton, the one non-Haitian, who could convince anyone of her total Haitianization were it not for her long blond hair, has created the ophthalmic assistants program from the ground up. She speaks Creole with panache and runs the entire assistants program across the island. Instituting profit incentives through merit and service, she has made the Eye Care model into one that could be studied and transferred to other developing countries. Her highly motivated O.A.'s find the patients, diagnose them, and make sure a doctor sees them. This kind of accessibility is the soul of Eye Care Haiti. And from the ranks of Miss Middleton's group, leaders are merging. George Joseph, once a student at the School for Handicapped Children, is now the leading surgical assistant. He has additional responsibilities each year and is an excellent example of how a program can build from the inside to regenerate itself.

It is to be noted here that while Eye Care moved into its clinics to treat patients suffering from acute eye problems, and while they were using their ophthalmic assistants in the countryside to identify eye disease and establish a preventive maintenance program, Eye Care Haiti also addressed the problem of those unfortunate citizens who were already blind when Eye Care began its work. Under the guiding hand of Sue Ruff, who worked in West Africa in the 1960's, a rehabilitation program for handicapped women was started. A nonsexist touch puzzle for visually impaired youngsters, called a Tuzzle, was designed and introduced to Mrs. Ruff's workshop. Madame Innocent, with supervisory skills, was installed, and now the workshop hums with industry. Nonhandicapped children in the United States have enjoyed them, as well, so the "profit" coming into this nonprofit organization goes immediately into necessary drugs and equipment.

All services are given and then the fee is discussed. It is on a pay-what-you-can basis, a trust that has never been violated by the patients. Eye Care Haiti is not financially supported by the island's government. Rather, Eye Care was set up by Dr. Newsome in Washington to raise funds and to assist in coordinating private, corporate, and foundation donations. Timothy Carroll, Eye Care's executive director and cofounder, goes to imaginative lengths to find support.

Twice each year, at Washington's Haitian Embassy in the fall, and in New York City in the spring, a benefit art auction is conducted. Haitian paintings and sculpture have captured the attention of art collectors during the 1980's, so the events have been successful in generating working capital. In addition, an annual walkathon is held in Haiti to raise funds. This year's event attracted 52 walkers from Canada, the United States, and Haiti.

For 2 days the hikers climbed on a grueling mountain trail from one side of the island to the other to generate over $8,000 in pledges from their friends, families, and other sponsors. Carroll proudly points to the fact that 84 cents of each dollar donation goes directly to program activities in Haiti.

Firms such as Alcon Laboratories and Ethicon donate important medical supplies. Colonel Borman's airline, Eastern, must be picked out for special attention. Not only do they support the October Art Show and freight all the work gratis, they have often carried live corneas from the United States to Haiti for special transplant emergencies. Their pilot courtesy service has meant, in one case, that a pair of eyes, freshly harvested in Baltimore by that outstanding eye bank, are in the hands of Eye Care doctors and transplanted in as little as 18 hours. Even in the jet age this is an astonishing achievement.

Individual donors have been the mainstay of Eye Care. A Washington couple, Ruth and Nathan Habib, launched the first Crusade for Sight and through their personal efforts, the Habib Operating Suite was dedicated in Port-au-Prince early in Eye Care's history. Mrs. Charles Marsh has been the godmother of the program.

Foreign foundations have been especially generous. The German group, Christoffel Blindenmission, with 75 years' experience and programs in 90 countries, was early impressed with the Eye Care philosophy and have been partners in the work from the initial stage. They have supported expansion each time Eye Care has felt it was important.

When asked what prompted them to support the Eye Care work, Gerhard Weiland, of CBM, in Haiti, said:

The Eye Care staff is devoted to their work. Their programs were well planned from the beginning, and they are not trying to conduct a grandiose operation. It is a decentralized network of clinics placed where then can reach the most people and provide the basic care.

Mr. Weiland continued:

Eye Care has avoided the two classic traps most foreign aid programs fall into. The tendency is to build one, big, central clinic filled with sophisticated equipment and staffed by voluntary non-nationals. That approach fails to reach the most people and tends not to survive its creators. But we see Eye Care going about it in a "back-to-basics" way that is working, expanding, and likely to remain in place as part of the country's medical infrastructure.

Dr. David Newsome continues as the president of Eye Care and its guiding light. He presses the U.S. ophthalmological community into service. He encourages financial donations or equipment donations or volunteer involvement and, best of all, all three.

The U.S. medical community has been generous. Next week, a large container load, compliments of Sealand Corp., will be sea freighted to Haiti; 45,000 pounds of good used equipment and new drugs will be en route to the Eye Care clinics in Haiti. Carroll says there is an enormous amount of closet space in the ophthalmic offices of this country, and what is being tucked away could instead be a sensible tax deduction and usable gear for the thousands of needy in developing countries.

My friend, Timothy Carroll, has always said his business was redistribution. Finding the unused and getting it into service; locating the extra here, and filling it in the gap over there; showing a person with a little free time and a lot of spirit, how to share both with the less fortunate. "It was all in the Peace Corps experience," he said recently. "Not refined, or carefully translated, but definitely there, and now we are trying to make it work in the 1980's."

The age of Eye Care corresponds with this decade. We wish them every success and hope that by the time this decade concludes, their work, especially in Haiti, will have reached the goals these dedicated people have set as their own.●

TZIVOS HASHEM

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. ACKERMAN. Mr. Speaker, some 2½ years ago, on the suggestion of Rabbi Manachem Schneerson, the Lubavitcher Rebbe, Shlita, a unique organization of Jewish youth was initiated with the aim of instilling a deeper and more meaningful sense of identity in children.

The organization was to be called Tzivos Hashem, a Hebrew term meaning "The Hosts of G-d." Its goal was to gather Jewish children and to unite them under a single banner of commitment to the highest ideals of Judaism and humanity.

In the brief span of 2½ years, Mr. Speaker, Tzivos Hashem has grown to include a membership of more than 100,000 youngsters in America alone, and close to 1 million children the world over.

On Sunday, June 12, 1983, Tzivos Hashem will celebrate its premier testimonial dinner. On this occasion, it is my privilege to give recognition to this organization for the significant mark which it has made on the mosaic of world Jewry.

At the same time, I also salute those individuals who have made outstanding contributions of time and energy to Tzivos Hashem, and who rightly deserve the laurels to be bestowed upon them at this gathering: Barbara and Alan Hirsch, the guests of honor; Mr. Ira Weinstein, man of the year, and the honorees, Mr. Don Wittenberg of Knoxville, Tenn.; Mrs. Denise Davidsohn, Mr. Jerry Kupfer, Mr. H. Docteroff, Mr. Alan I. Rosenstock, and Mr. Joshua Laine, all from New York.

Mr. Speaker, much can be learned from the experiences of this young and dynamic organization. During its short period of development, Tzivos Hashem has reached out to the entire spectrum of the Jewish community, from the intensely orthodox, to those with minimal Jewish background. For many children Tzivos Hashem is the only link and lifeline to Judaism.

I believe that the reason for the astounding success of this unique organization is its ability to fill a huge gap in contemporary Jewish life.

Children today want to know who they are, and what is expected of them. Tzivos Hashem responds to this quest in clear terms which fill any child with understanding and pride.

Upon joining The Hosts of G-d, the young recruit is welcomed by a legion of great friends, such as the comic-book characters Super-Neshama and the hilarious "shpy." Secret missions that he or she is urged to carry out further help the child to define what being a Jew is all about.

Talented and devoted educators innovate creative educational ideas and materials for use by children the world over. Five times a year, before all major Jewish holidays, the Tzivos Hashem Newsletter is mailed out, free of charge, to each member. It contains the customs and history of the holidays, games, and activities, a children's book club, and various reports from the children themselves about Tzivos Hashem activities in their area.

A magazine, the Moshiach Times, is mailed out seven times a year to subscribers. Each issue is packed with stories, articles, comics and games. With the distribution of nearly 10,000, the Moshiach Times ranks among the top Jewish children's magazines in North America.

Letters to the Moshiach Times pour in from children, telling proudly of what they have done to become better children and better Jews. The indications from these letters are that Tzivos Hashem truly provides children with the incentive to behave better, to learn more studiously, and to be more respectful to parents and teachers.

To emphasize the idea of unity between the children, Tzivos Hashem started a pen-pal division. There are already over 5,000 pen-pals in the pen-pal platoon, and the number is growing every day.

Last year, Tzivos Hashem introduced the dial-a-Jewish-story in the New York area (212-467-7800) and in 32 other cities. Each week, over 19,000 children and parents call to hear an

inspiring tale with a clear practical lesson from the Bible, the Talmud, the Medrash, or Chassidic lore.

Another Tzivos Hashem first has been their weekly radio show in the New York area. Hosted by Rabbi Joseph Goldstein, this is the only Jewish children's program in the entire area, and to my knowledge, in America.

During the festival of Passover in the spring, the Succos in the fall, Tzivos Hashem sponsors the popular Pesach Experience and Succos Experience which attract thousands of children. These events nurture a wonderful feeling of unity among Jewish youth from different backgrounds who come together to enjoy their holiday in a particularly Jewish atmosphere.

Special note, too, must be made of the recent Lag B'Omer parade in Crown Heights, Brooklyn, at which some 30,000 children and their parents gathered to celebrate this traditional festival!

Recently, Tzivos Hashem initiated a network of youth groups in parts of Greater New York. Their success has led to countless requests for similar programs in other areas of the country.

Similarly, under the sponsorship of Tzivos Hashem, this year nearly 200 schools with over 10,000 children came to view a specially prepared film on the ancient art of handmade matzo baking, and then proceeded on a guided tour through such a matzo bakery.

Before Passover, the organization also sponsored an annual matzo ball contest which got thousands of children personally involved in the preparations and observance of the holiday.

In conclusion, Mr. Speaker, I urge my colleagues to recognize the contributions which this organization is making to our American society, through its vitalization of Jewish culture, identity, and purpose.

It is indeed a privilege to draw your attention to Tzivos Hashem's leadership and to salute its administration on the occasion of this premier testimonial dinner.●

THE ANTI-MYCOPLASMA TREATMENT PROGRAM HAS HELPED PATIENTS WITH ARTHRITIS

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. PORTER. Mr. Speaker, on May 19, 1983, Mrs. Barbara Matia of Scottsdale, Ariz., testified before the Appropriations Subcommittee on Labor, Health, and Human Services, and Education, on which I serve, and told of her experience with the crippling disease of rheumatoid arthritis. Until she visited the Arthritis Institute of Arlington, Va., and was treated by Dr. McPherson Brown, the director of the institute, she had little hope for leading a normal life. Her story is a heartening one and I have included her testimony in the CONGRESSIONAL RECORD for all to read.

TESTIMONY OF BARBARA A. MATIA

Mr. Chairman, Members of Congress and Staff: I am Barbara Matia of Scottsdale, Arizona.

It would be impossible for you to know how much it means to me to come before this subcommittee today, for six years ago, I was bedridden and asleep sixteen hours a day, suffering from rheumatoid arthritis. I had extreme weakness, fatigue, and intense pain—not just in my joints, but all over my body. I had a nurse who applied hot packs several times a day and I had full-time help to care for our two small children. It was a devastating experience for our entire family.

Imagine being bedridden in the prime of your life, and being told by the medical community that there was no known cure for arthritis and that you would have to adjust to the fact that although they would give you the best treatment they had, it would be a slow process of deterioration. They told me that all I could hope for was to slow down the progress of the disease, but they could not stop it. They were going to give me medications such as plaquenil and I would have to see an eye doctor regularly because plaquenil causes blindness. After plaquenil would come gold shots and cortisone.

All I could think of at this point was my aunt who has had Rheumatoid Arthritis all her life, who is now crippled, deformed and unable to function normally after having the standard treatment of gold and cortisone.

I learned of a program in Arlington, Va., that was reported to be safe and effective in reversing the disease and I decided that I had nothing to lose by trying it. I want you to know that my husband was skeptical about the program and thought that if University Hospitals and The Cleveland Clinic did not have the answers, nobody did. On my own, I made an appointment with Dr. Thomas McPherson Brown and was told that I would have to wait a year before I could see him.

In that period of time, we found out as much as we could about Dr. Brown and learned that he had impeccable credentials: Phi Beta Kappa, Johns Hopkins University, Chief Resident and Director of the Biological Divison of Johns Hopkins Hospital, Rockefeller Institute, Chief of Medicine and Director of Arthritis Research at the Veterans Administration Hospital in Washington, D.C., Chairman of the Department of Medicine at the George Washington University School of Medicine, National Research Council, and for years a consultant in arthritis at the N.I.H.

The first time I met with Dr. Brown in the hospital, he explained that his program was aimed at an organism known as a mycoplasma which he believed was the cause of Rheumatoid Arthritis, that he would use anti-inflammatories and liquid antibiotics, such as tetracycline, given intravenously in low dosages, and that there were no harmful side-effects from his program. During that initial visit, Dr. Brown gave me milestones for my recovery process and told me when they would occur. He told me that I would be getting worse instead of better when I started on his program. He said it would take two years to turn the corner and perhaps as long as five years to return to a full and active life. As you can tell by seeing me today, I am totally functional and this devastating disease has been reversed.

When I learned that Dr. Brown testified in Congress last year, I decided it was time for me to find out why a program which has been developed by a doctor whose credentials are second to none and has helped over 10,000 sufferers of Arthritis was not being accepted by the nation's medical establishment. I now think I know the answer to that question and I would like to tell you about it because it is something Congress can do something about.

One of the first things I did was to go to see Dr. Shulman and Dr. Salans of NIADDK of the National Institutes of Health, where I learned that there were four research projects presently underway on the mycoplasma organism and its possible link to arthritis. But I also learned that there are no clinical trials presently underway and that there haven't been any since the Boston Study in 1971. I also learned that the NIH was unfamiliar with the significant progress which Dr. Brown had made in developing an antimycoplasma treatment program.

In fact, I began to realize that the real problem blocking the antimycoplasma approach was that the Boston Study failed. Because this study is the key to the problem, I want to spend a few minutes on it.

The 1971 Boston Study was a double-blind test of the effectiveness of tetracycline on Rheumatoid Arthritis in only 13 patients, was conducted for only one year, and the patients were given oral antibiotics instead of intravenous antibiotics. The study showed no significant positive effect from the tetracycline. If you have come through Dr. Brown's treatment program, you know why the Boston Study failed—because the antibiotics were not given intravenously and because the study ended before the significant results are generally seen.

Because of the negative results from this test, the medical establishment has, in my opinion, closed its mind to the antibiotic treatment approach. And this is so even though Dr. Brown has been achieving consistent and favorable results with the antibiotic treatment approach. But no one has taken the time or shown any interest in finding out why Dr. Brown has been achieving positive results for a long period of time.

I consider this to be a national tragedy—that 34,000,000 arthritics (men and women, old and young, including children) may have to wait years for a treatment program which is presently available. What is needed now to put a halt to this tragedy is for Congress to mandate a three- to five-year clinical trial of Dr. Brown's program in a way which will provide convincing data for the medical establishment.

In 1972, this Subcommittee was told by Dr. Whedan, then Director of NIADDK, that heartening progress was being made in determining the cause of Rheumatoid Arthritis. In the twelve years since that statement was made, the Nation's arthritics have been given no reason for hope. I have known what it is like to live without hope. I know what it is like to be given hope. And I know what it is like to have a disease reversed and to be able to live a full life again. If you will mandate a clinical trial of this

method of treatment, I truly believe the millions of arthritics will finally have hope and the treatment program they deserve.

Thank you very much.●

A SALUTE TO JOSEPH T. GROSSI CHIEF PETTY OFFICER, USN

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. GUARINI. Mr. Speaker, I wish to pay tribute to a member of the U.S. Navy who will retire on June 3, 1983 after 28 years' service. I speak of Jersey City-born Boatswain's Mate Chief Joseph T. Grossi, who has served our Nation and community well. He is being honored at a retirement ceremony to be held at the site of the U.S.S. *Ling* (SS-297), a decommissioned submarine of the U.S. Navy, now located in Borg Park, River Road, Hackensack, N.J. The ceremonies will take place next Friday, June 3, between 1400 and 1500 hours, with a reception to follow at the VFW, Romaine-Sinniger Post, 44 Market Street, Saddle Brook, N.J.

Chief Grossi is the son of Frank Grossi, now deceased, and Mary (Spillane) Grossi. He is the brother of Timothy Grossi and Frank Grossi, deceased, and his sister is Julia Weber.

After attending local schools in Jersey City, William L. Dickinson High School, and Jersey City Prep, Joseph spent 1½ years in the Civilian Conservation Corps (CCC), on the west and east coasts during 1939 to 1941.

During World War II, Joseph enlisted in the U.S. Navy at Newark, N.J., where he received his recruit training at Newport, R.I., and attended Gunner's Mate School.

During World War II he served in the North Atlantic, South Atlantic, Africa, Mediterranean, and Europe, aboard amphibious ship APD-3 convoys and subchasers and destroyers in submarine warfare against the Germans.

For November 1945 to May 1947 Chief Grossi was in the inactive U.S. Naval Reserve and from May 1947 to June 1950 was a member of the U.S.S. *LST 731.* During the Korean war beginning September 1950, Joseph worked with the military sea transport service and from February 1951 to April 1952 was a member of the U.S.S. *McGinty* DE 365 covering the Pacific, Korea, Taiwan, Japan and China. From April 1952 to June 1952, he was a member of the U.S.S. *Telefair* APA 210. From June 1952 to April 1963 he was a member of the inactive U.S. Naval Reserve. From April 1963 to March 1972 he was a member of the Division 3-33 (L) U.S. Naval Training Center, Jersey City, N.J., and during the Vietnam era helped aid the important job of recruiting from headquarters at 90 Church Street to Jersey City to the Naval Recruiting District is Iselin, N.J.

During Chief Grossi's Navy career he visited 25 countries and six continents. His decorations include European African Middle Eastern Medal (two stars), Naval Reserve Mediterranean Service Medal (one star), American Theater Medal (one star), Korean Presidential Unit Citation, Korean Service Medal (two stars), Meritorious Unit Commendation, China Service Medal, Navy Achievement Medal, Good Conduct Medals, Naval Reserve Medal, Victory World War II Medal, Occupation Forces Medal, National Defense Service Medal (one star), Armed Forces Reserve Medal, and a United Nations Medal.

In addition to his work with the Navy, Chief Grossi has worked very closely as a volunteer with the Bayonne chapter of the American Red Cross, the Jersey City chapter of the American Heart Association, and the Jersey City office of the March of Dimes. He has been invaluable not only to the personnel of my office, but has assisted the office of Congressman Dominick V. Daniels and Congressman Joseph A. Le Fante, who also represented the 14th district.

Chief Grossi was married to the former Angela Maresca in 1945. They have a daughter, JoAnne Grossi, Washington, D.C., and a son, Joseph T. Grossi, Jr., who is on the staff of the New Jersey State Department of Labor and Industry in Trenton. Joseph, following in his father's footsteps, also served with the U.S. Navy and is a veteran of the Vietnam conflict.

All of the residents of the Jersey City community who have been touched by Chief Grossi join in this salute.

It is my understanding that at the same retirement ceremony, the Navy Recruiting District of New Jersey also is honoring T.M.C. John Condon.

The ceremony will be held at the U.S.S. *Ling,* which was used during World War II and brought to Borg Park, across the street from the headquarters of the Bergen Record, one of New Jersey's finest newspapers. I believe this ceremony on June 3 to be most significant between two important dates in America; namely, Memorial Day, where we honor our war dead, and June 14 when we begin Flag Day ceremonies, which last through Independence Day, July 4.

The 21 days between these historic dates were set aside by Congress "as a period to honor America in public gatherings and activities at which the people can celebrate and honor their country in an appropriate manner."

It is the dedicated service of men like Chief Grossi and Chief Condon, joined with the spirit and sacrifice of millions of other Americans who served in our Armed Forces, which gives the true meaning of that red, white, and blue bunting, our flag. Our heritage and our aspirations are deeply enmeshed in our flag, our constant symbol of freedom. We who enjoy all that it stands for must be mindful that what we inherit from our grandfathers must be earned—if it is to be truly our own.

It was Oliver Wendell Holmes who wrote:

"One flag, one land, one heart, one hand, one nation evermore."

This retirement ceremony indeed proves that "America is a tune which must be sung together."

To Chief Grossi, I wish to express a hope of contentment from all of my fellow members in the House.

Oscar Wilde said:

Contentment lies not in the enjoyment of ease—a life of luxury—but comes only to him that labors and overcomes—to him that performs the task in hand and reaps the satisfaction of work well done.

It has earned the patriotic and diligent efforts of the Chief Grossi's throughout the history of America which have time and time again reiterated the words of Franklin D. Roosevelt's famous message, the Four Freedoms:

In the future days, which we seek to make secure, we look forward to a world founded upon four essential human freedoms.

The first is freedom of speech and expression—everywhere in the world.

The second is freedom of every person to worship God in his own way—everywhere in the world.

The third is freedom from want—which, translated into world terms, means economic understandings which will secure to every nation a healthy peacetime life for its inhabitants—everywhere in the world.

The fourth is freedom from fear—which, translated into world terms, means a worldwide reduction of armaments to such a point and in such a thorough fashion that no nation will be in a position to commit an act of physical aggression against any neighbor—anywhere in the world.

That is no vision of a distant millennium. It is a definite basis for a kind of world attainable in our own time and generation. That kind of world is the very antithesis of the so-called new order of tyranny which the dictators seek to create with a crash of a bomb.

Chief Grossi, please accept our heartfelt salute. You indeed have served your God, your family, your Nation, and your community well. As a serviceman you have been great—as an American even greater.

Let me close with these words of Daniel Webster:

I was born an American; I will live an American; I shall die an American; and I intend to perform the duties incumbent upon me in that character to the end of my career. I mean to do this with absolute disregard of personal consequences. What are the personal consequences? What is the individual man, with all the good or evil that may betide him, in comparison with the

good or evil which may befall a great country, and in the midst of great transactions which concern that country's fate? Let the consequences be what they will, I am careless. No man can suffer too much, and no man can fall too soon, if he suffer, or if he fall, in the defense of the liberties and constitution of his country.

May you enjoy fair winds and following seas.●

ENGLISH IS AND MUST REMAIN OUR ONLY NATIONAL LANGUAGE

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. SHUMWAY. Mr. Speaker, on March 2, I introduced House Joint Resolution 169, a constitutional amendment designating English the official language of the United States. Since that time, I have been greatly encouraged by the overwhelmingly enthusiastic response I have received to the bill.

The mail which I have received from across the Nation reaffirms my belief that this amendment reflects the view of many Americans: English is and must remain our only national language. The common themes throughout these letters are the concern that a multilanguage society is not in the best interest of our Nation and an awareness that the integration of the growing non-English-speaking populations in America is a challenge which we must confront.

At a time when our Nation is experiencing the largest influx of immigrants in its history, it is critical that efforts are made to integrate these people into American society. We must not promote the segregation of our Nation's immigrants by legislating bilingual programs which enhance the dissimilarities between immigrants and the mainstream of American life. Rather, we must encourage those who wish to enjoy the benefits of American citizenship and who wish to become contributing members of American society to learn the language of their new homeland.

Mr. Speaker, I would like to call to the attention of my colleagues an article which appeared in the April 20 edition of the Christian Science Monitor, written by Gerda Bikales, which underscores the value of English to the assimilation of immigrants into American society.

The article follows:

YOU'D BE A NOBODY IF THEY DIDN'T MAKE YOU LEARN ENGLISH

I learned my fourth language—English—more self-consciously than I had learned my first language (German), my second language (Flemish), and my third language (French).

As a young child in Nazi-occupied Europe, I had had to learn languages as a matter of survival. But I was nearly 16 by the time I landed in America, more easily embarrassed, more fearful of ridicule, too old to ever acquire the accent of the native.

Arriving without knowledge of English, I nevertheless learned it very fast. So did my friends among the immigrant students in my New York City high school. There were no special classes set up for us, only kind and encouraging teachers willing to make some allowances for a while.

Within a year, I was taking the dreaded New York Regents examinations. I took the foreign language Regents in German and French and received perfect scores that boosted my average in my weaker subjects. I did well in the algebra and geometry exams, which involve little knowledge of English. I got passing grades in English and American history, and 19 months after coming to the United States I managed to graduate high school with honors, several college acceptances in hand.

My parents had a much harder time. For them, English was a mischievous tongue twister which even I could not always understand. Yet they tried, and kept on trying. They wanted to become American citizens and had to know some English to pass the test. They also had to know the rudiments of American history, and something about the way American Government operates. I had studied these subjects in school, and by the time I was eligible for citizenship I was well versed in them. But my parents had had little formal schooling in their native Poland and had no framework for relating events in American history to anything else. Nor had their prior experience with authoritarian governments prepared them for understanding the US system of governance. They spent days memorizing facts. I helped by role-playing the naturalization officer, endlessly quizzing them: "Who was the first president of the United States?" "Who makes the laws of the United States?" "What is the Constitution?"

My parents answered by rote. Sometimes they got confused, as when questions were posed differently, such as "Who was George Washington?"

I was not with them when near-disaster struck during testing. In his nervous state, my father could not produce the answers to some of the questions asked. When the examiner realized my father's predicament, he tried to help. He rephrased the questions and gave some broad hints. My father passed, after all.

Once they became citizens, my parents boasted of their achievement, especially to immigrant friends too afraid to apply for naturalization. Like the fish in oft-repeated fishing stories, the difficulty of the test grew with every retelling. My parents registered to vote, followed politics in the foreign language press that was their regular reading, and voted faithfully in primaries and general elections.

Yet in most other ways they were to remain on the fringes of the American mainstream. They lived in immigrant neighborhoods, socialized with immigrant friends. But they expected me to venture forth, to seize the opportunities, to do well in America. I tried to meet their expectations.

My own Americanization proceeded rapidly, far beyond where my parents could follow. After I learned English, I started to speak it at home, and conversation dried up. I had no time for religious observance. I became intolerant of my mother's cooking, which I found unimaginative and heavy.

America had estranged us, as it had generations of immigrant families before us. This was the cost of immigration none of us had taken into account in planning our new life here, and which we paid in tears and pain.

I often think of those early years in the country we adopted, and which so generously adopted us. For today's newcomers, there is bilingual education, and voting ballots in foreign languages, and talk about dropping English as a requirement for citizenship.

I asked my parents, now retired, whether these accommodations would have helped us when we were newcomers. They were offended at the mere suggestion. "You would be a nobody if they didn't make you learn English right away," my mother lectured me, "and if we didn't have to work hard for our citizenship, would we appreciate it the way we do?"

I reminded my mother that they would have failed the test, were it not for the kindness of the examiner. She then reminded me of my high school teachers, who overlooked my shortcomings those first few months. And then my mother, who had lived as a refugee if a half-dozen countries, told me: "That's what's so special in America, They want you to learn American ways, but they don't make fun of you when you don't know. They give you a break, and they are willing to help you if you just try." Right on, Mom!●

CHILD NUTRITION AMENDMENTS OF 1983

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. ERLENBORN. Mr. Speaker, I am pleased today to introduce the administration's Child Nutrition Amendments of 1983. Among the major policy changes included in the proposal are those which call for: First, the repeal of four separate categorical child feeding programs; and second, the simultaneous establishment of a new General Nutrition Assistance Grant Authority.

Accordingly, sections 7, 8, 9, and 10 of the administration's proposal would repeal the statutory authorities for the summer food service program for children, the child care food program, the school breakfast program and the nutrition education and training program, respectively.

Section 11 of the amendments of 1983 authorizes appropriations for the general nutrition assistance grant. States could use funds received under this authority.

For the provision of nutrition assistance to children (as defined by State law), and related activities including: planning, administration, education, technicual assistance, evaluation and State administrative costs associated with providing such assistance.

States would be precluded from using any moneys received under the general nutrition assistance grant for land purchase or improvement. Similarly, the acquisition, construction, or permanent improvement of buildings

or facilities and major equipment purchases with the exception of food service equipment—are disallowed. Authority is contained in the bill to enable the Secretary to waive these limitations, should he find that extraordinary circumstance exist to justify such a waiver and that a waiver is necessary to implement the general nutrition assistance authority.

States must satisfy any non-Federal requirements for the receipt of Federal funds and are prohibited further from making any payments to proprietary child care facilities which are not participating in the child care food program, as of the date of enactment of the Child Nutrition Amendments of 1983.

States would also be prohibited from making any payments to Head Start programs for activities formerly funded under the child care food program. This is designed to avoid duplication of Federal payment for the same service, since the administration has proposed transferring a fixed lump sum of $76 million to the Head Start account in lieu of performance-based entitlement assistance which Head Start grantees receive through the child care food program.

The authorization level for the general nutrition assistance grant program is $535 million annually for fiscal years 1984 through 1988. A State's allotment would be proportional to the share of the combined payments it received under the child care food, school breakfast, and summer food service programs during fiscal year 1982.

The bill also enumerates requirements which States must satisfy in order to receive general nutrition assistance grant funds. These requirements include: submission of intended and actual fund use reports; implementation of appropriate fiscal control and accounting procedures, conduct of independent, biennial financial and compliance audits, and assurances of nondiscrimination.

In addition to achieving a Federal savings of approximately $217 million, the proposal represents a major step forward in removing the Federal Government from a direct administrative role in the day-to-day State and local child nutrition activities. The U.S. Department of Agriculture's (USDA) role would more appropriately be that of a conduit for Federal dollar and commodity support and an overseer of State plans and audits.

The proposal would also allow State decisionmakers to identify their nutrition needs and priorities and develop programs which are tailored specifically to meet their particular child nutrition concerns. At the same time, the proposal would eliminate volumes of federally imposed and often conflicting child nutrition regulations and guidelines, as well as costly paperwork and reporting requirements.

I would hope that this bill becomes the focus of hearings and debate in the Education and Labor Committee. It is important for the committee to hear all points of view on this issue. I am particularly interested, for example, in learning whether the bill, as drafted by the administration, answers the question of whether the States and localities will be able to supplement Federal funds available through the general nutrition assistance grant program to insure that all needy children will continue to be served.

In addition, I am anxious to hear the debate on the issue of State flexibility versus priorities established at the Federal level. For example, I would like to hear a cross section of witnesses discuss the question of whether the States have developed sufficiently institutionalized systems for the delivery of child nutrition services to adequately meet the nutrition needs of eligible children. These and other issues should be fully examined during subcommittee hearings.

Because the issues involved are both complex and vital, I feel that our Members should have the opportunity to explore and debate this proposal. That is why I am pleased to be introducing it today.

A section-by-section analysis follows:

CHILD NUTRITION AMENDMENTS OF 1983
SECTION-BY-SECTION ANALYSIS

CHANGE IN LUNCH COMMODITY ALLOTMENT FORMULA

SEC. 2. This provision stipulates that school entitlements be based on the actual number of meals served during the previous school year instead of an estimation of the number of meals that will actually be served. This change in entitlement determination will enable the Secretary to establish commodity amounts for each State at the beginning of the year based on the actual needs of the program. States will have more certainty of the level of commodities they will receive during the year, and therefore, will not be forced to revise their expectations of commodity levels because the Department changes its projection of the annual number of meals during the year as is currently done. However, should substantial differences occur between the number of lunches served in the State in the preceding school year and the number of lunches served in the State in the second preceding school year, the Secretary may adjust the commodity assistance level to reflect these differences. For example, under this proposal a State would receive commodity assistance in school year 1984 based on participation in school year 1983. If the actual participation in school year 1984 in that State was substantially more than that for school year 1983, an inequity would occur. The State would not have received its fair share of commodity entitlement. In that case, the Secretary would be able to adjust the school year 1985 commodity assistance level to compensate for the difference.

CHANGES TO INFLATION ADJUSTMENT FOR REIMBURSEMENT RATES AND COMMODITIES

SEC. 3. A government-wide policy to reduce the budget deficit imposes the need to make across-the-board changes to reduce the rate of growth in spending by the Federal government. The annual cost-of-living adjustments are being delayed from July 1, 1983, to January 1, 1984, and each January 1 thereafter. The adjustments will be based on the period between the preceding May and the second preceding May of each year.

This delay in implementing cost-of-living adjustments affects all subsidy levels equally. Children receiving free and reduced price lunches and free milk are not affected by this delay, since the prices for these meals will not change. This temporary delay of six months will produce a $66.3 million savings in the School Lunch and Special Milk Programs in Fiscal Year 1984.

DEADLINES FOR REIMBURSEMENT CLAIMS

SEC. 4. Section 7 of the National School Lunch Act is amended to require school food authorities to submit reimbursement claims to the State within 60 days following the claiming month. States are to submit claims to the Secretary within 90 days following the month for which reimbursement is claimed. Currently, schools and States often take longer than 60 and 90 days to finalize their reimbursement claims for Child Nutrition Program funds. Since costs incurred at the local level are no longer a factor in determining the level of reimbursement provided to the States, accurate and definite counts of meals served are essential to providing the appropriate amount of funds to each State. This change will help to ensure that correct and timely disbursements of funds are made without affecting the cost to administer the program. This provision makes permanent language included in the fiscal year 1983 appropriations act that required these reporting deadlines.

ELIMINATION OF SPECIAL ASSISTANCE CERTIFICATION ALTERNATIVES

SEC. 5. This proposal amends section 11(a) of the National School Lunch Act by removing the two special assistance certification alternatives which based assistance on prior year free and reduced price lunch eligibility. This eliminates the authority for some schools to accept applications and determine eligibility once every two years where 80 percent of the children were eligible for free or reduced-price meals or once every three years where all meals were served free. Elimination of this authority is consistent with the emphasis on verification of applications to prevent fraud and abuse. These are the schools which will benefit most from annual certification and verification procedures to ensure correct application.

CREATE AN INDEPENDENT SPECIAL ASSISTANCE FACTOR FOR REDUCED PRICE LUNCHES

SEC. 6. Section 11(a) of the National School Lunch Act is amended to create a special assistance factor for reduced price lunches of 64 cents. This separate factor will be adjusted annually based on the change in the Consumer Price Index for food away from home. Because the current law ties the reduced price subsidy to the free subsidy (it is always 40 cents less), reduced price meals currently receive a higher increase when an adjustment for inflation is made. Under this proposal the maximum price for reduced price meals would not remain fixed at 40 cents below the subsidy for free lunches. Instead, it would rise irrespective of the difference between free and reduced price meal subsidies. This would receive the same adjustments to account for increases in inflation. This independent sub-

sidy base for reduced price meals would produce a cost savings of $4.2 million in Fiscal Year 1984.

TERMINATION OF THE SUMMER FOOD SERVICE PROGRAM FOR CHILDREN

SEC. 7. Section 13 of the National School Lunch Act is repealed thus eliminating the Summer Food Service Program for Children. (See SEC. 11 below.)

TERMINATION OF THE CHILD CARE FOOD PROGRAM

SEC. 8. The Child Care Food Program is terminated by the repeal of section 17 of the National School Lunch Act. (See SEC. 11 below.)

TERMINATION OF THE SCHOOL BREAKFAST PROGRAM

SEC. 9. This provision repeals section 4 of the Child Nutrition Act of 1966 thus terminating the School Breakfast Program. (See SEC. 11 below.)

TERMINATION OF THE NUTRITION EDUCATION AND TRAINING PROGRAM

SEC. 10. Section 19 of the Child Nutrition Act of 1966 is repealed in order to terminate the Nutrition Education and Training Program. This program, authorized in 1977, originally provided seed money for the States to begin or augment existing nutrition education programs. These programs are now well established and the States should now take over funding of this program and decide the appropriate funding level for their NET program operations. This proposal will save $5 million in Fiscal Year 1984.

GENERAL NUTRITION ASSISTANCE GRANT

SEC. 11. This section creates a new general nutrition assistance grant program. A new Section 17 is inserted, which is described below.

The Administration proposes to consolidate the categorical Summer Food Service, School Breakfast, and Child Care Food Programs by replacing them with a General Nutrition Assistance Grant. This grant will substantially increase State flexibility and achieve two major effects. First, administrative efficiencies will be realized through a reduction in program complexity. Second, States will be able to tailor programs under this grant to meet the specific needs of their State's population. Thus, a wider range of program will be available to meet the nutrition needs of the population. This consolidation of programs would result in reduced program costs of $207.9 million and reduced administrative costs of $8.8 million in Fiscal Year 1984.

Subsection (a) authorizes, for each of the Fiscal Years 1984, 1985, 1986, 1987, and 1988, $535 million for carrying out the purposes of Section 17.

Subsection (b) requires the Secretary to allot to States from available appropriated funds, an amount which bears the same ratio to the total appropriated funds as the States' allotment under the Summer Food Service Program, the Child Care Food Program, and School Breakfast Program for Fiscal Year 1982 bore to the total funds appropriated for those programs. The Secretary will maintain authority to adjust the allotment level based on the funds transfered to the Head Start Program. For example, the Department may adjust a State's grant level based on the fact that a large portion of their Child Care Food Program funds were directed to Head Start Programs.

Subsection (b) also provides that if a State (1) does not submit the required application or description of activities; (2) does not use the entire amount of their allotment; or (3) makes a repayment, the Secretary must allocate the funds attributable to those events among the remaining States in the same proportion as the original allotment. Any such allotment does not change the base for allotments in future years.

Subsection (c) provides that the Secretary shall make payments to States from the allotments determined under Subsection (b). Any funds unobligated by the States at the end of a fiscal year are to remain available to a State for the next fiscal year, for the same purposes as originally given.

Subsection (d) limits the use of funds to States under Section 17 to payment for the provision of nutrition assistance to children and related activities such as planning, administration, education, technical assistance and evaluation. States may not use funds given under Section 17 to (1) purchase or improve land, or purchase, construct, or permanently improve buildings or facilities, or purchase major equipment, except food service equipment; (2) satisfy any requirement for the expenditures of non-federal funds as a prerequisite for receipt of Federal funds; (3) provide financial assistance to an entity other than a public or non-profit private entity or an entity participating in the Child Care Food Program; or (4) provide funds to any Head Start Program for activities formerly funded under the Child Care Food Program, since a transfer of Child Care Food Program funds to the Head Start Program will be made so that Head Start grantees will receive Federal funds from only one government agency.

The children now participating in the CCFP through Head Start centers will not be affected by the transfer. The Secretary may, upon demonstration by the State that extraordinary circumstances exist, waive the restrictions regarding land purchase or construction.

Subsection (e) requires each State, as a prerequisite to receipt of funds under Section 17, to submit an intended use report to the Secretary. The report must contain a statement of the State's goals and objectives in using funds, a description of the types of activities to be carried out, the geographic areas and characteristics of individuals to be served, and the criteria for and method of fund disbursement.

Subsection (f) requires States to prepare annual reports concerning activities carried out under Section 17. These reports will describe how the State has met the goals and objectives established in their intended use report. States are required to establish and maintain fiscal control and fund accounting procedures to ensure proper disbursal of and accounting for Federal funds. States are also required to conduct biennial financial and compliance audits of activities under Section 17. These State audits are to be conducted by an entity independent of the administering agency and in accordance with the Comptroller General's standards.

After notice and hearings, a State must repay to the Secretary amounts found not to have been expended in accordance with the requirements of Section 17. If repayment is not made, the Secretary may offset the amount due from funds due the State under Subsections (b) and (c).

The State must make copies of the required reports and audits available for public inspection within the State.

Subsection (g) makes clear that activities and programs funded under this section are "receiving Federal financial assistance" for purposes of Federal legislation prohibiting discrimination on the basis of age, handicap, sex, race, color and national origin. This subsection also establishes the procedure the Secretary is to follow in assuring State compliance with the nondiscrimination provision.

VERIFICATION OF ELIGIBILITY IN THE NATIONAL SCHOOL LUNCH PROGRAM

SEC. 12. This section will provide for verification by food stamp State agencies of the information contained in applications for the NSLP.

Past experience from a National Audit, conversations with school officials, and reviews performed by State agencies and other sources indicate that problems exist in the free and reduced price application process. In response to this, the Department took steps in Fiscal Year 1982 to correct these problems through requiring the social security numbers of all adult household members to be listed on applications for free and reduced price meals, announcing only the eligibility guidelines for reduced price meals, requiring documentation of income, and proposing an income verification system for the schools.

While school officials recognize that there may be problems, they maintain that they are educators and should be allowed to concentrate their efforts on the education of the children, not the verification of information supplied on food program applications. Therefore, in order to address these concerns and the problems with the verification system, the Department proposes transfer verification to offices that administer the Food Stamp Program. The staff at these offices are well qualified to perform verification activities. Food stamp offices would be reimbursed for their services from the $19 million additional SAE funds which should be sufficient to cover their costs. The Department would realize net savings of $20.8 million in Fiscal Year 1984 through the reduction in incorrectly certified applications and the deterrence of incorrectly reported income.

ELIMINATION OF TWENTY PERCENT REFUSAL OF COMMODITIES OPTION

SEC. 13. This section deletes the provision which provides that any school participating in food service programs under the Act may refuse not more than 20 percent of the total value of commodities offered for lunches in any school year and receive in lieu thereof other commodities to the extent that other commodities are available to the State during that year. In place of this refusal authority, the State will be required to institute offer and acceptance procedures for school lunch commodities. This is a system by which the State "offers" or makes known to the schools what commodities are available for distribution. The school then "accepts" or indicates the items it wishes to receive. In addition, schools may request alternate commodities, to the extent they are available, to replace those they do not wish to accept. (For purposes of the new subsection, "Alternate Commodities" would not include any commodities designated as a bonus over and above the level of assistance to be provided to the State under Section 6(e) of the Act.)

This new system should not be a hardship on States since many already have in place offer and acceptance procedures. The new system accomplishes the same objectives as the 20 percent refusal requirement but it entails less paperwork.

ELIMINATION OF OBSOLETE PROVISIONS

SEC. 14. This section amends and repeals several actions of the National School Lunch Act to eliminate various obsolete provisions.

CONFORMING AMENDMENTS

SEC. 15. This section amends the National School Lunch Act and the Child Nutrition Act of 1966 to delete references to the School Breakfast, Summer Food Service and Child Care Food Programs.

EFFECTIVE DATE

SEC. 16. The effective dates for the individual provisions will be established in regulations or notices published in the Federal Register. Some sections that are non-discretionary can be made effective more quickly than others. The proposal to require verification at food stamp offices will require proposed rules to determine the most appropriate procedures to implement, and coordination between State agencies to begin the system.●

THE INTERNATIONAL MONETARY FUND

HON. GEORGE C. WORTLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. WORTLEY. Mr. Speaker, in the coming weeks, the House of Representatives will begin its deliberations on legislation reauthorizing U.S. participation in the International Monetary Fund.

Because so much has been written about the IMF that is inaccurate, I thought my colleagues would appreciate a simple explanation of what the Fund does and why it is important that the United States continue to play a major role.

The International Monetary Fund is the sole protector of the international payments system. The goal is to promote and foster world trade.

The IMF does not fund projects, make loans to exporters, guarantee or insure commercial bank loans, or finance trade deals. It does not subsidize loans or charge below-market rates. It does not take over bad commercial bank loans. The IMF lends only to sovereign governments to help with the balance of payments. The purpose is to help countries with balance-of-payments deficits until they can return their balance of payments to equilibrium.

When a IMF member country experiences balance-of-payments troubles, the IMF can impose "conditions" on any loan it makes. The IMF can make the country put its financial affairs in order. The IMF has the clout to do that with a sovereign country because it is the borrower of last resort and because all members have agreed to IMF rules by treaty.

World trade depends upon the buyer's ability to pay for goods in a currency that the seller can use. If the buyer pays in local currency, the seller must either buy something with the local currency in the local economy, or convert the payment to an international medium of foreign exchange, such as the dollar.

The only place you can buy something with a Venezuelan Bolivar is Venezuela. You can only spend a peso in Mexico, and a cruzeiro in Brazil. And therein lies the crux of the world trade and debt crisis.

When a country runs a balance-of-payments deficit, it may run out of usable foreign exchange. If that happens, local currency cannot be converted to a currency the seller can use. So the country must boost exports or cut imports to the level of its exports, or borrow foreign exchange from a source such as the International Monetary Fund.

The IMF is one of the least understood organizations of the time, although it is crucial to our national well-being. As such, certain questions are asked by both Members and constituents. I would like to take this opportunity to respond to some of them.

WHY SHOULD I VOTE TO BAIL OUT THE BIG BANKS?

An IMF adjustment program is the direct opposite of a bank bailout. The IMF does not guarantee any loans, and it does not take over any loans already made. In fact, it usually requires commercial banks to lend more to the country to tide it over until equilibrium is restored in its balance of payments. The IMF lends only to nations, never to private borrowers.

The key to understanding the international debt crisis is the concept of country risk or transfer risk. When a nation incurs a severe balance-of-payments deficit, it may be unable or unwilling to obtain enough foreign exchange to service external indebtedness. So it may not be possible to repay a loan for a perfectly sound project, such as a profitable powerplant, because the local currency cannot be exchanged to provide foreign exchange to a nation encountering such a problem until it can restore equilibrium to its balance-of-payments accounts.

WHY DID THE BANKS MAKE ALL THOSE LOANS ANYWAY?

The loans were not made indiscriminately, but to support U.S. trade and exports. The United States now exports 40 percent of agricultural production and 20 percent of manufacturing production, and those sales had to be financed. Certainly our foreign competitors will not finance U.S. sales.

Another factor was the OPEC cartel. Banks were encouraged to recycle the huge balance-of-payments surpluses that OPEC generated by increasing oil prices to countries that incurred balance-of-payments deficits. The recycling was successful in 1974 and had to be repeated in 1979, greatly increasing the debt burden of the non-oil-producing countries.

DOES THE IMF HURT U.S. EMPLOYMENT?

Without IMF programs, countries with debt problems would be forced to make drastic changes in their trade policies, virtually curtailing imports. The most important growth sector for U.S. exports today is in the lesser developed nations, many of which are experiencing debt problems that the IMF is helping to adjust. In 1980, 5 percent of the total civilian work force was engaged in manufacturing goods for export, and many more jobs are at stake in the service and agricultural sectors. The IMF is vital to preserving the stable world economy and trading system upon which so many American jobs depend.●

MX MEANS INSECURITY

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Ms. KAPTUR. Mr. Speaker, the House will shortly be considering amendments to the fiscal 1984 defense authorization bill to delete funding for the MX missile. Before this pending floor action, I urge my colleagues to consider the insights and advice of two experts in the arms control field, Paul C. Warnke, chief negotiator at the strategic arms limitation talks from 1977 to 1978, and Alan B. Sherr, president of the Lawyers Alliance for Nuclear Arms Control, and author of "The Case Against the MX Missile." This article which appeared in the New York Times, May 29, 1983, follows:

[From the New York Times, May 29, 1983]

MX MEANS INSECURITY

(By Paul C. Warnke and Alan B. Sherr)

BOSTON.—The MX has been sold to Congress as a boon to nuclear arms control negotiations. This is more than wishful thinking—it is destructive self-deception. The fact is that the MX would seriously weaken our negotiating position at the strategic arms reduction talks and might well undercut one of our most important nuclear arms agreements, the Antiballistic Missile Treaty.

Members of Congress who have been justifiably skeptical of the military rationale for building the MX now find comfort in the Administration's argument that the MX will facilitate agreement with the Soviet Union. This fundamental shift was precipitated by the Scowcroft commission's conclusion that missiles with multiple warheads are destabilizing and that we should therefore gradually return to single-warhead missiles. As a corollary, the commission suggested a change in negotiating strategy—that we stop counting launchers and instead count warheads. This would eliminate the incentive to pack many warheads on each missile and would accelerate the shift to single-warhead missiles. Having given all the right reasons for not building the 10-warhead MX, the commission nonetheless

recommended that it be deployed while we develop a single-warhead missile.

What effect would this have on the strategic arms reduction talks? The Administration's proposal is that both sides should reduce their respective arsenal to 5,000 strategic ballistic missile warheads—not more than half of them on land-based missiles. Deploying the MX would mean that the United States would have 1,000 of its 2,500 land-based warheads tied up in only 100 missiles—100 potential targets. This is a giant step in the wrong direction. (We currently have 2,100 warheads spread among 1,000 Minuteman II and III missiles.

The Administration's proposal would thus require that we provide more-attractive land-based targets to the Soviet Union while we agree to reduce the number of warheads on invulnerable American submarines. We could, of course, amend our proposal to raise the ceiling above 5,000 warheads to make room for the MX and the new single-warhead missile. But this would hardly seem a constructive proposal for arms reduction negotiations.

The MX would thus present a long-term obstacle to reaching strategic stability. Relative stability could be achieved if each side reduced its arsenal to an agreed equal number of single-warhead missiles—say, 1,000 land-based missiles and warheads each. Why would this be more stable? Because it would take at least one single-warhead missile to destroy each of the adversary's single-warhead missiles—a fact that makes such missiles not worth shooting at. In contrast, our 1,000 warheads on 100 MX missiles would be increasingly attractive targets, especially as they would pose a first-strike threat to Soviet forces. The MX would thus serve as a beacon, inviting a first-strike attack.

The MX is also likely to undermine one of the most important arms control accomplishments to date—the Antiballistic Missile Treaty of 1972. This treaty, and its 1974 protocol, allow each superpower only one antiballistic missile site, and sharply restrict the number of radar and interceptor devices that may be deployed. But now there will be growing pressure to construct an antiballistic missile system to "protect" our investment in MX missiles in their theoretically vulnerable Minuteman silos. This would likely require amendment or abrogation of the treaty.

Congress's decision this week to release $625 million in fiscal 1983 for testing the MX reflects less an endorsement of the MX than an endorsement of nuclear arms negotiations. Congress will soon be deciding whether to provide more funds if fiscal 1984 to build the missile. Before this money is appropriated, Congress should consider a more direct means of achieving nuclear arms reduction.

Congress should impose a moratorium on MX preduction exenditures for a set period—say, six months. During that time, the Administration would be asked to propose a mutual and verifable freeze on testing and deployment of new multiple-warhead land-based missiles, including those such as the MX that are allowed under the terms of the SALT II treaty. The President would report to Congress on the progress of this proposal. If Congress concluded that a satisfactory agreement could not be reached, then the moratorium could be suspended. This is similar to the procedure used effectively by Congress with regard to the freeze and release of 1983 funds. It is well worth a second try before we commit ourselves to a dangerous and counterproductive investment in the MX.●

PLUTONIUM FREEZE RESOLUTION

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. OTTINGER. Mr. Speaker, today, my distinguished colleague MORRIS UDALL and I are introducing a joint resolution calling for a mutual, verifiable freeze in the production of the nuclear explosive plutonium. More than 60 Democratic and Republican Members of the House of Representatives have joined as original cosponsors of this initiative. Senators GARY HART and ALAN CRANSTON will soon introduce an identical resolution in the Senate.

Our resolution calls for the United States, the Soviet Union, and other countries that have the technology to produce separated plutonium to enter into negotiations, without delay, for a halt in the further production of separated plutonium for any purpose and a halt in the export of technology for such production. The objective is to seek an agreement that will prevent separated plutonium, a material that can be used directly to produce nuclear weapons, from becoming an article of domestic and international commerce.

Further, the resolution calls for additional negotiations which would yield an agreement among all nations, to reject the commercial use of separated plutonium as a nuclear power reactor fuel and to base civilian nuclear power technology only on fuel unsuitable for use in weapons. Agreement would also be made to make abundant, secure, and economic supplies of natural and low enriched uranium available for that purpose.

This plutonium freeze resolution is intended to help prevent the spread of nuclear weapons-making capability to nonnuclear nations, and subnational or terrorist organizations which seek that capability.

The need to cease the production of separated plutonium has never been greater. There have been recent warnings from the International Atomic Energy Agency (IAEA) and U.S. Nuclear Regulatory Commission that separated plutonium cannot now be adequately protected or safeguarded against theft or diversion to build nuclear weapons. Moreover, commercial reprocessing of spent nuclear fuel and the development and use of breeder reactor technology could eventually put thousands of tons of this dangerous nuclear material into the hands of any nation. This would invite theft by terrorist or revolutionary groups which wish to acquire the ingredients for making a nuclear weapon. While only about 15 pounds of this material is needed to make a nuclear bomb, the commercial use of plutonium would make it available by the ton.

Mr. Speaker, it should be made clear that although this resolution is antiplutonium, it is not antinuclear energy. The use of plutonium as a commercial nuclear fuel is far from necessary or essential. In fact, use of plutonium as a substitute for uranium is currently very uneconomic. Uranium resources to fuel existing light water reactors are already sufficient to meet world energy needs well into the next century. Furthermore, we can substantially extend these uranium resources if we adopt new, far more efficient technologies to enrich nonweapons usable uranium and to utilize it more effectively. Improvements are now being demonstrated that can make uranium consumption about 25 percent more efficient in conventional operating nuclear reactors. Moreover, further fuel efficiency improvements are technologically feasible. This increased uranium efficiency would make plutonium use even less economical than it is today. These improved enrichment and reactor technologies can be developed much sooner and at far lower cost than breeder reactors and reprocessing plants. However, the most important aspect of these technologies is that they make the use of plutonium unnecessary and the possibility of proliferation more remote.

In commenting on congressional efforts to control the nuclear arms race, an editorial in a September 1982 edition of the New Republic, endorsed the concept of a plutonium freeze. The editorial, entitled "Let's Freeze Plutonium," stated:

> The freeze movement has tended to ignore—and has allowed the Administration to ignore—the threat to humanity posed by the spread of nuclear weapons to nations and movements that are far less stable and responsible than the United States and the Soviet Union. For all the justified anguish it has aroused, the possibility of a nuclear war between the superpowers is in fact comparatively small. But the danger of war will be far greater once balances of nuclear terror exist—as surely they will, if matters continue as at present in South America, the Indian subcontinent, the Middle East, and East Asia. And if nuclear weapons spread to shaky dictatorships, they can fall into the hands of terrorist groups, military plotters, and political and religious fanatics. There is still time to forestall the proliferation of nuclear weapons in the world, but it will take leadership from the U.S.

Mr. Speaker, it is up to those of us in the Congress to provide this leadership. I urge my colleagues to view the use of plutonium as a direct threat to world security and to join with Representative MORRIS UDALL and myself in supporting this call for negotiations to stop the threat of a nuclear catastro-

phe by freezing the further production of separated plutonium.●

NICARAGUA'S PERSECUTION OF ITS JEWISH COMMUNITY

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. HYDE. Mr. Speaker, I have just received a press release from the Anti-Defamation League of B'nai B'rith recounting persecution of the Jewish community in Nicaragua. To those of my colleagues who are concerned about Soviet persecution of the Jewish people, I commend to their study the transference of this same Soviet religious terror much closer to home in Central America.

The press release follows:

NEW YORK, N.Y., May 23.—The Sandinist Government of Nicaragua has forced the country's entire Jewish community into exile, confiscating Jewish-owned property and taking over the synagogue in Managua, according to the Anti-Defamation League of B'nai B'rith.

Rabbi Morton B. Rosenthal, director of the League's Latin American Affairs Department, made the disclosure in an article prepared by him for publication in the ADL Bulletin, the agency's national publication.

Rabbi Rosenthal, who last visited Nicaragua shortly before the Sandinists came to power in 1979, said the government of Nicaragua has been unresponsive to ADL appeals to end "these human rights violations" and permit the return of the Jews to their country.

The forced exodus of the Nicaraguan Jewish community—numbering about 50—took place after the Somoza regime was overthrown. Their ouster was effected, the article said, by subtle and direct threats or by forcible measures.

The case of Isaac Stavisky, a textile engineer, who was out of the country at the time of the Sandinist victory, was cited as an example. Mr. Stavisky, the article said, was advised that he should not return to his country "for his own safety because he and his brother-in-law were considered enemies of the revolution."

The president of the Nicaraguan Jewish community, Abraham Gorn, was jailed after the Sandinist victory. "Gorn," Rabbi Rosenthal wrote, "who was then 70 years old, was falsely accused of stealing land and was forced to sweep streets during the two weeks in his confinement."

Six months later, he went on, Sandinists summarily ousted him from his factory and took it over. The Sandinists told factory workers to threaten to bomb his car if he returned. Mr. Gorn was quoted as saying that Carlos Arguello, currently Minister of Justice, confiscated his bank account and "then kicked me out of my home."

Despite the departure of the Jewish community, Rabbi Rosenthal said, anti-Semitism still exists in the country. In July, 1982, he said that a Managua newspaper, Nuevo Diario, which often reflects government policy, published articles that were filled with virulent anti-Semitic statements such as a reference to "synagogues of Satan."

The Sandinists have also converted the synagogue in Managua into a children's social club, covering exterior Stars of David with propaganda posters and adorning the inside walls with anti-Zionist propaganda.

Nicaraguan Jews, according to the article, cite the long and close relationship between the Palestine Liberation Organization and the Sandinists as a source of their problems.

The article described how the P.L.O. has provided weapons, training, money and even fighting men for the Sandinist battle against the Somoza regime. It quotes Jorge Mandi, a Sandinist spokesman, in an interview in a Kuwaiti newspaper in 1979, as declaring that "there is a long standing blood unity between us and the Palestine revolution," and recalling that Sandinist troops fought alongside the P.L.O. in Jordan during the Black September battles.

Nicaraguan Jews, according to the ADL Bulletin piece, claim that because of the close P.L.O.-Sandinist relationship, Nicaraguans of Arab descent have been able to remain in the country, continuing business activities similar to those engaged in by the departed Jews who went to the United States, Israel or other Central American countries.

The article states that ADL has sought to alleviate the plight of Nicaraguan Jews in ongoing discussions with Nicaraguan diplomats for two years. In New York in 1981, the League brought the problems to the attention of Nicaragua's Foreign Minister, Miguel d'Escoto, who promised to investigate the complaints.

Subsequently, Nicaraguan officials promised to review confiscation cases but have not yet delivered any response, nor have the responded to ADL requests to state the conditions under which Jews could return to their country.

Noting that Minister of Justice Arguello said at a recent meeting of the Human Rights Committee at the United Nations that the government would consider a request from Nicaraguan Jews that the synagogue be returned to them as a place of worship, Rabbi Rosenthal said:

"This is a meaningless promise in a country without Jews."●

TESTIMONY FOR HEARINGS ON THE IMPACT OF MILITARY SPENDING ON CHICAGO AND ALTERNATIVES FOR 1984

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mrs. COLLINS. Mr. Speaker, for the last several days I have been inserting statements into the CONGRESSIONAL RECORD made by concerned individuals who voiced their distress regarding defense appropriations. They speak with urgency—their directive is strong. In turn, we in Congress must represent all of America's best interests and take issue with the proposed defense appropriations for fiscal year 1984.

Our approach has and must continue to come from the grassroots level. People like Gertrude Berger, Sidney DeKoven, and William Rollow, all of Chicago, have made a statement we all must heed. They advocate allocation of funds back into social, educational, transportational, and other programs that sorely need and miss it.

I have always been a strong supporter of an adequate defense. But, more importantly, I unequivocally support efforts such as the Dellums fiscal year 1984 defense appropriations alternative which will help our financially stricken social programs. It is in this way that we will best reflect the efforts of the people and of Congress.

Today, Mr. Speaker, I would like to introduce Patricia Horne, public affairs associate for the Midwest Women's Center. Her testimony is one which I commend and would like to share with you.

The testimony follows:

TESTIMONY FOR HEARINGS ON THE IMPACT OF MILITARY SPENDING ON CHICAGO AND ALTERNATIVES FOR 1984

My name is Patricia Horne. I am a Public Affairs Associate for the Midwest Women's Center. Founded in 1976, our agency is one which primarily devotes itself to employment counselling and placement of women in Chicago. We also provide general information and referral services and advocate for women's rights in areas of public policy. Each year we serve thousands of women both in person and by telephone. In any given month, approximately 100 women walk through our doors seeking assistance in finding a job. Looking at the demographic profile of these women, most are black, over half have high school diplomas or some college courses; and one fourth are on public assistance. Almost all have been looking for employment for some time and are under a great deal of stress.

United States Department of Labor statistics for March, 1983 indicate that the overall unemployment rate for women in Illinois was 11.5%. Broken down by race, there was a 28% unemployment rate for black women and a 9.3% unemployment rate for white women. This problem is further compounded when the rate of discouraged workers and workers who are without a job due to home responsibilities is added. This figure has run at approximately 5% from quarter to quarter and has been much more significant for women than men.

When we think of women and the military, an image of "Rosie the Riveter" comes to mind. Though women did indeed make their contributions to the World War II effort, then as now, they were ripped off by those who wanted to promote the war and then were dropped when they were no longer needed.

Of course programs which receive federal funds—CETA, WIN, Displaced Homemaker programs—which have been most beneficial to women in employment training have also received the harshest treatment from the Reagan administration. These programs are drastically cut or eliminated while overruns in military spending abound. Furthermore cuts in Illinois state employment of women has also been drastic. Twenty-five percent of all state jobs are funded through the federal government. Sixty percent of the AFSCME lay-offs which have taken place since President Reagan took office and under the Thompson administration, have been of women (in the Departments of Mental Health and Developmental Disabilities, Public Aid, Labor, and clerical positions in all departments)

We support the Dellum's proposal to cut military spending from 1984-88 by $600 billion. We believe that these funds could be spent in more productive ways. Areas in which women can be productively employed so that they can feed, house and care for their families and themselves. We urge your support for this measure and hope, as our elected officials, that you will promote this proposal at all levels of government.●

IN RECOGNITION OF MR. TOM PAUR, "SMALL BUSINESS MAN OF THE YEAR" FROM THE STATE OF WASHINGTON

HON. ROD CHANDLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. CHANDLER. Mr. Speaker, it was with no surprise whatever that I greeted the news of my friend, Tom Paur, being selected as "Small Business Man of the Year" from the State of Washington by the Small Business Administration.

Not only has Tom demonstrated the ability of founding and managing to success a small business, he is a citizen who takes an active part in the affairs of his community. His business is a model for those who dream of owning and managing their own company. He employs a staff of dedicated employees who recognize the importance of the service they provide. They are well-paid professionals who take their own part in their community.

Tom is a man, who despite the pressures of business ownerships, still finds time to involve himself in important projects in the community. He has become a leader in his church where he led a fundraising effort. He is active in the chamber of commerce and has been a key figure in an annual community festival. And, he devotes his efforts to government affairs ranging from issues before the school board to questions of national significance.

Following is a transcript of the speech by John Talerico, Acting District Director of the U.S. Small Business Administration in Seattle, delivered the day Mr. Paur was presented with his award. It is a fitting tribute to a man who has given much of himself to those who work for his business, who attend his church, and who live in his community.

It is with a great deal of personal pleasure that I come here today to honor Tom Paur, the State of Washington selectee for Small Business Man of the Year. Mr. Paur can be proud to be one of America's small business entrepreneurs.

Small businesses create well over half of the new jobs created in the U.S. today. Small businesses weathered the recession better than big businesses, laid off fewer people and are today in a better position to hire. This means small businesses are a major force in this Nation's economic recovery; 90 percent of the 2.7 million jobs lost in the period from July 1981 through December 1982 occurred in mining and manufacturing dominated by big business while financial, insurance and real estate dominated by small businesses actually gained 65,000 jobs and the service sector also dominated by small businesses gained 528,000 jobs.

There were about 560,000 new businesses incorporated in 1982, just about all of them small firms. Between 1979-81 almost 2.8 million jobs were added to U.S. industries. Small firms with under 500 employees accounted for 60 percent of this increase.

In 1980, the latest statistics available, there were 16.8 million businesses in the U.S. of which 13.3 were non-farm businesses. About 98 percent of these firms were small by SBA standards. The bulk of these businesses are sole proprietorship. In 1982, small business received about $45 billion in Federal procurement, a record for any one year.

Small business continue to lead the Nation in innovations. Studies show small firms produce 2½ times as many innovations as large firms relative to the number of people employed.

During the 20th century, innovations by small firms include the aerosol can, air conditioning, bakelite, continuous casting, cotton picker, foam fire extinguisher, geodesic dome, gyrocompass, heart valve, heat sensor, helicopter, hydraulic brake, optical scanner, outboard engine, pacemaker, Polaroid camera, precast-concrete, quick frozen food, safety razor, vacuum tube and zippers to name a few.

The small business innovation development program enacted in July 1982 will channel $45 million worth of Federal R&D funds to small hi-tech firms in fiscal 1983 and 10 times that amount by fiscal 1987. Under the program ten Federal agencies with outside R&D budgets of $100 million or more must channel more of their R&D funds to small firms.

A pool of about $7 billion in venture capital is now available to small firms through independent private venture funds, small business investment companies and corporate venture funds.

These contributions of small businesses are significant in helping to foster the economic stability and employment recovery so vital to our cities, States, and Nation.

It is for these reasons and more that I said Tom Paur can be proud to be one of America's small business entrepreneurs. Tom is the owner of Intergraphics, Inc., which provides applied precision photographic technology to industry. These services are computer output, microfilm, printed circuit board photomasks and computer aided design. Intergraphics has a national customer BVOASE which includes banks, utilities, oil companies, electronic firms and aerospace companies. Since the inception of the company in 1969, Intergraphics has enjoyed an average growth rate of 42 percent annually. The number of employees has grown from one to twenty-three.

I invite you all to join me in applauding Tom Paur for his contribution to economic growth in his community significant enough to earn him the selection of Small Business Person of the Year for the State of Washington.●

TENANT TAX EQUITY

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. GREEN. Mr. Speaker, there is a great inequity and discrimination in the Internal Revenue Code. Under current law, homeowners are allowed to take a deduction for real estate taxes and mortgage interest paid during the taxable year in determining their taxable income. This is contrasted to the fact that renters, who pay a portion of the real estate taxes indirectly through their rent, are not allowed to receive any tax benefit for having paid their proportionate share of the same expenses allowed to homeowners.

I am introducing a bill that would correct that inequity by amending the Internal Revenue Code of 1954 to permit tenants to take a deduction for real estate taxes now paid indirectly through their rent. If the State or local law provides that the landlord is the real estate tax collection agent for his tenants, then my bill would allow the deduction "above the line"; that is, as a deduction from gross income in determining adjusted gross income as opposed to itemizing the deduction. This would benefit those tenants who do not itemize their deductions as well as those who do.

In addition to putting the renter on a more equal footing with homeowners, my bill would also provide other benefits. It would—

First, make the tax system more progressive and lessen the tax burden on lower income taxpayers, for, according to the Department of Housing and Urban Development, in 1980 over 65 percent of the household rental units were occupied by families with incomes under $18,000. The median rental family income was $13,400 while the median owner-occupied income was $21,800.

Second, remove bias and enable individuals to decide whether to rent or purchase on considerations other than taxes. The current preferential tax treatment of homeowners distorts the choice between homeownership and rental housing and therefore interferes with economic efficiency.

Third, make it easier for individuals to live in rental housing and to some degree mitigate the need for housing subsidies.

Fourth, help stem the flight to the suburbs, which is partially responsible for the deterioration of our central cities, since it would no longer be a home in the suburbs than to rent in the city.

I urge the Ways and Means Committee to hold hearings on this important

question as soon as possible and I urge all my colleagues to consider my bill:

H.R. 3184

A bill to amend the Internal Revenue Code of 1954 to allow a deduction for real estate taxes imposed on tenants

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 164 of the Internal Revenue Code of 1954 (relating to deduction for taxes) is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) REAL PROPERTY TAXES IMPOSED ON TENANTS.—

"(1) IN GENERAL.—If under any State law—

"(A) a person (hereinafter in this subsection referred to as the 'tenant') renting residential real property from another person (hereinafter in this subsection referred to as the 'landlord') is treated as having an interest in real property,

"(B) a tax is imposed on such interest based on the assessed value of the residential real property being rented,

"(C) the tenant is personally liable for the tax imposed on such interest, and

"(D) the landlord is treated as an agent of the State or local government for purposes of collecting the tax imposed on the interest of the tenant, then such tax collected from the tenant in accordance with such State law shall be allowable as a deduction under subsection (a) to the tenant.

"(2) TREATMENT OF LANDLORD.—In any case to which paragraph (1) applies, no amount shall be included in the gross income of the landlord by reason of any taxes collected by the landlord as an agent of the State or local government."

(b) Section 62 of such Code (defining adjusted gross income) is amended by inserting after paragraph (16) the following new paragraph:

"(16) REAL PROPERTY TAXES IMPOSED ON TENANTS.—The deduction allowed by section 164(a) to the extend attributable to section 164(f)."

(c) The amendments made by this Act shall apply to taxable years ending after the date of the enactment of this Act.●

CALIFORNIA'S ROSE "OLYMPIAD"

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mrs. BOXER. Mr. Speaker, I note with California pride the fact that the official rose of the 1984 Olympics is "Olympiad," produced and grown in California. I congratulate the California grower, Armstrong Nurseries of Ontario for their accomplishment. I also would like to mention their substantial role in beautification of our country. To date they have donated 20,000 Olympiad rosebushes to public gardens, parks, and cities across the United States, including 7,500 to the city of Los Angeles where the Olympics will be held.

I understand that Olympiad is the only red rose whose blossoms never lose their vibrant color. This is a particularly fitting flower to represent the Olympics. It is also fitting and commendable that Armstrong Nurseries has joined with Los Angeles Beautiful, Inc. to provide royalties and proceeds from the sales of the Olympiad rose for the beautification of California, in preparation for the Olympics. With this type of support and enthusiasm, the California version of the Olympics is off to an excellent start.●

AN EXAMPLE OF COURAGE AND COMPASSION

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. WALGREN. Mr. Speaker, I want to call to the attention of other Members of Congress an act of bravery and compassion performed by one of my young constituents, Thomas Colcombe of Penn Hills, Pa.

As he was delivering newspapers, Tom encountered a disturbance. A 9-year-old boy, James Titera, was being attacked and mauled by four stray dogs and was struggling to escape. Ignoring the potential for harm to himself, Tom rushed to young James' rescue. Using only a 2 by 4 board, Tom attacked the dogs and quickly freed James from his ordeal. Tom then hurried inside and administered to James' many wounds, which ultimately required over 75 stitches. There is no question that Tom's actions saved James Titera from more serious injury and perhaps death.

At a time when our Nation faces distress and we continue to hear news reports of incidents like this when no one steps in to help, we should all be heartened by the courage of this young man. I am pleased to note that Tom Colcombe is about to receive his Eagle Scout Award and also the National Meritorious Award from the Boy Scouts of America for his bravery in aiding James Titera. Tom is a deserving and brave young man and his actions serve as a reminder of the spirit of America's youth which should give us great hope for the future of our Nation and our people.

Tom deserves a special salute. I know my colleagues share with me in extending our tribute to Thomas Perry Colcombe and in wishing him success in the years ahead.●

TRIBUTE TO JAMES J. CARROLL

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. RODINO. Mr. Speaker, this Friday night the many friends and colleagues of James J. Carroll will gather in West Orange to pay tribute to him. Jim recently retired after three terms as business manager and secretary-treasurer of the Laborers' Union Local 472, AFL-CIO.

The theme of the testimonial dinner plainly states the way Jim is regarded by those who know him: "A Hard Working Man for Men Who Work Hard." Jim has dedicated himself for 35 years to the union and, more important, its members. As leader of New Jersey's largest heavy and highway construction local, Jim has brought progressive leadership and sound management to all the positions he has held. Prior to his terms as business manager, Jim served 6 years as president, a term as vice president, 15 years as a member of the executive board, and spent earlier years in the field as a foreman, steward, and laborer.

Jim's achievements really rest in the reputation he earned for himself and for the local itself. The local has been cited for top honors three times in the past 6 years by the National Safety Council of America. Jim can look with pride on the fiscal stability of the local's funds, to the recently negotiated contract, and to the sense of pride and dignity of the workers themselves.

Jim has been a good friend and an ally for many years. On the occasion of his retirement, it is a privilege to be able to show my appreciation for all he has done for workers in New Jersey. His devotion and spirit will guide the laborers for many years past his retirement and his legacy will continue in the accomplishments of his career.●

RESTRUCTURING OF THE STEEL INDUSTRY

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. LaFALCE. Mr. Speaker, David M. Roderick, chairman of the United States Steel Corp., made a speech yesterday, which was reported in this morning's Washington Post, calling for "a more liberal interpretation" of the Federal antitrust laws to permit mergers and joint ventures between domestic steelmakers. This speech is important because Mr. Roderick was speaking to the 91st general meeting of the American Iron and Steel Institute in his capacity as chairman of that institute.

I applaud Mr. Roderick's recognition that our steel plant facilities need to be modernized and rationalized in order to be competitive internationally. I think this structural approach is better than the unfocused tax preferences that have been given to the steel industry in the past. These tax savings all too often were used not for mod-

ernizing steel plants, but for nonproductive acquisitions of other corporations.

At this point, I am not ready to make a suggestion on the most effective policy mechanism to encourage the modernization of the steel industry or other basic industries. Changes in the antitrust laws to permit mergers in these industries may or may not be the best course. Another approach that has support is the establishment of a new institution to encourage business, labor, government, and other representatives to sit down together and develop a consensus on how to make such structural adjustments.

We will be exploring this problem of modernizing our basic industries to make them more competitive in hearings the Subcommittee on Economic Stabilization will be holding on industrial policy. The first set of hearings is scheduled to begin June 9.

The Washington Post article follows:

STEELMAKERS CALL FOR EASING OF RESTRICTIONS ON MERGERS

(By Warren Brown)

NEW YORK, May 25.—The chairman of the nation's largest steel company today called for "a more liberal interpretation" of federal antitrust laws to permit mergers and joint ventures between domestic steelmakers that could go out of business if forced to stand alone.

"The federal government should adopt a policy which helps create a more competitive steel industry capable of competing with any nation," United States Steel Corp. Chairman David M. Roderick said.

"A more liberal interpretation of the laws regarding mergers is necessary if this is to be so. If such interpretation is not possible, enabling legislation should be enacted so that the steel industry can continue to remain within the private sector as a world-class competitor," Roderick said in his capacity as chairman of the American Iron and Steel Institute, which is holding its 91st general meeting here.

Much consolidation of existing steelmaking capacity in the United States, within and across corporate lines, "could be accommodated under present statutes" if federal officials are willing to view the industry as a collection of facilities, as opposed to a group of companies, Roderick said after his speech.

A steel industry push for new antitrust laws would come only if the liberal interpretation approach "proves unworkable," he said. In any case, what is needed is a body of law reflecting the global business conditions of 1983, "not something that is in keeping with the business climate of 1890," Roderick said.

"To continue looking at the steel industry as if the only producers were domestic companies located in a very limited geographical area . . . just doesn't mean a whole lot in 1983," when domestic steel, currently in its worst economic slump since the Great Depression, is being battered by foreign competition, Roderick said.

Some Wall Street analysts agree. "What you have in a lot of cases are steel plants that have been partly modernized, but very few that have been completely modernized," said Charles A. Bradford, an analyst with Merrill Lynch, Pierce, Fenner & Smith, Inc., in response to Roderick's remarks. "That means you have some companies with great casting mills, but poor raw steel production facilities."

Such companies may not have the capital to upgrade their production plants. And their failure to make needed improvements could lead to total shutdown of their operations, Bradford said. Under eased antitrust laws, steel companies with strong production facilities, for example, could merge with those having strong casting facilities, thereby avoiding the complete shutdown of both companies, Bradford said.

Had eased antitrust laws been in effect, the nation might have been able to save some of the 200 domestic steel facilities that have been closed permanently since 1974, Bradford said.

According to other analysts here, some domestic steel companies that might benefit from merger include Jones & Laughlin Steel Corp., a subsidiary of The LTV Corp., and Republic Steel Corp.●

CHIEF EUGENE P. "WIZZARD" BARNES HONORED

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. HUNTER. Mr. Speaker, this Friday, June 3, I will have the privilege of being represented at the dedication of the Barnes Academic Building at the Fleet Combat Training Center, Pacific in San Diego. I am here today to honor the man for whom the building is being named, Operations Specialist Senior Chief Eugene P. "Wizzard" Barnes. Wizzard, which was his radio call sign and of his own spelling, served his country in the U.S. Navy as an air intercept controller (AIC). An AIC is responsible, through radio and computer link with fighter aircraft, for positioning the aircraft to detect enemy aircraft and Wizzard was one of the best, earning him not only the respect of the pilots he worked with, but also the admiration and gratitude of the students he trained. As an AIC, Wizzard directed and controlled many fighter planes. While serving aboard the U.S.S. *Truxton*, off the coast of Vietnam from August 1972 to January 1973, Wizzard was personally credited with 11 confirmed Mig kills. He also supervised all control procedures during the December 1972 combined Navy, Marine Corps, and Air Force attacks on Hanoi and Haiphong. For that, he was awarded the Bronze Star. His other awards and citations include: Navy Achievement, National Defense, Armed Forces Expeditionary, Vietnam Service, Vietnam Campaign, Republic of Vietnam Navy, Good Conduct, and Meritorious Citation. After Vietnam, Wizzard served Fleet Combat Training Center, Pacific where the Barnes Academic Building is located, from October 1975 to July 1978. He trained many AIC's in the proper control of F-14 Tomcats and F-4 Phantoms. His patience and rapport with his students and his unfailing demand for quality were universally recognized. His commitment to excellence also enabled his students to effectively control the SH-3, Seaking and SH-2 antisubmarine warfare helicopters in their mission to detect and attack enemy submarines.

Therefore, Mr. Speaker, I urge you and the rest of my colleagues to join me in honoring Operations Specialist Senior Chief Wizzard Barnes for his dedication and service to this country. His widow and three children remember him with love and respect; it is my hope that we here can learn from his patriotic example.●

HEALTH ASSISTANCE FOR THE UNEMPLOYED ACT OF 1983

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. FRENZEL. Mr. Speaker, my colleague, Mr. JENKINS, and I have today introduced legislation designed to provide health care benefits to the unemployed. Our bill, the "Health Assistance for the Unemployed Act of 1983," is designed to insure that all unemployed individuals and their families, in all States, will be entitled to health care protection.

Generally, our bill would require employers, as a condition of maintaining the tax deductible status of their group health plans, to provide unemployed individuals with a means of continuing some form of health protection for the unemployed worker and his/her family. Under the bill, an employer would be required to: One, provide an open enrollment period of at least 30 days in which unemployed spouses or dependents could enroll in their spouse's group health plan; two, provide the ex-employee with a 3-month continuation of either the current group policy or a lesser benefits package at the option of the employee; three, permit the ex-employee the option to convert to individual coverage without evidence of insurability.

The bill also creates a new health-care-for-the-unemployed block grant program. Under the program, such sums as are appropriated will be distributed to the States on a quarterly basis based on a formula designed to insure that all States receive a portion of the money appropriated for the program. The formula will insure that each State will receive its fair share of the block grant money, based on its proportionate share of the unemployment in the country. Once the State has received the money appropriated, it will be able to decide how the money would best provide health care services to the unemployed of that particular State.

Mr. Speaker, we all recognize the need to provide some means of insuring that the unemployed have at least some medical protection. The bill we introduced today is simply our attempt to address that need as fairly and equitably as possible. I am certain that there are several other ways that the problem of health care for the unemployed can be resolved, and do not intend to limit my attention to today's bill. The Health Assistance for the Unemployed Act of 1983 is simply designed to further the discussion into possible solutions to a pressing problem. I look forward to working with all of my colleagues in developing an equitable program of health assistance for the unemployed, and would welcome any comments or suggestions on this issue.●

THE 100TH ANNIVERSARY OF ARKANSAS CONGRESSWOMAN

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. HAMMERSCHMIDT. Mr. Speaker, April 13, 1983, marked the 100th anniversary of the birth of Effiegene Locke Wingo, who represented the Fourth District of Arkansas in this House with honor and distinction during the early 1930's. Mrs. Wingo's survivors include a brother and my old friend and constituent, George Locke of Dequeen, Ark.

It is my honor to bring to the attention of present-day congressional colleagues, a portion of the Locke family history relating to our historical colleague, as published on Mrs. Wingo's anniversary date by the Little River News, Ashdown, Ark.

100TH ANNIVERSARY OF U.S. CONGRESSWOMAN FROM LOCKESBURG

(By Blanche Wingo Sawyer)

Effiegene Locke Wingo was born April 13, 1883, in Lockesburg, Ark., a town founded by the Locke family. She was the eldest of seven children of pioneer descendants of Matthew Locke, of Salisbury, N.C., and 18th Century statesman, a Brigadier General in the American Revolutionary War, a leader in state's affairs, the formation of the Government of the new nation, and a member of the 3rd, 4th, and 5th Congress. Her parents were George Todd Locke, a merchant, farmer, realtor, and leader in the settlement of the area, a son of James Francis Locke and Pamela Ann Miller, and Callie Blanche Dooley, a daughter of Rev. William Esom Dooley and Nancy Ann Melton. George Locke, a brother, lives at Little River Club.

Mrs. Wingo received a diploma in music from the Union Female College in Oxford, Miss., (now a part of the University of Mississippi), and a Bachelor of Art Degree (at age 18) from Maddox Seminary in Little Rock, Ark.

Mrs. Wingo, the 13th Gentlewoman of the House of Representatives, (the designation given the Ladies of the House by the Speaker, Nicholas Longworth), the second woman to represent Arkansas in the U.S. Congress, represented the then Fourth Congressional District of Arkansas from October 1930 to March 4, 1933. She was elected to a full term in the House after her election to the remainder of the unfilled term of her late husband, Otis Theodore Wingo, a Representative for 18 years and co-author with the Senator from Virginia, Carter Glass, of the 1913 Federal Reserve Act, establishing the Federal Reserve System. Mrs. Wingo served on the House Foreign Affairs Committee throughout her service in Congress.

When Mrs. Wingo took office, Arkansas, as was the surrounding area, was being plagued with most searing droughts (The Dust Bowl) complicated by the Great Depression. She toured her district to learn first hand the condition of her constituents. The conditions called for aid, innovation and boldness. The farmers were in dire straits. When the Federal Relief Funds and the Red Cross funds allocated to the area were exhausted, Mrs. Wingo went "begging," asking more affluent citizen groups for donations, of food, clothing and medicine for her constituents. During her service in Congress, Mrs. Wingo secured a Veterans' Hospital in the foothills of the Ozarks, the Federal Building in Texarkana, railroad bridges, highways, levees, loans for home and school construction and welfare grants for her District.

After her retirement from Congress, Mrs. Wingo continued her interest in and worked for the betterment of the government. In 1934, she was an organizing founder and sponsor of the National Institute of Public Affairs in Washington, D.C., later sponsored by the Rockefeller Foundation. The Institute each year brought outstanding college graduates to Washington as dollar-a-year "intern" assistants to Cabinet Officers, and officials in the Federal Government. Subsequently the Government absorbed the Institute's program, and under President Kennedy the White House was included in the program.

Mrs. Wingo was a member of the Daughters of the American Revolution, of the Daughters of the Confederacy, of the Eastern Star, and of the Congressional Club of Washington. Wherever she lived, she was active in community improvement groups and participated in the work of the PTA.

Mrs. Wingo died Sept. 19, 1962, in Burlington, Ontario, Canada, visiting her son, Otis Jr. She is buried in Rock Creek Cemetery, Washington, D.C.●

RAZNICK COMMENDED

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. LAGOMARSINO. Mr. Speaker, I rise to commend Mr. Aaron Raznick, president of Raznick & Sons of Woodland Hills, Calif., for the outstanding contribution he has made to quality development in Ventura County, Calif.

Raznick project developments are always singularly impressive. These single family, multifamily, commercial or industrial constructions are recognized with many building industry awards.

I am now pleased to note that another Raznick project, the Center Promenade in Ventura, will celebrate its opening on Saturday, June 4. This distinguished commercial real estate project is specifically designed to attract corporate and regional headquarters to this area of California I am proud to represent.

Mr. Raznick, who has long been recognized as a pioneer in environmental beautification in construction projects maintains and enhances that reputation with the Center Promenade, a high profile construction with an articulated exterior of sculptured mirrored glass, brick, and wood trim.

My commendation to Aaron Raznick and to all who contributed to the successful completion of the Promenade Center.●

ONE DECADE LATER: THE ABORTION RULING

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1983

● Mr. HYDE. Mr. Speaker, last January 21, 1983, in the Washington Times, columnist John Lofton provided some trenchant comments on one of the darkest chapters in American legal history—the decision of our Supreme Court to legalize abortion. I am pleased to share this excellent column with my colleagues:

[From the Washington Times, Jan. 21, 1983]

ONE DECADE LATER: THE ABORTION RULING

(By John Lofton)

"These six things doth the Lord hate: yea, (seven) are an abomination unto Him: a proud look, a lying tongue and hands that shed innocent blood."—Proverbs 6: 16 and 17.

Tomorrow it will be 10 years since the Supreme Court's infamous decision legalizing abortion-on-demand. During this decade, the innocent blood of an estimated 13.4 million unborn babies has been shed. In an estimated 5 percent of these abortions, the unborn babies were scalded to death by a saline solution injected into their life-sustaining amniotic sacs.

Associate Justice Harry Blackmun, who authored the high court's abortion decision, says: "I still think it was a correct decision. We were deciding a constitutional issue, not a moral one." But Blackmun's tongue lies. The Supreme Court's landmark Roe v. Wade ruling was the most profoundly immoral decision in American legal history.

Furthermore, the killing of these 13.4 million unborn babies was a blatant violation of the charter of medical conduct known as the oath of Hippocrates. This oath states, in part: "I will give no deadly drug to any, though it be asked of me, nor will I counsel such, and especially I will not aid a woman to procure abortion."

In Texas recently, a convicted murderer was executed by the injection of a lethal dose of anesthetics. A New York Times editorial noted, "The American Medical Association opposes participation by physicians in lethal drug injections." In an interview,

Dr. Samuel Sherman, a practicing general surgeon for 50 years who is vice chairman of the AMA's Judicial Council, tells me the Times' report is correct. He says the AMA opposed the Texas execution because from the time his training starts a doctor is "dedicated to preserving life, not taking life, and thus the physician has no right to play an active role in an execution, particularly one brought about by injecting a lethal substance."

But what about doctors who perform abortions, I ask, paricularly saline abortions in which a lethal injection kills the innocent unborn baby? Well, says Sherman—who has never performed an abortion and vows he never will—this is an excellent question. Speaking personally, he agrees that abortion cannot be reconciled with either the oath of Hippocrates or a doctor's professed dedication to the preservation of life. And, he adds, he doesn't believe most "thinking physicians" would be able to do so either.

But, alas, most doctors don't seem to do much thinking. What other conclusion can be reached about a profession that opposes the use of a lethal injection to execute a convicted murderer, but supports the use of lethal injections to snuff out the lives of millions of innocent unborn human beings?

A recent article in the Journal of the AMA by its editor, Dr. George Lundberg, demanded an end to boxing, calling it "this massacre" and an "obscenity," which "should not be sanctioned by any civilized society." Noting that the "principal purpose" of a boxing match is for one opponent to "render the other injured, defenseless, incapacitated, unconscious," Lundberg rejects the argument that surreptitious fights will occur if boxing is outlawed, producing an even worse situation. He says this is "equivalent to arguing that gunfighter duels should be instituted, tickets sold and betting promoted since, after all, homicide by gunshot is also common in our society."

Yet, everything Lundberg says about boxing can be said about abortion except abortion is worse. And the AMA supports legal abortion. This is moral idiocy.

Commenting on the impossibility of reconciling the oath of Hippocrates with the performance of abortions, Sherman, who is 76—his voice dropping to an almost inaudible whisper—says sadly: "I guess that today there is a different attitude toward abortion than there was in the fifth century B.C."

Indeed. In the fifth century the medical profession was less barbaric and respected innocent human life. And, of course, Harry Blackmun was not around to invent nonexistent rights.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, June 2, 1983, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 3

9:30 a.m.
Joint Economic
To hold hearings on the employment/unemployment statistics for May.
SD-106

JUNE 6

9:30 a.m.
Banking, Housing, and Urban Affairs
To hold oversight hearings on the International Monetary Fund's gold reserves.
SD-538

JUNE 7

9:30 a.m.
Banking, Housing, and Urban Affairs
To resume oversight hearings on condition, structure, and competition within the domestic financial services industry.
SD-538

Finance
Taxation and Debt Management Subcommittee
To hold hearings on S. 562, to provide for extensions of the 5-year period within which private foundations must dispose of excess business holdings, and S. 1161, to make it clear that certain motor vehicle operating leases are leases.
SD-215

Labor and Human Resources
To hold oversight hearings on certain activities of the Teamsters Union, focusing on the substance of S. 336, proposed Labor Management Racketeering Act (pending on Senate Calendar), and central State settlement matters.
SD-430

Joint Economic
To hold hearings on the machine tool industry and the industrial base.
SR-232A

10:00 a.m.
Environment and Public Works
To resume hearings on Federal public buildings' policies.
SD-406

Judiciary
Business meeting, to consider pending calendar business.
SD-226

11:00 a.m.
Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

5:00 p.m.
Foreign Relations
Closed briefing on the Mideast situation.
S-116, Capitol

JUNE 8

9:30 a.m.
Banking, Housing, and Urban Affairs
To continue oversight hearings on condition, structure, and competition within the domestic financial services industry.
SD-538

Governmental Affairs
Oversight of Government Management Subcommittee
To hold hearings on the role of the administrative law judges of the Department of Health and Human Services related to social security disability.
SD-342

Judiciary
To hold hearings on S. 915, proposed Taxpayer Antitrust Enforcement Act.
SD-226

Labor and Human Resources
To hold hearings on food safety.
SD-430

Small Business
To hold hearings on S. 628, to make permanent the reforms adopted in Public Law 96-302, which removed the Small Business Administration from farm disaster lending.
SR-428A

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Environmental Pollution Subcommittee
To hold hearings on S. 757, authorizing funds for fiscal years 1983 through 1987 for programs of the Solid Waste Disposal Act.
SD-406

Foreign Relations
Business meeting, to mark up S. 602, to provide Federal funding for radio broadcasting to Cuba.
SD-419

Veterans' Affairs
To hold hearings on S. 1388, to increase the rates of disability compensation for disabled veterans and to increase the rates of dependency and indemnity compensation for surviving spouses and children of veterans, and related measures.
SR-418

Select on Intelligence
To hold closed hearings on intelligence matters.
S-407, Capitol

Joint Economic
Agriculture and Transportation Subcommittee
To resume hearings to review the administration's perspective on future farm policy.
SD-124

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

2:30 p.m.
Foreign Relations
East Asian and Pacific Affairs Subcommittee
Closed briefing on United States-Taiwan relations.
S-116, Capitol

JUNE 9

9:30 a.m.
Banking, Housing, and Urban Affairs
To continue oversight hearings on condition, structure, and competition within the domestic financial services industry.
SD-538

Labor and Human Resources
To continue hearings on food safety.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Environmental Pollution Subcommittee
To continue hearings on S. 757, authorizing funds for fiscal years 1983 through 1987 for programs of the Solid Waste Disposal Act.
SD-406

Small Business
Small Business: Family Farm Subcommittee
To hold hearings on the impact of the Department of Agriculture's payment-in-kind program on agricultural support industries.
SR-428A

2:00 p.m.
Energy and Natural Resources
To resume oversight hearings on the geopolitics of strategic and critical minerals.
SD-366

JUNE 10

9:30 a.m.
Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

Labor and Human Resources
To continue hearings on food safety.
SD-430

10:30 a.m.
Judiciary
Separation of Powers Subcommittee
To resume hearings to explore certain Federal court procedures relating to the exclusionary rule, habeas corpus, and related matters.
SD-226

JUNE 13

9:30 a.m.
Finance
To hold hearings to examine the tax structure applicable to property and casualty insurance companies.
SD-215

Labor and Human Resources
To hold hearings on home health care services.
SD-430

JUNE 14

9:30 a.m.
Banking, Housing, and Urban Affairs
Securities Subcommittee
To hold hearings on S. 1174, proposed Public Utility Holding Company Act amendments.
SD-538

Commerce, Science, and Transportation
To hold hearings on title III, to promote commercial motor vehicle safety and health regulations, of S. 1108, proposed Highway Safety Act.
SR-253

Labor and Human Resources
Labor Subcommittee
To hold hearings on the substance of S. 1227, to improve the single-employer pension plan termination insurance program created in 1974 by title IV of ERISA.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To hold hearings on environmental research and development programs.
SD-406

Judiciary
Business meeting, to consider pending calendar business.
SD-226

2:00 p.m.
Environment and Public Works
Environmental Pollution Subcommittee
To resume hearings on S. 431, authorizing funds for fiscal year ending September 30, 1983, through fiscal year 1987 for clean water programs, and S. 432, extending the 1984 compliance date for certain requirements of the Clean Water Act.
SD-406

Finance
To hold hearings on the nominations of Lyn M. Schlitt, of Virginia, Susan W. Liebeler, of California, and Seeley Lodwick, of Iowa, each to be a Member of the U.S. International Trade Commission, and Charles E. Clapp II, of Rhode Island, to be a judge of the U.S. Tax Court.
SD-215

JUNE 15

9:30 a.m.
Banking, Housing, and Urban Affairs
Securities Subcommittee
To continue hearings on S. 1174, proposed Public Utility Holding Company Act Amendments.
SD-538

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on S. 1286, S. 632, and S. 428, bills to establish a program to conduct research and development studies for improved manufacturing technologies.
SR-253

Judiciary
Constitution Subcommittee
To resume hearings on Senate Joint Resolution 10, proposing an amendment to the Constitution of the United States relative to equal rights for women and men, and on related measures.
SD-562

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To resume oversight hearings on activities of the Patent and Trademark Office, Department of Commerce.
SD-226

Labor and Human Resources
Business meeting, to mark up S. 594, U.S. Academy of Peace Act, S. 772, Smoking Prevention Health and Education Act, S. 242, Employment Opportunities Act, and S. 724, Public Investment/Jobs Act.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Water Resources Subcommittee
To resume hearings on S. 947, authorizing funds for fiscal years 1984 through 1988 for water resources construction projects of the Corps of Engineers, and related measures.
SD-406

Veterans' Affairs
To hold oversight hearings to examine the health effects of agent orange.
SR-418

10:30 a.m.
Labor and Human Resources
To hold hearings on the nominations of Ford B. Ford, of California, to be Under Secretary of Labor, Madeleine C. Will, of Maryland, to be Assistant Secretary for Special Education and Rehabilitative Services, Department of Education, and John J. O'Donnell, of the District of Columbia, to be Assistant Secretary of Labor for Legislative Affairs.
SD-430

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

JUNE 16

9:30 a.m.
Judiciary
Constitution Subcommittee
To hold hearings on S. 81 and S. 141, bills to revise current law relating to civil actions for the deprivation of rights.
SD-562

Judiciary
Juvenile Justice Subcommittee
To hold hearings on S. 520, to remove all noncriminal juveniles from secure detention facilities within the United States.
SD-226

Small Business
Business meeting, to consider pending calendar business.
SR-428A

10:00 a.m.
Energy and Natural Resources
Busifess meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearifgs on S. 1256, proposed Emergency School Aid Extension Act.
SD-430

2:00 p.m.
Environment and Public Works
Environmental Pollution Subcommittee
Business meeting, to mark up S. 431, authorizing funds for fiscal year ending September 30, 1983, through fiscal year 1987 for clean water programs, and S. 432, extending the 1984 compliance date for certain requirements of the Clean Water Act.
SD-406

JUNE 17

10:00 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on S. 314, proposed In-Flight Medical Emergencies Act.
SR-253
Environment and Public Works
Environmental Pollution Subcommittee
Business meeting, to continue markup of S. 431, authorizing funds for fiscal year ending September 30, 1983, through fiscal year 1987 for clean water programs, and S. 432, extending the 1984 compliance date for certain requirements of the Clean Water Act.
SD-406

JUNE 20

9:30 a.m.
Finance
To hold hearings on S. 19 and S. 888, bills to revise current Federal pension law with respect to the rights and benefits of working and nonworking women.
SD-215

10:00 a.m.
Judiciary
Immigration and Refugee Policy Subcommittee
To hold hearings on proposed authorizations for refugee programs.
SD-226
Labor and Human Resources
Aging Subcommittee
To hold hearings on the impact of crime on the elderly, focusing on victim compensation.
SD-430

JUNE 21

8:30 a.m.
Small Business
To hold oversight hearings on the Small Business Administration's small business development center program.
SR-428A

9:30 a.m.
Finance
To continue hearings on S. 19 and S. 888, bills to revise current Federal pension law with respect to the rights and benefits of working and nonworking women.
SD-215

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366
Environment and Public Works
Water Resources Subcommittee
To resume hearings on S. 947, authorizing funds for fiscal years 1984 through 1988 for water resources construction projects of the Corps of Engineers, and related measures.
SD-406
Judiciary
Business meeting, to consider pending calendar business.
SD-226
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on the proposed Alien Education Assistance Act.
SD-430

JUNE 22

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on title IV, to provide for increased coordination between Federal, State, and local governments in the transportation of hazardous materials, of S. 1108, proposed Highway Safety Act.
SR-253
Judiciary
Constitution Subcommittee
To resume hearings on Senate Joint Resolution 10, proposing an amendment to the Constitution of the United States relative to equal rights for women and men, and on related measures.
SD-562
Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on S. 1306, to encourage American innovation by restoring the patent system as it affects certain products subject to premarket testing by the Federal Government.
SD-226
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366
Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To resume hearings on environmental research and development programs.
SD-406
Labor and Human Resources
Family and Human Services Subcommittee
To resume oversight hearings on the breakdown of the traditional family unit, focusing on causes and remedies.
SD-430
Veterans' Affairs
To hold hearings on S. 374, S. 786, and S. 991, bills to establish a presumption of service connection for certain diseases in veterans caused by exposure to agent orange, herbicides and chemicals during the Vietnam war.
SR-418

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

JUNE 23

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on S. 1286, S. 632, and S. 428, bills to establish a program to conduct research and development studies for improved manufacturing technologies.
SR-253
Judiciary
Constitution Subcommittee
To resume hearings on S. 81 and S. 141, bills to revise current law relating to civil actions for the deprivation of rights.
SD-226
Labor and Human Resources
To hold hearings on the effects of anticancer drugs in the treatment of cancer patients.
SD-628

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366
Environment and Public Works
Environmental Pollution Subcommittee
Business meeting, to mark up S. 757, authorizing funds for fiscal years 1983 through 1987 for programs of the Solid Waste Disposal Act.
SD-406
Labor and Human Resources
Family and Human Services Subcommittee
To continue oversight hearings on the breakdown of the traditional family unit, focusing on the role of Federal policy.
SD-430

10:30 a.m.
Judiciary
Separation of Powers Subcommittee
To hold hearings to examine the legal and constitutional ratification process of the Panama Canal Treaty.
SD-562

JUNE 24

9:30 a.m.
Judiciary
Courts Subcommittee
To hold hearings to discuss the current bankruptcy situation of the Manville Corp. in Denver, Colo.
SD-562
Judiciary
Juvenile Justice Subcommittee
To hold hearings to discuss proposed Federal assistance to State and local law enforcement agencies in handling child serial murders.
SD-226

10:00 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
Business meeting, to continue markup of S. 757, authorizing funds for fiscal years 1983 through 1987 for programs of the Solid Waste Disposal Act.
SD-406

JUNE 27

10:00 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold oversight hearings on airline deregulation.
SR-253
Environment and Public Works
Water Resources Subcommittee
To resume hearings on S. 947, authorizing funds for fiscal years 1984 through 1988 for water resources construction projects of the Corps of Engineers, and related measures.
SD-406
Judiciary
Immigration and Refugee Policy Subcommittee
To resume hearings on proposed authorizations for refugee programs.
SD-226

JUNE 28

9:30 a.m.
Banking, Housing, and Urban Affairs
To resume oversight hearings on the International Monetary Fund's gold reserves.
SD-538

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 1173, proposed Federal Mine Safety and Health Amendments.
SD-430

10:00 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To continue oversight hearings on airline deregulation.
SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Water Resources Subcommittee
To continue hearings on S. 947, authorizing funds for fiscal years 1984 through 1988 for water resources construction projects of the Corps of Engineers, and related measures.
SD-406

JUNE 29

9:30 a.m.
Judiciary
To hold hearings on S. 737, proposed Joint Research and Development Ventures Act.
SD-226

Labor and Human Resources
To hold hearings to examine fire safety matters.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
To hold hearings on pending legislation.
SD-406

Small Business
Family Farm Subcommittee
To hold hearings on the impact of Canadian agricultural imports and their effect on the small business community.
SR-428A

Veterans' Affairs
Business meeting, to mark up S. 1388, to increase the rates of disability compensation for disabled veterans and to increase the rates of dependency and indemnity compensation for surviving spouses and children of veterans, and related measures, and proposed legislation to provide educational assistance for veterans and persons entering the Armed Forces.
SR-418

JUNE 30

9:30 a.m.
Judiciary
Juvenile Justice Subcommittee
To hold hearings on juvenile offenders of serious and violent crimes.
SD-226

Labor and Human Resources
To hold oversight hearings on the activities of the Equal Employment Opportunity Commission and the administration's equal employment opportunity policy.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
To hold hearing on pending legislation.
SD-406

Judiciary
Administrative Practice and Procedure Subcommittee
To hold oversight hearings on activities of the Office of Administrative Law Judges.
SD-562

2:00 p.m.
Energy and Natural Resources
To resume oversight hearings on the geopolitics of strategic and critical minerals.
SD-366

JULY 13

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

JULY 19

9:30 a.m.
Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 19, to revise current Federal pension law with respect to the rights and benefits of working and nonworking women, and related measures.
SD-430

JULY 20

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

JULY 27

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

SEPTEMBER 20

11:00 a.m.
Veterans' Affairs
To hold hearings to receive legislative recommendations for fiscal year 1984 from the American Legion.
SR-325

CANCELLATIONS

JUNE 14

9:30 a.m.
Labor and Human Resources
Labor Subcommittee
To hold hearings on proposed legislation revising certain provisions of the Labor-Management Reporting and Disclosure Act (Landrum-Griffin Act).
SD-430

JUNE 16

9:30 a.m.
Labor and Human Resources
Labor Subcommittee
To resume hearings on proposed legislation revising certain provisions of the Labor-Management Reporting and Disclosure Act (Landrum-Griffin Act).
SD-430

JULY 6

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

HOUSE OF REPRESENTATIVES—*Thursday, June 2, 1983*

The House met at 10 a.m.

Rabbi Irving J. Block, D.D., the Brotherhood Synagogue, Congregation Beth Achim, New York, N.Y., offered the following prayer:

Almighty God who art the Creator of the universe and whose spirit guideth the destinies of nations.

Humbly we beseech Thee to bless the legislators of this House who seek through reason, faith, and deliberation to promote harmony and cooperation in our beloved and great land as well as among peoples everywhere.

Endow them with divine wisdom and a keen sense of responsibility to transmit the blessings of freedom and democracy to their fellow men, and to strive always for reconciliation and world peace.

Bless our Representatives, O Lord, with the ancient talmudic benediction, "May He who caused His name to dwell in this house, let dwell among you love, brotherhood, peace, and friendship." Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

RABBI IRVING J. BLOCK

(Mr. GREEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN. Mr. Speaker, our guest chaplain this morning, Rabbi Irving J. Block, is the founder and rabbi of the Brotherhood Synagogue, established in 1954, and now located in a landmark building at 28 Gramercy Park South in New York City.

June 9 will mark the 30th anniversary of Rabbi Block's ordination. He has devoted his life to spreading the concept of religious brotherhood.

Rabbi Block has served on the board of directors of the Clergyman's Advisory Committee of the New York City Youth Board; as a national director of Religion in American Life; as grand chaplain of the New York State Masonic Order; as a director of the New York Family Court's Home Advisory and Service Council; with the antidrug addiction rehabilitative Training for Living organization; with the New York State Human Rights' Commission's Clergymen's Advisory Committee.

As a member of the Jewish War Veterans, I am proud of the fact that Rabbi Block is the Department of New York State chaplain, Jewish War Veterans and in 1982 was appointed national chaplain of the Jewish War Veterans of the United States.

Rabbi Block is here today with his wife, the former Dr. Phyllis Robinove, an editor and writer of French textbooks, and their son, Herbert, whom many Members will remember as a former House page.

We are fortunate to have had my friend, Rabbi Block, give the opening prayer today.

"BUY AMERICAN" AWARD GOES TO UNITED STATES STEEL

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks)

Mr. WISE. Mr. Speaker, a lot of us from areas hard hit by unemployment recognize the need to support products made in the United States. Major corporations sought tax breaks from Congress saying they would make themselves more competitive against foreign manufacturers.

Today I want to present the Buy American Award to United States Steel which is presently negotiating the purchase of 3½ million tons of British steel.

"A window of opportunity," United States Steel's board chairman called it at a meeting with the Congressional Steel Caucus not long ago.

Sure. Every bit as much an opportunity as the generous tax breaks extended to big steel to save the company, then squandered to buy a large oil company. To top it off, United States Steel then laid off 1,200 West Virginia coal miners who mined coal for the mills.

As a result of the British deal, steelworkers who took wage concessions to save their jobs are now faced with the prospect of losing them altogether.

And to think, this is the same steel company that filed dumping complaints against foreign competition. Now they are buying the very steel they complained about. All of a sudden they like subsidized foreign imports.

Mr. Speaker, the next time Congress considers massive tax breaks to help United States Steel, I hope we remember their example of economic patriotism.

CONGRESS MUST DECREASE FEDERAL SPENDING

(Mr. MACK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MACK. Mr. Speaker, today we have before us the HUD appropriation bill. This bill would provide new budget authority of $54.2 billion. This is $9.5 billion above the administration's request, and $4.6 billion more than the fiscal year 1983 level. Basically there are two major concerns to keep in mind during deliberation on this bill.

First, the bills defers action on general revenue sharing and other pending authorizations. General revenue sharing has been a popular program with the Congress and State Governors. If last year's appropriation is the level for fiscal year 1984, an additional $4.6 billion in budget authority would be required, resulting in a total bill level that would be $14.1 billion above the administration's request.

Second, this bill exceeds the administration's housing request by $9.4 billion. While the committee is correct in pointing out that budget authority levels have decreased, one should also note that outlays have, nonetheless, increased over the same time period.

I hope my colleagues will keep these ideas in mind, as well as the fact that the country is facing $200 billion deficits unless we act to decrease, not increase, Federal spending.

TOWARD JEFFERSONIAN BIPARTISANSHIP

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, last week the Democratic National Committee's Telethon focused attention on our great former President Thomas Jefferson. While every quote of that great President could not have been used, there was the very famous quote that he delivered in his first inaugural address on March, 4, 1801, which I wish had been used. He said:

My fellow citizens, a wise and frugal government shall restrain men from injuring one another and shall leave them otherwise free to regulate their own pursuits of industry and improvement and shall not take from the mouth of labor the bread it has earned.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Mr. Speaker, if the Democratic Party would embrace that Jeffersonian philosophy as we address the problems of this country, there would be much more bipartisan solidarity.

GENERAL LEAVE

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 3133.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT-INDEPENDENT AGENCIES APPROPRIATIONS, 1984

Mr. BOLAND. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 3133), making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1984, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Massachusetts (Mr. BOLAND).

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WIRTH. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 324, nays 2, not voting 106, as follows:

[Roll No. 146]

YEAS—324

Ackerman	Boehlert	Coleman (MO)
Addabbo	Boland	Coleman (TX)
Akaka	Boner	Conable
Albosta	Bonior	Cooper
Alexander	Borski	Corcoran
Anderson	Bosco	Coughlin
Andrews (TX)	Boxer	Courter
Annunzio	Breaux	Coyne
Anthony	Britt	Crane, Daniel
Archer	Brooks	Crane, Philip
Aspin	Broomfield	D'Amours
Barnard	Brown (CA)	Daniel
Barnes	Brown (CO)	Dannemeyer
Bartlett	Broyhill	Daschle
Bateman	Bryant	Davis
Bedell	Burton	de la Garza
Beilenson	Campbell	Dellums
Bennett	Carper	DeWine
Bereuter	Carr	Dingell
Bethune	Chandler	Dixon
Bevill	Clarke	Dorgan
Biaggi	Clinger	Downey
Bilirakis	Coats	Dreier
Bliley	Coelho	Duncan
Durbin	Lehman (CA)	Ritter
Dwyer	Leland	Roberts
Dymally	Lent	Robinson
Dyson	Levin	Roe
Early	Levitas	Roemer
Eckart	Lewis (FL)	Rogers
Edwards (CA)	Livingston	Rostenkowski
Edwards (OK)	Loeffler	Roth
Emerson	Long (LA)	Roukema
English	Long (MD)	Rowland
Erdreich	Lott	Roybal
Erlenborn	Lowery (CA)	Rudd
Evans (IA)	Lowry (WA)	Russo
Evans (IL)	Lujan	Savage
Fascell	Lungren	Sawyer
Fazio	Mack	Schaefer
Feighan	MacKay	Scheuer
Ferraro	Marriott	Schneider
Fiedler	Martin (IL)	Schroeder
Fields	Martin (NC)	Schulze
Fish	Martin (NY)	Schumer
Flippo	Matsui	Seiberling
Foley	Mavroules	Sensenbrenner
Ford (TN)	Mazzoli	Shannon
Forsythe	McCandless	Shaw
Fowler	McCloskey	Shelby
Franklin	McCollum	Shumway
Frenzel	McCurdy	Sikorski
Fuqua	McEwen	Simon
Garcia	McGrath	Skeen
Gaydos	McKernan	Skelton
Gejdenson	McKinney	Slattery
Gekas	McNulty	Smith (FL)
Gephardt	Michel	Smith (IA)
Gilman	Mikulski	Smith (NE)
Gingrich	Miller (CA)	Smith (NJ)
Glickman	Miller (OH)	Smith, Robert
Gonzalez	Mineta	Snowe
Goodling	Minish	Snyder
Gore	Mitchell	Spence
Gramm	Moakley	St Germain
Green	Molinari	Staggers
Gregg	Mollohan	Stangeland
Guarini	Moody	Stenholm
Gunderson	Moore	Stokes
Hall (OH)	Moorhead	Studds
Hall, Ralph	Morrison (CT)	Sundquist
Hall, Sam	Mrazek	Swift
Hamilton	Murphy	Synar
Hammerschmidt	Murtha	Tallon
Hance	Myers	Tauke
Harrison	Natcher	Taylor
Hefner	Neal	Thomas (CA)
Hertel	Nelson	Thomas (GA)
Hightower	Nichols	Torricelli
Hiler	Nowak	Towns
Hillis	O'Brien	Valentine
Horton	Oakar	Vandergriff
Hoyer	Obey	Vento
Hubbard	Olin	Volkmer
Huckaby	Ortiz	Walgren
Hughes	Owens	Walker
Hunter	Oxley	Watkins
Hyde	Packard	Waxman
Ireland	Parris	Weaver
Jacobs	Patman	Wheat
Jeffords	Patterson	Whitehurst
Jenkins	Paul	Whitley
Johnson	Pease	Whittaker
Jones (NC)	Penny	Whitten
Jones (OK)	Pepper	Williams (OH)
Kaptur	Perkins	Winn
Kasich	Petri	Wirth
Kastenmeier	Pickle	Wise
Kildee	Porter	Wolf
Kindness	Quillen	Wolpe
Kogovsek	Rangel	Wortley
Kramer	Ratchford	Wright
LaFalce	Ray	Wyden
Lagomarsino	Regula	Yates
Lantos	Reid	Yatron
Latta	Richardson	Young (MO)
Leach	Ridge	Zablocki
Leath	Rinaldo	Zschau

NAYS—2

McDonald	Solomon

NOT VOTING—106

Andrews (NC)	Boggs	Chappie
Applegate	Bonker	Cheney
AuCoin	Boucher	Clay
Badham	Byron	Collins
Bates	Carney	Conte
Berman	Chappell	Conyers
Craig	Jones (TN)	Pursell
Crockett	Kazen	Rahall
Daub	Kemp	Rodino
Derrick	Kennelly	Rose
Dickinson	Kolter	Sabo
Dicks	Kostmayer	Sharp
Donnelly	Lehman (FL)	Shuster
Dowdy	Levine	Siljander
Edgar	Lewis (CA)	Sisisky
Edwards (AL)	Lipinski	Smith, Denny
Florio	Lloyd	Solarz
Foglietta	Luken	Spratt
Ford (MI)	Lundine	Stark
Frank	Madigan	Stratton
Frost	Markey	Stump
Gibbons	Marlenee	Tauzin
Gradison	Martinez	Torres
Gray	McCain	Traxler
Hall (IN)	McDade	Udall
Hansen (ID)	McHugh	Vander Jagt
Hansen (UT)	Mica	Vucanovich
Harkin	Montgomery	Weber
Hartnett	Morrison (WA)	Weiss
Hatcher	Nielson	Williams (MT)
Hawkins	Oberstar	Wilson
Heftel	Ottinger	Wylie
Holt	Panetta	Young (AK)
Hopkins	Pashayan	Young (FL)
Howard	Price	
Hutto	Pritchard	

□ 1020

So the motion was agreed to.

The result of the vote was announced as above recorded.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3133, with Mr. LEVITAS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, June 1, 1983, the Clerk had read through line 3 on page 2.

Pursuant to House Resolution 211, it shall be in order to consider en bloc the amendments printed in the CONGRESSIONAL RECORD of May 25, 1983, by, and if offered by, Representative WIRTH, even if affecting portions of the bill which have not been read for amendment.

The Clerk will read.

□ 1030

The Clerk read as follows:

RENTAL HOUSING ASSISTANCE

(RESCISSION)

The limitation otherwise applicable to the maximum payments that may be required in any fiscal year by all contracts entered into under section 236 of the National Housing Act (12 U.S.C. 1715z-1) is reduced in fiscal year 1984 by not more than $13,320,000 in uncommitted balances of authorizations provided for this purpose in appropriation Acts.

Mrs. SCHROEDER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, at this point I would like to talk about something that happened in my district this week and to discuss it with the distinguished chairman of the subcommittee.

This week, in my city of Denver, the city council passed a resolution trying to head off a court battle between the city agency of DURA, Denver Urban

Renewal Authority, and the Federal Government agency, HUD, over $20 million in contested funds from contracts and agreements made long ago. The resolution the city council passed said both sides should do everything possible to avoid court, and both sides should make every good-faith attempt to negotiate and come to a peaceful settlement.

The city council resolution was passed by a vote of 8 to 2. I hope the Congress also makes it clear we prefer both sides try to settle the issue rather than litigate it. I would like to ask the chairman of the subcommittee about this. I hope he agrees with local government's attempt to avoid court, too, if at all possible.

Mr. BOLAND. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I am delighted to yield to the distinguished subcommittee chairman.

Mr. BOLAND. Mr. Chairman, I am delighted to agree with the position taken by the gentlewoman from Colorado. I, too, would hope that the issue raised by the gentlewoman from Colorado can be settled out of court and there can be agreement, between the Denver Urban Renewal Authority and the Department of Housing and Urban Development, which is in concert with the resolution passed by the Denver City Council.

Mr. GREEN. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I am delighted to yield to the ranking minority member of the subcommittee.

Mr. GREEN. Mr. Chairman, I would simply like to say that I share our distinguished chairman's sentiments on this issue. Obviously, if this matter, which has been dragging on, can be resolved without long delays and without litigation, it would be to everyone's best interests.

Mrs. SCHROEDER. Mr. Chairman, I thank both the subcommittee chairman and the ranking minority member, because we all know how precious dollars are in the housing area and how much housing is needed. The last thing the country needs is more litigation, and I hope that both sides can come to an agreement promptly and save the costs and delays of protracted legal actions.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FEDERAL HOUSING ADMINISTRATION FUND

For payment to cover losses, not otherwise provided for, sustained by the Special Risk Insurance Fund and General Insurance Fund as authorized by the National Housing Act, as amended (12 U.S.C. 1715z-3(b) and 1735c(f)), $252,974,000, to remain available until expended.

During 1984, within the resources available, gross obligations for direct loans are authorized in such amounts as may be necessary to carry out the purposes of the National Housing Act, as amended.

During 1984, additional commitments to guarantee loans to carry out the purposes of the National Housing Act, as amended, shall not exceed $45,900,000,000 of loan principal.

During fiscal year 1984, gross obligations for direct loans of not to exceed $56,390,000 are authorized for payments under section 230(a) of the National Housing Act, as amended, from the insurance fund chargeable for benefits on the mortgage covering the property to which the payments made relate, and payments in connection with such obligations are hereby approved.

Mr. GONZALEZ. Mr. Chairman, I rise because I am extremely concerned that in addressing the proposed TMAP, the temporary mortgage assistance program regulations, the Appropriations Committee's report could be used and I think, intended or not, is likely to be used to undercut the efforts of the Federal court that has the responsibility for overseeing the implementation of the assignment and the TMAP programs.

I regret that the Appropriations Committee is attempting to distort the legislative history that was established in 1980 by the Banking Committee. This is an attempt on the part of the Appropriations Committee to invade the authorization committee's domain. Usually it is the other way around.

Indeed, I am concerned that the language in the report could have a very negative effect on the pending court action.

Speaking on behalf of the authorizing committee that created the temporary mortgage assistance program in 1980, I would like to reemphasize the principles we established at that time.

The TMAP program was created solely to provide an alternative method that would be less costly to the Federal Government than the assignment program because with TMAP, the whole mortgage would not have to be paid off and the Federal Government would not have to become the mortgagee prior to providing assistance to the mortgagor.

When the TMAP legislation was drafted and agreed to in conference, the Banking Committee was fully aware of the amended stipulation affecting the Ferrell case and the assignment program that was agreed to in 1979. The legislation was drafted to assure the TMAP program would follow the principles established in that case and in the amended stipulation. There is no question that it was intended that homeowners be provided the same kind of assistance through the TMAP program that is available through the assignment program. In addition, the TMAP program was to be offered as an alternative to, but not a replacement for, the assignment program. Indeed, there may be circumstances when assignment may be preferable to TMAP.

It is distressing, to me, and to many members of the Banking Committee, that HUD has not done enough recently to expand the use of the assignment program during these troubled economic times. As a matter of fact, HUD is premeditatedly cruel and cold hearted and in obvious disregard of congressional intent embodied in these programs passed after big debate by the Congress. It is also distressing that, instead of modifying the TMAP regulations quickly to bring them in compliance with the standards of the assignment program, as the legislation originally intended and as the court has so recently so directed, HUD is appealing the decision and thereby assuring the TMAP program will be further delayed.

These are difficult times, particularly for families that have lost their jobs and are threatened with loss of their homes. Perhaps my colleagues, surrounded in luxurious comfort, may not be aware of how too many Americans and their families are facing the prospect of absolute homelessness, even now, much less homeownership and their ability to continue homeownership. I beg my colleagues to transcend our environment. I do not think there is a Member in this House who has ever had anything short of luxurious housing. Let me tell you, there are Americans right now who are being thrown out into the streets and who are losing their homes throughout our land, not just in isolated corners of the country. It is no different than the mud slide in our Western States, where we can read in comfort about it here but it does not diminish the acute distress to those Americans. And I do not think we ought to turn our backs and do it cruelly and coldly and allow the Appropriations Committee to further implement the subversion of congressional programs and intent so blatant that the courts themselves have indicted HUD. The language of the Chicago court recently was plain and clear an indictment of HUD's cold, deliberate thwarting and contravening of plain congressional intent.

The CHAIRMAN. The time of the gentleman from Texas (Mr. GONZALEZ) has expired.

(By unanimous consent, Mr. GONZALEZ was allowed to proceed for 2 additional minutes.)

Mr. GONZALEZ. In fiscal year 1982, 27,260 families applied for the assignment program; only 3,800 were accepted, and approximately 19,700 FHA-insured homes were lost through foreclosure.

Any Member who has been in touch with constituents in the category will know that these are not American families trying to cheat the taxpayer or the government of our country. They are just plain American families that, through years, have maintained their payments and are dying to continue to have the opportunity to do so but, through no fault of their own—in

fact, because of the very policies of this Congress in the last 2 years—do not have employment. The record of abysmal turning back on the part of HUD must be compelled to be changed.

I am hopeful that the recent memorandum issued by HUD, which clarifies the basis upon which a recently unemployed mortgagor will be determined to have a reasonable prospect for repaying this mortgage in full, will result in more families receiving help. This recent trend happened only after we passed the Home Mortgage Relief Assistance Act a couple of weeks ago. I would like to see the Department take many more such steps, including bringing the TMAP regulations into compliance with the statutes and the amended stipulations. I say it is time we in Congress stop this needless crucification of many Americans on the false altar of a false ideology, of sleazy economics and programs that have plainly not worked in 2 years and are even resulting in the monstrous—the monstrous—deficit that no government in history has ever had to confront as we have now.

Ms. KAPTUR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am sorely tempted to speak against the HUD-independent agencies appropriation bill for fiscal year 1984. No one is more committed to the functions that these programs perform than myself. While I congratulate the Appropriations Committee and its distinguished chairman for its expeditious consideration of this measure, I regret that the House has not yet had an opportunity to consider H.R. 1, the housing authorization bill, which has been reported by the Committee on Banking, Finance and Urban Affairs.

The Housing Subcommittee and Banking Committee worked on the authorizing bill diligently.

Our bill was submitted within budget and well before the May 15 deadline.

Despite this, a regrettable scheduling arrangement has caused the appropriations measure to be considered before the authorizing bill.

It is my hope that significant initiatives contained in H.R. 1 will be accommodated in future appropriation negotiations and that courteous and thoughtful consideration will be given to H.R. 1, not only by the Appropriations Committee members but by the full House.

It is extremely important that the will of this body as reflected in the pending floor deliberations on H.R. 1 be taken into full consideration.

I applaud the Appropriations Committee for recognizing the impact of the deep cuts in assisted housing over the last 2 years by restoring funding to more appropriate levels. I also fully concur with the committee's considerable reservations about the administration's proposed voucher program. It is unfortunate, however, that the logical outcome of this reasoning did not extend to excluding funding for this program.

Mr. Chairman, I have reservations about this appropriation bill. I grudgingly support its passage only with serious reservations. I hope the future opportunities will present themselves for the authorizing committee to have its bill moved with dispatch and with the thoughtful consideration of the entire House.

● Mr. BOLAND. Mr. Chairman, the gentleman from Texas (Mr. GONZALEZ) has referred to language in the committee's report regarding the temporary mortgage assistance payments (TMAP) program. The TMAP program was authorized in 1980 to prevent further acquisition of single-family mortgages by helping those homeowners who have experienced temporary financial problems and cannot meet monthly mortgage payments. The program was expected to reduce outlays from the FHA fund by precluding the necessity of an insurance claim resulting from mortgage assignment or foreclosure.

It is distressing that 3 years after TMAP was authorized, the program has not been implemented. That is why the language was included in the committee's report.

The Department and the District Court of Chicago are in disagreement on few points in the program regulations. The desire of the committee is that the TMAP program be implemented as quickly as possible.

What is clear is that if both sides maintain their respective positions, additional outlays will be made from the FHA fund. More importantly, homeowners in default will not receive this important assistance.●

Mr. WYDEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to engage the distinguished chairman of the subcommittee in a very brief colloquy on the subject of shared housing for the elderly. The chairman's leadership in this field is well known, and I think that shared housing for the elderly is a concept, Mr. Chairman, that has a great deal of potential. Under the leadership of Chairman ROYBAL, we have studied it on the Aging Committee.

The evidence seems to indicate that the cost of shared-housing arrangements for the elderly is only about a third of what traditional housing arrangements cost. I think this would be an ideal kind of cost saving effort for us to look at while at the same time expanding housing options for senior citizens in this country. One way to do it would be to make these kinds of shared-housing arrangements eligible for funding under the section 8 program. This could be done without any increase in funding.

I would just like to ask the distinguished subcommittee chairman if at some point along the way we might be able to work out this kind of cost saving approach that could serve the elderly.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. WYDEN. I am happy to yield to the subcommittee chairman.

Mr. BOLAND. Mr. Chairman, I thank the gentleman for yielding.

I know that the gentleman from Oregon (Mr. WYDEN) has placed a great deal of emphasis on what he considers a very important concept with respect to housing for the elderly.

The shared housing concept is a particular area that needs to be addressed, and I think the gentleman has raised a very critical point in this area. It could be an important concept, and it is an approach, through the use of existing section 8 funds, that might be very helpful. My judgment would be that it could be very helpful.

Mr. Chairman, I appreciate the gentleman's comments, and I want to assure him that we will consider funding this kind of a concept pending Senate action on this bill, the HUD bill, and also pending action by the authorizing committee, of course. It is a program that is not authorized at this time, and I would welcome its being authorized. At that point in time, speaking for myself and, I am sure, for some of the other members of this subcommittee, we would give it the consideration that would bring this particular concept into being.

Mr. WYDEN. Mr. Chairman, I am grateful to the chairman of the subcommittee, and I want to express my thanks to him for his help on this and many other matters pending in the House.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. WYDEN. I yield to the gentleman from New York.

Mr. GREEN. Mr. Chairman, I commend the gentleman from Oregon (Mr. WYDEN) for raising this issue on the floor and in the committee today.

As the gentleman knows, there has been some concern expressed in the House about a situation where we are legislating on appropriation bills, and for that reason I think this subcommittee has been reluctant to undertake major housing initiatives of the sort the gentleman is suggesting, particularly at a time when the authorizing committee is in the process of developing and bringing to the floor a major housing bill. However, it certainly is an area that ought to be explored in terms of more efficient serv-

ices for the elderly in our housing programs.

Mr. WYDEN. Mr. Chairman, I want to thank the gentleman from New York (Mr. GREEN) for his consideration as well.

As I say, my interest in this is to point out that it is not very often that we can come up with a way to serve older people and make them more comfortable and at the same time save money. I appreciate the gentleman's willingness to work with me on this, and hopefully we will be able to get this enacted into law this year.

The CHAIRMAN. The Clerk will read.

□ 1040

The Clerk read as follows:

ENVIRONMENTAL PROTECTION AGENCY

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, including hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; and not to exceed $3,000 for official reception and representation expenses; $567,889,000: *Provided*, That none of these funds may be expended for purposes of Resource Conservation and Recovery Panels established under section 2003 of the Resource Conservation and recovery Act, as amended (42 U.S.C. 6913).

RESEARCH AND DEVELOPMENT

For research and development activities, $142,000,000, to remain available until September 30, 1985.

ABATEMENT, CONTROL, AND COMPLIANCE

For abatement, control, and compliance activities, $370,375,000, to remain available until September 30, 1985: *Provided*, That none of these funds may be expended for purposes of Resource Conservation and Recovery panels established under section 2003 of the Resource Conservation and Recovery Act, as amended (42 U.S.C. 6913), or for support to State, regional, local and interstate agencies in accordance with subtitle D of the Solid Waste Disposal Act, as amended, other than section 4008(a)(2) or 4009.

AMENDMENTS OFFERED BY MR. WIRTH

Mr. WIRTH. Mr. Chairman, I offer several amendments.

The Clerk read as follows:

Amendments offered by Mr. WIRTH: Page 14, line 16, strike "$567,889,000" and insert in lieu thereof "$612,889,000".

Page 14, line 22, strike "$142,000,000" and insert in lieu thereof "$165,600,000".

Page 15, line 3, strike "$370,375,000" and insert in lieu thereof "$521,511,000".

The CHAIRMAN. The Chair would inquire whether the amendments just read are the amendments offered en bloc which were made in order by the rule?

Mr. WIRTH. Mr. Chairman, they are. These are the three amendments made in order under the rule to be offered en bloc.

Mr. Chairman, very briefly, in summary, before discussing this in greater detail, the purpose of this amendment is to bring the level of EPA funding up to the 1981 level of funding. EPA has been, over the last 2½ years, dramatically cut and the amendments I offer seek to close that chapter in the life of a Federal agency that this House opened nearly a year ago.

Over that period subcommittees of the House have extensively investigated the practices and policies of the Environmental Protection Agency since 1981. The result has been a score of resignations at the highest levels of the Agency, repeated serious blows to the moral of EPA staff, and an agency which has devoted more than a year to defending itself rather than being able to carry out the mandate which the Congress created for it.

I do not wish to review today that long history complied in the records of House subcommittees regarding allegations of misdeeds. This is not the issue here.

What is at issue are the budget policies pursued by the former administrator and her staff. But they are not only the budget policies of an EPA adminstration Members of this House have roundly criticized. They are our own budget policies for that agency. For 2 years the House has acquiesced in massive, severe budget cuts at the EPA. These cuts are a prime reason why the agency cannot today protect the American public from polluted air, contaminated water, toxic chemicals and hazardous wastes.

Mr. Chairman, I offer this amendment in the belief that it is time for this House to step away from the role of critic of the EPA and to begin to play a responsible role in rebuilding it.

My amendment would seek to restore to the EPA operating budget a fraction of the resources which have been stripped away over the last 3 fiscal years. The amendment would restore funds to the three basic accounts of the EPA operating budget; salaries and expenses; research and development; and abatement, control and compliance.

To summarize briefly, almost a third of the EPA staff has been let go since 1981. The agency is critically short of personnel in almost every field.

The regional offices, for example, have begged for inspectors for the thousands of active hazardous waste sites nationwide—inspections that this Congress mandated under the Resource Conservation and Recovery Act in 1976.

We have seen a 2-year drain of key scientific personnel at the EPA. The staff of the EPA over the last 3 years has been cut by practically a third, by over 3,000 positions. The regional offices are begging for inspectors for the thousands of hazardous waste sites. We have lost scores and scores of scientists, the kind of talent that is necessary if we are to pick up the responsibility, for example, of understanding and furthering the acid rain issue.

Area after area within the EPA has been cut dramatically. In the area of research and development, perhaps the most hard hit, 53 percent of the EPA research budget has been cut. That massive decline in the R&D account from $254 million to $119 million over a 2-year period of time is in-house, for the most part, or intramural research carried in the salaries and expenses account.

This drastic reduction, more than 53 percent in the R&D account, jeopardizes not only current environmental protection efforts, but our children's future.

The Agency cannot issue sound regulations without adequate research funding progress, and pollution control technology in industry after industry will be hobbled. R&D funding by industry in the United States has declined in recent years, parallel to the decline in EPA, as the private sector sees the public sector is not serious about the business of going about the business of basic research on the increasing number of environmental problems we are coming to understand.

In virtually every area, each one of the areas I have touched upon, subcommittees of the House have uncovered serious evidence of lack of resources available to the EPA to do their job. This goes on.

We have found that over and over and over again. It is time for us to join with Mr. Ruckelshaus in the strengthening of the EPA.

The argument has been made in opposition to the amendment, and the argument will be made that the committee has already added significant amounts of money. But significant amounts of money to what? Significant amounts of money to the ravaged budget that Ms. Gorsuch proposed for the EPA, a dramatic cut that nobody in this House took seriously.

The CHAIRMAN. The time of the gentleman from Colorado (Mr. WIRTH) has expired.

(By unanimous consent Mr. WIRTH was allowed to proceed for 2 additional minutes.)

Mr. WIRTH. Mr. Chairman, ravages in a budget proposed by Ms. Gorsuch which nobody, I believe, in this House took seriously. The appropriation offered by the Appropriations Committee on a budget of approximately a little over a billion dollars adds a grand total of $40 million.

What this amendment does is to bring the EPA budget in nominal dollars, not 1981 dollars, but today's dollars, up to the 1981 level which is

bringing it back to where we were in 1981.

Why? Because we have seen the extraordinary needs at the EPA, the fact that this country supports and wants the Environmental Protection Agency to be an effective agency and the fact that we have research issue after research issue.

Probably the best example of all is the issue of acid rain.

We saw, for example, most recently in New England the fact that many utility companies, seeing the fact that the research going on that they had funded may be damaging to their interests, and was certainly damaging to the environment, are pulling out of a better understanding about what we can do related to acid rain. We must pick up that burden and continue the effort on acid rain, not only in New England but all over the country.

It is our responsibility in this House, House Members on the Republican side and the Democratic side, to meet our commitment to the kind of clean environment that the American people want on behalf of their own health and safety. This is going to happen.

Mr. Ruckelshaus has made it very clear that he is going to ask for more money. The other body has put this money in on that side, and let us do it on this side and make sure that the House is on the record also supporting health and safety for the American people in the EPA.

Mr. McCLOSKEY. Mr. Chairman, I move to strike the requisite number of words and I rise today in support of the amendment offered by the distinguished gentleman from Colorado (Mr. WIRTH).

I would like to say that in a time of massive, increasing environmental problems, this is no time to cut back the enforcement capabilities of the EPA.

I hail from Indiana and I have about 11 or 12 years of experience as a mayor in a community which is constantly being besieged by toxic waste problems.

□ 1050

It would seem not a month goes by that there is not a new toxic waste dump discovered in the Monroe County, Ind., area and to think that the gentleman from Colorado is taking the lead in proposing a measure of this sort is so important to all 50 States of the Union. Each of our environmental laws, the Clean Air Act, Clean Water Act, Resources Conservation Recovery Act, Federal Insecticide, Fungicide and Rodenticide Act, delegates major responsibilities to the States. But does so within the context of setting Federal standards that the States must meet because we have learned through hard experience that pollution control is a national issue that must be dealt with nationally.

Industry cannot comply with 50 different clean air standards, 50 different water standards, and 50 different hazardous waste standards in 50 different States. Pollution from one State may affect not only that State but the people across the border in adjoining States, and the States cannot be expected to maintain the research facilities and technical staff necessary for efficient regulation. Therefore, responsibility has been delegated to the States for carrying out environmental policies that are clearly national in scope.

It is critical that if we ask the States to do such programs we help to provide the resources for these programs. We all know that State governments are facing an economic crunch of enormous magnitude. The States cannot carry out the responsibilities they have, let alone assume new responsibilities unless the EPA provides additional support for the State environmental programs.

The Wirth amendment will provide $65 million in additional grants to the States to carry out air, water, and hazardous waste programs.

Those funds are essential if we are serious about delegating responsibility for these programs to the States.

The National Governors Association recently reported that the reduction in the EPA State grants program would require curtailment in a number of environmental protection activities by a level at least proportionate to the reduction in Federal support.

Because States may still be required to respond to Federal mandatory requirements, the activities most likely to be curtailed by the States include resource-intensive activities, such as monitoring of ambient pollution levels, monitoring of compliance by emission sources, permitting technical support, and enforcement in all environmental media.

Grants to the States have been reduced substantially in real terms and the States have been forced to reduce their commitment to environmental pollution control programs. If we are to make a new beginning now we must join hands with the State and local governments and assure that adequate resources are available to them to make that new beginning a cooperative venture.

In conclusion I would like to say, Mr. Chairman, that it is very important that we give Mr. Ruckelshaus, who is likely to have a distinguished record, all reasonable financial resources to accomplish his worthy mission.

I thank the Chair.

Mrs. SCHNEIDER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendments.

Ms. OAKAR. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHNEIDER. I yield to the gentlewoman from Ohio.

Ms. OAKAR. I thank my friend for yielding.

Mr. Chairman, I also want to support the gentlewoman's recommendation that we approve this amendment.

I would like to put in the RECORD a letter that the AFL-CIO has sent to our chairman and I just want to briefly read one line from it.

It says:

We strongly support your amendment to the Appropriations Committee bill for HUD and independent agencies that will return EPA's operating budget to its fiscal year 1981 level of $1.3 billion.

At a time when we urgently need more information to make rational environmental control decisions, it is irrational to reduce research and development.

And then goes on to indicate that this amendment is especially important to those who suffer risk in the workplace and I thank my colleague for yielding.

The letter follows:

INDUSTRIAL UNION
DEPARTMENT, AFL-CIO,
Washington, D.C., May 31, 1983.

Hon. TIMOTHY E. WIRTH,
House of Representatives,
Washington, D.C.

DEAR TIM: We strongly support your amendment to the appropriations committee bill for HUD and independent agencies that will return EPA's operating budget to its fiscal year 1981 level of $1.3 billion.

At a time when we urgently need more information to make rational environmental control decisions, it is irrational to reduce research and development.

The Toxic Substances Control Act—passed only after years of struggle by a coalition of labor and environmental organizations—has provisions important to the reduction of risk in the workplace. The Act is not being properly implemented: Key enforcement provisions are being ignored. Hopefully, the policies that led to this rejection of a congressional mandate will change. But policies without funds are meaningless gestures.

The Noise Control program needs to be restored. Normal hearing is not a luxury. It is necessary for efficiency and safety in the workplace. This program was one of the first to be destroyed by the Burford administration. It should be the first to be restored by Mr. Ruckelshaus.

EPA's work in the field of ionizing and non-ionizing radiation has taken crippling setbacks. It will take millions of dollars to return the program to even its pre-Reagan miniscule size.

These are some examples of EPA programs of special concern to workers and their families. We urge you to ignore those whose vision extends only to the end of a fiscal year. The future of our nation—its economic vitality, security, and the American quality of life—depends on our ability to manage the environment of the community and the workplace.

Sincerely,

HOWARD D. SAMUEL,
President,
Industrial Union Department.

Mrs. SCHNEIDER. Mr. Chairman, I rise in strong support of the Wirth amendment, and it is obvious why we need it.

A recent CBO analysis had come forward indicating that EPA's operating budget had decreased by 44 percent in real dollars since 1981 and at a time when the Agency's responsibilities, particularly in the area of hazardous wastes, are increasing. I think it is imperative we act today on the Wirth amendment.

What has been the impact of these decreases has already been stated. The 53-percent cut in R&D has been significant. As a member of the Committee on Science and Technology I can attest to that.

I think for starters the Agency is not really developing the environmental data base that the Congress needs to make statutory decisions.

The American Chemical Society had recently stated, in amplifying the point that the data base simply is not there,

> A lack of fundamental information is the major reason the agency has failed to meet some of the regulatory deadlines established by the Congress.

The other point to make is that not only is the R&D money not available, but a second problem seems to be the Agency's lack of resources to meet the regulatory deadlines established by this Congress. Those deadlines have since become meaningless.

So, the subcommittee bill essentially holds the spending cuts in place, until Mr. Ruckelshaus can submit a supplemental appropriations request.

There is no question all of us want to support Mr. Ruckelshaus in his stewardship at EPA. I am confident he will submit a realistic budget request for EPA. But in the meantime it is imperative that we keep in mind two things: First of all, Mr. Ruckelshaus has not endorsed, I repeat, he has not endorsed the subcommittee's EPA budget. Second, he has not specifically opposed the Wirth amendment.

So, I think Mr. Ruckelshaus when he does submit his request I am quite confident it will be accepted by the House and Senate conferees, but in the meantime the Wirth amendment is our first opportunity to vote for the reconstruction of the EPA.

I would like to leave my colleagues with an adage particularly pertinent to the Wirth amendment, that is for us not to put off for tomorrow what we can accomplish today.

I yield back the balance of my time.

Mr. SCHEUER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Colorado (Mr. WIRTH).

This amendment would increase the fiscal year 1984 appropriation for EPA operating programs by $219.7 million, from $1.08 billion now provided in H.R. 3133 to $1.3 billion. Of this increase, $23.6 million would be added for EPA research and development activities performed through contracts and grants. The amendment simply restores research and development funding levels to the 1982 levels.

Mr. Chairman, George Santayana once observed that "those who cannot remember the past are condemned to repeat it." I can think of no better words for the Members of the House to keep in mind as we vote on this issue. In many ways, this will be one of the most important environmental votes the Members will have to cast this year.

We have witnessed the decimation and systematic degradation of the mission of the EPA—which is to protect the health and environment of the American people.

It would be easy, as some have suggested, to blame all this on the now-departed and largely unlamented former Administrator and her colleagues, who so badly mismanaged the Agency that it took six congressional committees using six sledge hammers 6 months to begin the Protection Agency. The problem faced by the American people is far greater and far more complex than the poor judgment of a group of political hand-maidens to America's corporate polluters. These political appointees needed help. And they got it from an administration eager to cater to the polluters.

They got their help in the form of major cutbacks in funding for all levels of EPA activities. It was not enough that those in charge of the Agency subverted it from within by withholding or delaying cleanup activities. The administration carried its attack on a clean environment a step further by cutting EPA's budget to the point where even dedicated employees were unable to do the job the American people count on them to perform.

No area in the Environmental Protection Agency's budget has been cut more ruthlessly and more recklessly than funds for research and development. The administration's request for 1984 funding represents a cut of 53 percent over what we funded the Agency for in 1981.

Does anyone seriously think that we have so cleverly handled our environmental problems that the vital long range research needed can be cut by more than half?

The fact is that the Office of Management and Budget and the Reagan administration policymakers decided that one of the ways to assist the corporate polluters of America would be to cripple the Agency's ability to identify long-term problems and plan cost-effective, science-based solutions. For the President simply to appoint a man of personal integrity like William Ruckelshaus to direct EPA will not, in and of itself, solve all of its problems. Unless we give EPA the tools—the money and the personnel—to do the job, all the good public relations intentions in the world won't accomplish anything.

Mr. Chairman, it is frequently said that knowledge is power. That is particularly true in the area of scientific knowledge, particularly scientific knowledge that relates to the environment.

The American people certainly do not want less environmental protection. Time after time, in one national poll after another, the American people have expressed themselves solidly behind strengthening the integrity and capabilities of the EPA to protect their health and environment.

The American people want more research on the problems of acid rain.

The American people want more research done on cleaning up the water we drink, the air we breathe, and the land on which we live and plant our crops.

The American people want more done in research solutions to the problems posed by our need to dispose of deadly toxic wastes safely and economically.

We are in a catch-22 situation. When we come to the various committees of the Congress that wish to establish sane, cost-effective environmental regulations and laws, we are told by industry and by administration spokesmen that we do not know enough. But yet when we come to set realistic research budget funding levels we are told that that is too much.

We are told: Do not set a level of adequate research funding that would give us the knowledge to impose realistic, cost-effective, sensible environmental restraints on all of us—on industry and the public alike.

Is it not ironic that the Chemical Manufacturers Association and the Environmental Defense Fund recently joined forces to sue EPA and force it to do the necessary basic research that Government must have in order to set sensible, cost-effective environmental standards by which industry can plan its long-term investments in new plants and equipment?

□ 1100

To us in Congress, is it not ironic the two ends of the spectrum should join together in saying, "EPA, you don't know enough to do your job. You don't know enough to protect the health of the American people and we have joined forces, spokesmen for industry and spokesmen for the environment and health of the American people, in telling you to get off your duffs and do the job so that you have the knowledge to help industry make intelligent decisions that will not be wasteful, that will not be silly, that

will not add on unnecessary burdens to an industry; that we want to be competitive, that we want to compete effectively in global commerce, but we also want to make the necessary changes in the ways of doing business that will protect the health and environment of the American people."

In today's New York Times, Thursday, June 2, a headline, "Dow Announces Program To Allay Fear on Dioxin."

They announced a research and public relations program to allay concern about dioxin contamination. The press release is dated Midland, Mich.; yes, Midland, Mich. That is the plant that is spewing dioxin into the Tittabawassee River every day, we know not how much because the Dow Chemical Co., in its infinite wisdom, and its infinite sense of corporate morality and responsibility, will not allow Federal scientists to come into their plant and to inspect and analyze what they are spewing into the river and the degree to which it is toxic.

Now we do not know how toxic dioxin is because we have not done the research. We do know that it is deadly toxic to laboratory animals, we do know that one-tenth of one drop of dioxin in an olympic swimming pool makes it deadly toxic for laboratory animals, we do know that it is 150 times more toxic than the next most toxic chemical mankind has ever produced; namely, cyanide, but we do not know what are the tolerable levels of dioxin. We think it is one part per quadrabillion. It is in the area of a quadrabillion.

Mr. Chairman, I urge my colleagues to support this amendment which will raise the level of funding for R&D in 1984 to the same level at which we funded this research in 1982.

Mr. MOLINARI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Wirth amendment.

A great deal of attention has been focused throughout the past year on the problems at the Environmental Protection Agency and indeed, there have been many issues raised during the course of our debates in congressional hearings. There has been talk about mismanagement that occurred and indeed, I think that was the case. There has been talk about abuse by generators of hazardous wastes. There has been talk about the fortunes that have been expended to clean up. There have been charges of sweetheart deals and indeed, political manipulations.

But very, very little attention has been given to the question of enforcement and prevention. It is in these areas where we must make greater efforts and where EPA must have adequate funding. The amendments we are considering are a step in this direction.

Allow me to give just a few examples of what it has cost this country because inadequate funding has been allocated to enforcement and prevention.

We all know about Love Canal. It has received a great deal of publicity over the years. It would have cost, by some estimates, less than $2 million in 1979 dollars to prevent that occurrence. Right now, there has been over $36 million spent so far at Love Canal and the estimates for remedial and cleanup work alone run over $100 million.

Hopewell, Va. The Life Sciences Plant in Hopewell could have safely produced kepone at a cost of about $200,000. To date, the cleanup costs total about $12 million and are still going up.

Stringfellow in California, the acid pits. The likely costs for proper treatment would have amounted to about 20 cents per gallon or about $6 million. They are now estimating the cleanup costs between $40 and $60 million, a remedial cost 10 times as great as the cost of prevention.

Times Beach, Mo., one that has been in the media a lot lately. It would have cost that generator less than $100,000 to legally dispose of the dioxin at that plant. We know they spent over $30 million in a buyout. Now we are told the total cost of cleanup at Times Beach will be in excess of $100 million.

I could go on and on with comparison figures of what it would cost to legally dispose of toxic and hazardous substances and what it is going to cost today and in the future. I want to emphasize that none of those figures take into consideration the medical costs, the personal property costs, and if we want to talk in the most dramatic of terms, the number of lives that have been and are going to be lost in the future.

Are we going to sit back and say that we have budgetary restraints and we are going to permit a cut from 1981 to today of 45 percent, as the administration would request, or of 31 percent as the committee bill mandates in the areas of abatement control and compliance? Is there any Member of Congress who is willing to say that the fiscal year 1981 figures, which this amendment still does not fully restore, were enough to do the job? I doubt that very much.

I share the views of the previous speakers that we have a new Administrator in there who is very competent and capable to do the job. However, Mr. Chairman, if we do not give him the funds to do that job, then we cannot expect the results that we have been demanding for the last couple of years.

□ 1110

Mr. ECKART. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Wirth amendment.

Mr. Chairman, in behalf of the gentleman from New Jersey (Mr. FLORIO) and myself, I rise in support of the Wirth amendment.

One of EPA's most important responsibilities is to protect the public health from hazardous air pollutants, pollutants that can cause cancer, genetic damage, and other very serious illnesses. Yet every day millions of Americans must breathe at home and in their workplaces unregulated pollutants that are seriously suspected of causing cancer. Studies have shown that as many as 1 in 5 cases of lung cancer, up to 20,000 each year, could be prevented by better control of these dangerous air pollutants.

Yet in just 12 years the EPA has established hazardous air pollutant standards under the Clean Air Act for only four pollutants. Three other pollutants have been officially listed as hazardous but still are yet uncontrolled. EPA must do more. At this rate of one standard every 3 years, EPA will be long in catching up.

Resources for setting these pollutant standards have been cut consistently the last two budgets. The time for this must come to a halt. An internal budget analysis concluded that only a modest increase is indeed needed to address this most egregious of situations—eight additional full-time employees in fiscal year 1983 and three more in fiscal year 1984 at an additional cost of approximately $1 million. We must give the EPA the resources to do that which we cause them to effect, that is, protect the public health. We cannot let the health of millions of Americans remain at risk because of the failure of our Congress to make the necessary financial commitment to protect the Nation's health.

Being penny-wise and pound-foolish in the area of health contaminants is abhorrent to me and to the gentleman from New Jersey (Mr. FLORIO).

Mr. Ruckelshaus brings to his task a fine record and an outstanding sense of commitment. Let us give him the tools to do the kind of job that we know needs to be done. Support the Wirth amendment. The health of our Nation and its citizens depends upon it.

Mr. RICHARDSON. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Wirth amendment.

Mr. Chairman, in business circles it is often said that "you have to spend money to make money." Sometimes this idea has analogies in Government too. That is why I rise to support the amendment of the gentleman from

Colorado to increase the appropriation for the Environmental Protection Agency.

Let me give some examples related to air pollution control. In the past several years the EPA has developed something called the bubble policy. Basically, its a simple idea. A bureaucrat may decide that all the stacks in an industrial plant should clean up the same amount, even though the owner may know that some are much less expensive to clean up than others. The bubble policy is an invitation to business people to proposed a more cost-effective cleanup alternative. Society can save money, and still get the same health protection.

But there is a catch. It takes more Government resources to oversee a bubble policy—to make sure that bubbles do not become licenses to pollute. And lately, there has not been enough funding for Government.

The result is that a good idea—an idea that can give us less expensive health protection—is in danger of becoming tainted permanently. I do not want to see that. I support more efficient pollution control. I think we need to invest the money we need to get us the savings offered by the bubble policy.

Mr. Chairman, there are other ways in which small increases in today's funds for EPA can pay big dividends in the future. For example, I think we need to fund more research into ways we can use our Nation's abundant resources of high sulfur coal without sacrificing the quality of our air. This gentleman at least does not want to have to choose between these important national goals. And I do not think we have to.

We also need to develop better air quality monitoring networks. When we do not know the quality of the air, there is a tendency to assume the worst. And assuming the worst can mean industry has to spend millions of dollars to control problems that really do not exist.

We need to fund more basic research into the effects of pollution on people and the environment, too. To pay off, research programs have to have stable funding. Basic research takes time. And researchers do not go into fields where there are no funds to support research.

In the past 2 years funding for basic research on the effects of air pollution has virtually dried up. Now we need to correct that situation and recreate a stable program that will attract talented researchers once again.

We also need to invest more in Federal help for State air pollution control programs. In the past 2 years, reductions in Federal funding have provoked additional reductions in State funds, not the increases some had expected. Returning to historical patterns of Federal funding will bring dividends in renewed State commitments.

Mr. Chairman, I am not one lightly to recommend higher Federal spending. But sometimes you have to spend money to make money. And this is one of those times. I support the amendment of the gentleman from Colorado.

I must wholeheartedly agree with the basic premise of this amendment—for, indeed, now is the time to begin rebuilding the EPA.

All of us here are well aware of the serious problems which have surfaced at the EPA. Our daily newspapers and nightly news programs are replete with stories of mismanagement and of an agency without the resources to administer our basic and essential environmental protection statutes. And while we can certainly take hope that the administrative problems at EPA will now be addressed by the new Administrator, Mr. Ruckelshaus, we all know that there is one other component to this puzzle which must be addressed—the serious financial needs of the agency.

Mr. WIRTH's amendment would take the very needed first step in restoring the resources necessary for the EPA to do the job entrusted to it by the Congress and the American people. And while this amendment will only bring the EPA's operating budget back up to the levels found in fiscal year 1981, it calls for increased appropriations in the very areas now so sorely lacking—allowing us to resecure the very best possible personnel, providing basic research and development funding for our lagging efforts in identifying and controlling the most dangerous of our Nation's toxic substances and pollutants, and a much needed infusion of funds for the regulation, monitoring, and abatement programs created by our most fundamental environmental laws.

I urge all of my colleagues to join with me in support of this amendment.

□ 1120

Mr. BROYHILL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to this amendment, and I do so to caution members of the Committee and Members of this House with respect to the policy that is being argued in behalf of this amendment.

First, I want to remind Members that the new Administrator of the EPA has just been sworn in and he has assured the chairman of this subcommittee and the ranking minority member that he is in the process of reviewing the resource needs, personnel resources, and other resource needs for fiscal year 1984 and he assured the gentleman from Massachusetts (Mr. BOLAND) and the gentleman from New York (Mr. GREEN), that once that review has been completed that he will be back here to give a report on what he thinks the Agency needs in the way of additional money or additional resources for next year.

Now, my concern about this amendment is that the gentleman from Colorado has arbitrarily picked some numbers that vastly increase the funding for this Agency without due thought or a plan as to how these funds would be spent. I would remind Members that EPA has never been able to hire anywhere near the 2,000 permanent employees in a year's time in the past, much less utilize such a vast increase in personnel.

To simply hire 2,000 employees in fiscal year 1984, EPA would have to hire nearly 500 people each month for 6 months in order to utilize the number of work years that are required under the amendment offered by the work years that are required under the amendment offered by the gentleman from Colorado. That is about four times the maximum rate of increase that has ever been achieved by EPA, even during the Carter years.

EPA, I would remind Members, is a highly technical Agency and it is very difficult to go out and to find the qualified people that are needed in these very technical positions.

I would advise that we permit Mr. Ruckelshaus, who has just been sworn in as the Administrator of this Agency, to review his needs and the resources that he thinks he is going to have to have, and the manpower needs that he is going to have to have, and let him come back here and talk to us. I think that he deserves that courtesy, and we should let him complete that review and present his recommendations to us at the appropriate time.

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Colorado.

Mr. WIRTH. I thank the gentleman for yielding.

Mr. Chairman, I appreciate the gentleman's concern about strengthening the hand of Mr. Ruckelshaus and when that happens, but Mr. Ruckelshaus has made it very clear, particularly in the Cable News Network interview the night before last, that in fact he was going to be coming back to the Congress, and I think that we ought to strengthen his hand now.

The second point the gentleman makes related to the ceilings, I do not know where the number of 2,000 employees or 500 per month comes from. What we have done is go back into the critical areas of scientific capability within the EPA, the hazardous waste inspectors where, as I pointed out in my opening comments, the EPA regional offices have been requesting the kind of support that is necessary

to do the job that they are asked to do.

The CHAIRMAN. The time of the gentleman from North Carolina (Mr. BROYHILL) has expired.

(By unanimous consent, Mr. BROYHILL was allowed to proceed for 2 additional minutes.)

Mr. BROYHILL. Mr. Chairman, the amendment offered by the gentleman from Colorado would provide for at least 1,200 additional work-years, which is beyond the action that the committee has already taken. So we estimate that that, together with what the committee has already recommended, is calling for the hiring of somewhere around 2,000 permanent employees in the next year.

As I pointed out, in the past, the EPA has never been able to hire that level of highly technical, highly trained people, much less to effectively utilize such a vast increase in numbers of people. I do not object to giving some modest increases to the new Administrator, but I so think that we ought to do this with some thought and with some care, to permit the Administrator to come in here and to consult with the leaders of not only the authorizing committee but the Committee on Appropriations with respect to the levels needed and the resources needed, but also those that can be properly utilized.

So I would urge that we stick with the committee on this. They have offered here in this bill some increases in funding for the Agency, and if other increases are needed and warranted, we can certainly take care of that at a later time.

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. Yes, I would be glad to yield to the gentleman from Colorado.

Mr. WIRTH. I thank the gentleman for yielding.

Mr. Chairman, again going back to the personnel question, let me point out that the personnel levels the gentleman is referring to are the personnel levels recommended by Ms. Gorsuch and are in the administration's budget as sent up in January 1983.

I do not think there is anybody in this House who thinks the personnel levels recommended there, which include hundreds of additional cuts at EPA, were realistic. We are not adding on top of that. We are saying OK, from where we are now, not including all of the cuts that Ms. Gorsuch and the administration were recommending in January.

□ 1130

Mr. BROYHILL. Mr. Chairman, I do not read the gentleman's amendment that way at all. What he is asking for is increases over and beyond the increases that the committee is recommending to us today.

The CHAIRMAN. The time of the gentleman from North Carolina (Mr. BROYHILL) has expired.

(On request of Mr. WIRTH and by unanimous consent, Mr. BROYHILL was allowed to proceed for 1 additional minute.)

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. Certainly, I will be glad to yield to the gentleman, but I would like to respond.

Mr. WIRTH. Mr. Chairman, I thank the gentleman for yielding.

Let me point out also that in addition to the fact that we are neutralizing the cuts which were recommended and which were unrealistic, second, on the research budget the dollars for research in the budget are precisely the dollars recommended by the Committee on Science and Technology.

Third, when we talk about going through the authorizing process, I would remind my colleague that the chairmen of all the authorizing committees related to this legislation, particularly those on the committee on which the gentleman sits, are in support of this amendment for the purpose of strengthening the EPA.

Mr. Chairman, I thank the gentleman for yielding.

Mr. BROYHILL. Mr. Chairman, I would also point out to the Members that in the last 2 years much of the administration of these programs has been delegated to the States. That is where much of the personnel needs has been shifted, and I do not know of anything in the gentleman's amendment that would propose shifting that back from the States to the Federal Government.

Mr. WIRTH. Mr. Chairman, if the gentleman will yield further, just at a time of very severe budget crises in the States, we are seeing cutbacks of State funds of all kinds, and we have seen a cutback of more than 15 percent of the funding going to the States which we want to restore to help the States.

The CHAIRMAN. The time of the gentleman from North Carolina (Mr. BROYHILL) has again expired.

(On request of Mr. BOLAND, and by unanimous consent, Mr. BROYHILL was allowed to proceed for 2 additional minutes.)

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Chairman, I agree with the position taken by the gentleman from North Carolina (Mr. BROYHILL).

There is no question about the fact that the amendment offered by the gentleman from Colorado (Mr. WIRTH) adds 1,200 additional positions above—hold on to your hats—the 800 positions that we added in this bill. Those 800 positions are comprised of 700 in the operating programs of the EPA, plus 100 in the Superfund. So there would be 2,000 additional staff years added to the EPA if this amendment were adopted.

From the experience that this committee has had with the Office of Management and Budget, there is no way in the world they are going to get those 2,000 positions. The OMB allocates the positions to the various departments and agencies of the Government. Last year OMB was going to RIF 412 positions from the EPA. It was this committee that stopped that RIF. We insisted on the allocation of the 412 positions we put in the budget, and those positions were saved.

My own judgment is that if we add 2,000 positions to this bill for the EPA, there is no way the OMB is going to allocate that number to EPA. There is no question about that.

So, Mr. Chairman, the gentleman from North Carolina (Mr. BROYHILL) is precisely right.

Mr. BROYHILL. Mr. Chairman, if I could reclaim my time for just a moment, I appreciate the gentleman's remarks backing up my arguments.

My concern is that is we ask for an increased number of people, we are not going to be able to put that many highly trained, highly technical people to good use within this very short time frame. It seems to me that we ought to be working toward some plan here, and we ought to let Mr. Ruckelshaus come forward with whatever plan he has and let him complete his review and not throw these kinds of resources at him that he may not ever be able to utilize.

Mr. BOLAND. Mr. Chairman, will the gentleman yield further?

Mr. BROYHILL. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Chairman, let me also add an addendum to what the gentleman said with respect to Administrator Ruckelshaus.

The gentleman from Colorado (Mr. WIRTH) indicated that Administrator Ruckelshaus was interviewed by Cable News Television Network, which is absolutely correct. But on the question of amending EPA's budget estimate, the question asked of Mr. Ruckelshaus was: Do you think you would have to go back to Congress to amend that figure?

And when Mr. Ruckelshaus answered that particular question, he was referring to additional money above the administration's request for the EPA and not above the add-on that is provided by this bill.

Mr. CHAIRMAN. The time of the gentleman from North Carolina (Mr. BROYHILL) has again expired.

(On request of Mr. WIRTH, and by unanimous consent, Mr. BROYHILL was allowed to proceed for 1 additional minute.)

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I am glad to yield to the gentleman from Colorado.

Mr. WIRTH. Mr. Chairman, just for the purpose of clarifying the record, let me read from the transcript of the Cable News Network interview of May 31. This is a question asked of Mr. Ruckelshaus:

And do you feel that it will be necessary, I mean from all the information you have right now, and knowing what the House Appropriations Committee has suggested, do you feel it will be necessary to go back and ask Congress to amend it?

Mr. Ruckelshaus said:

Yes, I think so. I think we'll be asking for more money.

Mr. Chairman, I thank the gentleman for yielding.

Mr. BROYHILL. But, Mr. Chairman, the gentleman is talking about vastly increased numbers, and the numbers are a bit arbitrary.

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. And this is done with no plan whatsoever.

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. Mr. Chairman, I yield back the balance of my time.

Mr. BROWN of California. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I am one of those subcommittee chairmen who have been deeply concerned about EPA and the quality of its work for some time.

Just a few weeks ago I brought to the floor the so-called FIFRA legislation which provides for the pesticide part of EPA's operation. In extending that authorization for an additional year, the House also authorized a very substantial increase for the EPA's research and enforcement activities in that area. The amendment which the gentleman from Colorado (Mr. WIRTH) has offered today is an application of that same principle to the entire budget of EPA.

I really do not think that there is as much difference on this subject as the debate might seem to indicate. I have a great deal of confidence in the distinguished chairman of this subcommittee (Mr. BOLAND) to provide adequate funds for the operation of the agency. He has indicated that in the bill that he has brought before us, which is a substantial increase over the resident's budget. He has indicated that he would go even further after he hears Mr. Ruckelshaus' request. This is certainly a good faith indication that he wants to do what is necessary to restore the EPA to the level of effectiveness that it has had in the past.

Where we are differing here is probably on the matter of timing more than anything else. I would like to suggest that in adopting this amendment offered by the gentleman from Colorado (Mr. WIRTH), we probably can end up about where the subcommittee chairman, the gentleman from Massachusetts (Mr. BOLAND), would like to have us after the whole process is complete. We have quite a few steps to go with this bill, including a conference with the Senate and final action in both bodies.

If we do not adopt this amendment, then in the event that Mr. Ruckelshaus asked for a figure comparable to what is in this amendment, and both the House and Senate have adopted lower figures, there is no chance to get the larger figure into this bill. We would have to come back with a supplemental, which, of course, is frequently done, but it would be far more expeditious to incorporate the amount suggested by the gentleman from Colorado (Mr. WIRTH) in his amendment and then bring the figures down in conference to the level Mr. Ruckelshaus may subsequently ask for.

It is important, Mr. Chairman, that we indicate our confidence in Mr. Ruckelshaus and the program of EPA. That is the single most important ingredient in the effectiveness of the work that the agency does. This amendment would create that sense of confidence, that sense that the Congress is behind them, and that they can get on with their work.

Mr. Chairman, we read daily of some problem emerging which requires the action or attention of EPA and in every article is some mention of budgetary restrictions which are hampering an effective reaction to the problem. At a time when many State budgets are being cut back, funding cuts in environmental programs at the Federal level have had an extremely dangerous effect.

What we are debating here today is a restoration of EPA's funding to the fiscal year 1981 level. This is not some arbitrary figure, selected upon nostalgic yearnings for the halcyon days of the past. It is an attempt to put the agency back on an even keel and return some stability to EPA operations. It is an attempt to give the new Administrator of EPA, William Ruckelshaus, the tools necessary to do the job that we all want to see get done. It is an attempt to heal the wounds of the past which have divided this House and this country. It is a starting over for all of us.

Some of my colleagues may reject this argument, saying that what we are attempting to do here today is simply throw money at our environmental problems. What we are attempting is to insure the proper level of protection for the people of this country. What is the value of one Times Beach, Mo., being prevented by an adequate monitoring program? How do you cost out the value of having enough lab auditors at EPA to adequately review lab studies and prevent the fiasco of bad lab work being done in the pesticide registration program? How do you put a price tag on the suffering and anxiety of people like those surrounding the Stringfellow acid pits in my district, people subjected to additional anxiety due to budget restraints delaying epidemiological studies of the area?

Stability in EPA serves everyone. Industries subject to regulation need a stable situation in order to make investment decisions. Wide swings in the environmental regulatory system are not good for industrial planning, but these swings are becoming the rule these days. This amendment is an attempt to stabilize EPA to everyone's benefit.

We all know of past horror stories at EPA. They range from very serious problems, such as those surrounding the Stringfellow acid pits decisions, to very small ones. But they have all been costly. Every day's delay at Stringfellow increases the cost of cleanup, but the cleanup depends upon epidemiological studies and better research on what is in the pits and what it may do to local residents. When a company is seeking to register a pesticide and that permit is delayed a week for lack of a typist there is a cost to the company and to the farmer. I am sure that each of us here today could recite stories such as these, stories which point out the true costs of past budget cuts at EPA.

I urge my colleagues to support this new beginning for EPA and give the new Administrator the tools which he needs to get the job done.

□ 1140

Mr. OTTINGER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the amendment of the gentleman from Colorado (Mr. WIRTH).

Those of us who have been concerned with the environment have just been overwhelmingly distressed by the failure of EPA to enforce the laws to do the research that is necessary in order to give the protection to the environment which Congress intended.

With respect to the numbers of personnel that were referred to by the worthy chairman of the Appropriations Subcommittee, it is my understanding, and he can tell me if it is wrong, that the administration proposed cut of 600 people and that the 700 people which the gentleman has restored are taking into account those 600 people. So it is a net of only 100 people that has been provided by the subcommittee.

This is in contrast to the some 2,500 additional people that were, in fact, working at the Agency during the

period of 1981 when the laws, in fact, were being prosecuted.

Since that time in 1981 we have added substantial new responsibilities to the Agency and to the toxic substances field identifying new chemicals and in the Superfund area which have not been adequately pursued, such as acid rain where the administration said that they did not want to take action on acid rain until they did more research. Then they have asked we cut the funds for research in a whole variety of critical areas to the health and safety of our population. New responsibilities have been added and we have had this drastic cut.

What the Wirth amendment does, as I understand it, is merely get us back to where we were, or not quite back to where we were in 1981.

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I am glad to yield to the gentleman from Colorado.

Mr. WIRTH. The gentleman is precisely right. What is in the subcommittee appropriation bill effectively just leaves EPA where thay are now. They do not add 700 new positions. They effectively leave EPA where they are now.

What the Wirth amendment does is to add only 40 percent of the positions that were available in 1981, only 40 percent of the cuts that were made; so what we are doing, as the gentleman from New York has so accurately pointed out, is that we have given EPA an enormous set of new responsibilities and yet we have taken away 2,500 positions. What the Wirth amendment does is only restore 40 percent of the positions taken away.

The Appropriations Committee only leaves EPA where they are today. We are restoring 40 percent of the cuts that have been made since 1981.

Even that is going to prove to be inadequate and I hope in the future we will be able to work with Mr. Ruckelshaus to make sure the EPA can meet the mandate, very ambitious mandate, given to EPA by Congress.

Mrs. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I am happy to yield to the gentlewoman from Louisiana.

Mrs. BOGGS. I thank the gentleman for yielding.

I would like to point out to the House that it was under the leadership and the chairmanship of the gentleman from Massachusetts (Mr. BOLAND) that the funding for all of those jobs was added to the Environmental Protection Agency. He has been a stalwart supporter of the Environmental Protection Agency and was very forthright and forceful in his leadership in this regard.

The 2,500 jobs that were taken away were certainly not taken away by the chairman or the subcommittee. The addition of the 700 jobs in the operating program and 100 jobs in the Superfund are a reflection of his distress and the distress of the subcommittee in the further cuts that were made by the administration.

Mr. OTTINGER. I appreciate very much what the gentlewoman says. There is no question that the gentleman from Massachusetts has been an environmental champion. I think what he has done here in this appropriation is he felt the pressures that are on this body because of the tremendous deficits which the Reagan administration created does not permit us to go as far as we should. But I think he has underestimated the willingness of the country and the willingness of this body to see to it that the EPA is restored to become a really effective agency and, therefore, we are trying to assist the gentleman from Massachusetts and by no means critcize him.

I think he did what he felt he could get support for in the House and it is just that we are asking for more.

The CHAIRMAN. The time of the gentleman from New York (Mr. OTTINGER) has expired.

(On request of Mr. WIRTH and by unanimous consent Mr. OTTINGER was allowed to proceed for 1 additional minute.)

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I am glad to yield to the gentleman from Colorado.

Mr. WIRTH. I would like to associate myself with the comments of the gentlewoman from Louisiana. She is absolutely right and I commend our subcommittee chairman, as I have in private discussions and in my earlier statement, for holding the line against even more Draconian cuts at the EPA.

As the gentleman from New York points out, we just want to bring this back up and add a little further to help the good efforts made by the gentleman from Massachusetts.

I thank the gentleman for yielding.

Mr. BOLAND. Mr. Chairman, will my good friend from New York yield?

Mr. OTTINGER. I am happy to yield to the gentleman from Massachusetts.

Mr. BOLAND. I want to associate myself with the first couple of sentences by the gentleman from Colorado and, of course, associate myself with the remarks of the gentlewoman from Louisiana.

I think the gentleman from New York and the gentleman from Colorado understand that you can bounce figures all over the lot here. But, the fact of the matter is, the bottom line is—and you cannot disagree with this because this is absolutely factual—the recommendation of the administration was for a reduction of 450 positions for fiscal year 1984. Do we agree on that?

Mr. WIRTH. It is more than that.

Mr. BOLAND. If the gentleman will agree to that, 450 positions. We restored the 450 positions and added 350 more positions, for a total of 800 positions above the budget.

The CHAIRMAN. The time of the gentleman from New York (Mr. OTTINGER) has again expired.

(On request of Mr. BOLAND and by unanimous consent Mr. OTTINGER was allowed to proceed for 1 additional minute.)

Mr. BOLAND. We added 800 positions, 700 in the regular operating functions of the EPA and 100 under the Superfund. You cannot dispute that figure. That is exactly what we did.

It would seem to me that was an expression of support for what the EPA is trying to do in certain areas. I will wait until we get to the end of this debate and I will address myself to the specific amendments the gentleman from Colorado has offered. Perhaps at that time we can close the debate fairly early.

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I will be glad to yield.

Mr. WIRTH. We can again go through all kinds of numbers. Let me just briefly point out in fiscal year 1983 EPA had 8,500 positions. The administration recommended for 1984 7,900 positions or a cut of 600.

The gentleman from Massachusetts and the Appropriations Committee have brought the budget back up to the 1983 level, to the 8,500. In other words, that is 600. They left it where it was, and they added an additional 100 positions. Those are the numbers as reflected in the budget and I thank the gentleman for yielding.

The CHAIRMAN. The time of the gentleman from New York (Mr. OTTINGER) had again expired.

(By unanimous consent Mr. OTTINGER was allowed to proceed for 1 additional minute.)

Mr. OTTINGER. That is my understanding.

In the meantime vital research is not being done because not adequate people are assigned to it. New chemicals are being introduced into the environment that may cause us grave hazards. They are not being adequately tested and the testing is not being adequately supervised.

Those are real hazards to health and to safety which time and time again the American people have expressed themselves as willing to pay for, willing even to pay more taxes in order to see to it that those laws are adequately addressed and that they are adequately protected so that we do not have more Love Canals or tragedies that are occurring all over the country today as communities have to evacuate.

□ 1150

We have had an administration at EPA that is not at all interested in enforcing any of these laws. Now fortunately we have somebody back there who has at least declared he intends to put that Agency back on track. He is going to need the resources to be able to do that. Our plea to you is to give him those resources and give them in time so he can get on with this vital work.

(On request of Mr. GEKAS and by unanimous consent, Mr. OTTINGER was allowed to proceed for 1 additional minute.)

Mr. GEKAS. Will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. I thank the gentleman.

I want to know, not much has been said in this debate about whether or not the States will be getting any money out of this new amount that is allocated for abatement and control. It is not very clear to me that the States, themselves, are going to be benefiting in their own programs to complement the EPA initiatives. Can someone answer that for me?

Mr. OTTINGER. I yield to the gentleman from Colorado. The question is: Will the States benefit from any of the funds that you are adding.

Mr. GEKAS. Am I correct in assuming that if this amendment should pass that the Administrator will have at his disposal, his discretion the expenditure of these funds and that that is no guarantee, at least, not by the wording of the amendment, that the States will be getting some of the money from the Administrator for their programs of abatement and control.

Mr. OTTINGER. Mr. Chairman, I yield to the gentleman from Colorado.

Mr. WIRTH. I thank the gentleman for yielding.

As constructed in the amendment some $65 million would go back to the States, and the accounts are set up in the amendment, there are three amendments offered en bloc. The States have been cut in their support from the Federal level by some 15 percent in their ability, which as the gentleman knows, is a very significant State responsibility.

(On request of Mr. GEKAS and by unanimous consent, Mr. OTTINGER was allowed to proceed for 1 additional minute.)

Mr. WIRTH. If the gentleman would further yield.

Mr. OTTINGER. I yield.

Mr. WIRTH. I thank the gentleman.

The money funding from the EPA to the States to help them do the job has been cut by some 15 percent over the last 2 years. Under the Wirth amendment it is envisioned that $65 million of the amendment would go back to the States.

Mr. GEKAS. The gentleman uses the word, "envisioned." I am asking if the language of the amendment guarantees that the money will go from the Administrator to the States? I think not. I would like to have that clarified.

Mr. WIRTH. If the gentleman would yield further, we only deal in the bill with the various accounts and we have increased the account which is particularly important to the States. Clearly that is one of the areas of greatest need and one of the areas where the administration and Mr. Ruckelshaus clearly knows that is where extra funding has got to come.

Mr. BOLAND. Will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Massachusetts.

Mr. BOLAND. I appreciate the gentleman yielding.

I am sorry we are putting a burden upon his time. But in response to the gentleman's question, let me say that the gentleman from Colorado's amendment adds $151 million for abatement, control, and compliance activities. All of it goes to the Administrator, and the discretion rests with him. The amount of $65 million is not necessarily going back to the States.

For my part, I would like to see a lot of it go to the States. I have no problem with that. My problem is with the excessive amount that his amendment adds to the bill.

(On request of Mr. GEKAS and by unanimous consent, Mr. OTTINGER was allowed to proceed for 1 additional minute.)

Mr. OTTINGER. I yield to the gentleman from Colorado.

Mr. WIRTH. I thank the gentleman for yielding.

Clearly in the line items within the budget as constructed in the Appropriations Committee there is not a particular line item for the States. It is under abatement control and very clearly the history of that function has been support for the States and clearly anything that our good chairman would suggest after this amendment passes, that our good chairman would suggest in terms of language and in terms of meeting with the Senate, it is the intent of this Member and I think all of us to strengthen the capacity of the States who have almost the largest responsibility for the enforcement and monitoring of various pieces of legislation under the authority of the EPA.

You cannot do that in the language of this amendment, but we can do it in the report language. I would be happy to work with the gentleman and with the chairman to make sure that is very clear as to what the intent of the body is.

Mr. GEKAS. I thank the gentleman.

Mr. McNULTY. Mr. Chairman, I move to strike the requisite number of words.

Mr. BOLAND. Will the gentleman yield? I will ask for additional time if I impact upon his time.

Mr. McNULTY. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Chairman, we have been on this amendment now for better than an hour and I would hope that we can come to some time limit on it. I recognize the fact that there are at least seven more Members on that side that wish to speak. I would like 10 minutes, the last 10 minutes to be reserved for the committee—Mr. GREEN and myself and anybody else who is going to oppose the amendment.

In any event, why do we not wind this up at 12:45 p.m.?

Mr. WIRTH. If the gentleman will yield, does that include the gentleman's 10 minutes?

Mr. BOLAND. No, that would not include the gentleman's 10 minutes. We will get an extra 10 minutes. We have given you a great deal of time. I think we have been very generous here.

Mr. WIRTH. I am not sure of the generosity—I am not sure we want to limit the Members who want to speak on behalf of this amendment. I think there is a broad group of people. Why do we not go along for a period of time and see how many Members there are. There are a number of Members here waiting patiently for the last 2 hours in order to speak including the gentleman in the well. Perhaps we could move along for a while and then see where we are.

Mr. BOLAND. I do not know how patient some Members have been. The gentleman in the well has been sitting there for the last hour, I have no doubt of that.

Mr. WIRTH. If the gentleman from Arizona will yield further, I see at least eight Members on our side.

Mr. BOLAND. If the gentleman will yield further, I certainly want to reserve time for the committee at the end of the debate. You would not disagree?

Mr. WIRTH. Of course not. Of course the committee Members can be recognized at any time.

Mr. BOLAND. I understand, I have been around here long enough to understand that. I have seen you get time limitations in the past. This is not an unreasonable request. As a matter of fact, I think it is a very reasonable one.

In any event, would the gentleman object if I ask unanimous consent to close the debate on this amendment and all amendments thereto at 1 o'clock with the last 15 minutes reserved to the committee?

Mr. WIRTH. With the last 15 minutes reserved to the committee?

Mr. BOLAND. Yes.

Mr. WIRTH. With one caveat, it seems to me if the gentleman would yield further, that the Appropriations Committee has had very sufficient time in terms of developing this legislation and so on to make their case and perhaps we could agree that the last 10 minutes would be split between the proponents and the opponents and that would start at 10 minutes of, with 5 minutes on the gentleman's side and 5 minutes on our side with all debate to conclude at 1 o'clock.

Mr. BOLAND. Of course, I could not agree to that because I feel strongly that the gentleman from New York, Mr. GREEN, who is a very valuable member of this subcommittee, is entitled to time. You have had all the time here.

Mr. WIRTH. If the gentleman would yield, we have been the people asking for time, it is certainly the gentleman from New York's right to ask for time and others.

Mr. BOLAND. The gentleman recognizes the fact that there are only a few of us who are sitting on this floor that will speak in opposition to the amendment. I would think the gentleman would be delighted to go ahead and win this one in the shortest possible time that you can.

Mr. WIRTH. Can we agree that we will give the gentleman the last 10 minutes from 10 minutes of 1 to 1 o'clock, if we can have the time reserved from a quarter of to 10 minutes of for the gentleman from Arizona (Mr. UDALL).

Mr. BOLAND. Well now——

Mr. WIRTH. We are just lining up our ducks in a fair fashion.

Mr. FRENZEL. Would the subcommittee chairman yield?

Mr. BOLAND. The gentleman in the well (Mr. MCNULTY) has the time.

The CHAIRMAN. The gentleman from Arizona has the time.

Mr. FRENZEL. Will the gentleman in the well yield?

Mr. MCNULTY. I think my time has gone.

Mr. FRENZEL. This is an interesting negotiation of the floor between these other gentlemen who have had an interesting debate, one of whom must be wearing out his shoe leather, he has been on his feet so much. There are other Members of the body who would like to participate and I think most of us would prefer that those gentlemen did not carve up the time exclusively between themselves. So, they will certainly have to get a motion because they are not going to get unanimous consent for that sort of arrangement.

□ 1200

Mr. BOLAND. Mr. Chairman, if the gentleman will yield further, I will be delighted to sit down and not ask for the unanimous-consent request right now. Perhaps later on I will. And I hope the gentleman from Colorado would agree at that time.

Mr. WIRTH. I think we can work something out.

The CHAIRMAN. The time of the gentleman from Arizona (Mr. MCNULTY) has expired.

(By unanimous consent, Mr. MCNULTY was allowed to proceed for 5 additional minutes.)

Mr. MCNULTY. I thank my colleagues. That seems to be a decent gesture on the part of the Members.

I do not want my contribution to go either unrecognized or deprecated and so I would like the Record to show I have been here 2 hours, 5 minutes, and 47 seconds.

Mr. Chairman, when a society commences a remarkable program like clean air, or clean water, it seeks, and rightly so, dramatic, swift, and relatively inexpensive success. And that has been the case with the Environmental Protection Administration, but the necessary corollary of that is that the most intractable problems tend to be left behind, the kind that require the slogging, constant, enduring sort of commitment, the ones that are consequently necessarily more expensive. Problems like the enormous infestation of the municipal water supply of the city of Tucson by tetrachloroethylene deposited there by Department of Defense activities in World War II. Problems like the retirement community in Globe, Ariz., that now finds its entire trailer park has been built on an asbestos dump which is dangerous to the inhabitants.

So in supporting this measure today, the ramification of this intractability is quite simply that the funding level for these efforts not only cannot remain the same, but must be increased. And so while the quantity of funds that are under discussion here are substantial, in fact the great and important measure of this amendment is the test of the determination of the Congress to continue now that the dramatic and romantic successes are behind us with the harder task of confronting the more troublesome problems.

I support the amendment.

Mr. HILER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to these amendments. It seems that in this debate this morning the subject of how these amendments will influence the deficit has been totally vacant.

The fact of the matter is that these amendments to the committee bill will increase the deficit something over $220 million.

Now I think it is somewhat hypocritical for a number of Members to decry deficits on Monday and Tuesday and Wednesday and then propose amendments to increase the deficit over $220 million on Thursday. I think that a 25.4-percent increase which is called for in these amendments in fiscal year 1984 appropriations over fiscal year 1983 appropriations is far too large an increase for EPA to be able to handle and adjust to and digest. Whether 1,200 employees are being added or 2,000 employees are being added, the fact of the matter is that there is a very substantial number of employees being added, a number that would exceed the number of employees added in any other previous year in EPA's history, including the ambitious years of the Carter administration.

So I think that we are asking the new Administrator to do far too much too soon.

Second of all, we have just put in a new Administrator. I think it is proper that he be given a chance to present his plan and have the Congress act on it. I think there is no question that whatever the Administrator comes up with in the way of an increase over what the administration had originally proposed, that this Congress will enact it. This Congress seems intent—particularly this House—on increasing every budget we have passed in the last 2 years.

I do not think there would be any problem with the supplemental appropriation in 1984 when the Administrator comes forward with his plan, a plan that would include not just fiscal year 1984, but fiscal years 1985, 1986, 1987, and 1988.

And so I think that it would be proper of this House to turn down this amendment, to wait until the Administrator presents his plan, and to then increase the budget.

I might further add that the $220 million addition to the deficit is totally, totally unwarranted at this time.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. HILER. I yield to the gentleman from California.

Mr. LEWIS of California. I thank the gentleman for yielding.

First, let me say that I appreciate the gentleman's contribution.

Some years ago it was my privilege to serve as the chairman of a standing committee dealing with the field of air quality in California. We found in those days that oft times just throwing money at problems was not the best way to find an adequate solution.

The gentleman's suggestion that we should wait until the Administrator comes forth with his plan, that if additional funds are needed, we might very well use the supplemental processes, is most appropriate. I agree with the gentleman's position and I want to associate myself with his remarks.

Mr. MOLINARI. Mr. Chairman, will the gentleman yield?

Mr. HILER. I yield to the gentleman from New York.

Mr. MOLINARI. I thank the gentleman for yielding.

Is it not a fact that under the committee bill, H.R. 3133, that we would indeed be increasing the deficit over and above the amount that has been recommended by the administration by some $134 million?

Mr. GREEN. If the gentleman will yield to me, I think maybe I could contribute to that.

Mr. HILER. I yield to the gentleman from New York.

Mr. GREEN. I thank the gentleman for yielding.

The administration has stated in its comments to the Republican members of the Appropriations Committee that if one looks at this bill, other than the new units placed under subsidy in the housing programs, the administration is not objecting to that part of the bill.

There is a difference on numbers with respect to the housing subsidy, but with respect to the balance of the bill, and that includes EPA, the administration has not objected to the bill, those planning it disagree as to specific items.

Mr. HILER. If I may reclaim my time. I do not have a problem with what the committee has done with EPA. This amendment adds on $220 million over what the committee has already added. That is the $220 million of additional deficit that I think is just uncalled for at a time when the Administrator has not had time to come before this House and say what it is he is interested in. I think we ought to at least give the new Administrator a chance to present us with his plan before we foist more and more money, more and more people, more and more responsibility upon him.

Mr. MOLINARI. If the gentleman will yield further, the question I have is that even the committee bill though would increase the amount of the so-called deficit by $134 million, so that if we are objecting to increasing the deficit, then would the gentleman not take the position that he would oppose the committee appropriation for EPA?

Mr. MORRISON of Connecticut. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think the gentleman from Pennsylvania raised an important point when he discussed what this amendment will mean for the States. As we know, each of our major environmental laws, the Clean Air Act, the Clean Water Act, the Resources Conservation Recovery Act, and FIFRA delegates major responsibilities to the States. This delegation is made in the context of a program with national standards.

Federal standards are important for several reasons. First, since pollution does not recognize State borders, national standards protect States from pollution originating in other States. Second, national standards prevent States from undercutting each others' regulatory programs by luring away industry based on a promise of less stringent environmental controls. Third, many States could not afford to conduct the kind of research and development necessary to develop regulatory standards in these areas. Fourth, we cannot burden industry with 50 different standards with respect to air quality, with respect to water quality, and with respect to hazardous wastes.

□ 1210

We have demonstrated that we can and have properly delegated enforcement responsibility to the States so that environmental laws can be effectively carried out, in light of local conditions. However, if we are going to ask the States to carry this enforcement burden for this national program and this national responsibility, it is critical that we provide the States with the necessary resources. This amendment assists substantially in that process.

The Wirth amendment provides an additional $65 million in grants to the States to carry out air and water quality and hazardous waste control programs. Those funds are essential if we are serious about delegating responsibility to carry out this program to the States.

Now, the question has been raised as to whether this amendment, in the way in which these funds are appropriated, are clearly to be used by the States and to be given to the States rather than the Administrator. I think the discussion on the floor of this House has made clear that what is intended by this amendment is to make resources available to the States. I do not think the Administrator would have any doubt as to what the Congress intends, and I am sure the chairman of the Appropriations Subcommittee will be able to implement that in the conference and, beyond that, in communications with the administration.

So I think these extra resources are clearly appropriate to be made available so that the Administrator can carry out the will of this body.

Mr. GEKAS. Mr. Chairman, will the gentleman yield on that point?

Mr. MORRISON of Connecticut. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. Mr. Chairman, since the gentleman has touched upon that subject, I am wondering if we would not be really harming the whole procedure if we approved this amendment which would just turn over these moneys directed to the Administrator.

What if the Administrator comes back with a plan in which he, after thorough analysis and study, contemplated much more money should go to the States than is contemplated by this amendment? We would be harming his ability to funnel more moneys back to the State out of this total appropriation, would we not?

Mr. MORRISON of Connecticut. Reclaiming my time, I would say that it is clear that the Administrator can return to us at any time for additional authority and additional appropriations to do more for the States, but I do think that it is appropriate for this body to express its will at this time of the crying need of the States to have these resources to carry out the program that this Congress has passed and has supported over the years.

Mr. GEKAS. If the gentleman will yield further, has not the gentleman just endorsed the concept that perhaps we are premature in determining ahead of time, before a thorough analysis as to what the needs are, preempting the Administrator from coming to us and saying, "Here is what I propose to do, I want to funnel moneys to the States in this degree, I want to enter into contracts directly with the EPA in this degree," and, in short, are we not hamstringing a solidly well-planned program that the Administrator might be presenting to this Congress?

That is the rhetorical and actual question that I am posing.

The CHAIRMAN. The time of the gentleman from Connecticut (Mr. MORRISON) has expired.

(By unanimous consent, Mr. MORRISON of Connecticut was allowed to proceed for 1 additicnal minute.)

Mr. MORRISON of Connecticut. Mr. Chairman, I think there can be no doubt that the additional $65 million is needed and should be used; and if it becomes apparent that additional funds are needed for State enforcement, I think we can deal with that at a later time, but we should act decisively now.

The National Governors Association has explained this important need. It has made clear that if we do not provide additional enforcement resources to the States, we are going to suffer from a lack of enforcement of the standards that have been approved.

In an analysis called The State of the States: Management of Environmental Programs in the 1980's, prepared last year, the NGA said that reduction in the EPA State grants program:

> Would require curtailment in a number of environmental protection activities by a level at least proportionate to the reduction in Federal support. Because States may still be required to respond to Federal mandatory requirements, the activities most likely to be curtailed by the States include resource intensive activities such as monitoring of ambient pollution levels, monitoring of compliance by emissions sources, permitting,

technical support, and enforcement in all environmental media * * *.

Grants to the States have already been substantially reduced in the past, in real terms. If we are going to make a beginning now to revive the enforcement activities of the EPA, we must do it in concert with the States and we must give the States the resources to carry it out.

Mrs. BOXER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I support this amendment to increase funding for the Environmental Protection Agency to the 1981 level.

The issue has been raised about the new leadership in EPA, and that is a legitimate issue. But I am personally convinced that, without this modest restoration of funding, the EPA will be unable to carry out the critical mandate to protect the health and safety of Americans. And that, Mr. Chairman, is one of our most sacred trusts—to protect the health and safety of our people.

As an example, despite the fact that an overwhelming number of Americans desire and expect clean water, under the current funding bill the task of identifying polluted bodies of water simply cannot be carried out.

Mr. Chairman, we lack sufficient scientific data documenting the effects of toxic water pollutants on all life forms. We owe that data to the American people. We lack data on the concentrations of toxic pollutants in the waters, streams and lakes across this land. We owe that data to the American people.

EPA has published water quality criteria designed to protect aquatic life from acute and chronic effects of toxic pollutants, but only for 21 chemicals. These 21 chemicals are only a fraction of the 129 priority toxic pollutants targeted by the Clean Water Act, not to mention the dozens if not hundreds of other chemicals likely to be discharged into one or more of the surface waters of our great country.

Clearly, Mr. Chairman, additional research is needed so that EPA can do its job and publish criteria to be used by the States when setting allowable concentration of chemicals in specific water bodies.

Mr. Chairman, additional funds are needed now for intensive monitoring of areas already suspected to have toxic problems. The States are already having to cut back on routine monitoring of surface water due to cuts in Federal funding for water quality programs.

We cannot expect the States to carry this burden alone. The health of Americans is not a local or a regional issue. It is a national issue. The people of this Nation want our Government to guarantee that humans and other living things are not being exposed to damaging levels of toxic chemicals. An overwhelming majority of Americans feel that a clean environment is a top priority for our society.

Mr. Chairman, we have a chance today to carry out the people's will by supporting the Wirth amendment which, in my opinion, is a modest step toward a cleaner and healthier environment.

The CHAIRMAN. For what purpose does the gentleman from Colorado (Mr. WIRTH) rise?

Mr. WIRTH. Mr. Chairman, I rise for the purpose of making a unanimous-consent request concerning limitation of debate.

The CHAIRMAN. The gentleman will state his unanimous-consent request.

Mr. WIRTH. Mr. Chairman, I ask unanimous consent that debate be limited to 35 more minutes, 10 minutes to be allocated by the proponents, 10 minutes by the opponents, and the final 15 minutes to be allocated as follows: 5 minutes to the gentleman from New York (Mr. GREEN), 5 minutes to the gentleman from Massachusetts (Mr. BOLAND), 5 minutes to myself, with the gentleman from Massachusetts (Mr. BOLAND) being the final speaker.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

Mr. BOLAND. Mr. Chairman, reserving the right to object, I would ask the gentleman from New York (Mr. GREEN), the distinguished ranking minority member of this subcommittee, if that is agreeable to the gentleman.

Mr. GREEN. Mr. Chairman, that is certainly agreeable to me.

Mr. BOLAND. Mr. Chairman, I have no objection, and I withdraw my reservation of objection.

The CHAIRMAN. The Chair will ask the gentleman from Colorado (Mr. WIRTH) to restate his unanimous-consent request.

Mr. WIRTH. Mr. Chairman, I ask unanimous consent that all debate on the amendments end in 35 minutes; that of that 35 minutes, 10 minutes be allocated by the proponents of the amendments, 10 minutes by the opponents of the amendments, to go back and forth between them. Of the final 15 minutes of the amendments, 5 minutes to be allocated to the gentleman from New York (Mr. GREEN), 5 minutes to the gentleman from Massachusetts (Mr. BOLAND), 5 minutes to myself, with the gentleman from Massachusetts (Mr. BOLAND) having the privilege of being the final speaker on the amendments.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

The Chair has one further inquiry.

This unanimous-consent request relates to the Wirth amendments being considered en bloc and any amendments thereto?

Mr. WIRTH. Mr. Chairman, I do not think any amendments thereto are in order under the rule.

The CHAIRMAN. The Chair will advise the gentleman that there can be amendments offered to the gentleman's amendments.

Mr. WIRTH. Mr. Chairman, there are none pending that I know of.

The CHAIRMAN. Does the gentleman want his unanimous-consent request to include all amendments thereto?

Mr. WIRTH. Yes, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The CHAIRMAN. The gentleman from Colorado (Mr. WIRTH) will control the 10 minutes on behalf of the proponents, the gentleman from Massachusetts (Mr. BOLAND) will control the 10 minutes on behalf of the opponents, following which the gentleman from New York (Mr. GREEN) will be recognized for 5 minutes, the gentleman from Colorado (Mr. WIRTH) will be recognized for 5 minutes, and the gentleman from Massachusetts (Mr. BOLAND) will be recognized for 5 minutes to conclude debate on the amendments and all amendments thereto.

□ 1220

The Chair recognizes the gentleman from Colorado (Mr. WIRTH).

Mr. WIRTH. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota (Mr. SIKORSKI).

Mrs. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. SIKORSKI. I yield to the gentlewoman from Connecticut.

Mrs. JOHNSON. Mr. Chairman, I rise in support of the amendment.

Mr. SIKORSKI. Mr. Chairman, the committee's proposed budget for the EPA operating program, in real dollars, would put the EPA budget below where it was in 1974. It would put grants to the States, in real dollars, below where they were in 1974. It would give the Agency fewer staff than it had in 1974. It would permit the Agency to do less research than it did in 1974.

What has happened in the last decade that permits us to reduce the size of EPA?

Well, to start with, we have passed extensive new legislation, requiring the EPA to do a whole host of things. Since 1974, we passed the Safe Drinking Water Act, requiring EPA to undertake the complex and difficult task of setting standards to assure Americans that their drinking water is safe.

We passed the Toxic Substances Control Act. It requires EPA to assess the safety of several thousand new substances created every year and to

insure that the 50,000 synthetic chemicals now in use do not present a danger to the American public.

We passed the Resources Conservation and Recovery Act that requires EPA to regulate the disposal of 90 billion pounds of hazardous wastes each year.

We strengthened the Clean Air and Clean Water Acts, requiring EPA to deal with toxic water pollution and hazardous air pollutants.

Finally, in 1980, we passed the Superfund law.

None of the statutes for which EPA is responsible has been weakened since 1974. None of the hazards that EPA is required to regulate under those laws has disappeared since 1974.

On the contrary, Mr. Chairman, since 1974 we have become much more aware of the hazards presented by hazardous wastes, toxic chemicals, air pollution, and water pollution. Time and time again in O&I hearings we heard of honest resource deficiencies.

No, EPA has not done the job. We should not be giving Mr. Ruckelshaus the EPA he left a decade ago. He cannot be expected to do today's job with yesterday's agency.

Mr. Chairman, in light of what has happened to the EPA in the last 2 years, this may be too little and too late. Yet, I urge the House to adopt it as the first step in a new beginning.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, the Wirth amendment to this HUD appropriation bill, H.R. 3133, would add $219 million to the EPA budget for fiscal year 1984.

If you are disappointed by the performance of EPA, and all of us are, this amendment tells us we can drown our sorrows by throwing more dollars at the problems. Actually the Appropriations Committee, a group with an open-handed reputation, has already watered-up the administration's request by about $150 million.

It is pretty hard to see how EPA could use all the new money effectively. The money would anticipate a rate of new hiring that may be unachieveable. This amendment adds 1,200 more bureaucrats to the 800 already added by the Committee, 2,000 new bureaucrats is more than enough.

The new Administrator, Bill Ruckelshaus, on whom we are all depending for strong leadership at EPA, has asked us not to act until he has had time to analyze the budget. I think we owe him the time to make his analysis and subsequent request of us.

Most observers say that the problem of EPA is management and leadership. The Wirth amendment says the problem is lack of dollars, a judgment not shared by the committee, nor yet shared by the Administrator.

The choice on this amendment is not between a clean environment and an unclean one. This amendment will not change a single line of our air and water laws. The choice is whether we want to throw some more taxpayer's money at the problem.

For me the choice is easy. My constituents are tired of Congress tossing their money at problems with the most worthy of motivations and the most unsuccessful of results.

I shall be guided more by the request of the Administrator than by the proponents of this amendment. I believe the amendment should be rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Colorado (Mr. WIRTH).

Mr. WIRTH. Mr. Chairman, I yield 4 minutes to the gentleman from Tennessee (Mr. GORE).

Mr. GORE. I thank my colleague for yielding to me, and for his leadership on this issue.

Mr. Chairman, Members who are listening to this debate should have no doubt about one fact: This is one of the key environmental votes in this Congress. It will be long remembered, because it comes in the wake of the dramatic events which have taken place this year. Since the administration began its destructive work on the EPA, this vote is the first opportunity that we have in this body to try to undo some of the terrible damage that has been done at EPA.

The fact is, the job to be done at EPA has gotten a lot bigger in recent years, and the reason it has gotten bigger is because the American people do not believe that the environmental problems of this country are merely "perceived problems," as my colleague stated a moment ago; they know that there are real problems which must be addressed.

At the same time that the work to be done has doubled in size, the resources available to EPA have diminished dramatically. And, of course, the appointees of the administration have gutted EPA across the board, in every single program. They have done terrible damage to it.

In the wake of the investigations in the Congress this year, the administration belatedly recognized the severity of the political problem it was causing for itself, and it appointed an able and capable new Administrator, William Ruckelshaus. No one disputes his credentials or his ability. However, two questions remain: One is whether or not the White House and the Office of Management and Budget share Mr. Ruckelshaus' commitment, and whether or not they will let him do the job that the American people want to see done; and the second remaining question is whether or not we in the Congress will provide the resources necessary to undo the damage that has been done.

We have to answer that question in the affirmative. We have to provide them the resources they need to do the job.

Let us be frank about another aspect of this issue: This amendment would pass on a voice vote were it not for the fact that we have such an able and respected subcommittee chairman and ranking minority member opposing it. Were it not for their opposition, this would be a foregone conclusion. There would be a voice vote. There would not even be any real controversy because it is really a bipartisan commitment in this country to environmental protection and to undoing the damage that has been done at EPA.

We all know that the jurisdiction of different subcommittees includes a lot of different things, and we all get to where we have to look at our jurisdiction very carefully and things compete within the jurisdiction of subcommittees, one with the other. In my view, that competition explains the subcommittee's position. But we as the full Congress, have to realize that this is an historic time for this country. The American people are reaffirming in the strongest possible terms, their demand: "Clean up the environment. Quit fooling around with EPA. Put responsible people in charge and give them the resources they need to do the job."

□ 1230

That is what this amendment is all about. The problem is real. It must be solved, and this is the solution.

Mr. Chairman, I ask the Members to vote yes on this amendment.

Mr. BOLAND. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina (Mr. BROYHILL).

Mr. BROYHILL. Mr. Chairman, I do not disagree with what the gentleman from Tennessee (Mr. GORE) has said. All of us want to make sure that the Administrator is given adequate funds to do the job that we call on him to do.

Our argument, of course, is that we are going to be throwing money at the Agency and to the Administrator that cannot be spent in a rational and a cost effective way in these very few short months over which we are appropriating in this bill. To simply hire 2,000 employees of high training and technical ability over this short timeframe is going to be an impossibility. At least when we look at past history, it would be an impossibility. It would be a goal that would be very difficult to achieve. We are talking about hiring as many as 500 people each month for 6 months in order to utilize the number of workyears that are

called for in the amendment offered by the gentleman from Colorado (Mr. WIRTH). Going back to the Carter administration years, the EPA was able to increase its onboard strength by only 1,379 people, and that was the quickest buildup in EPA history during those years.

So what we are concerned about is that with the impact of the Budget Control and Impoundment Act, we are asking for a buildup for this agency of something like 2,000 workyears, and that is going to very severely push the EPA infrastructure. It is already weakened, and we agree with that. But we are saying that when we have increases of this kind, we also have increases for program managers, for space, for training, for furniture, and so forth.

So, Mr. Chairman, what we are asking is that we wait until Mr. Ruckelshaus makes his recommendations.

The CHAIRMAN. The Chair recognizes the gentleman from Colorado (Mr. WIRTH).

Mr. WIRTH. Mr. Chairman, so that I have a sense of where we are, may I make an inquiry in terms of the time remaining?

The CHAIRMAN. The gentleman from Colorado (Mr. WIRTH) has 3 minutes remaining, and the gentleman from Massachusetts (Mr. BOLAND) has 5 minutes remaining.

Mr. WIRTH. Mr. Chairman, I yield myself 3 minutes, and I intend to yield my final 5 minutes to the gentleman from Arizona (Mr. UDALL). It is my understanding that he will follow the gentleman from New York (Mr. GREEN).

The CHAIRMAN. The gentleman from Colorado (Mr. WIRTH) is recognized for 3 minutes.

Mr. WIRTH. Mr. Chairman, in closing, there are three points I would like to make.

First, we ought to lay the staff argument to rest once and for all. The April employment report from the EPA points out that they currently have 9,750 full-time employees. That is down almost 3,000 from where they were in 1981. Under last year's appropriation the ceiling that EPA must reach by September 30 is 700 employees below their current employment level. All that the current appropriations bill does is maintain us where we are right now.

The intent of the Wirth amendment is to give the EPA the resources necessary in terms of such functions as inspection, enforcement, and the kind of scientific capability necessary to go after all of the problems that have been raised here on the floor relating to toxic substances, chemicals, clean air, and so on—a set of problems that we know are legion.

The staff question raised by opponents of the amendment is simply specious. We are not adding 2,000 people to the rolls. We are maintaining the level where it is now, which is what the gentleman from Massachusetts (Mr. BOLAND) does, and adding further capability of somewhere between 750 and 1,000 people, depending on the discretion of the Administrator. We are not adding 2,000 people; we are adding only about one-third of the number that has been cut since 1981. So we are going to be well below the 1981 levels.

The second point I would like to make is that there has been a lot of wonderful talk about Mr. Ruckelshaus bringing in his budget. Has anybody seen it? What is David Stockman going to do with that budget? Mr Ruckelshaus has to go through David Stockman, and this is the same David Stockman who has ravaged EPA for the last 3 years.

Third, let us talk about our responsibility in the U.S. Congress. This is not left to Mr. Ruckelshaus; it is not left to David Stockman. This Congress found out about the problems in EPA. This Congress passed the legislation, and it is EPA's responsibility to carry it out. It is this Congress' role to remedy the problems that it discovered in EPA. This is not something we are going to blandly give away to somebody else.

The American people are asking this Congress to make sure that we have a clean environment, to make sure that we have a healthy environment. That is our responsibility. The exercise of that responsibility is this vote right now to strengthen the EPA and to demonstrate, as our colleagues on the other side have said they are going to do, that we take the strengthening of the EPA seriously.

Mr. Chairman, I would hope that my colleagues will vote for this very important amendment.

The CHAIRMAN. The time of the gentleman from Colorado (Mr. WIRTH) has expired.

The gentleman from Massachusetts (Mr. BOLAND) has 5 minutes remaining, and that does not include the 5 minutes which the gentleman will have at the conclusion of the debate.

The Chair recognizes the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Chairman, this, of course, is a nice political issue. I know of no issue that is more political than the one we are facing now.

But there is a greater issue than this facing the American people, and that is the issue of whether or not our Government is going to survive at the rate it is spending money. This bill now is something like $9.4 billion over the administration's request in budget authority. This bill is about $79 million over in outlays for fiscal year 1984.

I am not looking for a political issue. What I am looking for is a bill, a bill that will be signed by the President, and one which will keep the Environmental Protection Agency moving forward.

If we do not get the bill signed, appropriations for EPA and these other agencies will be included in a continuing resolution, and a continuing resolution will keep funding at the 1983 level. Now, if the proponents of this amendment offered by the gentleman from Colorado (Mr. WIRTH) want that kind of a situation to prevail, I believe that is exactly what they will be facing. And I am afraid of that.

I have no quarrel with the arguments that have been used here by so many Members who support this amendment to show their concern for the environment. We all share that concern. We are all concerned about environmental quality, and I can understand the gentleman from Colorado (Mr. WIRTH) is perhaps more concerned in his State than those from a lot of other States in the Nation. And that can also be said for the gentleman from Tennessee (Mr. GORE) and Members representing other areas.

I appreciate and applaud their support of the EPA, but the EPA would not be functioning today if it were not for this committee. We have not had the needed authorizing legislation. There are 10 authorization bills needed for EPA, and 8 of the 10 will have expired before 1984. The only way we can keep the EPA running is through an appropriations bill, and that is what we are doing here.

Let me say to those who support the Wirth amendment that the gentleman's position is based on a figure that has been pulled out of the air from the budget resolution. The budget resolution recommends about $1.3 billion in this area for the regular operating programs of the EPA, exclusive of the $2.4 billion for the construction grants program and the $310 million for the Superfund. That assumption is about $200 million above the $160 million recommended by this committee for the Agency in total.

How did the Budget Committee arrive at that figure? Well, we are all familiar with it. Those Members on the authorizing committees are familiar with it. I am familar with it, as are all of the 13 chairmen of the subcommittees of the Committee on Appropriations. Before the conclusion of consideration on this particular area by the Budget Committee, some Members said, "Let's throw $100 million in there for good luck. Throw it in there for good luck, and we may be able to save a good part of the money when we get this bill to the floor."

This is the classic example of how not to appropriate funds.

□ 1240

This committee has spent considerable time and effort on EPA's budget.

We have made a sincere effort to fund these programs at substantially increased but reasonable levels: Salaries and expenses, research and development, and abatement, control, and compliance.

Someone has said we have seriously shorted the abatement and control section of this bill. Well, let me tell you the reason why we did not include the additional $151 million in abatement and control. The fact of the matter is that there are some good reasons for differences between the 1984 and the 1981 level. So far all the argument here has been targeted at returning to the 1981 levels for the EPA.

There are several programs that have been terminated by changes in authorizing legislation. For instance, the 1981 budget carried $23 million for pre-Superfund implementation. Of course, that is no longer needed since the Superfund program is now operational.

Similarly, the noise program no longer exists. That was $8 million.

Section 208 planning has fallen by the wayside. That was $33 million.

But the Wirth amendment does not pay any attention to that. It arbitrarily pegs the amount at the 1981 level and pays no attention to these important differences.

For research and development the Wirth amendment would add $23,600,000 above the $30,331,000 already added in the bill. There are some solid arguments for voting against the Wirth amendment. The most solid argument of all is that we have a deficit of $210 billion facing this Nation in fiscal year 1983 and $200 billion a year beyond that as far as the eye can see.

We have to have some fiscal responsibility around here. If you do not have it, you may not have an EPA at all.

The CHAIRMAN. Under the unanimous-consent request, the gentleman from New York (Mr. GREEN) is recognized for 5 minutes.

Mr. GREEN. Mr. Chairman, I rise in opposition to the amendment. I do so not because those amounts of money may not ultimately be required for EPA, but because I think this House ought to show William Ruckelshaus, the new Administrator of EPA, the simple courtesy, the simple decency, to let him look over his own agency, where he is newly confirmed as Administrator, and give him the opportunity to make his recommendations to us as to where additional funds may be needed. I can assure you that our subcommittee—including this Member—would expect to be very supportive of any request by Mr. Ruckelshaus for more funds.

This amendment may hit it right on the nose. Maybe every dollar it asks for is needed in exactly that amount and in exactly that place. But maybe it is not. The numbers appear to have been picked entirely arbitrarily. They may be too much. They may be too little. They may be in the right place. They may be in the wrong place.

It seems to me that we ought to have the courtesy to Mr. Ruckelshaus to get the benefit of his advice on that. We all know that EPA has been in shambles and that in that situation the President asked Mr. Ruckelshaus, a former Administrator of EPA, to leave a position which pays very much more and to come back to take the helm of EPA once again. There was nothing in that for Mr. Ruckelshaus. He has had the honor already. He is, as has been said on this floor, by proponents as well as opponents of this Administration, admired by all for his environmental role.

So he is doing this because of his love of the environment and because of his desire to get EPA once again on the right course.

Can we not have the decency, the courtesy, to allow him just a few weeks to take a look at the agency and tell us what his recommendations are?

I can assure you from my side of the aisle, and I think in this I speak for the whole subcommittee, that we would look at those recommendations with the utmost sympathy.

Obviously Mr. Ruckelshaus comes to us with enormous credibility in this area. Last week the bill was pending before the full Appropriation Committee, Mr. Ruckelshaus called the chairman of the subcommittee and he called me to ask us not to add anymore money beyond the increases our subcommittee had already provided. He was aware of the Wirth amendment and asked that it not be approved.

Just this week he sent to the chairman and me a letter that I would like to share with the Members. He said:

> I have followed the deliberations of your subcommittee and the full Appropriations Committee on the budget levels for the Environmental Protection Agency for fiscal year 1984. I understand there are amendments to be debated this Thursday on the floor of the House on further additions to the President's fiscal year 1984 budget request that go beyond the increases already recommended by your subcommittee and the full committee.
>
> I have now just started a process to review our fiscal year 1984 resource levels. As I previously indicated to you, once this review has been completed and I have discussed our resource needs within the administration, we will make the Congress aware of the agency's budgetary and manpower needs. I would consider it a personal courtesy.

Mr. Ruckelshaus wrote:

> If you could allow me an opportunity to complete this review and to present our recommendations at the appropriate time.

We have asked this man, Mr. Ruckelshaus, to take on this important responsibility under the most difficult circumstances. Can you not have it in your heart to yield to his request, to give him a few weeks to review the work of the agency and make those recommendations to us? Can you not today, as he has requested, defeat this amendment and give him a vote of confidence instead of a slap in the face?

Mr. WIRTH. Mr. Chairman, I yield our final 5 minutes to the gentleman from Arizona (Mr. UDALL), the distinguished chairman of the Committee on Interior and Insular Affairs.

Mr. WIRTH. Mr. Chairman, will the gentleman yield briefly?

Mr. UDALL. I yield to the gentleman from Colorado.

Mr. WIRTH. I thank the gentleman for yielding.

I just wanted to put to rest the discussion that occurred earlier that somehow, in the Budget Committee, $100 million or $200 million was flung at the problem.

I chair the Energy and Environment Task Force of the Budget Committee. We worked with all of the reports that came in from the three committees with jurisdiction over EPA: the Science and Technology Committee, the Public Works and Transportation Committee, and the Energy and Commerce Committee. Along with the gentleman from Massachusetts (Mr. DONNELLY), we worked with the recommendations of all of the subcommittee chairmen who have responsibility for EPA, all of whom are supporting this amendment.

So I would just want to make sure everybody understands that this amendment is crafted out of the requests that came from the subcommittees with jurisdiction.

I thank the gentleman for yielding.

Mr. BROYHILL. Mr. Chairman, will the gentleman yield briefly so that I may respond?

Mr. UDALL. I yield to the gentleman briefly.

Mr. BROYHILL. I just wanted to respond with respect to whatever recommendations came from the Committee on Energy and Commerce. They were never subjected to the full membership of that committee for their consideration, so we have no idea as to what some individual member of that committee dreamed up to send recommendations over to the Budget Committee.

Mr. WIRTH. If the gentleman would yield, all we have to deal with in the Budget Committee are requests that come from the committees, and that included the requests that came from the gentleman from Michigan (Mr. DINGELL), chairman of the Committee on Energy and Commerce.

Mr. UDALL. I have almost blindly followed the leadership of the gentleman from Massachusetts in the years that I have been here. I have been

tempted when I had a minimum of time and come on to the floor to see what is behind "BOLAND," "Yes," or "No," and vote with him, and I will be right about 98 percent of the time. He has been, as was said, one of the great environmental leaders here in the House, and you cannot fault his record, and I would not try to and regret having to oppose him on this issue.

We have said it all here today. I think Mr. Ruckelshaus has got a new job. He wants the tools to do it, and clearly he inherits a decimated agency.

I think there are going to be other opportunities to help him with further appropriations. There is something called a conference committee and this House Chamber is always available if we have some requirement to give Mr. Ruckelshaus and EPA some more money.

I think we help him and not harm him when we show once again today how very strongly this House and the American people support the environmental legislation.

Our society hangs together, when it does, by institutions, the big corporations, great universities, State government—you name it.

□ 1250

And there is something about these great institutions, any great institution; you cannot see it, but it is vital; you cannot measure it, but it is there; it is called morale.

You can take a platoon of 100 soldiers who have morale, that thing you cannot quantify, and they will beat twice or three times their number.

This agency is decimated, it needs not only rebuilding in positions and programs but in terms of people.

We had, about a year ago—a year and a half ago—out in Denver under the Strip Mining Act, we had a regional office to help the small businessman who wanted to mine coal but did not have the hydrologists and engineers and other experts. The first thing they did was to come in, fire the good people, reorganize, send important functions to Casper, Wyo., where people could not get there and get help. The Agency was heavily damaged.

We had recruited engineers, scientists, water pollution specialists from all over the country and set up a really model office. This is the kind of thing that has gone on down at EPA during the past 2½ years. The Agency is crippled. It almost needs mouth-to-mouth resuscitation which I hope Mr. Ruckelshaus can give.

So, I rise today to support the Wirth amendment. I do not get into any argument about how much is involved here, I leave that to the experts. We have made significant steps toward cleaning up our environment this last decade. Clean Air Act, Clean Water Act, Hazardous Wastes Superfund, Resource Conservation and Recovery Act, have all served as milestones for environmental policy.

This did not come about, and this support does not continue because of some radical policymaker in Washington; this continues as the demand of the American people who want pollution-free environment.

Public support for environmental laws has not softened. In poll after poll, the American people have made clear that their firm commitment to clean air and clean water protection from hazardous waste is undiminished. Indeed, the polls show when you ask people—Independents, Republicans, Democrats—all kinds of people, "Would you be for environmental cleanup even if it cost a few jobs?" They have said consistently, the American people, they want these kinds of laws and want them enforced. You do not have to choose between the national park and having a job in our society; if we are wise, we can have both. I think we move in that direction if we support this amendment.

We have seen in the past 2 years a deliberate systematic dismantling at EPA. The agency has failed to do the job it was created for. But let me give you just a couple of examples before my time runs out.

Roughly two-thirds of all pesticides now in use, two-thirds of all pesticides, have been inadequately tested to determine whether they cause cancer, genetic mutations, or birth defects.

Mr. Chairman, I urge an "aye" vote on the Wirth amendment. I think it is not only good politics but it is good public policy.

● Mr. MINETA. Mr. Chairman, in what will be one of the most important environmental votes of the year, I am supporting H.R. 3133, the HUD-independent agencies appropriations bill, with the addition of an improving amendent. This amendment, offered by the gentleman from Colorado, Mr. WIRTH, is a crucial measure to maintain the integrity of our Nation's environmental laws. H.R. 3133 must be amended to appropriate more funds to the crippled Environmental Protection Agency. A significant financial boost will demonstrate congressional commitment to rebuilding EPA. The amendment adds $220 million to the Agency's operating budget and I urge my colleagues to join me in passing it.

As it stands now, H.R. 3133 does not adequately address the needs of EPA in fiscal year 1984. The bill would not restore the massive budget cuts of the past 2 years, and would freeze the Agency's operating budget at its fiscal year 1983 level. Enforcement of the Clean Air Act, Clean Water Act, Toxic Substances Control Act, and other key environmental statutes would continue to suffer. Research and development efforts, especially into the health effects of pollutants, would be hit particularly hard. Grants to States, where often 85 percent of the field work is carried out under the Clean Air Act and other laws, would still be 14 percent below their 1981 levels. Quite simply, EPA would not be able to do its job.

Despite the good intentions of Mr. Ruckelshaus and his staff to rebuild the Agency and get it back on track, without adequate funding, environmental cleanup and compliance will continue their downward spiral into oblivion. Public opinion polls show that the citizens of the United States, our constituents, desire strong standards of environmental protection, and a majority feel our laws should be made even tougher. The Wirth amendment would uphold this will of the people and give a restorative shot in the arm to an essential branch of Government.

First, a $45 million increase in H.R. 3133's salaries account will allow EPA to bring its staff levels back to those of 1981, taking into consideration the effects of inflation. Second, the addition of $23 million for research and development, though still short of the fiscal year 1981 level, will step up studies of toxic substances, hazardous wastes, and pesticides to help us know how they can best be regulated. And third, abatement, control, and compliance will be increased by $151 million to assist State environmental programs and enforcement.

These requests are relatively modest, but crucial steps toward restoring the quality and effectiveness of EPA, an Agency with a solid record of achievement before the current administration decided to obliterate it. I ask my colleagues to vote for a strengthened EPA, an EPA which will regain our trust and be able to carry out its mandate. It is not too late to rebuild, and this is the best way we can begin.●

● Mr. STARK. Mr. Chairman, over the last 2 years, we have watched as the Agency set up to be our environmental watchdog, collapsed due to excessive budget cuts. This current appropriations bill only continues those crippling cuts.

My colleague, Mr. WIRTH, has provided us with a vehicle by which we can reestablish the Environmental Protection Agency as just that, the Agency within our Government that we can trust to protect our environment. The last several years have not given us much reason to place our trust in the EPA. But much of that was due to the severe lack of resources the Agency had to work with. It is our responsibility to see that that does not continue.

The Wirth amendment is the first step toward solving these budgetary problems. If we do not show the people of this country that we sup-

port, and believe in, the work done by the EPA, we cannot expect them to make it a high priority either. And the only way to insure the protection of our environment is for all of us to work together.

I urge my colleagues to support the Wirth amendment.●

● Mr. KOLTER. Mr. Chairman allow me to take this opportunity to go on record to support representative Wirth's ammendment, H.R. 3133, to restore the EPA's operating budget to its fiscal year 1981 level of $1.3 billion versus the proposed cut to $949 million by the Reagan administration.

The EPA was created by the Reorganization Plan No. 3 of 1970, to coordinate the pollution control activities of the Federal Government. Over the years their focus has changed from general environmental protection to the protection of public health primarily due to increasing concern over toxic substances. Public interest and encouragement for the EPA as a necessary agent remains prominent.

As Members of Congress, we have the privilege and responsibility to represent Americans and insure their well-being as top priority.

The EPA's operating program provides funding for research, regulation, development, enforcement, and overhead activities—excluding waste treatment, grants, and Superfund. Cutting the operating fund approximately 9 percent from fiscal year 1983 will mean less funding for salaries, administrative expenses, contracts, State and university grants. These serve as the backbone of the EPA's pollution control efforts, which obviously contradicts Mr. Reagan's assurance that the reductions in staffing and funding will not affect any of the substansive pollution efforts at both State and Federal levels.

By cutting their operating budget to the proposed $949 million, all aspect of the EPA will become crippled. It is imperative for Mr. Ruckelshaus' administration to have the increased funding as Mr. WIRTH proposes to modify and strengthen the existing programs.●

● Mr. LEVINE of California. Mr. Chairman, the Environmental Protection Agency (EPA) has been the subject of much criticism and controversy for its failure to adequately protect and preserve our environment. Its credibility has been shattered and it is now struggling to regain the stature it once had.

Public support for a forceful environmental protection program in this country is stronger than ever. A 1982 Harris survey showed that Americans favor enforcement of the current Clean Air and Clean Water Acts by the overwhelming margin of 85 to 10 percent.

Without adequate resources, however, EPA cannot do the job it was established to do. Since 1981, the Agency's operating budget has been cut by 24 percent. Although the Appropriations Committee added funds to the administration's paltry request, money for enforcement of clean air, clean water and other statutes would still remain 43 percent below the fiscal year 1981 level. And, grants to States would be held to a level below that of fiscal year 1981.

This additional committee funding is a step forward, but it is not enough. I strongly support the amendment proposed by the distinguished gentleman from Colorado, Representative TIM WIRTH, to restore EPA's operating budget back to its fiscal year 1981 level. The operating budget is used for pollution control, compliance, enforcement, research and development in the areas of air and water quality. drinking water, hazardous waste, pesticides, radiation, and toxic substances. For EPA to regain its credibility and move ahead in all of these areas at the same time, the increased funding provided for by the Wirth amendment is crucial.

EPA is currently operating with only two-thirds of its staff in place; morale is low and enforcement of regulations is weak. The Wirth amendment targets $45 million for salaries to begin replacing key personnel who have been let go since 1981. It increases research and development funding by $23 million; and abatement, control, and compliance money by $151 million.

This funding is vital to my home State of California, particularly to the southern California region, which continues to suffer from severe air pollution problems. As a member of the California State Legislature, I fought for stronger air pollution laws and tougher compliance regulations. This amendment will be a small step forward in the right direction.

Mr. Chairman, it is critical that we pass the Wirth amendment. We cannot be content to provide EPA with enough money merely to survive. We must think of our future and that of our children.●

● Mr. MARKEY. Mr. Chairman, I rise today to express my support for Mr. WIRTH'S amendment to restore adequate funds to the Environmental Protection Agency. After 2 years of suffering under a leadership who was unwilling to carry out the environmental laws of our country, and 2 years of watching EPA being dismantled through budget cuts and staff cutbacks, it is time Congress give the new leadership at EPA the resources to fulfill their duty of protecting the environment and protecting the American people.

The amendment offered by Mr. WIRTH is not an extravagant, budget-busting amendment. This amendment will merely bring the EPA budget up to the level it was in 1981 before the so-called Reagan revolution came in and tried to overthrow the environmental laws of our country.

For 2 years we have fought hard with EPA officials to see that our laws are carried out. For many of us it has been a frustrating affair involving closed-door hearings, subpenas, contempt citations, and resignations. But I think I express the sentiments of my colleagues when I say that I hope the debacle of the EPA is over. I hope a new day has arrived where we can place confidence in the EPA Administrator to move above partisan politics in order to protect the citizens of this Nation. I hope the time has come where we can begin rebuilding the EPA.

This goal can only be accomplished if the new EPA management has the resources to rededicate the EPA to protecting the environment. Since 1981 the EPA budget has been cut by 24 percent. Research and development has been cut 43 percent; allocations for the important Enforcement Account have been slashed 31 percent; and the States grant account is down 14 percent. Today we are suffering as a result of these inopportune and unwise budget cuts. Today, citizens living near hazardous waste sites, people living in counties that have not complied with the Clean Air Act, and areas facing the permanent damage of acid rain are suffering from these budget cuts. In every facet of our environment, our people and our resources are suffering from the budget cuts achieved by the Reagan administration since it has been in office.

But today we can begin to rebuild the stature of the EPA as a protector of the people and the environment. We can reverse the sorry record the EPA has made for itself under the Reagan administration. But to accomplish this EPA needs funds and staff to carry out its programs. The appropriation reported by the committee makes some effort to advance the work of the Agency by adding 700 new positions. These positions are needed and I applaud the committee for this provision. But these new positions will not be translated into additional environmental protection without matching increases in the program accounts used to administer these programs.

I do not think my colleagues need many examples of areas where the EPA has been slow, if not negligent in responding to the environmental needs of our country. The acid rain issue, which has left permanent damage on many areas of the Northeast and possibly on United States-Canadian relations, cries out for coordinated EPA action—in terms of research as well as concrete action. Enforcement of the Clean Air Act also has not been a high priority of the EPA, as it should be. And we all have

witnessed the shambles of the Superfund program which has been an embarrassment to this administration and anyone who cares about environmental protection.

In my district, the Woburn waste site has been listed as a priority site for many months. But to date no action has been taken to clean up the site. I understand that there are many sites that need attention but EPA lacks the staff to meet the present danger these sites represent. This amendment will provide necessary funds for EPA to carry out its charge of enforcing environmental laws and providing research so Federal and State governments can carry out our important environmental laws.

I encourage my colleagues to take this first step in rebuilding the EPA. This amendment is needed to insure protection for our environment and our fellow citizens. Protecting the environment is money well spent. To turn your back on this amendment and vote no would be an abandonment of the environmental ideals which we have put in law and to which the EPA is dedicated.●

● Mr. BEILENSON. Mr. Chairman, public confidence in the Environmental Protection Agency's ability to monitor air and water quality, to detect trouble spots, and to promote pollution control has slipped badly in the past 2 years. That loss of confidence is the result, in part, of the recent management problems at EPA; but a more persistent reason is the Reagan administration's support for budget cuts and relaxed pollution control standards.

The naming of William Ruckelshaus by the administration as EPA Administrator is a positive step that will strengthen management at the Agency and help restore public trust. Unfortunately, the administration has been unwilling to recognize the equally serious problem of inadequate funding. The President has proposed further budget cuts at a time when such cuts would only inflict greater damage. Already EPA's operating budget has been cut by nearly one-quarter since 1981, and the reduction is even greater when inflation is factored in. Staffing at EPA is down by one-quarter since 1981, and the Agency's research and regulatory effort has been pared substantially.

Congress should rebuff the administration's continuing assault on EPA. I speak today in strong support of the amendment, offered by my distinguished colleague from Colorado, to restore EPA's operating budget to its fiscal 1981 level. This amendment would raise EPA's operating budget for fiscal 1984 to $1.3 billion, a level that is within the guidelines set by the House budget resolution. This additional money—$220 million—will fund EPA operations at a level which will adequately safeguard public health. The need for funding restraint is well recognized, but this increase is not excessive.

The addition of $45 million to EPA's account for salaries and expenses is necessary to allow the Agency to restore many of the staff positions that have been sacrificed since 1981. The salary and expenses account supports the administration of all EPA programs, except the Superfund, and this additional funding is needed to assure that EPA has the work force and the expertise it needs to carry out its mission. The money would be well spent.

The addition of $23 million for research and development is warranted just as strongly. EPA's budget for R&D this year is less than half of what it was in 1981. Funding cuts have seriously crippled research into the health effects of exposure to air pollution, water pollution, and toxic materials, at a time when the need for research has increased as a result of recent statutes regulating hazardous waste and pesticide use and disposal.

Perhaps most important, however, is the addition of $151 million for EPA's abatement, control and compliance efforts. The States do much of the field work required for the enforcement of this Nation's most basic environmental protection laws, yet support for pollution control at the State level has been reduced sharply since 1981. Additional grant support and technical assistance is needed.

The EPA promotes a clean environment for today and for the future by coordinating the Federal attack on pollution. The Agency funds basic research and promotes State and local cooperation in the effort to control pollution. EPA bears the responsibility for defending against hazardous waste contamination, air and water pollution, radiation, and other dangers. I support the Wirth amendment to restore this agency's funding to its 1981 level, and strongly urge my colleagues to do the same.●

The CHAIRMAN. The time of the gentleman has expired.

The gentleman from Massachusetts (Mr. BOLAND) is recognized for 5 minutes to conclude the debate.

Mr. ALBOSTA. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I am delighted to yield to the gentleman from Michigan (Mr. ALBOSTA).

Mr. ALBOSTA. Mr. Chairman, I thank the gentleman for yielding, and I rise in support of the subcommittee chairman.

Mr. Chairman, I wish to state my support for Chairman Boland's appeal to approve the funding level for EPA provided in H.R. 3133, the HUD-independent agencies appropriations bill. While I agree wholeheartedly with my many colleagues who state that the EPA has been severely affected by its drastic funding cutbacks and that more resources are needed, I do not believe that hastily increasing EPA's funding level is the way to restore the Agency's credibility and effectiveness.

The new EPA Administrator William Ruckelshaus deserves time to submit his own budget requests for consideration. We have placed great faith in his ability to rebuild the EPA, and he should have time to prepare his own reorganization proposals. Additionally, we should pass a bill which the President will approve; otherwise, the EPA will suffer even more by having no budget at all.

EPA does need increased resources, but such decisions should be made with Bill Ruckelshaus' own recommendations in mind. I believe the Administrator will request additional resources in recognition of the sad state of affairs at the EPA, and I will favorably consider such requests at that time.

Mr. BOLAND. I thank the gentleman from Michigan.

Mr. Chairman, all of us here, every Member in this body, every Member of the House of Representatives, wants to see the environment cleaned up. I do not think any one of us has any particular objection to the arguments that have been made by the gentleman from Colorado and his supporters with respect to what we ought to do regarding the environment.

The question is how do you do it best? What is the most efficient way to do it? No one quarrels with the arguments that have been made here about the problems at EPA over the past couple of years. We are all aware of that.

But you are not going to clean it up by throwing a lot of money at the problems at this point in time.

The gentleman from Arizona, my long and good-time friend, Mr. UDALL has indicated that this committee has been a champion of the environment over the years. Considering the problems with EPA's authorization bills, there would not have been any EPA programs at all if it had not been for the action this committee has taken.

Let us look for a minute at the 1983 budget. If you will remember the administration wanted to RIF better than 400 people from the EPA. The 1983 appropriation bill saved those 400 positions. The budget resolution did not save those positions; the authorizing legislation certainly did not save those positions, because there was not any authorizing legislation.

In the real world, the Appropriations Committee has provided the only tangible help to the Agency, because we get our bills signed. That is exactly what we are looking for this year. And if we load this bill down with a lot of add-on's, whether it is here or in the Senate, we will not have a bill.

Let me tell you again that if that happens we will end up in the continu-

ing resolution and this Agency will operate at the 1983 level.

What about Administrator Ruckelshaus? He was the first Administrator when the EPA was pulled together in 1971 from a number of other functions within the Government. I know of no man who has come to the service of the Federal Government with more power, more backing than he has. I know of no man who is in a better position to straighten out the problems at the EPA than Mr. Ruckelshaus. I talked to him on the phone the other day as did the distinguished gentleman from New York (Mr. GREEN). We have a letter from him indicating that he is now looking at the additions we have made; $160 million is a substantial addition and so is the 700 positions in the operating programs of the EPA and 100 positions in the Superfund. He is now reviewing his resource requirements.

Mr. GREEN and I have indicated to him that if he needs more money for the EPA to do the job it has to do as mandated by the Congress, he will get that money. If there is a recommendation or a budget amendment that comes up from the Administrator, Mr. Ruckelshaus, we are going to get a good look at it and I am sure that that recommendation will be looked at favorably by the subcommittee.

So, what we are looking at here, Mr. Chairman, is whether or not we are going to take a $200 million plus addition above the increase already provided in the bill.

That would give EPA another 1,200 staff years. There is no way in the world that the EPA can fill that many positions. There is no way in the world they are going to get them anyhow, because the allocation of those positions is made by the Office of Management and Budget.

And, so, Mr. Chairman, I think that the Members who are sitting here and those who are following this on the TV monitor, ought to say to themselves: We have a responsibility not just to the EPA, but we have a responsibility to the American public as to how we spend our money.

Let me underscore that this amendment is the classic way, the classic way, of how not to appropriate funds for any agency. I would hope that the full membership of this House would support the subcommittee with the $160 million add-on that we have provided and the 800 positions that we have provided.

Mr. Chairman, may I thank the gentleman from Colorado (Mr. WIRTH) for his leadership in support of his amendment and may I also thank those of us who have participated in what I think has been a fine debate here today in a very important and very serious matter. I am delighted to yield to my friend, (Mr. WIRTH).

Mr. WIRTH. I wanted to reciprocate to the gentleman from Massachusetts who has over the years held the line of EPA—not enough in my opinion—but we do appreciate all the good work he has done on their behalf.

Mr. BOLAND. I thank the gentleman.

The CHAIRMAN. The time of the gentleman has expired.

Before putting the question, the Chair would simply state, not with specific reference to anything that has been said, but would admonish Members to address the Chair and not address Members watching television sets and television monitors during the course of debate.

The question is on the amendments offered en bloc by the gentleman from Colorado (Mr. WIRTH).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WIRTH. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 200, noes 167, not voting 65, as follows:

[Roll No. 147]

AYES—200

Ackerman	Fazio	Mazzoli
Addabbo	Feighan	McCloskey
Alexander	Ferraro	McCollum
Anderson	Fish	McCurdy
Andrews (TX)	Flippo	McDade
Aspin	Foley	McGrath
Barnes	Ford (MI)	McHugh
Bates	Ford (TN)	McKernan
Bedell	Fowler	McKinney
Beilenson	Garcia	McNulty
Biaggi	Gaydos	Mikulski
Boehlert	Gejdenson	Miller (CA)
Boner	Gephardt	Mineta
Bonior	Gilman	Minish
Borski	Glickman	Moakley
Bosco	Gonzalez	Molinari
Boucher	Gore	Mollohan
Boxer	Gray	Moody
Britt	Gregg	Morrison (CT)
Broomfield	Guarini	Mrazek
Brown (CA)	Gunderson	Neal
Bryant	Hall (IN)	Nelson
Carper	Hall (OH)	Nowak
Carr	Hamilton	Oakar
Chandler	Harrison	Oberstar
Clinger	Hefner	Obey
Coelho	Hertel	Ortiz
Coleman (MO)	Horton	Ottinger
Cooper	Jeffords	Owens
Coughlin	Johnson	Patman
Courter	Kaptur	Patterson
Coyne	Kastenmeier	Pease
D'Amours	Kennelly	Penny
Daschle	Kildee	Pepper
Davis	Kogovsek	Perkins
Dellums	LaFalce	Petri
DeWine	Lantos	Rangel
Dingell	Leach	Ratchford
Dixon	Lehman (CA)	Reid
Donnelly	Leland	Richardson
Dorgan	Levin	Ridge
Dowdy	Levitas	Rinaldo
Downey	Lipinski	Roe
Durbin	Long (LA)	Rostenkowski
Dymally	Long (MD)	Roth
Eckart	Lowry (WA)	Roukema
Edgar	Luken	Rowland
Edwards (CA)	Lundine	Russo
Erdreich	MacKay	Savage
Evans (IA)	Markey	Scheuer
Evans (IL)	Martin (IL)	Schneider
Fascell	Matsui	Schroeder
Schumer	Staggers	Walgren
Sensenbrenner	Stark	Waxman
Shannon	Studds	Weaver
Sharp	Swift	Weber
Shelby	Synar	Wheat
Sikorski	Tallon	Whitley
Simon	Tauke	Williams (MT)
Skelton	Thomas (GA)	Wirth
Slattery	Torricelli	Wise
Smith (FL)	Towns	Wolpe
Smith (NJ)	Udall	Wyden
Snowe	Valentine	Yates
Solarz	Vandergriff	Yatron
Spratt	Vento	Zablocki
St Germain	Volkmer	

NOES—167

Akaka	Hall, Ralph	Nichols
Albosta	Hall, Sam	O'Brien
Annunzio	Hammerschmidt	Olin
Anthony	Hance	Oxley
Applegate	Hansen (ID)	Packard
Archer	Hatcher	Parris
Barnard	Hightower	Paul
Bartlett	Hiler	Pickle
Bateman	Hillis	Porter
Bennett	Hopkins	Quillen
Bereuter	Hoyer	Ray
Bethune	Hubbard	Regula
Bevill	Huckaby	Ritter
Bilirakis	Hughes	Roberts
Bliley	Hunter	Robinson
Boggs	Hutto	Roemer
Boland	Hyde	Rogers
Breaux	Ireland	Rose
Brooks	Jacobs	Roybal
Brown (CO)	Jenkins	Rudd
Broyhill	Jones (NC)	Sawyer
Burton	Jones (OK)	Schaefer
Byron	Kasich	Schulze
Campbell	Kemp	Seiberling
Cheney	Kindness	Shaw
Clarke	Kramer	Shumway
Coats	Lagomarsino	Skeen
Coleman (TX)	Latta	Smith (IA)
Conable	Leath	Smith (NE)
Corcoran	Lent	Smith, Robert
Crane, Daniel	Lewis (CA)	Snyder
Crane, Philip	Lewis (FL)	Solomon
Daniel	Livingston	Spence
Dannemeyer	Loeffler	Stangeland
Daub	Lott	Stenholm
de la Garza	Lowery (CA)	Stokes
Dreier	Lujan	Stump
Duncan	Lungren	Sundquist
Dwyer	Mack	Tauzin
Dyson	Madigan	Taylor
Early	Marriott	Thomas (CA)
Edwards (OK)	Martin (NC)	Walker
Emerson	Martin (NY)	Watkins
English	Mavroules	Whitehurst
Erlenborn	McCandless	Whittaker
Fiedler	McDonald	Whitten
Fields	McEwen	Williams (OH)
Forsythe	Michel	Winn
Franklin	Miller (OH)	Wolf
Frenzel	Montgomery	Wortley
Fuqua	Moore	Wright
Gekas	Moorhead	Wylie
Gingrich	Murphy	Young (FL)
Goodling	Murtha	Young (MO)
Gramm	Myers	Zschau
Green	Natcher	

NOT VOTING—65

Andrews (NC)	Gibbons	Nielson
AuCoin	Gradison	Panetta
Badham	Hansen (UT)	Pashayan
Berman	Harkin	Price
Bonker	Hartnett	Pritchard
Carney	Hawkins	Pursell
Chappell	Heftel	Rahall
Chappie	Holt	Rodino
Clay	Howard	Sabo
Collins	Jones (TN)	Shuster
Conte	Kazen	Siljander
Conyers	Kolter	Sisisky
Craig	Kostmayer	Smith, Denny
Crockett	Lehman (FL)	Stratton
Derrick	Levine	Torres
Dickinson	Lloyd	Traxler
Dicks	Marlenee	Vander Jagt
Edwards (AL)	Martinez	Vucanovich
Florio	McCain	Weiss
Foglietta	Mica	Wilson
Frank	Mitchell	Young (AK)
Frost	Morrison (WA)	

□ 1310

The Clerk announced the following pairs:

On this vote:

Mrs. Lloyd for, with Mr. Sisisky against.

Mr. Rahall for, with Mr. Nielson of Utah against.

Mr. Rodino for, with Mr. Denny Smith against.

Mr. Howard for, with Mr. Shuster against.

Mr. Kostmayer for, with Mrs. Vucanovich against.

Mr. Crockett for, with Mrs. Holt against.

Mr. Derrick for, with Mr. Siljander against.

Mr. Mitchell for, with Mr. Craig against.

Mr. Hawkins for, with Mr. Chappie against.

Mr. Frank for, with Mr. Badham against.

Mr. Bonker for, with Mr. Hansen of Utah against.

Mr. TAUZIN and Mr. ROEMER changed their votes for "aye" to "no."

Mr. GUNDERSON and Mr. VOLKMER changed their votes from "no" to "aye."

So the amendments were agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments to the pending paragraph?

AMENDMENT OFFERED BY MR. ROE

Mr. ROE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROE: Page 15, line 3, strike out "$370,375,000" and insert in lieu thereof "$375,375,000".

Page 15, line 4, strike out "*Provided,*" and insert in lieu thereof "*Provided,* That $5,000,000 of such funds may be expended only for activities under section 314 of the Federal Water Pollution Control Act; and *Provided further,*".

□ 1320

Mr. ROE. Mr. Chairman, in view of the action that has been taken by the House, in reporting to my colleagues here, my amendment as printed in the RECORD would have requested an addition of $5 million to the EPA appropriation for activities under the clean lakes program. It is a relatively modest amendment. The funds, if approved, as we look at it from the authorizing committee, would be, in effect, a bridge.

It is important that the Members listen to this because it is going to have a bearing on how they vote, I would assume. In view of the fact that the Wirth amendment has passed, it changes in context somewhat the amendment that we had offered through the Committee on Rules to add $5 million to the EPA appropriation for activities under the clean lakes program. In view of that amendment, I am going to ask for unanimous consent to modify this amendment after I present it to the House, which would then conform with the Wirth amendment.

This amendment would provide $5 million to EPA appropriations for activities under the clean lakes program. The clean lakes program, as authorized by section 314 of the Federal Water Pollution Control Act, authorizes the Administrator of the Environmental Protection Agency to provide financial assistance to States in the form of grants of up to 70 percent to carry out methods and procedures to control sources of lake pollution and restore the quality of our lakes.

The lakes, we know now, are an integral part of our Nation's water supply, and it is an extremely important program under section 314 of the Water Pollution Control Act. It carries the continuity between the authorizing committee and the Committee on Appropriations in view of the fact that the Committee on Public Works and Transportation, Subcommittee on Water Resources Development, will be holding its hearings within 2 weeks time on the reauthorization of the Clean Water Act.

This section 314, known as the clean lakes section of the program, has resulted in the restoration of more than 100 seriously degraded lakes. Since the program's inception, 115 implementation projects have been funded, as well as 114 diagnostic feasibility studies and 43 State lakes classification studies. While a great deal has been accomplished, much remains to be done. There are still 39 projects that need implementation funds and 112 which will need feasibility studies money.

Our Subcommittee on Water Resources intends to begin hearings, as I mentioned before, in the near future on possible amendments to the Federal Water Pollution Control Act. It is our intent to extend the authorization of the clean lakes program.

The amendment which I will offer will provide $5 million in allocation as presented under the Wirth amendment for the year 1984 to continue funding of the program while our committee and the Congress determine an appropriate new authorization level. Moreover, the amendment will preserve the viability of the program and maintain our commitment to the restoration of the quality of the Nation's water.

Mr. HAMMERSCHMIDT. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. I thank the gentleman for yielding.

Mr. Chairman, I rise in strong support of the amendment being offered by the gentleman from New Jersey, the chairman of our Water Resources Subcommittee (Mr. ROE).

The clean lakes program, authorized in section 314 of the Federal Water Pollution Control Act, has demonstrated and is continuing to demonstrate that the principal causes of our lake pollution problems can be identified, and comprehensive, cost-effective solutions can be developed and successfully implemented for most of our lake problems. We must continue this important environmental program, and that is what the gentleman from New Jersey's amendment is designed to accomplish.

Mr. Chairman, it might be worthwhile to note a few facts. Approximately 99 percent of our Nation's population lives within 50 miles of a publicly owned freshwater lake. Roughly one-third of us live within 5 miles of a lake. These numbers help bring into focus, I believe, how many of us are potentially affected by the need to restore and maintain the quality and environmental value of these important waters.

Another important fact concerning this program comes from a recent study evaluating U.S. EPA's clean lakes program. That study showed that every Federal dollar invested in clean lakes projects is returning $8.30 in benefits that could be identified and additional amounts in benefits that are more difficult to quantify. The clean lakes program has truly been an excellent investment of Federal dollars, both in terms of economic and environmental returns on that investment.

Third, Mr. Chairman, we have all become more aware of the need to address various aspects of the acid rain pollution problem that is increasingly threatening our environment. The Clean Water Act's clean lakes program is the only program currently in place and operating today which attempts to deal with at least the lake pollution aspect of this problem on an immediate basis. It would be a bad decision, even a foolhardy one, to abandon this program now at a time when our need for it has probably never been greater.

Mr. Chairman, in the Public Works Committee's views and estimate report to the Budget Committee a few months ago it was pointed out that the committee is aware of no adequate State substitute for the very cost-effective clean lakes grant program, funding for which should be continued in fiscal year 1984. That statement is as true today as it was then and sums up quite well why the amendment being offered this morning should be overwhelmingly supported. I urge adoption of the amendment.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the distinguished chairman, the gentleman from Massachusetts.

Mr. BOLAND. I thank the gentleman for yielding.

Mr. Chairman, the clean lakes program, of course, is a very popular program. It is one that this committee has supported over the years. In fact, this committee has kept this program

alive by appropriating some $12 million over the past 2 years.

The funding for the clean lakes program was not included in this bill because we did not feel comfortable, really, in starting work on a new set of projects without authorizing legislation. The chairman of the authorization subcommittee has indicated that they are working on this and a bill will be reported which will authorize this legislation.

I am persuaded by the argument of the gentleman from New Jersey that the prospects for reauthorization for this program are excellent, as well as reauthorization in the Senate. I have no objection to the $5 million add-on for the clean lakes program.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from New York.

Mr. GREEN. I thank the gentleman for yielding.

Mr. Chairman, for the reasons stated by our distinguished subcommittee chairman, I, too, am happy to accept the amendment.

Mr. ROE. Mr. Chairman, in order to have the continuity of this amendment match up to the action that was taken by the Committee just previously on the Wirth amendment, I ask unanimous consent to strike the first sentence of my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. ROE) as modified.

The amendment, as modified, was agreed to.

Mr. HAMMERSCHMIDT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to have a short colloquy with my friend, the gentleman from New Jersey (Mr. ROE), to ask him a question.

The clean lakes program has shown numerous success stories, yet more needs to be done. There is a lake on the White River in Arkansas, Beaver Lake, that may be developing a potentially severe pollution problem. Its difficulties stem from nutrients and other pollutants. It is my hope that the clean lakes program can provide help and prevent this situation from becoming worse.

Would you speak to that problem, Mr. Chairman?

Mr. ROE. If the gentleman will yield, I think I would agree with him completely. I believe the investigation and solutions for problems at Beaver Lake, which we have discussed before, and similar impoundments, should be pursued under the clean lakes program. I believe we should also pursue this further during the Committee on Public Works and Transportation hearings when we take it up under the Clean Water Act.

Mr. HAMMERSCHMIDT. I appreciate the gentleman's support and look forward to working with you and the ranking member on the Subcommittee on Water Resources, Mr. STANGELAND, on these hearings.

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Mr. MONTGOMERY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to commend the members of the Appropriations Committee and especially the efforts of the chairman of the Subcommittee on HUD-Independent Agencies, the distinguished gentleman from Massachusetts, Mr. BOLAND, and the ranking minority member of the subcommittee, the distinguished gentleman from New York (Mr. GREEN), for the work they have done on this bill as it relates to the Veterans' Administration.

The bill contains $24.8 billion in new budget authority to operate programs administered by the Veterans' Administration in fiscal year 1984. It contains the amounts requested by the administration to fund the compensation, pension, insurance, and readjustment benefits programs.

It should be noted, Mr. Chairman, that the bill contains an appropriation of $6,078,000,000 for medical care—$20 million more than had been proposed by the administration. The medical care budget assumes $31,400,000 and 552 staff-years for the vet center program. This is the same level as provided in fiscal year 1983. The Committee on Veterans' Affairs recently extended the vet center program for an additional 3 years and I am delighted that the Appropriations Committee continues to give the program a high priority for the coming fiscal year. I concur with the Appropriations Committee that the staffing of these centers should be reviewed and adjustments made where necessary.

I want to commend the committee for language contained in the committee report on page 47 concerning the inability of the Veterans' Administration to provide outpatient services for all eligible veterans. Mr. Chairman, a recent survey conducted by the Committee on Veterans' Affairs indicates that many VA hospitals are experiencing a tremendous increase in the number of outpatient visits from the last fiscal year. We are finding that many veterans who have lost their jobs have also lost their health insurance and have no place to go except the Veterans' Administration for their health care needs. With current funds allocated for outpatient purposes, the VA cannot possibly take care of the demand at most hospitals. I am glad to note that the Committee on Appropriations is urging the VA to review the proposed utilization of funds to determine if, within available resources, additional money should be allotted for outpatient services. I am most pleased to note that the committee is also urging the Veterans' Administration to allow medical facility directors maximum flexibility in the use of allocated funds. I believe these are good suggestions and it is my hope that the Administrator of Veterans' Affairs and the chief medical director will move to carry out the direction given to them by the Appropriations Committee.

I am delighted that the committee has seen fit to increase the medical and prosthetic research budget by $6 million during the next fiscal year. If enacted into law, this subfunction will total $162,325,000 in 1984. Included is $1,500,000 for rehabilitative research. I am pleased to see this minimum amount of funds set aside for prosthetic research. Disabled veterans have, for a long time, recommended that this be a line item in the budget and I am glad to see that the committee has seen fit to earmark a minimum amount for this purpose.

The construction budget, both for major and minor projects, seems adequate. For the second year in a row we will have one of the largest construction budgets in VA's history. We must continue to upgrade VA medical facilities.

Mr. Chairman, I am delighted with the colloquy that took place on the floor between the very able chairman of our Subcommittee on Housing and Memorial Affairs, the distinguished gentleman from Alabama, Mr. SHELBY, and the distinguished chairman of the HUD-Independent Agencies Subcommittee, Mr. BOLAND, concerning the $7 million reduction in general operating expenses in this bill. Based on a recent survey conducted by our committee, many loan guaranty offices are experiencing problems in processing new home loan applications and refinancing requests. In addition, workloads have increased tremendously, as well as the number of loan foreclosures. Something must be done to provide the loan guaranty offices with much needed relief. I am pleased with Mr. BOLAND'S response that the Veterans' Administration would experience some savings from its rental of space from the General Services Administration and these funds could be used to help the situation somewhat. In addition, I noted that the chairman has assured us that if additional funds are necessary, he would give every consideration to restoring the $7 million in any conference agreement reached with the other body.

In regard to the foreclosure problem, I am pleased to note that the committee has included bill language to allow such amounts as may be necessary from the direct loan revolving

fund to be allocated to implement a bill the Committee on Veterans' Affairs recommended and which was passed by the House to provide mortgage relief assistance.

Mr. BOLAND and Mr. GREEN have always been most sympathetic in providing for the needs of our Nation's veterans, and as usual this bill does a most adequate job in that regard. I thank all members of the appropriations Committee for the time and attention they have given meeting those needs in this bill.

Mr. ALBOSTA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to engage in a colloquy with the subcommittee chairman, the gentleman from Massachusetts (Mr. BOLAND).

Mr. Chairman, I would like to take this opportunity to ask the distinguished chairman of the Appropriations Subcommittee on HUD-Independent Agencies a question concerning the $4 million earmarked for EPA monitoring and study of the dioxin problem in Missouri and Michigan in House Report 98-223 accompanying H.R. 3133. It is my understanding that a comprehensive dioxin study proposal by EPA is now awaiting final approval by Administrator Ruckelshaus before being sent to Congress for funding. My question for the gentleman from Massachusetts is whether any EPA dioxin study proposal that might be submitted to Congress in the near future can be integrated with the dioxin study directed by the Subcommittee on HUD-Independent Agencies as the EPA appropriations bill proceeds through Congress and whether any additional funds that might be necessary for this dioxin study proposal can be included in the appropriations bill at that time?

Mr. BOLAND. Mr. Chairman, will the distinguished gentleman from Michigan yield?

Mr. ALBOSTA. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Chairman, this gentleman is familiar with the problems in Michigan concerning dioxin. Of course, this is a problem that could well spread to many other areas within the United States.

In response to the gentleman from Michigan, let me say that my answer is in the affirmative. Yes, we would certainly consider any proposals for expanded dioxin studies if EPA submits such a proposal in a budget amendment. We will give every consideration to an additional request from the Administrator of the EPA, Mr. Ruckelshaus.

Mr. ALBOSTA. Mr. Chairman, I have one final question for the subcommittee chairman.

Is it not correct that funds can be reprogramed for EPA later in the year to pay for any added costs associated with the comprehensive dioxin study directed by the subcommittee and now being considered by the agency?

Mr. BOLAND. Mr. Chairman, will the gentleman yield again?

Mr. ALBOSTA. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Chairman, the gentleman is correct. A request for reprograming of funds can be submitted and we would consider any request for reprogramings by EPA later in the year. We believe the $4 million we added will be more than sufficient for the dioxin monitoring study, but if the EPA needs more, and requests a reprograming for the needed funds, we would certainly accede to that request.

Mr. ALBOSTA. Mr. Chairman, I thank the gentleman from Massachusetts (Mr. BOLAND) very much.

Mr. YOUNG of Missouri. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to engage in a colloquy with the distinguished chairman of the subcommittee of the Committee on Appropriations, the gentleman from Massachusetts (Mr. BOLAND).

Mr. Chairman, as most of us in this body are well aware, my home State of Missouri has been particularly hard hit by the tragic and complicated problem of dioxin contamination. There are at least 31 confirmed sites of dioxin contamination in my State, the largest being the city of Times Beach which is in my district.

The committee report accompanying this bill contains language to set aside $4 million in the EPA abatement, control and compliance budget to fund studies and investigation of dioxin concentrations in suspect areas as well as the monitoring of severe problem areas. While this is a commendable step in the right direction, I see an even greater need to address another critical area related to our current dioxin problem. The people who live or work near these affected areas need more than the insurance of site location and monitoring. They need a guarantee that funds will be used for the vital and necessary further investigations that need to be made into providing some form of long term solutions to the problems of disposal and cleanup of concentrations of dioxin.

I do not think anyone here will argue with the fact that site location and monitoring are vital functions that need to be funded by Congress. But I think everyone will also agree that the job is not done until we can provide an effective method of cleaning up and disposing of this dioxin contamination.

Mr. Chairman, I would like to ask the distinguished subcommittee chairman to further clarify his discussions on this issue yesterday on the House floor with the gentleman from Missouri (Mr. VOLKMER).

Mr. Chairman, is it the gentleman's understanding that from the money budgeted for EPA research and development, EPA will have sufficient funds for initiating a study into the long term solution of the problems of disposal and cleanup of concentrations of dioxin and other chlorophenols and for helping to implement effective procedures for these cleanup and disposal efforts?

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Missouri. I am happy to yield to the subcommittee chairman.

Mr. BOLAND. Mr. Chairman, first of all, I want to commend the gentleman from Missouri (Mr. YOUNG) for his very effective support and leadership in dealing with Times Beach and the dioxin problems. The decision to spend $32 million to buy out Times Beach was a very important one for that particular area, and I commend the gentleman for his position on it.

With respect to the specific question, let me answer that in the affirmative and say that, as I indicated yesterday, the committee places a high priority on research into the disposal of dioxin. We would expect EPA to use some of the unspecified increase in the R&D account for this purpose.

This is a very complex issue, and it will, of course, be a multiyear effort. But we want to see it started in 1984, and I think that the Administrator of EPA will see that it does get started.

Mr. YOUNG of Missouri. Mr. Chairman, I thank the gentleman very much for allowing me to participate in this debate, and I yield back the balance of my time.

Mr. GILMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to express particular support for the funds appropriated in this measure that have been allocated for nursing home care facilities for our Nation's veterans.

This is something that is sorely needed throughout the country, and especially in my own district. I am especially pleased that $8 million has been appropriated for building an addition at the Castle Point facility in the Hudson Valley region. The veterans of our area, and their families, will be particularly pleased that the committee has included their proposal in this legislation.

Mr. Chairman, I urge my colleagues to support this measure, and pass this much needed appropriation.

Mr. WATKINS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I wish to enter into a colloquy with the subcommittee chairman, the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. I would be delighted to have a colloquy with the gentleman.

Mr. WATKINS. Mr. Chairman, first and foremost, I would say to the distinguished chairman of the subcommittee that I commend him and the ranking minority member, the gentleman from New York (Mr. GREEN), for a tremendous job and an effective job under some tough circumstances at this time at EPA.

Mr. Chairman, I thank the subcommittee chairman for agreeing to enter this colloquy with me on something that is of deep concern to me.

I would like to ask the distinguished subcommittee chairman concerning the congressional intent relative to the EPA's research and development program.

The committee provided an additional $5 million for research into air and water pollution control technology. Is it the committee's intent that a portion of this money should be used to maintain at current levels EPA's research into cost effective alternative and innovative treatment processes, including natural systems?

Mr. BOLAND. Mr. Chairman, if the gentleman will yield, my response is, yes, the committee would expect the EPA to continue work, at least at current levels, in the area of alternative and innovative pollution treatment. Many of these techniques are promising and may prove cost-effective in the future. The committee supports that position.

Mr. WATKINS. Also, Mr. Chairman, concerning R&D on hazardous waste control technology, the committee urged the EPA "to adopt the goal of greatly expanded use of waste treatment, incineration, and other preferred disposal methods."

Does the committee include soil treatment under that category of other innovative disposal alternatives for which increased R&D and usage is recommended?

Mr. BOLAND. Yes, soil treatment would be included. I understand that it is not appropriate for many kinds of wastes, but for some waste products it is an effective method.

Mr. WATKINS. Mr. Chairman, I thank the gentleman.

I have one last question. The committee also provided an additional $1 million for drinking water research, which is very much needed, and I commend the committee for this.

Would this include research into both surface and underground sources of drinking water?

Mr. BOLAND. Mr. Chairman, if the gentleman will yield again, the committee is well aware of drinking water problems related to groundwater contamination and would expect EPA to balance its research needs against surface drinking water research as well as other agency research priorities.

Mr. WATKINS. Mr. Chairman, I thank the distinguished subcommittee chairman, and I yield back the balance of my time.

Mr. SOLOMON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, if the chairman of the subcommittee would engage in a colloquy with me, I would, first of all, like to commend the subcommittee chairman, the ranking minority member, and the other members of the committee on the veterans budget. As one of the ranking members of the Veterans' Committee, I concur with the remarks of the distinguished chairman of our Committee on Veterans' Affairs on the treatment the committee has given to our veterans. But I also would like to refer to the next section of the bill, Selective Service System, and call attention to the committee report on page 43, where it states that "The committee therefore directs the Selective Service to study and report to the committee by December 31, 1983"—and this is the important part of it—"on the feasibility of allowing an individual to register as a conscientious objector."

Now, if all that means—and I am looking for the historical and legislative intent of this sentence—if all that means is that it allows an individual to state his or her objection to registration on conscientious grounds, then certainly I do not think any of us have any objection to it. But if the intent is to allow the individuals who want to be conscientious objectors to receive that status upon registering, then I am unalterably opposed to it.

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I would just ask the distinguished chairman what the intent of that legislation is.

Mr. BOLAND. Will the distinguished gentleman from New York yield?

Mr. SOLOMON. I most certainly would yield.

Mr. BOLAND. I can understand the concern of the gentleman with respect to this report language. Let me try and clarify it.

The report language would not make an individual a conscientious objector. That status would have to be determined by a local board if a decision is made to begin classification.

Mr. SOLOMON. I thank the gentleman.

So under those circumstances the intent of this section is to allow an individual to simply be able to state in writing that he wants to be classified for conscientious objector status when classification comes.

Mr. BOLAND. The gentleman is correct.

Mr. SOLOMON. I would hope this colloquy would set the historical legislative intent of that sentence.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I yield to the ranking Republican member of the committee, the gentleman from New York (Mr. GREEN).

Mr. GREEN. In further elucidation of the subject in which the gentleman is interested, it is proposed to change the registration form so that the form would provide a box where someone who intended ultimately to seek classification as a conscientious objector would be able to note so while he is registering.

As the gentleman knows, there are some people who claim conscientious objector status who have declined to register on the grounds that the present setup does not give them any means to set forth their claims. One cannot be classified as a conscientious objector until the classification process is undergone. As the Selective Service System now operates, there is no classification at all for any of the categories, conscientious objector or otherwise. Thus if this proposed format for the registration form were adopted it would simply mean that a person who intended ultimately to seek conscientious objector status through the classification process, when and if one took place, would be able so to identify himself. But it would not confer such status on him.

Mr. SOLOMON. That is fine. I am glad we have established this historical legislative intent.

I would like to point out to the Members since we enacted the reinstatement of draft registration, 6 months after that there was only a 78-percent compliance throughout this country of young men who are eligible to register for the draft.

I might say today that the percentage of individuals that are in compliance has now reached 98.1 percent with more than 11 million young Americans living up to their obligation as U.S. citizens and obeying the law of the land. I think we should be very proud of those 11 million and 98 percent of the young men in this country that have done that.

Mrs. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I yield to the gentlewoman.

Mrs. BOGGS. I thank the gentleman for yielding. I thank him for his understanding of the intent of the committee.

I would like the gentleman to know that those young men who have a conscientious objection will now be able to comply with the law and also to be able to answer their own consciences. I thank the gentleman for his participation.

Mr. SOLOMON. I thank the gentlewoman for helping me clarify this issue and I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

For necessary expenses of the Council on Environmental Quality and the Office of Environmental Quality, in carrying out their functions under the National Environmental Policy Act of 1969 (Public Law 91-190), the Environmental Quality Improvement Act of 1970 (Public Law 91-224), and Reorganization Plan No. 1 of 1977, including not to exceed $500 for official reception and representation expenses, and hire of passenger motor vehicles, $700,000.

Mr. BOLAND (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. WALKER. Mr. Chairman, reserving the right to object, I reserve the right to object to find out what our status will be with regard to the Committee rising before we get to fund limitation amendments that Members might wish to offer. Some of us do want to make certain we have time to explain during the debate the purpose behind our fund limitation amendments and that we would want to be able to strike the requisite number of words to explain those amendments prior to that point since there is no debate on the motion to rise.

Could the Chairman give us some idea as to where we stand with regard to rising?

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Massachusetts.

Mr. BOLAND. If the gentleman has some reservations, I think perhaps he should express them now. We have asked unanimous consent that the remainder of the bill be considered as read and open to amendment at any point. I would think that any particular debate that you might have with respect to limitations, or whatever you would want to say, ought to be done now.

Mr. WALKER. Further reserving the right to object, do I understand that the Chairman does intend to offer a motion to rise prior to getting to fund limitation amendments?

Mr. BOLAND. The gentleman is correct. I will offer a motion to rise at the proper time.

Mr. WALKER. In that case, Mr. Chairman, I do object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk read as follows:

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

For necessary expenses of the Office of Science and Technology Policy, in carrying out the purposes of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 and 6671), hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, not to exceed $1,500 for official reception and representation expenses, and rental of conference rooms in the District of Columbia, $1,950,000.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise at this time to talk about an amendment which I would have the intention to offer if we are ever permitted as a committee to get to the point that such an amendment could be offered.

The amendment language that I have is a jobs amendment. It relates specifically to this bill and it is a limitation of funds, which means that under the rules of the House that were adopted earlier in this Congress it could not be offered at the appropriate point in the legislation; namely, under the HUD title.

Yet it does deal very much with matters that are contained within this legislation.

I start the discussion this way to point out that the rule that we adopted earlier in this Congress is a bad rule. This bill is replete with limitation amendments, with fund limitation amendments. The committee has adopted amendments that came before this House in years previous and they are under a general provisions section of the bill.

This Member and other Members like this Member are not going to be permitted to offer similar language as a result of the rules that we have if, in fact, a motion to rise is upheld by the body. That is the reason why I am certain that there will be a vote on that motion to rise and why I would ask the membership of this body to vote not to rise but, rather, vote to allow us to offer amendments which are relevant to the legislation before us.

I know that I have an amendment. Others may have amendments. I know of at least one other amendment in a similar kind of category.

These are important kinds of actions to take. As a matter of fact, there are about 500 years of parliamentary tradition of allowing individual members of legislative bodies to offer limitation of funds. When we take action like we may do later on today to cut off Members from that particular kind of action, it seems to me that we do harm to the traditions of this body and the traditions of parliamentary bodies in the Western World for some period of years.

Let me talk about the particular amendment that I have because it may help clarify why we should allow the committee to continue to sit and we should continue on with whatever amendments Members might have that are relevant to this legislation.

The amendment, as I stated previously, is a jobs amendment. I am talking about jobs, anywhere between 30,000 to 100,000 jobs.

This amendment simply stated says this: that none of the funds appropriated under this act shall be used to administer any program or activity in a manner which denies legitimate job opportunities to any individual.

Why such an amendment? Why does it have an impact in the tens of thousands of jobs? In other words, why, if we do not adopt this amendment, are tens of thousands of Americans not going to be able to get a job that they could othewise have. Because what is happening in Govenment today is that many of the programs that we have are being run under regulation or under law, in such a way that they deny legitimate employment to individuals.

There are many parts of our law which make the Federal Government an unemployer. We are creating unemployment by that which we do in the Federal Government.

I think it is entirely appropriate in a bill in which we are dealing with public housing that we begin to do something about getting people employed out there. If we can, by adopting language of this type, give 30,000 to 100,000 Americans a job, I think we ought to be in a position to do it. And if we vote that the committee rise without taking up this amendment, we are really voting to deny somewhere in the vicinity of 30,000 to 100,000 Americans a job which they should legitimately have.

The American people understand this problem. Just recently the Gallup organization did some polling. It found that somewhere in the vicinity of 43 percent of all Americans recognize this problem of the Government contributing to unemployment as being a somewhat to very serious problem.

□ 1350

Forty-three percent of the people polled and there were 27 percent of them that really did not have an opinion on the issue, so it was a wide plurality; 43 percent of them said that we recognize that Government has got some problems in this area. I think when we deal with an appropriations bill of this magnitude, that deals with an awful lot of construction programs that we ought to be saying in the body of this bill that we should get out of the business of stopping people from working.

I would point particularly to some testimony which recently was given before a legislative committee by Renault Robinson, commissioner of the Chicago Housing Authority. He was questioned during his appearance before a legislative committee and he

got into this whole question of employment and productivity.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. WALKER. Let me explain what he had to say with regard to this employment issue.

He said:

My point is that we are taking a severe beating . . . By removing these barriers we would have enough money . . . to be in the black rather than be in the red. I am saying we could reduce our costs and not reduce our services. With the money we save we could probably increase services.

In addition to that, and real big problem, we have unemployment rates which are staggering in public housing. Most of the 15- to 21-year-olds have absolutely no training and they cannot work. We could pick up a lot of these people and train them for working within the developments. For instance, we have received a special grant from HUD to completely rehab one of our large developments . . . Now, if we took this money and were able to take residents, train these residents, and have these residents participate themselves in the rehab, we could take people off public aid, give them a job where they do not have a job now, give them a skill and then let them work in their own community, and save money—the money that we are getting from you (the federal government) anyway.

In other words, 15- to 21-year-olds, many of them minority youth, the very group that is most unemployed in this country, could be put to work under the provisions of my amendment.

The legislative committee then went on to question Mr. Robinson about the discriminatory effects of the legislation which he was talking about. And the chairman of that legislative committee said, "That means the poor live in less than adequate housing as a result of these moneys being taken to pay what you call exorbitant wage rates."

Robinson says, "Absolutely." The chairman, "If those savings were made the poor would benefit from the savings?"

Robinson, "Correct." The chairman says, "So this is another area where perhaps Davis-Bacon may be discriminatory against minorities, and especially the poor."

Robinson says, "Well, I have not said that, but that is absolutely true in the city of Chicago, that it discriminates against minorities * * * We have many minority construction firms that are not able to compete in the Chicago Housing Authority market because of that fact."

In other words, here is one provision, one thing where people are being denied employment, where minority contractors are being frozen out, we have severe problems, which we could correct by the adoption of the amendment I intend to offer.

I would urge the committee not to rise so that this amendment can come to a vote.

Mr. BOEHLERT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there is much in H.R. 3133 to commend. I am especially pleased, for example, to see the $440 million for the urban development action (UDAG) program—a program of vital importance as we strive to guarantee the economic recovery of our Nation. It simply makes sense to me to promote those programs—like UDAG—which are designed to encourage private sector investment in our distressed areas with a helping hand from the Federal Government. We need this stimulant to our economy and the jobs it produces.

It is disappointing to me that the administration's budget request did not give adequate recognition to this and sought only $196 million in new obligational authority for UDAG in 1984. I am pleased that the committee has taken corrective action to bring the funding level to a point where it passes the test of adequacy.

But in another area, the committee was not as responsive.

Once again, I am here in this Chamber sounding an alarm.

The bill includes one glaring omission, and I do not want it to escape unnoticed. I refer to the $15 million for scientific instrumentation in the NSF budget. That figure is $35 million less than the amount authorized just 3 weeks ago when we passed H.R. 2066.

The $50 million in H.R. 2066 was barely adequate even to begin remedying the deficiencies in our Nation's scientific research. If anything, we should be increasing that figure today.

As the committee report states so clearly and I quote:

The National Science Foundation bears a unique responsibility among Federal agencies for the health and well-being of the Nation's basic scientific research activities. There can be no question that its programs serve a vital function. It is clear that the commercial vitality and military security of the United States are directly dependent on the Nation's command of fundamental scientific knowledge.

There seems to be general agreement among experts both within and outside this Chamber that our Nation must undertake a concentrated effort to develop high technology if we are to safeguard our economic future. The $50 million was a way of starting to translate that realization into concrete action; $15 million is barely more than a token.

The money is needed to update our universities' alarmingly antiquated research equipment, and to give universities and industries access to the highly advanced supercomputers.

It is hard for me to believe that today, in the United States, in this highly competitive world, our university research centers are not included in nor do they have access to a network using the latest in supercomputer technology.

We must move forward to correct that most alarming deficiency.

Completing the task will cost money; public and private funds. But doing so is, in the words of Cornell's Nobel Prize-winning physicist, Dr. Kenneth Wilson, "An overwhelming need." Other nations are recognizing this and are acting on it. We must now invest or we shall surely pay a heavier price later. I am deeply disappointed that today we are needlessly missing an opportunity to begin that investing.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. BOEHLERT. I yield to my colleague from New York.

Mr. GREEN. Mr. Chairman, I thank my colleague from New York for his contribution to the debate. I share his concern that we provide enough money for the scientific infrastructure of this country, because I think it is critical to our productivity and our future economic well-being. I commend him for raising that issue on the floor of the House today.

I would simply point out to him some of the constraints under which the subcommittee operates. We did provide $23 million above the administration budget request for the National Science Foundation, and that raises the funding for the National Science Foundation some $223,100,000 above the 1983 appropriation level.

The gentleman correctly points out that we did not hit the authorization mark in an important case. I simply have to reiterate the situation in which the subcommittee found ourselves as a result of the process under which all the appropriations bills are being developed by the Appropriations Committee.

The fact of the matter is that the chairman of the full Committee on Appropriations, together with the subcommittee chairmen, met and assigned a mark to each of the subcommittees. That mark when added for example——

(On request of Mr. GREEN and by unanimous consent, Mr. BOEHLERT was allowed to proceed for 5 additional minutes.)

Mr. GREEN. Will the gentleman yield?

Mr. BOEHLERT. I yield to the gentleman from New York.

Mr. GREEN. I thank the gentleman for yielding.

When cumulated for all the subcommittees, that mark totaled less than the full amount that was available for appropriations by the Committee on Appropriations under the first budget resolution. And I understand that it is that first budget resolution that the various authorizing committees are

looking to as they develop their authorizing legislation. So we cannot in this bill fund all the programs at the full amounts authorized.

Mr. BOEHLERT. I appreciate the comments of my colleague. Let me point out, I am not one of those who is anxious to spend more money without being willing to bite the bullet to raise the money. I happen to be among those gallant 41 who thought this body was foolhardy to repeal the 10-percent withholding on interest and dividends because that would have generated $4 billion for our Treasury, some of that $4 billion could have been used by our university research centers.

□ 1400

Let me further point out that if 10 years ago someone came to this body and suggested that our auto industry was in trouble and that there was a plan to help solve the problem, we would have jumped it.

I would suggest that our computer technology industry right now is in that same situation. Clearly we are No. 1, clearly. I want to maintain that No. 1 position.

And I suggest to my colleague that while I recognize the constraints under which the committee operated, this is an area that deserves priority consideration, because it disturbs me to recognize that in Japan, and in Germany, and in the United Kingdom, and in France, their university research centers have access to the latest in computer technology and yet we do not here in the United States of America.

Mr. GREEN. Again, if the gentleman will yield further, we did provide a very large increase over last year, probably the largest percentage increase for any agency, to the National Science Foundation. So I think we certainly concur with the gentleman on the importance of this.

Mr. BOEHLERT. We are moving in the right direction.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. BOEHLERT. I yield to the distinguished chairman, the gentleman from Massachusetts.

Mr. BOLAND. I thank the gentleman for yielding.

Mr. Chairman, I was one of those in the fold, too, who voted against repeal of the withholding tax on interest and dividends, so I sympathize with the argument that has been advanced by the gentleman from New York. He is absolutely correct and I agree with the position taken by my colleague, the ranking minority member on this subcommittee.

As the gentleman knows, with the $181 million request plus the $15 million addition in this particular program, there is now $196 million for instrumentation. That is the largest amount that I can recall that has been provided by this subcommittee for instrumentation.

As the gentleman well knows, and I think he has indicated, last year there was $112 million for this program. It is being increased by over $80 million, and that is a substantial increase. We will try to do even better next time.

Mr. BOEHLERT. I thank the distinguished chairman. I appreciate his efforts; doing better is clearly in the national interest.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

RESEARCH AND DEVELOPMENT

For necessary expenses, not otherwise provided for, including research, development, operations, services, minor construction, maintenance, repair, rehabilitation and modification of real and personal property; tracking and data relay satellite services as authorized by law; purchase, hire, maintenance, and operation of other than administrative aircraft, necessary for the conduct and support of aeronautical and space research and development activities of the National Aeronautics and Space Administration; including not to exceed (1) $1,927,400,000 for space transportation capability development; (2) $1,570,600,000 for space transportation operations; (3) $14,000,000 for a space station, including $6,000,000 in advanced programs, $6,000,000 in space research and technology (specific) and $2,000,000 in physics and astronomy (spacelab payloads); (4) $165,600,000 for space telescope development; (5) $50,000,000 for expendable launch vehicles; and (6) not more nor less than $44,000,000 shall be obligated for space communications operations and maintenance and support associated with the tracking and data relay satellite system, including amounts to be obligated for award fees earned on the contract; without the approval of the Committees on Appropriations; $5,803,500,000, to remain available until September 30, 1985.

Mr. DANNEMEYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time at this point in the consideration of the bill to give notice to the House that this Member of California intends to offer an amendment at the end of this bill which would have the effect of stating very clearly that the EPA may not impose sanctions on counties around the country that have not been able to attain the national ambient air quality standards by the December 31, 1982, deadline set for them in the Clean Air Act.

My purpose in taking the time at this point results from the expectation that, under the new rules of the 98th Congress, if such an amendment is offered at the end of the bill, which is what our new procedure appears to require, then some person in the committee can make a motion that the committee rise.

Now under the rules it is my further understanding that the motion to rise is not debatable.

Therefore, if such a motion were made to preclude consideration of my amendment, I would not have the opportunity of explaining anything about what the amendment seeks to do. We would just vote up or down on whether the Committee would rise. Only if we were successful in defeating that motion to rise could we get the merits of the amendment that I intend to offer.

So I take this time to mention that so that the Members will have an appreciation of what this amendment the Member from California seeks to offer would do.

As to why we need that amendment, let me make this observation. Last year, in the Energy and Commerce Committee in the 97th Congress, we worked for literally weeks on end attempting to develop some needed changes in the Clean Air Act.

We frankly were split very evenly in that committee on such things as how to deal with acid rain, PSD problems, hazardous waste, auto emission inspection and maintenance, and sanctions, just to name a few. We were within a vote of resolving the issue one way or another in the last Congress, but unfortunately, we could not come to a conclusion.

We, of course, can take up the entire issue in the 98th Congress, the current Congress. Perhaps we will, but it is my assessment that the probability of these issues being resolved as part of a total package of amendments to the Clean Air Act in the 98th Congress is not good.

Therefore, in order for us to do anything with respect to this area of the law, attaching this amendment to an appropriations bill is one of the few windows of opportunity that is presented to anybody serving in this body.

For example, we have 213 counties in the country that were not in attainment by the existing December 31, 1982, deadline or cannot project attainment of the 1987 deadlines for ozone and carbon monoxide. That happens to reach 180 of the congressional districts in this country.

Mr. BROYHILL. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from North Carolina.

Mr. BROYHILL. I thank the gentleman for yielding.

I would ask the gentleman this question: This does not mean that there has not been a good faith effort made to try to achieve the standard; is that correct?

Mr. DANNEMEYER. That is correct. These areas—for instance, my area in southern California—has made a heroic effort to reach and achieve

the deadline, but has not been able to do so.

Mr. BROYHILL. There are other areas of the country also on that list that the gentleman has which would indicate they maybe have barely missed the deadline on perhaps one day of the year or very few days of the year.

Mr. DANNEMEYER. That could very well be. But we face a dilemma. We all know that effective April 1 of this year a 5-cent increase in the gas tax was levied on consumers all over the country, and if we, as Members of Congress, do not do something on this Clean Air Act sanctions business, we could very well be in the position of providing that the regions of our country would not get any portion of that 5 cents that is now being collected. Why? Because they are not in attainment. And that is a very embarrassing position for any Member.

The CHAIRMAN. The time of the gentleman from California (Mr. DANNEMEYER) has expired.

(At the request of Mr. WAXMAN and by unanimous consent, Mr. DANNEMEYER was allowed to proceed for 5 additional minutes.)

Mr. BROYHILL. Mr. Chairman, will the gentleman yield further?

Mr. DANNEMEYER. I yield to the gentleman from North Carolina.

Mr. BROYHILL. The point I am trying to make is that it does not necessarily mean that the area of the country is in continuous noncompliance. That particular area that appeared on the list that the gentleman was referring to in his earlier remarks could be that they failed to reach attainment perhaps only on one particular occasion.

Mr. DANNEMEYER. That is entirely possible.

Mr. BROYHILL. There may only have been a handful of occasions, whereas every other day of the year they were in compliance, and so as a result of these relatively minor infractions or going over the standard then you would have imposed these draconian sanctions that the gentleman has already referred to, which is certainly not in the public interest.

It seems to me that what the gentleman is talking about is not an environmental issue but an economic issue; that is, are we going to have growth, are we going to have the opportunity for jobs in these 200-odd areas that the gentleman referred to earlier.

□ 1410

Now, there are other areas of the country, as the gentleman has already pointed out, such as his congressional district, where the goal of achieving air standards is going to take some time longer. It could take a number of years longer.

Mr. DANNEMEYER. That is correct.

Mr. BROYHILL. But on the other side, the gentleman is lumping together areas like that with these other areas that I have just referred to that perhaps exceeded the standard only once or a very few times during the course of the year, yet all of them are treated alike, and it does not seem to me that the law is properly written here, and I would urge that we adopt an amendment similar to the gentleman's, and I would hope that we could have an opportunity to do that. But I understand that the rules of the House now require that we go through some parliamentary procedure here in order to be able to offer an amendment such as the gentleman is referring to.

Mr. DANNEMEYER. That is correct.

Mr. BROYHILL. Now, the gentleman knows there is, so far as I know, no bill going through the authorizing committee, so the only way we could in a timely way address this particular issue is to have an opportunity to have an amendment on the appropriation bill.

Mr. DANNEMEYER. That is the reason this Member from California proposes to offer it.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from California.

Mr. WAXMAN. Mr. Chairman, I have had some discussions with the gentleman from California (Mr. DANNEMEYER) about the amendment that the gentleman may propose should a motion to rise be defeated. I am unclear at the moment exactly what that motion would be.

Let me explain to the Members of the Committee my position on this issue:

When Anne Gorsuch was Anne Gorsuch and when she was the Administrator at EPA, she took the position that she had to impose sanctions on the States for failure to meet the deadline, 1982.

I disagreed with that position that she took. I thought that the Clean Air Act did not mandate the imposition of sanctions. It seemed to me to be quite counterproductive to impose those sanctions when a State was acting in good faith in order to meet the deadlines.

I believe the law is the law and is clear on the subject. I at the time feared that what she was proposing to do was to give an interpretation of the law that would hold a gun to the heads of every State Governor who would be forced to deal with the possibility of sanctions.

Now, if this amendment were to clarify what I think is already the law, I would have no problem with it. But I understand that this amendment may be much broader than that. It may well try to legislate changes in the inspection and maintenance program.

Mr. DANNEMEYER. Mr. Chairman, I will reclaim my time at that point to make clear that the amendment that this Member from California will offer will not include any reference to the failure of a State to adopt I&M. That is not my intention. I want to make that clear. We had the discussion that I might do that, but that will not be in my amendment.

Mr. WAXMAN. If the gentleman will yield further, we have looked at language together and tried to decide what would accomplish that purpose with which we have a mutuality of interest. And I am not sure that we have an agreement on that.

Does the gentleman have any further suggestions to me as to what he will in fact offer to the House should the House take the motion to rise and reject it?

Mr. DANNEMEYER. We have discussed this matter in good faith, as to what language should be in the amendment which relates only to the failure of a State to be in attainment. Maybe we could gain something by further discussion on that point, but I do not think we have an agreement on that point right now.

Mr. WAXMAN. If the gentleman will yield to me further, we face the prospect of the gentleman and I suggesting to the Committee to reject a motion to rise by the proponents of the legislation that is before us. It would be, I think, astounding to many Members to find us together urging a position on the Clean Air Act. But until I know specifically that we are in fact together, it is my position to reject the motion the gentleman will be offering. I hope to have further discussions, although I do not know how much time we have.

The CHAIRMAN. The time of the gentleman from California (Mr. DANNEMEYER) has expired.

(By unanimous consent, Mr. DANNEMEYER was allowed to proceed for 2 additional minutes.)

Mr. DANNEMEYER. Mr. Chairman, in response to my colleague, the gentleman from California (Mr. WAXMAN), let me make this observation: If the gentleman from California (Mr. WAXMAN) has concerns about the amendment that I will offer being too broad, perhaps the prudent way to reach that concern is to resist the motion to rise so that at least we can take up the amendment. And then if the gentleman from California (Mr. WAXMAN) has objection to my amendment being too broad, the gentleman can offer an amendment to limit it and we can then debate on the floor of the House and let the will of the House resolve this matter rather than being precluded from doing so by the rules which have been adopted for the

98th Congress which would preclude anybody from even considering it.

Mr. WAXMAN. If the gentleman will yield further, I think it is highly inappropriate for the House to be drafting legislative changes in the Clean Air Act on a time schedule where no one has been informed of the proposals and what the impact will be.

Mr. DANNEMEYER. Mr. Chairman, I will reclaim my time and say that I could not agree with the gentleman more. And I want to say again that the reason I am taking the time of the whole House is my conviction, with all due respect, that the committee on which we serve, the Energy and Commerce Committee, which takes up the Clean Air Act, will not come to a resolution of these controversial issues in the 98th Congress, and, therefore, a Member such as myself has a very limited opportunity to attempt to reach what I believe to be a very unfortunate position in the law. That opportunity is to take up the time of the whole House, but I do not know what else to do.

Mr. WAXMAN. If the gentleman will yield further, I am prepared to support, with the gentleman, a clarification of what I believe the law to be, and I do not urge the House to change the law but to give assurances to the States as to what the law in fact is, from my reading of it. But I am not prepared to urge the Members of this House to go to the extraordinary proceeding of having amendments on the floor which are then subject to amendment and further discussions and a whole redrafting of the Clean Air Act.

So if the gentleman and I can get together on an amendment, I may well support him. If we cannot, then I would resist the suggestion at the appropriate time that the Committee not rise.

Mr. DANNEMEYER. I thank my colleague.

● Mr. STANGELAND. Mr. Chairman, I rise in strong support of the gentleman from New Jersey's amendment to continue funding for EPA's clean lakes program. It was my pleasure and honor to be able to testify before the Rules Committee with Chairman Roe, as his ranking Republican counterpart on the Water Resources Subcommittee, in strong support of this amendment and the right for it to be offered here today on the floor.

As others have already pointed out, the clean lakes program is of significant importance to the Nation generally. Not surprisingly, the origin of the authority in the Federal Water Pollution Control Act establishing this program had its roots in the State of Minnesota, and it has been our State that has benefited significantly along with others from this program over the course of the past 11 years.

While much progress has been made, a great deal more remains to be accomplished. The clean lakes program has proven to be an extremely successful, popular, and cost-effective approach to identifying and solving our lakes pollution problems. It is a program which has operated in the past and deserves to operate in the future as a true partnership between the Federal Government and non-Federal interests desirous of addressing lake pollution problems. It is a program which offers real potential in the future for providing a workable mechanism to help address the lakes component of our Nation's growing acid rain problem.

Under these circumstances it is totally appropriate and proper that funding for the clean lakes program should continue in fiscal year 1984, and I wholeheartedly support Chairman ROE's cooperation and willingness to offer this amendment today. I strongly urge its adoption.●

● Mr. CORRADA. Mr. Chairman, I wish to express my support for the HUD-independent agencies appropriation bill before us.

H.R. 3133, as reported, provides $54.2 billion in fiscal year 1984 for the Department of Housing and Urban Development, in addition to funding for 17 independent agencies.

Mr. Chairman, once again, the leadership of Congressman ED BOLAND is seen in this appropriation bill and it is reported at a critical time when the House of Representatives awaits action on H.R. 1, the Housing and Urban-Rural Recovery Act of 1983 which will soon be brought to the House floor.

Since this appropriations measure precedes the reauthorization of most of the Federal assistance programs for housing and community development, I am pleased to note that the Appropriations Committee has recommended funds for a variety of programs which are already in place, and which help urban communities throughout the United States and Puerto Rico provide an adequate living environment for U.S. citizens.

I would like to take note of some of these programs.

H.R. 3133 provides $3.47 billion for community development block grants, a funding level which continues the existing level of CDBG funding. H.R. 1, the authorizing legislation, contains an important feature for the future of the CDBG program, in that it would reauthorize the CDBG program for 3 fiscal years at a higher level of $4.5 billion.

I hope the Appropriations Committee will provide the additional increase in CDBG funding once a later supplemental appropriations take shape.

The House has moved responsibly by adding additional funds to the annual CDBG entitlement, which provides funds on a guaranteed basis to the 10 largest cities in Puerto Rico, and which supports, through a small cities apportionment, every remaining municipality in our island for badly needed local construction repairs and maintenance, and development of an infrastructure so vital to the island's economy.

The committee bill also continues the urban development action grant (UDAG) program which, in recent months, has increasingly been utilized by our island's mayors for vital housing projects, and for a wide variety of other activities to stimulate our island's economy. The level of $440 million is in line with the administration's budget, and will allow the continuation of the UDAG program at a reasonable level of activity.

There are additional features of H.R. 3133 worthy of our support.

I am particularly pleased to note the inclusion of $25 million for continued funding of the Solar Energy and Conservation Bank. Although the administration had again this year asked for zero funding for the bank we must reaffirm our commitment to the Solar Energy and Conservation Bank. Despite the fact that the bank was ready to begin its work, it was not until January 1983 that the first selections for funding were made. In Puerto Rico, we were approved to receive $400,000 for a loan subsidy program for residential conservation measures and passive solar heating programs. Although the money has not been distributed yet, I am encouraged by the publication in the Federal Register for May 31 of the interim rule for its financial assistance program. It is my hope that the money will be distributed quickly so that all jurisdictions can implement their plans accordingly.

The other major component of H.R. 3133 is the appropriation for the Environmental Protection Agency (EPA). The EPA has increasingly become a critical part of our daily life because of the importance of the functions they regulate and the protection they are required to give to our citizens.

I am encouraged by the addition of funding to the $1,083 billion figure in fiscal year 1983, although even this amount is too small to enable the EPA to do a comprehensive job. In particular, I am pleased to note the addition of $62.4 million in the program for State environmental grants. This means that there will be an additional $14.8 million for air quality; $30.2 million for water quality; $6.2 million for public water systems; and $7.5 million for hazardous waste management. These are programs of importance to all our districts and States and I urge my colleagues to ratify the actions taken by the Appropriations Committee to protect the health and safety of all Americans.

H.R. 3133, by continuing the programs I have mentioned, is a sensible and responsible appropriations bill, and it merits our support.●

● Mr. BIAGGI. Mr. Chairman, I rise to lend my support to H.R. 3133, the HUD-independent agencies appropriations bill for fiscal year 1984. I am especially pleased to note the funding levels provided for our Nation's public housing programs which have taken a fiscal beating over the past 2 years.

No where is the callousness of this administration's policies felt more than in the cutbacks which have been proposed and implemented in public housing and housing assistance. We now find ourselves with a cruel paradox—while the number of poor people in need of assistance continues to rise—our commitment in terms of providing assistance has dropped off. H.R. 3133 recognizes this and attempts to return funding levels to a point where they can again respond to human needs.

Included among the specific funding levels in the bill which I strongly support are the following: $3 billion to support 50,000 units of existing section 8 housing; $1.9 billion for support of 14,000 units for elderly and handicapped under the section 202 program; $3.3 billion for conversion of 69,000 rent supplement and rental housing assistance units to the section 8 program; $1.8 billion for the construction of 10,000 units of new public housing; $1.5 billion for modernization of existing public housing; and $991 million for the rehabilitation of 15,000 section 8 low income apartments.

These are realistic and fiscally sound numbers which will not allow for growth which is not necessary but in fact will respond to existing demand. Let us not forget that the recession is affecting far more people than is the new recovery. One of the most critical and ofttimes unmet needs is public housing.

Let me also express to you my support for the funding levels provided in this bill for two other excellent programs. The community development block grant program is proposed to be funded at a level of $3.5 billion for fiscal year 1984. This funding level will allow for the continued expansion of this worthwhile program which was provided with important funds as part of the jobs bill approved earlier this year.

Finally H.R. 3133 would provide the urban development action grant program with a funding level of $440 million—more than a sufficient enough an amount to permit it to continue its vital work in many of the communities of our Nation. The UDAG program is an ongoing success story in many communities of this Nation and has led to full-fledged urban renaissances. It deserves continuation and expansion. It is a cost-effective program and I am pleased that the committee has provided these funds.

H.R. 3133 is the first appropriation bill to come before the House, and I hope its passage will symbolize a reversal of past policies and a renewal of our commitment to meeting the housing needs of our poorer citizens.●

● Mr. FRENZEL. Mr. Chairman, the HUD and independent agencies appropriation bill, H.R. 3133, which we are considering today, officially kicks off the annual congressional pork feast.

We are considering this bill without having completed a budget resolution. But that problem was casually ignored last week when Congress so handily waived the Budget Act requirement.

All the authorizations for programs included in this bill have not yet been reported.

In March, the House passed an excessive budget resolution. Because of the increased spending included in the resolution to appease authorizing committees, this HUD bill can, and does, conform to that resolution. But, in fact, the bill is another open-handed, high-spending act of Congressional profligacy.

In comparison with the President's spending request, this bill is $4.9 billion over in budget authority and $4.5 billion under in outlays. A $4.9 billion breach of budget authority flies in the face of spending restraint. The underage in outlays is only smoke and mirrors. The smoke will be blown away and the mirrors shattered by the supplemental. Before the spending year is over, total appropriations for HUD and the independent agencies will have severely breached the President's outlay request, and most likely will exceed whatever budget resolution is ultimately passed.

Waivers of the Budget Act cannot be tolerated. Planned supplementals subvert the budget process and are a poor way to fund a government. Spending irresponsibility by Congress feeds on itself and threatens the economic security of our country. The bill was too expensive when it came from committee. The addition of the Wirth amendment made it intolerable. H.R. 3133 is counter to our collective economic interests, and it should be resoundingly defeated. If passed it should be vetoed.●

● Mr. WALGREN. Mr. Chairman, as we consider H.R. 3133, the HUD-independent agencies appropriations bill for fiscal year 1984, I want to emphasize my support for the committee's recommendations for the National Science Foundation and other programs of the bill in the jurisdiction of the Subcommittee on Science, Research, and Technology. The HUD-Independent Agencies Subcommittee and its chairman, Mr. BOLAND, should be commended for the strong support this bill shows for the basic sciences in research and education.

The House recently passed an authorization for the National Science Foundation of $1,231.7 million in fiscal year 1984. The NSF authorization, in conjunction with H.R. 1310, the science and math education bill, emphasized science education and instrumentation, as well as an increased commitment to basic research, including research in the social and behavioral sciences. I am pleased to note that the appropriations bill we are now considering parallels very closely the authorizing recommendations. While there are always arguments for more funds for science and engineering education, fiscal restraints do limit further increases at this time.

To the degree the authorizations in these functions are not met, I hope the emphasis in these areas will point the way for future directions.

I also want to urge support for the $3.705 million which the committee recommended for the Federal Emergency Management Agency's earthquake program. The Committees on Science and Technology and Interior and Insular Affairs reported this same level of funding in H.R. 2465 for FEMA's earthquake effort. FEMA is the lead agency responsible for planning and coordinating the national earthquake hazards reduction program. The recent destructive earthquake in Coalinga, Calif., along with earthquakes occurring in such distant places as Vermont demonstrates the need to have a strong, well-coordinated Federal effort to minimize damage from earthquakes. We have yet to experience the big one that is expected in California. No one who saw the television pictures of the violent movement of buildings in the Japanese earthquake last week could fail to understand the importance of this expenditure.

Although I support the bill, I regret that a reduction was made to the societal response research effort into how people respond to the hazards of earthquakes at the National Science Foundation. If this reduction remains, only $800,000 would be left to facilitate the use of research findings from the Earthquake Engineering and Earth Sciences Divisions at NSF and develop a better base of knowledge of how people behave in regard to earthquake hazards. I hope future actions will bring this program back to the administration's request and reported authorization level. Whenever this administration recognizes a need in this kind of area, we should take them up on it.

Finally, we should underscore the importance of the additional $1 million in H.R. 3133, above the administration's request of $3.3 million for programs at the U.S. Fire Administration. The U.S. Fire Administration was created in 1974 because of the disas-

trous loss of life and property caused by fires in the United States. The annual deaths from fire are roughly equal to two jumbo jets crashing in mid-air every month. Clearly local firefighters deserve the full support of their National Government in fighting these kinds of tragedies.

These are several important programs that the members of the Science and Technology Subcommittee have worked hard to preserve and strengthen. We greatly appreciate the interest and help of our colleagues on the Appropriations Committee and hope our fellow Members in the House will join us in supporting them.●

● Mr. GARCIA. Mr. Chairman, it is with some reservations that I will vote in support of H.R. 3133, the HUD-independent agencies appropriations bill. First, let me state that the committee is to be commended for its efforts in the area of assisted housing funding. It is restoring some of the energy into the housing programs which have faced some of the most dramatic cuts in Federal fiscal history. The committee's work in providing sound levels of public housing operating subsidies, new section 8 commitments and the continuation of the section 312 authority are all major achievements. However, there are two areas of concern to me with respect to H.R. 3133.

In particular, the committee's recommendation for a $312.5 million demonstration voucher program is most disturbing. The voucher idea has been explored in depth by the Banking Committee and rejected on two occasions. During the 97th Congress, the Banking Committee, Subcommittee on Housing voted 20 to 4, a bipartisan vote, to reject a voucher amendment. Most recently, by a voice vote during the markup of the Housing and Urban-Rural Recovery Act, H.R. 1, the Banking Committee's Subcommittee on Housing again rejected this program.

There are many outstanding questions with respect to this proposal and few, if any, are really answered either in this bill or in its accompanying report.

First of all, let me state that I reject the theory behind the voucher proposal that the problem of housing the poor is one of affordability rather than availability. The theory is remiss by suggesting that all we need to do is provide additional funds to the poor. In many neighborhoods of my district, there is simply no place to shop for available housing. Indeed, were we to have a voucher program in the South Bronx area, it could not work in the South Bronx. Longtime residents would have to leave the community just as so many individuals are struggling to rebuild it. For a voucher program to work, it needs a production program. This appropriation bill does not provide that side of the equation. The new section 8 moderate rehabilitation dollars found in the bill are not designed to work with the demonstration program.

The Appropriations Committee recommends an annual subsidy under the voucher program of $2,500. This is much less than the $4,000 per unit allowance under the section 8 existing program and the $4,407 per unit cost under the section 8 moderate rehabilitation program. I am uncertain just what the justification for the $2,500 is. Will there be cheaper housing suddenly available? Will housing quality standards be lower? Will we adequately meet the needs of the low-income family with such a level of funding? Who exactly are we trying to serve: The low-income family, the moderate-income family, or some other client? Do we know if the elderly should participate?

There are other unanswered questions such as: How long will the demonstration program last? How long are the individual contracts good for? What happens to the individual once his or her voucher runs out? Will there be annual adjustments? Indeed, the committee cannot answer these questions and even goes so far as to state in its report on the bill that "because the program is not authorized and thus the detail and definition of its ultimate framework are unknown," it must reserve final approval of the demonstration program before the funds are spent. It is my hope that no funds will be spent until such time that authorization language is passed by the House Banking Committee.

The second concern I have with H.R. 3133 is the level of funding for the CDBG program. The appropriations bill provides $3.4 billion for fiscal year 1984. However, this level fails to recognize some of the increased pressures on the program including the addition of approximately 60 more entitlement communities and the impact of inflation over the last few years. Furthermore, with the reductions in other Federal programs, increased reliance on the CDBG funds for community activities has strained the program. The Banking Committee has recommended a $1 billion increase for the CDBG program because of these pressures. Failure to provide an increase in funds either now or in some future supplemental, at least to the level in the House's budget resolution, will have some serious consequences by reducing funding at a time of such dire needs.●

● Mr. BOUCHER. Mr. Chairman, today we will choose between two courses of treatment for the ailing Environmental Protection Agency. One course, dictated by the committee version of the HUD-independent agencies appropriations bill, will freeze EPA's operating budget at its real fiscal year 1983 level, thereby leaving intact the massive budget cuts suffered by the Agency in the past 2 years. The alternative, proposed by the gentleman from Colorado, recognizes the seriousness of EPA's problems and restores the operating budget to its fiscal year 1981 level. I urge my colleagues to join with me in support of Mr. WIRTH's amendment.

The recent appointment of William Ruckelshaus as EPA Administrator has raised hopes for the much needed redirection and rebuilding of the Environmental Protection Agency. I share this hope, and I am pleased to see the appointment of an Administrator who has shown an understanding of the complex environmental problems facing this Nation. I am concerned, however, that we not inflate these hopes unduly and ask Mr. Ruckelshaus to perform a difficult task without the necessary resources.

The wholesale dismantling of important environmental programs and the problems apparent at EPA today have their roots not only in the administration appointments to Agency positions but also in a serious underfunding of Agency activities. Across the board, the Agency's programs have been hampered—indeed crippled—by 2 years of severe budget cuts. Despite the magnitude of today's environmental and health problems, the Congressional Budget Office reports that the EPA has suffered a 44-percent funding decrease in real dollars since 1981.

Recent congressional investigations and reports of the trauma suffered by people in communities such as Times Beach, Mo., attest to the damage that shortsighted cutbacks may yield.

Programs which are critical to the protection of the public health are now in serious decline, with major problems in the areas of enforcement, research, and support to State environmental programs. EPA staff has been reduced by one-third since 1981, and many of the Agency's regulatory responsibilities have been neglected due to lack of resources. State programs for water quality monitoring, hazardous waste management, and air pollution control have been similarly affected with drastic reductions in State grant funding. Without adequate grant assistance, which Congress has considered an integral part of Federal environmental laws, the States will be unable to fulfill their responsibilities under mandated Federal programs.

I urge my colleagues to listen carefully to the outpouring of public opinion on environmental protection and to examine closely the deep deterioration of EPA programs. Let us begin rebuilding the strong bipartisan commitment to protection of our resources with passage of the Wirth amendment.●

● Mr. LUNDINE. Mr. Chairman, I rise in opposition to H.R. 3133, the HUD-independent agencies appropriations for fiscal year 1983. I do so with reluctance, since I support most of the programs funded by this measure.

My opposition is based upon what I believe to be a serious breech of House procedure and a blatant disregard for the will of the Housing Subcommittee and the Banking Committee. H.R. 3133 includes provisions which seek to fund a new housing voucher program for which no committee authorization exists and which the Banking Committee does not intend to authorize.

I do not want to use my time to debate the propriety of making policy and authorizing decisions in an appropriations measure. My primary objection is the inclusion of more than $312 million for a housing voucher demonstration program. It is my strong belief that the House would be ill advised to accept such a recommendation as part of this or any legislation.

The question of housing vouchers has been before the Housing Subcommittee for 2 years. It has been the subject of hearings and discussions. Not only has the subcommittee gone on record opposing this proposal, it has twice defeated efforts to include even a limited demonstration program in its annual housing authorization legislation.

As a member of the Housing Subcommittee who has given this matter considerable thought, I cannot overstate my opposition to the concept of housing vouchers. It is inadequate as a tool of housing policy and is clearly inappropriate in light of our current budget restrictions.

I believe the subcommittee chairman (Mr. GONZALEZ) stated very accurately in yesterday's debate that the effect of a housing voucher program would be to isolate the Nation's poor in areas with the least expensive and least desirable housing. Unlike the current section 8 existing housing program, the voucher proposal imposes no requirements that standards of safety and adequacy be met and maintained as a condition to receive housing payments. The inadequate subsidy offered by the voucher proposal would, therefore, guarantee that we would not only further concentrate the poor in some of the worst neighborhoods in our Nation's cities, but would also force up rents on our poorest housing stock and provide a tremendous windfall for some of the worst slum lords in the country.

What we would also do by accepting this proposal is create what amounts to a new entitlement program for housing. While this proposal calls for only 25,000 housing vouchers during fiscal year 1984, a similar proposal in the Senate would provide more than 80,000. Beyond this, the proposal establishes criteria under which millions of families are potentially eligible for assistance. It is certainly not an appropriate time to create a new program under which potentially millions of Americans could become entitled to monthly housing assistance checks.

My colleague from Ohio (Mr. WYLIE) cited an editorial by George Will in yesterday's debate to illustrate the growing cost of our housing programs. What he failed to quote, however, were Mr. Will's observations that a housing voucher program would be guaranteed to generate both political and legal pressure to expand funding to serve all eligible people. As Mr. Will's May 26 article stated:

> After all, only randomness, not justice, can govern the allocation of a benefit among 80,000 of many millions of eligible persons. So the voucher system would have the potential for exponential growth comparable to that of the food stamp program.

Mr. Chairman, it would be irresponsible in light of our current budget problems to create a new entitlement program that would provide potentially millions of Americans with more than $2,000 per month to live in housing that is already inadequate. This is poor public policy, irresponsible budget policy and an inadequate response to the very serious housing problems of the Nation's poor families.

A housing voucher proposal should not be approved by this body, certainly not as part of an appropriations bill. I therefore object to the legislation and urge its defeat.●

● Mr. BROWN of California. Mr. Chairman, I congratulate my colleague, the chairman of the Subcommittee on HUD-Independent Agencies Appropriations, Mr. BOLAND, for his excellent work on the bill before us. As is usually the case, there are elements in the bill that I am happy with and others that I am not happy with. I do urge my colleagues to support final passage of the legislation before us.

I would like to make a few remarks about some of the elements of this bill:

This year's appropriation for the National Science Foundation is a healthy one. Congress has had to fight hard over the last few years to provide NSF with the funds it deserves, and I want to thank the chairman of the subcommittee for his strenuous efforts on behalf of NSF. This year, the administration has joined with the Congress in recognizing the important role that basic research and development will play in the future economic growth of our country.

To make sure that our country stays at the cutting edge of scientific research, we need a well-maintained scientific infrastructure. Unfortunately, over the last decade we have let that infrastructure start to decay. I am very pleased to see positive action taken in this appropriations bill to stem that decline in two important areas: Science education and university research instrumentation. Without a well-educated and well-trained citizenry, our country will not be able to hold its own in the increasingly technological and increasingly competitive international marketplace. Equally important to the scientific health of our Nation is up-to-date research instrumentation. Both of these needs have been recognized in authorization action taken earlier this year by this House. In this appropriations bill, there is $70 million for science education and $15 million for a high technology instrumentation initiative. I am disappointed that we have not provided even more funds for these important programs. The amounts appropriated in this bill will only begin to meet the need. I hope that during the course of the next year, we will take further action to strengthen the foundation of our scientific enterprise.

I am disappointed that the NSF's earthquake societal response research effort was reduced significantly. This program helps develop a base of knowledge about how people respond to earthquakes. It is an important element of earthquake research. If we were able to predict an earthquake today, and this is a capability we are trying to develop, we would not know how to break the news to the residents of the affected area. In China, for example, there is much more control exerted on the general population by the Government. When an earthquake is predicited there, the population files out of the area in an orderly fashion. I ask my colleagues to try and imagine what would happen if a major earthquake were predicted in the Los Angeles area? It would result in utter chaos. I hope that the minimal effort that is going on at the National Science Foundation in the earthquake societal response research is continued.

Mr. Chairman, I am still concerned with the relatively low level of funding for space science and applications programs of the National Aeronautics and Space Administration (NASA). While I am encouraged and pleased by the committee's support of the planetary and physics and astronomy programs, we have a long way to go to bring these programs back to healthy levels. I appreciate the chairman of the subcommittee's support for these programs and hope to continue to cooperate with him on them.

In my opinion, the civilian space programs have already demonstrated benefits to the economic competitiveness of the United States. The space applications programs serve to enhance the absorption into the economy of the commercial benefits of our space research. We are really dropping the ball by not realizing that and supporting these programs to a greater degree.

It is no secret that I have been generally disappointed with the increasing imbalance between the military and civilian funding for space activities. The Department of Defense now spends several billion per year more than NASA does on space activities. And at least 25 percent of NASA's work can be attributed to military support. We need to take a hard look at our overall space policy and I intend to take every opportunity to do that. I hope I can interest some of my colleagues in this endeavor.

Mr. Chairman, my remarks regarding the Environmental Protection Agency appropriations are contained in the discussion on the Wirth amendment.

Thank you Mr. Chairman, I urge adoption of the HUD-independent agencies appropriations bill.●

● Mr. COYNE. Mr. Chairman, I rise in support of H.R. 3133, the HUD-independent agencies appropriations bill for fiscal 1984.

This bill rejects the administration proposal to virtually eliminate all new funding for assisted housing in the next fiscal year. The committee's appropriation of $12.6 billion for low-income housing, while not nearly enough to meet the need, is an important commitment to elderly and poor persons who lack decent and affordable shelter.

Let us compare the administration's housing budget request with the documented need. The Reagan budget for fiscal 1984 proposes a 95-percent reduction in the level of HUD budget authority for assisted housing. As the National Low Income Housing Coalition notes in an analysis of the Reagan budget proposals:

> The level of budget authority for HUD's low income housing programs is only 1.9 percent of the level provided when President Reagan took office. Indeed, it is only 2.1 percent of the $23.9 billion proposed by President Ford in the budget he submitted to Congress just days before leaving office. Moreover, these are current dollar comparisons, which do not allow for inflation.

Now let us consider the need for low-income housing, as described by figures contained in the President's Commission on Housing's 1982 report. There are about 20 million households with incomes below 50 percent of the area median. To give you some idea as to how much income that is, in my own 14th Congressional District of Pennsylvania, which includes the city of Pittsburgh, a household below 50 percent of area median means less than $8,914 in income.

Of the 20 million households with incomes less than 50 percent of area median, 10 million are renters. Only about a quarter of these live in subsidized housing. Most of the rest, some 7.5 million households, live in substandard housing or pay far more than they can afford for shelter.

The committee addresses this increasingly difficult situation in a far more responsible manner than does the administration.

While I strongly support the committee's funding level for assisted housing, I must voice my strong reservation about a section of the bill which provides $312.5 million for a housing certificate, or voucher, program. The commitment of funds for this flawed initiative is, I believe, a mistake.

The committee notes that it is the view of this administration that "the problem of the poor is not one of housing availability but, rather, of housing affordability."

I am among those who contend that the problem is one both of availability and affordability. The administration clearly believes that we do not need any new low-cost housing. For this reason, it has promoted the notion, thus far without success, that Federal housing assistance should not encourage construction or rehabilitation, but should be in the form of vouchers to a limited number of poor people, who would use the vouchers as they see fit.

While this method of Federal housing aid may sound workable in theory, there are several reasons why it will fail in practice to meet our housing needs.

First, the voucher approach, in a dramatic shift in Federal housing policy, does not guarantee that a single new housing unit will be built. Not a single job will be created as a result of a sizable Federal expenditure. Moreover, by stimulating demand while doing nothing to increase supply at the lower end of the housing market, we may put the Federal Government at risk of subsidizing poor people to live in unsafe and unhealthy dwellings. In no voucher proposal advanced thus far are there any protections that insure that Federal dollars will be spent on safe and decent housing, rather than what could become voucher hotels.

Second, the voucher assistance method overlooks the gains made by the Federal Government in recent years by developing a public/private approach to the production of housing for low- and moderate-income people. The vouchers would require a major Federal contribution to housing assistance, but make no demands on the private sector. A cost-effective approach to housing requires involvement of both public and private entities. The purpose of Federal housing aid should not be to subsidize landlords, regardless of the quality and condition of their property. It must seek to improve and expand our housing stock so that it can be affordable to persons of low and moderate income.

Third, I am troubled that there is no long-term commitment of Federal resources to any of the parties traditionally involved in housing development—tenant, owner, builder or developer. If there is one thing we have learned in nearly half a century of Federal activity in housing, it is that insuring affordable shelter for all Americans is a long-term effort. It cannot be subject to year-to-year fluctuations as we exchange this program for that program.

Fourth, by ignoring an important fact of life, that housing markets are local, not national, the voucher system is set up to fail in those markets where low- cost rental housing is in short supply. Despite the administration's assertion to the contrary, housing availability as well as affordability is a problem in many areas. Having a voucher to supplement the rent is of little use where there is no place to rent.

I know the Appropriations Committee is aware that in H.R. 1, the Housing and Urban Rural Recovery Act of 1983, there are several housing and community development programs which are most worthy of appropriations. I am confident that after the House acts on H.R. 1, possibly sometime this month, the committee will appropriate funds for such innovative new programs as neighborhood development grants. In addition, I hope serious consideration is given to increasing the amount appropriated for community development block grants. I would remind my colleagues that without some increase in block grant funds, all entitlement localities face a net reduction in allocations as a result of the qualification of approximately 60 new entitlement cities. If there are more pieces in the pie, as the demographic changes mandate, the slices will necessarily shrink unless we act.

Again, I commend the committee for bringing to the House an appropriations bill which recognizes the real need for assisted housing money. I urge my colleagues to vote "yes" on H.R. 3133.●

Mr. BOLAND. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. Are there any points of order against the remainder of the bill?

If not, are there further amendments to the bill which are not precluded by clause 2(c) of rule XXI?

Mr. DANNEMEYER. Mr. Chairman, I have an amendment.

The CHAIRMAN. The gentleman from California (Mr. DANNEMEYER) seeks recognition for the purpose of offering an amendment.

Mr. BOLAND. Mr. Chairman, I move that the committee do now rise

and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The CHAIRMAN. The question is on the motion offered by the gentleman from Massachusetts (Mr. BOLAND). This is a privileged motion.

The question was taken; and on a division (demanded by Mr. DANNEMEYER) there were—ayes 11, noes 16.

RECORDED VOTE

Mr. BOLAND. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 144, noes 225, not voting 63, as follows:

[Roll No. 148]

AYES—144

Ackerman	Fowler	Natcher
Addabbo	Fuqua	Nelson
Akaka	Garcia	Nichols
Albosta	Gephardt	Oberstar
Alexander	Glickman	Obey
Anderson	Gray	Olin
Andrews (NC)	Green	Ortiz
Annunzio	Guarini	Owens
Anthony	Hall (IN)	Pease
Barnard	Hance	Pepper
Bates	Harrison	Perkins
Beilenson	Hatcher	Pickle
Bennett	Hefner	Ratchford
Bevill	Hertel	Reid
Boland	Hightower	Rodino
Bonior	Hoyer	Roe
Borski	Hubbard	Rose
Breaux	Huckaby	Rostenkowski
Britt	Hughes	Roybal
Brooks	Ireland	Savage
Carper	Jenkins	Sawyer
Carr	Jones (NC)	Seiberling
Chappell	Jones (OK)	Shannon
Clarke	Kennelly	Simon
Coelho	Kildee	Skelton
Cooper	Leath	Slattery
Coyne	Lehman (CA)	Smith (IA)
D'Amours	Levin	Spratt
Daschle	Levitas	St Germain
de la Garza	Lipinski	Staggers
Dicks	Long (LA)	Stokes
Dingell	Long (MD)	Studds
Donnelly	Markey	Synar
Dorgan	Mavroules	Tallon
Dowdy	Mazzoli	Thomas (GA)
Dwyer	McCurdy	Udall
Dyson	McHugh	Valentine
Early	McKinney	Vento
Edgar	McNulty	Volkmer
English	Minish	Watkins
Evans (IL)	Mitchell	Wheat
Fascell	Moakley	Whitley
Ferraro	Montgomery	Whitten
Fish	Moody	Wolpe
Flippo	Mrazek	Wright
Foley	Murphy	Yates
Ford (MI)	Murtha	Young (MO)
Ford (TN)	Myers	Zablocki

NOES—225

Andrews (TX)	Broomfield	Crane, Daniel
Applegate	Brown (CA)	Crane, Philip
Archer	Brown (CO)	Daniel
Aspin	Broyhill	Dannemeyer
Barnes	Bryant	Daub
Bartlett	Burton	Davis
Bateman	Byron	Dellums
Bedell	Campbell	DeWine
Bereuter	Chandler	Dixon
Biaggi	Clinger	Downey
Bilirakis	Coats	Dreier
Bliley	Coleman (MO)	Duncan
Boehlert	Coleman (TX)	Durbin
Boner	Conable	Dymally
Bosco	Corcoran	Eckart
Boucher	Coughlin	Edwards (AL)
Boxer	Courter	Edwards (CA)
Edwards (OK)	Lott	Roukema
Emerson	Lowery (CA)	Rowland
Erdreich	Lowry (WA)	Rudd
Erlenborn	Lujan	Russo
Evans (IA)	Luken	Schaefer
Fazio	Lundine	Scheuer
Feighan	Lungren	Schneider
Fiedler	Mack	Schroeder
Fields	MacKay	Schulze
Forsythe	Madigan	Schumer
Frank	Marriott	Sensenbrenner
Franklin	Martin (IL)	Sharp
Frenzel	Martin (NC)	Shaw
Gaydos	Martin (NY)	Shelby
Gejdenson	Matsui	Shumway
Gekas	McCandless	Sikorski
Gilman	McCloskey	Skeen
Gingrich	McCollum	Smith (FL)
Gonzalez	McDonald	Smith (NE)
Goodling	McEwen	Smith (NJ)
Gore	McGrath	Smith, Robert
Gramm	McKernan	Snowe
Gregg	Michel	Snyder
Gunderson	Mikulski	Solarz
Hall (OH)	Miller (CA)	Solomon
Hall, Ralph	Miller (OH)	Spence
Hall, Sam	Mineta	Stangeland
Hamilton	Molinari	Stark
Hammerschmidt	Mollohan	Stenholm
Hansen (ID)	Moore	Stump
Hartnett	Moorhead	Sundquist
Hiler	Morrison (CT)	Swift
Hillis	Neal	Tauke
Hopkins	Nowak	Tauzin
Horton	O'Brien	Taylor
Hunter	Oakar	Thomas (CA)
Hutto	Ottinger	Torricelli
Hyde	Oxley	Vander Jagt
Jacobs	Packard	Vandergriff
Jeffords	Parris	Walgren
Johnson	Patman	Walker
Kaptur	Patterson	Waxman
Kasich	Paul	Weaver
Kastenmeier	Penny	Weber
Kemp	Petri	Whitehurst
Kindness	Porter	Whittaker
Kogovsek	Quillen	Williams (MT)
Kramer	Rangel	Williams (OH)
LaFalce	Ray	Winn
Lagomarsino	Regula	Wirth
Lantos	Richardson	Wise
Latta	Rinaldo	Wolf
Leland	Ritter	Wortley
Lent	Roberts	Wyden
Lewis (CA)	Robinson	Wylie
Lewis (FL)	Roemer	Yatron
Livingston	Rogers	Young (FL)
Loeffler	Roth	Zschau

NOT VOTING—63

AuCoin	Gradison	Nielson
Badham	Hansen (UT)	Panetta
Berman	Harkin	Pashayan
Bethune	Hawkins	Price
Boggs	Heftel	Pritchard
Bonker	Holt	Pursell
Carney	Howard	Rahall
Chappie	Jones (TN)	Ridge
Cheney	Kazen	Sabo
Clay	Kolter	Shuster
Collins	Kostmayer	Siljander
Conte	Leach	Sisisky
Conyers	Lehman (FL)	Smith, Denny
Craig	Levine	Stratton
Crockett	Lloyd	Torres
Derrick	Marlenee	Towns
Dickinson	Martinez	Traxler
Florio	McCain	Vucanovich
Foglietta	McDade	Weiss
Frost	Mica	Wilson
Gibbons	Morrison (WA)	Young (AK)

□ 1430

Messrs. COLEMAN of Texas, RICHARDSON, KOGOVSEK, OTTINGER, DYMALLY, MACKAY, BONER of Tennessee, SCHUMER, NOWAK, and PATTERSON, Mrs. SMITH of Nebraska, and Messrs. MATSUI, LOWRY of Washington, RINALDO, and QUILLEN changed their votes from "aye" to "no."

Messrs. GLICKMAN, MINISH, VENTO, and VOLKMER changed their votes from "no" to "aye".

So the motion was rejected.

The result of the vote was announced as above recorded.

□ 1440

AMENDMENT OFFERED BY MR. DANNEMEYER

Mr. DANNEMEYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DANNEMEYER: Page 15, after line 10, insert the following undesignated paragraph:

None of the funds provided in this Act may be obligated or expended to impose sanctions under the Clean Air Act with respect to any area for failure to attain any national ambient air quality standard established under section 109 of such Act (42 U.S.C. 7409) by the applicable dates set forth in section 172(a) of such Act (42 U.S.C. 7502 (a)).

Mr. DANNEMEYER. Mr. Chairman, this amendment relates to a subject that involves the Clear Air Act. In the last Congress, the Energy and Commerce Committee spent weeks on end attempting to resolve some of the major issues that are still being debated as a result of the Clean Air Act of 1970 and the amendments to it which Congress adopted in 1977.

Quite frankly, we could not come to agreement on some of the major issues such as acid rain, PSD, and hazardous wastes, to name a few.

On some of the votes on the issues that I have mentioned, things were so close that we were within one vote of coming to a resolution of the matter.

Had we resolved the matter in the 97th Congress, we would have addressed the issues that I have mentioned as well as the matter of deadlines, and we would not be here today. But we did not.

We were philosophically at variance and we still are in that committee.

In my opinion, sentiment is so closely divided on these issues and others that, in my judgment, it is not probable that we, in the 98th Congress, are going to get a comprehensive reform of the Clean Air Act because, quite frankly, there are points upon which reasonable men and women can differ and there are very strong feelings on these points on many sides. And we have, of course, the spectrum of politics that continually raises its ugly head on these issues in the sense that any effort to modify the Clean Air Act, even where needed, is perceived and painted by some as a gutting of that act.

It is unfortunate, but it is part of the political world in which we live.

In my area of southern California we have the unenviable distinction of being in nonattainment. It is not unique. There are 213 counties in this country, touching all or part of 180 congressional districts, that are in

nonattainment of the December 31, 1982, deadline or cannot project compliance with the 1987 deadline. This means, my colleagues, that if we do not do something in the 98th Congress on this issue that each of us may be asked to respond to inquiries from our constituents which will go something like this:

Congressman, do you mean to tell me that, as a consumer, I have to start paying an additional 5 cents a gallon for Federal gas tax as of April 1, 1983, and now my local member of the board of supervisors is telling me that our area of the State is not going to get any of that money because we are not in attainment under the Clean Air Act; that I am paying my 5 cents a gallon and my area is not going to get any share of those moneys to improve our roads? Why doesn't Congress do something about that ridiculous position, which amounts to taxation without apportionment and representation?

So that is what this amendment is about. The amendment says very simply that the EPA may not impose sanctions on a region, a county, of the country for failure to attain the deadline by December 31, 1982. It is just for 1 year, obviously for the length of this appropriation measure. It is not forever. But at least it will be able to give hopefully our committee some additional time to resolve the issue. Maybe we cannot. I hope that we can.

The prudent thing which we as a Congress should do is to extend the deadline for achievement to 1987 or 1992 for some pollutants. But, as I mentioned, we cannot get to that issue because that would be a part of a comprehensive reform of the Clean Air Act.

I hope we get there but I do not think we will in the 98th Congress.

In the meantime this amendment just very simply says that the EPA will not impose sanctions for those regions of the country that are in nonattainment.

We are not changing the standards. We are just saying for the period of 1 year that sanctions will not be imposed for failure to attain.

Does the gentleman from Texas desire recognition?

Mr. WRIGHT. Yes. Will the gentleman yield?

Mr. DANNEMEYER. I will be happy to yield.

Mr. WRIGHT. I want to commend the gentleman on the position he is taking. I think it is a responsible and a thoroughly reasonable position that he takes.

One of the most ridiculous applications of administrative power, it seems to me, has been the hastened attempt on the part of some people in the EPA to shut off the availability of any needed Federal funds to areas which may be having some difficulty with their ambient air quality standards.

The CHAIRMAN. The time of the gentleman from California (Mr. DANNEMEYER) has expired.

(On request of Mr. WRIGHT and by unanimous consent Mr. DANNEMEYER was allowed to proceed for 3 additional minutes.)

Mr. WRIGHT. Does not that application by an overzealous administrator have the unfortunate effect, in many cases, of depriving the community of the very improvement that it would need to improve its air quality standards?

Mr. DANNEMEYER. As to the latter part of the gentleman's statement, I agree with my colleague from Texas. But as far as his statement about something of an overzealous administrator, let me make this observation: Within the last 4 or 5 months Mrs. Burford, the Administrator of the EPA, sent out a letter to these 213 counties saying they were not in attainment. Now some have said that that letter was politically motivated and was to be used or interpreted as a hammer to cause pressure to be brought on Congress to modify the Clean Air Act. One can make that claim but my view of the facts and the law is that, if the Administrator of the EPA had not taken such a position, certain elements in our society would have taken the EPA to court to compel the EPA to take that position.

□ 1450

So I say there are two sides to that.

Mr. WRIGHT. I thank the gentleman for that elucidation and without making any judgment as to whether an administrator can be overzealous, underzealous, or properly zealous, let us just pursue the other part of the question.

Is it not true that by closing off a needed highway improvement, we might, inadvertently be perpetuating a situation in which automobiles are forced to start and stop in crowded traffic and thereby spew more pollutants into the air than they would be doing if they had a well-engineered, adequate highway on which to travel at a steady pace? That is a reasonable, well-established principle of aerodynamics and of air quality. Is it not also true that the application of this rule, whether proper or overzealous, could have the unfortunate effect of depriving a community of the privilege of building a sewage disposal plant which most clearly would be advantageous from the standpoint of environmental purity? And therefore, I want to commend the gentleman because I think what he has done has been to arrest a temptation and perhaps a congressionally mandated temptation to act in haste in such a way as to defeat the very purpose we seek to achieve. It would be almost like saying, "because you have too many criminals we are not going to allow you to have a jail" or "because you have too much disease you may not have a hospital with which to treat the disease."

Mr. DANNEMEYER. Very well stated.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to my colleague from California.

Mr. LAGOMARSINO. I thank the gentleman.

I want to commend the gentleman for his amendment. I think most of what the majority leader just said is certainly true and accurate in my district.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. LAGOMARSINO and by unanimous consent, Mr. DANNEMEYER was allowed to proceed for 1 additional minute.)

Mr. LAGOMARSINO. Will the gentleman yield further?

Mr. DANNEMEYER. I yield to the gentleman.

Mr. LAGOMARSINO. I thank the gentleman.

Certainly a failure to pass this amendment or something similar is going to cause more air pollution, not less and I think at this point it really is not too constructive to try to decide whether EPA was overzealous, not zealous enough. I think what the gentleman said is entirely accurate. Had they not taken the action they did they certainly would find themselves in court with people seeking to compel them to take the action they did.

So, I commend the gentleman in the well.

Mr. HARTNETT. Will the gentleman yield?

Mr. DANNEMEYER. I yield to my colleague from South Carolina.

Mr. HARTNETT. I thank my colleague.

I would like to commend the gentleman for his amendment and associate myself with his remarks.

I would like to further inquire of the gentleman something to my own satisfaction. I consider the gentleman to be one of the more eloquent orators in this body and I noticed just a few moments ago in his remarks and I almost can quote, he said certain elements of our society. I would like to inquire of the gentleman for the use of that term, "certain elements of our society," did he intend any derogatory slurs or remarks or was it——

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. HARTNETT and by unanimous request, Mr. DANNEMEYER was allowed to proceed for 2 additional minutes.)

Mr. HARTNETT. I would like to inquire—would you further yield to me?

Mr. DANNEMEYER. I would be happy to yield to my colleague.

Mr. HARTNETT. I would like to inquire whether it is not possible for someone to speak somewhat authoritatively, somewhat eloquently, use the phrase "certain elements" and not intend any derogatory remarks or any racial slurs to any groups of our society, is that not possible or did you intend that?

Mr. DANNEMEYER. I am certainly glad you pointed that out because it was my intention to avoid all those offensive characteristics that you described and I thank you for pointing that out.

Mr. HARTNETT. If you will further yield for half a second, "certain elements" in your definition were parts of, fractions of, less than the whole of our society; is that not correct?

Mr. DANNEMEYER. Certainly true.

Mr. HARTNETT. Thank you, sir. I appreciate the gentleman yielding.

Ms. FIEDLER. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I would be happy to yield to my colleague.

Ms. FIELDER. I thank the gentleman. I rise in support of his amendment.

During the course of the debate on the jobs bill I raised this issue before the House of Representatives because I, too, was deeply concerned about the impact of these sanctions. I am hopeful that today we will vote in support of the gentleman's bill and alleviate the necessity of concern in the next few months for those of our counties that are directly affected. But I would like to ask and inquire, could you tell me how long this amendment would limit the rights of them to impose these sanctions?

Mr. DANNEMEYER. It would be limited to the length of the appropriation bill which would expire September 30, 1984, at the end of this fiscal year.

Ms. FIELDER. By that time hopefully we would have been able to resolve the issue through committee.

Mr. DANNEMEYER. I would hope we can, perhaps we can.

Ms. FIELDER. That would not start until October 1.

Mr. DANNEMEYER. The amendment would be effective October 1 of this year and it would run through September 30 of next year.

Mr. LUNGREN. Will the gentleman yield?

Mr. DANNEMEYER. I yield to my colleague.

Mr. LUNGREN. I thank the gentleman for yielding.

I hope everyone realizes this is not a partisan or liberal versus conservative position. About 2 months ago the mayor of Los Angeles, Tom Bradley, and a number of the members of the city council came to speak to a number of us who have the pleasure of representing parts of that city.

One of the points they tried to make was that if the EPA standards were not——

(On request of Mr. LUNGREN and by unanimous consent, Mr. DANNEMEYER was allowed to proceed for 2 additional minutes.)

Mr. DANNEMEYER. I yield to my colleague.

Mr. LUNGREN. I thank the gentleman.

One of the points made by the mayor of Los Angeles and several council members, Mr. Yaroslavsky being one of them, was if we do not do something to put off these dates, the city of Los Angeles, despite in their opinion making the good faith effort to try to do those things that are necessary to clean up the air, would find itself in violation of the law and they would be subject to the sanctions that the gentleman has spoken about. In some cases, not allowed to receive funds which would help them with sewer projects and other things which would presumably help to improve the environment. And their very strong request at that time was that if we could not have some consideration of a comprehensive nature coming out of our committees, at least we consider putting off the dates of the sanctions and without them describing to us what they thought the proper legislative course was, I would suggest that what the gentleman has produced on the floor fits well within the request made by the mayor of Los Angeles and the city council that we at least give them some breathing space and that we attempt to act in a way that does not unduly affect certain areas of our country. And I hope the gentleman would get unanimous support on his amendment.

Mr. SHAW. Will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from Florida.

Mr. SHAW. I thank the gentleman for yielding.

Mr. Chairman, I associate myself with the gentleman's amendment and his remarks. I believe that the example that we have in my own home county of Broward County perhaps shows the problems with the existing law.

We have a situation where due to pollution in a neighboring county. Broward County does not comply under the Clean Air Act.

It is a situation where we can do nothing about it. However, under the existing law we would be penalized. So, I compliment the gentleman on his amendment and I intend to support it fully.

Mr. WAXMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment.

I know it may surprise many of you to see Congressman DANNEMEYER and myself joining in support of an amendment dealing with the Clean Air Act. We fought over much of the revisions that were being suggested in the last Congress and I resisted the kinds of changes that I thought were detrimental to an effective Clean Air Act that would keep the promise to clean up the dirty air areas of our country and to try to preserve those areas that are already healthy enough, so that they do not become deteriorated.

But the amendment that is before us is a reasonable safeguard against unreasonable administration action.

Most importantly it does not change the existing law. It merely makes Congress intention in the act sanctioned policy as clear as possible. Now why do we have this issue before us? I do not think the law was ambiguous. But we found when we had former EPA Administrator Anne Burford suggesting that sanctions ought to be imposed wholesale all around the country because of her interpretation, or misinterpretation I might add, of what the law was.

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She seemed to have gone to great pains to enunciate a policy that scared local governments around the Nation to the maximum extent possible and I believe quite frankly that was the political objective behind her statement.

But EPA's interpretation of the law's sanctions was and is inaccurate and misguided. And it was politically motivated. The hope was that Congress would be pressured into voting for a Clean Air Act change that would gut the Clean Air Act because we feared the sanctions that would be imposed so unreasonably on States and communities around the country.

Mrs. Burford told us that the Clean Air Act forced her to impose sanctions on any area that failed to meet the act's deadlines by December 31, 1982. Under this interpretation, as she related it to us, EPA had no choice but to implement the act's necessary but tough bite. Restrictions on new construction and the withholding of Federal highway grants. This interpretation was clearly wrong. In truth, the law does not place restrictions on new sources, permits or funding on any State that is now properly carrying out an approved plan to meet our air standards as rapidly as possible.

Further, the construction ban can only be imposed in areas which have not adopted or carried out air quality plans.

Moreover, the withholding of Federal highway grants is not mandatory, it is discretionary and it requires determination by EPA that a State is not

making reasonable efforts to submit an acceptable clean air plan.

And even if this determination were to be made, the restriction can only be applied to highway grants for purposes other than safety, mass transit, or projects necessary for immediate air quality benefits.

In short, EPA's sanction policy is a legal fantasy. We in Congress have resisted the administration's effort to push through a toothless Clean Air Act, but the pressures from EPA's misguided sanctions policy may continue.

This amendment puts an end to any confusion over Congress intent in its sanctions program. The amendment merely confirms what everyone, except EPA, at least under the previous regime, knows. Sanctions cannot be imposed on areas that despite good faith efforts failed to meet the air quality standards.

In short, I do not think we have a sanctions problem, but to the extent this amendment makes that clear, it is a valuable contribution to the clean air debate. It is a reasonable amendment and it deserves our support.

I appreciate the gentleman from California having shared with me his original amendment, agreeing to the amendment that is now before us, which I think is limited appropriately and accomplishes a worthwhile objective that he and I both share and others in the Congress should join with us.

Mr. PATTERSON. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from California.

Mr. PATTERSON. Mr. Chairman, I rise in support of the amendment of the gentlemen from California and I would like to express my thanks to Mr. DANNEMEYER and Mr. WAXMAN for taking the lead on this extremely important, yet sensitive, issue. California would be one of the States hardest hit if the Environmental Protection Agency is allowed to carry through its plan to impose sanctions against counties and States which, despite a good-faith effort, are unable to comply with the deadlines of the Clean Air Act.

Mr. Chairman, I have always been a strong supporter of the protection of our natural resources and the health of our Nation's citizens. By no means does this concern exclude the management of air pollution; I wholeheartedly support the goals and objectives of the Clean Air Act. I do, however, object to the heavy-handed, politically manipulative manner in which the EPA has decided to carry out its regulatory efforts. The consequence of such sanctions—be it a ban on construction or a loss of Federal highway funds—is very serious. In a period of record unemployment and declining industrial investment, punishing localities who have made a valiant effort to overcome the handicap of demographics or economics is unwise and unfair. The intent of the legislation authorizing the use of sanctions was to discipline those counties or States who purposely shirked their responsibility for cleaning up the air, not to punish those local governments who accepted this responsibility but were destined to fail because of factors beyond all human control.

Mr. Chairman, I am personally distressed and disappointed that we have come to the point where a Federal agency is so totally uncompromising in its zest to carry out its administrative duties that the concerns, needs, and rights of the American people are completely overlooked. Flexibility is the cornerstone of our Government and is the trait which has allowed our great Nation to meet many varied challenges throughout the past 207 years. The Environmental Protection Agency will accomplish nothing by continuing its stubborn unyielding position on this issue. Its actions will only jeopardize its future working relationship with the outside agencies charged with carrying out EPA regulations. In the long run, we will all be worse off if the EPA squelches the inherent American desire to voluntarily comply with environmental regulations. We are not asking to lower the standards of the Clean Air Act, but simply to establish a more realistic timeframe for compliance in localities where the geography, topography, meteorology, demographics, and industrial base are an unfair—and unintended—burden.

Mr. Chairman, I know firsthand the diligent and sincere effort the communities in my congressional district have put forth in an effort to meet the air quality standards imposed by the Clean Air Act. I applaud each of the individual local governments, the County of Orange, the Southern California Association of Governments, and in the south coast air quality management district for these efforts. I look forward to the day that their persistence pays off so that our citizens can breath clean air as envisioned by the act and officials need not worry about the threat of sanctions.

In closing, I would like to reiterate my strong support for the intent of the Clean Air Act as well as my determination to fight to see that these goals are not misconstrued for this amendment for I believe that it is unconscionable for the EPA to indiscriminately punish local jurisdictions in this manner.

The CHAIRMAN. The time of the gentleman from California (Mr. WAXMAN) has expired.

(By unanimous consent, Mr. WAXMAN was allowed to proceed for 3 additional minutes.)

Mr. WYDEN. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from Oregon.

Mr. WYDEN. I thank the gentleman for yielding.

Mr. Chairman, I, too, am pleased to see the Waxman-Dannemeyer coalition forming on this clean air amendment. I think it is pretty clear that we should not apply the sanctions for failure to obtain the standards. You apply the sanctions only if you do not have a plan to meet the standards.

And I think that the Dannemeyer amendment deals with the very real world problem of States that are working very, very hard to try and comply with the standards of the act and they should not be penalized for doing it.

I think what our colleagues need to focus on with respect to this area of the Clean Air Act is that the plan is the name of the game, not the attainment of the standards. Let us not apply the sanctions for failure to obtain the standards, let us take the Dannemeyer interpretation so that we only apply the sanctions if you do not actually have a plan that would allow the State to meet the standards.

Mr. WAXMAN. I thank the gentleman for his comments.

Mr. PEASE. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from Ohio.

Mr. PEASE. I thank the gentleman for yielding.

Mr. Chairman I would just like to ask a question to make sure I understand this. As I read the amendment, it says none of the funds provided may be used to impose sanctions for failure to attain any national ambient air quality standard established under section 109 of the act.

It does not speak as to the reason why the attainment is not reached.

Do I understand then that if this amendment is adopted, even though a State acts willfully not to meet the standards, it would still be exempt from the responsibility?

Mr. WAXMAN. Certainly we do not want a State that has acted improperly and which has rejected all opportunities to strengthen the Clean Air Act in its area to go by without sanctions. There are appropriate basis for sanctions and we expect EPA to carry that out.

What we do however say, for this one reason, failure to meet the deadlines, we will not impose sanctions.

There are other provisions of the act that say that if a State refuses to submit a plan and acts in a way that—and I am paraphrasing, rather than citing the statute—would be determined that they have no intention to act in good faith and sanctions could be imposed and would be imposed.

This only provides that sanctions will not be imposed solely for failure to meet a deadline that all people in-

volved in the Clean Air Act were prepared to extend because obviously the deadline has passed. And a State that has acted in good faith should not be so penalized.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from Minnesota.

Mr. VENTO. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentlemen from California for offering the amendment. I certainly believe that the way that this has been administered in the recent past has led more to intimidation than to a good-faith interpretation of what the law and the intent is and I certainly intend to support this amendment and commend the gentlemen from California for their work.

Mr. WAXMAN. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from California (Mr. WAXMAN) has again expired.

Mr. D'AMOURS. Mr. Chairman, I ask unanimous consent that the gentleman from California be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Hampshire?

Mr. DINGELL. Mr. Chairman, reserving the right to object, will the gentleman yield to me, too?

Mr. WAXMAN. Certainly if I have time.

Mr. DINGELL. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. D'AMOURS. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from New Hampshire.

Mr. D'AMOURS. Mr. Chairman, I would like to ask the gentleman in the well a question. As I understand the amendment, none of the funds provided may be obligated to impose sanctions under the Clean Air Act with respect to any area for failure to attain national ambient air quality standards established under section 109.

The amendment does not specify any reasons for nonattainment. Now the gentleman responded to the prior speaker that the exemption was only for failure to attain deadlines. But is it not true that if a State, even without having made reasonable efforts to attain those deadlines, fails to meet them, funds could not be expended for punitive action?

Mr. WAXMAN. The gentleman is correct that we could not take punitive action against States that had in fact failed to meet the deadlines, but we would have sanctions imposed against them for other acts that are inconsistent with the Clean Air Act. For example, if a State refuses to submit an implementation plan to show how it is going to clean up the air.

Mr. D'AMOURS. But if the failure to submit that implementation plan results in the failure to meet the deadline, they could not be penalized; is that not correct?

Mr. WAXMAN. If I may reclaim my time, they would not be penalized for failing to meet the deadlines, they would be penalized for failing to submit a plan and acting in good faith under the other requirements as imposed upon them.

Mr. D'AMOURS. I thank the gentleman for his response.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from Michigan.

Mr. DINGELL. I thank the gentleman for yielding.

Mr. Chairman, would the gentleman tell us, if he please, how the deadlines will be enforced if the sanctions are removed by this amendment?

Mr. WAXMAN. The deadlines were set out in the law and would most likely be extended under any authorization, but if a State is acting in good faith, I believe the law permits the Administrator to use some discretion with the State as to whether they are acting in good faith.

The interpretation that had been given to this section by Mrs. Burford was that she had no choice.

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Mr. DINGELL. If the gentleman will yield further, that is a very good answer, but it is not an answer to the question I asked. The question is: How will the deadlines be enforced if the sanctions are removed?

The CHAIRMAN. The time of the gentleman from California (Mr. WAXMAN) has expired.

Mr. WIRTH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just wanted, very briefly, to address my colleagues in the high-altitude areas of the country. There are 166 high-altitude counties that, because automobile combustion is particularly inefficient at altitudes above 4,000 feet, have difficulty reaching compliance with the Clean Air Act. Most of the counties involved have submitted to the EPA acceptable plans for reaching compliance with the law but not within the timeframes set up in the law.

What the Dannemeyer-Waxman amendment does, which should be supported, is that those high-altitude counties which are operating in good faith and have submitted plans and had them approved, can go ahead and carry out those plans submitted in good faith without the fear of sanctions.

We have, for those of you from the high-altitude areas that have this special problem—and that is most of the Rocky Mountain region—a list of all of the States and the impacted counties and would be happy to share that with you. I would hope that all of us would support the Dannemeyer-Waxman bill, which is a very reasonable approach to assuring that the counties that have operated in good faith do not get penalized, while keeping the pressure on those counties which have not operated in good faith.

I want to commend my colleagues from California and urge all of the Members to support the Dannemeyer-Waxman amendment.

Mrs. MARTIN of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not claim expertise as a member of the Energy and Commerce Committee, but I am astounded at this debate. I think that voting to lift the sanctions that enforce the Clean Air Act is an environmental vote and there is no way to deny it.

How can you support strong environmental standards and then fail to enforce them? How can you set Clean Air Act goals, and then say, if we do not reach them, it is OK?

How can the people who claim to be the leaders of environmental protection and supporters of a strong Clean Air Act say "If my area cannot meet environmental standards, we will just waive the standards." That is just flat out wrong.

If an environmental standard is necessary, then it is necessary. If it can be met, then it should be met. But if that standard is unnecessary simply because it is not being met, then it cannot be considered necessary for other areas. If the standard is valid and protects the environment, then it should be enforced, whether it be for a county, a company, the city of Los Angeles, or the State of South Carolina.

The supporters of this amendment suddenly are saying that because their areas are affected by environmental standards, we will ignore those standards. I hesitate to put a name on this type of debate, so I will not. But I will tell you that this is an environmental vote and if you support the environment, you will vote against this amendment.

I can understand voting to protect one's district. We all vote to protect our constituencies. But let us not call it something else; let us not put a mask on it by trying to hide behind some convoluted excuses.

Every industry in this country has had a difficult time meeting these standards. But if you are going to enforce standards on some, then they should be enforced on all. How would this Chamber react if it was proposed to "postpone environmental protections for 4 years because it is hard for

industry to meet them?" You would have been outraged. Well, this is the same thing.

I believe in the environment, and I believe we need environmental standards to protect the environment. I also believe that this is an important environmental vote. But if you vote to suspend the standards that we have accepted as necessary to protect the environment, then all of your other votes and press releases claiming that you are a protector of the environment will not make up for support of this amendment.

Mr. DINGELL. Mr. Chairman, I move to strike the requisite number of words, and I rise to oppose the amendment.

Mr. Chairman, we are seeing a very curious consequence of the failure of the House last year to come forward with a sound Clean Air Act bill. Last year, the House had a good strong piece of legislation in the Committee on Energy and Commerce. It was opposed by many of those who now say that the sanctions should not be laid against those areas in the country which have not reached their attainment date of December 31, 1982. Rather than work out a bill that could achieve a majority consensus on the committee through the amendment process, some of the proponents of this amendment used delaying tactics that insured that a bill could never be considered in the House in the 97th Congress. It was my desire then and now that through the normal legislative process a reasonable Clean Air Act bill be reported by my committee for full House consideration, rather than a piecemeal approach as part of an appropriation bill.

I am not going to urge my colleagues to vote one way or another on this amendment because it is being touted as helping some congressional districts and I understand the concerns of my colleagues. But I think we ought to analyze the situation and this amendment to see what it does and does not do. The test, I think, that can be best laid in place as to whether this is a good amendment or not is the question: Is it fair? And does it in fact achieve the objectives laid out by its proponents?

I think we ought to address the first question. The first question is: Is the amendment fair?

Let us look at the amendment first. It is as follows:

> None of the funds provided in this act may be obligated or expended to impose sanctions under the Clean Air Act with respect to any area for failure to attain any national ambient air quality standard established under section 109 of such Act (42 U.S.C. 7409) by the applicable dates set forth in section 172(a) of such Act (42 U.S.C. 7502(a)).

The reference to "this act" is a reference to this appropriation bill, H.R. 3199. It is not to funds currently appropriated to EPA or to funds appropriated in fiscal year 1985. It applies only in fiscal year 1984.

The reference to "sanctions under the Clean Air Act" is not clear, because the act does not refer to "sanctions", but does provide for certain penalties should a State or a nonattainment area comply with the Clean Air Act.

But what is the law?

The Clean Air Act was amended in 1977. The objective was to attain clean air within an established time period. To achieve this, part D was added to the act. Part D required—in section 172(a), referenced in this amendment—States to submit or revise State implementation plans (SIP's) by July 1979 which relate to attainment and maintenance of national ambient air quality standards in any unattainment area and the SIP "shall provide for attainment of each such * * * standard in each such area as expeditiously as practicable, but * * * not later than December 31, 1982." For CO and ozone, this deadline could be extended to December 31, 1987, if a SIP revision is filed with EPA by July 1, 1982, that met the requirements of law, including establishment of an emission control inspection and maintenance program. Thus, the pertinent statutory deadlines are: July 1, 1982, for SIP revision extensions and December 31, 1982, for attainment of the standards for sulfur dioxide, nitrogen dioxide, and particulates.

The above amendment does not change these deadlines or requirements.

Also, in 1977, the Congress was not satisfied with the Nation's Clean Air Act progress. Thus, to induce maximum compliance by these deadlines by governmental entities—which could be a State, a local government, or a regional agency—Congress imposed funding penalties and a construction moratorium for noncompliance.

The above amendment does not change these penalties or sanctions.

Many of those who supported these 1977 changes knew that the sanctions were draconian and that the deadlines were unrealistic. This warning was written plainly on the faces and on the hands and on the records of this body at the time that the matter was considered. But, nonetheless, in the interest of casting an environmental vote, the House voted through these sanctions and these very deadlines which the proponents of this amendment are trying to avoid.

There are many other provisions in the law which desperately need looking at. Many are complex and unworkable. Some may be unfair. Some also need to be strengthened. Some impose excessive burdens upon industries in different parts of this country and adversely affect jobs. But this amendment today ignores all these concerns. If this amendment is adopted, you can be reasonably sure that the House will not address them leaving in place a law which desperately needs renewal, which desperately needs careful review and which needs significant adjustments, both to make it fair and to make it work.

Now, a few minutes ago I asked the gentleman from California: How will you enforce the deadlines if you remove the sanctions?

He gave me a long answer. I observed that it was to a quite different question than that which was asked.

The harsh fact of the matter is that if you keep avoiding the deadlines and winking at the sanctions, there will be no opportunity to make the law workable, nor will there be an opportunity to make it fair, nor will there be an opportunity to provide the needed adjustments to strengthen it where in fact that law needs strengthening.

Many parts of this country have worked hard to come into compliance with the law and have imposed requirements which have increased costs to business and industry and consumers and which have caused other unpleasantness and economic difficulties upon the people who live in those areas. They have met the law. They are in compliance. They do not seek this amendment. They do not need it.

Other parts of the country filed what are called cheater SIP's. That means they are filing State implementation plans which they very well know they cannot meet. EPA accepted them, and now the statement is: "Oh, these were good-faith filings," we should not penalize them. This amendment is going to protect those places which filed so-called good-faith filings.

There are other States who undoubtedly did file SIP's with good-faith intentions of complying, but were unable to do so. They too are seeking relief.

Well, this amendment is trying to protect those who really have made good-faith filings of State implementation plans, and those rascals who knowingly filed "cheater SIP's" which they knew they could not meet to clean the air within the deadlines.

That is unfair. Why? Because the law does not contain a good faith test. The planning is the State's duty. EPA approval does not excuse a State's obligation to develop and enforce an adequate plan within the time allowed. No excuses are provided for and many States understood that and complied. This amendment would let others off the hook for 1 year. That is unfair.

That is what this amendment does, Mr. Chairman. And I say it is bad, it is unfair. It helps the iniquitous over those who have made an honest effort to clean up.

Now, let us look a little further at this. The question is: Will the amendment work? What will it do?

The answer is: The amendment will not work. It will add confusion and litigation, but do nothing.

Many of you who vote for this amendment are going to go home and tell your people how you voted for it. You will say everything is all right now and that the sanctions are not going to be enforced. Do not kid yourselves. Do not go home and kid your people, because you cannot escape the harsh fact that the amendment does not change the law and that it will not preclude the imposition and cloud of sanctions.

Before proceeding further I want to note that the General Accounting Office (GAO) has issued two opinions concerning these deadlines and sanctions—one dated December 30, 1982 (B-208593) and one dated April 21, 1983 (B-208593). In its April opinion, the GAO said of the purpose of the sanctions:

The sanctions were to be imposed on the governmental entities responsible for creating and implementing the nonattainment SIPs and took the form of economic sanctions. The existence of these provisions was undoubtedly meant to induce maximum compliance during the period in which primary NAAQS deadlines were extended under Part D of the Act. Now that the first part of the extended attainment timeframe has expired, one of those penalties, a construction moratorium, remains appropriate to impose for continued nonattainment. Used as a penalty, it serves two purposes related to the overall goals of the Act: (1) to maintain air quality at least at its current level; and (2) to motivate efforts to each attainment at the earliest possible date. The other sanctions in the Act, shut offs of certain Federal funds, should be used to enforce the July 1, 1982, SIP revisions and to promote compliance in achieving the extended NAAQSs.

Clearly, this amendment subverts that purpose. Incidentally, I am informed by several Members who telphoned representatives of environmental organizations about this amendment, that these organizations—like the whole House—were surprised by it and were neutral. They do not support or oppose such a major amendment.

But what about the amendment? I have already pointed out that it does not change existing law on deadlines and sanctions. The proponents state categorically that it does not help States that must comply with the July 1, 1982, deadline and meet inspection and maintenance requirements. That would include my State of Michigan and more than a dozen others. Thus, the amendment is aimed at the December 31, 1982, deadline. But what did the GAO say about this. Let me quote from the GAO opinion:

One of the goals of the 1977 Amendments was to allow economic growth while assuring attainment of the NAAQSs by a reasonable specific deadline. H.R. Rep. No. 95-564, 95th Cong., 1st Sess., 156-57 (Joint Explanatory Statement of the Committee of Conference). To accomplish this, section 110 was amended to provide that no construction would be permitted in nonattainment areas after June 30, 1979: "unless, as of the time of application * * * [the applicable SIP] meets the requirements of part D (relating to nonattainment areas) * * *." Act, section 110(a)(2)(I).

The construction moratorium is automatic and mandatory any time a SIP revision is not in full complicance with all the Part D requirements. *Connecticut Fund for the Environment* v. *EPA*, 672 F. 2d 998, 1008 (2d Cir. 1982); B-208593, December 30, 1982. The question which remains unresolved is whether the construction moratorium was activated by the expiration of the December 31, 1982, attainment deadline set by Part D. We think it was.

The moratorium automatically goes into effect any time a SIP does not meet the requirements of Part D. Part D spells out the elements of the SIP revisions and the timeframe for attainment. SIP revisions: "shall provide for attainment of each such national ambient air quality standard in each such area as expeditiously as practicable, but, in the case of national primary ambient air quality standards, not later than December 31, 1982." Act, section 172(a)(2).

To meet the requirements of Part D we think a SIP revision must "provide for attainment" in the real sense, not just on paper. Put more simply, a SIP which did not produce attainment did not sufficiently provide for attainment and therefore does not meet the requirements of Part D. We do not think our analysis here is at all inconsistent with our previous statements about section 176(b) (clean air grants cut off to nonimplementing States) because that section applies to the enforcement of the strategies for reaching attainment, not attainment itself.

Arguments that nonattainment status after the deadline does not trigger the moratorium place great emphasis on the words provide for. Any EPA-approved SIP, according to the arguments, had to provide for attainment. Otherwise, it would not have been approved. We discussed earlier our opinion that EPA approval of a SIP revision may not mean that all the statutory elements have been adddressed. B-208593, December 30, 1982. However, the main argument against this position is that it is the States, not EPA, which are mainly responsible for planning. The Administrator shall approve SIPs which meet the minimum statutory requirements. Act, section 110(a)(2). The burden is clearly on the State to determine whether more than the minimum efforts are necessary and to develop a plan adequate to achieve the NAAQSs within the time allowed. Act, section 107(a); *Train* v. *Natural Resources Defense Council*, 421 U.S. 60, 79 (1975). A too literal interpretation of the words provide for attainment impermissibly shifts the whole burden to EPA.

In light of the foregoing, it is plain that the December 31, 1982, expiration date was a deadline for attainment, not a target or a goal. We cannot accept the notion that Congress mentioned the date merely as an aid to planning, nor can we assume that, in spite of its express determination to provide a reasonable framework for attainment, Congress intended no consequences to flow from failure to "provide for" healthful air. Since we determined that the funding sanctions are not appropriate to use in the nonattainment context, the construction moratorium is the only sanction available to place any economic pressure on States to continue to seek attainment. Unlike the restriction of funds for nonimplementation (Act, section 176(b)), it does not handicap States in their efforts to continue seeking attainment. Instead, the moratorium has the added advantages of preventing any further deterioration of air quality while it remains in effect, and encouraging further attainment-seeking activities, because only attainment (or amending the Act) will lift the ban.

CONCLUSION

In B-208595, December 30, 1982, we pointed out the need for congressional action to resolve these and other enforcement-related issues under the Act. Though EPA's proper and attentive enforcement of the existing law can maintain the status quo, there remain economic, public health, and Federal/State relations issues which only Congress is in a position to resolve.

Thus, the GAO holds that the December 31, 1982, deadline is real and that the consequences of noncompliance is an automatic construction moratorium in such case. That provision of law is not changed by the bill.

On February 3, 1983, the EPA issued a notice of proposed rulemaking listing the areas of the Nation that EPA believed had failed to meet the end of 1982 deadline and asked for public comment. The EPA press release said:

Once the comments on the lists proposed by EPA have been analyzed, the agency will publish final lists. For those counties which are determined to have failed to meet the requirements of the Act, a construction moratorium would automatically go into effect on all major sources of the pollutant in question.

On March 17, 1983, the comment period was extended to May 5, 1983.

In a May 13, 1983, letter to me, the EPA's former Assistant Administrator said:

I share your concern regarding the potentially counter productive nature of the sanctions and have repeatedly joined you in urging the Congress to address this issue as well as others involving the Clean Air Act. Because of the concerns raised by the affected States and our desire to analyze and to respond fully to all comments received, it is difficult to establish a detailed schedule for future Agency action. It is our present intention to publish final actions within the next six months; as you know, however, the administrator-designate promised the Senate Environment and Public Works Committee during recent hearings on his nomination that he would conduct a full review of these issues. It is possible that his review could affect our present policies and schedules.

This rulemaking is a determination that an area is or is not still in nonattainment. It is not an imposition of a sanction. The sanction is automatic under the law. Thus, the amendment offered by these California Members, Mr. WAXMAN and Mr. DANNEMEYER, does not affect this rulemaking because it does not apply until fiscal year 1984, and because the rulemaking does not impose a sanction. The

amendment only precludes the use of fiscal year 1984 funds under the act to impose sanctions.

The amendment would, however, preclude EPA from imposing any discretionary sanctions, such as a cutoff of sewage treatment funds or clean air grants. Thus, it has meaning, but not much, because EPA has already said, weeks ago, that it did not plan to impose those sanctions. The amendment concretizes that declaration for whatever it is.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. DINGELL) has expired.

(By unanimous consent, Mr. DINGELL was allowed to proceed for 5 additional minutes.)

Mr. DINGELL. Beyond this, the amendment does not affect citizen suits or EPA enforcement of this construction moratorium. And you can bet yourself a new shirt that there are going to be citizens in court demanding that the law be enforced under the citizen-suit provisions of the Clean Air Act. Remember, the Waxman-Dannemeyer amendment does not preclude the use of funds to halt enforcement of sanctions, only the imposition of sanctions. Enforcement is not imposition. Also, the courts will not accept a defense that says EPA cannot use appropriated funds to enforce the law which is done by the Justice Department anyway.

Now, what will be the consequences of such suits? EPA will have to go forward and proceed to enforce the law because it will be pressed under citizens suits. The automatic sanction will go into place. This amendment will not affect it.

□ 1520

Many of my colleagues are aware of the fact that I have had something to do with investigations at EPA. One of the things that I heard Mrs. Burford and Ms. Lavelle castigated about was that they did not enforce environmental laws. All right. Now, the House here is going to tell whoever might be Mrs. Burford's and Ms. Lavelle's successor, "You shall not use these appropriated moneys to enforce the Clean Air Act law." That is hardly consistent.

The law is the law. If it is bad, it should be changed, but in the meantime it should be enforced.

Each and every Member of this body took an oath to support and defend the laws and the Constitution of the United States.

You can distort the Clean Air Act in any fashion you want, but I am going to put into the record of this proceeding today an opinion of the General Accounting Office that tells you what the law requires. I note that the environmentalists have not disputed that opinion to their great credit. Some of the curious distortions that you have heard today about good-faith compliance and filing cheater SIP's, and so forth, are clearly made to be a mockery of the law.

Let me stress again, this vote is a vote on the environment. If you vote for this amendment, you are voting for dirty air. You are voting for trying to halt imposition of sanctions for violations of the Clean Air Act because they hurt. The sanctions were put into the law to assure that this Nation would achieve clean air or, as the GAO said "to motivate efforts to reach attainment at the earliest possible date."

This amendment not only tries badly to avoid that, but it assures that the pressures will continue on you as Members of Congress to simply wink at the enforcement of this environmental law and not to do those things which are necessary to assure that a bad law which is in need of revision to achieve fairness, better enforceability and indeed strengthening where necessary, is looked at by the Congress to achieve that necessary and proper public goal.

Some of you may not agree with my criticisms of the Clean Air Act. So be it. Let us disagree. Let us do so in the legislative arena, not the appropriations arena. But let us not fool the public. Let us not tell them we are strong Clean Air Act supporters, but then run to weaken the act's provisions that are designed to motivate governmental entities at the State and local levels to attain clean air quickly.

If you do not like the deadlines, change them.

If you do not like the sanctions, change them.

Do not seek to emasculate both through amendments that are unfair and do not work. Uphold the law while it is the law.

Mr. GLICKMAN. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I am happy to yield to my friend, the gentleman from Kansas.

Mr. GLICKMAN. I thank the gentleman for yielding.

Mr. Chairman, I would just like to say I think my colleague from Michigan makes a good statement. The fact of the matter is that this is a very confusing issue and it is one that belongs in a rewrite of the Clean Air Act, not strung out in the middle of an appropriation bill.

Second, as I read this language, it is very plain there is no enforcement under section 109 of the Clean Air Act for failure to attain clean standards pursuant to that law.

The third thing I would say, as my colleague from Michigan says: This does not indicate that there is not an enforcement right there. There is. It is in the courts through class actions, and the individuals, the citizens of this country, will enforce the law.

So I think for the above reasons, the amendment ought to be rejected.

Mr. DINGELL. The gentleman is correct.

Mr. Chairman, let me just observe that we have a committee system which is supposed to review difficult and complex legislative questions. Those legislative questions should be reviewed by the legislative committees, not written in this kind of curious amendment under these kinds of strange circumstances late on an afternoon when no one has an opportunity to consider or to understand not only the questions which might be involved in this amendment, but the rest of the Clean Air Act. This is a poorly drafted amendment. It is a complex issue. It is not an appropriations matters.

I urge my colleagues to reject this amendment. Let the matter be handled in an appropriate legisative fashion. Help Chairman BOLAND pass this appropriation bill unencumbered by poorly drafted amendments of this kind.

Mr. ALBOSTA. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Michigan.

Mr. ALBOSTA. I thank the gentleman for yielding.

Mr. Chairman, it seems odd to me. I want to know why we are not taking up the revisions or reform of the Clean Air Act? What is happening? Would the gentleman from Michigan, the chairman of the Committee on Energy and Commerce, tell me why we are not doing something?

Mr. DINGELL. I did my best to get it written last year and was roundly denounced by many of those who are pushing this amendment at this particular time, renouncing me for being soft on pollution and against clean air. Now they want to pass an amendment which seeks to preclude sanctions and eliminate any real basis for legislative or administrative action against those who are engaged in pollution of the air.

Mr. GRAMM. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Texas.

Mr. GRAMM. I thank the gentleman for yielding.

Mr. Chairman, I would like to begin by commending the gentleman from California (Mr. DANNEMEYER), and commending the chairman of the Committee on Energy and Commerce, for raising what I think is a very relevant point.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. DINGELL) has again expired.

(On request of Mr. GRAMM and by unanimous consent, Mr. DINGELL was allowed to proceed for 2 additional minutes.)

Mr. GRAMM. If the gentleman will yield further, I would like to add one point to that, and that is, it will be very interesting to see if the same groups that labeled our efforts last year to deal with exactly these same problems in a rational, coherent manner as a rewrite of the Clean Air Act, who labeled our effort a dirty air bill, show that they are not blatant hypocrites, and I refer not to Members of the House but to so-called environmental groups. It will be very interesting whether or not they will come forward and label those who here have taken a position that we should waive those who have not reached attainment from the requirements of the law.

I suspect, quite frankly, that the environmentalists would like to see this waiver passed because it would then take the pressure off to deal with rewriting a law that desperately needs to be rewritten. So it is, I proposed, a paradox that those who basically hide behind these slogans are willing to jeopardize the environment by maintaining the law that is detached from reality and that leads us to set out standards we cannot meet, impose economic costs, destroy jobs, and then waive the penalties once we do not meet the standards.

Mr. DINGELL. I thank the gentleman.

I want to say, Mr. Chairman, I have great affection and respect for the gentleman from California (Mr. DANNEMEYER) and nowhere in my comments have I referred to him. He, along with other majority and minority members of our committee, stood very loyally with me last year when we were trying to write a sensible amendment to the Clean Air Act. I understand why he is doing what he does today and I have no criticism of him.

In conclusion, I insert at this point the GAO opinion I have referred to:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., April 21, 1983.

Hon. JOHN D. DINGELL,
Chairman, Subcommittee on Oversight and Investigations, Committee on Energy and Commerce, House of Representatives.

DEAR MR. CHAIRMAN: In correspondence dated August 9, and November 16, 1982, you asked for our opinion on several matters related to the Environmental Protection Agency's (EPA) enforcement of the Clean Air Act, 42 U.S.C. §§ 7401-7642 (1976 & Supp. I 1977) (the Act). Our letter, B-208593, December 30, 1982, discussed EPA's limited flexibility in reviewing State Implementation Plan (SIP) revisions submitted in connection with the extension to 1987 of the deadlines for attainment of the National Ambient Air Quality Standards (NAAQSs) for carbon monoxide and photochemical oxidants. The enclosed analysis examines the second of your questions—the application of the several penalties provided in the Act for State noncompliance with approved SIP requirements or nonattainment. We have also evaluated EPA's proposed use of these penalties against those State and local governments that either did not attain the primary NAAQSs within the time allowed or that submitted deficient extension SIP revisions or both. Our findings are summarized below.

The Act allows three separate funding restrictions to be used to promote States' cooperation in planning and implementing the SIP revisions. One of the three is an option to halt Federal Water Pollution Control Act grants for the construction of new sewage treatment facilities if the Administrator determines that the applicable SIP revision does not adequately take into account the air quality consequences of the construction. This is a wholly discretionary action by the Administrator.

The other two funding restrictions are mandatory and must be applied whenever the circumstances which are set out as statutory triggers exist. One sanction requires termination of clean air grants and some highway funds to air quality control regions which are not at least making reasonable efforts to develop an approvable July 1, 1982 SIP revision. The funds must be withheld whenever a SIP revision is required and a State fails to make a good faith effort to submit an approvable document. Some States which are inexcusably delinquent in submitting their final July 1, 1982, SIP revisions for carbon monoxide and photochemical oxidants are candidates for this sanction at this time. However, in our view, EPA's proposal to use this sanction against air quality control regions which did not achieve the NAAQSs by December 31, 1982, is not in accord with the law.

A second funding restriction cuts off clean air grants to States which neglect to implement their SIPs. The Administrator monitors State implementation efforts and is required to assume enforcement himself if the States do not follow through with their plans. By its terms, however, this restriction does not apply to States which fully implemented their plans, but still failed to reach attainment levels by December 31, 1982.

The final penalty under the Act is a construction moratorium. The moratorium bans any construction which would contribute to concentrations of a primary NAAQS pollutant in an area not yet at attainment levels. The ban is suspended during the period when a State is enforcing a proper and complete nonattainment SIP revision. It may also be invoked by the Administrator at any time for any SIP related infraction. One of the requirements of the Act is that, except for the areas that requested extensions to 1987 of the NAAQS deadlines for carbon monoxide and photochemical oxidents, the nonattainment SIP revisions "provide for attainment * * * not later than December 31, 1982." After analyzing the meaning of the phrase "provide for attainment" we have concluded that the statute means attainment of the primary NAAQSs must be reached by the deadline, not merely projected or hoped for. Accordingly, we determine that the construction moratorium should be used as the penalty for continued nonattainment.[1]

Thus, we find that EPA's recent proposal to invoke the construction moratorium in nonattainment areas is correct, but its propsed use of the other statutory sanctions in that context is incorrect. It should use the other funding sanctions to achieve maximum compliance with the July 1, 1982, SIP revisions and apply the standards set forth in our earlier opinion to you.

We trust the foregoing is helpful. Our more detailed analysis of these matters is enclosed.

Sincerely yours,

HARRY R. VAN CLEVE.
(For Comptroller General
of the United States.)

ANALYSIS OF ENFORCEMENT MECHANISMS IN THE CLEAN AIR ACT

When it enacted the 1977 Amendments to the Clean Air Act, Congress intended to maximize the chances of success for attainment of air quality standards within an established timeframe. To accomplish this, the Amendments added a new Part D to the Act. See 42 U.S.C. §§ 7501-7508. Part D applies to nonattainment areas; that is, areas which did not meet the National Ambient Air Quality Standard (NAAQS) attainment deadlines set by the 1970 Amendments to the Act. Part D extended the attainment time schedule and spelled out the States' planning responsibilities in considerable detail. These responsibilities were to be executed by means of special State Implementation Plan (SIP) revisions submitted in 1979 and 1982. By filing a special revision to its existing SIP under Part D, a State could extend until December 31, 1982, the deadline for attainment of the primary NAAQSs for sulfur dioxide, nitrogen dioxide and particulates. Act, section 172(a)(1). There were 10 specific requirements for the nonattainment SIP revisions, including an elaborate system of permits for new construction. Act, sections 172(b)(1-10) and 173. A second extension to December 31, 1987, could be secured for the primary NAAQSs for carbon monoxide and photochemical oxidants if a State proved earlier attainment was impossible and filed a second SIP revision containing several additional elements.[1] Act, sections 172(a)(2); 172(b)(11)(A-C) and 172(c). Because the Congress was disappointed with the States' performance under earlier clean air legislation, it added sanctions in the 1977 Amendments to encourage the States to vigorously pursue their planning responsibility and to utilize their enforcement powers fully.

The sanctions were to be imposed on the governmental entities responsible for creating and implementing the nonattainment SIPs and took the form of economic sanctions.[2] The existence of these provisions was undoubtedly meant to induce maximum compliance during the period in which primary NAAQS deadlines were extended under Part D of the Act. Now that the first part of the extended attainment timeframe has expired, one of those penalties, a construction moratorium, remains appropriate to impose for continued nonattainment. Used as a penalty, it serves two purposes related to the overall goals of the Act: 1) to maintain air quality at least at its current level; and 2) to motivate efforts to reach attainment at the earliest possible date. The other sanctions in the Act, shut offs of certain Federal funds, should be used to enforce the July 1, 1982, SIP revisions and to

[1] We discussed the use of the construction moratorium as an additional penalty for inadequate or late SIP revisions in our December 30, 1982 opinion, B-208593.

[1] This was the SIP revision due on July 1, 1982, and discussed in B-208593, December 30, 1982.

[2] Depending on the particular sanction used, the governmental body might be a State, a general purpose local government, an air quality control region or a regional planning organization designated by agreement of several local governments.

promote compliance in achieving the extended NAAQSs.

USE OF SANCTIONS

There are two types of sanctions aimed at the governmental bodies responsible for air quality planning and implementation. Inadequate or ineffective SIPs can result in cutoff of certain Federal funds to the jurisdiction. Planning failures can also cause a construction ban to be invoked. Each of the sanctions has a separate "trigger" which brings it into effect, but all are related to the requirements of Part D of the Act.

As we see it, the three Part D sanctions form a multilayered enforcement system. Section 176(a) cuts off planning money and highway funds to States which fail to create complete and proper SIP revisions, including transportation controls to reduce auto-produced pollution. Section 176(b) cuts off Federal planning and implementation support funds to States which are not putting into effect the strategies, techniques, and methods outlined in their SIPs. Finally SIPs which fail to reach attainment, the ultimate goal of Part D, trigger a construction moratorium halting all construction which would increase primary NAAQS pollutants in the area. In addition to being the only penalty available for nonattainment, the construction moratorium is also a multipurpose penalty, since it applies any time a nonattainment area is not fully complying with Part D. Thus, the construction moratorium is an additional penalty for failing to develop or implement a SIP or SIP revision. We discussed the construction moratorium and implementation of SIP revisions in B-208593, December 30, 1982 and will not repeat that analysis here.

On February 3, 1983, the Environmental Protection Agency (EPA) issued a Notice of Proposed Rulemaking (48 Fed. Reg. 4972, 4974-75) which outlined EPA's plans to invoke all the sanctions in the Act against States which did not reach attainment of all the primary NAAQSs to which extensions do not apply, on December 31, 1982. We shall examine each sanction in turn to determine 1) whether it is mandatory or discretionary; 2) what circumstances require its application; and 3) whether it is an appropriate penalty for continued nonattainment.

A. Sewage Treatment Plant Construction Grants—Section 316

Under the Federal Water Pollution Control Act, the Administrator has discretion to make grants for construction of new sewage treatment facilities. 33 U.S.C. § 1281-1289. In theory, he could refuse to make grants for construction which would indirectly increase air pollution. Section 316 of the Clean Air Act (42 U.S.C. § 7616), however, permits the Administrator to withhold, restrict or condition any grant for the construction of sewage treatment facilities on air quality grounds only if he determines that, among other things—

"(2) the State does not have in effect, or is not carrying out, a State implementation plan approved by the Administrator which expressly quantifies and provides for the increase in emissions of each air pollutant (from stationary and mobile sources in any area to which either part C or part D of title I applies for such pollutant) which increase may reasonably be anticipated to result directly or indirectly from the new sewage treatment capacity which would be created by such construction."

The sewage treatment grant provision can only be triggered by the Administrator's judgment that construction of new sewage treatment plants would increase air pollution by permitting residential or commercial growth and that the applicable SIP does not take the construction-related increase into account. As such, it is completely discretionary.

The legislative history of this provision confirms its discretionary nature. It was offered as an amendment during the House's consideration of the 1977 Amendments. Its sponsor, Representative Moss, noted that the Federal Water Pollution Control Act and the National Environmental Policy Act of 1969 together required the filing of an Environmental Impact Statement (EIS) for the construction of new sewage treatment plants. An EIS would have to take into account the impact of the new facility on population expansion and air quality. Rather than allow the Administrator total discretion to refuse sewage treatment grants based on the air quality impacts identified by the EIS, section 316 specifies limited circumstances in which such a refusal can be made. See 123 Cong. Rec. 16674 (1977). The condition which relates to Part D SIP revisions is quoted in full above.

Far from being a mandatory penalty which must be imposed in certain prescribed circumstances, section 316 limits the Administrator's absolute discretion to refuse grant funds for any reason, including air quality impacts. Under section 316, the Administrator may limit grant funds only if he determines that the specified conditions exist, but he is clearly not obligated to make such a determination. Therefore, this sanction is wholly discretionary. EPA is not proposing to use this sanction at present either for continued nonattainment areas or areas with inadequate July 1, 1982, SIP revisions. 48 Fed. Reg. 4972, 4975 and 5022.

B. Clean Air Act Grants and Highway Funds—Section 176(a)

Section 176(a) (42 U.S.C. § 7506(a)) contains a mandatory funding restriction for a State's failure to develop a nonattainment SIP revision. The section is incorporated into Part D and provides as follows:

"(a) The Administator shall not approve any projects or award any grants authorized by this Act and the Secretary of Transportation shall not approve any projects or award any grants under title 23, United States Code, other than for safety, mass transit, or transportation improvement projects related to air quality improvement or maintenance, in any air quality control region—

"(1) in which any national primary ambient air quality standard has not been attained.

"(2) where transportation control measures are necessary for the attainment of such standard, and

"(3) where the Administrator finds after July 1, 1979, that the Governor has not submitted an implementation plan which considers each of the elements required by section 172 or that reasonable efforts toward submitting such an implementation plan are not being made (or, after July 1, 1982, in the case of an implementation plan revision required under section 172 to be submitted before July 1, 1982)."

Section 176(a) cuts off all clean air grants and all highway funds except funds for safety, mass transit or air quality related transportation improvement projects. In addition it appears to prohibit any related activities carried out with non-Federal funds but which require Federal (EPA or Department of Transportation) approval.

Two elements make this funding sanction mandatory. First, the Administrator has a mandatory duty to review and approve or disapprove SIPs, including the Part D SIP revisions. Act, section 110(a)(2); *Citizens for a Better Environment* v. *Costle*, 515 F. Supp. 264, 267 (N.D. Ill. 1981). The mandatory status of this restriction is also clear from the opening lines—the responsible officials "shall not approve any projects or award any grants * * * " under the proscribed circumstances.

There are three events which, occurring together, would cause the clean air and highway funding restrictions of section 176(a) to come into effect: 1) a deficient or nonexistent SIP revision, which 2) in addition to the specified statutory elements (Act, section 172(b-c)), would require transportation controls to reach attainment and 3) a finding by the Administrator that reasonable efforts are not being made toward submitting a complete SIP revision.

This provision was originally included in the Senate version of the 1977 Amendments to the Clean Air Act. Its purpose was to put some teeth into requirements for local transportation controls which, though required, had been nearly ignored under the 1970 Amendments to the Act. S. Rep. No. 95-127, 95th Cong. 1st Sess., 14 and 37-38 (1977). See Act, sections 108(f) and 110(a)(2)(B); *Natural Resources Defense Council* v. *EPA*, 475 F.2d 968 (D.C. Cir. 1973). The original Senate version would have cut off all highway funds for any State which had failed to submit an approvable carbon monoxide and photochemical oxidant nonattainment SIP revision (July 1, 1982 SIP revision) containing transportation controls [3] S. 252, 95th Cong., 1st Sess., reprinted in, S. Rep. No. 95-127, 156-57.

The "reasonable efforts" language was added to the provision along with several other modifications on the Senate floor. Senator Gravel introduced an amendment intended to moderate the consequences of submitting a deficient or late SIP revision. The amendment (1) reduced the sanction areas from the whole State to the delinquent air quality control region; (2) exempted safety, mass transit and air quality related transportation improvement projects from the funding cut off; and (3) limited the sanction's applicability to cases in which the State was not making a reasonable effort to submit a proper and complete SIP revision, before or after the statutorily set deadline for such revision.

The amendment was passed with little discussion, but the sponsor did suggest his interpretation that if a State or other responsible governmental entity was "making an effort to arrive at an implementation plan, there [would] be no loss of highway funds." He continued: "There is a terminal effect: If you do not make any effort at all by 1979 [or 1982 for extended SIP revisions on carbon monoxide and photochemical oxidants, see footnote 3, above] to come up with a plan, if there are no best efforts, then we stick it to you in a very surgical way." 123 Cong. Rec. 18476 (1977) (remarks of Sen. Gravel).

The "reasonable efforts" language, then, was meant to give the Administrator some discretion in applying the sanction if he de-

[3] S. 252 as originally drafted extended only the NAAQSs for carbon monoxide and photochemical oxidants. This provision was modified appropriately to accommodate the two-tiered extension plan for all the primary NAAQSs which was agreed on later.

termined that sincere attempts to submit an acceptable SIP revision were in progress. In fact, the only flexibility which exits in this provision is in the determination of what constitutes "reasonable efforts" toward producing a complete SIP revision including all the statutory elements and necessary transportation controls. A Congressional Research Service (CRS) study done in June 1982 reached the conclusion that this discretion was so broad as to effectively vitiate the sanction. While we do not completely agree with the CRS conclusion, we think that the provision does entail sufficient legitimate discretion to defer funding cutoffs temporarily for States that submitted the schedules and commitments EPA called for in the May 21, 1982 letter to State Governors explaining its minimum requirements for the July 1, 1982, SIP revisions, even though we think the flexible requirements set forth in that letter are too lax to form a basis for conditional or final approval of the carbon monoxide/photochemical oxidant SIP revision.[4] The sanction must be imposed in the future if States do not follow through with their commitment to submit an acceptable SIP revision, including transportation controls. See EPA Policy Statement, 45 Fed. Reg. 24694.

Section 176(a) is also the only direct statutory reference in Part D to transportation controls. Transportation controls are measures such as downtown parking restrictions, carpool express lanes and many other strategies designed to reduce vehicular traffic and congestion in the interest of reduced pollution. Act, section 108(f). Transportation controls are required to be included in SIPs where necessary under section 110(a)(2)(B). Though not specifically mentioned as one of the required statutory elements of a Part D SIP revision, transportation controls must be presumed to be necessary in any area requiring an extension of the NAAQS deadline for auto-related pollutants to 1987 because Part D requires that all other measures necessary for attainment on schedule be identified and enforced. Act, sections 172(b)(11)(C) and 172(c). This sanction provides EPA with a way to enforce unpopular transportation measures as an element of the Part D SIP revisions.

Some transportation measures were required in the January 1, 1979, SIP revisions. 43 Fed. Reg. 21673. However, the emphasis in 1979 was on planning. Specific transportation controls were required by EPA's January 22, 1981, Policy recapitulating the elements of the July 1, 1982, SIP revisions. 46 Fed. Reg. 7182, 7183. That Policy called for a mutually agreed on emissions reduction target and the implementation of as many of the 18 transportation controls listed in section 108(f) of the Act as were technologically and economically feasible. Id. at 7187. The Policy also called for the creation of contingency plans, in case the previously implemented measures proved insufficient to produce attainment by 1987.

EPA has now announced its intent to apply this funding restriction not only to the July 1, 1982, SIP revision for carbon monoxide and photochemical oxidants which it will soon evaluate (48 Fed. Reg. 5022), but also for continued nonattainment of NAAQSs for nitrogen dioxide and particulates as set forth in the January 1, 1979, SIP revisions. 48 Fed. Reg. 4972, 4974. This announcement has prompted the question whether EPA approval of a SIP revision does not constitute an estoppel against imposing the funding sanction in the future. As we indcated in our December 30, 1982, letter (B-208593), EPA approval may not mean that the SIP revision absolutely complies with all the statutory requirements, including transportation controls. Moreover, if challenged, the Administrator's approval of SIPs is subject to judicial review. Act, section 307; see *Connecticut Fund for the Environment* v. *EPA*, 612 F.2d 998 (2d Cir. 1982). Therefore, EPA approval does not absolutely guarantee immunity from highway fund restrictions. We are satisfied, however, that EPA approval or conditional approval must mean at least that the Administrator has determined that reasonable efforts were made to submit an acceptable SIP revision. Thus, EPA approval or conditional approval would, absent either a finding of changed circumstances or subsequent judicial action, preclude the later application of this sanction.

The notion of changed circumstances was first mentioned in an April 1980 Policy setting forth the substantive and procedural aspects of this funding restriction. EPA specifically stated that the Administrator could impose the sanction if at any time "the Governor ceases or delays efforts to submit the SIP in an expeditious manner." 45 Fed. Reg. 24692, 24695. Conversely, the sanction could be lifted if good faith efforts to submit a SIP were begun. Id. In other words, no estoppel could exist because a State's best efforts to submit a complete SIP must be a continuing activity.

As we view the situation, however, the question of possible estoppel against applying the sanction in nonattainment areas with approved SIPs, but which failed to meet the NAAQS deadline, does not even arise. Before the sanction can be invoked, the statutory context for its use must exist. That context is a requirement to submit a Part D SIP revision. There was no requirement to submit a SIP revision on December 31, 1982. Thus, an air quality region's continued nonattainment status on the NAAQS deadline has no relation to this sanction at all. Our analysis is entirely in accord with the legislative history of the provision which clearly indicates that it was to be an inducement to adequate planning, not a punishment if good plans fell short of the mark.

Future application of the clean air grant and highway fund sanction remains entirely appropriate for States which have not complied with the requirements of sections 172(b) and (c) of the Act and the January 22, 1981 Policy for SIP revisions on carbon monoxide and photochemical oxidants. A list of those States that submitted SIP revisions on July 1, 1982, and the deficiencies in their content on vehicle inspection and maintenance and other transportation control measures was published at 48 Fed. Reg. 5022, 5025. This list demonstrates that this sanction can be used effectively at this time to promote adequate transportation planning, as was clearly intended by Congress. In reviewing July 1, 1982, submittals to determine whether to use the sanction, EPA should apply the standards set forth in B-208593, December 30, 1982.

C. Clean Air Grants—Section 176(b)

The other Part D funding sanction is a cut-off of clean air grants to States which fail to implement any portion of their SIPs or SIP revisions. Section 176(b) (42 U.S.C. § 7506(b)) provides as follows: "(b) In any area in which the State or, as the case may be, the general purpose local government or governments or any regional agency designated by such general purpose local governments for such purpose, is not implementing any requirement of an approved or promulgated plan under section 110 including any requirement for a revised implementation plan under this part [Part D] the Administrator shall not make any grants under the Act."

Imposition of this sanction is also mandatory both by virtue of its statement that the Administrator shall not make any clean air grants where a regular or Part D SIP is not being implemented and because the Administrator has a duty to assure that SIPs are being followed. Act, Section 113(a)(2); *cf., Wisconsin's Environmental Decade, Inc.* v. *Wisconsin Power and Light Co.*, 395 F. Supp. 313 (W.D. Wis. 1975) (mandatory duty to act on information of individual violation by issuing notice of violation).

The extent of the Administrator's responsibility for implementation of the SIPs by the States is less clear than the duty to approve SIPs. *City of Seabrook* v. *Costle*, 659 F. 2d 1371, 1374 (5th Cir. 1981), questioned the *Environmental Decade* case, finding that the Administrator's duty with respect to individual violations is subject to prosecutorial discretion. However, the court did not suggest that prosecutorial discretion should extend to circumstances where violations are so widespread as to "appear to result from a failure of the State in which the plan applies to enforce the plan effectively * * *." (Act, section 113(a)(2)). We think section 113(a)(2) creates a nondiscretionary duty to take action in the case of widespread SIP violations. Especially persuasive in this regard is that during the "period of federally assumed enforcement" which commences if a State continues its refusal to enforce a SIP after formal notice of the problem, the Administrator "may" enforce requirements of the SIP against individual violators. In other words, the Administrator has prosecutorial discretion with respect to individual enforcement actions. Our view is that the Act gave the Administrator the mandatory duty to insure that States follow through on the commitments made in their SIPs. This is not inconsistent with judicial interpretation. Application of this sanction to deficient Part D SIPs was presumed mandatory and non-discretionary by the only court to consider it thus far. *New England Legal Foundation* v. *Costle*, 632 F. 2d 936 (2d Cir. 1980.).

The legislative history of this section indicates that it, too, was intended to promote compliance during the period a SIP is applicable, not to penalize continued nonattainment status on December 31, 1982. The same Gravel amendment which moderated the highway fund provision (section 176(a)) also affected this section. Originally, the Senate bill (S. 252, 95th Cong., 1st Sess.) called for a 15 percent cumulative annual reduction in all highway funds to any nonimplementing jurisdiction. The Gravel amendment changed that to a cut off of clean air grants for failure to implement either a SIP or a Part D SIP revision.

Speaking in support of the Gravel amendment, Senator Baker said—

"I do not believe that the Federal Government should seek to enforce a clean air program under the threat of a disruption of another virtally [sic] important program. * * *"

"I think that it is important also that we undertake to enforce all necessary clean air

[4] The May 21, 1982, letter and other matters relating to EPA's handling of the July 1, 1982, SIP revisions are explained fully in B-208593, December 30, 1982.

strategies. But the sanction retained by the Gravel amendment * * * is in my opinion sufficient and certainly more appropriate."

There is a direct relationship between the grants which are to be cut off by this sanction and a State's nonimplementing posture. Clean air grants were provided to (1) underwrite the full cost of the first two years' effort in developing the July 1, 1982 SIP revisions (Act, section 175), and (2) up to ⅔ of the development cost in the remaining years before the July 1, 1982 submittal date, and (3) provide additional funds for maintaining, implementing and enforcing the SIPs and SIP revisions (Act, section 105). The funds which are to be cut off for not implementing SIPs and SIP revisions are funds which would be wasted if the activities for which they were given to support are never brought to fruition by State implementation. This cause and effect relationship was undoubtedly what Senator Baker was referring to in his remarks. It therefore seems clear that the sanction was intended to encourage full effectuation of the strategies by which attainment was to be achieved, not the achievement of attainment itself.

Having moderated the sanction, tailored it more closely to the "offense" and, phrased it in mandatory terms, it is unlikely that the Congress intended it to be optional. If a State refused or neglected implementation, it was to be denied further clean air grants. There is no basis in the statute or its legislative history for administrative discretion to forego the penalty against nonimplementing States. Similarly, there is no basis to conclude, as EPA has in 48 Fed. Reg. 4972, 4974, that the penalty was to be used against States which fully implemented their Part D SIP revisions but still failed to achieve the NAAQSs by December 31, 1982. Indeed that conclusion, based on nonattainment status, would run counter to clean air goals. It would revoke funds which States would otherwise use to continue enforcement of their ongoing SIPs and July 1, 1982, SIP revisions.

The prospective nature of this sanction and its functions as an inducement to continued vigorous enforcement rather than a penalty for failure to achieve the ultimate requirement of Part D may also be seen in the fact that the sanction applies to regular SIPs under section 110 of the Act as well as to the Part D SIP revisions. In other words, it has continuing utility to promote State enforcement even after the first attainment deadline has passed. To invoke this sanction across the board for nonattainment would be to sacrifice its future effectiveness for prompting implementation of the regular SIPs. Regular SIPs enforce the secondary NAAQSs and other items not covered in Part D. This conflict further supports the conclusion that the sanction is mandatory in the event of nonimplementation and inappropriate as a penalty for continued nonattainment despite full implementation.

D. Construction Moratorium

Prior to the passage of the 1977 Amendments, the law prohibited construction or modification of any major stationary source in a nonattainment area if that construction would contribute to concentrations for a pollutant for which a primary NAAQS was exceeded in that area. Requirements for SIPs in the earlier version of the Act were nearly identical to the present formula. SIPs were to provide for attainment within 3 years of their approval. An EPA interpretive ruling, under the earlier Act, commonly called the "Offset Ruling" allowed construction only if the builder could show that the new facility would actually reduce concentrations of the pollutant. 41 Fed. Reg. 55524-30. One of the goals of the 1977 Amendments was to allow economic growth while assuring attainment of the NAAQSs by a reasonable specified deadline. H.R. Rep. No. 95-564, 95th Cong., 1st Sess., 156-57 (Joint Explanatory Statement of the Committee of Conference). To accomplish this, section 110 was amended to provide that no construction would be permitted in nonattainment areas after June 30, 1979: "unless, as of the time of application * * * [the applicable SIP] meets the requirements of part D (relating to nonattainment areas) * * *." Act, section 110(a)(2)(I).

The construction moratorium is automatic and mandatory any time a SIP revision is not in full compliance with all the Part D requirements. *Connecticut Fund for the Environment* v. *EPA*, 672 F. 2d 998, 1008 (2d Cir. 1982); B-208593, December 30, 1982. The question which remains unresolved is whether the construction moratorium was activated by the expiration of the December 31, 1982, attainment deadline set by Part D. We think it was.

The moratorium automatically [5] goes into effect any time a SIP does not meet the requirements of Part D. Part D spells out the elements of the SIP revisions and the timeframe for attainment. SIP revisions: "shall provide for attainment of each such national ambient air quality standard in each such area as expeditiously as practicable, but, in the case of national primary ambient air quality standards, not later than December 31, 1982." Act, section 172(a)(2).

To meet the requirements of Part D we think a SIP revision must "provide for attainment" in the real sense, not just on paper. Put more simply, a SIP which did not produce attainment did not sufficiently "provide for" attainment, and therefore does not meet the requirements of Part D. We do not think our analysis here is at all inconsistent with our previous statements about section 176(b) (clean air grants cut off to nonimplementing States) because that section applies to the enforcement of the strategies for reaching attainment, not attainment itself.

Arguments that nonattainment status after the deadline does not trigger the moratorium place great emphasis on the words "provide for." Any EPA-approved SIP, according to the arguments, had to "provide for" attainment. Otherwise, it would not have been approved. We discussed earlier our opinion that EPA approval of a SIP revision may not mean that all the statutory elements have been addressed. B-208593, December 30, 1982. However, the main argument against this position is that it is the States, not EPA, which are mainly responsible for planning. The Administrator "shall approve" SIPs which meet the minimum statutory requirements. Act, section 110(a)(2). The burden is clearly on the State to determine whether more than the minimum efforts are necessary and to develop a plan adequate to achieve the NAAQSs within the time allowed. Act, section 107(a); *Train* v. *Natural Resources Defense Council*, 421 U.S. 60, 79 (1975). A too literal interpretation of the words "provide for attainment" impermissibly shifts the whole burden to EPA.

Another argument that the words "provide for attainment" do not require achieving attainment centers on the language in section 110(a)(2)(H). That section provides that the Administration may require a SIP revision at any time if the existing SIP is substantially inadequate to reach attainment. This position also shifts all the responsibility for nonattainment to EPA. Moreover, subparagraph H only applies to "substantially inadequate" plans. The existence of substantially adequate plans does not guarantee attainment, but the Administrator cannot compel their revision under this section. We also note that section 113(a)(5) of the Act allows the Administrator to invoke the construction moratorium any time a State is not acting in compliance with any plan provisions required under section 110(a)(2)(I) and Part D. The option to use the construction moratorium to encourage any noncomplying State to come into compliance negates the argument that mandatory plan revision is the exclusive remedy for plans which fail to reach attainment.

There is further evidence in the statutory language that the requirement that SIP revisions "provide for attainment * * * [by] December 31, 1982" meant that plans must actually result in attainment. Section 172(a)(2) extended to 1987 the time for attainment of the primary NAAQSs for two auto-produced pollutants. To obtain an extension, States had to show that "attainment [was] not possible * * * within the period prior to December 31, 1982 * * *." The mere fact that an extension was made available indicates clearly that without the extension, attainment by the original deadline was required, not merely hoped for.

Another statutory reference to December 31, 1982 as an attainment deadline occurs in the Part D definitions section. Each year they are in effect, Part D SIP revisions are required to secure "reasonable further progress" toward clean air standards. "Reasonable further progress" in turn is defined as "annual incremental reductions in emissions * * * which are sufficient * * * to provide for attainment of the applicable national ambient air quality standard by the date required in section 172(a) [i.e., December 31, 1982." Act, Section 171(1). (Italic added.)

This definition assume that the schedule for attainment is intended to procure clean air by a date certain.

The whole historical context of the 1977 Amendments also militates against the conclusion that full compliance with Part D can be attained by planning for, but not producing, healthful air. The Amendments were at least partly a response to the disappointing results achieved under the 1970 clean air legislation. A recent Circuit Court decision elaborated on this theme and held that the construction moratorium was an integral part of the whole nonattainment scheme, and that: "The nonattainment program's *raison d'être* is to ameliorate the air's quality in nonattainment areas sufficiently to achieve expeditious compliance with the NAAQSs." *Natural Resources Defense Council* v. *Gorsuch*, 685 F.2d 718, 726-27 (D.C. Cir. 1982).

We are further convinced that December 31, 1982, was a deadline for results by the fact that the 1970 Clean Air Act Amendments contained very similar language. In the 1970 version, an SIP had to be approved if it—"provide[d] for the attainment [of the primary NAAQSs,] as expeditiously as practicable but * * * in no case later than three years from the date of approval of such

[5] Despite the fact that the moratorium is automatic, we do not generally disagree with EPA's use of a formal rulemaking effort to determine attainment or nonattainment status. Once that status is established the moratorium is automatic in nonattainment areas.

plan * * *." Pub. L. No. 91-604, § 4(a), 84 Stat. 1680.

Analyzing this language in the context of the availability of postponements of some of the Act's requirements, the Supreme Court found the 3-year period to be a mandatory deadline. It said:

"We believe that * * * analysis of the structure and legislative history of the [1970] Clean Air Amendments shows that Congress intended to impose national ambient air standards to be attained within a specific period of time. * * *" *Train* v. *Natural Resources Defense Council*, 421 U.S. 60, 86 (1975).

In the *Train* case no one even considered the possibility that the 3-year timeframe might have been merely a procedural matter—a criterion by which to determine whether a SIP met statutory requirements. Rather, the assumption was that the deadline was real, and that nonattainment status on the deadline would violate the Act. We also note that the consequences of violation then and now were the same, a construction ban.

In light of the foregoing, it is plain that the December 31, 1982, expiration date was a deadline for attainment, not a target or a goal. We cannot accept the notion that Congress mentioned the date merely as an aid to planning, nor can we assume that, in spite of its express determination to provide a reasonable framework for attainment, Congress intended no consequences to flow from failure to "provide for" healthful air. Since we determined that the funding sanctions are not appropriate to use in the nonattainment context, the construction moratorium is the only sanction available to place any economic pressure on States to continue to seek attainment. Unlike the restriction of funds for non-implementation (Act, section 176(b)), it does not handicap States in their efforts to continue seeking attainment. Instead, the moratorium has the added advantages of preventing any further deterioration of air quality while it remains in effect, and encouraging further attainment-seeking activities, because only attainment (or amending the Act) will lift the ban.

CONCLUSION

In B-208595, December 30, 1982, we pointed out the need for congressional action to resolve these and other enforcement-related issues under the Act. Though EPA's proper and attentive enforcement of the existing law can maintain the status quo, there remain economic, public health, and Federal/State relations issues which only Congress is in a position to resolve.

In an April 27, 1983, letter transmitting that opinion to the EPA I said:

The additional GAO opinion discusses the applicability of sanctions or penalties for "State noncompliance with approved SIP requirements or nonattainment". The opinion describes four sanctions—the construction moratorium and three funding sanctions. It concludes that the construction moratorium is a mandatory statutory requirement which goes into effect "automatically" for "continued nonattainment" and that two of the funding sanctions "are mandatory and must be applied whenever the circumstances which are set out as statutory triggers exist", including circumstances where States "are inexcusably delinquent in submitting their final July 1, 1982" State Implementation Plan (SIP) revisions. It finds that such States "are candidates" for these sanctions "at this time". The GAO also concludes that use of these mandatory funding sanctions, as proposed by the EPA, for areas that "did not achieve the NAAQS by December 31, 1982, is not in accord with the law".

THE CONSTRUCTION MORATORIUM SANCTION

As to the construction moratorium sanction, the GAO found that:

This sanction "is automatic and mandatory any time a SIP revision is not in full compliance with all the Part D requirements". (According to the EPA's January 31 and March 17, 1983 press releases, more than 100 counties are believed to be in this category, including areas in Arizona, California, Colorado, Georgia, Idaho, Indiana, Illinois, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Nevada, New Hampshire, New Mexico, New York, Ohio, Oklahoma, Pennsylvania, Texas, and Washington. The EPA extended comment period affords an opportunity for these areas to show that they are not in this category. Once these comments are analyzed, I understand that EPA will publish the final list, including the determination as to those areas that are in the failure category, and this sanction, according to the GAO, will apply);

This sanction "was activated by the expiration of the December 31, 1982 attainment deadline set" by law;

To meet the requirements of law (as set out in Part D of the Clean Air Act) "a SIP revision must 'provide for attainment' in the real sense, not just on paper" (i.e., a SIP "which did not produce attainment did not sufficiently 'provide for' attainment, and therefore does not meet the requirements of Part D");

Referring to the December opinion, the GAO states that EPA approval of a SIP revision or SIP "may not mean that all the statutory elements have been addressed";

The EPA must approve SIPs which "meet the minimum statutory requirements";

The "States, not EPA", are "mainly responsible for planning";

The "burden is clearly on the State to determine whether more than minimum efforts are necessary and to develop a plan adequate to achieve the NAAQSs within the time allowed";

The "existence of a substantially adequate plan does not guarantee attainment" (but EPA "cannot compel" a revision under section 110(a)(2)(H) of the Act);

EPA has the option to invoke the construction moratorium sanction whenever a State "is not acting in compliance with any plan" which "negates the argument that a mandatory plan revision is the exclusive remedy" for plans which fail to reach attainment;

The "whole historical context of the 1977 Amendments also militates against the conclusion that full compliance with Part D can be attained by planning for, but not producing, healthful air"; and

The "deadline was real, and that nonattainment status on the deadlines would violate the Act".

The GAO therefore concludes:

In light of the foregoing, it is plain that the December 31, 1982, expiration date was a deadline for attainment, not a target or a goal. We cannot accept the notion that Congress mentioned the date merely as an aid to planning, nor can we assume that, in spite of its express determination to provide a reasonable framework for attainment, Congress intended no consequences to flow from failure to "provide for" healthful air.

Accordingly, we determine that the construction moratorium should be used as the penalty for continued nonattainment.

MANDATORY FUNDING SANCTIONS

(a) The December 31, 1982 Deadline:

As to these sanctions, the GAO makes it clear that before the EPA can cut off clean air grants and Federal-aid highway funds "the statutory context" for their use must exist which is the "requirement to submit a Part D SIP revision". The GAO then states:

There was no requirement to submit an SIP revision on December 31, 1982. Thus, an air quality region's continued non-attainment status on the NAAQS deadline has no relation to this sanction at all. Our analysis is entirely in accord with the legislative history of the provision which clearly indicates that it was to be an inducement to adequate planning, not a punishment if good plans fell short of the mark.

(b) The July 31, 1982 Deadline:

The EPA has a "mandatory duty to review and approve or disapprove SIPs", including SIP revisions;

Before a funding sanction becomes mandatory, in the case of the July 1, 1982 deadline, there must be a "deficient or nonexistent SIP revision";

Such a SIP revision (to avoid EPA calling it deficient or nonexistent) must meet the statutory requirements of section 176(b) and (c) of the Act (including a "specific schedule for implementation of a vehicle emission control inspection and maintenance program" and "transportation controls to reach attainment", as discussed in the GAO's December opinion, and an EPA finding "that reasonable efforts are being made toward submitting a complete SIP revision". (According to EPA documents, the EPA has proposed disapproval of July 1982 SIP submissions for areas in such States as California, Illinois, Indiana, Maryland, Michigan, New York, Pennsylvania, Utah, and Wisconsin);

The "only flexibility which exists" in the law for the EPA "is in the determination of what constitutes 'reasonable efforts' toward producing a complete SIP revision including all the statutory elements and necessary transportation controls";

Referring to the December opinion, the GAO noted that about half the States required to adopt SIP revisions by July 1, 1982 "omitted at least one of the control strategies required" by the law and EPA's published policy and "all but three of those were deficient because enforceable I and M was not included";

The "reasonable efforts" provision of the law entails "sufficient legitimate discretion" to defer a funding cutoff "temporarily for States that submitted the schedules and commitments" that EPA called for in its May 21, 1982 letter to the Governors, even though, the GAO thinks the flexible requirements set forth in the EPA letter "are too lax to form a basis" for any approval of the SIP revision; and

The sanction "must be imposed in the future if States do not follow through with their commitment to submit an acceptable SIP revision, including transportation controls", which means that the "reasonable efforts" must mature at some time and that EPA cannot delay the inevitable indefinitely.

In conclusion, the GAO holds:

Future application of the clean air grant and highway fund sanction remains entirely appropriate for States which have not complied with the requirements of sections 172

(b) and (c) of the Act and the January 22, 1981 Policy for SIP revisions of carbon monoxide and photochemical oxidants. A list of those States that submitted SIP revisions on July 1, 1982, and the deficiencies in their content on vehicle inspection and maintenance and other transportation control measures was published at 48 Fed. Reg. 5022, 5025. This list demonstrates that this sanction can be used effectively at this time to promote adequate transportation planning, as was clearly intended by Congress. In reviewing July 1, 1982, submittals to determine whether to use the sanction, EPA should apply the standards set forth in B-208593, December 30, 1982.

GAO CONCLUSION

The GAO concludes:

Thus, we find that EPA's recent proposal to invoke the construction moratorium in nonattainment areas is correct, but its proposed use of the other statutory sanctions in that context is incorrect. It should use the other funding sanctions to achieve maximum compliance with the July 1, 1982, SIP revisions and apply the standards set forth in our earlier opinion to you.

The two GAO opinions taken together make it clear that, as a matter of law, the EPA's proposed findings of last January and February are correct, particularly those that hold that:

A State must attain the applicable national ambient air quality standard by the December 31, 1982 deadline, not merely plan to attain it;

The construction moratorium is automatic, once EPA concludes that an area has not attained the standard by the statutory deadline or adopted an I and M program; and

The EPA can impose funding sanctions on States that have deficient or nonexistent SIP revisions under the July 1, 1982 deadline.

I should stress that I am not consoled by the GAO conclusion that funding sanctions do not apply for failure to reach attainment by December 31, 1982, when I realize that many States, such as California, Indiana, Pennsylvania, and Michigan, are in violation of both deadlines. They face the moratorium and funding sanctions.

I once again stress that I do not like these sanctions or relish the idea that they will be imposed. But the law is the law. It must be enforced eventually. Some States complied with the law at considerable cost. Those that did not for whatever reason should not be given special treatment. They must face the consequences of their failure to comply, namely sanctions. I, therefore, request that you provide by May 18, 1983 a detailed schedule for finalizing the proposals of last January and February and for imposing the sanctions where applicable and in accordance with these GAO opinions.

Mr. BROYHILL. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of this amendment.

Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from California (Mr. DANNEMEYER). What the gentleman from California (Mr. DANNEMEYER) is attempting to do with this amendment is to deal with the situation that is faced by some 200-odd areas of the country that, for whatever reason, have not attained the national air quality standards by the last December date.

I want to correct an impression that was set forth here in an earlier colloquy between Members. We are not talking about changing the standards themselves. All we are talking about is the potential sanctions that will have to be imposed because of the dates that were put into the act back in 1977.

The gentleman from Michigan is entirely correct in that the sanctions are draconian and the dates are unrealistic. They need changing. I want to point out that the amendment offered by the gentleman from California will affect those States that have submitted a State implementation plan, those that meet the requirements of the law, those States that have offered SIP's that comply with the law, those that are adequate, and nevertheless, for whatever reason, have not attained the NAQS by national air quality standards by the deadline. They are enforcing the State implementation plan, they are carrying out the enforcement strategy, and they are attaining further progress.

But it does not make sense for those areas that have had just an occasional exceedance in the NAQS to then impose these draconian sanctions on them of withholding of funds or of imposing construction bans. It seems to me that there is certainly a better way, and the gentleman from California (Mr. DANNEMEYER) has done that in this amendment. This amendment does not apply to those States that have failed to submit adequate SIP's. It does not apply to those that have failed to comply with the conditions that are contained in their State implementation plans.

So this amendment is very narrowly drawn. It deserves the support of a majority of the committee.

The CHAIRMAN. For what purpose does the gentleman from California (Mr. WAXMAN) rise?

Mr. WAXMAN. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. Without objection, the gentleman from California (Mr. WAXMAN) is recognized for 5 minutes.

There was no objection.

Mr. WAXMAN. My colleagues, I find it a paradox that we find people arguing on this floor that we ought to enforce vigorously, even in a nonsensical way, sanctions for failing to meet deadlines, even though a State tried its best to comply with the requirements of the clean air law, while some of these same people, when they had an opportunity to introduce changes in the law, proposed that we eliminate the sanctions that would be imposed not only for failing to meet deadlines, but for a lot of the other requirements imposed under the Clean Air Act as well.

□ 1530

The reason this issue is before us is because Ms. Gorsuch, when she was the head of the EPA and when she was Ms. Gorsuch—she is now Mrs. Burford—thought that they had to pull a trigger that was aimed at the head of every Governor even though they did all they could to meet the requirements of the law. Now, why would one believe that she wanted to be so strict in the enforcement of the Clean Air Act when her record as the Administrator of the Environmental Protection Agency would lead one to a different conclusion? I ask that as a rhetorical question.

The interpretation of the law that the Dannemeyer amendment would give and which I support is an interpretation that is backed by the National Governors Association, the U.S. Conference of Mayors, the National League of Cities, the National Clean Air Coalition, the Sierra Club, the Natural Resources Defense Council, and the League of Women Voters.

If Members think that the environmental position is to enforce the maximum sanctions in an unreasonable way, then they are kidding themselves. This is a reasonable interpretation of the law which the Dannemeyer amendment would have us make, and I urge my colleagues to support this interpretation so that we can have the interpretation of the law that would do as follows: A State which is not properly carrying out an approved implementation plan, approved by EPA, and which when notified by EPA, proceeds within a reasonable time to revise and then implement its plans to attain the standards as expeditiously as practicable should not be subject to restrictions on new source permits or funding.

Mr. Chairman, that is the interpretation of the law that would be embodied in this amendment, and I urge that it be adopted.

Mr. COLEMAN of Texas. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to my colleague, the gentleman from Texas.

Mr. COLEMAN of Texas. Mr. Chairman, I would like to ask the gentleman whether or not indeed, by the passage of this amendment, we could alleviate some of the problems that border areas, for example, our having with nonattainment due to large cities over which we have no control at all.

Mr. WAXMAN. Mr. Chairman, I cannot give the gentleman an adequate answer to his question because it would depend on what the State was doing in its State plans.

Mr. COLEMAN of Texas. If there was a State plan or, in other words, if they were making the best effort they possibly could, then indeed would communities not be assisted by the Dannemeyer amendment?

Mr. WAXMAN. Mr. Chairman, I know that the gentleman has a special concern in his area, and I want to do all I can to help him with that problem. I do not know whether it fits into this amendment or not.

If sanctions would be imposed in a draconian way solely because the area, even though it acted in good faith and under the State plan to meet the requirements of this 1982 deadline, then this amendment would be of help. But if there are other reasons, I do not know. And by the way, this does not eliminate all sanctions for failing to live up to the Clean Air Act. It only eliminates one, and that would be a misinterpretation that there has to be a sanction for failing to meet deadlines. The law provides that the sanctions are not to do all that is necessary to have a plan that would meet those deadlines.

Mr. GLICKMAN. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN I yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Chairman, is it not incorrect to say it only eliminates one sanction? It does not eliminate the sanctions at all.

All it does is eliminate the EPA from taking that sanction. There is nothing to prohibit somebody from bringing a class-action suit to enforce that sanction, and, therefore, we are misleading the people. We are kind of perpetrating a fraud because the remedy is still there; it is just not there for the Government to enforce that remedy.

Mr. WAXMAN. Mr. Chairman, if I may reclaim my time, I think that the gentleman is incorrect in that interpretation. No one has ever moved on a citizens' suit. The whole question was whether EPA, given their threat to impose these sanctions, was going to follow through and whether in fact they had the discretion under the law, as I believe they do.

Mr. LUKEN. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I am pleased to yield to my colleague, the gentleman from Ohio.

Mr. LUKEN. Mr. Chairman, I would like to ask the gentleman from California this question: When the gentleman submitted H.R. 5555, the Clean Air Act amendment, last year, did it have this provision in it?

Mr. WAXMAN. Mr. Chairman, we proposed to extend or we had proposals that dealt with the deadline question, but there was no need to change this section of the law because we were never given this interpretation of the law.

The CHAIRMAN. The time of the gentleman from California (Mr. WAXMAN) has expired.

(On request of Mr. LUKEN, and by unanimous consent, Mr. WAXMAN was allowed to proceed for 3 additional minutes.)

Mr. LUKEN. Mr. Chairman, will the gentleman yield further?

Mr. WAXMAN. I am pleased to yield to the gentleman from Ohio.

Mr. LUKEN. Mr. Chairman, I would submit to the gentleman that when the gentleman submitted H.R. 5555 last year, this provision was not included. But contrary to what the gentleman just stated before, the provisions of 5252 did not eliminate sanctions but made them discretionary under certain criteria, sensible criteria, which would be settled under law.

What we are talking about here is a blanket exemption and a rewarding of the States and some areas that have not cleaned up, which means conversely that those that have cleaned up will be penalized. That is absolutely the intention, and all the qualifications, as the gentleman stated when he was in the well, are not in this amendment. All this amendment says is that no funds may be obligated to impose sanctions under the Clean Air Act. That is what we told the gentleman last year he would be coming in with on an amendment when we talked about it in the committee.

Mr. WAXMAN. Mr. Chairman, if I may reclaim my time, we did not have to address this issue. We extended the deadlines that were unrealistic, but what we kept in the law, something which the gentleman from Ohio did not insist upon in his proposal, was that the States do all they could to live up to the Clean Air Act and develop a plan that would in fact clean up the area, and that ought to be an essential part of the Clean Air Act. That we are not proposing to change, and those who argue against this reasonable interpretation of the law would like to put a gun to the heads of the Governors and pull the trigger.

Mr. TAUKE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as long as the Committee on Energy and Commerce is airing all its dirty laundry this afternoon on this appropriation measure, I think another side of the issue, a third side, ought to be presented.

When this issue of clean air came up before the Committee on Energy and Commerce last year, the very members who refused to compromise are the ones who are here today asking that the Clean Air Act be ignored. They were the ones who refused to make the legislative process work, they were the ones who would not address acid rain in a reasonable way, who would not address the hazardous waste issue in a reasonable way, and who refused to recognize that some industries could not live with the current Clean Air Act and refused to address that in a reasonable way.

We had unreasonable environmentalists, we had unreasonable people on the other side, and because the two refused to come together and because outside pressure groups refused to allow them to come together, we have not had a rewrite of the Clean Air Act.

So what are we being asked to do? Not to change the law as it should be changed, not to address those environmental issues which should be addressed or address those economic issues which should be addressed, but, instead, we are being asked to allow those areas of the country which have not been able to live up to the law to be allowed to get off the hook. That is essentially unfair.

Now, I recognize that California has a problem, I recognize that a lot of other areas of the country have problems, and I recognize, too, that because of the way the political process works, it is probably unlikely that the Committee on Energy and Commerce is going to be able to come up with a Clean Air Act this year. So, therefore, I understand why my colleague, the gentleman from California, and others are supporting this amendment. But it seems to me that everyone ought to understand what is happening here, and that is that we have, for a variety of reasons, been unable to be reasonable on the Clean Air Act. Therefore, we have a problem caused by a refusal to abandon extreme positions. I say a pox on both sides, both the pro-industry side and the proenvironmentalist side. Because of both sides the normal compromise that would be worked out in the legislative process has not been developed.

As a result, what we are saying is that the law that is on the books is going to be ignored. Oh, we are not changing the standards; we do not want to do that; that would not be proenvironment. Instead, what we are going to do is say that "if you didn't meet the standards, that's OK." That is not fair to the areas of the country that did meet the standards, and it really is not fair to the areas of the country that did not meet the standards because now those people are going to be forced to continue to breathe all that bad air.

I think the proper thing to do is to have the Committee on Energy and Commerce once again address the issue, and I am glad to know that our chairman is willing to do that. If we had a willingness on the part of everybody to not only address the issue but also to attempt to sit down and work out the compromises that are necessary to have a good act, then we would not have to take this kind of extraordinary measure which really makes this body look foolish. We look foolish because we are in this amendment saying that we are going to have these wonderful clean air standards in the law but we are going to eliminate the means to enforce them.

□ 1540

Mr. MOLINARI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think, like a lot of Members in the house here today, I have been totally confused by the debate. I have watched the actors and tried to associate them with the positions that they have had on clean air in the past and it does not match up.

I suspect that the gentlewoman from Illinois (Ms. MARTIN) was correct in what she said before. We should be for clean air and we should be for sanctions and we should be for deadlines, unless our congressional district is included in this list of those that do not comply, in which case then we are not for clean air. Then we look at the Environmental Protection Agency, which has been under severe attack in this body for the last year for being too lenient and I have been one that has attacked it, but suddenly we are being told that they are too severe and too strict and they have to be more lenient.

I am totally confused, and in my confusion, Mr. Chairman, I choose to vote against the amendment.

Mr. COATS. Mr. Chairman, I move to strike the requisite number of words and to oppose the amendment.

Mr. Chairman, it is with reluctance that I rise to oppose an amendment offered by my friend from California (Mr. DANNEMEYER). I appreciate his frustration in attempting for 2 years to enact meaningful changes to the Clean Air Act and, having failed that, seeing this as his only remedy, the only way that he can possibly bring about some significant delays in the timetables and the standards to allow his district that he represents to move forward in terms of development, even though it is not in compliance with the attainment standards of the Clean Air Act.

For 2 years in the Energy and Commerce Committee we have attempted to bring about reasonable changes in the Clean Air Act and address the very issue we are talking about here today. Those that supported those attempts and those that supported those changes were subject to a barrage of newspaper editorials and stories, labeling them as against clean air.

You are listening to one who has been labeled "Dirty Dan," one who has taken all of that abuse for 2 years because I wanted to bring about changes in the Clean Air Act so my area could move forward with development, only to stand here on the floor of the House of Representatives and listen from all of those people who opposed every effort made in the House Energy and Commerce Committee to make adjustments to the Clean Air Act. Procedurally and substantively, every effort that was brought forward was objected to and resisted on the basis that the change would totally undermine the Clean Air Act. Now they come before us saying, "We have found out that our particular area now is subject to and up against the deadline and, therefore, we want to have a bailout, we want an exemption for our particular area."

I would suggest that the gentlemen cannot have it both ways. They cannot force upon the rest of the country standards that are difficult to comply with only to find that when it comes to their particular district they want an exemption from that particular standard. So it is with some degree of amazement and skepticism that I have to rise and listen to those who opposed every effort to make modifications to the Clean Air Act now come before us and ask for modifications so that they can bail out their particular district.

I yield back the balance of my time.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in favor of the Dannemeyer amendment. I think it speaks to very legitimate kinds of concerns.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Michigan.

Mr. DINGELL. This is not going to help Pennsylvania.

Mr. WALKER. I thank the gentleman for his observation.

Mr. DINGELL. This is not going to help Pennsylvania, the specific problem in Pennsylvania which is inspection and maintenance. The amendment does not deal with that court-ordered problem.

Mr. WALKER. I thank the gentleman for his observation. I think at a time when my State and perhaps his is suffering tremendous rates of unemployment that when we attempt to take actions which at least have some hope of preserving industrial production in those areas that it is perhaps actions that we should take.

I also am concerned about the fact that we do come to this kind of issue at a time when jobs in this country are a major concern, and when the gentleman from North Carolina originally talked about this amendment he pointed out that jobs were in fact one reason for approving this amendment, and I hope it is approved.

I would also hope we would then go on and approve an amendment which I intend to offer which deals with specifically the issue of job opportunities. That amendment reads, and I will just state it so everyone understands it; it is a simple statement of job opportunities:

None of the funds appropriated under this Act shall be used to administer any program or activity in a manner which denies legitimate job opportunities to any individual.

The reason why I raised this in the course of this very important debate is because I understand that we are probably going to have another vote similar to the vote that we previously had about whether or not we are going to continue the debate here on the House floor. I had hoped that maybe we had resolved that issue, once and for all, when we voted to allow amendments like that of the gentleman from California to come before us, in hopes that also this amendment would come before us. It is now my understanding that the House leadership has made a determination that we are going to vote procedurally again. I would hope we could avoid that and simply go on and take care of some of these amendments which play a legitimate part in the bill that we have before us.

The particular amendment that I have speaks to a very important issue, one that was addressed recently in a legislative committee, and that is the issue of public housing and whether or not some of the young people who live in public housing areas, 15 to 21 years old, that have extremely high rates of unemployment, whether or not the Secretary of HUD ought to be given the flexibility to see to it that those people can be employed.

Part of what my amendment would do would be to assure that those people would have some job opportunities made available to them.

It seems to me we are going to have a very strange position around here if we vote to take up the amendment now before us and then we vote to deny an amendment that offers the potential of job opportunities. Yet the leadership is going to put us in that kind of a position.

I simply take the time to urge the Members that if we come to that kind of a vote, procedural vote again as to whether or not we are going to continue the debate on legitimate amendments, that they would vote in favor of keeping the committee in business and not to rise so that we can have consideration of a job opportunity amendment. I think it would be very hard to explain to constituents, particularly unemployed constituents, why you voted to have the committee not consider a job opportunity amendment when we are running 10-percent unemployment in the country.

Mr. LUKEN. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. LUKEN. My chairman just before pointed out to the gentleman that Pennsylvania would not benefit from this amendment because Pennsylvania is under a court order. That shows the whimsical nature of this amendment and this kind of an approach. It does not work. It is unfair.

Also, it is not aimed at cleaning up the air.

It has been commented that there has been a sort of a strange marriage here on the floor of the House between the gentleman from California (Mr. WAXMAN) and the other gentleman from California (Mr. DANNEMEYER). I do not know all of the reasons. But it may be the document I have in my hand here which points out the areas of California, of which there are many, which are not in compliance. They are at least in or around the districts of the gentlemen that are involved.

I think this is a pattern that we are seeing here. Many Members are voting their parochial interests. We all do, and I am not pointing any fingers. It is not reprehensible or anything like that. But we all should understand the actual reasons why it is happening.

My chairman also pointed out very forcefully and very cogently before that the reason that these districts can get away with this under the law, with this amendment, is that they have provided cheater SIP's which EPA wrongly approved. Now they want to be excused.

I would suggest to that gentleman that I agree with him.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. WALKER) has expired.

(On request of Mr. LUKEN and by unanimous consent Mr. WALKER was allowed to proceed for 1 additional minute.)

Mr. LUKEN. I would agree with the gentleman as far as the rule change was concerned. I did not like it, and I think these amendments should be voted on. I agree with the gentleman completely on that.

But I think the gentleman might rethink this particular amendment because it does tend to be whimsical. It is not going to be good in the long run. It is not going to be an evenhanded enforcement of the Clean Air Act.

Mr. WALKER. I thank the gentleman for pointing out the situation with regard to Pennsylvania. I would say to the gentleman, though, that the reason why the court order came about in Pennsylvania is as a result of this law.

We have had some very considerable problems in complying with that court order and just recently have managed to get something through the legislature which would put us into compliance. But I would say to the gentleman there is some question as to whether or not what the legislature finally passed is going to serve the best interests of clean air when all is said and done, because in order to get something politically possible through the legislature, what they have done is given nearly everybody in the State an exemption anyhow.

□ 1550

So, I would hope that we would in fact support the Dannemeyer amendment in hopes that at least we can begin to show the certainty as to what is in place.

(On request of Mr. TAUKE and by unanimous consent, Mr. WALKER was allowed to proceed for 1 additional minute.)

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Iowa.

Mr. TAUKE. I thank the gentleman for yielding.

As the gentleman from Pennsylvania pointed out, Pennsylvania had a problem because of this law which is being addressed today. I guess that is the point. It is the law that ought to be changed, not the limitation of funds for the enforcement of that law.

By eliminating funds for the enforcement of that law, all we are doing is taking this Congress off the hook, taking the Energy and Commerce Committee off the hook. We are taking the subcommittee that should address this issue off the hook and we are allowing those individuals in this Congress who have the responsibility for formulating policy in this area off the hook by leaving that lousy law on the books and simply saying, "Well, now, we are not going to change that—the thing that got your State in trouble; instead we are going to insure it is not enforced."

Mr. WALKER. I thank the gentleman. I think he makes a very legitimate point. I would say in response one of the problems we have around here right now is the fact that the authorizing committees and the committees that should be dealing with these laws so often are rendered powerless and the only place we have to address these issues is in the appropriation bills. This may be the only time we will get a chance to address this issue in this way. I would hope that the Members would say we have some lousy jobs being done around here in the committees and we need to address problems in a way that really speaks to issues of concern to many of our constituents and many of our States.

I yield back the balance of my time.

Mr. MARTIN of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment.

Representing an area of America that is dramatically impacted by the effects of acid rain, we waited patiently throughout the last Congress for omnibus clean air legislation to come out of the Energy and Commerce Committee.

They were unsuccessful in coming up with a piece of legislation, and I am fully satisfied—facing reality—that any legislation that would come out of committee probably would not attack the problem precisely the way I would like to. But at least it would give us the opportunity to deal with the problem here on the floor and offer up an amendment.

Until something happens within that committee, we are not going to have an aggressive policy toward the problem of acid rain.

And as far as I am concerned, if we pass this amendment you can forget about having clean air legislation coming out of that committee in an expeditious way. It was difficult enough in the last Congress. But what you are going to do is to take the pressure off if you pass this amendment.

I cannot hate any one for voting in favor of this, especially if you would find part of your district or your State in noncompliance. I can understand that. I certainly take no umbrage. But I would ask my colleagues not to support this; do not take the pressure off. We deserve to have the committee product come to the floor, and if we do not agree with the committee product we ought to have the right to amend. This is just a cop out. It is going to mean that we will not, during this Congress, have the appropriate legislation which will deal with the issues of clean air and acid rain. And I ask my colleagues to oppose the amendment.

Mr. KINDNESS. Will the gentleman yield?

Mr. MARTIN of New York. I yield to the gentleman.

Mr. KINDNESS. I thank the gentleman for yielding.

Mr. Chairman, I think the time comes in the functioning of any legislative body when it is necessary for the members of that legislative body to let some part of the legislature know that we are dissatisfied with the way things are going.

There is dissatisfaction with the way the Energy and Commerce Committee is functioning. If that message is not made clear here today by what has been said, it will never be made clear. I think the Committee on Energy and Commerce ought to take a very serious message away from this debate. I thank the gentleman for yielding.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of New York. I yield to the gentleman from Illinois, the distinguished minority leader.

Mr. MICHEL. I thank the gentleman for yielding and I am happy to hear him say he has no ill feeling toward those of us who may have a different position than he.

I want to first commend the gentleman from California for offering his amendment here today, giving Members an opportunity to vent their spleen, so to speak. I must confess that I am one of those who feels so frustrated over the impasse in the Com-

merce Committee relative to amending the Clean Air Act. The gentleman from Iowa (Mr. TAUKE) laid it out very clearly for us.

Mr. Chairman, I rise in support of this limitation language, which would prohibit the Environmental Protection Agency from applying the sanctions announced on February 3, and I do so because this sanctions approach is an ineffective and inappropriate means of enforcing the law.

Under the February 3 order, numerous counties around the country were placed on a sanctions list for not technically being in compliance with the Clean Air Act. Placement on this list results in moratoriums on construction, denial of Federal highway funds, and other similar types of penalties—penalties which may in fact be counterproductive in many cases.

An example of what I am talking about occurs in my own district, where a company—Midwest Solvents—in one of the counties on the sanction list—Tazewell County, Ill.—is seeking to build a fluidized bed combustion boiler that would enable it to burn high-sulfur Illinois coal at a low level of pollution.

This is the kind of innovative project we should be encouraging as a means of reducing air pollution, but under the sanctions approach, they would be denied a permit to construct the facility.

Furthermore, EPA tells us it would take many months, perhaps beyond the end of the year, for a waiver to be processed. The State, fortunately, has found a way to grant the permit without technically controvening the law, thus allowing construction to begin, but the boiler could still not be put in use until appropriate EPA action takes place.

I could cite other examples where we believe we are in compliance with the standards, but where the lengthy, cumbersome EPA review process and arbitrary nature of the sanctions designation make it almost impossible that any change in the designation will take place in the near future.

So these counties are tarred by the brush of noncompliance with the Clean Air Act, which not only hinders construction, but also makes it more difficult to recruit new industry.

I believe Bill Ruckelshaus feels the same way, from comments he has made. I have asked him to pull back and reconsider these sanction regulations, but I understand there is a question as to whether he can legally do so.

There is no question but that the Clean Air Act must be vigorously enforced. The broad-brush sanction approach, however, is not the most effective way to do so. It is arbitrary, dated, and does not allow for a rapid review and reconsideration of a county's designation.

I think there is pretty widespread agreement in this regard, and I would thus hope we will call a halt to this approach and explore other methods of enforcing the act.

Again, I applaud the gentleman from California (Mr. DANNEMEYER) for his initiative and thank the gentleman from New York for yielding to me.

Mr. MARTIN of New York. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. For what purpose does the gentleman from Massachusetts rise?

Mr. BOLAND. Mr. Chairman, I move to strike the requisite number of words.

I am about to move to close debate on this in a very few minutes. I do not like to foreclose the gentleman who is now on his feet. I will yield to the gentleman from Virginia (Mr. PARRIS).

Mr. PARRIS. I thank the gentleman for his courtesy.

Mr. Chairman, I am not a member of the Energy and Commerce Committee, unfortunately, and I concede my confusion at this moment to determine how this matter relates to my particular congressional district. The problem is that I supported Mr. DANNEMEYER's efforts last year to prohibit these kinds of sanctions against noncompliant political jurisdictions who did not have an inspection and maintenance program. Well, the people of my State and district adopted an I&M program and submitted a general plan accepted as being in compliance. We got into compliance the hard way. We have done all of the things that was said we had to do, with considerable expense I might add, and some frustration and some confusion as well. We are now in compliance. And if this amendment is adopted, we will presumably not have any problems. By the same token, the thing that confuses me and if the committee chairman or the gentleman from California (Mr. DANNEMEYER) or whoever can enlighten me on this, if the general assembly in my State chooses not to extend the legislation that got us in compliance after June 30, 1984, when it now expires, and the plan that was submitted which met the EPA requirements expires, if that happens, would we then be in noncompliance and should I vote for this amendment for that reason or should I, because my district is in compliance, be against the amendment.

I yield.

Mr. BOLAND. Mr. Chairman, I yield to the gentleman from Michigan, and then I will yield to the gentleman from New York.

Mr. DINGELL. I thank the gentleman from Massachusetts for yielding.

Mr. Chairman, I commend the gentleman. He raises an important point. First of all, the amendment is so deficient that if it were to come up as an amendment to the Clean Air Act, its offeror and the chairman of the subcommittee, Mr. WAXMAN, and most of the other Members on this body would denounce it for the fact that it is ineffective, it does not work, and it is unfair.

The way this amendment is drawn, there is no clarity as to what it will do with regard to the problem of the gentleman from Virginia.

What it does do, though, is it makes plain that many parts of the country, which have not acted to clean up their air, which filed cheater SIP's or which have not enforced their SIP's or which have not done things to clean up the air, will get the benefit of their sloth.

Other areas which have moved, as the gentleman's State has done, to comply with the law and clean up will suffer the penalty of having imposed economic adversity upon their citizens and the costs that are associated with that. But they also will be compelled to continue breathing the air that comes into their State from other States, because State lines are no barrier to polluted air. For example, if one looks at southern California, one will probably find that a massive plume of polluted air is moving from the Los Angeles basin on into other States—New Mexico, Arizona, Colorado—all throughout the West, polluting and contaminating the air.

Now, California has not taken the steps it is supposed to. This amendment would sanctify that behavior and would eliminate sanctions to be asserted on California for its failure to clean up.

□ 1600

And the other States, which are downwind from that, will be compelled to continue breathing that polluted and contaminated air. And yet those States have taken steps to clean up. They are penalized twice, once because they have acted to clean up and once because California now escapes the consequences of its failure to clean up its air.

Mr. BROYHILL. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from North Carolina.

Mr. BROYHILL. I thank the gentleman for yielding.

Mr. Chairman, I would like to respond and correct some of the things that have been said. This amendment has nothing to do with inspection and maintenance. Those areas that have asked for and got an extension under the law to 1987, a number of those areas had inspection and maintenance required in order to clean up the emission from automobiles and this could still be done with areas in the future. It does not affect that, but still those States that have submitted adequate plans—they have been referred to as

cheater SIP's here—if they are not adequate, this amendment does not apply to them. If the State implementation plans comply with the law, if they are meeting the law, then this amendment would apply to those States. If they are enforcing the SIP's, if they are carrying out the enforcement strategy and if they are obtaining further progress——

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. BOLAND) has expired.

(By unanimous consent, Mr. BOLAND was allowed to proceed for 5 additional minutes.)

Mr. BOLAND. Mr. Chairman, I yield to the gentleman from North Carolina (Mr. BROYHILL).

Mr. BROYHILL. I thank the gentleman.

To conclude, what I am trying to say is this would not apply to those States that have failed to submit adequate State implementation plans or have failed to comply with conditions that are contained in those plans.

Mr. DANNEMEYER. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from California.

Mr. DANNEMEYER. I thank the gentleman for yielding.

Mr. Chairman, I would like to respond to my colleague from Virginia that the list of congressional districts that contain all or parts of the counties that are not in compliance does not list Virginia in that category. That tells me that the counties in Virginia are in compliance with the law as it required as of December 31, 1982.

However, it may be that the compliance was achieved as a result of the implementation of I&M. If the gentleman's legislature deletes the requirement of I&M in Virginia, it may then result in one or more of the gentleman's counties not being in compliance with the deadlines and at that point this amendment could have relevance to the gentleman's congressional district or to the gentleman's State.

The point I seek to make is the I&M issue is separate and apart from the achievement of the deadlines pursued.

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Iowa.

Mr. TAUKE. I thank the gentleman for yielding.

Mr. Chairman, I believe the gentleman from California gave a faulty and erroneous response to the gentleman from Virginia.

If I could have the attention of the gentleman from Virginia, it is true that right now Virginia is in compliance with the law. And it is also true that Virginia is in compliance with the law because it has inspection and maintenance programs. If the State now abandons those inspection and maintenance program, then you will be violating your own State implementation plan and therefore sanctions, even with the passage of this amendment, can be imposed on you.

So since you have done a good job and back away from it you will be subject to sanctions. Somebody else who is not in compliance now maybe because they did not adopt inspection and maintenance will not be able to have sanctions imposed against them under this amendment the way it is worded.

Mr. PARRIS. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Virginia.

Mr. PARRIS. I thank the gentleman for yielding.

Mr. Chairman, I appreciate very much the comments of my colleagues and I think this exemplifies the kinds of problems that the chairman of the committee has alluded to in bringing this kind of a very technical, complicated issue before this House in this fashion.

The General Assembly in Virginia, which established the I&M program through June of 1984, meets in January of 1984, and if it does not in fact extend that program then my State will then be in noncompliance and there will be a 3-month period under which the area that we have now struggled so mightly to comply with, will be in noncompliance and therefore subject to the sanctions.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, what will happen to the gentleman's State will be that during the time that the State is in compliance, it will be protected. It does not need this amendment. If it were not in compliance and had not acted, it would need this amendment and then would purportedly be sheltered under the amendment. But if the State, having acted and imposed all these penalties on its people, then subsequently does not carry forward, it will not be in compliance with its own State implementation plan and will then be subject to penalties. That is the example of the unfairness of this amendment.

Mr. BOLAND. Mr. Chairman, I ask unanimous consent that all debate on this amendment and amendments thereto end in 3 minutes.

Mr. CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Chairman, this is the third year in a row that the same cast has come here and offered limitations of somewhat similar kindred.

The first 2 years, fiscal years 1982 and 1983, concerned vehicle inspection and maintenance sanctions. This year the amendments concern a related issue, as I understand it, involving sanctions if a State fails to meet clean air attainment standards. If the membership of this committee had followed my advice an hour and a half ago, we would have been out of here, particularly if we had voted to rise at that time. We would not have had this problem here if we had a Clean Air Act. It is that simple.

So, Mr. Chairman, I would hope that the amendment offered by the gentleman from California would be defeated. I do not support it. I am persuaded by the rather potent argument of the gentleman from Iowa (Mr. TAUKE). I would hope that the committee would vote down the amendment offered by the gentleman from California.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from California (Mr. DANNEMEYER).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. DANNEMEYER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 227, noes 136, not voting 69, as follows:

[Roll No. 149]

AYES—227

Addabbo	Edwards (AL)	Ireland
Anderson	Edwards (CA)	Jacobs
Andrews (NC)	Edwards (OK)	Jones (OK)
Andrews (TX)	Emerson	Kasich
Applegate	English	Kemp
Archer	Erdreich	Kogovsek
Aspin	Erlenborn	Kramer
Barnes	Evans (IL)	Lagomarsino
Bartlett	Fascell	Lantos
Bateman	Fazio	Latta
Bates	Feighan	Leath
Bethune	Fiedler	Lehman (CA)
Bevill	Fields	Leland
Biaggi	Fish	Levin
Bilirakis	Flippo	Lewis (CA)
Bliley	Foley	Lewis (FL)
Boggs	Ford (TN)	Loeffler
Boner	Frank	Long (LA)
Borski	Franklin	Lott
Boucher	Gaydos	Lowery (CA)
Boxer	Gekas	Lowry (WA)
Brooks	Gephardt	Lujan
Brown (CA)	Gibbons	Lundine
Broyhill	Gilman	Lungren
Bryant	Gingrich	MacKay
Burton	Gonzalez	Madigan
Byron	Goodling	Markey
Campbell	Gore	Marriott
Chandler	Gramm	Martin (NC)
Chappell	Gregg	Matsui
Coelho	Hall (IN)	McCandless
Coleman (TX)	Hall (OH)	McCollum
Conable	Hall, Ralph	McCurdy
Crane, Daniel	Hall, Sam	McDonald
Crane, Philip	Hamilton	McEwen
Daniel	Hammerschmidt	McHugh
Dannemeyer	Hance	McNulty
Daschle	Hansen (ID)	Michel
Daub	Harrison	Mikulski
Dellums	Hartnett	Miller (CA)
Dicks	Hefner	Miller (OH)
Dorgan	Hiler	Mineta
Dowdy	Hillis	Mollohan
Dreier	Horton	Montgomery
Durbin	Hubbard	Moody
Dymally	Hunter	Moorhead
Dyson	Hutto	Murphy
Eckart	Hyde	Murtha

Myers
Neal
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Ortiz
Ottinger
Oxley
Packard
Patman
Patterson
Paul
Pease
Penny
Quillen
Rangel
Ray
Reid
Richardson
Ridge
Robinson
Rogers
Rose
Roth
Rudd
Savage
Schaefer
Scheuer
Schroeder
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shumway
Sikorski
Skeen
Smith (NE)
Smith, Robert
Snyder
Solarz
Spence
Spratt
Staggers
Stangeland
Stenholm
Stump
Sundquist
Swift
Synar
Tallon
Taylor
Thomas (CA)
Torricelli
Udall
Valentine
Vandergriff
Vento
Volkmer
Walgren
Walker
Watkins
Waxman
Weaver
Wheat
Whitehurst
Whitley
Williams (MT)
Wirth
Wise
Wolpe
Wortley
Wright
Wyden
Yates
Yatron
Young (FL)
Young (MO)
Zablocki
Zschau

NOES—136

Ackerman
Akaka
Albosta
Annunzio
Anthony
Barnard
Bedell
Beilenson
Bennett
Bereuter
Boehlert
Boland
Bonior
Bosco
Breaux
Britt
Broomfield
Brown (CO)
Carper
Carr
Clarke
Clinger
Coats
Coleman (MO)
Cooper
Corcoran
Coughlin
Courter
Coyne
D'Amours
Davis
de la Garza
DeWine
Dingell
Donnelly
Downey
Dwyer
Early
Edgar
Evans (IA)
Ferraro
Ford (MI)
Fowler
Fuqua
Garcia
Gejdenson
Glickman
Gray
Green
Guarini
Gunderson
Hatcher
Hertel
Hightower
Hopkins
Hoyer
Huckaby
Hughes
Jeffords
Jenkins
Johnson
Jones (NC)
Kaptur
Kastenmeier
Kennelly
Kildee
Kindness
LaFalce
Lent
Levitas
Lipinski
Livingston
Luken
Mack
Martin (IL)
Martin (NY)
Mavroules
Mazzoli
McCloskey
McDade
McGrath
McKernan
McKinney
Minish
Mitchell
Moakley
Molinari
Moore
Morrison (CT)
Mrazek
Natcher
Nelson
Olin
Owens
Parris
Pepper
Perkins
Petri
Pickle
Porter
Ratchford
Regula
Rinaldo
Ritter
Roberts
Rodino
Roe
Roemer
Rostenkowski
Roukema
Roybal
Russo
Sawyer
Shannon
Shelby
Slattery
Smith (IA)
Smith (NJ)
Snowe
Solomon
St Germain
Stark
Stokes
Studds
Tauke
Tauzin
Thomas (GA)
Towns
Vander Jagt
Weber
Whittaker
Whitten
Williams (OH)
Winn
Wolf
Wylie

NOT VOTING—69

Alexander
AuCoin
Badham
Berman
Bonker
Carney
Chappie
Cheney
Clay
Collins
Conte
Conyers
Craig
Crockett
Derrick
Dickinson
Dixon
Duncan
Florio
Foglietta
Forsythe
Frenzel
Frost
Gradison
Hansen (UT)
Harkin
Hawkins
Heftel
Holt
Howard
Jones (TN)
Kazen
Kolter
Kostmayer
Leach
Lehman (FL)
Levine
Lloyd
Long (MD)
Marlenee
Martinez
McCain
Mica
Morrison (WA)
Nielson
Panetta
Pashayan
Price
Pritchard
Pursell
Rahall
Rowland
Sabo
Schneider
Schulze
Shuster
Siljander
Simon
Sisisky
Skelton
Smith (FL)
Smith, Denny
Stratton
Torres
Traxler
Vucanovich
Weiss
Wilson
Young (AK)

□ 1620

Messrs. ROSTENKOWSKI, CLINGER, and HUGHES changed their votes from "aye" to "no."

Mr. FASCELL, Mr. GILMAN, Mrs. BOGGS, Ms. OAKAR, and Messrs. HORTON, RALPH M. HALL, VOLKMER, and SAVAGE changed their votes from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. BOLAND. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The CHAIRMAN. The question is on the motion offered by the gentleman from Massachusetts (Mr. BOLAND).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. WALKER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 241, noes 120, not voting 71, as follows:

[Roll No. 150]

AYES—241

Ackerman
Addabbo
Akaka
Albosta
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Aspin
Barnard
Barnes
Bates
Bedell
Beilenson
Bennett
Bevill
Biaggi
Boggs
Boland
Boner
Bonior
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brooks
Brown (CA)
Bryant
Byron
Carper
Carr
Chappell
Clarke
Coelho
Coleman (TX)
Cooper
Coyne
D'Amours
Daschle
de la Garza
Dellums
Dicks
Dingell
Donnelly
Dorgan
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edgar
Edwards (AL)
Edwards (CA)
English
Erdreich
Erlenborn
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Flippo
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Gore
Gray
Green
Guarini
Gunderson
Hall (IN)
Hall (OH)
Hamilton
Hance
Harrison
Hatcher
Hefner
Hertel
Hightower
Horton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Ireland
Jacobs
Jenkins
Johnson
Jones (NC)
Jones (OK)
Kaptur
Kastenmeier
Kennelly
Kildee
Kogovsek
LaFalce
Lantos
Leath
Lehman (CA)
Leland
Levin
Levitas
Lewis (CA)
Lipinski
Long (LA)
Long (MD)
Lowry (WA)
Luken
Lundine
MacKay
Madigan
Markey
Marriott
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McHugh
McKinney
McNulty
Mikulski
Miller (CA)
Miller (OH)
Mineta
Minish
Mitchell
Moakley
Mollohan
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Patman
Patterson
Pease
Penny
Pepper
Perkins
Pickle
Rangel
Ratchford
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Rodino
Roe
Roemer
Rostenkowski
Roukema
Roybal
Rudd
Savage
Sawyer
Scheuer
Schumer
Seiberling
Shannon
Sharp
Shelby
Sikorski
Slattery
Smith (IA)
Smith (NE)
Snowe
Solarz
Spratt
St Germain
Staggers
Stark
Stenholm
Stokes
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torricelli
Towns
Udall
Valentine
Vandergriff
Vento
Volkmer
Walgren
Watkins
Waxman
Weaver
Wheat
Whitley
Whitten
Williams (MT)
Williams (OH)
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)
Zablocki

NOES—120

Applegate
Archer
Bartlett
Bateman
Bereuter
Bethune
Bilirakis
Bliley
Boehlert
Broomfield
Brown (CO)
Broyhill
Burton
Campbell
Chandler
Clinger
Coats
Coleman (MO)
Conable
Corcoran
Coughlin
Courter
Crane, Daniel
Crane, Philip
Daniel
Dannemeyer
Daub
Davis
DeWine
Dreier
Edwards (OK)
Emerson
Evans (IA)
Fiedler
Fields
Fish
Franklin
Gekas
Gingrich
Goodling
Gramm
Gregg
Hall, Ralph
Hall, Sam
Hammerschmidt
Hansen (ID)
Hartnett
Hiler
Hillis
Hopkins
Hunter
Hyde
Jeffords
Kasich
Kemp
Kindness
Kramer
Lagomarsino
Latta
Lent
Lewis (FL)
Livingston
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Mack
Martin (IL)
Martin (NC)
Martin (NY)
McCandless
McCollum
McDonald
McEwen
McGrath
McKernan
Michel
Molinari
Montgomery
Moore
Moorhead
Oxley
Packard
Parris
Paul
Petri
Porter
Ritter
Roberts
Robinson
Rogers
Roth
Russo
Schaefer
Sensenbrenner
Shaw
Skeen
Smith (NJ)
Smith, Robert
Snyder
Solomon
Spence
Stangeland
Stump
Sundquist
Tauke
Taylor
Thomas (CA)
Vander Jagt
Walker
Weber
Whitehurst
Whittaker
Winn
Wolf
Wortley
Wylie
Young (FL)
Zschau

NOT VOTING—71

Alexander
AuCoin
Badham
Berman
Bonker
Carney
Chappie
Cheney
Clay
Collins
Conte
Conyers
Craig
Crockett
Derrick
Dickinson
Dixon
Duncan
Florio
Foglietta
Forsythe
Frenzel
Frost
Gradison
Hansen (UT)
Harkin
Hawkins
Heftel
Holt
Howard
Jones (TN)
Kazen
Kolter
Kostmayer
Leach
Lehman (FL)
Levine
Lloyd
Marlenee
Martinez
McCain
Mica

Morrison (WA)	Sabo	Smith (FL)
Nielson	Schneider	Smith, Denny
Panetta	Schroeder	Stratton
Pashayan	Schulze	Torres
Price	Shumway	Traxler
Pritchard	Shuster	Vucanovich
Pursell	Siljander	Weiss
Quillen	Simon	Wilson
Rahall	Sisisky	Young (AK)
Rowland	Skelton	

□ 1640

So the motion was agreed to.

The result of the vote was announced as above recorded.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LEVITAS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3133) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1984, and for other purposes; had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device and there were—yeas 216, nays 143, not voting 73, as follows:

[Roll No. 151]

YEAS—216

Ackerman	Boggs	Courter
Addabbo	Boland	Coyne
Akaka	Bonior	D'Amours
Albosta	Borski	Daschle
Alexander	Bosco	Davis
Anderson	Boucher	de la Garza
Andrews (NC)	Boxer	Dellums
Andrews (TX)	Britt	Dicks
Annunzio	Brooks	Dingell
Anthony	Brown (CA)	Donnelly
Aspin	Bryant	Dowdy
Barnes	Carper	Downey
Bates	Carr	Durbin
Bedell	Chappell	Dwyer
Beilenson	Clarke	Dymally
Bennett	Coelho	Early
Bethune	Coleman (MO)	Edgar
Bevill	Coleman (TX)	Edwards (CA)
Biaggi	Cooper	Emerson
Boehlert	Coughlin	Erdreich
Evans (IL)	Long (LA)	Roybal
Fascell	Long (MD)	Savage
Fazio	Lujan	Sawyer
Ferraro	Luken	Scheuer
Fields	MacKay	Schroeder
Fish	Markey	Schumer
Flippo	Matsui	Seiberling
Foley	Mavroules	Shannon
Ford (MI)	Mazzoli	Sharp
Ford (TN)	McCloskey	Shelby
Frank	McDade	Sikorski
Fuqua	McHugh	Smith (IA)
Garcia	McKernan	Smith (NE)
Gaydos	McKinney	Smith (NJ)
Gejdenson	Mikulski	Snowe
Gephardt	Miller (CA)	Solarz
Gibbons	Mineta	Spratt
Gilman	Minish	St Germain
Glickman	Mitchell	Staggers
Gonzalez	Moakley	Stark
Gore	Molinari	Stokes
Gray	Mollohan	Studds
Green	Morrison (CT)	Swift
Guarini	Murphy	Synar
Hall (IN)	Murtha	Tallon
Hall (OH)	Natcher	Taylor
Hamilton	Nowak	Thomas (GA)
Hammerschmidt	Oakar	Torricelli
Harrison	Oberstar	Towns
Hatcher	Obey	Udall
Hefner	Olin	Valentine
Hertel	Ortiz	Vander Jagt
Hightower	Ottinger	Vento
Horton	Owens	Volkmer
Howard	Patman	Walgren
Hoyer	Pease	Watkins
Jacobs	Penny	Waxman
Jeffords	Pepper	Weaver
Johnson	Perkins	Wheat
Jones (NC)	Pickle	Whitley
Jones (OK)	Rangel	Whitten
Kaptur	Ratchford	Williams (MT)
Kastenmeier	Reid	Williams (OH)
Kennelly	Richardson	Wirth
Kildee	Ridge	Wise
Kogovsek	Rinaldo	Wolpe
Lantos	Ritter	Wright
Lehman (CA)	Rodino	Wyden
Leland	Roe	Yates
Levin	Rose	Yatron
Lewis (CA)	Rostenkowski	Young (MO)
Lipinski	Roukema	Zablocki

NAYS—143

Applegate	Goodling	Martin (IL)
Archer	Gramm	Martin (NC)
Barnard	Gregg	Martin (NY)
Bartlett	Gunderson	McCandless
Bateman	Hall, Ralph	McCollum
Bereuter	Hall, Sam	McCurdy
Bilirakis	Hance	McDonald
Bliley	Hansen (ID)	McEwen
Breaux	Hartnett	McGrath
Broomfield	Hiler	Michel
Brown (CO)	Hillis	Miller (OH)
Broyhill	Hopkins	Montgomery
Burton	Hubbard	Moody
Byron	Huckaby	Moore
Campbell	Hughes	Moorhead
Chandler	Hunter	Mrazek
Clinger	Hutto	Myers
Coats	Hyde	Neal
Conable	Ireland	Nichols
Corcoran	Jenkins	O'Brien
Crane, Daniel	Kasich	Oxley
Crane, Philip	Kemp	Packard
Daniel	Kindness	Parris
Dannemeyer	Kramer	Patterson
Daub	LaFalce	Paul
DeWine	Lagomarsino	Petri
Dorgan	Latta	Porter
Dreier	Leath	Ray
Dyson	Lent	Regula
Eckart	Levitas	Roberts
Edwards (AL)	Lewis (FL)	Robinson
Edwards (OK)	Livingston	Roemer
English	Loeffler	Rogers
Erlenborn	Lott	Roth
Evans (IA)	Lowery (CA)	Rudd
Feighan	Lowry (WA)	Russo
Fiedler	Lundine	Schaefer
Fowler	Lungren	Sensenbrenner
Franklin	Mack	Skeen
Gekas	Madigan	Slattery
Gingrich	Marriott	Smith, Robert
Snyder	Tauke	Whittaker
Solomon	Tauzin	Winn
Spence	Thomas (CA)	Wolf
Stangeland	Vandergriff	Wylie
Stenholm	Walker	Young (FL)
Stump	Weber	Zschau
Sundquist	Whitehurst	

NOT VOTING—73

AuCoin	Harkin	Quillen
Badham	Hawkins	Rahall
Berman	Heftel	Rowland
Boner	Holt	Sabo
Bonker	Jones (TN)	Schneider
Carney	Kazen	Schulze
Chappie	Kolter	Shaw
Cheney	Kostmayer	Shumway
Clay	Leach	Shuster
Collins	Lehman (FL)	Siljander
Conte	Levine	Simon
Conyers	Lloyd	Sisisky
Craig	Marlenee	Skelton
Crockett	Martinez	Smith (FL)
Derrick	McCain	Smith, Denny
Dickinson	McNulty	Stratton
Dixon	Mica	Torres
Duncan	Morrison (WA)	Traxler
Florio	Nelson	Vucanovich
Foglietta	Nielson	Weiss
Forsythe	Panetta	Wilson
Frenzel	Pashayan	Wortley
Frost	Price	Young (AK)
Gradison	Pritchard	
Hansen (UT)	Pursell	

□ 1700

The Clerk announced the following pairs:

On this vote:

Mr. Rowland for, with Mrs. Vucanovich against.

Mr. Sisisky for, with Mr. Nielson of Utah against.

Mr. Rahall for, with Mr. Craig against.

Mr. Hawkins for, with Mr. Siljander against.

Mr. Derrick for, with Mr. Frenzel against.

Mr. Nelson of Florida for, with Mr. Badham against.

Mrs. Collins for, with Mr. McCain against.

Mr. Florio for, with Mr. Hansen of Utah against.

Mr. Bonker for, with Mr. Cheney against.

Mrs. Schneider for, with Mr. Chappie against.

Mr. FRANKLIN changed his vote from "yea" to "nay."

Mr. DURBIN changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

● Mr. OBERSTAR. Mr. Speaker, I was unavoidably absent from the House during the rollcall vote this morning on the motion of the House to resolve itself into the Committee of the Whole House for the consideration of H.R. 3133, HUD-independent agencies appropriations. Had I been present I would have voted present. The House approved the motion by a vote of 324 to 2.

REPORT ON H.R. 3191, TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATION BILL, 1984

Mr. ROYBAL, from the Committee on Appropriations, submitted a privileged report (Rept. No. 98-229) on the bill (H.R. 3191), making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1984, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

Mr. MILLER of Ohio reserved all points of order on the bill.

REQUEST TO MAKE IN ORDER CONSIDERATION OF H.R. 3191, TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATION BILL, 1984

Mr. ROYBAL. Mr. Speaker, I ask unanimous consent that it be in order to consider the bill (H.R. 3191) making appropriations for the Department of the Treasury, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1984, and for other purposes, section 303(a) of Public Law 93-344 to the contrary notwithstanding.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. WALKER. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

LEGISLATIVE PROGRAM

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, I ask for this 1 minute for the purpose of talking with regard to the schedule. A lot of Members are inquiring about the schedule for the rest of the day and since there had been some confusion about whether or not we are going to have votes tomorrow or not, and what the schedule is for the rest of the day, perhaps we could receive the schedule for next week, too.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Texas.

Mr. WRIGHT. I thank the gentleman for yielding.

At this time we would expect to take up the legislative appropriation bill. We would like to finish that tonight. If we do not finish it tonight, we will conclude it tomorrow.

Tomorrow we will convene at 10 a.m. and adjourn by 3 p.m.

If we are able to complete action on the legislative appropriation bill and time remains, we will take up H.R. 2915, the State Department and related agencies authorization bill for fiscal 1984 and 1985.

In any event, we would expect to finish by 3 o'clock tomorrow.

On Monday, we come in at noon. We have seven suspensions, but we will postpone votes on those suspensions until the completion of legislative business Monday.

There still remains one suspension on which we need to vote before we conclude today. We had put it off until the last part of today's session and that is the suspension on the bill debated yesterday, S. 639, the Lebanon Emergency Assistance Act.

Mr. LOTT. It is anticipated that that vote would not occur until after consideration and completion of the legislative appropriation?

Mr. WRIGHT. After consideration of the legislative appropriation bill.

Then on Monday after we have debated the seven suspensions, we would begin the energy and water appropriations bill, and complete its consideration on Tuesday.

On Wednesday and the balance of the week, we would take up State, Justice appropriations; Treasury-Postal appropriations; and Agriculture appropriations.

We would adjourn by 3 p.m. on Friday, coming in at 10 a.m. on Wednesday, Thursday, and Friday. If we are able to complete this schedule, we will have completed six of the regular departmental appropriations bills by the end of next week.

Mr. MYERS. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Indiana.

Mr. MYERS. I thank the gentleman for yielding.

Mr. Speaker, did I understand the gentleman to say energy and water would come up on Monday for general debate? It was my understanding it would not come up until Tuesday.

Mr. WRIGHT. Well, it has been changed. It will be started on Monday and completed on Tuesday.

Mr. MYERS. Which changed copy does the gentleman have?

Mr. WRIGHT. I have the most recently revised schedule which calls for consideration of the energy and water appropriation bill on Monday and its conclusion on Tuesday.

The committee requested this change. This was not a change engineered at the whim of the majority leader.

Mr. MYERS. Is there any possibility that the gentleman cannot read the writing on there.

Mr. WRIGHT. That is altogether possible.

Mr. LOTT. The State-Justice and Commerce appropriation bill would then be scheduled to come up Tuesday or Wednesday?

Mr. WRIGHT. The State-Justice appropriations bill would come Wednesday.

□ 1710

Mr. LOTT. And we do expect to go ahead and complete legislative branch appropriations tonight; is that correct?

Mr. WRIGHT. That would be our fond hope.

Mr. LOTT. And it is clear, then, that we can expect, in all likelihood, to have votes tomorrow, on Friday?

Mr. WRIGHT. Yes. I do not see any way to avoid that, if we are to stay on our schedule. Votes tomorrow either in completion of the legislative branch appropriation bill or, if we have completed it this evening, then votes on the State Department authorization bill tomorrow.

Mr. EDGAR. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Speaker, I wonder if the gentleman could indicate, on energy and water appropriations, whether or not amendments would be under consideration on Monday, or just general debate?

Mr. WRIGHT. If the gentleman will yield, I do not have any clear guidance on that from the committees. I would presume that there is 1 hour of general debate and that we would expect to begin consideration of amendments on Monday, time permitting.

Mr. EDGAR. I thank the gentleman.

Mr. LOTT. Mr. Speaker, I would ask the gentleman to respond to one other question that I hear a number of Members asking: Do we have any idea of how late it is anticipated the House will be in session tonight, in view of the fact that we are taking up legislative branch appropriations? There are, apparently, some amendments pending that will be debated and voted on, plus we have this additional remaining suspension bill that has been carried over. I know a lot of Members would like to know that. Some of them have actually planned to leave tonight, up until this change in schedule for tomorrow was announced.

Mr. WRIGHT. Mr. Speaker, I wish I could give the gentleman a very clear and dependable answer. There has been some discussion with the subcommittee chairman who is managing this bill. He believes that it can be handled very expeditiously. If that turns out not to be the case, then the Committee will rise at a reasonable hour. I do not want to give a specific hour because that encourages dilatory tactics, if there be any so inclined. It also frustrates the efforts of those who might find it possible to complete the bill if we were able to stay for 15 more minutes. So let us just stay with it in time and see how we do, and if we do not show signs of progress, then we will

rise at a fairly reasonable hour. We do not expect to be here more than a couple more hours.

Mr. LOTT. There is no chance the House will vote on the suspension before we go to the legislative branch appropriation bill?

Mr. WRIGHT. No; I do not think so. I think the plan is that the legislative branch appropriation bill will be taken up immediately.

Mr. LOTT. I thank the gentleman.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair announces that he trusts the majority leader would give in full the schedule for next week during tomorrow's session, in the event there would be any changes.

GENERAL LEAVE

Mr. FAZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 3135, and that I may be permitted to include extraneous and tabular material.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

LEGISLATIVE BRANCH APPROPRIATIONS, 1984

Mr. FAZIO. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3135) making appropriations for the legislative branch for the fiscal year ending September 30, 1984, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from California (Mr. LEWIS) and myself.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. FAZIO).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3135, with Mr. DE LA GARZA in the Chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from California (Mr. FAZIO) will be recognized for 30 minutes, and the gentleman from California (Mr. LEWIS) will be recognized for 30 minutes.

The Chair recognizes the gentleman from California (Mr. FAZIO).

Mr. FAZIO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is a privilege for me to present the legislative branch appropriation bill for fiscal year 1984 to the House. At the outset, I would like to express my thanks to the other members of the subcommittee for their help and support throughout the hearings and markup process. The members of the subcommittee have included Mr. OBEY of Wisconsin, Mr. MURTHA of Pennsylvania, Mrs. BOGGS of Louisiana, Mr. HIGHTOWER of Texas, Mr. TRAXLER of Michigan, Mr. LEWIS of California, who has been very helpful in his position as ranking minority member, Mr. CONTE of Massachusetts, the ranking minority member of the full Appropriations Committee, Mr. MYERS of Indiana, Mr. PORTER of Illinois, and of course, Mr. WHITTEN of Mississippi, who as chairman of the Committee on Appropriations, is an ex-officio member of the subcommittee.

RECOMMENDATIONS FOR FISCAL YEAR 1984

Mr. Chairman, the bill we are considering today contains appropriations for fiscal year 1984 totaling $1,210,644,200, of which $719,926,200 is for congressional operations. These figures exclude appropriations for the operation of the Senate in accord with the long-term practice under which each body determines its own housekeeping requirements.

The budget requests considered by the committee totaled $1,227,335,200. The recommendation is $16,691,000 less than was requested.

The overall appropriations recommended are only $3,721,937 over the amounts appropriated in fiscal year 1983, the current year level, which includes the amounts in the House passed supplemental. This is less than 1 percent above the current level of legislative branch funding for fiscal year 1983. If you consider inflation—and the current rate is about 5 percent—we have actually reduced the size of the legislative budget. In the face of constant inflation over the past several years, this budget is far below the amount necessary to keep up with the pace of increases in prices and wages.

In general, very few increases for workload expansion have been allowed, and then only when the work of the Congress has so required or where we are trying to protect the taxpayers' investment in legislative branch resources. It has been the general policy of the Committee to provide the funds necessary for employee cost-of-living pay raises and other mandatory items and for a selected number of the increases made necessary because of rising prices. These increases have been largely offset by reductions in workload expansion, equipment, alterations, repairs, and in the effects of legislation.

We have allowed only 33 of 103 new jobs requested, but other cuts in the employment base will enable us to end up with 18 less jobs in the legislative branch than we now have authorized.

But I believe we have been careful to insure that the essential operations necessary to support the Congress have been preserved.

This is virtually the same budget as last year. The increase over the current fiscal year 1983 level is only three-tenths of 1 percent.

And this is not just a 1-year phenomenon, Mr. Chairman. Since 1979 the legislative branch appropriation has grown at an annual rate of only 5.3 percent, while the Federal budget has grown at an 11.6 percent rate—all this during a time when annual inflation has been 8 percent. The Federal budget has been growing at a rate over twice as fast as the legislative branch budget. In the meantime, our budget has declined in real growth.

Mr. Chairman, we can again tell the taxpayers that the legislative branch is participating completely—as a matter of fact we are showing the way—in the process of fiscal restraint. Every Member of this body can report to his constituents that fiscal responsibility begins at home—here in the Halls of Congress.

At this point in the RECORD under permission which I have already obtained, I will insert a tabulation detailing the committee recommendations in comparative form:

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—LEGISLATIVE BILL (H.R. 3135)

	Fiscal year 1983 enacted plus supplemental [1]	Fiscal year 1984 estimates	Committee recommendation	House bill compared with— Enacted	House bill compared with— Estimates
TITLE I—CONGRESSIONAL OPERATIONS					
HOUSE OF REPRESENTATIVES					
Payments to Widows and Heirs of Deceased Members of Congress					
Gratuities, deceased Members	$200,263			−$200,263	
Mileage of Members					
Mileage of Members	210,000	$210,000	$210,000		
House Leadership Offices					
Office of the Speaker	717,000	721,000	721,000	+4,000	
Office of the Majority Floor Leader	589,000	594,000	594,000	+5,000	
Office of the Minority Floor Leader	659,000	667,000	667,000	+8,000	
Office of the Majority Whip	514,000	548,000	548,000	+34,000	
Office of the Minority Whip	444,000	475,000	475,000	+31,000	
Total, House leadership offices	2,923,000	3,005,000	3,005,000	+82,000	
Salaries, Officers and Employees					
Office of the Clerk	12,268,000	12,502,000	12,502,000	+234,000	
Office of the Sergeant at Arms	16,911,000	17,173,000	17,173,000	+262,000	
Office of the Doorkeeper	6,162,000	6,185,000	6,185,000	+23,000	
Office of the Postmaster	1,838,000	1,845,000	1,845,000	+7,000	
Office of the Chaplain	66,000	68,000	68,000	+2,000	
Office of the Parliamentarian	525,000	575,000	575,000	+50,000	
Office of the Parliamentarian	(323,300)	(368,000)	(368,000)	(+44,700)	
Compilation of precedents of the House of Representatives	(201,700)	(207,000)	(207,000)	(+5,300)	
Office of the Law Revision Counsel	750,000	741,000	741,000	−9,000	
Office of the Legislative Counsel	2,743,000	3,085,000	3,085,000	+342,000	
House Democratic Steering Committee and Caucus	539,000	542,000	542,000	+3,000	
House Democratic Steering Committee	(411,000)	(413,000)	(413,000)	(+2,000)	
House Democratic Caucus	(128,000)	(129,000)	(129,000)	(+1,000)	
House Republican Conference	539,000	542,000	542,000	+3,000	
Six minority employees	394,000	404,000	404,000	+10,000	
Other authorized employees	977,000	977,000	977,000		
Technical assistant, Office of the Attending Physician	(42,000)	(42,000)	(42,000)		
L.B.J. Interns and Former Speakers' staff	(847,000)	(847,000)	(847,000)		
Miscellaneous items	(88,000)	(88,000)	(88,000)		
Total, salaries, officers and employees	43,712,000	44,639,000	44,639,000	+927,000	
Committee Employees					
Professional and clerical employees (standing committees)	33,709,000	34,734,000	34,734,000	+1,025,000	
Committee on Appropriations (Studies and Investigations)					
Salaries and expenses	3,750,000	3,700,000	3,700,000	−50,000	
Committee on the Budget (Studies)					
Salaries and expenses	276,000	299,000	299,000	+23,000	
Members' Clerk Hire					
Clerk hire	149,919,000	150,233,000	150,233,000	+314,000	
Contingent Expenses of the House					
Allowances and Expenses					
Official expenses of Members	57,737,000	67,200,000	67,200,000	+9,463,000	
Supplies, materials, administrative costs and Federal tort claims	8,337,000	9,208,000	9,208,000	+871,000	
Furniture and furnishings	1,250,000	985,000	985,000	−265,000	
Reporting hearings	700,000	850,000	700,000		−$150,000
Reemployed annuitants reimbursement	2,300,000	2,300,000	2,300,000		
Government contributions	20,348,000	22,349,000	22,349,000	+2,001,000	
Miscellaneous items	500,000	500,000	500,000		
Total, allowances and expenses	91,172,000	103,392,000	103,242,000	+12,070,000	−150,000
Special and Select Committees					
Salaries and expenses	42,000,000	44,000,000	44,000,000	+2,000,000	
Total, contingent expenses of the House	133,172,000	147,392,000	147,242,000	+14,070,000	−150,000
Total, House of Representatives	367,871,263	384,212,000	384,062,000	+16,190,737	−150,000
JOINT ITEMS					
Contingent Expenses of the Senate					
Joint Economic Committee	2,387,000	2,487,000	2,437,000	+50,000	−50,000
Joint Committee on Printing	855,000	855,000	855,000		
Total, contingent expenses of the Senate	3,242,000	3,342,000	3,292,000	+50,000	−50,000
Contingent Expenses of the House					
Joint Committee on Taxation	3,377,000	3,395,000	3,395,000	+18,000	

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—LEGISLATIVE BILL (H.R. 3135)—Continued

	Fiscal year 1983 enacted plus supplemental [1]	Fiscal year 1984 estimates	Committee recommendation	House bill compared with— Enacted	House bill compared with— Estimates
Office of the Attending Physician					
Medical supplies, equipment, expenses, and allowances	652,000	653,200	653,200	+1,200	
Capitol Police					
General expenses	945,000	1,612,000	1,612,000	+667,000	
Capitol Police Board		213,000	213,000	+213,000	
Total, Capitol Police	945,000	1,825,000	1,825,000	+880,000	
Education of Pages					
Education of congressional pages and pages of the Supreme Court	293,000	295,000	295,000	+2,000	
Official Mail Costs					
Expenses	93,161,000	107,077,000	107,077,000	+13,916,000	
Capitol Guide Service					
Salaries and expenses	765,000	775,000	775,000	+10,000	
Statements of Appropriations					
Preparation	13,000	13,000	13,000		
Total, joint items	102,448,000	117,375,200	117,325,200	+14,877,200	−50,000
OFFICE OF TECHNOLOGY ASSESSMENT					
Salaries and expenses	13,019,000	14,600,000	13,933,000	+914,000	−667,000
CONGRESSIONAL BUDGET OFFICE					
Salaries and expenses	15,094,000	16,751,000	16,300,000	+1,206,000	−451,000
ARCHITECT OF THE CAPITOL					
Office of the Architect of the Capitol					
Salaries	4,518,000	4,829,000	4,806,000	+288,000	−23,000
Contingent expenses	210,000	210,000	210,000		
Total, Office of the Architect of the Capitol	4,728,000	5,039,000	5,016,000	+288,000	−23,000
Capitol Buildings and Grounds					
Capitol buildings	10,098,000	11,100,000	10,568,000	+470,000	−532,000
Capitol grounds	4,961,000	3,199,000	3,199,000	−1,762,000	
Acquisition of property as an addition to the Capitol grounds	4,500,000			−4,500,000	
House office buildings	20,842,000	22,181,000	21,361,000	+519,000	−820,000
Capitol Power Plant (operation)	23,150,000	23,867,000	23,792,000	+642,000	−75,000
Total, Capitol buildings and grounds	63,551,000	60,347,000	58,920,000	−4,631,000	−1,427,000
Total, Architect of the Capitol (except items in titles II and III)	68,279,000	65,386,000	63,936,000	−4,343,000	−1,450,000
LIBRARY OF CONGRESS					
Congressional Research Service					
Salaries and expenses	35,240,000	38,950,000	37,790,000	+2,550,000	−1,160,000
GOVERNMENT PRINTING OFFICE					
Congressional printing and binding	81,747,000	89,537,000	86,580,000	+4,833,000	−2,957,000
Total, title I—Congressional Operations	683,698,263	726,811,200	719,926,200	+36,227,937	−6,885,000
TITLE II—OTHER AGENCIES					
BOTANIC GARDEN					
Salaries and expenses	1,897,000	2,043,000	2,018,000	+121,000	−25,000
LIBRARY OF CONGRESS					
Salaries and expenses	130,740,000	134,298,000	130,728,000	−12,000	−3,570,000
Authority to spend receipts	−6,500,000	−4,300,000	−4,300,000	+2,200,000	
Net, salaries and expenses	124,240,000	129,998,000	126,428,000	+2,188,000	−3,570,000
Copyright Office, salaries and expenses	15,657,000	16,199,000	16,181,000	+524,000	−18,000
Authority to spend receipts	−5,000,000	−5,200,000	−5,200,000	−200,000	
Net, Copyright Office, salaries and expenses	10,657,000	10,999,000	10,981,000	+324,000	−18,000
Books for the blind and physically handicapped, salaries and expenses	33,384,000	35,691,000	35,099,000	+1,715,000	−592,000
Collection and distribution of library materials (special foreign currency program):					
Payments in Treasury-owned foreign currencies	3,976,000	3,976,000	2,476,000	−1,500,000	−1,500,000
U.S. dollars	462,000	486,000	486,000	+24,000	
Total, collection and distribution of library materials	4,438,000	4,462,000	2,962,000	−1,476,000	−1,500,000
Furniture and furnishings	1,226,000	1,657,000	1,524,000	+298,000	−133,000
Total, Library of Congress (except Congressional Research Service)	173,945,000	182,807,000	176,994,000	+3,049,000	−5,813,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—LEGISLATIVE BILL (H.R. 3135)—Continued

	Fiscal year 1983 enacted plus supplemental [1]	Fiscal year 1984 estimates	Committee recommendation	House bill compared with— Enacted	House bill compared with— Estimates
ARCHITECT OF THE CAPITOL					
Congressional cemetery	300,000			−300,000	
Library Buildings and Grounds					
Structural and mechanical care	5,151,000	5,260,000	5,230,000	+79,000	−30,000
COPYRIGHT ROYALTY TRIBUNAL					
Salaries and expenses	626,000	650,000	650,000	+24,000	
Authority to spend receipts	−157,000	−170,000	−455,000	−298,000	−285,000
Net, salaries and expenses	469,000	480,000	195,000	−274,000	−285,000
GOVERNMENT PRINTING OFFICE					
Printing and binding	12,791,000	14,571,000	13,420,000	+629,000	−1,151,000
Office of Superintendent of Documents, salaries and expenses	27,291,000	25,738,000	25,700,000	−1,591,000	−38,000
Total, Government Printing Office (except congressional printing and binding)	40,082,000	40,309,000	39,120,000	−962,000	−1,189,000
GENERAL ACCOUNTING OFFICE					
Salaries and expenses	252,380,000	269,625,000	267,161,000	+14,781,000	−2,464,000
Total, title II—other agencies	474,224,000	500,524,000	490,718,000	+16,494,000	−9,806,000
TITLE III—CAPITAL IMPROVEMENTS					
ARCHITECT OF THE CAPITOL					
West Central Front of the Capitol	49,000,000			−49,000,000	
Grand total, New budget (obligational) authority	1,206,922,263	1,227,335,200	1,210,644,200	+3,721,937	−16,691,000
RECAPITULATION					
Title I—Congressional Operations	683,698,263	726,811,200	719,926,200	+36,227,937	−6,885,000
Title II—Other Agencies	474,224,000	500,524,000	490,718,000	+16,494,000	−9,806,000
Total, titles I and II	1,157,922,263	1,227,335,200	1,210,644,200	+52,721,937	−16,691,000
Title III—Capital improvements	49,000,000			−49,000,000	
TITLE I—CONGRESSIONAL OPERATIONS					
House of Representatives	367,871,263	384,212,000	384,062,000	+16,190,737	−150,000
Joint Items	102,448,000	117,375,200	117,325,200	+14,877,200	−50,000
Office of Technology Assessment	13,019,000	14,600,000	13,933,000	+914,000	−667,000
Congressional Budget Office	15,094,000	16,751,000	16,300,000	+1,206,000	−451,000
Architect of the Capitol (except Library buildings and grounds, Congressional cemetery and West Central Front)	68,279,000	65,386,000	63,936,000	−4,343,000	−1,450,000
Congressional Research Service, Library of Congress	35,240,000	38,950,000	37,790,000	+2,550,000	−1,160,000
Congressional printing and binding, Government Printing Office	81,747,000	89,537,000	86,580,000	+4,833,000	−2,957,000
Total, title I—congressional operations	683,698,263	726,811,200	719,926,200	+36,227,937	−6,885,000
TITLE II—OTHER AGENCIES					
Botanic Garden	1,897,000	2,043,000	2,018,000	+121,000	−25,000
Library of Congress (except Congressional Research Service)	173,945,000	182,807,000	176,994,000	+3,049,000	−5,813,000
Architect of the Capitol (Library buildings and grounds, and Congressional cemetery)	5,451,000	5,260,000	5,230,000	−221,000	−30,000
Copyright Royalty Tribunal	469,000	480,000	195,000	−274,000	−285,000
Government Printing Office (except congressional printing and binding)	40,082,000	40,309,000	39,120,000	−962,000	−1,189,000
General Accounting Office	252,380,000	269,625,000	267,161,000	+14,781,000	−2,464,000
Total, title II—other agencies	474,224,000	500,524,000	490,718,000	+16,494,000	−9,806,000
TITLE III—CAPITAL IMPROVEMENTS					
Architect of the Capitol (West Central Front)	49,000,000			−49,000,000	
Grand total, new budget (obligational) authority	1,206,922,263	1,227,335,200	1,210,644,200	+3,721,937	−16,691,000

[1] Enacted to date; includes House-passed supplementals (H.R. 3069).

REVENUE ACTIVITIES

The Members may be interested to know there are a number of revenue activities within the legislative branch which will return over $96 million before expenses to the Federal Government during fiscal year 1983. Included in this estimate is $2 million to the Capitol powerplant in reimbursements for heating and air-conditioning, $9.5 million from copyright fees and the sale of catalog cards and publications by the Library of Congress, $7.5 million in gift and trust fund income, $64 million from the sale of Government documents through the Office of the Superintendent of Documents, and $13.1 million from various other reimbursable activities at the Library of Congress and Copyright Royalty Tribunal. Savings attributable to General Accounting Office activities total approximately $5.9 million, which also have an offsetting effect on total Federal finances.

MAJOR ITEMS IN BILL

TITLE I—CONGRESSIONAL OPERATIONS

The bill provides a total of $719,926,200 for fiscal year 1984 for seven major areas of congressional or direct congressional support activity. These include the House of Representatives, joint items, the Office of Technology Assessment, the Congressional Budget Office, the Architect of the Capitol—except Senate and Library buildings and grounds—the Congressional Research Service, and congressional printing and binding.

HOUSE OF REPRESENTATIVES AND JOINT ITEMS

The allowance of $510,387,200 for the House and joint items for 1984 includes an amount of $384,062,000 for the operations of the House itself.

RECOMMENDED REDUCTIONS

The total recommendation for congressional operations is $6,885,000 less than was requested. Included in this decrease is: a reduction of $150,000 in funding requested for the contingent

expenses of the House—due to improvements in the official transcribing of committee hearings; a markdown of $50,000 in the Joint Economic Committee budget; a reduction of $667,000 under the request of the Office of Technology Assessment; $451,000 less than requested by the Congressional Budget Office; the deferral of certain projects and other downward adjustments totaling $1,427,000 in the budget of the Architect; a reduction of $1,160,000 for the operation of the Congressional Research Service; and a reduction of $2,957,000 in congressional printing and binding.

TITLE II—OTHER AGENCIES

A total of $490,718,000 is recommended for the six agencies carried in title II of the bill. This allowance is an increase of $16,494,000—only 3.5 percent—over the current level of appropriations and $9,806,000 less than requested.

The agencies that are included in this title of the bill and the amounts recommended are as follows: First, Botanic Garden, $2,018,000; second, Library of Congress—except the Congressional Research Service—$176,994,000; third, Architect of the Capitol Library buildings and grounds, $5,230,000; fourth, Copyright Royalty Tribunal, $195,000; fifth, Government Printing Office—except congressional printing and binding—$39,120,000; and sixth, General Accounting Office, $267,161,000.

Mr. Chairman, I will not attempt to discuss all of the recommendations made by the committee for the various agencies funded in this title of the bill, but I would like to mention a few. Our general policy has been to provide only the resources necessary to maintain activities at the current level and to fund mandatory increases. Only 33 of the 103 new permanent staff requested have been allowed. In addition, a reduction of 51 positions under current staffing has been made. Thus, there will be a reduction in the legislative branch employment base of 18 positions. Overall, we have actually reduced the level provided by 121 positions under the prospective level for fiscal year 1984.

We have allowed $1,300,000 to continue a program to preserve Library of Congress collections using mass deacidification and optical disk techniques. These techniques will benefit libraries, archives, and collections of vast amounts of paper documents everywhere. Resurfacing of the East Plaza and roadways are provided as are various other repairs to the Capitol and House office buildings. Additional personnel at Congressional Research Service will be used to increase the ability of that agency to respond to the needs of the Members, and several positions were provided to the Library of Congress for services needed to improve public access to the collections.

TITLE III—GENERAL PROVISIONS

Section 304 reduces the legal salaries of the Members of Congress and certain other high-level Government executives, primarily executive levels I, II, and III and comparable officials such as Cabinet officers, deputy, under, and assistant secretaries, and heads of non-Cabinet agencies, to the salary rates currently being paid—except for Senators who were covered by a special exemption to the December 1983 cost-of-living adjustment. This will preclude the possibility of prospective $7,000-$10,000 salary increases for the positions which would ordinarily ensue because these salaries have been capped for several years and have not been adjusted for each annual cost-of-living increase provided to all Federal employees and officials under the law. By reducing the so-called legal rate of these salaries to the—lower—salaries actually being paid, the Members and other officials will forego any possibility of catch up to the salaries otherwise due under the cost-of-living adjustment statutes. The so-called asterisked rates in the general schedule are not affected by the language in the bill. They will continue to be covered by 5 U.S.C. 5308, and related statutes.

Section 304 applies to individuals in all three branches. The General Accounting Office has informally estimated that the legal salary rate reduction will apply to 819 positions broken down as follows:

Executive branch	254
Legislative branch	565

CONCLUSION

Mr. Chairman, these are the highlights of the fiscal year 1984 legislative branch appropriation bill. The committee report explains our actions in much more detail, and is available to all Members of the House.

The committee has little discretion as far as the amounts for the House and the joint items of the Congress are concerned. Salaries, allowances, and expenses of the Members, special and select committee funding, and other items have been approved by the House and are already in effect through the adoption of House resolutions from the Committee on House Administration. Where the committee has discretion, it has been exercised.

As I noted earlier in my remarks, the committee is recommending an overall reduction under the budget of $16,691,000 and only 33 of the 103 new positions requested have been allowed. We are reducing the employment base.

We have no apologies to make in voting for this budget, Mr. Chairman.

This is a good bill and one I think all the Members can support and identify with during this period of extreme budget austerity.

I recommend that it be approved.

Mr. LEWIS of California. Mr. Chairman, I yield my self such time as I may consume.

Mr. Chairman, first, let me say for the record that indeed it has been a pleasure for me in this first year as ranking minority member of the committee to work with my chairman, the gentleman from California (Mr. FAZIO), and the other leaders of the House who participate in this committee. I would like to say, Mr. Chairman, that in support of this measure the House should recognize that this bill recommends a total of $1,210,644,000 in new budget authority. I am pleased to report that this bill is $16,691,000 less than was requested.

□ 1720

The bill, if the pending supplementals reported to the House are included in the fiscal year 1983 figure, reflects a reduction of $17,778,063 under the 1983 level.

This bill was passed unanimously by the subcommittee first, and by the full Committee on Appropriations. It is important to note that this bill does not keep up with the cost of inflation, and as my chairman has indicated, it therefore is a decline in terms or real cost to the budget.

At this moment, if we reflect the full 1983 appropriation plus the supplemental, this bill does not even maintain a level that reflects a 5-percent adjustment in inflation; indeed, the growth is approximately 1.4 percent.

I believe it is also important to note that while many people tend to point at this bill and take shots at it in terms of it reflecting the cost of operating the House, only approximately 40 percent of the bill is reflected in those costs. The balance represents very important elements of our Government and support organizations for the people's house, organizations such as the Library of Congress, organizations such as GAO, the Government Printing Office, et cetera.

Mr. Chairman, I yield back the balance of my time.

Mr. FAZIO. Mr. Chairman, since I have no requests for time in the general debate at this time, I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SALARIES, OFFICERS AND EMPLOYEES

For compensation and expenses of officers and employees, as authorized by law, $44,639,000, including: Office of the Clerk, $12,502,000; Office of the Sergeant at Arms, including overtime, as authorized by law, $17,173,000; Office of the Doorkeeper, including overtime, as authorized by law, $6,185,000; Office of the Postmaster, $1,845,000, including $36,205 for employment of substitute messengers and extra services of regular employees when required at the salary rate of not to exceed $15,123 per annum each; Office of the Chaplain, $68,000; Office of the Parliamentarian, in-

cluding the Parliamentarian and $2,000 for preparing the Digest of Rules, $575,000; for salaries and expenses of the Office of the Law Revision Counsel of the House, $741,000; for salaries and expenses of the Office of the Legislative Counsel of the House, $3,085,000; six minority employees, $404,000; the House Democratic Steering Committee and Caucus, $542,000; the House Republican Conference, $542,000; and Other Authorized Employees, $977,000.

Such amounts as are deemed necessary for the payment of salaries of officers and employees under this head may be transferred between the various offices and activities within this appropriation, "Salaries, Officers and Employees", upon the approval of the Committee on Appropriations of the House of Representatives.

Mr. FAZIO (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. GREGG. Mr. Chairman, reserving the right to object, I would like to ask the chairman if he intends to cut off debate at this time.

Mr. FAZIO. If the gentleman will yield, I have no plans at this time to cut off debate. I am hopeful we can make progress on the bill. I think that many of the amendments are the kind that we could dispose of without a lengthy debate, but again, I think we understand there will be votes tomorrow, so there is no point in attempting to cut off debate.

I would like to proceed and try to finish tonight if possible, but I have no present intention to limit debate.

Mr. GREGG. Mr. Chairman, I would have to object at this time. I think we should proceed along further, before we grant a unanimous-consent request of this type, to see whether or not there are some amendments.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk read as follows:

COMMITTEE EMPLOYEES

For professional and clerical employees of standing committees, including the Committee on Appropriations and the Committee on the Budget, $34,734,000.

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: On page 3, line 22, strike out "$34,734,000" and insert in lieu thereof "$33,636,750".

Mr. WALKER. Mr. Chairman, we have had a lot of discussion over recent weeks on the floor about the kind of deficits that we are running up in Government and the kinds of money that is being spent. Often the criticism is made of the President of the United States. Right now we are discussing the operations of this body and we ought to discuss what we are doing in terms of adding to the deficit in the moneys that we spend as well.

The amendment that I am offering would save us some money, but an important amount of money, it seems to me. It would save us $1.1 million in the spending in this bill. Why offer this amendment, and why this particular section?

One of the criticisms of this Congress has been that over the last several years we have seen an escalation in the numbers of people who are serving on committee staffs. We have seen the support staff in the committees of this body increase astronomically. This is one of the places where large amounts of funding are spent on activities that directly relate to the work of the Members of this particular body.

So it seemed to me that while some growth in that particular area might be justified, that we should not justify an 8-percent increase in overall spending between last year and this year at a time when inflation is running at about 3 percent or less; that a reasonable kind of figure would be to at least stay within the historic amounts of increase that we have had over the last 5 years.

When I go back and take a look at the budgets allocated for committee staff over the last 5 years, I find that they have grown over that 5-year period by about 26 percent. That averages out to about 5 percent a year, so, therefore, what I am offering is an amendment that says we ought to increase this year's budget by only 5 percent. That would save us $1.1 million. It would be $1.1 million that the taxpayer would not have to spend for the operation of the Congress. It would be $1.1 million that would not be added onto the deficit of the country. And yet it would still allow us, it seems to me, to operate our committee staffs and to operate this body in a totally adequate manner.

So what my amendment would do is, in place of the $34,734,000 the committee has proposed for spending on committee staffs next year, instead I would make that $33,636,750 and thereby save a little bit of money in the House operation.

Mr. Chairman, I would ask the adoption of this savings amendment.

Mr. FAZIO. Mr. Chairman, I rise in opposition to the amendment.

First of all, I think it is important to point out that at least in the brief time I have had the opportunity to peruse this amendment, there seems to be some confusion as to what the 1983 level actually is. The level that I believe was cited by the gentleman from Pennsylvania neglected to include the supplemental which has passed this body and is moving in the other body.

Adding that figure to the 1983 appropriation already enacted, is the only fair way to really judge what the increase would be from 1 year to the next. Comparing fiscal year 1983 and fiscal year 1984, the figure in the bill we have presented would be about a 3-percent increase. Therefore, we are far below the 5-percent figure the gentleman says he is attempting to reach, and certainly nowhere near the 8-percent figure that he implies we have attempted to accomplish through the enactment of this bill.

During the period 1980 to 1983, the House has reduced the number of staff people who work for committees in this body by 143 people. We have made, as I have indicated, a significant net staffing reduction in the legislative branch in this very bill. We are continuing to hold down the number of jobs that exist in the legislative branch. There will be 18 less jobs in the legislative branch after this bill is enacted than there were before, and last year we also reduced the number of jobs in the legislative branch.

So I think both from the standpoint of our addressing of the overall issues of overstaffing throughout this branch of Government, as well as specifically within congressional operations, we have absolutely nothing to be concerned about.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I am happy to yield to the gentleman from Louisiana.

Mr. ROEMER. I thank the gentleman for yielding.

Mr. Chairman, I appreciate the gentleman's statement, and just for a point of clarification, in your original presentation you pointed out to the House that although there is an increase in this budget, it is a relatively modest one, given the duties of the House.

Mr. FAZIO. Slightly over 1 percent.

Mr. ROEMER. Right. And you object to the amendment of the gentleman from Pennsylvania, saying that the net effect would be a 3-percent increase rather than the 5-percent increase.

□ 1730

The gentleman points out that the number of personnel in the House staff has gone down. If that is true, where is the additional money going?

Mr. FAZIO. Mr. Chairman, we may, of course, pay some of our personnel more through the process of merit raises, as well as salary adjustments because of cost-of-living increases. I was going back over a 3-year span, too, when I talked about the reduction in the number of employees in the legislative branch.

But I think the most important thing to reiterate is that we are talking about less than a 5-percent increase. When we total the 1983 fiscal year bill and the supplementals, we are not talking about an 8-percent in-

crease; we are well below the 5 percent the gentleman indicates he is hoping to accomplish through this amendment.

Mr. ROEMER. Mr. Chairman, I thank the gentleman from California (Mr. FAZIO).

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding.

I guess to some extent I plead guilty to the charge of comparing this appropriation with last year's first appropriation rather than with the supplementals that were approved, and if indeed that amounts to a 3-percent rather than a 5-percent increase, again I guess I plead guilty to that.

My problem with the whole procedure as outlined by the gentleman is that I have got some problem with the idea of supplementals, and particularly around here we ought to be able to pretty much say what it is we are going to spend in this body.

We constantly blame the supplementals that we have passed in other appropriations on the fact that the administration requests them, and we sometimes indicate that that is almost resulting from mismanagement on their part. Here is a case where I do not think we ought to be working with supplementals, and maybe the place to start is by ignoring last year's supplemental and going back to the original appropriation and basing this year's appropriation on that. Maybe I would feel somewhat more comfortable with the gentleman's position if he could tell us that there are going to be absolutely no supplementals for legislative appropriations in the upcoming year.

Is the gentleman prepared to say that?

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I am happy to yield to the ranking minority member to answer that question.

Mr. LEWIS of California. Mr. Chairman, on that point, if you will, one of the more important developments in this subcommittee during this last year—and I commend the subcommittee chairman for it—is that in the past there has been a tendency to depend upon low projections at the beginning of an appropriation bill and then rely upon a supplemental later. Within this bill, section by section, there has been a considerable effort to lock in the cost that we anticipate for the entire year, with great pressure and public commitment to attempt to avoid the sizable supplemental process.

It is critical to recognize that last year the supplementals for running the House were absolutely necessary, and it passed overwhelming here. It was because of a past policy that the subcommittee chairman and I disagreed with. So, frankly, in view of that, the very slight adjustment here of 3 percent is a reflection of an attempt, even in terms of our own personnel, to hold down and to demonstrate to the public the need to hold down the cost of Govenment.

The CHAIRMAN. The time of the gentleman from California (Mr. FAZIO) has expired.

(On request of Mr. WALKER, and by unanimous consent, Mr. FAZIO was allowed to proceed for 3 additional minutes.)

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I am happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, it is my understanding that with my amendment there would be a 3-percent adjustment. I do not think the gentleman was representating that with the committee language there would be a 3-percent increase. I think that what the gentleman was saying—and as I say, to that I plead guilty—is that what we have here is a 3-percent upward adjustment with my amendment, which is precisely in line with where inflation is right now, and it seems to me that would be a totally reasonable kind of solution.

Mr. LEWIS of California. Mr. Chairman, if the gentleman will yield, that is somewhat below the inflation rate.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I thank the gentleman for yielding.

I do think it would be useful to put this in perspective since the issue of supplementals has been raised. The fact is that the President has asked the Congress for about $13 billion in supplementals so far this year. The Appropriations Committee has approved approximately $5.5 billion, it has deferred about $8 billion, and we have come in about $300 million under the President's request on those supplementals.

Second, just to put in perspective what the relative degree of stringency has been branch to branch, I would point out that the other two agencies that deal with the crucial economic and budgetary questions facing the country came in for an increase. The Office of Management and Budget came in for a 20-percent increase, and the Council on Economic Advisers came in for an 18-percent increase. I think that the position of the Congress is quite modest when compared to those requests.

Mr. FAZIO. Mr. Chairman, the gentleman is correct. If I could indicate this to the committee, there is absolutely no question that we have accomplished our purpose far better than the other branches of Government in recent years. We are at half the rate of increase in general that has occurred in the executive branch over the last several years. So I think the committee has nothing to be ashamed of.

We are talking now, in terms of statutory staff, of very important people, the 30 key people authorized under rule XI of the House who are essentially serving each one of our authorizing committees and the staffing for Committees on Appropriations and Budget. I think it is very important that we not lose the capability those people provide us. I do not think we have had profligate requests coming from committee chairmen.

Mr. Chairman, I know that the Committee on House Administration has made every effort to reduce costs through its authorization process, and I would continue to oppose the amendment at this time.

Mr. BROWN of Colorado. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I might suggest to my colleagues that before they vote on this particular measure, they might take into consideration the general climate in which we approach this matter. We have a difficult economy that faces major challenges in the future. The question is whether or not we are going to behave responsibly with our own budget.

This amendment is an extremely modest one. All it does is to suggest a 5-percent increase over last year's appropriation instead of an 8-percent increase over last year's appropriation.

Is there any one of us who can look our constituents in the eye and suggest that we have done a good job in handling our committee staffs? Let me give the Members one example—and it is not by any means the worst—the Committee on Interior and Insular Affairs on which I have the privilege of serving. That committee was served on by my predecessor and by his predecessor, Mr. Aspinall. When Congressman Aspinall came to this body, that committee had four full-time staff members, and it had more work and more bills and more business than it has had at any time since. When Mr. Aspinall left and Mr. Johnson came, it had gone from 4 to 15 staff members. When Mr. Johnson left and I came and took his place, it had gone from 15 to 69. That committee now has 72 full-time staffers doing the job that 4 people did, and their workload has gone down.

That, as everyone knows, is not the worst example. There are many committees that are far worse. How can we look our constituents in the eye and

even pretend that we have done a decent job in budgeting? How can we even pretend that there is not an enormous amount of waste in our committee structure? Every Member of this body knows there is.

All this amendment asks is that we not increase that abuse even further. It merely says, give us the rate of increase in the appropriation that is equivalent to the pay increase that is planned and not one that is above it.

We can look over the appropriations for these committees every year for the past few years, and they show significant increases every year.

Mr. Chairman, I would recommend to the Members of this body that before we waste the hardworking taxpayers' money on this budget further, we examine ourselves and see if we really have to have the staffs that are there and if we really have to increase them more.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Colorado. I am glad to yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I appreciate the gentleman's yielding.

First, I would like to say that I have nothing but praise for the gentleman and his comments and his efforts on behalf of all of us to attempt to focus upon the need for fiscal constraint within the national budgetary process.

The difficulty that I see with the amendment before us involves two lines of thought. The first is the reality that the amendment before us would reduce this specific amount to $33,636,750. That is slightly below the actual total amount spent last year, which was a total of $33,709,000.

Mr. BROWN of Colorado. Mr. Chairman, I am looking at the information that was prepared by the committee that is available to all the Members, and it says very specifically, 1983, appropriated and enacted to date, $32,035,000. So I think the committee's own information there indicates $32 million. This is an increase that is proposed, but not a great increase.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield further?

Mr. BROWN of Colorado. I am glad to yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, the material the gentleman has before him does not apparently include the $1,674,000 that was part of the supplemental that has been passed.

Mr. BROWN of Colorado. Has that supplemental been concluded and enacted? I am not sure the supplemental has been enacted yet, has it? It may have passed this House, but has it been enacted?

Mr. LEWIS of California. Mr. Chairman, the gentleman is correct. Presuming there is a decent chance the supplemental will go forward and will likely not be less than this amount, the reality is that this amendment brings us below the total expenditure anticipated for fiscal year 1983.

But there is another important item here that I think relates to the way we run this place. The gentleman knows that the rules were changed in a fashion that does not allow us to effectively get to the budget of a specific committee. Frankly, I agree with the gentleman's point regarding some committees having more staff than they ought to have. The difficulty is that we cannot control that. If we decide to cut $10 million out of this allocation, the money will not necessarily be reduced from those committees the gentleman would choose to reduce and I would choose to reduce. It might instead come out of the Defense Committee that I may think needs additional personnel, for instance. The rules have created a circumstance that disallow our effectively doing the kind of job the gentleman is talking about doing by way of this particular amendment.

Mr. Chairman, I thank the gentleman for yielding.

Mr. GREGG. Mr. Chairman, I move to strike the requisite number of words, and I also rise in support of this amendment.

This is an opportunity for us as a House to make it clear to the American people that we have the courage and the strength to make some difficult decisions when they impact us. That, I think, is what is important here.

□ 1740

As you look at the history of our staffing and our spending on committee staff you will note that over the last 10 years we have allowed the cost of our committee staff to increase approximately 300 percent. Committee staff itself, personal staff has increased close to 300 percent over the last 12 years.

It is hard for me to believe that as we see these large increases that have evolved over the years and, yes, some of them have been institutionalized, obviously, that is why we are here at this high figure, that we cannot, as a body, as a House of Representatives, show some leadership and effect a reduction in the amount of money which we are spending.

I happen to agree with the honorable gentleman from California when he represents that this proposal, although a 5-percent reduction, although a minor reduction in dollars, it is $1.1 million, would represent the reduction to a funding level of less than the 1983 levels.

What is wrong with that? Why should we not as a House stand up on this issue and say we are going to make some hard decisions right here on our staff, we are going to reduce the funding of our staff below last year's level?

I am sure that within our staffing areas we can find the 1 percent that this represents, or the 3 percent that this represents in funding to take it out across the board in the committees.

The gentleman from California has raised the issue that we do not have control over specific committees and who would end up having to pass the cost of this reduction. We are never going to have control over that. If we accept that argument we are never going to take any of the difficult decisions as a body. We as a Committee of the Whole are going to be foreclosed from the ability to get into the funding issue because every time we address it we are going to find this issue of whether or not we can specify where the funding is going to confront us.

What we need to do today is to establish clearly within this body that we have the courage to make some hard decisions when it comes to our spending and that is why I support this.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. GREGG. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding because I think most of us accept the fact that it was beginning in the mid-1970's when many of the problems with our economy began to take over. That is when we saw these huge increases in spending across the board in our economy.

In 1975 around here we were spending about $8.5 million for staffing of committees. The committee proposes we now spend $34 million for those same committees. That is a 400-percent increase in a period of time of less than a decade.

My question is whether or not there are any businesses out there that really have experienced that kind of an increase during that time, or whether or not most of our taxpaying citizens in our districts have seen their family income go up 400 percent in that same time. Yet here we see tremendous increases of this type that those taxpayers and those businesses have to pay for.

So I want to thank the gentleman for his support of the amendment. I think the figures he cities are more than justified by the actual data of spending for committees over the last several years.

Mr. GREGG. I thank the gentleman from Pennsylvania and would just confirm his view, which is we should not take a snapshot of just this one year and refer it to the last year. I think we have to look at the area of what we

have done in committee funding over the last 10 or 15 years and recognize the fact that we have expanded much faster than we should and we should see some reductions and make the hard decisions.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. GREGG. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding. I would like to associate myself with the gentleman's remarks.

I am reminded here that we are here not just to legislate but to provide some leadership. I think it is difficult for interest groups that visit the Capitol and that look forward to funding for their programs and see the largesse with which we operate on the Hill, I think it is difficult to motivate them to want to exercise constraints.

I commend the gentleman and I urge adoption of this amendment.

Mr. GREGG. I yield back the balance of my time.

Mr. LUNGREN. Mr. Chairman, I move to strike the requisite number of words.

I am really sorry that I have evidently upset the pace here. We have managed to change the rules so that contrary to the situation that prevailed in my first year we are unable to go committee by committee.

This is now scheduled at the end of the day when most Members had wished to be out of here, and we can see that the galleries are not full with the press. If instead of talking about how much we are going to be spending on our committees and committee staff we were talking about how much we were going to spend on Members of Congress pay, the press galleries would be overflowing and we would be hearing the hoots and hollers on this floor as to how important a position it is that one ought to take on that question.

But when we merely talk about spending $30-some-odd million as a result of being overstaffed, somehow the currency of thought here is that we ought to rush it through, we ought not to be concerned about it. We have the rather strange position of Members on the minority side who would like us to be able to view committee by committee, the fact that, gee, we do not have the chance to go committee by committee right now, so maybe we ought to just give up and go home and realize that we have already been rolled before we even get on the floor of the House.

I have come to this floor day after day and have heard a number of Members on the other side of the aisle refer to the Reagan deficit and that this President has brought more deficits than any other President, that he is spending money at a faster rate than any other President, and all of us forgetting, of course, we hold the purse strings of the entire Federal Government here. Yet now that we are talking about what we are going to spend in our own committees we should say do not worry about it, we at least should get an increase. Do not ever go down because we assume the number of people we have working now and the salaries that are being paid now are all justified and they ought not to be challenged in any way.

It is awfully difficult to get up here and talk about committees because we are only talking about committees in general, because of the rules and we cannot talk about them specifically. But I do not think anybody can come here and say we do not have most of our committees overstaffed. We all know that. It is kind of like a secret that we have here. We wink at it. We do not want anybody else to know it. It is a closed society here.

We are spending too much money on our staff. We have got too many people on our staffs. We are paying too much in salaries in many cases, but we do not want to address that question.

I think it is rather strange that we can get up here day after day and criticize the President of the United States for not carrying out his responsibilities and bringing the budget into balance when we jump up, away from the possibility that we might spend less next year than we are going to spend this year as if we have to accept the premise that what we are spending this year is an appropriate level.

We ought to at some point in time address the fact that we are overstaffed, that we are spending too much money, and that if we are going to set a good example for the rest of the Federal Government we ought to start doing it now.

The rules have made it more difficult, that is true. The rules have made it virtually impossible for an amendment like this to pass. I will acknowledge that.

The scheduling has made it very difficult for anybody to even get any interest in this. There is almost a resentment that seems to rise in this place when you take the time of other Members to even discuss this issue, because we know that the steamroller is coming. It is not a train coming; it is a steamroller, and we ought to get out of the way and let the process proceed.

Unfortunately, all that does, I think, is to increase the cynicism that many of the American people have for this body, and for that I am sorry. I think we ought to address ourselves more specifically and more forthrightly to this issue.

Mr. GREGG. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. I am happy to yield to the gentleman.

Mr. GREGG. I would just like to point out that the gentleman is talking about the amounts here and how small in relative terms of the entire budget this amount is. We are talking about $1.1 million. We are talking about reducing this some $34.7 million down to $33.6 million.

It seems to me that this House ought to be able to summon up the courage and the strength and the intestinal energy to be able to accomplish a $1.1 million reduction in its staffing levels, if for no other reason than to give a visible sign to the people who are coming to the Congress and petitioning us for additional funds in a time of severe fiscal restraint that we have the courage to make some decisions that impact us and we will have the courage, therefore, to make some decisions that impact the balance of the Government.

Mr. LUNGREN. I thank the gentleman for his comments. I would suggest to the gentleman that he probably has some small businesses in his area, as I do in my area, that would not consider $1.1 million to be an insubstantial amount and could probably use it to tide themselves over in this difficult period of time.

Sometimes being in this place for a long period of time tends to close our focus to those things that are of importance to our people back home.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. WALKER).

The question was taken; and on a division (demanded by Mr. WALKER) there were—ayes 12, noes 18.

□ 1750

RECORDED VOTE

Mr. WALKER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 142, noes 213, not voting 77, as follows:

[Roll No. 152]

AYES—142

Andrews (TX)	Daniel	Hartnett
Archer	Dannemeyer	Hightower
Bartlett	Daub	Hiler
Bateman	DeWine	Hillis
Bennett	Dreier	Hopkins
Bereuter	Early	Hubbard
Bethune	Emerson	Huckaby
Bilirakis	Erlenborn	Hunter
Bliley	Evans (IA)	Jacobs
Boehlert	Fiedler	Johnson
Broomfield	Fields	Jones (OK)
Brown (CO)	Franklin	Kaptur
Broyhill	Gekas	Kasich
Burton	Gingrich	Kemp
Campbell	Glickman	Kindness
Chandler	Goodling	Kramer
Clinger	Gramm	Lagomarsino
Coats	Gregg	Latta
Coleman (MO)	Gunderson	Leath
Conable	Hall, Ralph	Lewis (FL)
Corcoran	Hall, Sam	Loeffler
Coughlin	Hamilton	Lott
Courter	Hammerschmidt	Lowery (CA)
Crane, Daniel	Hance	Lujan
Crane, Philip	Hansen (ID)	Lungren

Mack	Ray	Sundquist
Martin (IL)	Regula	Tauke
Martin (NC)	Ridge	Tauzin
Martin (NY)	Ritter	Taylor
McCandless	Roberts	Thomas (CA)
McCollum	Robinson	Valentine
McCurdy	Roemer	Vander Jagt
McDonald	Rogers	Vandergriff
McEwen	Roukema	Walgren
McKernan	Rudd	Walker
Michel	Schaefer	Weber
Miller (OH)	Scheuer	Whitehurst
Moore	Sensenbrenner	Whittaker
Moorhead	Sharp	Williams (OH)
Mrazek	Skeen	Winn
O'Brien	Slattery	Wise
Olin	Smith (NJ)	Wolf
Oxley	Smith, Robert	Wylie
Packard	Snowe	Yatron
Parris	Solomon	Young (FL)
Patman	Spence	Zschau
Paul	Stenholm	
Petri	Stump	

NOES—213

Ackerman	Fowler	Myers
Akaka	Frank	Natcher
Albosta	Fuqua	Neal
Alexander	Garcia	Nichols
Anderson	Gaydos	Nowak
Andrews (NC)	Gejdenson	Oakar
Annunzio	Gephardt	Oberstar
Anthony	Gibbons	Obey
Applegate	Gilman	Ortiz
Aspin	Gonzalez	Ottinger
Barnard	Gore	Patterson
Barnes	Gray	Pease
Bates	Green	Penny
Bedell	Guarini	Pepper
Beilenson	Hall (IN)	Perkins
Bevill	Hall (OH)	Pickle
Biaggi	Harrison	Porter
Boggs	Hatcher	Rahall
Boland	Hefner	Rangel
Boner	Hertel	Ratchford
Bonior	Horton	Reid
Borski	Howard	Richardson
Bosco	Hoyer	Rinaldo
Boucher	Hughes	Rodino
Boxer	Ireland	Roe
Breaux	Jeffords	Rose
Britt	Jenkins	Rostenkowski
Brooks	Jones (NC)	Roybal
Brown (CA)	Kastenmeier	Russo
Bryant	Kennelly	Savage
Byron	Kildee	Sawyer
Carper	Kogovsek	Schroeder
Carr	LaFalce	Schumer
Chappell	Lantos	Seiberling
Clarke	Lehman (CA)	Shannon
Coelho	Leland	Shelby
Coleman (TX)	Levin	Sikorski
Cooper	Levitas	Smith (IA)
Coyne	Lewis (CA)	Smith (NE)
D'Amours	Lipinski	Snyder
Daschle	Livingston	Solarz
Davis	Long (LA)	Spratt
de la Garza	Long (MD)	St Germain
Dellums	Lowry (WA)	Staggers
Dicks	Luken	Stangeland
Dingell	Lundine	Stark
Donnelly	MacKay	Stokes
Dorgan	Madigan	Studds
Dowdy	Markey	Swift
Downey	Marriott	Synar
Durbin	Matsui	Tallon
Dwyer	Mavroules	Thomas (GA)
Dymally	Mazzoli	Torricelli
Dyson	McCloskey	Towns
Eckart	McDade	Udall
Edgar	McHugh	Vento
Edwards (AL)	McKinney	Volkmer
Edwards (CA)	McNulty	Watkins
Edwards (OK)	Mikulski	Waxman
English	Miller (CA)	Weaver
Erdreich	Mineta	Wheat
Evans (IL)	Minish	Whitley
Fascell	Mitchell	Whitten
Fazio	Moakley	Williams (MT)
Feighan	Molinari	Wirth
Ferraro	Mollohan	Wolpe
Fish	Montgomery	Wright
Flippo	Moody	Wyden
Foley	Morrison (CT)	Yates
Ford (MI)	Murphy	Young (MO)
Ford (TN)	Murtha	Zablocki

NOT VOTING—77

Addabbo	Hawkins	Pritchard
AuCoin	Heftel	Pursell
Badham	Holt	Quillen
Berman	Hutto	Roth
Bonker	Hyde	Rowland
Carney	Jones (TN)	Sabo
Chappie	Kazen	Schneider
Cheney	Kolter	Schulze
Clay	Kostmayer	Shaw
Collins	Leach	Shumway
Conte	Lehman (FL)	Shuster
Conyers	Lent	Siljander
Craig	Levine	Simon
Crockett	Lloyd	Sisisky
Derrick	Marlenee	Skelton
Dickinson	Martinez	Smith (FL)
Dixon	McCain	Smith, Denny
Duncan	McGrath	Stratton
Florio	Mica	Torres
Foglietta	Morrison (WA)	Traxler
Forsythe	Nelson	Vucanovich
Frenzel	Nielson	Weiss
Frost	Owens	Wilson
Gradison	Panetta	Wortley
Hansen (UT)	Pashayan	Young (AK)
Harkin	Price	

□ 1800

Mr. ERDREICH and Mr. PEASE changed their votes from "aye" to "no."

Mr. ANDREWS of Texas and Mr. VANDERGRIFF changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. FAZIO. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any points of order against the remainder of the bill? The Chair hears none.

Are there any amendments in order under clause 2(c), rule XXI?

Mr. FAZIO. Mr. Chairman, I move that the Committee do now rise.

The CHAIRMAN. The question is on the motion offered by the gentleman from California (Mr. FAZIO).

Those in favor of the motion will vote aye; those oppose to the motion will vote no.

The ayes have it. The motion is agreed to, and the Committee will now rise.

□ 1810

Mr. WALKER. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. The Chair will advise the gentleman that his demand comes too late.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. BROWN of California) having assumed the chair, Mr. DE LA GARZA, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3135) making appropriations for the legislative branch for the fiscal year ending September 30, 1984, and for other purposes, had come to no resolution thereon.

LEBANON EMERGENCY ASSISTANCE ACT OF 1983

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the unfinished business is the vote on the motion of the gentleman from Indiana (Mr. HAMILTON) that the House suspend the rules and pass the Senate bill, S. 639, as amended, on which further proceedings were postponed on Wednesday, June 1, 1983, and on which the yeas and nays were ordered.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana (Mr. HAMILTON) that the House suspend the rules and pass the Senate bill, S. 639, as amended.

The vote was taken by electronic device, and there were—yeas 276, nays 76, not voting 80, as follows:

[Roll No. 153]

YEAS—276

Ackerman	Dicks	Horton
Akaka	Dingell	Howard
Albosta	Donnelly	Hoyer
Alexander	Dowdy	Huckaby
Andrews (NC)	Downey	Hughes
Andrews (TX)	Dwyer	Hunter
Annunzio	Dymally	Jeffords
Anthony	Dyson	Johnson
Aspin	Early	Jones (OK)
Barnes	Eckart	Kaptur
Bartlett	Edgar	Kasich
Bateman	Edwards (AL)	Kastenmeier
Bates	Edwards (CA)	Kemp
Bedell	Erdreich	Kennelly
Beilenson	Erlenborn	Kildee
Bennett	Evans (IL)	Kindness
Bereuter	Fascell	Kogovsek
Biaggi	Fazio	Kramer
Bilirakis	Feighan	LaFalce
Bliley	Ferraro	Lagomarsino
Boehlert	Fiedler	Lantos
Boggs	Fish	Leath
Boland	Flippo	Lehman (CA)
Boner	Foley	Leland
Bonior	Ford (MI)	Levin
Borski	Ford (TN)	Levitas
Bosco	Fowler	Lewis (CA)
Boucher	Frank	Lewis (FL)
Boxer	Franklin	Lipinski
Breaux	Fuqua	Livingston
Britt	Garcia	Long (LA)
Brooks	Gaydos	Lott
Broomfield	Gejdenson	Lowery (CA)
Brown (CA)	Gekas	Lowry (WA)
Bryant	Gephardt	Lujan
Burton	Gibbons	Luken
Campbell	Gilman	Lundine
Carper	Gingrich	Lungren
Carr	Glickman	MacKay
Chandler	Gore	Madigan
Chappell	Gray	Markey
Clarke	Green	Marriott
Clinger	Gregg	Martin (IL)
Coelho	Guarini	Martin (NC)
Coleman (MO)	Gunderson	Martin (NY)
Coleman (TX)	Hall (IN)	Matsui
Conable	Hall (OH)	Mavroules
Cooper	Hamilton	Mazzoli
Corcoran	Harrison	McCandless
Coughlin	Hartnett	McCloskey
Coyne	Hatcher	McCollum
Daniel	Hefner	McCurdy
Daub	Hertel	McDade
Davis	Hightower	McHugh
de la Garza	Hiler	McKernan
DeWine	Hillis	McKinney

McNulty	Ratchford	Sundquist
Michel	Reid	Swift
Mikulski	Richardson	Synar
Miller (CA)	Ridge	Tallon
Mineta	Rinaldo	Tauke
Minish	Robinson	Thomas (CA)
Mitchell	Rodino	Thomas (GA)
Moakley	Roe	Torricelli
Molinari	Rogers	Towns
Mollohan	Rose	Udall
Moody	Rostenkowski	Vander Jagt
Morrison (CT)	Roukema	Vandergriff
Mrazek	Roybal	Vento
Murphy	Russo	Walgren
Murtha	Sawyer	Waxman
Natcher	Scheuer	Weber
Neal	Schroeder	Wheat
Nowak	Schumer	Whitehurst
O'Brien	Seiberling	Whitley
Oakar	Shannon	Whittaker
Oberstar	Sharp	Whitten
Obey	Sikorski	Williams (MT)
Olin	Skeen	Williams (OH)
Ortiz	Smith (IA)	Winn
Ottinger	Smith (NE)	Wirth
Oxley	Smith (NJ)	Wise
Packard	Snowe	Wolf
Parris	Solarz	Wolpe
Patterson	Spence	Wright
Pease	Spratt	Wyden
Pepper	St Germain	Wylie
Perkins	Staggers	Yates
Pickle	Stangeland	Yatron
Porter	Stark	Young (MO)
Rahall	Stokes	Zablocki
Rangel	Studds	Zschau

NAYS—76

Anderson	Gramm	Ray
Applegate	Hall, Ralph	Regula
Archer	Hall, Sam	Ritter
Barnard	Hammerschmidt	Roberts
Bethune	Hance	Roemer
Brown (CO)	Hansen (ID)	Rudd
Broyhill	Hopkins	Savage
Byron	Hubbard	Schaefer
Coats	Jacobs	Sensenbrenner
Courter	Jenkins	Shelby
Crane, Daniel	Jones (NC)	Slattery
Crane, Philip	Latta	Smith, Robert
D'Amours	Loeffler	Snyder
Dannemeyer	Mack	Solomon
Daschle	McDonald	Stenholm
Dellums	McEwen	Stump
Dorgan	Miller (OH)	Tauzin
Dreier	Montgomery	Taylor
Durbin	Moore	Valentine
Edwards (OK)	Moorhead	Volkmer
Emerson	Myers	Walker
English	Nichols	Watkins
Evans (IA)	Patman	Weaver
Fields	Paul	Young (FL)
Gonzalez	Penny	
Goodling	Petri	

NOT VOTING—80

Addabbo	Hawkins	Price
AuCoin	Heftel	Pritchard
Badham	Holt	Pursell
Berman	Hutto	Quillen
Bevill	Hyde	Roth
Bonker	Ireland	Rowland
Carney	Jones (TN)	Sabo
Chappie	Kazen	Schneider
Cheney	Kolter	Schulze
Clay	Kostmayer	Shaw
Collins	Leach	Shumway
Conte	Lehman (FL)	Shuster
Conyers	Lent	Siljander
Craig	Levine	Simon
Crockett	Lloyd	Sisisky
Derrick	Long (MD)	Skelton
Dickinson	Marlenee	Smith (FL)
Dixon	Martinez	Smith, Denny
Duncan	McCain	Stratton
Florio	McGrath	Torres
Foglietta	Mica	Traxler
Forsythe	Morrison (WA)	Vucanovich
Frenzel	Nelson	Weiss
Frost	Nielson	Wilson
Gradison	Owens	Wortley
Hansen (UT)	Panetta	Young (AK)
Harkin	Pashayan	

□ 1820

Mr. McEWEN and Mr. RAY changed their votes from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

H.R. 2532 was laid on the table.

□ 1830

VIEWS ON EL SALVADOR, CENTRAL AMERICA AND LATIN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska (Mr. BEREUTER) is recognized for 60 minutes.

Mr. BEREUTER. Mr. Speaker, I would begin my comments on El Salvador with a few general observations about Central America and Latin America. First, there should be a restatement of the all-too-accurate words of a renowned modern American geographer. He was certainly correct when he said: "There are no experts on Latin America; there are only degrees of ignorance."

Today, and for years to come, America will pay for that ignorance and neglect and for giving so many prideful provocations to our neighbors in Latin America and the Caribbean. They generally believe that our interests and sympathy are inordinately directed toward "Anglo" relations or to Western Europe. In that view they are unfortunately, in my judgment, correct. Yet our neighbors to the south constitute about 30 percent of our export market (approximately $3.3 billion annually) and the area is by far the largest source of foreign tourist dollars spent in the United States. In my judgment, Latin America and the Caribbean by the year 2000, will be of more trade significance to us than the combined nations of Western Europe.

So many of the contacts I have received on this subject from constituents and other Americans say "don't get involved" or "we've got our own problems, don't send any aid." There is indeed growing evidence of support for isolationist policies among many Americans despite the facts that: (1) we are, like it or not, recognized by our allies as the economic linchpin for the free world; and (2) we remain the largest exporting nation in the world. One out of every three and one-half agricultural acres in America produces export commodities. An estimated 830,000 American jobs are related to foreign trade with Latin America and the Caribbean countries.

What kind of leadership and good neighbor policies have we adopted in our own hemisphere? I believe we must admit that during this century, and especially since the 1950's, the United States has, by its actions and failures to act, opted for the temporary stability provided by dictatorships and oligarchical control in various parts of the Western Hemisphere. We chose this easy and expedient course rather than using our very considerable influence to urge and assist those nations to form and reinforce democratic institutions and traditions, establish judicial systems worthy of the name, and encourage economic development efforts that would bring benefits to all of their people.

Today we have an estimated 4 to 6 million illegal aliens in the country, and, while nobody really knows the true number, an estimated 10,000 Latin American illegal aliens are successful in crossing the Mexico-United States border each day.

More border guards will not stop that flow. Boatloads of Haitians are illegally arriving on our shores, and an estimated 9 percent of all Salvadorans are already living in this country—most illegally. Population increases in Latin America are the highest in the world. Modern communications and transportation have acted, respectively, to accentuate the rising expectations of our impoverished southern neighbors and provide the means for arriving on our shores or crossing our southern border to take a chance on matching those expectations. With a connecting land mass we were never a secure island redoubt against illegal aliens, and we are less so with every passing day.

Yet, who among us in this Nation of immigrants can truly fail to understand their compelling drive to exchange a life of hunger, disease, illiteracy, violence, and general hopelessness for the American dream? There is a limit, however, as to how many immigrants and refugees we can successfully assimilate each year, even if we are just counting those arriving here through legal methods. Our high unemployment rate and long recession severely test the patience, and the generous, humane spirit of our people. We are, I believe, just seeing the beginning of a crushing tide of illegal alien landing on our shores. Beefing up our INS Border Patrol would make only a marginal difference: we can not employ enough people to stop the increasing numbers of desperate and determined inhabitants of Mexico, Central America, and the Caribbean.

It does, I believe, come down to this. We cannot control their entrance even if we are totally committed to that end. We can help them help themselves in their own countries, or we will willingly or unwillingly pay the

price in jobs, dollars, and violence right here. Help them there or help them here; that is the emerging choice. Given that choice, I feel, and believe most Americans feel, that we can only choose the former. In fact, only some combination of the two approaches will succeed, even if we launch an increased assistance program.

FOCUS ON EL SALVADOR

The preceding may seem an overly long introduction, but because so many people contacting me have questioned the wisdom or necessity of any U.S. Government involvement south of the border, I felt it was essential to provide this preliminary statement of fact and opinion.

Now, finally, I come to the matter of El Salvador. Let me begin by saying that my visit there with three other committee members and one committee staff person on February 23-26, 1983, was invaluable. The trip subsequently has provided a framework for additional reading, discussion, and interviews. Certainly I would not contend that brief visit makes me an expert or gives me all of the right answers. However, we did have an extremely intensive schedule, a helicopter at our disposal and total cooperation in our scheduling.

In El Salvador we met with representatives and elected officials of all five parties represented in the Constituent Assembly, President Magana, businessmen, journalists, representatives of several international humanitarian groups, clergy, Salvadoran military leaders and field commanders, guerrilla defectors, our U.S. Ambassador and embassy staff, AID field staff, labor leaders, Salvadoran land reform officials, peasant farmers or campesinos on both cooperative (Phase I) land reform farms and on their own small, individual "Land-for-the-Tiller" (Phase II) farms, and individual, randomly selected Salvadoran people in private and governmental refugee camps, on work projects and on the streets of Berlin. Subsequently in Washington I met with Dr. Guillermo Ungo, the leader of the largest Salvadoran guerrilla group. Most importantly, we set our own agenda, and traveled where we wanted to go. We were not accompanied by Salvadoran governmental or military personnel who might have an intimidating effect upon the people to whom we talked. We were not shown only what someone wanted us to see. We were not denied any information, interview, or any destination we requested. We did not give anyone an opportunity for systematic or coordinated brainwashing. Our only failure, despite repeated efforts and a confirmed appointment, was an interview with Archbishop Rivera y Damas or other high-ranking Catholic clergy; preparation for the upcoming visit of Pope John Paul II about a week later was given as the reason.

Having made clear the breadth of our contact, the first thing that I would say about El Salvador is that it was certainly a country ripe for revolution. The disparity in land ownership was the most extreme in the hemisphere. Most of the arable land was owned by a relatively small number of families that effectively exercised oligarchial control over that nation's economic and political life. The smallest nation in Central America, until recently, its population density is exceeded in the hemisphere only by Haiti; yet it has no significant developed petroleum or mineral resources.

On inter-class judicial issues, its law enforcement and judicial system, not uniquely in the region, have frequently been inequitable, corrupt, and subject to intimidation. Although comparative statistics in Latin America are unreliable, many people have always pointed to El Salvador as traditionally having the highest incidence of nongovernmental murder and violence in the hemisphere. The church was said to be very largely unresponsive to demands for its involvement on matters of social justice, economic improvement, and human rights. There are few, if any, roots of democratic traditions and institutions. Like so many areas in Latin America, El Salvador has made little real progress in moving away from the division of its population into the two classes of the exploiters and the exploited—a condition that traces back over four centuries to Spanish conquistadors and conquered Indians. Yet the Salvadorans are known in Central America as the region's most energetic people.

Because of these extreme conditions it is not surprising that some concerned Salvadorans and foreign nationals—including clergy—especially those working most closely with the poor, looked favorably on revolutionary changes. After four centuries of deprivation and gross inequity for the vast majority, that nation's citizens looked to different people and different ideologies for answers. As in the case of Nicaragua, some of these revolutionairs were Marxist or sympathetic to Marxist ideology and goals; many others were not ideologically motivated but simply wanted a better life for Salvadorans than was provided by a nation perpetually under the control of the oligarchical/military faction that ran the country.

Now that the country has been threatened by an internal revolution, covertly and overtly aided by Cuba and the Soviet Union through Nicaragua, important reform steps have finally been taken by the Government of El Salvador. The existence and importance of external aid to Salvadoran guerrillas was once a matter of debate; today the evidence is irrefutable. Guerrillas and Nicaraguans even boast about it on the radio and in print. Those reforms have been more apparent since the March 1982 elections and especially in the last 4 to 6 months, but, sadly, it must be admitted that these changes would not have been implemented by the Salvadoran Government if the revolutionaries had not created conditions which required those reforms. Changes also would not have happened without the conditions placed upon American aid and without other forms of pressure and persuasion employed by the U.S. Government.

What reforms or progress am I talking about? What are the facts? Are the reforms real? Certainly answers to those questions are controversial. One of the frustrations I have in answering questions on El Salvador and Central America is that so much obsolete and inaccurate information on conditions in that country and region is unintentionally circulated. Sometimes that misinformation springs from incomplete or biased investigations, or misinterpretations, but mostly I believe the discrepancies spring from the fact that much information on conditions in El Salvador is outdated. Conditions have changed markedly and they continue to change at a rapid pace. Americans should first ask both critics and supporters of the Salvadoran Government or United States policy in Central America about the breadth of their research and especially how old their facts are.

DEMOCRATIC ELECTIONS

In March of 1982 over 1,500,000 Salvadorans (83 percent of that country's eligible adult voters) cast their votes for a national legislative body, the Constituent Assembly, despite guerrilla violence and concerted threats of violence to anyone who voted. Literally hundreds of international observers and news media representatives were on hand; they gave the election exceedingly high marks for integrity. The guerrillas suffered a major setback in image and, for at least a few weeks, El Salvador issues were mostly relegated to small articles on the back pages of our newspapers.

Now, elections have again been set for December of 1983. The independent, quasi-governmental Peace Commission, established in February of 1983, has recently announced a detailed, responsible amnesty program for guerrilla members who forsake armed conflict and pursue their goals through democratic means. It appears to be formed to protect those asking for amnesty from retribution. A number of Salvadorans have already quietly taken advantage of this and a previous amnesty offer, but the guerrilla leaders again refuse to participate in the election process. Most of their

leaders understand, I believe, that their support at the polls would be small and shrinking. Looking at what happened in Nicaragua, they see that revolution led to a role in a coalition Sandinista government which is now totally dominated by Marxists with support and substantial control by international Communist forces.

□ 1840

Mr. GEKAS. Will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman.

Mr. GEKAS. On the point of the elections, this is something that I have not fully comprehended. Did the call for new elections now forthcoming in December 1983 emanate from the increased pressure of the rebel activity, both military and political?

Mr. BEREUTER. I thank the gentleman for his question. It is an important one. I have to say no, that is not the case.

Frankly, the guerrillas would rather not see the election happen because I think it places on them a wee burden, a responsibility to show why they are not willing to participate in an election process, even when an amnesty is granted to permit them to participate and to give them the kind of protection they need. So I think that the election is probably the last thing they want because they do not want to face the embarrassment that they faced in March 1982.

Mr. GEKAS. Did the call for the election come about because the Central Government, the one now affecting the governmental reins there, wanted to have a kind of confirmation of their leadership, or did it come about because of pressure from international sources like the United States who want to see stability there? How did it come about? I am not sure historically why the elections have been called for because they were so recent in the first place, so overwhelming in support of the Government eventually that took root, I cannot sort out why we are having this election or why the El Salvadorans are having this election.

Mr. BEREUTER. I would say to the gentleman I appreciate his question. I think the answer to the first part of the question is it was a combination of interest on the part of the constituent assembly, President Magana, and external sources, especially the United States, that moved the decision forward to have the election earlier than planned.

□ 1850

But I would have to say second I think the primary reason is that we are talking about an election of different offices. Whereas the first one was strictly an election for the constituent assembly, the new 40-member legislative body.

Mr. GEKAS. I thank the gentleman. That helps me in my thinking on the matter. If the gentleman would not mind, I might have to interrupt him a little later and ask him to yield.

Mr. BEREUTER. I welcome the gentleman's questions and comments.

HUMAN RIGHTS

While human rights violations have been reduced in recent months, according to clergy and relatively unbiased international groups, they are still substantial and they are committed by both Salvadoran military forces and by guerrillas. I talked, for example, to civilians in the Salvadoran city of Berlin who told me about the grisly atrocities committed there by guerrillas. There also is unimpeachable evidence of the guerrillas' attempt to blame the total destruction of several blocks of that city on Salvadoran air forces. Clearly there are still death squads employed by right-wing forces—some probably even linked to people sitting in the Assembly—by expatriates with oligarchical connections, and by guerrilla forces. Nonpolitical personal disputes and animosities are also clearly being pursued in this violent society by means of unsupported allegations conveniently given to Salvadoran forces or guerrillas. Grudges are settled by the guns of one side or the other. Finally, however, one encouraging fact should be mentioned. The human rights record of the two Salvadoran battalions trained by the United States at Fort Bragg, N.C., has been excellent.

JUDICIAL REFORM

While an effort is underway in the Assembly to strengthen the honesty and independence of the judiciary system in El Salvador through special efforts in drafting the new constitution, justice is still frequently frustrated by bribery and the intimidation of judges. President Magana and others shared their frustrations with us on this matter. There are two particularly infamous cases, for example, where the identities of the killers of the four American churchwomen and the persons allegedly responsible for the deaths of the AFL-CIO workers are widely known. During our February visit, we continually emphasized the moral and political significance of seeing justice done in these and several other notorious cases. But even if properly applied, the judicial process under the Salvadoran derivation of the Napoleonic Code—which places emphasis on direct accusation—operates quite differently than the American system. We want action now, but such action is as slow as that of our own courts under the due process we have pushed them to implement. Of course, the major problem is that justice remains illusive in a nation where judges are routinely bribed and their families threatened. The trial and appeals process is being pursued with continuing pressure from the top of the Salvadoran governmental structure and from the United States.

LAND REFORM

Probably in no other area is up-to-date information more important than in the area of land reform, because this situation has recently changed dramatically for the better. Certainly I have my doubts about the wisdom of creating cooperative farms through phase I of the land reform program instead of opting for individual ownership and operations by the individual campesinos who worked the land—as in the phase III "Land-for-the-Tiller" program. It is not the approach I would have recommended. Nevertheless, from my examination I would say that these cooperative farms seem to be viable despite low commodity prices, despite the initial violence naturally engendered by any forceable sale and redistribution of land, and despite the guerrilla damage being done to the power, transportation and technical assistance systems.

It is the phase III effort, however, where the emphasis now is being placed and it is being pursued aggressively and according to law. Of course it is most successful in areas with lower levels of guerrilla conflict. Despite normal, justifiable difficulties in land titling and funding difficulties, the United States could not do as well in a peacetime environment, I am convinced, even if we ideologically could accept such a land redistribution system—which we could not and should not.

Today, over 21 percent of the arable land has been redistributed through the land reform programs, toward a goal of 37.7 percent. Over 78,000 peasant farmers have been placed on land that they now own or are acquiring. Over 76,936 hectares—1 hectare equals 2.471 acres—have been redistributed through the phase III "Land-for-the-Tiller" program, toward a goal of up to 200,000 hectares. This effort continues under the strongest possible encouragement by the United States.

While the "rightest" Arena party and various other public and private figures still oppose these programs and would probably roll them back if possible, the phase III program was extended, without condition, for another 10 months by a vote of the Constituent Assembly in March of 1983. When you look into the eyes of the campesinos now on cooperative farms and individual plots and you see the fierce pride and revitalized energy born of their new ownerships, you know that nobody, guerrilla or oligarch, is easily going to take this land away by force, economic pressure, coup d'etat or statutory change. Truly

revolutionary changes have been unleashed.

MILITARY ASSISTANCE

Some critics of U.S. military aid to El Salvador have found it convenient to refer to the opposition to such aid by Salvadoran clergy or foreign clergy in that nation. Frequently they have taken a partial quotation from Bishop—now Archbishop—Rivera y Damas—generally regarded as the preeminent centrist or left-of-center Catholic leader in Central America—who has frequently been very independent from and critical of the Government of El Salvador. Accordingly, it might be well to consider the following statement by the archbishop which he made on March 30, 1983:

My thoughts have always been clear on this subject since I do believe we need help to develop as a nation. With respect to military aid which is a hard necessity, I would not be in favor of this aid if it were possible to prevent similar aid from reaching the government's opposition. In other words, I prefer a political rather than a military solution, and, it is in this sense that I say that arms are unnecessary provided we achieve a political solution. But a unilateral suspension of aid would not solve the problem.

The official Catholic Church newspaper "Orientation" published an editorial February 6, 1983, disputing the charge that U.S. military aid serves to increase repression in El Salvador:

What is debatable however, is the thesis that U.S. military aid serves to increase repression and the U.S. should not aid us because the repression continues. The absolute beneficiaries of this position would be the FDR/FMLN (the guerrillas), who for this reason support without discussion a similar thesis. Although we admit that El Salvador has not advanced as far as necessary with respect to human rights, we believe that it would be unjust to abandon us to our own fate only to fall unavoidably into the hands of those who give no sign of respecting such rights.

Of course there is a very legitimate concern that direct involvement by U.S. military forces in El Salvador might escalate, and I fully share that conern. That is why I have opposed increasing the current limit of 55 military advisers. It should also be pointed out that the level of our economic assistance and commodity aid has outpaced military assistance; however, the full utility of the latter categories of such assistance has only brought marginal improvements. Why? Most of what we now send is simply being spent to replace the necessary power and transportation infrastructure that the guerrillas are destroying, to care for the increasing streams of refugees fleeing guerrilla areas, and to compensate for the crops that guerrillas are destroying or making impossible. Economic aid will be futile without the military aid necessary to maintain and enhance stability.

CONCLUSION

I view the conflict in El Salvador as one being fought on three fronts. The first is the armed tactical conflict where, contrary to many reports, the outcome is probably not deteriorating, but still very much in question. Insurgent or guerrilla forces almost always have the advantage of surprise. They can pick the place and time for destructive activities and direct conflict. Vastly superior ratios of Government or defender troops are traditionally needed to defeat guerrillas.

With the exception of three battalions of troops trained outside their country, Salvadoran troops generally have not demonstrated the ability or commitment to launch the kind of offensive, small-unit tactics necessary to disrupt guerrilla operations and deny them safe havens. The great majority of their troops are still engaged in protection of crucial infrastructure and the civilian population. Numbers required to combat a guerrilla operation have not yet been marshaled. In contrast, the core of the guerrilla forces are well trained and well equipped with weapons, ammunition and other necessary supplies which are captured or coming in from Nicaragua. Serial numbers show that weapons abandoned by United States or Vietnamese forces in Vietnam are now used by the guerrillas. While there now is little outright conflict in the San Salvador area, the guerrillas have moved to traditional, rural-oriented operations and can stage an attack at will in a great many parts of the nation.

The second front is the war for international public opinion. Guerrilla tactical activities are clearly and rather effectively orchestrated to win the battle on the front so that the United States will withdraw or sharply limit its aid. There is, for example, an identifiable precertification offensive every 6 months just before President Reagan must certify to the Congress various indicators of progress by the Salvadoran Government. Internationally, too, Salvadoran guerrillas are very conscious of the need to shape world opinion and reduce the resolve of the United States to maintain supportive actions for the Government of El Salvador. One of the crucial battlefields is, of course, on Capitol Hill. The guerrillas and other sympathetic forces wage war on this front directly and indirectly by a variety of means. (That comment is by no means, however, meant to suggest anything negative about the motives or wisdom of Americans that disagree with the past or present conduct of the Salvadoran Government or U.S. policy.)

Finally, the third front, it seems to me, is the war for the hearts and minds of the Salvadoran people. Here the Salvadoran Government is, in my judgment, clearly strengthening its position through the fledgling democratic processes now visible through the dramatically successful election, the functioning Constituent Assembly, some political defections from guerrilla and extreme right-wing elements to a more centrist position, and especially through the "Land-for-the-Tiller" program. The average Salvadoran peasants who desperately want an end to conflict, but care little about politics, increasingly see the guerrilla as the culprit for the frequent electricity outages, closed schools, unmarketable and ruined crops, broken homes, months and years of refugee camps, and death and injury.

Democracy is not firmly rooted yet on this unfamiliar soil. Human rights violations—while declining—continue in a totally unacceptable fashion. Factions of the military still do not respect or respond to legitimate civilian control, and the judicial reform effort is hardly started. But substantial, measurable progress is being made on the road to democracy and on the very difficult task of reducing extreme economic disparities. These are terribly difficult tasks to accomplish during a shooting war waged by guerrillas supported by foreign forces. It is especially difficult in a nation whose economic resources are far too few and whose support from a friendly U.S. Government is seen as being constantly placed in jeopardy as the Congress debates and acts upon each Presidential request for aid in a process that is still very foreign to them.

Clearly the guerrillas are set on bringing El Salvador to its economic knees, and they will certainly succeed without U.S. economic support and the military aid that makes such economic aid at least marginally successful. The question now is whether we are willing to abandon these fledgling democratic processes and institutions and the El Salvadoran people who believe in them. Will we provide the assistance necessary to sustain the democratic and economic progress that was first demanded by guerrilla action and subsequently by the survival instincts of the Salvadoran Government and by conditions attached to aid from the United States?

□ 1900

Those are the crucial questions that we ought to consider as we debate continued support for economic and military assistance to El Salvador and to the democratic republics of Central America that are trying to assist them. I hope the Members will focus on those issues.

Mr. GEKAS. Mr. Speaker, will the gentleman yield?

Mr. BEREUTER. I am pleased to yield to the gentleman from Pennsylvania.

Mr. GEKAS. Mr. Speaker, I am very much impressed by the thoroughness of the analysis that the gentleman has provided in his statement. As a matter of fact, I believe that his statement

should become required reading for every Member of the House and for that matter, for every American citizen, because the gentleman has properly outlined that the problems in El Salvador are indeed on a political and economic level the problems of the United States of America.

And so, as goes El Salvador, so goes down the road our future in our economic and political leadership in the Western Hemisphere.

I really appreciate the gentleman taking the time to put this into the CONGRESSIONAL RECORD.

Mr. BEREUTER. I thank the gentleman for his very complimentary remarks.

Indeed our national interest is being affected by what is happening in El Salvador today. There is no question in this Member's mind that that is the case.

We have unfortunately neglected our responsibilities to our neighbors to the south, the republics of Central America and the Caribbean over the past years. We are taking some steps forward, but I want to suggest to my colleagues that one of the steps that we have which would bring salutory results shortly will be the Caribbean Basin Initiative which this House addressed during the last Congress, but the other body did not get to.

I appreciate again the gentleman's remarks.

THE 37TH ANNIVERSARY OF THE ITALIAN REPUBLIC

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, June 2 marks a stirring event in the rich history of Italy, for it was 37 years ago in 1946 that the Italian people in a resounding vote of confidence for political democracy, voted in a plebiscite to end their constitutional monarchy and establish a republic. By replacing the Italian monarchy with a republican form of government, Italy began her return to the cultural and political prominence she had long enjoyed.

Eleven days after the referendum, King Umberto II left Italy. With the aid of the Marshall plan, the determined and ingenious Italian people launched upon a great period of economic, political, and social progress. In addition to outstanding postwar achievements on the domestic scene, Italy also placed herself in the vanguard of European integration. Moreover, in the North Atlantic Treaty Organization, Italy has been and continues to be a stalwart and loyal Western ally.

I take this opportunity to extend my greetings and best wishes to the people of the Italian Republic, as well as to the Italian Americans in my own 11th Congressional District of Illinois and throughout our country who are joining in this 37th anniversary observance.

Mr. Speaker, articles about some of the country's exports and economy follow:

ITALY FOR EXPORT

Italy has dazzled the senses of the world for 2,000 years:

The art and architecture have inspired; the music has enriched; the cuisine and wines have made many a traveller go back again and again; and now the Italian soccer team has conquered the world.

Italians began to revive the talents of their forebears after World War II, directing them toward improving their everyday world and making it attractive, modern and efficient.

With remarkable results—now recognized and enjoyed worldwide—they have combined the aesthetic and the practical to create a new way to think about clothes, to see jewelry, to use furniture and to live within architectural forms.

They have built visually appealing and highly efficient machinery for the office, the factory, the construction site and the farm.

With a sculptor's sense of form and with engineering excellence, they have handcrafted automobiles and motorcycles that are as appropriate in art museums as they are on the road.

They have constructed aircraft for defense and commercial use, and are now working on vehicles and instrumentation for outer space.

All this productivity has been accompanied by an ability to manufacture at competitive prices, to promote products in new markets and to sell.

In view of these phenomena it's no surprise that as the world recession deepened during 1981, Italy's sales to the belt-tightening foreign consumer increased by 5 percent.

Italy's ability to satisfy the needs of consumers on an international scale is shown by its high ratio of exports to GNP—foreigners buy 25 percent of everything the Italians produce.

Of its exports, 85 percent are manufactured items; the remaining 15 percent are fresh farm produce and raw materials. The only country with a higher ratio of manufactured goods to those from the farm is Japan.

Of Italy's 86,075 billion liras in exports last year ($71.7 billion at 1,200 liras to US$1), 26.1 percent was for industrial machinery; 15.8 percent for textiles and clothes; 11.4 percent for transport equipment; 9.2 percent for metallurgical products; 7.2 percent for processed food; 7.2 percent for chemical products; 6.6 percent for products made from petroleum and coal derivatives; and 16.7 percent for miscellaneous products.

Italy's markets shifted somewhat in 1981. Whereas 49 percent of all exports went to EC countries in 1980, only 43.2 percent were bought by this market in 1981. Four of these percentage points moved over to the OPEC countries and the other two to developing countries in Latin America and Asia.

Italy's top 10 customers last year were West Germany with 15.5 percent of total exports; France with 13.6 percent; the United States, 6.8 percent; Libya, 5.8 percent; Great Britain, 5.8 percent; Switzerland, 4 percent; the Netherlands, 3 percent; Saudi Arabia, 3 percent; Belgium-Luxemburg, 2.8 percent, and Austria, 2.2 percent.

The next five were Algeria, Iraq, the Soviet Union, Spain and Greece.

FASHION

Among the world's creators of wearing apparel, the Italians seem to have won the eternal battle to design the most appealing, wearable and saleable—especially for the young, which nowadays includes almost anyone who is drawn to an easy, laid-back elegance, a sense of freedom in appearance and comfort in cut. Unexpected colors, patterns, materials and textures are used together with a pleasing, functional result.

"Armani takes a realistic approach to design," says Gini Alhadeff, an official spokesman for Giorgio Armani, undoubtedly today's idol among Italian designers, and thus, in the opinion of many, the idol of the fashion world.

"Armani has a talent for using familiar elements of clothes and giving them an immediacy," Alhadeff says. "He has not wanted to revolutionize men's clothing. He gives conservative men something new that is still conservative. In a sense, he took the starch out of men's suits."

Other top designers who are responsible for the new Italian look in clothes include Ferré, Versace, Basile, Missoni, Krizia, Fendi and Valentino.

Designers of classic high-fashion clothes are much in demand in their traditional markets as well as in new ones. Emilio Pucci, for example, is finding a new following in Finland, Singapore and Japan. "The Japanese market is growing," Pucci says. "The Japanese have developed a discriminating taste for Western clothes."

Brioni of Rome, which has dressed the most distinguished men of Europe for the past 40 years, now exports to 20 countries. With suits that start at $1,200, sales worldwide reached approximately 50,000 last year—15,000 of which were in the United States. In addition to selling in exclusive men's shops throughout the United States, Brioni of Rome recently opened its own shop in New York on Park Avenue.

Though secondary to men's clothes in volume, Brioni's line of women's suits is also gaining in popularity; they are now sold in eight shops in the United States alone.

Ermenegildo Zegna, a world leader in top quality clothes, with sales of more than $100 million a year, now distributes to his own boutiques in Paris, London, Lugano, Hong Kong, Singapore, Japan and Melbourne, Australia.

For active sportswear, Ellessee manufactures in Italy and exports to its own stores in France, Spain, the United States, Japan, Argentina and Bulgaria. The company also has importers and representatives in at least 16 other countries.

Italian exports of ready-to-wear clothing made from textiles amounted to $2 billion in 1981; sweaters, underwear and stockings, $2.3 billion; textiles, $1.89 billion; and yarns, $1 billion.

Italian designers have also expanded their product lines. Armani had such success with a fragrance he created for men—total sales in Europe by the end of May, 1982, had reached $2.2 million—that he will market a new Armani fragrance next spring.

Krizia has a new fragrance on the market, and Versace has just announced a perfume for women.

WINES

Because of its soil and climate Italy produces a tremendous variety of grapes, and it

makes and exports more wine than any country in the world.

In 1981, Italy exported more than 500 million gallons (19 million hectoliters) with revenues of over $772.5 million (927 billion liras)—a 36 percent increase over 1980 and a 7 percent increase over 1979.

France came in a distant second, exporting 238 million gallons (9 million hectoliters). Spain was the third largest wine producer, followed by the Soviet Union, Argentina, the United States, Portugal, Romania, Chile and South Africa.

Italy's biggest customer for wine was France, importing 195 million gallons (7.4 million hectoliters); Germany was next, followed by the United States, the Soviet Union and Switzerland.

Lovers of Italian wines have been shifting their preferences over the past few years. The sparkling red Lambruscos still dominate, but the whites have been gaining.

The special wines from smaller or lesser-known wineries have also started to move into the international market.

Mastroberardino's Lacryma Christi del Vesuvio, made from grapes from the slopes of Mount Vesuvius, can now be found in the best restaurants of Europe, the United States and Japan. "The sulfur in the soil here gives our Greco di Tufo white wine the exquisite taste of peach and almond," explains Antonio Mastroberardino, export division manager of the 200-year-old wine cellar that has been owned and operated by the Mastroberardino family for more than 100 years.

NOTES ON THE ECONOMY

At the end of January, or barely two months after its inception, the Fanfani government scored an impressive breakthrough: together with representatives of trade unions and employer' associations, it signed a unique document which bears all the marks of a social pact. Though it is heralded as a clear victory by the three concerned parties, doubts still linger as to the costs involved for each of them, especially regarding its real anti-inflationary thrust. Even so, there is no denying that it was a significant step towards institutionalizing consensus in a country where social strife has for years represented the major stumbling block hampering progress toward the goal of lower inflation.

The major concession made by labor regards a correction of the sliding scale mechanism designed to moderate its impact on the wage-price spiral. This was done by lowering the flat amount paid to all workers by 15 per cent as compensation for each one-point increase in the cost-of-living index (1982=100). Unfortunately, there was no change in the basic structure of the mechanism, which has often been criticized for its leveling effect on wage differentials. Another promise made by labor was to try to keep down settlements in the current round of wage negotiations to the extent needed in order to avoid an overall wage increase (including the escalator) of more than 13 per cent for the current year and 10 per cent for 1984. The government agreed to introduce a new income-tax schedule favoring the lower brackets, chiefly through more generous deductions, and also, from now on, to keep down increases in administered prices to within 13 per cent.●

EL SALVADOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 30 minutes.

Mr. GONZALEZ. Mr. Speaker, vast tragedies start in small ways. As a matter of fact, the famous English historian A. J. P. Taylor in describing the beginnings of our latter wars has said they have all had ragged beginnings.

President Reagan is leading the United States inch by inch into an absolutely unlimited commitment to a corrupt, ineffective, lawless regime in El Salvador.

First, it was 55 military advisers. Now it is two and a half dozen doctors, military doctors, who are being sent for—Mr. Reagan's words—"humanitarian reasons."

Now and again it is a few tens or dozens of millions of additional dollars each time the commitment is bigger because with each passing day the Government of El Salvador is less legitimate, less effective, and less capable.

□ 1910

The time to stop this kind of nonsense is right now. The people of El Salvador, like anybody else, us included, want a legitimate government, one of law, one of justice. They want an end to torture, to arbitrary arrest and routine murders in the night. They want to see honest courts. They want economic justice. These are the same kinds of things that we would want if we lived there ourselves. Any government that systematically denies these things cannot last. We should have learned that from the warning of Stilwell in the Far East in the case of China. We should have learned it in Vietnam. We should certainly have learned it, above all, in Nicaragua, a country where our presence was obliterative. We had more American-trained military in Nicaragua than in all of those countries put together, and yet that regime we were propping up went down to a point where we really now have a situation. We should have learned in Iran. But no. Here we go again, repeating the mistakes.

How can it happen? For one thing, because Congress has abdicated its responsibilities. We do not invoke the limitations of the War Powers Act. There is no movement afoot, even though at this very point, as I brought out last week, the Reagan administration is in outright violation of the plain terms of the act. We do not cut off funds. We do not object. Everyone is waiting for the big outrage. But we should know, by now, that the time to act is when the problem is relatively small, not when it has gotten out of hand. The time to act is before our commitment is so big that we cannot withdraw at all. The time to act is before corrupt gangsters have wormed their way under our skin.

When does Congress act? When we have 100, 500, 1,000 troops in El Salvador? After the 5th or the 500th casualty? None of these. The time to act is when we dole out the first dollar to gangsters who carry nothing but the banner of anti-Marxism to hide their corruption. The time to act is on the first opportunity to help people meet their legitimate needs, not stand with those who oppress and degrade our fellow human beings. Which one of us would not rebel if we were in El Salvador?

It is clear that the President has taken everything on a commitment to the same rightwing forces that have oppressed and corrupted El Salvador for 50 years or more, who have murdered archbishops, nuns, priests, and over 40,000 innocent children, young boys, girls, peasants, who would not know what Marxist-Leninism would look like, much less mean. He has fired Thomas Enders, who is as tough as they come in the State Department nowadays. After all, he was the one who directed a good part of that so-called secret war in Cambodia.

Why did he fire him? Because Enders sees a danger in El Salvador, sees that there is a need for change in our policy. He has fired the Ambassador. Why? Because he wants to make it clear that the only news he wants is good news, which we see ample demonstration of here domestically. He insists that the press report good news and not bad news because he has decreed that an economic recovery is underway. He wants to cut out of the picture the State Department, in essence, bring the conduct of Salvadoran and other policies into the White House basement, just like it was in the days of Vietnam. When a policy control moves into the White House basement, I say watch out—it means the amateurs are now in control.

It is no coincidence that at the same time President Reagan upped the ante in El Salvador and fired his professionals operating there, the rightwingers in El Salvador reinforced their own position. They understand that the United States is about to pour unlimited resources on them. They want to profit from it. Who will suffer? The people of El Salvador, and our own innocent troops sent down on one of the most atrocious assignments, even superseding the Vietnam assignment.

I have talked to some of my constituent servicemen, some of whom served not only in El Salvador but over in Lebanon, in the desert, as well as in Beirut, in the outposts in Korea, in Germany. And let me tell you that those serving and having served in El Salvador would have said 2 years ago that what happened last week in the murder of our naval second in command was inevitable. It was just a question of when and how often and whether there now is a new policy which, as one of my constituents had

told me, was the only reason why he was safe and sound, because they were so vulnerable, that the only reason that they had not been killed was because the policy was to leave them alone for the time being on both the part of the rightwingers, as well as the so-called rebels or guerrillas, or whatever you want to call them.

History will record this as one more disaster for a misguided, bullheaded United States that refuses to learn the lessons of its own past.

DR. VIKTOR BRAILOVSKY: THE INJUSTICE CONTINUES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. GLICKMAN) is recognized for 5 minutes.

● Mr. GLICKMAN. Mr. Speaker, I rise once again in concern for refusenik Dr. Viktor Brailovsky. I have been following Dr. Brailovsky's case for nearly 5 years, and the circumstances of this gentleman's life have become increasingly more disturbing. Over the past 11 years, Dr. Brailovsky and his family have been harassed by the Soviets. They have been repeatedly denied permission to emigrate to Israel. The doctor himself was arrested several times and spent 11 months in jail before his final sentencing to 5 years of internal exile.

Brailovsky's last arrest occurred just after the opening of the 1981 Madrid Conference on East-West Cooperation called to reaffirm signatory nations' commitment to the Helsinki accords. This action, in addition to many others, revealed the Soviet stance: that the Soviet Jews could not place any hope in the Helsinki Pact and the human rights it upheld. They would not be able to emigrate even though the Soviet Union had committed itself to upholding such a right by signing the Helsinki accords.

At the beginning of this year, after 1½ years of imprisonment, Brailovsky was dealt further injustice when he was refused a remission of sentence for good behavior. It was denied on the grounds that Dr. Brailovsky was 15 minutes late for work last September, even though he had officially reported that he was ill. Following this denial, Brailovsky received a visit from three senior officials. They stated clearly that since he was no ordinary prisoner, but one of a special category, he could not expect normal procedures applied. Dr. Brailovsky's family is now worried that the doctor's sentence will be extended. The prolongment of terms of exile without due process is unfortunately increasingly common in the Soviet Union.

The injustice of this case is exemplified even further when Brailovsky's trial is examined. His charges were brought under Article 190–1 of the RSFSR Criminal Code dealing with defamation of the Soviet State. This act is known for its broad use in prosecuting individuals who express opinions not of the Soviets' liking. In addition, documents newly found by the American Jewish Committee evidenced that the prosecution brought false charges against Brailovsky and utilized published material edited by Brailovsky totally out of context to receive the verdict brought forth. During his defense, Brailovsky refuted 28 accusations that the Soviets brought against him. In his conclusion he stated, "From the foregoing it clearly follows that in every case the bases for an accusation according to Article 190–1 are absent."

To us in the United States where justice and freedom are guiding values, violations of basic human freedoms, such as those denied Dr. Victor Brailovsky, are abhorrent. I urge President Reagan and members of his administration to utilize any possible means to press for Dr. Brailovsky's deserved freedom and his long-awaited emigration to Israel.●

NEW BULK CARGO POLICY AND COAL TRANSPORTATION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Louisiana (Mrs. BOGGS) is recognized for 5 minutes.

● Mrs. BOGGS. Mr. Speaker, some individuals in the coal industry have been concerned about the impact of the proposed bulk cargo reservation policy on coal transportation costs. To require exporters and importers to ship a small percentage of their goods on U.S.-flag ships, they argue, will wipe out the U.S. coal export market.

This conclusion is based on a misunderstanding of the intent of the Competitive Shipping and Shipbuilding Act (H.R. 1242). This bill and its companion bill, S. 1000, which require U.S. exporters and importers to ship 5 percent of their goods on U.S.-flag ships in the first year of enactment, is aimed at creating a larger, competitive market for U.S.-flag vessels. Therefore, existing U.S.-flag, foreign-flag price differentials cannot be used to estimate the cost of this legislation.

The immediate impact of the legislation would be the full and efficient utilization of existing U.S.-flag shipping capability. It would allow operators to use cost-saving techniques such as long-term charters, and arranging for backhaul cargoes. In addition, the vessels constructed under the bill would be the most technologically advanced ships, capable of carrying cargoes at significantly reduced rates.

An important feature of the bill is the requirement that both U.S. shipyards and vessel operators reduce costs by 15 percent, which would have an immediate and significant impact on shipping costs. To further insure that U.S.-flag rates are not too high, the Secretary of Transportation is charged with establishing guideline rates based on world market costs in consultation with an advisory panel that includes representatives of exporters and importers.

It is estimated that in the first year of the bill, increased transportation costs will add roughly 0.2 percent to the landed price of coal. Even if the U.S-flag, foreign-flag differential reached $14 per ton under the cargo policy established by H.R. 1242, this would result in an incremental cost increase of only 70 cents per ton.

These minimal price increases associated with U.S.-flag carriage of a share of U.S. coal exports should have little or no impact on the level of the trade.

Both the mine price of coal and domestic rail costs are higher in the United States than, for example, South Africa. In other words, U.S. coal is more expensive than that of our major competitor before it ever reaches a port, yet there is still demand for it.

As an energy product, coal is an absolute necessity to many importing nations. For this reason, they are willing to pay a range of prices for security and diversity of supply. The United States is the world's most secure supplier of coal. Australia, South Africa, and, to a lesser extent, Poland, are our major competitors in the international coal market. In Australia, up to 17 unions play a part in the coal export process; any one can stop the movement of the coal. The other two countries have obvious political problems which make them less secure sources of exports.

It has been estimated that coal importing nations are willing to pay a premium of up to 10 percent for a secure and diverse supply of coal. The cost increases associated with H.R. 1242 and S. 1000 are well within this range. In return for insignificant cost increases, U.S. coal exporters will enjoy the benefits of an efficient, reliable, domestic transportation system, adding to the security of this Nation's international trade flows.

Thank you.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. NELSON) is recognized for 5 minutes.

● Mr. NELSON of Florida. Mr. Speaker, because of an official trip to El Salvador, I am not able to be present for the vote on final passage of H.R. 3133, the HUD-independent agencies appropriations for fiscal year 1984.

If I were present, I would vote for this bill.●

REFUGEE REAUTHORIZATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky (Mr. MAZZOLI) is recognized for 5 minutes.

● Mr. MAZZOLI. Mr. Speaker, I wish to announce that the Subcommittee on Immigration, Refugees, and International Law which I chair has scheduled 3 days of public hearings to consider the reauthorization of the Refugee Act of 1980, which expires this year.

The hearing dates are June 7, 9, and 22.

The June 7 hearing will be devoted to the legal interpretations and applications of the refugee definition which is set forth in the Refugee Act of 1980. The witnesses for the hearings will include representatives of the Office of the Legal Counsel and the Immigration and Naturalization Service of the Department of Justice and the Bureau of Refugee Programs and the Bureau of Human Rights and Humanitarian Affairs in the Department of State. We will also receive testimony from the U.S. Coordinator for Refugee Affairs.

During the June 9 hearing we will consider the need for legislation to extend the authorization of funding for domestic resettlement programs under the Refugee Act of 1980.

Regrettably, the administration has not, at this time, submitted their legislative proposal to accomplish this objective. For this reason, I am today introducing a bill which provides a simple 3-year extension of funding authority for refugee resettlement activities. This legislation is meant only as a vehicle for the hearings we have scheduled in the event the administration's proposal is not timely submitted to Congress. My final views on the subject and those of my subcommittee colleagues will be developed during this series of legislative and oversight hearings.

On June 22, the subcommittee will receive testimony from a variety of public witnesses. The witnesses invited to testify at this hearing include: The National Governor's Association, National Association of Counties, Refugee Policy Group, National Conference of State Legislatures, and the American Council of Voluntary Agencies.

I am hopeful that, with the administration's cooperation, we will be able to conclude these hearings in June so that we can present legislation to the full House as soon as possible.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CARNEY (at the request of Mr. MICHEL), for today, on account of a death in the family.

Mrs. LLOYD (at the request of Mr. WRIGHT), for today, on account of official business.

Mr. KOLTER (at the request of Mr. WRIGHT), for today and the balance of the week, on account of medical reasons.

Mr. ADDABBO, after 5 p.m. today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. GEKAS) to revise and extend his remarks and include extraneous material:)

Mr. BEREUTER, for 60 minutes, today.

(The following Members (at the request of Mr. ECKART) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 30 minutes, today.
Mr. GLICKMAN, for 5 minutes, today.
Mrs. BOGGS, for 5 minutes, today.
Mr. NELSON of Florida, for 5 minutes, today.
Mr. MAZZOLI, for 5 minutes, today.
Mr. FRANK, for 30 minutes, on June 3.
Mr. GAYDOS, for 60 minutes, on June 6.
Mr. MURTHA, for 60 minutes, on June 6.
Mr. DYMALLY, for 60 minutes, on June 7.

EXTENSIONS OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. GONZALEZ, during consideration of the HUD section, in the Committee of the Whole today.

Ms. KAPTUR, to revise and extend her remarks on H.R. 3133.

(The following Members (at the request of Mr. GEKAS) and to include extraneous matter:)

Mr. RITTER in two instances.
Mr. MCDADE.
Mr. FRENZEL.
Mr. PHILIP M. CRANE.
Mr. COUGHLIN.
Mr. SMITH of New Jersey.
Mr. GILMAN in three instances.
Mr. PORTER.
Mr. WORTLEY.
Mr. COURTER.
Mr. CORCORAN in two instances.
Mr. WOLF.
Mr. MARTIN of North Carolina in two instances.
Mr. BEREUTER.
Mr. PETRI.
Mr. GEKAS.
Mr. DAUB.
Mr. HOPKINS.

(The following Members (at the request of Mr. ECKART) and to include extraneous matter:)

Mr. GUARINI.
Mr. RICHARDSON.
Mr. ACKERMAN.
Mr. HOYER.
Mr. MARKEY.
Mr. RODINO in two instances.
Mr. EDWARDS of California.
Mr. TALLON.
Mr. HAMILTON in three instances.
Mr. NELSON of Florida.
Mr. DE LA GARZA.
Mr. MINISH.
Mr. UDALL.
Mr. STARK in two instances.
Mr. EVANS of Illinois in five instances.
Mr. ERDREICH.
Mr. LIPINSKI.
Mr. JONES of Oklahoma.
Mr. HARRISON.
Mr. SOLARZ.
Mr. FRANK.
Ms. KAPTUR.
Mr. VENTO.
Mr. MRAZEK.
Mr. SIKORSKI.
Mr. BEILENSON.
Mr. BONIOR of Michigan.
Mr. DORGAN.
Mr. GORE.
Mr. OWENS.
Mr. DELLUMS.
Mr. SHELBY.
Mr. MCDONALD.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 18 minutes p.m.) the House adjourned until tomorrow, Friday, June 3, 1983, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1269. A letter from the Assistant Secretary for Governmental and Public Affairs, Department of Agriculture, transmitting part 1 of the Secretary's annual report of the Department of Agriculture, pursuant to section 1301 of title 44, United States Code; to the Committee on Agriculture.

1270. A communication from the President of the United States, transmitting his conclusions and recommendations concerning authorization requested for combatant ships requested for fiscal years 1984 and 1985, pursuant to section 810 of the Department of Defense Appropriation Authorization Act of 1979; to the Committee on Armed Services.

1271. A letter from the Acting Secretary of the Air Force, transmitting a report on the unit-cost breach incurred on the ground-launched cruise missile, pursuant to section 139b of chapter 4, title 10, United

States Code; to the Committee on Armed Services.

1272. A letter from the District of Columbia Auditor, transmitting a report entitled: "Annual Audit of the Washington Convention Center Fund," pursuant to section 455(d) of Public Law 93-198; to the Committee on the District of Columbia.

1273. A letter from the Secretary of Education transmitting the annual report by the National Center for Education Statistics on the condition of education, pursuant to section 406(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

1274. A letter from the Secretary of Education, transmitting the fifth annual report of the Department's Office of Special Education and Rehabilitative Services on the progress being made toward the provision of a free appropriate public education to all handicapped children, pursuant to section 618(d)(1) of Public Law 94-142; to the Committee on Education and Labor.

1275. A letter from the President, Gallaudet College, transmitting the 1981-82 annual report for the Division of Pre-College Programs, pursuant to section 1053(c), 31 D.C. Code; to the Committee on Education and Labor.

1276. A letter from the Secretary of Energy, transmitting a report on activities undertaken with respect to the strategic petroleum reserve under the SPR Amendments Act of 1981, pursuant to section 165(b) of the Energy Policy and Conservation Act; to the Committee on Energy and Commerce.

1277. A letter from the Secretary of Housing and Urban Development, transmitting the semiannual report on the activities of the Office of Inspector General covering the period ending March 31, 1983, pursuant to section 5(b) of Public Law 95-452; to the Committee on Government Operations.

1278. A letter from the Secretary of Transportation, transmitting the semiannual report on the activities of the Office of Inspector General covering the period ending March 31, 1983, pursuant to section 5(b) of Public Law 95-452; to the Committee on Government Operations.

1279. A letter from the Administrator, Environmental Protection Agency, transmitting the semiannual report on the activities of the Office of the Inspector General for the period ending March 31, 1983, pursuant to section 5(b) of Public Law 95-452; to the Committee on Government Operations.

1280. A letter from the Administrator, National Aeronautics and Space Administration, transmitting the semiannual report on the activities of the Office of Inspector General covering the period ending March 31, 1983, pursuant to section 5(b) of Public Law 95-452; to the Committee on Government Operations.

1281. A letter from the Inspector General, Department of Health and Human Services, transmitting the first semiannual report on the activities of his office covering the period ending March 30, 1983, pursuant to section 204(a) of Public Law 94-505, as amended; to the Committee on Government Operations.

1282. A letter from the Chairman, Federal Election Commission, transmitting the 1982 annual report on the activities of the Commission, pursuant to section 311(a)(9) of Public Law 92-225; to the Committee on House Administration.

1283. A letter from the Secretary Treasurer, Congressional Medal of Honor Society, transmitting the annual audit report of the society for calendar year 1982, pursuant to section 3 of Public Law 88-504; to the Committee on the Judiciary.

1284. A letter from the Chairman, Federal Maritime Commission, transmitting a report on the enforceability of change in the definition of "independent ocean freight forwarder," pursuant to section 1608(c) of Public Law 97-35; to the Committee on Merchant Marine and Fisheries.

1285. A letter from the Executive Director, President's Commission on Executive Exchange, transmitting a draft of proposed legislation to repeal the termination provision on use of participating fees by the President's Commission on Executive Exchange; to the Committee on Post Office and Civil Service.

1286. A letter from the Deputy Administrator, General Services Administration, transmitting prospectuses for leasing space for the U.S. courts in Santa Ana, Calif., and for the Food and Drug Administration in Atlanta, Ga., pursuant to section 7(a) of Public Law 86-249, as amended; to the Committee on Public Works and Transportation.

1287. A letter from the Deputy Administrator, Federal Highway Administration, transmitting a copy of the final published edition of the 1982 report on "Overweight Vehicles—Penalties and Permits, An Inventory of State Practices," pursuant to section 123 of Public Law 95-599; to the Committee on Public Works and Transportation.

1288. A letter from the Director, National Science Foundation, transmitting the first annual report on the activities of the Committee on Equal Opportunities in Science and Technology, pursuant to section 36(f) of Public Law 96-516; to the Committee on Science and Technology.

1289. A letter from the Secretary of State, transmitting the third report on the professional development programs of the State Department, the Agency for International Development, the International Communication Agency, the Foreign Agricultural Service, and the Foreign Commercial Service, pursuant to section 703 of Public Law 96-465; jointly, to the Committee on Foreign Affairs and Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROYBAL: Committee on Appropriations H.R. 3191. A bill making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1984, and for other purposes (Rept. No. 98-229). Referred to the Committee of the Whole House on the State of the Union.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of rule X, the following action was taken by the Speaker:

H.R. 2797 referred to the Committee on the Judiciary for a period ending not later than June 15, 1983, for consideration of such provisions of the amendment inserting a new section 213 as fall within the jurisdiction of that committee pursuant to clause 1(m) of rule X.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DE LA GARZA (by request):

H.R. 3190. A bill to establish an improved program for Extra Long Staple cotton; to the Committee on Agriculture.

By Mr. ROYBAL:

H.R. 3191. A bill making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1984, and for other purposes.

By Mr. EDWARDS of Oklahoma:

H.R. 3192. A bill to amend title 20 of the United States Code to require certain minimum standards of academic achievement and school administration and for other purposes; to the Committee on Education and Labor.

By Mr. GILMAN:

H.R. 3193. A bill to provide equitable treatment for certain fresh vegetables produced in the United States; to the Committee on Ways and Means.

By Mr. JONES of North Carolina (for himself, Mr. WRIGHT, Mr. BENNETT, Mr. BROOKS, Mr. DE LA GARZA, and Mr. ORTIZ):

H.R. 3194. A bill to provide for the protection of any historic shipwreck or historic structure located on the seabed or in the subsoil of the lands beneath navigable waters within the boundaries of the United States; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

By Mr. MAZZOLI:

H.R. 3195. A bill to amend the Immigration and Nationality Act to extend for 3 years the authorization of appropriations for refugee assistance; to the Committee on the Judiciary.

By Mr. PEASE (for himself, Mr. APPLEGATE, Mr. ECKART, Mr. FEIGHAN, Mr. HALL of Ohio, Ms. KAPTUR, Mr. KINDNESS, Mr. LUKEN, Ms. OAKAR, Mr. REGULA, Mr. SEIBERLING, Mr. STOKES, Mr. WILLIAMS of Ohio, and Mr. WYLIE):

H.R. 3196. A bill to repeal the change made by the Omnibus Budget Reconciliation Act of 1981 in the method of computing the rate of insured unemployment for purposes of the Federal-State Extended Unemployment Compensation Act of 1970; to the Committee on Ways and Means.

H.R. 3197. A bill to repeal the changes made by the Omnibus Budget Reconciliation Act of 1981 in the State trigger provisions of the Federal-State Extended Unemployment Compensation Act of 1970; to the Committee on Ways and Means.

By Mr. QUILLEN:

H.R. 3198. A bill to commemorate the historic trail route of Daniel Boone; to the Committee on Interior and Insular Affairs.

By Mr. WOLF:

H.R. 3199. A bill to authorize a study of the feasibility of an additional lane on the Theodore Roosevelt Bridge over the Potomac River; to the Committee on Public Works and Transportation.

By Mr. ECKART (for himself and Mr. WAXMAN):

H.R. 3200. A bill to amend the Safe Drinking Water Act (title XIV of the Public Health Service Act) to authorize appropriations for the fiscal years 1984 through 1987, to insure the prompt promulgation of drinking water regulations, to improve enforcement procedures, and to provide greater protection for underground sources of drinking water; to the Committee on Energy and Commerce.

By Mr. HAMMERSCHMIDT:

H.R. 3201. A bill to repeal the Davis-Bacon Act, and for other purposes; to the Commerce on Education and Labor.

H.R. 3202. A bill to amend the Federal Mine Safety and Health Amendments Act of 1977 to provide that the provisions of such act shall not apply to stone mining operations or to sand and gravel mining operations; to the Committee on Education and Labor.

H.R. 3203. A bill to preserve and protect the free choice of individual employees to form, join, or assist labor organizations, or to refrain from such activities; to the Committee on Education and Labor.

H.R. 3204. A bill to permit the review of regulatory rules and regulations by the Congress; to the Committee on Government Operations.

H.R. 3205. A bill to amend title 11, United States Code, to establish an improved basis for providing relief under chapter 7, and for other purposes; to the Committee on the Judiciary.

H.R. 3206. A bill to amend section 1951, title 18, United States Code, act of July 3, 1946; to the Committee on the Judiciary.

H.R. 3207. A bill to establish a Severe Storms Advisory Committee to review, on an annual basis, the severe storms research and operations activities of the Federal Government; to the Committee on Science and Technology.

H.R. 3208. A bill to provide for the safeguarding of taxpayer rights, and for other purposes; to the Committee on Ways and Means.

H.R. 3209. A bill to amend the Internal Revenue Code of 1954 to encourage higher education, and particularly the private funding thereof, by authorizing a deduction from gross income of reasonable amounts contributed to a qualified higher education fund established by the taxpayer for the purpose of funding the higher education of his dependents; to the Committee on Ways and Means.

H.R. 3210. A bill to authorize the President to impose a tariff surcharge on the products of certain countries in order to offset the expense of providing U.S. defense assistance to such countries; to the Committee on Ways and Means.

H.R. 3211. A bill to amend the Internal Revenue Code of 1954 to encourage the employment of handicapped individuals by providing a tax credit for a certain portion of the wages paid to such individuals; to the Committee on Ways and Means.

H.R. 3212. A bill to amend the Internal Revenue Code of 1954 to provide that the amount of the charitable deduction allowable for expenses incurred in the operation of a highway vehicle will be determined in the same manner as the business deduction for such expenses; to the Committee on Ways and Means.

H.R. 3213. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in higher education; to the Committee on Ways and Means.

H.R. 3214. A bill to amend title XVIII of the Social Security Act to include, as a home health service, nutritional counseling provided by or under the supervision of a registered dietitian; jointly, to the Committees on Ways and Means and Energy and Commerce.

H.R. 3215. A bill to amend the Internal Revenue Code of 1954 to regulate and limit collection procedures of the Internal Revenue Service in order to provide protection of taxpayer civil rights, and for other purposes; jointly, to the Committees on Ways and Means and the Judiciary.

H.R. 3216. A bill to provide a temporary exemption from certain provisions of the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 relating to prohibited transactions for the purchase of certain bonds sold to fund residential mortgages and domestic motor vehicle loans and to provide for interest reduction payments by the Secretary of Housing and Urban Development to assist with the financing of the purchase of certain residential dwellings and domestic motor vehicles; jointly, to the Committees on Education and Labor; Ways and Means; and Banking, Finance and Urban Affairs.

H.R. 3217. A bill to provide for congressional review of all regulations relating to costs and expenditures for health care, reimbursements to individuals or providers of health care, and for other purposes; jointly, to the Committees on Energy and Commerce, Ways and Means, and Rules.

By Mr. WOLPE (for himself, Mr. WALGREN, Mr. MOAKLEY, Mr. DWYER of New Jersey, Mr. MURPHY, Mr. BOLAND, Mr. FRANK, Mr. OBERSTAR, Mr. COYNE, Mr. KILDEE, Mr. FAZIO, Mr. LUNDINE, Mr. KASTENMEIER, Mr. MOLLOHAN, Mr. YATRON, Mr. SCHUMER, Mr. BONIOR of Michigan, Mr. SOLARZ, Mr. CONYERS, Mr. MITCHELL, Mr. CARNEY, Mr. WEISS, Mr. HERTEL of Michigan, Mr. LEVIN of Michigan, Mrs. HALL of Indiana, and Ms. KAPTUR):

H.R. 3218. A bill to establish a Federal annuity program to compensate participants in private pension plans which terminated before September 2, 1974, for nonforfeitable pension benefits which were lost by reason of the terminations, and for other purposes; jointly, to the Committees on Education and Labor and Ways and Means.

By Mr. HAMMERSCHMIDT:

H.J. Res. 287. Joint resolution proposing an amendment to the Constitution of the United States to prohibit compelling the attendance of a student in a public school other than the public school nearest the residence of such student; to the Committee on the Judiciary.

H.J. Res. 288. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

By Mr. LEACH of Iowa (for himself, Mr. CONTE, and Mr. BARNES):

H.J. Res. 289. Joint resolution expressing the sense of the Congress with respect to international efforts to further a revolution in child health; to the Committee on Foreign Affairs.

By Mr. FISH:

H. Con. Res. 133. Concurrent resolution recognizing September 3, 1983, as the 200th anniversary of the signing of the Treaty of Paris; to the Committee on Post Office and Civil Service.

By Mr. DAUB (for himself, Mr. PRITCHARD, Mr. NATCHER, Mr. LEWIS of Florida, Mr. CLINGER, Mr. FIELDS, Mr. CHENEY, Mr. ROBERTS, Mr. WEBER, Mr. WOLF, Mr. SHUMWAY, Mr. KINDNESS, Mr. BROWN of Colorado, Mr. SKEEN, Mr. KEMP, Mr. MARLENEE, Mr. WHITTAKER, Mr. ALBOSTA, Mr. WHITEHURST, Mr. KRAMER, Mr. EMERSON, Mr. DUNCAN, Mr. MORRISON of Washington, Mr. FEIGHAN, Mr. HILER, Mr. LUNGREN, Mr. DENNY SMITH of Oregon, Mr. ROE, Mr. LOEFFLER, Mr. TAUKE, Mr. DASCHLE, Mr. LAGOMARSINO, Mr. SPENCE, Mr. SMITH of New Jersey, Mr. CAMPBELL, Mr. WORTLEY, Mr. STANGELAND, Mr. NICHOLS, Mr. MCEWEN, Mr. HAMMERSCHMIDT, Mr. WILLIAMS of Ohio, Mr. MILLER of Ohio, Mr. HANSEN of Idaho, Mr. HANSEN of Utah, Mr. WILSON, Mr. HUCKABY, Mr. STENHOLM, Mr. LOWERY of California, Mr. DICKINSON, Mrs. SMITH of Nebraska, Mr. BEREUTER, Mr. COATS, Mr. ROGERS, Mr. KOGOVSEK, Mr. DANIEL, Mr. TOWNS, Mr. HARTNETT, Mr. DYSON, Mrs. MARTIN of Illinois, Mr. BEDELL, Mr. MCGRATH, Mr. REGULA, Mr. MCCOLLUM, Mr. CORCORAN, Mr. HUNTER, Mr. PAUL, and Mr. AUCOIN):

H. Res. 216. Resolution expressing the sense of the House of Representatives that the changes in the Federal estate tax laws made by the Economic Recovery Tax Act of 1981 should not be modified; to the Committee on Ways and Means.

By Mr. DYMALLY:

H. Res. 217. Resolution expressing the sense of the House of Representatives that the Committee on the Judiciary of the House of Representatives should conduct hearings on the subject of governmental intervention in religious affairs in the United States; to the Committee on the Judiciary.

By Mr. HAMMERSCHMIDT:

H. Res. 218. Resolution to amend the Rules of the House of Representatives to establish the Committee on Internal Security, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

159. By the SPEAKER: Memorial of the General Assembly of the State of Maryland, relative to natural gas prices; to the Committee on Energy and Commerce.

160. Also, memorial of the Legislature of the State of New Hampshire, relative to Federal restrictions on the use of marihuana; to the Committee on Energy and Commerce.

161. Also, memorial of the Legislature of the State of Oregon, relative to military aid to El Salvador; to the Committee on Foreign Affairs.

162. Also, memorial of the Legislature of the State of Oklahoma, relative to contingency tax on domestic oil; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GORE:
H.R. 3219. A bill for the relief of Arturo N. Ruanto; to the Committee on the Judiciary.
By Mrs. JOHNSON:
H.R. 3220. A bill for the relief of Herman J. Fonteyne; to the Committee on the Judiciary.
By Mr. PORTER:
H.R. 3221. A bill for the relief of Harvey E. Ward; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 75: Mr. PANETTA.
H.R. 171: Mr. DE LUGO.
H.R. 223: Mr. EVANS of Illinois.
H.R. 459: Mr. BONKER, Ms. OAKAR, Mr. SWIFT, Mr. PERKINS, and Mr. SIMON.
H.R. 471: Mr. WINN.
H.R. 491: Mr. YOUNG of Florida.
H.R. 493: Mr. DYSON and Mr. DUNCAN.
H.R. 622: Mr. BARTLETT and Mr. SMITH of New Jersey.
H.R. 657: Mr. DREIER of California.
H.R. 663: Mr. EMERSON.
H.R. 679: Mr. MCDONALD and Mr. MCCOLLUM.
H.R. 800: Mr. ALEXANDER, Mr. LUNGREN, Mr. DOWNEY of New York, Mr. SOLARZ, Mr. BORSKI, Mr. EDWARDS of Oklahoma, Mr. WEAVER, Ms. MIKULSKI, Mr. MAVROULES, Mr. MAZZOLI, Mr. ROE, Mr. MCCLOSKEY, Mr. PICKLE, Mr. HOWARD, Mr. WILLIAMS of Montana, and Mr. VANDER JAGT.
H.R. 877: Mr. SHUMWAY.
H.R. 898: Mr. AUCOIN, Mr. DANIEL, Mr. DUNCAN, Mr. EDGAR, Mr. GRADISON, Mr. JACOBS, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. MORRISON of Washington, Mr. NIELSON of Utah, Mr. OWENS, Mr. VANDERGRIFF, Mr. RATCHFORD, Mr. CHANDLER, Mr. BILIRAKIS, Mr. KOGOVSEK, Mr. SIMON, and Mr. WON PAT.
H.R. 951: Mr. MOLLOHAN and Mr. NEAL.
H.R. 953: Mr. PURSELL, Mr. TOWNS, Mr. MCDADE, Mr. MCHUGH, and Mr. RODINO.
H.R. 1016: Mr. BENNETT, Mr. LELAND, Mr. ANDERSON, and Mr. WOLF.
H.R. 1092: Mr. STANGELAND, Mr. WHITEHURST, and Mr. WILSON.
H.R. 1199: Mr. ZABLOCKI, Mr. LIPINSKI, Mrs. COLLINS, Mr. GEKAS, Mr. DYSON, and Mr. TRAXLER.
H.R. 1373: Mr. BONKER.
H.R. 1397: Mr. SUNIA, Mr. PRITCHARD, Mr. WHEAT, Mr. YATES, Mr. FORD of Tennessee, Mr. OTTINGER, Mr. WYDEN, Ms. KAPTUR, Mr. OWENS, Mr. PEPPER, Mr. KILDEE, Mr. BRITT, Mr. DE LUGO, Mr. FAUNTROY, Mr. OBERSTAR, Mrs. COLLINS, Mr. LEVIN of Michigan, Mr. FRANK, Mr. SIMON, Mr. WON PAT, Mr. CORRADA, Mr. FAZIO, Mr. MRAZEK, Mr. ACKERMAN, Mr. DWYER of New Jersey, Mr. WEISS, Mrs. BOXER, Mr. SMITH of Florida, Mr. HOYER, Mr. HYDE, Mr. FRENZEL, Mr. FEIGHAN, Mr. MITCHELL, Mr. WEAVER, Mr. RANGEL, Mr. EDWARDS of California, Mr. NEAL, Mr. SOLARZ, Mr. WHITTAKER, Mr. MCNULTY, Mr. MINETA, Mr. LANTOS, Mr. WILLIAMS of Montana, Mr. EVANS of Illinois, Mr. RAHALL, Mr. PATTERSON, Mr. CARR, Mr. RATCHFORD, Mr. SCHEUER, Mr. BERMAN, Mr. GUARINI, Mr. GOODLING, Mr. SIKORSKI, Ms. FERRARO, Mr. LEVINE of California, Mr. ROSE, and Ms. SNOWE.
H.R. 1407: Mr. BEDELL.
H.R. 1415: Mr. BLILEY and Mr. JENKINS.
H.R. 1436: Mr. MORRISON of Connecticut.
H.R. 1444: Mr. WORTLEY and Mr. TAUKE.
H.R. 1452: Mr. DORGAN.
H.R. 1453: Mr. ROE.
H.R. 1663: Mr. DANNEMEYER, Mr. FEIGHAN, and Mr. BARTLETT.
H.R. 1693: Mr. YATRON, Mr. GARCIA, and Mr. RANGEL.
H.R. 1720: Mr. HUGHES and Mr. ROE.
H.R. 1787: Mr. FRANKLIN and Mr. GOODLING.
H.R. 1881: Mr. BARNARD, Mr. BATEMAN, Mr. CARPER, Mr. DICKINSON, Mr. DYSON, Mr. EDWARDS of Oklahoma, Mr. FRANKLIN, Mr. GOODLING, Mr. JEFFORDS, Mr. KOLTER, Mr. MCHUGH, Mr. PURSELL, Mr. RICHARDSON, and Mr. STAGGERS.
H.R. 1920: Mr. FRENZEL, Mr. RIDGE, Mr. TORRICELLI, and Mrs. MARTIN of Illinois.
H.R. 1937: Mr. MCNULTY.
H.R. 2069: Mr. CROCKETT and Mr. MURPHY.
H.R. 2088: Mr. BATEMAN.
H.R. 2093: Mr. LEHMAN of Florida, Mr. LELAND, Mr. LAFALCE, Ms. OAKAR, Mr. CORRADA, Ms. SNOWE, Ms. FERRARO, and Mr. NEAL.
H.R. 2118: Mr. LOWERY of California.
H.R. 2126: Mr. NEAL and Mr. PATTERSON.
H.R. 2127: Mr. NEAL and Mr. PATTERSON.
H.R. 2138: Mr. MOLLOHAN.
H.R. 2168: Mr. BIAGGI.
H.R. 2225: Mr. YOUNG of Alaska, Mr. ROBERTS, Mr. ZSCHAU, Mr. BENNETT, and Mr. PHILIP M. CRANE.
H.R. 2236: Mr. EDGAR, Mr. FLORIO, Mr. LOWRY of Washington, Mr. MARKEY, Mr. MAVROULES, Mr. SHANNON, Mr. STUDDS, Mr. SYNAR, and Mr. WATKINS.
H.R. 2242: Mr. LELAND, Mr. BONER of Tennessee, Mr. SOLARZ, Ms. KAPTUR, Mr. OWENS, Mr. STOKES, Mr. FAUNTROY, Mr. FORD of Tennessee, Mr. LEVIN of Michigan, Mr. SIMON, Mr. BARNES, Mr. ACKERMAN, Ms. SNOWE, Mr. DWYER of New Jersey, Mrs. HALL of Indiana, Mr. WEISS, Mr. CROCKETT, Mr. LEHMAN of Florida, Mr. NEAL, Mr. RANGEL, Mr. MINETA, Mr. EDWARDS of California, Mrs. BOXER, Mr. GEJDENSON, Mr. BERMAN, Mr. GUARINI, Mr. SIKORSKI, Mr. WYDEN, Ms. FIEDLER, Mr. LAFALCE, and Mr. CORRADA.
H.R. 2262: Mr. BOSCO, Mrs. BOXER, Mr. COLEMAN of Texas, Mr. DORGAN, Mr. FIELDS, Mr. HARTNETT, Mr. JONES of Tennessee, Mr. KASICH, Mr. LEATH of Texas, Mr. MARLENEE, Mr. PARRIS, and Mr. ROBINSON.
H.R. 2300: Ms. FERRARO, Mr. NEAL, Mr. STUDDS, Ms. SNOWE, and Mr. MORRISON of Connecticut.
H.R. 2321: Mr. MARLENEE.
H.R. 2322: Mr. MARLENEE.
H.R. 2323: Mr. NEAL.
H.R. 2374: Mr. NEAL and Mr. LEVIN of Michigan.
H.R. 2382: Mr. BROYHILL, Mr. FIELDS, Mr. SMITH of New Jersey, Mr. SAWYER, Mr. BENNETT, Ms. SNOWE, Mr. DAVIS, and Mr. ROBERT F. SMITH.
H.R. 2428: Mr. DORGAN, Mr. MADIGAN, Mr. BEDELL, Mr. CRAIG, Mr. BEVILL, Mr. DAUB, Mr. FORSYTHE, and Mr. WHITTAKER.
H.R. 2432: Mr. BIAGGI, Mr. BATEMAN, Mr. MOORHEAD, Mr. FOGLIETTA, Mr. LONG of Maryland, Mr. WALGREN, Mr. ROGERS, Mr. MINISH, Mr. MCEWEN, Mr. DAUB, and Mr. MCKINNEY.
H.R. 2449: Mr. SCHEUER, Mr. FRANK, Mr. COYNE, Mr. DYSON, Mr. SWIFT, Mr. AUCOIN, Mr. MILLER of California, Mr. ENGLISH, Mr. KILDEE, Mr. ACKERMAN, and Mr. MURPHY.
H.R. 2453: Mr. LEWIS of Florida and Mr. SAM HALL, Jr.
H.R. 2468: Mr. JEFFORDS, Mr. PATTERSON, Mr. WEBER, Mr. HILER, Mr. FAZIO, Mr. CARNEY, Mr. PARRIS, Mr. DYMALLY, Mr. LAFALCE, Mr. WON PAT, Mr. LEWIS of Florida, Mr. STANGELAND, Mr. FRENZEL, Mr. HYDE, and Mr. OXLEY.
H.R. 2702: Mr. PATTERSON and Mr. TAUKE.
H.R. 2715: Mr. JONES of North Carolina, Mr. MCNULTY, and Ms. SNOWE.
H.R. 2725: Mr. CLINGER and Mr. CORCORAN.
H.R. 2752: Mr. CLINGER, Mr. DREIER of California, Mr. SUNIA, Mr. CAMPBELL, and Mr. EMERSON.
H.R. 2759: Mr. SWIFT and Mr. TALLON.
H.R. 2762: Mr. LOWRY of Washington, Mr. WON PAT, Mr. FORSYTHE, Ms. FERRARO, Mr. ACKERMAN, Mr. FRANK, Mr. GREEN, Mr. STUDDS, Mr. EDWARDS of California, Mr. HORTON, Mr. RAHALL, Mr. VENTO, Mr. FAZIO, Mr. DIXON, Ms. MIKULSKI, Mr. LEHMAN of Florida, Mr. SMITH of Florida, Mr. MORRISON of Connecticut, Mr. ADDABBO, Mr. DELLUMS, Mr. OTTINGER, Mr. FORD of Tennessee, Ms. KAPTUR, Mr. LAFALCE, Mr. SWIFT, Mr. EDGAR, Mr. OWENS, Mr. MILLER of California, Mr. PANETTA, Mr. MITCHELL, Mr. KASTENMEIER, Mr. FOWLER, Mr. TOWNS, Mr. UDALL, Mr. GEJDENSON, Mr. GUARINI, Mr. LEVINE of California, Mr. CROCKETT, Mr. CORRADA, Mr. WILLIAMS of Montana, Mr. BONIOR of Michigan, Mr. BERMAN, Mr. AUCOIN, Mr. RATCHFORD, and Mr. FOGLIETTA.
H.R. 2763: Mr. LOWRY of Washington, Mr. WON PAT, Mr. FORSYTHE, Ms. FERRARO, Mr. ACKERMAN, Mr. FRANK, Mr. GREEN, Mr. STUDDS, Mr. EDWARDS of California, Mr. HORTON, Mr. RAHALL, Mr. VENTO, Mr. FAZIO, Mr. DIXON, Ms. MIKULSKI, Mr. LEHMAN of Florida, Mr. SMITH of Florida, Mr. MORRISON of Connecticut, Mr. ADDABBO, Mr. DELLUMS, Mr. OTTINGER, Mr. FORD of Tennessee, Ms. KAPTUR, Mr. LAFALCE, Mr. SWIFT, Mr. EDGAR, Mr. OWENS, Mr. MILLER of California, Mr. PANETTA, Mr. MITCHELL, Mr. KASTENMEIER, Mr. TOWNS, Mr. UDALL, Mr. GEJDENSON, Mr. GUARINI, Mr. LEVINE of California, Mr. CROCKETT, Mr. CORRADA, Mr. WILLIAMS of Montana, Mr. BONIOR of Michigan, Mr. BERMAN, Mr. AUCOIN, Mr. RATCHFORD, and Mr. FOGLIETTA.
H.R. 2814: Mr. MCNULTY.
H.R. 2871: Mr. SHELBY, Mr. KEMP, Mr. ROE, and Mr. FORSYTHE.
H.R. 2872: Mrs. COLLINS and Mr. HERTEL of Michigan.
H.R. 2916: Mr. SHELBY, Mr. HARTNETT, Mr. LIVINGSTON, Mr. STUMP, Mr. DYSON, Mr. MOLLOHAN, and Mr. LOWERY of California.
H.R. 2949: Mr. EMERSON, Mr. EVANS of Iowa, Mr. MARLENEE, Mr. WHITTAKER, Mr. LEWIS of Florida, Mr. ROBERTS, Mr. FRENZEL, and Mr. HIGHTOWER.
H.R. 3015: Mr. QUILLEN.
H.R. 3045: Ms. KAPTUR.
H.R. 3074: Mr. WORTLEY, Mr. HUGHES, Mr. BOLAND, Mr. STOKES, Ms. KAPTUR, and Mr. UDALL.
H.R. 3176: Mr. STOKES.
H.J. Res. 29: Mr. LEVIN of Michigan, Mr. WON PAT, Mr. MATSUI, Mr. MINETA, Mr. DURBIN, Mr. CHAPPIE, Mr. PANETTA, Mr. WORTLEY, Mr. THOMAS of Georgia, and Mr. WIRTH.
H.J. Res. 51: Mr. LELAND and Mr. TAUKE.
H.J. Res. 69: Mr. MARTIN of New York, Mr. CORRADA, Mr. HALL of Ohio, Mr. WOLF, Mr. SMITH of New Jersey, Mr. LAGOMARSINO, Mr. DOWDY of Mississippi, Mr. ROE, Mr. BROYHILL, Mr. TAUKE, Mr. HATCHER, Mr. DWYER of New Jersey, Mr. WINN, Mr. BOLAND, Mr. PORTER, Mr. GUNDERSON, Mr. SIMON, Mr. BURTON, Mr. KINDNESS, Mr. CARNEY, Mr. ROBINSON, Mr. MCGRATH, Mr. ALBOSTA, Mr. WORTLEY, Mr. CONTE, Mr. SUNIA, Mr. VANDERGRIFF, Mr. DUNCAN, Mr. ERLENBORN, Mr. NIELSON of Utah, Mr. GUARINI, Mr. HUGHES, Mr. SKELTON, Mr. LIPINSKI, Mr. MCNULTY, Mr. RINALDO, Mr. BOEH-

LERT, Mr. ADDABBO, Mr. ALEXANDER, Mr. ARCHER, Mr. BARNARD, Mr. BEDELL, Mrs. LLOYD, Mrs. BYRON, Mr. CORCORAN, Mr. DANIEL B. CRANE, Mr. DANIEL, Mr. DICKINSON, Mr. FUQUA, Mrs. COLLINS, Mr. HAMMERSCHMIDT, Mr. HANSEN of Idaho, Mr. JONES of Tennessee, Mr. JEFFORDS, Mr. FORD of Tennessee, Mr. WHITTAKER, Mr. DEWINE, Mr. FISH, Mr. LEWIS of California, Mr. STAGGERS, Mr. LOWERY of California, Mr. SILJANDER, Mr. MADIGAN, Mr. MATSUI, Mr. MILLER of Ohio, Mr. NEAL, Mr. PEPPER, Mr. PRICE, Mr. MOLINARI, Mr. MILLER of California, Mr. SAWYER, Mr. SNYDER, Mr. TRAXLER, Mr. WHITEHURST, Mr. WHITTEN, Mr. RUDD, Mr. HUTTO, Mr. LEWIS of Florida, Mr. MCCAIN, Mr. KASICH, Mr. ANNUNZIO, Mr. HORTON, Mr. ROEMER, Mr. KAZEN, Mr. KEMP, Mr. HYDE, Mr. ROBERTS, Mr. STUMP, Mr. CHANDLER, Mr. WEBER, Mr. VANDER JAGT, Mr. SMITH of Florida, Mr. FORSYTHE, Mr. COATS, Mr. WYLIE, Mr. BETHUNE, Mr. SOLARZ, Mr. BEVILL, Mr. YATRON, Mr. REID, Mr. MCDONALD, Mr. RITTER, Mr. MAZZOLI, Mr. BARTLETT, Mr. MOLLOHAN, Mr. FOLEY, Mr. SHUMWAY, Mr. GOODLING, Mr. MCDADE, Mr. LEVIN of Michigan, Mr. TALLON, Mr. LEVINE of California, Mr. WAXMAN, Mr. LANTOS, Mr. MONTGOMERY, Mr. PASHAYAN, Mr. FLIPPO, Mr. MURPHY, Mr. MOORHEAD, Mrs. HOLT, Mr. STANGELAND, Mr. ROGERS, Mr. HILER, Mr. PARRIS, Mr. PATTERSON, Mr. BLILEY, Mr. THOMAS of Georgia, Ms. FERRARO, Ms. MIKULSKI, Ms. OAKAR, Mr. DAUB, Mr. DE LA GARZA, Mr. DANNEMEYER, Mr. BARNES, Mr. OWENS, Mrs. VUCANOVICH, Mr. GEKAS, Mr. ANDERSON, and Mr. BONER of Tennessee.

H.J. Res. 103: Mr. JONES of North Carolina.

H.J. Res. 120: Mr. PANETTA.

H.J. Res. 139: Mr. MCCLOSKEY, Mr. LOWRY of Washington, Mr. BRITT, Mr. GRADISON, Mr. PRITCHARD, Mr. ROBERTS, Mr. SOLARZ, Mr. DOWNEY of New York, Mr. GARCIA, Mr. MARTIN of North Carolina, Mr. JONES of North Carolina, and Mr. LEACH of Iowa.

H.J. Res. 168: Mr. SPENCE, Mr. YOUNG of Florida, Mr. BROWN of Colorado, Mr. YOUNG of Alaska, Mr. HYDE, Mr. LEVIN of Michigan, Mr. GINGRICH, and Ms. MIKULSKI.

H.J. Res. 201: Mr. TAUKE, Mr. VANDER JAGT, Mr. WALGREN, Mr. PATTERSON, Mr. STUDDS, Mr. WYDEN, Mr. OWENS, Mr. DYSON, Mr. DANIEL B. CRANE, Mr. MADIGAN, Mrs. KENNELLY, Mr. LATTA, Mr. LEHMAN of California, Mr. SILJANDER, Ms. FIEDLER, Mr. DEWINE, Mr. ANDERSON, Mr. MCKINNEY, Mr. MCEWEN, Mr. COYNE, Mr. FIELDS, Mr. WYLIE, Mr. DREIER of California, Mr. CAMPBELL, Mrs. COLLINS, Mr. ROYBAL, Mr. HUTTO, Mr. FOGLIETTA, Mr. LUNGREN, Mr. NEAL, Mr. SPENCE, Mr. BADHAM, Mr. WILLIAMS of Ohio, Mr. PAUL, Mr. GRADISON, Mr. RAHALL, Mr. WINN, Mr. WHITEHURST, Mr. BONKER, Mr. CARR, Mr. FROST, Mr. SYNAR, Mr. LUNDINE, Mr. MOLINARI, Mr. MCCOLLUM, Mr. WHITTAKER, Mr. WEBER, Mrs. BYRON, Mr. WEISS, Mr. JONES of North Carolina, Mr. ST GERMAIN, Mr. LEVINE of California, Mr. EDGAR, Mr. TORRES, Mr. HARTNETT, Mr. MCKERNAN, Mr. GREGG, and Mr. ROTH.

H.J. Res. 205: Mr. BEREUTER, Mr. BROWN of California, Mr. BURTON, Mr. DUNCAN, Mr. FORD of Tennessee, Mr. HANSEN of Idaho, Mr. HEFNER, Ms. KAPTUR, Mr. LAGOMARSINO, Ms. OAKAR, Mr. ROE, Mr. STOKES, Mr. WOLF, Mr. WON PAT, Mr. BIAGGI, Mr. EDGAR, Mr. FRENZEL, Mr. LAFALCE, Mr. KEMP, Mr. MCGRATH, Mr. OWENS, Mr. SIMON, Mr. SUNIA, and Mr. GINGRICH.

H.J. Res. 209: Mr. GEKAS, Mr. HAMMERSCHMIDT, Mr. THOMAS of Georgia, and Mr. JENKINS.

H.J. Res. 218: Mr. BATES.

H.J. Res. 228: Mr. NIELSON of Utah, Mrs. SCHNEIDER, Mr. EMERSON, Mr. SLATTERY, and Mr. MONTGOMERY.

H.J. Res. 257: Mr. YOUNG of Alaska and Mr. BATES.

H.J. Res. 258: Mr. LOEFFLER, Mr. ROBERTS, Mr. WIRTH, Mr. MARTIN of North Carolina, Mr. SLATTERY, Mr. KILDEE, Mr. ORTIZ, Mr. BIAGGI, Mr. PURSELL, Mr. PRICE, Mr. DANIEL B. CRANE, Mr. SNYDER, Mr. ALEXANDER, Mr. MCCOLLUM, Mr. MOORHEAD, Mr. YATRON, Mr. CONTE, Mr. ZABLOCKI, Mr. QUILLEN, Mr. PASHAYAN, Mr. WHITTEN, Mr. HERTEL of Michigan, Mr. DANIEL, Mr. KRAMER, Mr. SHAW, and Mr. SUNDQUIST.

H. Con. Res. 27: Mr. STUMP.

H. Con. Res. 63: Mr. ARCHER, Mr. DYSON, Ms. FIEDLER, Mr. MCHUGH, Mr. SCHEUER, Mr. WEAVER, and Mr. WORTLEY.

H. Con. Res. 100: Mr. REID, Mr. DEWINE, Mr. TORRICELLI, Mr. VENTO, Mr. EDGAR, Mr. KILDEE, Mr. PEASE, Mr. EVANS of Illinois, Mr. NIELSON of Utah, Mr. BROWN of Colorado, Mr. AUCOIN, Mr. SCHEUER, Mr. BURTON, Ms. FIEDLER, Mr. OXLEY, and Mr. HARTNETT.

H. Con. Res. 107: Mr. MORRISON of Connecticut, Mr. OWENS, and Mr. MCKINNEY.

H. Con. Res. 122: Mr. FEIGHAN, Mr. OWENS, Mr. TORRICELLI, Mr. OTTINGER, Mr. MCKINNEY, Mr. MILLER of California, Mr. DYSON, Mr. BARNES, Mr. MORRISON of Connecticut, Mr. MITCHELL, Mr. DOWNEY of New York, and Mr. DYMALLY.

H. Con. Res. 129: Mr. KASTENMEIER, Mr. MCHUGH, Mr. EDWARDS of California, Mr. VENTO, and Mr. EDGAR.

H. Res. 46: Mr. RICHARDSON, Mr. NOWAK, Mr. AKAKA, Mr. DONNELLY, and Mr. BIAGGI.

H. Res. 53: Mr. BARTLETT.

H. Res. 112: Mr. GARCIA.

H. Res. 133: Mr. SKELTON, Mr. COURTER, Mr. HUTTO, Mr. FISH, Mr. BARNARD, and Mr. DENNY SMITH.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

111. By the SPEAKER: Petition of the city council, Warren, Ohio, relative to the nuclear arms race; to the Committee on Foreign Affairs.

112. By Mr. JONES of North Carolina: Petition of Panama City Beach City Council, Fla., relative to the Outer Continental Shelf; jointly, to the Committees on Merchant Marine and Fisheries and Interior and Insular Affairs.

113. Also, Petition of board of county commissioners, Okaloosa, Fla., relative to the Outer Continental Shelf; jointly, to the Committees on Merchant Marine and Fisheries and Interior and Insular Affairs.

AMENDMENTS

Under clause 6 of rule XXII, proposed amendments were submitted as follows:

H.R. 3132

By Mr. SENSENBRENNER:

—Page 17, line 14, strike out "$1,964,209,000" and insert in lieu thereof "$1,954,209,000".

H.R. 3135

By Mr. BARTLETT:

—On page 4, line 22, strike out "$103,242,000" and insert "$96,268,550" and on line 23, strike out "$67,200,000" and insert "$60,226,550".

By Mr. GREGG:

—On page 5, line 17, strike out "44,000,000" and insert in lieu thereof "2,600,000".

By Mr. HARTNETT:

—On page 16, line 24, strike out "$37,790,000" and insert in lieu thereof "$35,543,550".

By Mr. HILER:

—On page 13, line 20, strike out "$16,300,000" and insert in lieu thereof "$15,566,250".

EXTENSIONS OF REMARKS

PROTECTIONISM IS ESSENTIAL FOR TRADING HARMONY

HON. MARCY KAPTUR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Ms. KAPTUR. Mr. Speaker, in my district, the Ninth District in Ohio, the unemployment rate in March 1983 was 15.3 percent, up from the February 1983 level of 13.9 percent. While the economy may be improving nationwide, the economy in my district is definitely not. Thus, the message in the following article, which appeared in the Toledo Blade, on May 29, 1983, is particularly meaningful for my constituents. I commend this article to the attention of my colleagues.

PROTECTIONISM IS ESSENTIAL FOR TRADING HARMONY

(By Wolfgang Hager)

Like most people, I used to believe that free trade helped create prosperity and peace and that protectionism betrayed consumers to special interests while leading to international conflict.

I now believe protectionism is essential for prosperity within nations and harmony among nations. Competition among firms is a good thing, but competition among societies is dangerous.

The problem with free trade is simple: The world has an endless supply of subsistence-wage labor, and we have learned how to make both basic and sophisticated goods in poor countries.

Without trade barriers, rich countries are bound to suck in cheap imports from low-wage countries, destroying the domestic industries that used to make those products.

Unrestricted trade eventually would destroy the economies of all the high-wage, developed countries.

What we really need is not free trade (which we don't have anyway) but a better "managed" trade system.

In particular, we ought to stop waiting until a domestic industry is on its knees before signaling others who are building up an export capacity that the market won't be there for them.

We also ought to start recognizing that protectionism and trade expansion are quite compatible. Witness the 1970s: Protectionism grew and world trade in manufactured goods tripled.

The reality is that, in one way or another, at least 75 percent of the free world's trade is already "protected" or "managed," meaning that it is subject to quotas, export subsidies, barter arrangements, and a long list of other direct government restrictions.

This has long been true for raw materials and food, which account for half of world trade, and services like shipping, which account for 12 percent.

It is also increasingly true for manufactured goods, the sector involved in most trade disputes. Officials of the General Agreement on Tariffs and Trade (GATT) estimate that at least a third of the trade in under the protectionist umbrella.

World steel, for example, is organized into what amounts to three cartels—the American, the European, and the Japanese—that coordinate among themselves through price and quantity agreements.

Fifty developing countries, as well as Canada and Australia, manage automobile trade through "local content" rules—which require a specified portion of local production as a condition of importing—while the Atlantic nations limit the number of cars that can be imported.

"Voluntary restrictions" are also proliferating in consumer goods. Power stations, jetliners, telecommunication, and most military hardware are restricted via national procurement ("buy American") rules and local-content deals.

Atop of all this, we are seeing more export-targeted industrial policies, export subsidies, and restraint on imports via safety and other regulations.

Nevertheless, it remains fashionable to trumpet the free-trade ideal. The result is not merely hypocrisy, a plentiful international commodity with which we have all learned to live rather nicely.

The more serious consequence is that protectionism is practiced in ways producing minimum benefits to domestic industry, maximum disruption in trade flows, and constant bickering among trading partners.

Without realizing the enormity of what they are saying, otherwise sensible people in effect are calling for slashing wages enough to compete with workers in a South Korea or Mexico, lowering health, pollution, and other protections to reduce business costs and other similar measures.

This would be tantamount to giving up, as a society, the freedom and autonomy to pursue our basic values. In fact, free trade probably would lead to dramatic economic disruption and would create large numbers of economically useless people. It might take a police state to enforce it.

How can such dire consequences flow from an arrangement which, by common consent, contributed so much to prosperity since World War II? What is so different now?

One answer is that for the first time in modern history, standard manufactured goods are being produced everywhere on the globe—and, importantly, in nations such as Japan, South Korea, and Mexico with centrally guided economies. This would not matter much if these quasi-market economies were still small relative to the older industrial countries; the benefit to consumers of cheap imports would outweigh adjustment costs.

Indeed, this arrangement caused no significant problems for 25 years after World War II. Only the old industrial countries were capable of producing modern industrial goods. The exception was textiles, which from 1962 on were governed by an international protectionist regime, now called the Multifiber Arrangement.

The joint monopoly of the Atlantic countries allowed them to set the cost of production—wages, working hours, regulations, taxes—autonomously, provided they all moved more or less in step. Common values, free trade unions, and the play of democratic politics led to similar, costly solutions to the dilemmas posed by industrial capitalism.

Now, however, the quasi-market newcomers have captured a fifth of the world's manufacturing export markets, and they have become the price setters in a growing range of activities. In these circumstances, adjustment becomes more generalized, rapid, and painful. In fact, it isn't even possible.

Would we be able to "adjust" wages to an international standard? A classical law of economics says that if both goods and industrial capital can move freely in the world we get, in effect, a single world labor market, even without a single worker crossing a frontier.

But for as long ahead as we can see, the free international market "price" for labor—given the tremendous labor surpluses in the world—is around a level of bare subsistence.

But no cut in real wages could go deep enough to make rich-country workers competitive again. These workers live in a high-cost economy requiring dollar wages 10 times as high as the Philippines merely to survive.

Free traders would argue that the dilemma does not exist. Among Reaganites and "Atari" Democrats alike, there are some who would abandon traditional manufactured goods and concentrate on high-tech activities.

Implicitly, this is an argument for re-creating, at a higher level, the kind of technical monopoly which the advanced nations only recently enjoyed in virtually all manufacturing. In these sheltered, high-value industries, the argument goes, high wages will continue to be paid, while the whole economy enjoys the benefits of cheaper imports.

The argument is wrongheaded. Markets for bioengineered pharmaceuticals, semiconductors, or satellites will provide new jobs, but not nearly enough for the people thrown out of work in the older industries.

America, western Europe, and Japan, which are rushing into the same high-tech niches in the international division of labor, are only likely to end up with expensive overcapacity. The move to high-tech may be desirable in itself, but it is no solution to the trade dilemma.

In the meantime, the goods people buy will remain stubbornly banal: carpets and golf clubs, TV sets, and can openers. The way these items are produced is increasingly high-tech, too.

But if the final consumer goods are not made in the country, this entire superstructure of sophisticated "inputs" into the production process—including the much-vaunted services—will weaken as well. Foreign producers will simply turn to closer suppliers of these goods and services.

Moreover, it is an unconsciously racist mistake to believe that it is the natural order of things for brown people to make simple things, such as shirts or toys, while the highly skilled work force of the ad-

vanced countries makes complicated things, such as machines or computers.

In fact, with the state-of-the-art capital equipment now available to them, the best workers in the Third World, who make up its industrial work force, can easily outperform the least educated persons in advanced countries who are their competitors.

On top of this, advances in production technology, notably automation, are rapidly reducing the need for craft-type skills, leaving unskilled workers at one end and technicians' jobs at the other, with little in between.

Sophisticated engineering products such as ships, airplanes, and machine tools, as well as steel and chemicals, are now being exported from developing (and East bloc) countries. The recent announcement by Atari itself, that it will shift production to Taiwan and Hong Kong at the expense of 1,700 California jobs, should help put to rest the notion that we can escape our dilemma by the high-tech road.

There is a cruel irony here that we have to worry about impoverishing or simply discarding a substantial part of our population at the dawn of a new industrial revolution which should make all of us richer. But, unless we maintain, and indeed increase, our ability to manage our economic affairs in tune with domestic requirements, the new technologies will simply destroy work.

Protectionism, usually seen as a political cop-out to powerful interest groups at the nation's expense, shows the working of the invisible hand of politics bringing some sense to the rigid application of ideology.

The usual historical reference to protectionism, of course, is to the 1930s and the Great Depression, but that comparison is not nearly as valid as commonly believed. In the 1930s, economic antagonisms were superimposed on serious security conflicts among the main trading "partners."

Today, the economic welfare of all non-Communist countries, including the developing countries, is a strong political goal of all free-world nations. Moreover, existing trade links, investments, and debts all militate against curtailing the earning power of trading partners.

What, then, are some of the solutions?

Some have focused on the need for more stable monetary exchange rates among advanced countries to prevent the periodic "surges" of imports that cause avoidable problems. In the short run, a dearer yen would help, but a cheaper dollar would simply increase the U.S. surplus with Europe.

In general, the relatively liberal trade between Europe and America is sustainable—it implies competition among firms, not among societies.

Yet, in sectors like steel where governments intervene heavily, there is no logical alternative to outright market sharing. When the market is deliberately blocked as a coordinator, something must take its place.

What is a special case in Euro-American relations is the general case when trading with Japan. We should continue to welcome Japanese goods and to provide a competitive stimulus to our enterprises. But we should do it on our terms and not simply adjust passively to Japanese industrial strategies. Direct investment and other forms of technology transfer must increasingly take the place of the exchange of goods.

The sooner we abandon free-trade rhetoric and clearly signal to Japan our limits of tolerance, the less the chances for conflict and panic protectionism later. This would make it easier for Japan to adjust its investment strategies and it would provide greater incentives for American firms to engage in risky investments at home.

The same applies to developing countries. The World Bank and others who urge an increasing number of countries to follow an export-led growth strategy are giving cruel and irresponsible advice. Production capacities are built up with scarce resources, which then stand idle when the West, inevitably, slaps on restrictions. Yet, we have lent huge amounts of money on the promise of markets. The ability of developing countries to earn foreign exchange remains crucial.

How can our need for protection be squared with Third World needs for growing revenues? The most general answer must be: by improving their terms of trade. This means they must get a better return for what they sell. How can this be done?

Price discipline is already a normal feature in Japanese trade and East-bloc trade with western Europe. India and China, fearing ruinous competition and self-exploitation as they enter world markets, are said to have initiated talks on avoiding such competition. Southeast Asian nations, in cooperation with Brazil and Mexico, could perhaps agree to raise prices. But, given the competition for market shares among these countries, self-exploitation probably would remain the rule.

It would be preferable for western countries to raise duties on imports from Third World nations high enough to avoid market disruption in the West, then give this new revenue back to developing countries. This would give them resources to tackle the long-neglected problems of internal development, especially of agriculture and related industries.

The choice we face is between good intentions that promise ruinous results and policies that face up to the realities of the new global economy.

TRIBUTE TO LITA DiVITA

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. LIPINSKI. Mr. Speaker, I would like to call attention to an outstanding citizen in Illinois' Fifth District, Lita DiVita. A recent recipient of the Ray McDonald Community Achievement Award, Mrs. DiVita has worked for years to help the students and faculty of Chicago's Southwest Side schools. Her dedication to and concern for the children of Chicago's Southwest Side is an inspiration to us all.

I am honored to place into today's RECORD an article describing some of Lita DiVita's achievements:

DiVITA RECIPIENT OF RAY McDONALD AWARD

For many years, Lita DiVita has been involved in the educational process as it relates to community schools. She has demonstrated a deep concern and unselfish willingness to help students and faculty of all Southwest Side schools. Her one belief has always been to place the welfare of the children first. The Midway Sentinel is honored to name Lita DiVita as our monthly recipient of the Raymond McDonald Community Achievement Award.

Her early years were spent in the section of Chicago called "Little Italy." She graduated from Pickard Elementary and Harrison High Schools and furthered her education at Crane College majoring in psychology. Her family includes her husband, Fosco, a project engineer for the International Harvester Co. and two sons, Robert and Glenn. The DiVita's live in Garfield Ridge.

Her interest in the school situation began at Byrne, where she served as vice president, secretary and social chairman of the Parents-Teachers Club. Her involvement became more intense with each passing year. At Kinzie, while helping to organize social programs, she became a delegate to the District 12 School Council, and functioned in that capacity for eight years, serving one term as president.

Following the educational progress of her sons, she became active in the affairs of Kennedy High School, while maintaining a marked degree of interest in the school proceedings at Byrne and Kinzie. She was elected president of the local school council and served with distinction for four years while acting as a volunteer aide.

Faced with overcrowded conditions and mounting vandalism, the school council rolled up its sleeves and went to work to improve conditions. Seeking a way to answer the council's penetrating questions, the Board of Education brought in 21 mobile classrooms to relieve the crowded conditions. This served as a temporary solution.

A racial disturbance at the school gave birth to the Athletic and Fine Arts Booster Club. Parents were asked to cooperate in quieting the situation and developing an interest in the school and what it offered. DiVita said, "We realized that the majority of students were not troublemakers and deserved an opportunity to attend school in an atmosphere that was conducive to learning. We developed the booster club to get the parents active in school activities and give all students a chance to participate in athletics or perform in the arts." With parents patrolling the halls and acting as monitors, the spell was broken.

As chairman of the 23rd Ward Education Committee, she became immersed in the long struggle to secure a new roof and essential repairs to Twain School. In addition, DiVita is concerned with the closed school branches in the 23rd Ward and she is presently working with the Alderman on behalf of the Vittum Park and Clearing communities to reopen the Baum, Blair and the Nelson buildings for programs and activities that will be readily acceptable to these communities.

When the configuration of the District 12 was changed, members of the District 12 Education Council, with DiVita were able to hold the council together and thus it became even stronger and more united in its move to its new District 12 offices at the Kinzie Elementary School.

Local businesses, civic leagues and community service groups are members of the council as well as the parent delegates of all the students in the 23 elementary schools and 2 high schools in District 12. Throughout the year, all the above mentioned groups, organizations and elected officials forced busing along with Mrs. DiVita and as of today—there is no forced busing in Chicago.

In September of 1980, DiVita was instrumental in obtaining the very popular com-

puter lab at the Hale Elementary School, that she personally coordinates at the school. The Hale P.T.C. presented her with an appreciation award this year for introducing the computer program to all interested students at Hale.

In April of 1981, with Alderman Lipinski and Rep. Terzich's help, Mrs. DiVita testifed against the desegregation plan at Whitney Young H.S. hearings for the sake of the community parents.

Again, with the help of Alderman Lipinski, in October of 1981, DiVita and her District 12, Ed. Council, strongly protested to the objectionable reading material in the mastery learning program, the result was that the whole program was revised by the Board of Education.

In September 1982, DiVita helped the Kinzie P.T.C. to obtain the deaf division of 8 to 9 year olds to prevent their school from possible closing since the enrollment had dropped so drastically and she also worked closely with the Kennedy High School local school council in removing all of the high school students from the Kinzie building and housing them all in the Kennedy building where they belonged. This move made for much better and safer conditions for both the students and the community.

With the support of the District 12 Education Council, innovative programs were set up in our various schools with the approval of the surrounding communities such as:

Curie High School—Metro School of the Arts.

Gage Park High School—Vocational training and college prep program.

Kennedy High School—Electronics program.

Kinzie—All Elementary Program.

Byrne—Computerized Mathematics Program.

Peck—Mathematics and Science Program.

Lita DiVita was recently re-elected president of the District 12 Education Council. In all, DiVita has been serving as President of the Council for five years.

Her tireless efforts and unlimited energy has always been associated with any cause or campaign that is concerned with the welfare and betterment of the community and schools. Lita DiVita clearly exemplifies the dedication and standards set by our late editor.●

TRIBUTE TO MICHAEL VITULLI

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. BIAGGI. Mr. Speaker, on June 8 one of Yonkers, N.Y.'s finest public servants will be honored at a dinner upon his retirement. The honoree that evening will be Mr. Michael Vitulli, the court attendant for the Family Court of Yonkers, N.Y. As the Representative from the 19th Congressional District, which includes most of Yonkers, I wish to take this occasion to pay tribute to Mike.

Michael Vitulli was born on November 20, 1918, in the town of Licia in the Province of Chieti, Italy. He and his parents came to the United States in the year 1920 and settled in Yonkers, where they remained. Michael attended Public School 18, Benjamin Franklin Junior High School, and Commerce High School—all in Yonkers.

Michael served his Nation with distinction in the Second World War as a radioman-gunner on a B-24 bomber. He was the recipient of both the Air Medal and Flying Cross.

Mike's discharge from the Army brought him back to Yonkers where he married Marcella Carnicelli. They have two children, Michael, Jr. and Nicholas—both married—and now Mike and Marcella are grandparents of two lovely grandchildren.

For the past 20 years, Mike has served as court attendant at the Yonkers Family Court. He has gained a reputation based on hard work and high integrity during these two decades. He is a man well liked and respected by all those who work with him.

Mike has remained active in the Yonkers community. He is the founder of the Enrico Fermi Educational Fund, which awards scholarships to high school students of Italian heritage, as well as the founder of the "Buon Servizio" annual dinner, which honors others from the local Italian American community for their work on behalf of mankind.

Mike is a member of the Armando Rauso Amvet Post No. 40 in Yonkers as well as the Columbus League. He is also on the board of trustees for the Hudson Valley National Bank.

One of Mike's greatest loves is his work as a columnist for the Yonkers Home News and Times. His column entitled "Sons and Daughters of Giants" is a must for all who read this fine publication.

The friends and associates who will honor Mike on June 8, 1983, do so with genuine affection and respect. Mike has worked hard and represents the very finest and best in our people, and I join with his friends in the Yonkers community in wishing him continued happiness and success in the years to come.●

QUALITY EDUCATION: A NATIONAL ISSUE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for Wednesday, May 25, 1983, into the CONGRESSIONAL RECORD:

QUALITY EDUCATION: A NATIONAL ISSUE

In a scathing report on the status of American schools, the National Commission on Excellence in Education states that "a tide of mediocrity" has swept over public education. "We have," says the report, "been committing an act of unthinking, unilateral educational disarmament."

The Commission's findings, a broad indictment of American education, are grim and provocative. Teaching quality is inadequate. Traditional academic standards have been subverted. Our students are no match for those of other industrialized countries. Only 70 percent of our high schools require one year of mathematics and science, and none requires a foreign language. A little more than a week after the report was issued, two other commissions on education—the National Task Force on Education for Economic Growth and the Twentieth Century Fund—published equally critical findings. Taken together, these three reports indicate that the quality of education is again becoming a national issue.

The National Commission on Excellence in Education also offers a blueprint for improvement. The five major recommendations are (1) stiffer state and local high school graduation requirements, including four years of English, three years each of mathematics, science, and social studies, a half year of computer science and, for college-bound students, two years of a foreign language; (2) higher achievement standards in the form of periodic tests to gauge progress and tougher admission criteria for colleges; (3) more time for learning the basics, including longer school days, longer school years, and far more homework; (4) better training and pay for teachers in the form of incentives to attract outstanding students to the teaching profession and a system of financial rewards for better teachers; and (5) increased citizen involvement, including increased public pressure on educators and legislators to make educational reform a top priority and to provide the funds for it.

The Commission stresses the connection between national well-being and good schools. It argues that the poor quality of public education threatens the military, the economy, and the very social fabric of the country. Poor schools diminish our ability to defend ourselves, to compete in world markets, and to use new technology, while poor skills and literacy limit access to public life and harm democracy itself.

The Commission does not try to pinpoint the blame for educational deficiencies. It says that "the responsibility for our current situation is widespread." President Reagan offered some verbal encouragement for reform, but apparently backed away from the report by emphasizing tuition tax credits, school prayer, and abolition of the Department of Education, all subjects only loosely related to the findings of the report.

I have talked to many Hoosiers who are pleased with the report. It seems to express their views of public education. Even teachers, many of whom are naturally sensitive to criticism of schools, find the report exciting and endorse its general thrust. Because of its sweeping scope and doomsday language, however, I believe that the report may be overly pessimistic. It may distort reality by ignoring many of the positive things schools are doing. All schools, all teachers, and all students are not that bad. Scholastic aptitude test scores have stabilized, pupils are taking more academic courses, and all of us are acquainted with capable teachers and excellent schools. Two-thirds of the states have now passed minimum competency laws designed to assure that high school graduates will possess fundamental skills. Many public universities have tightened admissions standards and have allocated scholarships to students on the basis of academic ability, regardless of financial need. In at

least some school districts, the Commission's call to action is already being heeded. Public opinion is shifting and rallying behind the issue of quality. Businesses and foundations are becoming more involved in what goes on in schools, providing funds, expertise, and the incentive of jobs. In mathematics and science education, Congress may upgrade teaching through grants and special training programs.

The major issue not addressed by the Commission is the source of the billions of dollars needed to reform the schools. The report says that state and local governments have the primary responsibility for financing and governing the schools, but adds that the federal government shares responsibility for meeting the needs of the gifted, the handicapped, the disadvantaged, and the bilingual. It has the primary responsibility to "identify the national interest in education." The Commission's only comment on financing is that "excellence costs, but in the long run mediocrity costs far more." While money alone cannot make education better, few of the Commission's recommendations can be carried out without it. Of course, what matters more than money is the motivation of students, teachers, and parents.

Overall, I do not see that the Commission advocates massive new federal programs. I do read the report as a call for greater emphasis on education. It performs the service of reminding us that a fundamental measure of our society is the quality of our schools. Most of us would agree that the key to improved education is good teaching—that is where efforts must be focused. Among all the things that need to be considered, higher pay for teachers is a clear necessity. We will hear more about "bonuses" for teachers and the "master teacher" concept in the years ahead.

As I analyze the report, I get the uneasy feeling of having traveled this way before. Editorial writers already predict that not much will happen because quality in education rarely commands national attention for long. Too often, we get bogged down in educational issues that are peripheral to quality. Most people want better schools. The report should encourage more rational and vigorous local, state, and federal effort to make schools better. If American education has deteriorated so much that "our very future as a nation and as a people" is in doubt, then we had better move with a sense of urgency.●

BILL INTRODUCED TO AUTHORIZE FEDERAL STUDY OF ADDITIONAL LANE ON EXISTING THEODORE ROOSEVELT BRIDGE

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. WOLF. Mr. Speaker, today I am introducing legislation which would authorize the Secretary of Transportation to study the feasibility of placing an additional inbound lane on the existing six-lane Theodore Roosevelt Bridge.

The bridge, which was completed in the early 1960's, is the main artery for traffic into Washington, D.C., from I-66 and U.S. Route 50, as well as the recipient of a heavily used feeder ramp from the George Washington Parkway. Recent statistics tabulated by the Virginia Department of Highways and Transportation (VDH&T) show that the bridge is presently over capacity during the morning rush hour. On May 17, 1983, for instance, 6,349 vehicles used the bridge between 8:15 and 9:15 a.m. That is well over the approximate capacity of 6,000 vehicles per hour on the three inbound lanes.

These statistics, together with the recent public discussion about I-66 modifications which I proposed with Virginia Senators JOHN WARNER and PAUL TRIBLE, have prompted me to ask for the Federal study of the possibility of placing an additional lane on the Roosevelt Bridge.

My bill is the result of weeks of discussion with Federal Highway Administration, Virginia Department of Highways and Transportation, District of Columbia Department of Transportation officials. The legislation directs the Secretary of Transportation, in cooperation with the Commonwealth of Virginia and the District of Columbia, to come up with several options for an inbound lane addition on the existing bridge deck, to be followed by a thorough analysis of the safety and operational factors posed by each option.

I want to make clear that my bill insures that an additional auto lane would not have a negative impact on bicycle or pedestrian traffic. According to the language in the bill, the present bicycle and pedestrian path must be maintained as a minimum requirement. But the legislation also calls on the Federal Highway Administration to study the possibility of attaching an additional structure to the existing bridge which would be used only by bike and foot traffic.

If the Federal Highway Administration's study proves that a certain option is safe and workable, then the bill authorizes 100 percent Federal funding for the actual work to proceed. The goal of my legislation is to provide relief for commuters, but not at the expense of safety for anyone. I want the safest plan possible, one which serves the needs of commuters and which retains access for bikers, joggers, and pedestrians in northern Virginia and the Metropolitan Washington area.

This legislation is being introduced in a spirit of cooperation between the Commonwealth of Virginia, the District of Columbia, and the Federal Government and I am pledged to working with all interested parties in adoption of this measure.

H.R. 3199

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of Transportation is authorized to carry out in cooperation with the District of Columbia, the Commonwealth of Virginia and Department of Interior, a feasibility study on work which can be undertaken to improve the safety, capacity, and operational characteristics of the Theodore Roosevelt Bridge on I-66 connecting the Commonwealth of Virginia and District of Columbia. The Secretary of Transportation shall submit a report on the findings of the study and recommendations to the Congress no later than 90 days after enactment of this subsection.

(b) The study shall develop several options for an inbound lane addition on the existing bridge deck, to be followed by thorough analysis of the safety and operational factors posed by each option.

(c) The study shall ensure that if any option is ultimately selected, the present bicycle and pedestrian path must be maintained. In that regard, the study shall also investigate the possible option of attaching an additional structure to the existing bridge which would be used by bicycle and pedestrian traffic and which would be used for the purpose of demonstrating improved multi-modal traffic operations on a congested urban freeway.

(d) If the study authorized by this section concludes that certain work for improving the safety, capacity, and operational characteristics of the Theodore Roosevelt Bridge is feasible, the Secretary of Transportation is further authorized to carry out a construction project on the bridge for the purpose of demonstrating how such work can improve safety, capacity, and traffic operation.

(e) There is authorized to be appropriated to carry out this section out of the Highway Trust Fund such sums as may be necessary.

(f) Funds authorized by this section shall be available for obligation in the same manner and to the same extent as such funds were apportioned under Chapter 1 of Title 23, United States Code, except that the federal share of the cost of the project under this subsection shall be 100 percent of the total cost thereof. Such funds shall remain available until expended and such funds shall not be subject to any obligation limitation.●

TO COMMEMORATE THE BIRTH OF HUGO BLACK

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. ERDREICH. Mr. Speaker, I invite cosponsors for House Joint Resolution 174, to commemorate the centennial anniversary of the birth of Hugo Black on February 27, 1986. Mr. Black served with extraordinary distinction on the U.S. Supreme Court, in the U.S. Senate, in the U.S. Army during World War I, and within my home State of Alabama. Mr. Justice Black's accomplishments, particularly within the judicial system, are among the most important of this century. As the centennial of his birth approaches, it is fitting that we look back at the career of this great American and examine the legacy he left us.

Born in rural Clay County, Ala., Hugo Black attended the University of Alabama School of Law and set up his practice at the age of 20. He was appointed police judge in Birmingham at the age of 24, serving as a fair and thorough magistrate. Black was elected prosecuting attorney of Jefferson County, but left that position to join the Army upon America's entry into World War I.

After the war, calling upon his growing reputation as a formidable trial attorney, Black entered the U.S. Senate race of 1926 in Alabama, and won both the primary and the seat of an incumbent. Realizing that he lacked a complete university education, Black became an avid student of history and the classics, dividing his hours between the Library of Congress and his Senate office. The strength of his oratory and his cogency of thought attested to his success in that endeavor. Throughout his long and productive career, Black continued his self-education, and all of us are beneficiaries of the breadth of knowledge he applied to his work.

Mr. Black's career in the U.S. Senate was marked by strong support for President Franklin D. Roosevelt's New Deal programs. The Tennessee Valley Authority, so vital to the economic growth of the South, was created largely due to Mr. Black's efforts. He sponsored bills to set a standard workweek and establish a scale of minimum wages. These measures were incorporated into the Fair Labor Standards Act. By the time they became law, though, Hugo Black had answered the call of President Roosevelt to serve as a Justice of the U.S. Supreme Court. Hugo Black was appointed to the Court in October 1937.

It is difficult to describe briefly the contributions Justice Black made in his 34 years as a member of our Nation's highest court. Many legal scholars maintain that Justice Black led the judicial revolution of the 20th century. More than any other Justice of the Supreme Court, Hugo Black led the Court away from subjectivity and toward a closer scrutiny of the Constitution's original intent.

In one of his most renowned expressions on the Court, Justice Black outlined the elements of timeless greatness in our democratic society:

> No higher duty, no more solemn responsibility rests upon this Court, than that of translating into living law and maintaining this constitutional shield deliberately planned and inscribed for the benefit of every human being subject to our Constitution—of whatever race, creed, or persuasion. (From Chambers against Florida.)

Justice Black knew that the freedoms guaranted by our Constitution protect our Nation; that for our country to remain safe from outside aggression, its people must be internally free. He believed that from the Constitution, America derives her energy, her strength, and her potential. Confronting the transient ills of our Nation in case after case before the Supreme Court, Black turned back to the Constitution, to the freedoms and restrictions written there by our country's founders.

Although Justice Black's name is associated with many of the deliberations of the 20th century Supreme Court, perhaps his greatest contributions are those opinions which delineated first amendment rights, particularly freedom of speech and freedom of the press.

An article entitled "Justice Black: an Eye for the Heart of an Issue" appeared in the Birmingham Post-Herald upon Justice Black's retirement from the Supreme Court. The editor of that newspaper recalled Justice Black's opinion in a Supreme Court case involving an Alabama law:

> (In 1966) in a case involving the Birmingham Post Herald and its former editor, James E. Mills, Justice Black spoke for the majority in declaring unconstitutional an Alabama law, under which Mr. Mills had been convicted, which prohibited newspaper expression of political opinion on election day.
>
> Of the Alabama law, Justice Black wrote: "It is difficult to conceive of a more obvious and flagrant abridgement of the constitutionally guaranteed of the press. * * * A major purpose of (the First) Amendment was to protect free discussion of governmental affairs. * * * Suppression of the right of the press to praise or criticize governmental agencies and to clamor and contend for or against change, which is all this editorial did. * * * muzzles one of the very agencies the framers of our Constitution thoughtfully and deliberately selected to improve our society, and to keep it free."

Great debates have taken place over the first amendment interpretations Justice Black favored. However, Justice Black's Supreme Court opinions were based upon a judicial rather than a political philosophy. He read in the Constitution that Congress shall make no law abridging freedom of speech or freedom of the press. Therefore, his duty as a Supreme Court Justice was clear to him. Justice William O. Douglas said:

> Hugo Black abhorred vulgarity. Yet he saw no way—unless there was an amendment—to censor or punish so-called obscene literature. Hugo Black was deeply religious, and abhorred the sacrilegious: but he knew no constitutional way to suppress that kind of publication. * * * Hugo Black honored all phrases and paragraphs of the Constitution. It was to him a venerable but living document under which the noblest experiment in Government had been launched. He would neither cut it down nor expand it to fit his own personal tastes and inclinations.

I believe history places Justice Hugo Black in the first tier of judicial scholars and servants, with Marshall, Holmes, and Brandeis. But it is worth emphasizing that Justice Black's greatest faith was not in the law, but in the people of this country, people who make the laws and who make the laws work. He believed deeply in Government by the people, and was always guided by his self-reliant sense of the common good of all.

On the day of Justice Black's death, the Birmingham News wrote:

> Alabama was home to this jurist whose prominent place in U.S. legal history, whatever one's views on his judicial opinions or his philosophy, is assured. He was, simply put, a giant on the Court, his influence probably being greater than any other Justice's with whom he served.

I am proud to serve the State from which Hugo Black emerged almost 100 years ago, and proud to be a Member of the legislative body to which he lent so much distinction. On a personal note, my grandfather, Benjamin Leader, graduated from the University of Alabama School of Law 2 years after Black, and during his more than 50 years of practice in Birmingham was very close to Justice Black and his family. My wife, Ellen, was born in Washington, D.C., while her father, Jerome A. Cooper, was clerking for Justice Black. My father-in-law, a native of and practicing attorney in Birmingham, was Black's first law clerk, and remained close to Justice Black and his family.

Today, Hugo Black belongs not only to Alabama, but to our Nation, through which he sought to better the world. His exemplary service justifies our recognition, and that of our country, upon the centennial of his birth. I urge, with my colleague, Senator HOWELL HEFLIN, the proclaiming of Hugo Black Day on February 27, 1986.●

FREEDOMS FOUNDATION AWARD

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. MARTIN of North Carolina. Mr. Speaker, I take great pleasure in announcing in the CONGRESSIONAL RECORD that Richard E. Knie, lieutenant colonel USAF (Ret.) from Charlotte, N.C., has been selected by the National Awards Jury of the Freedoms Foundation at Valley Forge to receive a Freedoms Foundation Award in June 1983. This award is being given as a result of his address entitled "The Greatness of America."●

CENTENNIAL CELEBRATION FOR THE CONGREGATION BROTHERS OF ISRAEL OF TRENTON, N.J.

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. SMITH of New Jersey. Mr. Speaker, this upcoming weekend, June 3 through June 5, the Congregation Brothers of Israel of Trenton, N.J., celebrates the 100th anniversary of its founding.

I feel very privileged and proud to be able to bring the good news of this centennial milestone to the Members of this Congress. Currently under the leadership of Rabbi Howard Hersch, the Congregation Brothers of Israel is the oldest continuing synagogue congregation in our State capital. The Jewish community has long been a viable force in the proud heritage of Trenton, and has sustained its stability in the city where other groups could not.

The congregation will celebrate a centennial service on the Jewish Sabbath this Saturday, June 4. It will be a great day for Trenton as it honors the contributions made to Trenton's development and culture by the Congregation Brothers of Israel.

I wish for us all to offer a heartfelt tribute to our Jewish brethern in the congregation, with the fervent hope and prayer that their next century of service and commitment helps to enrich the city of Trenton as greatly as the first 100 years.●

A TRIBUTE TO THE GEORGE WASHINGTON COUNCIL OF THE KNIGHTS OF COLUMBUS

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. COURTER. Mr. Speaker, this year the George Washington Council of the Knights of Columbus, located in Morristown, N.J., is celebrating its 85th anniversary.

On this occastion, I feel it is fitting that we take a moment today to recognize the council's service and its members outstanding contributions to the community.

The Knights of Columbus received its first charter in 1882. As now, it began as an organization dedicated to helping those in need. Its acts of good work were many: aiding widows and orphaned children and others who faced financial insecurity and hardship. The Knights insured that children received an adequate education, that proper medical care was provided when needed; they also came to the aid of those who faced eviction from their homes. By 1906, this organization of Catholic laymen had spread throughout the entire country.

A few years following the establishment of the original charter, the Right Reverend Monsignor Joseph E. Flynn began organizing the George Washington Council. The organization received its charter on July 8, 1898. In 1908, the George Washington Council became affiliated with the New Jersey Chapter No. 1, which now includes 18 councils in Essex, Union, and Morris counties. Today, it is 1 of over 8,000 councils affiliated with the Knights of Columbus.

The George Washington Council has followed in the tradition of Christopher Columbus, St. Christopher, and the founders of the Knights of Columbus. The council is an organization of patriotic Catholic Americans who uphold the values of fellowship, community, and charity. Its members provide comfort and relief for the seriously ill in hospitals or elderly shut-ins at home. Over the last 6 years, it has donated over $16,000 to help retarded children. The council also funds two annual scholarships for a young man and woman to attend a private Catholic college. The council, as well, offered relief assistance to the people of Wilkes Barre, Pa., when that area suffered a most damaging flood. Indeed, the list or the organization's accomplishments goes on and on.

As the George Washington Council is proud to be a part of the Knights of Columbus, I, and I am sure I speak for my colleagues on this, am proud to live in a land where these fine people do so much good work simply out of love for their fellow man.

Mindful of its 84 years of compassionate and patriotic community service, I proudly commend the George Washington Council on its many acts of good work and extend our grateful appreciation to the Knights for making this world a better place to live.

Thank you.●

A TRIBUTE TO THE SAMARITAN HOUSE

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. ACKERMAN. Mr. Speaker, I would like to publicly commend Samaritan House in Queens, N.Y., for its praiseworthy efforts on behalf of former drug abusers on the occasion of its graduation ceremony, Wednesday evening, June 15.

Samaritan House is one of the oldest and most reliable human-service agencies in the drug abuse prevention and treatment field. For more than 20 years, it has been providing such services as drug-free residential centers, a unique methadone-to-abstinence treatment unit, an enlarged family support and counseling plan, and special programs for senior citizens.

Samaritan House's commitment to its clientele is equaled only by its desire to educate the community about the problems of drug abuse. Staff members speak frequently on drug abuse issues at local schools and before civic organizations. From time to time, the young men and women in treatment volunteer for neighborhood projects, take part in drug-treatment seminars, and compete in local sports events. Samaritan House regards community service as a fundamental responsibility, and as an important aspect of the therapeutic experience for the client.

Another component of its drug-rehabilitation program is the support and guidance that Samaritan House is able to give to the families of individuals undergoing treatment at the facility. This helps reunite the victims of drug abuse and their loved ones in a new atmosphere of mutual understanding and respect.

One of the most innovative programs that Samaritan House offers is its senior citizens' center. Open 5 days a week, this center offers a complete range of traditional services for the elderly, including hot lunch, assistance with health insurance, and other problems, and related activities. The participants take a leading role in the planning of their own programs. This senior center represents a new and innovative approach in Samaritan's long experience in drug abuse and prevention treatment. Initially, the agency worked primarily with younger people. Now, it is also able to help the aging and demonstrate that responsible management of prescription medication is another effective way of meeting America's drug problem.

I would like to take particular note of the fine work of Richard Pruss, president, and Ronald Solarz, administrative assistant of Samaritan House. They have both demonstrated their tireless dedication to Samaritan House and their commitment to the rehabilitation of America's youth. These gentlemen have been innovators in treatment of drug abusers and the prevention of drug-related problems. I am confident that they will continue to demonstrate their excellence in dealing with our youth.

I commend the entire administration and staff of Samaritan House for their efforts for the good of America's youth. In addition, I would like to congratulate the entire graduating class of Samaritan House, and to wish them every success in the future.●

PICTURES OF HUNGER

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. BONIOR of Michigan. Mr. Speaker, on Friday, May 27, I held a hearing in my district, at the invitation of the Macomb County Fair Federal Budget Coalition, on hunger in Michigan and, in particular, in Michigan's 12th District.

Among the most eloquent testaments to the importance of nutrition, and the increasing presence of hunger in our communities, was the contribution of more than 100 students from seven different elementary schools in Macomb County.

The students participated in a poster contest built around two themes: "America Can't Run on an Empty Stomach," and "What Happens When Kids Don't Get Enough to Eat."

The posters were spread out across two long walls on the entryway to the hearing room, providing a graphic picture prelude to the hearing's moving testimony.

The poster contest winners from each of the partcipating schools were: Christina Hull and Doug Taylor from Arbor School; Amy Hergeneder from Bethlehem Lutheran School; Jeremiah Claramunt and Ida Sankey from Chesterfield School; Jason Collings and Amy Lawrence from Greenwood School; Becky Hodas and Judy Brenz from Kennedy School; Matthew Mott from St. Augustine School; and Sara and Monica Gray from H. Wiley School.

I want to personally extend my thanks, on behalf of all who came to the hunger conference, to each child who spent time developing a poster and to the teachers whose efforts made the poster contest possible.

Distinguished leaders from our area's artistic community donated their time to judge the poster contest. The judges were: Joe Cracchiolla, Macomb Daily photographer; Elaine Kozar, Macomb County Community College Graphics Department; Patricia Harmon-Lynd, director, Macomb Center for the Performing Arts; Hope Ruessmann, art teacher at Burton International School in Detroit; and Hank Williams, WLBS radio, Mount Clemens.●

TRENDS IN FOREIGN AID

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Foreign Affairs Newsletter for May 1983 into the CONGRESSIONAL RECORD:

TRENDS IN FOREIGN AID

Secretary of State George Shultz recently remarked that the total cost of all our military and economic aid programs in developing countries is $44 per American citizen, but, by contrast, each citizen spends $104 per year for televisions and radios. Although today's foreign aid spending is 0.2 percent of the gross national product, compared to 3 percent in 1949, the current $16.4-billion package for fiscal years 1983 (supplemental), 1984, and 1985 faces hurdles in Congress. It will be trimmed.

Hoosiers are right to ask whether there is anything in Third-world development for Indiana. They are entitled to know what our interests are in providing such large sums of money to others. Stated briefly, our interests are economic, humanitarian, and military. Foreign aid creates jobs by stimulating trade, assists people who are desperately poor, and preserves our security. The figures on the economic aspect of foreign aid alone are impressive. About 40 percent of all American goods are sold to developing countries. Over the last dozen years, more than 5,000 manufacturers and suppliers received orders exceeding $9 billion to support economic aid. About 10 percent of our farmland is planted for export to developing nations. In the 1970's, more than $80 million in goods related to economic aid came from Indiana. In 1982, $53 million in products for the Food for Peace program came from Hoosier farms.

Several major trends have been discernible in recent years in the foreign aid program:

First, our foreign policy in general and our foreign aid policy in particular are heavily influenced by East-West rivalry. Much less weight is given to indigenous factors. Indeed, observers say that the main purpose of our foreign aid is the elimination of conditions that invite meddling by the Soviet Union or other communist states. It is almost axiomatic that if a developing nation cannot present its needs in the East-West context, its chances of receiving aid are diminished.

Second, our foreign aid is tightly tied to narrow security interests. Money available for military purposes has grown faster than money available for economic ones. Between 1981 and 1984, security-related aid will have risen nearly 70 percent, while economic aid will have decreased in nominal terms. In 1980, only 15 percent of our aid went to the poorest nations, and the percentage is falling. Humanitarian motives are less important.

Third, we set aside proportionately less for foreign economic aid than most advanced nations. Among 17 members of the OECD's Development Assistance Committee, we were 15th in 1981 when ranked by percentage of gross national product. The perception exists that our economic aid has burgeoned in recent years, but nothing could be further from the truth. Since 1960, it has declined about 42 percent in real terms. Economic problems, genuine disillusionment with the results of aid, mistaken beliefs about its purpose, and a strong desire to check spending are the reasons.

Fourth, there is a geographical imbalance in our foreign aid. Egypt and Israel have received more than one third of it since 1978. The imbalance is well-known and, among poor countries, causes cynicism. Our commitment to the Middle East is easily appreciated in light of the region's location and resources, but even with respect to resources it is not wholly justified. After all, the Third World, outside the Middle East, supplies us with oil and sends us bauxite, manganese, cobalt, and other necessary minerals.

Fifth, our support for multilateral lending agencies has flagged. Americans are divided on the future of the programs administered by the World Bank, the International Monetary Fund, and other such agencies. We were instrumental in creating these institutions and have played a central role in their evolution, but early in 1982 the United States revealed a plan to cut support for them by as much as 45 percent. The reasons given include those pertaining to supply-side economics, a fear that multilateral aid gives too much power to the recipient, and a desire to promote private-sector initiatives. Our retreat from these agencies, however, could have broad, negative consequences for us at a time when many lenders grapple with serious international debt problems.

Sixth, there is an increased preoccupation with the private sector as a vehicle for foreign aid. The promotion of private-sector endeavors is always helpful and American investors make major contributions to the Third World, but the new emphasis is part of an effort to bolster marketplaces in many countries where the private sector has languished in recent years.

My view is that our foreign aid program tends to favor short-term fixes over long-term accomplishment. I am concerned about some of the trends just mentioned. A balanced program should be both generous in its scope and hard-nosed in its conditions: we should help only those who help themselves. Also, we should not cut out the multilateral agencies: the timing is bad and they are critical to the health of the world economy.

Foreign aid should be offered less for its effect in the East-West context and more for its potential to promote development. Too little of our money is going to the neediest countries; too much is going to countries merely to satisfy narrow security interests. In channeling additional funds into development aid, however, we should not repeat the error of neglecting long-term economic growth and political stability. As we improve our economic aid program, we should try to distribute the money widely and ensure that it affects recipients deeply. The strong emphasis on the sales of arms and military services ($21 billion last year, triple the previous year's) should be redirected. Such sales are necessary, but they are counterproductive when they fuel a local conflict or prop up a repressive regime.

It should be a basic premise of our foreign aid policy that the security interests of most nations be defined as much in terms of economic development as in military terms. To continue to protect our national interests, we will have to readjust the balance in our foreign aid program.●

SOVIET JEWS SUFFER MOUNTING REPRESSION

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. FRANK. Mr. Speaker, the Third World Conference on Soviet Jewry met in March to discuss the dramatic decrease in Jewish emigration from the Soviet Union. One of the im-

portant conclusions of the Conference was the need to redouble efforts throughout the West to bring attention to the plight of Soviet Jews. The Conference concluded, in part, that the movement to protest Soviet treatment of its Jewish population must sensitize as many people in as many communities as possible if we are to effectively protest these deplorable Soviet policies.

Former Congressman Robert Drinan, S.J., who attended the Jerusalem Conference, has been one of the most outspoken leaders in the Soviet Jewry movement, carrying the banner of Soviet Jewry across the country and around the world. He led the fight during his tenure in Congress for using congressional efforts to draw attention to individual "refuseniks" who had been denied permission to emigrate from the Soviet Union and he continues to press for Soviet reforms.

Father Drinan has recently published an article in the Christian Century. I commend the article to my colleagues for its insight into the plight of Soviet Jews and the need for us to continue our efforts.

The article follows:

Will the advent of Yuri Andropov as the new Soviet leader and the deterioration of relations between the White House and the Kremlin mean the termination of the remarkable exodus of 270,000 Soviet Jews over the past dozen years? That was the difficult question confronted by 2,000 Jews and 50 Christians from 31 nations at the Third World Conference on Soviet Jewry held in Jerusalem March 15-17.

The fact is, no one knows what is ahead for the 3 million Jews in the Soviet Union. What is clear is that their condition has worsened. Emigration in 1982 declined to 2,400 from a high of 51,000 in 1979. Harassment has intensified and discrimination against the estimated 200,000 refuseniks has become more severe than ever before.

The delegates in Jerusalem were clearly frightened. But they kept encouraging each other that the miracles they helped to bring about because of the First and Second World Conferences on Soviet Jewry in Brussels in 1971 and 1976 can be continued.

I was elated but also depressed at the events of the Jerusalem meeting. Anatoly Scharansky, the activist sentenced to 13 years for alleged spying for the United States, was my guide and translator in Moscow in August 1975. He took me to visit Andrei Sakharov and many other dissidents, several of whom I met in a reunion at the World Conference in Jerusalem. But I talked with then about those who after years of applying are still held in the land they want to leave. We also talked to dozens of Israeli citizens who are intensely anxious that their close relatives be allowed to leave the Soviet Union and join them. Some 180,000 Soviet Jews have arrived in Israel since 1970. But in hundreds, even thousands of cases they have not been able to bring about the release of their spouses, parents or children from Russia.

I spoke with a 78-year-old woman, recently widowed, who has been begging since 1972 for her son and her grandchildren to be granted permission to join her in Israel. They applied years ago. As a result, the son, an engineer, lost his position and—in a Catch-22 situation—is now being prosecuted for being unemployed. This woman, like most of the 180,000 Soviet Jews now in Israel, feels that only worldwide pressure on the Kremlin will induce the U.S.S.R. to live up to the 1975 Helsinki Accords, which it signed and which guarantee the right to emigrate for the purpose of reunification of families.

Anti-Semitism in the Soviet Union has long been ferocious. The pogroms and the persecutions there were two of the major causes that produced political Zionism. For a short period after 1917, the Russian Jewish community—which still accounts for 20 per cent of all of the Jews in the world—was treated with toleration. But since around 1920 the suppression of Judaism has been an objective of every regime—in particular, of Stalin's. Synagogues that numbered 3,000 in 1917 are now reduced to 40 at most. The destruction of Yiddish culture and the Hebrew language have been goals ruthlessly pursued. The examples of anti-Semitic and anti-Zionist literature that were on display at the Jerusalem Conference were simply unbelievable.

Panels of jurors, scientists and churchmen at the Jerusalem Conference examined the persistence of anti-Semitism in Soviet society. Lawyers recounted their efforts (filing briefs, bringing cases to international forums) to point out the gross violations of internationally recognized human rights in which Soviet officials engage. A new international association of lawyers devoted to the legal rights of Soviet Jews emerged from the Jerusalem meeting. Scientists spoke of their scientific colleagues in the U.S.S.R. who, like Dr. Alexander Lerner in Moscow, have lost professorships because they applied to make "aliyah." Scientists also brought out the fact that Jewish young people are being denied admission to the universities of Russia. In 1968-69 Jewish students enrolled in higher education in the Soviet Union totaled 111,900. In 1976-77 (the last year of published data) that number had declined to 66,900.

The church-related spokespeople at the Jerusalem Conference related their activities around the world on behalf of Soviet Jews. The great struggle for Jewish liberation in the Soviet Union is being waged with only the slightest support from Christians, many of whom are engaged in the work of Amnesty International and other world human rights groups.

One active ecumenical group is the Interreligious Task Force for Soviet Jewry, established in 1972 by Christian and Jewish leaders in the United States. With Sister Ann Gillen as its executive director, this unit sends delegates to the meetings of the Helsinki nations in Belgrade and Madrid and disseminates information about refuseniks and related issues in the U.S.S.R. At the Jerusalem meeting this task force emerged as clearly the best organized of all the Christian organizations seeking to sensitize the world to the harsh conditions imposed on the Jews of Russia. The church people from the Netherlands could also point to impressive accomplishments. But one would have to conclude that, generally speaking, Christians around the world are unaware of or are silent about the severity of the repression of Soviet Jews. One is reminded of the silence of Christians during the Holocaust.

One Christian group received mixed reviews in Jersusalem—the International Christian Embassy, an evangelical group based in Israel and financed in part by the religious right wing in America. Based on some of the concepts about Israel favored by the Moral Majority, the ICE is welcomed by some conservative elements in Israel but is viewed with some suspicion by the mainline Christian bodies.

A handful of Christian clergy in the United States has been devoted to Soviet Jews. One is John Steinbruck of Luther Place Church in Washington, D.C. For many years he has preached about what the establishment of the state of Israel should mean to Christians. He has visited the refuseniks in Russia.

There are some indications that a Christian protest movement might be developing, but they are slender. One church-related college in the United States is going to give an honorary degree in absentia this year to Alexander Piritsky, one of the best-known refuseniks. A group of Catholic nuns in the recent past fasted to express their solidarity with Scharansky. Cardinal Joseph Bernardin recently made a statement on Soviet Jews and pleaded for Scharansky.

But the Jews at the Jersusalem Conference said that Soviet Jews feel they are alone. They have the deepest apprehension about what Andropov might do. As the head of the KGB, he was one of the leaders in the actions to suppress all vestiges of the Jewish religion in the U.S.S.R. The level of angst at the Jerusalem Conference seemed to rise by the hour as the full implications of what is happening in Moscow, Leningrad, Riga, Odessa and elsewhere unfolded. What if all emigration were terminated? Will the Kremlin seek a "final solution" for Judaism and even for the Jews? Should the techniques and tactics of the Jewish community—so successful from 1970 to 1980—be altered, since they are not producing results now? What are the alternatives? One of the few items that drew consensus was the conviction that "noise"—petitions, demonstrations, resolutions and statements by churches—must continue and escalate.

There was also consensus among the 2,000 delegates 525 of them from the United States, that the Soviet Union has to be denounced. Prime Minister Menachem Begin reminisced at the conference about his time in a Soviet jail, confined because of his pro-Zionist activities. Even Israel's former foreign minister, Abba Eban, engaged in hard rhetoric about the lawlessness of Soviet leaders. The word "détente" was not heard in Jerusalem. Delegates' anger at the cruelty and inhumanity of the Kremlin toward Jews undoubtedly blocked any enthusiasm for such rapprochement.

But it was Abba Eban who pointed out that the highest levels of Jewish emigration occurred during periods of East-West accommodation. Abba Eban did not, however, urge that the delegates endorse détente in some form; he urged them not to sit in judgment on the postures of the superpowers, lest this hurt their cause. But everyone knew that he was speaking about Ronald Reagan when he said that "rhetorical violence and strategic confrontation" are not productive.

One sometimes had the feeling at Jerusalem that although the Jewish leaders must continue to voice their anger and anguish at the Kremlin, perhaps nothing will improve the chances of substantial emigration. The Helsinki Accords consist of three parts; military accommodations, economic adjustments and the observance of human rights. Can the Soviets be expected to observe the part on human rights if they feel that the United States is violating the letter or the

spirit of the first two parts of the agreements?

There may well be other causes for the radical change in the Politburo's policy on emigration—a 95 per cent decline in permitted departures. One is the displeasure of the Kremlin at the fact that around 60 per cent of Jewish emigres in recent months have gone not to Israel but to the United States or elsewhere. Invitations to these people come from Israel from relatives interested in family reunification. Soviet officials are obviously resentful of the fact that emigres with highly developed skills go to the United States rather than Israel. Jewish spokespeople counter that when Soviet Jews arrive in Vienna for processing, they are stateless people who may, under international law, go to any country that will receive them. At the Jerusalem Conference there was some talk of asking Moscow to help to arrange for direct flights to Israel from the Soviet Union, with the question of any further moves to be settled at a later time.

A third possible reason for the radical decline in emigration was hinted at but not openly discussed in Jerusalem. It is the possibility that the Soviet officials are tired of being bothered by demonstrations and propaganda concerning Soviet Jewry around the world and that they have now determined to eliminate the problem by eliminating the Jewish religion in Russia. The U.S.S.R. has done everything theoretically necessary to obliterate Jewish language and culture. Yet it endures and even flowers. It is conceivable that the Kremlin could decree the elimination of the word "Jew" on the identify cards of the 3 million people whose parents were Jewish. But to what nationality could the Soviet officials assign the Jews?

Regardless of the reasons for the present cutoff in emigration, the Jewish community around the world is determined to make it possible for every Soviet Jew to emigrate. The spectacular liberation of 280,000 since 1970 argues that it can be done. The delegates in Jerusalem would not listen to counter-arguments. They recalled that Theodore Herzl, the founder of Zionism, frequently said that one of the fundamental purposes for the establishment of Israel was to form a homeland for the Jews of Russia. Israel is ready; indeed, it needs all the immigrants it can get.

The Jews who came to the Jerusalem Conference had many questions about the policies of the Begin government. Many Jews were troubled about the invasion of Lebanon—particularly the shelling and occupation of Beirut.

But all these questions were displaced as the avalanche of information and horror stories about Soviet Jews gained momentum. Diaspora Jews and Israelis are deeply divided about Begin's militarism and his territorial claims to Judea and Samaria. But on the plight of Soviet Jews they are completely united, as the potential (or predictable) tragedies of the Andropov era unfold.

It is impossible to predict the fate of the 400,000 Soviet Jews who have received invitations to immigrate from individual Israeli hosts. Will they withdraw their applications to leave, as some are now being asked to do by Soviet authorities? Could the whole movement to leave the Soviet Union dry up if the consequences of applying are made even more draconian? Or will the Soviets, tired of all the controversy, finally respond to a Moses-like demand to "let my people go"?

What could the Christian role in this possible exodus be? I recalled the words spoken to me by Dr. Sakharov in his apartment in August 1975: "Only the Christians of America can liberate the Jews of Russia." If this is more tham a rhetorical flourish, the Christians of American have a great deal to do. It may be that they won't even think of doing it until they feel grief and guilt over the record of anti-Semitism of the churches through the centuries.

Many of the Christians who came to the Jerusalem Conference have experienced that grief and guilt. A Catholic woman from Ecuador expressed her pain at the anti-Semitism which she sees in her church. A Baptist member of the Canadian Parliament thrilled the Jerusalem assembly by his statements about why he will fight for the rights of Jewish dissidents. And an Anglican woman from Scotland told me that she feels constant shame because of the way that Christians have treated Jews.

Such sentiments are not very visible in Christian pronouncements, however. And Jews do not appear to rely on them. They feel alone in their struggle for Israel against the Arab nations and at the United Nations, where in 1975, 72 nations voted in favor of the proposition that Zionism is a form of racism.

The final declaration of the Jerusalem Conference was a vigorous, even vehement plea to the Kremlin to reopen its gates, end the persecution of Jews and stop its global dissemination of anti-Semitic literature. The statement opens by proclaiming that the Jews at the Third World Conference on Soviet Jewry are "joined by Christian leaders." It would indeed be beautiful if history recorded that in the late 1980s the Christians of the world joined together to bring about the deliverance from the Soviet Union of some 3 million believers in the God of Abraham, Isaac and Jacob.●

A LEGEND PASSES ON—JACK DEMPSEY—1895-1983

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. BIAGGI. Mr. Speaker, I join with millions today in mourning the death of an American sports legend—Jack Dempsey—the former world heavyweight champion—who died in New York City at the age of 87.

The New York Times captured the remarkable nature of Jack Dempsey when they described him as the former heavyweight boxing champion who held the title from 1919 to 1926 and then during his long retirement set a standard of dignity rarely equaled by a former champion.

Jack Dempsey or as he was also known, the Manassa Mauler, was a classic fighter who captured the title with a third round knockout of Jess Willard. Jack successfully defended his title on 5 different occasions in the 8 years that he held the title before losing it in a memorable fight with Gene Tunney. It is estimated that over his 8-year reign as champion—more than 576,000 persons paid more than $9.2 million to watch Jack Dempsey fight—a remarkable figure considering the era in history.

Jack Dempsey graced the streets of New York for years and years and became one of its most beloved citizens. Jack would no sooner emerge from his apartment or from a restaurant before he would be besieged by fans seeking a word or an autograph. Jack always had time for the people.

Legends are made and never forgotten. Jack Dempsey's legacy as a fighter, and a gentleman, will endure for centuries. Much has been written about the life of Jack Dempsey in all our major newspapers today on the occasion of his death. At this point in the RECORD I wish to insert a tribute to Jack Dempsey written in this morning's New York Daily News by thier highly respected sports columnist Phil Pepe entitled "The King of the Ring."

The material follows:

[From the Daily News (New York), June 1, 1983]

THE KING OF THE RING—DEMPSEY, RUTH RULED THE GOLDEN AGE OF SPORTS

(By Phil Pepe)

It was a glamorous era, an era of flappers and spats, of marathon dancers and bootleg hooch, of the Charleston and six-day bicycle races. Those who survived the Depression sought good times, and in their search they seized upon a barrel-chested, spindly-legged basher of baseballs and a square-jawed, dark-haired basher of noses.

If this was the Golden Age of sports, then Babe Ruth and Jack Dempsey reigned as undefeated champions of the age—the Bambino for his prodigious home runs, Dempsey for his machismo.

Ever since John L. Sullivan boasted, "I can lick any man in the house," the heavyweight champion of the world has walked in a special spotlight, and Jack Dempsey carried his mantle with dignity and a flair.

And his image and stature were embellished when he won the championship in a memorable fight on July 4, 1919, under a blistering sun in an outdoor arena in Toledo, Ohio. His victim was a giant of a man, Jess Willard, six inches taller and 60 pounds heavier than the 6-foot-1, 190-pound Dempsey. But Jack sent Willard's hulking body crashing to the floor seven times in the first round.

By the time he was 16, William Harrison Dempsey and his family had made their way to Montrose, Calif., and Dempsey was bitten by the boxing bug. When nobody would volunteer to fight the village bully, Fred Woods, young Dempsey said he would take Woods on, after learning he would be paid $20 to do so. The teenager stopped the old champ in four rounds and caused such a sensation that villagers passed the hat and came up with an additional $600.

If he could make that much money with his fists, young Dempsey thought, he'd go right on fighting. First, he took a new name, calling himself Jack after "The Nonpareil" Jack Dempsey, who held both the welterweight and middleweight titles before the turn of the century.

Among the new Jack Dempsey's early victims was one Andy Malloy, who was so impressed that after he was revived, he told his conqueror, "Kid, I'm your new manager."

Dempsey and Malloy took off to make their fortune in New York. Jack was matched with someone named Andre Anderson. They fought 10 rounds to no decision. Dempsey picked up $16.

The union with Malloy was short-lived. Dempsey hooked up with Jack Kearns, who decided to take the young fighter out West and work his way back to New York. Not even a one-round KO by Jim Flynn—the only time Dempsey was knocked out—could deter him. And when he belted out Fred Fulton in eight seconds a year and a half later, Dempsey was in the big time.

"We want Willard," intoned Dempsey and his manager.

"Dempsey?" replied the champ. "Who'd want to see me fight that little fellow?"

There were more than 19,000 people in Toledo's Bay View Park Arena to see Dempsey win the title from Willard with a savage, two-fisted attack. The seven knockdowns in the first round of the giant Willard was to produce a controversy that would rage for years. Dempsey, it was charged, fought with plaster of Paris on the bandages inside his gloves. How else could he bust up Willard?

Willard was saved by the bell in that first round—a bell Dempsey never heard. Thinking he had won, Jack climbed out of the ring and was headed for his dressing room. He had to be called back to finish the job, which took three rounds, Willard failing to answer the bell for the fourth.

Dempsey held the title seven years, during which he successfully defended his title only five times. But over an eight-year span, 576,213 fans paid $9,255,858 to see him fight and Dempsey's purses amounted to more than $4 million.

Several of Dempsey's fights were classics. In 1921, Tex Rickard promoted Dempsey and France's Georges Carpentier at Boyles Thirty acres in New Jersey. It was boxing's first $1 million gate.

The Frenchman was no match for Dempsey and Rickard knew it. He was concerned that Jack would dispose of him in one round and the crowd would be dissatisfied, and told Dempsey so. There were those who believed Jack was prepared to do Rickard a favor and make sure the fight went at least into the sixth. But when Carpentier surprised the champion with a solid right to the jaw in the second, Dempsey turned it on and belted his opponent out in the fourth.

On Sept. 23, 1925, Dempsey defended his title against Gene Tunney in Philadelphia, Tunney took the title away in a 10-round boxing exhibition that left Dempsey frustrated and growling for revenge. He got his chance one day short of a year later in Chicago.

In the history of boxing, there has not been a more controversial, more talked-about fight than the second Dempsey-Tunney bout—the famed "long count."

In the seventh round, after trying for more than 16 rounds, Dempsey finally caught up with Tunney, smashed him with a solid right and drove him to the canvas. So self-satisfied, so cock-sure, Dempsey failed to go to a neutral corner. While he stood over the fallen Tunney, referee Dave Barry refused to begin the count.

It is estimated that anywhere from four to five seconds were squandered, enough time for Tunney's head to clear and for him to arise at the count of eight.

While Dempsey pursued Tunney futilely, Tunney put on his dancing shoes and stayed away long enough to avoid getting hit by another damaging blow. He stayed away for the last three rounds as well, and came away with the decision to retain his title.

Dempsey retired from the ring soon after. In later years, he was to say the "long count" was the best thing that could have happened to him.

"If I had won," he reasoned, "I'd have continued to fight and some fellow eventually would have knocked me out. As it is, a lot of people still think I'm the champ. As long as I can keep them thinking that way, the long count was the greatest break Jack Dempsey ever got."●

RESOLUTION CONGRATULATING PASTOR AND PARISHIONERS ON BEAUTIFUL SAVIOR CHURCH'S SILVER ANNIVERSARY

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. LIPINSKI. Mr. Speaker, on July 13, 1983, the Beautiful Savior Church in Chicago will celebrate its 25th anniversary. For the past 25 years, Beautiful Savior has been serving Chicago's southwest side as both a spiritual and community leader. In honor of Beautiful Savior Church's silver anniversary, I introduce into today's RECORD a resolution passed by the Chicago City Council and authored by 23d ward Alderman William Krystiniak congratulating the pastor and parishioners of the church on this important event.

The text of the resolution follows:

RESOLUTION CONGRATULATING PASTOR AND PARISHIONERS ON BEAUTIFUL SAVIOR CHURCH'S SILVER ANNIVERSARY

Whereas, on July 13, 1983, the Pastor and parishioners of Beautiful Savior Church, 5122 S. Archer Avenue, will celebrate their Silver Anniversary; and

Whereas, Beautiful Savior Church was first dedicated July 13, 1958, on Chicago's great Southwest Side, and for the past 25 years has provided a solid foundation for the spiritual enhancement of its community; and

Whereas, Beautiful Savior Church was first served by Pastor Philip J. Wirth, who remained until 1980. On June 28 of that year, the Rev. Stephen F. Precht became Pastor and continues the church's high standards of spiritual leadership;

Now, Therefore, be it resolved that we, the Mayor and members of the city Council of the City of Chicago, gathered here this 25th day of March, 1983, A.D., do hereby offer our most sincere congratulations to the Rev. Stephen F. Precht and the Parishioners of Beautiful Savior Church on the occasion of the Church's Silver Anniversary, and that we extend to these fine citizens our best wishes for many more years of spiritual fulfillment and enlightenment.

Be it further resolved, That a suitable copy of this resolution be presented to the Pastor and Parishioners of Beautiful Savior Church.●

AMBASSADOR JEANE KIRKPATRICK'S ADDRESS AT SOLIDARITY SUNDAY FOR SOVIET JEWRY RALLY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. GILMAN. Mr. Speaker, Sunday, May 22, was Solidarity Sunday for Soviet Jewry. In New York City, approximately 100,000 committed and concerned men, women, and youth gathered in Dag Hammarskjold Plaza to express their solidarity with their Soviet Jewish brethren who are unable to leave the Soviet Union. This 12th annual demonstration was highlighted by the poignant remarks of its keynote speaker, Ambassador Jeane Kirkpatrick, the distinguished U.S. Permanent Representative to the United Nations.

The Solidarity Day demonstration, sponsored by the Greater New York Conference on Soviet Jewry, made a significant impact. The protests of the thousands of people assembled were heard not only by the Soviets but by the entire world. Ambassador Kirkpatrick's remarks underscored the Reagan administration's commitment to the ideals of human rights and religious freedom. Because her remarks so eloquently addresses the heart of this human rights issue, I am inserting Ambassador Kirkpatrick's speech at this point in the CONGRESSIONAL RECORD, so that they will be available for perusal by all of my colleagues.

ADDRESS BY AMBASSADOR JEANE J. KIRKPATRICK BEFORE THE SOLIDARITY SUNDAY RALLY FOR SOVIET JEWRY IN NEW YORK CITY

On March 15 of this year, I had the great pleasure and honor to address the nearly 2,000 delegates from 31 countries who came to Jerusalem to attend the Third International Conference on Soviet Jewry. We came to that great city of peace, to that great country of Israel that has sacrificed and bled for peace, to defend the cause of Soviet Jews and to insist that their internationally recognized rights be respected by the Soviet Government. It is that some cause that brings us together here today.

It is entirely fitting that we gather outside the United Nations to express our solidarity with the great freedom struggle of Soviet Jews. Their struggle, and our solidarity with their struggle, is rooted in principles of law contained in international declarations, covenants, and conventions that have been adopted by the United Nations and ratified or endorsed by the Government of the Soviet Union.

The fact that the Soviet Government systematically violates the rights of Soviet Jews demonstrates for all the world to see that it treats these international obligations with cynical contempt. No one seriously interested in the promotion of world peace can afford to overlook the implications of this cynical contempt for international law and international obligation.

The right to emigrate is a cornerstone of international law and human rights. It is recognized as such in the International Declaration of Human Rights, in the International Convention on the Elimination of All Forms of Racial Discrimination, in the International Covenant on Civil and Political Rights, and in the Helsinki Final Act.

And yet the Soviet Government, which is legally bound to uphold this right, has virtually cut off the flow of Jewish emigration. Though 500,000 Jews have requested to emigrate from the Soviet Union, only 400 have been permitted to do so this year—a rate of emigration that is down by 98 percent in just 3 years.

Not only are Jews denied the right to leave, but they are persecuted for even wanting to do so. They are harassed and reviled, fired from their jobs and expelled from universities. The most prominent among them are even arrested.

As we stand here today before the United Nations, let us remember some of these Prisoners of Conscience and extend to them our solidarity:

Let us remember Anatoly Shcharansky, who is now serving the sixth year of a 13-year sentence, who has been denied all visitors and even the right to send or receive mail, and whose health has suffered severely from a 4-month hunger strike launched in desperation on the eve of Yom Kippur. Let the Soviet authorities know that every individual gathered here today and millions of others throughout the world will never forget Anatoly Shcharansky.

Let us remember Iosif Begun who has already served two terms in labor camp and was arrested again in November.

Let us remember Lev Elbert, whose trial will begin in just three days.

Let us remember Yuri Tarnopolsky, whose arrest was timed to coincide with the World Conference in Jerusalem.

Let us remember Eliyahu Essas, a dedicated scholar who has been denied work for the past 10 years and whose father is with us today.

Let us remember Feliks Kochubievsky, who was sent to prison for trying to form a USSR-Israel Friendship Society.

Let us remember Ida Nudel, who continues to be harassed and prevented from returning home even after completing a 4-year term in Siberian exile.

Let us remember Vladimir Slepak, one of the first Jews to address appeals to the United Nations, who has been brutally harassed by the KGB and prevented from emigrating for 13 years.

And let us remember Aleksandr Lerner, one of the most prominent members of the Soviet scientific community, who has been stripped of all his titles, dismissed from all his posts, and even prevented from conducting informal seminars in his home.

We extend our solidarity to all of these courageous individuals and to the hundreds upon hundreds of thousands of other Jews whose rights are being so cruelly denied.

And let us also remember on this occasion another individual who has so courageously and persistently defended the rights of Soviet Jews and whose own right to leave is being so cruelly denied. I speak, of course, of Andrei Sakharov. Yesterday was his 62nd birthday, in honor of which the Congress declared May 21st National Andrei Sakharov Day.

It is not just the right to emigrate that has been denied to Soviet Jews in violation of international law. They are also denied cultural, religious, and linguistic rights and have been the target of a virulent, grotesque campaign of anti-Semitic propaganda. All this, too, is in violation of international treaties and covenants that have been signed and ratified by the Soviet Union.

This policy of persecution and vilification shows every sign of intensifying. A highly significant article that appeared last month in Leningrad Pravda declared that those who accept the concept of a "Jewish national culture" are enemies of "proletarianism" against whom an "uncompromising struggle" must be waged. This same article proclaimed that there is no such thing as a Jewish culture, nation, or spiritual community. It called the study of Hebrew, the Torah, and the Talmud a form of religious fanaticism and racism, and characterized those who engage in such study as "moneygrubbers," "philistines," and agents of a "fifth column" within the country. This article is a clear warning that severe punishment awaits Jews who persist merely in studying their religious and cultural heritage.

At the same time, an organization has been officially established that is ominously entitled the "anti-Zionist committee of the Soviet public." It declares that the essence of Zionism is "extreme nationalism, chauvinism and racial intolerance, justification for . . . armed adventurism, . . . demagoguery and ideological diversions, filthy maneuvers and perfidy."

Let us say to the Soviet leaders that we regard such vulgar declarations as utterly contemptible. They turn the truth upside down, for it is precisely those who equate Zionism with racism, and who persecute Jews simply for wanting to be Jews, who are guilty of extreme nationalism, chauvinism and racial intolerance. It is they who use anti-Zionism to justify, in their own words, "armed adventurism," "demagoguery," and genuine "perfidy."

The Government of the United States cannot—and will not—be blind to this reality. We stand four-square in solidarity with Soviet Jews and with the ideals of human rights and religious liberty which Soviet Jews so eloquently embody in their courageous struggle to be free.●

THE NATIONAL NURSING HOME STANDARDS ACT

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Ms. SNOWE. Mr. Speaker, last year I cosponsored legislation entitled the "National Nursing Home Standards Act," a bill which has been revised and reintroduced this year as H.R. 2997. I strongly support this measure which focuses on the enforcement of nursing home standards.

H.R. 2997 would establish, under the auspices of the Institute on Medicine of the National Academy of Sciences, a 13-member Commission to evaluate current nursing home regulations and report to Congress and the Department of Health and Human Services (HHS) by September 1984. In the meantime, the bill mandates a moratorium on rule changes until 6 months after the Commission releases its report. This delay would give Congress and HHS time to respond to the Commission's recommendations.

Over 1.5 million Americans reside in nursing homes today. Medicaid pays for approximately 45 percent of nursing home expenditures totaling billions of taxpayers' dollars. Obviously, nursing homes have a vital role in providing health care needs to many of our elderly, and the Federal Government has a predominate interest in assuring acceptable basic standards.

Mr. Speaker, we are discussing regulations which affect one of the most vulnerable segments of our society. It is not appropriate to allow a State to renege on its obligations to its older citizens, possibly placing priorities elsewhere as State resources dwindle. During the seventies, investigations of nursing homes by the Senate Special Committee on Aging and the House Select Committee on Aging revealed enforcement procedures were the primary deterrent to fraud and abuse. I am sure this is as true today as it was only a few years ago.

We, in Congress, must assure all nursing home residents, no matter where they live, fundamental safeguards and standards. The Commission, as envisioned by H.R. 2997, would be charged with such a duty before any regulations are changed including enforcement procedures. I am sure improvements are due, but a commission tasked with carefully analyzing all proposed revisions seem the most responsible approach.●

THE TECHNOLOGY EDUCATION ASSISTANCE AND DEVELOPMENT ACT OF 1983

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. STARK. Mr. Speaker, on Monday, May 23, I, along with Congressman BILL ARCHER, introduced H.R. 3098, the Technology Education Assistance and Development Act of 1983. Identical legislation has been introduced in the other body by Senators DANFORTH, CHAFEE, and SYMMS.

I have been concerned for several years now about our Nation's ability to compete in a world in which high technology is playing an ever-increasing role. If this Nation is to remain at the forefront of this technological revolution, we must be assured that our educational institutions are providing today's students with the ability to acquire the knowledge and skills necessary for success.

Last year, I introduced H.R. 5573, the Technology Education Act, which would have provided a more generous deduction for computer manufacturers who donate personal computers to our

Nation's schools. The legislation was well-received. Several companies assured us that they intended to initiate donation programs once the legislation went into effect. H.R. 5573 passed the House by an overwhelming majority, but unfortunately died in the Senate during the final days of last year's lameduck session.

This Congress, I reintroduced the legislation, H.R. 701, which currently has over 100 cosponsors. During consideration of the Technology Education Act, concern was expressed that the legislation did not provide a deduction for software, did not provide for the donation of equipment to colleges and universities, and did not assist universities in their research and development functions. These issues were not addressed in my initial legislation because of concern for the overall cost of the bill. I am introducing H.R. 3098 to provide Members with a wider range of options in this area. The legislation, like H.R. 701, would provide an expanded charitable deduction for companies donating computers and related equipment to primary and secondary schools. H.R. 3098, would, in addition, however, allow a deduction for donations of software and would also be applicable to contributions made to colleges and universities for education purposes. The bill also provides for an expansion of the R&D credit for basic research performed by universities and for certain student loan forgiveness.

This bill will address an extremely important need faced by our country's education system. It is supported by the Association of American Universities, the Association of State Universities and Land Grant Colleges, the National Association of Independent Colleges and Universities, the National Association of Secondary School Principals.

A summary of the legislation follows:

SUMMARY

Current law provisions governing the charitable contribution of items of inventory of a taxpayer generally limit the taxpayer's deduction to the taxpayer's basis in the property, regardless of the value of the property. Exceptions apply in limited cases, such as contributions of certain property for the care of the ill, or contributions of scientific equipment to universities for use in research.

In the case of donations of property which has been used in the taxpayer's trade or business (section 1231 property) current law requires the taxpayer to reduce its deduction for any depreciation recapture which would be recognized if the property were sold at a gain.

Under the bill, corporations would be encouraged to give specific types of property to qualifying organizations for educational use. Under new Internal Revenue Code section 174A, contributions of qualified computer equipment to pre-college schools and certain other organizations which use the equipment for educational purposes, would qualify for a deduction equal to the fair market value of the property, limited to the lesser of (1) the corporation's basis in the property plus 50 percent of its markup or (2) twice its basis in the property.

The same treatment would be available for contributions of scientific equipment to institutions of higher education for use in direct education or in research or research training in the fields of mathematics, engineering, computer science, the physical or biological/biomedical sciences, and certain vocational education programs.

This treatment is identical to the current law exceptions for donations of inventory noted above.

Further, the bill provides incentives for contributions of used scientific equipment to institutions of higher education for the uses described above. Under this provision, a corporation making a contribution of used property may take a deduction equal to 150 percent of the taxpayer's original basis in the property, less accumulated depreciation. Qualifying property would be scientific equipment which is not more than three years old when contributed, and which will not require the recipient to invest any funds in repair or reconditioning of the property in order to make it functional.

The second part of the bill amends the current law provisions governing the R&D credit for research activities which corporations contract with universities to perform.

First, the bill removes such amounts from the computation of base period research expenditures for purposes of the determination of whether the taxpayer has increased its research and experimentation activities. This removes the bias of current law which discourages contracting with universities of R&D activities, and has the purpose of increasing the funding of university-based research.

Second, the bill expands the definition of payments to universities which will be treated as contract research expenses for purposes of the R&D credit. Under these provisions, amounts paid to fund faculty salaries, or to fund scholarships, grants, or loans for graduate students in mathematics, engineering, or science would be treated as contract research expenses.

The third part of the bill clarifies the tax treatment of students receiving scholarships, grants, or loan forgiveness under this bill. A new code section, 117A, provides that such amounts will be excluded from income even if the student is required to provide teaching or research services as a condition for receiving the amount. In the case of loan forgiveness, the amount would be excluded from income only if the student is required to teach in an institution of higher education after completion of his graduate study.

The provisions of the bill will apply to taxable years beginning after the date of enactment.

DETAILED DESCRIPTION

Deduction for equipment donations

Under section 170(e) of current law, deduction for contributions of property which have a value in excess of the taxpayer's basis in the property must be reduced by the amount of gain which would be ordinary income if the property were sold. Thus, in the case of inventory, the taxpayer's deduction is reduced by the full amount of the value in excess of basis, so that the deduction is limited to basis. For example, if the maker of a microscope with a value of $800 and a basis of $200 gives the microscope to a college for its biology classes, the taxpayer is limited in its deduction to $200. In the case of property used in the taxpayer's trade or business (section 1231 property), the deduction must be reduced by the amount of the depreciation recapture which would be recognized if the property were sold.

Under section 170(e) (3) and (4), there are limited exceptions for contributions of inventory. Under section 170(e)(3), taxpayers may deduct the fair market value of inventory which is contributed to charitable organizations which use the property solely for the care of the ill, the needy, or infants. However, the fair market value deduction is limited to the lesser of (1) basis plus one-half of the taxpayer's markup on the property, or (2) twice basis.

Under section 170(e)(4), the same exception applies to contributions of scientific property to institutions of higher education for use in research or research training. Thus, in the example above, if the recipient used the microscope for research purposes, the taxpayer would be entitled to a deduction of $400 (the lesser of basis, $200, plus one-half of markup, $300, =$500, or twice basis, $400).

This bill adds a new Code section, 174A, which provides for the deduction for donations of scientific equipment to higher education and of computer equipment to pre-college education. Current law section 170(e)(4), described above, would be made a part of this new section, and the same treatment as applies under that provision would apply to the additional categories of equipment donations.

Computer Equipment for Pre-College Education.—The first category of equipment donations is for transfers of qualifying computer equipment to pre-college schools or to museums, libraries, or correctional institutions which use the equipment for educational purposes. Qualifying computer equipment is defined to include:

(1) Data processors which can support at least three computer languages, have RAM capacity of at least 16,000 bytes (and can be expanded to at least 48,000) and which are accompanied by a display screen;

(2) Ancillary computer equipment, which includes display screens, printers, or disc drives which are compatible with data processors owned by the recipient (or transferred to the recipient in conjunction with the transfer of the ancillary equipment);

(3) Installation equipment or replacement parts;

(4) Educational software.

In addition, to qualify, the transfer of this property must meet the following requirements:

(1) It must be covered by the same warranty that the taxpayer would provide in the sale of such equipment;

(2) Except in the case of software, the property must be assembled by the taxpayer, who must be in the business of assembling and selling such equipment;

(3) The property must be transferred to the recipient not more than six months after it is assembled;

(4) The property must be new;

(5) The taxpayer must have a written plan for these transfers under which there will be diversity in the distribution of the equipment on a geographical basis and on the basis of the relative economic status of the students of the recipient;

(6) At least 80 percent of the use of the property must be in the direct education of students or teachers;

(7) The recipient may not dispose of the property in exchange for other property or

services during the ACRS life of the property;

(8) The taxpayer must provide sufficient orientation to make at least one employee of the recipient per data processor transferred proficient in the operation of the equipment. This must be provided at no cost to the recipient or its employees;

(9) The transfer must be made through the governing body (e.g., school board) of the recipient;

(10) The governing body must provide a statement to the taxpayer, under penalties of perjury, representing that the property will be used and disposed of in accordance with requirements (6) and (7); in the case of software, the statement must represent that the softwear is compatible with data processors of the recipient and that it is suitable for the educational programs of the recipient; and, in the case of ancillary computer equipment, the statement must represent that it is compatible with data processors being transferred by the taxpayer or already owned by the recipient.

This provision will apply to transfers of qualified computer equipment during the 5-year period beginning on the date of enactment.

Scientific Equipment for Higher Education.—The second category of equipment donation which will qualify for the exception to the general rule limiting deductions to basis is for transfers of qualified scientific equipment to institutions of higher education. This provision applies to transfers of scientific or technical equipment (or replacement parts therefor) which is inventory of the taxpayer, or which is used in the taxpayer's trade or business (used scientific equipment).

In order to qualify, the transfer must meet the following requirements:

(1) In the case of new property, the property must be covered by the same warranty that the taxpayer would provide in the sale of such equipment;

(2) Except in the case of software or used scientific equipment, the equipment must be assembled by the taxpayer, who must be in the business of assembling and selling such equipment;

(3) In the case of inventory of the taxpayer, the equipment must be new and must be transferred to the recipient not more than six months after it is assembled; in the case of used scientific equipment, the equipment must be transferred not more than three years after the property is placed in service;

(4) At least 80 percent of the use of the equipment must be in direct education of students or faculty, or in research and experimentation (as defined under section 174) or research training, in mathematics, the physical or biological/biomedical sciences, engineering, computer science, or the following categories of vocational education: computer and information services; science technology; engineering and engineering-related technologies; precision production drafting; and precision metal work;

(5) The recipient may not dispose of the equipment in exchange for other property or services during the ACRS life of the property;

(6) The transfer must be made through the governing body (e.g., board of trustees) of the recipient;

(7) The governing body must provide a statement to the taxpayer, under penalties of perjury, representing that the equipment will be used and disposed of in accordance with requirements (4) and (5);

(8) The retail value of a single unit of the property must be at least $500 (except in the case of computer software which must have a retail value of at least $250, or in the case of replacement parts);

(9) In the case of used scientific equipment, the property must be functional and ready to use in the condition in which it is transferred, without the incurrence of any cost of the recipient for repairs or reconditioning.

In the case of transfers of qualified computer equipment property or qualified scientific property which is new inventory, qualified services may also be given. For this purpose, "qualified services" means any standard contract for maintenance, repairs, or similar services normally made available by the taxpayer to customers in connection with the sale of such property, which contract is transferred to the recipient in connection with the transfer of qualified property.

Amount of Deduction.—The amount of the deduction for qualifying transfers depends upon whether the property transferred is new inventory or used scientific equipment.

In the case of new inventory, the amount of the deduction allowed is the fair market value of the property, limited to the lesser of (1) the taxpayer's basis in the property plus one-half of the taxpayer's markup or (2) twice the taxpayer's basis. For example, assume the taxpayer contributes qualifying property with a basis of $400, and that the taxpayer's markup on the property is $600, so that the value of the property is $1,000. In this case, the allowable deduction is $700 which is the basis plus one-half of the markup ($400 plus $300), and which is less than twice basis ($800).

Where orientation is provided in connection with the transfer of qualified computer equipment property to pre-college schools, the direct cost incurred by the taxpayer in providing such orientation is included in the basis of the property for purposes of determining the allowable deduction.

In the case of used scientific equipment, the deduction allowed is 150 percent of the taxpayer's original cost in the equipment, reduced by the total depreciation deductions taken by the taxpayer in connection with the equipment. Under this provision, a taxpayer could deduct no more than 150 percent of its cost, taking into account both the deduction under this provision and depreciation deductions. Because the property must be transferred no later then three years after it is placed in service, in many cases there will be a partial recapture of the investment tax credit on the equipment. This provision eliminates disputes over the value of the used equipment, which can be very difficult in cases of used property.

In the case of qualified services, the allowable deduction is the lesser of (1) the fair market value of the services or (2) 150 percent of the taxpayer's direct costs incurred in providing the services.

Finally, in the case of computer software, the allowable deduction is, in the case of software purchased by the taxpayer prior to transfer, the fair market value of the software, and, in the case of software which is developed by the taxpayer, one-half the fair market value of the software.

Limitations on Deductions.—There are two limitations on deductions under this provision—one a percentage of the taxpayer's taxable income, the other a limit on the number of units of property which may qualify for the deduction.

First, the deduction allowable under the new section 174A may not exceed 10 percent of the taxpayer's taxable income, computed in the same manner as the limitation under section 170, and without regard to any deduction under this provision, less the taxpayer's total deductions under section 170. Amounts exceeding this limit may be carried forward in the same manner as a deduction under section 170.

Second, in the case of a transfer of qualifying computer equipment property or qualifying scientific property (excluding used scientific equipment), the taxpayer may take into account, for purposes of this provision, up to the number of units of property transferred equal to 20 percent of the number of units of the same type of property which the taxpayer sells in the ordinary course of its business during the taxable year. Thus, for example, if a taxpayer sells 500 units of a particular mass spectrometer during a taxable year, it may take into account no more than 100 of such spectrometers transferred to qualifying institutions of higher education during that taxable year, for purposes of this provision. This limitation prevents the transfer of property which the taxpayer is unable to sell from qualifying for the treatment of this provision.

Clearinghouse for Used Scientific Equipment.—Finally, in order to assist institutions of higher education locate potential sources of used scientific equipment which the school needs for qualifying uses, the National Technical Information Service of the Department of Commerce is to establish and administer a clearinghouse for used scientific equipment.

The clearinghouse will collect information from corporations about used scientific property which qualifies under this bill and which the corporation wishes to transfer to a qualifying institution of higher education. The clearinghouse will publish this information in the Federal Register, not less often than monthly, for the purpose of allowing qualified recipients of the equipment to identify sources of needed equipment.

If a taxpayer lists used scientific equipment with the clearinghouse not more than three years after the equipment was placed in service, and if it is transferred to a qualified recipient as a result of this listing not more than six months after it is so listed, the property will be treated as having been transferred not more than three years after being placed in service.

Expansion of R&D credit for university basic research and scientific education

Under current law, in order to qualify for the R&D credit, the taxpayer must increase its R&D expenditures over its base year research expenses. The base year research expense is the average of the taxpayer's qualified research expenses for the three years preceding the current year. Qualified research expenses include both research which the taxpayer performs on its own account and research for which it contracts (contract research). Included in contract research is 65 percent of amounts paid to universities to perform basic research.

Elimination of University R&D from Base Period Research.—Under current law, payments to universities for the performance of basic research is discouraged, since the inclusion of such payments in the base year research expense computation make it more difficult to qualify for the credit in subsequent years. This is compounded by the fact that payments to universities for basic research are much less likely to result in a return to the taxpayer, since, by definition,

basic research is for the advancement of scientific knowledge, not having a specific commercial objective.

In order to remove this impediment, and thus encourage more payments to universities for basic research, this bill eliminates such payments from the computation of base period research expenses. This can be illustrated using an example comparing current law to the provisions of this bill.

	Current law	This bill
Third previous year:		
Nonuniversity R&D	$1,000	$1,000
University basic research	200	200
Second previous year:		
Nonuniversity R&D	1,200	1,200
University basic research	800	800
First previous year:		
Nonuniversity R&D	1,000	1,000
University basic research	1,000	1,000
Base period research expense	1,733	1,067
Current year R&D:		
Nonuniversity R&D	800	800
University basic research	1,200	1,200
Current year R&D subject to credit	267	933

Expansion of Credit to Scientific Education.—While current law allows 65 percent of payments for basic research to be treated as contract research expenses, this bill adds two additional categories of payments which will be so treated.

First, payments by taxpayers to fund faculty salaries in mathematics, engineering, computer science, or the physical or biological/biomedical sciences in higher education would qualify. However, in order to qualify, the taxpayer must be obligated under a binding agreement to make the same or greater payment for at least three consecutive years.

Second, contract research expense will include amounts paid to fund scholarships, grants, or loans to graduate students in those academic disciplines.

In order to qualify as contract research expenses for a year, the sum of the amounts paid by the taxpayer to fund faculty salaires, scholarships, grants, and loans under this provision, must exceed a base period contribution amount. The base period contribution amount is the average, for the preceding three taxable years, of all payments made by the taxpayer to institutions of higher education which qualify for a deduction under section 170, and which were not designated by the taxpayer to be used for faculty salaries or for graduate student scholarships, grants, or loans.

Expansion of Qualifying Research Organizations.—Current law allows payments to universities for basic research to be treated as contract research expenses, and also allows payments to certain other organizations to be so treated. In order to qualify, an organization must be described in section 501(c) (3), and be exempt from tax under section 501(a); it must be organized and operated primarily to conduct scientific research; and it must not be a private foundation.

This bill adds a new category of organization, payments to which will qualify as contract research expenses for purposes of the R&D credit. Under the bill, in order to qualify as such an organization, it must be described in section 501(c)(3) or (6) and be exempt from tax under section 501(a); it must be organized and operated primarily to promote scientific research or scientific education by universities of other organizations which qualify under current law; and, it must expend, on a current basis, substantially all of its funds, through grants or contracts for basic research or scientific education (within the meaning of new section 174A) by universities or other qualified research organizations described above.

Exclusion from gross income of certain scholarships, grants, or loan forgiveness

New section 117A is added to the Code to provide for the tax treatment of amounts received by graduate students in mathematics, the physical or biological/biomedical sciences, computer science, or engineering, in the form of scholarships, grants, or loan forgiveness. Such amounts will be excluded from the student's income, in the case of scholarships and grants, even though the student may be required to provide teaching or research services for the institution as a condition of receiving the amount. In the case of loan forgiveness, such amounts will be excluded from the student's income only if the student is required to provide teaching services to an institution of higher education as a condition of receiving the loan forgiveness.

Effective date

The amendments made by the bill apply to taxable years beginning after the date of enactment.●

ENDING MARTIAL LAW ON TAIWAN

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. SOLARZ. Mr. Speaker, on May 20, Senators PELL and KENNEDY, Congressman JIM LEACH and myself, had a news conference to mark a most unfortunate anniversary: 34 years of martial law on Taiwan. During the press conference, we announced our sponsorship of concurrent resolutions in the House and Senate urging an end to martial law on Taiwan and a restoration of democracy and human rights there.

At the conclusion of the press conference, Dr. Trong R. Chai, president of the Formosan Association for Public Affairs, presented a statement which, in my judgment, provides exceptional and clear testimony on behalf of our resolution. Dr. Chai, who resides in Short Hills, N.J., is a professor in the College of the City of New York. I commend him for an impressive statement regarding the human rights situation on Taiwan, for his denunciation of the recent violence on Taiwan, and I commend to my colleagues his thoughtful remarks.

They are printed below.

MARTIAL LAW MUST END IN TAIWAN FOR THE SAKE OF PEACE

(By Trong R. Chai, president of the Formosan Association for Public Affairs)

Today marks the 34th anniversary of the declaration of martial law on Taiwan. The Formosan Association for Public Affairs (FAPA) joins our friends in Congress in urging the Taiwan authorities to end martial law and to restore political and human rights to all the people on Taiwan.

For more than one-third of a century, the Kuomintang (KMT) has imposed martial law on the Taiwanese. As a result, according to a recent State Department human rights report, during this period fundamental human rights have been and still are being denied in Taiwan, such as the following:

The right to strike: "Walkouts and strikes are prohibited under martial law. Collective bargaining, although provided for by legislation, does not exist."

Freedom of speech: "Persons who speak favorably of communism or the People's Republic of China, or persons (usually native Taiwanese) who question the legitimacy of Taiwan's mainlander authorities by suggesting support for Taiwan independence or self-determination, can expect to be charged with sedition and tried in a military court."

Freedom of press: "Even periodicals which are cautious in their selection of articles for publication have been banned from time to time. The ban of a single issue of a magazine may be followed by suspension of the publication's license for one year. In 1982, three magazines received this punishment."

Freedom of assembly: "While assembly for nonpolitical purposes is generally permitted, public assembly for political purposes, except during elections, is often prevented under martial law."

Freedom of association: "Taiwan is dominated by one party. The Nationalist Party has ruled Taiwan since 1945 and is a 'revolutionary' party whose structure and control mechanism are based on early Soviet models. Party organs exist at all levels of the ruling structure, as well as in the military, schools, and other public institutions. New opposition parties are forbidden under martial law."

Taiwanese society has been suppressed by KMT institutionalized violence, all in the name of martial law. In the past three decades, countless young, enlightened men and women have been systematically intimidated, imprisoned or have perished in the dark corners of jails. Such examples abound. Candidate Pai Ya-tsan was sentenced to life imprisonment for distributing his campaign literature calling for Chiang Ching-kuo to disclose his personal properties. Mr. Lei Chen was imprisoned for 10 years for attempting to organize an opposition party; his associate, Mr. Li Wan-chu's newspaper was ransacked. Professor Peng Ming-min and his students were convicted by a military court for attempting to publish their opinion on the future of Taiwan.

The KMT has brutally treated its political prisoners. Campaign worker Yan Chin-hai was stripped of his clothes and forced to crawl on the floor while imprisoned. Lawyer Lin Yi-hsiung's mother and twin daughters were murdered after he had disclosed his mistreatment at the hands of his captors. Professor Chen Wen-chen of Carnegie-Mellon University was tortured to death on account of KMT spy reports from the United States. In fact, the Taipei authorities' violent treatment of prisoners has been well documented by international human rights organizations: gasoline being forced down the nostrils, hanging by the feet, needles inserted underneath fingernails, electrical shocks being applied to the body, etc. For these and other reasons, the most popular writer in Taiwan, Mr. Li Ao, recently called the KMT a party of violence.

The "Universal Declaration of Human Rights" clearly proclaims that "it is essential, if man is not to be compelled to have recourse, as a last resort, to rebellion against tyranny and oppression, that

human rights should be protected by the rule of law. . . ." Taiwanese society is being forced to defend itself against KMT tyranny and oppression. The intensified KMT suppression of legitimate political aspirations for democracy and KMT deprivation of basic human rights in Taiwan through martial law measures have frustrated the people's hope for freedom and democracy. Once this hope is dashed, people have no other way but to turn to resistence. The danger of meeting KMT violence with counter-violence is real. Such a trend is currently on the rise among the people of Taiwan. A case in point is the recent bombing of the Central Daily News, the KMT propaganda organ which has repeatedly advocated violence against its opponents.

It is most unfortunate that resistence has taken the form of an act of violence. The FAPA deplores and condemns all kinds of violence by all sides.

Realizing the potential catastrophe of violence which could bring turmoil to Taiwanese society, the FAPA must redouble its peaceful commitment to eradicate the root causes of such violence. We have repeatedly called on the Taipei authorities to end martial law in Taiwan, thereby giving democracy a chance. We must continue to do so until martial law is lifted. We cannot overemphasize our dedication to the improvement of the human rights, interests and welfare of the Taiwanese people through peaceful and diplomatic means.

As an entirely independent organization pursuing its goals to promote human rights, freedom and democracy for the people of Taiwan, we appeal to the peace-loving people of the United States and the world to urge the Taipei authorities to end martial law and its repressive measures. It is high time that the Taiwan authorities abandon their repressive policies before further confrontations arise that would endanger the peace.●

SISTER ELIZABETH PARENTE

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. MINISH. Mr. Speaker, I am very pleased to offer a few words before the House today to mark a joyous occasion in the life of a remarkable woman. Sister Elizabeth Parente of New Jersey, is celebrating her 50th year—her golden jubilee—as a sister in the Religious Teachers Filippini.

Sister Elizabeth has enjoyed an interesting and varied career, marked by numerous accomplishments. She has, of course, dedicated her life to the church where she has been instrumental in education and in developing the community life of her religious order. For instance, during the past 3 years, Sister Elizabeth has established one of the largest teaching centers in New Jersey.

Sister Elizabeth began her religious life at Villa Victoria, in Trenton, N.J. During her 27 years there, she was an active and important member of the cultural community. An accomplished musician, she is also a performer and composer, having had many of her compositions published. During the period of her service in Trenton, she also established the Helene Fuld Preparatory Nursing School, which was one of the first of its type in this country. After living and working in Trenton, she moved to Morristown where she founded the Villa Walsh Academy.

Sister Elizabeth has also traveled throughout the world and she lived in Israel for 5 years, where she helped to establish the University of Bethlehem and where she developed a light and sound project depicting the life of Christ on the top of the Mount of Olives.

Through her tireless work for the community, her contributions to the arts, and education, Sister Elizabeth has enhanced the lives of many, from all religious backgrounds. It is my honor to be able to participate in Sister Elizabeth's golden jubilee and want to wish her many more years of happiness and health.●

BAN ON VOA REPORTERS IS OUTRAGEOUS

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1982

● Mr. PORTER. Mr. Speaker, I recently read in the Wall Street Journal that Federal employees are denied the necessary credentials to sit in the House and Senate press galleries.

As a result, reporters from the Voice of America, Radio Free Europe, and Radio Liberty, radio programs which receive $200 million annually, are banned from press conferences and other congressional media events that reporters from Pravda, Tass, and other Communist government publications are allowed to attend.

For the benefit of my colleagues, I am inserting in the CONGRESSIONAL RECORD, the Wall Street Journal editorial critical of this outrageous situation.

The editorial follows:

READ ALL ABOUT IT!

Among the hordes of Clark Kents in Washington gathering the most up-to-date news about the goings-on in government, there are a few unsung heroes. Namely, the correspondents for Tass, Pravda, Izvestia, Hungarian News Agency, East German News Service, China's Xinhua News Agency and Soviet TV and Radio. These reporters work diligently to explain the complexities of our freely elected government, upholding the finest journalistic traditions of their native lands, and are thus accorded official credentials to cover the U.S. Congress.

Not so much can be said about the scribblers who toil at the Voice of America or Radio Free Europe/Radio Liberty. American taxpayers provide more than $200 million every year to subsidize these operations to bring news of the free world to more than 100 million listeners behind the Iron and Bamboo Curtains. This, of course, makes the VOA and Radio Free Europe correspondents propagandists. Obviously, these hacks aren't decent enough to cover the hearings, speeches and votes of our luminaries on Capitol Hill.

That at least is the official position of the Washington press corps, represented by the Standing Committees of Correspondents, which decide who gets official accreditation. The Standing Committee is composed of journalists elected by the Capitol Hill press corp, incidentally including the valiant reporters from the Soviet Union, Eastern Europe and China. Officials of the government-run VOA and the government subsidized but privately operated Radio Free Europe/Radio Liberty keep asking for accreditation, so they can have the privilege of sitting in the congressional press galleries. But their fellow Washington journalists keep turning them down.

It all goes back to Senate Rule 33, adopted in 1877, that denies press credentials to anyone employed "in any legislative or executive department or independent agency of the government, or by any foreign government or representative thereof." Depending on who tells it, the rule was adopted either to keep the executive branch from spying on Congress or to foster objective journalism instead of the yellow kind. Whatever, the press committees have maintained over the last 40 years that VOA reporters should be denied gallery passes because they are government employees. Only last year was this ban extended to cover reporters of Radios Europe and Liberty. (The committees continue to accredit correspondents of National Public Radio, which is also partly government funded.)

What about the ban on employees of foreign governments? Why are Tass and Pravda allowed in? In 1950, it seems, the Correspondents Committees bent the rules a bit under pressure from the State Department and major U.S. news agencies, which feared retaliation against American correspondents in Moscow.

But when it comes to VOA and Radio Free Europe/Radio Liberty, whose listeners rely on them to fill in the news that the Tass and Pravda reporters on Capitol Hill might have missed, the good men and women of the Washington press corps refuse to cede their principles.●

THE REVEREND JULE AYERS, D.D., RETIREMENT

HON. FRANK HARRISON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. HARRISON. Mr. Speaker, on Sunday evening, June 5, the congregation of the First Presbyterian Church in Wilkes-Barre will honor their minister, the Reverend Jule Ayers, D.D., on the occasion of his retirement from the pulpit after 39 years of service.

This occasion, Mr. Speaker, is one both for celebration and for sadness in the entire Wyoming Valley.

With Jule Ayers and his gracious and equally dedicated wife Alice, we celebrate 39 years of devoted service to God and man, of pastoral care, of military service, of volunteer work within the community, of ministering to the

needs of thousands, both in body and soul. At the same time, we express our sadness that this outstanding career will now come to a close.

Jule Ayers was born in Detroit, Mich., on March 12, 1911. He graduated from Detroit Northwestern High School in 1929 and the University of Michigan 4 years later. In 1936, he graduated from the Union Theological Seminary in New York.

After pastoral assignments in New York and service as a chaplain with the 36th Fighter Group in the U.S. Army Air Force, Dr. Ayers came to Wilkes-Barre in 1944.

In addition to his work in pulpit and parish, on the streets and in community halls, he has found time to serve as a member of the board of directors of civic organizations almost without number. Important among them are the Family Service Association of Wyoming Valley, the Citizen's Advisory Committee to the Luzerne County Commissioners, the Board of Trustees of the YWCA, the Kiwanis Club, the Osterhout Free Library, public television station WVIA-TV, the Labor-Management Citizens Committee of the Chamber of Commerce, and the Citizen's Advisory Committee for the Selection of the First City Manager for the city of Wilkes-Barre. He has served as president of the Wyoming Valley Council of Churches and as moderator of the Lackawanna Presbytery. He has been chairman of the division of social relations of the Pennsylvania State Council of Churches and president of the Pennsylvania State Pastors Conference. I could go on and on, Mr. Speaker, and the time available could not exhaust the organizations Dr. Ayers has served and the good work he has done.

His service to mankind has been recognized by no less than three institutions of higher learning: By Lafayette College with the honorary degree of doctor of divinity, in 1953; by Wilkes College with the honorary degree of doctor of humane letters, in 1974; and by my own alma mater, King's College, with the honorary degree of doctor of laws, in 1983.

But more important than the degrees and the honors, more important than service on boards and community recognition, have been the contributions which Jule Ayers has made in small, countless, everyday ways. He has always been a compassionate heart, a willing ear, a shoulder to lean upon. Without respect to race, to creed, to religion or to ethnic origin, Dr. Jule Ayers has been a friend to mankind. When there have been community efforts, he has led them. When there have been community controversies, he has not been afraid to speak out for what he believed to be right.

We are fortunate, Mr. Speaker, that while he is retiring, Jule Ayers is not leaving us. He will remain in the community. The congregation of the First Presbyterian Church and his many friends beyond the limits of his pastorate are endowing the Jule and Alice Ayers Foundation, of which he will be the first director. In this way, he will be able to continue his lifelong avocation of helping those in need and participating in all facets of community life. He has been elected to a term seat on the board of the Osterhout Free Library, on which he has sat these many years ex officio by virtue of his pastorate.

Mr. Speaker, it is an honor and a pleasure for me to join with the congregation of the First Presbyterian Church, with the entire Wyoming Valley community and with tens of thousands of men and women whose lives are better because they have known Jule and Alice Ayers, in paying tribute to a magnificent career and in wishing two wonderful people many, many more healthy and happy years of dedicated service to God and man.●

MEDICARE: IDEAS FOR REFORM

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, June 1, 1983, into the CONGRESSIONAL RECORD:

MEDICARE: IDEAS FOR REFORM

In the past several years, no constituent at my public meetings in southern Indiana has been more difficult for me to respond to than the one who asks what can be done to restrain rising health care costs. I am hopeful that a "quiet revolution" is underway—one which promises some relief from the soaring cost of staying healthy. Hospitals have come together in an industry-wide "voluntary effort" to cut costs. States have saved millions of dollars by reimbursing hospitals through "fixed-fee" plans. Corporations have set up new benefit packages and "wellness" programs for their workers. Private insurers have promoted both out-patient treatment to trim expense and cost-sharing to discourage unneeded treatment. Free-standing surgical clinics and doctors' offices in shopping centers are cutting health care costs as they gain wider acceptance. The federal government has made cost-saving reforms in its health care programs. As a way of making people aware of the need to save and prompting them to buy less costly policies, the President wants to tax employer-paid health care insurance premiums if they exceed $175 per month per family.

How to make adequate health care available at reasonable cost, especially in connection with medicare, is an issue that will occupy Congress for years to come. Perhaps the most significant savings would come from a general containment of rising hospital costs made possible by the private and public measures just mentioned. In addition, many particular initiatives to cut medicare's costs have been proposed. The ones most likely to be considered are those that would retain medicare's basic structure while modifying certain features of the program to make it less costly.

Some of these initiatives are not yet yielding savings. Others are under study only. Many would make major changes in the way we pay for health care. Several would cause users of health care services to pay more. The initiatives will not be, nor should they be, accepted into. But their very number suggests the seriousness of the problem and gives us reason to believe that steps are being taken to slow the relentless climb of health care costs. The initiatives include:

1. Making people pay more so that unneeded health care is avoided. Since 90% of all hospital costs are covered by third-parties (governments, private insurers, and so forth), people are insulated from actual costs and often may seek health care they really do not need. Medicare's deductibles and co-payments might be raised in an effort to make beneficiaries more cost-conscious.

2. Cutting back extraordinary treatment of the terminally ill. About 30% of medicare's payments to hospitals cover the extraordinary treatment of the terminally ill—beneficiaries whose health care expenses are almost seven times those of other people in the program. The terminally ill often could find adequate but less costly health care in nursing homes, hospices, or their own homes. Congress recently agreed to cover health care for the terminally ill outside the hospital, and it will continue to address the issue of payment without limit for extraordinary treatment of the terminally ill.

3. Emphasizing preventive health care. Medicare should focus more on the prevention of illness by expanding allowances for vaccines and taking other similar steps. Along the same lines, medicare might cut its payments to beneficiaries whose habits are unhealthy. A smoker who damages his lungs might have to pay more for treatment.

4. Reducing coverage of the well-to-do. Medicare pays the health care bills of all elderly without regard to their finances. The projected benefits for 1982 retirees are about 28 times greater than their contributions. Proposals to trim benefits for those high-income people who can easily afford to pay more include a higher premium for co-insurance and a tax on benefits.

5. Requiring the family to help pay for the parents' health care. Under new "family responsibility" laws, some states ask adults to help defray the cost of caring for their parents in nursing homes. Congress might modify medicare in the same manner. To ease the burden on the family, the payments might be made from a beneficiary's estate after his death.

6. Giving hospitals incentives to save. Congress already has established a system of prospective reimbursement for hospitals. Rather than covering all costs incurred, medicare now rewards efficiency by paying a predetermined sum for the treatment of each beneficiary's diagnosed illness. Other incentives are being discussed.

7. Providing doctors with incentives to keep costs down. Tests ordered by doctors account for two thirds of the typical hospital bill. There might be fewer unneeded tests if the federal government either revised the way in which allowable charges are set or listed doctors who do not bill beneficiaries for excess expenses.

8. Eliminating fraud and abuse. Perhaps one doctor in 20 defrauds or abuses programs of health care insurance. To help

solve the problem, an inspector general now monitors medicare. Also, stronger procedures and penalties are now law. Tougher oversight could mean that hundreds more doctors no longer would participate in medicare.

9. Encouraging competition in health care. Because competition pushes costs down, the federal government might support more alternatives to the traditional "fee-for-service" arrangement. One alternative is the health maintenance organization (HMO), which makes health care available to its members at prepaid rates. Due to action in Congress last year, beneficiaries of medicare may now join an HMO. This year, Congress may pass a bill permitting them to select other alternatives.

10. Easing the regulatory burden on hospitals. Although hospitals may see more rules to control costs, steps are being taken to root out red tape that only makes a stay in the hospital more costly. If successful, these steps will mean less paperwork overall, more flexible compliance, and fewer outdated rules.●

LOS ALAMOS PRESIDENTIAL SCHOLAR

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. RICHARDSON. Mr. Speaker, I want to draw my colleagues attention to an article that recently appeared in the Los Alamos Monitor, a newspaper in my district.

This article, written by Monitor reporter Tamara Schonsberg, shares the story of a special educational relationship that led to the award of a Presidential scholarship—one of the highest honors a high school student can receive for academic excellence.

Eighteen-year-old Rachel Mischke, a graduating senior from Los Alamos High School, is one of 141 seniors across the country to earn the distinguished Presidential scholar designation this year. The competition was stiff and all of us in the Third Congressional District are proud of Rachel's academic achievements. No one could be more proud than Rachel's parents Dick and Alice Mischke or her high school mathematics teacher Cathy Strong.

Mrs. Strong's dedication as a teacher and support as a friend helped to inspire Rachel to achieve the highest academic recognition bestowed on high school seniors. This cooperative educational relationship should serve as an example to parents, teachers and students everywhere.

Mr. Speaker, I hope my colleagues will take the time to read this thoughtful piece.

[From the Los Alamos Monitor, May 19, 1983]

MATH TEACHER HELPS PRESIDENTIAL SCHOLAR REACH THE TOP OF THE LIST

(By Tamara Schonsberg)

Rachel Mischke and Cathy Strong are the best of friends.

And both give the relationship a lot of credit for getting Mischke where she is today.

Mischke is finishing her Advanced Placement exams, getting ready for graduation—and enjoying her recent designation as a Presidential Scholar.

At this time of year, announcements of awards and scholarships are almost commonplace in Los Alamos. Perspective on Mischke's award, however, can be found in the numbers.

She is one of 1,000 seniors picked as candidates for the national Presidential Scholar program; she is one of 141 seniors picked as Scholars; and there are an estimated 2.8 million graduating seniors in the country this year.

One of Mischke's classmates, Tasha Neeper, also was selected as a candidate for the program, but wasn't picked as a Scholar.

The criteria were fairly stiff.

Mischke was notified before the high school's spring break in late March that she had been chosen as a candidate for the Scholar program.

She was only vaguely aware of the program at first. She found out only later that selection of candidates is made based on ACT or SAT scores and the information provided in an optional student questionnaire included in those college-entrance tests.

To become a Scholar, the candidates had to provide information about themselves, the classes they had taken and the activities they were involved in. And, they had to answer six essay questions.

One question asked Mischke what one of her dreams is and how she would go about fulfilling it. Another asked her why she thought of herself as a leader. Another asked her to name two books or concerts that had had a meaningful impact on her life and why.

And one question offered an option of five topics to discuss in an essay. The topics included a discussion of law versus human freedoms or a discussion of mathematics as a philosophy.

Mischke chose the math question.

And one question asked her what it would mean to her to be a Presidential Scholar.

After outlining her many academic achievements and activities in her written response, Mischke concluded:

"My learning experiences and achievements won't stop with my graduation from high school. My formal training will continue through college and possibly graduate school. I will never cease to be a scholar, however, since I will continually be learning and striving to improve myself and the world around me. And after all, isn't that what being a Presidential Scholar is meant to be?"

Mischke estimated that she spent more than 40 hours completing the questionnaire and essay questions, using up most of her spring break vacation time.

But she knew beforehand that she really wanted to make that expenditure of time.

Before she took pen in hand, Mischke said, she figured that she could earn $1,000 if she took on a summer job. But if the "gamble" of shooting for being a Presidential Scholar paid off, she would have a $1,000 scholarship in hand, she said.

"It would be a good trade-off," she decided.

For Mischke, the gamble did pay off.

In late April, she received a mail-o-gram.

Her father, Dick Mischke, speculated that it was more forms and essay questions, she said.

The packet did include more forms and essay questions—but it also included the announcement that she was a Presidential Scholar.

Mischke had to make time to get excited about the news. She had traveled to Princeton right after spring break to check out the campus, then she went on an orchestra tour, then she started rehearsals for a part in "Who's Life Is It Anyway?" and then she launched into studying for her exams in her Advanced Placement courses.

She was too tired to really be ecstatic when the mail-o-gram came, Mischke said, but "it was good. It was exciting. It all paid off."

In addition to the $1,000 scholarship, provided by the Geraldine Dodge Foundation, Mischke will travel to Washington, D.C., next month for a week's stay. During that week, she will participate in a presentation ceremony on the White House south lawn. Presenting her with a Presidential Scholar medallion will be President Reagan and Education Secretary Terrell Bell.

Mischke will use the scholarship money when she attends Princeton where she plans to major in either math or the physical sciences.

For the first time in the Presidential Scholar program, the student recipients were asked to bring with them to Washington and the presentation ceremony the teacher who "most significantly contributed" to their secondary education.

Mischke sent in the name of Cathy Strong.

Strong was Mischke's math teacher for her first two years of high school, and she is the senior's adviser.

"She was an excellent teacher, and she helped me a lot," Mischke said. "She's also my adviser, and she's been very influential and helpful."

Strong made sure that Mischke was taking the right tests, getting the right scores and applying for the right colleges and scholarships, Mischke said. And she filled out all the teacher recommendations that Mischke ever needed.

"I'm sure she's very influential on my getting chosen for things," Mischke said. "Because she takes the time . . . to tell them what I'm like as an individual, what my personality is, examples of what I do. And that's what they want to see. . . . So I have to give her credit for winning any of these awards—plus, she's a very good friend."

Mischke admits to being somewhat of an academic workaholic, and she said Strong makes sure she doesn't burn herself out.

"I tend to be a perfectionist," Mischke said. "I'm loosening up right now. But I tend to like everything perfect—which can be a problem because it can't be. . . . She (Strong) bawls me out when I need to slow down or relax. . . .

"She's just the teacher who has helped me the most, and she's been a friend. Most of my teachers are just teachers."

Mischke spoke of her relationship with Strong when Strong wasn't in the room. But when Strong returned, and responded to the same question, her response was almost identical.

"We get along pretty well," said Strong, who wasn't told by Mischke that she had been named her most influential teacher. Strong found out when she received a certified letter from the federal government.

"We're friends," Strong said. "Rachel doesn't need much guidance . . . except to keep her from working to hard . . . And Rachel, without a doubt, is one of the finest students I've ever had. She's just an amazing girl."

In that sense, Mischke's Presidential Scholarship didn't really surprise Strong. And Strong has a pretty good track record of her own. She has taught, at one time or another, at least three other Presidential Scholars from the Los Alamos Schools.

Both Strong and Mischke have some words of advice for students who also would like to be Presidential Scholars.

First, Mischke said, the program can't be applied for. Someone somewhere—she's not sure exactly who or where—looks at SAT and ACT scores and the student questionnaire included in those exams to pick the 1,000 candidates. So Mischke's main advice is to fill out that student search service questionnaire, which is optional.

The stated purpose of the survey, which asks about a student's activities and achievements and interests, is to disseminate to colleges. Some students don't complete the survey because they don't want to be bombarded with information from colleges and universities throughout the country, Mischke said.

But "I'm wondering how many got knocked out of the competition by not filling that out," she said.

And Strong said it doesn't hurt to be a finalist in the Merit Scholarship program, which Mischke is.

"That will help you more than most things," Strong said.

Generally, and perhaps most importantly, the student should be involved in school and community activities as well as being well-versed academically, Strong and Mischke said.

"Colleges and scholarships don't want just straight A's," Mischke said. "They want you to be able to do both (do well academically and be involved in activities)."●

CALIFORNIA DREAMIN' COMES TRUE

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. DYMALLY. Mr. Speaker, California has long been regarded as the land of opportunity. Many people have made their fortune in our great State, but few have done it with as much love and concern for his family and coworkers as Edson Mitchell. And few have started from a position of such disadvantage. Orphaned twice by the age of 15, Eddie had lived in 16 foster homes by the time he struck out on his own at the age of 15. Many people work their way through college. Eddie worked his way through high school and still had time to become a businessman as well as a classical pianist. Recently his story was told in the magazine, Franchising World. In our present hard times, we need to be reminded that energy and drive tempered with love and a regard for humanity can still bring the human spirit to triumph. I, therefore, respectfully submit for the RECORD the story of Eddie Mitchell, as originally printed in Franchising World.

The material follows:

Eddie Mitchell gives other people all the credit. But there's no denying the force, the personal conviction that comes straight from this man alone. Somehow, he makes you believe—in him, in family, in everything right and wholesome. To look at his beginnings, the end seems a miracle.

Today Edson Mitchell owns the Pioneer Take Out Sacramento area franchise—six restaurants (so far). But along the way, Eddie's done it all.

Orphaned at age seven, he passed through 16 different homes before he settled with foster parents at age 12. Tragically, they too died when Eddie was 15. Still, his foster parents left an important legacy for Eddie when they introduced him to classical piano, which he mastered in three short years. "I was with my finishing teacher at 15. I think I could have been a classical pianist." Later whenever times got rough (or for "therapy") Eddie would turn to his music. But that's jumping ahead.

When his foster parents died, Eddie was left alone and drifted a bit through jobs like sandblaster and fork lift driver. At 17, he decided to go back for his high school diploma. As his own sole support, the decision necessitated rising early for a morning bakery job and selling apple/cherry turnover pies after school. "I bought them for a dime and sold them three for a dollar." Selling upwards of 80 pies per day meant a busy sideline in 1957, but Eddie still had time to play sports and run for student body president.

After a post-graduation stint as a ceramic tool maker, the Army called. He tempered his military duties as battalion mail clerk in West Germany by leading and playing piano in a rock 'n roll band. "We piled the whole band and all our amplifiers and drums into the back of a black Mercedes and toured Germany."

Pioneer Take Out Corporation, headquartered in Los Angeles, entered Eddie's life in 1969, after his army tour. He was married with two children, attending college, and working three jobs. "I was playing music professionally at the time, six nights a week. It was slowing down because acid rock and drugs were in. It definitely wasn't my style." So, on top of the music, he did occasional "beef lugging," and took courses at Santa Monica City College. Meanwhile, Eddie squeezed in training as a food manager at a hamburger restaurant. "I was working 80 to 85 hours a week and they still weren't satisfied so I told them where to put their job," he recalls.

Then Eddie heard that Pioneer was looking for managers. They hired Eddie on the spot. "I started as a utility manager earning $800 a month. I was still working 60 to 70 hours a week, but it was different. Rick (Pioneer president, H.R. "Rick" Kaufman) came down to visit all the time. It was like family. They cared."

By the second year with Pioneer, Eddie and a partner were trouble-shooting for 30 Pioneer stores. "The biggest problem was making all the orders and all the deposits for so many stores."

Before long, he was urging Pioneer to turn over just one store that Eddie could pour his energies into and make successful. Pioneer went a step farther. In 1971, Paul Wilmoth, Pioneer's vice president, called Eddie to ask how much money he had. Undaunted by the discovery that Eddie had a meager $1,000 savings, Pioneer gave Eddie the franchise anyway. In return Pioneer took the savings plus a note for the remaining $12,000 due and payable in three years. Now, two hard-working years later, Eddie Mitchell owned a franchise in Van Nuys.

"It was real run down. In fact the store's previous owner had done such a bad job that for my own lunch, I used to go next door and buy my cole slaw from the Colonel."

Gradually, though, with Eddie's undivided devotion and Pioneer's clever advertising, Van Nuys began to pay off. When his note became due, Eddie had nearly saved the $12,000 he needed. But not quite. Fortunately Pioneer gave him an extension.

"It was really good of them, because by now the store was worth sixty or seventy thousand dollars and I was getting it for twelve," Eddie remembers.

It would have seemed a good time for a rest—but rolling stones, etc. Anyway, enter Charles Patron, financial adviser. "I owe a lot to him. He's the brains behind my whole operation."

Taking Eddie's Van Nuys location and his home Patron "hocked them" and put together a $75,000 SBA loan package so Eddie could buy the North Hollywood Pioneer Take Out. Eddie took the risk mainly to help out Ernesto Baltran, the cook from his Van Nuys store. "I knew that Ernesto would only grow if I grew. He deserved a better living too."

Over the years, Eddie has given back freely to Ernesto and others who have worked with him. Predominantly Spanish-speaking, these loyal co-workers have benefitted in many ways: English lessons, high school diplomas, citizenship sponsoring—and always, a chance to move up in Eddie's operation. But Eddie won't take much credit for his generosity. "They've had faith in me, given me 8 or 9 years of their life. I want more than anything to see them happy."

Eddie gives Pioneer Take Out Corporation credit also. "I could never have done it on my own. Pioneer had faith in me in a lot of ways. Franchisee, franchisor—we're all one family."

One of Eddie's proudest accomplishments was designing the front of the North Hollywood location. "Tiffany chandeliers, indirect lighting over wooden booths with cushions, brick flooring—very very warm" he explains. And, very very successful. Just 10 weeks after opening in North Hollywood, Eddie was able to pay off, in cash, the entire $36,000 note he had with the bank. Unheard of.

Next Eddie took off time to invent a special machine for filtering cooking oil. Eventually, it was manufactured by another company, but Eddie still owns the patent. "It extends the life of the shortening and 150 Pioneer franchisees use it now."

A third Pioneer store was added in 1976. This one was intended to bring his brother Butch, then a Navy man, into the business. "He didn't know a thing," Eddie laughs. I'll never forget when we got real busy, I sent him out front. Somebody wanted to know what the "12 Piece Bucket" was. Butch just stammered, "I honestly don't know, but I figure it's gotta be twelve pieces of chicken."

By 1979, Eddie Mitchell was grossing $31,000 a week from his three stores. He might have slowed down then but instead,

Eddie hocked all his assets to buy the area franchise for Sacramento. "That's a story in itself," Eddie will tell you. "This is the toughest yet. It makes Van Nuys look like a piece of cake." The recession plus fierce competition from five other chicken chains in the California capital add up to a serious challenge.

But, Eddie's in high gear. Already he's developed (perfected now, he insists) a new product which boosted sales in three Sacramento locations by 18-22 percent a week. "With Pioneer behind me marketing this product, we can be Chicken King in Sacramento."

In the end, Eddie concludes that "only God knows for sure" if his six Sacramento stores will make him and his extended family comfortable forever. But, Eddie says, he has faith. "I don't intend to fail, I'm just gonna do it. I will make it." And that's when he'll settle down—with his music. "All the time, it's my therapy. My music is where I'm going."

Bon voyage, Eddie Mitchell.●

THE DEATH PENALTY AND THE ROSENBERG CASE

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. EDWARDS of California. Mr. Speaker, June 19, 1983, will mark the 30th anniversary of the executions of Julius and Ethel Rosenberg. This seems to me an appropriate time to share with my colleagues testimony prepared by the National Committee to Reopen the Rosenberg Case and presented to the House Judiciary Subcommittee on Criminal Justice last December. I believe my colleagues will find the statement of National Committee Director Aaron Katz insightful and thought-provoking. The statement follows:

STATEMENT OF NCRRC ON "THE DEATH PENALTY AND THE ROSENBERG CASE"

[For record of Dec. 16, 1982, hearing]

The National Committee to Reopen the Rosenberg Case appreciates the opportunity afforded by this hearing and wishes to record its opposition and repudiation of capital punishment. It was a tragic effect of capital punishment which resulted in the establishment of our committee. To obviate the need for committees such as ours, we look forward to the total abolition of capital punishment, and to restoration of the integrity of American judicial processes.

We are opposed to capital punishment for many reasons, but this statement will deal with our primary concern, "the possibility of irreversible error," and its potential "cover-up" aftermath. Wrongly imprisoned people can be released, but wrongly executed people can never be restored to life.

Accused of being witches, many were executed by the Commonwealth of Massachusetts in the 1690's, in the hysterical atmosphere of the Salem Witch Hunts. It was too late to right the wrongs when sanity returned to the community. Sacco and Vanzetti were executed on August 22, 1927, and exactly fifty years later, the State of Massachusetts admitted error; wrongful executions. Fifty years too late, and no way to ameliorate the wrong; death is final.

June 19, 1983, will mark the 30th anniversary of the Rosenberg electrocutions. From the moment of their executions, no, months before the executions of Julius and Ethel Rosenberg, evidence of massive fraud and perjury of the chief prosecution witnesses began to mount. When the Second Circuit Court took note of "wholly reprehensible" prosecution conduct "which cannot be too severely condemned," there was still time to save the Rosenbergs' lives, if the Supreme court had but listened to the pleas of Judges Learned Hand and Jerome Frank and granted certiorari. However, by the time the courts recognized, after the Supreme Court's Grunewald decision, that the Rosenberg trial had been marred by the prejudicial and unlawful questioning by Prosecutor Irving Saypol and Judge Irving R. Kaufman, it was many years too late.

Consider this: Judge Kaufman had ordered the executions with the "justification" that the Rosenbergs had stolen the secret of the atom bomb and transmitted it to the Soviet Union, and they thereby were responsible for the war in Korea and "untold millions" of lost lives in the future. When top atomic scientists proved that what had been described as "the secret of the atom bomb" was worthless, a hoax, a caricature, and the government admitted this in the federal courthouse in New York, it was much too late to restore the Rosenbergs to life. Furthermore, it denied Morton Sobell the new trial which would prove his innocence and the innocence of the Rosenbergs. It would have taken an unusually courageous court to order for Sobell the new trial required by conscience and by law, when such trial would confirm for the entire watching world that their pleas to spare the Rosenbergs had been more than justified, and that our refusal to look amounted to legal murder.

As in the case of Sacco and Vanzetti, the Rosenberg case shows how capital punishment may be followed by cover-up, degrading an entire judicial system. It explains why honorable Supreme Court Justices Douglas and Frankfurter and Black protested the executions so passionately, and why the Supreme Court majority would close its eyes and its ears, refusing to review "the case of the century." The very day of the executions Justice Black voiced his bitter protest: "This court has never reviewed this record and has never affirmed the fairness of the trial below. . . . There will always be doubts."

To protect the cover-up, a U.S. President, Dwight Eisenhower, had to lie to protesting dignitaries in denying clemency, falsely claiming that all the courts had affirmed the fairness and appropriateness of the death sentences. And, as evidence accumulated of prosecution forgery, perjury and fraud, decent judges had to sacrifice their integrity, denying their principles, to protect their colleague's cover-up.

Fortunately, this country is blessed with a system of checks and balances. There are Judiciary Committees which have the authority to look into this cover-up, and to help with necessary legislation to restore the integrity of our judicial processes. Over one hundred law professors, led by Harvard Law School Professor Vern Countryman, have called upon the Senate and House Judiciary Committees to examine the prosecutorial role of Judge Kaufman in the trial, the sentences, and the cover-up resulting from this case of capital punishment. Appointment of a Commission of Inquiry by the House Judiciary Committee, to study and report on the Rosenberg Case, would be a desirable step in the right direction.

The National Committee to Reopen the Rosenberg Case urges your Committee, in considering the matter of capital punishment, to carefully examine the Rosenberg case and its aftermath. We are confident that such examination will prove the desirability of abolition. It will also demonstrate the need to reexamine the Rosenberg case and to establish the truth of the innocence of the Rosenbergs and Morton Sobell. In Sobell's case, partial amelioration is still possible, when he receives the full pardon which is his due.●

KEY CONCEPTS CONCERNING THE MARTINEZ VA PREMEDICAL PROGRAM UNDER THE DIRECTION OF MICHAEL C. GEOKAS, M.D., PH. D.

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mrs. BOXER. Mr. Speaker, I would like to bring to the attention of the House a program for premedical students being conducted at the Veterans' Administration Hospital at Martinez, Calif., under the direction of Michael Geokas, M.D., Ph. D.

Recently I visited this hospital to view the program in action and was tremendously impressed with what it is doing for our young people who are interested in pursuing a career in medicine.

The program stresses affirmative action for minorities and women and is a program which well might be adopted throughout the country.

At this point I would like to include in the RECORD a review of this program.

1. This is a leadership, self-discipline, and self-development program for premedical students, mainly women and members of minority groups.

2. This is an affirmative action program for minorities and women.

3. Students come from Bay Area colleges and universities.

4. The program consists of lecture overviews on clinical medicine and basic sciences, volunteer work at the Martinez VA Medical Center, counseling sessions for the students, and lectures on topics of interest by prominent citizens, elected officials, journalists, and Medical School faculty.

5. All participating faculty and students are volunteers.

6. The students are exposed first-hand to the intricacies of the hospital environment and have an opportunity to develop the empathy required to make a good physician and to understand the humanistic aspects of medicine.

7. The students are taught before entering medical school about the absolute requirement of complete dedication and the need to become perpetual students.

8. They are taught early about the significance of patient-doctor relationships, and the fact that high technology dehumanizes

patient care; they are taught respect and compassion for the sick, the young, and especially the old and helpless.

9. Emphasis is placed on the need for more women and minorities to become physicians by meeting the competition for medical school admission.

10. Encouragement of minority students is constant and the significance of continuous efforts in improving scholastic achievement is emphasized.

11. The results have been extremely rewarding and large numbers of women and minorities have been admitted to medical school.

12. Great emphasis is placed on family relationships and the need for students to obtain and maintain the support of their parents in their efforts for medical school admission.

13. This program helps the students to evaluate if they really have the stamina and the willingness to make the enormous commitment required to become a physician.

14. Thus, the program constitutes a good method for candidate selection for medical school. Students who do not possess the needed qualities of dedication and perseverance drop out quickly and follow other less demanding careers.

15. This type of program should be developed by medical centers and hospitals throughout the U.S. for a practical and rational selection of the appropriate candidates for medical school.

16. With early premedical school conditioning, dropping out of medical school can be avoided and that better selection of suitable candidates can be achieved.

17. The Premedical Program at Martinez is unique in this nation. It provides early exposure to hospital environments, direct teaching by medical school faculty, emphasis on community and public service, on compassion for the sick, and on self-discipline. It increases awareness of many different areas of medicine: Habit-induced diseases (e.g. smoking, drug abuse, alcoholism, and obesity), child abuse and detection, geriatrics, and problems of the profession such as cost effectiveness and medical ethics.

This type of program should be implemented across the United States. Medical centers should organize these programs so that they can attract the cream of the crop among the young who will become fine physicians in the new environment of high technology, regulations, paperwork, malpractice threats, and increased demand for accountability.●

RETAINING REGULATIONS TO PROVIDE BETTER TV PROGRAMING

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. PHILIP M. CRANE. Mr. Speaker, I recently joined my colleague, Mr. HENRY WAXMAN, in support of his bill, H.R. 2250, to prevent the FCC from repealing the network financial interest and syndication rules for a 5-year period.

At this time, these rules are critical to our Nation's ongoing effort to bring more competition to the television industry and more program diversity to the American public. I support H.R. 2250 because it keeps in effect regulation that prohibits the three television networks from controlling the domestic rerun rights to programs they broadcast and thereby diminishing competition and diversity.

Concern has been expressed by some individuals that without repeal, the rules will harm and perhaps bring an end to "free" television. If this were the case, I would not favor such legislation. Television networks are portraying themselves as helpless underdogs who cannot compete with cable television and other video technologies. In addition they are trying to convince us that the American public will be robbed of "free" TV.

Let us look at the true situation. Networks currently are the prime-time choice of 80 percent of all Americans, and by CBS own estimates, they will still command 70 percent of the national viewing audiences by 1990. This is with the current rules in effect. Under H.R. 2250, the FCC would be able to consider repeal of the rules by 1988.

Networks also use the argument that they cannot compete with new technologies, especially the new pay systems. However, not only are network profits in the billions, but they are also being allowed to own a growing fraction of the Nation's cable and pay systems as well. Pay systems are at best a distant threat to the networks. The real competition is not pay TV, but independent television stations. These rules prohibit the networks from taking away a program producer's syndication rights—for example, the rerun rights to individual M*A*S*H episodes after the initial network broadcast contract is fulfilled. The prime-time access rule allows network-affiliated stations to control at least some portion of the prime time programing schedule.

Repeal of the rules could force small independent production companies and many independent TV stations—those not affiliated with networks—out of business. While large production companies might survive the repeal, they would be less likely to take susbstantial risks on new, creative programing. The rules promote program diversity by not only strengthening the role of independent television stations, but also by protecting the rights of independent program producers, thus helping to insure more diverse sources of programing.

With repeal, networks could very easily refuse to sell programs. After all, since they are competing against independent stations—which are all free TV stations—their real incentive would be to hold the syndications thus causing the rating points to go up for the networks. You must keep in mind that we are talking about several hundred thousand dollars per rating point.

With repeal, it could well be the end of competition by not only giving networks just more control, but virtually complete control. These rules were adopted in 1970 to promote the public interest in fair competition and diversity in prime-time TV programing. Before 1970 the FCC found that the networks had used their control over the television industry by determining not only what most Americans saw on TV but what they could not see. The Justice Department followed with antitrust suits, charging the three national networks with controlling the entire network television program production process, from idea through exhibition.

These rules have partially offset the overwhelming dominance of the networks. Yet as both purchasers and distributors of programing, they still dominate the TV industry today. The operation of the rules is simple. They prohibit the networks from taking away a program producer's syndication rights. Currently producers sell programs to networks, usually at a loss, and then hope to make money later with syndication sales. If a show is not successful enough to be syndicated, the producer has simply lost the amount in excess of the license fee. If, however, after several years of network exhibition, the show is syndicated, the producer will recover his losses and earn a profit. The networks, on the other hand, immediately recover their investment in a program through advertising dollars.

A phasein of deregulation would be more warranted because the level of competition in the video market today does not justify lifting those rules which were carefully designed to protect the public interest from the lack of competition now facing the networks.

These rules must not be repealed until the marketplace is better able to provide the additional diversity and competition necessary to serve the public interest. It is clear that rather than serving the goals of competition and diversity, repeal will undermine the competitive strength and vitality of alternatives to network programing.●

FINANCIAL VOYEURISM

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. FRENZEL. Mr. Speaker, in the May 31 Post, Carl Rowan had a piece captioned "Financial Voyeurism." In it, he asks, "Does anyone believe that requiring these kinds of reports—required financial reports for legislative,

executive, and judicial branch personnel—guarantees us better government?" His own answer is that he is unconvinced.

So am I. I believe it is time to revise, and sharply curtail financial disclosure requirements. It may be helpful to disclose certain assets, but not in the fine detail now demanded. Income derived as a result of congressional service—honoraria, royalties, and so forth—should be reported, but most other income should not. Holdings of spouses should be exempt from reporting, too. That requirement is a holdover from another era. I respectfully suggest that the Speaker appoint an ad hoc, staffless task force to make recommendations for substantial amendment of our financial disclosure laws.●

ST. PAUL'S WINS CHAMPIONSHIP

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. McDADE. Mr. Speaker, it is with great pleasure that I recognize at this time the St. Paul's Eighth Grade Basketball Team of Scranton, Pa. as the winners of the Pennsylvania Parochial School Eighth Grade Championship held in Johnstown, Pa. Their accomplishments are a source of pride for all Scrantonians. The "Crusaders" of St. Paul's finished the season with a perfect 44 to 0 record which included five major tournaments.

St. Paul's is coached by Joseph Gaughan who is assisted by Michael Holmes. The team members are as follows: Harold Anderson, Patrick Boland, Joseph Donahue, David Keating, Robert Magurie, Michael Marion, James Marsico, Robert Mascaro, Patrick Murphy, Frank Paoli, Craig Rose, Jeffrey Ryan, Robert Woronko, and David Zikoski.

As a graduate of St. Paul's I take special pride in the achievements of these young men. Their hard work and spirit are a lesson for us all.●

THE INTERNATIONAL MONETARY FUND, CONTINUED

HON. GEORGE C. WORTLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. WORTLEY. Mr. Speaker, as I mentioned yesterday, there are many misconceptions about the International Monetary Fund, such as what it does, its influence on the American economy and why continued participation by the United States is important. Accordingly, I would like to take this opportunity to list a few commonly asked questions along with answers about the IMF.

WHAT IS THE IMF?

The International Monetary Fund is an intergovernmental organization based on a treaty drafted at Bretton Woods in 1944. Today, it has 146 member countries; accounting for 90 percent of world trade. The Fund maintains a large pool of currencies to help countries finance temporary balance-of-payments deficits without resorting to trade and payments restrictions that might otherwise be necessary. The Fund also has a regulatory and advisory role, and can impose conditions on countries to restore their balance of payments. These conditions support their creditworthiness and make credit available from private sources. Basically, the IMF is responsible for the health of the international payments system.

WHAT CAUSED THE INTERNATIONAL DEBT CRISIS?

The problem is rooted in global recession, which has been deeper and longer then anyone anticipated, coupled with very high interest rates and consequences of the second "oil shock." Prices for commodities such as metals, sugar, coffee, and other products of the lesser developed countries have dropped an average of 28 percent from 1980 to 1982.

Borrowing countries went into debt in order to expand their industrial base rapidly to meet the needs of their growing populations and increase national income and economic welfare. The loans generally went for productive purposes intended to improve the standard of living.

Both lenders and borrowers assumed that inflation would continue, and that loans today could be repaid in cheaper dollars tomorrow—an assumption that proved wrong. Many of the borrowing countries are large, wealthy nations that have great resources but are temporarily unable to meet their obligations because they cannot export enough today to generate the foreign exchange. In other words, they have a liquidity problem, not a solvency problem.

IF AN IMF PROGRAM REQUIRES A COUNTRY TO CUT IMPORTS, HOW DOES THAT HELP AMERICAN EXPORTS AND JOBS?

The IMF is committed to fostering expanded international trade. When a country needs an IMF adjustment program, it is because it is unable to generate enough foreign exchange to pay its international bills. The IMF programs are designed to bring the country's balance of payments back into equilibrium, in order to create an opportunity for renewed growth. Without an IMF program, the country might have to undergo a much more serious adjustment as it struggles to regain its ability to trade without the IMF or private sector credit to bridge the problem.

WOULD NOT CONGRESS HAVE TO SPEND EVEN MORE MONEY ON THE IMF NEXT YEAR?

No one can make firm promises that no further increases in the quotas contributed by all of the members of the Fund will not be required to avert an international financial crisis. A general worldwide recovery, even if slow, and no further upsets in the global oil market will guard against more calls on the IMF than it can handle with the additional resources provided to it under this year's legislation. It is certainly not anticipated that additional resources will be required in the near future.●

UTILITY RATEPAYERS SUFFER WHEN EMERGENCY PLANNING IS DECLINED OR IGNORED

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. COUGHLIN. Mr. Speaker, adding to the woes of cost-buffeted consumers of electric power is a situation which has developed in the nuclear generation industry.

States and municipalities are discovering that they can thwart new operating licenses and halt or delay existing nuclear plants through the simple expedient of refusing to enact emergency preparedness plans. They also can achieve the same results by refusing to implement plans developed by utilities where local authorities have refused to prepare their own emergency proposals.

Regardless of the merits of individual cases involving States and municipalities, this situation is exacerbating the cost problems of utilities operating or building nuclear generating plants.

Construction cost overruns already are common, because of overly optimistic projections either as to plant construction expense or the need for more nuclear power. Some plants are plagued by inexperienced contractors which have meant delays and higher costs. Others have faced delays caused by court suits, thus pushing up ultimate construction costs. Safety considerations in some instances have also contributed to higher costs.

Any or all of these factors—alone or in combination—have helped escalate utility rates to a level far too high. The burden is onerous on millions of struggling families, elderly citizens, and the unemployed. That it is unfair to them is an understatement.

This new tactic of refusing to develop or implement emergency preparedness plans further aggravates difficult situations. Where plants are shutdown and power must be purchased elsewhere, the result is even higher rates to consumers. The cost of shutting down and restarting is high, and

ratepayers are penalized even more with higher prices.

Statutes and regulations of the Nuclear Regulatory Commission and the Federal Emergency Management Agency govern plant safety and emergency preparedness plans. The Congress must act through new legislation or specific directives to resolve any impasse.

I believe that such clarification and direction are needed. This is neither a pronuclear nor an antinuclear position. It is the recognition that a loophole or a quirk, if you will, exists in the law. For good or bad, when the law is used through this means to delay or stop nuclear plant generation, it invariably results in higher costs to beleaguered ratepayers.●

A 12-YEAR-OLD WRITES TO THE PRESIDENT

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. SIKORSKI. Mr. Speaker, like other Members of this body, I receive an incredible volume of mail, all of which is of interest and concern to me. But occasionally, one letter is so exceptional that it merits special attention. I have received just such a letter. Amy Henson, a 12-year-old constituent of mine, has written a moving letter on the subject of nuclear war. At her request, I am making an effort to have her letter read by the President, and I also wish to share it with my colleagues in the House. I am proud to represent her. The letter follows:

DEAR MR. REAGAN: I'm not going to lie about my age. I'm only 12, but I have something important to say. You know, kids aren't always silly, and have stupid ideas.

All I want to say is simply this, you, and others like you, have the power to save the world!

Don't you realize the terribleness of nuclear arms. Even my six year old sister knows, and worries about it.

If we already have enough nuclear arms to blow up Russia, or anywhere else you want to, why do we need more?

It's like two men going into a shootout. One man brings one gun, and the other brings two. The fight goes on, and both die before the other even got a chance to use the other gun. So why did he need it? To kill the other man twice? I thought that once you're dead, you're dead.

Gee, it all sounds silly, right? What does some stupid kid know? Well this kid knows that you, and the Soviet leaders, are doing just as the second man did.

Power. Power over people. Money. All a man's dreams, am I right? But, must we kill? I'm not saying we should just give in to Russia and dispose of all our defense weapons. The reason we fought the British is to be free, why lose our freedom now? But must we kill? Why can't we decrease the number we have, and Russia too, if we already have enough?

The money spent towards nuclear arms could be spent on so many better things than that kind of defense. Such as:

1. The school lunches are so high, some kids can't afford to eat lunch.

2. Just last year my brother died and my grandfather has cancer. More money could go towards medical research.

3. Every month people from our church, including me, help feed people who live out in Minnesota's cold weather, and freezing cold streets, all jobless, homeless, and most familiness.

I could sit here, and talk on, and on. But, it's all the same, depressing.

I'm not saying you're a bad President. It's easy for someone to say they can do better. All I'm saying is there is one thing you need to learn; and call the law school, or whatever else you need to become President, can't teach you. It's called Peace.

Peace can only come from a peaceful heart. Try looking peace up in a dictionary. I'll save you the effort. It will read:

Peace, n. tranquility; freedom from war.

How can you, or the Soviet leaders, think you can have peace, when you have to hurt people by spending their money on nuclear arms, or using them to kill so many people?

Do you think the Soviet people are any different from us? Well, if you do you're wrong. They're not making nuclear arms. Their government is, just like here.

And, just what if the missiles ended up in the wrong hands? Now, don't tell me I've been watching too much "Superfriends," and that it couldn't happen. I don't care how much security you have guarding where ever you keep the missiles, but it still could happen.

That's all I have to say.

Peace be with you,

AMY HENSON.●

A STRONG EPA

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. LEWIS of Florida. Mr. Speaker, I want to go on record in support of a strong EPA. It is important to restore public confidence in this Agency.

I am pleased with the President's selection of Mr. Ruckelshaus as the new EPA Administrator. I believe he will bring the necessary strong leadership to this Agency, which is charged with the enormous responsibility of protecting the Nation's environment and the health of American citizens.

According to the Administrator's recent letter to my colleague from Massachusetts, the chairman of the HUD-Independent Agencies Appropriations Subcommittee, Mr. Ruckelshaus indicated he would like time to review and evaluate the Agency's budget for fiscal year 1984. If he believes that an additional request for funds is necessary to meet the Agency's obligations, I would support such a request—particularly in the area of research and development since these programs have been reduced a total of 43 percent since 1981.

It is my hope, Mr. Speaker, that Congress will provide Mr. Ruckelshaus the necessary funding he needs to get the job done.●

DEFENSE SPENDING AND SOCIAL PROGRAMS

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mrs. COLLINS. Mr. Speaker, I recently introduced Patricia Horne, public affairs associate for the Midwest Women's Center. She spoke of the plight which has beset our Nation's women. Money has been funneled into the buildup of our military program, at the direct expense of social programs. This drain of funds must come to an end.

I have gone on record as supporting programs which reduce defense within reason and will continue to do so in the form of the DELLUM's fiscal year 1984 defense appropriations alternative. It is not to say that we should abolish our defense budget and its appropriations—far from it. However, we must be as prudent and as conscious with our military allowances as we have been with other programs.

Today, I would like to present the statement made by Douglas Dobmeyer, director of Residents for Emergency Shelter (REST) who also spoke at the April 23, 1983 public hearing sponsored by the Chicago Peace Council. The purpose of this gathering was to outline a plan to meet the most pressing needs facing Chicago by redirecting Federal funds back toward social programs and away from wasteful military spending.

Listen to the words of Mr. Dobmeyer. Instead of preparing for war, Mr. Speaker, we should be preparing for peace.

The statement follows:

TESTIMONY TO FORUM SPONSORED BY THE CHICAGO PEACE COUNCIL AT KENT COLLEGE OF LAW, APRIL 24, 1983

My name is Douglas Dobmeyer, Director of Residents for Emergency Shelter (REST). REST is a private inter-faith operator of a shelter in the Uptown/Edgewater communities of Chicago. REST has been in operation four years as an emergency winter time shelter.

As the Congress struggles with the current budget debate over the level of defense spending, an increasing number of Americans are homeless. There are reliable estimates of 2,000,000 homeless people nation wide. In Chicago there are an estimated 12,000-25,000 homeless people.

During the just completed program year (November 15, 1982-April 15, 1983) REST provided 13,691 bed nights in Uptown. Our cost of housing a person per night was approximately $1.15. The City of Chicago operated a higher cost shelter at the estimated per bed night cost of $10.00.

These figures illustrate what can be done with two approaches by private and public dollars. While these two examples address part of the problem in Chicago, there is much to be done locally and nation wide.

This brings us to the very serious question of priorities of the use of federal revenues. An increased amount is demanded by the President to bolster our war capabilities. This will be done at the expense of social programs.

We can easily see the effect of this policy over the last two years. There are greater numbers of people homeless, hungry, and without adequate medical attention.

The President has chosen to say it is wiser to buy a missile, tank, or even bullets than house our two million homeless. There is no rationale for this action. The only outcomes of continued increases of the defense budget at the expense of social programs will be:

(1) An increase in the numbers of homeless,

(2) continued deterioration of the family units of the homeless,

(3) an increase in the prospects of war—since the U.S. has tended to use it's capacity of technology in prior wars.●

ITALIAN NATIONAL DAY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. RODINO. Mr. Speaker, today marks the 37th anniversary of the founding of the Italian Republic. As an American proud of my Italian heritage, I take special pleasure in saluting this great nation, which has become a shining example of democracy in modern Europe.

After World War II, Italy emerged as a democratic government even as totalitarianism was sweeping the rest of the continent. The Italian people, when they voted to establish a republic on June 2, 1946, vowed to rebuild their wartorn country into a democracy, which would maintain the principles of freedom and individual liberties. Italy has remained true to these original ideals even in the face of continuing threats of domestic terrorism, social unrest, and a struggling economy.

The progress of the Italian Government as a democracy is entirely consistent with the country's 3,000-year history—a history which is characterized by the concern for human values and the constant search for knowledge. Certainly the contributions of the Italian people—in the arts, the law, the sciences, and the world political structure—cannot be disputed, and there is no way to list them all. However, the names DaVinci, Michelangelo, Verdi, Botticelli, and Puccini in the arts, and Galileo, Marconi, and Fermi in the sciences are indicative of Italy's dedication to enriching the world. From the foundations of law which were planted in ancient Rome, to the cultural developments of the Renaissance, to the important role of modern Italy in the world political system, the Italians have given us some everlasting gifts.

It is particularly important that we recognize the outstanding work of Italy's Prime Minister Amintore Fanfani, who was recently a guest in our country. In addition, Italy is most ably represented here by Rinaldo Petrignani, the Ambassador from Italy to the United States. They have worked to solidify Italy's relationship with America as a steadfast ally, as well as a major force in the NATO alliance.

Mr. Speaker, I am proud to call myself an Italian American, and I know that my colleagues will join me in offering best wishes to this great country.●

NATIONAL SAFE BOATING WEEK

HON. BILL NELSON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. NELSON of Florida. Mr. Speaker, when the private sector does something that is truly impressive, it is worth our respect and recognition.

This is the case of the National Safety Council and Sea World joining with the U.S. Coast Guard not only to promote greater national awareness of "National Safe Boating Week," which was proclaimed by the President as the week of June 5 to 11, but to promote water safety throughout the summer months.

By augmenting the fine work that the U.S. Coast Guard does to educate Americans on boating safety, the National Safety Council and Sea World have shown how the private sector is shouldering more of the responsibility for the safety of our citizens.

The major thrust of the water safety campaign has been to educate young children to adhere to safety practices whenever they are near water. This public service effort has enlisted Shamu, a major feature of the three Sea World parks at San Diego, Cleveland, and Orlando. The National Safety Council has named Shamu as the "spokeswhale for water safety." It is an excellent method, using a nationally known figure, to get safety messages across to youngsters who respond so favorably to such colorful stimulus.

The campaign includes a boating safety public service announcement for television stations, one for radio stations, and two large posters; one for safe boating practices and the other for safe swimming pool practices. News releases and photographs have been sent to the print media.

The U.S. Coast Guard does a remarkable job in protecting boaters against water mishaps, and its sponsorship of the "National Safe Boating Week" is a solid indication of how it takes its responsibility seriously. That it has been joined in this responsibility by the National Safety Council and the Sea World is another solid indication of how the private sector can demonstrate its support of a government activity and help carry it to further achievement.●

PLUTONIUM FREEZE RESOLUTION

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. UDALL. Mr. Speaker, Mr. OTTINGER and I, along with 60 colleagues, have joined together to sponsor a joint resolution calling for negotiations to halt production to separated plutonium. This resolution is intended to diminish the likelihood that additional nations or terrorists will acquire nuclear weapons.

The plutonium production freeze called for by the resolution would halt plutonium production for both weapons and commercial purposes. I do not underestimate the difficulty of negotiating such a freeze; the verification provisions will entail particularly hard bargaining. But the stakes are high. We should not allow the prospect of protracted negotiations to deter us.

I urge my colleagues who have not yet done so to join with us in making this move toward a time when our security will no longer rest largely on the recognition by those in a position to possess nuclear weapons that to use them will serve no valid purpose.●

TRIBUTE TO JOE McGINLEY

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. GEKAS. Mr. Speaker, of times we Americans become so embroiled in our personal problems that we fail to recognize the far more difficult quandaries faced by other people. For that reason, I have great respect for those individuals who sacrifice their personal time and overlook their own concerns to help serve others. The American Institute for Public Service certainly appreciates this dedication as well, and presents annual Jefferson Awards in recognition of outstanding public service. In addition, 15 people who have done a particularly outstanding job in public service are selected as finalists and are eligible to win a National Medal from the Institute. The 17th Congressional District of Pennsylvania is indeed fortunate to

count as a resident Joe McGinley, who is 1 of the 15 finalists.

Mr. McGinley lives in Harrisburg, Pa., and has won a Jefferson Award for his outstanding public service benefiting his local community. He won the award for sponsoring 11 Polish refugees in the United States. There is no doubt that these refugees saw the American spirit at its best as Mr. McGinley helped them settle in our country. I am sure the impression he left on these persons in their initial months in the United States will live with them forever. For that reason, he is doing our entire country a service and seems quite deserving of the National Medal.

Moving to a new country is a very traumatic period for any family, especially if they do not speak the new language they will encounter. Families seeking the freedom of our country are to be especially admired, for many times they have been through very trying circumstances to leave their original country. These brave men, women, and children are greatly appreciative of any helping hand to welcome them in their new homeland. Joe McGinley was there to help 11 Polish refugees as a sponsor and a friend. This act of public service did involve some time and effort on Mr. McGinley's part, but the returns were immeasurable.

Mr. Speaker, it is my hope that more Americans will follow the example of the unselfish Joe McGinley, and devote some part of their weekly schedule to public service. If this were to happen more often, the quality of life in our fine country would only improve further. Allow me to express my gratitude to Joe McGinley for a job well done. He has made everyone in the 17th Congressional District quite proud.●

ADDRESS OF THE HONORABLE CASPAR WEINBERGER TO THE 1983 GRADUATING CLASS AT WEST POINT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. GILMAN. Mr. Speaker, on May 25, I was privileged to witness a further progression of "the long gray line," the graduation ceremonies for the cadets at the U.S. Military Academy, West Point. As a new generation dedicated to upholding our finest traditions of duty, honor, and country, these newly commissioned men and women were proud and honored to have as their keynote speaker our Secretary of Defense, the Honorable Caspar Weinberger.

Secretary Weinberger spoke of the many solemn responsibilities these graduates, "as guardians of our Nation's freedom," have assumed, as well as those that lie ahead. I am pleased to insert the Secretary's remarks in the CONGRESSIONAL RECORD for the edification of my colleagues, since they are timely remarks that we can all appreciate.

The remarks follow:

REMARKS PREPARED FOR DELIVERY BY THE HONORABLE CASPAR W. WEINBERGER, SECRETARY OF DEFENSE, AT U.S. MILITARY ACADEMY, WEST POINT, N.Y.

Much has been said here throughout your years about the great responsibilities the graduates of West Point have as the guardians of our Nation's freedom. Indeed, in a few moments, those of you graduating today will take a solemn oath to defend the Constitution of the United States against all enemies. As you accept those responsibilities all of us here today, indeed all Americans, will be placing in you our highest trust.

But there is a second reason why we have placed in you our highest trust, a reason that people sometimes forget to mention—because you are also the guardians of our Nation's values, the keepers of the flame.

In some ways this second responsibility outweighs the first, because, without values, our freedom can be meaningless; and our lives a mere exercise in self-indulgence. Indeed, the reason we so cherish our freedom is because we believe our values are worth protecting as much as, and sometimes even more than, our very lives.

To protect our Nation's freedom will require of you great commitment and great discipline. It will mean hardship and peril; and it may someday mean that you must make the ultimate sacrifice.

But to protect our Nation's values, far different things will be required of you. It will mean that every decision you make must be based on principle rather than expediency; it can mean that you stand steadfast while others around you choose an easier, more popular course of accommodation; and it may someday mean that you must stand alone, supported only by your conscience, before the ridicule or derision of many of your fellow countrymen.

In some ways this second responsibility—your duty to your conscience to protect our values—will be even more difficult for you to carry out than the first responsibility to protect our freedom. For if you succeed in your first responsibility your victories will be marked by parades and applause, and your country will reward you with honors. But if you succeed in carrying out your second responsibility your victories will be quiet ones, marked only by the inner knowledge that you were right, and that you stood fast.

Perhaps these words sound strange to you, and the images they conjure up, foreign. But this is as it should be. For the past four years you have lived amidst a community whose code is duty—and honor—and country. You have been nurtured and taught by men and women who try to live their own lives by the principles they teach to you. Whatever temptations you may have had over these four years to let your standards slip, or your values tarnish—even just a little—many of you have overcome. Every time you lowered your head in doubt, you could raise it up again to see a young instructor or a fellow student whose example fortified your own resolve. But today you are leaving this community and entering a world which is not so guided, nor so permanent.

As you move from one assignment to the next, travel to different outposts of the earth, and pass from one phase of your life into another you will see all around you transformation, evolution, metamorphosis. Your generation, more than any which has come before, will experience as Spenser called it "the ever whirling wheels of change"—where the norms of everyday life last but a moment before they are replaced by a newer set of norms.

You will be told by many you encounter that a world of instant communications no longer requires mental discipline; that a world of modern conveniences no longer requires physical discipline—except perhaps on the tennis courts; that moral discipline no longer fits into a world where things are constantly changing and all values are relative. They will tell you that patriotism is a phrase wheeled out by tired politicians, that the only duty you owe your country is to pay your taxes on time, that the only person you have to serve is yourself.

These exhortations will come in different ways, cloaked in subtle words. They will have one thing in common—they will all ask that you forsake the values you have been taught here. And they will at times be very tempting, for they will promise you instant gratification, an easy time of it, and respite from always having to do what you know is right.

When these times come, as no doubt they will, I ask that you reflect on two days you spent here at the Academy. Remember 2 July 1979, when you walked through these gates to choose a school and a profession which were not then popular. On that day you made a decision based on your inner conviction and came here without the support and encouragement of many of your peers. And for four long years you stuck by that decision.

Remember also this day, when you walk out of these gates, and know that times have changed, that America's mood has changed. You now have the respect and even the envy of all Americans, young and old alike. As President Reagan is fond of saying, "it is once again an honor to wear the uniform."

In thinking about those two days you will come to realize that America is a nation of change; that the attitudes that seem fixed today can easily shift tomorrow. But if they do, you will be ready. You will be our island of calm and certainty in a sea of change.

And I devoutly hope that as you go on your journey you will always have the gratitude of all of us—because you may have to give up some of your freedom, so that we may have all of ours.

Most of you have what it takes to weather those times. You had the courage to choose the Academy in spite of the times in which you found yourselves, because you were drawn to the values and discipline and traditions which it represents. And the Academy chose you because it saw in each of you the fiber and mettle it takes to be the guardians of our Nation's freedom, and the guardians of our Nation's values.

If America does occasionally lose sight of its values, remember that those values still remain within every citizen's heart—even if they sometimes lie dormant. You know this because each year you were here you saw hundreds of thousands of Americans make a pilgrimage to West Point.

They come here to be reassured, to wander among the monuments to America's

heroes, to visit the graves of those who made the supreme sacrifice for their country on battlefields throughout the world, to gaze on the quiet strength of the stone buildings built into the hills of your "rock-bound highland home." Americans come here because West Point offers the comforting strength and feeling of security that we so desperately need.

But most of all, Americans visit West Point to be reassured that America's traditional values are still alive. They do not seek, nor find, those values inscribed on lifeless parchment or stone monuments. Nor do they seek just the emotional experience of West Point—the exhilaration of the parade, the serenity of the landscape, or the haunting memories echoing from the hills and monuments as retreat is sounded at sunset. No, they look for a living testament to America's values—and that testament, young men and women of the Corps of Cadets, is you. It is you we look to to "raise a standard to which the wise and honest can repair."

It will not be easy for you to live up to their hopes or to carry out your two awesome responsibilities in our everchanging world. To do so you will need wisdom commonly believed to be beyond your years—but which I am convinced you have already acquired. You will need an understanding that takes many people a lifetime to achieve. But I believe that is why the Academy chose you, and you the Academy. At a difficult time in our Nation's history—you have rejected these passing trends and instead sought a career whose very being is honor—and duty—and country.

In so doing you have come to an Academy known all over the world. But the greatest thing about West Point is not its faculty, renowned and celebrated as it is; nor its long and impressive tradition of training the soldier-citizen; nor its breathtaking physical beauty—no—the greatest thing about West Point is you—the young men and women who breathe life into everything around you, especially the values which you guard for all of us.

You have the talents, and values and perseverance that it takes to be the real heroes of your generation. As I look out at all of your young faces, I am reminded of the writings of the ancient Greeks and Romans who reserved their greatest praise for the men and women who embodied not just the vigor of their countrymen but also their values. To them the greatest hero of all was the one who was brave in battle as well as virtuous in life—the soldier who fulfilled the two great responsibilities of his profession. And as it was with the citizens of Athens it is so too of the citizens of America.

As I look out at you I am also reminded of what a Greek historian, Thucydides, once said: That "the bravest are surely those who have the clearest vision of what is before them, glory and danger alike, and yet notwithstanding go out to meet it."

You have that vision. Now go in peace to meet what is before you. Godspeed.●

LIC. MIGUEL ALEMAN VALDES

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. DE LA GARZA. Mr. Speaker, it is with great sadness that I inform you and my colleagues of the House of Representatives of the death of former President of Mexico Miguel Aleman Valdes.

This great Mexican statesman was born in the city of Soyula, state of Vera Cruz, in 1905. From his humble beginnings, he became a leading businessman and elder statesman—not only of Mexico—for he was a recognized world leader.

Lic. Aleman studied in the National Preparatory Academy in Orizaba. In 1928, he obtained his law degree from the Law School of the National University. In his early years as an attorney, he represented with great passion and dedication in their earlier years the workers of the mining, railway, and petroleum unions.

Lic. Aleman was, for a time, a consultant to the Ministry of Agriculture and later was a magistrate to the Superior Court of Justice for the district and federal territories. He became our colleague and entered the legislative field as a federal senator for a 6-year period. From 1936 to 1940, he served as Constitutional Governor of the State of his native Vera Cruz. Lic. Aleman was selected to manage the Presidential campaign of Gen. Manuel Avila Camacho and led it to a successful conclusion with the election of Gen. Avila Camacho, who then named him to serve his administration as Secretario de Gobernacion.

I might explain to my colleagues that we have no comparable office in our country. It would be akin to the Executive Offices of the President in an administrative function. From this office, Lic. Aleman went on to serve as President of the Republic of Mexico from 1946 to 1952.

During his 6-year term as President, Lic. Aleman continued with great vigor and dedication the concepts of the Mexican revolution, working for all segments of the population. It might be noted that he was a friend of President Lyndon B. Johnson and, like President Johnson was to do almost 20 years later, President Aleman gave precedence to education, housing, and jobs for all. Suffrage was a major interest and during his tenure, women were brought into the political life of Mexico.

After the Presidency, Lic. Aleman dedicated himself to private business of diversified nature. In 1961, he was named president of the National Council of Tourism. He took this job with the enthusiasm of a much younger man, and spent almost full time at this endeavor. During this time, he had the title of Special Ambassador for his international activities.

Among the many honors President Aleman received was membership of the Mexican, Spanish, Colombian and Nicaraguan Academies of Language. He had honorary doctorates from the National University of Mexico, New Mexico State University and from McGeorge School of Law in Sacramento, Calif. He was a member of the Academy of Arts and Sciences of the Republic of Uruguay and President of the Mexican Institute of Culture and of the patronage of the Museum of San Carlos.

Lic. Miguel Aleman Valdes was a friend of the United States and of our people.

Mr. Speaker, I had the great honor and privilege to meet and visit with this remarkable man on different occasions. He admired and respected our system of government, and the great capacity to survive and overcome crises under our democratic institution. To achieve this great capacity was President Aleman's ambition for his beloved Mexico. I would humbly suggest that his contribution toward this aim was monumental.

Mr. Speaker, I would respectfully hope that you and my colleagues join me in extending our sincere sympathy and sense of loss to the Government and people of Mexico, and that we extend a personal word of condolence to the family of Lic. Miguel Aleman Valdes, our friend.●

NATIVE AMERICANS

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. DELLUMS. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues some major concerns regarding those Native Americans that have been or will be affected by the Navaho-Hopi Settlement Act and the authorization of appropriations for the Navaho and Hopi Indian Relocation Commission which has just been considered by the House.

The money that has been appropriated to assist these relocatees has not been consistently employed for the optimal benefit of those affected by the relocation. I would like to emphasize the importance of these appropriations in assisting these Native Americans to deal with the significant physical and psychological effects of relocation. Our concern must not only deal with the mechanics of relocation itself but must also confront the problems of financial and emotional stress which affects each individual during and after relocation.

Education and economic assistance in the form of decent housing and employment opportunities are 2 key areas in which financial assistance is sorely needed. In addition, I call on the Commission to work more closely with the Native American social service and community organizations which deal with these individuals on a

daily basis and have insights into the specific problems the relocatees have encountered.

Finally, I cannot stress enough the importance of allowing the tribal members sufficient freedom to have input in the decisions which so directly affect them. This is an absolute necessity in furthering Indian self-determination, a goal which is now national policy under the Indian Self-Determination Act of 1975.●

STATEMENT OF CONGRESSMAN DAUB ON HOUSE RESOLUTION 199

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. DAUB. Mr. Speaker, a great percentage of jobs in the United States are created by small family owned businesses. Taxation, in recent years, has posed a great hindrance to the profits and very viability of many such businesses. Particularly threatened were the thousands of small farms across the country.

In 1981 we took a great step forward in realizing the detrimental impact that our estate and gift tax policy imposed on family owned small businesses. The original goal of estate taxation was to prevent great accumulations of wealth, rather than to provide a significant source of tax revenue. This policy was all well and good in 1942 when estate taxes were applied to only about 1 estate in 60. By 1976, however, this ratio was closer to 1 out of 10 family owned businesses being taxed upon the death of the head of the household. The farm or estate valued at $60,000 in 1942 equaled closer to $250,000 by 1981, due to inflation.

By 1981 we had seen estate and gift tax policy evolve into a policy of discouraging the retention of some of the finest farmland in the Nation by forcing sales to larger farms and corporations for development—forcing the small family farm out of existence—exacerbated by bracket creep. An estimated 3 million acres of farmland were being converted to nonagricultural uses annually by 1981. The Economic Recovery Tax Act of 1981 changed much of this. By enacting this legislation, we sought to bring relief to small, family owned businesses from the heavy estate tax burdens which made it near impossible for families to pass on their small businesses from one generation to the next.

A major provision of this legislation increased the unified transfer tax credit from its previous level of $47,000 to $175,625. The key to this reform, however, is that it was escalated into effect over 6 years—not achieving its final goal until 1987. This tax credit equaled a tax exemption of $225,000 last year and a tax exemption of $275,000 this year. However, next year, this exemption will increase to $325,000, and reach its final level of exemption—$600,000—in 1987. This feature applies to both lifetime and willed transfers.

Additionally, the 1981 tax bill provided that individuals could leave their surviving spouse, tax-free, the greater of $250,000 or one-half of the adjusted gross estate.

Another significant provision in the 1981 tax bill provided changes in the special valuation tax on estates, allowing farmland to be valued at its present use, rather than its highest or best use. The definition of "qualified heirs" was expanded, as well, to facilitate the continued family operation of a farm or small business.

Numerous other changes were enacted by the Economic Recovery Tax Act of 1981, however, I mention only those which appear to be threatened by those who would have us forsake these reforms as a means of seeking revenue enhancements. As my colleague in the other body pointed out:

> The budget process is threatening the very progress we made with our estate tax laws. Rather than recognizing there are just some Government programs we can no longer afford, there is growing sentiment to spend even more and reduce the deficit through greater and greater taxes.

Some would have us eliminate these estate tax reforms scheduled to take place in the coming 3 years, in line with suggestions to freeze the outyear phase-in of the individual tax cut enacted in 1981.

In 1981, we promised our small-business owning families that we would assist in making it possible for them to benefit from their years of hard work and struggle, and once again make it possible for them to pass along their farms and businesses to their sons and daughters.

I therefore am pleased to rise today, along with the support of over 60 of my colleagues as original cosponsors of House Resolution 199 which I introduced on May 17, 1983, to reiterate our commitment to the estate tax reforms we enacted on July 29, 1981.

Not only does this resolution stress our commitment to the family farm ethic long valued in this country, but this resolution also reaffirms our commitment to jobs, free enterprise, and the industrious and ingenious nature of American men and women.

As efforts to cap the tax reductions made in 1981 are advanced in this session of Congress, I wish to assure my colleagues that many of us will be actively working to insure that the reforms we achieved are preserved.●

EIA AND THE EVOLVING NATURAL GAS MARKET

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. CORCORAN. Mr. Speaker, the Energy Information Administration (EIA) recently released a study titled "The Natural Gas Market Through 1990." The findings of this study have been long awaited and recently received some attention in the press.

After carefully reviewing this report, however I must conclude that it is not a very useful tool in helping legislators make the important policy decisions that are before the Congress related to natural gas. I am afraid that while the EIA study accurately models the gas market of 1 year to 18 months ago, it does not resemble present reality; the market is changing too quickly.

It is unfortunate that the EIA study has been read by some as representing solid and unquestionable predictions of the future. It is not. Like tea leaves, chicken entrails, or whatever other tools current energy soothsayers are using, the EIA study has not captured the nuances of a dynamic natural gas market. At best, it represents an honest attempt to hit a fast-moving target with some outdated assumptions.

This point was made recently in a commentary in the trade publication Natural Gas Intelligence—May 30, 1983, page 10. For the benefit of my colleagues, I would like to insert the article at this point in the RECORD. The article follows:

COMMENTARY: THE GAS MARKET AT WORK

The trouble with trying to work up a projection of the current and future natural gas market at a given point in time is that it is moving and changing too fast for any set of statistics to keep pace.

The EIA report on the Administration's decontrol proposal, which was begun in January, assumes that because of the traditional long term nature of the gas market, it will not respond to demand drops and load loss with lower prices. It concedes that there will be excess gas freed up due to higher prices, and that this gas could make its way into a spot market, but maintains that this spot market will trade at a higher than average price.

The authors cannot be faulted for coming to this conclusion based on the past performance of a regulated market, held at an artificially low price, which only had to focus on obtaining supplies—price, no object. Competitive marketing was an ignored and unused skill.

They can be faulted, however, for failing to pay attention to events in the market since May 1, 1982 and the first crude attempts of an industry, wrapped in regulations and contract restrictions, to lower its prices to meet the market. The market out actions, begun in earnest by Transco on that date, have been enlarged and developed by numerous pipelines, expanding from

deep gas, to tight sands, to Section 102 gas, with some ingenuity surfacing in the formulas of later actions.

In the area of takes, the initial actions have also tended to be on the heavyhanded side, with some pipelines seeing force majeure as their only out under the current restrictions. Here, too, however, there have been "creative and innovative" actions to meet the market, such as Transco's industrial sales plan, which Panhandle is currently elaborating on. Both of those could be described as a type of spot market. A number of other pipelines have also sought through the Federal Energy Regulatory Commission to get approval for discount rates to keep industrial load.

True, there are problems with these actions, stemming from the regulations, the contract restrictions, and the industry's traditional ways of doing business. The FERC has turned down some of the discount plans. Producers, seeing their only protection, their contracts, being unilaterally abrogated with nothing in return, have filed suit. (It is worthwhile to note, however, that so far there have been no major suits against Transco, which is attempting to offer a market at a lower price.)

More suits can be expected, as innovation runs smack into government and contract regulation. It is these restrictions that the legislation is being designed to alleviate. And to assume that the gas market, relieved of some of its legalities, will not do what it has already done, is, at the very least, shortsighted.●

THE IMF PROPOSAL—WHERE THE MONEY REALLY GOES

HON. BYRON DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. DORGAN. Mr. Speaker, soon the U.S. House is going to be asked to approve an expenditure of $8.4 billion to the International Monetary Fund, which supporters say will give that fund the ability to help countries such as Argentina, Brazil, and Mexico and others to avoid default on some loans that they have received from major international banks.

The administration, in support of this appropriation, maintains that the $8.4 billion will be used to help the developing countries. But the real fact is that the developing countries are just going to be the middlemen. The $8.4 billion will come from the U.S. taxpayers pockets, go to the developing countries, who in turn will send it to the international bankers for interest they owe on outstanding loans.

If Congress approves these funds, and if we could dye those 8 billion dollar bills purple, I guarantee that the big bankers will be walking around with purple pants pockets within a month after the IMF gets the funds. These same bankers, whose judgment has played a large role in helping to create the present financial crisis, will be the real beneficiaries of the U.S. taxpayers contributions to the IMF.

The administration has conducted a campaign to make any opposition to the IMF funding proposal look irresponsible. We have been told that stability of the entire international financial system depends on this $8.4 billion contribution. Nations will default, banks will collapse, and financial chaos will result if Congress turns down the IMF loans they claim.

Well, I do not believe any person in this Chamber, or in this country, would sit by while the world's financial system collapses. But, I do not think that this Congress ought to be railroaded into thinking that this administration's $8.4 billion IMF proposal is the only thing standing between us and a collapsed international banking system.

The House Banking Committee, under its able chairman, has made some important improvements in the administration proposal. In fact, when the IMF funding proposal comes to the floor of the House, I am considering offering an amendment which would strike the section providing for the $8.4 billion funding, but which would retain the other titles of the bill which I think make sense. These titles include regulation of international lending practices and others.

To some of the administration budgeteers who are charter members of the $200 billion deficit club, $8.4 billion may not seem like a lot of money. But to the American working families who pay the taxes in this country, $8.4 billion to line the pockets of international bankers who have steered us down this perilous financial path does not make any sense.

It is important now to craft a better international rescue bill. One that does not rely on financial bailouts, but instead calls for a financial restructuring of the imprudent loans that were made between the creditors and the debtors in effect, a "debt correction."

During the next few weeks, I am going to be spending some time on the floor of the House talking about the international debt crisis and about the administration's bill. I hope other Members will join me from both sides of the aisle. It has been said often on the floor of this House that you cannot solve problems by throwing money at them, and I think that is especially true with respect to this international debt crisis. I think it is critically important that we look for workable long-term solutions.

I believe there are better solutions to this problem than simply asking American taxpayers to pay for the mistakes of the world's largest bankers—particularly at a time when we have a $200 billion deficit and problems of our own to consider. This problem can be solved and it will be solved the right way if we think before we act.●

BRANDON HALL

HON. ALBERT GORE, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. GORE. Mr. Speaker, I would like to share with my colleagues the following transcript of a Memphis television report on the death of Brandon Hall, the courageous infant who struggled against the odds to live and in the process received two consecutive liver transplants.

Brandon's struggle for life opened our eyes to the unnecessary obstacles many sick children and their families must overcome to receive proper medical attention.

I hope that we can act swiftly to remove these obstacles that make organ procurement difficult, limit transplants to the fortunate patients who can afford them, and that limit the public's awareness of the need for organ donors.

The following report appeared on WREG-TV, Memphis, Tenn. The reporter was Ben Keesee.

BRANDON HALL

(By Ben Keesee)

He was born into a struggle he'd fight all his life. From his birth doctors recognized Brandon Hall's problem. From his birth, Brandon's Mother and her friends in Walnut, Mississippi recognized theirs. They raised money . . . and morale . . . for the life or death surgery they knew he'd have to face. The small town's gospel radio station broadcast the boy's plight—word spread—media coverage increased—donations poured in. But as money soothed financial worries a more desperate twist moved into Brandon's story. The money was there, but a liver wasn't. Brandon's mother went to Washington for help. Billie Hall told Congress she was watching her son die like hundreds of other mothers had done . . . because fear stops people from donating organs . . . because when they do, there's no way to guarantee donor organs will get to the patients who need them.

With dramatic timing her pleas before the subcommittee were interrupted by news a donor had come through. Doctors rushed Brandon back to Memphis to receive life given by a baby girl killed in a Virginia auto accident. The momentum of Brandon's battle then picked up world-wide media attention. He had become a symbol . . . a tiny fighter beating the overwhelming odds hundreds of thousands of transplant patients shouldn't have to face. For a few hours Brandon's mother and much of the world celebrated the first stage of a successful transplant. But from the start doctors cautioned the boy's chances were fifty-fifty at best. He was the second youngest child to ever get the operation best suited to bigger bodies. The complications soon started. Emergency surgery was said to have improved Brandon's chance for survival, but more complications developed. Doctors said Brandon had to have another liver. After a frantic search, one was found and just a week after his first transplant Brandon Hall became the youngest patient to ever have a second. Apparently the stress on his little

body was too much . . . and after smiling through a traumatic fourteen month battle Brandon died . . . but he didn't lose.

A tiny boy who couldn't even speak delivered a message that reached the hearts of millions. His sickness brought a show of strength by his mother that's set a high standard. And Congressmen admitted the recognition that bravery received is speeding up government efforts to set up a national program for patients like Brandon that will make donor organs easier to get . . . transplants easier to afford and the odds easier to beat. Brandon Hall accomplished a lot in fourteen months.●

ELVIN WRIGHT RECEIVES SUPERIOR SERVICE AWARD IN WASHINGTON, D.C.

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. SHELBY. Mr. Speaker, I would like to pay tribute and honor to Mr. Elvin V. Wright, from Greensboro, Ala., who recently received the Superior Service Award from the U.S. Department of Agriculture at a ceremony here in the Nation's Capital. Following is an article about Mr. Wright and his award that appeared in the Greensboro Watchman that I would like to share with my colleagues in the House of Representatives.

Elvin V. Wright, District Conservationist in Greensboro was given the Superior Service Award of the U.S. Department of Agriculture at the Departmental Award Ceremony in Washington, D.C., May 18. The award was for leadership in pioneering technical assistance for developing the $25 million catfish industry in Hale County.

He directed the planning, designing, and construction of 578 ponds being used in the catfish industry which has created over 100 new on-the-farm jobs. Fish farmers and prospective fish farmers from across the Southeastern United States seek his consultation.

The Hale County catfish industry is nationally known as a leader in the industry. A new fish farming center has opened in Greensboro to help farmers with fish health and water quality problems. The center is funded by annual appropriations from the Alabama Legislature.

A native of Pine Hill, Wright is a graduate of Auburn University. He began his career with the Soil Conservation Service (SCS) in 1952 and worked his way up through the ranks at various locations across the state. He was named District Conservationist in Hale County in 1962.

His long list of awards include the U.S. Department of Agriculture Certificate of Merit in 1969, recognized as Soil Conservationist of the Year by the Alabama Wildlife Federation, and the Certificate of Distinguished Service by the Alabama Association of Conservation Districts in 1974, the Certificate of Appreciation Award by the USDA, Agricultural Stabilization and Conservation Service in 1979, and in 1981 SCS again recognized him with an Outstanding Performance Rating and cash award.

Wright is an Honorary FFA State Farmer and is a member of numerous other community, civic, and professional organizations.

Elvin and his wife, Sara, were in Washington, May 17 and 18, for a reception and the awards ceremony. Secretary of Agriculture John R. Block was the keynote speaker at the awards ceremony.

State Conservationist, Ernest V. Todd, says "Elvin is deserving of this special recognition for his accomplishments and innovative efforts in his work. We are proud to have one of our employee's awarded such a distinguished service awards."

As one can see, the city of Greensboro has truly been fortunate to have a man such as Elvin Wright as a community and State leader. It takes a man of a certain outstanding caliber to devote so much effort to his profession.

I am honored to be able to share this tribute about Elvin V. Wright with my colleagues in the House of Representatives. All of us need to salute outstanding Americans like Elvin V. Wright who believe in our free, democratic ideals and represent the true meaning of hard work and success.●

CONSTITUTIONAL AMENDMENT FOR GUARANTEED JOBS

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. OWENS. Mr. Speaker, on March 16, I introduced Joint Resolution 202 proposing an amendment to the Constitution which provides that the United States shall guarantee to each person the right to employment opportunity.

Last Sunday, May 29, at their 12th annual convention meeting in Chicago, 1,000 delegates to the Coalition of Black Trade Unionists representing 3 million black workers who are members of trade unions throughout this Nation, voted to endorse this amendment and work for its ratification. The resolution of the Coalition of Black Trade Unionists reads as follows:

RESOLUTION BY THE COALITION OF BLACK TRADE UNIONISTS ON A CONSTITUTIONAL AMENDMENT FOR GUARANTEED JOBS

Whereas: The human and other natural resources of this country have the potential, if appropriately managed and directed, of providing jobs, goods, services and protection to every American in need thereof.

Whereas: Historically, these resources have been perverted frequently and/or managed in such a way so as to have created and institutionalized an inordinate disparity between the "haves" and "have nots" in this "land of plenty".

Whereas: Among the current consequences of this disparity is a reported national unemployment rate of 10.2 percent—i.e. some 20 million potential workers are either unemployed, underemployed or totally disaffected from the search.

Whereas: In human terms, among the results of this manipulation of the many by the few is the fact that one out of every three Black Americans lives in poverty. One out of every three female-headed households lives below the poverty line. Millions of Americans attempt to survive every day without reasonably certain access to food, clothing, shelter or basic health care.

Whereas: In broader terms, among the results is the condition of the nation's infrastructure which would require about a $40 billion a year investment over the next decade merely to achieve the relative levels of efficiency which have been eroded over the last twenty years. (Reagan has suggested a one-time $6 billion investment in the revitalization of our infrastructure as a panacea for the country's unemployment ills.)

The neglect of our education systems has jeopardized our national productive and creative potential and abrogated our competitive edge in geopolitical and world economic systems.

Whereas: Any economic theory, program, policy or framework, most especially those being perpetrated by the Reagan Administration, which further exacerbates the concentration of wealth, will assure the ultimate and, perhaps, permanent decline of the U.S. economy and national fabric.

A national agenda which establishes as sacrosanct the disproportionate investment in non-labor intensive, non-productive and already obsolete weaponry at the expense and to the derelection of human needs and human services programs, education and innovative economic development initiatives is directly inimical to both the domestic and world economies as well as to world peace.

Whereas: No foreign government, ideology or weapons system poses as great or immediate threat to the American "way of life" or to the standing and competitive status of the U.S. among the world community as does the continued degradation and underutilization of such significant numbers of our domestic population.

Whereas: Through a more egalitarian and equitable distribution of income (wholly within a capitalistic context), through a reordering of the national agenda and through the reallocation of this country's resources, it would be within our grasp to assure: that every adult within our bounds would have an opportunity for productive employment; that every child would have an opportunity to achieve his/her optimum potential; that no one be expected to grovel and be grateful for the crumbs of an otherwise prosperous pie.

Whereas: Survival in this country is generally considered to be a "God-given" right. Access to the opportunities necessary to achieve a "quality" life are generally considered to be protected and quaranteed by the constitution.

Whereas: History, law and legal precedent, as well as current and past practices, dictate that the right to have a job is not among those guaranteed by the constitution or among those opportunities considered necessary to the "pursuit of happiness".

Whereas: The dignity inured by productive activity (i.e. work) and adequate and just compensation for that work are intrinsic to our social and economic system; therefore be it

Resolved, That CBTU endorses the passage and adoption by the respective states of an amendment to the U.S. Constitution which would guarantee, as a matter of right, that each person in the United States have employment opportunity; and be it further

Resolved, That CBTU go on record in support of Joint Resolution 202 which has been introduced by Congressman Major Owens (D-NY) to amend the constitution so as to guarantee such job opportunity and empow-

er Congress to protect this right; and be it further

Resolved, That each CBTU Chapter design and implement an education/lobbying strategy in support of J.R. 202.

I believe that this resolution, which reflects the position of working people, should be considered by all of us who wish to see our Nation back on its feet. Our strength has always been in our people working to provide for themselves, their families, and their society. This is a strength which must once more be put to work.●

KETER TORAH DAY AWARDS PROGRAM

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. MRAZEK. Mr. Speaker, I would like to bring to your attention a special event that recently took place on Long Island. I extend my thanks to Dr. Eva Pallay, Mr. James Schlesinger, and the Commission on Education of the New York Metropolitan Region for sponsoring the Keter Torah Day awards program at B'Nai Sholom of Rockville Centre.

During this memorable and touching awards program, the Commission on Education honored those students who have demonstrated outstanding scholarship and citizenship over the past year. Those students who attend afternoon or all day religious schools are the beneficiaries of a unique educational system that embraces moral, intellectual, and spiritual values. The quality education they receive is essential to the survival of an open, democratic society rooted in the Judeo-Christian tradition.

In light of recent reports of a rising tide of mediocrity in education that threatens the foundations of this great Nation, it is particularly fitting that the Commission on Education has chosen to honor those students who have achieved outstanding scholarship and citizenship. Their accomplishments serve as an important example to other Jewish children in the region and, indeed, to all children in the land.

I offer my heartfelt congratulations to the children honored at the Keter Torah Day awards program. And I salute Dr. Pallay, Mr. Schlesinger, and the commission on education for making this important event possible.●

MX DOUBLESPOOK

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. VENTO. Mr. Speaker, after approving a nuclear freeze resolution last month and voting against the MX last year, the House of Representatives joined with the Senate to approve the President's proposal on the $20 billion MX missile system.

What was the cause of the change in the House position?

Was it a breakthrough in the development of a rational basing mode? No. The President's latest basing proposal increases the vulnerability of the MX to Soviet attack.

Is the missile essential to our security? No. Originally intended as an air launch system, the MX is quickly becoming outmoded.

Is the MX cost effective? No. A $20 billion "bargaining chip" is no bargain.

Will the MX guarantee peace? No. The MX will, in all likelihood, add more fuel to the ever increasing arms race.

If the MX does not meet these criteria, why then did Congress approve $625 million to develop and test this questionable system?

In an unparalleled case of political double speak, Congress approved this first strike nuclear weapon system for peace. We gave President Reagan the MX and he gave the American people platitudes about peace and a promise to end the arms race by creating more weapons. If the issue was not so serious and its potential consequences so deadly, this convoluted logic would be funny.

The decision to fund the MX is not a commitment to peace. It is a commitment to more of the same. It will not change the course of our defense policies but will instead focus us on a continued weapons race with the Soviet Union.

Next week, the House will have an opportunity to reverse this course. We will be able to reject the convoluted logic supporting the MX and instead vote for a rational policy to further the prospects of meaningful arms reductions. I urge my colleagues to support the efforts to eliminate funds for the MX in the Department of Defense budget.

At this time, I would like to draw my colleagues' attention to a column in the St. Paul Pioneer Press/Dispatch by Glenn Ickler, which properly focuses on the unique arguments in support of the MX.

[From the St. Paul Pioneer Press/Dispatch, May 30, 1983]

"PEACEKEEPER" A CHILLING THOUGHT ON DAY OF REMEMBRANCE

(By Glenn Ickler)

My calendar says this is Memorial Day 1983 but the things I've been reading in the paper make me wonder if George Orwell's 1984 has arrived one year early.

President Reagan hasn't come right out and said "war is peace," as Big Brother does in Orwell's political fantasy, but some of the president's Newspeak about the MX missile (which he insists upon calling the "Peacekeeper") is close.

Last Tuesday Mr. Reagan told Congress: "A vote for the MX is a vote for what all of us—here and among our friends overseas—want for our country and for posterity—peace, security, significant arms reductions and an end to nuclear horror."

As if to bring us one step closer to 1984, both the House and the Senate bought this presidential doubletalk about reducing the number of weapons by building more of them. Apparently convinced that "more is less" they voted to spend $625 million to develop and test the MX. This is an astonishing turn-around from 1982, when Congress withheld funds for the MX because it recognized Mr. Reagan's dense-pack basing plan for what it was: goofy.

What has the president done since last fall to make the MX a more practical and sensible weapon? He has abandoned dense-pack, embraced an equally indefensible basing plan and—this is the big one—developed a more eloquent line of Orwellian bushwa with which to hornswoggle Congress.

Thus the same Congress that has been debating (and, in the case of the House, passing) a nuclear freeze resolution has been snookered into voting a missile that will accelerate the arms race. They have traded their votes for the promises of a president who has backed away from substantive nuclear weapons limitation talks and appointed as his arms control chief a skeptic who underwent a well-timed spiritual conversion on the subject during his Senate confirmation hearings.

The president believes approval of this powerful new multi-warhead missile will cause Soviet leaders to fall wobbly-kneed to the Kremlin floor and beg to surrender their nuclear arsenal. A simple reading of history will tell Mr. Reagan he is wrong. Never has the Soviet Union backed away from an arms race escalation. The Soviets have always moved upward to the next plateau, seeking to gain an advantage, just as the U.S. is doing now.

If Congress really believes that building a first-strike weapon is the best route to arms reduction, it is more naive than past votes have indicated. Congress has repeatedly rejected the MX on the very logical grounds that it would serve no strategic purpose and could not be safely based.

Now Mr. Reagan has paraded out the time-tattered argument that the MX is needed as a "bargaining chip." I can't count the number of bargaining chips that have become a permanent part of the burgeoning weapons stack since the nuclear arms race began.

The way this argument goes is that the MX is needed to demonstrate our national will so the Soviets feel compelled to negotiate seriously. If the issue is our national will, we would be much smarter putting our defense dollars into useful deterrent weap-

ons—not into a missile that is both a threat to Soviet land-based missiles and a tempting target for a pre-emptive strike.

Now the Great Communicator has the money for his "Peacekeeper" and Congress has his smiling promise to get more serious about arms control negotiations. This does not provide a great deal of comfort today as we pause to remember the dead of past wars—some of which were fought, incidentally, to make the world safe.●

U.S. ASSISTANCE URGENTLY NEEDED BY GOVERNMENT OF EL SALVADOR

HON. LARRY J. HOPKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. HOPKINS. Mr. Speaker, I have just returned today from a tremendously worthwhile and educational visit to Central America and the Caribbean where, along with two other members of the Armed Services Committee, I saw first-hand events in El Salvador, Costa Rica, Panama, and our naval base in Cuba. I would like to share my first impressions and thoughts from this trip with my colleagues.

Like so many of my colleagues, I have spent considerable time in recent months studying and discussing the situation in Central America. I must say, however, that even my extensive reading and discussions did not prepare me adequately for my visit. As a result of my visit, my impressions are much clearer and my understanding of the issues at hand are much enhanced.

My overriding impression after 4 days of visits and discussions with high U.S. military and diplomatic officials is that if Communist guerrillas succeed in overthrowing governments struggling to form or maintain democracies in Central America, the United States can expect to be flooded with millions of refugees fleeing the region for political asylum and economic opportunities.

A half million Salvadorans already have come to the United States for sanctuary from the guerrilla terrorism in El Salvador. Everyone I talked to believes that millions more will flee northward to America if El Salvador and other neighboring nations fall to the Communists. And, unlike refugees fleeing in Vietnam to Thailand, million will simply walk north to cross the Mexican border into financially troubled Mexico and eventually, the United States. In my opinion, there is a need for the administration to more vigorously communicate the serious exposure and this potential threat to the United States.

It is therefore, in my opinion, in the U.S. best interest to provide sufficient assistance to struggling democratic governments in Central America so they can successfully put down Communist-inspired insurrections.

The chief military official in El Salvador expressed the opinion that $80 million in U.S. military assistance could equip and train that country's armed forces well enough to defeat the guerrillas. Congress thus far this year has approved $30 million of the $60 million requested by the Reagan administration.

This same senior U.S. military adviser also said, and I quote, "If the Salvadorans can't do it, American soldiers can't do it either."

A small increase in medical doctors and advisers is needed, but no U.S. fighting troops are needed or requested. The Salvadorans are tough, brave fighters with a fierce national pride, but if U.S. assistance continues to be spotty, the country could fall to the Communists. Time is on the side of the guerrillas here.

It is my belief that the aid package for El Salvador is small, compared to what it will cost the American taxpayer to deal with the anticipated exodus of refugees from that country and neighboring countries should the guerrillas prevail.

From my visit to Panama, I would report to my colleagues that United States-Panamanian relations were described as "better than ever" by American diplomats there and are expected to continue to improve as the two countries implement the treaties turning over the Panama Canal Zone to Panama.

I suspect very strongly that Panama privately worries that the situations in Nicaragua and El Salvador pose serious threats to its security as well. Unfortunately, Panama has yet to stand up and clearly define itself on the issue.

While in Panama, I made a special point to meet with military leaders of the U.S. Southern Command to investigate press reports that U.S. reconnaissance flights from Panama over El Salvador may also be involved in combat missions. I am pleased to report to my colleagues that their reports are absolutely untrue. The delegation with which I traveled based this conclusion on interviews it had with crewmen of the C-130 reconnaissance planes at Howard Air Base and senior officers of the Southern Command. This was confirmed by officials in El Salvador.

In Cuba, our delegation toured the U.S. naval base at Guantanamo Bay where we were briefed on the steady infusion of Soviet military hardware received by Cuba. The day we were on the island, 84 Soviet ships were in Cuban ports, many of them unloading weapons that eventually end up in the hands of the Communist guerrillas in Central America.

I was alarmed to find that resupply of weapons to the 6,000 guerrillas in El Salvador is unprecedented. For example, in the past 2 weeks, five Soviet cargo ships offloaded weapons and equipment at the Nicaraguan port of Corinta, much of it bound for El Salvador.

I was also privileged to visit Costa Rica, a stable democracy since 1948. But Costa Rica is particularly vulnerable to Communist-inspired border incursions since it has no standing army. Costa Rica represents the model of democracy we should be striving to help establish throughout Central America.

Mr. Speaker, I would summarize by saying, I went to El Salvador with an open mind, searching for facts and the best options for America. Unlike Pontius Pilate, we cannot wash our hands of this whole affair. Like it or not, the United States is going to pay. We either pay now, or we pay later.

Mr. Speaker, I am pleased to share these rapidly prepared but first-hand and honest impressions with my colleagues as we all struggle with this troubled region of our own hemisphere.●

COL. DICK ELLIS AND HIS ROLE IN FOUNDING THE CENTRAL INTELLIGENCE AGENCY

HON. LARRY MCDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. McDONALD. Mr. Speaker, in the wake of all the revelations in Great Britian of "moles" in the British intelligence services, it is of interest to further note the career of Col. Charles H. "Dick" Ellis, who has also been accused of being an agent for the Germans during World War II. Colonel Ellis was the No. 2 man to William S. Stephenson in British assistance in setting up of our Central Intelligence Agency after World War II. Mr. Stephenson, it will be recalled, coordinated counterespionage efforts with America all during World War II, as well as, many other intelligence matters, such as liaison with "Wild Bill" Donovan of the OSS during World War II. Prior information appeared on this subject in the CONGRESSIONAL RECORD of April 26, 1983, on page E1855. At this point, I am placing additional information in the RECORD which includes a letter-to-the-editor of the London Daily Telegraph of April 22, 1983, relative to Col. "Dick" Ellis, and a further item from the same newspaper of March 29, 1983, relative to a further Soviet "mole" in the British Foreign Office. The two items follow:

[From the Daily Telegraph, Tuesday, Mar. 29, 1983]

FO 'MOLE' NAMED BY RUSSIANS

(By John Miller)

A Russian book just published alleges that a "Sir Edward Pelham Hollis," a senior Foreign Office diplomat, passed secrets to top Soviet agents working in Western Europe in the 1930s and later.

Sir Edward offered to work for Moscow for money, and not because of any commitment or interest in Communism, it said.

The book entitled "Soviet Agents' Stories" also contains a chapter on Kim Philby, Donald Maclean and Guy Burgess, all of whom spied for Russia and defected to the Soviet Union.

The chapter on Sir Edward could either be fact or fiction. It contains several conversations purporting to have taken place between the diplomat and his Soviet controls many years ago, but it gives no dates, and quotes no sources.

UPPER-CLASS MOLE

It was not ruled out that the account had an element of mischief-making in it by having the central character a man with the name Hollis.

Sir Roger Hollis was director-general of the Security Service from 1956 to 1965, and has been the centre of an unsubstantiated allegation of having worked for the Russians.

But, if true, the story presented to Russian readers reveals the existence of another upper-class, well-placed Soviet "mole" who enthusiastically sold secrets to Moscow because he was short of money.

The article named two Soviet agents, Viktor Tikhonov and Pavel Drobrokhotov, who ran Sir Edward for many years and sent money to his bank account in Zurich.

Sir Edward was described as being about 40, a former Army captain and the third son of an Earl. He also had an O.B.E.

BLOOD ON PAPERS

The article gives no specific clues to the date of the spying, but says that an important meeting of the League of Nations in Geneva was attended by Sir Edward as a member of the British delegation staying in the Beau Rivage.

Readers are told that in Paris the agent Drobrokhotov nicked his hand while photographing throughout the night Foreign Office documents passed to him by Sir Edward. A drop of blood fell on to the documents and the Soviet agent could not remove it properly.

He warned Sir Edward who said: "Just give them back to me. It's not important. No one will notice."

UNFORGIVABLE CRIME

SIR: In attempting to defend his old friend Col. Charles "Dick" Ellis concerning the latter's traitorous involvement with the German Secret Service, Mr. H. Montgomery Hyde (April 15) is behaving like the close friends of Blunt, Philby and Maclean who could not bring themselves to believe that they had been deceived over so many years.

The letters from the late Sir Maurice Oldfield, the former head of MI6, to Ellis in the latter's old age belie nothing. At the request of Sir Maurice, who was a friend of mine, I visited him in hospital shortly before his death. Among other matters we talked, briefly, about the Ellis case. He was fully aware that Ellis had confessed to spying for the Germans, claiming shortage of money while serving abroad for MI6.

Sir Maurice, who was a very devout Christian, had forgiven him as, I believe, he had forgiven Philby. For doing this he had been castigated, some time previously, by one of his close colleagues on the grounds that treachery to one's country, especially in the interests of a savage régime with which war was then inevitable, is the one crime to which forgiveness should not extend.

CHAPMAN PINCHER,
Kintbury, Berks.●

A TRIBUTE TO J. OWEN GRUNDY, DOCTOR OF HUMANE LETTERS

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. GUARINI. Mr. Speaker, on Sunday, June 5, 1983, Jersey City State College will honor one of New Jersey's most illustrious citizens, J. Owen Grundy, at commencement exercises to be held at the college campus, 2039 Kennedy Boulevard, Jersey City. Dr. William Maxwell, president of the college, will bestow on Mr. Grundy an honorary degree of doctor of humane letters at this time.

J. Owen Grundy is perhaps New Jersey's greatest historian. For the city of Jersey City he is considered an outstanding archivist. Grundy's family tree is as sturdy as an oak, whose roots are part of President Abraham Lincoln's ancestry.

Born in 1911, J. Owen Grundy grew up in Jersey City, near Lincoln High School, where he still maintains an apartment at 54 Park Street.

A frequent contributor to the Jersey Journal, Grundy was formerly the editor of the Villager and later of the Greenwich Village News. He is the author of "The History of Jersey City," published by the chamber of commerce in connection with the Nation's bicentennial celebration.

Grundy has held numerous honorary positions and has written about 20 monographs on aspects of Hudson County history.

From information developed by Marian Courtney, erudite reporter for the Jersey Journal, it is reported that on the walls of an historic site on Newkirk Street in Jersey City there is a photograph, dated 1895, of an old frame house with a large front porch. It is the former home of Mr. and Mrs. John Grundy, the grandparents of J. Owen Grundy, which formerly graced the site of the once residential area known as Old Bergen. Grundy's father, J. Owen, Sr., grew up in that house. His grandmother is shown on the porch in the photograph.

Grundy comes by his profession naturally as his family is steeped in the history not only of Jersey City but of the entire State.

This section of Jersey City is known as Bergen Square, whose first buildings were probably built of log or stones. The land within the town was laid out in lots by Jacques Cortelyou, the official surveyor of New Netherlands. New Netherlands was founded by Peter Stuyvesant, who, in a letter dated October 6, 1660, called attention to several villages needing preachers and among them, "a newly planted village of about thirty families across the North River."

Grundy likes to recall that both his parents and maternal grandparents owned homes in Jersey City and that their association with the city dates back more than 100 years. Their association with Hudson County dates back 150 years, and with the colony and State more than 290 years.

One of Grundy's ancestors, Hannah Salter, was the great great-grandmother of President Abraham Lincoln. A cousin, Jessie Lincoln Randoph, was President Lincoln's granddaughter.

Grundy's family history was written by John E. Stillwell, a Manhattan physician and art collector, in a five-volume geneology of New Jersey families. "About 40 years ago I began elaborating on Dr. Stillwell's work," Grundy said. "The job kept growing until now it includes nine looseleaf volumes." Grundy titles his own work "Twigs from the Family Tree."

Grundy's mother was the former Julia Salter, whose family founded Salterville, a little village with mud streets and plank sidewalks that is now Bayonne's third ward. They bought the land from a family named Vreeland, laid out the streets and sold building lots.

Grundy's maternal grandfather, Wesley F. Salter, was born in Salterville in 1834. As a little boy he went to the store for his parents with a lantern in his hand in winter when it got dark early. Wesley Salter also used to travel by stagecoach to the waterfront in Jersey City to help his mother, Alice Salter, unload groceries from the ferry. His mother had purchased the groceries for a general store she owned and operated on the northwest corner of Broadway and 51st Street in Bayonne.

When he grew up, Wesley Salter worked as a sailmaker for the Endicott-Hammond Co., in Manhattan, and finally became a part owner in the business. He bought a home at 92 Prescott Street, Jersey City. After World War I, when the sailing ships had departed, he bought a small grocery store on Park Street, Jersey City, a block from his home. The store is there to this day.

The family was descended from Richard Salter, who settled in Upper Freehold Township in the mid-1600's. Salter owned a 1,600-acre estate called the Manor of Buckhorn, which included a gristmill and an ironworks.

The mill still stands in what is known today as Imlaystown. It is designated by a historical marker. The ironworks employed Mordecai Lincoln, the great-grandfather of the Civil War President, who married Salter's daughter, Hannah. Salter was a leader in the colonial uprisings of landowners against the English lords, which have been called a forerunner of the American Revolution.

Salter's son, Richard, Jr., was a prominent lawyer and landowner who became a provincial justice of the New Jersey Supreme Court and a member of the Governor's Council.

Grundy's uncle, Edwin Salter, was speaker of the New Jersey Assembly in 1859. He was a member of the Free Soil Party, which stood for abolition, and the first representative of that party in the legislature. He was the author of "Salter's History of Monmouth and Ocean Counties." Grundy's prize possession is a framed photograph of a famous oil portrait by G. P. Healy of President Lincoln, which hangs in the state dining room of the White House. The photograph was given to him by his cousin, Mrs. Randolph, in 1927. We thank the Jersey Journal and Miss Courtney for this information.

Because of J. Owen Grundy's great contributions, I have recommended to Jersey City State College that a chair in history be established in his honor. Truly his knowledge, his deep commitment to community life, leading the brownstone restoration movement in our community, which many believe has been a forerunner of Hudson County's renaissance movement, must be honored.

J. Owen Grundy is also known for his work with other community leaders for the establishment of Liberty State Park in Jersey City. His close affiliation with the Jersey City Museum has been noteworthy. As a student of history he is a firm believer that "we must celebrate the past to awaken the future." He has been identified as a "walking Smithsonian Institution" bridging well over 300 years of the history of our State and Hudson County, where the Dutch made their first permanent settlement in New Jersey, one of the Thirteen Original Colonies, marking the birth of our Nation.

J. Owen Grundy, a student of history, is an advocate of museums in our Nation because of their special strength and their ability to show the people vividly the scale of things throughout the world which are not available in books. Museums reflect the dramatic changes in the scale of our national life. His great work reflecting the past provides the reassuring facts that we still live within the framework of institutions and political purposes shaped more than two centuries ago in this Nation. His work and teaching illustrates that no generation is an island entirely of itself—that every generation is a piece of the continent of man and a part of the mainland of history. This continuity shows our current generations that if the problems of our times are not entirely peculiar to us here present, so, too, our resources for dealing with them can many times extend back to our beginnings.

J. Owen Grundy's work proves to the world that our Constitution and our American frame of government are persuasive witnesses to history. I agree with J. Owen Grundy that the accumulative resources of our Nation's history, incorporating the wisdom and sacrifices of men and women long dead, are prepared to go to greater heights with the assimilation of America's still unborn.

J. Owen Grundy has made his services available to all, making the famous phrase of his ancestor, President Abraham Lincoln, "of the people, by the people, for the people," an unforgettable reminder of what we collectively must demand from our Government.

J. Owen Grundy, joining other great historians, has been a constant reminder of all of us of our historical resources reassuring us of our institutional foundations and awakening us to the flexibility of our political framework. I earnestly hope that Jersey City State College will establish the J. Owen Grundy chair in its history department in the very near future. This will be a fitting permanent tribute to the honorary degree of doctor of humane letters being awarded on Sunday.

J. Owen Grundy has encapsulated history with his mind—and with his heart he tells the great story of America's development to this generation and generations to follow.

George Santayana said, "Those who cannot remember the past are condemned to repeat it." The flow of events in the past have given our modern world its shape and its problems and sometimes the good things in history have been of very short duration having a decisive influence over what may happen over long periods of time. Our pursued future has no meaning without knowledge of the past. History is never ending. It offers little or no comfort in many instances. It hands out hard lessons. Current events indicate that some men have not learned much from the lessons of history. Ironically, remembering and learning from past mistakes is perhaps the most important of all the lessons that history has to teach.

Jawaharlal Nehru, the Indian leader, said: "You do not change the course of history by turning the faces of portraits to the wall." Both J. Owen Grundy and I firmly believe in that observation, for we know that in many parts of the world a people denied history is often a people deprived of dignity. Grundy has been a navigator steering the ship of history, carrying living memories of the past.

The great Spanish philosopher, Jose Ortega y. Gasset, said, "Our age cannot be completely understood if all the others are not understood. It is the mission of history to make our fellow beings acceptable to us. The song of history can only be sung as a whole."

Indeed, Dr. J. Owen Grundy, citizen, patriotic American, community servant, historian, sings that song.●

SALUTE TO ANTHONY "CHAPPIE" POSILLIPO, A MAN OF COMMITMENT AND SERVICE FOR WESTCHESTER COUNTY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. BIAGGI. Mr. Speaker, the residents of the town of Rye in Westchester County, N.Y., have been exceptionally fortunate and privileged over the long span of 30 years to have enjoyed the great talents and personal attributes of Anthony "Chappie" Posillipo as their dedicated, hard-working municipal supervisor. Chappie Posillipo is now retiring after serving an extraordinary 15 consecutive terms in office. Certainly the length of his stewardship for the people of Rye is great testimony to the respect and trust with which he has been held by Rye Town in particular, and so many other friends everywhere. I want to join the people of Rye, my fellow public officials, and distinguished party leaders in extending our heartiest congratulations to Chappie for a job well done, and our best wishes to him and his family that they enjoy wonderful and healthful retirement years, filled with all the comfort and security for which Chappie long labored to provide in Rye.

Chappie Posillipo has been a loyal and caring friend, and special, colorful public figure for the constituents who, with pride and confidence, kept returning him to office. Among Democrats, and as observed by the leadership of the Westchester County Democratic Committee, Chappie Posillipo honors the Democratic Party by being a Democrat and a leader of the party. He is very affectionately seen as having been a builder, first by actual trade as a master stone mason, and subsequently and ideally as a builder of dreams and accomplishments for the people and community he has been devoted to.

Chappie has spent his life building important buildings, such as churches, schools, and hospitals. He has built character in boys through sports pro-

grams such as the Port Chester Little League. He has, just as meaningfully and significantly, built communities through creative leadership during his 30 years as supervisor of Rye Town.

It is, I believe, specially indicative of the character and virtue of this man, to know of his unselfish spending of time and efforts to help the children of the community. When the Girl Scouts needed help in building a new clubhouse, it was Chappie Posillipo who made the necessary arrangements for the labor to be donated for construction. Likewise as the original organizer and later president of Little League Baseball, Chappie was always in there fighting. He could be seen 4 nights a week at Corpus Christi Memorial Stadium, supervising his young charges, keeping score, passing the hat for the expenses of his teams, chasing foul balls, getting and keeping the field in shape, and attending to a myriad of other important details. He is a genuine hero in the hearts of the over 200 youngsters that enjoy Little League Baseball in Port Chester and Rye every ball season.

Chappie Posillipo has led an extraordinary life, replete with special distinctions and honors. In his early years, he wanted to be a priest but, in keeping with his self-sacrificing nature and the circumstances of the time, he instead became the head of his household of six sisters and one brother. He had naturally followed in his father's footsteps, becoming a master stonemason and apprenticing to his father's craft fraternity, local 48, where today he still serves as financial secretary of the Bricklayers and Allied Craftsmen Union. He was to become a leader of his union and the first of the labor delegates in the worldwide Rotary International. Very significantly, many times Chappie has used his mediating abilities and knowledge of industrial relations to resolve difficult labor problems in Westchester.

Throughout all his years of devotion to the communities he has loved, Chappie Posillipo has merited an exceptional degree of special honors and awards, the lists of which make it almost difficult to appreciate all the individual attention and efforts he has given to so many organizations which span so many fields of endeavor. His concerns have included labor, the rights and protections of postal employees, youth assistance, charitable causes, citizenship, the needs of the disabled, business, sports, fraternal and social issues. As outstanding examples, in 1956 Chappie recieved the B'nai B'rith Outstanding Citizen Award; in 1961, the Boys Town of Naples Achievement Award; 1963, the Don Bosco Youth Assistance Citizens Award; 1968, Man of the Year of the Westchester County Postal Employees, and in 1978, Man of the Year Award of the Port Chester-Town of Rye Chamber of Commerce. Chappie Posillipo was given the honorary degree of doctor of civil law by Mercy College in 1978. In 1981, he became the Paul Harris Fellow, thereby attaining the highest Rotarian Award granted.

Chappie Posillipo has to his credit an astonishing record of directorships and memberships, in addition to chairmanships and services as a trustee. Again he is widely seen among civic, religious, political, labor, and sports groups, and again it is difficult to be selective and yet representative among so many entities. To my knowledge, incredibly, Chappie is presently serving as a member of 19 organizations; is a director of 6, a trustee of 4, and chairman of 2, besides those already mentioned herewith. Such dedication and excellence is rare anywhere. Chappie Posillipo is commissioner of the Rye Town Police Department; chairman of the Rye Town Park Commission; honorary member of the Brooksville Engine and Hose Co.; director of the Day Care Council of Westchester; director of United Cerebral Palsy of Westchester; director of Village Savings Bank; trustee of United Hospital; trustee of Port Chester Public Library; trustee of Corpus Christi Church, and member of United Way, the NAACP, the Italian-American Protective Association, the Elks, the Urban Development Corp., the Supervisors Association of the State of New York, and the Association of Town Supervisors.

Chappie was responsible for building, and installing the lighting system, at Corpus Christi Memorial Stadium. Also to his great credit, Chappie was instrumental in having located in Rye, the worldwide headquarters of the General Foods Corp. This unique addition to Rye, N.Y. is scheduled to be opened this month.

Mr. Speaker, this is indeed an exceptional man of extraordinary talents who has given so much of himself to so many. His 65 years is so filled with achievements that he can only be a very great inspiration of commitment and service to all of us here, and all who have the very great fortune of knowing him personally.

On a purely personal note, I served with Chappie's brother, Red Posillipo, in the New York City Police Department. Red's service in the best traditions of New York's finest was also reflective of deep understanding and compassion, and commitment to duty for the protection and well-being of his fellow man.

To Chappie Posillipo, we extend our warmest and heartiest congratulations on his outstanding record of accomplishments for the people he has served so ably as friend as well as supervisor, and offer our best wishes for retirement years filled with all that he could want for himself, his family, and all those he holds dear.●

THE GOOD NEWS

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. EVANS of Illinois. Mr. Speaker, it has been popular recently for commentators to write about the growing expertise of the Japanese and our other industrial competitors. We have heard a great deal about how the United States is losing its competitive edge, and it has been easy for many people to lose sight of American products which remain the standard of excellence by which all others are judged.

I would like to share with our colleagues the following article which appeared in the March 1983 issue of Vanity Fair. It serves as a reminder of several examples of American industrial excellence.

As the article demonstrates, Illinois' 17th Congressional District boasts of two world renowned industrial manufacturers—Deere & Co., and Caterpillar Tractor. Both Deere, headquartered in Moline, Ill., and Caterpillar, which draws a sizable portion of its labor force from the 17th District, have international reputations based on their high quality machinery. Before we extoll foreign products at the expense of American goods, I encourage our colleagues to note the example set by these two enterprises.

Similarly, America's agricultural abundance remains one of its chief strengths. And soybeans are one of America's strongest export products. Bureau County, Ill., ranks as one of the outstanding producers of soybeans in the Nation, and I encourage our colleagues to remember these contributions when we consider agricultural legislation.

FIRST, THE GOOD NEWS

(By Peter Passell)

Radial tires from Akron don't fall apart anymore. They finally figured out how Michelin does it. It's O.K. to buy a Quasar TV assembled in Illinois, but only because the company is run by a Japanese conglomerate. Once so proud of "Made in USA," Americans are now torn between envy for the quality of foreign goods and fear that they will lose their jobs to striving Koreans or Brazilians. Plainly, some things have gone sour. But it is as myopic as it is fashionable to assume that efficiency and excellence are dying virtues on this side of the oceans. Consider a small sample of industries that work very, very well in very American ways.

It doesn't look like much; unprocessed, it doesn't taste like much either. But the soybean is the cheapest single source of protein and fat on earth. And thanks to favorable growing conditions and an efficient marketing system, America dominates world production.

Last year American farmers grew about 140 billion pounds of soybeans, 65 percent of the world's output and more than twice

as much as in 1970. The boom is easy to figure. For the impoverished two-thirds of the world the soybean is a bulwark against malnutrition, supplying protein unavailable from wheat or rice. The rest of us use the fat content for margarine, cooking oil, and industrial products, then feed the protein to animals. A bit more than half of the U.S. crop is sold abroad, making soybeans our single most valuable export. Will soybean exports go the way of cars and steel? Only if the sun stops shining on the Mississippi Valley, or the world loses its taste for tofu or grain-fed beef.

Howard Hughes, Sr., made his fortune by developing a better drill bit for oil and gas wells. His son diversified into airplanes, Las Vegas, and paranoia, but the publicly owned Hughes Tool Company of Houston still makes about four drill bits out of every ten sold worldwide.

Such bits don't resemble the sort you stick in the Black & Decker to mount the kitchen cabinets. Take the J-11 model in the 7⅞-inch size, which costs about $3,700. Commonly used for cutting deep wells through soft rock such as sandstone, it is engineered to operate at 400 degrees Fahrenheit in the presence of corrosive hydrogen sulfide while bearing a load of 35,000 pounds. Hughes manufactures drill bits in eight countries. The core technology, though, some of the fanciest metallurgy around, is still almost purely American.

Japan, say consultants who have made the pilgrimage to Tokyo, has found the Way: workers who identify with the corporation's success, management that plans for the long term. The consultants could have saved plane fare by going to Moline, Illinois, instead. That's the headquarters of John Deere, the largest manufacturer of farm machinery in the world.

Deere uses a little cash and a lot of consideration to maintain good will on the assembly line, because that is where quality control is made or broken. It trades high dealer profit margins for an exceptional commitment to service, because farmers gladly pay for machine reliability. And the company has invested heavily in new technology, because it plans to be here in the twenty-first century. The payoff: one-third of the world market and a hammerlock on the market for machinery used on large family farms.

Consider the attractions of the Titan 8820 combine, which picks twelve rows of corn simultaneously, separates the kernels from the cobs, and turns the rest to mulch. It costs $130,000, so only the successful may plunge, but the productivity gains are simply incredible. One person (plus a Titan 8820) can harvest one million pounds of corn a day, a job that took three adults with good machinery a week to complete in the 1950s.

Caterpillar Tractor is in trouble, but it's nothing a little steam in the world economy wouldn't cure. The Cat—home folks in Peoria prefer the feline image to the insect one—makes earth-moving machines. High-performance, durable earth-movers that sell everywhere, including the Soviet Union when the White House is in the mood.

The D10 tractor is the largest tractor in the Caterpillar line and, at $700,000, the most expensive. A lot of money for a tractor, perhaps, but then the D10 is some macho dirt pusher. Weighing in at 190,000 pounds and equipped with a 700-horsepower diesel engine, it can do half again as much work as its predecessor. And that apparently convinces the people who count: in the six years since it was introduced, the D10 has captured two-thirds of the world market for super heavyweights.

Big mainframe computers built in Germany and Japan can track airline reservations or manage accounts receivable. Where speed is of the essence, though, only the "supercomputers" made by a handful of American firms will do. Fastest of them all: the $10 million Cray X-MP, which is hand-assembled by Cray Research in Minneapolis.

Supercomputers are made from the same tiny components as their plodding cousins. The difference is in the design, where ingenious tricks shorten the time it takes to perform arithmetic operations in sequence. The X-MP, capable of 150 million calculations a second, solves in a few hours problems that would take a few weeks on the largest conventional machines.

Some fifty of Cray's number crunchers have been delivered since 1976, twenty of them to Uncle Sam for nuclear-weapons design and unnamed defense applications. Others map oil reservoirs, forecast weather, simulate stresses on aircraft designs. Hitachi and Fujitsu have supers on the drawing boards. Yet supercomputer design is just the sort of small-term innovation that American engineers do best. For at least the next couple of years the only supercomputers around will be American.

Crystal wine glasses sure are nice; ditto seven channels of stereo. But the main business of airlines is getting you there quickly and safely, and nobody does it cheaper than People Express. The two-year-old carrier, based in plain old Newark, New Jersey, offers plain old service to fifteen cities on the East Coast for about the same cost as Greyhound. And it makes a profit.

In part this is possible because there is no crystal or stereo; there's even an extra charge for Sanka. Mostly, though, it's because People Express breaks all the organizational rules. There are no ticket counters—you pay on the plane—and few baggage handlers because checking bags is discouraged. Employees must buy stock; the average holding is about $20,000. And everybody pitches in. On some days, flight attendants may answer reservation lines, pilots may serve as dispatchers, executives may brew coffee. Even the fuel-efficient 737s work overtime: eleven hours a day versus an industry average of about seven.

To develop a new commercial jetliner costs about $1.5 billion, a sum almost nobody can scratch up these days. There's more to Boeing's preeminence in commercial aviation than a deep pocket, though. The Seattle company engineers planes as well as its European rival, Airbus Industrie. The guts to bet the corporation's future on a single project means it can put new designs in the air first. Efficient management makes them cheaper to build.

Since the 747 went into service in 1970, some 560 copies of the world's largest commercial jet have been built in the world's largest factory building. With the design costs long written off, the plane is now a big money-maker. Boeing intends to keep it that way into the next century by offering updated versions. Seven variants are flying, thus far, including the SR shuttle, for short hops, and the SP, a smaller model that can fly nonstop from New York to Tokyo. This year Boeing delivers the first 747-300; its extended upper deck increases seating by 10 percent.

Wine buffs fuss over the relative virtues of pricey estate bottlings from California and Europe. What nobody in the industry argues about, though, is America's leadership in vin ordinaire. Gallo Chablis Blanc, the best-selling white from the largest vintner in the world, symbolizes the technical and managerial revolution in wine production.

Even at a discount price of three dollars a magnum, it is no cheaper and sometimes no tastier than the competition from the plains of Spain or Italy. The difference is in predictability: Chablis Blanc bought in Miami last September will taste exactly like a bottle from Dallas next summer.

This follows from a heavy investment in research, quality control, and marketing, a strategy now belatedly being imitated in Europe. There may be little romance about it. But Gallo knows everything about growing grapes and making wine; the payoff is virtually guaranteed success in an industry built on peril.

A decade ago it was the dullest of industries, secure in a cocoon of government regulation and old-boy contacts. But deregulation, automation, conglomeration, and inflation have severely tested Wall Street's brokerage houses. None has passed with higher marks than Merrill Lynch.

Sheer size—the financial resources to weather change—partly explains the company's success. But innovation counts too. In 1977, for example, Merrill Lynch introduced the Cash Management Account. The law says the CMA is a brokerage account, but it walks and talks like a snappy form of bank account. Dump your stocks, bonds, and spare cash in a CMA. The cash, accessible by check, earns interest in a Merrill Lynch money-market fund; the securities become automatic collateral for loans through a Visa card.

At last count, Merrill Lynch had opened 900,000 CMAs with assets of over $50 billion. The system does not yet turn a profit. But CMAs have proved a powerful lure for affluent individual accounts, precisely the business Merrill Lynch needs to stay on top.

So: Does bigness lead to success? There may be something in it for Gallo and Merrill Lynch but hardly for People Express. High tech means a lot at Cray and Hughes Tool but very little to the mighty soybean; John Deere is conciliatory toward labor; Caterpillar goes for the jugular. What is it, then, that explains why some American enterprises excel while others slide toward oblivion?

You tell me.●

GLENN A. CRAMER RECEIVES HUMANITARIAN OF THE YEAR AWARD

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. DELLUMS. Mr. Speaker, it is my pleasure to bring to the attention of my colleagues the following statement which describes the fine work of Mr. Glenn A. Cramer, and announces his selection as Humanitarian of the Year by the Easter Seal Society of Alameda County.

The statement follows:

The Easter Seal Society of Alameda County has named Mr. Glenn A. Cramer as the seventh Humanitarian of the Year.

Each year, the Society considers citizens who have either made a significant contribution to helping people in making a difference in the lives of others less fortunate than themselves, or who throughout the years have been involved in supporting Easter Seals.

Besides being an early supporter of the Easter Seals Society of Alameda County, Mr. Cramer is a staunch benefactor of other Easter Seal Societies.

In addition, for many years he has been a major contributor of both his time and resources to Children's Hospital in Oakland, the Boys' Club of both Oakland and Palm Springs, the Sunnyhills Children's Services in San Anselmo, California, and the Hanna Boys Center in Sonoma, California.

Mr. Cramer is an outstanding citizen who has given unstintingly of his time, talent and concern for the advancement of opportunities for the people of our community.●

REAGAN ADMINISTRATION FINALLY TURNS AROUND ON "BUY AMERICA"

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. WALGREN. Mr. Speaker, last week the House approved a provision in H.R. 3069, the supplemental appropriations bill, directing the Federal Highway Administration to implement the "Buy American" provisions of the 1982 gas tax bill in which Congress clearly required all highway projects funded by the gas tax revenues to use American products. This provision, along with pressure from the Congressional Steel Caucus, has apparently finally got the administration "off the dime," resulting in a call and letter to my offices from the Federal Highway Administration announcing their reversal of the administration's refusal to enforce the "Buy American" requirements as Congress directed them to do.

We all should be pleased that the administration has realized the importance of creating jobs in American industries and has recognized that American tax dollars should be spent in America. But it is a sad comment on the intransigence of Reagan appointees that it took so much effort just to get this administration to obey a "Buy American" provision in the law.

Congress direction was clear: Revenues generated by the gas tax bill used for highway repair and construction should be used to buy American products. For some convoluted reason, the administration saw it in the national interest to buy imported rather than American products. By regulation, they tried to exempt all bridge and road contracts totaling less than $450,000. That accounts for about 60 percent of the total number of projects and 10 percent of the total dollar value. Because of the importance of these provisions in generating jobs, the Congress had specifically repealed a $500,000 cutoff of a prior "Buy American" provision when we adopted the gas tax bill. Still the administration tried to reimpose it by administrative fiat. By blocking the administration's actions, we save 20,000 American steel jobs and many more steel-related industries.

I hope we can look forward to more administration initiatives to put Americans back to work.●

INCOME-DEPENDENT STUDENT ASSISTANCE CAN AID STUDENTS WITHOUT INCREASING FEDERAL DEFICITS

HON. THOMAS E. PETRI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. PETRI. Mr. Speaker, on May 26 I introduced H.R. 3176, the Income-Dependent Education Assistance Act of 1983. Identical legislation, S. 1386, has been introduced in the other body. An outline and the complete text of the bill may be found at page S7655 in the CONGRESSIONAL RECORD of May 26.

This bipartisan legislation would establish a supplemental student loan program that would entail little or no taxpayer subsidies.

IDEA would be an important source of loan capital to students—particularly those in graduate school—in a time of increasing education costs and increasing burdens on students and their families who must meet these costs. Annual repayment amounts under IDEA vary with annual income of borrowers. Borrowers whose higher incomes reflect a higher return on their investment in education would share part of that return with all IDEA borrowers by making higher annual loan payments and possibly paying higher effective interest rates on their loans, thereby funding lower effective rates paid by the lower income borrowers.

There are subsidies in IDEA, but they would be targeted to those who need relief from educational debt burdens: Those with low postschool incomes. These subsidies are related to ability to pay, and their cost is covered by charging a premium above the standard IDEA interest rates on loans held by those with high postschool incomes. Despite the high-income premium, the highest effective interest rate charged on IDEA loans would be less than that on unsecured personal loans in the private market. Thus, those who anticipate high future incomes would not be discouraged from participating.

Higher education represents in part consumption; an education yields personal satisfaction and a higher quality of life for the student. Yet education also represents an investment. Students are investing in human capital, and they expect returns on their investments in the form of higher future incomes. This is particularly true in the case of graduate education, the financing of which is the primary, but not exclusive, focus of IDEA.

Under IDEA, the Government backs such investments in human capital and in exchange receives a participating interest in the returns to that capital. In effect, students borrow against their future income streams. On an individual basis, students cannot finance education this way because they cannot pledge their human capital as collateral and each individual cannot guarantee a particular level of return on his or her investment. But collectively financing education loans on the basis of pooled risk and return on investments can be a sound governmental approach to student aid. The specifics of the IDEA program take that sound approach from theory to practice.

IDEA allows a student to borrow up to $2,500 per year for an undergraduate education or $10,000 per year for graduate education (or the costs of attendance, whichever is less). There is a lifetime limit of $40,000. Borrowing under other title IV student loan programs would count against IDEA annual and lifetime limits. Most undergraduates eligible for GSL loans would probably choose the subsidized rates of GSL rather than the income-dependent rates of IDEA. At the graduate level, IDEA borrowing limits are twice those of GSL, so past and current GSL borrowers as well as those not eligible for GSL loans should find IDEA an attractive source of loan capital.

A student applies for an IDEA loan through his school, and the school sends machine-readable lists of applicants to the Department of Education. For new borrowers, Education would establish computerized accounts by taxpayer identification number. Interest is charged on the outstanding balance of each account annually at the average 91-day T-bill rate for the year plus 2 percent. An annual statement is mailed to the borrower informing him of the status of his obligations.

Upon leaving school and entering repayment, borrowers determine their annual repayment amounts in conjunction with the filing of their individual income tax returns. The procedure would be similar to that used by self-employed individuals who pay social security taxes through the IRS. IDEA loan collection will be just a one line/one form addition to something that IRS already does. Although the IDEA bill uses the IRS for collection of repayments, with less efficiency, this could also be done, using verified form 1040 information, by the Education Department, SLMA, or even the

whole SLMA/State guarantee agency structure.

Various tax preference items are added to adjusted gross income as currently defined in the Tax Code. A simple chart with income on one axis and account balances on the other indicates the amount of repayment due. IDEA payments will have the same status as personal income taxes due, and are payable through estimated tax payments or additional withholding from wages. As is currently the case, borrowers would be subject to no penalties for underpayment of taxes due, including IDEA payments, as long as they have withheld at least as much as their tax liability the previous year or at least 85 percent of the amount owed in the current year. The IRS would have the authority to collect delinquent IDEA payments. This collection mechanism will reduce default rates by making avoidance of payment more difficult. The income-adjusted payments that require smaller annual payments for lower income borrowers will also reduce defaults.

There is a seperate IDEA repayment chart for each class of taxpayer; that is, single, joint return, and so forth. A student borrower would know what his annual repayment obligation will be for any given combination of account balance and future income level. Therefore, creditors would be able to adjust their estimates of disposable income for the purpose of making auto loans, mortgages, or other extensions of credit. Uncertainty over educational debt burden would not deter other lending.

The charts are based on an assumed average interest rate of 10 percent and a base amortization period of 12 years at an income of between $26,150 and $31,450 for single people and $32,550 and $40,500 for joint returns. Thus, people in those income ranges will pay off their loans in about 12 years if the interest actually charged to their accounts; that is, T-bill plus 2 percent, averages 10 percent per year. The actual payment at the above income levels is $1,468 per $10,000 of account balance. As shown in the accompanying charts, lines 1 and 2, the annual payment per $10,000 of account balance at any other income is determined by multiplying $1,468 by the progressivity factor for that income level. The progressivity factors, ranging from 0.429 to 1.5, are derived from ratios of post-1983 marginal tax rates for different categories of taxpayers. Thus the progressivity inherent in the IDEA annual repayment formula is based on that found in ordinary income tax rate schedules.

Several other principles govern repayment. First, no one is charged more than 15 percent of income in any year. Second, borrowers are excused from all further obligation when they have paid off their loans at the standard interest rates; that is, T-bill plus 2 percent, or upon death, disability, or the completion of 30 years of repayment. Everyone must make the annual payment required for his income level for at least 12 years unless the loan has been repaid earlier at 1.5 times the standard T-bill plus 2-percent interest rates.

The basic elements of the repayment system, then, are: First, annual repayment amounts that are progressive with respect to income and directly related to individual borrowing history, second, standard interest rates of T-bill plus 2 percent, third, a 12-year minimum repayment period modified by a buy-out interest rate of 1.5 times the standard rate, fourth, a 15 percent of income cap on annual payment obligations, and fifth, forgiveness of remaining debt after a 30-year maximum repayment period. Together, these elements produce a system in which borrowers face an income-dependent sliding scale of effective interest rate charges on their IDEA obligations.

Since IDEA loan repayments are directly related to ability to pay, the system is extremely flexible. It automatically reschedules loans in the event of unemployment, career changes, periods of child care, or other causes of income fluctuation. It offers protection to the person who might hesitate to pursue a degree because she is unsure that her education investment will pay off. It also enables an expensively educated person to choose a low-paying job for a short time or permanently without undue hardship. For example, a young doctor could choose to practice community medicine in a poor rural area without having his education debts push him into a suburban specialty practice.

A logical way to finance a program like IDEA, whose returns are delayed but secure, is through the sale of federally guaranteed bonds. The IDEA proposal uses the Department of Education and State guarantee agencies backed up by the Student Loan Marketing Agency (SLMA) to collect loan request estimates from schools, sell the bonds, and channel the proceeds to students through their schools. The general form of these bonds would be specified by the Treasury. I believe that zero-coupon bonds sold at their discounted value and requiring no annual interest payments to bondholders would be an appropriate financing vehicle. The bonds would be repaid upon maturity from the IDEA loan trust fund. The trust fund will grow as borrowers' annual payments are channeled into it. When the initial zero-coupon bonds come due, the trust fund could pay them off.

The scale of these bonds would not affect the capital markets unless total investment in higher education were increased by the program itself or the program increases other consumption and reduces savings. Higher education is primarily a capital investment in terms of the sources of funds used to finance it. If the education financed by IDEA were not paid for with IDEA bonds, the capital would come from other sources, either governmental appropriations, personal savings, or private lending institutions.

The IDEA program should not require significant general revenue subsidies.

First, there is up to a 2-percent differential between the cost of capital and the standard interest rate charged to borrowers, depending on the form of IDEA bonds. This should cover administration and losses due to bankruptcy, default, death, or disability.

Second, as repayments are future income tax obligations, losses due to bankruptcy or default should be negligible. There is also less cause for default since payment burdens decrease automatically with any decline in income.

Third, the higher effective interest rates charged higher income borrowers offset the forgiveness provisions that effectively reduce interest rates paid by lowest income borrowers. Because IDEA borrowing will be primarily at the graduate-student level, the incomes of IDEA borrowers as a group would be higher than those of the general, or even the college-educated, population. IDEA does cap the effective interest rate faced by high-income borrowers at a level that is below that which they would pay on a commercial loan. The modestly higher effective interest rates faced by higher income borrowers; for example, up to 12.25 percent for a married couple with a constant $50,000 income during repayment will not discourage them from electing the IDEA option.

Participation by future high-income earners is encouraged by the absence of any means test in the IDEA program. Students from higher income families tend to have higher-than-average incomes once they join the work force. Under IDEA, they will, on average, pay higher-than-average effective interest rates and allow IDEA to better cross-subsidize borrowers with low incomes. The lack of a means test also simplifies administration of IDEA.

The subsidies incorporated in IDEA are carefully controlled. The T-bill plus 2 percent interest rate charged on IDEA loans makes abuse of the program for the purposes of noneducational investments or purchases unlikely. Compare the abuses of the GSL program that led to a reinstatement of means testing. All borrowers make at least a minimum annual payment. Very few will qualify for forgiveness of any IDEA loan principal, although their effective interest rates may be below T-bill plus 2 percent. For single

taxpayers, even $15,000 earners with maximum account balances up to $23,332 pay off their loans in 19 years at 8 percent—if 8 percent is the T-bill plus 2 percent rate over that period—and will have paid effective interest of 9.75 percent at the end of 30 years—if the T-bill plus 2 percent rate has been above 9.75 percent—at which time remaining IDEA debt would be canceled. At $30,000 income, the maximum annual payment of $4,500 will amortize a $31,510 balance over 12 years at 10 percent interest and cover 10 percent interest payments on up to a $45,000 loan balance. The 15 percent of income cap on annual payments would not result in much subsidy at this level—only automatic rescheduling and extension of repayment obligations. Even at a $10,000 income, the annual payment of $798 on a $10,000 account balance results in an effective interest rate of 7 percent over 30 years; only when the account balance exceeds $10,949 at this imcome level does the subsidy further reduce the interest rate. IDEA does not give anyone a free ride, only an easier, custom-tailored one that recognizes ability to pay for Government-supplied capital.

Of course, a major influence on the balance of IDEA will be the average levels of interest rates in the economy over the long term. Here again, IDEA employs a conservative assumption in basing the repayment tables on an assumed average interest rate of 10 percent. This rate implies 91-day T-bill rates of 8 percent. This is consistent with current economic projections. In historical terms, 8 percent is a high level. If 91-day bills average 8 percent over the next 30 years, the Government will have been doing a very poor job of managing the economy. If T-bills average a point or two less, borrowers' accounts will be charged only 8 or 9 percent interest, and borrowers will repay their loans in a shorter period of time. On the other hand, if T-bills go over 12 percent, fewer borrowers will repay at the actual cost of IDEA loan capital, since no more than 14 percent interest can be charged to borrowers' accounts—the same limit that now exists in the ALAS and PLUS programs. To that extent, borrowers are protected against runaway inflation and all taxpayers will retain an interest in keeping IDEA unsubsidized by supporting responsible fiscal and monetary policy. In general, both the Government and IDEA borrowers will reap the rewards of reasonable interest rates and inflation.

IDEA provides for consolidation of other title IV student loans, including GSL's and NDSL's. This provision allows borrowers under those programs, at their option, to convert their other loans into IDEA loans in order to receive IDEA's extended payment terms and 15 percent of income annual payment ceiling. This voluntary decision would involve a sacrifice of the interest subsidies of other loan programs but a reward of more manageable annual payments. The potential bonus to the Government would be a recapturing and elimination of its obligations to subsidize the converted loans.

IDEA is a carefully crafted proposal that can meet a pressing need for additional higher education financing at no cost to the taxpayers. It is open to all, extremely flexible, and targets assistance equitably to those who most need it in the amount that they need it. While it may appear complicated in its statutory form, the complex provisions create a relatively simple program from the standpoint of both individual borrowers and the agencies that would administer IDEA.

I urge my colleagues to give IDEA serious consideration, both in its current form, and as a framework for integrating other higher education financial assistance programs. IDEA's progressive repayment scheme does not require the use of an unsubsidized T-bill plus 2 percent interest rate; any other rate could also be used as a means of directing larger or smaller subsidies to those with greater or lesser need. Fellowships, grants, for giveness provisions, or other techniques could be used in conjunction with IDEA. The targeted subsidies of IDEA offer savings relative to a flat subsidized rate that ignores future earnings, and that savings could assist in the funding of other student assistance mechanisms.

Mr. Speaker, I insert in the RECORD at this point a chart of IDEA repayment information.

INCOME

	5,000	10,000	15,000	20,000	25,000	30,000	35,000	40,000	50,000	75,000	100,000	150,000
INCOME-DEPENDENT EDUCATION ASSISTANCE (IDEA): TAXPAYERS FILING JOINT RETURNS												
(1) Progressivity factor [1]	0.429	0.504	0.589	0.706	0.843	0.949	1.000	1.000	1.116	1.280	1.493	1.500
(2) Annual payment per $10,000 maximum account balance (MAB) [2]	$630	$740	$865	$1,036	$1,238	$1,392	$1,468	$1,468	$1,639	$1,879	$2,191	$2,202
(3) Percentage of income [3] payable per $10,000 MAB	12.6	7.4	5.8	5.2	4.9	4.6	4.2	3.7	3.3	2.5	2.2	1.5
(4)(a) Maximum annual payment	$750	$1,500	$2,250	$3,000	$3,750	$4,500	$4,750	$6,000	$7,500	$11,250	$15,000	$22,500
(4)(b) MAB amortizable at rate in (6) [4]	11,905	20,270	26,056	28,958	30,291	32,328	33,267	42,014	52,517	78,776	105,035	157,552
(5) Years required to pay back loan at indicated actual interest rates charged on IDEA loans:												
8 percent				19	14	11	10	10	9	7	6	6
10 percent					17	13	12	12	10	8	6	6
12 percent						17	15	15	12	9	7	7
14 percent							24	24	15	10	8	8
(6) Maximum effective interest rate paid at end of 30 years notwithstanding rates charged [5]	4.75	6.25	7.75	9.75	12.00	13.75	#	#	#	#	#	#
(7) Maximum effective interest rate paid at end of 12 years (or shorter period if 150 percent of actual interest rate) [6]						9.00	10.00	10.00	12.25	15.50	19.25	19.50
INCOME-DEPENDENT EDUCATION ASSISTANCE (IDEA): UNMARRIED TAXPAYERS												
(1) Progressivity factor [1]	0.467	0.544	0.707	0.847	0.971	1.000	1.066	1.142	1.249	1.468	1.500	1.500
(2) Annual payment per $10,000 maximum account balance (MAB) [2]	$685	$798	$1,037	$1,243	$1,425	$1,468	$1,565	$1,677	$1,833	$2,155	$2,202	$2,202
(3) Percentage of income [3] payable per $10,000 MAB	12.6	8.0	6.9	6.2	5.7	4.9	4.5	4.2	3.7	2.9	2.2	1.5
(4)(a) Maximum annual payment	$750	$1,500	$2,250	$3,000	$3,750	$4,500	$4,750	$6,000	$7,500	$11,250	$15,000	$22,500
(4)(b) MAB amortizable at rate in (6) [4]	10,949	18,797	23,332	24,135	26,259	31,510	33,267	42,014	52,517	78,776	105,035	157,552
(5) Years required to pay back loan at indicated actual interest rates charged on IDEA loans:												
8 percent			19	13	11	10	9	8	7	6	6	6
10 percent				17	13	12	11	10	8	7	6	6
12 percent				30	16	15	13	11	9	7	7	7
14 percent						24	17	14	11	8	8	8
(6) Maximum effective interest rate paid at end of 30 years notwithstanding rates charged [5]	5.50	7.00	9.75	11.75	14.00	#	#	#	#	#	#	#
(7) Maximum effective interest rate paid at end of 12 years (or shorter period if 150 percent of actual interest rate) [6]					9.50	10.00	11.25	12.75	14.75	18.75	19.50	19.50

[1] Based upon income level of borrower; derived from income tax rate structure and specified in Income-Dependent Education Assistance Act.

[2] MAB is highest amount of unpaid principal and accrued interest during the history of a borrower's IDEA obligation account.

[3] Income is Modified Adjusted Gross Income (MAGI)—Adjusted Gross Income plus certain additional preference income.

[4] 15 percent of MAGI maximum payment; indicated balance is fully amortized at the end of 30 years if the maximum payment is made each year.

[5] This figure is relevant for low-income borrowers whose annual payment may not fully pay off loans within 30 years (after which they are forgiven) at the actual applicable rates; if payments are limited by the 15 percent of income ceiling, the 30-year effective rate will be lower.

[6] Borrowers are released from their loan obligations after 12 years if they have repaid loans at the applicable interest rates, and are released at an earlier date if they have repaid all loans at 150 percent of the normally applicable rates.

An individual in repayment status for more than 12 years will never pay more than the actual interest rate charged each year on IDEA loans, which is limited to 14 percent in any year; the "#" symbol indicates potential effective rates in excess of 14 percent, and in these cases the balance indicated in (4) would have been repaid in a period shorter than 30 years at even the 14 percent maximum rate.

Note.—Interest rates are rounded to nearest ½ percent; years are rounded to nearest year.●

GILMAN INTRODUCES FAST TRACK SURTAX LEGISLATION

HON. BENJAMIN A. GILMAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. GILMAN. Mr. Speaker, today I am introducing legislation which is of importance to our Nation, and to our vegetable growers in particular. My commodity surtax measure is designed to be imposed for limited periods and only when agricultural imports are injuring a specific commodity for a certain week. For that week, a surtax is triggered. If there is no impact on market prices during the following week, then no surtax would be applied.

Importation of certain vegetable commodities into American markets during periods of heavy volume of U.S. production usually results in economic injury to our domestic producers through reduced produce prices. The declared value of a shipment at the point of entry into the United States often is not accurate. It is therefore necessary to provide a temporary surtax on commodities from time to time when increased volume of imports is presumed to have resulted in decreased domestic market prices. My legislation requires the Agriculture Department to monitor certain affected commodities to determine from volume and benchmark prices the extent of economic impact on our domestic growers. Should injury be determined for a specified commodity, a surtax system can be put into place, and the surtax would be collected by customs officials at the border.

The commodities this legislation proposes to monitor include: Cabbages, carrots, celery, lettuce, red and yellow storage onions, potatoes, and radishes.

For purposes of determining the surtax, a "benchmark price" for each vegetable category will be determined, and would be computed for each month within the applicable marketing season, 85 percent of the average monthly market price for domestic and imported articles for the same month during the 36-month period immediately preceding the month for which the computation is made. If the Secretary of Agriculture determines that the benchmark price is abnormally high or low due to harvest variations, then a computation can be made that equals 90 percent of the average monthly market price for that category for the same month during the 60-month period immediately preceding the month for which the computation is made.

In determining the market price of imported commodities, under this bill, the sales price of imported articles at the three terminal markets having the heaviest volume of imports of the article being monitored would be considered.

My legislation allows the Secretary, upon petition, to add any classification of fresh vegetables, provided that the Secretary concludes that economic injury is being caused or threatened to the U.S. producers of that commodity.

During the marketing season, the listed commodities would be monitored weekly, but if determined that the average market price paid does not equal 90 percent of the average price for that category for that week in the immediately preceding 3 years, then the Secretary can designate that vegetable as depressed, and monitoring continues on a daily basis for the prices paid for articles in that category as well as monitoring on a weekly basis the volume of imported articles in that category that are sold in terminal markets. If the average market price is below the benchmark price for that category, and if the volume exceeds by 5 percent the volume of the same imported article sold in a terminal market during the equivalent week 5 years ago, the surtax is established.

The weekly monitored terminal market price, when found to be below the benchmark price, will be subtracted from the benchmark price, and this difference will be added to the previous week's average price difference, if any, that is below the benchmark price in order to determine the subsequent week's surtax amount.

After a surtax has been implemented, and the average weekly monitored price is found to be above the benchmark price, the previous week's surtax will be decreased by the amount of this difference in order to calculate the surtax for the following week.

The surtax for that vegetable commodity would be in effect for 180 days, and could be extended by the Secretary for another 90 days if it is determined that conditions are still the same.

There will be weeks, Mr. Speaker, when there will be no surtax. During other weeks, a surtax will be in place. The importing country will be notified as soon as findings are made by the Department of Agriculture, and the surtax will be collected at the border.

The problem of imports undercutting American prices affects almost every industry. The vegetable industry is not immune, and has been suffering severely. American producers of fresh vegetables receive no subsidies whatever from our Government, while many of our trading partners subsidize their growers nearly every step of the way. Trying to find American grown carrots in the Northeast is extremely difficult. I am imformed that New York State only has one carrot producer left, and other States are losing family farms year after year.

I believe that this proposed agricultural surtax system, modeled after an existing system of one of our trading partners, is a fair method of ensuring that imported vegetables and potatoes do not further erode our agricultural economy. The American farmer is among our Nation's most vulnerable entrepreneurs, continually confronted with the hazards of droughts, floods, pestilence, surplus crops, etc. Unsubsidized, it takes our farmers years to recoup their losses from any natural disaster. Their plight is made worse by the onslaught of imported commodities that undercut their prices. This surtax system will provide needed relief, and will be utilized by the Department of Agriculture only when needed.

Mr. Speaker, I request that at this point in the RECORD a copy of my proposed legislation be printed in full for the review of my colleagues. I am requesting prompt hearings and ask my colleagues for their support. Together, by adopting this proposal, we can secure relief for the American vegetable and potato farmer.

H.R. 3193

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fresh Vegetable and Potato Trade Act of 1983".

SEC. 2. As used in this Act:

(1) The term "article" means a specific vegetable category commodity entered into trade in a terminal market.

(2) The term "benchmark price" means, with respect to articles in a vegetable category, a price, computed for each month within the applicable marketing season, that equals—

(A) 85 percent of the average monthly market price for domestic and imported articles in that category for the same month during the 36-month period immediately preceding the month for which such computation is made; or

(B) if the Secretary considers that the benchmark price computed under subparagraph (A) is abnormally high or low because of harvest variations, 90 percent of the average monthly market price for domestic and imported articles in that category for the same month during the 60-month period immediately preceding the month for which such computation is made.

(3) The term "imported articles" means articles that have been entered, or withdrawn from warehouse for consumption, within the customs territory of the United States.

(4) The term "market price" means the sale price at which imported articles in a vegetable category are bought and sold in the course of trade at the three terminal markets having the heaviest volume of imports of such articles. The market price shall be based on such quantity of measure as the Secretary deems appropriate for purposes of carrying out this Act.

(5) The term "marketing season" means the marketing season in the United States for vegetables, that are produced in the United States, of a kind like those in a vegetable category, as determined by the Secretary.

(6) The term "Secretary" means the Secretary of Agriculture.

(7) The term "terminal market" means a marketing area in the United States at which major shipments of imported articles in a vegetable category are introduced into domestic commerce.

(8) The term "vegetable category" means each of the following classifications, identified by reference to the appropriate item numbers of the Tariff Schedules of the United States (19 U.S.C. 1202), of vegetables, if fresh:

(A) Cabbages provided for in item 135.30.

(B) Carrots provided for in items 135.41 and 135.42.

(C) Celery provided for in items 135.60 and 135.61.

(D) Lettuce provided for in items 136.60 and 136.61.

(E) Red onions and yellow onions, of the type produced for storage holdings, provided for in item 136.93.

(F) Potatoes provided for in items 137.25, 137.26, 137.28, and 137.29.

(G) Radishes provided for in item 137.40.

The Secretary, for the purposes of this Act, may add for the duration of a marketing season any classification of fresh vegetable provided for in such Schedules as a vegetable category if a United States producer of vegetables of that kind petitions the Secretary for such addition and the Secretary concludes that economic injury is being caused or threatened to United States producers of articles in that category after applying the criteria in sections 3 (a) and (b)(2).

SEC. 3. (a) During each week of the marketing season, the Secretary shall monitor the market prices paid for articles in each vegetable category. If the Secretary finds, on the basis of such monitoring, that the average market price paid for articles in any vegetable category during a week does not equal 90 percent of the average price for such category for such week in the immediately preceding 3 years, the Secretary shall, within 5 working days, publish notice thereof in the Federal Register designating that vegetable category as a depressed vegetable category.

(b) The Secretary shall, with respect to articles in each vegetable category designated as a depressed vegetable category under subsection (a)—

(1) monitor on a daily basis the market prices paid for articles in such category; and

(2) monitor on a weekly basis the volume of imported articles in such category that is sold in commerce at terminal markets.

(c) If the Secretary determines, on the basis of the monitoring required under subsection (b) regarding a vegetable category that is depressed, that—

(1) the average market price for articles in that category for any week in the marketing season was below the benchmark price for such category; and

(2) the volume of imported articles in that category that was sold in commerce at terminal markets during such week exceeds by 5 percent or more the volume of imported articles in that category sold at terminal markets during the equivalent 7-day period in calendar year 1978;

the imported articles in that vegetable category shall be presumed to be causing, or threatening to cause, economic injury to United States producers of like vegetables.

SEC. 4. (a)(1) Within 2 working days after making a determination under section 3(c) regarding imported articles in a vegetable category, the Secretary, by publication of notice thereof in the Federal Register, shall (A) issue notice of such determination, and (B) establish a surtax period for such category which shall be the 180-day period commencing on the next Thursday which occurs not less than 5 days after the date on which such determination was made. The Secretary shall at the time of such publication notify the exporting countries of articles in such category of such establishment.

(2) The Secretary may extend a surtax period established under paragraph (1) by an additional 90 days if he determines that the conditions which led to the establishment of the initial 180-day surtax period are still in effect at the close of the initial period.

(b)(1) There is imposed on all articles in a vegetable category to which a determination under section 3(c) applies that are entered, or withdrawn from warehouse for consumption, in the customs territory of the United States during each week within the surtax period a surtax for that week, the amount of which shall be computed on a weekly basis in accordance with subsection (c) by the Secretary on the basis of the applicable market prices and benchmark prices.

(2) A surtax imposed under this Act shall be treated for all purposes of the customs laws as a duty which is in addition to any other duty imposed on the entry or withdrawal from warehouse of articles in the vegetable category concerned.

(c)(1) For purposes of this section—

(A) The term "computation period" means the 7-day period that ends on a Wednesday in the two weeks before the week in which a surtax week begins.

(B) The term "surtax week" means each 7-day period, beginning on a Thursday, that is within a surtax period established under subsection (a).

(2) The surtax imposed under subsection (b) for each surtax week on imported articles within a vegetable category shall be determined on the basis of the relationship between the average daily market price paid during the applicable computation period for articles in such category, and the applicable benchmark price for such article, as follows:

(A) If there is no difference between such market price and benchmark price—

(i) no surtax shall apply during the surtax week if no surtax is in effect for the immediately preceding surtax week; or

(ii) the surtax for the surtax week shall be the same as the surtax, if any, in effect for the immediately preceding surtax week.

(B) If such market price is below the benchmark price, the surtax for the surtax week shall be—

(i) an amount equal to the difference between such prices, if there is no surtax in effect for the immediately preceding surtax week, or

(ii) an amount equal to such difference plus the amount of any surtax in effect for the immediately preceding surtax week.

(C) If such market price exceeds such benchmark price—

(i) no surtax shall apply during the surtax week if no surtax is in effect for the immediately preceding surtax week, or

(ii) the surtax for the surtax week shall be the amount of the surtax in effect for the immediately preceding surtax week reduced by the amount of such excess (but not below zero).

(3) For purposes of determining under paragraph (2) the surtax to be imposed during the first surtax week in any surtax period, a surtax shall be determined under paragraph (2)(B) on the basis of the findings of the Secretary under section 3(c)(1) on the imported articles concerned and such surtax shall be treated as being in effect during the week before such first surtax week.

(d) The Secretary shall certify to the Secretary of the Treasury the surtax, or absence thereof, as determined under subsection (c) for each surtax week within the surtax period established for a vegetable category. The Secretary of the Treasury shall take such action as may be necessary or appropriate to levy and collect any such surtax so certified, including the requirement of additional bond to secure payment of a surtax.

SEC. 5. The Secretary and the Secretary of the Treasury shall each issue such regulations as may be necessary and appropriate to carry out this Act.●

CALIFORNIA FIRM DONATES 9,000 COMPUTERS TO CALIFORNIA SCHOOLS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. STARK. Mr. Speaker, last session I introduced H.R. 5573, to encourage the donations of personal computers to primary and secondary schools. During the 97th Congress, the Computer Contributions Act received broad bipartisan support and on September 22 passed the House of Representatives 323 to 61. Unfortunately, after being favorably reported by the Senate Finance Committee, the legislation failed to reach the Senate floor. I have reintroduced the bill this session as H.R. 701, with 80 cosponsors and have confidence in its passage this year.

In my home State of California, there exists a similar law which provides a tax credit for the donation of computer equipment to secondary and elementary schools. This law is providing classrooms in California with computers that otherwise they could not afford.

Apple Computer has just announced its "Kids Can't Wait" program which will donate complete computer systems to approximately 9,000 California public and private schools.

This program will be a great step toward giving California's kids the hands-on knowledge of computing, that they will need for tomorrow's job market. Technology is fast changing, and it will take a strong joint effort by all the participants—including teachers, students, and the States computer training centers to keep our schools at the leading edge of technology. Apple is strongly committed to playing a key role in this partnership; together, they can make real progress.

There have been several recent reports describing the downward course education has taken in this country. It is my desire to make Congress aware of one good example that has been

happening in education—Apple's computer program.

Mr. Speaker, we have been closely monitoring this California tax incentive program. Apple Computer is the third company to inititate a donation program in California. Hewlett-Packard and IBM have begun programs to put computers in California's schools. Clearly, computer companies are willing to take advantage of this type of change in the Tax Code. We are now watching how these computers will be used and whether they can, in fact, help improve the quality of learning. The information we learn can be applied to H.R. 701 and H.R. 3098 to insure a national program that is efficient and effective. This is federalism at its best, in which a State can serve as a laboratory for the Nation.

Again, my congratulations to the State legislators who developed this program and to the companies, such as Apple, Hewlett-Packard, and IBM, who are responding to it.

Following is additional information on the Apple Corp.'s "Kids Can't Wait" program:

APPLE COMPUTER CO. "KIDS CAN'T WAIT" FACT SHEET

Donation Package: Apple //e Computer, Monitor, Disk Drive, Apple Logo Software, 1983-84 Sterling-Swift Educational Software Directory, Applesoft Basic Programmers Reference manuals, software discount coupons from major publishers, Brochures on computer useage in schools published by the International Council for Computers in Education.

Warranty: Standard 90-day service warranty on all components. "AppleCare" Carry-In Service Plan available.

Eligible schools: Public K-12 schools. Tax exempt private schools with enrollments of over 100 K-12 students. State-certificated private tas-exempt special education schools. Selected schools operated by County Offices of Education.

Schedule:

May 11: Kids Can't Wait Program announced. Information mailed to school district superintendents, County Superintendents and private school administrators. Letters are also mailed to 9,000 Apple designated schools.

May 12-June 10: Administrative officers send Apple a list of schools they approve to receive a computer system.

June 20: Apple mails orientation certificate to each eligible school.

June 22-Sept. 30: An individual from each school redeems a certificate at an Apple dealer and attends orientation session. Apple ships computer system to school.

September 30: Completion of Kids Can't Wait Program.

Product will be shipped within 30 days of certificate redemption.●

HOUSE OF REPRESENTATIVES—*Friday, June 3, 1983*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Gracious God, we are ever grateful for Your unending mercies which sustain us day by day. We are thankful that You provide support when we feel weak, comfort when we face sorrow, and hope at times of difficulty. Help us to be aware of Your blessings, O Lord, that we will not take for granted the joys and opportunities that are ours, but rather live each day with a prayer to You in appreciation for all the gifts of life. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. SENSENBRENNER. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SENSENBRENNER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 283, nays 21, answered "present" 3, not voting 125, as follows:

[Roll No. 154]

YEAS—283

Ackerman	Bethune	Carr
Akaka	Bilirakis	Chappell
Albosta	Bliley	Clarke
Alexander	Boehlert	Clinger
Anderson	Boggs	Coats
Andrews (NC)	Boland	Coleman (MO)
Andrews (TX)	Boner	Coleman (TX)
Annunzio	Bonior	Conable
Anthony	Borski	Cooper
Archer	Bosco	Courter
Aspin	Boucher	Coyne
Barnard	Boxer	Crane, Daniel
Barnes	Breaux	Crane, Philip
Bartlett	Britt	D'Amours
Bateman	Brooks	Daniel
Bates	Broomfield	Dannemeyer
Bedell	Broyhill	Daschle
Beilenson	Burton	Daub
Bennett	Campbell	Davis
Bereuter	Carper	de la Garza
DeWine	Latta	Ritter
Dicks	Leath	Robinson
Dingell	Lehman (CA)	Rodino
Donnelly	Levin	Roe
Dowdy	Levitas	Rogers
Downey	Lewis (CA)	Rose
Dreier	Livingston	Rostenkowski
Duncan	Loeffler	Roth
Dwyer	Long (LA)	Roukema
Dyson	Long (MD)	Rowland
Early	Lott	Roybal
Eckart	Lowery (CA)	Savage
Edgar	Lowry (WA)	Sawyer
Edwards (AL)	Lujan	Schaefer
Edwards (CA)	Luken	Scheuer
Edwards (OK)	MacKay	Schulze
English	Madigan	Schumer
Erdreich	Markey	Seiberling
Erlenborn	Marriott	Sensenbrenner
Evans (IL)	Martin (IL)	Sharp
Fascell	Martin (NC)	Shelby
Fazio	Matsui	Simon
Feighan	Mavroules	Skeen
Ferraro	Mazzoli	Smith (IA)
Fiedler	McCandless	Smith (NE)
Fish	McCloskey	Smith (NJ)
Flippo	McCurdy	Smith, Robert
Foley	McDade	Snowe
Ford (TN)	McDonald	Snyder
Frank	McEwen	Solarz
Franklin	McHugh	Spence
Fuqua	McKernan	Spratt
Gekas	McNulty	Staggers
Gephardt	Michel	Stangeland
Gibbons	Mikulski	Stark
Gilman	Miller (CA)	Stokes
Gingrich	Mineta	Studds
Gonzalez	Minish	Stump
Green	Moakley	Sundquist
Gregg	Molinari	Swift
Guarini	Mollohan	Synar
Gunderson	Montgomery	Tallon
Hall, Ralph	Moody	Tauke
Hall, Sam	Moore	Tauzin
Hamilton	Moorhead	Taylor
Hammerschmidt	Mrazek	Thomas (CA)
Harrison	Murphy	Thomas (GA)
Hatcher	Murtha	Towns
Hefner	Myers	Traxler
Hertel	Natcher	Udall
Hillis	Nowak	Valentine
Hopkins	O'Brien	Vandergriff
Horton	Oakar	Vento
Howard	Obey	Volkmer
Hoyer	Olin	Watkins
Hubbard	Ortiz	Waxman
Hughes	Oxley	Weaver
Hunter	Packard	Weber
Hyde	Parris	Wheat
Jeffords	Patman	Whitley
Jenkins	Patterson	Whittaker
Johnson	Paul	Whitten
Jones (OK)	Pease	Williams (OH)
Kaptur	Penny	Wise
Kasich	Perkins	Wolf
Kastenmeier	Petri	Wolpe
Kemp	Pickle	Wright
Kennelly	Porter	Wyden
Kildee	Rahall	Wylie
Kindness	Ratchford	Yatron
Kogovsek	Ray	Young (MO)
Kramer	Regula	Zablocki
LaFalce	Reid	Zschau
Lagomarsino	Ridge	
Lantos	Rinaldo	

NAYS—21

Brown (CO)	Goodling	Roberts
Coughlin	Hartnett	Roemer
Dorgan	Hiler	Schroeder
Durbin	Mack	Solomon
Emerson	McCollum	Stenholm
Evans (IA)	Miller (OH)	Walker
Gejdenson	Mitchell	Yates

ANSWERED "PRESENT"—3

Jacobs	Oberstar	Ottinger

NOT VOTING—125

Addabbo	Gray	Owens
Applegate	Hall (IN)	Panetta
AuCoin	Hall (OH)	Pashayan
Badham	Hance	Pepper
Berman	Hansen (ID)	Price
Bevill	Hansen (UT)	Pritchard
Biaggi	Harkin	Pursell
Bonker	Hawkins	Quillen
Brown (CA)	Heftel	Rangel
Bryant	Hightower	Richardson
Byron	Holt	Rudd
Carney	Huckaby	Russo
Chandler	Hutto	Sabo
Chappie	Ireland	Schneider
Cheney	Jones (NC)	Shannon
Clay	Jones (TN)	Shaw
Coelho	Kazen	Shumway
Collins	Kolter	Shuster
Conte	Kostmayer	Sikorski
Conyers	Leach	Siljander
Corcoran	Lehman (FL)	Sisisky
Craig	Leland	Skelton
Crockett	Lent	Slattery
Dellums	Levine	Smith (FL)
Derrick	Lewis (FL)	Smith, Denny
Dickinson	Lipinski	St Germain
Dixon	Lloyd	Stratton
Dymally	Lundine	Torres
Fields	Lungren	Torricelli
Florio	Marlenee	Vander Jagt
Foglietta	Martin (NY)	Vucanovich
Ford (MI)	Martinez	Walgren
Forsythe	McCain	Weiss
Fowler	McGrath	Whitehurst
Frenzel	McKinney	Williams (MT)
Frost	Mica	Wilson
Garcia	Morrison (CT)	Winn
Gaydos	Morrison (WA)	Wirth
Glickman	Neal	Wortley
Gore	Nelson	Young (AK)
Gradison	Nichols	Young (FL)
Gramm	Nielson	

□ 1010

Mrs. JOHNSON changed her vote from "present" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

□ 1020

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I take this time for the purpose of inquiring of the distinguished majority leader the program for next week, particularly if there are any changes beyond what was announced yesterday.

Mr. WRIGHT. If the distinguished gentleman from Illinois would yield, the program for next week is as it was announced yesterday.

We will come in at noon on Monday and we will have seven suspensions. There are two additional suspensions that were not announced yesterday. They are H.R. 9, the Florida Wilderness, and H.R. 2477, the Alabama Wil-

derness. Recorded votes on those suspensions will be postponed until the end of the day Monday.

After we have debated the suspensions, we plan to take up H.R. 3132, the Energy and Water Appropriations Act. We do not expect to be able to finish that on Monday and, therefore, would expect to finish it on Tuesday, after considering the Private Calendar.

Wednesday and the balance of the week we will meet at 10 o'clock and would plan to take up the State, Justice, Commerce, and judiciary appropriations, the Treasury-Postal appropriations, and Agriculture appropriations.

There will be votes expected next Friday, but we would adjourn by 3 o'clock, as we plan to do today. We plan to be finished by 3 o'clock today. We will continue on the legislative appropriations bill which was begun yesterday. It seems unlikely, there being some seven amendments pending at the desk by the latest count of which I was advised, that we would be able to finish it in time to take up the State Department authorization bill as we earlier had planned to do, assuming the completion of the legislative appropriation bill in a timely way. But unless that should happen earlier than I expect, we will not try to take up the State Department authorization today.

If good luck should prevail and we should conclude the legislative appropriation bill by noon or some such time, then we would go to the State Department authorization.

Mr. MICHEL. May I inquire of the gentleman on the votes on Monday? Will those suspension votes come at the end of the day, did I hear the gentleman say, or immediately after debating those suspensions?

Mr. WRIGHT. Suspension votes will be at the end of the day. That is in order to facilitate plans of Members who are having a difficult time getting back from far distances. We would hope that there might not be any immediate votes after our convening at 12 unless, perhaps, someone insists on a vote on approval of the Journal. There might conceivably be a vote on going into the Committee or something of that kind, but on substantive matters, until we get to the point of considering amendments to the energy and water appropriations bill, there would be no votes. It is impossible, of course, to determine how many such amendments there might be. But we will put the suspension votes off until after our consideration of the energy and water appropriations on that day and vote on them toward the end of the day on Monday.

ADJOURNMENT TO MONDAY, JUNE 6, 1983

Mr. WRIGHT. Madam Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore (Ms. KAPTUR). Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. WRIGHT. Madam Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

TRIBUTE TO KATHERINE VIRGINIA DAVIS PRICE OLIN

(Mr. OLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OLIN. Madam Speaker, I hope you will show me a little forbearance here. My talk is short but important, and I will try to finish in the allotted time.

I rise today to pay tribute to a great lady. She was born in Baltimore, Md. and lived in Chicago and Kenilworth, Ill., Springfield, Ohio, and Boca Raton, Fla.

Her great uncle, Henry Gassaway Davis, was the first U.S. Senator from West Virginia. He lived in Elkins.

In 1916, as a student at Swarthmore College, this lady joined the women's suffrage movement and worked hard for that movement, and appeared in parades.

In 1924, in Kenilworth, she joined the League of Women Voters and became a leader in the league in Cook County, Ill.

All her life she has promoted good and effective government at all levels. She has worked to preserve our natural resources and she has worked hard to preserve the beauty in this country and she still does so today. She has all her life shown total respect for the dignity of all men and women, and she has worked for the rights of each individual to receive respect and equal opportunity.

Of all the values in her life, she has always put honesty and truthfulness first.

When speaking about spending money, she has always been tight as a tick. Life with her has never been easy but we always knew where we stood. Whenever we did anything bad, there was always the hairbrush to be applied to our backsides, and if we ever told a lie, there was always a mouthful of soap to wash it out.

At age 86 she is currently on her way to attend her 65th college reunion at Swarthmore College.

My brother, Tom, who lives in Sierra Madre, Calif., and my sister, Andrea, who lives in Columbus, Ohio, join me in expressing to her how proud and grateful we all are, what she has done for us, how proud we are of the way she has led her life, and we hope that some of her fine qualities might have rubbed off on us.

I am talking about my mother, Katherine Virginia Davis Price Olin, a great lady.

EL SALVADOR LIKE VIETNAM

(Mr. JACOBS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JACOBS. Madam Speaker, would it not be nice if the State Department, with its words, would say that the situation in El Salvador is developing pretty much the same as did the situation in Vietnam, and with its actions, would say that it is not, rather than the other way around.

My father says there are too many people making history who have never studied history.

□ 1030

IS WAR HERO, M. SGT. ROY P. BENAVIDEZ, TO BE DENIED DISABILITY BENEFITS?

(Mr. ORTIZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ORTIZ. Madam Speaker, today, all of us should be aware of the sad plight of M. Sgt. Roy P. Benavidez, who has been denied his social security disability benefits.

Allow me to briefly state some facts in this case: Benavidez, a former Green Beret, credited with saving the lives of at least eight other Green Berets after he sustained severe wounds in the abdomen, back, thigh, head, and arms and being clubbed by an enemy soldier; unable to bend, lift heavy objects or stand for a long period; awarded the Medal of Honor by President Reagan in February 1981.

I ask my colleagues: Is this the way to treat a disabled war hero? If it were not for brave people like Sgt. Roy Benavidez, would we have the freedoms that we enjoy today? What lessons are his children learning about our democracy from this heartless action? How many other veterans are caught in a similar situation but have not received the publicity Sergeant Benavidez has in order to fight this cruel ruling? Finally, Sergeant Benavidez was there

when his country needed him. Where are we now that he needs us?

ADMINISTRATION SHOWS CALLOUS DISREGARD IN BENAVIDEZ CASE

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Madam Speaker, let me associate myself with the remarks of the gentleman from Texas, Sergeant Roy Benavidez is, indeed, a victim of this administration's callous disregard for human dignity.

His being removed from the social security disability rolls makes him just one of 300,000 who have been thrown into the cold under the guise of fiscal responsibility. The difference is that Sergeant Benavidez is a Medal of Honor recipient. The President, in fact, pinned it on him personally.

The House Aging Committee, on which I serve, has just concluded the second in its series of field hearings into these arbitrary and unfair cutbacks. Our findings are staggering. One woman told of her husband who terminated from disability, suffered three heart attacks. His fourth was fatal.

The White House has placed the blame on Congress for the fate of Sergeant Benavidez. Another administration offical says the President has taken a personal interest in the war hero's case.

Will the President also take a personal interest in the plight of the many thousands who suffer pain and anguish, much like Sergeant Benavidez?

Sergeant Benavidez saved American lives from the hostile government in Vietnam. Through public awareness of his misfortune, he may again save more American lives—but this time from his own Government.

OFFERING OF JOBS AMENDMENT THWARTED IN YESTERDAY'S ACTION

(Mr. WALKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALKER. Madam Speaker, we received some good news on the unemployment front this morning. The number of unemployed Americans dropped again last month. The number is still far too high, but it is getting better.

Why does the figure remain as high as it is? One reason is that there are particular groups of Americans with horrendously high unemployment in their ranks. The unemployment rate among minority youth is nearly 50 percent, and among minority males it went up 5 points last month when overall unemployment was dropping.

Yet yesterday this House voted not to discuss an amendment designed to help that very group of Americans. I was prepared to offer an amendment yesterday that would permit the Secretary of Housing to have regulatory discretion to give more minority young people jobs, real jobs, and yet this House voted not to even consider that amendment.

Who really wants to help the unemployed? Who has real compassion for those who suffer the most? Look at yesterday's vote on allowing the committee to rise rather than consider a jobs amendment. Those who voted yes on that motion were voting for more unemployment.

A NEW DEPARTMENT OF TRADE

(Mr. ROTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTH. Madam Speaker, I am delighted and was happy to see that Secretary Baldrige and our Secretary of Trade, Bill Brock, have agreed that we do need a Department of Trade. This Department of Trade will be in lieu of our Commerce Department and will coordinate all of our trade objectives. As our markets are becoming more and more internationalized, I think we can all see the need for this Department.

Senator ROTH in the other body and our colleague, the gentleman from Washington (Mr. BONKER) have introduced legislation to help promote and establish this department.

Madam Speaker, I hope that we all will have a chance to study the legislation and to cosponsor the legislation. I think it is going to be one of the most important pieces of legislation Congress will consider in this session.

Trade will be an issue of more and more significance to the United States and all nations. Jobs, our standard of living, our economic well-being are all going to resolve more and more around trade.

THE WILLIAMSBURG SUMMIT

(Without objection, Mr. MICHEL was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, today's Washington Post reports that our colleague, Mr. COELHO, has charged that everything in the recent Williamsburg summit was directed toward public relations.

The Post reported that Mr. COELHO said "ruefully" that "a President dominates the news." Let me say the leaders of the Western World do not agree with the gentleman's assessment that this was a PR affair.

The Post further reported that Mr. COELHO said his party is compromising with the President in foreign affairs because such compromise "destroys" foreign affairs as "an issue—that may not be a bad strategy."

Mr. Speaker, rarely do I comment on the internal affairs of the other party, but I feel that I have no choice.

If Mr. COELHO indeed speaks for his party as Chairman of the Democratic Congressional Campaign Committee, I must say he does a disservice to the many patriotic Democrats who support the President's foreign and defense policies.

They do not do so for political gain. They do not do so as part of a campaign strategy. They do so out of love for their country and of sincere commitment to the principles of strong defense.

Mr. Speaker, I commend those gentlemen and ladies who are supporting the President when they feel inclined to do so.

PROPOSED AMENDMENTS TO LEGISLATIVE APPROPRIATIONS BILL

(Mr. BROWN of Colorado asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. BROWN of Colorado. Mr. Speaker, this morning we will be considering seven amendments to the legislative appropriations bill. They are moderate amendments. None is draconian.

They are meant to address the serious problem of the deficit, and they speak in words louder than just the amount they save this Government and the taxpayers of our country. They set an example for our country. They tell the citizens of this Nation that we in the House are willing to address our own problems, to eliminate our own waste, and to address our own abuses.

With several exceptions, these amendments provide for 5-percent increases over last year. The goal that the committee announced in its report was for the same level of increase. The amendments are meant to provide increases in our expenses but only moderate ones.

Mr. Speaker, I hope that all the Members in the Chamber will take the time to examine those amendments because they are meant as a positive input for the legislative process.

LEGISLATIVE BRANCH APPROPRIATIONS, 1984

Mr. FAZIO. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 3135)

making appropriations for the legislative branch for the fiscal year ending September 30, 1984, and for other purposes.

The SPEAKER pro tempore (Mr. PEASE). The question is on the motion offered by the gentleman from California (Mr. FAZIO).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SENSENBRENNER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 301, nays 10, answered "present" 1, not voting 120, as follows:

[Roll No. 155]

YEAS—301

Ackerman	DeWine	Hunter
Akaka	Dicks	Hyde
Albosta	Dingell	Jacobs
Alexander	Donnelly	Jeffords
Anderson	Dowdy	Jenkins
Andrews (NC)	Dreier	Johnson
Andrews (TX)	Duncan	Jones (NC)
Annunzio	Durbin	Jones (OK)
Anthony	Dwyer	Kaptur
Applegate	Dyson	Kasich
Archer	Early	Kastenmeier
Aspin	Eckart	Kemp
Barnard	Edgar	Kennelly
Barnes	Edwards (CA)	Kildee
Bartlett	Edwards (OK)	Kindness
Bateman	English	Kogovsek
Bates	Erdreich	Kramer
Bedell	Erlenborn	LaFalce
Beilenson	Evans (IA)	Lagomarsino
Bennett	Evans (IL)	Lantos
Bereuter	Fascell	Latta
Bethune	Fazio	Leath
Bilirakis	Feighan	Lehman (CA)
Bliley	Ferraro	Leland
Boehlert	Fiedler	Levin
Boggs	Fish	Levitas
Boland	Flippo	Lewis (CA)
Boner	Foley	Livingston
Bonior	Ford (MI)	Loeffler
Borski	Ford (TN)	Long (LA)
Boucher	Frank	Long (MD)
Boxer	Franklin	Lott
Breaux	Fuqua	Lowery (CA)
Britt	Gejdenson	Lowry (WA)
Brooks	Gekas	Luken
Broomfield	Gephardt	Lundine
Brown (CO)	Gibbons	Lungren
Broyhill	Gilman	Mack
Burton	Gingrich	MacKay
Byron	Gonzalez	Madigan
Campbell	Goodling	Marriott
Carper	Gray	Martin (IL)
Carr	Green	Martin (NC)
Chappell	Guarini	Matsui
Clarke	Gunderson	Mavroules
Clinger	Hall, Ralph	Mazzoli
Coleman (MO)	Hall, Sam	McCandless
Coleman (TX)	Hamilton	McCloskey
Conable	Hammerschmidt	McCollum
Cooper	Harrison	McCurdy
Coughlin	Hatcher	McDade
Courter	Hefner	McEwen
Coyne	Hertel	McHugh
Crane, Daniel	Hiler	McKernan
Crane, Philip	Hillis	McNulty
D'Amours	Hopkins	Michel
Dannemeyer	Horton	Mikulski
Daschle	Howard	Miller (CA)
Daub	Hoyer	Miller (OH)
Davis	Hubbard	Mineta
de la Garza	Hughes	Minish
Mitchell	Roberts	Sundquist
Moakley	Robinson	Swift
Molinari	Rodino	Synar
Mollohan	Roe	Tallon
Montgomery	Roemer	Tauke
Moody	Rogers	Tauzin
Moore	Rose	Taylor
Moorhead	Rostenkowski	Thomas (CA)
Mrazek	Roth	Thomas (GA)
Murphy	Roukema	Towns
Murtha	Rowland	Traxler
Myers	Roybal	Udall
Natcher	Rudd	Valentine
Neal	Savage	Vento
Nowak	Sawyer	Volkmer
O'Brien	Schaefer	Walgren
Oakar	Scheuer	Walker
Oberstar	Schroeder	Watkins
Obey	Schulze	Waxman
Olin	Schumer	Weaver
Ortiz	Seiberling	Weber
Oxley	Sharp	Wheat
Packard	Shelby	Whitley
Parris	Simon	Whittaker
Patman	Skeen	Whitten
Patterson	Smith (IA)	Williams (OH)
Paul	Smith (NE)	Wise
Pease	Smith (NJ)	Wolf
Penny	Smith, Robert	Wolpe
Perkins	Snowe	Wright
Petri	Snyder	Wyden
Pickle	Solarz	Wylie
Porter	Spratt	Yates
Rahall	Staggers	Yatron
Ratchford	Stangeland	Young (FL)
Ray	Stark	Young (MO)
Regula	Stenholm	Zablocki
Reid	Stokes	Zschau
Ridge	Studds	
Rinaldo	Stump	

NAYS—10

Coats	Hartnett	Sensenbrenner
Dorgan	Lujan	Solomon
Emerson	McDonald	
Gregg	Ritter	

ANSWERED "PRESENT"—1

Ottinger

NOT VOTING—120

Addabbo	Gore	Owens
AuCoin	Gradison	Panetta
Badham	Gramm	Pashayan
Berman	Hall (IN)	Pepper
Bevill	Hall (OH)	Price
Biaggi	Hance	Pritchard
Bonker	Hansen (ID)	Pursell
Bosco	Hansen (UT)	Quillen
Brown (CA)	Harkin	Rangel
Bryant	Hawkins	Richardson
Carney	Heftel	Russo
Chandler	Hightower	Sabo
Chappie	Holt	Schneider
Cheney	Huckaby	Shannon
Clay	Hutto	Shaw
Coelho	Ireland	Shumway
Collins	Jones (TN)	Shuster
Conte	Kazen	Sikorski
Conyers	Kolter	Siljander
Corcoran	Kostmayer	Sisisky
Craig	Leach	Skelton
Crockett	Lehman (FL)	Slattery
Daniel	Lent	Smith (FL)
Dellums	Levine	Smith, Denny
Derrick	Lewis (FL)	Spence
Dickinson	Lipinski	St Germain
Dixon	Lloyd	Stratton
Downey	Markey	Torres
Dymally	Marlenee	Torricelli
Edwards (AL)	Martin (NY)	Vander Jagt
Fields	Martinez	Vandergriff
Florio	McCain	Vucanovich
Foglietta	McGrath	Weiss
Forsythe	McKinney	Whitehurst
Fowler	Mica	Williams (MT)
Frenzel	Morrison (CT)	Wilson
Frost	Morrison (WA)	Winn
Garcia	Nelson	Wirth
Gaydos	Nichols	Wortley
Glickman	Nielson	Young (AK)

□ 1050

So the motion was agreed to.

The result of the vote was announced as above recorded.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3135, with Mr. DE LA GARZA in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Thursday, June 2, the remainder of the bill beginning on page 3, line 19, had been considered as having been read and open to amendment at any point. Are there any amendments in order under clause 2(c), rule XXI?

AMENDMENT OFFERED BY MR. GREGG

Mr. GREGG. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

SPECIAL AND SELECT COMMITTEES

For salaries and expenses of special and select committees authorized by the House, $44,000,000.

The Clerk read as follows:

Amendment to H.R. 3135 offered by Mr. GREGG: On page 5, line 17, strike out "$44,000,000" and insert in lieu thereof "$2,600,000".

Mr. GREGG (during the reading). I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there any objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. GREGG. The purpose of this amendment, Mr. Chairman, is to address the issue of special and select committee funding.

Under the language of the bill as it is presently drafted there is $44 million planned for select and special committee funding. Now, as I read the activities of select and special committees the total funding last year for select and special committees spent was only $2.7 million. This represents under the language of this bill as it is presently drafted, if I am correct, a 2,000 percent increase, because there is no representation that anything other than special and select committees are covered by this language.

Now, it is possible that the bill is inaccurate; that there is supposed to be included in here some other form of funding that this $44 million is going to be spent on, but with all the money we spend on staff around here I cannot believe that that would be the case. So, I am assuming that actually this bill is calling for $44 million for special and select committees, which is a $41 million increase in the funding for those committees.

Now, I could be wrong and I would certainly be willing to withdraw this amendment if that is an incorrect statement.

Mr. FAZIO. Mr. Chairman. will the gentleman yield?

Mr. GREGG. I yield to the gentleman from California.

Mr. FAZIO. I thank the gentleman for yielding.

Mr. Chairman, I think if the gentleman would turn in the report accompanying the bill, to page 13, he will find a list of the committees that are being funded under this category that are funded at levels authorized in House Resolution 127 of March 22 of this year; and if he will read through the list of committees that have amounts authorized he will come to a figure of some $43.2 million, almost $44 million.

So, the gentleman's amendment which reduces it, I want to underscore this, to $2.6 million, would severely reduce the ability of all of the committees of the House, not just select committees, to do their job. And I think the gentleman probably does not intend for that to occur.

If I may go on for a second, the increase that we provide for here in fiscal year 1984 is really only 1.6 percent more than was authorized for this calendar prior year.

So, I would think that, one, we are being very responsible, in keeping almost a steady state budget for this category, but second, this funding goes to far more basic activities than simply the staffing of select committees.

□ 1100

Mr. GREGG. Well, is the gentleman representing that special is a euphemism for standing?

Mr. FAZIO. This account funds all the standing committees, as well as the special and select committees. The funding for the standing committees takes care of their investigation funds over and above those statutory employees provided by rule XI of the House.

Mr. GREGG. Special, by definition, means unusual, extraordinary, exceptional; standing means typical, ordinary and consistent. Now it would seem to me that maybe we should amend this language to include the term standing in order that it be clear that what we are appropriating for is the standing committees and not the special and select committees, which I think by definition are different committees.

Mr. FAZIO. I appreciate the gentleman's clarification of this point. I am sure that Members are far better informed than they were before this amendment was offered. And I also appreciate the gentleman's willingness to withdraw it, if the gentleman feels we have accomplished our purpose in informing the Members as to the details of this particular account.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. GREGG. I yield to the gentleman from California.

Mr. LEWIS of California. I thank the gentleman for yielding.

Mr. Chairman, I think the gentleman raises a good point. This title at best, is misleading in describing this section of the bill and the purpose we are about here. It might well be that if the gentleman would consider withdrawing his amendment, that in technical corrections of the bill we might change that title to make it clearer than it is. If the gentleman does raise the question, the public could also be in doubt.

Mr. FAZIO. If the gentleman will yield further, I would have no problem with better informing the public as to what we are funding here.

Mr. GREGG. That would be fine with me if we would change the language so this section becomes, Standing, Special and Select Committees, so that it becomes clear that what we are doing here is funding $44 million for all the committees of the House and not just for the special and select committees of the House, that would be, I think, much more appropriate, obviously, because $44 million to be spent on those minor committees would be excessive.

More importantly than that, I think it points out, from my concern, the rather considerable amount of money therefor that is being spent on standing committees, if standing committees is identified in this language.

If the chairman would agree to an amendment of this——

Mr. FAZIO. If the gentleman would yield further, my concern is only this: I do not understand the full ramifications of changing the title. I think we would have to look at the rules of the House, and the precedents that we are dealing with here.

The CHAIRMAN. The time of the gentleman from New Hampshire (Mr. GREGG) has expired.

(By unanimous consent, Mr. GREGG was allowed to proceed for 3 additional minutes.)

Mr. FAZIO. I cannot readily indicate to the gentleman what implications a technical amendment might have. I certainly support the clarification. I have no problem with it and would like to indicate to the gentleman that at some point in the future I would be very much willing to make the change that he is asking for. I am reluctant to simply agree to an amendment at this point without knowing the full ramifications of this in the sense that we are dealing in an area of the law that is based on the rules of the House and on historic precedent that may actually lead us in some other direction that neither he nor I could foresee at this time.

I do commit to the gentleman that I would like to explore this further and if we can change the title in future legislation, I certainly would support the gentleman's efforts.

Mrs. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. GREGG. I yield to the gentlewoman from Louisiana.

Mrs. BOGGS. I thank the gentleman for yielding.

Mr. Chairman, I was going to make the point the gentleman from California, chairman of the subcommittee has just made. We use various archaic terms in our House language. We call the assistant majority leader and minority leader whips, for instance, and it may be that within the House language that "special" would require some real change so that the historic background of special committees would be able to be on the record. Perhaps we could be able to satisfy both situations by saying, "Special (Standing) Committees."

Mr. GREGG. As long as it is clear that this is a standing committee allocation, which I believe is the point I wanted to raise, because "special" I believe is a different kind of committee than a "standing" committee, by definition.

Therefore, clearly this is a standing committee allocation.

I will accept the chairman's representations and be happy to work with him so that we can get more clarification in the language of the bill, because quite honestly I believe that this bill passed in its present form you could be subject to some sort of injunctive relief, or at least any injunctive action, to the effect that you simply have not funded your standing committees in this House, but independent of that, I will be happy to amend my amendment so that it now reads that on page 5, line 17, strike out "$44 million" and insert in lieu thereof "$38 million," if the chairman would agree to allow me to make that amendment by unanimous consent so that I can address the funding of standing committees within this bill.

Mr. FAZIO. Well, I would have to reserve the right to object to that. I do not believe that really was the original intent of the gentleman's amendment.

Mr. GREGG. Yes; it is, if I may reclaim my time, because what I am trying to do here is address this figure of $44 million. Now if it were just special and select committees——

The CHAIRMAN. The time of the gentleman from New Hampshire (Mr. GREGG) has again expired.

(By unanimous consent, Mr. GREGG was allowed to proceed for 3 additional minutes.)

Mr. GREGG. Mr. Chairman, if the language were special and select, then the committee funding we would be talking about is in the range of $2.7 million, that is what is spent on special and select committees in this House.

However, if the language is "special, standing and select," whatever the chairman works out to adequately reflect that, then this language of $44 million, rather than reducing it to $2.6 million to cover special and select, should be reduced, in my opinion, to cover special, select, and standing committees, and the proper figure, in my opinion, would be $38 million, in that area, which would get us back to the 1983 levels prior to the supplemental going through, prior to the 12 percent, which is the amendment that I would like to direct toward the standing committee funding levels.

Mr. FAZIO. The gentleman obviously has two purposes with his amendment. And should he seek unanimous consent to make that change, I certainly would not object, but I think there clearly is a separate purpose in this amendment that the gentleman is now attempting to offer.

Mr. GREGG. That is correct, Mr. Chairman. What I am trying to do with this amendment is address standing committees. Prior to that I was trying to address this section as I read it, which was just limited to select and special committees.

If the chairman follows the logic and I hope I am being clear enough, under the prior language where standing committees were not considered in this section, $44 million was clearly inappropriate. It should have been $2.7 million, $2.6 million. Under the language, if we assume that this is going to be standing committees funding levels, then we should also take a look at standing committees. In my opinion, the standing committee funding level of $44 million is far too high and should be reduced, when we are talking about investigatory staff.

Mr. Chairman, I ask unanimous consent to change my amendment from a reduction to $2.6 million to a reduction to $38 million.

The CHAIRMAN. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

The CHAIRMAN. The amendment is so modified.

The text of the amendment, as modified, is as follows:

Amendment offered by Mr. GREGG: On page 5, line 17, strike out "44,000,000" and insert in lieu thereof "38,000,000".

The CHAIRMAN. The time of the gentleman from New Hampshire (Mr. GREGG) has again expired.

(By unanimous consent, Mr. GREGG was allowed to proceed for 3 additional minutes.)

Mr. GREGG. Mr. Chairman, if we accept the fact that this section addresses standing committees and that the $44 million addressed here is addressed to standing and select committees—which I do not think the language reads that way now but we are going to change it so hopefully it will—then we are looking at a significant funding increase over what we originally authorized in 1983 and what we specifically spent in 1982.

We are looking at a 12-percent increase over the 1982 actual spending and we are looking to an 8.4-percent increase over 1982 authorized funds and 1983 authorized funds prior to the supplemental. That is a considerable increase.

Therefore, it seems to me, that by a reduction back to the 1982 levels of actual expenditures, we would be reflecting, in my opinion, a much more sincere attempt to bring under control the cost of this House in what has been one of the most explosive areas of expenditures, that specifically is the area of investigative staff. In fact, if we look at the history of investigative staff over the last 10 years, we will see that we are looking at a 300- to 400-percent increase in the cost of investigative staffs of this House over the last 10 years.

□ 1110

We are seeing a 300- to 400-percent increase in the numbers of investigative staffs. There are committees in this House who have gone from the numbers in the low teens in the early 1970's into the hundreds in staff members in the 1980's without any significant increase in the workload of those committees and, in fact, some of those committees have seen a reduction in their workload.

It would seem to me that if you were going to take the point on the issue of bringing under control our high deficits, that we as a Congress ought to at least be willing to do some level funding in the area of our committee staffs, not expand the dollars being spent on them over the next year, over the coming year.

Mr. TRAXLER. Mr. Chairman, will the gentleman yield?

Mr. GREGG. I yield to the gentleman from Michigan.

Mr. TRAXLER. I thank the gentleman for yielding.

Mr. Chairman, what the gentleman says, incidentally, is absolutely correct. The gentleman is totally right on his figures.

The Congress of the 1980's is substantially different from the Congress of the early 1970's. In the early 1970's the committee chairmen were barons and kings, and the committees were their fiefdoms. As a result of the reforms made in the mid-1970's, the subcommittees assumed greater and great responsibilities. As a result of that activity and the division of authority and the increasing assertiveness on the part of the subcommittees and the Members, it was necessary, in my judgment, that those subcommittees be funded.

Incidentally, as the gentleman knows, I am on the Appropriations Committee, and I am not on any of the legislative committees. I have never personally benefited from any of these changes, but I want to tell the gentleman that I totally supported the division of authority within the committees in the granting to the subcommittees of greater authority. As a result of that, there was a necessity, a corollary, for greater funding for the subcommittees and for their investigative staffs, which were nonexistent prior to that time.

So what the gentleman calls an explosive development is correct. But there was a reason for it, not simply bureaucracy, but because of the decisions that were conscientiously made by this body to diffuse some of the power barons that had developed in the Congress over the years. I think that was the right decision and the correct one. I know the gentleman does not want to go back to the old ways.

The CHAIRMAN. The time of the gentleman from New Hampshire (Mr. GREGG) has expired.

(By unanimous consent, Mr. GREGG was allowed to proceed for 1 additional minute.)

Mr. GREGG. Mr. Chairman, accepting that argument, which I may or may not accept—I was not here then, and I presume that there was also the necessity to research legislation during the early 1970's, as there is now—accepting that argument, what I am saying is that we are not continuing that transition. We have gone through that transition. We are at a level where we are seeing huge staffs on all major committees in this House and staffs which clearly should be able to handle the workloads.

In fact, when you look at a comparison between the minority staff and the majority staff on most of these committees, and you expect the minority to handle their staff, for example, on Commerce and Energy, with 20 or so members, and the majority has 150 members on its staff, you have to assume that the staff work can be done with the staff that is allocated because, clearly, with those ratios, at least one side is getting their work done with a small number of staff people.

So it seems to me that we ought to be able to at least level fund our staffing commitments in this House over the next year as we confront a $200 billion deficit, if we are going to ask other levels of the Government to reduce or level fund themselves. Why should we not take the initiative? What I am saying is that we should present an example here by level funding our situation.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. GREGG. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I have great difficulty with the gentleman's amendment, but not in terms of the desirability of cutting back some of our committees. It is clear that some of our committees have exploded in terms of their numbers. We ought to be able to do something about that. Unfortunately, I find myself in a very frustrating position. As the gentleman knows, earlier this year the leadership which controls the House made a decision to change the rules, and this particular rule change that affects this bill does not allow us to specifically rifle at an individual committee. If we cut across the board, unfortunately we may find ourselves in the position where the Energy Committee of which the gentleman talks is not the one that is cut but, rather, a committee that we think is understaffed. Because of that, it is difficult to just lightly accept an across-the-board cut. Frankly, it seems to me that the job we have to do is to change those rules that forget about rifling at individual committees making changes where it is appropriate.

The CHAIRMAN. The time of the gentleman from New Hampshire (Mr. GREGG) has again expired.

(By unanimous consent, Mr. GREGG was allowed to proceed for 1 additional minute.)

Mr. GREGG. Mr. Chairman, I thank the gentleman for his remarks, and I would like to quickly respond that we went over this issue yesterday, of course, which is whether or not we should abate our efforts to try to bring under control spending at the committee levels because of the fact that we can no longer rifle our actual activities and reductions. And, yes, it is an impedement to our efforts. But if we accept that as a total impediment, then we are never going to get any control over our spending because we will never be able to make any significant changes in these appropriation bills as they come out of the subcommittee. Therefore, I think we have to make the tough decision that we are going to make the across-the-board cut and send it back to the various committees and hope that it is done fairly.

Mr. FAZIO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we heard a good deal yesterday and we obviously will hear a good deal more today about the need to take the initiative here in the legislative branch and to show the way toward reductions in the budget.

I think the Members need to hear perhaps, one more time that we are doing that in the legislative branch.

This is not a profligate spending bill. We are making progress, and we have made progress, in the very areas that the gentleman from New Hampshire is talking about. Specifically, let us look at the legislative branch versus the executive branch in terms of funding right now. This is virtually the same budget we had last year. The increase over the current fiscal year 1983 level is only three-tenths of 1 percent in this bill. And this is not the first time that that has occurred, Mr. Chairman. Since 1979 the legislative branch appropriation has grown at an annual rate of 5.3 percent while the Federal Government has grown at an 11.6-percent rate, and all during the time when the annual inflation rate has been around 8 percent on the average.

In effect, the Federal budget has been growing at a rate over twice as fast as the legislative branch budget. In the meantime, it could be said very fairly that we have had a real dollar decline in the legislative branch budget. But specifically as it relates to special and select committees and, as the gentleman has so aptly pointed out, which includes the investigative funds for the standing committees, we have in this bill only a 1.6-percent increase over the amount authorized for calendar 1983.

As I have indicated, the staff of the legislative branch has been declining. We have had an absolute reduction for the last 2 years in the number of people employed in the legislative branch. And as it relates to committee staff, we have had a reduction of 143 people since 1980. We essentially have had level staffing since 1978. And that is, by the way, with the addition of the new Select Committee on Families, Children and Youth. So we are making progress. We are doing more with the same number of people, or less.

I think we are setting the example that the gentleman wants us to set. If we were to accept his amendment, we would be cutting into the core of the staffing of the very important standing committees and the very significant select committees that the Members of this House have decided on more than one occasion are important and necessary to the conduct of our business.

So, Mr. Chairman, I think we are doing what the gentleman is asking. I think we have done it year after year. I ask for a "no" vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Hampshire (Mr. GREGG).

The question was taken; and on a division (demanded by Mr. GREGG) there were—ayes 17, noes 18.

RECORDED VOTE

Mr. GREGG. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 133, noes 189, not voting 110, as follows:

[Roll No. 156]

AYES—133

Andrews (TX)	Gregg	Packard
Applegate	Gunderson	Patman
Archer	Hall, Ralph	Patterson
Bartlett	Hall, Sam	Paul
Bateman	Hammerschmidt	Petri
Bennett	Hansen (ID)	Regula
Bereuter	Hartnett	Ridge
Bethune	Hiler	Ritter
Bilirakis	Hillis	Roberts
Bliley	Hopkins	Robinson
Boehlert	Hubbard	Roemer
Breaux	Hunter	Rogers
Brown (CO)	Hyde	Roth
Broyhill	Jacobs	Roukema
Burton	Johnson	Rudd
Campbell	Kasich	Schaefer
Carper	Kemp	Schulze
Clinger	Kindness	Sensenbrenner
Coats	Kramer	Skeen
Coleman (MO)	Lagomarsino	Smith (NE)
Conable	Latta	Smith, Robert
Coughlin	Leath	Snowe
Courter	Livingston	Solomon
Crane, Daniel	Loeffler	Stenholm
Crane, Philip	Lott	Stump
Daniel	Lowery (CA)	Sundquist
Dannemeyer	Lujan	Tauke
Daub	Lungren	Tauzin
DeWine	Mack	Taylor
Dreier	Madigan	Thomas (CA)
Duncan	Martin (IL)	Valentine
Early	Martin (NC)	Vander Jagt
Eckart	McCandless	Volkmer
Edwards (OK)	McCollum	Walgren
Emerson	McDonald	Walker
Erdreich	McEwen	Weber
Erlenborn	McKernan	Whittaker
Evans (IA)	Michel	Williams (OH)
Fiedler	Miller (OH)	Winn
Fish	Molinari	Wolf
Franklin	Moore	Wylie
Gekas	Moorhead	Young (FL)
Gibbons	O'Brien	Zschau
Gingrich	Olin	
Goodling	Oxley	

NOES—189

Ackerman	Dyson	Levitas
Akaka	Edgar	Lewis (CA)
Albosta	Edwards (CA)	Long (LA)
Alexander	English	Long (MD)
Anderson	Evans (IL)	Lowry (WA)
Andrews (NC)	Fascell	Luken
Annunzio	Fazio	Lundine
Anthony	Feighan	MacKay
Aspin	Ferraro	Markey
Barnard	Flippo	Marriott
Barnes	Foley	Matsui
Bates	Ford (MI)	Mavroules
Bedell	Ford (TN)	Mazzoli
Beilenson	Frank	McCloskey
Boggs	Fuqua	McCurdy
Boland	Gejdenson	McDade
Boner	Gephardt	McHugh
Bonior	Gilman	McNulty
Borski	Gonzalez	Mikulski
Bosco	Gray	Miller (CA)
Boucher	Green	Mineta
Boxer	Guarini	Minish
Britt	Hamilton	Mitchell
Brooks	Harrison	Moakley
Broomfield	Hatcher	Mollohan
Byron	Hefner	Montgomery
Carr	Hertel	Moody
Chappell	Horton	Mrazek
Clarke	Howard	Murphy
Coleman (TX)	Hoyer	Murtha
Cooper	Hughes	Myers
Coyne	Jeffords	Natcher
D'Amours	Jenkins	Neal
Daschle	Jones (NC)	Nowak
Davis	Jones (OK)	Oakar
de la Garza	Kaptur	Oberstar
Dellums	Kastenmeier	Obey
Dicks	Kennelly	Ortiz
Dingell	Kildee	Ottinger
Donnelly	Kogovsek	Owens
Dorgan	LaFalce	Parris
Dowdy	Lantos	Pease
Downey	Lehman (CA)	Penny
Durbin	Leland	Perkins
Dwyer	Levin	Pickle

Porter	Sharp	Traxler
Rahall	Shelby	Udall
Ratchford	Simon	Vandergriff
Ray	Smith (IA)	Vento
Reid	Smith (NJ)	Watkins
Rinaldo	Snyder	Waxman
Rodino	Solarz	Weaver
Roe	Spratt	Wheat
Rose	Staggers	Whitley
Rostenkowski	Stangeland	Whitten
Rowland	Stark	Wise
Roybal	Stokes	Wolpe
Savage	Studds	Wright
Sawyer	Swift	Wyden
Scheuer	Synar	Yates
Schroeder	Tallon	Yatron
Schumer	Thomas (GA)	Young (MO)
Seiberling	Towns	Zablocki

NOT VOTING—110

Addabbo	Gradison	Panetta
AuCoin	Gramm	Pashayan
Badham	Hall (IN)	Pepper
Berman	Hall (OH)	Price
Bevill	Hance	Pritchard
Biaggi	Hansen (UT)	Pursell
Bonker	Harkin	Quillen
Brown (CA)	Hawkins	Rangel
Bryant	Heftel	Richardson
Carney	Hightower	Russo
Chandler	Holt	Sabo
Chappie	Huckaby	Schneider
Cheney	Hutto	Shannon
Clay	Ireland	Shaw
Coelho	Jones (TN)	Shumway
Collins	Kazen	Shuster
Conte	Kolter	Sikorski
Conyers	Kostmayer	Siljander
Corcoran	Leach	Sisisky
Craig	Lehman (FL)	Skelton
Crockett	Lent	Slattery
Derrick	Levine	Smith (FL)
Dickinson	Lewis (FL)	Smith, Denny
Dixon	Lipinski	Spence
Dymally	Lloyd	St Germain
Edwards (AL)	Marlenee	Stratton
Fields	Martin (NY)	Torres
Florio	Martinez	Torricelli
Foglietta	McCain	Vucanovich
Forsythe	McGrath	Weiss
Fowler	McKinney	Whitehurst
Frenzel	Mica	Williams (MT)
Frost	Morrison (CT)	Wilson
Garcia	Morrison (WA)	Wirth
Gaydos	Nelson	Wortley
Glickman	Nichols	Young (AK)
Gore	Nielson	

□ 1130

The Clerk announced the following pairs:

On this vote:

Mr. Nichols for, with Mr. Addabbo against.

Mr. Shaw for, with Mr. Hall of Ohio against.

Mr. Wortley for, with Mr. Pepper against.

Mrs. Vucanovich for, with Mr. Hawkins against.

Mr. Quillen for, with Mr. Dixon against.

Mr. Gramm for, with Mr. Dymally against.

Mr. Badham for, with Mr. Rangel against.

Mr. Pashayan for, with Mr. Garcia against.

Mr. Chappie for, with Mr. Nelson of Florida against.

Mr. Siljander for, with Mr. Bonker against.

Mr. Denny Smith for, with Mr. Smith of Florida against.

Mr. Lewis of Florida for, with Mr. Sisisky against.

Mr. Corcoran for, with Mr. Lehman of Florida against.

Mr. Cheney for, with Mr. Florio against.

Mr. Pursell for, with Mr. Morrison of Connecticut against.

Mr. Craig for, with Mr. Crockett against.

Mr. McCain for, with Mrs. Collins against.

Mr. DAVIS and Mr. AKAKA changed their votes from "aye" to "no."

Mr. KINDNESS changed his vote from "no" to "aye."

So the amendment, as modified, was rejected.

The result of the vote was announced as above recorded.

Mr. SAM B. HALL, JR. Mr. Chairman, I move to strike the last word.

Mr. Chairman, in looking over the report language of this bill, I notice that it will cost about $384 million to operate the House of Representatives for fiscal year 1984. That appears on page 9 of the report. On page 10 of the report appears an item on which I would like to ask the gentleman from California (Mr. FAZIO) to give me some assistance.

It states that the LBJ intern program and former Speaker's staff will cost $847,000 for fiscal year 1984.

Can the gentleman from California tell me how much money will be spent in fiscal year 1984 for the funding of the operation of the staff of the former Speaker, the Honorable Carl Albert of Oklahoma?

□ 1140

Mr. FAZIO. If the gentleman from Texas will give us a second, I will get that figure for him. If the gentleman will yield, it is a portion of the $847,000.

Mr. SAM B. HALL, JR. I will yield to the gentleman. It states that the LBJ intern program and the former Speakers' staff will cost $847,000. My question is: Of the $847,000, how much of that is devoted to or is earmarked for the former Speakers' staff?

Mr. FAZIO. We are researching the question right now, if the gentleman will give us a second. This question did come before the subcommittee and at that time I remember responding by indicating that the majority of the funding is for the LBJ program.

The former Speakers' program is $64,000 of the total of $847,000 in the bill for those two items.

Mr. SAM B. HALL, JR. The $64,000 is for the former Speakers' staff?

Mr. FAZIO. The gentleman is correct.

Mr. SAM B HALL, JR. I yield back the balance of my time.

AMENDMENT OFFERED BY MR. BARTLETT

Mr. BARTLETT. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

CONTINGENT EXPENSES OF THE HOUSE

ALLOWANCES AND EXPENSES

For allowances and expenses as authorized by House resolution or law, $103,242,000, including: Official Expenses of Members, $67,200,000; supplies, materials, administrative costs and Federal tort claims, $9,208,000; furniture and furnishings, $985,000; stenographic reporting of committee hearings; $700,000; reemployed annuitants reimbursement, $2,300,000; Government contributions to employees' life insurance fund, retirement fund, and health benefits fund, $22,349,000; and miscellaneous items including, but not limited to, purchase, exchange, maintenance, repair and operation of House motor vehicles, interparliamentary receptions and gratuities to heirs of deceased employees of the House, $500,000.

The Clerk read as follows:

Amendment offered by Mr. BARTLETT: On page 4, line 22, strike out, "$103,242,000" and insert "$96,268,550".

On line 23 strike out "$67,200,000" and insert "$60,226,550".

Mr. BARTLETT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BARTLETT. I thank the Chairman, because this is an amendment that I believe that the House will want to pay careful attention to. I would tell the House what this amendment does is in the area of official expenses increases over last year.

This gentleman's amendment does not decrease funding; it increases funding by 5 percent and adds back the total amount of the supplemental for 1983. So this amendment would add to the fiscal year 1983 regular appropriation an additional 5 percent, and then add on 100 percent of the supplemental appropriation.

This would be in contrast with the committee version which would have added on 19 percent to last year's regular appropriation and added the supplemental appropriation on top of that. The difference, Mr. Chairman, is a difference between a 16-percent increase for official expenses in a year in which inflation is running at the 5-percent level or a 4.3-percent increase for official expenses in the same year.

In short, the committee version would spend $67,200,000 for official expenses, is up from $57 million in total, including supplementals, up almost $10 million from the total that was spent in 1983 to $67 million or a 16-percent increase.

This amendment, Mr. Chairman, is a reasonable amendment. It is an amendment that would introduce some reasonable rate of growth into official expenses instead of the unreasonable and much overbloated rate of growth of a 16-percent increase in 1 year.

I would further note, Mr. Chairman, that much of the inflation costs that have been built into the cost of these official expense—travel, typing, printing, rent, telephone expenses—have already been accounted for because, Mr. Chairman, since 1979 the increase for official expenses has been from $39

million in 1979 to now it would be almost double if we were to accept the committee recommendation.

There has been large inflation years in these items. But, Mr. Chairman, the big inflation increases are behind us and now we should take that into account.

I am not asking the committee to decrease funding. I am simply asking to control the growth of funding and to control the growth in these items.

I have agreed to add on the supplemental so the full total supplemental from last year is included.

I would simply read in support of the amendment from the committee report itself. The committee report states in the highlights of the bill, and this is the summary, I suppose, of the entire appropriation bill: "Generally, the bill allows for an inflation rate of 5 percent over the 1983 levels."

Generally, the bill allows for an inflation rate of 5 percent over 1983 levels. Mr. Chairman, I would suggest that that "generally" ought to apply to the specific of official expenses from Members. We are asking the rest of the Government, indeed the rest of the Congress, to control the rate of growth of the Federal Government. We are asking the taxpayers to control the rate of growth, and this Congress, with official expenses, ought to control the growth of official expenses to 5 percent from one year to the next.

This is a very clear amendment and very straightforward. If you are in favor of a 16-percent increase from one year to the next in official expenses you should vote against the amendment. If you are in favor of a 5-percent increase for official expenses from one year to the next, you should vote for the amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. FAZIO. Mr. Chairman, I rise in opposition to the amendment.

Mr. ALBOSTA. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I yield to the gentleman from Michigan.

Mr. ALBOSTA. Mr. Chairman, I rise in strong support of the language included in H.R. 3135, the legislative appropriations bill, freezing the pay for Members of Congress.

When this issue was considered last December I strongly opposed and voted against lifting the pay freeze for Members of Congress. This is not the time for pay raises when over 10 percent of the American people are out of work and this country is in a prolonged economic recession. We must set an example by not raising congressional pay but instead working for effective bipartisan solutions to our Nation's problems.

In my own State of Michigan there are over 650,000 people out of work. Economic recovery is and must remain our No. 1 priority. My record in opposition to congressional pay raises is clear and I am glad to have this opportunity to again speak out on the floor of the House of Representatives against any pay raise for Members of Congress. I support the provision in H.R. 3135 freezing congressional pay and urge my colleagues to support this legislation.

Mr. FAZIO. Mr. Chairman, the reason I oppose this is that we are essentially funding this account at a much lower rate, than the figure that has been authorized by the House Administration Committee under 2 U.S.C. 57, the law that is the primary authority for that committee administer those expenses. We are, and I want to underscore this, $17 million below the figure that the House Administration Committee has authorized for Members' allowances for their official expenses.

We have taken a very realistic view of what Members are likely to spend. And we are aware that each year many Members spend far less than they are allotted. We encourage that and we assume that will occur once again in fiscal year 1984. That is why we do not full fund these allowances in the bill.

There is no question that each individual Member must then be responsible for making the kinds of reductions in their own individual accounts that would be responsible and show our constituents that we are careful with these funds. There is no question, at the same time, that we all have different situations.

For example, if you look at some of the documentation that led the House Administration Committee to provide for an increase in the authorized amount you will note increases, in travel costs of some 15 percent. You will note increases in the cost of equipment and stationery equipment and other things that are beyond the average rate of inflation.

But I want to reiterate we have not gone along with the House Administration Committee authorized figure. We simply do not plug in a figure here. We are $17 million below it.

A further reduction would impair the ability that each one of us must have to serve our constituents and conduct our official business. If we do not need it, then we do not need to spend it.

I think it is important that the Members understand that they are the chief governor on the expenditure of their own accounts. They should take action individually. But if we were to take action here, as this amendment would, across the board, what we would be doing, aside from gutting the appropriations process, making it really irrelevent, would be to force some Members to take greater reductions than others based on the rate by which they spend money.

In effect we would be forcing some Members to spend money quicker so they could get a larger share of the allowances funding that would remain.

I think Members who are prudent and conservative, who apportion their funds over a full year, should not be penalized simply because the funds would run short before the end of the fiscal year.

We would be moving in exactly the wrong direction. We would, in effect, be pushing people to make wasteful expenditures in a hurry-up fashion and not to make the kind of rational expenditures that would account in the longrun for savings, for a number of Members return funds to the Treasury as a result of their planned and rational expenditures over a full year.

So I see no value in this sort of an across-the-board approach to funding which would fall upon the Members in a very inequitable way, and I urge opposition to this amendment.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I yield to the gentleman from Louisiana.

Mr. ROEMER. The gentleman said in his statement that the recommendation before the House from his committee is $17 million less. I would ask the gentleman: $17 million less than what?

□ 1150

Mr. FAZIO. Than the authorized figure.

Mr. ROEMER. Is the gentleman asking that less money be spent this year than last? Is it $17 million less than we spent last year?

Mr. FAZIO. That is the figure authorized by the Committee on House Administration under the rules of the House and the law of the land. We have a figure in the bill that is $17 million below what we could be appropriating if we went to the authorized amount. We are not going to the extent that the House Administration Committee felt was necessary. We are not going to the extent they felt justifiable based on the spiraling increases in expenditures that affect the Members' accounts.

Mr. ROEMER. If the gentleman will yield for a further question: I know the gentleman wants to present the facts straight to the House and I do not want anybody in the House, nor does the gentleman from California, to think that the recommendations before the House now, before the Bartlett amendment, would actually cut what is being spent in this area. What is being spent in this area is up from last year, I believe. Am I incorrect?

Mr. FAZIO. I did not make any implication that there was a cut in the appropriation under last year. What I am saying is that the increase over last

year is far below what could have been appropriated had we gone along with the amounts authorized, the numbers under the provisions of section 57 of title 2 of the United States Code.

Mr. ROEMER. I thank the gentleman.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment.

I would like to take this time to announce that at the proper time I am going to be offering an amendment which will allow Members on an individual basis to do what the author of this amendment wants us to do in the generic today. For a long time, frankly, I have been frustrated by Members of this body who will vote "No" and then take the pay anyway or vote "No" and take the office allowances anyway.

So, after this amendment is disposed of, one way or another, at the proper time I intend to offer an amendment which will provide that no part of the funds for office expenses for any Member shall be available above the level in effect on January 1, 1983, unless that individual Member certifies to the Committee on House Administration that that additional funding is necessary.

Because this Member is tired of being cheap shotted on these issues, I intend to insert in the RECORD at the end of this fiscal year, when the report to the Clerk becomes available, a comparison between the votes on this coming amendment and the actual amounts spent by each of those Members in their office accounts for the coming year.

Mr. LEWIS of California. Mr. Chairman, would the gentleman yield?

Mr. OBEY. I yield to the gentleman from California.

Mr. LEWIS of California. Am I correct in hearing what the gentleman is suggesting? Are you suggesting that you are going to propose an amendment that would actually require that an individual Member would have the opportunity or the responsibility to sign off and indicate before God and everybody that he needed that extra money?

Mr. OBEY. Yes, sir.

Mr. LEWIS of California. Well, the gentleman amazes me. You want to cause a small revolution around here?

Mr. OBEY. Yes, sir.

Mr. LEWIS of California. I thank the gentleman.

Mr. OBEY. I am sure a number of persons who will vote for this amendment are perfectly sincere, but I think all of us do know there are a good many Members who do occasionally, at least on occasion, pose for holy pictures on questions like this, knowing full well that the body will react in a way which will still enable those individuals to spend the money which they pretend they are against.

The amendment that I am going to offer will allow them to avoid that ethical trap. Also, I would suggest, that the report which I intend to insert in the RECORD will, I think, enable us to know exactly who is sincere and who is not on this issue.

I also want to make the point as the gentleman from California has made, we can literally be put out of business these days by tailored, well-organized lobbying campaigns.

I received over 40,000 letters just on the withholding issue this year. That cost an amazing amount of money to process that mail; it cost an amazing amount of money to print the responses and to type the responses and to send them out and it just seems to me that we ought to recognize the fact that we need to do our business and that is what this committee recommendation is trying to do. I would also suggest that in my opinion, most of our offices are technological dinosaurs. We have not yet moved into the modern age in terms of modernizing the functioning of our offices. We do not use the technology available because in many instances Members simply do not have the money to do so. If you compare the technical way that your offices are run with the way any modern business is run today, it is a laughing stock by comparison.

We do not make intelligent use of computer terminals and all of the other technology available to us, because we have been very restrained and limited in the resources which we have laid a claim to.

I suggest if you want to push us back even further into the dinosaur age, vote for this amendment.

Mr. WALKER. Will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Chairman, I want to first of all endorse the amendment and hope my endorsement of it will not destroy it.

Mr. OBEY. It might put it at considerable risk.

Mr. WALKER. I realize that might put it in considerable jeopardy; that is the reason I make the statement.

I think the gentleman has a good idea. I would hope the gentleman would also include in that amendment, though, that the money saved through that would directly go back to the taxpayers in the U.S. Treasury, would not simply revert to the Speaker's discretionary fund.

Mr. OBEY. The gentleman is free to nitpick his own amendment. I would prefer to offer my own amendment.

Mr. WALKER. So, your amendment is going to allow the Speaker to spend money that is saved?

Mr. OBEY. My amendment will do exactly what I said it would do.

The gentleman is free to mischaracterize anything he wants. I would not be surprised because it has happened so often around here.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WALKER. Will the gentleman yield further?

The CHAIRMAN. The time of the gentleman has expired.

Mr. OBEY. I yield back the balance of my time.

Mr. BROWN of Colorado. Mr. Chairman, I move to strike the requisite number of words.

I rise in support of the amendment.

Mr. Chairman, we have had a strong discussion of the amendment. Let me suggest to my colleagues that I think this is an amendment that both parties can support and that every Member of the House can support comfortably.

Last year we spent more money on expenses than we have in any year in the history of the body. We appropriated $49,791,000 for fiscal year 1983. We added a supplemental appropriation of $7,946,000. The supplemental combined with the appropriation amounted to a total of $57,737,000.

The gentleman from Texas is proposing a $2.5 million increase over the $57,737,000. It is not a draconian cut. It is not a cut in our ability to modernize. It is a significant increase in the amount of money available. If you would oppose the amendment, fair enough, but do not oppose it because it cuts our expenses. It increases our expense allowance compared to prior years. Do not oppose it because it would cut our ability to serve our constituency; the amount appropriated is higher than last year. What the gentleman proposes is dramatically higher than what we have ever appropriated for expenses in the history of this institution.

If you support it, support it because a 5-percent increase as the committee announced as their overall goal is a reasonable increase, versus the very large increase proposed by the committee. The point is: it is an increase, but it is a responsible increase.

Do we not owe the working men and women of this country at least this example of holding our increases to reasonable levels?

I hope all Members will consider this.

I yield back the balance of my time.

Mr. LEWIS of California. Mr. Chairman, I move to strike the requisite number of words.

I had not intended to speak further on this matter. However, in thinking over the remarks of the gentleman from Wisconsin (Mr. OBEY) it struck me that it would be of some value to discuss further that element which he has raised.

I served for a couple of years on the Committee on House Administration and daily, fought the battle of attempting to hold down expenses around here. Indeed it is a battle that is worthwhile. But within the committee process you do what you can do in terms of the numbers that we deal with in this House.

□ 1200

The chairman has indicated that this appropriation is some $17 million under that which has been authorized by the House Administration Committee. Let me share with my colleagues a piece of what that means. It means this: Earlier in the year Members received a letter that said Members were authorized to spend x number of dollars in your House account. For example, the members were given more flexibility in terms of transferring money from a personnel account to a House account, a major adjustment in terms of the policy development there.

Now frankly, that puts us in the position of attempting to guesstimate what the Members really will spend and appropriate that money to a reasonable level.

The reality is that none of us has to spend the money. And it is my judgment that we should not spend all that money unless it is absolutely necessary in terms of our individual district.

The facts are, however, that my friends in the House, especially those who have some political sense, recognize the importance of communicating effectively and consistently with their constituents. Ofttimes one will find from the RECORD that the very Members who rise and speak loudest about holding back the costs are the very Members who go beyond the limit in terms of their individual office expense.

I frankly think it might be a very interesting process to find ourselves in the position where we had to signoff relative to that necessity before we spend the money.

Mr. HILER. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentleman from Indiana.

Mr. HILER. I thank the gentleman for yielding.

Mr. Chairman, I totally agree with what the Member has been saying that quite often office accounts are certainly stretched out and used to the fullest extent.

What I find very interesting, though, is here we are having a major increase in office accounts, which is the taxpayers' money, for Members of Congress to further their own political ambitions at times, and yet, with many people campaigning for office who would use private dollars to further their political ambitions, we try to limit their expenditures, as if somehow using the private sector money is more adverse than using the taxpayers' money to further our own ambitions.

Mr. LEWIS of California. If I could respond, I am sure that the gentleman and I are not among those who try to limit those expenditures on the part of the private sector.

Mr. Chairman, before completing my remarks, I first want to compliment the gentleman from Texas for a very thoughtful amendment. It raises a side of this discussion that is very important.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentleman from Texas.

Mr. BARTLETT. I thank the gentleman for yielding.

Mr. Chairman, I respect the gentleman from California a great deal. I think that this House needs to get back on course in considering what this amendment proposes to do. I know the gentleman from California has attempted to control the rate of growth and I respect the amendment that would be offered to control the rate of growth individually. But this body has an institutional obligation, a collective obligation to control the total rate of growth and I think this body has the right to say that a 16-percent rate of growth in 1984, in addition to the rate of growth that has been built in for each of the past 4 or 5 years, is an unreasonable amount.

I know the gentleman is sincere and he has worked hard on the committee, but I think this body has a collective responsibility, in addition to the individual responsibilities that have been debated today on the floor.

Mr. DANNEMEYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment by the gentleman from Texas and I would like to commend him for offering this amendment for consideration by the House.

Let us remember that in the consideration of this bill we are talking about statutory staff for the House, Members' allowances, and what have you, which are on a fiscal year basis, October 1 to September 30.

Several months ago we had before the House consideration of a measure for investigative staff, which is on a calendar year basis. The Members may recall that when the investigative staff issue came before the House, it came under a parliamentary process which precluded any Member from offering an amendment to reduce the amount. We had an up or down vote on total funding.

So I am pleased that in this instance the Rules Committee has at least permitted Members to offer amendments to reduce the level of funding that I believe is consistent with our respect for taxpayers' interests.

I noticed in analyzing this bill that the proposal that we are asked to vote on in this amendment—bear in mind, we in our office account for office expenses now have between $110,000 and $120,000 a year, the variable being dependent on the length of the distance of our office from the Capitol.

The bill in its form before us without this amendment would increase this amount by some 16 percent over what was expended in the preceding year.

Now, I do not know how that reacts on the Members of this body, but it strikes me that it really is not a responsible position for any of us to take to explain to our constituents that we are going to increase the allowance for office expenses by 16 percent.

We have a deficit, as we all know, of close to $200 billion, an inflation rate of under 4 percent and we are going to take a position that will authorize an increase of this magnitude? It is just not responsible.

So, the gentleman from Texas suggesting that we limit the increase to 4.3 percent, I think, is a very rational and reasonable proposal.

We all know that really the problem with staffing in this House took off in 1975. Up until that time when one looks at the historical trend, it was in concert with the demands of the institution. We all know in 1975 that we had a large group of young, enterprising, activist legislators who came here after the election of November 1974 and these new activist legislators wanted to be involved in the action in a very material way, so they proliferated subcommittees in this House, and they proliferated staff, and the proliferation continues on ad nauseum. In fact, it continues to this day.

I would suggest that the responsible thing for us to do today is to adopt this amendment and limit this increase to 4.3 percent.

Mr. FORD of Michigan. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from Michigan.

Mr. FORD. I thank the gentleman for yielding.

Mr. Chairman, I have been waiting for it, the gentleman has finally found his acorn. It was that group that came in 1974 that passed the reforms that gave the Republicans a guaranteed one-third of the total cost of the staff for running the committees. And I recall the gentleman's first day on our committee when he moved that we go back to the 1974 levels of staffing and the Republican Members of the committee were a little bit stunned when he wanted to wipe out the increase on our staff because it was entirely new Republicans who were hired after that rule was adopted. And some of us

thought that we were overly generous at that time.

I am glad to see that the gentleman is bringing that point up.

Mr. DANNEMEYER. Since the gentleman has made a reference to what has happened on statutory staff, maybe the gentleman would like to talk about what has happened on investigative staff.

We members of the minority Republicans have the unenviable posture of only having 15 percent—I repeat 15 percent—of the investigative staff and we have that, of course, at the sufferance of the majority. Any time we try to tinker with that we are reminded, "If you don't be quiet and retire in your corner as quiet children, we will even reduce that 15 percent."

So I am not sure that the point is well taken that equity has been done.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from California.

Mr. FAZIO. I thank the gentleman for yielding.

Mr. Chairman, I do not know how we got off onto staffing because we were talking about Members' allowances.

Mr. DANNEMEYER. The gentleman brought it up.

Mr. FAZIO. The gentleman in the well brought the issue up. And I think it is important to reiterate: We have not had a net increase in staffing of the committees in the House of Representatives since 1978. We have actually had a net reduction since then. We have had a reduction of 143 people since 1980.

So the peak years the gentleman talks about were the early seventies.

The CHAIRMAN. The time of the gentleman from California (Mr. DANNEMEYER) has expired.

(By unanimous consent, Mr. DANNEMEYER was allowed to proceed for 30 additional minutes.)

Mr. DANNEMEYER. Mr. Chairman, the point the gentleman has made with respect to numbers of staff is substantially accurate, but what the gentleman did not say is that the cost to the taxpayers of paying those staff members since 1975 has gone up 225 percent and during that period of time the CPI has increased by 95 percent.

The point is we have too many staff and they are too highly paid. The responsible thing is to adopt this amendment.

□ 1210

Mr. COLEMAN of Missouri. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to propound a question or two in a very serious vein to the chairman of the subcommittee. There have been discussions mentioned here on the floor about various funds, and I am really trying to get an answer.

What happens when a Member tenders back unexpended funds from his accounts? Where do those funds go?

Mr. FAZIO. Ultimately, those funds go back to the Treasury. Those funds are replaced in the Treasury.

Now, there is, in every appropriation subcommittee's domain, the ability to do some reprograming. Occasionally, just as in the case recently, very prominently the Foreign Operations Subcommittee, a reprograming was done to further the interests of the administration. But this is not the norm. The funding which is not spent by the Members in this account goes back to the Treasury. So Members who are not profligate, who are tightfisted and who do plan and spend funds in a very conservative way are making a contribution by sending that funding back.

Mr. COLEMAN of Missouri. Do the funds go directly to an account from the Member's account to the Treasury, or do they go a circuitous route through other funds? Because there have been statements made here and, very frankly, I was not aware that there was such a thing as a discretionary fund or a contingency fund. I wonder if the chairman will explain what these are, where the money goes if it is tendered back by a Member.

Mr. FAZIO. It is my understanding that they lie in the Treasury until expended. And, if not spent by the end of the fiscal year, will revert to the Treasury.

Now, the thing that I think is most important to point out is that we have not appropriated all of the allowances, anyway. I have made that point more than once, and I think it is important to reiterate it. We are well below what we could be appropriating in this measure as is. In fact, the figure 16 percent has been bandied about here, in terms of the increase. That is not even using a full year base. We have a 9-month base where increases were made in response to the requests of the Members to the House Administration Committee. We are really talking about a much smaller percentage increase if you annualize that increase into the fiscal year 1983 amounts already appropriated.

Mr. COLEMAN of Missouri. Could I ask a direct question, and I am sincere in my question because I do not know the answer? Is there such a thing as a Speaker's discretionary fund?

Mr. FAZIO. I am not aware of any such fund. I know the gentleman from Pennsylvania, I believe, alluded to it earlier. I am not aware of any. I am not aware of any funds that the Speaker has available that is not clearly identified in the funds provided to the leadership and which is clearly labeled in the bill. Of course, there are also funds clearly labeled for the majority, and minority leaders, and the whips and deputy whips.

Mr. COLEMAN of Missouri. So far as the chairman knows, there is no fund set aside in this appropriation that goes to the Speaker except for the Speaker's——

Mr. FAZIO. It is appropriated to the leadership offices. It is very clearly demarcated under that heading. There is no slush fund, no secret fund, no Speaker's fund made up of funds that come back from Members.

Mr. COLEMAN of Missouri. Now, there is a contingency fund, is that correct, contingent fund? Although the report says that there is no contingent fund per se.

Mr. FAZIO. There is a rather arcane term that is used here. It is mostly used in case law. There is, on page 4 of the bill, "Contingent expenses of the House," for example. This is a term that goes back to——

Mr. COLEMAN of Missouri. These moneys that a Member would tender back would not go to this fund that does not really exist?

Mr. FAZIO. No; it is my understanding they would go to the Treasury.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from Indiana.

Mr. MYERS. It is very clear the Speaker does not sign the check to pay for these bills, nor does anyone here. They are drawn from the Treasury upon certification by the House of Representatives or the appropriate responsible unit of the House. So they never were drawn from the Treasury, so they are not paid back to the Treasury. They remain in the Treasury. When you do not use all of the funds that are available to you, they remain in the Treasury and do not come down to the House in a special account down here in the Sergeant at Arms Office. It remains in the Treasury.

Mr. COLEMAN of Missouri. The gentleman is on the committee and a leader in this area, very knowledgeable. If a Member tenders back unexpended funds, then in fact those funds will not be credited or available for the committee to distribute to other Members who might have gone over the maximum?

Mr. MYERS. Actually, if the gentleman will continue to yield to me, it is a misnomer to say you tender back or offer back. You did not have it, in the first place. It was available, but you did not spend it. When we beat our chests and say we returned it back to the Treasury, that is not quite true. We just did not draw it. We save the taxpayers, yes. And I think our Members are to be commended for doing that. Just about every Member does not use all of the funds available.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the chairman.

Mr. FAZIO. Mr. Chairman, the gentleman from Indiana is exactly correct. Unless we voucher the money, it remains in the Treasury. We do not send it back because it does not come to us unless we specifically request it.

Mr. GEKAS. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. Mr. Chairman, that leaves only one unanswered question, then. I have been concerned about this, and I approached the chairman, who was very gracious in trying to explain the thing to me. If indeed I, as a Member, choose not to spend $40,000, let us say, of my clerk-hire authorization, according to the explanation that was just rendered, it means that I will not have drawn that from the Treasury. Then the only question that has to be answered, then, with respect to my $40,000 in this hypothetical, is: Is that $40,000 now available to be drawn from the Treasury by X or Y within the process—the Speaker, the House Administration, the chairman of the committee—on reprograming? That is what bothers me.

The CHAIRMAN. The time of the gentleman from Missouri (Mr. COLEMAN) has expired.

(On request of Mr. FAZIO and by unanimous consent, Mr. COLEMAN of Missouri was allowed to proceed for 2 additional minutes.)

Mr. FAZIO. Mr. Chairman, if the gentleman will yield, unless the money is appropriated, the money remains in the Treasury with all the other revenues of the Federal Government. If it is appropriated in general to elements of the legislative branch, then it could be spent up to the appropriated level. But I think the important point here is that individual Members are authorized by the House Administration Committee under the rules of the House and the law of the land to expend certain amounts of money for the use of their office for official expenses.

Mr. GEKAS. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. I would like to know, then, what is the policy of the committee with respect to those funds that I choose not to draw from the Treasury? Is the policy of the committee, and of the House Administration, and of the Speaker, and all of the others who control this money, is it the policy of those elements to use this unexpended money from the Treasury for other programs, without coming back to the House for approval?

Mr. FAZIO. If the gentleman will yield, no. The House Administration Committee perhaps could better answer the gentleman's questions. They meet officially and determine what would be the proper level of expenditures for a Member per official expense item. We have been able to reduce those amounts each year. In this bill we have reduced, as I have indicated, some $17 million under what Members of this body are allowed to spend. So that funding, to start with, comes off the top. If we appropriate too much, and I do not remember that we have ever done that, then what individual Members do not spend on their own is also added to that additional money that is not expended. That stays in the Treasury.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from Indiana.

Mr. MYERS. Mr. Chairman, this is a question that every Member must have an understanding of when we first come here. It is not unlike any other appropriation. This is the reason we have line items here. This is a special account we are referring to right here that cannot be changed, interchanged over to the Speaker or some other account within the legislative branch without reprograming. There is a procedure that if some other facet, some other department within the legislative branch needs the money, they can come back to this committee and request reprograming. But it has to be approved by the committee. And that is not unlike any other appropriation. It cannot be spent just willy-nilly.

The CHAIRMAN. The time of the gentleman from Missouri (Mr. COLEMAN) has again expired.

(On request of Mr. ROEMER and by unanimous consent, Mr. COLEMAN of Missouri was allowed to proceed for 2 additional minutes.)

Mr. COLEMAN of Missouri. Mr. Chairman, I think what the gentleman from Indiana was saying is that if this money is unspent, it could be reprogramed. For example, the page school, on which I understand $10 million, or some sum, is going to be spent, came out of allowances of people who tendered it back. Is that the type of thing the gentleman is talking about?

Mr. MYERS. If the gentleman will yield, that was a contingency account that the House had. The gentleman asked about the contingency account. That money that was used to develop the page dormitory, the old Capitol Hill Hotel, was used from the contingency account. It came back to the committee for approval. It was the understanding from the committee that that money would be spent to develop, and to modernize, and make the facility available for the students.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from Louisiana.

Mr. ROEMER. Mr. Chairman, let me just put the question direct, and let us see if we understand what just happened. As I understand it, we appropriate a certain amount of money, and the committee allocates it, programs it, so to speak, to each individual Member. If a Member in his or her wisdom does not spend all of his or her allocation, like myself, and turns it back, or, as the gentleman, says, does not withdraw it from the Treasury, then the committee has the right to reprogram and actually spend that money on other Members of Congress.

This is the first time I have heard that explanation. Did I hear it wrong?

Mr. COLEMAN of Missouri. I would yield to the chairman.

Mr. FAZIO. I appreciate the gentleman yielding.

To use the example that the gentleman gave, we reprogramed in the account of the Architect of the Capitol for House office buildings funds that were to be used for some other project in the House office buildings account to renovate the Congressional Hotel, another House office building item, for the page dorm. So there is the ability to reprogram within an account. But I do not believe that the example of the gentleman from Louisiana is appropriate. We could not have reprogramed, for example, funds that were left in the Treasury by individual Members to renovate a building for pages. That is not within our committee's authority.

□ 1220

Mr. GEKAS. Mr. Chairman, would the gentleman from Missouri yield just for one moment?

Mr. COLEMAN of Missouri. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. I thank the gentleman for yielding.

Then the only other question that I have is how is it that the committee has the power to reprogram? I never had a voice, that I know of, in what the committee did with the page allocation.

The CHAIRMAN. The time of the gentleman from Missouri (Mr. COLEMAN) has again expired.

(On request of Mr. GEKAS and by unanimous consent, Mr. COLEMAN of Missouri was allowed to proceed for 2 additional minutes.)

Mr. GEKAS. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. I thank the gentleman for yielding.

Mr. Chairman, why is it, then, that I, as a rank and file Member of the House, did not have a vote on how the money that I left unexpended became reprogramed for a page school, or whatever it was. That is a real, ultimate, important question.

If the answer is that that is the way it is because the committee has that power, we have got to change that.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from California.

Mr. FAZIO. Let me reiterate, we did not reprogram individual funds, funds that were not taken from the Treasury by Members, for the renovation of the Congressional Hotel. That came from an account that was set aside for the Architect of the Capitol for House office buildings.

Mr. GEKAS. I thank the gentleman, I think.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from Indiana.

Mr. MYERS. I thank the gentleman for yielding.

Mr. Chairman, there is a limitation on how much can be reprogramed by a percentage factor, but if we had to deal here on the House floor with every reprograming request, it would occupy most of our time, and we are not getting our work done now.

So we have to depend on committees for something. That is the reason we have standing committees. The committees, I can assure the gentleman, having served on the Committee on Appropriations for the past 13 years, are very diligent and very careful how those moneys are reprogramed. We turn down about as many reprograming requests as we approve.

Mr. COLEMAN of Missouri. Mr. Chairman, I appreciate the candor and the discussion. It was not meant to take sides on this amendment or any other, but to clarify exactly what happens to this money, because it was certainly not clear before we had this colloquy and I appreciate the participation.

Mr. FRANKLIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. FRANKLIN. I yield to the gentleman from Texas.

Mr. BARTLETT. I thank the gentleman for yielding.

Mr. Chairman, I will be very brief, because I think this has been an intriguing and good discussion and debate about individual responsibility. This House needs to have that debate and perhaps have that debate much more often in detail.

But what we have learned today is that we are still not quite sure what happens to reprogramed money, whether it goes back to the leadership office or the committee or to reprograming. The point is that this today is the only opportunity to address collective responsibility for the rate of growth, totally not individually, but totally of the 16-percent increase that is built into this committee bill.

I think it has been a good debate, but I do think, Mr. Chairman, that we do need to get back to the point of the collective responsibility of this House.

Mr. MACK. Mr. Chairman, will the gentleman yield?

Mr. FRANKLIN. I yield to the gentleman from Florida.

Mr. MACK. I thank the gentleman for yielding.

Mr. Chairman, there was one comment made during the discussion here that concerned me and that was that it sounded like someone indicated that a great number, or a majority, of us returned money at the end of the term. It would seem to me if the majority or a great number return money, I have to ask the question, then, why are we increasing these outlays by 16 percent?

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. FRANKLIN. I yield to the chairman to answer that question.

Mr. FAZIO. I appreciate the gentleman yielding.

Mr. Chairman, first of all, the 16-percent figure is not accurate because it is not based on a full prior year. The increases that were made by the Committee on House Administration were based on a 9-month period, and, most recently, a 5-month period, so the figure of 16 percent is somewhat inflated.

The point is, though, that we assume there will be reductions in what Members spend right here when we make a $17 million cut in the authorized figure in the appropriations bill. We also assume Members will be even more restrictive, but we are not sure how individually they will be restrictive, so we must leave some room so that Members' personal decisions can be accounted for.

I fully expect that we will make additional savings, I would hope we would, and that will be money that remains in the Treasury.

My point is, if you wish to change the rules by which we expand these funds, the gentleman should go to the Committee on House Administration and make them there. By going across the board, we are simply making sure at some point in the fiscal year we are going to cut funds out and some people are going to have plenty and some people are not going to have an adequate amount. It is a very inequitable and unfair way to do it. I would urge the gentleman to go to the Committee on House Administration.

Mr. BROWN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. FRANKLIN. I yield to the gentleman from Colorado.

Mr. BROWN of Colorado. I thank the gentleman for yielding.

Mr. Chairman, as I read the figures from the committee's own publication, they indicate a proposal by the committee to expend $67,200,000 in the committee bill. Last year we appropriated $49 million. The supplemental, if it is approved, has $7,900,000-some in it. The 16-percent increase is not an increase over last year's appropriation; it is an increase over last year's appropriation and last year's supplemental. So it is a full 16 percent over the entire total amount.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. FRANKLIN. I yield to the chairman for a response.

Mr. FAZIO. I thank the gentleman for yielding.

Mr. Chairman, the point I was trying to make is that the base we are trying to take this percentage from does not fully take into consideration the increases that were mandated by the resolutions of the Committee on House Administration.

So, in effect, what I am saying is that it is a percentage increase, but it is much less than is being represented here.

I want to make this point: In not funding the full amount authorized, we have reduced the average funding for Members' allowances by $38,636 for each one of us. That, I think, is a significant reduction.

Mr. MACK. If the gentleman will yield further, the question that I am trying to get an answer to is that, again, if the great majority, or if a large number of us have returned funds, and in fact this is a 16-percent increase over a period of time, it does not make sense to me that we have to make these increases if we are not spending what we have all been allocated in the first place.

Mr. FAZIO. If the gentleman will yield further, even though Members are returning funds, we are anticipating additional increases, even though we also assume that Members may not in every case take all funds that are available to them. So the increase could be much greater, as I have indicated. We have made a modest increase. It is much less than 16 percent on a comparable annual year.

Mr. ALBOSTA. Mr. Chairman, would the gentleman yield just briefly?

Mr. FRANKLIN. I would be happy to yield to the gentleman from Michigan.

Mr. ALBOSTA. I thank the gentleman for yielding.

Mr. Chairman, let me just explain how I see this whole situation. If you have a large congressional district, and you have three offices or four offices to serve the public in that vast, spread-out district, take the 11th District of Michigan, represented by one of your political party.

The CHAIRMAN. The time of the gentleman from Mississippi (Mr. FRANKLIN) has expired.

(On request of Mr. ALBOSTA and by unanimous consent, Mr. FRANKLIN was allowed to proceed for 2 additional minutes.)

Mr. ALBOSTA. That Member has to have offices both in the Lower Peninsula and in the Upper Peninsula. Obviously he needs more money to maintain all those offices. I have the third largest congressional district east of the Mississippi River. I have to have three congressional offices in my district because from one end to the other is about 200 miles. Obviously it is going to take more money to staff those and to have those people there and to maintain the cost of those offices.

So everybody should, if they do not need the money, base it on their own best judgment in the kind of service that we give equally to our constituents. That is the important issue in this. I believe that the Committee on Appropriations properly allows enough so that those of us who have larger districts can give our constituents the same kind of service as those districts that are more consolidated where it can all be done from one office.

□ 1230

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will take a little time here, if I may, to engage the gentleman from California (Mr. FAZIO), the chairman of the subcommittee, in a bit of conversation. I just want to try to see whether I can clarify this matter a little bit further.

If every Member of Congress spent every dime permitted him under the authorization, is there sufficient money in this appropriation to cover that amount of money?

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from California.

Mr. FAZIO. No, there is $17 million less than that.

Mr. WALKER. There is $17 million less than that amount in here?

Mr. FAZIO. That is right.

Mr. WALKER. So we start with an assumption in this appropriation that some Members are going to save money while others are not; is that correct?

Mr. FAZIO. We assume there will be a variety of approaches to saving money, and that every Member will save some, although we know that some will not and many will.

Mr. WALKER. Is the figure we have in here in terms of the $17 million at all in reference to the historic amounts that have been left in the Treasury? In other words, can we assume that there is about $17 million left at the Treasury by Members last year?

Mr. FAZIO. We have simply attempted, using historic analysis, to make a judgment about what will be expended.

Mr. WALKER. I am just trying to get some idea here. Was there about $17 million left last year in the Treasury by individual Members who did not spend their amounts or spend their allowances?

Mr. FAZIO. Mr. Chairman, I could not answer the gentleman right off the top of my head, but obviously we did not appropriate all the money that was authorized in any year recently.

Mr. WALKER. Do we have any idea as to how much was left?

Mr. FAZIO. Mr. Chairman, first let me say to the gentleman that obviously it is not in the Treasury because we never appropriate the full amount. That is one factor the gentleman has to keep in mind. It was not placed there by an appropriations bill. There is simply none there to draw on.

Mr. WALKER. That is apparent. I am trying to get back to the issue that we discussed as to how this money ends up eventually being either not spent or spent. I am trying to get some handle here as to how much money might be down at the Treasury.

If I am being told, as we were told here earlier in the discussion, that if I do not spend my money and that money lays in the Treasury and is, therefore, a savings to the taxpayer, then I assume that all the money I did not spend last year ended up staying in the Treasury and all the money the gentleman from California did not spend last year ended up staying in the Treasury.

I want to know how much money ended up staying in the Treasury as a result of all our savings last year. Do we not have some kind of figure of that type,

Mr. FAZIO. We do not have a figure here. We will help the gentleman to obtain that figure if he desires.

Mr. WALKER. No, I do not think we can assume that some other branch of Government is going to spend the money that I saved. I was under the impression, based upon the previous discussion, that if I saved the money and it stayed in the Treasury, as I think the gentleman from Indiana said, it was a savings to the taxpayer.

Now, that is what I am trying to get a handle on. How much money did this House save last year through that procedure? How much money stayed in the Treasury?

Mr. FAZIO. Mr. Chairman, the gentleman brings up a good question. I think we could work on this and research it and bring the answer to the attention of the body. It is a good question, but I do not have an answer to it at the moment.

Mr. TRAXLER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am please to yield to the gentleman from Michigan.

Mr. TRAXLER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I want to try to help the gentleman, and I know that he honestly seeks information and wants facts concerning the operation of the House.

The gentleman will note on page 5 of the bill that there are administrative provisions. There are administrative provisions such as these in most of the appropriation bills. The provisions which we see there deal with the question the gentleman is raising, which is reprograming. Whether these are surplus moneys, it tells us what accounts may be reprogramed for salaries and expenses.

In a conversation with the committee staff, I asked, "How much in 1982 was reprogramed? What is the total sum?"

To the best of their knowledge, it was about $500,000.

The reprograming in this bill is handled in the same way as it is in every other bill. No distinction is made between this account or this bill and one for the executive agencies. In the executive agencies we may limit a reprograming in terms of percentages that might vary from agency to agency, I might advise the gentleman. But the principle of reprograming is present in every appropriation bill, or nearly so, and the sum that was reprogramed last year was about $500,000, I am advised.

Mr. WALKER. Mr. Chairman, I thank the gentleman, and that is most helpful.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. WALKER) has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. WALKER. Mr. Chairman, that is most helpful, because when we look on page 5, we find out, for instance, that if we save money in allowances and expenses and in Members' clerk hire, for example, one place that could be reprogramed is special and select committees, for example. So, therefore, if some committee decided to do a lot of traveling, in fact the money I saved from my account could go to a committee that was deciding to do some foreign traveling or do some traveling around the country.

Mr. TRAXLER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I will be glad to yield, but I want to point out that I do not want to misrepresent this. I am just trying to go by what the gentleman pointed out is the language here. I am glad to yield to the gentleman from Michigan.

Mr. TRAXLER. Mr. Chairman, the gentleman has an agile and an imaginative mind.

Mr. WALKER. I thank the gentleman. I hope so.

Mr. TRAXLER. Mr. Chairman, as the gentleman knows, I am highly respectful of him and delighted that he is in the same corridor with me.

My understanding is that if the committee ceilings are established by House resolution, we cannot reprogram above the resolution any more into an individual Member's account. We could reprogram above the levels established by the House and by the House Administration Committee.

So even though the gentleman fears that, I am told in reality that that cannot occur because there are other checks in place that would prohibit it.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Louisiana.

Mr. ROEMER. Mr. Chairman, I thank the gentleman for yielding.

In the discussion—and it is an apt discussion and an important one—about what happens to residue money, money in the reservoir, money not used and expended and all the rest, we seem to be forgetting the amendment before us that was offered by the gentleman from Texas (Mr. BARTLETT). I hope the gentleman agrees. There has been some issue on what the amendment does and what it does not do.

Our friend, the gentleman from California, in a good defense of the committee's position, has tried to make the point that in the appropriation process the committee has not increased from fiscal year 1984 over fiscal year 1983 by 16 percent. The numbers that I have are completely different. The numbers that I have shown that we are increasing by $10 million in the official expenses of Members, and if we put that over a base figure of $57 million, that is 16.4 percent. The gentleman from Texas would increase by only 4.3 percent. That is the issue before the House.

Mr. FAZIO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I simply wish to clarify this point that the gentleman from Louisiana (Mr. ROEMER) just made.

I do not think there should be any confusion. No one is trying to make a case with statistics that are not accurate.

But I want to make this clear for the Members. Since late 1982 there have been two increases approved by the Committee on House Administration. We could talk about why there were 43 percent increases in the cost of travel, 30 percent increases in the cost of travel to many cities around the country, paper product increases, et cetera. If we had fully funded those increases, we would have had to appropriate far more in 1983, not the $57 million we actually did appropriate.

That is the figure the gentleman should be comparing when he tries to come up with a percentage increase to the $67 million in the 1984 bill.

So, Mr. Chairman, I think we are clearly trying to make our case on the merits, and I appreciate the patience of the Members.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. BARTLETT).

The question was taken, and the chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FAZIO. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 156, noes 160, not voting 116, as follows:

[Roll No. 157]

AYES—156

Andrews (TX)	Gunderson	Paul
Applegate	Hall, Ralph	Penny
Archer	Hall, Sam	Petri
Barnard	Hammerschmidt	Pickle
Bartlett	Hansen (ID)	Porter
Bateman	Hartnett	Ray
Bennett	Hiler	Regula
Bereuter	Hillis	Ridge
Bethune	Hopkins	Ritter
Bilirakis	Hubbard	Roberts
Bliley	Hunter	Robinson
Boehlert	Hyde	Roemer
Britt	Jacobs	Rogers
Broomfield	Jenkins	Roth
Brown (CO)	Jones (OK)	Roukema
Broyhill	Kasich	Rowland
Burton	Kemp	Schaefer
Byron	Kindness	Schroeder
Carper	Kogovsek	Sensenbrenner
Clinger	Kramer	Sharp
Coats	Lagomarsino	Shelby
Coleman (MO)	Latta	Skeen
Conable	Leath	Smith (NE)
Cooper	Levitas	Smith (NJ)
Coughlin	Livingston	Smith, Robert
Courter	Loeffler	Snowe
Crane, Daniel	Lowery (CA)	Snyder
Crane, Philip	Lujan	Solomon
D'Amours	Lungren	Spence
Daniel	Mack	Stenholm
Dannemeyer	MacKay	Stump
Daub	Marriott	Sundquist
DeWine	Martin (IL)	Tauke
Dreier	Martin (NC)	Tauzin
Duncan	McCandless	Thomas (CA)
Durbin	McCollum	Thomas (GA)
Early	McCurdy	Valentine
Eckart	McDonald	Vander Jagt
Edwards (OK)	McEwen	Vandergriff
Emerson	McKernan	Volkmer
English	McNulty	Walgren
Erdreich	Michel	Walker
Erlenborn	Miller (OH)	Weber
Evans (IA)	Mollohan	Whittaker
Fiedler	Montgomery	Williams (OH)
Fish	Moore	Winn
Franklin	Moorhead	Wise
Gekas	O'Brien	Wylie
Gilman	Olin	Yates
Gingrich	Ortiz	Yatron
Goodling	Oxley	Young (FL)
Gregg	Packard	Zschau

NOES—160

Ackerman	Barnes	Bosco
Akaka	Bates	Boucher
Albosta	Bedell	Boxer
Anderson	Beilenson	Breaux
Andrews (NC)	Boggs	Brooks
Annunzio	Boner	Carr
Anthony	Bonior	Chappell
Aspin	Borski	Clarke
Coleman (TX)	Kastenmeier	Perkins
Coyne	Kennelly	Rahall
Daschle	Kildee	Rangel
Davis	LaFalce	Ratchford
de la Garza	Lantos	Reid
Dellums	Lehman (CA)	Rinaldo
Dicks	Leland	Rodino
Dingell	Levin	Roe
Donnelly	Lewis (CA)	Rose
Dorgan	Long (LA)	Rostenkowski
Dowdy	Long (MD)	Roybal
Downey	Lowry (WA)	Rudd
Dwyer	Luken	Savage
Dyson	Lundine	Sawyer
Edgar	Madigan	Scheuer
Edwards (CA)	Markey	Schumer
Evans (IL)	Matsui	Seiberling
Fascell	Mavroules	Simon
Fazio	Mazzoli	Smith (IA)
Feighan	McCloskey	Solarz
Ferraro	McDade	Spratt
Flippo	McHugh	Stangeland
Foley	Mikulski	Stark
Ford (MI)	Miller (CA)	Stokes
Ford (TN)	Mineta	Studds
Frank	Minish	Swift
Fuqua	Mitchell	Synar
Gejdenson	Moakley	Tallon
Gephardt	Molinari	Taylor
Gibbons	Moody	Towns
Gonzalez	Mrazek	Traxler
Gray	Murphy	Udall
Green	Murtha	Vento
Guarini	Myers	Waxman
Hamilton	Natcher	Weaver
Harrison	Neal	Wheat
Hatcher	Nowak	Whitley
Hefner	Oakar	Whitten
Hertel	Oberstar	Wolf
Horton	Obey	Wolpe
Howard	Ottinger	Wright
Hoyer	Owens	Wyden
Hughes	Parris	Young (MO)
Jeffords	Patman	Zablocki
Jones (NC)	Patterson	
Kaptur	Pease	

NOT VOTING—116

Addabbo	Gore	Nielson
Alexander	Gradison	Panetta
AuCoin	Gramm	Pashayan
Badham	Hall (IN)	Pepper
Berman	Hall (OH)	Price
Bevill	Hance	Pritchard
Biaggi	Hansen (UT)	Pursell
Boland	Harkin	Quillen
Bonker	Hawkins	Richardson
Brown (CA)	Heftel	Russo
Bryant	Hightower	Sabo
Campbell	Holt	Schneider
Carney	Huckaby	Schulze
Chandler	Hutto	Shannon
Chappie	Ireland	Shaw
Cheney	Johnson	Shumway
Clay	Jones (TN)	Shuster
Coelho	Kazen	Sikorski
Collins	Kolter	Siljander
Conte	Kostmayer	Sisisky
Conyers	Leach	Skelton
Corcoran	Lehman (FL)	Slattery
Craig	Lent	Smith (FL)
Crockett	Levine	Smith, Denny
Derrick	Lewis (FL)	St Germain
Dickinson	Lipinski	Staggers
Dixon	Lloyd	Stratton
Dymally	Lott	Torres
Edwards (AL)	Marlenee	Torricelli
Fields	Martin (NY)	Vucanovich
Florio	Martinez	Watkins
Foglietta	McCain	Weiss
Forsythe	McGrath	Whitehurst
Fowler	McKinney	Williams (MT)
Frenzel	Mica	Wilson
Frost	Morrison (CT)	Wirth
Garcia	Morrison (WA)	Wortley
Gaydos	Nelson	Young (AK)
Glickman	Nichols	

□ 1250

The Clerk announced the following pairs:

On this vote:

Mr. Glickman for, with Mr. Boland against.

Mr. Nichols for, with Mr. Morrison of Connecticut against.

Mr. Lewis of Florida for, with Mr. Nelson of Florida against.

Mr. Corcoran for, with Mr. Lehman of Florida against.

Mr. Craig for, with Mr. Addabbo against.

Mr. SAVAGE changed his vote from "aye" to "no."

Messrs. PACKARD, WISE, and BARNARD changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. HARTNETT

Mr. HARTNETT. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

LIBRARY OF CONGRESS

CONGRESSIONAL RESEARCH SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of section 203 of the Legislative Reorganization Act of 1946, as amended by section 321 of the Legislative Reorganization Act of 1970 (2 U.S.C. 166) and to revise and extend the Annotated Constitution of the United States of America, $37,790,000: *Provided*, That no part of this appropriation may be used to pay any salary or expense in connection with any publication, or preparation of material therefor (except the Digest of Public General Bills), to be issued by the Library of Congress unless such publication has obtained prior approval of either the Committee on House Administration or the Senate Committee on Rules and Administration.

The Clerk read as follows:

Amendment offered by Mr. HARTNETT: On page 16, line 24, strike out "$37,790,000" and insert in lieu thereof "$35,543,550."

Mr. HARTNETT. Mr. Chairman, this amendment deals with the Congressional Research Service of the Library of Congress. The proposed bill before us would increase that amount from last year's appropriation by 12 percent. This amendment would limit that increase to 5 percent.

Mr. Chairman, since 1975 the appropriations for the Congressional Research Service of the Library of Congress have grown from $13,345,000 to $37,790,000. Now in that same period of time, of course, our clerk hire allowances have increased, our staff has increased in numbers, and the numbers of Congressmen of course have not increased.

We are now able with computers and with our terminals in our offices and with the increased personnel which we have in our offices to do a lot more of the research ourselves.

□ 1300

Now I commend the chairman of this subcommittee for what he has done and my colleagues on this side of the aisle for the work they have done in trying to hold down the expenses of this body.

I might just make an observation, Mr. Chairman, that this Member has just returned from an international air show, where we were shown the latest technology, the latest research and development on behalf of 22 nations. And I might observe, Mr. Chairman, that the national news media of this country, I assume, flew at their own expense, many members of their staff, camera crews, and the like, to this international air show to try to embarrass Members of this body and the other body, who were conscientiously going about their job as elected representatives of the people, trying to learn the latest development in air and aerospace technology, so that when we appropriate money to buy the item we can do it with some type of expertise and good judgment.

And I think it is kind of passing strange, Mr. Chairman, that the same media who had to fly thousands of miles across the ocean to cover this international air show, where we probably spent some several thousands of dollars in travel, have not seen fit to even walk across the hall and grace us with their presence here today where we are trying to save the taxpayers millions of dollars in annual appropriations here on the floor. They need to let the American people know who really is wasting their tax dollars.

It is my understanding, Mr. Chairman, that the distinguished chairman of the subcommittee possibly would accept this amendment and, if so, there is no use for me to go on and take any more time. I have trespassed on enough of the gentleman's time.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. HARTNETT. I yield to the gentleman from California.

Mr. FAZIO. I appreciate the gentleman yielding.

Mr. Chairman, we have looked at this amendment and while I think we could differ over the degree to which the Congressional Research Service of the Library of Congress aids the Members in the conduct of their duties and their constituents as well, I think the gentleman's request is reasonable and I certainly could accept that.

Mr. HARTNETT. I thank the chairman of the subcommittee.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. HARTNETT. I yield to the gentleman from California.

Mr. LEWIS of California. I thank the gentleman for yielding.

Mr. Chairman, we have no problem with the amendment. We congratulate the gentleman for his contribution.

Mr. HARTNETT. I thank the distinguished chairman and the ranking member.

Mr. ANNUNZIO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, yesterday and today, there was considerable debate on the staffing and funding of House committees. There was objection to the use of an omnibus committee funding resolution with the implication that it was a barrier to the reduction in staff and their costs by this House.

Mr. Chairman, the Members should know the facts. Prior to our adoption of an omnibus resolution for funding the studies and investigations of committees, there was a steady year in and year out increase in both committee authorizations and investigative staff levels. Members of the House voted on the authorizations committee by committee, blind to the bottom line total cost they were accruing.

Since use of an omnibus resolution, Members know the bottom line cost when we report from the Accounts Subcommittee; Members know the bottom line cost when we report from the House Administration Committee; and Members know the bottom line cost for each committee and all committees when they adopt the final resolution.

In contrast to the adoption of individual funding resolutions, under the adoption of omnibus resolutions, overall costs have been reduced and the number of staff has been cut. During the 97th Congress, committee investigative staff were reduced by 134 people for a savings of $3,500,000. During the 97th Congress, the inflation rate rose by 11.5 percent and we cut investigative funding by 10 percent. When committees made their requests for 1983 funding, they had 21.5 percent less funds in constant dollars to spend than they had in the previous Congress.

Members have an opportunity to appear at hearings before the Accounts Subcommittee when we take up these requests committee by committee. If they have reason to believe a specific committee is overspending for staff or for any other purpose, they then have an opportunity to so testify and properly effect the resultant resolution. They are welcome and encouraged to provide us with this information.

The record should be clear, Mr. Chairman, under the old system of adopting individual committee resolutions, costs and staff went up. Since adoption of omnibus resolutions, costs and staff have gone down.

Mr. Chairman, the Accounts Subcommittee has done its job and done it well. The Legislative Appropriations Subcommittee should be applauded for its support of the floor's response to the recommendations made by the House Administration Committee.

The facts, when known, speak for themselves. I appreciate this opportunity to present them to the House.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina (Mr. HARTNETT).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. HUNTER

Mr. HUNTER. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

OFFICIAL MAIL COSTS

For expenses necessary for official mail costs, $107,077,000, to be disbursed by the Clerk of the House, to be available immediately upon enactment of this Act.

The Clerk read as follows:

Amendment offered by Mr. HUNTER: On page 12, line 3, strike out "$107,077,000" and insert in lieu thereof "$97,819,050".

Mr. HUNTER. Mr. Chairman, this is a very simple amendment and I think in discussing the amendment we should go back and review the history of franking expenditure.

This amendment addresses the expenditures of reimbursement that will be made for use of the franking privilege by Members of this House and I think it is interesting and important to look back to the year 1975 and through the present and look at the appropriations that were in fact expended for this purpose.

In 1975 we spent about $38 million; 1976, $46 million, with a supplemental of about $16 million; 1977, $46 million; 1978, $48 million; 1979, $64 million; 1980, $50 million; 1981, $36 million with a supplement of $15 million; 1982, $75 million; 1983, $55 million, with a supplemental of $37 million.

So the total last year that we expended, counting the supplemental and the appropriations bill, Mr. Chairman, was about $93.1 million.

This amendment would limit the increase to 5 percent. If we do not adopt the amendment we are going to increase appropriations by about 15 percent to $107 million, for franking expenditures.

I would say, Mr. Chairman, that I think that this is one place where we can demonstrate some fiscal discipline. We can remind Members that they must live within their means, especially with the election year coming on. I think that one very interesting set of statistics are the estimates for 1984, looked at along with the actual numbers of pieces of mail sent out under the frank for 1975 through 1984.

In 1975, Members of this House sent out 312.4 million pieces of mail under the frank. In 1983, we are sending out about 422 million pieces of mail, but we estimate for 1984, which happens to be an election year, that we will send out 839 million pieces of mail.

I think, Mr. Chairman, that this is a reasonable amendment. It is an amendment, the debate of which should spark some restraint in the election year use of the franking privilege by Members of Congress. This is an opportunity to instill greater discipline in our congressional mailing practices.

Mr. Chairman, I yield back the balance of my time.

Mr. FAZIO. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, first of all, I would like to congratulate my colleague from California for bringing to the attention of the Members a very serious problem and that is the increasing amount to which we must use our franked mail privilege, but I think it is important to point out that we are in great measure responding to increasing contact from our constituents.

The gentleman from Michigan was just indicating to me that he had received over 20,000 pieces specifically in response to the issue that the Ways and Means Committee has been grappling with on the withholding of interest on dividends. And there are many, many other campaigns that the Members are subjected to which really are an effort to influence the course of our behavior here, our votes.

We are attempting in this appropriation to put up a sum of money that will accurately reflect what we anticipate the Members spending on their frank mail privilege. Last year I regret to say we were required to appropriate $38 million for supplemental purposes. The 1983 supplemental bill, which has been approved by the House and sent to the other body, includes $38 million out of the total of $93 million that is the actual fiscal year 1983 level for franked mail; in other words, we did not estimate a sufficient amount last year when we made the initial appropriation for official mail.

Mr. PERKINS. Mr. chairman, will the gentleman yield?

Mr. FAZIO. I yield to the gentleman from Kentucky.

Mr. PERKINS. I thank the gentleman for yielding.

Mr. Chairman, the reason that we have this terrific increase is because of the postage rate increase; am I correct, more than any other item in the bill?

Mr. FAZIO. There is both an increase in the average cost that we must reimburse the Postal Service for the combination of first and third-class mail that the Postal Service has estimated, the 840 million pieces that will be sent by Congress to our constituents. The carrysite cost per piece is 12.75 cents. So we are really attempting to reflect reality. We do not want to put a figure in here that will require a supplemental in the next fiscal year. We think this is truth in appropriations.

I would urge the defeat of the gentleman's amendment.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I am pleased to yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Chairman, I appreciate the gentleman pointing out that we have issues, as he did in his initial remarks, that we have issues and have had issues recently that have resulted in an increased mail flow from our constituents and he is referring to the withholding issues, but we have had issues like that in the past. We had the social security issue last year. And we are always going to have issues of importance coming before the American people.

This is the first time, I believe, in looking at my figures, that we have gone over the $100 million mark in appropriations for reimbursement for the franking privilege. I think that is significant. I think that passing this amendment would at least make Members realize that we have to exercise some fiscal restraint and to some degree we do solicit response from our constituents. We do generate mail to some degree in this House and I think that that fact is manifested in this estimate of some 839 million pieces of mail we feel will probably be going out during the election year.

□ 1310

So even in light of the gentleman's remarks, I think that this is a responsible amendment. It does call for a 5-percent increase, and I think that that is enough.

Mr. FAZIO. I would simply say that if by some magic we could establish a figure that would reduce the Members' reliance on the frank or the general public interest in communicating with us, I could support the gentleman. But I do not think this is going to have the effect that he wishes. I should point out that the law states in 39 U.S.C. 3216, we shall pay out of a lump sum appropriation the franking privilege costs that we incur.

I wish I could support the gentleman's amendment. I simply cannot.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I yield to the gentleman from Texas.

Mr. GONZALEZ. I thank the distinguished chairman for yielding, because I think that a very incidious if not an outright charge, an insinuation, has been placed here in the RECORD by the gentleman sponsoring this amendment. I for one think that it is obligatory to address ourselves to it.

The gentleman stated—and I hope I am not quoting him incorrectly, I do not think I am—that because of the coming election environment, implying that there must be some abuse of the proper franking privilege on the part of Congressmen. This has been loosely bandied around throughout the country, and I for one take umbrage at that.

Does the gentleman from California have a specific instance in which this

privilege is now being abused or has been abused in the last year?

Mr. HUNTER. Mr. Chairman, will the gentleman yield for a response?

Mr. FAZIO. I yield to the gentleman from California.

The CHAIRMAN. The time of the gentleman from California (Mr. FAZIO) has expired.

(On request of Mr. GONZALEZ and by unanimous consent, Mr. FAZIO was allowed to proceed for 3 additional minutes.)

Mr. HUNTER. Mr. Chairman, I appreciate the gentleman's statement. I did not state that there was an abuse by the Members of this body of the franking privilege.

Mr. GONZALEZ. Then what is the gentleman talking about?

Mr. HUNTER. Let me finish my response.

The point I was making was based on this statistic—and let me read it to the gentleman very clearly: In 1983, we will send out 422.6 million pieces of mail from this body.

Now, the estimate that I have that I understand was derived through the committee for 1984, that is the election year, is 839.8 million pieces of mail. In other words, that means if these figures are correct that were placed before me, we are going to double our use of the franking privilege in 1984.

Now, I am not suggesting that that is an abuse. I am suggesting that we can, in these tough economic times, exercise some fiscal restraint in the coming year, and I do not think it is bad to remind the membership of this House that, although it is our privilege to frank, ultimately the taxpayers pay for it, and I do not think that doubling the use of the frank in an election year is a coincidence. I think it is, to some degree, because we are entering into an election cycle.

Mr. FAZIO. If I could reclaim my time, I appreciate the point the gentleman has made, and I hope it will be of some value to the Members.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I yield to the gentlewoman from Ohio.

Ms. OAKAR. I thank the gentleman for yielding.

Mr. Chairman, I would just like to respond that you know and I know, as the chairman pointed out, that the cost is much greater this year than it was last year, so that is really not a viable comparison.

The point is that the effect of this amendment is to cut off our direct contact with our constituents. You know, Members of Congress are the closest link that the people in this wonderful country have to the Federal Government. What the gentleman is trying do, in effect, is cut off our ability to communicate with our constituents.

The gentleman must also know that we had to hire—and no Member had any disagreement with this—20 people more in the mailrooms to deal with all of the volumes of mail that we are getting from our people. People demand a response to their inquiries and to their points of view about issues.

So, do not cut off our ability to communicate with the American people. Dialog is what we need here. We need to take our direction more from the American people, not less. And that is what the gentleman is trying to do.

Mr. FAZIO. I thank the gentlewoman for her comments.

Mr. HUNTER. Mr. Chairman, will the gentleman yield briefly?

Mr. FAZIO. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Chairman, let me make one last response to the gentlewoman's remarks and perhaps a misimpression.

This amendment does not ask for a cut in appropriations to reimburse for franked mail. It asks for a 5-percent increase.

Mr. FAZIO. Mr. Chairman, I appreciate the gentleman's interest and I share his sentiments. I just do not think the approach that he takes at this time will have the effect that he intends, and I urge a "no" vote on the amendment.

Mr. GONZALEZ. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I feel very keenly about this, and I think every Member who respects his own honor and integrity ought to be just equally aroused.

The gentleman has still not answered clearly that insinuation that he made and has repeated, because he is now interpolating projections of increments and increases predicated on the assumption that only because of an election year environment will that increase take place.

Now, that is more than an insinuation. That is an accusation that either through direct or indirect means we are abusing this privilege. Of course, it is a privilege. It has been a privilege since the beginning of this institution, because it has been intended that we be as intimately in contact with our constituencies as is humanly possible to devise a system.

If the franking privilege in any way is unjustly curbed, for whatever reason, then we are hurting in our ability to the discharge our oath of office.

I think the gentleman ought to be compelled to show us factually, because if he wants to interpret these statistics that way, how does he interpret the unprecedented increment increase in just the last 3 months because of the inundation both in the House and the Senate by those withholding 10 percent protest coupons that have arrived here in millions of numbers?

This is not an election year. Would the gentleman then say, as the Postmaster certainly has not, that he is confronted and our mail system in this House is confronted with an unprecedented demand, which ought to be reflected in the projections? I think that the insinuation is still there that there is a potential, if not the actual conclusion, that we will be abusing this privilege simply because we will be entering an election year.

Mr. HUNTER. Mr. Chairman, will the gentleman yield for a question?

Mr. GONZALEZ. I yield to the gentleman.

Mr. HUNTER. Mr. Chairman, I appreciate the gentleman yielding, and I would like to tell the gentleman that I have cited the historical use of the frank from 1975 to the present, and it is a fact that on even-numbered years; that is, years in which we are running for election, the frank is used much more than it is in the odd-numbered years.

In 1984 we have an estimate of 839 million pieces of mail going out. That is twice what we have in this year.

Now, let me ask the gentleman this question: What is the gentleman's rationale, why does he think that increase is manifested in these statistics?

Mr. GONZALEZ. Well, it is very simple, in my opinion. If the gentleman had been here longer than he has been, he would realize that we confronted that issue and we passed reform legislation which, if the gentleman is correct in his conclusion, we will be violating, because in the prior years to the reform in which we were restricted in such things as mass mailing up to 60 days prior to an election, prior to that what does the gentleman's statistics show? That would be the best extrapolation of figures. And the gentleman does not have that, because the gentleman just has not been around here long enough to know what the problem really is and has been and what the Congress has already done.

Mr. BROWN of Colorado. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I rise to point out to my colleagues that we are not in any way suggesting a cut in the appropriation in this area in relation to past years. As recently as 1981, our total expenditures were $52 million in this area. The amendment proposes $97 million in this area.

□ 1320

The amendment is a significant increase over the total amount that was spent this year. The appropriation for this year was only $55 million. The amount that is proposed by the com-

mittee is nearly double the amount that was initially appropriated last year. The amount that is proposed in the amendment is over $97 million, which is 5 percent over the total amount that was appropriated last year including the supplement.

It is not a cut. It is not an attempt to cut off communication with constituents. It is a significant increase, but it is not a 15-percent increase over the biggest appropriation for mailing that we have ever had.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. HUNTER).

The question was taken; and on a division (demanded by Mr. GREGG) there were—ayes 21, noes 32.

RECORDED VOTE

Mr. HUNTER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 134, noes 173, not voting 125, as follows:

[Roll No. 158]

AYES—134

Anderson	Hartnett	Petri
Andrews (TX)	Hiler	Ray
Archer	Hopkins	Regula
Barnard	Hubbard	Ridge
Bartlett	Hughes	Rinaldo
Bennett	Hunter	Ritter
Bereuter	Hyde	Roberts
Bethune	Jacobs	Robinson
Bilirakis	Jeffords	Roemer
Bliley	Kasich	Rogers
Broomfield	Kemp	Roth
Brown (CO)	Kindness	Roukema
Burton	Kogovsek	Rudd
Clinger	Kramer	Schaefer
Coats	Latta	Schroeder
Conable	Leath	Sensenbrenner
Cooper	Loeffler	Skeen
Coughlin	Lowery (CA)	Smith (NE)
Courter	Lujan	Smith, Robert
Crane, Daniel	Lungren	Snowe
Crane, Philip	Mack	Solomon
D'Amours	MacKay	Spence
Daniel	Madigan	Stangeland
Dannemeyer	Marriott	Stenholm
Daub	Martin (IL)	Stump
Davis	Martin (NC)	Sundquist
DeWine	McCandless	Tallon
Dreier	McCollum	Tauke
Duncan	McDonald	Tauzin
Edwards (OK)	McEwen	Thomas (CA)
Emerson	McKernan	Valentine
Erdreich	McNulty	Vander Jagt
Erlenborn	Michel	Vandergriff
Evans (IA)	Miller (OH)	Walker
Fiedler	Molinari	Weber
Fish	Mollohan	Whittaker
Franklin	Moore	Williams (OH)
Gekas	Moorhead	Winn
Gilman	Nowak	Wise
Gingrich	O'Brien	Wolf
Goodling	Olin	Wylie
Gregg	Oxley	Yatron
Gunderson	Parris	Young (FL)
Hammerschmidt	Paul	Zschau
Hansen (ID)	Penny	

NOES—173

Ackerman	Bedell	Brooks
Akaka	Beilenson	Byron
Albosta	Boehlert	Carper
Andrews (NC)	Boggs	Carr
Annunzio	Boner	Chappell
Anthony	Borski	Clarke
Applegate	Bosco	Coleman (MO)
Aspin	Boucher	Coleman (TX)
Barnes	Boxer	Coyne
Bateman	Breaux	Daschle
Bates	Britt	de la Garza
Dellums	Kennelly	Pickle
Dicks	Kildee	Porter
Dingell	LaFalce	Rahall
Donnelly	Lagomarsino	Rangel
Dorgan	Lantos	Reid
Dowdy	Lehman (CA)	Rodino
Downey	Leland	Roe
Dwyer	Levin	Rose
Dyson	Levitas	Rostenkowski
Early	Lewis (CA)	Rowland
Eckart	Livingston	Roybal
Edgar	Long (LA)	Savage
Edwards (CA)	Long (MD)	Sawyer
English	Lowry (WA)	Scheuer
Evans (IL)	Luken	Schumer
Fascell	Lundine	Seiberling
Fazio	Markey	Sharp
Feighan	Matsui	Shelby
Ferraro	Mavroules	Simon
Flippo	Mazzoli	Smith (IA)
Foley	McCloskey	Smith (NJ)
Ford (MI)	McCurdy	Snyder
Ford (TN)	McDade	Solarz
Frank	McHugh	Spratt
Fuqua	Mikulski	Stark
Gejdenson	Miller (CA)	Studds
Gephardt	Mineta	Swift
Gibbons	Minish	Synar
Gonzalez	Mitchell	Taylor
Gray	Moakley	Thomas (GA)
Green	Moody	Towns
Guarini	Mrazek	Traxler
Hall, Ralph	Murphy	Udall
Hall, Sam	Murtha	Vento
Hamilton	Myers	Volkmer
Harrison	Natcher	Walgren
Hatcher	Neal	Waxman
Hefner	Oakar	Weaver
Hertel	Oberstar	Wheat
Horton	Obey	Whitley
Howard	Ortiz	Whitten
Hoyer	Ottinger	Wolpe
Jenkins	Owens	Wyden
Jones (NC)	Patman	Yates
Jones (OK)	Patterson	Young (MO)
Kaptur	Pease	Zablocki
Kastenmeier	Perkins	

NOT VOTING—125

Addabbo	Gore	Packard
Alexander	Gradison	Panetta
AuCoin	Gramm	Pashayan
Badham	Hall (IN)	Pepper
Berman	Hall (OH)	Price
Bevill	Hance	Pritchard
Biaggi	Hansen (UT)	Pursell
Boland	Harkin	Quillen
Bonior	Hawkins	Ratchford
Bonker	Heftel	Richardson
Brown (CA)	Hightower	Russo
Broyhill	Hillis	Sabo
Bryant	Holt	Schneider
Campbell	Huckaby	Schulze
Carney	Hutto	Shannon
Chandler	Ireland	Shaw
Chappie	Johnson	Shumway
Cheney	Jones (TN)	Shuster
Clay	Kazen	Sikorski
Coelho	Kolter	Siljander
Collins	Kostmayer	Sisisky
Conte	Leach	Skelton
Conyers	Lehman (FL)	Slattery
Corcoran	Lent	Smith (FL)
Craig	Levine	Smith, Denny
Crockett	Lewis (FL)	St Germain
Derrick	Lipinski	Staggers
Dickinson	Lloyd	Stokes
Dixon	Lott	Stratton
Durbin	Marlenee	Torres
Dymally	Martin (NY)	Torricelli
Edwards (AL)	Martinez	Vucanovich
Fields	McCain	Watkins
Florio	McGrath	Weiss
Foglietta	McKinney	Whitehurst
Forsythe	Mica	Williams (MT)
Fowler	Montgomery	Wilson
Frenzel	Morrison (CT)	Wirth
Frost	Morrison (WA)	Wortley
Garcia	Nelson	Wright
Gaydos	Nichols	Young (AK)
Glickman	Nielson	

□ 1330

The Clerk announced the following pairs:

On this vote:

Mr. Nichols for, with Mr. Addabbo against.

Mr. Lewis of Florida for, with Mr. Boland against.

Mr. Corcoran for, with Mr. Nelson of Florida against.

Mr. Craig for, with Mr. Hawkins against.

Mr. JONES of Oklahoma changed his vote from "aye" to "no."

Mr. PARRIS changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. HILER

Mr. HILER. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

CONGRESSIONAL BUDGET OFFICE

SALARIES AND EXPENSES

For salaries and expenses necessary to carry out the provisions of the Congressional Budget Act of 1974 (Public Law 93-344), $16,300,000: *Provided,* That none of these funds shall be available for the purchase or hire of a passenger motor vehicle: *Provided further,* That none of the funds in this Act shall be available for salaries or expenses of any employee of the Congressional Budget Office in excess of 222 staff employees.

The Clerk read as follows:

Amendment offered by Mr. HILER: On page 13, line 20, strike out "$16,300,000" and insert in lieu thereof "$15,566,250".

□ 1340

Mr. HILER. Mr. Chairman, this is a relatively simple amendment. I do not think it probably needs a lot of discussion and I will not take my full 5 minutes.

What this amendment would do would be to decrease the appropriation for the Congressional Budget Office from a 10-percent increase to a 5-percent increase in line with the kind of increase many other programs are having in our Government today.

In fiscal year 1983 the Congressional Budget Office had a 15.2-percent increase, and slated for 1984 would be a 10-percent increase. I see no reason why the CBO should have a 25.2-percent increase over a 2-year time period.

This amendment would reduce that amount from a 10-percent increase to a 5-percent increase.

Mr. Chairman, as has been the case with other amendments under discussion today, I think it is imperative that this body try to show some fiscal discipline. Certainly an area to start that, because we have not started today yet, would be the Congressional Budget Office, limiting them to a 5-percent increase as opposed to a 10-percent increase. I think it is entirely justified and should be supported by the House.

I yield back the balance of my time.

Mr. FAZIO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, likewise I will be brief, and I do not intend to take the entire time. I would like to make a couple of points.

First of all, we have again neglected to add in, I believe, the supplemental, so we are talking about apples and oranges when we talk about percentages. If you add in the supplemental, CBO requested an 11-percent increase. We gave them an 8-percent increase. This amendment would take it to 3 percent.

Let me make a comparison with two other very analogous agencies in the executive branch. The OMB asked us for a 20-percent increase. The Council of Economic Advisers asked for an 18-percent increase.

The gentleman from California (Mr. ROYBAL) in the Treasury, Postal Service appropriation bill has given them increases below what they requested.

His bill provides the OMB 10.4 percent and the Council of Economic Advisers 13.2 percent.

We are now talking about the one agency that we have here in the Congress to deal with these two executive branch agencies and to analyze the entire Federal budget. This is a more modest increase than allowed the executive branch agencies. In recent years the Congressional Budget Office rate of increase has been less than that of the GAO, less than that of the Congressional Research Service, and less than that of the Office of Technology Assessment.

We have a new Director coming in, somebody who deserves a chance to do the job properly. I think we would be hurting our constituents and their interests in seeing us analyze the budget in order to make logical budget reductions if we do not give the CBO a reasonable funding level.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I will be happy to yield to the gentleman from California.

Mr. LEWIS of California. I am sure this may come as no great surprise to my chairman, but since we do not know who the new CBO Director is going to be and since this is such a modest reduction I would urge my chairman to change his mind.

Why do we not just accept this one?

Mr. FAZIO. I am sorry that I have to disagree with my friend. I do not think we should hamper the legislative branch's ability to compete fairly with these agencies like the OMB and the Council of Economic Advisers.

I would urge that we defeat this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. HILER).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. HILER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 141, noes 164, not voting 127, as follows:

[Roll No. 159]

AYES—141

Albosta	Gregg	Oxley
Anderson	Gunderson	Packard
Andrews (TX)	Hall, Ralph	Parris
Applegate	Hall, Sam	Paul
Archer	Hammerschmidt	Petri
Barnard	Hansen (ID)	Pickle
Bartlett	Hartnett	Porter
Bateman	Hiler	Ray
Bennett	Hopkins	Regula
Bereuter	Hubbard	Ridge
Bethune	Hunter	Rinaldo
Bilirakis	Hyde	Ritter
Bliley	Jacobs	Roberts
Boehlert	Jeffords	Robinson
Broomfield	Kasich	Rogers
Brown (CO)	Kemp	Roth
Broyhill	Kindness	Roukema
Burton	Kramer	Rudd
Byron	Lagomarsino	Schaefer
Clinger	Latta	Sensenbrenner
Coats	Leath	Skeen
Coleman (MO)	Lewis (CA)	Smith (NE)
Conable	Livingston	Smith (NJ)
Coughlin	Loeffler	Smith, Robert
Courter	Lowery (CA)	Snowe
Crane, Daniel	Lujan	Snyder
Crane, Philip	Lungren	Solomon
Daniel	Mack	Spence
Dannemeyer	Madigan	Stangeland
Daub	Marriott	Stenholm
Davis	Martin (IL)	Stump
DeWine	Martin (NC)	Sundquist
Dreier	McCandless	Tauke
Duncan	McCollum	Taylor
Edwards (OK)	McDade	Thomas (CA)
Emerson	McDonald	Valentine
English	McEwen	Vander Jagt
Erlenborn	McKernan	Volkmer
Evans (IA)	Michel	Walker
Fiedler	Miller (OH)	Weber
Fish	Molinari	Whittaker
Franklin	Mollohan	Winn
Gekas	Moore	Wolf
Gilman	Moorhead	Wylie
Gingrich	Myers	Yatron
Goodling	O'Brien	Young (FL)
Green	Olin	Zschau

NOES—164

Ackerman	Early	LaFalce
Akaka	Eckart	Lantos
Andrews (NC)	Edgar	Lehman (CA)
Annunzio	Edwards (CA)	Leland
Anthony	Erdreich	Levin
Aspin	Fascell	Levitas
Barnes	Fazio	Long (LA)
Bates	Feighan	Long (MD)
Bedell	Ferraro	Lowry (WA)
Beilenson	Flippo	Luken
Boggs	Foley	Lundine
Boner	Ford (MI)	MacKay
Borski	Ford (TN)	Markey
Bosco	Frank	Matsui
Boucher	Fuqua	Mazzoli
Boxer	Gejdenson	McCloskey
Breaux	Gephardt	McCurdy
Britt	Gibbons	McHugh
Brooks	Gonzalez	McNulty
Carper	Gray	Mikulski
Carr	Guarini	Miller (CA)
Chappell	Hamilton	Mineta
Clarke	Harrison	Minish
Coleman (TX)	Hatcher	Mitchell
Cooper	Hefner	Moakley
Coyne	Hertel	Moody
Daschle	Horton	Mrazek
de la Garza	Howard	Murphy
Dellums	Hoyer	Murtha
Dicks	Hughes	Natcher
Dingell	Jenkins	Neal
Donnelly	Jones (NC)	Nowak
Dorgan	Jones (OK)	Oakar
Dowdy	Kastenmeier	Oberstar
Downey	Kennelly	Obey
Dwyer	Kildee	Ortiz
Dyson	Kogovsek	Ottinger
Owens	Schroeder	Traxler
Patman	Schumer	Udall
Patterson	Seiberling	Vandergriff
Pease	Sharp	Vento
Penny	Shelby	Walgren
Perkins	Simon	Waxman
Rahall	Smith (IA)	Weaver
Rangel	Solarz	Wheat
Reid	Spratt	Whitley
Rodino	Stark	Whitten
Roe	Stokes	Williams (OH)
Roemer	Studds	Wise
Rose	Swift	Wolpe
Rostenkowski	Synar	Wyden
Rowland	Tallon	Yates
Roybal	Tauzin	Young (MO)
Savage	Thomas (GA)	Zablocki
Scheuer	Towns	

NOT VOTING—127

Addabbo	Gore	Nielson
Alexander	Gradison	Panetta
AuCoin	Gramm	Pashayan
Badham	Hall (IN)	Pepper
Berman	Hall (OH)	Price
Bevill	Hance	Pritchard
Biaggi	Hansen (UT)	Pursell
Boland	Harkin	Quillen
Bonior	Hawkins	Ratchford
Bonker	Heftel	Richardson
Brown (CA)	Hightower	Russo
Bryant	Hillis	Sabo
Campbell	Holt	Sawyer
Carney	Huckaby	Schneider
Chandler	Hutto	Schulze
Chappie	Ireland	Shannon
Cheney	Johnson	Shaw
Clay	Jones (TN)	Shumway
Coelho	Kaptur	Shuster
Collins	Kazen	Sikorski
Conte	Kolter	Siljander
Conyers	Kostmayer	Sisisky
Corcoran	Leach	Skelton
Craig	Lehman (FL)	Slattery
Crockett	Lent	Smith (FL)
D'Amours	Levine	Smith, Denny
Derrick	Lewis (FL)	St Germain
Dickinson	Lipinski	Staggers
Dixon	Lloyd	Stratton
Durbin	Lott	Torres
Dymally	Marlenee	Torricelli
Edwards (AL)	Martin (NY)	Vucanovich
Evans (IL)	Martinez	Watkins
Fields	Mavroules	Weiss
Florio	McCain	Whitehurst
Foglietta	McGrath	Williams (MT)
Forsythe	McKinney	Wilson
Fowler	Mica	Wirth
Frenzel	Montgomery	Wortley
Frost	Morrison (CT)	Wright
Garcia	Morrison (WA)	Young (AK)
Gaydos	Nelson	
Glickman	Nichols	

□ 1400

The Clerk announced the following pairs:

On this vote:

Mr. Nichols for, with Mr. Addabbo against.

Mr. Lewis of Florida for, with Mr. Sisisky against.

Mr. Corcoran for, with Mr. Nelson of Florida against.

Mr. Craig for, with Mr. Florio against.

Mr. GEJDENSON changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. PORTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of H.R. 3135, the legislative branch appropriations bill for fiscal year 1984.

Though I would have preferred to limit Members' office allowances to an increase of 5 percent and so voted on the amendment of the gentleman

from Florida (Mr. BARTLETT), nevertheless, I believe that the bill before the House is fiscally responsible at a level of $1,210,644,200 ($1.211 billion), which is $16,691,000 below what was requested. Though the bill is over the level of funding appropriated to date for 1983, much of the increase is due to staff salaries, an area of continued congressional support. Notwithstanding the need to restrain the growth in new staff positions, the bill makes recommendations which will result in an overall reduction in staffing throughout the legislative branch of 18 positions under the authorized levels.

Both my colleague from California on the majority side, Mr. FAZIO, the Legislative Branch Subcommittee's able chairman, and my colleague from California on the minority side, Mr. LEWIS, the ever-diligent ranking minority member, deserve great praise for their work and contributions to this bill. They have done an exceptional job.

This year was my first to serve as a member of the Legislative Branch Subcommittee, and I have been very pleased to find that both Members run an efficient and responsible subcommittee. They are both outstanding leaders, and I am proud to be able to serve with them.

The bill they have guided is generally an excellent one, and I hope the Members will agree with me and vote accordingly.

Mr. LEWIS of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I wish to bring to the attention of the Congress and the American people one additional issue relating to this legislative branch appropriation bill. That issue is the scandalous wage situation at Congress' printing plant, the Government Printing Office.

For the past 2 years, my subcommittee has considered an amendment to this bill which would require that GPO employees be paid no more than other Federal workers doing the same type jobs. Last year, the full committee narrowly defeated the amendment. This year, the bill moved through committee so rapidly that the amendment was not offered.

In the interest of expediting the consideration of this bill, I will not offer the amendment during this debate. The subcommittee, however, will hold hearings on this very important issue sometime later this month or early next. By that time, the General Accounting Office, which has been carefully studying this issue for some time, will have issued its report on the GPO wage scandal.

The GAO indicates, in their preliminary draft of the report the following astounding facts:

GPO craft and industrial employees were paid $3,320 to $17,879 more per year than General Schedule or Federal wage system employees in similar occupations. This means that GPO craft and industrial employees earn an average of 42 percent more than other Federal workers.

GPO craft employees also receive between $0.36 and $5.15 per hour more than private sector employees doing the same work.

Over the last 10 years, GPO wage increases for these workers have greatly exceeded wage increases granted other Federal workers.

Many different unrelated jobs, requiring different training and skill levels, are all paid at the same rate, completely disregarding the standard practice in the Federal Government.

Once the GAO issues its final report, the subcommittee will thoroughly explore this longstanding scandal. The present situation cannot continue. The Congress must get its own house in order if we are to preach budgetary discipline to the rest of the Government.

The American taxpayers will no longer countenance this disgraceful waste of their money. Later in this session, after the subcommittee hearing, Congress must deal with this issue. Legislation must be introduced this term to eventually bring the wages of GPO employees into line with the wages paid other Federal workers. I urge you to support that legislation when it is introduced.

AMENDMENT OFFERED BY MR. BROWN OF COLORADO

Mr. BROWN of Colorado. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

HOUSE OFFICE BUILDINGS

For all necessary expenses for the maintenance, care and operation of the House Office Buildings, including the position of Superintendent of Garages as authorized by law, $21,361,000, of which $392,000 shall remain available until expended.

The Clerk read as follows:

Amendment offered by Mr. BROWN of Colorado: On page 15, line 19, strike "$21,361,000" and insert in lieu thereof $21,191,124".

Mr. BROWN of Colorado. Mr. Chairman, the committee has been patient in receiving amendments and giving them a fair hearing. I will try to make the presentation of this one as brief as possible.

This amendment is offered to eliminate 14 elevator positions for people who operate automatic elevators. Currently there are 44 elevator operators operating automatic elevators on the Hill; 15 are on the Senate side, 15 are on the House side in the Capitol Building, and 14 are in the House office buildings. the amount of money that is deleted here deletes the funding for those elevator operators who operate elevators in the House office buildings. It is a move that is similar to the move taken by the U.S. Senate over a year ago. They eliminated the money for operators to operate automatic elevators in their office buildings.

It does retain 15 elevator operators in the Capitol Building itself. It saves this country over $169,000. I think it sets the right kind of example. It does provide jobs for those senior operators who would want to come and take the remaining positions in this building.

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Colorado. I yield to the gentleman from New York.

Mr. CONABLE. I thank the gentleman for yielding.

Mr. Chairman, I thank the gentleman for offering this. I must say the elevator operators in my office building are fine people and I enjoy them. I enjoy talking to them and observing them at work, but I have noticed invariably the operated elevators are slower than the self-operated elevators which do not have operators in them.

I do believe that we would speed up the work of this body somewhat if we were to eliminate the pleasant chats that we all have these elevator operators coming and going.

Mr. BROWN of Colorado. I thank the gentleman.

Mr. Chairman, I would merely urge the committee to approve this amendment. It gives us an opportunity to eliminate waste and abuse in our own operation. I think that sets the right kind of example for our country that so desperately wants that deficit reduced.

I yield back the balance of my time.

Mr. FAZIO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment.

□ 1410

Mr. TRAXLER. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I yield to the gentleman from Michigan.

Mr. TRAXLER. In the last 6 years, how many elevator operators has the House eliminated?

Mr. FAZIO. We started with 152. We are now down to 44. We have been, through attrition, eliminating many of these positions as part of our normal appropriations process, and we will continue to eliminate nonessential positions.

Mr. LUNGREN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it is a shame that we have to discuss this issue here on the Floor. But the problem is that it is kind of tough to talk back home, explain back home, why you have operators who operate automatic elevators, particularly when I have constituents come in, and they have difficulty un-

derstanding why operators seem to be engaged with personal conversations during the entire time, and you are sometimes embarrassed to get on the elevator because you think you are breaking in on a telephone conversation. It just seems to me that we ought to take ourselves more seriously about this. It is a shame that it has to come up in this form, but we ought to at least concern ourselves with the image that is created for our constituents who happen to visit this Capitol.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado (Mr. BROWN).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BROWN of Colorado. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 101, noes 193, not voting 138, as follows:

[Roll No. 160]

AYES—101

Anderson	Hartnett	Regula
Archer	Hiler	Ridge
Barnard	Hopkins	Ritter
Bartlett	Hubbard	Roberts
Bateman	Hunter	Robinson
Bennett	Kasich	Roemer
Bethune	Kogovsek	Rogers
Bilirakis	Kramer	Roth
Bliley	Lagomarsino	Schaefer
Boehlert	Latta	Schroeder
Borski	Leath	Sensenbrenner
Brown (CO)	Loeffler	Skeen
Broyhill	Lujan	Smith (NE)
Burton	Lungren	Smith, Robert
Coats	Mack	Snyder
Coleman (MO)	Madigan	Solomon
Conable	Martin (IL)	Spratt
Courter	Martin (NC)	Stenholm
Crane, Daniel	McCandless	Stump
Crane, Philip	McDonald	Sundquist
Dannemeyer	McEwen	Tauke
Daub	Michel	Tauzin
DeWine	Miller (OH)	Thomas (CA)
Dreier	Molinari	Valentine
Edwards (OK)	Moore	Vander Jagt
Emerson	Moorhead	Walker
Erlenborn	Olin	Weber
Evans (IA)	Oxley	Whittaker
Gekas	Packard	Winn
Gibbons	Parris	Wolf
Gilman	Paul	Wylie
Gingrich	Pease	Young (FL)
Gregg	Petri	Zschau
Hall, Ralph	Ray	

NOES—193

Ackerman	Carper	Edwards (CA)
Akaka	Carr	English
Andrews (NC)	Chappell	Erdreich
Annunzio	Clarke	Fascell
Anthony	Clinger	Fazio
Applegate	Coleman (TX)	Feighan
Aspin	Cooper	Ferraro
Barnes	Coughlin	Fiedler
Bates	Coyne	Fish
Bedell	Daniel	Flippo
Bellenson	Daschle	Foley
Bereuter	Davis	Ford (MI)
Boggs	de la Garza	Ford (TN)
Boner	Dicks	Frank
Bosco	Donnelly	Franklin
Boucher	Dorgan	Fuqua
Boxer	Dowdy	Gejdenson
Breaux	Downey	Gephardt
Britt	Dwyer	Gonzalez
Brooks	Dyson	Goodling
Broomfield	Eckart	Gray
Byron	Edgar	Green
Guarini	McCollum	Rowland
Gunderson	McCurdy	Roybal
Hall, Sam	McDade	Rudd
Hamilton	McHugh	Savage
Hammerschmidt	McKernan	Sawyer
Harrison	McNulty	Scheuer
Hatcher	Mikulski	Schumer
Hefner	Miller (CA)	Seiberling
Hertel	Mineta	Sharp
Horton	Minish	Shelby
Hoyer	Mitchell	Simon
Hyde	Moakley	Smith (IA)
Jacobs	Mollohan	Smith (NJ)
Jeffords	Moody	Solarz
Jenkins	Mrazek	Spence
Jones (NC)	Murphy	Stangeland
Jones (OK)	Murtha	Stark
Kaptur	Myers	Stokes
Kastenmeier	Natcher	Swift
Kemp	Neal	Synar
Kennelly	Nowak	Tallon
Kildee	O'Brien	Taylor
Kindness	Oakar	Thomas (GA)
Lantos	Oberstar	Towns
Lehman (CA)	Obey	Udall
Lehman (FL)	Ortiz	Vandergriff
Leland	Ottinger	Vento
Levin	Owens	Volkmer
Levitas	Patman	Walgren
Lewis (CA)	Patterson	Waxman
Livingston	Penny	Weaver
Long (LA)	Perkins	Wheat
Long (MD)	Pickle	Whitley
Lowery (CA)	Porter	Whitten
Lowry (WA)	Rahall	Williams (OH)
Luken	Rangel	Wise
Lundine	Reid	Wyden
MacKay	Rinaldo	Yates
Markey	Rodino	Yatron
Marriott	Roe	Young (MO)
Matsui	Rose	Zablocki
Mazzoli	Rostenkowski	
McCloskey	Roukema	

NOT VOTING—138

Addabbo	Garcia	Nelson
Albosta	Gaydos	Nichols
Alexander	Glickman	Nielson
Andrews (TX)	Gore	Panetta
AuCoin	Gradison	Pashayan
Badham	Gramm	Pepper
Berman	Hall (IN)	Price
Bevill	Hall (OH)	Pritchard
Biaggi	Hance	Pursell
Boland	Hansen (ID)	Quillen
Bonior	Hansen (UT)	Ratchford
Bonker	Harkin	Richardson
Brown (CA)	Hawkins	Russo
Bryant	Heftel	Sabo
Campbell	Hightower	Schneider
Carney	Hillis	Schulze
Chandler	Holt	Shannon
Chappie	Howard	Shaw
Cheney	Huckaby	Shumway
Clay	Hughes	Shuster
Coelho	Hutto	Sikorski
Collins	Ireland	Siljander
Conte	Johnson	Sisisky
Conyers	Jones (TN)	Skelton
Corcoran	Kazen	Slattery
Craig	Kolter	Smith (FL)
Crockett	Kostmayer	Smith, Denny
D'Amours	LaFalce	Snowe
Dellums	Leach	St Germain
Derrick	Lent	Staggers
Dickinson	Levine	Stratton
Dingell	Lewis (FL)	Studds
Dixon	Lipinski	Torres
Duncan	Lloyd	Torricelli
Durbin	Lott	Traxler
Dymally	Marlenee	Vucanovich
Early	Martin (NY)	Watkins
Edwards (AL)	Martinez	Weiss
Evans (IL)	Mavroules	Whitehurst
Fields	McCain	Williams (MT)
Florio	McGrath	Wilson
Foglietta	McKinney	Wirth
Forsythe	Mica	Wolpe
Fowler	Montgomery	Wortley
Frenzel	Morrison (CT)	Wright
Frost	Morrison (WA)	Young (AK)

□ 1420

Mr. MACKAY changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

● Mr. RITTER. Mr. Chairman, I oppose H.R. 3135, the legislative branch appropriations for fiscal year 1984. I am sad to say that H.R. 3135 is another example of Congress unwillingness to make the hard decisions necessary to bring the budget deficit in line. This is not the time to call for growth in the legislative branch to expand our committee staff and support offices.

While I oppose H.R. 3135, I do support one provision in the bill. And that provision is to cap Members of Congress salary. After the charade of the 97th Congress over increases in Members pay, I am pleased we will not be playing that kind of game again.

However, this one measure of self-restraint is not enough to regain the confidence of the taxpayers. Congress is going to have to pull in its belt. An increase in our own appropriations is simply not justified and therefore I must oppose this bill.●

The CHAIRMAN. Are there any other amendments in order under clause 2(c) of rule XXI?

Mr. FAZIO. Mr. Chairman, since there are no other amendments, I move that the committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. DE LA GARZA, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3135) making appropriations for the legislative branch for the fiscal year ending September 30, 1984, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

□ 1430

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GREGG. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 184, nays 104, not voting 144, as follows:

[Roll No. 161]

YEAS—184

Ackerman	Guarini	Patman
Akaka	Hamilton	Patterson
Anderson	Harrison	Pease
Andrews (NC)	Hatcher	Penny
Annunzio	Hefner	Perkins
Anthony	Hertel	Pickle
Aspin	Horton	Porter
Barnard	Hoyer	Rahall
Barnes	Hughes	Rangel
Bates	Hyde	Regula
Bedell	Jeffords	Reid
Beilenson	Jenkins	Ridge
Boggs	Jones (NC)	Rinaldo
Boner	Jones (OK)	Robinson
Borski	Kaptur	Rodino
Bosco	Kastenmeier	Roe
Boucher	Kennelly	Rowland
Boxer	Kildee	Roybal
Breaux	Kogovsek	Rudd
Britt	Lantos	Savage
Brooks	Lehman (CA)	Sawyer
Carper	Lehman (FL)	Scheuer
Carr	Leland	Schumer
Chappell	Levin	Seiberling
Clarke	Levitas	Shelby
Coleman (TX)	Lewis (CA)	Simon
Cooper	Long (LA)	Smith (IA)
Coyne	Long (MD)	Smith (NE)
Daschle	Lowry (WA)	Smith (NJ)
Davis	Luken	Snyder
de la Garza	Lundine	Solarz
Dellums	MacKay	Spratt
Dicks	Madigan	Stangeland
Dingell	Markey	Stark
Donnelly	Marriott	Stokes
Dorgan	Matsui	Swift
Dowdy	Mazzoli	Synar
Downey	McCloskey	Tallon
Duncan	McCurdy	Taylor
Dwyer	McDade	Thomas (CA)
Early	McNulty	Thomas (GA)
Eckart	Michel	Towns
Edgar	Miller (CA)	Udall
Edwards (CA)	Mineta	Vander Jagt
English	Minish	Vandergriff
Erlenborn	Mitchell	Vento
Fascell	Moakley	Volkmer
Fazio	Molinari	Walgren
Feighan	Mollohan	Waxman
Ferraro	Mrazek	Weaver
Fish	Murtha	Wheat
Foley	Myers	Whitten
Ford (MI)	Natcher	Williams (OH)
Frank	Neal	Wolf
Fuqua	Nowak	Wyden
Gejdenson	O'Brien	Yates
Gephardt	Oakar	Yatron
Gibbons	Oberstar	Young (MO)
Gilman	Obey	Zablocki
Gonzalez	Ortiz	Zschau
Gray	Ottinger	
Green	Owens	

NAYS—104

Applegate	Courter	Hall, Ralph
Archer	Crane, Daniel	Hall, Sam
Bartlett	Crane, Philip	Hammerschmidt
Bateman	Daniel	Hansen (ID)
Bennett	Dannemeyer	Hartnett
Bereuter	Daub	Hubbard
Bethune	DeWine	Hunter
Bilirakis	Dreier	Jacobs
Bliley	Dyson	Kasich
Boehlert	Edwards (OK)	Kemp
Broomfield	Emerson	Kindness
Brown (CO)	Evans (IA)	Kramer
Broyhill	Fiedler	Lagomarsino
Burton	Flippo	Leath
Byron	Franklin	Livingston
Clinger	Gekas	Loeffler
Coats	Gingrich	Lowery (CA)
Coleman (MO)	Goodling	Lujan
Conable	Gregg	Lungren
Coughlin	Gunderson	Mack
Martin (IL)	Petri	Spence
Martin (NC)	Ray	Stenholm
McCandless	Ritter	Stump
McCollum	Roberts	Sundquist
McDonald	Roemer	Tauke
McEwen	Rogers	Tauzin
Miller (OH)	Roth	Valentine
Moore	Roukema	Walker
Moorhead	Schaefer	Weber
Murphy	Schroeder	Whittaker
Olin	Sensenbrenner	Winn
Oxley	Sharp	Wise
Packard	Skeen	Wylie
Parris	Smith, Robert	Young (FL)
Paul	Solomon	

NOT VOTING—144

Addabbo	Gradison	Nichols
Albosta	Gramm	Nielson
Alexander	Hall (IN)	Panetta
Andrews (TX)	Hall (OH)	Pashayan
AuCoin	Hance	Pepper
Badham	Hansen (UT)	Price
Berman	Harkin	Pritchard
Bevill	Hawkins	Pursell
Biaggi	Heftel	Quillen
Boland	Hightower	Ratchford
Bonior	Hiler	Richardson
Bonker	Hillis	Rose
Brown (CA)	Holt	Rostenkowski
Bryant	Hopkins	Russo
Campbell	Howard	Sabo
Carney	Huckaby	Schneider
Chandler	Hutto	Schulze
Chappie	Ireland	Shannon
Cheney	Johnson	Shaw
Clay	Jones (TN)	Shumway
Coelho	Kazen	Shuster
Collins	Kolter	Sikorski
Conte	Kostmayer	Siljander
Conyers	LaFalce	Sisisky
Corcoran	Latta	Skelton
Craig	Leach	Slattery
Crockett	Lent	Smith (FL)
D'Amours	Levine	Smith, Denny
Derrick	Lewis (FL)	Snowe
Dickinson	Lipinski	St Germain
Dixon	Lloyd	Staggers
Durbin	Lott	Stratton
Dymally	Marlenee	Studds
Edwards (AL)	Martin (NY)	Torres
Erdreich	Martinez	Torricelli
Evans (IL)	Mavroules	Traxler
Fields	McCain	Vucanovich
Florio	McGrath	Watkins
Foglietta	McHugh	Weiss
Ford (TN)	McKernan	Whitehurst
Forsythe	McKinney	Whitley
Fowler	Mica	Williams (MT)
Frenzel	Mikulski	Wilson
Frost	Montgomery	Wirth
Garcia	Moody	Wolpe
Gaydos	Morrison (CT)	Wortley
Glickman	Morrison (WA)	Wright
Gore	Nelson	Young (AK)

□ 1440

The Clerk announced the following pairs:

On this vote:

Mr. Addabbo for, with Mr. Erdreich against.

Mr. Hawkins for, with Mr. Nichols against.

Mr. Morrison of Connecticut for, with Mr. Lewis of Florida against.

Mr. Nelson of Florida for, with Mr. Denny Smith against.

Mr. Florio for, with Mr. Shaw against.

Mr. Dymally for, with Mr. Badham against.

Mr. Durbin for, with Mr. Carney against.

Mr. Garcia for, with Mr. Latta against.

Mrs. Hall of Indiana for, with Mr. Shuster against.

Mr. Ratchford for, with Mr. McCain against.

Mr. Staggers for, with Mr. Nielson of Utah against.

Mr. Dixon for, with Mr. Pashayan against.

Mr. Sisisky for, with Mr. Quillen against.

Mr. Derrick for, with Mr. Hiler against.

Mr. Pepper for, with Mr. Gramm against.

Mr. Boland for, with Mr. Frenzel against.

Mr. Bonker for, with Mr. Chappie against.

Mr. Smith of Florida for, with Mr. Campbell against.

Mr. Mica for, with Mr. Corcoran against.

Mr. Evans of Illinois for, with Mr. Craig against.

Mrs. Vucanovich for, with Mr. Siljander against.

Mr. Wortley for, with Mr. Cheney against.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON H.R. 3223, AGRICULTURE, RURAL DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS, 1984

Mr. WHITTEN, from the Committee on Appropriations, submitted a privileged report (Rept. No. 98-231) on the bill (H.R. 3223) making appropriations for Agriculture, Rural Development, and Related Agencies programs for the fiscal year ending September 30, 1984, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

Mrs. SMITH of Nebraska reserved all points of order on the bill.

REPORT ON H.R. 3222, DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY AND RELATED AGENCIES APPROPRIATIONS, 1984

Mr. SMITH of Iowa, from the Committee on Appropriations, submitted a privileged report (Rept. No. 98-232) on the bill (H.R. 3222) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies for the fiscal year ending September 30, 1984, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

Mr. MILLER of Ohio reserved all points of order on the bill.

CAPITOL HILL ELEVATOR OPERATORS

(Mr. HARRISON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HARRISON. Mr. Speaker, I just want to say in the 5 months I have been here I have found the elevator operators in the House of Representatives to be unfailingly courteous and helpful. I very much regret that the opportunity was taken this afternoon to bring an amendment on the floor which would have eliminated funding for their salaries, and I was happy for the opportunity to vote against it.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 953

Mr. GEKAS. Mr. Speaker, I ask unanimous consent that my name be deleted from the list of cosponsors of H.R. 953, as introduced by Mr. BIAGGI on January 26, 1983. My name was entered on May 12, 1983.

The SPEAKER pro tempore (Mr. DONNELLY). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EXPRESSION OF SUPPORT FOR SOCIAL SECURITY LEGISLATION

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, I rise today in support of H.R. 3074 and H.R. 3045, which would establish a temporary moratorium on the continuing disability investigations in the social security disability insurance (SSDI) and supplemental security income (SSI) programs. This moratorium would remain in effect until comprehensive reforms in the review system have been implemented.

The tragedy of the SSDI and SSI review processes has been well documented. A recent report by the General Accounting Office, requested by the Senate Special Committee on Aging, shows that many Americans have been unjustly denied social security disability benefits due to an overburdened and inadequate review process. An article in the New York Times published April 7, 1983 also focused national attention on this problem.

The current situation began in 1980, when legislation was enacted requiring the review of all claims for persons receiving disability insurance on a regular basis. This new review process began in April 1981. As a result of this law, increased burdens have been placed upon the States' review processes. Consequently, many deserving individuals have had their disability benefits terminated.

Numerous statements from treating physicians, State program administrators, and patients exemplify the inappropriate determination process. These sources state that physicians, who are not members of the community and who have never before seen the patients involved, examine these patients under contract with administering agency. The examinations often last only 5 minutes, and inappropriate diagnoses are made. One of my constituents tells of X-rays obtained in one such exam which did not show the site of the patient's disability. A report is then rendered based upon these examinations, and benefits may be terminated as a result. I find this type of hasty review process unconscionable.

The findings of the General Accounting Office report truly reflect a national problem. As one GAO official pointed out, all States use guidelines and instructions furnished by the Social Security Administration in conducting disability review. Even more disturbing to me, Mr. Speaker, is the fact that the GAO conducted parts of its study in my own State of Ohio. I have received several letters from constituents describing heart-rending stories of how they have been improperly terminated from disability benefits. I would like to share with my colleagues an excerpt from a letter I received from a treating physician in my district describing the terrible misdiagnoses being made under the current review process. What follows are vivid examples of the wrongful termination of disability benefits:

A 58-year-old woman with rheumatoid arthritis with red, angry, swollen joints requiring gold salt therapy, high dosage aspirin, and who has had surgical implantation of plastic knuckles to enable her to perform the minimum daily activities of life;

A 43-year-old mother of two dependent children, divorced, has had rheumatoid vasculitis with severe impairment of the nervous system affecting the upper and lower limbs since she was 32. She has had continuing rheumatoid disease with the inability to bear weight for any prolonged period, because of ankle involvement. In addition, she has had nearly total loss of motion in her wrists. At her disability assessment, a hip X-ray was obtained. The hip was never involved in her condition. She was denied benefits; and

A 58-year-old male who was injured and has such muscle spasms that on forward-bending his spine lists to the side has been under treatment for 3 to 5 years. This individual was on social security disability insurance, was denied his claim, and asked to pay back $6,000. The examination itself so upset this patient that his psoriasis flared up and became an additional source of disability.

Mr. Speaker, I realize that determining an individual's eligibility for disability benefits is a very complex and delicate task. Furthermore, no Federal program serving so many people can be administered completely without error. Yet, this does not justify the inadequacy of the present review process. As a caring society, we cannot allow disabled patients, such as those in the examples just given, to be callously cut off from proper medical assistance.

Every day, disabled Americans are forfeiting their homes, cars, and other personal belongs in order to obtain adequate medical coverage. Many of those who have been terminated from their benefits deteriorate quickly, both physically and mentally, and some have even died because they could not afford the care and services they needed.

I urge my colleagues to take immediate action to develop a comprehensive solution that will insure that patients who are in need of assistance receive the disability benefits to which they are entitled. Until such reforms are enacted, a moratorium on the present eligibility review process is required. I support the approach contained in H.R. 3045 and H.R. 3074 because it would not repeal the 1980 legislation mandating the expanded review process. I believe we are all agreed that disability and SSI claims must be reviewed regularly. But H.R. 3045 and H.R. 3074 would allow sufficient time to analyze the problems within the process, and to receive and develop specific recommendations for legislative action to improve the process.

Our society cannot continue to risk the lives of its people due to the inappropriate procedures for determining eligibility for benefits. Not even one life should be threatened in this process. I urge my colleagues to temporarily suspend the review process by joining me in supporting H.R. 3045 and H.R. 3074.

□ 1450

INTO THE ABYSS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 30 minutes.

● Mr. GONZALEZ. Mr. Speaker, President Reagan is preparing the way for a United States leap into the abyss of El Salvador. At the same time he is running an ever-greater risk to American Forces in Lebanon.

In El Salvador, he has dismissed his Ambassador in the most brutal way possible—not because the Ambassador failed to support administration policy, but because he had the temerity to suggest that the Government of El Salvador might do well to curb its murder squads. In the words of one commentator, this sacking of Ambassador Hinton can only by interpreted "as a signal of the priority Reagan attaches to improvements in human rights." In other words, the administration is telling the right wingers in El Salvador that they should not worry about murder as usual; it does not concern the Americans. And indeed, within hours of the Ambassador's unseemly and demeaning firing, the right wingers in El Salvador moved to strengthen their position.

Meanwhile, back in Washington, the President fired Thomas Enders, the Assistant Secretary of State for Latin America. Not because Enders was insufficiently tough, but because he tried to work out agreements with Congress. The President is saying that he cares not an ounce about any con-

gressional concerns over his policy; he is betting that he can cajole or frighten a majority into acquiescing with anything that he cares to do.

What these moves amount to is a takeover of Latin American policy by the White House. Henceforth, that policy will not be run by people who necessarily know anything about Latin America—indeed, Secretary Enders will be replaced by an ex-land developer from Alaska. Real control of policy in El Salvador and elsewhere will rest in the hands of the national security adviser, William Clark, who has been described as having the "Reagan psyche" as his "area of expertise."

Now that Reagan has made it clear that he does not expect the Government of El Salvador to do the one thing that might give it legitimacy—carry out reforms, institute law, order, and some semblance of justice—he is moving to the next phase, which is of course a much deeper involvement in El Salvador and elsewhere.

Today's New York Times details how the administration is "convinced that U.S. military presence in Central America is too small" and that "an increase in American involvement" is being considered. The report goes on to say that the President has reviewed a plan "to expand U.S. military activity in Honduras," significantly above present plans to use 100 U.S. advisers to train Salvadoran troops there. In fact, the Honduran base is simply a subterfuge, to allow a great expansion of U.S. military training for Salvadoran troops, while allowing the administration to claim that the number of Americans committed to the abyss of El Salvador is smaller than it really is. Nor is that the end of it; additional American Forces are involved in the training of Salvadoran officers, here in U.S. Army facilities.

It is plain that the administration will increase the level of U.S. commitment with every setback on the Salvadoran Government. It is inching toward a commitment of U.S. troops in a combat role. This surely is no different from the sad history of Vietnam, where we spent endless blood and money in behalf of a corrupt government, just as the President is now committing more and more to El Salvador, a government characterized yesterday by former President Carter as "the most murderous in this hemisphere." Reagan, far from calling for reform in El Salvador, is discouraging it—and yet, political oppression, extreme poverty, and incredible injustice are the fuel behind the rebellion he hopes to quell. He tells these thugs in El Salvador that they will get all the help they want or need, and proves it by dispatching more Americans to El Salvador to provide military medical help, and more Americans to Honduras to provide more training, and at the same time dismissing anyone in his own administration who counsels the slightest bit of moderation or caution—even those who only suggest that the Salvadorans should not be quite so open about their murder sprees.

We in Congress ought to be concerned about this. We ought to be outraged. But there is a nervous silence. What good does it do to keep in power a government that is as squalid as any in the world? It only puts off the day of reckoning, and equates us with mobsters and monsters who govern by fear and terror, rather than decency and justice. Have we forgotten the anguished warnings of Stilwell, in wartime China, who was frustrated by the endless corruption of the so-called ally we supported? Have we so soon forgotten the fate of Somoza, who enjoyed decades of endless help from the United States? Have we forgotten the disaster of Iran, where we ignored the cries of decent and moderate people, who knew that the Shah could not last, no matter how great his apparatus of terror was? Have we forgotten Vietnam, where no amount of blood and treasure could save a government that had no legitimacy, sought none, and cared not? Have we learned nothing? Not if we stand silent and idle while the administration prepares to carry out a policy that is more extreme every day, and more costly with each passing hour, and less promising each minute.

Even as we plunge into the abyss of El Salvador, we are being drawn into a daily more unstable and dangerous situation in Lebanon. Has anyone failed to see the expanded French commitment in Beirut? Does anyone forget that we have now been informed that our marines will be in Lebanon for at least another 15 months? Does not anyone know that additional marines will be sent there, and that they will come more and more into the line of fire by the forces that hope to ignite one more war? Does not anyone realize that the most extreme elements of the Palestine Liberation Army are gaining in their efforts to wrest control from Arafat, who is not bloodthirsty enough to suit them?

How many in the House today know that there are secret agreements to which the United States is party, in connection with the Lebanon-Israel agreement signed a few days ago? How many of us know the contents of those agreements? How many of us have evaluated the risk, considered the extent of our commitment?

If ever there were a time for the Congress to ask hard questions and demand hard answers, it is now. The administration is inching toward an outright war in Central America; as matters are now going, it is only a question of time.

This is a situation in which the war powers resolution might well apply. Indeed, the distinguished chairman of the Committee on Foreign Affairs maintains that President Reagan has been skirting the resolution, with respect to Lebanon, and I include in the RECORD his letter to me stating that fact.

COMMITTEE ON FOREIGN AFFAIRS,
Washington, D.C., May 26,1983.

Hon. HENRY B. GONZALEZ,
Rayburn House Office Building, Washington, D.C.

DEAR HENRY: Thank you for your lengthy and thoughtful letter of May 17 regarding the War Powers Resolution. I appreciate your insightful comments on this important matter.

At the outset, let me thank you for your kind comments regarding my role in connection with the enactment of the War Powers Resolution. I regard it as one of the most important legislative achievements of my Congressional career and do indeed exercise oversight with constant and determined effort. In that connection, your letter was an important prod and inspiration for me to continue to do so.

As to the case in point regarding U.S. Marines deployed in Lebanon on September 29, 1982, let me make the following points:

I completely concur in your view that the President failed to fully and properly comply with the War Powers Resolution. My position on that question was made clear in public statements of September 29 and 30, 1982. My more detailed comments were expressed in my Washington Post article of October 3, 1982. Copies of all three items are enclosed.

In various hearings and other fora since September 29, 1982, I have questioned Administration representatives on the issue, and also directed the staff of the Foreign Affairs Committee to follow all developments on the matter.

In the course of considering and marking up H.R. 2532. the Lebanon Emergency Assistance Act of 1983, I worked closely with Representative Lee H. Hamilton, chairman of the Subcommittee on Europe and the Middle East, in having the following language inserted in the bill:

"SEC. 4. The President shall obtain statutory authorization from the Congress with respect to the introduction of the United States Armed Forces into Lebanon in conjunction with agreements providing for the withdrawal of all foreign troops from Lebanon and for the creation of a new, more permanent multinational peace-keeping force in Lebanon."

A somewhat different version of that language appears in the Senate counterpart bill, S. 639. A compromise version of the difference has been worked out and the bill is tentatively scheduled to be considered on the House floor on June 1.

Aside from these specific efforts there is another, somewhat more general but fundamental, consideration that guides me in my oversight of War Powers. That thought was expressed in my October 3 Post article but bears repeating here.

Basically, I believe that a responsible Congressional oversight effort must be both vigilant and prudent. We must not see "hostilities" around every corner. To so do would wear the War Powers Resolution threadbare and end up making it meaningless through excessive application. Under such circumstances the law would be made sterile and be ineffective when we need it the most.

On the other hand, and as you say so well, simple inconsistency or inaction by Congress would vitiate the Resolution beyond repair.

Obviously these alternatives present a dilemma as well as a delicate challenge of determined but common sense oversight.

With your continuing help and guidance, I intend to do that.

With best wishes, I am,

Sincerely yours,

CLEM,
Chairman.

Chairman ZABLOCKI warns of danger, and says that his concerns have led him to include restrictive language in the latest aid authorizations for Lebanon; and I commend him for that concern. Yet I fear that more must be done, both with regard to Lebanon and Central America, if we are going to avoid tragedy.

Chairman ZABLOCKI is concerned that we cannot raise the war powers resolution unless there is a clear and present danger, saying that "We must not see "hostilities" around every corner." I certainly agree on that point. But looking at Central America, surely all the signs are there. The change of personnel, the clear takeover of policy by amateurs who have absolutely no background, the sudden news of new options being considered, the commitment of new troops to that handy base in Honduras, the talk of added commitments of advisers in El Salvador itself—all of this and more, suggests that Reagan is ready for war, and is waiting only for the excuse.

When do we raise the war powers resolution? After the 1st, the 50th, or the 14th adviser is killed? Do we raise it on the basis of the 50th, the 500th or the 5,000th so-called adviser sent into the area?

The intent of the resolution is to prevent unilateral Presidential actions, little wars like the secret war in Cambodia. The idea and purpose of the resolution is to insure that Congress plays its constitutional role in the question of when, where, and whether to go to war. But the administration has no intention of involving Congress in any of its decisions. It was precisely because Secretary Enders made some efforts in that direction that he was fired, to be replaced by a nonprofessional, political appointee who may be familiar with Alaska, but who can be trusted never to tell Ronald Reagan what he does not care to hear. In that circumstance, and in the situation where the President clearly aims to deepen our involvement in a very dangerous situation, is it not time to act? When all the preparations for war are in train, that is when Congress ought to be most alert. It is too late once the trap has sprung.

It is inconceivable to me that one of the most odious governments on Earth is deserving of a single dime of American money, much less the commitment of a single American life. There is no way that the Government of El Salvador is ever going to be legitimized by our money or the blood of our children. There is no way that we can abandon reason in the face of all the evidence that the Government of El Salvador created its own rebellion, that it has no intention of ever providing law or justice or decency to its impoverished people; that with each day it becomes weaker through its own viciousness. Where is the notion that there is a place for moral judgment? How can we justify acting in behalf of what former President Carter—and he should know—calls one of the most murderous of all governments?

Now is the time to stay the hand of the President—before, not after, he leads us over the abyss, and our children with him.●

HONORING JOHN CHAMBERLIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOYER) is recognized for 5 minutes.

● Mr. HOYER. Mr. Speaker, when I was first elected to Congress I decided that it was critically important that I have on my staff someone who was a senior citizen. I made this decision because I felt that only by looking through the eyes of an older person could one really understand the issues and effects of our policies on the aging. Therefore, I was extremely lucky to have persuaded John Chamberlin to come out of his retirement and join my staff. He has proved to be an able adviser and his wit and genial manner have won many friends in the Fifth Congressional District.

On May 23 of this year, Mr. Chamberlin reached his 75th birthday, and, much to my misfortune, announced that he would be leaving my staff to rejoin his lovely wife Helen in their leisurely pursuit of life. It is with regret that I see him go and I wish to honor him here today for his service to the constituents of my district.

John is a long-time resident of Laurel, Md. He is retired from an engineering career at Vitro Laboratories in Silver Spring and is a life member of the American Defense Preparedness Association and a charter member of the Society of American Value Engineers. Before joining my staff, John served as marketing director for the Laurel Area Chamber of Commerce.

Mr. Chamberlin has been active in community and church affairs and in civic and fraternal circles for many years. He is affiliated with the American Association of Retired Persons, both national and local chapters. He is a member and past president of the Laurel Rotary Club; past master of the Laurel Wreath Masonic Lodge No. 149, A.F. and A.M.; member of the York and Scottish Rite bodies and Boumi Shrine Temple, Baltimore; member of Laurel Lodge No. 155, Knights of Pythias; and is a trustee and administrative board member of the Laurel First United Methodist Church. Chamberlin also serves on the board of directors of the Heart Association of Southern Maryland, is a director of the sponsoring body of the Oasis Youth Services Bureau at Laurel, and is a member of the Agricultural Land Preservation Advisory Board of Prince Georges County.

Needless to say, he is a very busy man and his influence and dedication to his fellow citizens is far reaching and great. Through his activity as community affairs liaison, John Chamberlin has aided many hundreds of residents, answering questions on everything from health care and social security to housing and economic aid. He has visited countless senior citizens groups at local county and community senior citizen centers, clubs, and agencies and has, in the process, elevated the community consciousness as to the availability of numerous services offered to seniors in our area at all levels of government.

And throughout all his activity, he has brought a sparkling wit, shining good humor, and a keen sensitivity which will long be remembered.

Mr. Speaker, I am proud that a man of the caliber of John Chamberlin has been a member of my staff, and I wish him and Helen all the best for their future happiness.●

REPORT FROM COMMITTEE ON THE BUDGET ON 1983 CONGRESSIONAL BUDGET

(Mr. JONES of Oklahoma asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. JONES of Oklahoma. Mr. Speaker, pursuant to the procedures of the Committee on the Budget and section 311(b) of the Congressional Budget Act of 1974, I am submitting to the RECORD a letter to the Speaker advising him of the current level of spending and revenues for fiscal year 1983.

COMMITTEE ON THE BUDGET,
Washington, D.C., June 1, 1983.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: On January 30, 1976, the Committee on the Budget outlined the procedure which it had adopted in connection with its responsibilities under Section 311 of the Congressional Budget Act of 1974 to provide estimates of the current level of revenues and spending. Pursuant to Committee Rule 10, I am herewith transmitting the status report under S. Con. Res. 92, the First Concurrent Resolution on the Budget for Fiscal Year 1983. This report reflects the resolution of June 24, 1982, and the current CBO estimates of budget authority, outlays, and revenues based on all completed action on spending and revenue measures

as of the close of legislative business May 26, 1983.

With best wishes,

Sincerely,

JAMES R. JONES, *Chairman.*

REPORT TO THE SPEAKER OF THE U.S. HOUSE OF REPRESENTATIVES FROM THE COMMITTEE ON THE BUDGET ON THE STATUS OF THE FISCAL YEAR 1983 CONGRESSIONAL BUDGET, ADOPTED IN SENATE CONCURRENT RESOLUTION 92, REFLECTING COMPLETED ACTION AS OF MAY 26, 1983

[In millions of dollars]

	Budget authority	Outlays	Revenues
Appropriate level	822,390	769,818	665,900
Current level	861,866	802,912	606,311
Amount over resolution	39,476	33,094	
Amount under resolution			59,589

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate for fiscal year 1983, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in Senate Concurrent Resolution 92 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate for fiscal year 1983, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in Senate Concurrent Resolution 92 to be exceeded.

REVENUES

Any measure that would result in a revenue loss for fiscal year 1983, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in Senate Concurrent Resolution 92.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., May 31, 1983.

Hon. JAMES R. JONES,
Chairman, Committee on the Budget, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is to advise you that the estimates of the current level of 1983 budget authority, outlays, and revenues sent to you on April 6, 1983, have changed because the Congress has cleared S. Con. Res. 26 approving funds for the MX missile. The current estimates consistent with CBO's current economic and estimating assumption are:

[Millions of dollars]

	Budget authority	Outlays	Revenues
Current level estimate	861,866	802,912	606,311
Budget Resolution, S. Con. Res. 92	822,390	769,818	665,900
Amount over (+)/under (−) resolution	+39,476	+33,094	−59,579

Sincerely,

ALICE M. RIVLIN, *Director.*

PARLIAMENTARIAN STATUS REPORT, SUPPORTING DETAIL, FISCAL YEAR 1983 AS OF CLOSE OF BUSINESS MAY 31, 1983

[In millions of dollars]

	Budget authority	Outlays
I. Enacted:		
Permanent appropriations and trust funds	473,430	465,643
Enacted previgus session	482,803	465,668
Offsettifg receipts	−132,721	−132,733
Enacted this session:		
Ecofomic Development Administration deferral disapproval, H. Res& 74		5
DGE strategic petroleum reserve deferral disapproval, H. Res. 80		6
Supplemental jobs bill, Public Law 98–8	15,736	7,336
Offsetting receipts	−5,159	−5,159
Social Security Act Amendments of 1983, Public Law 98–21	26,610	731
Total enacted	860,699	801,499
II. Entitlement authority and other mandatory items requiring further appropriation:		
Medicaid	101	101
Federal unemployment benefits and allowances	70	70
Advances to unemployment insurance trust fund	2,275	2,275
Offsetting receipts	−2,275	−2,275
Payment to Civil Service retirment trust fund	342	342
Offsetting receipts	−342	−342
Civilian agency pay raises	791	902
Black lung disability trust fund	54	54
Mass transportation capital fund		85
Federal disability insurance trust fund	220	220
Offseting receipts	−220	−220
Payment to social security trust fund	1,180	1,180
Offsetting receipts	−1,180	−1,180
Supplemental security income	151	151
Total	1,167	1,363
III. Continuing resolution authority		
IV. Conference agreements ratified by both Houses: MX missile approval, S. Con. Res. 26		50
Total, current level as of May 31, 1983	861,866	802,912
Second Budget Resolution, S. Con. Res. 92	822,390	769,818
Amount remaining:		
Over ceiling	39,476	33,094
Under ceiling		

Note.—Detail may not add due to rounding.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. LEWIS of Florida (at the request of Mr. MICHEL), for today, on account of official business.

Mr. CONTE (at the request of Mr. MICHEL), from June 1 to June 6, on account of official business.

Mr. WIRTH (at the request of Mr. WRIGHT), for today, on account of official business.

Mr. EDWARDS of Alabama (at the request of Mr. MICHEL), for today, on account of illness in the family.

Mr. CARNEY (at the request of Mr. MICHEL), for today though June 7, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DYSON) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 30 minutes, today.

Mr. HOYER, for 5 minutes, today.

Mr. FRANK, for 60 minutes, on June 6.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. OBEY, to revise and extend his remarks and to include extraneous material notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,690.50.

(The following Members (at the request of Mr. FRANKLIN) and to include extraneous matter:)

Mr. FIELDS.

Mr. RUDD.

Mr. FISH.

Mr. RINALDO.

Mr. SCHULZE.

Mr. LUJAN.

Mr. YOUNG of Florida in 10 instances.

Mr. WILLIAMS of Ohio.

Mr. RITTER.

Mr. MCEWEN.

Mr. SMITH of New Jersey.

Mr. CAMPBELL.

(The following Members (at the request of Mr. DYSON) and to include extraneous matter:)

Mr. PEASE.

Mr. HUBBARD.

Mr. FAZIO in two instances.

Mr. MILLER of California.

Mr. RATCHFORD.

Mr. MICA.

Ms. KAPTUR.

Mr. MCDONALD.

Mr. WAXMAN.

ADJOURNMENT

Mr. DYSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 50 minutes p.m.) under its previous order, the House adjourned until Monday, June 6, 1983, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1290. A letter from the Architect of the Capitol, transmitting a report on expenditures of appropriations for the period October 1, 1982, through March 31, 1983, pursuant to section 105(b) of Public Law 88–454; to the Committee on Appropriations.

1291. A letter from the Chairman, District of Columbia Retirement Board, transmitting the third annual report of the District of Columbia Retirement Board, pursuant to section 164 of Public Law 96–122; to the Committee on the District of Columbia.

1292. A letter from the Chairman, Federal Election Commission, transmitting proposed regulations concerning collecting agents and joint fundraising activities, pursuant to sec-

tion 438(d)(1), of title 2, United States Code; to the Committee on House Administration.

1293. A letter from the Administrator, National Aeronautics and Space Administration, transmitting notice of proposed construction of NASA research and development facilities exceeding $250,000, for installation of support facilities, site 1, Air Force Plant 42, Palmade, Calif., pursuant to section 101(d) of Public Law 97-324; to the Committee on Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. S. 419. An act to provide that per capita payments to Indians may be made by tribal governments, and for other purpose; with an amendment (Rept. No. 98-230). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee on Appropriations. H.R. 3223. A bill making appropriations for agriculture, rural development, and related agencies programs for the fiscal year ending September 30, 1984, and for other purposes (Rept. No. 98-231). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of Iowa: Committee on Appropriations. H.R. 3222. A bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1984, and for the other purposes (Rept. No. 98-232). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SMITH of Iowa:

H.R. 3222. A bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1984, and for other purposes.

By Mr. WHITTEN:

H.R. 3223. A bill making appropriations for Agriculture, rural development, and related agencies programs for the fiscal year ending September 30, 1984, and for other purposes.

By Mr. DELLUMS (for himself, Mr. BEDELL, Mr. BONKER, Mr. BROWN of California, Mr. CLAY, Mrs. COLLINS, Mr. CONYERS, Mr. CROCKETT, Mr. DYMALLY, Mr. EDGAR, Mr. EDWARDS of California, Mr. FAUNTROY, Mr. FORSYTHE, Mr. GLICKMAN, Mr. GRAY, Mr. KASTENMEIER, Mr. LEACH of Iowa, Mr. LEHMAN of Florida, Mr. MARKEY, Mr. MITCHELL, Mr. MURPHY, Mr. OBERSTAR, Mr. OWENS, Mr. PATTERSON, Mr. ROYBAL, Mr. SAVAGE, Mr. SEIBERLING, Mr. SIMON, Mr. TAUKE, Mr. WEAVER, Mr. WEISS, and Mr. YATES):

H.R. 3224. A bill to amend the Internal Revenue Code of 1954 to provide that a taxpayer conscientiously opposed to participation in war may elect to have his income, estate, or gift tax payments spent for nonmilitary purposes; to create a trust fund (the World Peace Tax Fund) to receive these tax payments; to establish a World Peace Tax Fund Board of Trustees; and for other purposes; to the Committee on Ways and Means.

By Mr. HAMMERSCHMIDT:

H.R. 3225. A bill to amend the Water Resources Development Act of 1974 to modify the non-Federal share of the cost of constructuring bridges over the Norfork Reservoir, Ark.; to the Committee on Public Works and Transportation.

By Mr. LENT:

H.R. 3226. A bill to amend the Internal Revenue Code of 1954 to provide that tax-exempt interest shall not be taken into account in determining the amount of social security benefits to be taxed; to the Committee on Ways and Means.

By Mr. SCHULZE:

H.R. 3227. A bill to amend the Tariff Act of 1930 and the Trade Act of 1974 to provide more equitable standards for determining the foreign market value of, and market disruption attributable to, goods manufactured in nonmarket economy countries; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GEKAS:

H.R. 3228. A bill for the relief of the Williamsport-Lycoming Chamber of Commerce regarding the passenger vessel *Hiawatha;* to the Committee on Merchant Marine and Fisheries.

By Mr. REID:

H.R. 3229. A bill for the relief of Peter J. Montagnoli; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 657: Mr. HILER.

H.R. 881: Mr. MATSUI, Mr. DYSON, Mr. MAVROULES, Mr. ZABLOCKI, Mr. MAZZOLI, Mr. BORSKI, Mr. MARLENEE, Mr. ANDREWS of Texas, Mr. CONYERS, Mr. RALPH M. HALL, Mr. MORRISON of Connecticut, Mr. CHANDLER, and Mr. FOWLER.

H.R. 943: Mr. HOWARD and Mr. MARRIOTT.

H.R. 1083: Mr. DONNELLY.

H.R. 1084: Mr. BATEMAN, Mr. MARRIOTT, Mr. EMERSON, Mr. SENSENBRENNER, Mr. LOWERY of California, Mr. APPLEGATE, Mr. FUQUA, and Mr. ROEMER.

H.R. 1199: Mr. ANDERSON.

H.R. 1266: Mr. GUARINI and Mr. FOGLIETTA.

H.R. 1307: Mr. CARPER.

H.R. 1329: Mr. DAUB.

H.R. 1494: Mr. BIAGGI.

H.R. 1603: Mr. MATSUI, Mr. MOODY, Mr. FOGLIETTA, Mr. BONER of Tennessee, and Mr. STARK.

H.R. 1607: Mr. LAGOMARSINO, Mr. FLIPPO, Mr. STANGELAND, Mr. GUARINI, Mr. FAZIO, and Mr. GRADISON.

H.R. 1609: Mr. CAMPBELL.

H.R. 1615: Mr. FOGLIETTA, Mr. LELAND, and Mr. NOWAK.

H.R. 1644: Mr. JEFFORDS, Mr. HAMMERSCHMIDT, Mr. GEJDENSON, Mr. RAHALL, Mrs. ROUKEMA, Mr. MCKINNEY, and Mr. RINALDO.

H.R. 1653: Mr. EDGAR.

H.R. 1918: Mr. DE LA GARZA.

H.R. 2027: Mr. BOUCHER.

H.R. 2071: Mr. BOUCHER, Mr. THOMAS of California, and Mr. BROWN of California.

H.R. 2124: Mr. ROBERTS, Mr. TAUZIN, Mr. MCKERNAN, Mr. BROOMFIELD, Mr. HALL of Ohio, Mr. LEHMAN of California, Mr. MCCOLLUM, and Mr. FUGUA.

H.R. 2153: Mr. COUGHLIN.

H.R. 2243: Mr. ECKART, Mr. LENT, Mr. MAZZOLI, and Mr. BIAGGI.

H.R. 2276: Mr. DWYER of New Jersey, Mr. LENT, Mr. ACKERMAN, Mr. CONTE, Mr. OTTINGER, Mr. FISH, Ms. MIKULSKI, Mr. MITCHELL, Mr. MRAZEK, Mr. SILJANDER, Mr. MCNULTY, Mr. NEAL, Mr. BERMAN, and Mr. DYSON.

H.R. 2299: Mr. MURPHY, Mr. KOLTER, Mr. NOWAK, and Mr. FEIGHAN.

H.R. 2440: Mr. FORSYTHE, Mr. MCCOLLUM, and Mr. FRENZEL.

H.R. 2468: Mr. BEDELL, and Mr. MORRISON of Connecticut.

H.R. 2489: Mr. NOWAK, and Mr. MINETA.

H.R. 2490: Mr. DIXON, Mr. FORD of Tennessee, and Mr. SOLARZ.

H.R. 2567: Mr. FORD of Michigan, Mrs. SCHROEDER, and Mr. HERTEL of Michigan.

H.R. 2601: Mr. NIELSON of Utah, Mr. DYSON, Mr. BURTON, and Mr. CORCORAN.

H.R. 2697: Mr. CAMPBELL, Mr. PAUL, and Mr. AKAKA.

H.R. 2747: Mr. DEWINE.

H.R. 2820: Mr. SHANNON, Mr. MARTIN of North Carolina, Mr. DUNCAN, and Mr. LEWIS of Florida.

H.R. 2945: Mr. STUMP, Mr. ROE, Mr. WON PAT, Mr. MCCAIN, Mr. SUNIA, Mr. RICHARDSON, and Mr. MORRISON of Connecticut.

H.R. 2946: Mr. STUMP, Mr. ROE, Mr. WON PAT, Mr. MCCAIN, Mr. SUNIA, Mr. RICHARDSON, and Mr. MORRISON of Connecticut.

H.R. 2961: Mr. WON PAT, Mr. NELSON of Florida, Mr. FAUNTROY, and Mr. BENNETT.

H.R. 2977: Mr. PARRIS and Mr. DYSON.

H.R. 3025: Mrs. HOLT, Mr. WINN, Mr. MATSUI, Mr. LAFALCE, and Mr. HORTON.

H.R. 3062: Mr. BURTON.

H.R. 3071: Mrs. ROUKEMA, Mr. PETRI, and Mr. LEWIS of Florida.

H.R. 3075: Mr. MITCHELL.

H.J. Res. 93: Mr. LUKEN, Mr. DONNELLY, Mr. WOLF, Mr. DICKINSON, Mr. MURPHY, Mr. KEMP, Mr. KINDNESS, Mr. MAZZOLI, and Mr. WHITEHURST.

H.J. Res. 210: Mr. BLILEY, Ms. SNOWE, Mr. HERTEL of Michigan, Mrs. JOHNSON, Mr. STANGELAND, Mr. DAVIS, Mr. HORTON, Mr. CORCORAN, Mr. BROYHILL, Mr. WILSON, Mrs. HOLT, Mr. MOAKLEY, Mr. VANDERGRIFF, Mr. WOLPE, Mr. HUNTER, Mr. ANNUNZIO, Mr. FOGLIETTA, Mr. ROBINSON, Mr. WINN, Mr. SAM B. HALL, JR., Mr. PATTERSON, Mr. BEREUTER, Mr. MCEWEN, Mr. BARNES, Mr. BROWN of California, Mr. BILIRAKIS, Mr. PATMAN, Mr. KOSTMAYER, Mr. TORRICELLI, Mr. DOWNEY of New York, Mr. LEVIN of Michigan, Mr. MICA, Mr. WOLF, Mr. YOUNG of Alaska, Mr. JONES of North Carolina, Mr. SUNDQUIST, Mr. WILLIAMS of Ohio, Mr. SYNAR, Mr. ANDERSON, and Mr. CHAPPIE.

H.J. Res. 258: Mr. MURTHA, Mr. MILLER of Ohio, Mr. PAUL, Mr. LOWERY of California, Mr. IRELAND, Mr. WEAVER, Mr. MINISH, Mr. MARKEY, Mr. BILIRAKIS, Mr. ANDERSON, Mr. ROGERS, Mr. PATMAN, Mr. MARTIN of New York, Mr. WRIGHT, Mr. DREIER of California, Mr. MOLINARI, Mr. LIVINGSTON, Mr. MACK, and Mr. SAWYER.

H. Con. Res. 112: Mr. BATES and Mr. MORRISON of Connecticut.

H. Con. Res. 129: Mr. WEISS and Mr. MORRISON of Connecticut.

H. Con. Res. 132: Mr. BOSCO, Mr. BOUCHER, Mr. CAMPBELL, Mr. DASCHLE, Mr. HUBBARD, Mr. KOGOVSEK, Mr. LOWERY of California, Mr. MCDONALD, Mr. MARLENEE, Mr. MOLINARI, Mr. PASHAYAN, Mr. SENSENBRENNER, Mr. SIMON, Mr. SMITH of New Jersey, Mr. SOLOMON, Mr. STANGELAND, Mr. WORTLEY, Mr. WYLIE, and Mr. YOUNG of Alaska.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 953: Mr. GEKAS.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2915

By Mrs. SCHROEDER:

—Page 15, after line 15, insert the following new section 118 and redesignate existing section 118 as section 119:

DANGER PAY ALLOWANCE FOR DUTY IN LEBANON OR EL SALVADOR

SEC. 118. (a) An employee serving in Lebanon or El Salvador during any month shall be paid a danger pay allowance under section 5928 of title 5, United States Code, for that month. The amount of such allowance shall be determined by the Secretary of State based on the severity of the conditions described in the first sentence of section 5928.

(b) The head of an agency shall pay a lump-sum payment to each employee of the agency who served in Lebanon or El Salvador during the period beginning on October 1, 1982, and ending on September 30, 1983. Such payment shall be the total amount the employee would have received as a danger pay allowance for such period under section 5928 of title 5, United States Code, by reason of service in Lebanon or El Salvador if subsection (a) of this section had been in effect on October 1, 1982.

(c) This section shall take effect on October 1, 1983. The authority to make payments pursuant to this section is subject to the availability of appropriated funds for that purpose.

(d) This section shall cease to apply on September 30, 1985, or—

(1) in the case of employees serving in Lebanon, upon the withdrawal of United States Armed Forces from deployment in and around Beirut, Lebanon, as part of the multinational peacekeeping effort in Lebanon; and

(2) in the case of employees serving in El Salvador, upon withdrawal from El Salvador of members of the United States Armed Forces who are providing defense services or military educational and training;

whichever occurs first.

H.R. 3132

By Mr. EDGAR:

—On page 8, after line 2, add the following new section:

"SEC. 104. Within funds available in the Construction General Account, including but not limited to funds deferred, the Corps of Engineers is directed to complete the navigation and related features of the Tennessee-Tombigbee Waterway at a total federal cost not to exceed $202,000,000. Section 206 of the Inland Waterways Revenue Act of 1978 is amended by adding at the end thereof the following: '(27) Tennessee-Tombigbee Waterway: From the Pickwick Pool on the Tennessee River at RM 215 to Demopolis, Alabama, on the Tombigbee River at RM 215.4.' ".

EXTENSIONS OF REMARKS

WHY I GIVE MY HEART TO THE REPUBLIC OF CHINA

HON. LARRY McDONALD
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. McDONALD. Mr. Speaker, one of the real foreign policy tragedies of our time is the American abandonment of the Republic of China. Few people know this tragedy better, or feel it more keenly, than Prof. Anthony Kubek of Tracy State University in Troy, Ala., who is also an adviser to the Western Goals Foundation of Alexandria, Va. He is the author of many books on China, the Far East, and communism. On Saturday, March 19, 1983, he delivered an address to the Shanghai-Tiffin Club of New York on the Republic of China. In this talk he set forth some of the great qualities of Chiang Kai-shek and the virtues of the Republic of China, which are not mentioned or have been forgotten by our historians. I commend his speech, slightly reduced, to the thoughtful attention of my colleagues.

WHY I GIVE MY HEART TO THE REPUBLIC OF CHINA

(By Dr. Anthony Kubek)

After almost thirty years of teaching in the areas of social science in the United States, I try today to explain to you why I have given a part of my American heart to the Republic of China.

In the year 1970 I compiled two volumes of documents for the Internal Security Subcommittee of the U.S. Senate. These volumes were published under the title The Amerasia Papers: A Clue to the Catastrophe of China and consisted of classified documents pilfered from several agencies of the U.S. government during World War Two and then handed over to an influential little magazine in New York City called Amerasia. The editors and supporters of this monthly publication, which circulated in the highest echelons of American officialdom at that time, were warmly sympathetic to the Chinese Communist movement of Chairman Mao Tse-tung. The stolen documents discovered by the F.B.I. in the Amerasia offices in 1945 were intended to be used to undermine the government of our ally the Republic of China under President Chiang Kai-shek.

Subsequently I was invited to Taipei by the late Paul Cardinal Yu-pin, rector of the Catholic university in Taiwan, and Mr. Yu Chi-chung of the China Times. My hosts told me that President Chiang Kai-shek had read the Amerasia volumes and wished to talk with me. I was with President Chiang for more than an hour, and I shall always remember what he said to me on that occasion and how he said it:

"Your State Department released a White Paper in 1949 blaming me for the loss of China to the Communists," the Generalissimo said. "I was upset about it, and called in my advisors and asked what I should do. Some of them urged me to make public my side of the story; others advised me not to, since the situation was so sensitive in that period of the Korean crisis that my reply might irritate some officials in the Washington government. So I decided to wait, and for more than twenty years I suffered while waiting for some scholar to come out with the truth. And now you have given the truth."

Well, the documents in the Amerasia volumes tell the truth, and the facts are stranger than fiction. The United States was still at war with Japan, and the Republic of China was our ally. But a group of our bright young diplomatic officers, most of them the children of Christian missionary parents, were so enamoured of the teachings of Mao Tse-tung that they came to regard the Communist Chairman as a kind of modern Confucius whose wisdom alone could lead China's hundreds of millions of villagers into peace, prosperity, and democratic happiness. They devoutly believed, as Edgar Snow had written in the early days of the Pacific war, that there was indeed a "Red Star over China." And they shaped their dozens of lengthy reports and dispatches to our State Department in Washington, D.C., in such a way as to undercut American support of President Chiang Kai-shek and his Nationalist party, the Kuomintang. Their single-minded and entire purpose in 1944-45 was to unhorse the Generalissimo and to make way for the coming of Chairman Mao Tse-tung and the Chinese Communist Party.

In order to accomplish this, it was necessary to hold up President Chiang as a straw man and to batter him with every imaginable invective. I dare say that no leader of the Free World in recent history, or perhaps in all modern history, has been more maligned, castigated, and villified than the late President and Generalissimo of the Republic of China. And why? Because he broke sharply with the Chinese Communists back in 1927 and chased them up into the hills, where they had to remain for twenty years, and the leftists of this world could never forgive him for that. Chiang Kai-shek was the first world figure to sound the tocsin of warning against the insidious evils of Communism. He had seen the serpent up close and had smelled its deadly scent. And, to the end of his long life in 1975, he refused categorically to compromise with it.

Critics and debunkers always need to overlook certain facts that do not fit the negative protrait they paint. In President Chiang's case, it has been convenient to forget many things. Usually ignored is the important fact that during World War II the Chinese Nationalist armies tied down more than a million of Japan's best troops that otherwise would have been used against Americans in the South Pacific island campaigns. Also seldom mentioned is President Chiang's remarkable attitude toward Japan at the close of the war. Despite the destruction and havoc wrought upon his country by the Japanese, the Generalissimo did not thirst for revenge. Unlike the Soviets in Europe in 1945, the Chinese Nationalist demanded no new territories or reparations to compensate the temendous losses they had sustained as a result of the prolonged Japanese aggression in China. The magnaminity of President Chiang is illustrated by his reply, at the Cairo Conference in 1943, to President Roosevelt's question on what should be done about the Japanese Emperor after the war. Since Japan's imperial structure was historical and central to its form of government, the Generalissimo felt the Japanese people should be allowed to decide the question for themselves. When he said that, he gave Roosevelt and Churchill a lesson in generosity they did not expect.

It surprised me somewhat that Chiang Kai-shek, a lifelong soldier, chose to speak kindly even of his detractors and enemies. "No person is perfect," he said, "For God has given everyone shortcomings as well as strengths." It occurred to me, though I did not say it, that Chiang's great strength was also his shortcoming. He was simply too staunch an anti-Communist to be acceptable on a permanent basis to pragmatists who make diplomatic decisions by expediency. Principle and pragmatism cannot long live side by side.

But words are just words. The real testimony to Chiang Kai-shek's inspired leadership of the Chinese people is the miracle of Taiwan. It continues to amaze me how his Nationalist followers—that loyal and gallant fragment who left the mainland with him in 1949—were able, within just a few years, to transform an underdeveloped island into a modern, progressive state with a viable economy and a government stable enough to absorb change and achieve smooth transition. One of the true wonders of the modern world is the Republic of China on the island of Taiwan.

The late President was always quick to acknowledge the teachings of his mentor, Dr. Sun Yat-sen, founder of the Republic of China in 1912, and the plain fact is that Chiang Kai-shek devoted his life to carrying forward the "Three Principles" which were Doctor Sun's legacy and blueprint for the future of China. The people of Taiwan today are fortunate to have that legacy and blueprint so admirably explained and illustrated by the late President's wise counsel. Unlike the cynical preachings and threadbare slogans of Chairman Mao, long since disavowed by the regimes which have been quarreling at Peking since his death, the words of Chiang Kai-shek can be re-read a thousand times and still retain their original freshness. Because Chiang was trained as a soldier and Mao spent his youth as a Librarian's assistant, some Westerners have assumed the wrong assumptigns about modern China. They have taken Mao to be the towering intellectual, the latter-day Confucius, while regarding Chiang as just another provincial warlord. This, of course, is precisely the picture presented by the drafters of the Amerasia documents. I know the picture well, and I regard it as the most terrible distortion of the twentieth century.

Chiang Kai-shek regarded Christianity and Communism as being as incompatible as

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

fire and water. On the other hand, he considered Confucius as an East Asian prophet whose wisdom prepared the way for Christ in the Orient. He considered the spread of the Gospel of Jesus to have a great bearing on the rejuvenation and perpetuation of Chinese culture, and he constantly urged the assimulation of traditional Confucian values with the Christian teachings which inspired Western civilization. The Chinese Communists were well aware of President Chiang's wish to blend the two, for it was in the very year of his conversion to Christianity that he severed all connection between the Kuomintang and the Soviet-fashioned Chinese Communist Party. Once he saw the truth, he stood firmly by it and refused every temptation of expediency. In a word, he took seriously the Scripture which said: "A good tree cannot bring forth evil fruit; neither can an evil tree bring forth good fruit."

My admiration for what Chiang Kai-shek accomplished in Taiwan, as a model for the rejuvenation of China, is frankly boundless. When the Nationalists went to Taiwan in 1949, there were many predictions of the collapse of the Republic of China within a year's time. But that move across the Strait, under the most adverse circumstances, turned out to be the beginning of one of modern history's most remarkable examples of comeback. When Mayor Lee Teng-hui of Taipei was asked how Taiwan was about to produce such a high standard of living for its people, he answered plainly: "The system encourages our people to work. There is no magic formula; it is the product of free people at work." The per-capita income in Taiwan will reach $3,000 by the end of this year, as compared with less than $400 on the mainland, and the gap between rich and poor in Taiwan is one of the narrowest in the world. According to a recent study by five Western scholars and published by the Oxford University Press, the Republic of China is one of very few "developing countries" to have achieved both a high rate of economic growth and a conspicuous improvement in distribution of income.

In his book, Wealth of Nations in Crisis, Ronald C. Narin says that Taiwan has developed "a highly successful agriculture, one of the finest in the world." Friedrich Hayek, the Nobel Prize economist and social philosopher, has said that the Republic of China can teach the world this important lesson: the free-market economy is the only way for "developing" nations to develop. There is little doubt about the buying and selling power of the Republic of China. Despite its diplomatic problems, the ROC currently trades with 149 countries and is one of the very few whose foreign-trade volume exceeds its Gross National Product. The overall two-way trade of the ROC exceeds forty billion dollars annually. The United States remains her largest customer and second largest supplier, with total trade in excess of twelve billion despite some disruption of commercial relations "de-recognition" four years ago. The harbor city of Kaohsiung is fast becoming the "mother port" of Southeast Asia and a major trans-shipping point to all world markets.

Aleksandr Solzhenitsyn recently told a packed auditorium in Taipei: "Communist China hates you for your economic and social superiority. For them, it is not permissible that other Chinese should know that there can be a better life than Communism." The people of Taiwan enjoy a free political choice. Today there are three viable parties, plus the freedom to remain independent of affiliation, and elections are scheduled regularly. The judiciary is independent of political control. People travel freely within the country, and hundreds of thousands go abroad each year. The national parliament functions smoothly, as do the provincial and municipal councils throughout the island. These are the advantages to which Solzhenitsyn referred.

Most people, of course, only learn about distant places through journalism. Will Rogers used to say that Americans only know what they read in the papers. Today it is not so much from the pages of newspapers as from the night air of broadcast journalism. The news reaches 40,000,000 people daily in the form of tight little capsules of carefully selected pictures and words between five and six o'clock each evening. What they learn depends entirely on who picks the pictures and writes the words. But once in a while a journalist writes a whole book about something of importance. Fox Butterfield of the New York Times has done so in a recent book about mainland China. He calls it China—Alive in a Bitter Sea, and I would strongly recommend it to anyone who wants to know what life is really like today on the mainland.

Time does not permit me to digest this interesting book for you. Suffice it to say that Fox Butterfield went to Peking in June, 1979, to open the first Times bureau there. Fluent in Chinese, he had studied with John K. Fairbank at Harvard and was thoroughly sympathetic to the Chinese Communist experiment. Once in Peking, however, he saw all his illusions shattered. The reality of Communist China was far different from what he had been taught. "I had to unlearn many of what I took to be the facts about China," he writes in his introduction, declaring flatly that the "breathless accounts of Western visitors" were almost always the result of an "official Communist tour" which cast "a kind of magic spell" over naive visitors. Read Fox Butterfield's book and you will get a good picture of the miseries of the mainland today. It will make you appreciate Taiwan all the more.

A writer in the Asian Wall Street Journal has recently said that "Taiwanization" is the only practical way for China to succeed in its much-touted modernization program. I agree four-square. We have heard a lot of talk during the past few years about the prospects of Chinese unification. Yes, that would be nice. But before there can be any kind of real unification the Peking regime must do four things:

Foresake the schemes and dreams of Marx and Lenin, including the grand goal of world revolution;

Get rid of the Communist Party dictatorship erected by Mao Tse-tung and his cohorts;

Disband the communes and return property to the people in some equitable way; and

Most of all, embrace the Three Principles of Dr. Sun Yat-sen: Nationalism, Democracy, and People's Livelihood.

And NBC, ABC, and CBS can beam it on their statellites that this is the considered advice of an American who loves the Chinese people as much as his own!

The real Chinese revolution, ladies and gentlemen, is not taking place anywhere on the mainland. It is taking place on the island of Taiwan. Here are the real agrarian reformers; here are the true guardians of the rich Chinese culture. And here, in the example of the late President Chiang Kai-shek, is the only real hope for the unification of the Chinese people.

These are the plain, pure reasons why I give my heart to that brave, fine nation called the Republic of China.●

NOW FREE VIETNAMESE FAMILY AT HOME IN NORTH CAROLINA

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. NEAL. Mr. Speaker, it seems so long ago—and yet was only recently—that the world was aghast at the plight of the Vietnamese boat people and their heroic flight to freedom. As the focus of events shifted elsewhere, we put these people out of our minds, and with rare exceptions, we never wonder, aloud, about what happened to those courageous people.

I am pleased today to tell you what happened to one Vietnamese family of eight—a father, mother, four sons, one daughter, and one nephew. Under the sponsorship of six churches in my congressional district, they have found a new home, a new land, and a new hope in America. Moreover, they have endeared themselves to their neighbors and already seem to be achieving what we so fondly call the American dream.

This family came to the Fifth District of North Carolina under the auspices of the Lutheran Family Services' refugee resettlement program. Its local sponsors are Shiloh Lutheran Church, Unity Moravian Church, and Harmony Grove, Sharon, Concord, and Lewisville United Methodist Churches.

The Reverend James R. Faggart, minister of Lewisville United Methodist Church, explains the refugee family in this way:

Our family consisted of eight persons: father, mother, four sons, a daughter and a nephew. They were boat people. They came here after being in the Philippines for a long time. They are a delightful family. The father works in Kernersville as a welder, the nephew works also as a welder, the daughter works at a nursing home, one son worked at a restaurant for awhile but had opportunity to go north to college. The younger two boys are in school. They have often attended churches in the community, they are loved and respected and enjoyed. The family next-door has adopted them as "family." I have eaten in their home: they are clean, industrious, self-sufficient and happy.

The congregations found them a place to live: they have an automobile, they are self-sufficient, they have a garden, they keep their home spotless. They arrived with a small bag of clothing. The church provided housing, food, clothing. Within a few months they were self-sufficient. The churches helped find employment, saw that they had vaccinations, got the children into school, etc. I doubt that more than $1,500 was expended.

They are an asset to this community: loving, appreciative, friendly. Somewhere down the road we will look into sponsoring

others. The United States has been great because we have cared for others: when we become self-centered and selfish, we will no longer be great.

The Reverend Mr. Faggart speaks well the sentiments of most Americans and I am pleased, Mr. Speaker, to share them with my colleagues.●

RELIGIOUS PERSECUTION IN IRAN

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. YATRON. Mr. Speaker, the New York Times of May 26 included an editorial on Iran's persecution of members of the Baha'i faith. The title of the editorial, "Satanism in Iran," is an apt description of the outrages perpetrated by the Khomeini government.

On May 22, President Reagan issued a humanitarian appeal to Iran to end the executions and persecution of the Baha'is. I am sure that all Members of Congress join with the President in his request.

Following is the text of the President's statement and of the editorial from the New York Times:

THE WHITE HOUSE,
Washington, D.C., May 17, 1983.

America and the world are increasingly alarmed and dismayed at the persecution and severe repression of the Baha'is in Iran. Recently we have learned that the Government of Iran has sentenced 22 prominent members of the Baha'i Faith to death. This is in addition to the more than 130 who have been killed since the beginning of the revolution in Iran, including one man executed January 1, 1983, and three hanged in Shiraz on March 12, 1983.

These individuals are not guilty of any political offense or crime, they have not plotted the overthrow of the regime, and they are not responsible for the deaths of anyone. They only wish to live according to the dictates of their own consciences. I strongly urge other world leaders to join me in an appeal to the Ayatollah Khomeini and the rest of Iran's leadership not to implement the sentences that have been pronounced on these innocent people. Sparing their lives would be a step forward for Iran and the world community.

RONALD REAGAN.

SATANISM IN IRAN

The Devil, it is reliably reported, can quote Scripture. So can Iranian judges. Asked to explain why 22 adherents of the Bahai faith had to die, a religious judge in Shiraz said it would fulfill a prayer of Noah, as recorded in the Koran: "And Noah said, Lord, leave not one single family of infidels on the earth; for if thou leave them they will beguile thy servants and beget only sinners and infidels."

Barbarism is rarely uglier than when it wears a clerical face. In the name of such precepts, Iran has killed at least 150 Bahais since 1979, jailed and robbed thousands more, and snatched children from their parents. It is a vile persecution that certainly warrants President Reagan's plea for the lives of people whose only crime is their belief.

That is in fact conceded by the Shiraz judge. He complains that Iran's 300,000 Bahais "are against participation in politics." By abstaining, he said, they want to create, "however ridiculously," a state within a state. Yet he could not specify a single hostile act by a minority whose teachings instruct loyalty to their nation.

A Government that makes abstention a capital crime has grounds for killing anyone. The Bahai creed abhors violence, promotes the equality of men and women and favors universal peace through world government. That is what the Dark Age bigots who rule Iran call satanism.

Americans are helpless to halt the killings. But they should never cease to protest and they can join with other nations in providing asylum to those who manage to escape from this state of fanaticism.●

THE REVEREND JULE AYERS, D.D., RETIREMENT

HON. FRANK HARRISON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. HARRISON. Mr. Speaker, on Sunday evening, June 12, the congregation of the First Presbyterian Church in Wilkes-Barre will honor their minister, the Reverend Jule Ayers, D.D., on the occasion of his retirement from the pulpit after 39 years of service.

This occasion, Mr. Speaker, is one both for celebration and for sadness in the entire Wyoming Valley.

With Jule Ayers, and his gracious and equally dedicated wife Alice, we celebrate 39 years of devoted service to God and man, of pastoral care, of military service, of volunteer work within the community, of ministering to the needs of thousands, both in body and soul. At the same time, we express our sadness that this outstanding career will now come to a close.

Jule Ayers was born in Detroit, Mich., on March 12, 1911. He graduated from Detroit Northwestern High School in 1929 and the University of Michigan 4 years later. In 1936, he graduated from the Union Theological Seminary in New York.

After pastoral assignments in New York and service as a chaplain with the 36th Fighter Group in the U.S. Army Air Force, Dr. Ayers came to Wilkes-Barre in 1944.

In addition to his work in pulpit and parish, on the streets and in community halls, he has found time to serve as a member of the board of directors of civic organizations almost without number. Important among them are the Family Service Association of Wyoming Valley, the Citizen's Advisory Committee to the Luzerne County Commissioners, the board of trustees of the YWCA, the Kiwanis Club, the Osterhout Free Library, public television station WVIA-TV, the labor-management citizens committee of the chamber of commerce, and the Citizen's Advisory Committee for the Selection of the First City Manager for the city of Wilkes-Barre. He has served as president of the Wyoming Valley Council of Churches and as moderator of the Lackawanna Presbytery. He has been chairman of the Division of Social Relations of the Pennsylvania State Council of Churches and president of the Pennsylvania State Pastors Conference. I could go on and on, Mr. Speaker, and the time available could not exhaust the organizations Dr. Ayers has served and the good work he has done.

His service to mankind has been recognized by no less than three institutions of higher learning: By Lafayette College with the honorary degree of doctor of divinity, in 1953; by Wilkes College with the honorary degree of doctor of human letters, in 1974; and by my own alma mater, King's College, with the honorary degree of doctor of laws, in 1983.

But more important than the degrees and the honors, more important than service on boards and community recognition, have been the contributions which Jule Ayers has made in small, countless, every day ways. He has always been a compassionate heart, a willing ear, a shoulder to lean upon. Without respect to race, to creed, to religion or to ethnic origin, Dr. Jule Ayers has been a friend to mankind. When there have been community efforts, he has led them. When there have been community controversies, he has not been afraid to speak out for what he believed to be right.

We are fortunate, Mr. Speaker, that while he is retiring, Jule Ayers is not leaving us. He will remain in the community. The congregation of the First Presbyterian Church and his many friends beyond the limits of his pastorate are endowing the Jule and Alice Ayers Foundation, of which he will be the first director. In this way, he will be able to continue his life long avocation of helping those in need and participating in all facets of community life. He has been elected to a term seat on the board of the Osterhout Free Library, on which he has sat these many years ex-officio by virtue of his pastorate.

Mr. Speaker, it is an honor and a pleasure for me to join with the congregation of the First Presbyterian Church, with the entire Wyoming Valley community and with tens of thousands of men and women whose lives are better because they have known Jule and Alice Ayers, in paying tribute to a magnificent career and in wishing two wonderful people many, many more healthy and happy years of dedicated service to God and man.●

PERSONAL EXPLANATION

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1983

● Mr. LEWIS of Florida. Mr. Speaker, had I been present for the vote on final passage of H.R. 3135, legislative branch appropriations for fiscal year 1984, I would have voted "no."●

TRADE ADJUSTMENT ASSISTANCE PROGRAM: NEEDED NOW MORE THAN EVER

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. PEASE. Mr. Speaker, on September 30 of this year, the only Federal program in existence that is specifically designed to help American businesses and workers adjust to increased imports will be abolished unless something is done. In fact, President Reagan is recommending that the trade adjustment assistance (TAA) program be done away with at just the time that out country is coming to grips with stiffer foreign competition.

I ask my colleagues to take the time to read the following article I authored for the Christian Science Monitor to put in perspective the current debate over the TAA program. More importanty, I urge my colleagues to press for prompt action on the bill (H.R. 2083) sponsored by Congressman GIBBONS and myself to reauthorize the TAA program and to make improvements in it.

OFF THE JOB AND INTO THE BUNKER

(By Don J. Pease)

President Reagan recently decried America's apparent shift toward protectionism as a "bunker mentality" that is threatening free trade. Is Mr. Reagan truly bewildered by this shift of attitudes? Perhaps he needs a little historical perspective.

From the end of World War II into the early 1960s, the United States economy was largely self-reliant. It grew by leaps and bounds with no limits in sight. Most Americans saw their standards of living rise steadily. American industries and manufacturing workers—producing primarily for the domestic marketplace—were not threatened by imports per se. Free trade was a high-sounding principle which remained something of an abstraction.

Since the early 1960s, the American position in the world economy has changed dramatically. Our easy access overseas to critical raw materials at cheap prices has disappeared forever, while we draw down our domestic supplies. US exports have not kept pace with the flood of imports pouring into the American marketplace. Harvard's Prof. Robert Reich estimates that more than 70 percent of all the goods produced in the US were actively competing with foreign-made goods in 1980.

American business, industry, and labor were not prepared for the onslaught of foreign competition given entry to American markets in recent years by U.S. Government adherence to the principle of free trade. Accordingly, the U.S. trade deficit last year rose to a record $47.8 billion. It is proving painful to come to terms with the new dynamics of international trade and with the plain truth that many American consumers now prefer foreign-made products.

There is a second reason why free trade has come under fire. Unlike his predecessors, President Reagan is ignoring an important means of sustaining broad-based popular support for free trade policies. While properly arguing that open markets and free trade serve the U.S. National interest (20 percent of all American goods now produced are exported), he is the first president in the postwar era to deny flatly that the federal government has any obligation or constructive role to play in helping thousands of Americans who are losing their jobs in American industries adversely affected by the ongoing surge of imports. This oversight in the President's perspective on international trade helps explain the surprising support in the Congress and among the American people for legislation like the "domestic content" bill.

The Trade Expansion Act of 1962 and the Trade Act of 1974 included provisons to extend assistance to firms and workers adversely affected by increased imports. Presidents Kennedy, Johnson, Nixon, Ford, and Carter all understood that pursuing trade liberalization in the national interest necessarily requires that some American industries and workers risk their markets and jobs to imports. That is why federal assistance has been available during the last 20 years to help trade-sensitive firms get technical assistance and loans to adjust to increased foreign competition. That is why America's labor leaders accepted free trade policies in exchange for what they thought at the time was a commitment by the federal government to provide adequate compensation, training opportunities, and job search and relocation aid to manufacturing workers thrown out of work by imports.

But President Reagan now proposes to abandon thousands of Americans who have lost their jobs in our basic industries (steel, auto, rubber, electronics, etc.) to foreign competition in recent years and to deny them means to reequip themselves to find new jobs. Seeking the benefits of free trade, the Reagan administration callously ignores its human costs in unemployment and bankruptcies across the country.

In his proposed budget for fiscal year 1984, President Reagan is requesting that the Congress abolish both the Trade Adjustment Assistance (TAA) program for firms in the Commerce Department and the TAA program for workers in the Labor Department. Yet it is modest programs of this sort that are so important to maintaining domestic support for free trade and that will allow U.S. industry and labor to meet the challenge of increased imports.

Don't get me wrong, the way the TAA programs were designed in 1974 and later administered had many flaws. For example, when auto industry layoffs soared in the late 1970s, the TAA program for workers operated almost exclusively as an income-maintenance program (more than $1.6 billion in weekly benefits in fiscal 1980) with virtually no funds available for retraining workers certain not to be recalled to their old jobs ($5.2 million in fiscal '80).

But that is not sufficient reason to dismiss blithely any federal responsibility, as President Reagan would have us do, for redressing the harmful domestic consequences of free trade policies set in Washington. Last year nearly $10 billion was collected by the federal government in customs duties levied on imports. What would be wrong with setting aside a small portion of that $10 billion collected from foreign manufacturers to finance the costs associated with retraining American workers who lose their jobs to foreign competition?

President Reagan has said that the U.S. and its trading partners are together in the "boat of open markets and free trade" in which holes are being shot by neo-protectionists. But to save the ship, he is ready to throw overboard many American workers and struggling businesses.●

SOLOMON SCHECTER DAY SCHOOL'S SUPPORT FOR SOVIET JEWRY

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. RINALDO. Mr. Speaker, on Thursday, June 9, the children, teachers, and parents of the Solomon Schechter Day School of Marlboro, N.J., will be holding a Soviet Jewry rally in support of the Yehudit Nepomnishsky family, a Jewish family which has been denied the right to emigrate to Israel, and all other persons who suffer the same unfortunate plight. The rally is an active culmination of the children's year long study of Soviet oppression of its Jews and is yet another example of the school's efforts to help the Nepomnishsky refusenik family. I would like to commend these children and their teachers for their efforts on behalf of this and the many similarly situated families which are being persecuted daily in the Soviet Union.

This young school has engaged its children in a Soviet Jewry program of study and action. At the time of each Jewish holiday during the year, the children learn of Soviet Jews' risky attempts to celebrate that holiday. They meet brave Jewish dissidents as they view slides taken by the program's director, Mrs. Betsy Diamond-Spiegal, during her trip to the Soviet Union. Through their study of Soviet oppression, the children have come to appreciate more the freedoms which they enjoy in this country.

The Soviet Jewry program is designed with the intention of teaching the children what they can do to help those who are denied permission to leave the Soviet Union. Among other things, the children have written to U.S. Government leaders as well as to Premier Andropov in an effort to secure an exit visa for the Nepomnishsky family. They have also corresponded with the family and with other Soviet Jews and collected funds to provide for their assistance. Finally,

they are holding a rally this month to demonstrate their support.

The school's adopted family, Yehudit Nepomnishsky and her parents, are truly in need of this support. The family has been the subject of intense harassment by the KGB because they have applied for emigration and because Yehudit attempts to teach Hebrew in her hometown of Odessa. Since their application for emigration in 1979, the family's apartment has been searched and ransacked on several occasions. Yehudit's identification card has been confiscated and their phone has been ripped from the wall. Additionally, they have been the subject of threats of internal deportation as well as threats against their lives.

The Soviet Jewry program's director Mrs. Diamond-Spiegal visited the adopted family during her 1980 trip to the U.S.S.R. Upon her arrival at the Nepomnishsky apartment, KGB members, who were waiting in the courtyard, knocked Mrs. Diamond-Spiegal to the ground, slapped her in the face causing her glasses to fly off, and stole her shoulder bag from her. In two other instances, KGB members attempted to push her into an unmarked car. The brutal treatment of this American by the KGB serves as testimony to the treatment Soviet Jews, such as the Nepomnishskys, encounter regularly.

The Solomon Schechter School's Soviet Jewry program comes in response to the deteriorating situation which faces Soviet Jews today. Emigration of Jews from the Soviet Union has dropped to its lowest level since 1970. Only approximately 450 Jews have been allowed to leave the country thus far this year, a virtual shutdown of Jewish emigration compared to the more than 20,000 who were allowed to emigrate during the first 5 months of 1979. At the same time the many thousands of Jews who are forced to remain are subject to greatly increased harassment, discrimination, and religious persecution.

The school's year long support of the Nepomnishsky family and of all Soviet Jews is a great comfort for those struggling to leave the Soviet Union as it confirms for them that we in the free world have not forgotten their plight. The school's June 9 rally publicly demonstrates the outrage on the part of many Americans at the Soviet Government's shutdown of Jewish emigration and heightened persecution of the Jews within its borders.

I strongly applaud the Solomon Schechter School's Soviet Jewry program of study and action. I join with its children, teachers, and parents as well as the many Soviet Jewry advocates of this body, in continuing my strong and active support of Jews and all others to freely emigrate from the Soviet Union.●

COMMENDING TRAVIS FOR 40 YEARS OF SERVICE TO THE NATION

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. FAZIO. Mr. Speaker, it is indeed an honor for me to rise today to pay tribute to Travis Air Force Base for more than 40 years of service to the Nation and security of the free world.

On June 10 of this year, Travis, which is located in my congressional district, will recognize its 40th anniversary in joint ceremonies celebrating the 25th anniversary of the 22d Air Force which has its headquarters at Travis.

Forty years ago, Travis was little more than an isolated airstrip. It had just two runways flanked by a couple of tarpaper shacks when it was officially activated as an airfield on May 17, 1943.

While Travis was originally established to defend San Francisco and the surrounding Pacific coastline from aerial attack, it was assigned to the Army's Air Transport Command even before it was officially activated because of its strategic location as a point of embarkation to the Pacific theater.

From July 4, 1943, when the first planes began arriving at Travis for the long flight to the Pacific war zone, until the fall of 1944, Travis was one of the most active bases in the area. The base was responsible for preparing B-24 Liberator bombers, B-25 Mitchells, and C-47 Skytrain transports for duty in the Pacific, and its personnel did so efficiently and enthusiastically.

Along with the rapid increase in activity came a rapid increase if the number of personnel stationed at Travis. The population at the base grew from a handful in 1943 to more than 2,000 enlisted men and 175 officers by the fall of 1944.

After World War II, Travis was made a permanent base and has grown now to the largest Air Force base in the West. Moreover, it is the home of the largest military airlift wing in the world which is responsible for, among other things, rapidly airlifting cargo and fighting forces to any and all points on the globe in the defense of our national interests.

The base is also home to one of the Air Force's largest medical centers—the David Grant Medical Center which serves as a teaching and training hospital and a referral center for Air Force personnel and their families living in eight Western States. David Grant also provides medical treatment to some 50,000-plus retirees and dependents in the immediate area and is scheduled for a $234 million facelift over the next few years.

In addition to its rich history and critical contribution to preserving our national security, Travis has made an enormous contribution, both economically and socially, to the surrounding cities of Fairfield, Suisun City, and Vacaville, as well as to the rest of Solano County and the entire State of California.

For example, the economic impact on the surrounding communities is estimated at approximately half a billion dollars, generating jobs for thousands of local residents. Directly, the base employs roughly 11,000 people, including over 3,500 civilians. Indirectly, as a result of the more than $163 million paid out in salaries and the millions of dollars in construction that occurs at the base yearly, jobs are created for tens of thousands of additional civilians in the area.

But perhaps most importantly, Mr. Speaker, Travis is a real part of the community. Most of the people of Travis become active in the community, and the community in return is very supportive of the base. They are partners in an effort to improve the well-being of all concerned.

Mr. Speaker, I think it is clear that the people of Solano County and the State of California feel very fortunate and proud to have Travis, a base of such import, in their midst. But with all due respect, Mr. Speaker, I also think the people of Travis should, and do, feel very fortunate and proud, for nowhere in the Nation could a more supportive community be found than the one which surrounds Travis.●

A TRIBUTE TO KEN CAROLAN

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. SMITH of New Jersey. Mr. Speaker, this evening at the Capitol Plaza Hotel in Trenton, N.J., a testimonial is being given in honor of Ken Carolan, a newspaper columnist for one of the city's daily newspapers, the Trentonian. Mr. Carolan is being honored for a lifelong commitment to and support of our local police and fire departments, veterans organizations, and business groups. Over the past decade, Ken Carolan has spoken out on countless occasions in support of those who defend our freedoms today and those who are responsible for preserving those freedoms in America's recent history. He has reported on and brought to light the many good things that are accomplished by our law enforcement officials and others who unselfishly dedicate their lives to assuring the safety, security, and well-being of our citizens. In short, Mr. Speaker,

Ken Carolan is a patriot and deserves to be recognized as such. He has been unafraid to speak out when he feels injustices have been done and equally unafraid to give the proverbial pat on the back for a job well done.

The testimonial this evening is being given by those very police officers, firefighters, veterans, business leaders, and others who realize that both sides of every story must be told, that the public has a right to be made aware of the good in our country, not just the bad. All too often our civic-minded citizens are ignored in favor of the flamboyant or the sensational. Those citizens' good deeds are given their due in Ken Carolan's columns.

We are all too aware that there are those who seek out gloom and doom under the mistaken notion that tragedy sells, who seem to take pride in maligning our Nation and its people. It is refreshing that at least one member of the news media is willing to concentrate on the positive. There is, of course, room for both sides in our Nation's vast media network, and I ask the Congress to join with me in acknowledging the work of Ken Carolan in seeking to strike a balance in news reporting. He is being honored tonight by the men and women who preserve our American way of life, and that is a high honor indeed.●

ESTER SNEDDEN HONORED AT RETIREMENT

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. MILLER of California. Mr. Speaker, on June 16, 1983, Mrs. Ester Snedden will retire as kindergarten teacher at Wren Avenue Elementary School in Corcord, Calif. Mrs. Snedden has been a dedicated educator at Wren Avenue School for 32 years.

The early years of primary school mark a special time in a student's education. Especially for those children with special needs, success in kindergarten and first grade can set the tone for later years in elementary and secondary school. Mrs. Snedden has distinguished herself as a teacher who welcomes all children and assumes that each possesses a unique potential for excellence. Whether teaching basic cognitive skills, instilling in our youngest citizens a sense of civic pride or using her creative talent to impart musical and artistic appreciation, Mrs. Snedden has carefully nutured her young students in an atmosphere of growth and friendship.

Through her diligent and creative leadership to improve curriculum in the field in kindergarten readiness, Mrs. Snedden has consistently sought to strengthen the educational system serving her students.

Mrs. Snedden has devoted her professional career to young students. And although she is retiring, her gift will continue for the many students who have a solid educational base and warm memories of early schooling thanks to Mrs. Snedden's dedication as a teacher and as a citizen.

I join Mrs. Snedden's many friends, colleagues and students, past and present, in paying tribute to her contributions to the educational enrichment of students at Wren Avenue Elementary School. I know that all Members of the House of Representatives join me in wishing Ester Snedden happiness and health in years to come.●

IN MEMORY OF JUANITA ROBERTS, L. B. J. EXECUTIVE

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. PICKLE. Mr. Speaker, last week, Juanita Duggan Roberts, a confidant and key aide to former President Lyndon B. Johnson, passed away. Those of us who worked alongside Juanita Roberts during the L. B. J. years know what an invaluable asset she was to President Johnson. Juanita Roberts began her service for L. B. J. when he was still a Congressman and continued that service when he was President. Both before and after L. B. J. left the Presidency, it was Juanita Roberts, more than any other person, who carefully and assiduously gathered and preserved the records of all the L. B. J. years. No public official in America—including F. D. R.—has had more of his personal records preserved than L. B. J. It was Juanita Roberts who was assigned to that task and carried it out to perfection. In her quiet and unassuming manner, she carried out this task with a dedication that we will remember as a great contribution to the Nation.

During the L. B. J. years, no matter how intense the debate or political battles were, through all of it, we could reach Juanita Roberts, get the proper information, and proceed with the work at hand. Juanita Roberts will be remembered as a dedicated public servant, and by me personally as a dear friend.

Mr. Speaker, earlier this week, the Washington Post published an obituary on Juanita Roberts which I would like to include in the RECORD in memory of this fine lady:

Juanita Duggan Roberts, 70, a principal secretary and confidant of Lyndon B. Johnson during his years as President, and who was one of the first officers of the Women's Army Corps to be promoted to colonel, died of cancer May 26 at Emory University Hospital in Atlanta.

Colonel Roberts had known Johnson since 1938 and became a member of his congressional staff in 1953. She remained close to Johnson after he left office. She was one of the key organizers of the LBJ Presidential Library at the University of Texas.

Friends remember her as a "quiet, competent secretary" who managed the mundane tasks of her office well. The President sometimes called her "Miss Efficiency," and called on her often to handle sensitive and touchy situations for him behind the scenes.

At the end of the Johnson administration, Colonel Roberts became a staff officer in the Pentagon headquarters of the Joint Chiefs of Staff. She lived at the Watergate Hotel and spent much of her time attending to chores involved in running the LBJ Library. She was a member of the library's board of directors at the time of her death.

Colonel Roberts was born in Port Arthur, Tex., and graduated from Texas Woman's University in 1933. Five years later, she married H. Ray Roberts, who later was a Democratic Congressman from Texas. They were divorced in 1946.

During the 1930's, she worked as a home economist at Texas A&M University and was president and general manager of Holiday House, a tea room in Port Arthur.

She served on active Army duty from 1942 until 1946, Her decorations included the Legion of Merit. When Johnson became Vice President in 1961, she was placed back on active duty and promoted to colonel. She retired in the 1970s.●

EVACUATION PLANS NEEDED FOR COMMUNITIES WITH NUCLEAR REACTORS

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. NEAL. Mr. Speaker, there appears to be developing a potentially serious problem in one aspect of insuring the safety of people living near nuclear reactors, which may require congressional action.

Briefly, Mr. Speaker, the situation is as follows: The accident at the Three Mile Island Nuclear Powerplant underscored the necessity of developing more effective evacuation plans for communities adjacent to nuclear power facilities. Indeed, in order to operate a new or existing nuclear powerplant, the Nuclear Regulatory Commission now requires emergency preparedness plans assembled by each utility for the plant site, plus off-site plans prepared by the local and State governments. However, there is apparently no law mandating that local government officials actually prepare an evacuation plan in conjunction with the utility. Local officials, therefore, could prevent the continued operation of a nuclear powerplant by failing to exercise their responsibilities to prepare for an emergency.

The potential for this problem was foreseen by Congress, which added language in the 1980 and 1982 NRC authorization bills permitting the NRC to approve plans submitted by

utilities in the absence of approved State or local plans. The NRC has relegated the responsibility for approving evacuation plans to the Federal Emergency Management Agency, or FEMA. It is my understanding, however, that FEMA has a declared policy of rejecting any utility plan that does not include local or State cooperation. Therefore, the problem remains unsolved.

Mr. Speaker, it is important that the NRC consider the views of local officials and others residing near the site of an existing or proposed nuclear powerplant before granting an operating license. However, it is equally important and prudent that local government officials cooperate with utilities to insure the safe evacuation of citizens in the event of an emergency at the plant. I am particularly concerned about the danger of not preparing for an emergency at an existing plant, which could arise whether or not the plant is actually producing electricity.

Mr. Speaker, I am simply suggesting that if the NRC cannot resolve this dilemma, then it might be wise for Congress to explore the possibility of a legislative remedy.●

MILITARY HONORS STEVEN W. SMITH

HON. FRANK HARRISON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. HARRISON. Mr. Speaker, on Sunday morning, July 12, 1983, Steven W. Smith, an outstanding young man from northeastern Pennsylvania, will be honored by serving as the primary wreath presenter at the U.S. Army Wreath Ceremony at the Tomb of the Unknowns, Arlington National Cemetery, Arlington, Va.

Steven, at the age of 17, has achieved the rank of cadet warrant officer with the Black Forrest Composite Squadron 1203-37256 of the Civil Air Patrol. In July 1981, while a trainee at Fort Indian Town Gap, Annville, Pa., he was named Pennsylvania Wing Encampment East Honor Cadet. More than 200 cadets were considered for this designation.

He is a qualified CAP cadet medic and has earned the PAWG Search and Rescue rank of ranger first class and has participated in more than 12 authorized emergency S.A.R. as a cadet team member, medic, and commander. He has completed all the requirements for the Civil Air Patrol/USAF Billy Mitchell Award and has been recommended for it by his squadron commander.

He has served in the capacity of support team member during two U.S. Army Wreath Ceremonies and during one U.S. Army Honor Ceremony at the Tomb of the Unknowns.

Recently he joined the U.S. Army Reserve under the split training program. He joined the 300th Army Field Hospital located in Hanover Industrial Park, Hanover Township, Pa.

It is an honor, Mr. Speaker, for me to commend this outstanding young man for his patriotism and his citizenship, and extend to him my best wishes for his continued success in future years.●

RID OUR HIGHWAYS OF DRUNKEN DRIVERS

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. HUBBARD. Mr. Speaker, on December 23, 1982, a young constituent of mine, Ted Morris, the only son of Frank and Elizabeth Morris, of Herndon, Ky., was struck and killed in a head-on auto collision. Ted was struck by an individual who was driving while under the influence of alcohol. The 98th Congress must work to rid our Nation's highways of the threat of people who are driving while intoxicated. I have received letters from Ted's grief-stricken parents, and I am certain that my colleagues will be interested in the parents' comments which follow:

HERNDON, KY.,
March 15, 1983.

Hon. CARROLL HUBBARD,
U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMAN HUBBARD: Thank you for your letter of sympathy upon the death of our son, Ted. Thank you also for your assurance that you are going to do all you can to rid our highways of drunken drivers. If Ted's untimely death can serve any purpose, perhaps it will be to make us more determined to pass legislation that will bring severe punishment to anyone who would drink and drive.

Congressman Hubbard, how many innocent people must die or be maimed before people committing the crime of drunken driving are justly punished for the horrible crimes they commit? We don't understand a society that will fine, punish, or confiscate the vehicle of someone who kills a deer out of season, or that will fight to protect a little-known fish called a snail-darter; yet, will shrug their shoulders when someone is murdered by a drunken driver.

Our precious Ted was a loving, compassionate young man who was a greater blessing then any two parents could ever hope for or begin to deserve. He was our beloved son, our only child.

Once again, thank you for your letter and your willingness to help rid our highways of drunk drivers.

Sincerely,

FRANK ADD ELIZABETH MORRIS.●

THE SECRETARY-GENERAL'S MEETING WITH THE HOUSE FOREIGN AFFAIRS COMMITTEE

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. FISH. Mr. Speaker, on May 17, 1983, the Secretary-General of the United Nations spoke before the House Committee on Foreign Affairs. Mr. Javier Perez de Cuellar spoke on a number of critical issues which should be of interest to all Members of the House.

Mr. De Cuellar mentioned the importance of working together in the U.N. Security Council, and discussed in depth the recent criticism of the United Nations. Mr. De Cuellar emphasized the importance of recognizing human rights, as well as solving the economic problems of the Third World. Finally, the Secretary-General spoke of the need to reduce nuclear arms and ease tension throughout the world.

I am pleased to share this important statement with my colleagues.

The statement follows:

TALKING POINTS FOR THE SECRETARY-GENERAL'S MEETING WITH THE HOUSE FOREIGN AFFAIRS COMMITTEE

Mr. Chairman, I would like to express my sincere thanks for the welcome which you have extended, and for this opportunity to meet with the members of the Foreign Affairs Committee and the other distinguished Members who are present today. May I first introduce several senior colleagues who are with me. Jean Ripert is the Director-General for Development and International Economic Co-operation, my senior colleague for economic matters. Brian Urquhart, whose special area of responsibility is peace-keeping and the Middle East, is Under-Secretary-General for Special Political Affairs. Bill Buffum is a former American Ambassador and Assistant Secretary of State who is now Under-Secretary-General for Political and General Assembly Affairs. I would also like to introduce Mrs. Phyllis Kaminsky, a gifted and energetic American, whom I have just appointed as Director of the United Nations Information Centre in Washington. I hope you will get to know her well as the senior United Nations Representative in Washington.

Mr. Chairman, I am profoundly conscious of the role played by the United States Congress, and the Foreign Affairs Committee in particular, in shaping the present structure of international relations, including the establishment of the United Nations. I know of the high importance which President Roosevelt and Secretary of State Hull attributed to obtaining the support and understanding of this Committee's Members for the concept of a world organization of fully sovereign states which would unite their strength to maintain international peace and security and promote economic and social well-being.

It is frequently said that it was naive to expect the victorious powers in World War II to be able to work together in peace-time,

given the great disparity in interests and ideology between East and West. We all know that it has indeed proven difficult—for a good part of the time, impossible. But to me the concept of working together reflects an imperative. For unless there is a degree of co-operation among the five Permanent Members of the Security Council in dealing with conflict situations and unless these powers, especially the United States and the Soviet Union, support the Council and its decisions, the Council cannot fulfill its responsibility under the Charter to maintain peace.

I think the question must be asked: is the actual state of affairs in the interest of any of the major powers? Regional conflicts persist that take an enormous toll in human life and resources. They encourage arms acquisition, at the cost of economic development, and add to the fear and uncertainties that burden international relations. In some cases the disputes were not even brought to the Security Council until fighting was underway. The Council's resolutions, which, by the way, need the concurrence of all five Permanent Members, have too often been ignored. Looking at the war between Iran and Iraq, at the South Atlantic conflict, at the current tragedy in Lebanon, I do not believe that there is likely to be a long-term gain for any of the parties directly involved or for the major powers either. I would not suggest that the Security Council could necessarily have prevented or resolved all of these conflicts even if it enjoyed the authority of the combined support of the Permanent Members. But I can say that the Council's impact would have been far greater.

I am naturally conscious of the criticism in this country of the performance of the United Nations. Certainly there are legitimate grounds for criticism. If something isn't working well, one should say so—as I myself have done—with the purpose of improving it. On the other hand, criticism which is unjustified or without constructive purpose can diminish the authority of the Organization which is needed if it is to be.

One of the most frequent criticisms is that the United Nations is an extravagant organization—that our budget is out of control. As the largest contributor to the United Nations—twenty-five percent—the United States certainly has full justification in following this subject closely—in particular, the United States Congress, which has the ultimate authority on American expenditures. I feel it may be worthwhile for me to give you a few facts.

Over the past eight years, the annual growth in United Nations expenditures has been only two percent in real terms. This increase stems from the belief of the majority of the 157 Member States that the Organization should do more in the political, economic and social fields. I consider it my duty and responsibility in the interest of all Member States to ensure the greatest possible efficiency in the utilization of available resources. The budget which I am submitting for the 1984/85 biennium provides for real growth of only 0.7 percent. It may be of interest to you to know in this connexion that, on a per capita basis, the United States ranks twelfth in its contributions to the United Nations.

May I just add, by the way, that it is extremely important that the assessed contributions of Member States be received on time. Delayed payment results in heavier expenses and inefficiency—not in greater economy.

Another frequent criticism of the United Nations is that it has become increasingly politicized. The attention and the time devoted now in some of the operational agencies to political issues, especially with regard to the Middle East and southern Africa, gives rise to understandable concern. The ultimate answer to this problem is to achieve, with all of the efforts which that will require, fair and lasting solutions to these problems.

In this connexion, it must be borne in mind that certain fora in the United Nations system, such as the General Assembly were specifically designed to serve as political arenas for the airing of problems. As distinct from operational and other organs such as the International Court of Justice and the Secretariat, it would go against the grain of the General Assembly and run counter to the conception of the founders of the United Nations to deprive them of their political character. Indeed, it would be as if an attempt were made to turn the United States Senate into a merely technical body. And let us not forget that the General Assembly's decisions, aside from the those on budgetary questions, are recommendatory in character.

The fact should not be obscured, in any event, that the important operational work of the United Nations agencies is going on successfully. Millions of refugees in many parts of the world are being assisted by the United Nations High Commissioner for Refugees in environments of high political sensitivity without adverse impact of politicization. Progress is being made in the promotion of health, education and other fields on the basis of co-operation at the operational level among the 157 Member States of the United Nations. The United Nations Development Programme operates very effectively on the basis of consensus under the leadership of your former Congressional colleague, Brad Morse, in bringing assistance to developing countries. Both the United States and the USSR are on its Governing Council.

These achievements show that the concept of an international organization in which the sovereign states of the world are joined in common purpose can work and is working in important fields. The United Nations, let me add, is ready to move quickly to provide the necessary military and civilian personnel and services in Namibia the moment the necessary conditions have been achieved for implementation of Security Council resolution 435. We had the same capability to move quickly in providing observers and administrators that might have been part of a peaceful resolution of the Falklands/Malvinas conflict.

The United Nations peace-keeping forces have been effective in preventing renewed conflict and affording an opportunity to find lasting resolutions of disputes. They fulfilled their mandate in southern Lebanon with remarkable courage although they were neither authorized nor equipped to meet a massive movement of forces into their area of operation. At present, the United Nations, and only the United Nations, is enagaged in seeking a political solution of the Afghanistan problem. I am deeply concerned about the deteriorating situation in Central America and I have offered my good offices to the parties.

Maintenance of peace, of course, entails many things besides the resolution of immediate political conflicts and crises. Lasting peace will surely depend, too, on international economic co-operation, progress in social justice and human rights, and a reduction in arms.

Progress toward securing greater respect for human rights is slow and difficult, but there is movement, and I attach high priority to the effort. The United Nations deals with such problems both publicly and privately. The Human Rights Commission is an inter-governmental body which has moved beyond its earlier concentration on standard setting to scrutiny of human rights violations in every part of the globe.

Further, through the good offices of the Secretary-General, I myself try, by the exercise of quiet diplomacy, to discourage persecution of vulnerable groups, summary executions, arbitrary imprisonment and other violations of individual human rights.

I am convinced of the great political importance that must be attached to economic issues. There are signs of economic recovery in some industrial countries, in particular in the United States, which, in the longer term, offer much hope for the world economy. However, the economic situation in developing countries remains poor and, in some cases, desperate. There are indications that hunger, malnutrition and disease are actually on the rise as governments are constrained to reduce support to the poor elements in these societies.

Recovery in industrial countries will take time to produce renewed growth in the developing world. Meanwhile, a deepening recession in the Third World can abort recovery in the industrial world. This means that immediate action will be needed beyond what is already contemplated to strengthen the liquidity of the developing countries and lighten their debt burden. The markets for their products must be kept open and their commodity earnings stabilized.

In these areas the United States can play a key role in providing leadership among the industrial countries. I am greatly heartened by decisions in the Congress in the past few weeks which will greatly improve the financial situation in United Nations instruments of development and cc-operation such as IDA and UNDP. I trust that leaders of the industrialized countries meeting in Williamsburg will take into account the constructive approach shown by the developing countries both in the New Delhi Summit and in the Group of 77 meeting in Buenos Aires. The forthcoming session of UNCTAD in June should provide an opportunity for progress.

The relationship between arms and security is perhaps the most fateful problem of the present era. It is one with which I know the House of Representatives is deeply preoccupied. I personally am convinced that greater security is not likely to be obtained through a further expansion of weapons of mass destruction of their deployment in the areas of the deep sea-bed and outer-space, which until now have remained protected. I have had the opportunity to speak with President Reagan and more recently with General Secretary Andropov, and I am convinced that there is an opportunity now to find a means of stabilizing the military relationship between East and West and beginning the essential process of reducing nuclear weapons.

In this connection, let me end by stressing that a strong and effective United Nations can facilitate a reduction in arms. First, it can contribute to the resolution of conflicts and crises that add tension to the relationship between the major powers: secondly, with regard to the smaller regional countries, a strong United Nations can offer a promise of security which can lessen the tendency on the part of these governments

to feel that their security can only be assured through military strength; and thirdly, it can contribute to economic development and social progress, thereby diminishing the causes of instability that frequently lead to recourse to arms.

This is a further reason why the strong support which the Congress has given to the United Nations over the years is as farsighted for the United States as it is essential for the United Nations.●

TO CUT OR NOT TO CUT

HON. DAN MARRIOTT

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. MARRIOTT. Mr. Speaker, in 1981, Congress passed the Economic Recovery Tax Act (ERTA) which provided tax cuts for individuals and businesses. Included were a phased cut in all income tax rates of about 25 percent, a cut in the maximum tax rate from 70 to 50 percent—effective January 1, 1982—and indexing of the Tax Code—annual adjustment for inflation—starting in 1985.

Repealing the final leg of the 3-year tax cut, repealing the final 10 percent, would actually mean retroactively repealing half of the cut in tax rates which already went into effect on January 1, 1983, as well as repealing the final 5-percent rate reduction scheduled to begin January 1, 1984.

Repeal just is not fair. Since high-income taxpayers have already had the top rate cut from 70 to 50 percent, tampering with the third year would fall mostly on lower and middle income taxpayers. Fully 70.6 percent of the July, 1983 tax cut goes to those with incomes below $50,000 per year. Only 11 percent goes to those with incomes over $100,000.

Repeal of the third year hurts the middle class the most; 38 percent of the total tax cut for a taxpayer in the $20,000 to $30,000 range is contained in the third year. This taxpayer will see his tax liability rise by almost 12 percent in 1984. In fact, if the third year is repealed the typical American family will receive no net tax reduction at all. This is because the first 2 years of tax cuts are more than offset by the combination gf payroll tax increases and the bracket creep which occurs before indexing begins in 1985. This does not even include the social security package, which accelerates future payroll tax increases. It takes the full 3-year tax cut plus indexing to keep the read tax burden from rising.

Robert F. Dee, chairman of the board, SmithKline Beckman Corp., has written an "Issues for Action" article about the need to retain the third year tax cut. In his article he cites the principal argument in favor of the tax cut is that it will unquestionably create more jobs.

I commend this article to my colleagues in the House as I believe it is a fair and accurate description of the reasons why the Congress should not cut the third year tax relief measure.

The article follows:

TO CUT OR NOT TO CUT

(By Robert F. Dee)

(If Congress disappoints the taxpayers of America by repealing the expected income tax rate reduction on July 1, their action will hurt those most in need of income tax relief.)

Has the experiment failed?

That's how the House Budget Committee in its first resolution described the President's economic program, "the experiment that failed." Meanwhile, the Committee is calling for a $30 billion tax increase in 1984.

At the same time, economic indicators have surged to a record monthly high, new housing starts are at nearly double the rate of June 1982, gross national product is growing at 4% a year, the stock market has risen 50% since July 1982, new unemployment claims are down and the unemployment rate is falling.

AVERAGE AMERICANS

At this critical juncture in what appears to be a long-awaited recovery, some members of Congress are urging repeal of the July 10% income tax rate cut—the third—called for in the President's economic plan.

They claim that the first two tax rate cuts had nothing to do with the recovery, that supply-side economics hasn't worked—and that being the case, it makes no sense to give taxpayers more tax relief now.

They may also believe they can spend the billions of dollars involved more wisely than average Americans can.

MOST IN NEED

"Average" is exactly the word to describe the people this tax cut will benefit most—middle and lower income Americans.

Households making between $10,000 and $50,000 a year pay about two-thirds of all income taxes. These Americans will get about 72% of the benefits from the 1983 tax rate cut. Those earning above $100,000 a year will get only 9% of the tax relief although they pay over 15% of all income taxes.

So if Congress disappoints the taxpayers of America by repealing the expected income tax rate reduction on July 1, their action will hurt those most in need of income tax relief.

BITTER EXPERIENCE

The issue is complicated by the fact that the United States at present has the largest public debt in its history. Instead of cutting taxes, some legislators say that these tax revenues could be used to reduce the deficit.

That argument makes sense—except that bitter experience has convinced most Americans that the more money Congress has, the more it spends. Nobody really believes that tax revenues will be used to reduce the deficit.

LOCOMOTIVE OF RECOVERY

The principal argument in favor of the tax cut is that it will unquestionably create more jobs.

Repeal of the tax rate cut would keep a sizable tax burden clamped on the small business sector, which is the locomotive of economic recovery. About three-quarters of all businesses in the country aren't corporations. They report their business income through individual tax returns.

Yet 80% of new jobs are generated by firms with 100 or fewer employees. Small businesses produce 48% of the country's output, 43% of the gross national product and more than 50% of all industrial inventions and innovations.

Small business is already taxed at a higher rate than most large corporations. A repeal of the expected July 1 tax rate cut could stall the small business locomotive in its tracks—and thereby nullify an essential factor in the recovery.

ACTION NOW

The question of "to cut or not cut" will be argued in Congress in the next few weeks.

This message offers one view of the matter. You may well have another. But the important thing is for all of us to make our views known in Washington by informing our legislators of our opinions now.●

TRIBUTE TO DR. WILLIAM D. MOSLEY

HON. LYLE WILLIAMS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. WILLIAMS of Ohio. Mr. Speaker, on Sunday, June 12, the friends and associates of Dr. William D. Mosley will celebrate with him in Warren, Ohio, the 50th anniversary of his service to God and man.

On June 10, 1933, Dr. Mosley entered the Christian ministry. From then until now, this educator, minister, college president, Army veteran, and community servant has compiled an enviable record of accomplishment.

Dr. Mosley has served as president of Cincinnati Baptist Bible College, president of the Congress of Christian Education (Ohio Baptist Convention), faculty member of the University of Cincinnati in the department of sociology and Afro-American studies, director of Christian education for the Ohio Baptist Convention, faculty member of the Congress of Christian Education (National Baptist Convention), taught in the Cincinnati public school system, and served on the faculty of Kent State University, Trumbull Campus, Warren, Ohio.

Dr. Mosley is a member of Alpha Kappa Delta, the National Honorary Society of Sociologists; a member of Omega Psi Psi Fraternity; a member of the American Association of University Professors.

He has attained high stature in Freemasonry, and his community service record is best appreciated by scanning the list of organizations of which he is a member: Warren Senior Citizen Advisory Commission; Kent State University Advisory Board, Trumbull Campus; Warren Fair Housing Commission; Community Resource Seminary, Inc., Warren; Warren Library Association; Northeastern Council on Alcoholism Board of Advisors; Trumbull County YMCA Board of Trustees;

executive board, Warren Reserve Council, Boy Scouts of America; director, Police/Clergy Crisis Counseling Team; International Conference of Police Chaplains; and president, Trumbull County Interdenominational Ministerial Alliance.

In 1976, Dr. Mosley was cited for outstanding service to the ideals of brotherhood by the National Conference of Christians and Jews.

A veteran of World War II he served with the 372d Infantry Regiment and the 92d Infantry Division as sergeant major. Following military service in the European Theater of Operations, he was honorably discharged as a master sergeant.

Dr. Mosley, the father of six children, is married to Ruth Geneva Mosley who will share his recognition.

It is a pleasure to share in the commendation of Dr. Mosley, and to join those who celebrate his life.●

RECOGNITION OF DR. WILMER S. CODY, SUPERINTENDENT OF THE BIRMINGHAM PUBLIC SCHOOL SYSTEM

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. ERDREICH. Mr. Speaker, it is an honor for me to recognize, before my respected colleagues, the work of Dr. Wilmer S. Cody, superintendent of the Birmingham public school system. Dr. Cody will be leaving Birmingham as of July 1, 1983, to assume the position of superintendent of the Montgomery County, Md., school system. Dr. Cody has guided the Birmingham City school system for the past 10 years, and leaves behind an excellent record of achievement. I would like to submit as a part of this statement, excerpts from a recent edition of the Washington Post, which tell of the successes of this outstanding leader.

Excerpts from Washington Post article follows:

[From the Washington Post, Apr. 5, 1983]

A QUIET FIGHTER—MONTGOMERY SCHOOL POST CANDIDATE STRESSES PLANNING

(By Elsa Walsh)

BIRMINGHAM, ALA.—In 1963, writing from a jail cell here, Martin Luther King, Jr., called this industrial city "the most thoroughly segregated in the United States." Now, 20 years later, Birmingham, unlike some northern cities, is on the brink of being released from a school desegregation plan imposed by a federal judge because it will have met its integration goals.

By most accounts, the person primarily responsible for the schools' progress during the last 10 years is Wilmer S. Cody, Birmingham's 46-year-old superintendent of schools, who is the leading contender to be the next school chief in Montgomery County, Md.

In what a leading national educator calls one of the toughest superintendent's jobs in the nation, Cody was credited with leading the Birmingham school system through a racially troubled period without the violence that marked other southern schools.

Under Cody's leadership, the Birmingham schools, with a budget one-fifth the size of Montgomery's to provide for half the number of students, raised test scores significantly; got accreditation for its elementary schools; started kindergartens; won the first successful property tax increase for schools in half a century; closed schools for the handicapped and mainstreamed those students into regular schools; required elementary pupils to pass promotion tests; increased high school requirements; and eliminated all totally white schools without the involuntary busing of any student outside his or her neighborhood.

Cody also integrated his staff: Three of his five assistant superintendents are blacks, and teachers of both races are divided evenly among all schools.

Both his supporters and detractors attribute Cody's successes to a low-key negotiating style based on long-term planning. Cody is a man serious and broad about his convictions, but undramatic in their implementation. In three days of interviewing, not one person closely associated with Cody's work here could recall a particular speech that they would describe as inspirational or an event in which he called upon his colleagues or the public to rely on some sort of moral judgment.

Instead, Cody, a Harvard-educated administrator who began his carrer as an elementary school teacher in his native Mobile, Ala., was repeatedly described as a methodical yet visionary man who has a plan and list of goals for nearly everything he does. Within months after arriving here, Cody released "An Agenda for Birmingham Schools," a blueprint for what he thought the system needed and what steps should be taken to achieve them. Nearly every one of those goals is included in the list of accomplishments above.

Although he is often described as unforceful and willing to compromise, Cody has been intransigent on what he considers matters of principle. Last year, Cody's nomination by U.S. Department of Education Secretary Terrel Bell to head up the National Institute of Education was reportedly rejected by the Reagan administration after he criticized federal cuts in education programs.

"You need to picture what Bill Cody walked into," said Louis Dale, president of the five-member appointed school board and chairman of the math department at the University of Alabama at Birmingham. "The city government at one time had turned police dogs on demonstrators. Martin Luther King was jailed here. The Klan was here. Whites were leaving the city and even though the court order to desegregate the schools had come down 10 years earlier, for all intents and purposes, the schools still were segregated.

"We had all this turmoil in the streets but somehow Cody managed to keep it from spreading into the schools," Dale said. "He did it by being strong and low-key. He was committed, but he was patient. He was quiet, but he was a fighter. He knew how far he could take the school system, but he also had the perception to know what he could and could not do. And, somehow through it all he made this school system, one that had nothing, a progressive one. It still amazes me. He is probably the most respected white man in the black community."

Sitting in his sparsely decorated wood-paneled office here last week, Cody, the son of a tool-and-die maker, educated in Mobile's segregated schools, said his desegregation plans were born simply out of a belief in fairness.

Although proud of his desegregation accomplishments, Cody, who supervised a voluntary desegregation program as superintendent of Chapel Hill (N.C.) schools before coming here, said he would prefer to be remembered for influencing the way students think.

"I would like to think that my legacy here will be that all students are being taught and learning more today than they were when I first came here," he said, pointing to test scores that have shown a continuous increase. As an example, Cody said that in 1975, eighth graders were scoring nine months below the national average in math; last year, they were three months above the average.

I thank my colleagues for this opportunity to pay tribute to Dr. Cody, and I congratulate the Montgomery County Board of Education for their outstanding selection. In closing, let me personally thank Dr. Cody for all that he has done for the people of Birmingham.●

EDUCATIONAL EXCELLENCE IN GREENVILLE, S.C.

HON. CARROLL A. CAMPBELL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. CAMPBELL. Mr. Speaker, much debate has been devoted recently to the decline in the quality of our Nation's public schools. Without question, maintaining a high standard of education deserves our fullest attention. In that light, it is a pleasure to recognize some outstanding accomplishments realized by the public schools of Greenville, S.C., which is located in my district. The following individuals and schools represent a commitment to educational excellence by the Greenville County School District community:

MODEL SCHOOLS: PALMETTO'S FINEST

Sara Collins, Augusta Circle, Crestview, Pelham Road, League Middle, and Greenville Middle have been chosen "Palmetto's Finest," an award that puts them at the top of the class . . . in South Carolina! Skyland Elementary School was the Congressional District 4 Award winner.

NATIONAL RECOGNITION FOR LEAGUE MIDDLE

League Middle School is representing South Carolina in a search for the nation's top schools. State Superintendent of Education, Dr. Charlie Williams, nominated League Middle to the United States Secretary of Education. An on-site visit has been made.

SOUTH CAROLINA'S TEACHERS OF THE YEAR

Jane Satterfield, Sara Payne, and James Mattos have been recognized as "South Carolina Teacher of the Year" for their outstanding contributions to the youth of this state. Each continues to improve the quality

of education in The School District of Greenville County.

PTA TEACHER OF THE YEAR

Sara Utsey, a kindergarten teacher at Crestview Elementary was recently named South Carolina PTA Teacher of the Year. Mrs. Utsey, says she has no plans to slow down after nineteen years of teaching. "As long as I can continue to give to the children, I'll teach," she said. Now you know why she's teacher of the year!

SCIENCE FAIR WINNERS

The School District of Greenville County won 57 percent of all awards presented at the Western South Carolina Region II Science Fair held this spring at Greenville TEC. Competition was stiff, and students from public and private schools from all over the upcountry presented science projects.

STUDENT OF THE YEAR

Pat Tierney, son of Mr. and Mrs. Joseph A. Tierney and a Mauldin High School student, recently won Greenville's much coveted "Student of the Year Award." Pat had the highest College Board score (1510) of any Greenville student. He plans to attend the Naval Academy next year.

NATIONAL AWARD WINNER

Mr. Robert D. Powell, Northwest Middle School, won a Certificate of Excellence Award from the National Band Association.

STANDARDIZED TEST SCORES AT OR ABOVE NATIONAL AVERAGES

Standardized test scores are the highest in the district's history, many are at or above national norms.

GOVERNOR'S AWARD FOR CITIZENS PARTICIPATION

Mauldin High School and Augusta Circle Elementary won the Governor's Award for Citizens Participation Award for their excellent citizen involvement program. Ms. Marilyn Koon and Mrs. Sandra Welch are the motivating forces behind this award.

NATIONAL MERIT SEMI-FINALIST

Twenty-seven Greenville students scored high enough on the NMSQT to be designated national merit semi-finalist for 1982-83. That's the highest number of national merit semi-finalists the district has ever had.

ADVANCED PLACEMENT HELPS WITH COLLEGE

Three hundred ninety-five Greenville students will go to college next year with college credits already under their belts. The district's Advanced Placement (AP) program provided them with the opportunity.

NATIONAL ARCHITECTURE AWARD

Greenview Elementary School won national architectural recognition at the 1981 annual meeting of the American Association of School Administrators.

CAROLINA HIGH SCHOOL'S WINNING ACADEMIC TEAM

Carolina High School, after winning the district's Scholastic Scoreboard competition, represented Greenville in national competition at Jacksonville, Florida. The team placed third.

ADOPT-A-SCHOOL: A PARTNERSHIP THAT'S PAYING OFF

Over forty (40) Greenville businesses and thirty (30) schools have joined together to improve the quality of education in Greenville. Last year one vocational center received help valued at more than $100,000 from one local industry.

SCHOOL VOLUNTEERS

In 1982, 19,395 volunteers, provided inestimatable help to students and teachers at a total value of over a half million dollars.

TOUGHER STANDARDS

Tougher standards in grading, attendance, and promotion have been implemented this year to provide students an orderly environment in which to learn.

FINE ARTS ARE TOPS

The district's Fine Arts Program continues to be one of the best in South Carolina. Recently sixteen (16) out of twenty-one (21) orchestra ensembles won a superior rating in state competition.

OUTSTANDING ETV PROGRAM

The district's Educational Television and Instructional Television (ETV/ITV) Program was recently recognized as the 1983 Outstanding School Media Program of the Year by the Association for Educational Communication and Technology. Hugh Atkins heads the program.

OUTSTANDING SCIENCE TEACHER

Mr. Michael Farmer, Riverside High School, was chosen the 1983 Outstanding High School Teacher of Science/Mathematics by the South Carolina Academy of Science and Cryovac.●

A TRIBUTE TO AGATHA SOLOMON

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Ms. KAPTUR. Mr. Speaker, I rise today to give recognition to a special resident of my district. On the evening of June 9, Agatha Solomon, who is 100 years old, will be the guest of honor at the State of Israel bonds dinner sponsored by the Temple-Congregation Shomer Emunim in Sylvania, Ohio. Agatha will be the recipient of the prestigious State of Israel's "Jerusalem, City of Peace" award.

Agatha is being recognized not only because of the miracle of her longevity, but also because of what she has done during her many years. Agatha Solomon has been a constant source of inspiration and security for all those with whom she has come in contact. She has been and remains to be a community leader. There are few people that make a lasting impact on the communities in which they live. The community I love has been blessed with more than its fair share of such people and one of them is Agatha Solomon.●

TOM TIGHE—A GREAT NEWSMAN

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. HOWARD. Mr. Speaker, many young reporters cover the news for a few years and then move into other more lucrative careers. But some never leave. These are journalists with a deep sense of purpose and mission who mold the course of their profession, serve the public interest and help to insure a free press. They are journalists until their dying day.

Such a man was Thomas B. Tighe, editor emeritus of the Asbury Park, N.J., Press who died May 19 after a 60-year career in journalism. He had held every position at the Press since he started there in 1916 as a paperboy. As errand boy, clerk, reporter, city editor, production manager, general manager, and executive editor, Tom Tighe won the praise and affection of all with whom he worked.

He took a sabbatical for 9 months in 1941 and served here on Capitol Hill as administrative assistant to Representative William H. Sutphin, Democrat, of New Jersey. He worked for 3 months as Monmouth County aide to Mr. Sutphin's successor, Republican James C. Auchincloss, who preceded me as Representative of the Third Congressional District.

Tom Tighe shared his knowledge with young journalists as a teacher of newspaper management at Columbia University's Graduate School of Journalism. In 1965, shortly before winding up his part-time teaching responsibilities, he was elected president of the New Jersey Press Association. His editorial writing won first place in that association's 1979 editorial competition.

During his many years at the Press, the paper grew from fewer than 100 employees to 500. It provided expanded coverage to the growing counties of Monmouth and Ocean. It is now considered one of the best edited and most financially successful papers in the State of New Jersey.

Much of the credit for this progress rests with Tom Tighe, who I considered a personal friend for many years. His wife of 53 years, Helen R. White, his daughter and other family members, can be very proud of this fine man and his contributions to journalism and to life at the Jersey shore.●

FRANK "OZZIE" ESTOCHIN'S RETIREMENT

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. LEWIS of California. Mr. Speaker, it is with the deepest feelings of friendship that I rise to commend to your attention one of the greatest characters you will ever meet—Frank "Ozzie" Estochin. Unable to attend a celebration held in his honor, I take this opportunity to ask the Congress to join me along with his many friends

and admirers in expressing our deep appreciation and gratitude to this outstanding human being upon the occasion of his retirement.

It was in the year of our Lord 1917, on August 22, that there was born in Akron, Ohio, one Frank John Joseph Estochin—the only son of Frank and Mary Estochin. Frank and Mary were immigrants from Prague, Czechoslovakia. According to Frankie's sisters, Anne Neidert and Mary Bobinski; school chums had some difficulty pronouncing their ethnic surname—Estochin—thus their brother received the nickname "Ozzie" by which he has been hailed by friends and fans alike to this day.

Upon graduation from Garfield High School in Akron in 1935, Ozzie enrolled at Kent State. He was an outstanding athlete playing as the star first string center on the Kent State football team. In 1942 he met Jane and they were married the following year, making 1983 the year of their 40th anniversary. Frank and Jane have two children, James 31, and Lisa 28.

Frank Estochin really came into his own when he joined the Penn Mutual Life Insurance Co., in 1947. He was early recognized for his talents as a salesman, a manager, and a teacher. For years he has served as the mortar that helped build one of the finest life insurance agencies in the country. The Los Angeles agency of the Penn Mutual Life Insurance Co., through the years of Fred Schnell, G. Sydney Barton, and finally Daniel Coelho has grown to be recognized as among the great. No small part of that pattern of success will be traced to the unique personality and array of capabilities that make up Frank Estochin.

The most sophisticated form of selfishness is—giving. If that is the case, then Ozzie would be ranked among the most selfish, for he virtually never stopped giving. The contribution he has made to the success of some of the finest salesmen our business has ever known—men like Joe O'Connor, George Rowland, Tony Marrone, King Archer, and so many others—will remain as a living tribute to Frank Estochin's success in life.

And, Mr. Speaker, if you will allow a personal note—this Member of the House owes to Frank Estochin a full measure of appreciation for whatever success he might experience. Frank has been my teacher and my friend—ever present, ever willing to help, ever giving.

While you enjoy this new stage in life just remember there are those of us who will never forget—Frank John Joseph Estochin—also known as Ozzie—you are a great guy.●

JIM HERBERT OF CORPS OF ENGINEERS RETIRES

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. PICKLE. Mr. Speaker, one of the most dedicated public servants I know is retiring from the Army Corps of Engineers this week. Mr. James T. Herbert, Jr., is capping his career as the technical publications writer-editor in the executive office of the engineer district in Fort Worth, Tex.

That bureaucratic-sounding title does not really tell the full story on Jim Herbert. Those of us in the Texas congressional delegation have for serveral years come to respect this man for his help and knowledge of the corps and for getting things done in Washington.

Jim has been with the Corps of Engineers since 1947, having served in the U.S. Army from 1943 to 1946. Since 1959, he has been assigned to the Fort Worth office. During his tenure, he has seen many district commanders, as well as Members of Congress come and go. I would hasten to speculate that Jim knows more about this body and the corps than some of us do.

We know him as that pleasant, kind man with a honey-smooth voice and southern accent, reflecting his hometown of Vicksburg, Miss. But Jim is more than just a nice guy. He has been extraordinarily helpful in explaining projects to the Congress and the public. He has worked closely with local leaders and groups to coordinate action in Washington and in localities where projects are planned or underway.

Too often, Federal employees are not shown the proper respect. Jim Herbert has served as a rebuttal of those occasional criticisms. He represents the Army Corps of Engineers in a forthright and helpful way, reflecting the agency's priorities of public service and progress. Jim shows the fine combination of civilian and uniformed expertise we have come to know at the corps. With his years of service and distinction if he was a military person, his uniform would be loaded with stars and bars.

Jim has many loyal friends, and speaking on behalf of the Texas congressional delegation, as well as our two Senators, I just want to say how much we thank Jim for his splendid performance for our State and country. We wish Jim Herbert the best of luck in his retirement.●

POMP, CIRCUMSTANCE, AND SOUTH AFRICA

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. FIELDS. Mr. Speaker, one of the elemental characteristics of the ideology variously known as modern liberalism or progressivism is the near-religious employment of the double standard. One of the most traditional targets of this inherent dishonesty is the Republic of South Africa.

I include in the RECORD a recent article on this subject written by Hadley Arkes for the Wall Street Journal. Mr. Arkes is William Nelson Cromwell, professor of jurisprudence at Amherst, and has been visiting as the Leavey professor at Georgetown University.

The season of commencements now upon us again has become for many faculty a time of resentments artfully restrained and forbearance practiced with a show of urbanity. Last year at this time, I returned to Amherst College, my home for 16 years. I went with misgivings ripened by experience, for I was certain that I would encounter what has become now a tradition of commencement in the Ivy League—namely, a ritual of flagellation.

In these presentiments I was proved quite right. At the same time, I know that my colleagues would show that beamish courtesy in which they have become practiced over the years, since the commencements were turned into "political" occasions more attuned to the temper of the young.

A standard part of these ceremonies has been the speech fashioned by a student to fit this formula: The College prides itself, falsely, on the engagements that take place in its classrooms, and in the absorption of its faculty in scholarship. When those bookish involvements are detached from the outside, political world, they become sterile exercises. But when these affectations of the College are put aside, everyone comes to realize that the real education is centered on those "personal relations" of "caring" by which we become "humans." As it turns out, the College has been clumsy in its efforts to arrange a setting that would be congenial to these lessons. The instruction has had to take place in the "interstices" of the life of the College; but at least it can be said that the College has done, less harm here than the other institutions of this society. And for that decent intention, the College earns at least our mild thanks. We wish it well; we shall look in now and then to see how it is doing; and we hope it may one day become as "good" a place as it aspires to be.

A BETTER EDUCATION?

The parents who take all of this in might be forgiven for wondering just what there was in this "experience" that warranted the $40,000 they have paid over four years. Some of them might even be churlish enough to think that an even better education about "personal relations" in the real world might have been found in the "interstices" of a job. It may come as a surprise to them that these commencements no longer seem to celebrate scholarship, or that the College no longer esteems so unreservedly the notion of cultivating in its students cer-

tain habits of disciplined reflection. Without an esteem for these things, the justification for the College is called into question, and the parents are deprived, on this last day, of the grounds on which they and their children may at least congratulate themselves.

Some commentators have been moved recently to offer words of sympathy for those students who have opposed the granting of an honorary degree to U.N. Ambassador Jeane Kirkpatrick. One writer in the Washington Post remarked that the graduates make up a "captive audience," and they would be forced either to miss their graduation or "honor a person whose views they abhor." It has apparently escaped the notice of this sensitive man that faculty and parents are also captive audiences at these affairs, and for years they have been compelled to sit decorously while the school honors persons and causes they may regard as utterly thoughtless. Nor does it seem to be a matter of concern that these burdens are not distributed uniformly. There have been no protests over the awarding of degrees to Ralph Nader; no gestures of students rising to turn their backs on Benjamin Hooks and the policy of "racial balancing"; no threats of embarrassing scenes if Ramsey Clark should appear on the campus. Apparently there is a threat of disorder, and an offense to sensibilities, only at those rare moments when the College would honor someone who is mildly conservative or even traditionally liberal.

It is this shameless asymmetry in the bestowing of honors and the focusing of outrage that has made recent commencements, for many of us, such bitter occasions. The ceremonies have become converted into sectarian forms of political theater, in which one faction seeks a kind of moral coup d'etat in world of speech. There are armbands, protests, insistent demands to be heard, even at the cost of unsetting the program—all for the sake of forcing others, finally, on some point, to acquiesce. In one tense moment at the Amherst commencement last year, a student who came to the stage for his diploma sought to pin an armband of protest on the president of the college. The armband was a symbol of opposition to investment in South Africa. In this awkward moment the president was forced to appear indifferent to the wrongs of South Africa in he held back from joining the protesters. The graduating seniors refuse to draw distinctions among themselves at these exercises according to the level of honors they have attained in their academic work. And yet they are strangely willing to imply the most pronounced moral distinctions on the question of South Africa: Apart from wearing armbands, the protesters often stand at a certain point in the ceremony and allow themselves to be seen. They allow themselves, that is, to be separated from their fellows and they suggest, in that way, the moral obtuseness or indifference of those who have not shared their gesture. Eventually the president could not bear the burden of this embarrassment, and he attached the armband to his robe—a move that elicited the applause that is usually conferred on the public display of "conviction."

My colleague Daniel Robinson has remarked that the armbands of protest will soon be sewn into the commencement gowns as part of the standard equipment. But for anyone journeying to New England and witnessing these displays, there is a sense of having left the world that most us inhabit and entering a land that time forgot. Where else but in the Ivy League would one discover, in 1982 and 1983, that South Africa is the preeminent moral issue in the world? Where else but in these academic enclaves would one find the persisting refusal to inquire into the grounds of principle on which we would object to the regime in South Africa—and to consider then whether those same standards of judgment would disclose to us comparable evils in other places, which may be every bit as much worthy of our concern as the wrongs that are revealed today in South Africa?

Is the problem of South Africa that blacks are ruled without their consent in a caste system? They happen to be ruled without their consent—without the benefit of free elections—almost everywhere else in black Africa. They are often ruled in a more lawless way, and with even fewer restraints on the use of force, than the restraints that still govern the regime in South Africa. That they are ruled in this way by other blacks should make no difference, at all, in principle to the wrong of ruling human beings as though they were horses or dogs; and it makes no difference in the quality of contempt felt by the rulers for those whom they are pleased to rule. And if our concern is that people are being ruled without their consent, why should the color of the victims make any difference? Why should we not be quite as concerned about the human beings who are being ruled without their consent in Vietnam, Cuba and the Soviet Union, in regimes that are even more stringent in their despotism and terroristic in their methods than the government in South Africa?

The students with armbands in the commencement of 1982 were expressing their anguish over South Africa only six months after martial law was imposed in Poland. Without much strain, on might have found, in the portfolio of the College, investments in firms that furnished loans and machinery to the Soviet Union and its satellites, and which helped to preserve this empire of repression as a solvent, ongoing enterprise. Did the College have any holdings in Chase Manhattan Bank or Citicorp? Did it own stock in Pullman, whose Kama River plant supplied the vehicles that would move the Red Army in the takeover of Afghanistan?

A TRUNCATED VIEW

That the protesters have not been much interested in these connections is an omission that cannot be laid merely to inconsistency. It is a reflection, rather, of a truncated view of the moral universe, and it should be apparent after a while that all the dramaturgy over South Africa—the clamorous insistence that raises this issue above all others—does not mark the presence of moral conviction. It conceals, instead, a want of confidence about the grounds of moral judgment, and the purpose of concentrating our attention is precisely to direct our critical gaze to questions that are safely distant from our own lives. In the commencement of 1982, the students of Georgetown University were encountering the exotic figure of Mother Theresa. She was, quite evidently, a stranger to their moral codes, and for that reason her remarks cut directly into their lives. To the occasional sound of remote, popping champagne corks, she urged young men and women "to love each other with a clean heart" and "give yourselves to each other a virgin heart." Her presence also recalled her moving pleas for the victims of abortion. At Amherst no attention was directed to the abortion clinic just a mile down the road or to the role of the College in guiding its students toward these operations. That would have raised vexing disputes about the taking of human life, about the small killings that may have taken place close to the College, at the insistence of those who were now assembled to receive their degrees and offer their judgments to the world for its better ordering.●

IN MEMORY OF SUZETTE TAPPER

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mrs. SCHNEIDER. Mr. Speaker, forward-looking politics lost one of its most committed and effective proponents on May 1, when Suzette Tapper died of a cerebral hemorrhage. For 20 years Suzette applied her wit and wisdom to the struggle for equal rights for women, environmental protection, and the increased use of renewable energy. Her career is an emblem of the efforts of the 1960's and 1970's to create a just, safe, and sustainable society.

She began working in the early 1960's as an organizer for the American Bar Association in Illinois, where she led the successful fight for the passage of the first Illinois judicial reform law. She married her husband, David, in 1966 in the home of Sam Witwer, on whose Senate campaign she was working at the time. When they moved to New York, Suzette began organizing for the National Organization for Women. She came up with the idea for a green T-shirt with the text of the equal rights amendment printed on the front—a T-shirt classic that raised money and consciousness.

Suzette organized more than political campaigns during this period. She coproduced three of David's documentary films. The last, "Bound for Freedom," the story of two British boys who were indentured servants until the age of 21. The film, which attempted to break through racial blinders to reveal the horrors of slavery, was shown on network television.

No one as committed as Suzette was to politics could avoid Washington forever, and in 1976 she moved to Washington to work as an organizer for Zero Population Growth. She moved over to Environmental Action next year, where she concentrated on mobilizing local environmental activism. Suzette's appetite for political challenges carried over into the rest of her life. In spite of a severe asthma condition, Suzette decided to learn to scuba dive while at Environmental Action. She took lessons, passed her exam, and enjoyed a view of the depths that no one else in her position would even have dreamed of.

Suzette's work at Environmental Action led her into the movement to develop renewable energy, and in 1980 she moved to Solar Lobby. True to form, Suzette took on the most difficult challenges. She lobbied for the Solar Energy and Energy Conservation Bank, which would enable low-income people to borrow the money to make solar and conservation improvements in their homes, and the passive solar tax credit, which would stimulate the use of the most cost-effective solar technology. Thanks in large measure to Suzette's persistence, the Solar Bank will begin operating in a few weeks.

Perhaps even more important that Suzette's actual lobbying was the experience and good judgment she brought to planning Solar Lobby strategy. In a world of headstrong, hyperkinetic lobbyists, Suzette was the voice of planning. She knew that organizations with limited resources must use their time carefully. And she loved to talk politics.

Suzette's children, Seth and Gwen, are probably already brilliant political strategists because Suzette did not stop planning when she left the office. She talked to her children for hours about political intrigue. Seth and Gwen may already know more than they want to know about the power plays of American politics.

The thread that runs through all Suzette's activities is her desire to make ordinary people aware of their political rights and responsibilities. Her most recent projects at Solar Lobby were to revamp the activist network and to strengthen local involvement in the Solar Political Action Committee.

When someone dies, we always ask ourselves what that person would like us to do in her memory. Well, Suzette took care of that. When the Solar Lobby was cleaning out her desk, they found a familiar political button, yellow letters on a purple background: "Don't Mourn, Organize!"●

IN HONOR OF THE TRICENTENNIAL YEAR OF GERMAN SETTLEMENT IN AMERICA

HON. WILLIAM R. RATCHFORD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. RATCHFORD. Mr. Speaker, the members of the Concordia Society Germany-American Club of Waterbury, Conn. in my district, will be gathering on June 18 to celebrate a momentous occasion—300 years of German settlement in America. As my colleagues know, 1983 has been designated the "Tricentennial Anniversary Year of German Settlement in America" by Presidential proclamation. Because I am half German, I feel a special sense of excitement and pride at this occasion. The long, happy history of German settlement in America is indeed a cause for celebration, and also presents an important opportunity for all Americans to reflect on the tangible and intangible benefits our country has derived from all of its immigrants, and German-Americans in particular.

Germans began to emigrate to the United States in the 17th century. In the postcolonial period, Germany contributed more immigrants than any other country—over 6.9 million between 1820 and 1970. That is an astonishing 15 percent of the total number of immigrants to America. German immigrants tended to settle in the locations of greatest opportunity in this country, and began immediately to lend their industry and ingenuity to building the modern Nation. New York City, the port of entry for most immigrants, always contained the largest urban German concentration. But the large cities of the Midwest were to become the most characteristically German environments. In America's vast rural areas, German farmers were among the best and most productive in the country.

Germans in America duplicated the class, religious, and regional divisions of their homeland but managed also to retain an essential cultural unity. The transfer of diversity to their new homeland assured German-Americans a new culture which fostered achievement and upward mobility. Over the years German immigrants have been one of the groups most easily assimilated into American life while continuing to retain and share their rich heritage, and economic, political, scientific, and cultural insights.

All Americans continue to admire the skills, diligence, thrift, and family strength of German-Americans that characterized their earliest predecessors in this country. In this 300th year of German settlement, I join with all German-Americans and my friends in the Concordia Society, in the pride they feel in their long and fruitful history in America. Her future is made brighter by the presence of her German sons and daughters.●

ACID RAIN'S ENDANGERED SPECIES: COAL MINERS

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. RAHALL. Mr. Speaker, for well over two centuries, the growth and prosperity of the United States has been fueled by the sacrifice of American coal miners who risked their lives to bring what we in coal country refer to as "Black Gold" out of the ground and into the homes, factories, steel mills, powerplants, and railroad boilers.

For nearly a decade—under the slogan "An injury to one is an injury to all"—the United Mine Workers of America have fought to extend union protection to coal miners and their families. Safer working conditions, benefits from the Black Lung Act and fairer wages have all come about through the leadership and dedicated work of the UMWA.

Today, however, the mineworkers are striving to save jobs; an ever decreasing commodity in the coal industry. With over 33-percent unemployed in the industry today, the specter of an acid rain control program born out of political expediency lies ominously over the dreams and goals of the Nation's coal labor force and threatens to further increase their number on the unemployment rolls.

"Coal miners are particularly sensitive to environmental issues because we work in the most hostile and dangerous environment on Earth," UMWA President Rich Trumka said recently. Existing in such an area—working and raising their families in the coal producing regions of this country—indeed requires the mineworkers to be particularly sensitive to the quality of the environment. For the benefit of my colleagues, following is a column authored by the union's president and printed in the Beckley (West Virginia) Post Herald.

[From the Beckley (W. Va.) Post Herald, June 1, 1983]

BEYOND THE ACID RAIN SCARE

(By Richard L. Trumka)

Five hundred years ago everyone knew that the sun circled the earth. Galieleo even faced excommunication for expressing his theory that the sun was the center of the solar system. A few years later, people began to question the fact that the earth was the hub of the universe. Then we learned the truth.

That is the nature of scientific progress—from false certainty to questioning, to new and more accurate knowledge. On the subject of acid deposition, the U.S. Environmental Protection Agency (EPA) and a number of reputable atmospheric scientists have moved from the first stage to the second, and all of us should be grateful.

Current scientific knowledge is overwhelmingly uncertain., We do not know the cause of increasing acidity. We do not even know that acidity is increasing. We do not know what level of acidity is "normal." We do not fully understand the relative contribution of natural and man made sources of acidity. And, despite propaganda, we do not know if local or long distance sources of pollution are more important. Significantly, a study released in April by The Massachusetts Institute of Technology and one by a Washington University professor issued in May, stress the relative importance of local sources.

There are many other things that we know. We know that there is no evidence that acid rain affects human health. We

know that the same New Englanders who want to tighten pollution controls in the midwest want to ease them at home. We know that American pollution controls are stricter than those in Canada. We know that the worst single polluter in North America is Canada's Sudbury smelter. And we know that the area most affected by excess acidity in North America surrounds that Sudbury installation.

And that is only part of our knowledge. We know that the level of acidity historically has varied. Ages-old icebergs reveal higher acid content than we now have. The same was true of 17th century Paris. We know that acid levels never have been measured consistently over a long enough period to determine if significant changes have taken place. We know that IF—a very big IF—utility emissions are a major cause of rainfall acidity, the problem is self-correcting because of provisions in the Clean Air Act. The USEPA recently reported that emissions of sulfur dioxide declined by 27 percent from 1975 to 1981. And, as new power plants—which must meet even more stringent standards—replace older ones, that process will accelerate.

Most of all, we know that acid rain controls will have severe economic and employment impacts in the Midwest and parts of Appalachia. The U.S. Department of Energy recently estimated that 50 to 75 percent of the emissions reductions mandated by the proposals would be achieved by substituting low sulfur coal for high sulfur coal. If this fuel switching occurs, 40,000-80,000 coal industry employees could lose their jobs. In addition to the direct mining job losses, many thousand more workers in related industries and in the service sector would be affected. These job losses would occur in areas of the country that already suffer from near depression-level unemployment rates.

The total economic cost to the coal mining states that would be affected would be between three and six billion dollars. The social costs would be incalculable. Moreover, the problems created would not be short term. Many mining communities would never recover; they would become ghost towns. Meanwhile, the energy independence that is within our grasp never would occur. Instead, we would continue to mortgage our future to unstable and expensive foreign sources of energy.

Finally, we know that the propaganda being issued by organizations devoted to acid rain controls has been a disservice to the people of the United States. The people and organizations that have issued this propaganda are using unjustifiable scare tactics. These are reminiscent of the claims some years ago that Lake Erie already was dead and gone, irretrievable, because of pollution. Tell that to the people enjoying Lake Erie's many beautiful beaches today.

More than enough heat has been shed. Now it's time to spread some light.●

REGARDING THE 25TH ANNIVERSARY OF THE 22D AIR FORCE

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. FAZIO. Mr. Speaker, it is indeed an honor for me to rise today to pay tribute to 25 years of service to this Nation by those who serve at the headquarters of the 22nd Air Force, the control center for airlift operations around half the globe.

The 22d Air Force, whose headquarters has been at Travis Air Force Base in my congressional district since July 1, 1958, is one of two combat-ready airlift arms of the Airlift Command. On June 10 of this year, the 22d Air Force will recognize its anniversary in joint ceremonies with Travis Air Force Base, which is celebrating its 40 anniversary.

A statistical description of the 22d Air Force is impressive indeed. It employs roughly 38,000 military and civilian personnel, primarily in seven States and the Philippines. Moreover, it manages approximately 370 transport aircraft and support facilities, including 70 of the world's largest aircraft, the C-5A Galaxy aircraft.

The 22d also manages a versatile all-jet cargo fleet of C-141B Starlifters and C-130 Hercules aircraft, which can be used to airlift troops and supplies throughout the world in both war and peace time as needed. Some of the aircraft can even be reconfigurated to act as flying hospital wards to evacuate and care for casualties in emergency situations.

Furthermore, Mr. Speaker, the 22d Air Force has an exemplary record of responding rapidly and reliably to world problems, and handling even the most difficult assignments in a superior fashion. For example, Operation Homecoming was implemented by the 22d Air Force. As many of my colleagues may recall, Operation Homecoming was the name given to the Air Force's plan to bring home the Vietnam war POW's after the United States withdrew from the conflict in Southeast Asia, a difficult and sensitive assignment indeed.

Mr. Speaker, I am proud of the 22d Air Force. I am proud of the well trained and highly motivated people who man the 22d and I am proud of its essential role in maintaining our Nation's military preparedness and thereby preserving our national security. I salute the headquarters of the 22d Air Force and the men and women who serve there.●

SCOTTSDALE HIGH SCHOOL 1922-83

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. RUDD. Mr. Speaker, last week, the oldest school in one of our Nation's fastest growing cities—Scottsdale High School of Scottsdale, Ariz.—graduated its last senior class after 60 years of operation. The historic school's closing this year marks the end of an institution which represents a fulfilling education and life experience for some 10,000 graduates since its first class of three graduates in 1923, but Scottsdale High School will be remembered for more than its rewarding academic program.

When the school first opened in 1922, Scottsdale was an almost exclusively rural community separated from nearby Phoenix by unpaved roads, small farms, and sparse economic activity. Families sent their children to Tempe Normal School, now know as Arizona State University, for precollege schooling by apprentice teachers, for there were no other high schools in the area at the time. The community of Scottsdale had perhaps a few hundred residents then.

One longtime alumnus, Lester Mowry, who was in the school's first 4-year class of 1927—a total of 10 students—recalls that students had to carry their own seats for class in the school's auditorium.

Sixty years later, Scottsdale High School remains located in the heart of the downtown section of a city whose streets, buildings, and other famous standing structures are intertwined with the outskirts of the Phoenix metropolitan area, populated by almost 2 million people. The city of Scottsdale, one of our country's biggest tourist attractions due to its desert surroundings and old West setting, has about 100,000 residents and a growth-oriented economy that continues to foster change.

The growth of Scottsdale High School over the decades preceded the dramatic changes in the "Valley of the Sun," as the major influx of people first occurred in the 1950's, the same timeframe Scottsdale High was expanding into a district system of several schools. A farming community was beginning to turn into a residential community, and as the high school expanded, so did the whole area.

As the community expanded, the population spread out along with newer schools outside of the downtown area of Scottsdale. Because of declining enrollments, the local school board chose to close down the historic Scottsdale High, and it goes without saying that this was a difficult decision for many of the school's students, faculty and administration, and the list of accomplished alumni.

The real tributes to Scottsdale High School will remain in the memories of those who were associated with it, but I would like to share with my colleagues in Congress the May 27, 1983, news article, "Last Rite: Scottsdale High Closes With Class of 1983," printed in the Arizona Republic.

[From the Arizona Republic, May 27, 1983]

LAST RITE: SCOTTSDALE HIGH CLOSES WITH CLASS OF 1983

(By William La Jeunesse)

SCOTTSDALE.—For the Scottsdale High School graduating class of 1983, there will be no homecoming.

After 60 years of education and thousands of memories, Scottsdale High officially has closed.

On Thursday night, an audience of 2,000 jammed into Scottsdale High stadium to watch the 335 seniors of the class of '83 write the final chapter to this city's oldest high school.

"I feel very unique to be recognized and remembered," Ronda Johnston, 18, said. "I am glad to graduate but sad because I know ours is the last generation of so many that have passed through here, and I don't want the tradition to die.

"I always hoped that I could bring my kids here and show them where I went to high school and that they could go here.

"But the saddest thing is we have no homecoming to come home to."

The school board voted Jan. 18 to close Scottsdale High because of declining enrollment.

"Whether these buildings stand or not, Scottsdale High will always be with you," an emotional Evelyn Caskey, Scottsdale High principal, told the graduates.

It was a bittersweet ending for the high school, teachers and students. The 36-acre Scottsdale High site is in the center of downtown. With a price tag estimated at $20 million, the buildings are expected to be leveled to make room for an office building or hotel-convention center complex.

More than 70 Scottsdale teachers and about 900 students will be transferred to the district's other four high schools next fall.

As for the graduates Thursday night, they said they were happy to graduate and embark on new challenges but sad to see their alma mater close.

"SHS was a second home and a place to grow," Roxanne Gentry, student-body president, said in her graduation-night speech. "Above all, it was a great education.

"As the closure lurked upon us, the truth became clear. In five short months, our alma mater would cease to exist. We proud seniors on this proud night are feeling excitement, maturity and the expectations of our dreams. So go, fellow classmates, and fulfill your dreams."

Kymberly Leicht, the senior-class president, added, "It feels like the beginning of my life, but I know it is also an end.

"I know I can never come back . . . to see all these friends again. Underneath all these smiles, there is sadness. SHS has been good to all of us."

The commencement address was delivered by Mark Scharenbroich, youth-development manager at Josten's, a ring-marketing company.

"The two greatest things a parent can give a child is roots and wings," Scharenbroich told the audience.

"To you parents," he said, "it is time to let go of that little hand.

"To you graduates, always cherish your family. Your gift to them is your honest appreciation of their love. When these ceremonies end, wrap your arms around them. Never be embarrassed to show love for your family."

The school band played Aaron Copland's Fanfare for the Common Man, which was followed by brief addresses by school board President Sue Doggett and Superintendent Phil Gates, who said, "Goodbye, good luck and God bless."●

THE SITUATION IN GUATEMALA—PART II

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. OBEY. Mr. Speaker, in his speech on Central America last month, President Reagan said that, "We do not view security assistance as an end in itself, but as a shield for democratization, economic development, and diplomacy."

It is the reality which lies behind that shield in Central America, however, that raises serious questions about the administration's policies in that region and their chances of success over the long run. Nowhere is this more so than in Guatemala.

The Reagan administration moved closer to the Ríos Montt government after that regime came to power in a coup in March 1982. The United States increased foreign assistance and the Guatemalan Government was allowed to purchase military equipment from us for the first time since 1977. The administration wants Congress to approve $50 million in security-related aid for fiscal year 1984, an increase of about 400 percent.

The United States improved relations with Guatemala despite credible reports that the Guatemalan Government was carrying out a campaign of destruction, terror, and death against Guatemalan Indians and peasants in the countryside. Amnesty International, for example, reported that Guatemalan forces massacred more than 2,600 Indians and peasant farmers in a new counterinsurgency program launched after Gen. Efrain Ríos Montt came to power.

The brutal nature of the regime that emerges from these reports raises basic questions about U.S. policy there: Is it in our interests to support a government that makes war on its own people? Can such policy succeed over the long run?

Two recent articles describe in detail the situation that exists behind the administration's shield in Guatemala. I recommend them to my colleagues.

[From the New York Times, Mar. 13, 1983]

IN AMERICA'S NAME

(By Anthony Lewis)

BOSTON, March 12.—What follows is for readers with strong stomachs.

"We were told again and again of government soldiers, in uniform, arriving at a village, rounding up men and women and shooting them.

"But they apparently don't waste bullets on children. They pick them up by the feet and smash their heads against a wall. Or they tie ropes around their necks and pull them until they are strangled. We heard of children being thrown in the air and bayoneted."

That is not a description of what happened in Cambodia years ago under the genocide regime of Pol Pot. It is an account of what is being done right now by the Government of Guatemala—a government that has the support of the President of the United States.

The account comes from a New York lawyer, Stephen L. Kass, who has just been interviewing refugees from Guatemala. He and another specialist in Latin American affairs, Robert L. Goldman, professor of international law at American University, went to southern Mexico to speak with refugees who had recently crossed the border.

Can such horror stories really be true? I asked Mr. Kass.

"We were told this kind of thing over and over along the border," he answered. "We were told it by men, we were told it by women, we were told it by children—at different places, by people who could not have known each other."

The two lawyers, who were looking into the situation for the Americas Watch Committee, interviewed refugees in Spanish at the Pacific Ocean end of the Mexican-Guatemalan border. Then they flew to airstrips in a mountainous jungle region to visit two refugee camps a mile or two from the central part of the border.

Between 50,000 and 80,000 Guatemalan peasants have fled across the border in the last year or so. The flow is continuing—several thousand have come into organized refugee camps in the last two months.

"We believe there is a continuing pattern of almost indiscriminate violence directed at Indian peasant communities," Mr. Kass said. "Any village regarded by the local army commander as not firmly supportive of government efforts to destroy subversion is regarded as subversive itself—and, as such, a free-fire zone.

"It is a level of butchery that seems unimaginable but is true.

"When survivors from these villages try to live in the hills, the army destroys their crops. We heard that repeatedly, again from many different people. Helicopters are used to patrol the tillable areas and fire on people who try to grow things.

"And in our conversations with even the poorest Indians, they knew the United States supplied the helicopters and supported this government."

General Efráin Ríos Montt installed himself as president of Guatemala in a coup last March. When President Reagan toured Latin America last year, he met General Ríos Montt and rejected criticism of Guatemala's human rights record. "Frankly," Mr. Reagan said, "I'm inclined to believe they've been getting a bum rap." The Administration then announced that Guatemala would be allowed to buy spare parts for helicopters and aircraft, after years of embargo.

The reality of what government forces do in Guatemala—or for that matter the El Salvador Army's continuing butchery of civilians—contrasts almost comically with the noble images President Reagan evoked in asking Congress to send more military aid to Salvador. Our goal in Central America, he said, is "to replace poverty with development and dictatorship with democracy." We insist on a "legitimate road to power," not rule "without the consent of the people."

If the Reagan Administration were candid with the American people about its policy in Central America, it would say something like this:

"The governments we support in Guatemala and El Salvador do not live up to our most modest idea of decency. They murder their own citizens in large numbers, and the few rich brutally oppress the many poor. Moreover, they pay little attention to our views. Guatemala won't even let the International Red Cross look at its prisoners, and El Salvador has not convicted one official for the thousands of murders. But they are our allies against communism. They serve our strategic interest, and that is why we must support them."

The Administration will not say that—because Americans would not stand for it. We are not that kind of people. We do not want such horrors condoned in our name: not even to put down communism—if the policy would, which it will not.

And I wonder about Ronald Reagan. There is a real possibility that he believes all those hypocritical statements about how Central America would be fine if only the Communists left it alone. If he knew what was happening—if he knew that children were being murdered—would he actually want to pay that price?

[From the New Republic, Apr. 11, 1983]

THE GUNS OF GUATEMALA—THE MERCILESS MISSION OF RÍOS MONTT'S ARMY

(By Allan Nairn)

On April 20, 1982, government troops entered the village of Acul in Guatemala's northwest highlands. According to an eyewitness, "They searched the houses and pulled the people out, and took us to the churchyard. The lieutenant walked up and down, pointing at people, saying these will go to hell, these will go to heaven. The ones he said would go to hell they took out to be shot. They tied them up and kicked them and gave them karate chops to the throat. One soldier had a big knife and he stuck it into their genitals and hacked them on the neck and on the back. The people were crying and crossing themselves. The soldiers pulled out one boy and put him up against the big tree. They said they were going to shoot him because he was against the government. They took the others to the cemetery with their hands tied behind their backs. They dug a big ditch and lined them up at the edge. We all had to come and watch. The lieutenant said they were going to be shot because 'you haven't educated your children, your children are going around with scum, and that doesn't suit us. But we're not going to throw their bodies on the roadside, we're just going to shoot them.' He said this was the new law of Ríos Montt. They shot each one with a bullet in the face from about a meter away. Parts of their brains spilled out and scattered into the ditch." By the end of the day twenty-four lay dead. The next day the troops killed twenty-two more.

According to figures compiled by Amnesty International, at least 12,000 unarmed civilians have died by violence in Guatemala since 1978. Last year Amnesty reported that 2,600 had been killed between July and March 23, when General Efraín Ríos Montt seized power in a military coup. By December, however, army massacres had become more sporadic and the pace of guerrilla raids had slackened. These developments were widely interpreted to mean that the government had begun to curb human rights abuses and had succeeded in crushing the guerrillas.

The interpretation was wrong on both counts. The number of massacres fell because the army had completed the first stage of a major operation designed to depopulate the rural villages that are the guerrillas' logistical and political base. The guerrilla's level of activity fell because their village support network had been disrupted. During this operation, I conducted interviews with several dozen soldiers and officers in the field, as well as with refugees and government officials. What they said points to the conclusion that Ríos Montt's strategy was based on organized killing, torture, and bombing of unarmed civilians—a round of carnage that can be expected to resume as soon as guerrilla activity reaches a sufficiently threatening level. And far from crushing the guerrillas, the counterinsurgency drive has left their corps of armed combatants essentially intact, while sowing bitterness among the peasant survivors.

Ríos Montt, who was trained in counterinsurgency at Fort Bragg and served in 1973 as director of studies at the Pentagon's Inter-American Defense College in Washington, D.C., brought the Guatemalan Army back into the mainstream of international counterinsurgency theory. General Romeo Lucas García, whom Ríos Montt toppled in the coup, had attempted to fight the guerrillas with an uncoordinated series of rural massacres. In the urban areas, Lucas undertook a campaign of assassinations that destroyed a powerful popular movement of trade unionists, professionals, clergy, students, slum dwellers, and moderate politicians; he recklessly continued these highly visible killings long after their political objective had been accomplished. Besides bringing international condemnation of Guatemala's human rights abuses, Lucas's actions actually increased guerrilla strength.

Ríos Montt curtailed the politically disastrous urban assassinations. He shifted to a program of centralized planning, local and international public relations, and, as an army strategy document put it, "establishment of a scheme for control of the population"—forced labor "civil patrols" used for road repair, surveillance, and army-led military forays. The cutting edge of the strategy was a series of province-by-province sweeps by massed troops to clear the tiny mountain villages and to resettle much of the population in army-controlled towns. The sweeps concentrated the killing in a few brief but fierce bursts. After the phalanx had run out of villages in one region and moved on to the next, it could be said that violence in the first region had diminished and human rights improved. By October this claim could be made for the country as a whole.

As the sweeps began, in the provinces of Chimaltenango and Alta Verapaz and Baja Verapaz, the level of killing—the highest in Guatemalan history—shocked even traditionally reserved elements of the local establishment. "Not even the lives of old people, pregnant women, or innocent children were respected," said Guatemala's Conference of Catholic Bishops in a May 27 pastoral letter. "Never in our history has it come to such grave extremes." In an unprecedented series of editorials in May, the conservative El Gráfico, the country's leading newspaper, stated: "Massacres have become the order of the day. . . . How is it possible to behead an 8- and 9-year-old child? . . . We do not deserve aid as long as this keeps occurring."

At the same time, the United States Embassy was assuring visitors that human rights conditions had dramatically improved and that if abuses were occurring they were contrary to policy. By way of proof, they distributed copies of the army's "Code of Conduct Toward the Civil Population," twelve-point guide to counterinsurgency etiquette that admonishes soldiers not to "flirt or take liberties with the women," and to "show special affection and respect for the aged and children."

On May 24 Ríos Montt set the stage for the sweeps through Quiché and Huehuetenango, the provinces with the heaviest guerrilla activity, by announcing that he would grant amnesty to all guerrillas and collaborators who turned themselves in before July 1. After the amnesty had expired, and residents of a village believed to be collaborating with the guerrillas would be considered fair game. On June 30 Ríos Montt declared on television that "today we are going to begin a merciless struggle," and issued a decree that ordered all men age 18 to 30 to present themselves for military service. The decree stated that the army would "proceed with a vigorous and firm military action to annihilate the subversion that has not understood the good intentions of the government."

According to soldiers and officers who participated in the action last July, August, and September, the sweeps were directed not at armed guerrillas but at civilians in villages suspected of guerrilla collaboration. Ríos Montt had outlined the rationale in a May 17 interview. "The problem of the war," he explained, "is not just a question of who is shooting. For each one who is shooting, there are ten working behind him."

According to Lieutenant Romero Sierra, who commands a 20-man patrol base at La Perla, a northwest highlands plantation, the sweeps were directed from the top. Field commanders like Sierra receive their orders through a chain of command which places only three steps—the minister of defense, the army chief of staff, and a colonel in the provincial capital—between themselves and Ríos Montt. The commander received daily orders from the colonel, and maintain hourly radio contact with his headquarters. "I advise him that 'I'm going to Tutzuhil with twenty men.' He knows everything. Everything is controlled." All field actions must be reported in the commanders' daily "diary of operations," which is reviewed and criticized in monthly face-to-face evaluations. "We're on a very short leash," Sierra said.

Sierra, who directed the sweeps through his patrol area of 20 square kilometers and 10,000 people, told me that thousands of civilians were displaced but that "in the time I've been here [two-and-a-half months] no subversives have fallen. Lots of unarmed people, women refugees, but we haven't had actual combat with guerrillas."

Each patrol officer, after describing the success of his sweep, would casually point to this local mountain and say that 50 to 75 guerrilla combatants were still at large. Lieutenant Sierra estimated that 70 guerrillas were moving in the mountains immediatley surrounding La Perla. "There are lots of them around here," said Miguel Raimundo, a sergeant in Nebaj, a medium-sized army-occupied town south of La Perla. "It's hard to fight them. There are about 300 of them—the ones who fight."

Just outside Nebaj, more than 2,500 peasants had been resettled on an army airstrip. "They didn't want to leave voluntarily," explained Felipe, a corporal who manned the 50-caliber machine gun that dominated the town from the church belfry. "The government put out a call that they would have

one month to turn themselves in. So now the army is in charge of going to get all the people from all these villages."

Sergeant Miguel Raimundo, who was guarding a group of 161 suspected guerrilla collaborators (which included 79 children and 42 women), said, "The problem is that almost all the village people are guerrillas." According to camp records, these peasants had been rounded up in army sweeps through the villages of Vijolom, Salquil Grande, Tjolom, Parramos Chiquito, Paob, Vixaj, Quejchip, and Xepium. Sergeant José Angel, who commands a 40-man platoon based at La Perla, explained the procedure. "Before we get to the village, we talk with the soldiers about what they should do and what they shouldn't do. They all discuss it so they have it in their minds. We coordinate it first—we ask, what is our mission?"

According to José Angel, "One patrol enters the village from one point, on another side another patrol enters. We go in before dawn, because everyone is sleeping. If we come in broad daylight they get scared, they see it's the army, and they run because they know the army is coming to get them."

The army has a policy about such behavior. "The people who are doing things outside the law run away," the sergeant said. "But the people who aren't doing anything, they stay." He said he had seen cases where "lots of them ran, most of a village. They ran because they knew the army was coming."

Miguel Raimundo cited three cases where villaged fled en masse. "All the villages around here, like Salquil, Palob, or here in Sumal, they have a horn and there's a villager who watches the road. If the soldiers come, he blows the horn. It's a signal. they all go running."

For the soldiers, the killing of fleeing, unarmed civilians has become a matter of routine. I asked Felipe, the Nebaj corporal, how the villagers react when the troops arrive.

"They flee from their homes. They run for the mountain."

"And what do you do?"

"Some we capture alive and others we can't capture alive. When they run and go into mountains that obligates one to kill them."

"Why?"

"Because they might be guerrillas. If they don't run, the army is not going to kill them. It will protect them."

"Among those you have to kill, what kind of people are they? Are they men or women?"

"At times men, at times women."

"In which villages has this happened?"

"Oh, it's happened in lots of them. In Acul, Salquil, Sumal Chiquito, Sumal Grande."

"In those villages, about how many people did you kill?"

"Not many, a few."

"More than ten? More than twenty? More than a hundred?"

"Oh no, about twenty."

"In each village?"

"Yes, of course. It's not many. More than that were captured alive."

José Angel, the sergeant at La Perla, recalled a similar experience in the village of Chumansan in the province of Quezaltenango. "When we went in, the people scattered," he said. "We had no choice but to shoot at them. We killed some. . . . Oh, about ten, no more. Most of them got away."

According to accounts from soldiers and survivors, the army follows a consistent step-by-step procedure after entering a village. First, Sergeant José Angel explained, "We go into a village and take the people out of their houses and search the houses." Among the items the soldiers look for are suspiciously large stocks of grain or beans. The army takes what it can use and burns the rest. Next, he said, "You ask informers who are the ones that are doing things, things outside the law. And that's when you round up the collaborators. And the collaborators—you question them, interrogate them, get them to speak the truth. Who have they been talking to? Who are the ones who have been coming to the village to speak with them?"

The interrogations are generally conducted in the village square with the entire population looking on. I asked José Angel how he questioned people. He replied, "Beat them to make them tell the truth, hurt them."

"With what methods?"

"This one, like this [he wraps his hands around his neck and makes a choking sound]. More or less hanging them."

"With what?"

"With a lasso. Each soldier has his lasso."

The day before, in Nebaj, an infantryman who was standing over the bodies of four guerrillas who had been executed a few hours before demonstrated the interrogation technique he had learned in "Cobra," an army counterinsurgency course for field troops. "Tie them like this," he said, "tie the hands behind, run the cord here [around the neck] and press with a boot [on the chest]. Knot it, and make a tourniquet with a stick, and when they're dying you give it another twist and you ask them again, and if they still don't want to answer you do it again until they talk." According to sergeants and infantrymen of Nebaj and La Perla, the tourniquet is the most common interrogation technique. Live burial and multilation by machete are also used.

The director of an ambulance squad in one of Guatemala's largest provinces said that roughly 80 percent of the bodies recovered by his unit have their hands tied behind their backs and show signs of strangulation. The bodies are usually naked and have been finished off by 5.56 millimeter bullets (the kind used in the army's assault rifles) fired at close range into the chest, or by puncture wounds to the neck, generally consisting of four intersecting slices, characteristic of the army's four-flanged bayonet.

The soldiers said they expect those they question to provide specific information, such as the names of villagers who have talked with or given food to guerrillas. Failure to do so implies guilt, and brings immediate judgment and action. "Almost everyone in the villages is a collaborator," said Sergeant Miguel Raimundo. "They don't say anything. They would rather die than talk."

When I asked Miguel Raimundo about the interrogation method, he replied: "We say, if you tell us where the guerrillas are, the army won't kill you. . . . If they collaborate with the army, we don't do anything."

"And if they don't say anything?"

"Well, then they say, 'if you kill me, kill me—because I don't know anything,' and we know they're guerrillas. They prefer to die rather than say where the companeros are."

According to Sergeant José Angel, it is common for suspected collaborators to be pointed out, questioned, and executed all on the same day. Explaining how he extracted information so quickly, he said, "Well, they don't talk like that voluntarily. You just have to subdue them a little to make them speak the truth."

After the interrogations have been completed, the patrol leader makes a speech to the survivors gathered in the village square.

"We tell the people to change the road they are on, because the road they are on is bad," said José Angel. "If they don't change, there is nothing else to do but kill them."

"So you kill them on the spot?"

"Yes, sure, If they don't want the good, there's nothing more to do but bomb their houses."

José Angel said he had participated in operations of this kind in the provinces of Sololá and Quezaltenango in which more than 500 people were killed. He and other soldiers said that smaller villages are destroyed with Spanish, Israeli, and U.S.-made grenades. Boxes of these grenades could be seen stacked in the Nebaj ammunition dump. The soldiers said they also used a 3.5-inch U.S.-made shoulder-held recoilless rocket that was designed as an antitank weapon but is effective against people and straw huts. At the La Perla headquarters, one such launcher was sitting next to boxes of "explosive projectile" rockets from the Iowa Army Ammunition Plant.

For larger operations, José Angel said, patrols called in army planes and helicopters to bomb the villages. The helicopters are U.S.-manufactured Hueys and Jet Rangers. (Until January 1983, when the State Department rescinded the Carter Administration's 1977 ban, the sale of spare parts for the helicopters had been withheld on human rights grounds.) The bombs include U.S.-made 50-kilogram M1/61As, twelve of which were stacked in the base munitions dump in Nebaj. José Angel said he had seen such bombs dropped from Huey helicopters in Pujujil and the surrounding cantons in Sololá. The ambulance squad leader cited six cases in his province where survivors told of being bombed from planes and from blue and white (the color of the Jet Rangers) helicopters. He said he had observed craters, shattered houses, and trees marked with heavy shrapnel. On December 8, at the graduation ceremonies of the Military Aviation School, the army gave a public demonstration of bombing from Huey helicopters.

The American Embassy would neither confirm nor deny that U.S. helicopters were being used for bombing, but a senior diplomat said that if they were, it would not be a violation of U.S. intent. "If you're engaged in a war, you bomb and you strafe," the official said. "If you have a fort you've got to take out, you save lives. That's what we did in World War I and World War II."

Some Guatemalan officers contend that although helicopters are widely used for bombing, they are of greater tactical importance for surprise entry. "When you go in on foot," said Lieutenant Cesar Bonilla, the officer in charge of the villagers resettled at the Nebaj airstrip, "they see the patrol three kilometers away and know you're coming. But with air transport, you land different units in the area, all the units close in rapidly, and the people can't go running away."

Bonilla said that this type of operation could only be executed by several helicopters at once. "With just one helicopter you scare them away and there's no control." The United States' refusal to sell spare parts had grounded much of the fleet, so Lieutenant Bonilla was encouraged by reports that the Reagan Administration was considering a change in policy. "That would

be wonderful," he said. "With six helicopters, for example, the airborne troops would land all at once before they could make a move. The nicest, the ideal, the dream, would be a surprise: suddenly, pow! Helicopters with troops!" As he spoke, he made machine-gun noises and waved his Galil toward the refugee shacks. "Ta, ta, ta, ta, ta! All at once from the air! Pow! No escape routes. That would be ideal."

The day before this conversation, a peasant family in Bonilla's camp, interviewed in their shack outside the view of soldiers, described such an assault on their village. "Two times they came there in helicopters," said one of the men. "They would come in and land and the people would retire and they would always kill a few. They flew over, machine-gunning people from the helicopter." The family said that five were killed in the strafing.

This family, like its neighbors, was moved out of its village and told that the army would provide for its security, food, and housing. This is the "beans" component of General Ríos Montt's heralded "beans and rifles" program. Removed from their houses and fields, the people must depend on the army. Such relocations are a standard counterinsurgency tactic. Ríos Montt, however, has succeeded in portraying them as part of an economic reform program. The relocations make the army the well-publicized partner of international organizations that answer the government's plea to aid the villagers. Many foreign observers, unfamiliar with how and why the army resettled the people, are impressed by the sight of an army feeding and housing a peasantry it has been accused of massacring.

By September the sweep was coming to an end, and the next stage of the operation was beginning. "Up here there aren't any villages anymore," said José Angel, speaking of the patrol areas around La Perla. "There used to be, but then the soldiers came. We knew that such and such a village was involved, so we went to get them. We captured some and the rest of the people from the village ran away. They're hiding in the mountains. Now we're going to the mountains to look for them."

Going into the mountains to track down refugees meant going to guerrilla territory. According to the soldiers and refugees who have come down from the mountains, many villages fleeing the army wander through the hills alone, armed only with machetes and an occasional hunting shotgun. But some make contact with guerrilla patrols that act as their guides, sometimes sending them toward the relative safety of the Mexican border.

In some regions, the army has abandoned armed pursuit in favor of a strategy of waiting until hunger and disease flush out the villagers, who must live off weeds, roots, and quick-growing vegetables while staying constantly on the move. This tactic scored its first major success in mid-October, when several thousand refugees from the San Martin Jilotepeque area in Chimaltenango, many of whom had been in the hills since February following a series of massacres during the Lucas period, came down and surrendered to the army, asking for food. Nobody knows how many refugees are in the mountains. In May, before the Quiché and the Huehuetenango sweeps, the Conference of Catholic Bishops estimated that the number of refugees (not all of whom are living in the mountains) exceeded one million. Guatemala's total population is seven million.

Major Tito Arís, commander of the Nebaj base, said in mid-September that 2,000 people from the area of Sumal Grande had fled to the mountains and would be pursued by foot patrols and helicopters. Sergeant José Angel said his platoon went on such operations frequently. I asked José Angel what his troops did when they find refugees.

"At times we don't find them. We see them but they get away."

"But when you do find them, what do you do?"

"Oh, we kill them."

"Are they a few people or entire villages?"

"No, entire villages. When we entered the villages we killed some and the rest ran away."

Under the army's policy, a peasant found outside the army-controlled towns can be in mortal danger. "We know the poor people from close up and far away," said Sergeant Miguel Raimundo. "If we see someone walking in the mountains, that means he is a subversive. So we try to grab him and ask where he's going; we arrest him. And then we see if he is a guerrilla or not. But those who always walk in the mountains, we know they are guerrillas. Maybe some of them will be children, but we know that they are subversive delinquents. I've been walking in the mountains for a year now, and just in the mountains, one by one, we've captured more than 500 people."

Like his fellow sergeants and lieutenants, Miguel Raimundo is comfortable with the army's assumptions. "A woman told me yesterday that the soldiers kill people, that the soldiers killed her husband. But I told her that if the soldiers killed her husband it was because he was a guerrilla. The soldier knows whom to kill. He doesn't kill the innocent, just the guilty. And she said, 'No, my husband wasn't doing anything.' So I said, 'And how do you know it was nothing? How do you know what he was doing outside?' 'No,' she said, 'because he never went anywhere.' 'Yes,' I said, 'That's because he was a collaborator.'"

It is possible that Ríos Montt's strategy will succeed in isolating and demoralizing the guerrillas. But it is more likely that it will end up strengthening them. For all the relative sophistication of Ríos Montt's approach, it has relied largely on violence directed at the civilian population. And it was such violence, after all, that made the guerrillas a threat in the first place. In 1967 and 1968, the Guatemalan Army, assisted by U.S. advisers, did succeed in defeating the guerrillas of the eastern provinces of Zacapa and Izabal with a campaign that took 5,000 to 10,000 civilian lives. But those insurgents numbered only a few hundred and were poorly organized. By 1978 the guerrillas had reorganized, established political links with the peasantry, and expanded their combat force. When the army began killing peasants whom speculators were evicting from the land, the guerrillas were ready to take advantage of the resulting popular resentment. It was Lucas's counterinsurgency campaign that made the difference. His massacres and assassinations sent the guerrillas waves of new recruits and transformed them from a militarily marginal force into a powerful movement.

Severe as Lucas's spasms of violence were, however, they pale in comparison to the death and dislocation sown by Ríos Montt's systematic sweeps. Today there are tens of thousands of Guatemalans roaming the mountainsides and living in the villages and camps who have lost husbands, wives, parents, children, friends, and homes, and who carry with them graphic memories of a brutal encounter with their government. Ríos Montt's destruction of the rural social structure has set back the guerrillas, but has left them alive to organize and fight another day.

On March 23, the anniversary of his coup, Ríos Montt modified the state of siege. Speaking on television in the wake of the Pope's visit, the General, who is an evangelical Protestant, said, "We know and understand that we have sinned, that we have abused power, and we want to reconcile ourselves with the people." Ríos Montt has talked this way before, even while directing the bloodiest of his military campaigns. And it is hard to see how any kind of reconciliation can be achieved without the kind of basic political and economic changes that have been steadfastly resisted ever since a C.I.A.-sponsored coup brought the military to power in 1954. It is equally hard to see how such changes can be made as long as the army and the oligarchs continue to rule.

Neither Efraín Ríos Montt nor the officers and politicians constantly plotting to replace him can expect ultimately to achieve a military victory. They are more likely to find themselves on a downward spiral—having to kill more and more to stave off the consequences of the killing they have done before. Whether the guerrillas succeed in using this situation to fashion a victory of their own is another question. But it appears that given the logic of the Guatemalan struggle, the war is theirs for the losing.●

FOOD IRRADIATION

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. LUJAN. Mr. Speaker, I am delighted to share with you and my colleagues a very remarkable technological achievement by my constituents. The Albuquerque office of CH2M Hill, the Nation's sixth largest consulting engineering firm, was recently awarded the American Consulting Engineers Council's Honor Award for its newly developed food irradiation process.

CH2M Hill is to be commended for this accomplishment. Their process is doubly beneficial, for it not only treats food but also helps reduce nuclear waste. Called byproducts utilization, it derives beneficial uses from nuclear waste through low-level doses of gamma radiation from cesium-137 to disinfect fruit, control trichina in pork, and preserve foods.

Mr. Speaker, I wish to add my congratulations to CH2M Hill for the remarkable achievement which is more fully described in an article from the firm's spring 1983 reports.

FOOD IRRADIATION USING NUCLEAR BYPRODUCTS TO DESTROY PESTS AND PARASITES

(By Serge Gregory)

Radioactive wastes are usually considered a dangerous byproduct of nuclear technology. But that isn't the whole story. These wastes have provided the heat to generate

power in remote locations, a source of light where external power sources are not available, and the means to disinfect municipal sewage sludge. Now fresh foods are being irradiated to make them safer for human consumption.

LOW DOSES

Irradiation may seem an unlikely method of preventing contamination. However, a low dose of ionizing energy can inhibit sprouting in onions and potatoes, destroy insects that infest fruit and slow down the ripening process—all without making the food radioactive or changing its flavor.

This technology was originally developed in the United States in the late 1940s, but was stifled in 1958 by a regulatory ruling that classified irradiation as an additive rather than as a process like boiling or freezing. Researchers had a difficult time testing irradiation using the same techniques required for testing food additives.

Since then, safety testing technology and scientists' understanding of radiation chemistry have advanced significantly. In 1980, after 25 years of research, the U.S. Food and Drug Administration proposed a regulation stating that food irradiated with low doses (less than 100 kilorads) be considered safe for human consumption.

NOW IN USE

That same year, a World Health Organization expert committee recommended that foods treated with doses up to 1,000 kilorads be considered safe. Many nations, including Japan, the Netherlands and the Soviet Union, now use this technology as a means of increasing food shelf life and inhibiting sprouting. As an added advantage, components of existing nuclear wastes can be used, eliminating the need to store them.

The U.S. Department of Energy has developed a Byproducts Utilization Program to promote the beneficial use of wastes from plutonium production. One such applications is the use of gamma radiation from cesium-137 for food irradiation. CH2M HILL has been assisting the Department of Energy in identifying and developing these technologies, and in making them available to potential users (see Reports, Winter 1980).

"Food irradiation has attracted a lot of attention recently and shows significant promise," said Scott Ahlstrom, deputy program director of CH2M HILL at the firm's Albuquerque, New Mexico, office. "So, we're helping develop a variety of applications, including controlling trichina in fresh pork and disinfesting citrus fruits and apples."

PORK

The project team is working with several universities, government laboratories and the National Pork Producers Council to study the feasibility of using irradiation to eliminate trichina in pork. (Trichina is a parasite that can grow in humans.) The pork industry has set itself the task of ensuring that fresh pork is trichina-safe by 1987.

Industry conditions are being simulated at Sandia National Laboratories' irradiation facilities in Albuquerque. The effectiveness and economic feasibility of implementing a large-scale pork irradiation program are being verified.

FRUIT

CH2M Hill has also developed the conceptual design for a transportable irradiator. Such a facility will support U.S. Department of Agriculture (USDA) research on irradiation as an alternative to pesticides and fumigants.

For example, Florida currently controls fruit flies in citrus fruits prior to export by fumigating the fruit with ethylene dibromide (EDB). The Environmental Protection Agency has identified EDB as a suspected carcinogen and now plans to bar its use as a fumigant. As a result, the USDA is investigating irradiation as an energy-efficient alternative to cold storage and vapor-heat treatment when EDB is banned.

Significant foreign markets have embargoed the importation of apples from Washington because of the presence of codling moths in that state. With the development of the transportable irradiator, the USDA will be able to test the effectiveness of irradiation in controlling this destructive pest, as well as pests in other states, without having to build separate facilities. In addition, the transportable device enables food processors to test the irradiation process at their existing facilities in the way it would be used if implemented.

GREATER ACCEPTANCE

These programs are demonstrating that irradiation is a safe, efficient method of reducing reliance on potentially hazardous chemicals.

But Jacek Sivinski, CH2M HILL's program director, sees even greater international implications. "Food quarantine barriers now limit trade among nations," said Sivinski. "Many exports now on the 'block' list could be made safe for import by countries that are seeking these foods on the world market."●

THE TRADE CLARIFICATION ACT OF 1983

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 3, 1983

● Mr. SCHULZE. Mr. Speaker, as you know, I have opposed the extension of most-favored-nation treatment to nonmarket-economy countries which have historically maintained oppressive human rights and emigration policies or which have demonstrated a national policy of unfair and predatory trade practices. I opposed the granting of MFN status to the People's Republic of China because of the certain knowledge that China would use the relaxed access to our domestic markets in order to exploit artificial price differentials between China's economy and our own. History has proved that industries targeted by nonmarket-economic systems cannot long withstand the pressure.

The phenomenon is not limited to China or to other Communist countries. As the trend toward nationalized industries continues in hitherto capitalist, market economies, the difficulty in maintaining a level playing field in our domestic markets is exacerbated. We have seen the Socialist Government in France carry out its campaign promises to nationalize the major banks and many major industries. We have seen the European steel industry cartelized not only within individual countries, but throughout Europe as political demands cause politicians to throw sound economic judgment to the winds in order to assure stability of ballot box results.

The bottom line for American business is that our trade laws simply do not do what the Congress intended that they do. Where there is a wrong, our current statutes are ineffectual in righting the wrong. This is especially true with respect to nonmarket economies, and will be increasingly true with respect to trading partners which have characteristics of nonmarket economies in some of their industrial sectors. This bill, H.R. 3227, addresses the problems inherent in current trade law with respect to making pricing determinations in trade actions, and modifies the remedy rules in other important ways.

This legislation proposes a simple and speedy alternative to the tangled remedies presently available in our antidumping laws to domestic industries who have experienced market disruptions due to large numbers of imports priced below fair market value.

Our current trade laws offer a domestic manufacturer two remedies against such an influx of injurious imports from nonmarket economies: the Antidumping Act and section 406 of the Trade Act of 1974.

The Antidumping Act is aimed at unfairly designated law prices. "Dumping" is determined by comparing the price the foreign manufacturer charges in its own country with the price that same manufacturer is charging for its product in the United States; if the foreign producer's U.S. price is lower than the price in the producer's country—after adjustments for shipping costs, duties, et cetera, is considered—the foreign manufacturer is dumping. Thus, a special duty can be charged to offset the amount by which the foreign producer is dumping products in the United States.

However, with respect to nonmarket economies, it is generally conceded that the home market price is meaningless. The prices and costs in nonmarket economies are typically set for political, rather than economic reasons. Neither free-market demand conditions nor real costs of production are decisive factors in typical nonmarket economies. Consequently, our antidumping laws contain a special provision for judging whether or not imports from a nonmarket economy are being "dumped." Section 205(c) of the Antidumping Act of 1921—now section 773(c)—permits the Secretary of the Treasury to use the prices charged in a free-market economy—as the foreign market value in comparing the foreign producer's price in the United States.

It is unfortunate that the executive branch has in the past used this provision to play politics with the Anti-

dumping Act—the Poland golf car case is a classic example.

When the domestic golf cart industry charged Poland with "dumping," the administration, after shopping the entire world, could not find any other golf car producer that charged less than the Polish manufacturer—or a U.S. producer—was charging in the United States. Thus, it constructed a hypothetical price, based on what it would cost a Polish golf car producer to make a Polish golf car in Spain, where no golf cars are produced. This unusual procedure was instituted to enable the administration to decide the dumping case in favor of the Poles, and thus fulfill a commitment apparently given to the Polish Government during President Carter's December 1977 visit.

The second remedy now available to a domestic industry faced with an influx of imports from nonmarket economies is contained in section 406 of the Trade Act of 1974. Under this provision, an American industry need only prove to the International Trade Commission that it has been caused a certain amount of injury in order to justify the imposition of relief, which could be in the form of quotas, higher tariff rates, or a combination of the two. The catch here is that the law permits the President to disapprove, for whatever reasons, the imposition of any of the relief ordered by the Commission.

Thus, once again, as with dumping from nonmarket economies, the American manufacturer is subjected to having its legally authorized relief depend on foreign policy considerations which are totally extraneous to the manufacturer's market situation.

This bill is aimed at correcting the distortions which have been made of the remedies set out in our trade laws which were specifically implemented to protect our domestic markets from injury.

However, this bill is not a protectionist measure. It is simply an attempt to allow U.S. companies to prove dumping or injury by adopting a test which requires nonmarket economies to sell its products at a price which is the lowest price charged in a free-market economy or sent to the country from a free-market economy. The bill attempts to balance the concern of consumers for lower prices with a fair deal for domestic industries.

I am hopeful that our Trade Subcommittee can schedule hearings on this measure at an early time so that we can address this deficiency in our trade laws, and make the necessary changes before the normalization of trade with the People's Republic of China places our domestic industries under a pressure which may be too great for them to bear.

Mr. Speaker, at this point I would like to insert a section-by-section analysis of my bill which I believe will provide my colleagues with a precise understanding of the legislation, and the inadequacies in our domestic law which it attempts to correct.

SECTION-BY-SECTION ANALYSIS

This bill amends the Tariff Act of 1930 and the Trade Act of 1974 to provide a more coherent and easily administered body of trade law concerning imports from countries that do not have free-market economies.

SECTION 1

Section 1 of the bill amends subsection (c) of section 773 of the Tariff Act of 1930, as amended, which specifies the methods for determining foreign market value when non-market economies are accused of dumping.

The term "non-market economy country" would replace the term "State-controlled economy." This change would bring subsection 773(c) into line with the bill's amendment to section 406 of the Trade Act of 1974; section 406 is amended by replacing "Communist country" with "non-market economy country." Both subsection 773(c) and section 406 are concerned with the same countries and the same problem of non-market pricing; using the same terminology clarifies their interrelationship.

Section 1 would also amend section 773(c) to make it clear that the foreign market value of goods from non-market economy countries should be determined by examining the prices or costs of the most comparable free-market producer or producers, i.e., the producers that are located in a free-market economy country, including but not limited to the United States, and that are most nearly comparable to the non-market economy producer in size, sophistication, and technology. Although it was the Treasury Department's practice at the time subsection 773(c) was first enacted to compute the foreign market value of non-market imports by looking to prices or costs in third countries with comparable producers, that policy has since been changed in favor of seeking out the most comparable country. This change has not been a success. Trying to measure the "comparability" of market and non-market countries is virtually impossible; in practice, the new policy confers undue discretion upon administrators and contributes to great uncertainty about what our trade laws require. This amendment would correct the problem.

SECTION 2

Section 2 of the bill amends section 406 of the Trade Act of 1974. At present, section 406 authorizes the International Trade Commission ("the Commission") to recommend relief whenever it determines that products of a Communist country are causing market disruption with respect to an article produced by a domestic industry. As now written, section 406 recognizes only one form of market disruption—a rapid surge in imports constituting a significant cause of material injury, or threat thereof, to a domestic industry. Because there is nothing unfair about importers' increasing their market share in open competition, section 406 as now written offers only temporary relief to U.S. industries, and even that relief is subject to modification by the President. It is true that non-market economies are especially prone to volume surges and other erratic supply patterns, but they also pose a special danger of unfair pricing, because non-market enterprises need not operate at a profit if they serve other goals, such as bringing in hard Western currency. The proposed amendment would broaden the definition of market disruption to include artificial pricing.

Subsection 2(a). This subsection would strike out the term "Communist country" and replace it with the term "non-market economy country." Because the primary focus of this bill is on a country's economic structure and not is politics, using an economic rather than a political term seems appropriate.

This subsection also recognizes the danger that non-market countries will engage in below-cost pricing by permitting the Commission to find market disruption caused by increased imports or artificial pricing or both.

Subsection 2(b). This subsection establishes a special procedure for modifying the relief recommended by the Commission. If the Commission recommends relief for market disruption caused by artificial pricing, the President may report that he intends to take action differing from the recommendation. His modification may be put into effect if within 90 days Congress adopts a concurrent resolution approving it. Thus a domestic industry that has proven its case to the Commission may be denied relief by Congress and the President. This is because relief under section 406 will sometimes implicate large issues of foreign policy, and supervision by elected officials serves as a safety valve for the expectional case in which overriding national interest justifies disregarding a proven injury to U.S. industry.

Nonetheless, artificial pricing is an unfair international trade practice, akin to dumping or subsidizing exports. Neither dumping nor subsidy (countervailing duty) cases are subject to a Presidential override. Nonmarket countries should not escape the consequences of engaging in unfair artificial pricing unless the President and Congress agree that an exception is necessary. By placing the burden of persuasion on the President, the bill ensures that exceptions will be recommended by the Executive only in a small number of genuinely important cases.

This subsection also proposes other procedural changes in section 406; the changes are necessitated by the nature of the artificial-pricing problem. For example, the relief regarded by the Commission would not be subject to subsections (d), (h) or (j) of section 203 of the Trade Act of 1974.

Subsection 203(d) is inapplicable because it prohibits increasing the rate of duty to (or imposing) a rate which is more than 50 percent ad valorem above the rate (if any) existing at the time of the proclamation. But if the Commission is to have the power to impose duties sufficient to eliminate artificial pricing, it must have the power to impose substantial specific duties on products that ordinarily have no ad valorem duty or no duty at all. Because nonmarket economies control the price of their goods, the declared value is subject to manipulation, so that any relief awarded by the Commission could easily be defeated if an ad valorem limitation applied. And, of course, it would be entirely appropriate to impose duties on artificially priced goods even though the goods ordinarily enter duty-free.

Subsection 203(h) provides that relief shall terminate 5 years after the day it takes effect and recommends that relief be reduced gradually over this period. While this may be a valid rule of thumb when imports have increased substantially but no

unfair practice has been shown, artificial pricing is an intentional breach of the rules of international trade. If the danger of further violations continues, so should the relief. Therefore, the new bill states that relief for artificial pricing may be granted or extended for more than 5 years, but only if the danger of such disruption is likely to continue for more than five years.

Subsection 203(j) is equally inapplicable. It provides that no investigation shall be made with respect to an article which has received relief under section 201 (or section 406) unless two years have elapsed since the last day on which import relief was provided with respect to such articles. Again, requiring a domestic industry to wait two years before renewing its claim for relief seems sensible with respect to a provision offering only temporary refuge from surging imports, but the requirement is out of place in a provision dealing with an unfair practice like artificial pricing. The bill provides instead that the granting of relief for market disruption caused by artificial pricing shall not operate to prevent the initiation of an investigation based on allegations that circumstances have changed since the end of the investigation leading to relief. Without a provision of this nature, non-market countries could continue to maintain an artificial advantage by dropping their prices even further once duties have been imposed under section 406. The provision is also necessary to permit a showing that inflation, or some other recent development, requires adjustment in the relief granted by the Commission.

Subsection 2(c). At present, section 406(c) permits the President to request a Commission investigation and to take emergency action with respect to market disruption caused by increased imports. The bill would permit him to do the same with respect to market disruption caused by artificial pricing.

Similarly, 406(d) now permits the President to initiate international consultations if he determines that there are reasonable grounds to believe that a country's increased imports are causing market disruption. This subsection would permit him to take the same action with respect to disruption caused by artificial pricing.

Subsection 2(d). The definitions contained in this section are the heart of the bill.

At present, section 406 applies only to countries "dominated or controlled by Communism." While this definition has the virtue of indisputably identifying the most obvious non-market economies, it does not deal with the economic nature of the problem. Accordingly, the bill supplements this definition by adding an economic concept drawn from the antidumping laws, specifically section 773(c) of the Tariff Act of 1930. A non-market economy country is defined as a country whose economy is controlled to an extent that sales or offers of sales of merchandise in that country or to countries (including any country dominated or controlled by Communism) other than the United States do not reflect the true market value of the merchandise.

The subsection also makes several improvements in the existing definition of market disruption caused by increased imports. Under the proposed amendment, such disruption would be held to exist within a domestic industry whenever direct or indirect imports of articles, like an article produced by such domestic industry, are increasing, either absolutely or relatively, so as to be, either alone or in combination with imports from other non-market economy countries, a cause of material injury, or threat thereof, to such domestic industry or a cause of material retardation of the establishment or a domestic industry. This definition takes into account the possibility that an increased volume of indirect imports from non-market countries will cause injury. The current test for comparable articles has been streamlined by dropping the phrase "or directly competitive with" in favor of defining "like article" in a manner parallel to the definition used in antidumping and countervailing duty cases (section 771(10) of the Tariff Act of 1930). A like article is defined as an article which is like, or in the absence of like, most similar in characteristics and uses with an article subject to an investigation under this section.

The bill deletes the requirement in section 406 that imports be increasing "rapidly." This resolves a discrepancy between section 406 and the other provision for relief against increasing imports, section 201 of the Trade Act of 1974. The amendment also provides for cumulation of all non-market economy imports in determining the cause and extent of injury. This is because many non-market countries are part of a single, close knit economic community, so that coordinated export policies are a likelihood. The bill would also delete the requirements that nonmarket imports be a "significant" cause of material injury; it adopts instead the standard of the antidumping and countervailing duty laws which require that the challenged imports be a cause of material injury. See Tariff Act of 1930, sections 701 and 731. The bill also borrows from these laws the rule that relief may be awarded when the challenged imports are a cause of material retardation of the establishment of a domestic industry.

As has been explained, the bill adds a provision to section 406 permitting relief for market disruption caused by artificial pricing. It is similar in many details to the definition of disruption by increased volume discussed above. Because artificial pricing is so similar to other unfair trade practices, such as dumping and export subsidies, it is especially important to make the rules and remedies parallel in all three areas. Market disruption by artificial pricing is held to exist within domestic industry whenever an article, like an article produced by such domestic industry, is imported directly or indirectly from a non-market economy country or countries at a price below the lowest free-market price of like articles, so as to be, either alone or in combination with imports from other non-market economy countries, the cause of material injury, or threat thereof, to such domestic industry or a cause of material retardation of the establishment of a domestic industry.

The key to the new provision is the rule that non-market imports should not be priced below the "lowest free-market price of like articles." This price is defined as the lowest average price, adjusted for differences in quantity, level of trade, duties or other factors required to insure comparability, charged for like articles in this country by either: (a) a producer from an appropriate free market country, including the United States, if that producer provides more than 5 percent of the apparent United States consumption of like articles: or (b) the aggregate of all producers from any appropriate free-market country, including the United States, that supplies more than 5 percent of the apparent United States consumption of like articles.

In essence, this definition permits non-market producers to charge the lowest price offered by any significant individual supplier or by all suppliers from any country responsible for a significant portion of domestic consumption. The five-percent requirement is designed to exclude anomalous producers or countries, whose prices may be affected by unusual circumstances (including ownership by a non-market enterprise). Ordinarily, the Commission can be expected to use the prices charged by an aggregate of producers from a single country in preference to the prices of a single producer. Using an aggregate price forestalls serious confidentiality problems and is generally more appropriate; the output of an entire non-market country should ordinarily be compared to the output of another entire country and not to that of a single firm. Nonetheless, the bill gives the Commission discretion to administer the new provision in a flexible manner consistent with the bill's intent. For example, the Commission may adjust prices to reflect differences in quantity, level of trade, duties, and other factors necessary to assure comparability. It may determine the prices of importers from a particular country by conducting a sample. Generally, the principles established in the countervailing duty and antidumping laws will assist the Commission in administering the new law.

In order to avoid the choice of an inappropriate country for purposes of comparison, the bill forbids comparison to goods from other non-market economy countries or to articles that are subject to countervailing duty or antidumping determinations.

Finally, the bill defines domestic industry as any industry producing an article in whole or in part in the United States, including any territory or possession of the United States. Watch producers in the Virgin Islands and Guam have already been hard-hit by the importation of watch subassembies from the Soviet Union at extremely low prices. If the Soviet Union is granted MFN status and if it begins to import watches directly at artificial prices, a major portion of the insular possessions' economy could be wiped out. This provision would make it clear that section 406, as amended, protects the workers and industries of American possessions as vigilantly as it protects labor and business elsewhere in the United States.●

SENATE—*Monday, June 6, 1983*

The Senate met at 12 noon, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

*In Thy strength the king rejoices, O Lord; and in Thy help how greatly he exults! Thou hast given him his heart's desire, and hast not withheld the request of his lips, for Thou dost meet him with goodly blessings * * *.*— Psalms 21: 1, 2.

Lord God of Israel and the church, help the leadership of our Nation to understand how it pleases Thee to bestow goodly blessings upon those in authority. Thou dost not withhold the requests of their lips, but the trouble is that they do not ask. Somehow Dear God, in Thy grace, help the Senators to humble themselves enough before Thee to ask for divine wisdom and strength for the heavy responsibility which lies before them. Help them to make God-room in their thinking. Liberate them from pride which refuses to acknowledge need of Thee. Remind them that they are not superhuman, but have all the frailty, vulnerability and sin native to humanness. Help them to open their minds to Thee—to seek Thee with all their hearts. In the name of Him who has all power. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

DEATH OF SENATOR MILTON YOUNG

Mr. BAKER. Mr. President, later today I believe there may be statements by Senators in respect to the death of our late colleague, Senator Milton Young, and I ask unanimous consent that my statement in tribute to Senator Young may appear at that time in connection with those remarks of my colleagues.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SENATE SCHEDULE

Mr. BAKER. Mr. President, in informal conversation with the minority leader just before we convened, we discussed the proposed schedule of the Senate for this week. Let me repeat now for other Senators what I told the minority leader at that time.

It is my hope that the Senate will agree to proceed today to the consideration of the IMF bill, which is on the calendar, reported by both the Foreign Relations Committee and the Committee on Banking. I do not anticipate any votes today. There has been an announcement previously that there will be no votes on this measure today. Therefore, I would not expect this to be a late day.

However, I do hope that we could finish the consideration of this measure tomorrow because it will be the intention of the leadership on this side to ask the Senate to turn to the consideration of the supplemental appropriations bill, which is on the calendar, beginning on Wednesday.

Mr. President, I anticipate that that bill will take a while. It is an important bill, and it is imperative, in my view, that we finish it this week.

I would urge Senators to consider that we will be in session every day this week, including Friday. If we can finish the supplemental appropriations bill on Thursday, it would be my hope that we could arrange to lay down another matter, perhaps even another appropriations bill, but not have votes then on Friday. This is a matter that I will explore with the minority leader and will be determined by the progress of the Senate in the course of the week.

Mr. President, speaking of appropriation bills, I see a messenger at the door from the House of Representatives, and perhaps she has further word for us on that process.

So I yield now so that the Chair may admit her.

MESSAGES FROM THE HOUSE

At 12:05 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its clerks, announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 639. An act to authorize supplemental assistance to aid Lebanon on rebuilding its economy and armed forces, and for other purposes.

The message also announced that the House has passed the following bill, without amendment:

S. 973. An act to make technical amendments to the Indian Self-Determination and Education Assistance Act and other Acts.

The message further announced that the House has agreed to the following resolutions:

H. Res. 177. Resolution disapproving the proposed deferral of funds for energy conservation, Department of Energy (deferral numbered D83-74);

H. Res. 178. Resolution disapproving the proposed deferral of funds for fossil energy research and development (deferral numbered D83-83); and

H. Res. 181. Resolution disapproving the proposed deferral of funds for administration of territories, Department of the Interior (deferral numbered D83-55).

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1746. An act to authorize appropriations for the Navajo and Hopi Indian Relocation Commission;

H.R. 2196. An act to extend the authorization of appropriations of the National Historic Publications and Records Commission for 5 years;

H.R. 2293. An act to amend the Office of Federal Procurement Policy Act, and for other purposes;

H.R. 2592. An act to transfer from the Director of the Office of Management and Budget to the Administrator of General Services the responsibility for publication of the catalog of Federal domestic assistance programs, and for other purposes;

H.R. 3133. An act making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1984, and for other purposes; and

H.R. 3135. An act making appropriations for the legislative branch for the fiscal year ending September 30, 1984, and for other purposes.

APPROPRIATIONS BILLS

Mr. BAKER. Mr. President, the message from the House of Representatives indeed was, I believe, the first and second of the regular appropriations bills to reach us from the House of Representatives. There are two appropriations bills here, the legislative appropriations bill and the HUD appropriations bill, and I wish to take this opportunity to express my appreciation to the House of Representatives, to the Speaker, to the minority leader, Mr. MICHEL, and to the chairman of the Appropriations Committee and the ranking minority member for sending these bills during this first week in June.

As I recall, in the last couple of years, it has been July and sometimes much later before we have gotten any appropriations bills, and I think this augurs well for the prospect that we may for the first time in many years to be able to pass all 13 of the regular appropriations bills before the end of this fiscal year. I hope so.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

In that connection, Mr. President, may I say that while these measures will be referred to our Committee on Appropriations, I understand the Appropriations Committee has already held hearings on these matters and that a markup may ensue fairly promptly.

The Senate should be on notice that it is the intention of the leadership on this side to proceed to the consideration of any and all appropriations bills that reach the calendar as soon as possible.

I even venture the hope that we can get most of those appropriations bills out of the way or at least a majority of the appropriations bills out of the way in June.

That may be a vain hope, but one in which I persist.

NATIONAL POETRY DAY

Mr. BAKER. Mr. President, there is one item on today's calendar that I believe has been cleared on this side for consideration. It is a joint resolution authorizing and requesting the President to designate October 15, 1983, as National Poetry Day, and I wish to pass that resolution at this time if the minority leader is prepared to consider it at this moment.

Mr. BYRD. Mr. President, as one who has long been a devotee of poetry, I compliment Mr. BAKER on this resolution. There is no objection on this side to proceeding at this point.

Mr. BAKER. Mr. President, I thank the Senator.

Mr. President, I ask unanimous consent, then, that it be in order to proceed to the consideration of and that we do proceed to the consideration of Senate Joint Resolution 108, Calendar Order No. 232.

The PRESIDING OFFICER (Mr. COCHRAN). The bill will be stated by title.

The bill clerk read as follows:

The joint resolution (S.J. Res. 108) authorizing and requesting the President to designate October 15, 1983, as "National Poetry Day."

There being no objection, the Senate proceeded to the consideration of the joint resolution.

Mr. BAKER. Mr. President, for the past year and a half, it has been my informal practice at the beginning of the week to include as part of my opening remarks a poem.

I have been overwhelmed by the response to this ritual of sorts. Poems from professional poets and from those who simply enjoy writing poetry for themselves have been sent to me from all across the country. Requests for copies of the collection have come from as far as Great Britain.

With that in mind, Mr. President, I am particularly pleased to have sent to the desk Senate Joint Resolution 108 which authorizes and requests the President to designate October 15, 1983, as National Poetry Day. Poetry speaks for itself much better than I could attempt to, but I will say that this beloved form retains a special place in the hearts and minds of millions of Americans, and it is all too fitting that we should have a day dedicated to the craft of poetry.

I thank Senator BUMPERS for his assistance with this resolution, and extend my thanks to the other cosponsors of this bill.

I ask unanimous consent, Mr. President, that this week's poem, "Gravity Feed," by Tom Absher, be printed in the RECORD at this point. This is Mr. Absher's second poem to be included in the series, and he is the first poet to be included twice. Tom Absher is a professor of English at Goddard College in Vermont, one of our Nation's most distinguished centers for poetry and creative writing.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

GRAVITY FEED

In summer when the afternoon begins to turn
slowly letting go of each color,
the dog and I go for one last outing in the field.
She runs off on some rich scent—
loses it and circles back, then loops away
through the tall grass
like a hand sewing.

When I reach the top of the hill
the sun hangs directly above our house.
It notches the roofline, then drops
making one window
flash on the inside like a signal.

Coming back at dark I can see my daughter
dancing alone in her room to the radio.
I roam around the yard, studying the lines
of the house, trying to absorb its shape.
I wait until the very last to be drawn
into the bright spill of the windows.

Mr. BUMPERS. Mr. President, I am pleased to join Senator BAKER and 26 other cosponsors in introducing a resolution designating October 15, 1983, as National Poetry Day. Last year, Senator BAKER and I introduced the same resolution and it passed the Senate unanimously on September 13, but died in the House. This year, I am pleased that Congressman BERYL ANTHONY from Arkansas has introduced a companion resolution and intends to press for its passage in the House.

Mr. President, through the years, various States and foreign countries have set aside days to honor poetry. October 15 is now celebrated as Poetry Day in all 50 States and in over 40 countries. Each year, Governors issue Poetry Day proclamations in their respective States, and schools, poets, and poetry organizations across the country observe Poetry Day.

In the 20th century world in which we live—a world full of technological marvels and seemingly impossible scientific feats—it is fitting to take time, as the majority leader does each Monday morning, to spend time with poetry. Poetry delights us all, and is a source of inspiration, insight, and pleasure. Poetry has known no social barriers. It has been enjoyed equally by the rich and the poor, the young and the old, and by people of all nations. Poetry in this country has provided us with unique documentation of events, culture, and traditions. It is a component of our literary arts which warrants special recognition.

Mr. President, Mrs. Peggy Vining, president of the Poet's Roundtable of Arkansas, asked me last year to initiate this Poetry Day resolution. At about the same time, Verna Lee Hinegardener, national chancellor, National Federation of State Poetry Societies, Inc., wrote President Reagan asking for such declaration. I ask unanimous consent that a history of Poetry Day prepared by the National Poetry Day Committee, Inc., be inserted in the RECORD.

Finally, Mr. President, I asked an old and dear friend of mine, Miss Lilly Peter, to write a special poem commemorating National Poetry Day, and her poem was printed in the RECORD last September 13. Miss Lilly is a lifelong resident of Phillips County, Ark., who has been the poet laureate of Arkansas, and has given generously of her time, talent, and money to music and the arts in Arkansas. I echo Miss Lilly's sentiments expressed in "A Day for Poetry" that "Poetry opens windows on the universe that prose can never find," and I asked unanimous consent that this beautiful poem appear in the RECORD at the end of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A DAY FOR POETRY

Poetry came before prose in the world's history,
and the earliest writings of man are in the metres
and rhythms of poetry to delight his senses
with joy in the world's magic and mystery.
Poetry opens windows on the Universe
that prose can never find, and if we spend
our days altogether with prose, we shall miss forever
the beauty and wisdom the metaphor can rehearse.
We shall miss the music of the inner grace
that is poetry's provenance and its breathing space.
Then is it not well for us to set aside
one day in the year's cycle to take pride
in the wash and wonder
of poetry that can cleave asunder
the tension and trivia of our daily striving,
give us a share in the glory of creation,
and through this moment of the spirit's adoration
bring us refreshment of new joy in living!

—LILLY PETER.

NATIONAL FEDERATION OF
STATE POETRY SOCIETIES, INC.,
Hot Springs, Ark., October 29, 1981.

President RONALD REAGAN,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: In the name of poetry and poets—past, present and future—I seek recognition of Poetry Day on calendars in our country.

My Hallmark Calendar lists Secretaries Day, April 22; Grandparent's Day, September 13 (all of which should have been honored on Mothers's Day or Father's Day); Bosses Day, October 16; Sweetest Day (whatever that is) October 17; and Mother-in-law's Day, October 25 (all of which should have been honored on Mother's Day). Yet Poetry Day, October 15, remains unlisted. Are we so card-and-gifted oriented that we must have days designed for commercial purposes only?

October 15 is celebrated in all 50 United States of America and in over 40 foreign countries. October 15 is listed in Almanacs as Poetry Day. Scientific Research has proven beyond a doubt that there was a Poetry Day for centuries. Before 1508, the day was October 5th—then with the change of calendars and the loss of ten days—reckoning brought Poetry Day to October 15. There it remains.

Each year our governors issue Poetry Day Proclamations (as regularly as Thanksgiving Day Proclamations) in their respective states. Schools, Poets and Poetry Organizations across the country observe Poetry Day. Our Senators and Congressmen have been bombarded with letters requesting that Poetry Day be honored on calendars.

Brigit was the Celtic God of Poetry; Pegasus was the classic winged horse of Apollo and the muses; while the Greeks honored Muses, the Goddesses of Arts and Sciences—three of which are Calliope, poetic inspiration and eloquence; Erato, Erotic poetry; and Euterpe, Music and Lyric poetry. We American poets, who have produced and continue to produce world famous poets, request no god or goddess, we request only a special day on the calendar. Will you, please, in the name of poetry, in the name of poets such as Longfellow, Frost and Dickinson, in the name of living poets recording the story of our times in concentrated lyrical language, do whatever it takes to get October 15 named as Poetry Day on our calendars?

My father always said, "If you want something done, start at the top." In respect to my farmer-father, I knock at your White House door.

Sincerely,

VERNA LEE HINEGARDNER,
National Chancellor.

THE WHITE HOUSE,
Washington, November 23, 1981.

Miss VERNA LEE HINEGARDNER,
Hot Springs, Ark.

DEAR MISS HINEGARDNER: On behalf of President Reagan, I want to acknowledge your message and to thank you for your suggestion. Traditionally, the President issues proclamations designating periods for special observance only when a Congressional resolution authorizes him to do so. You may, therefore, wish to contact those who represent you in the Congress regarding your idea.

With the President's best wishes,

Sincerely,

ANNE HIGGINS,
Director of Correspondence.

HISTORY OF POETRY DAY AND NATIONAL
POETRY DAY COMMITTEE, INC.

It all started in 1936, though it had been a dream all of Tessa Sweazy Webb's life, to find a way to honor poets, and she talked this over with everyone who would listen.

Finally, she was introduced to Ohio Senator Williams and through this contact she was able to get a joint resolution, S.J.R. No. 39, called the Grubbs-Myers-Marshall Resolution, introduced and passed in January 1983, by Ohio's 92nd General Assembly, naming the third Friday of October of each year:

OHIO POETRY DAY

The day was to be set aside to honor poets of Ohio. To give special programs and observances in the schools and public places . . . in such manner as prescribed by the Superintendent of Public Instruction.

Other states followed Ohio slowly—but no concerted effort was made to make this a National Day, or National Poetry Day in all states until Lucia Trent of Texas spearheaded the movement and called this movement the National Poetry Day Committee. (It was not incorporated until Dr. Frances Clark Handler took over the National Directorship and incorporated the name for its protection in 1966.)

Lucia Trent enlisted the aid of Will Strong in California, who was at that time Vice-President of Poets of the Pacific, an organization that covered 10 states in the west and far west.

Instead of the third Friday in October, which was being used by Ohio and still is as well as October 15th for Poetry Day, Lucia Trent selected October 15th, for the National Poetry Day to honor Poet Ralph Cheney, who died on that day in 1941. (This was now 1947.)

It is strange to note that both women, Tessa Sweazy Webb in Ohio and Lucia Trent in Texas, both selected an October day for Poetry Day. Scientific research has proven without a doubt that there has been a Poetry Day for centuries. Before 1508 the date was October 5th, then with the change of calendars and the loss of ten days with the new reckoning it brought Poetry Day to October 15th, and that is where it remains until this day. There are some groups for convenience sake who name another day for Poetry Day, and even weeks and months as poetry weeks and months, but the official day remains October 15th—Annually!

This day is celebrated in 50 United States of America and 40 Foreign countries. October 15 is listed in all almanacs as Poetry Day. The National Poetry Day Committee, Inc., is listed on the roster of the Encyclopedia of Associations and is known all over the world.

Since the first Texas Proclamation in 1947, issued by the then Governor of that State, Beauford Jester, 49 other states have come into the fold; 38 States have legislation naming October 15, Poetry Day, and the one state that does not celebrate October 15th does celebrate another day as Poetry Day on its own.

Even though there is legislation in so many states naming October 15th Poetry Day, it is still necessary to get the Governor's Proclamation every year, for like all holidays and days of special note and days that are legal holidays, they would be forgotten if the proclamations were not forthcoming, reminding the public that this is indeed Poetry Day and give states an opportunity to eulogize their own poets in these proclamations. Most States have long lists of accredited poets that should not be forgotten.

In 1949, Dr. Etta Josephean Murfey was named National Director of the National Poetry Day Committee, Inc., and this position she held until her death April 1, 1966.

All 50 states of the United States have a State Chairman and most of them are the sames ones who served since National Poetry Day Committee, Inc., has been in existence. A small percentage have resigned due to health or age and when this happens, the Chairmanship is readily filled from a long list of accredited poets waiting in the wings.

Dr. Etta Josephean Murfey had appointed Dr. Frances Clark Handler her co-chairman, first for Florida, then later for National (or the United States), enacting the promise from Dr. Handler that when Dr. Etta's time came Dr. Handler would carry on this work, "no matter what the cost!"

Needless to say, this work has gone on uninterrupted since Dr. Frances Clark Handler took over the National Director's Chair April 1, 1966. (Passed and approved by Executive Board—entered in Minutes of the Meeting, May 1, 1966.)

National Poetry Day Committee, Inc., was then incorporated as a non-profit organization for the name's protection.

Legislation has been introduced in the 89-90-91-92-93 Congresses by Congressman Claude Pepper and Congressman Dante Fascell of Florida and by Congressman Gonzalez of Texas, the bills call for a mandatory signing of a Poetry Day Proclamation by the President of the United States annually.

There is every indication that this will pass eventually. We all know that war and peace is the first thing on the President's agenda but our President and our Vice President know all about our aims as did the President and Vice President before them and many statesmen have placques hanging in their offices that were awarded them from both the National Poetry Day Committee, Inc., and the Florida State Poetry Society, Inc., for their work in the arts.

When the day comes that other pressing matters are resolved, then I am sure that the Presidential Proclamation for a National Poetry Day will be forthcoming annually.

When the National Poetry Day Committee, Inc., achieves this goal for poets, they will have reached a summit never before attained.

Respect and Honor only have come to this Committee's endeavors in all cultural circles and we feel that this will eventually be extended to the Presidential Proclamation.

We give thanks to all the dedicated people that are with us in this worthy endeavor and to the Governors who have joined hands with us every year sending us the Poetry Day Proclamations from their states, so that this Committee can make all the peole of the United States culturally and poetically aware.

Respectfully submitted by:

DR. FRANCES CLARK HANDLER,
National Director,
National Poetry Day Committee, Inc.

Mr. D'AMATO. Mr. President, it is with great pleasure today that I join as a cosponsor of this resolution designating October 15, 1983, as National Poetry Day. The State of New York has been blessed with a rich and vital poetic tradition. One particular movement was so intimately associated with our State that it has come to be

known as the New York school. In its universities and community centers, cities and towns YM/YWCA's and YM/YWHA's, countless poets are at work. I have heard estimates that of the 2,500 widely published poets in the "Directory of American Posts," 40 percent are New Yorkers.

In Buffalo, there is Robert Creeley and John Logan. In Rochester, Douglas Crase and Anthony Hecht. In Syracuse, where I went to college and law school, Tess Gallagher. A. R. Ammons is at Cornell.

The Writers Forum at the State University College at Brockport not only sponsors a major poetry series, but it also maintains an extensive videotape library of poets reading from their own works. In Austerlitz, N.Y., we have the Millay Colony for the Arts, which assists and encourages younger writers on the beautiful 600-acre estate bequeathed by the great Edna St. Vincent Millay.

The Long Island Poetry Collective and the Smithtown Arts Council tend the creative flame on Long Island, where Barbara Guest, May Swenson, and Louis Simpson, among others, are at work.

In his anthology of poems about New York City, Howard Moss—another highly regarded Long Island poet—included the work of 80 poets. He might easily, I am sure, have found 800 or 8,000. The emergence of New York as the cultural capital of the world has meant that, sooner or later, almost every poet will at least pass through the city. Many of them will decide to settle there, as Dylan Thomas and W. H. Auden did.

New York has also profoundly influenced other poets whose connection to it is not so well-publicized. I refer you to "Trinity Place" by Carl Sandburg, "Her Hat" by Robert Penn Warren, and "For the Running of the New York City Marathon" by James Dickey.

There are innumerable others who have either been born in New York or have adopted New York as their home, including: Hart Crane, Walt Whitman, e.e. cummings, John Ashbery, Marianne Moore, Isabella Gardner, Frank O'Hara, Adrienne Rich, Muriel Rukeyser, Nikki Giovanni, Kenneth Koch, James Wright, Alastair Reed, Delmore Schwartz, and Langston Hughes.

These and others have found a spiritual as well as a physical home in New York. Poetry readings in every corner of the city attract large audiences of knowledgeable, appreciative and eager listeners.

Howard Moss has written:

Because it is perpetually changing, New York eludes crystallization. When you turn a corner in New York, you're likely to see something quite different from what you saw a second before.

Mr. President, in hopes of conveying an idea of the great variety and power of the poetic imagination in New York, I ask unanimous consent that the following poems be printed in the CONGRESSIONAL RECORD.

There being no objection, the poems were ordered to be printed in the RECORD, as follows:

THE HUDSON

'Twas a vision of childhood that came with its dawn,
Ere the curtain that covered life's day-star was drawn;
The nurse told the tale when the shadows grew long,
And the mother's soft lullaby breathed it in song.
"There flows a fair stream by the hills of the West,"—
She sang to her boy as he lay on her breast;
"Along its smooth margin thy fathers have played
Beside its deep waters their ashes are laid."
I wandered afar from the land of my birth,
I saw the old rivers, renowed upon earth,
But fancy still painted that wide-flowing stream
With the many-hued pencil of infancy's dream.
I saw the green banks of the castle-crowned Rhine,
Where the grapes drink the moonlight and change it to wine;
I stood by the Avon, whose waves as they glide
Still whisper his glory who sleeps at their side.
But my heart would still yearn for the sound of the waves
That sing as they flow by my forefathers' graves;
If manhood yet honors my cheek with a tear,
I care not who sees it,—no blush for it here!
Farewell to the deep-bosomed stream of the West!
I fling this loose blossom to float on its breast;
Nor let the dear love of its children grow cold,
Till the channel is dry where its waters have rolled!

—OLIVER WENDELL HOLMES.

IN THE CHURCHYARD AT TARRYTOWN

Here lies the gentle humorist, who died
In the bright Indian Summer of his fame!
A simple stone, with but a date and name,
Marks his secluded resting-place beside
The river that he loved and glorified.
Here in the autumn of his days he came,
But the dry leaves of life were all aflame
With tints that brightened and were multiplied.
How sweet a life was his; how sweet a death!
Living, to wing with mirth the weary hours,
Or with romantic tales the heart to cheer;
Dying, to leave a memory like the breath
Of summers full of sunshine and of showers,
A grief and gladness in the atmosphere.

—HENRY WADSWORTH LONGFELLOW.

MANNAHATTA

I was asking for something specific and perfect for my city,
Whereupon lo! upsprang the aboriginal name.
Now I see what there is in a name, a word, liquid, sane, unruly, musical, self-sufficient,
I see that the word of my city is that word from of old,
Because I see that word nested in nests of water-bays, superb,
Rich, hemmed thick all around with sailships and steam-ships, an island sixteen miles long, solid-founded,
Numberless crowded streets, high growths of iron, slender, strong, light, splendidly uprising toward clear skies,
Tides swift and ample, well-loved by me, toward sundown,
The flowing sea-currents, the little islands, larger adjoining islands, the heights, the villas,
The countless masts, the white shore-steamers, the lighters, the ferry-boats, the black sea-steamers well-modelled,
The down-town streets, the jobbers' houses of business, the houses of business of the ship-merchants and money-brokers, the river-streets,
Immigrants arriving, fifteen or twenty thousand in a week,
The carts hauling goods, the manly race of drivers of horses, the brown-faced sailors,
The summer air, the bright sun shining, and the sailing clouds aloft,
The winter snows, the sleigh-bells, the broken ice in the river, passing along up or down with the flood-tide or ebb-tide,
The mechanics of the city, the masters, well-formed, beautiful-faced, looking you straight in the eyes,
Trottoirs thronged, vehicles, Broadway, the women, the shops and shows,
A million people—manners free and superb—open voices—hospitality—the most courageous and friendly young men,
City of hurried and sparkling waters! city of spires and masts!
City nested in bays! my city!

—WALT WHITMAN [1819-1892].

READING ROOM, THE NEW YORK PUBLIC LIBRARY

In the reading room in the New York Public Library
All sorts of souls were bent over silence reading the past,
Or the present, or maybe it was the future, persons
Devoted to silence and the flowering of the imagination,
When all of a sudden I saw my love,
She was a faun with light steps and brilliant eye
And she came walking among the tables and rows of persons,
Straight from the forest to the center of New York,
And nobody noticed, or raised an eyelash.
These were fixed on imaginary splendours of the past,
Or of the present, or maybe of the future, maybe
Something as seductive as the aquiline nose
Of Eleanor of Aquitaine, or Cleopatra's wrist-locket in Egypt,
Or maybe they were thinking of Juliana of Norwich.
The people of this world pay no attention to the fauns
Whether of this world or of another, but there she was,
All gaudy pelt, and sleek, gracefully moving,

Her amber eye was bright among the proticoes,
Her delicate ears were raised to hear of love,
Her lips had the appearance of green grass
About to be trodden, and her shanks were smooth and sleek.
Everybody was in the splendor of his imagination,
Nobody paid any attention to this splendour
Appearing in the New York Public Library,
Their eyes were on China, India, Arabia, or the Balearics,
While my faun was walking among the tables and eyes
Inventing their world of life, invisible and light,
In silence and sweet temper, loving the world.

—RICHARD EBERHART.

NIKKI ROSA

childhood remembrances are always a drag if you're Black
you always remember things like living in Woodlawn with no inside toilet
and if you become famous or something they never talk about how happy you were to have your mother all to yourself and
how good the water felt when you got your bath from one of those big tubs that folk in chicago barbecue in
and somehow when you talk about home it never gets across how much you understood the feelings
as the whole family attended meetings about Hollydale and even though you remember
your biographers never understand your father's pain as he sells his stock and another dream goes
and though you're poor it isn't poverty that concerns you
and though they fought a lot it isn't your father's drinking that makes any difference
but only that everybody is together and you and your sister have happy birthdays and very good christmasses and I really hope no white person ever has cause to write about me because they never understand Black love is Black wealth and they'll probably talk about my hard childhood and never understand that all the while I was quite happy

—NIKKI GIOVANNI.

ARRIVING ON PAUMANOK

Paumanok: The island with its breast long drawn out.

—W.W., Brooklyn Standard.

A Midwesterner, an inlander,
a love of the interior,
arrives on Long Island, "Paumanok!"
he whispers, savoring his Whitman,
local aborigine. "Paumanok," he says,
half aloud. He feels salt water swaying
on every side of him. He looks around
for the rows and rows of ripening
corn he'd sighted down since he was
pushed from the womb, None. Expressways.
"Paumanok," he repeats, looking at a map.
"Manhasset . . . Mineola . . . Massapequa,"
he reads. He picks out names beside
the dots beading the red and green lines
looping the long breast. He turns them
on his tongue like strange herbs.
"Cutchogue. . . Patchogue. . . Ponquogue,"
he intones. "Wantagh and Wichapogue.
He feels a mist drifting in from the shore.
"Quogue and Nissequogue, Nesconsett
and Amagansett," he sings. He hears
the surf splashing nearer. "Commack
and Speonk and Setauket. he chants,
"Ronkonkoma, Ronkonkoma." "Shinnecock,
Peconic." In the middle of a fog
sliding inland off the sea like
the souls of the dead, he says, softly,
"Mattituck, Montauk." He whispers,
"Paumanok, Paumanok." He begins
to hear voices from the interior.

—NORBERT KRAPF.

FOR THE RUNNING OF THE NEW YORK CITY MARATHON

If you would run
If you would quicken the city with your pelting,
Then lineup, be counted, and change
Your body into time, and with me through the boxed maze flee
On soft hooves, saying all saying in flock-breath
Take me there.
I am against you
And with you: I am second
Wind and native muscle in the streets my image lost and discovered
Among yours: lost and found in the endless panes
Of a many-gestured bald-headed woman, caught between
One set of clothes and tomorrow's: naked, pleading in her wax
For the right, silent words to praise
The herd-hammering pulse of our sneakers,
And the time gone by when we paced Riversided, close-packed in our jostled beginning,
O my multitudes. We are streaming from the many to the one
At a time, our ghosts chopped-up by the windows Of merchants; the mirroring store-fronts let us, this one day,
Wear on our heads feet and backs
What we would wish. This day I have taken in my stride
Swank jogging-suits rayed with bright emblems
Too good for me: have worn in blood-sweating weather
Blizzard-blind parkas and mukluks, a lightning-struck hairpiece
Or two, and the plumes of displayed Zulu chieftains.
Through the colors of day I move as one must move
His shadow somewhere on
Farther into the dark. Any hour now any minute
Attend the last rites
Of pure plod-balance! Smoke of the sacrificial
Olympic lamb in the Deli! O swooping and hairline-hanging
Civic-minded placement of bridges! Hallelujas of bars!
Teach those who have trained in the sunrise
On junk-food and pop, how to rest how to rise
From the timed city's never-die dead. Through the spattering echo
Of Vulcanized hundreds, being given the finish-line hot-foot,
I am lolloping through to the end,
By man-dressing mannequins clad by flashes of sun on squared rivers
As we breast our own breathless arrival: as we home in,
Ahead of me me and behind me
Winning over the squirrel-wheel's outlasted stillness, on the unearthly pull and fall
Of our half-baked soles, all agony-smiles and all winning—
All winning, one after one

—JAMES DICKEY.

The PRESIDING OFFICER. The joint resolution is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and the third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 108

Whereas the tendency of thinking in our era is decidedly in the direction of analytical techniques; and

Whereas modern civilization, influenced by the control of the physical world made possible by the tremendous advances of science, forgets at times the importance of cultivating an imaginative grasp of human culture, attitudes and feelings through the literary arts; and

Whereas people of all ages have universally turned to poetry as one of the basic ways of understanding experiences, of helping to grasp ideas and events from unexpected angles, and of assisting to express the throughts and hopes of generations; and

Whereas the timeless themes and great continuities of poetry have become strands of unity in our history, across nations, across religious and political differences, and across centuries; and

Whereas much of American poetry has come to us in the twentieth century as a cultural heritage of inestimable value, passed down from our folklore, partiotism, and religions, giving tone and character to the American culture of today; and

Whereas the culture of this generation as conveyed through its poetry will give similar impetus and strength to the lives of coming generations of Americans; and

Whereas many of the States of the Union have adopted and set aside October 15 of every year as "Poetry Day"; and

Whereas in recognition of the contribution of poetry to the cultural development of this Nation, it is fitting that a day should be set apart to enjoy and appreciate poetry and to honor poets of the past and present who enrich the lives of all persons; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 15, 1983, be designated as "National Poetry Day" and that the President of the United States is authorized and requested to issue a proclamation calling upon Federal, State, and local government agencies, interest groups and organizations, and the people of the United States to observe that day by engaging in appropriate activities and programs, thereby showing their support of poetry.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. I thank the Chair, and I thank the minority leader.

Mr. President, we have already provided for time for the transaction of routine morning business to begin after the expiration of time allocated to the two leaders under the standing order. As soon as morning business is closed, as I indicated earlier, it would be the intention of the leadership on this side to ask the Senate to turn to the consideration of S. 695, the International Monetary Fund bill, the IMF bill.

I have no further need for my time under the standing order, if any time remains, and if it does I yield it to the control of the minority leader.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. Under the previous order, the Democratic leader is recognized.

Mr. BYRD. Mr. President, I thank the majority leader for yielding time to me. I do not believe I will need it all, but I may.

A GOOD YEAR FOR SENATOR METZENBAUM

Mr. BYRD. Mr. President, 1983 has been a good year for our friend and colleague from Ohio, Mr. METZENBAUM.

He started the year by being sworn in for a second full term in the Senate after a resounding victory in last year's election.

In early April, he became a grandparent for the first time with the birth of a granddaughter—and now, he has completed the cycle with the arrival last week of his first grandson, Jared Z. Hyatt, born June 1 to Senator Metzenbaum's daughter, Suzi, and her husband, Joel Hyatt.

It was a busy recess week for him last week, what with the arrival of Jared and the celebration of Senator Metzenbaum's 66th birthday last Saturday also.

I join with all my colleagues in extending the double congratulations.

Mr. President, I yield such time as I have remaining to Mr. STENNIS.

Mr. STENNIS. Mr. President, I thank the Senator from West Virginia for yielding to me.

DEDICATION CEREMONIES OF THE DWIGHT D. EISENHOWER MONUMENT AT THE U.S. MILITARY ACADEMY, WEST POINT, N.Y.

Mr. STENNIS. Mr. President, it is not frequently that I request the Senate to include in the RECORD a document, a letter, or a writing of any kind because I think that space ought to be sparingly used. But I have before me a copy of a speech by Gen. L. L. Lemnitzer, U.S. Army retired, who was a former Chief of Staff of the Army and served with distinction during my tenure in the Senate.

This speech was delivered at the dedication ceremonies of the Dwight D. Eisenhower Monument at the U.S. Military Academy, West Point, N.Y., where General Eisenhower was a student and of which he became a graduate.

I was very much pleased with the contents of this speech, Mr. President, and I believe that the comments from General Lemnitzer, a man with close association with former President Eisenhower, deserves a place in the permanent record.

I wish to say this, also, about General Eisenhower. A good number of years has passed since his tenure as President of the United States ended. I think that each year adds to his stature as President.

I was impressed in many ways with him. He was a man who devoted all of his adult life to the military, where his success was outstanding, far above the ordinary, but who was nevertheless able to turn from that and make a real good President of the United States, first in the campaign and then served 8 years during troublesome times. His stature has grown in my mind and I think in the minds of many who are familiar with the facts. Time has proven the wisdom of many of his decisions that he had to make.

So, under these circumstances, I ask unanimous consent, Mr. President, that this address to which I have referred be printed in the RECORD to give it a wide distribution at a very high level to any and all that may be interested.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

PRINCIPAL ADDRESS BY GEN. L. L. LEMNITZER, U.S. ARMY (RET.) AT THE DEDICATION CEREMONIES OF THE DWIGHT D. EISENHOWER MONUMENT AT THE U.S. MILITARY ACADEMY

President Dixon, General Scott, Distinguished Guests, Members of the Corps of Cadets, Ladies and Gentlemen.

We are gathered here today at West Point to commemorate the career of one of the Academy's most distinguished graduates and one of America's foremost leaders—Dwight David Eisenhower. It is altogether fitting and proper that we do this here, on the West Point Plain, where General Eisenhower spent the first formative years of his military education and development.

A product of the individualism and strong religious training of the American heartland in Kansas, it was here at West Point, the great incubator of America's leadership, that he set out on his path to greatness. He entered the Academy a decade after the graduation of Douglas MacArthur, two years after the graduation of George Patton, and in the same class as Omar Bradley.

He took the same curriculum as all of those other military giants and distinguished himself academically by strong performances in English, History, Drill, and Practical Military Engineering. A natural athlete, big enough for intercollegiate competition and keen enough a competitor to do well, he participated in the Army baseball, track, and football teams. Although a serious knee injury cut short a promising career on the gridiron, he bacame a cheerleader to continue to urge his team on from the sidelines. An active member of the YMCA, he served as a Sunday school teacher for post children during his final year at West Point. As the ranking sergeant of the Corps of Cadets his senior year, he had the honor of carrying the American flag on the parade field. On graduation day he ranked 61st out of the 164 graduates in the Class of 1915. This class, the class the stars fell on, saw a total of 59 of its graduates reach the rank of General or higher and two (Eisenhower and Bradley) would rank among the nation's five star generals.

During World War I, General Eisenhower served in the United States Army as a staff officer, an instructor, and finally as commander of the Army's tank training center at Gettysburg, Pennsylvania. Between the wars, his assignments provided him with a broad range of professional experiences which would later prove invaluable.

In 1919, he accompanied the first transcontinental convoy of Army motor vehicles from Fort Mead, Maryland to the White House and on to San Francisco, gaining a deeper appreciation of our country, of the logistics of large-scale truck movement, and of the potential importance of good roads—realized forty years later in his program for the interstate highway system.

Following a tour in Panama, General Eisenhower attended the Command and General Staff College at Fort Leavenworth, Kansas, where he graduated first in his class. After attending the Army War College, he served as a special assistant to the Assistant Secretary of War, concerned especially with the planning of wartime industrial mobilization, and as assistant to the Chief of Staff of the Army, General Douglas MacArthur, where his duties included, among others, those of a speech writer for his chief. This close association continued when Eisenhower was transferred to the Philippines to serve as General MacArthur's Chief of Staff.

Returning to the United States in January 1940, General Eisenhower found that his skills as an officer capable of obtaining quick results in the midst of organizational turmoil would cause him to miss his personal goal of commanding a regiment; instead, his superiors in the chain of command, including General George Marshall, placed him in positions of increasing responsibility, including duty as Chief of Staff at Division, Corps, and Army levels.

It is the nature of the military profession that the greatest opportunities for service frequently arise suddenly, not permitting a lengthy period of specific preparation. It is the successful leader who willingly and ably handles the flood of responsibilities which can be thrust forth so suddenly and brings unfailing good judgment to bear in making decisions. Our greatest admiration is accorded those who have met the call of national service and who have successfully shouldered the greatest responsibility in the midst of crisis.

Few graduates of the Military Academy, if any, have undergone the rapid rise in rank and responsibility experienced by General Dwight D. Eisenhower. In March of 1941 he was a lieutenant colonel stationed at Fort Lewis, Washington. At the end of the next eighteen months he had been advanced to lieutenant general and been named Allied Commander-in-Chief of the combined Brit-

ish and American force scheduled to invade North Africa.

General Eisenhower's WW II service began in the dark days after Pearl Harbor when he was summoned by General George C. Marshall, the Chief of Staff of the Army, to take charge of the far eastern section of the War Plans Division of the General Staff.

Even though initially charged with responsibility for East Asia, Eisenhower refused to consider the war in narrow regional terms. He made his reputation as a planner by confronting the broader strategic issues that had to be resolved if America was to win this war—most notably, the question of concentrating first against Germany, then against Japan.

In June 1942 Eisenhower was designated to direct the buildup of American forces in England in preparation for a cross-channel attack. He had to redirect his planning when in late July Marshall told him that he would command the allied landings in North Africa, scheduled for November 1942. This was to be his first major command and the first time that he had ever commanded forces in combat.

The North African invasion was General Eisenhower's "live fire" course prior to invading Europe, and experiences in that campaign quickly prepared him for the weighty responsibilities that were ahead. It was in North Africa, too, that he began to appreciate the full magnitude of wartime task facing the Allies. Defeat at the Kasserine Pass fazed him not at all; led on by the example of General Grant in the closing months of the Civil War, General Eisenhower held his course, concentrated on the campaign rather than incidental battles, and learned how to win.

Experienced now in campaign planning, combat training, and logistical organization, the General put the lessons of North Africa to effective use in preparing to invade Normandy. As Commander of the Allied Expeditionary Forces, he tapped steady Omar Bradley as his senior American ground force commander, reinstated aggressive George Patton, and assembled the finest supporting cast of military commanders in American history. He put his personal touch on the plans for invasion and the advance across France and Germany. As the free peoples of the world waited, the allied troops put what he had planned into reality on the Normandy beaches on that fateful day of 6 June 1944. His was the decision to go forward despite the severe weather. The success was in no small way due to his careful, prayerful judgment.

Through it all he was characterized by an impressive degree of humility. In his words, "humility must always be the portion of any man who received acclaim earned in the blood of his followers and the sacrifices of his friends." He agonized over the decisions that affected so many lives, remarking that it was "awfully hard to look a soldier in the face knowing that you might be sending him to his death," but he had the moral courage to make those decisions.

Yet to many observers at the time, and historians later, it was Eisenhower's ability to unify and coordinate the disparate elements of the grand coalition of Allies in WWII that was his greatest contribution to the war effort. He was uniquely successful in dealing with the top political and military leaders and, at the same time, successfully coping with the problems of directing the military operations of large scale allied forces. The sensitivities of coalition politics sorely tested his talents as he labored to balance multi-national objectives with wartime necessities.

When we entered World War II, we had practically no knowledge or experience in the conduct of coalition or allied military operations. As the result of the many organizational and operational difficulties encountered by U.S. forces in World War I, the lectures in our military and staff colleges by senior commanders in that war had a common theme—"if we ever have to fight another war, for God's sake, fight it without Allies."

General Eisenhower, as head of the War Plans Division of the Army General Staff in 1942, had very briefly considered the problems of possible allied command relationships. However, no firm conclusions were reached or adopted.

As we were forming the first Allied Force Headquarters (AFHQ) in London in September 1942, preparing for Operation TORCH, the invasion of North Africa, it was obvious that guidance and direction of top-level allied command relationships were urgently needed.

I was the G-3 Plans and Operations Officer of the newly formed headquarters. One morning on entering my office in Norfolk House, I found two colonels of the British General Staff waiting for me. They informed me that the British Chiefs of Staff had drafted directives for the overall commander-in-chief of the Torch Operation and the British Task Force Commander (General Anderson) who was to command the British Task Force scheduled to land at Algiers. They indicated that they were there to obtain our comments and, hopefully, General Eisenhower's approval of the drafts.

After studying the drafts briefly, I invited them to accompany me to General Eisenhower's office on Grosvenor Square, several blocks away, to obtain his personal reaction to the proposed drafts.

Upon arrival at his office, I explained the situation and handed the drafts to him. He took them to his desk and began to study them. We could easily see that the drafts did not please him. His face flushed and he took a stub pencil from his pocket and began to write furiously as he grumbled, gorwled, and made inaudible comments. The two British colonels and I began looking for the nearest exit. His anger obviously increased as the read and marked up the drafts.

When he finished, he handed the marked up drafts to me and said "These drafts are not at all acceptable terms of reference for Allied Commanders-in-Chief or an Allied Supreme Commander. No one could be an effective Allied Commander-in-Chief with such negative terms of reference. The best that they could do would be to act as coordinators—and very ineffective ones at that. These drafts simply won't do."

When we left his office, we quickly scanned the heavily marked up drafts in silence. We then returned to our respective offices.

One week later the two officers returned to my office and we quickly checked the rewritten drafts which, as far as we could tell, were almost duplicates of the previous "marked up" drafts as edited by General Eisenhower who now promptly approved them.

In my opinion, it was on that occasion that General Eisenhower literally "wrote the book" on top-level Allied Command and staff relationships, allied organization, and the conduct of the operations of large combined allied military forces. He came up with the right answers and effective concepts for allied forces—on command relationships, organization, procedures, planning and conduct of operations.

His principles and concepts were successfully tested in the crucible of World War II and are as sound and effective today in NATO, at SHAPE and Allied Command Europe where they have been in effect for more thaan 34 years.

Keeping the coalition together was a problem that was never out of his mind. He recognized "the temptation to regard as our first enemy the partner that must work with us in defeating the real enemy." General Eisenhower pleaded with colleagues to refuse "to deal with our military problems on an American vs. British basis." He was, at the same time, an allied commander and an American general and, in that position, he had to be doubly careful that the British did not perceive his actions as favoring American interests. He noted the difficulties inherent in this equation:

"I am not British and I am not ambidextrous in attitude. But . . . I am not going to let national prejudice or any of its related evils prevent me from getting the best out of the means that you fellows struggle so hard to make available to us."

In an address in London only weeks after the end of war in Europe, he summed up his feelings on the vital Anglo-American coalition. "No petty differences in the world of trade, traditions, or national pride should ever blind us to our identities in priceless values—freedom of worship, equality before the law, liberty to speak and act as we see fit, limited only by our obligation not to trespass on similar rights of others. When we consider these things, then the valley of the Thames draws closer to the farms of Kansas and the plains of Texas."

General Eisenhower succeeded, maturing as a general and military professional who led his forces to victory in one of the great campaigns of history. In the critical days following the end of the war, General Eisenhower served as Army Chief of Staff. He later retired from the service in 1948 to become President of Columbia University. This retirement proved short-lived. He was called back into service on several occasions, until in 1950 he took his final leave of absence from Columbia when the 12 NATO countries unanimously asked that General Eisenhower command military forces in NATO, becoming the first Supreme Allied Commander in Europe.

Both within the NATO Organization itself and in the NATO countries, his ability to harmonize diverse groups for a common good which had characterized his war efforts, was instrumental in solidifying the NATO forces. As one observer commented, his finest hour was "the hour of inspiration to the Free Countries of Western Europe to stand firm against the threat of Communism." The success with which he handled these responsibilities makes the career of General Eisenhower particularly worthy of emulation and study by young officers, and, taken with his success as Allied Commander in North Africa and Europe, makes especially fitting his memoralization at West Point.

But General Eisenhower's contribution to America, of course, did not end with his retirement in 1952. The nation called upon him to serve once more, this time in a civilian capacity, as President of the United States.

The leader who was remarkable for his ability to harmonize competing forces into a

cohesive force on the battlefield was also the man who became one of the most unifying—and I repeat—one of the most unifying Presidents in our history. His following and stature were such that both Republican and Democratic parties desired to make him their standard bearer. Although he selected the Republican banner, he was an individual who continually stood above partisanship enjoying an appeal which cut across party, regional, and social lines. He received two of the largest pluralities ever recorded to that time in the elections of 1952 and 1956, and maintained an impressive degree of popularity throughout both terms in office.

In foreign affairs he immediately set forth to bring a divisive Korean War to a close. He approved American participation in the Southeast Asia Treaty Organization (SEATO), duplicating the NATO experience in Asia, and established an "Eisenhower Doctrine" to restrain the forces of communism in the Middle East. Although willing to use power when necessary to preserve stability, as in Lebanon in 1958, President Eisenhower believed that peace required an effort to break out of the Cold War enshrouding the globe. His willingness to go to the "Summit", his "atoms of peace," his "open skies inspection" proposal, and his efforts to secure a nuclear test ban were aimed at breaking through the rhetoric of conflict and establishing a basis for security which relied on mutual forbearance, not mutual destruction.

As rivalries among the Allies had been a matter of concern for the General in World War II and thereafter, as president, the problem of interservice rivalry flared as each sought a preeminent role in space activities. Recognizing that the technologies required to bring together the diverse energies for space far exceeded the facilities available in any service activity, President Eisenhower resisted efforts to place space activities under any one service. Instead, in 1958, he established a separate National Aeronautic and Space Administration (NASA)—one agency with the necessary resources to explore space. Besides centralizing space activities in one agency tasked with that specific mission, this action insured that each of the U.S. military services would remain focused on its traditional vital roles and responsibilities for national defense.

At home President Eisenhower also signed the first major bill of the twentieth century to protect the rights of minorities and did not shirk from using force in Little Rock, Arkansas to force obedience to federal laws and the courts. But most often the man epitomized the fundamental American values of individual dignity, opportunity, and freedom. He emphasized preserving America's political and economic achievements and our position as an example to the rest of the world.

He was the source of stability in an age of revolution abroad and uncertainty at home. In the words of one historian "he gave the nation a chance to consolidate past gains, take stock of itself, and renew its spirits for future struggles." By his very demeanor this citizen-soldier inspired confidence and security. With each passing year, as careful scholars examine the true records of his administration progressively becoming available, respect grows for what he was able to accomplish for our country.

What was the essence of this man who had the power frequently to command but preferred to persuade and concilitate; whose great asset in both war and peace was his warmth and ability that he was sympathetic and understanding; who exhibited moral courage, independence of thought, common sense, and shrewdness?

One of the best summations of General Eisenhower's beliefs and character is contained in his own words sent to West Point's Founders Day in 1969, only six weeks before his death. He not only summed up some of his most deeply held beliefs but also, accurately summarized his own career and character.

"In these times, some Americans seem to think that intricate and superbly engineered machines have diminished the role of the individual in all sorts of enterprises from the management of a shop to the conduct of war or the preservation of peace; that a man's character is of less account than the sophistication of the instruments surrounding him; that such concepts as Duty, Honor, Country are out moded relics of a simple and even primitive past. Those who so think are dead wrong.

"Hardly a day passes that I do not hear or read a new proof that, in the hour of grave crisis or severe challenge, character is the chief resource of man and their nations. I do not discount, of course, the need for knowledge and skill and mastery of material resources. I do mean to stress, however, that today, even as it was a century or a millennium ago, the final index to a nation's destiny is within its people; in their commitment of principles and ideals; in their willingness to sacrifice for the common good; in their determination ever to bear themselves with courage whatever the challenge or threat."

When all is said and done, the life of Dwight David Eisehower is a study of devotion to Duty, Honor, Country. Let all who come to this place remember him and what he represents for free people everywhere. And may the fine men and women who graduate from this institution be inspired to follow in his footsteps for the safety of the nation and the benefit of mankind.

Mr. STENNIS. Mr. President, that is all the time that I see fit to use now. I yield back such time that I have not used.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements therein limited to 15 minutes each.

GELB'S PRACTICAL WAY TO NUCLEAR ARMS CONTROL—GOOD START, BUT NOT ENOUGH

Mr. PROXMIRE. Mr. President, Leslie Gelb writes a thoughtful, realistic article that appeared in yesterday's New York Times magazine entitled "A Practical Way to Arms Control." Gelb all but identifies arms control as a kind of a middle road between the pacifism of disarmament and the strictly military solution of surpassing the other side in the arms race. Mr. Gelb does—and I think this is a weakness—avoid the debate over a nuclear freeze. But he seems to reach a conclusion that the freeze offers a reach-for-the-Moon diversion, an unobtainable sweeping goal that may prevent taking the short, sure steps that begin to build confidence and security.

For example, Mr. Gelb writes: "Arms negotiations should take small, realistic steps rather than aim for too much." And that "the stress in coming arms talks should be on modest treaties, which do not take so long to complete that they become vulnerable to political shifts at home."

Although Mr. Gelb is an extraordinarily well-informed and thoughtful commentator, and he is identified as the New York Times national security correspondent, he fails to show why limited short-term objectives necessarily conflict with the overall long-term goal of negotiating for a comprehensive nuclear freeze as the short-term agreements build confidence.

Certainly we can achieve no worthwhile agreements unless we improve the overall relations between the United States and the U.S.S.R. And certainly if we can agree on limited short-term measures we can begin to build the basis for an overall limit—an eventual flat cessation in production, deployment or testing of weapons. As Mr. Gelb himself points out: "While negotiating strategies are being planned, both sides are developing a new generation of weapons." Negotiations can help channel these new weapon developments into more stable, less hair trigger, less dangerous forms. But without a freeze, the terrible competition in the refinement, the lethal capacity, the deadly accuracy goes on at immense cost, and with a momentum that will lead one day to that tragic accident that brings on the holocaust.

Nevertheless Mr. Gelb offers a flat rebuttal of some of the most serious misconceptions that block progress toward the prevention of nuclear war. Here they are:

First, the Russians cheat on arms control pacts and gain important advantages.

Mr. Gelb's answer:

A panel of conservative and liberal experts who studied the field of strategic arms and test-ban treaties under the auspices of the Carnegie Endowment for International Peace concluded in its report last April that the record "does not support this claim". Nor has any administration, including the present one, ever formally charged Moscow with violations.

The second misconception that Mr. Gelb usefully answers is that the arms control treaties have not prevented Moscow from vastly increasing its nuclear forces, nor caused it to moderate its behavior.

Mr. Gelb points out that American intelligence estimates that the projected growth of Soviet forces would be greater without the treaties. Some disagree, but the United States has not

been inhibited in its projected military growth by the treaties.

Incidentally, this Gelb answer, because it admits the nuclear arms race goes on unimpeded with these limited arms control agreements, implies a strong argument for the nuclear freeze.

Finally, Gelb advances the theory that arms control agreements have caused us to let down our guard and have brought about unilateral American disarmament.

Gelb points out that, from Richard Nixon to Gerald Ford to Jimmy Carter, every administration carried forward every new strategic program on the drawing boards.

Mr. President, I ask unanimous consent that the article entitled "A practical Way to Arms Control," by Lesie Gelb, from the Sunday, June 5, New York Times Magazine, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Arms control is neither sin nor salvation. It is a way—along with diplomacy and military decisions—of managing Soviet-American competition. Without such negotiated mutual restraint, the competition would be far less controllable and both sides could acquire capabilities that just might make nuclear war more thinkable. It is not a way of solving our security problem. It is a way of preserving the Soviet-American "peace" that, with great good luck, has survived the last 40 years of tension and waste. To ask much more of a bargaining process between two powerful countries so mistrustful of each other is to condemn it to failure.

Our inability to appreciate arms control as a practical matter has contributed to flip-flops in American attitudes toward negotiating reductions in the superpowers' nuclear arsenals. And it has added to the clamor for arm control that has blown up into a political crisis for the Reagan Administration, a divisive problem for the Western alliance and a painful moral issue for many Americans.

On June 18, 1979, amid the archaic splendors of Vienna, President Carter signed a strategic arms limitation treaty with the Soviet Union, the second such accord between the superpowers, a compact it had taken seven years and three Administrations to negotiate. Back in Washington, there were few cheers. The Russians had been making political inroads in Angola and the Horn of Africa, their military buildup had made them our equals in nuclear weaponry, and public opinion in the United States had been swayed by the right-wing view of arms control as something that would hold us back while the Soviet Union exploited its momentum. The treaty—SALT II—was never to be ratified. Subsequently, to the Reagan Administration, arms control became almost synonymous with sin.

This Wednesday, in the businesslike setting of Geneva, Soviet and American delegations will resume negotiations on strategic arms that have been stalled for four years. And in Washington and around the country, political leaders, foreign-policy experts and wide sections of the public are extolling the virtues of arms control and demanding movement toward sweeping accords.

Congress makes its funding of President Reagan's defense programs dependent on his conduct of the nuclear talks. During the SALT II debate, legislators would not accept arms control without more arms; now they will not agree to more arms—such as the new, extra-powerful MX missile that was recently approved—without arms control. The country's Roman Catholic bishops in an extraordinary pastoral letter, make nuclear deterrence—our traditional safeguard against the danger of Soviet attack—morally acceptable only as a stopgap during an active search for broad disarmament and political agreements. The governments of Western Europe make their acceptance of American medium-range missiles on their soil dependent on good-faith efforts in the current Soviet-American talks in that area. Arms control, so denigrated such a short time ago, has suddenly been transformed into a symbol of salvation.

There has been no change in Soviet behavior in the last four years to account for this reversal of attitudes; if anything, Moscow's readiness to use its muscle has been made even plainer in Afghanistan and in Poland. There has been no change in the comparative power of the Soviet and American nuclear arsenals; the Reagan Administration has increased the strategic budget, but the deployments are yet to come. The change has been in the public mood. Frightened by the nuclear buildup and by Administration rhetoric about fighting and winning nuclear wars, and played upon by Soviet propaganda, public opinion has swung back to support of arms talks. The reversal has had its effect on elected officials. Arms control has become good politics again.

In fact, the prospect of an open-ended arms race, with attendant divisions in Western societies—witness the nuclear-freeze movements on both sides of the Atlantic and the mass upsurge in Western Europe aginst the planned installation of American Pershing 2 and cruise missiles in that theater—has set off a kind of pro-arms-control panic. Yet plunging ahead toward ambitious new goals, without considering the reasons that brought the whole process to such a grinding halt four years ago, will be to risk a repetition of failure. If we want to do better in this new phase of arms control than we did in the past, we should, it seems to me, adopt a new negotiating strategy.

Most of the reasons for the comparatively lean accomplishments of 20 years of arms negotiations are built into the structure of Soviet-American competition. Because of the lack of trust, neither side is about to make large concessions or take large risks.The adversaries' forces are asymmetrical, with the Russians dependent mostly on land-based missiles and the Americans preferring a more balanced structure that emphasizes the additional elements of long-range bombers and submarines. Finding major areas of compromise has often been like trading apples and oranges, particularly when it comes to controlling the scramble for technological innovation.

And, to be sure, Moscow has made its share of unreasonable demands, though seemingly ready at every point to settle for modest accords. Soviet leaders, while concerned with reducing the risk of nuclear conflict, appear less interested in arms control per se than in creating a climate more conducive to aquiring Western technology, causing problems between the United States and its allies, and being fully accepted by Washington as "the other superpower."

But aside from these built-in difficulties, and exceeding them in its effect, there has been the peculiarly American tendency to sharp swings between seeing little good in arms control and asking too much of it too soon. The main drawback to the agreements of the last decade was not that they did so little but that they took so long to do it. By taking many years to achieve marginal results, the accords became a convenient target for political forces in the United States with unreasonable expectations of arms control. What we need is a simplified process inoculated to a greater degree from political pressures. The idea is to try to take a small step, instead of a large stride—and, having done that, to take the next small step, and the next. However, to have a clearer appreciation of how doing less, rather than more, is apt to take us further in the long run, it would be helpful to go over the record. What are the facts about arms control? What is the case against it? What have past agreements accomplished? Specifically, is there a way out of the present Soviet-American deadlock on medium-range missiles and a hope of starting on a reduction of our overgrown forces of intercontinental reach?

From the beginning, arms control has been crushed in the embrace of political extremists on both the left and the right, and of those simply playing politics. Adlai E. Stevenson, running for the White House in 1956, charged that President Eisenhower had permitted the Russians to open up a "bomber gap"; the gap, it soon became clear, was in our favor. John F. Kennedy ran in 1960 on the need to close the "missile gap"; he learned after taking office that we had 2,000 missiles and the Russians 200, at most. Mr. Reagan and his Defense Secretary, Caspar W. Weinberger, speak of Soviet superiority, but when Gen. John W. Vessey Jr., chairman of the Joint Chiefs of Staff, was asked a year ago whether he would trade strategic positions with his Soviet counterpart, he answered: "Not on your life."

At the beginning of the Reagan Administration, many officials of conservative and far-right views were eager to abandon arms control. To them, it only served to lull the American people into a false sense of security, and thus stood in the way of a necessary arms buildup. Now, they insist that they were misunderstood—that they are pursuing "real" arms control. In private, however, many of them admit that they are really engaging in theater—much as the Russians are—to mollify Western public opinion, and that their overriding goal remains one of expedited rearmament when arms control is seen to have failed.

Only two years ago, Mr. Reagan called SALT II "fatally flawed" because it did not close the "window of vulnerability"—Moscow's theoretical ability to take out our land-based Minuteman missiles in a first strike. Two months ago, a bipartisan commission appointed by Mr. Reagan concluded that, as a practical matter, there was no such vulnerability. Without so much as a farewell to the window through which he had climbed into the White House, Mr. Reagan applauded the commission's findings.

The very SALT II treaty that the President and his senior advisers had labeled as practically treasonous they themselves are now observing. In fact, only recently, they were ready to accuse Moscow publicly of violating the unratified pact. The Joint Chiefs of Staff persuaded them not to, saying that

a breakdown of treaty constraints would leave the Russians in a much better position to resume the race, and Mr. Reagan made his points quietly, through diplomatic channels, as provided for in the document.

The President, however, has not been alone in suiting his reasoning to his aims. The liberals who have been scoffing at the vulnerability argument for years, calling it overstated, adopted it themselves as a way of trying to block the deployment of the MX missile. When Mr. Reagan sought to install the MX in existing Minuteman silos, many of these same liberals said no—because the MX would be vulnerable.

At bottom, however, arms control fell victim to something bigger than factional struggle over a single new weapon or disagreement over the requirements of the American defense posture. From the early 1970's on, arms control suffered from the collapse of the political middle ground, the traditional home of the pro-arms-control camp. The middle was sacked first by the political left, over the Vietnam War, and then by the right, because of disillusionment with détente.

Centrism, bipartisanship and pragmatism no longer dominated the politics of American foreign policy. The New Left and the far more powerful coalition of conservatives and the New Right began to hold sway. Legislators with rigid ideological convictions began to people Congress in greater numbers. To those who thought they knew the answer, facts were irrelevant. Arguments devoid of evidence turned into gospel. Polarization spread.

The New Left beat the bushes not for arms control but for disarmament. Yet there was no evidence that Moscow was any more willing than Washington to make any large-scale reductions in nuclear arms, let alone to disarm completely. And in its belief that nuclear deterrence could be dispensed with, the New Left largely disregarded the superiority of Soviet conventional forces and the obvious role of nuclear weapons in preserving superpower peace since World War II.

The New Right regarded efforts at arms control as either hopeless (since the Soviet Union was not likely to give up its supposed nuclear superiority) or worse (since any treaty Moscow might agree to would lock the United States into its allegedly inferior position). In the rightists' view, the only way to bargain with Moscow and deter it from attacking us was by acquiring additional arms—even superiority.

The dominance of these extreme views in the last decade had a strong effect on the pattern for arms-control negotiations: extravagant demands for highly disproportionate cuts and restrictions on Soviet forces, followed by years of stalemate at the bargaining table, followed by mounting political pressure to compromise for fear of failure. It also determined the outcome of the talks. The treaties that accomplished most were completed between 1963 and 1972. Of the treaties completed after 1972, only SALT II was of comparable importance, and none were ratified by the Senate.

Thus, a number of agreements reached when the middle ground was still dominant in American politics headed off competition in certain areas. A treaty concluded in 1963 banned nulcear tests in the atmosphere, in outer space and under water, bringing about immediate and tangible benefits in safeguarding people from fallout and radiation. A 1967 agreement banned the use of outer space for any military purposes whatever. Treaties in 1959 and 1971 internationalized and demilitarized the Antarctic region and prohibited the placing of nuclear weapons on the ocean floor. A 1972 convention barred the development, production and stockpiling of biological weapons, though some questions of Soviet violations arose several years ago.

In the same period, the superpowers reached two agreements on avoiding war by miscalculation—a 1963 accord setting up a "hot line" between Washington and Moscow, and a 1971 compact requiring each side to notify the other of missile tests beyond its national territory. In 1972, SALT I froze intercontinental-range missile launchers at existing levels. A companion treaty imposed a virtual ban on anti-ballistic missile defenses (ABM's)—thus, in theory, lifting from each side the fear that the other might launch a first strike in the belief that it could defend itself against a counterblow. The acceptance of mutual vulnerability solemnized the doctrine of mutual deterrence, on which our security was seen to rest.

That was the high point of progress. Then the process soured. Liberals lauded the ABM agreement but faulted SALT I for not stopping the development of multiple independently targetable warheads (MIRV's). The New Right joined with more traditional conservatives in attacking the treaty for doing nothing to curb what they saw as Russia's growing capacity to destroy American missiles in their silos. And they were clearly uncomfortable with the commitments to no defense—a reservation that surfaced conspicuously in Mr. Reagan's recent "Star Wars" speech visualizing an eventual space-based shield against nuclear attack.

Since then, efforts to expend the partial test ban have languished. A 1974 treaty limiting underground explosions to the equivalent of 150,000 tons of TNT remains unratified. More than six years of talks to outlaw nuclear explosions altogether have been getting nowhere. Talks on placing limits on antisatellite systems, chemical weapons and the like drag on.

The SALT II treaty of 1979 placed only marginal restrictions on current nuclear forces and programs. And by that time, political opposition to arms control was sharply on the rise. Conservatives noted that, while the treaty would reduce the number of Soviet missiles and bombers by about 500 and—for the first time—would limit the remaining missile force to a specific number of warheads, it would still permit the Soviet Union to continue MIRV-ing up to the agreed warhead total. They argued that the treaty did nothing about Russia's superheavy land-based missiles while barring the United States from building similar weapons (though the American military had no desire whatsoever to do so). They took exception to the fact that the treaty prevented the United States from deployment schemes to solve the problems of missile vulnerability (the problem that Mr. Reagan's special commission had now banished into the political limbo.)

Whatever the merits of the charges that blocked the treaty's ratification until Afghanistan made Mr. Carter withdraw it from Senate consideration, the controversy was symptomatic of a cresting reaction against constraining arms compacts with an increasingly dangerous adversary. It was increasingly difficult to gain political support for agreements, let alone negotiate them. The case against arms control had reached its apogee in American politics. Before considering where we go from here, this case should be examined in more detail.

The liberals had two objections: the treaties we had signed had been used to justify new arms commitments, and they had not resulted in any savings in military spending. In fact, many liberals had come to see arms control as a sham, a device to codify the arms race.

Undeniably, the need for Congressional backing for negotiating initiatives gave proarmament groups considerable leverage on Capitol Hill. Furthermore, bargaining with Moscow put a premium on developing new weapons that could be used as "bargaining chips"—chips that seemed always to end up being deployed rather than cashed in. And Administrations did ask for more arms after each treaty signing.

But it is far from clear that these weapons would not have been deployed anyway. Technology marches on, and Moscow did not show much greater inclination than Washington to call the march to a halt. As for savings, there weren't any. But it is often forgotten that strategic forces account for only about 15 percent of the Pentagon budget, and opportunities for savings are limited.

In the end, whatever their objections, liberals went along with the treaties as the lesser evil. Conservatives, however, dug in their heels. Their main arguments may be stated, and answered, as follows:

1. The Russians cheat on arms control pacts and gain important advantages.

A panel of conservative and liberal experts who studied the field of strategic-arms and test-ban treaties under the auspices of the Carnegie Endowment for International Peace concluded in its report last April that the record "does not support this claim." Nor has any Administration, including the present one, ever formally charged Moscow with violations.

Mr. Reagan, as we have noted, did raise some questions recently about Soviet compliance with a SALT II provision and with the 1974 limitation on underground tests, but was persuaded to leave these issues to the Soviet-American Security Consultative Commission, established to consider complaints by either side. The record over an 11-year period shows that the Russians have on occasion taken advantage of ambiguities in the treaty text, and have acted in disregard of unilateral American interpretations of the text that they never accepted. Yet every question brought before the commission by the United States has been satisfactorily resolved. Moscow either accepted the American complaint and altered its behavior or showed sufficient grounds for its own position. Soviet complaints against American actions have also been satifactorily resolved.

Even those who have charged Moscow with consistent cheating have rarely maintained that Soviet violations could not be caught. Virtually every top American official who has been involved with the matter during the last decade has expressed confidence publicly in the ability of our intelligence satellites, radar and listening posts to detect violations in time to prevent us from being placed at a significant disadvantage.

The most serious compliance issues have revolved around evidence of the last few years that the Russians may have used chemical weapons in Afghanistan and Southeast Asia, and may have developed biological weapons. (The evidence is not conclusive, but Moscow has not lived up to its treaty obligation to cooperate in clearing up

the charges.) In the nuclear field, the small size and easy mobility of some of the newest nuclear weapons, as well as the difficulty in verifying low-level underground nuclear tests, will necessitate more direct means of verification, such as on-site inspection, and Moscow has indicated willingness to move in that direction.

2. Arms-control treaties have not prevented Moscow from vastly increasing its nuclear forces, nor caused it to moderate its behavior.

Neither SALT I nor SALT II did much, if anything, to curtail the growth of the Soviet arsenal. American intelligence estimates were that the projected growth of Soviet forces would be greater without the treaties than under the treaty limits; conservative critics, on the other hand, charged that the limits were consistent with Moscow's plans. Neither estimate can be proven. But, by the same token—and provable on the record—the United States did not give up any of its own projected nuclear military growth.

As for the complaint that arms treaties have not inhibited Soviet behavior in the world, anyone who expected that result was guilty of stargazing. The superpowers have deep conflicts of interest, which can have an impact on progress or deadlock in arms control and can be exacerbated by the development of new arms systems on either side, but which persist as policy objectives even when arms treaties are signed. Arms-control measures reflect far more than they shape the state of political relations. Arms treaties will have to be judged by how they help manage Soviet-American arms competition, not by expectations of political miracles.

3. Arms-control agreements have caused us to let down our guard and have brought about unilateral American disarmament.

Spending on conventional arms and the attendant military manpower declined somewhat after SALT I, and leveled off for several years thereafter, even as Moscow maintained its steady buildup in all categories. But this had little if anything to do with arms control. The primary reasons were the decreasing scale of American involvement in Vietnam and the demands of neglected domestic priorities, as the Nixon Administration stated at the time. Moreover, intended real increases were wiped out by runaway inflation, brought on principally by rising oil prices. As for outlays on strategic nuclear forces, these stayed pretty much constant—even allowing for inflation—and began rising, along with the entire defense budget, after 1976.

From Richard Nixon to Gerald Ford to Jimmy Carter, every Administration carried forward every new strategic program on the drawing boards. The only exception was when Mr. Carter canceled the B-1 bomber, deciding it was redundant in view of the development of air-launched cruise missiles, and rejecting advice that he use it as a bargaining chip. Mr. Reagan has reinstated the B-1.

Other systems—the Trident submarine, the Trident II missile, the Stealth long-range bomber, the MX, a variety of cruise missile, improvements in warhead yield and accuracy, and an upgrading of command-and-control capabilities—have all gone ahead as rapidly as technical problems could be solved.

Perhaps the best answer to the overstated arguments of liberal and conservative critics is implicit in the attitude of the military throughout the two decades of arms-control negotiations. After dragging its heels, the American defense establishment came out in favor of every treaty in question. As planners responsible for America's security, our top military officers want to be in a position to define and contain the possible threats. The more uncertainties, the more they have to worry about.

As we enter a new phase of strategic-arms talks, our general approach seems to be subject to the same dreams of grand solutions that led to statement and disenchantment in the 1970's.

Many on the left—and some of a more centrist and even conservative bent—would be satisfied with nothing less than a nuclear freeze. Yet their view of the present situation seems to ignore certain realities. One is that a freeze on the development, testing and deployment of new weapons would take every bit as long to negotiate as the more complex schemes they disdain, and that a freeze on production cannot be verified. Another is that further deployments of Trident submarines with Trident I missiles help to stabilize the strategic balance, since the submarines give us an invulnerable deterrent against a Soviet first strike and the missiles are not accurate enough to threaten the Soviet Union's own deterrent. A third reality is that Soviet leaders are impressed by whether the Congress is prepared to back the President in the deployment of the MX. This remains true even if we bargain the MX away in the end.

As for the Administration's negotiating position, it continues that quest for "deep cuts"—shared curiously in the past by the left as well as the right—that has always lacked a realistic appreciation of Moscow's problems and its ability to resist our pressures. Mr. Reagan's strategic-arms proposal for the last year and a half would have the Russians destroy two-thirds of their missiles, including two-thirds of their heaviest land-based missiles, while the United States would have to reduce its missile force by only 50 percent and could continue with Trident II missiles (which, unlike the existing Trident I missiles, would threaten Russia's weapons silos), cruise missiles and the MX. In the medium-range missile negotiations, Mr. Reagan would have the Russians scrap some 600 of their missiles in the European theater, including all their new SS-20's, while the United States would forgo deployment of some of the 572 missiles earmarked for the NATO countries.

Under the pressures of the freeze movement, the pronouncements of the Roman Catholic bishops and Congressional demands for cutting back on military spending, some of Mr. Reagan's advisers have joined hands with a band of liberals to create a new approach. Instead of reducing the number of intercontinental-range missile launchers, they would add some 1,000 new land-based missiles, the Midgetman, with only one warhead apiece, while phasing out a good number of missiles with multiple warheads. In the end, they reason, each side would have a lower ratio of warheads to missiles—thus making the weapons less inviting as targets and creating a safer situation for all.

The idea, as it now stands, seems to offer little incentive to Moscow, which, with its far greater reliance on landbased missiles, would have to restructure its forces to a far greater degree than the United States. The proposition would become doubly difficult for Moscow because the Reagan Administration would still intend to go ahead with the MX. Meanwhile, both sides are developing a whole new generation of weapons capable of hitting military targets with far greater accuracy. With each step, both sides draw closer to the Faustian illusion of being able to fight, limit, control and—yes—perhaps even prevail in a nuclear war.

There must be a better way. And it can only be in the direction of more modest treaties, which do not take so long to complete that they become vulnerable to political shifts at home—of small steps, taken one at a time, with an agreed common purpose.

The process would have to begin with agreement on long-term objectives. The key ones would be these: restrictions on each side's ability to launch surprise attacks; an equal capability to maintain a survivable deterrent against any such attack; a phasing out of nuclear weapons that present attractive targets to the adversary; gradual reductions in the number of intercontinental and medium-range nuclear warheads and bombs; widening cooperation, including on-site inspection, to verify compliance. In effect, each stage, which would last for two or three years, would be aimed not at obtaining all possible advantage for your side but at assuring the other side the same degree of security you seek for yourself.

The first stage would deal with the medium-range forces in Europe, as both sides now more or less agree. It could begin with a two-year agreement requiring Moscow to dismantle its older SS-4's and SS-5's, while Washington began deployments only of ground-launched cruise missiles. The Soviet Union did not hesitate to upgrade its capabilities substantially with the deployment of more than 450 SS-20's, and it is absolutely unreasonable for Moscow to reject some modernization of American missiles in Europe. The future integrity of NATO depends on some deployments, and Moscow knows this.

Moscow would also be required to freeze its SS-20 total at its present level in both the European and Asian portions of the Soviet Union. In return, Washington would temporarily forgo the right to deploy the Pershing 2 ballistic missiles, which, unlike the relatively slow cruise missiles, could reach Soviet territory from European bases in about 12 minutes, and which, therefore, are of particular concern to the Soviet leaders. And each side would be limited to 300 medium-range bombers.

In stage two, the talks on medium-range weapons would merge with negotiations on intercontinental-range missiles and bombers, and the two sides would agree to reduce their overall store of warheads and bombs—about 11,000 apiece—by about 25 percent. Each side would be free to decide where to put its permitted total. Thus, if the United States wanted more medium-range missiles in Europe, it would have to cut the number of its intercontinental weapons.

But we cannot expect the Russians to reduce their SS-20's so long as there is no formula for taking British and French nuclear forces into account. Such a formula might involve abandoning the deployment of Pershing 2's altogether. At the same time, there would have to be some accommodation of the Soviet view that Chinese and American nuclear forces in Asia must be taken into account, an objective that might require separate tripartite talks with China. By the same token, Moscow cannot expect us to count on our totals third-country forces we do not control.

This stage would be a good time for several confidence-building measures—no testing of submarine-launched missiles that, unlike ballistic missiles, stay within the atmos-

phere and thus can reach their targets more quickly in a first strike; no antisubmarine warfare exercises in certain regions, thus helping maintain the invulnerability of submarines; no testing of new missiles with multiple warheads, to prevent further improvements in accuracy.

Initial steps could be taken to reduce the number of giant land-based missiles. Since this is the Russians' strongest suit by far, they will part with it only reluctantly and slowly. The Administration has a choice of retaining the MX and allowing the Russians to keep their heavy missiles, or cashing in the MX for reductions in Soviet heavies.

The most difficult problems would be left for stage three. The superpowers would seek agreement on a restructuring of their forces, retreating from the multual threat of multiple warheads and leaving single-warhead missiles as the centerpiece for both. They would try to impose controls on ground- and sea-launched cruise missiles. They would move toward a prohibition on development and testing of all new missiles.

Not before this last stage could one contemplate saving money or improving the overall political relationship between the superpowers. Until then, and even afterward, the main purpose would be to manage the competition in nuclear weapons. But, step by step, this kind of arms control would mean a progressive reduction of the risks of nuclear war.

This approach is not without its own serious obstacles. We would have to learn to live for at least the next decade with Soviet advantages in land-based missiles, and to be satisfied with our superiority in submarine and bomber forces. After that, the expectation is that the two sides would develop more comparable arsenals across the board; but that is not easy to insure. The approach would also necessitate greater patience with arms control, and an American political leadership courageous enough to stand up to extremist demands.

But the alternative—inflated proposals with minimal chances of success that play into the hands of those who want to prove that "arms control does not work"—is likely to lead to an open-ended arms race. If that happens, if international restraints, such as they are, are allowed to erode, can we count on holding war at bay very much longer? Because deterrence has worked until now, can we be sure it will work in the future? While it stretches rationality to imagine a conscious decision to begin a nuclear conflict, we have every reason not to trust ourselves, let alone others.

Arms control is not the answer to the perilous competition between the United States and the Soviet Union and the security problems posed for both. But without it, there are no answers.

THE GENOCIDE CONVENTION: ONLY AWAITING THE PRESIDENT'S ENDORSEMENT

Mr. PROXMIRE. Mr. President, as I have stated numerous times on the floor of the Senate, ratification of the Genocide Convention is a matter of prime importance to our Nation.

As a matter of fact, in the last 13 years I have spoken on this issue almost every day the Senate has been in session.

In December of 1981, I was encouraged by Senator PERCY's pledge to get the treaty to the Senate floor if the present administration endorsed it.

I was very pleased when Senator PERCY stated that "the Senate's original concerns and hesitation about the Genocide Convention have not stood the test of time." I was pleased because I knew that what he said was true and also because the good Senator from Illinois has reasserted his support for this important treaty. I thank the Senator for that.

Every President since President Truman—including, of course, President Eisenhower, President Kennedy, President Johnson, President Nixon, and President Carter—has endorsed the treaty. Now we await President Reagan's endorsement so that the Senate may get on with its business.

I was encouraged again in April when President Reagan pledged to a gathering of Holocaust survivors "to renew our commitment to a moral vision that will never permit such atrocities again." I believed at the time that the President's endorsement of the treaty was the logical extension of those remarks and was imminent.

I am still waiting.

I do not know why the treaty has not received the President's endorsement yet. Maybe it is being held up at the State Department. But if it takes personal involvement of the President to get action, then I encourage him to do that.

The Senate and the American people await his support of this treaty.

In January of this year, I urged my colleagues to untie the hands of our President, stating—

Ratification of the Genocide Convention would not only help untie the hands of the President on the issue of human rights, it would also put into those hands added strength to attack the Soviet's human rights abuses.

Now I turn to the President and ask him to untie the hands of the Senate Foreign Relations Committee. It is only the absence of the Reagan endorsement that holds the treaty from the Senate floor.

THE WILLIAMSBURG ECONOMIC SUMMIT OF INDUSTRIALIZED NATIONS

Mr. THURMOND. Mr. President, the recently concluded economic summit of industrialized nations in Williamsburg, Va., was a resounding success for President Reagan and those who advocate worldwide economic stabilization through the prudent policies of reducing deficits and lowering interest rates.

I want to commend the President for his skillful leadership at this summit, and for his recognition of the continuing need for international cooperation among the industrialized democracies—not only on economic issues, but on a variety of matters affecting the future of the free world.

Out of the summit came a firm resolve of the United States and its allies to deal jointly with the Soviets from a position of strength on issues such as strategic and conventional force reductions in Europe and in the sensitive arena of diplomacy.

The summit also produced unanimity of purpose among the allies on problems such as reducing unnecessary trade barriers, controlling national debts, and continuing the battle against inflation.

Perhaps most importantly, however, was the spirit of cooperation which emerged from the summit, and I believe that President Reagan's unique skills as a communicator helped guarantee that outcome. This country can indeed be grateful that it has in President Reagan such an effective and skillful spokesman and negotiator.

Two recent editorials about the summit, in the Washington Post and the Chicago Tribune, sum up the expectations and accomplishments of the Williamsburg meeting. They praise the President's leadership role in helping to insure the success of the important meeting. I ask unanimous consent that the editorials, entitled "Mr. Reagan's Summit Victory" and "The Words of Williamsburg," be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, June 1, 1983]

MR. REAGAN'S SUMMIT VICTORY

The economic summit of industrialized nations just concluded at Williamsburg, Va., was a surprising and substantial victory for President Reagan. Without the crutch of a prearranged agenda or communique he and the other summit leaders came to a fairly amicable understanding of their mutual economic problems while also taking a strong, united stand against the Soviet Union on the arms control issue.

The seven major summit participants told the Soviets bluntly to get serious about arms control talks or face deployment of American intermediate range nuclear weapons in Europe by the end of the year as scheduled. The talks must be based on equality and verifiability, they said, and cannot include the separate issue of British and French strategic missiles. Bolstering this was their warning to the Soviets that propaganda devices and political disruptions caused by so-called peace movements would not stir them from their resolve.

Mr. Reagan can also claim success on the economic front. President Mitterrand of economically troubled France arrived angry over American deficits and interest rates and insisting that action be taken to stabilize currency rates overwhelmed by a strong dollar. Mr. Trudeau pressed for increased aid to developing nations. Even British Prime Minister Margaret Thatcher, who seemed to be at Mr. Reagan's side for every public moment of the conference, suggested that the huge deficit could have a leaden effect on recovery.

But in the end, harsh comments were reserved for private exchanges and discreet leaks to home country press. The group decided to deal with the deficit question largely with the code term of high interest rates, declaring their reduction the best route to decreasing global unemployment.

The summit's 10-point declaration included a commitment to halt any more limits to free trade and to dismantle existing protectionist measures as recovery advances. It called for little more than study on proposed changes in currency structures and the International Monetary Fund but also for close monitoring of the economic predicaments of developing nations and their hundreds of billions in debt. There was considerable emphasis on keeping control of inflation as the world economies rise from the recession.

One question these summits always raise is whether they perform any useful purpose. Indeed, the communiques of the eight summits before this read like a history of American campaign promises.

But they also serve as an accurate and compelling history of the stresses and strains put to the world economies since the horrendous dislocations of the Arab oil embargo of 1973. Surely a meeting in which the world's leading democracies resolve to grapple with forcing the Soviets to meaningful arms control and putting people to work without restarting the inflation has not been a gathering of idlers.

[From the Washington Post, June 2, 1983]

THE WORDS OF WILLIAMSBURG

WILLIAMSBURG.—It was a long way from Versailles, France, to Williamsburg, Va. The year that intervened was a sobering one for the world economy. Not only did Western leaders find themselves in disarray after Versailles, scrapping about what it was they actually had agreed to, but they soon discovered they had a Third World debt crisis on their hands that threatened the stability of the banking system and, with it, the global economy.

The possibility Mexico might default on its international debt galvanized world leaders into action last summer. The Federal Reserve Board backed smartly away from its monetarist approach, which was fast turning recession into depression.

The wheels also began to turn—very slowly at first—at the International Monetary Fund meeting in Toronto last September, leading to an expansion of temporary financial resources for the hard-pressed debtor nations.

Meanwhile, efforts were launched to repair the damage done at Versailles over East-West trade relationships. Here, Secretary of State George Shultz played an important role in defusing tensions.

In February, the major nations gave their approval to a boost in the IMF's regular lending resources, and a legislative effort to put that through Congress is still under way.

Then, early in May at the meeting of 24 industrial nations at the Organization for Economic Cooperation and Development in Paris, their foreign and finance ministers reached an important conclusion: even though inflation was still a problem in several nations, the time had come to stress economic growth. Without a concerted effort to increase buying power throughout the Western world, unemployment in rich countries would grow, and poor nations, struggling to pay off their debt, would find their export markets in the West shrinking even further.

If that happened in Third World countries, then their ability to buy goods from the richer nations would also shrink, with obvious implications for jobs in the richer countries. In fact, the process is already under way. Brazil and Mexico, two of the United States' largest customers, have already sharply curtailed trade with America, at a cost in jobs not yet fully measured, and certainly not yet appreciated on Main Street—which is worried more about Japanese competition.

Such has been the backdrop for this ninth economic summit. For that reason, President Reagan and all of the other world leaders present exhibited good will, a willingness to compromise and a determination not to have a repetition of Versailles.

The result was that there was an extraordinary sense of cooperation here at Williamsburg that will allow the summit process to survive, even though many of the differences remain. "What is important is that all of the participants agreed to add the necessary degree of confidence in the upcoming recovery," said Count Otto Lambsdorff, the West German economics minister who has bridged the transition from Helmut Schmidt to Helmut Kohl.

To be sure, summit communiqués are a bit vague, and the Williamsburg Declaration is no exception. But as Treasury Secretary Donald Regan observed, he and his fellow finance ministers have been instructed by their political bosses to work together, to try to halt the protectionist surge and to give "special attention" to the international debt and other problems of the Third World.

They also agreed, as Regan put it, to "start a process" to see whether there should be an international monetary conference, as urged by French President Francois Mitterrand, to reshape the international monetary system. That should not be confused with an actual call for a new Bretton Woods.

But a willingness to at least sit down, as the finance ministers and the IMF are now directed to do, and see how the problems of economic growth, trade, debt and exchange rates are interlinked could be a big step forward.

It is easy to be critical of summits, often used by participants, as this one was used by Margaret Thatcher, for scoring points at home. But the larger view, which I share, is that national governments can no longer take actions without attention to the impact on others.

The past year taught governments that they must "give a damn" about the impact of their actions on others. And the need for a collective approach is probably acknowledged more fully in the Williamsburg Declaration than ever before.

But it is essential that the nations involved take specific actions quickly to reinforce their promises, such as the antiprotectionist pledge here. It has become fashionable to approve protectionist schemes, with or without the protectionist brand name. If the summit leaders want to be taken seriously, they will have to show there is something more than words to the Williamsburg Declaration.

TRIBUTE TO EDWARD MANIGAULT

Mr. THURMOND. Mr. President, I rise today to pay tribute to Mr. Edward Manigault, publisher and chairman of the board of the Evening Post Publishing Co., of Charleston, S.C., who recently passed away at the age of 87.

To his charming wife, Mary Pringle Hamilton Manigault; son, Peter; daughter, Mary; and other family members, I extend my deepest sympathy.

The Manigault family was one of the first families to settle in Charleston nearly 300 years ago. Even today, the Manigaults continue to illustrate that pioneer spirit, and Edward Manigault's life typified those noble qualities characteristic of his family.

In the Manigault tradition, Edward built upon the foundation of excellence laid by his father, Arthur Middleton Manigault, who acquired the Evening Post in the 1890's and the News & Courier in 1926. Under the skillful administration of the Manigault men, both newspapers are now recognized as leading daily publications in South Carolina and the Southeast.

After serving in World War I as an Army artilleryman, Edward began his journalism career when he joined the Post staff in 1924. Though his family controlled the newspaper, Edward learned the business from the ground up, starting as a reporter and climbing the ranks until he eventually became secretary and treasurer of the publishing company. In 1945, upon the death of his brother, Robert, then publisher and an exceptional journalist in his own right, Edward assumed the duties of publisher and president. By 1959, he reached the summit of his career when he became chairman of the board.

Mr. President, it is no exaggeration to say that much of the success of the News & Courier, Evening Post, and other communication groups later acquired by the publishing company can be directly attributed to the outstanding leadership of Edward Manigault.

In addition to being a master of his profession, Edward Manigault was also well versed in numerous other subjects. His great love for nature prompted him to study wildlife indigenous to the low country, and inspired many of his editorials advocating greater respect and appreciation for the environment. As a result of his own family's rich heritage, Edward developed an extraordinary knowledge of history. As a student of the past, Edward gained a greater perspective of the future—a keen sense of foresight that strongly influenced his writing, as well as the manner in which he directed the Evening Post Publishing Co.

It is understandable why a man of this caliber was held in such high esteem in the communications industry. He loved South Carolina, and especially the people of Charleston—a

historic city which his ancestors knew as Charles Towne. More importantly, he loved his family and his God, as was evident in every aspect of his life.

Mr. President, Edward Manigault will truly be missed by a large circle of friends and coworkers, but his contributions will live on for many years to come. I am confident that his able son, Peter, will continue to carry on the Manigault tradition of excellence in the communications field.

In order to share more about the life and accomplishments of this remarkable man, I ask unanimous consent that the following articles and editorials from the News and Courier, the Columbia State, and the Evening Post be included in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Charleston (S.C.) Evening Post, May 27, 1983]

EDWARD MANIGAULT

During the years that Edward Manigault was associated with the Charleston newspapers, they grew from small beginnings to prosperous properties with affiliates in far away places. His father, Arthur Middleton Manigault, invested a modest sum of money during the 1890's in The Evening Post when it was small and struggling for survival. With careful management The Post survived and in 1926, when Robert S. Manigault had succeeded his father as publisher, it purchased the venerable but moribund News and Courier.

Later, when another son, Edward Manigault, was president and chairman of the board, the newspapers constructed a plant on Columbus Street and began to acquire media and media-related properties elsewhere.

In his younger years he served apprenticeships in the newsroom and other departments. When he became an executive, he revealed sensitivity and talent in corporate organization, and the delegation of authority to associates of proven merit. Well into his 80s, he continued to come into his office every day and to play an important role in operational planning.

Descended from generations of Lowcountry rice planters, Edward Manigault grew up with a deep affection for the woods, streams and wildlife of the South Carolina Lowcountry. He had an extensive knowledge of the birds, beasts and plants of this region. An ardent hunter and fisherman, he was a marksman of note, and a skillful handler of boats.

Mr. Manigault had a faculty for conservation that could charm people of any age or station. Though selective in his personal relationships, he had the manners of a gentleman born and reared, and he impressed those who met him as a man of culture and distinction.

As a member of a family that has played important roles of leadership since the earliest days of Charleston history, Mr. Manigault had the bearing and tenacity of the people who built this community. He served his country as an artillery officer overseas in World War I. Though self-effacing and insistent on personal privacy, he carried on the business of the newspapers in a way that enabled them to grow with the times in which he lived.

—THOMAS R. WARING.

[From the Charleston (S.C.) News & Courier/Post, May 28, 1983]

EDWARD MANIGAULT: OCTOBER 13, 1896–MAY 26, 1983

In his long lifetime, Edward Manigault revealed his deep love for his native state in manifold ways. He protected its history, its landscape and its customs. As publisher and subsequently chairman of the board of the Charleston newspapers, this love and regard followed the precedents set by a family which has served South Carolina and Charleston for 300 years.

His keen sense of the role a well-edited newspaper plays in shaping the lives of generations to come led him to insist that editors and managers always look to the future with an awareness of the past.

His insistence on editorial integrity, independence of outlook and financial stability bequeathed to his ancestral city something many American cities, to their regret, have lost: newspapers that are editorially independent, economically healthy and perenially sensitive to the concerns of the community which they serve.

Although an intensely private man, Edward Manigault was a man of many dimensions. He was a man of intellect and read widely all his life. He brought a cultured approach to all his pursuits, both individualistic and altruistic. He was a profound student of history and perhaps it was this, coupled with his heritage, which gave him such a sure sense of the future.

His heritage endowed him with a courtly manner and an ability to combine a retiring disposition with outgoing friendliness. In his publishing capacity, he kept himself largely invisible to the public, though not inaccessible. In the news departments, where he had been tested as a reporter and telegraph editor, he made daily rounds for years, until he was succeeded as publisher by his son, Peter Manigault. "Mr. Eddie" retained working relationships that were close and long lasting in all departments of the newspapers. Affection for him inspired loyalty.

To his work as a publisher, he brought the gift of guidance. He was never repressive. This ensured unfettered editorial opinions in the newspapers he controlled and their editorial pages reflected varying views, respecting the independence and individuality of their editors as well as their publisher.

Mr. Manigault began work on the Charleston newspapers shortly after World War I, in which he served as a lieutenant in the Army overseas. Although he lived and died in Charleston, he was very much a man of the entire Lowcountry. An ardent amateur naturalist whose specialty was birds, he was intimately familiar with the Lowcountry's forests and waters. Through his greatgrandfather, who established a rice plantation on the North Santee River, his grandfather, a Confederate general who recruited a regiment in the vicinity to fight in the Civil War, and through his father, who planted rice there until he turned to newspapering, he developed a particular fondness for the woods and streams of North Santee.

Long before the current generation of ecologists arose to wage public war, Mr. Manigault was practicing his own quiet brand of conservation. He transmitted to the editorial pages of his newspapers a concern for the welfare of the natural environment. The Charleston papers were in the forefront of journals dedicated to protecting our environment and natural resources.

Ever-changing technology, which threatens the environment, also threatens to displace much of the human element in the publication of newspapers. The personal touch that Edward Manigault bestowed on his publications is not a luxury but a necessity if newspapers are to continue to flourish and to protect the interests of the rest of the community. In handing down that tradition intact, as he received it from his father, Edward Manigault performed a service for Charleston and his native South Carolina that will long outlive him.

[From the Charleston (S.C.) News & Courier, May 28, 1983]

EDWARD MANIGAULT, CHAIRMAN OF POST-COURIER BOARD, DIES

Edward Manigault, chairman of board of the Evening Post Publishing Co., died Thursday at his residence, 27 King St.

He was a member of the family that acquired the Evening Post in the 1890's and The News and Courier in 1926 and had been associated with the publishing firm since 1924.

The funeral will be at noon Saturday in Magnolia Cemetery. Burial will be directed by Stuhr's.

He was born in Charleston Oct. 13, 1896, a son of Arthur Middleton Manigault and Harriott Kinloch Smith Manigault, families associated with South Carolina since its founding.

He was an honor graduate of Porter Military Academy and was a junior at the College of Charleston in 1917 when the United States entered World War I. Mr. Manigault left college and joined the U.S. Army, serving overseas as a lieutenant of field artillery with the 81st "Wildcat" Division in France.

In 1935, the College of Charleston awarded him the bachelor of arts degree on the occasion of its 150th anniversary.

Mr. Manigault joined the business department of the Evening Post after the war and, in 1924, became a reporter and copy editor in the news department. He was assistant to Thomas R. Waring, editor of the Evening Post, in 1935 when Waring died. He was then named associate to the new editor, Fay O. Emerson.

At the same time he was named secretary and treasurer of the publishing company. In 1945, he became publisher and president on the death of his brother, Robert S. Manigault.

He was named chairman of the board in 1959 and was succeeded as president by his son, Peter Manigault.

In 1952, the publishing plant was moved from 134 Meeting St. to its present site at 134 Columbus St., where a new plant had been built that year. A decade later, the plant was doubled in size.

The publishing company also acquired other properties in the field of communications while Mr. Manigault was its head. These included the Aiken Standard, Buenos Aires (Argentina) Herald, Cambridge (Md.) Banner and the Waynesboros (Va.) News-Virginian, all daily newspapers; television stations at El Paso, Texas, Pueblo-Colorado Springs, Colo., and Boise, Idaho; and a cable-vision company in Aiken.

Mr. Manigault came from pioneer Lowcountry families. The first Manigault in the country, Pierre Manigault, migrated from Rochele, France, in 1685 after the Revocation of the Edict of Nantes and the ensuing persecution of French Huguenots by the Roman Catholic regime then in power.

The Manigault family prospered in the New World and became one of South Carolina's leading families in many professional fields. Edward Manigault was a grandson of

Brig. Gen. Arthur Middleton Manigault of the Confederate States Army and of Mary Proctor Huger Manigault. He also was a descendant of Arthur Middleton, a signer of the Declaration of Independence.

He grew up in Charleston and at the family plantation on the North Santee River in Georgetown County where his father, before entering the newspaper business, was one of the state's last commercial rice planters.

Throughout his life he continued his boyhood interests in the woods and waters and wildlife of the Lowcountry.

He was a skillful hunter and fisherman, an accomplished yachtsman and an authority on wildlife. His work in ornithology was recognized by the Charleston Natural History Society, which cited him for his help in gathering specimens for the museum's bird collection.

He was a life member of the Carolina Yacht Club and a member of the St. Cecilia Society and St. Philip's Episcopal Church. In recent years he had privately printed some historical documents involving his family. These include a merchant's "Letter Book" from the 18th century and a Civil War diary.

Surviving are his wife, Mary Pringle Hamilton Manigault; a son, Peter Manigault; a daughter, Mary Pringle Manigault Gilbreth; and a sister, Mrs. John W. Wilcox, all of Charleston; and four grandchildren.

[From the Columbia (S.C.) State, June 4, 1983]

EDWARD MANIGAULT

Edward Manigault, who led the Charleston newspapers from 1945 until his death Thursday, May 26, in many ways personified the real Charlestonian, one who is rarely portrayed accurately in novels and humorous stories.

He was an aristocrat, a descendant of Pierre Manigault, a Huguenot who fled Catholic oppression in France to the South Carolina Lowcountry in 1685. His ancestors were rice planters along the North Santee River; his grandfather raised a regiment to fight in the Civil War; and his father was one of the last rice planters, leaving to begin newspapering.

Mr. Manigault was educated at Porter and the College of Charleston. He was an artillery officer with the 81st "Wildcat" Division in France in World War I. He began his long newspaper career at the end of that war, working in various departments of The Evening Post and The News And Courier to broaden his knowledge of the industry. He became president and publisher in 1945 on the death of this brother, Robert, and was succeeded on retirement in 1959 by his son, Peter.

Mr Manigault was an intensely private man, shunning the public eye. He was courtly, well-read and unassuming. He was a member of the St. Cecilia Society. From his childhood, he enjoyed the outdoors and became an authority on wildlife in the Lowcountry. He was an accomplished yachtsman.

Mr. Manigault relished history, respected his heritage, cared for the environment, and showed a strong sense of duty to his community and concern for its future. In those respects, his character is reflected in the pages of his beloved newspapers. He was an important influence in the Lowcountry.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DANFORTH). Without objection, it is so ordered.

COMMENCEMENT ADDRESS OF THE HONORABLE TONEY ANAYA, GOVERNOR OF NEW MEXICO, WASHINGTON COLLEGE OF LAW, THE AMERICAN UNIVERSITY

Mr. BINGAMAN. Mr. President, New Mexico's Governor, Toney Anaya, recently had the privilege of delivering the commencement address to the graduating class of the Washington College of Law of the American University. Governor Anaya's remarks are both timely and eloquent, and I commend them to my colleagues' attention.

Accordingly, I ask unanimous consent that Governor Anaya's commencement address of May 15, 1983, to the graduating class of the Washington College of Law of the American University be printed in the RECORD in its entirety.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

DEMOCRACY REVISITED COMMENCEMENT ADDRESS, WASHINGTON COLLEGE OF LAW, THE AMERICAN UNIVERSITY

(The Honorable Toney Anaya, Governor of New Mexico)

President Berindzen, Dean Buergenthal, distinguished faculty, law school graduates, ladies and gentlemen:

As I begin my remarks, I cannot help recalling the years I spent obtaining by law degree at American University's Washington College of Law.

This appearance can be considered in the nature of a homecoming. The American dream has always started with gaining a good education. For one of Hispanic origins it is not trite to say that my education has been essential to my ambitions and my achievements. I come to Washington, D.C. as have so many others, to pursue that American dream. I was 18 years of age, knew no one here. Had no job. Virtually no money. But, I had a dream.

The law degree I received at American University, coupled with my strong sense of family, as one of ten children, and my deep religious convictions, nurtured by my parents and my grandmother, gave me the support and the tools to build a successful career. The pride I had in my origins, representing the Hispanic minority, drove me to set an example of the proper Hispanic role and contribution.

All of us represent some minority, even the Anglo-Saxons among us. We should all strive to maximize the strengths of our heritages. None of us can go it alone. I received invaluable help in my formative years from U.S. Senators Dennis Chavez and Joseph M. Montoya. A debt of assistance incurred in one's youth should be repaid to many others throughout one's lifetime.

My choice of law schools was indeed an appropriate one. While this law school was founded primarily to give women the chance to study law, it also served as an example of the struggle for minority rights and opportunity. The courageous women who fought for the right of women to get a law school education should serve as a model for us all.

Founded in 1896 by Ellen Spencer Mussey and Emma M. Gillett, the Washington College of Law was launched in a year that also began an era of "separate but equal" education for blacks with the Supreme Court *Plessy* v. *Ferguson* decision. In the face of a hostile environment, six brave young women received the necessary education for the practice of law, becoming the first all female law school graduating class on May 31, 1899.

But this law school was interested in setting an example for the Nation, not following an exclusionary rule, and it gradually began admitting male students as other area law schools began admitting women.

For this spirit of reconciliation I am grateful. We can see about us today the fruits of the labors of our founding mothers. They embarked on an arduous undertaking that has become a great success because of perseverance and commitment to true social justice. Each of us here today has an obligation to carry forward the banner raised by Ellen Mussey and Emma Gillett. They have set an example for all of us to devote great energies to a cause that may be unpopular or controversial but that we know to be just and crucial to the national interest.

In my life I have also sacrificed to accomplish my objectives. Some had called me a workaholic. However, the lessons of my law school experience have served me well. I recognize that life is a balance between personal gratification, which I have achieved in political success as attorney general and Governor, and public contributions, which I have used my offices to provide for those less fortunate.

As I look about this great hall of worship of the Washington Hebrew Congregation, I recall my own religious roots with awe and veneration. It was the great Hebrew Sage Hillel who said: "if I am not for myself, who shall be for me, but if I am for myself alone, what am I, and if not now, when?" We must not devote all our energies to enhancing our personal material gains. We must keep in balance our personal goals and our public goals. We must keep in balance our individual concerns and our societal concerns. And, above all, we must keep in balance our devotion to family and our devotion to community.

I feel comfortable discussing the spiritual roots of our body politic. After all, it was Charles the fifth, emperor of Rome, who said "The Hispanic tongue was seemly for converse with God, the French with friends, the German with enemies, and the Italian with the feminine sex." As law school graduates, you know that our constitution is grounded in Judeao-Christian doctrine. People of all religious backgrounds have a major contribution to make to our national greatness. The principle of separation of church and state does not mean that we should deprive ourselves of the timeless insights of our religious forefathers. At the same time, we should welcome comments from the pulpit, of whatever ideology, to contribute to the national debate on major public policy issues.

So also should we glorify in our cultural diversity. It is through this diversity that we achieve a national unity of purpose and goal. It was in an address at this very uni-

versity on June 10, 1963, almost twenty years ago, that President John F. Kennedy said "Let us not be blind to our differences—but let us also direct attention to our common interests and the means by which those differences can be resolved, and if we cannot end now our differences, at least we can help make the world safe for diversity."

We can carry these words of President Kennedy even farther. Diversity itself adds to national strength. Blind uniformity adds to national weakness. America's twentieth century greatness overcame an early tendency to force us all into one mold—the so-called "melting pot." As we have matured as a nation, we have come to recognize that our diversity makes us unique in the world. The contributions of the many elements in our society—ethnic, racial, religious—add up to not a "melting pot" but a tossed salad, with each ingredient contributing significantly to the overall pleasure, but preserving its individual characteristics.

As you leave your law school classrooms to embard on legal concerns, let us consider for a moment the significance of a legal education. Such an education will enable you to practice law and also preserve and support legal processes. To apply the injunction of Hillel, you must not simply embark on a conventional career pattern, but you must also contribute to social justice. Each of you has something special to contribute to the national well-being.

It was Franklin Delano Roosevelt who said in his second inaugural "we have always known that heedless self-interest was bad morals; we know now that it is bad economics." It's not only humanitarian motivations which drive us to care for our fellow man and woman, but also enlightened self-interest. Thomas Carlyle, the English philosopher and historian, pointed out that when people living on the top of the hill neglected those living at the bottom of the hill, the plague that started at the bottom of the hill did not stop there but came right up the hill.

The time has come for us to reaffirm that all American institutions have a role to play in contributing to our national well-being. All institutions must be the servant of and contributor to the people. The law, the church, the school, the private sector, labor unions, business and the Government must all play a central role. To deny that any of these institutions has such a role is to deny the meaning of democracy. The enemy of a healthy democracy is one who would weaken the potential of any of these institutions to maximize its contribution to the national well-being. While government, for example, cannot be expected to solve all of our problems, government at all levels of our system can serve to implement the commitments of our national conscience.

Our country does not subscribe to the law of the jungle. As Jean Jacques Rousseau put it, "the strongest is never strong enough to be always the master, unless he transforms his strength into right, and obedience into duty." We have such a duty to see that government fulfills its potential. Do not be intimidated by those who assert that government is the enemy—have we forgotten who said we have a government of the people, by the people and for the people"? Do not be intimidated by those who say that social programs of the government represent an outmoded liberalism of the sixties. Yes, government has made mistakes, but retreat from responsibility is not the answer. It is a policy of bankruptcy and greed to deny the proper role of government. No one argues that government can do the job alone, but only that it must be a major part of the solutions provided by all our institutions in concert.

As young law graduates, you will never have a greater opportunity to carry this message to the American people than you do now. You enter the work force at a major crossroads in the American journey. Do not reject your roots of idealism. James Bryant Conant of Harvard called himself a hard-boiled idealist and I share that sentiment. There is an American mission to serve as a beacon to the free world for the promotion of political and economic freedoms. We must promote the virtues of our way of life by example, however, not by empty words. As the National Council for Social Studies pointed out, "it is essential for a nation's citizens to experience equity and human rights before they can realistically be expected to participate in actions to protect the human rights of other citizens within or outside their national borders." At the same time, we must be hardboiled about the limitations to our resources and our strengths.

Obviously our social programs cannot be open-ended, and realistic caps must be imposed. That does not mean, however, that carefully crafted programs of human service delivery do not still have a major role to play in our society.

We are in a time of national soul-searching. Once again the debate between guns and butter rages, while national deficits soar. An informed electorate is our basic bulwark against national misdirection. We must find solutions to our problems that combine the best of our traditions with bold imaginative new initiatives. Franklin Roosevelt answered the tribulations of the 30's with words that apply equally to the 80's—"the country needs and, unless I mistake its temper, the country demands bold, persistent experimentation." This call to action cannot be responded to by those that believe government should be dismantled. Government must instead combine with other institutions in our society to boldly confront the challenges before the country with imaginative proposals.

In my State of New Mexico we are attempting to do just that in meeting the needs of our people. We are working on blueprints for action to channel productively all available resources—natural, financial, and human. These needs are great. Among them are expanded economic development, more efficient agriculture, greater promotion of travel and tourism, more effective programs dealing with crime and corrections, and above all, improved education of our young to ready them for the employment needs of the technological and telecommunications age.

Recent national studies indicate that we are not providing our young with the proper education and such studies require an immediate response at all levels of government. You who have been fortunate enough to receive the splendid legal education made available to you at American University must now make a commitment to upgrading American education throughout the system. Lawyers have a special role in making this system work, since they have easy access to the relievant governmental and political institutions.

Our educational system has many missions to accomplish, and each level of government has a role to play in addressing those missions. As the National Commission on Educational Excellence, established by Secretary of Education Terrel Bell, recently emphasized, the primary responsibility for financing and governing schools rests with State and local officials. But the Federal Government was recognized as having the primary responsibility for identifying the national interest in education. The report called on the Federal Government to "help fund and support efforts to protect and promote that interest." This Commission warned that "our very future as a nation and a people" is threatened by the deterioration of American education over the past two decades, and recommended a range of programs that should be embarked upon to halt "a rising tide of mediocrity." Many of these programs require Federal support and assistance.

I urge you familiarize yourself with this report and evaluate its findings and recommendations. While George Orwell pointed out in his book "1984" that traditional values would become distorted and words would be given new meaning, I think 1984 has arrived in 1983. There are those in the highest levels of Government who advocate reductions in Federal aid to education, dismantling the Department of Education and providing voluntary school prayer as the solution to these desperate problems! What would be a more significant response than prayer in our schools would be prayer for our schools!

I commend David P. Gardner, president of the University of Utah, who headed this 18-member Commission, and all of his colleagues for providing us with a report adopted unanimously and still recommending bold decisive steps to be taken to reverse current trends. They have demonstrated successfully that persons from a diverse background in education can achieve consensus. Evidence that they were willing to tackle complex and controversial issues was their recommendation that teacher pay be "market sensitive and performance-based." While it is generally recognized that educators are underpaid and that there are serious shortages in certain crucial fields, teacher unions have raised difficult questions that must be answered. The important thing to remember, however, is the Commission's willingness to engage in creative thinking.

Another area of Commission proposals that is deserving of high priority national attention and debate is the one calling for the Federal Government to help meet the needs of key groups of students such as the gifted, the handicapped, minority and language minority students, and the socio-economically disadvantaged. It is not enough to simply provide education for all the diverse elements of our population, but that education must be tailored to specific needs and demands. The democratic principles associated with equality must be refined to guarantee that those of disparate talents and backgrounds are able to maximize their potential.

I would like to think that those of us who brought another language into the public schools have a special contribution to make in maintaining the cultural diversity of our nation. As a Hispanic, I regret that we get stereotyped as giving excessive attention to matters related to bilingual education, but I cannot resist emphasizing the value of preserving the varied languages of the ancestors of many of us. In that regard, I am delighted to note that the national commission report took cognizance of the special requirements of langauge minority students.

While I have not given major attention as yet to the contribution of the private sector

to the resolution of national concerns, I would like to return to my theme of balance between all institutions in our society—church, school, Government, business, and labor. To emphasize the role of government in this regard is not to minimize the role of business. It is not an either/or proposition. The health of our economy is crucial to the accomplishment of many of our national objectives. Bold initiatives by leaders of business, labor, and the private sector in general can do much to contribute to the national economic well-being. The growth of prosperity will provide the revenues to reduce the deficit and jobs to reduce unemployment. It is the responsibility of all these institutions to strive to achieve accommodation rather than foster confrontation. The government needs the free private enterprise system and the free private enterprise system needs the government. This has become especially true as this country faces serious challenges in maintaining a favorable balance of trade or balance of payments in the world economy. Government and business must work together to meet the competition of countries allied with the U.S. in the free world who have found successful formulas for penetrating world markets.

Once again you who are about to enter the legal process have a catalyst role to play, since your work will likely birdge the worlds of governments and business. There are many legal aspects that have to be resolved so that the country can remain faithful to its anti-trust traditions and still ensure a healthy competitive international trade posture. Lawyers are in an excellent position to contribute to a workable plan of action for maintaining the American position of world leader in a free international trade climate.

And, so as our country confronts the uncertainties of the 1980's, we must ensure that the gains that have been made in the quality of American life in the past fifty years are preserved and that we identify clearly the unfinished business that confronts us. There is evidence that these gains have eroded and that progress has been crippled. I believe that the time has come for the revival of faith in the future. The current regression must be considered a temporary setback, however, and corrections are already taking place. But eternal vigilance is the price of liberty. I congratulate Arthur Flemming on creating citizen watch to marshall public opinion to stop the retreat in social programs—in school desegregation, fair housing, and affirmative action. There are many other areas that require close scrutiny—the EPA amendment, aid to education, the nuclear freeze, tax reform and modification, environmental protection, all minority rights including black, indian and hispanic, and effective delivery of legal services.

As you can see, the agenda is large and the opportunities are great. At the present time, the government tends to be reacting to the public initiatives rather than leading the public. This provides our other institutions with the motivation to move to center stage. To practice what I have been preaching, I have participated in the process of institutional activism by helping create "Hispanic Force '84", a mainstream organization involved in the political process. We hope to demonstrate the growing political power of hispanics through the two traditional elements of political power—campaign funding and voter registration. Our agenda is global, going far beyond the obvious concerns of discrimination, immigration, and bilingual education.

The time has come in American political life for minorities to play a full role in the political process. Recent elections have indicated that the public is receptive to this idea. We can rekindle the light of dedication to American liberalism. Franklin Roosevelt sounded the watchword of our rededication and reaffirmation when he said "a liberal believes in the wisdom and efficacy of the will of the great majority of the people as distinguished from the judgment of a small minority." We must all participate fully in the system for that will to be determined. Roosevelt went on to state that "as new conditions and problems arise beyond the power of men and women to meet as individuals, it becomes the duty of the Government itself to find new remedies with which to meet them."

And, so I call on you to play your part as individuals in the process of ensuring that government does its duty. It is no disgrace to admit that there are many problems beyond the power of an individual to solve. An individual can do much to help identify those problems and assist the many institutions, including the government, established to deal with those problems, to be inspired to take action.

I am especially honored to be here addressing you today almost exactly fifty years from the day that Anna Eleanor Roosevelt received an honorary degree from American University in recognition of her contribution to the cause of good citizenship and social justice. It is to examples like hers that we must look, as we embark on the ventures we have chosen, to help make America a better place for all of us to live whatever our race, creed, color, sex or national origin. To the bold and venturesome, as well as the compassionate, belongs the future!

Good luck to you and God bless you.

The PRESIDING OFFICER. The Chair suggests the absence of a quorum.

The Secretary of the Senate proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF TIME FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, the time for the transaction of routine morning business has expired. However, there is a requirement for additional time by the distinguished Senator from North Dakota and I believe another Senator has a matter he wishes to address.

Therefore, Mr. President, I ask unanimous consent that the time for the transaction of routine morning business be extended to not past the hour of 1:45 p.m. under the same terms and conditions as previously ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO LATE SENATOR MILTON R. YOUNG

Mr. ANDREWS. Mr. President, as the Senate knows, the late, great Senator Milton Young passed on while the Senate was in recess. I rise to pay a last official tribute to our longtime colleague whose final rites were conducted Saturday, June 4, at a high school gymnasium in La Moure, N. Dak., with interment at his hometown of Berlin, N. Dak., just a few miles to the west.

Milt, who came to be known for the past 15 or more years as "Mister Wheat," will never be forgotten by the people of North Dakota. Many of us, including me certainly, as one who followed his fantastic six-decade career in public service for the last 30 or more years, learned from him. We agreed on so many things, most notably the importance of keeping agriculture strong. Nobody ever worked so valiantly and effectively for the family farmer as Milt Young.

He was the longest serving Republican Senator in the history of this great forum, testimony in itself to the faith and trust put in him by the poeple of our State. He was highly respected by his colleagues here, as shown by his years of leadership in the Republican conference.

As a matter of fact, Mr. President, he served for the longest period of time as the Secretary for the Republican conference in the history of the Republican Party.

In one of his final days as a Member of the Senate, he achieved that exceptionally unique honor of being selected President pro tem of the Senate for a day, even though the Senate was controlled at that time by the other party.

Mr. President, I was particularly impressed by the simplicity and the sincerity of the words spoken by an elder of the Reorganized Church of Jesus Christ of Latter-day Saints, of which Milt was a member. During the service at LaMoure, Mr. Karl Schiebold of Fargo, the elder, said:

> Milt Young wrote his own best eulogy in the record of his performance for the people of North Dakota. We had faith in him and his performance justified that faith.

Mr. President, all of us see editorials from time to time. Many editorials, of course, from across North Dakota commented on his long career. One in particular, the editorial tribute paid to Milt Young in the Minot Daily News of June 2, said it quite well:

> When there was work to be done, our veteran Senator was on the firing line. He came prepared for battle. His colleagues had faith in his integrity. He always kept his word.
>
> He could be stubborn. When he knew the cause he espoused was right, a setback would not deter him. He went right back into the fray. Often he would prevail simply because of his determination.

The outpouring of many hundreds of people at the services in that small town of North Dakota, including polit-

ical allies and opponents, but mostly old friends and neighbors, illustrated the great respect we held for him.

Mr. President, the wisdom, the deeds, the counsel of Milt Young will be fondly remembered and sorely missed-by his family, by his friends, by his State, and by his country, which he served so admirably, for so long.

We extend our most sincere sympathy to the members of his family for their great personal loss and we want them to know that it is shared by those of us whose own lives and whose political careers were touched so deeply by Milt Young and by the great leadership he provided to all of us.

Mr. BAKER. Mr. President, I join with my distinguished colleague from North Dakota (Mr. ANDREWS) in expressing my sense of grief and loss at the death of our former colleague, Milton Young.

Mr. President, I could not attend Senator Young's funeral services in North Dakota. That was a matter of personal distress to me. I had a call from Pat Young from her home in Arizona, where Milt was residing at the time he passed away, to tell me of his death. I could not attend the services because of a conflict that made it absolutely impossible. In her kind, generous, and characteristic ways, Mrs. Young understood that and assured me that Milt Young, of all people, would have understood the demands that are made on Members of the Senate.

Mr. President, Milt Young was senior Senator when I came here in January 1967, and a man to be looked up to. Indeed, in the years that I was privileged to serve with him, I learned a great deal, not only in terms of legislative endeavor and the good example of efficient legislative skill that he exhibited on behalf of the farmers of this country and of his State, but also the conduct of a great man in a position of responsibility.

I watched him in 1973 as he mastered the roadblocks that were thrown in his path in his effort to pass a comprehensive farm bill. I do not know much about farming, Mr. President, but I knew a lot more after I heard Milt Young help manage that measure and resist the efforts of many to change in a significant and substantial way the legislative product in which he had invested so much.

Mr. President, I do not know that I can add anything to the excellent remarks made by the Senator from North Dakota (Mr. ANDREWS), except to say that I have known many Senators in my time, I have known great Senators in my time, but I have known few of the caliber of Milt Young.

I express my regrets once more and my condolences to Mrs. Young and Milt's family and ask that these remarks may stand as my personal tribute to a colleague now gone.

MILTON YOUNG

Mr. BYRD. Mr. President, as I remember my old friend, Milton Young, I want to borrow a verse from "The Chambered Nautilus" by Oliver Wendell Holmes:

Year after year beheld the silent toil
That spread his lustrous coil;
Still, as the spiral grew,
He left the past year's dwelling for the new,
Stole with soft step its shining archway through,
Built up its idle door,
Stretched in his last-found home, and knew the old no more.

He was an unassuming man, always kind, always supportive of a person's viewpoint even when he could not endorse the end result. He helped me more times than I could ever recount.

And he was the same every day. Milton Young was a friendly, personable man who always smiled and never had an ego problem. As they say in admiration in my State, he was one man who did not need to enlarge his hatband size when he arrived to serve in the U.S. Senate or when he voluntarily retired.

Milton Young and I served together on the Appropriations Committee from the beginning of my service in the Senate in January 1959 until he retired in January 1981. For many of these years, Senator Young was the ranking minority member on that committee. He was a dedicated, extremely conscientious, and most effective member of that committee and we miss his sage counsel. And we miss his smile. Milton Young is best remembered with the highest appellation of all; he was a true gentleman.

Mr. PROXMIRE. Will the majority leader yield?

Mr. BAKER. Yes, I yield.

Mr. PROXMIRE. Mr. President, I want to add my tribute to Milt Young. I served with Milt Young for more than 20 years. He was a remarkable Senator. I do not know anybody who more fervently, consistently, and effectively represented the American farmer than Milt Young did. It was a kind of bipartisan attitude on his part that really impressed me. For example, when President Eisenhower nominated Ezra Taft Benson to be Secretary of Agriculture, Milt Young did not hesitate a minute. He may have been the only Republican to oppose that nomination, but he did so because he felt strongly that it was not in the interest of the American farmer.

He was a man who served with real force and distinction for many years on the Committee on Agriculture, and did it with an outstanding capacity. We shall miss him very much. I know the farmers will miss him. I am sure all of us in the Senate who served with him will mourn his passing.

Mr. BAKER. Mr. President, I am sure that other Senators wish to express their sentiments about Milt Young. I ask unanimous consent, therefore, that the RECORD remain open for that purpose until 5 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Will the majority leader yield?

Mr. BAKER. Yes, I yield.

Mr. EXON. Mr. President, I wish to associate myself with the remarks by the Senator from North Dakota and the majority leader and the Senator from Wisconsin regarding Milt Young. I had the privilege to serve for 2 years, my first 2 years, in this body with Milt Young, when he served his last term in the U.S. Senate with great distinction, with understanding, with compassion and, above everything else, with dedication and service to the American family-sized farm operation.

Long before I had ever met Milt Young, indeed, Mr. President, long before I had become involved in a race for public office myself, I knew and recognized the great farm State Senator from North Dakota for his leadership on all farm matters, especially with regard to proper farm legislation with an interest in wheat.

Mr. President, some things hit us from time to time and we cannot understand them. The Senator from Nebraska had just walked on the Senate floor, after returning from Nebraska, and I heard for the first time that a great advocate had passed on to a better life. We shall all miss him and we shall all remember not only the key role he played in farm legislation, but the even hand, the counsel and the guidance he gave to the Senate on all matters.

I thank the majority leader.

Mr. PERCY. Mr. President, I wish to add my comments to those of my colleagues. I came into the Senate at the same time and in the same class as the distinguished majority leader (Mr. BAKER) did. We saw then the relationship between Milt Young and the then-acting minority leader, Everett Dirksen, who had a tremendous affection for Milt Young.

We saw, as younger Senators, the interest that a distinguished senior colleague of ours could take in us as younger Members. I served for a year on the Committee on Appropriations and Senator Young was the ranking minority member. Never did he fail to give advice and counsel and never did he hold back when that advice would help strengthen the position of a younger Member of the Senate. His reports, week after week, as secretary of the conference and as ranking member of the Appropriations Committee, were incisive and always came down on the side of what was right for the United States of America.

He never ceased to take an interest in a particular Senator's appropria-

tions interest, but he never hesitated also to say, flatly, I will either support it or not support it depending upon what the interest of the United States of America was.

I know the affection and love the people of his State of North Dakota had for him. Certainly, as a Member of the Senate from an agricultural State, we all are deeply indebted to what he meant to the farmers of this country. If anyone ever believed in the family farm as the backbone of American agriculture, Milt Young did. He believed it. He had faith in it. This faith has long since been justified, as we have seen other systems of agricultural endeavor undertaken in, say, Communist countries, such as communes, and collective farms. They have tried to substitute mass production, for instance, but they have removed the individual element—individual intitiative, individual enterprise, private ownership of a piece of the soil. That was always Milt Young's philosophy as to what constituted the best basis for American agriculture.

His contribution to American agriculture, to the U.S. Senate, and to the United States of America, is a long-lasting one. I am honored, indeed, to join my colleagues expressing our praise of him and our deepest sympathy and high respect for him to his wonderful family.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I thank the Chair.

Mr. President, on a sad occasion like this, a thousand vignettes float through our minds as each of us remembers our personal experiences with Milt Young. I recall, for example, the first day I was a Member of the Senate, the day I was sworn in. Milt Young came over to my desk and said: "Well, I see you are going to be on the Agriculture Committee." He chuckled. "I have some interest in that myself." Indeed, he did. In fact, he was an effective leader on the Agriculture Committee, a dedicated spokesman for America's farmers.

Mr. President, Senator Milton Young was a mainstay from the very beginning so far as the Senator from North Carolina was concerned. I must confess that I knew nothing about wheat and feed grain legislation when I became a member of the Agriculture Committee. I did not know a target price from a Royal typewriter, but Milton Young took the time to sit down and explain target prices to me, step by step. What he did for this Senator from North Carolina he did for every other Senator who sought his wisdom and his guidance.

I will always remember our policy luncheons when Senator Young was the very first chairman to report in his capacity as ranking minority member of the Appropriations Committee. He always gave his report in concise fashion, give us some brief advice and counsel, and then he would take his seat. He was a man of good humor; he was always cooperative, he was always helpful. To me he was one of nature's noblemen.

I recall being involved in a piece of legislation late one evening; Milt Young moved silently to my side when I was speaking, put his hand over my microphone and said: "Jesse, if I were you, I would do it this way." I had not even thought of that procedure. I followed his suggestion, and it worked. Why not? This man, Milton Young, had been a part of the Senate for so long that he knew the nooks and crannies of parliamentary procedure as well as or better than anybody who ever served in this body.

I did not know of Senator Young's passing until I returned to Washington this past weekend. Like the distinguished majority leader, I, too, wish I could have paid my final respects in person at the services for him. But the news of his death was not published in the North Carolina papers, and I knew nothing of it.

On behalf of Mrs. Helms and myself, I extend to his dear wife Pat and his entire family our deepest sympathy and our loving gratitude for this unique and remarkable man, who did the very best he could every day for the country he loved.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. MELCHER. Mr. President, the former Senator from North Dakota, Milt Young, was known as Mr. Wheat, a title he well deserved. He fought not just for North Dakota wheat; he fought for wheat and agriculture throughout the United States. For 40 years he was, indeed, one of the stalwart leaders in the agricultural endeavors of this country. Milton Young envisioned that wheat and other agricultural products grown in America would be utilized not just in the United States but throughout the world. His efforts to further the use of American agricultural products is probably the outstanding success of his long career in public life.

The last time I saw Milt Young, which I believe was less than 2 months ago, I was amazed to see him looking as trim and as fit as he was. I asked the obvious question: "Milt, are you well enough to be good on the golf course?" In his time, he probably was one of the finest golfers in the Senate. Milt said, "Yes, I have been playing every day," which, when the Senate was not in session, was his custom. In retirement, it surely did not differ; he played every chance he had.

I said, "How is the score, Milt?" He said, "Well, it may surprise you, but I'm still beating men 20 or 30 years younger than I." I said, "What is new about that, Milt? What is your score?" And he said, "Well, it isn't as good as it used to be when I shot about 85, but I can tell you this, it isn't too high over 90 right now."

If Milton had to leave us, I am glad it was not too long after he was feeling well enough to have played that well. We will certainly miss him. All of agriculture and the people who have watched over the Senate in the last several decades will certainly miss him.

I extend to Milt's family and to his wife Pat my sincere condolences but with a very glad heart in that we were allowed to enjoy Milt Young during these past many years.

A TRIBUTE TO MILTON YOUNG

Mr. COCHRAN. Mr. President, I was truly saddened by the news of the death of our former colleague, Milton Young. Although I served with him here in the Senate for only 2 years, I got to know him very well. We often had lunch together in the private Senators dining room when the Senate was in session.

He was the senior Republican member of the Appropriations Committee, a position he handled with seriousness and skill. I enjoyed hearing from him stories about events that had occurred in the committee, some of which involved his close friend, Warren Magnuson, the chairman of the Committee on Appropriations. It was partly due to his influence on me that I sought and obtained a seat on this committee during the 97th Congress.

His mind was a reservoir of interesting Senate history. I especially liked to hear him reminisce about the leadership and ability of Richard Russell, whom he greatly admired. Because of Senator Young's willingness to talk with me about the Senate and some of its past leaders, my appreciation of the Senate as an institution has been elevated.

Milton Young's warmth and goodness came through so clearly in all his actions. He was always friendly, and he was always ready to share his time and knowledge with even the newest Members of the Senate.

I remember getting to see him when he celebrated his last birthday in the Senate dining room. He obviously enjoyed this occasion very much, and I was glad I could be there that day to extend him my best wishes on what proved to be his last visit to the Nation's Capital.

Mr. BAKER. Mr. President, there is already an order entered for the RECORD to remain open until 5 p.m. today for the insertion of further statements in respect to the recent passing of our former colleague, Senator Milton Young.

I think it would be fitting and appropriate to have these remarks as they are finally concluded during the

course of this day bound together as a Senate document and a limited number of presentation volumes to be delivered to the family of our deceased former colleague.

Mr. President, I now ask unanimous consent that the remarks and tributes to Senator Milton Young may be gathered together and printed as a Senate document; that under the direction of the Secretary of the Senate a limited number of hardbound volumes be supplied in keeping with the former precedent of the Senate.

Mr. BYRD. Mr. President, will the Chair withhold?

Mr. BAKER. Mr. President, let me add to the unanimous-consent request. The minority leader points out that there are a number of Senators who are necessarily absent today who no doubt will wish to include their remarks.

I ask unanimous consent that in addition to the RECORD remaining open today until 5 p.m. for the insertion of statements and tributes to Milton Young, all statements in that respect for a period of 10 days from today may be gathered together and printed as a Senate document, bound together in an appropriate volume in sufficient numbers for presentation as the Secretary of the Senate may direct.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

UNANIMOUS-CONSENT REQUEST

Mr. BAKER. Mr. President, the time once again for the transaction of routine morning business has expired. I should like to inquire of the minority leader if he is in a position to consider a unanimous-consent order that would provide two things: First, that on tomorrow between 12 noon and 2 p.m. the Senate stand in recess in order to accommodate the requirement for caucuses by Senators of both parties which will be conducted off the floor, and that any votes which may be ordered today would occur beginning at 2 p.m. tomorrow when the Senate reconvenes.

I inquire of the minority leader if he would be favorably disposed to such a request at this time?

Mr. BYRD. Mr. President, I think that it is a good suggestion. The majority leader is being very accommodating in doing this. If I may, I wish he would withhold the request just momentarily. We are checking about the 2 p.m. hour.

Mr. BAKER. All right.

EXTENSION OF TIME FOR ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, while we are waiting, I ask unanimous consent that the time for the transaction of routine morning business be extended until 2 p.m., under the same terms and conditions.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HECHT). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 10 A.M. TOMORROW

Mr. BAKER. Mr. President, I am advised that the minority leader may be in a position to consider favorably the unanimous-consent request I described earlier. Let me extend it a little.

I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT

Mr. BAKER. Mr. President, I previously announced that there would be no votes today. The delay in presenting this request is so that we could clear this and make sure that it was suitable on both sides.

In order to fully protect all Members, I ask unanimous consent that all rollcall votes which may be ordered today be postponed and stacked, to occur in sequence beginning at 2 p.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS TOMORROW FROM 12 NOON TO 2 P.M.

Mr. BAKER. Mr. President, tomorrow is Tuesday, and on Tuesday, Senators on both sides of the aisle caucus separately off the floor of the Senate. Those caucuses are of a quasi-official nature, but they are important to the smooth functioning of the Senate. I ask unanimous consent that on tomorrow, the Senate stand in recess between 12 noon and 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE SCHEDULE

Mr. BAKER. Mr. President, in a few moments, it will be 2 p.m., and the time for the transaction of rountine morning business, as extended, will expire. I anticipate at that time asking the Senate to proceed to the consideration of the budget waiver to accompany the IMF bill. That is Senate Resolution 146.

It is my hope, as well, that the Senate can then proceed to the consideration of Calendar No. 185, S. 695, which is the IMF bill, so-called. It is the intention of the leadership to pursue this matter as long as debate is useful today. It is anticipated that votes will not occur until tomorrow.

We hope we can finish the IMF bill tomorrow, because the remaining business for the Senate during this week is the consideration and disposition of the supplemental appropriations bill.

Mr. President, I observe by the clock on the wall that it is 2 p.m. I ask the Chair if it is disposed to close morning business at this point.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

BUDGET ACT WAIVER

Mr. BAKER. Mr. President, I believe the principals involved in the IMF bill budget waiver are here.

Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Senate Resolution 146, the budget waiver to accompany Calendar Order No. 185, S. 695.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

Mr. BYRD. Mr. President, reserving the right to object, I have no objection on my part. I heard a Senator might ask for the yeas and nays in connection with taking up the budget waiver. I may be mistaken in having heard that or it could be a rumor. I do not know. I just thought I would reserve the right to object just to see if that is correct.

Mr. President, there is no objection.

Mr. HELMS. Mr. President, reserving the right to object, may I inquire of the majority leader if a request is made for the yeas and nays, that will render the subject academic.

Mr. BAKER. That means the vote could not occur until tomorrow at 2 p.m.

Mr. HELMS. That is correct.

Mr. BAKER. The Senator is correct.

Mr. President, I would hope if that happens, notwithstanding technically the Senate would be involved in debate on the budget resolution, Senators who wish to make any statements on the underlying resolution itself would be free to go ahead and do so. There will be no votes on either one today. There will be no votes in the Senate today. Any vote ordered today on the resolution, if that should occur, or on that resolution itself if we reach

it will be stacked to occur beginning at 2 p.m.

Mr. HELMS. Mr. President, if the distinguished majority leader will yield, I regret being in a position in which I feel I must object but I feel very strongly about this matter. I say that with all due respect to the distinguished chairman of the Banking Committee (Mr. GARN) and Senator PROXMIRE, Senator PERCY, and Senator PELL.

But my understanding is that hearings are scheduled on the International Monetary Fund on June 16. I am puzzled as to how we can properly consider this legislation prior to those hearings.

Mr. GARN. Mr. President, will the Senator yield?

Mr. HELMS. I yield.

Mr. GARN. I wish to clarify the situation. Extensive hearings were held both in the Foreign Relations Committee, as I am sure the Senator knows, and in the Banking Committee. I cannot tell you how many informal meetings were held with members of the committee over a period of months on this particular issue.

At the last hearing that we held before today's, Senator HAWKINS, from Florida requested that some additional hearings be held before S. 695 came to the floor, and I told Senator HAWKINS that I would be happy to hold those hearings in the full committee. They were scheduled on May 17, well in advance of the bill's coming to the floor. That hearing was postponed on May 17 because I gave the Senator from Florida the opportunity to call her own witnesses and she was not able to get the witnesses to appear on May 17. I rescheduled the hearing to today and once again the witnesses in opposition were not able to be there. Beryl Sprinkle, the Under Secretary of the Treasury, however, was there to testify on his side of it. An additional hearing has been scheduled on June 28, to accommodate the Senator from Florida, and she agreed to scheduling the hearing after floor action on S. 695.

Thus, it is not the chairman's fault that the hearings were not held on May 17. I have kept my word to the Senator from Florida all the way along, and I do not know for what reason her witnesses were not able to appear on May 17. They will be there on June 28.

The Senator from Florida was in the hearings this morning and was able to ask the Under Secretary of the Treasury all of her questions. We were in session for an hour and a half with him as the only witness. I think she felt satisfied with the hearings at this point and agreed to waiting to bring in her witnesses on June 28.

I just wanted to explain that there has been no delay by the Banking Committee.

Mr. BAKER. Mr. President, the Senator from North Carolina, of course, is perfectly within his rights to object and if he does so, of course, I have no recourse except to move to the consideration of the budget resolution.

I think all we will do is promulgate more rollcall votes beginning tomorrow at 2.

I understand Senator MELCHER will ask for a rollcall vote on the resolution itself and that will not occur until 2 p.m. tomorrow.

I understand and sympathize with the Senator from North Carolina. But by the same token he knows as well as any person in this room knows, because he participates in the deliberations on this side of the aisle as a member of our caucus and as a member of the chairmen's committee, that at some point or other we just have to move.

So this is the matter that we announced before we went out that we would take up and I feel obligated to try to do so.

So, Mr. President, I withdraw my unanimous-consent request and I now move that the Senate proceed to the consideration of Senate Resolution 146, the budget waiver underlying S. 699, Calendar Order No. 185.

Mr. EXON. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The question is on the motion.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HELMS. Mr. President, may I inquire of the Chair, is the Senator from North Carolina correct in his understanding that a motion to proceed on a budget waiver is not debatable?

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. Mr. President, I ask unanimous consent that I be allowed to proceed for not more than 10 minutes and I shall not take that long.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HELMS. Mr. President, I thank the Chair.

Mr. President, the Senator from North Carolina does not want to unduly delay consideration of the IMF legislation, but I do want to make clear during the debate thereon that I have serious concerns about the many aspects of this legislation. The able Senator from Utah has already explained the delay in hearings at which witnesses in opposition to this IMF legislation will be heard. As I recall, Senator GARN indicated that hearings were originally scheduled for sometime in May. I do not recall the precise date. Will the Senator from Utah refresh my memory? Was it May 17?

Mr. GARN. I apologize to the Senator from North Carolina. Would he repeat his question?

Mr. HELMS. I apologize to the Senator for interrupting him.

What was the date originally set for hearings?

Mr. GARN. The original date was May 17.

Mr. HELMS. I thank the able Senator.

Mr. GARN. Mr. President, the second date was this morning.

Mr. HELMS. And the meetings that had been scheduled by the chairman were not held at the request of those who had originally initiated the hearings; is that correct?

Mr. GARN. That is correct, Mr. President.

Let me make certain the Senator from North Carolina understands one thing. We have had witnesses in opposition to S. 695 in our other hearings. Todays hearings was on the specific issue of whether the IMF should sell some of its 103 million ounces of gold, rather than having an increase in the quotas and GAB. I did not want it to be on the record that there have been no witnesses in opposition. There have been. On the specific question of the gold sale, that is what these additional hearings were set up for at the request of Senator HAWKINS.

Mr. HELMS. I thank the distinguished Senator from Utah.

Mr. President, that was one of the matters of concern to the Senator from North Carolina, the gold aspect. The Senator from North Carolina has serious reservations about the protection of banks that make defective loans. I do not think the taxpayers ought to be required to offer that protection or to bail out such banks. But as I say, I have a number of other concerns which I shall discuss at some length when the measure is pending before the Senate. For that reason, Mr. President, I have no objection to the budget waiver being considered; however, I would prefer that we have a rollcall vote, with the understanding that the vote not occur until tomorrow at 2 p.m.

Mr. BAKER. Mr. President, a point of order: Is it not so that the budget waiver would have to be pending before the Senate before the yeas and nays are ordered?

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. Would the Senator permit us to lay down the budget waiver at this time?

Mr. HELMS. Yes, Mr. President.

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Resolution 146.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will state the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 146) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 695.

Mr. HELMS. Now, Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. I thank the Chair.

Mr. BAKER. Mr. President, I believe there is a statutory time limitation for debate on this measure of 1 hour; is that correct?

The PRESIDING OFFICER. The majority leader is correct. The time is to be divided and controlled by the majority leader and the minority leader or their designees.

Mr. BAKER. I thank the Chair.

Mr. President, this matter was referred jointly to the Foreign Relations Committee and the Banking Committee. It would appear to me, and I see both chairmen here, that the burden might best be handled by the Banking Committee. Does that accord with the wishes of the chairman of the Committee on Foreign Relations?

Mr. PERCY. That would be in accord with the chairman of the Foreign Relations Committee. The chairman of the Banking Committee and I have discussed this. I have indicated that, inasmuch as most of the amendments that will be considered on the floor are those that fall within the particular jurisdiction of the Banking Committee, it would be most appropriate for the chairman of the Banking Committee to be floor manager, I shall be available to assist in any way I can, particularly with respect to those amendments which deal with the foreign relations aspect.

Mr. BAKER. I thank the chairman of the Foreign Relations Committee.

In view of that statement, Mr. President, I designate the chairman of the Banking Committee to manage the time on his side, with the understanding, of course, that he and the chairman of the Foreign Relations Committee may cooperate on the allocation of time as it may be necessary on questions of foreign relations impact.

Mr. BYRD. Mr. President, I make the same designation on this side; namely, to Mr. PROXMIRE, and I am sure he will work with Mr. PELL in respect to the time on foreign relations aspects.

Mr. BAKER. I thank the minority leader.

Mr. HELMS. Mr. President, will the Senator from Utah yield 1 minute to me for an inquiry?

Mr. GARN. I am happy to yield to the Senator from North Carolina.

Mr. HELMS. Mr. President, I inquire now: A motion to call up S. 695 will be debatable?

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. I thank the Chair.

May I make a suggestion to the majority leader? Since there is a desire to get as much debate out of the way as possible, would the majority leader be willing to enter into a unanimous-consent agreement by which Senators may discuss in fairly unlimited detail the IMF issue beyond the 1-hour debate which the rules provide for the budget waiver?

Mr. BAKER. Mr. President, I thank the Senator. As a matter of fact, I do not think there is any limitation on the subject matter that can be discussed in this hour. What I suggest to the managers is that they go ahead and use this hour to make their opening statements. I think that is about all we can get out of the way today. When the hour is up or whenever they are finished with that, if there is no further discussion on the resolution itself or on the budget waiver, whichever appears to command the attention of the managers, I shall take us off this matter and proceed in morning business.

Mr. HELMS. Mr. President, that is a happy solution as far as this Senator is concerned. I thank the majority leader.

Mr. BAKER. Mr. President, I yield the floor.

Mr. GARN. Mr. President, may I briefly respond to the Senator from North Carolina with regard to his remarks about not bailing out the so-called big banks?

If that were the intent of this legislation, I would be joining the Senator from North Carolina in opposition. There is no necessity, no reason why the taxpayers of this country should be bailing out the big banks or the 1,500 banks across this country which have been involved in this international lending. The issue is far, far broader than that, dealing with international trade, with jobs within this country, and the international monetary system itself. I am sure that is the only reason that the Senate Committee on Banking, by a 15-to-0 vote with 3 abstensions, voted out this legislation. I doubt if there would have been 1 vote in favor of the narrow issue of bailing out the big banks.

Mr. President, in recent years, export markets have grown rapidly in importance to the U.S. economy, and today they are an essential underpinning of our emerging economic expansion. A survey in the late 1970's indicated that four out of every five new jobs in U.S. manufacturing were coming from foreign trade. Moreover, 40 percent of our agricultural production is exported.

The international monetary fund has a critical responsibility in preserving U.S. essential export markets. By providing short-term loans to countries experiencing temporary balance-of-payments deficits, the IMF enables those countries to avoid temporary import restrictions that would destroy American jobs.

The volume of resources needed by the IMF to perform this role obviously grows as the aggregate size of worldwide current account deficits increases. In 1973, IMF quotas equaled 178 percent of current account deficits. Today, they equal only 47 percent.

This sharp decline in the ratio of IMF resources to worldwide deficits can be traced to the worldwide inflationary pressures that were allowed to develop after the oil price shocks of 1973–74 and especially of 1979–80.

Worldwide inflation inevitably led to rising interest rates and a worldwide recession. High interest rates and a worldwide recession seriously affected countries that had borrowed abroad to pay their oil-import bills and to finance domestic economic growth.

Those debtor countries' ability to earn foreign currencies by exporting was cut sharply at the same time that the rising cost of debt service greatly increased their need for those foreign currencies. Less developed countries that tend to be particularly dependent on commodity exports were particularly hard hit by the recession and the attendant drop in commodity prices.

The central banks of some of these countries found that their net exports simply were not generating a sufficient quantity of foreign currencies to meet the requirements of public and private sector borrowers to make interest and principal payments on their foreign debts.

As a result, many of these countries have been forced recently to borrow from the IMF because of this inflation-caused surge of borrowing at the IMF, it is now anticipated that the IMF's resources will be fully committed sometime this fall.

Without an increase in the IMF's resources, the IMF would no longer be able to extend new short-term loans to countries experiencing temporary balance of payments deficits.

If this were allowed to occur, those debtor countries would be forced to curtail their imports sharply. American jobs would be lost as a result of a temporary balance of payments deficit of the sort that the IMF was created to finance.

The legislation before the Senate at this time, S. 695, would authorize the U.S. share of a 47-percent increase in IMF quotas. At current exchange rates, this U.S. share is approximately $5.8 billion.

S. 695 also would authorize a $2.6 billion increase in the U.S. commitment to the general arrangements to borrow. In total, S. 695 would authorize an increase of $8.4 billion in the U.S. contribution to IMF resources.

While the debt-service problem that some countries recently have encountered are primarily traceable to the recent bout with worldwide inflation and recession, imprudent lending by some banks also clearly contributed to the problem.

In light of this, S. 695 would:

First, mandate permanent improvements in the Federal bank regulators' supervision and regulation of international lending;

Second, improve the timeliness and comprehensiveness of public information on foreign borrowing and lending; and

Third, assure that appropriate accounting procedures are used to report the true results of international lending.

Critics of an increase in IMF's resources have charged that it will constitute a bailout of the banks that have made foreign loans. This argument ignores the fact that the banks have been required to increase their commitments as a part of all the IMF loan packages that have recently been in the news.

Increasing the IMF's resources will not bailout the big banks. What it will do will be to save U.S. jobs and enable the IMF to continue doing the job for which it was created in 1944.

Mr. President, I ask unanimous consent that a letter from the President of the United States to the majority leader on this legislation be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, June 6, 1983.

Hon. HOWARD H. BAKER, Jr.,
Majority Leader, U.S. Senate, Washington, D.C.

DEAR HOWARD: The Senate will soon consider my request for increased United States participation in the International Monetary Fund (IMF). In my letter transmitting this request, I explained that the IMF plays the central part in a comprehensive strategy to resolve current world debt and financing problems. I want now to reiterate the major importance I attach to this request.

Current world economic difficulties, including the international debt situation, were principal topics of discussion at the Williamsburg Summit of Industrialized Nations. The Heads of State strongly endorsed the strategy that is being pursued to deal with the debt situation, and committed themselves to seek early ratification of the proposed increase in IMF resources.

In part as a result of decisions taken at the Summit, international action is underway to implement the agreed strategy and deal with the world debt situation in a manner strongly supportive of U.S. economic, foreign policy and security interests. Success in this effort is of critical importance to maintenance of the stable financial framework and sound world economy essential for sustained noninflationary growth and job creation in the United States and for the continued economic and political stability in other countries of vital interest to the United States.

The resources of the IMF, the institution at the core of the agreed strategy, are nearing exhaustion. It is essential that our Nation now follow through with prompt action to strengthen the IMF.

Passage of this legislation is of the utmost importance to the health of the world economy, to the strength of our own recovery and to the United States' position of leadership in world affairs. I believe this legislation should warrant, as it has in the past, the broadest bipartisan support in the Congress and I urge its prompt approval by the Senate.

Sincerely,

RONALD REAGAN.

Mr. GARN. Mr. President, I yield the floor at this time and reserve the remainder of my time.

Mr. PROXMIRE. Mr. President, the statement I am about to make is on the bill itself. It is an opening statement on the bill. Since it does not pertain to the budget waiver, I ask unanimous consent that I may make this statement without its being charged to the budget waiver itself. We have other Members who want to speak on the waiver if there is no objection.

Mr. GARN. Will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. GARN. May I add to that unanimous-consent request? My speech was in the nature of an opening statement on the bill itself, not pertaining to the budget waiver, and so I ask that my speech also not be charged to the time on the budget waiver.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. PROXMIRE. Mr. President, I rise to support the chairman of the committee and manager of the bill (Mr. GARN) in support of S. 695 which will authorize an increase in the U.S. quota to the International Monetary Fund of $5.8 billion.

It will also authorize appropriations of $2.7 billion in order to increase the amount of funds which the United States may lend to the IMF under the General Agreement to Borrow. This $8.5 billion will be used by the IMF to help stabilize the financial systems of several less developed countries which have allowed themselves to be swamped by debt extended by overeager banks from the United States and other Western countries.

I can certainly appreciate why many Americans find it difficult to understand why the United States should loan the IMF an additional $8.5 billion when we have so many pressing problems at home particularly problems that extend to credit. I recognize as well. as we all do that the money we loan to the IMF will have to be borrowed from our credit markets and this $8.5 billion will not be available to borrowers is this country.

Despite my appreciation of these concerns, I support S. 695 because of my firm belief that the loan to the IMF is necessary to safeguard the international financial and trading systems. The stability of our international financial system is vital to our own prosperity and growth.

I also wish to emphasize that the United States is not acting alone in this rescue effort. For every dollar we are making available to the IMF, other countries together are making available a little more than $4. So we are getting leverage for our money in this truly cooperative effort to save the world's financial system.

I think we should keep that in mind. This is not the usual bilateral foreign aid in which we provide a certain amount and all of it comes from America. We get four times as much from other countries. That is just the beginning of the leverage.

Some will charge this bill is nothing more than a bailout for the big banks who are in trouble because of their own misjudgments and lack of prudence. That is not true. We are not bailing out the banks. We are bailing them in. For every dollar the IMF lends—and the United States only provides one-fifth of that—to the debtor nations to help them through this difficult period, the international banks will lend $3 or $4. So the banks are not just going to be permitted to use the IMF money to get repaid on their own loans. They are going to offer new loans to help stabilize the situation. The American taxpayer is going to get about 10 times as much for his money as he does on most foreign aid programs.

Mr. President, I hope that Senators will keep that in mind. A Senator just asked me a few moments ago why I was supporting this legislation. I should like to tell him exactly why I am supporting it. It is the best kind of investment we can make. Anytime we can make our money go this much farther, it seems to me we should do it, particularly, Mr. President, in view of the fact that the nations which will primarily benefit from this replenishment are in our own hemisphere, Mexico particularly, but also Argentina and Brazil. This assistance that we might otherwise feel constrained to provide alone will be provided on a 10 to 1 basis with the $1 and not the $10 coming from the American taxpayer. The taxpayer is going to get about 10 times as much for his money as he does on most foreign aid programs.

Mr. President, the IMF, as you know, was established after World War II to facilitate global economic growth and stability by providing a sound, cooperative framework for the conduct of world trade and financial transactions. It serves as the central monetary institution for its 146-member countries—all of which contribute funds for its operation. The IMF is a particularly useful institution at a time like this, for it assists individual member nations with balance-of-payments problems. It does this by extending short-term loans in conjunction with an economic stabilization program which the debtor country and the IMF have agreed upon as the means to eliminate the country's external accounts imbalance. The conditions attached by the IMF to its loans are designed to assure that the borrower makes adjustments to its economy that will restore it to a position where it can repay the IMF over the medium term.

So our contribution to the IMF should be seen as part of an ongoing effort by lender and debtor nations alike to put the latter's house in order so they are not compelled to renounce their debts and then create havoc for the world's economic and political order.

It might be useful to describe in very general terms how the current world debt situation arose, and then to explain why I believe that certain banking reforms incorporated into S. 695 will help prevent the situation from reoccurring.

In the wake of the 1973 increase in oil prices, the non-OPEC LDC's tried to expand their industrial base and exports rapidly in order to increase their national incomes and export earnings so they could pay for rising energy costs. In order to finance this growth, the LDC's needed access to huge amounts of capital either through increased aid loans from the West, or through commercial banks. Since the era of aid giving was by this time past its peak, the LDC's began to depend more and more on the banks for their investment needs. The commercial banks were in the position to make new loans as the OPEC oil producing nations were depositing their huge amounts of increased revenues with the commercial banks. Rather than refuse these deposits, the commercial banks took them and began pushing loans at the LDC's—who, as we noted above, were delighted to have them. Western governments did not discourage this development as they saw this as a necessary means to recycle the so-called OPEC country petrodollars.

Mr. President, between 1973 and 1982, those 10 years, the lesser-developed countries' private debt grew from $40 billion—now get this figure—to $375 billion, more than a ninefold increase in 9 years. That is how the debt of the lesser-developed countries grew, how it exploded. Prior to the 1980 recession, these loans were a profitable business for the commercial banks as continued high inflation reduced the interest rates for the borrowers and pushed up the amounts of their export earnings.

The second great oil price increase which took place in 1979 changed conditions for both the borrowing and lending nations. The industrialized countries entered into a recession, and world trade declined. This latter development hit the LDS's economies particularly hard as they relied heavily on such trade for export earnings with which to repay their loans. Also, with the slowdown in inflation and the rise in interest rates in 1980, the borrowers were stuck paying back the real value of their loans and had to borrow more money at higher interest rates to do so.

The commercial banks, despite their realization of the borrower's changed situations, felt compelled by their own self-interest to make new loans at higher interest rates to refinance old debt. Debt services alone, expressed as a percentage of exports, rose in early 1983 to staggeringly high levels for debtor nations; for example, 129 percent for Mexico, 122 percent for Brazil, and 179 percent for Argentina.

It is urgently important for the United States to work with other nations through the IMF to resolve this debt crisis—otherwise it will have a very adverse effect on our own export earnings which will in turn have a significant impact on the U.S. economic recovery.

Our Nation has the lion's share of export to LDC countries. They take 39 percent of our exports of manufactured goods and 29 percent of our total exports. In fact, trade with the LDS's since the mid-1970's has accounted for more than half of the overall growth of U.S. exports. So we have everything to gain from this. Consider with this the survey in the late 1970's which indicated that four out of every five new jobs in U.S. manufacturing came from foreign trade. It is said that each $1 billion increase in exports results in 24,000 new jobs. If our exports to the LDC's should collapse because of their debt, it would have a most serious effect on the job situation in this country.

So we can see the international debt crisis is not just of concern to the banking industry, but to American laborers, farmers, manufacturers, and investors as well. An effective resolution of the current debt crisis is essential to our Nation's welfare and future economic growth.

Another point I want to make about our own self-interest in this IMF program, is that a chief beneficiary of the total IMF quota increase will be our good friend, Mexico. Whether or not Mexico can survive as a democracy and as a friend of ours and as an anti-Marxist bastion in the Western Hemisphere will depend on its economy more so than on any military action we take in Central America.

All of us are very much aware of the situation in Central America—the tense situation, the dangerous situation there. We know that we may have a far more difficult and painful situation in the future.

I think all of us who think about it recognize that Mexico is by far the most important country involved, so far as we are concerned. We have a common border. They are our good friend. It is a country we should do all we can to help, whether it takes military action or whatever.

Mr. President, timely economic action now can prevent the kind of very difficult and heartbreaking military action we might be forced to take if we do not act at this time.

So I think that U.S. appropriations for the IMF can be an excellent investment not only from the standpoint of preserving jobs for Americans, but from a political and strategic standpoint as well. The IMF program can help avoid political upheavals in countries of critical importance to the United States. In that same vein, I might note as well that the problem of illegal immigration to this country from Mexico has intensified because of that country's desperate economic situation. That problem can also be alleviated if Mexico, with the help of the IMF program, is able to get its economic house back into order.

As I noted previously, S. 695 is also designed to achieve reforms in the U.S. banking system that will help prevent U.S. bankers from again becoming overexposed on their foreign loans.

Senator HEINZ and Senator GARN worked very hard on this, and we got the needed cooperation of the regulators, including the Federal Reserve Board, the FEIC, and the Comptroller, of the Currency. They worked with the Banking Committee and together we came up with legislation which is thoughtful, and effective, and which will safeguard us against the kind of imprudent lending which otherwise might take place.

First, the legislation directs each of the Federal banking agencies to incorporate country exposure rules in its examination and supervision procedures and directs these agencies to include such considerations in evaluating a bank's capital adequacy. During the late 1970's and 1980 most of our largest banks had a capital ratio with respect to their assets of less than 5 percent. This legislation requires the bank regulating agencies to establish uniform systems for requiring banks to maintain adequate levels of capital.

It does not itself establish a uniform level of capital adequacy but leaves that to the discretion of the regulators. The Banking Committee will keep a close watch on how the regulators exercise this discretion.

Second, the bill provides that each regulating agency shall require its banks to establish and maintain a special reserve against foreign loans that have not been repaid over a protracted period. These reserves would be maintained off the books of the bank and could not be counted as capital. As an alternative to establishing such reserves a bank could write off all or a part of the loans that would be subject to special reserves.

Third, the bill provides that each appriate banking agency shall establish rules for accounting fees charged by banks in connection with their international loans. We are requiring this so that when banks renegotiate loans with their borrowers the banks are not able to charge those renegotiation fees up front, and thus present a somewhat distorted picture of their profit situations. They have shown profits even though the quality of their loan portfolio has deteriorated. Under the new rules, any portion of a loan fee that is deemed interest income will be amortized over the effective life of the loan.

Finally, the bill authorizes the regulating agencies to require more frequent and complete reports from banking institutions with respect to foreign country exposure. This legislation would require such reports to be filed no fewer than four times a year, rather than semiannually as now.

These reforms will not solve all the problems in international bank lending—but they will go a long way toward correcting some of the most flagrant abuses that have crept into our system over the last several years.

To sum up, I urge the support of the Senate for S. 695 because it is a bargain-basement means of helping to safeguard U.S. economic and political interests while at the same time achieving reforms that will help prevent a recurrence of the now threatening debt crisis.

I support this $8.5 billion investment because Congress has no other practical alternative. I am also convinced that it will enhance, rather than hurt, the average American's economic position over the long run.

I yield the floor.

Mr. EXON addressed the Chair.

Mr. PROXMIRE. Mr. President, I know that the Senator from Montana has a position against the action on the waiver, so I yield him the time on the waiver, and he may use that at his own discretion.

Mr. EXON. Mr. President, had the Senator from Wisconsin yielded the floor or had he not?

The PRESIDING OFFICER. The Senator from Wisconsin controls time on the resolution, as does the Senator from Utah. Time for debate on the resolution must be yielded by one of those two Senators.

Mr. PERCY. Mr. President——

Mr. EXON. Mr. President, a point of order. The Senator from Nebraska was recognized by the Chair. Is the Chair telling me that I cannot speak unless I get time from one of the two managers of the bill? We are under a time agreement. Is that correct?

The PRESIDING OFFICER. We are under controlled time; that is correct.

Who yields time?

Mr. EXON. I took it that, although I was recognized, the Senator from Wisconsin had chosen to yield to the Senator from Montana. If that is his wish, I will not push the point. I hope that some of the rest of us who are opposed to this will have an opportunity to speak.

Mr. PERCY. Mr. President, may I ask a question of the Senator from Nebraska?

The Senator from Illinois has been on the floor a couple of hours, waiting——

The PRESIDING OFFICER. Who yields time? The Senator from Wisconsin has designated the Senator from Montana to control time.

Mr. MELCHER. Mr. President, I will be glad to yield whatever time is necessary for the Senator from Nebraska. I do have a few remarks to make, and then I will be glad to yield the floor for whatever time he needs.

Mr. EXON. I thank my friend from Montana.

The Senator from Illinois was attempting to be recognized; and since I have the floor, I will be glad to yield for a question.

Mr. MELCHER. Mr. President, I did not yield the floor.

The PRESIDING OFFICER. The Senator from Montana has the floor.

Mr. MELCHER. I yield to the Senator from Illinois for whatever purpose he seeks recognition.

Mr. PERCY. I thank the Senator.

Mr. President, I should like to make an opening statement. I thought it was our understanding that we were going to finish opening statements on the bill itself and then go into the debate on the budget waiver.

Mr. MELCHER. I am not yielding on my time for that purpose, but I will yield the floor.

Mr. GARN. Mr. President, I am happy to yield time to the Senator from Illinois.

Mr. PERCY. I thank my distinguished colleague.

Mr. President, at the outset, as Senators are making up their minds on this matter, I urge that, because so many Senators are absent today and because the vote will begin at 2 p.m. tomorrow, they avail themselves of the intervening period to take into account a number of factors.

First, I hope they will read carefully the letter from the President of the United States to the majority leader, dated June 6. In the concluding paragraph of that letter, President Reagan says:

> Passage of this legislation is of the utmost importance to the health of the world economy, to the strength of our own recovery and to the United States' position of leadership in world affairs. I believe this legislation should warrant, as it has in the past, the broadest bipartisan support in the Congress and I urge its prompt approval by the Senate.

Certainly, no legislation has had more careful scrutiny by the respective committees of both the House and the Senate that have jurisdiction.

The House has had full hearings on this matter; and the Senate, in its split jurisdiction between the Foreign Relations Committee and the Banking Committee, has had a full set of hearings. Reports, which are available, have been submitted by Senator GARN of the Banking Committee and myself on behalf of the Foreign Relations Committee. They are brief, concise reports of the work that had been done over a period of months by our respective committees in analyzing and appraising the impact of this legislation on the United States.

I say that, without any question, the bill before the Senate, the Bretton Woods Agreements Amendments Act of 1983, is as much an investment in American jobs and the health of the American economy as almost any other legislation we are likely to consider this year.

If we are looking at this as just a foreign policy issue involving other countries, we must reorient our thinking. This legislation deals as much with jobs, employment, and economic recovery in the United States of America as with the economic interests of the developing and developed parts of the world.

It certainly would be a disastrous blow to the spirit of the Williamsburg Conference just completed if the Senate did not approve this legislation.

Certainly the fact that the Banking Committee approved this bill by a vote of 15 to 0, and the Foreign Relations Committee, which is split on many issues, approved it by a vote of 13 to 1, indicates the support and importance that we all attach to this legislation.

Earlier today a comment was made that additional hearings should possibly be held on this legislation. In the 17 years that I have been in the Senate I do not know of legislation that has had more extensive and thorough hearings. Here is a 562-page book entitled "Global Economic Outlook, Hearings Before the Subcommittee on International Economic Policy and the Committee on Foreign Relations, U.S. Senate, 98th Congress," providing in

detail the testimony given before both the full committee and the subcommittee.

Mr. President, I ask unanimous consent that the forwarding letter to me from Senator MATHIAS and Senator DODD, who conducted the hearings of the subcommittee, and also a summary of the findings of almost a dozen hearings that were held in the Foreign Relations Committee, the full committee as well as the subcommittee. be printed in the RECORD at the conclusion of my comments.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PERCY. Mr. President, this legislation before us provides the U.S. share of resources required to permit the International Monetary Fund, working with central bank governors and private banks, to prevent the kind of disastrous crisis which last year saw Mexico unable to pay its debts or to purchase needed imports.

Look at the immediate impact that this has had upon the U.S. economy. Our neighbor to the south, a strong trading partner of the United States, faced great financial difficulties. It was unable to pay its debts. It was unable to pay for necessary imports.

The international impact of the financial crisis that Mexico faced, which could only be met by an institution such as the International Monetary Fund, cost this economy in 6 month $6 billion and a quarter of a million jobs.

Those jobless people are no longer paying taxes to the U.S. Government. Those people are receiving welfare or they are receiving unemployment compensation. And Mexico is but one of many countries that have been spared from a costly crisis by the IMF after having met standards that only the IMF is equipped to lay down.

Within 6 months Mexico had to cut its imports from the United States by $6 billion, risking the loss of up to a quarter of a million U.S. jobs. And Mexico is just one of several major debtor countries to the border south of us, which are major trading partners of the United States.

How much better it is that when a country is in trouble it does not have to deal bilaterally with the United States and be told by the United States, "In order to get credit from us or to continue trading relationships with us, this is what you must do."

How much better it is to be told on a multinational basis by the IMF, "Politically, we realize these are difficult things for you to do but politically you are going to be far worse off if the IMF does not help you with your present financial problems."

To get help, a country must meet certain conditions, whether it is Mexico, Brazil, or, as I saw a year ago, Sudan where they were required to raise the price of sugar by 60 percent. The reaction was violent. We happened to be there that day.

Can we imagine a government actually taking such a politically unpopular step on its own, without the power and force of the IMF behind it. Without the promise of IMF help in preventing economic collapse, provided that you meet the economic standards it sets and do not subsidize food or other aspects of the economy to a point which causes deep deficits, you could not simply cope with such internal political opposition. Only an organization such as IMF can make this possible.

The act before us has three main provisions. It authorizes a $5.8 billion increase in the U.S. quota in the IMF, as part of a Fund wide quota increase of 47 percent. It authorizes a $2.7 billion U.S. share in an overall increase in the general arrangements to borrow—resources which will be available to the IMF if needed to avert any debt or trade crisis. Finally, it mandates measures to improve collection and dissemination of debt information and to improve regulation of U.S. bank international lending to insure sounder lending practices and to reduce risk of excessive debt build up and costly defaults or reschedulings.

Some may ask why this act is still necessary. The debt crisis is lessening. Economic recovery is under way at home and abroad. But these developments, while encouraging, are far too vulnerable to setbacks and reversal to be taken for granted. The most decisive variables remain in doubt. Another break in oil prices alone is likely to precipitate a new round of debt crises for several key countries, as could a renewed increase in interest rates. With budget deficits yet to be tamed and the traditionally slow summer oil market just ahead, either of these outcomes is plausible. It would be foolhardy indeed when so much is at stake to be without the contingency arrangements agreed upon overwhelmingly by the IMF membership as necessary. With global developing nation debt exceeding $500 billion, and with U.S. banks holding nearly $200 billion of this debt, the $8.4 billion U.S. participation in a contingency fund appears a modest enough U.S. reserve against risks which if neglected could be many times greater.

We should recall how much is at stake for the United States. Last year when foreign trade growth was slow, deterioration in our balance of payments accounted for nearly 70 percent of the decline in our GNP.

[Seventy percent of our decline in the GNP was caused by setbacks in our foreign trade balance.]

Developing countries, led by newly industrialized nations which have much of today's outstanding debt, account for roughly $4 of every $10 of U.S. manufactured exports and $3 of every $10 of total exports. In 1982, 5 million U.S. jobs depended directly on exports. Clearly the health of the U.S. economic recovery depends directly and heavily on avoiding debt and trade crises against which this act will be a major defense.

Each one of us must justify a vote in this Chamber not only to the county as a whole, because we do vote in the national interest, but we must also justify that vote to our own State constituencies.

When we look at, say, the State of Illinois and its dependence upon exports, we find that one out of two farmers in Illinois are employed in exports. In the cities of Springfield, Peoria, and Decatur, Ill., one out of four employees engaged in manufacturing is employed as a result of exports from our State to countries abroad.

Certainly the stability and the capability of these countries to maintain their purchases from us is as essential to the U.S. economy as it is to the economy of Illinois—as it is to the economies of many, in fact most, of the States represented in the Senate.

The IMF role in assisting member countries—industrial and developing nations alike—to adjust to changed economic circumstances is vital. In the present situation a major Fund objective is to make cooperation from private banks in maintaining, and often in expanding, their credit support one of the main conditions for its help and a key component of its support packages.

(Mr. DENTON assumed the chair.)

Mr. PERCY. The IMF has correctly replied to critics that its current efforts aim to "bail the commerical banks in" to a greater role in debt crisis solution, not to bail them out.

Most of us can name the handful of troubled debtor nations now in greatest need of Fund help. Yet, most of us forget that only a few years ago the United Kingdom and the United States were the troubled nations drawing most heavily on Fund resources and still retain the record for Fund use. The United States has drawn on these Fund resources on 24 different occasions. I repeat that since the inception of the Fund to the present day the United States and the United Kingdom—not Brazil, not Sudan, not Mexico—have been the greatest users of the International Monetary Fund.

This act authorizes a supplemental fiscal year 1983 appropriation of $8.5 billion. However, it involves no outlay or increase in the U.S. budget deficit because the U.S. Reserve position in the Fund increases by an amount equal to U.S. transfers to the Fund. Transfers will increase Treasury borrowing requirements only to the extent that the Fund requests trans-

fers against such commitments, which last year ran at a rate between $250 to $400 million per quarter. The interest costs of this borrowing are largely offset by interest received on the U.S. quota and on loans to the IMF.

The Senate Foreign Relations and Banking Committees have held nearly a dozen hearings over several months to consider all aspects of this legislation, Hearing many expert witnesses on all sides of the issue. Members proposed a wide variety of alternative resources the Fund might use and an array of measures to decrease the risks and improve the quality of U.S. private bank international lending. After extended deliberation, the two committees have recommended to the full Senate only those provisions which stood the test of detailed review and have received the support of a strong majority of Members. While improvements may be possible in minor particulars, the firm conviction of the two committees is that this bill contains the best alternatives from all those available, and that amendments we have omitted or rejected were distinctly less practical or effective as alternatives. This bill was supported, as I said, by a 13-to-1 vote of the Foreign Relations Committee and a 15-to-0 vote of the Banking Committee.

I strongly endorse this bill. We have learned to our great cost that crises can rarely be predicted and that prevention is vastly less expensive than cure. I urge my colleagues to act quickly and give their prompt approval to this important act after the beginning votes at 2 p.m. tomorrow, I recommend that they study carefully the work of the two respective committees in the Senate which have jurisdiction, work that has extended over a period of many months, for which I pay great tribute to our distinguished colleague, Senator GARN, the chairman of the Banking Committee, Senator PROXMIRE, the ranking minority member, and every member of their committee, as well as to every member of the Committee on Foreign Relations. They have done their job well and thoroughly in preparing this legislation for the Senate.

EXHIBIT 1

LETTER OF TRANSMITTAL

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C., April 20, 1983.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: We are enclosing a summary of findings from the seven hearings held earlier this year by the Subcommittee on International Economic Policy and the full Foreign Relations Committee on "Stresses and Strains in the International Financing System."

As you know, the Subcommittee held four hearings January 10, 19 and February 1 receiving testimony from a range of experts including former Secretaries of the Treasury, bankers and economists. On February 15 and 23 the full Committee heard from Secretary of State George Shultz and Secretary of the Treasury Donald Regan. A final hearing was held on April 13.

These hearings were held in anticipation of an Administration request for additional resources for the International Monetary Fund. This request was subsequently received and reported favorably out of the Committee on March 16.

We have attached, as appendixes to the hearing transcripts, the memos prepared by staff for each of the hearings together with a Congressional Research Service study entitled "U.S. Policy Options on Polish Sanctions" which includes an anaylsis of the Polish debt situation.

It is also our intention to include the summary of findings and recommendations from these hearings as part of the hearing record.

We would only note, in closing, that in our judgment this hearing record provides a powerful endorsement of the need for Congressional approval of increased resources for the International Monetary Fund.

Sincerely,

CHARLES MCC. MATHIAS, Jr.
CHRISTOPHER J. DODD.

Enclosures.

SUMMARY OF FINDINGS

Current global economic situation

In the course of its hearings, the Committee found a broad consensus among its witnesses, that the current world economy is in the deepest economic decline since the Great Depression of the 1930s. Unemployment, and idle plant capacities in the West are at 30-year lows. At the same time developing countries are experiencing the lowest commodity prices and the highest debt burden in the post World War II era. Continued contraction in the world economy may lead to what Felix Rohatyn warned would be "a unilateral repudiation of external debt by a country that is politically radicalized by depression, by IMF imposed austerity or a combination of both."

The origins of the current economic problems

Witnesses noted that the debt crisis that emerged in 1982 had its roots in the rising inflationary pressures in the late 1960's and 1970's, the twin oil shocks of the 1970's, and official policy responses that attempted to mitigate the impacts of these forces on individual domestic economies. The results of these policies were higher inflation, slower economic growth and rising government sector deficits. The deep recession which ensued with the 1979 oil price increase was as much a result of tight monetary policies, especially in the United States, as it was a byproduct of the inflationary cycle generated by the price increase itself. In its wake, this recession has left 32 million workers in the OECD nations unemployed.

The effects in the developing nations have been considerably more severe. In order to maintain their high economic growth rates, the LDCs needed access to huge amounts of capital either through increased aid flows from the West, or through commercial bank lending. Since the real level of concessional aid flows increased marginally, if at all, most of the larger LDC economies turned to the private commercial sector for their capital needs. Between 1973 and 1982 LDC private debt grew from $40 billion to $375 billion. Prior to the 1979 recession, these loans were a profitable business for the commercial banks as continued inflation pushed up export earnings providing the wherewithal for repayment. However, with tighter monetary policies being imposed by major industrial nations after 1979, and with concomitantly higher interest rates and slowing inflation, export earnings began to decline while demand for credit continued. New loans were then needed to refinance old debt. Debt service, expressed as a percentage of exports, has now risen to staggeringly high levels for some debtor-nations (e.g. 129 percent for Mexico, 122 percent for Brazil and 179 percent for Argentina).

Recommendations from hearings

In addition to a unanimous endorsement in favor of U.S. participation in increasing IMF resources, the Committee also noted the following recommendations, which were offered in the course of Committee hearings, to deal with the current economic situation:

(1) Any global economic recovery will be predicated on the size and the rate of recovery in the United States economy. Real growth is linked to significant reductions in the huge Federal budget deficits that have been projected through the late 1980s, particularly in the United States.

(2) There is a need for greater international coordination of policies between governments, multilateral institutions, and private lending institutions in formulating trade, financial, and domestic economic policies.

(3) Greater understanding is needed, particularly in the United States, about the economic linkages which exist among countries. It was noted repeatedly that we now export 10 percent of our GNP (double that of 10 years ago) and that 29 percent of our exports now go to the LDCs.

(4) In addition to expanded IMF resources, there is a need for continued commercial bank lending to many of these economically troubled countries in the near term, as well as increased multilateral and bilateral aid flows.

(5) Huge short term debts of the LDCs may need to be restructured into long term loans at more manageable interest rates. One do the most extreme forms this restructuring might take was a proposal to "write down" commercial bank loans by having some portion of them assumed by one or more multilateral agencies in order to meet the need for a long term low interest rescheduling of existing LDC debts.

(6) There may be a need for improved regulations and coordination of the international lending practices of the commercial banks.

(7) Some kind of stabilization of the main trading currencies should be a necessary part of any resolution of the current global economic problems; although there was no specific advocacy of a return to a fixed exchange rate system.

(8) On the subject of trade barriers and other protectionist measures, various proposals were suggested to improve GATT's dispute settlement mechanism, and to expand GATT's framework to include trade measures which have not come under its provisions or regulations. The witnesses were critical of proposals to further restrict world trade.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, I yield myself as much time as I may consume.

Mr. President, it is a good thing we are discussing this matter right now. The chairman of the Foreign Relations Committee of the Senate has said it is better to act now before the crisis hits us. I do not know whether we should act to the extent that is recommended in the bill, not the budget waiver resolution, but S. 695 when we get to it, because indeed we are in a crisis. For the International Monetary Fund, $8.5 billion is in the President's budget, it is in the Senate-passed budget, it is in the House-passed budget, and it is time to start talking about why this bill ought to be modified and why the $8.5 billion ought to be reduced. There is a real crisis before us right now. But that crisis is not the IMF; that crisis centers on the $200 billion budget deficit of the United States.

Now turning to the substance of S. 695, the IMF authorization for $8.5 billion, turning to that authorization and the appropriation that would follow, those countries that are in bad shape do desperately need additional financing, and those U.S. banks as well as the other international banks that have loaned money to these countries that are in bad shape need it, too. I am not going to argue that point. Whether they are U.S. banks or other international banks, they need this help, and those countries need it so they can continue to deal with those banks and indeed continue to struggle to get their economic house in order. But what about the banks that have put out this money to these less-developed countries? They put out the money on the basis of very profitable fees for considering the loans and agreeing to the loans, that is No. 1.

Then they loan the money at very good rates of interest. That is good business from their standpoint. They were making loans that were not reasonably assured for repayment, but the bankers had a very profound knowledge that the International Monetary Fund could be approached by these less developed countries and the countries would probably get relief through the International Monetary Fund. These banks also had the firm conviction that since they were loaning to governments, and, even though they were not in the best of economic conditions, they felt the International Monetary Fund would not allow those countries to go into bankruptcy. Indeed the idea, the firm conviction on the part of these bankers was that neither would the industrial countries that contribute to the International Monetary Fund, including the United States, countenance bankruptcy on the part of these governments.

They had a profound belief in the generosity, if not charity, of the industrial countries, including the United States. We certainly do not want to see any country go bankrupt. It would be really terrible to see a prolonged siege on the solvency of our good neighbor Mexico, which already has been mentioned this afternoon several times. We could say the same thing for Brazil, Venezuela. We could say the same thing about any number of countries that are in desperate straits right now and indeed do need some help. The question really is, "Is this the best way to help them?" And if we are going to use the International Monetary Fund to help them, what is the proper amount—it does not necessarily have to be $8½ billion from the United States, looking at our own budget deficit.

It is very timely at this point to review a letter that President Reagan sent to the majority leader, dated June 6.

Everybody has a copy of this. It was distributed to every Senator. The President stresses that:

> Current world economic difficulties, including the international debt situation, were principal topics of discussion at the Williamsburg Summit of Industrialized Nations. The Heads of State strongly endorsed the strategy that is being pursued to deal with the debt situation, and committed themselves to seek early ratification of the proposed increase in IMF resources.

Well, I can well understand why they would do that. We are going to put in a bigger chunk than they are going to put in. We are going to put in $8.5 billion. That is 20 percent of what all the rest of the countries are going to put in together.

It is not surprising the other members of the IMF are for us putting in 20 percent, $8.5 billion. However, we should remember that it is part of a very serious Federal deficit for this fiscal year and coming fiscal years, because I will remind you that the $8.5 billion is part of the second trillion dollars of national debt that will accumulate between now and 1988 unless we turn back spending.

The President goes on to say:

> In part as a result of decisions taken at the Summit, international action is underway to implement the agreed strategy and deal with the world debt situation in a manner strongly supportive of U.S. economic, foreign policy and security interests.

What the President is saying there is that the strategy has been developed where our participation in this additional $8.5 billion contribution to the International Monetary Fund will be money that we borrow. The object is that we borrow another $8.5 billion which will be turned over, given, to the International Monetary Fund and they are going to loan it out in order to help the countries that are really struggling and are threatened with going under.

Well, that may be sound, but it does not strike me as being sound right now. It may well be the Senate will have an opportunity and I hope will approve restrictions on how the International Monetary Fund loans are made and also have the opportunity to vote on a smaller amount to be contributed by the United States at this particular time.

The President's letter goes on to say that:

> The resources of the IMF, the institution at the core of the agreed strategy, are nearing exhaustion. It is essential that our Nation now follow through with prompt action to strengthen the IMF.

Would it be that the U.S. Treasury was as sound as the International Monetary Fund? Forty-two billion dollars' worth of gold in the International Monetary Fund is nothing to sneeze at. Indeed, it is a great sum. That could well be used as leverage to gain funds for loans that are needed by these countries.

The President concludes by saying:

> Passage of this legislation is of the utmost importance to the health of the world economy, to the strength of our own recovery and to the United States' position of leadership in world affairs. I believe this legislation should warrant, as it has in the past, the broadest bipartisan support in the Congress and I urge its prompt approval by the Senate.

Well, I am sure that loans made to these particular countries that are in need might be helpful to their economy, but I am not sure that this is the best way to go. But I am quite positive right now that a total of $8.5 billion from us, from our Treasury, to the International Monetary Fund is not good for the American economy.

Now, I am sure the President means what he says. He signed it sincerely and I am sure the President is sincere on this point. But I do not happen to agree with him and I do not think that the President came to this belief until very recently, because I well recall his statements over the past several years and only a few weeks ago when the President said:

> If Congress would only tighten up the spending, we could get closer to a balanced budget, we would get lower interest rates, and we could have the economic recovery continue.

Well, this is spending. This is big spending. Do we turn over to the Pentagon just a chunk of money of $8.5 billion and say, "Use it as you will." No, we do not do that. The authorizing committee comes in and says where the money ought to be spent and we follow it up with appropriations for specific purposes. We do the same with every Federal agency, of course.

I only mention that to dramatize the difference. When we turn over $8.5 billion to the International Monetary Fund, we are doing so on the basis of such statements, as is in the President's letter, "that a strategy has been developed." What is the strategy that has been developed? Do we know? We will get into that when we discuss S. 695, but there is precious little re-

straint and that is one of the needs, as we discuss that bill. This is why amendments are necessary to bring some restraints and some guidelines to this spending.

It is clearly excessive to turn over $8.5 billion at this time. It is on that basis that I take this time this afternoon to express my strong feelings to the Senate on these points.

If we were to attempt to explain to one of our constituents what the International Monetary Fund is, I suspect that we could say that it has two general functions. The first, and the reason that it was created so many years ago, is for currency stabilization. Contributors to the general arrangement to borrow have the right to draw against their contributions. These countries are the United States, West Germany, Japan, France, the United Kingdom, Italy, Canada, the Netherlands, Belgium, Sweden, and Switzerland. These are the 11 countries. Because of their contributions or their investment, they get special drawing rights and whenever they need them, they use them for currency stabilization.

It is at that point that I should point out that that is why the United States uses the International Monetary Fund for currency stabilization, using our special drawing rights. Well, so far, so good. It has worked. It is fine. But are we putting in money for that purpose, for currency stabilization? Well, such an explanation would be pretty far fetched.

We are putting money in for the other function, for loans. This function has come on as sort of an after thought of the International Monetary Fund. It was not first considered to be a function of it, but it has developed and it has been used over the period of 10 years, at least, to give loans or arrange loans for less developed countries to help them over structural economic hurdles.

This second part, not the original function of currency stabilization, is a part that we are going to plunk in the money. Even on looser terms than the general agreement to borrow, that loan window will be open to less developed countries and particularly it will be opened up to those countries who are in dire need, who happen to be the very countries who owe the money to the large U.S. banks and those large international lending banks who have made some loans which are indeed in bad shape.

We are told to do this because it will help trade.

My only question on that is, How sound is it to give money to countries so they can buy something from us? That is foolish. That, in itself, is foolish.

We are really loaning them money to stabilize their economy.

The question is, Is this method going to work? If it is going to work, is this bill the best way to do it?

Let us talk about trade for a moment. While our trade with Third World countries is important, the trade with the less developed countries can be overstated. Our total exports in 1982 were around $220 billion. Of that $220 billion total exported last year, $62 to $63 billion of the exports were to Latin American countries. We seem to center our arguments on trade to our closest neighbor, such as Mexico, and say, "well, we have to continue to do this so they will continue to trade with us."

Our exports last year to countries considered to be the most likely to default on international loans, Mexico, Brazil, Argentina, Chile and Venezuela, amounted to $22 billion worth of merchandise, goods, and services.

That, mind you, is 10 percent of our total exports. Ten percent is important but we should not overestimate it. It is only 10 percent. I do not want to give up 10 percent. I just want to look at the best way to hold on to that. But I do not want the case for trade overstated to these countries in this hemisphere that have those bad loans.

Most of the International Monetary Fund arrangements with Third World debtor nations require that these nations improve their balance-of-payments deficit and a common condition is to require the debtor nation to cut back on its imports.

Did you all hear that? The IMF says, "If you are going to get this money, you are going to cut back on your imports." Those who are going to make the argument that this is necessary for trade, please recognize the truth. Reducing imports will be a condition and is now a condition with those countries that are in bad shape, that have any IMF funds previously loaned to them, and that will be the condition on any new loans.

As an example, Mexico announced that it accepted the terms of an austerity program imposed by the International Monetary Fund as a condition for obtaining $3.4 billion in credit in November of last year. A major condition was that Mexico reduce the size of its public-sector debt. Mexico promised to maintain an exchange rate that would stimulate exports and discourage imports and the flight of capital.

As a second example, a condition for obtaining $2 billion of IMF funds for Argentina, they had to agree to cut state spending and continue a pattern of currency devaluation, to make exports more competitive by making them cheaper, and to limit imports by making them more expensive.

That is the way it works.

So the trade part of this is overplayed. I am not saying this is not important. I believe trade is important. But I think that before we get through with this package, the authorization bill, S. 695, we better knock down all this fluff, all these strawmen which are put-up exports for farmers, for Caterprillar, for John Deere, or for one of our manufacturers of computers. We better recognize it as it is.

We are living in a real world. If we do not admit that in order to strengthen the economy of these countries that are in bad shape they are going to have to increase their exports and reduce their imports, we are not being fair. We are not being truthful. We are not being honest. We are not being reasonable. We are not being objective.

We better recognize what we can do and what we cannot do.

If a story is spread across the land that does not get to the truth of the matter, that this is a vast amount of money, that we are going to have to borrow it in order to give it to the IMF, that it does have a bearing on our horrendous national debt and it may threaten economic recovery here for us; if we do not take that into consideration, we are not really using our best judgment.

The amount that will go for the International Monetary Fund, while large, and which we have to borrow to give to them, may not be enough to bail out the bad loans. We have to recognize that. We have to recognize that the international banks that have made bad loans are going to have to make some concessions, they are going to have to eat part of their bad loans. They will have to recognize that and get back to the real world where, if you make a bad deal, it catches up with you.

Mr. President, I now yield to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. EXON. I thank my friend from Montana.

Mr. President, I was pleased that we decided to go ahead and take up this issue today. I think it is something that should be fully debated. Like so many of the very important things that face the U.S. Senate, there is no all black and no all white on this issue. There are legitimate arguments on each side. But the more I study, the more I hear the debate, and the more I read the news reports, I think we should take a good, hard look at, first, whether or not we are going to waive the budget resolution and, second, whether or not we should go ahead with the President's recommendation for further funding of the IMF.

I can only say that this is one Senator who has yet to be convinced.

Mr. President, I noticed a United Press International story that came across the wire shortly after noon today. I would like to read it into the

RECORD at this time because I suspect that if all the Members of the Senate saw this, they might be interested in asking some of the questions that this Senator intends to raise during this debate. The UPI story is No. 344, headlined "Caracas, Venezuela."

CARACAS, VENEZUELA.—Oil producing states, including members of the Organization of Petroleum Exporting Countries, are entitled to resort to the International Monetary Fund's compensatory facility, the Venezuelan Government says.

In a press communique issued Sunday night, the government said the IMF Board of Directors last Thursday approved the use of the compensatory facility by "members of the Fund even if they are oil nations and OPEC members."

Venezuela, a charter and active OPEC member, currently is seeking a $2.8-billion IMF loan as part of its efforts to restructure its foreign debt of more than $27 billion, of which about $15 billion falls due this year and in 1984.

Finance Minister Artur Sosa has been holding talks with IMF authorities and international bankers in New York and Washington regarding the restructuring of his country's foreign debt.

Sosa has said Venezuela can draw $1.4 billion automatically from its contributions to the IMF, but would have to accept some of the severe austerity measures recommended by the Fund in order to obtain an additional $1.4 billion under the compensatory facility.

On leaving Jacques de Larosiere, Sosa told reporters Venezuela will be the first OPEC country to seek use of compensatory facility funds, as a result of the decline in petroleum exports.

The government statement also announced an IMF commission will arrive in Venezuela Friday to prepare a definitive report on the country's financial situation.

Mr. President, I think that we had better be very careful as to what we are doing here and understand how far we are going before we approve these recommendations of the administration in this area. Once again, I emphasize that I suppose there are good arguments both pro and con, but I hope this is not going to slip through the Senate. When I say slip through the Senate, I mean not only the budget waiver, because I suspect that that will likely be the key vote. If we are for the budget waiver, which I think the Senate should have a chance to express its will on, then I suspect that will be an indication of whether the measure itself is going to pass.

Mr. President, we have heard in debate here today some very good arguments pro and con on the issue. One of the arguments was the fact that we have had an oil price shock. Indeed, we have had an oil price shock that was caused by the OPEC nations and their forming the cartel that put a gun to the head of the industrialized world, including the United States of America. There are lots of places where there are those who seek to place blame for the trouble that the United States, the industrialized world, and the emerging nations are all in right now. I think, though, it is fair to say that the major cause of the difficulties that we are all having today is the fact that the oil-producing nations formed OPEC, a cartel, and literally turned upside down the then-sound international structure that we had working.

I think the OPEC nations are the primary cause of the worldwide recession, the high inflation, the high interest rates and the high unemployment, and the recession that has been plaguing this country and causing vast increases in the international difficulties of this world and the difficulties that we are having here at home, both in deficits and the further skyrocketing of the national debt. I recognize that, and I believe that to be true. Maybe I am wrong. Maybe the fact that when OPEC raised the price of oil to about $40 a barrel and held up the rest of the world and started borrowing money as they had never borrowed before from the international bankers and the Monetary Fund, we all know there was a great rush at that time to put this OPEC money to work throughout the world. It was filtered through the international bankers.

The PRESIDING OFFICER. The time allotted to the Senator by the Senator from Montana on this question has expired.

Mr. MELCHER. I ask unanimous consent that the Senator from Nebraska be granted 5 minutes more.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. EXON. I thank the Senator from Montana.

Mr. President, it seems to me that a large measure of the difficulties can be traced right back to OPEC, that cartel. Yet, at this very moment, we are deciding whether or not we are going to make more obligation of American taxpayers' money, when they are already overburdened, to help the OPEC nations. That is a mystery to me. It reminds me of the old Chinese proverb, "Fool me once, it is your fault. Fool me twice, it is mine."

I think it is important that we try to make decisions here to bring some stability to help save the world financial system. That phrase was used here in debate this afternoon. It may well be true that the international banks are putting in more money. I suggest that the only reason the international banks are agreeing to put in more money is twofold: One, the American taxpayers are being asked to make further commitments; two, the fact that the international bankers are already head over heels in debt in bad loans that they have made to many developing nations, especially OPEC nations, and they have nowhere else to go. Therefore, I think that before the Senate proceeds to a vote on this matter, either on the budget waiver or on S. 695 itself, we had better understand what we do.

We talk about the solvency of the international banking system. We talk about the solvency of our banking situation here at home. Once again, the American taxpayers are primarily the ones who are being asked to make the bottom-line commitment. They are being asked here to pledge further tax money to this endeavor, with the risk that it likely is to further raise the deficits of the U.S. Government and further raise them where we customarily and conveniently transfer deficits at the end of each and every fiscal year; that is, to the national debt.

The Senator from Montana made an interesting point a few moments ago when he said that if we proceeded with this and if the International Monetary Fund managers are successful in tightening down the economies of the various countries involved, it will decrease rather than increase imports to those countries. So I simply say, Mr. President, that I remain yet to be convinced that the size and the scope of the request from the administration on this particular matter is one that we should approve. While I readily recognize that if we are going to continue world trade, we must be a partner of sorts in the International Monetary Fund, if I could be convinced that this is a measure indeed not designed to bail out the international banks that have made bad loans and now want the taxpayers to back them up, I would also say that those international bankers also know, Mr. President, that it is the American taxpayers who are the bottom-line guarantee for the big banks.

Under our banking system, we simply cannot allow those large financial institutions to fail. I guess when we talk like that, we had better decide whether or not this is the time to draw the line, to at least cut back significantly on the recommendations in this area made by the administration.

Mr. President, I shall be listening keenly to the continuing debate on this subject. In closing, I want to say I have the highest respect for the chairman of the Banking Committee and the ranking minority member of that committee. I have the highest respect for the chairman of the Foreign Relations Committee and the Foreign Relations Committee itself, that voted overwhelmingly to proceed on the course outlined in S. 695. I simply say that I hope that they can give me the answers to some of the questions that I have raised in my comments here today, because I suspect that some of the concerns that I have are shared by a substantial number of my colleagues in the Senate.

I yield the floor.

Mr. GARN. Mr. President, I yield myself such time as is necessary.

I shall take just a part of this time to commend the distinguished Senator from Pennsylvania (Mr. HEINZ) who is chairman of the International Financing Subcommittee of the Banking Committee. During the past few months, he has spent an inordinate amount of time in private meetings and conducting hearings before the subcommittee on this very difficult issue. It is very complex. It is also one that is politically difficult to handle, there is no doubt about that. I just wanted it stated for the record how pleased and proud I am with the job he has done as chairman of that subcommittee with an issue that is difficult, as I have said, and to commend him for that work.

Because of the great deal of work that he has put in on this particular subject, although I am designated to manage the bill due to my position as chairman of the committee, I certainly feel that this is a comanagership. As a matter of fact, I feel so strongly that way that I am going to turn the rest of the day over to him. I wish to once again thank him for all of his work on this issue.

Mr. HEINZ. If the Senator will yield before he yields the floor entirely, I thank him for these kind words. I do not know whether they are merited or not, but I certainly will accept them in that spirit.

I would be remiss, if I did not point out the tremendous help and understanding the chairman has shown of these issues and whatever work the subcommittee or the committee has accomplished is really due in largest measure to the chairman's leadership. I thank the chairman.

Mr. President, how much time remains?

The PRESIDING OFFICER. Eleven minutes and twenty-seven seconds.

Mr. HEINZ. Mr. President, we are, of course, really debating the budget waiver, but rather than discuss that issue, on which I think everybody probably has their mind pretty well made up, I should like to take this time, and I yield such time as I may require, to make what would amount to an opening statement on the bill.

This really is the beginning of the debate on the IMF quota increase, and I think it would be useful to review the reason why I am asking my colleagues to join with me, Senator GARN, Senator PROXMIRE, Senator PERCY, Senator MATHIAS, and others in voting for passage of S. 695. I say in all candor to my colleagues this is not a bill that I ask them to vote for with joy or with enthusiasm. It is a bill that I ask my colleagues to vote for out of necessity.

It is necessary for a number of reasons. Some will tell you, and I agree, that it is necessary to support this bill because it has been negotiated by the executive branch, by Secretary Regan on behalf of the President. And it is therefore necessary to support the results of that negotiation among the members of the International Monetary Fund and among the group of 10 which substantially reduced the original amount sought by about half, and which negotiations succeeded in setting aside a substantial portion of the increase so that the developed nations can exercise careful control over it among themselves. Thus, if the IMF were to go through a very dramatic change in its character or policy, one I do not expect, the supplemental facility would be under firm control.

I should also say that this legislation is necessary if the International Monetary Fund is going to be able to continue to play its vital role as what I might term an international turnaround or rescue expert. Some of my colleagues, before they came to this or the other body, may have had, either by direct participation themselves, experience in the world of business, or as attorneys may have represented business interests in situations; and many, I suspect, have seen companies, large and small, which get into trouble. There is often a point when that institution, a corporation or a small business, gets into such difficulties that it is either faced with closing its doors, bankruptcy, or it is faced with taking dramatic action so it can continue to survive and provide employment—a special kind of operation is necessary. We term that frequently a rescue operation, a turnaround operation. Indeed, this very body some 3 years ago performed its own rescue operation on Chrysler Corp. Money was committed to Chrysler, $1.2 billion in loan guarantees, if my memory serves me, but there was a string of conditions—conditions such as Chrysler's unions and their members had to take pay cuts and give up benefits. White-collar workers had to take pay cuts; Chrysler dealers had to invest more in Chrysler, buy preferred stocks; Chrysler's banks had to stay with Chrysler. They could not take the Federal loan guarantees and run. A package of conditions was mandated by this body before Chrysler was able to draw down the first cent of financial support. The IMF operates in a very similar fashion, almost identical to what I have just described as a rescue and turnaround expert. And make no mistake, I think my colleagues are all well aware, in this case it is not companies but countries that are in grave financial difficulty that need real turning around if we are to avoid not just their collapse financially but their collapse, among other things, as customers of the United States. They continue to import. That means we export and create jobs. Every billion dollars of exports from this country creates between 20,000 and 30,000 additional jobs in the United States. The kind of conditions that the IMF imposes in helping to turnaround those countries prevents the possibility of larger collapses from taking place. We do not want ever to get up to the brink of an international collapse, and that could or even would very likely occur if several or even one major country suspended the convertibility of its currency. The IMF's ability to act as both an internal supplier of credit and a turnaround expert is not just our best hope, but it is our only mechanism for seeing to it that the specter of collapse is no more than a distant possibility.

What the IMF does—and the reason this legislation is a necessity, not a luxury—is that the IMF is the only institution in the world that can come in and tell countries how to get their houses in order, how to stop so much government spending on consumption and start saving and start producing, start to eliminate protectionist barriers, performance requirements, and other artificial means of rigging the marketplace to keep exports out. It aggressively discourages the attempts of many countries to use subsidies to get their products in as imports to our market and other markets.

Indeed, in many ways the International Monetary Fund is something we could almost use here to get things under control, improve our balance of payments, and take care of our domestic deficits. We are not ready for their help, I hope, although we have used it in the past.

Nonetheless, the IMF is the organization that nations with very shaky finances can turn to. When they turn to it, what they are required to undertake is an orderly adjustment process so that the possibility of individual or widespread LDC default and insolvency is avoided.

Mr. President, this legislation is also necessary for one additional reason. It is necessary to see to it that the kind of overextended credit conditions that now exist—some due to LDC's that decided there was no tomorrow; some due to exporters and banks, ours as well as others, who decided that they could lend or export without any risk whatsoever—that this kind of situation, this kind of overextension of the international financial markets, does not run away and happen again.

With respect to title II of this bill, Senator PROXMIRE, Senator GARN, and I and others on the Banking Committee labored a very long time, first to educate and then to cajole and then to persuade our somewhat reluctant regulators to endorse a set of amendments that will see to it—henceforth, I predict—that our banks, our financial institutions, do not in the future become overextended. How do we do that?

The PRESIDING OFFICER. The time allotted to the Senator has expired.

Mr. HEINZ. I ask unanimous consent to proceed for not more than 4 minutes, Mr. President.

Mr. HELMS. Mr. President, reserving the right to object—and I will not object—I ask the Senator if he will include 5 minutes for me, at the conclusion of his format.

Mr. HEINZ. I withdraw my request.

Mr. HELMS. No, no.

Mr. HEINZ. Mr. President, I withdraw my request and substitute the following: that the Senate proceed for 10 minutes, to be equally divided between me and the Senator from North Carolina.

Mr. HELMS. I cannot think of a fairer proposition. I thank the Senator.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HEINZ. Mr. President, if we do that, first by instituting for the first time a reserving requirement, wherein banks, financial institutions, must recognize, both on their income statement and in the writedown of their capital, loans that simply are not performing and cannot be expected to perform. Never before has that been required by our regulators. Never, believe it or not, has it been required by Congress with respect to international loans.

This bill does it by requiring our regulators to do it.

This bill also mandates something that I suppose seems obvious to many of my colleagues, but we have never had it before—disclosure; disclosure of the extent to which individual banks are exposed in individual countries and, beyond that, in some substantial detail, so that people can judge, investors can judge, Wall Street can judge, Members of Congress can judge whether individual banks are becoming overexposed in an individual country, with any particular type of loan in that country.

This legislation provides for the promulgation of new supervisory rules for the fees that banks take for servicing loans or for syndicating loans so that all these syndication fees that are not related to costs do not show up in 1 month or a fiscal quarter as profits, thus driving the bank to continue to make more profit by doing more and more syndications.

Most important of all to many of us, the legislation creates a clear mandate for the regulators to require banks to maintain adequate levels of capital. There is no current explicit statutory directive that banks have even the most minimal levels of capital. The only time we really become concerned—and then we become frantic—is when their capital is less than zero, because that means the bank is insolvent.

It is vital that our bank regulators insure that our banks, large and small—money center, regional, and local—have adequate levels of capital.

I think this is a far superior notion to what I had originally advocated, which was that there be individual country lending limits. A capital requirement insures that the bank is adequately financed and therefore protects the depositors and ultimately the FDIC, which in many ways is us, from a bank becoming overcommitted.

Mr. President, these are the safeguards in this legislation which I think constitute a third and final necessity for the passage of this measure. I said that I ask my colleagues to support it not with enthusiasm but out of a sense of necessity, that unless we do this, we are not meeting our responsibility either to this country's international agreements or to doing what we must do to assure a stable international monetary—and therefore trade—system and all the jobs which depend on it.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I thank the Chair, and I thank the able Senator from Pennsylvania (Mr. HEINZ), for whom I have the highest respect.

Mr. President, as I said earlier this afternoon, my opposition to this legislation and certainly my desire to change it, implies no disrespect for the enormous efforts devoted to this very complex matter by both the Foreign Relations Committee and the Banking Committee.

Having said that, Mr. President, I have been sitting here this afternoon thinking about the average man and woman on the street and what they know or do not know about the International Monetary Fund. From the standpoint of the safety of Members of Congress, perhaps it is just as well if they do not know very much about it, because I believe if the average American, whoever he or she may be, knew what was afoot here, a posse might be organized and take out after those of us in Congress.

The entire IMF subject is fraught with the vagaries of bureaucratic terminology. During the ensuing debate, and I will have more to say tomorrow, we will be talking about SDR's, special drawing rights. We will be talking about CFF, compensatory financing facility. We will be talking about GAB, general arrangements to borrow. I wonder how many Members of Congress, let alone the American people, understand such gibberish.

Mr. President, earlier today I raised the question as to whether this IMF proposal can be properly and fairly described as a bailout for the big banks. I think the description is right on target. Some exception was taken to my raising the question, but I imagine it will be raised frequently tomorrow.

What we are talking about is $8.4 billion of the American taxpayers' money, and the question is, Is this a bailout of the big banks?

I understand the way things are done around this place. This question of bailout has been scarcely addressed perhaps because of some kind of gentlemen's agreement. It is not polite to call it a bailout. But that is what it is.

As a result, far too little attention has been paid to this aspect, in part because of its obvious political overtones and because of the complexity of the very discussion of the International Monetary Fund and how it functions.

Mr. President, first, it is axiomatic that an increase in world liquidity will mean that certain borrowers who would otherwise be unable to compete for available funds will be able to obtain credit that they otherwise would be unable to find.

In addition, with an increase in world liquidity, interest rates will be at least temporarily lower than otherwise would be the case. In other words, many of those "nonperforming" loans held by many major New York City banks can be refinanced because of the increase in world liquidity.

If that is not a bailout, I hope someone can offer a better definition.

The IMF quota increase will mean that banks will not have to face the immediate consequences of many loans becoming formally in default. Here again, this IMF package is a means of aiding the big banks.

The problem with this form of aid is that it is obviously inflationary and those victims of inflation, the poor of the world, the middle-class investors and the holders of financial assets, will suffer because of a new round of world inflation.

Insofar as the added IMF quota represents a real transfer of resources from the United States, meaning the taxpayers, then every American will be poorer because of the wealth shipped abroad.

Mr. President, there are many around this place who believe that the IMF can serve an important purpose.

The PRESIDING OFFICER (Mr. WILSON). The time of the Senator from North Carolina has expired.

Mr. HELMS. Mr. President, I ask unanimous consent for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I thank the Chair.

But the massive 47-percent increase in resources is simply excessive. In fact, until this year the administration's position on the IMF quota in-

crease was that it would support at most a 35-percent increase.

For this reason, I believe Congress should consider increases of only one-half that requested for both the IMF quota and the GAB increase.

It is my intention to offer such an amendment when the Senate considers this legislation.

As a matter of fact, Mr. President, I ask unanimous consent to have printed in the RECORD at this point a list of the amendments and description thereof as published on pages 8 and 9 of Legislative Notice.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Amendment No. 1296: HELMS. To add further language to the Bretton Woods Agreement Act to provide: (1) Treasury Secretary is required to instruct U.S. IMF Executive Director to propose and vote for adoption of policies within IMF regarding purchases, drawings, or other use of IMF resources (including loans under GAB but excluding reserve tranches) under which member, in order to receive IMF resources, (a) must give information on all direct or indirect export subsidies (including special tax incentives and subsidized financing for exports) used in connection with agricultural exports to a foreign country, and (b) must agree to take steps to eliminate, over next 3 years, any such subsidies IF U.S. Agriculture Secretary and U.S. Trade Representative find they are "predatory" upon and adversely affect U.S. agricultural exports: (2) "predatory export subsidies" is defined as provision by any country or organization of countries (or instrumentality thereof) of any financial assistance (i.e., loans, payments, use of special tax incentives, subsidized financing of exports, etc.) to anyone regarding export sale to third country of agricultural commodities which has effect of lowering export price to less than highest comparable price like commodity produced in U.S. would bring if exported to same third country; and (3) require President to suspend U.S. participation in IMF by January 1, 1985, IF IMF does not adopt these policies, with President also required to report to Congress within 30 days of such suspension on recommendations for further U.S. involvement in IMF—thereby denying IMF monies to nations which use "predatory export subsidies" against U.S. farmers.

UP Amendment: HELMS. The bill would provide for increase of SDR 5,310.8 million ($5.8 billion equivalent) in U.S. quota to IMF and for increase in amount of funds U.S. may lend to IMF under GAB by $2.7 billion.

The amendment would cut the above amounts in half so that U.S. IMF quota increase would be about $2.85 billion and GAB increase would be about $1.35 billion. (SEE "Minority Views".)

UP Amendment: HELMS. (For bill's provisions regarding U.S. quota and GAB increases, see above Helms amendment.)

The amendment would add language to provide that the authority for such increases would expire in either FY 1984 or FY 1985—thereby making U.S. quota and GAB increases temporary to meet a temporary problem. (SEE "Minority Views".)

UP Amendment: HELMS. (For bill's provisions regarding U.S. quota and GAB increases, see above Helms amendment.)

The amendment would STRIKE subsections of bill which increase U.S. quota and U.S. GAB contribution to IMF. (SEE "Minority Views".)

UP Amendment: HELMS. To add language to require Treasury Secretary to instruct U.S. IMF Executive Director NOT to vote (a) to increase IMF's issuance of SDR's, (b) to approve issuance of IMF bonds, or (c) to use IMF gold as collateral for loans UNLESS such actions have been approved by Congress. (SEE "Minority Views".)

UP Amendment: HELMS. To add language to require Treasury Secretary to instruct U.S. IMF Executive Director to seek to have the IMF restitute its gold reserves to the countries which donated them in exchange for SDR's at official price of SDR 35 per ounce—thereby urging continuation of 1976 gold restitution program under Jamaica amendments to Bretton Woods Agreement. (SEE "Minority Views".)

Mr. HELMS. Mr. President, I say again that hearings are scheduled on this subject on June 26. There has been some confusion about whether adequate hearings have been held and whether the opponents of this increase in the use of taxpayers' funds have been given ample opportunity to testify. It is the feeling of the Senator from North Carolina that consideration of this legislation by the Senate should be delayed until after those hearings are held.

Again I say that I take this position not with any disrespect whatsoever to any Senator who favors or advocates this legislation, but because it involves so much of the taxpayers' money. I believe that we may live to regret it if we proceed without full consideration, in public hearings, of both sides of the many issues.

I thank the Chair, and I yield back such time as I may have remaining.

Mr. HEINZ. Mr. President, are there any Members in the Chamber wishing to be heard further on this subject?

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call that roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, it appears that we have done all we can do today on the IMF budget waiver and on statements in relation to the resolution itself.

Mr. President, I ask unanimous consent that there now be a further period for the transaction of routine morning business of not longer than 2 hours in length in which Senators may speak for not more than 10 minutes each, with the exception of the distinguished minority leader who will be permitted to speak without limitation as to time.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER REFERRING H.R. 3034 TO COMMITTEE ON RULES AND ADMINISTRATION

Mr. BAKER. Mr. President, according to the notations on my memorandum this matter is cleared on both sides. May I now state this request? I state it for the consideration of the minority leader and other Senators. I ask unanimous consent that Calendar Order No. 230, H.R. 3034, be referred to the Rules Committee for not to exceed 10 calendar days.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL SCLERODERMA WEEK

Mr. BAKER. Mr. President, on my calendar of business for today, June 6, I find one item that is cleared for action by unanimous consent on this side. I refer to Calendar Order No. 231, Senate Joint Resolution 75. I would inquire of the minority leader if he is prepared to consider that item on that basis at this time.

Mr. BYRD. That matter has been cleared.

Mr. BAKER. Mr. President, I ask unanimous consent that the Chair lay before the Senate Senate Joint Resolution 75.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution (S.J. Res. 75) to provide for the designation of June 12 through 18, 1983, as "National Scleroderma Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S.J. RES. 75

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President shall issue a proclamation designating June 12 through 18, 1983, as "National Scleroderma Week", and calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

S. 1196 REFERRED TO SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. BAKER. Mr. President, may I say to the minority leader that I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of S. 1196, a bill to confer jurisdiction on the U.S.

Claims Court with respect to certain claims of the Navajo Indians, and that it be referred to the Select Committee on Indian Affairs.

Mr. BYRD. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR STAR PRINT OF S. 1192

Mr. BAKER. Mr. President, I have been requested to make the following statement. I ask unanimous consent that the reported version of S. 1192 be star-printed to reflect the change which I send to the desk.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

THE EXECUTIVE CALENDAR

Mr. BAKER. Finally, Mr. President, on today's Executive Calendar I have cleared for action on this side certain nominations beginning with Calendar Order 185 and continuing through Calendar Order 189.

I would inquire of the minority leader if he is in position to consider all or any part of those nominations at this time?

Mr. BYRD. Mr. President, with the majority leader's indulgence I will respond very soon.

There is no objection to proceeding with any of the nominations on the Executive Calendar.

Mr. BAKER. I thank the distinguished minority leader.

EXECUTIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now go into executive session for the purpose of considering nominations 185 through 189.

The PRESIDING OFFICER. Without objection, it is so ordered.

The assistant legislative clerk proceeded to read various nominations.

Mr. BAKER. Mr. President, I ask unanimous consent that the nominees be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations are considered and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

David F. Emery, of Maine, to be Deputy Director of the U.S. Arms Control and Disarmament Agency.

THE JUDICIARY

Julia Smith Gibbons, of Tennessee, to be U.S. district judge for the western district of Tennessee.

H. Ted Milburn, of Tennessee, to be U.S. district judge for the eastern district of Tennessee.

Bobby Ray Baldock, of New Mexico, to be U.S. district judge for the district of New Mexico.

DEPARTMENT OF JUSTICE

Ronald A. Donell, of West Virginia, to be U.S. marshal for the northern district of West Virginia for the term of 4 years.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the nominees were confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONFIRMATION OF BOBBY RAY BALDOCK TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF NEW MEXICO

Mr. DOMENICI. Mr. President, I am very pleased with the Senate's confirmation of Mr. Bobby Ray Baldock to fill a seat on the New Mexico Federal District Court. It is a distinct privilege to bring to the attention of my colleagues in the U.S. Congress, some of his professional and personal accomplishments.

Mr. Baldock brings with him a long and distinguished career as an attorney in Roswell, N. Mex. With a doctor of laws from the University of Arizona School of Law, he began his career in private practice in 1960. In 1965, he became a senior partner in the firm of Sanders, Bruin, and Baldock.

Among the many professional organizations with which he is affiliated, I would like to highlight several of them. He is an active member of both the New Mexico Bar Association and the American Bar Association. He is a past president of the Chaves County Bar Association, and is also a member of the New Mexico Medical-Legal Malpractice Panel. In addition to dedicating his time as a test grader for New Mexico's Board of Bar Examiners, Bobby has taught business law for 18 years at the Eastern New Mexico University Roswell campus.

Bobby is a noted community and civil leader. He serves on the board of directors of the local YMCA, manages and coaches the town's Little League, and is a past president of the Roswell High School Booster Club. He is the charter member of the board of directors of the Valley Bank of Commerce in Roswell, and was its past chairman of the board. Bobby also served for 9 years as judge advocate in the New Mexico National Guard.

These activities serve as a small example of Bobby's dedication and commitment in his work and personal life. I feel he is well-qualified and familiar with New Mexico's legal environment to meet the demands and challenges of a Federal district court judge.

LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION AND WAIVERS OF CERTAIN TRADE PROVISIONS—MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT—PM 52

Under the authority of the order of the Senate of May 26, 1983, the Secretary of the Senate, on June 3, 1983, received the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Finance:

To the Congress of the United States:

I hereby transmit the documents required by subsection 402(d)(5) of the Trade Act of 1974 for a further 12-month extension of the authority to waive subsection (a) and (b) of section 402 of the Act. These documents constitute my decision to continue in effect this waiver authority for a further 12-month period.

I include as part of these documents my determination that further extension of the waiver authority will substantially promote the objectives of section 402. I also include my determination that continuation of the waivers applicable to the Hungarian People's Republic, the People's Republic of China and the Socialist Republic of Romania will substantially promote the objectives of section 402. The attached documents also include my reasons for extension of the waiver authority; and for my determination that continuation of the waivers currently in effect for the Hungarian People's Republic, the People's Republic of China and the Socialist Republic of Romania will substantially promote the objectives of section 402.

RONALD REAGAN.

THE WHITE HOUSE, *June 3, 1983.*

MESSAGE FROM THE HOUSE

At 12:05 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its clerks, announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 639. An act to authorize supplemental assistance to aid Lebanon on rebuilding its economy and armed forces, and for other purposes.

The message also announced that the House has passed the following bill, without amendment:

S. 973. An act to make technical amendments to the Indian Self-Determination and Education Assistance Act and other Acts.

The message further announced that the House has agreed to the following resolutions:

H. Res. 177. A resolution disapproving the proposed deferral of funds for energy conservation, Department of Energy (deferral numbered D83-74);

H. Res. 178. A resolution disapproving the proposed deferral of funds for fossil energy research and development (deferral numbered D83-83); and

H. Res. 181. A resolution disapproving the proposed deferral of funds for administration of territories, Department of the Interior (deferral D83-55).

The message also announced that the House has passed the following bills, in which it requests the concurrences of the Senate:

H.R. 1746. An Act to authorize appropriations for the Navajo and Hopi Indian Relocation Commission;

H.R. 2196. An act to extend the authorization of appropriations of the National Historic Publications and Records Commission for five years;

H.R. 2293. An act to amend the Office of Federal Procurement Policy Act, and for other purposes;

H.R. 2592. An act to transfer from the Director of the Office of Management and Budget to the Administrator of General Services the responsibility for publication of the catalog of Federal domestic assistance programs, and for other purposes;

H.R. 3133. An act making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1984, and for other purposes; and

H.R. 3135. An act making appropriations for the legislative branch for the fiscal year ending September 30, 1984, and for other purposes.

HOUSE MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1746. An act to authorize appropriations for the Navajo and Hopi Indian Relocation Commission; to the Select Committee on Indian Affairs.

H.R. 2196. An act to extend the authorization of appropriations of the National Historic Publications and Records Commisssion for five years; to the Committee on Governmental Affairs.

H.R. 3133. An act making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1984, and for other purposes; to the Committee on Appropriations.

H.R. 3135. An act making appropriations for the legislative branch for the fiscal year ending September 30, 1984, and for other purposes; to the Committee on Appropriations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DOMENICI, from the Committee on the Budget, without amendment:

S. Res. 146. Resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 695.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs:

Donald I. Hovde, of Wisconsin, to be a member of the Federal Home Loan Bank Board for the remainder of the term expiring June 30, 1985.

(The above nomination was reported from the Committee on Banking, Housing, and Urban Affairs with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DENTON:

S. 1405. A bill to assure the first amendment rights of all citizens and to provide criminal penalties for violations thereof; to the Committee on the Judiciary.

By Mr. WILSON:

S. 1406. A bill to provide for the duty-free entry of a pipe organ for the Crystal Cathedral of Garden Grove, California; to the Committee on Finance.

By Mr. EXON:

S. 1407. A bill to protect purchasers of used automobiles from fraudulent practices associated with automobile odometer modifications, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. MELCHER:

S. 1408. A bill to cover deficiencies in the Natural Gas Policy Act of 1978, to protect natural gas consumers from price increases because of current distortions in the regulated market for natural gas, to provide for a free market for natural gas, to permit natural gas contracts to reflect the change from a regulated to a free market, to eliminate incremental pricing requirements for natural gas, to eliminate certain fuel use restrictions, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. HEINZ:

S. 1409. A bill to amend the Tariff Act of 1930 regarding the public disclosure of certain manifest information; to the Committee on Finance.

By Mr. BYRD (for himself, Mr. TOWER, Mr. SYMMS, Mr. HEFLIN, Mr. HOLLINGS, Mr. THURMOND, and Mr. DENTON):

S. 1410. A bill to amend the Internal Revenue Code of 1954 to exempt holdings in independent local newspapers from taxes on excess business holdings of private foundations; to the Committee on Finance.

By Mr. BYRD (for Mr. BENTSEN (for himself and Mr. TOWER)):

S. 1411. A bill to provide that certain property held in foreign-trade zones shall be exempt from State and local ad valorem taxation; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ARMSTRONG:

S. Con. Res. 43. Concurrent resolution expressing the sense of the Congress concerning the condition of the international financial system; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. JEPSEN:

S. Con. Res. 44. Concurrent resolution expressing the sense of the Congress that the continuing possibility that the provisions of the Internal Revenue Code of 1954 relating to withholding from interest and dividends will be repealed is creating, for all payors, an undue hardship within the meaning of section 308(b) of the Tax Equity and Fiscal Responsibility Act of 1982 and that the Secretary of the Treasury should exercise his authority under such section to delay the effective date of such provisions until December 31, 1983; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DENTON:

S. 1405. A bill to assure the first amendment rights of all citizens and to provide criminal penalties for violations thereof; to the Committee on the Judiciary.

FEDERAL NEUTRALITY ACT OF 1983

● Mr. DENTON. Mr. President, today I introduce legislation that will assure the first amendment rights of all American citizens by requiring a policy of political neutrality for those 501(c)—of the Internal Revenue Code of 1954 as amended—persons who receive Federal funds. This legislation rests on the fundamental principle of constitutional government that "taxpayer revenues never be used to further the goals of a special interest group or a particular political faction."

For a society that encourages open debate for religious, political, and ideological causes, misunderstanding and ultimately disharmony will result when charitable organizations use the disbursement of contracts, grants, and loans to interfere with the neutral nonideological administration of Federal funds. I believe Government must assure that the execution of Federal programs take place without bias or favoritism for or against any group or political faction.

I must point out that any legislation that would assure neutrality for federally funded section 501(c) organizations recognize the importance of liberty—liberty to engage in free speech, religious speech, controversial political speech. But these liberties have never meant to confer the right to a Federal entitlement to those receiving taxpayer's dollars.

Recently, on May 23, 1983, the Supreme Court decided in Regan against Taxation with Representation of Washington, that Congress does not

violate the first amendment rights by declining to subsidize those rights. For example:

Congress could * * * grant funds to an organization dedicated to combatting teenage drug abuse, but condition the grant by providing that none of the money received from Congress should be used to lobby state legislatures.

My legislation and the Court decision recognize that it is rational to condition Federal funds on a policy of neutrality. I would like to provide a summary of this important legislation for my colleagues.

Mr. President, I ask unanimous consent that the following summary and copy of the bill appear in the RECORD following my comments.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY OF PROPOSED FEDERAL NEUTRALITY ACT: TO ASSURE THE FIRST AMENDMENT RIGHTS OF ALL CITIZENS AND TO PROVIDE CRIMINAL PENALTIES FOR VIOLATION THEREOF

A. THE PROPOSAL GOES ONLY TO THE SOURCE OF THE PROBLEM

The proposal applies only to "recipient organizations" (organizations which are exempt from taxation pursuant to Section 501(c) of the Internal Revenue Code and which receive government funds). Recipient organizations are prohibited from engaging in any political advocacy not specifically exempted by the proposal. Exemptions for limited political advocacy appear where particular activity is required or approved by law or directed to the continued existence of the organization.

Activities constituting political advocacy are well defined as are the particular exemptions. A recipient organization can therefore certify with certainty as to its non-involvement in political advocacy. Similarly, an organization choosing to engage in the specified activities will clearly understand its disqualification from federal funding.

The private, uncompensated political activities of the officers and employees of a recipient organization will not be affected by the proposal. So long as there is no compulsion or inducement to engage in any particular activity by the organization or by an affiliate and the activity represents only the private interests of the individual employee or officer (using his own funds on his own time), there will be no violation of this proposal.

The proposal is designed to avoid the public's apprehension that through the use of Federal contracts or grants, and with respect to sides of public issues, the government has endorsed, fostered, or "prescribe[d] [as] orthodox" a particular view on such issues. See *West Va. State Bd. of Ed.* v. *Barnette*, supra, 319 U.S. at 645. The definitional use of organizations enjoying tax exempt status under Section 501(c) is entirely compatible with this premise.

First,

"[T]here is no indication in the legislative history of these sections [of the Internal Revenue Code] that Congress intended to grant any tax-exempt organization a lobbying advantage over any others. In fact, the scant legislative history that exists is to the contrary, and suggests that Congress meant to treat the lobbying of all § 501(c) organizations equally." Id. at 732-733. Second, "Congress has enormous leeway in classifying the recipients of its benefits and funds. . . ." Id. at 740.

Finally, it has been acknowledged in the tax-exemption area that, "Congressional interest in prevention of the use of tax funds to support lobbying is compelling. Attempts to influence legislation are not the same as educational, charitable, religious, or scientific activities and they involve well-recognized dangers to representative Government procedures." *Haswell* v. *United States*, supra, 500 F.2d at 1150.

B. THE PROPOSAL IS SELF-ENFORCING

Requiring recipient organizations to certify, under penalty of perjury, that they are not engaged in political advocacy, places the burden on these organizations to abide by the law without the necessity of costly or extensive enforcement mechanisms. Rather than place the government in the position of scrutinizing every act and expenditure of a recipient organization to determine the amount of public funds expended on or attributable to political advocacy, the onus of primary enforcement is placed upon the organization. A recipient organization will only encounter governmental interference in its internal affairs if it is caught in an act of political advocacy or if an audit determines the organization has deliberately violated the law. Hence, the proposal is the method for controlling improper use of government funds which least intrudes upon the First Amendment rights of a recipient organization.

C. THE PROPOSAL'S DISCLOSURE REQUIREMENTS WILL HAVE A SALUTARY EFFECT

The requirement that recipient organizations and prospective recipient organizations provide information on themselves and their activities prior to any consideration of their funding and make annual disclosures thereafter enhances the public confidence that government funds are not being used for subsidization of private political views. The award of government grants and contracts and the use of funds received therefrom all too often receive little public scrutiny. Organizations which have been receiving government funds and using them for political advocacy, as well as some public officials who award these funds, prefer it this way. Were the use of government funds by some of these groups to become generally known, the public would be outraged.

The evils this proposal is designed to prevent can only occur in the dark. Hence, the shaft of sunshine the proposal will place on the grant and contract process will, in and of itself, be curative.

S. 1405

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled, That this Act may be cited as the "Federal Neutrality Act of 1983."

DECLARATION OF PURPOSE

SEC. 2. The Congress finds that—

(1) Government funds are being used to finance and otherwise to subsidize private political advocacy.

(2) The expenditure of government funds for private political advocacy exceeds the jurisdiction of the federal government by not providing for the general welfare of the United States.

(3) The expenditure of government funds for private political advocacy exceeds the jurisdiction of the federal government by preferring those political and ideological views, and the organized expression of such views, of the recipients of government funds over the views of others who do not receive government funds.

(4) The expenditure of government funds in furtherance of such private political advocacy exceeds the jurisdiction of the federal government by abridging the freedom of speech and freedom of the press that are exclusive rights of the people.

(5) The expenditure of government funds for private political advocacy exceeds the jurisdiction of the federal government by abriding the exclusive right of the people to petition the government for redress of grievances.

(6) The expenditure of government funds for private political advocacy by groups having a tax exempt status is, in effect, a double public benefit for the advocacy of these groups.

(7) The expenditure of government funds for private political advocacy is often beyond or contrary to the intent of Congress when it appropriates funds for specific programs.

(8) The unauthorized use of government funds for private political advocacy threatens the very fabric of the political process.

PROHIBITIONS

SEC. 3. (a)(1) No government funds may be disbursed to any recipient organization which engages in political advocacy or which is an affiliate of any organization which engages in political advocacy;

(2) No government funds received from the United States or from one of its instrumentalities or agents, may be used for political advocacy;

(3) Any recipient organization which uses government funds to engage in political advocacy must reimburse the federal treasury the total amount of government funds received for any program(s), grant(s), contract(s) or other source of government funds from which the funds used for political advocacy were obtained;

DEFINITIONS

(b) For the purposes of this Act:

(1) "Recipient organization" as used herein includes any entity or person employed by such entity which receives government funds and is exempt from taxation pursuant to Section 501(c) of the Internal Revenue Code.

(2) "Government funds" as used herein includes all money and/or in kind support, direct or indirect, provided to a recipient organization whether by grant, loan contract, cooperative agreement or any other similar means, funded by or from the Treasury of the United States.

(3) "Political advocacy" as used herein includes—

(A) Attempting to influence the outcome of any Federal, State, or local election, referendum, initiative, or similar procedure, through contributions, endorsements, publicity, or similar activity;

(B) Establishing, administering, contributing to, or paying the expenses of a political action committee, either directly or indirectly;

(C) Attempting to affect the opinions of the general public, or any segment thereof, with respect to governmental decisions;

(D) Attempting to influence governmental decisions through communication with any member or employee of a legislative body, or with any government official or employee who may participate in the decision-making process;

(E) Participating in or contributing to the expenses of judicial or administrative litigation other than litigation in which the organization is a party, with standing to sue, to intervene as a party, or to defend on its own behalf;

(F) Dues paying or contributing money, services, or any other thing of value, to an organization that engages in political advocacy;

(G) Conducting or supporting training programs which encourage or provide guidance with respect to political advocacy, boycotts, picketing, strikes or demonstrations;

(H) Networking or the organization of, or assistance in the organization of any organization, association, coalition, alliance, federation, confederation or similar entity a purpose of which will be to engage in political advocacy;

(I) Publication of any analysis, study, research, memorandum or statement of policy which is prepared or published with the intent or design of having an influence upon the outcome of any Federal, State or local election, referendum, initiative, or similar procedure, or any government decisions;

(J) Presenting of any program, addressed to the public, any portion of which is intended, calculated or designed to influence any governmental decisions; or

(K) The conduct of any of the above-enumerated actions constituting political advocacy by or through one or more affiliates.

(4) "Political advocacy" as used herein does not include—

(A) Providing technical advice or assistance to a governmental body or to a committee or other subdivision thereof in response to a written request by such body or subdivision;

(B) Appearances before, or communication to, any legislative body with respect to a possible decision of such body which would affect the existence of the organization its powers and duties, tax-exempt status, or the deduction of contributions to the organization;

(C) Communications between the organization and its bona fide members with respect to pending or proposed legislation which would affect the existence of the organization, its powers and duties, tax-exempt status, or the tax deduction of contributions to the organization;

(D) Participating in litigation on behalf of individuals, if the recipient organization has received a Federal, State, or local grant, contract, or other agreement for the express purpose of doing so;

(E) Applying for or making a bid in connection with a grant, contract, unsolicited proposal, or other agreement, or providing information in connection with such application at the request of the government agency awarding the grant, contract, or other agreement;

(F) Participating in a particular activity which is specifically directed and/or sanctioned by an Act of Congress, and where the activity is a purpose of the recipient organization's grant or contract; or

(G) Participating in a particular activity which constitutes only collective bargaining as to wages, hours, benefits or working conditions by an organized labor or trade union, as defined in 29 U.S.C. § 152(5), on behalf of employees of any Federal, State or local government which the labor or trade union represents.

(5) "Networking" includes activities intended to aggregate resources and further organizational cooperation in the context of political advocacy.

(6) "Publication" means the preparation, production, and distribution of writings, films, radio, television, and telephone communications, books, pamphlets, journals, newsletters, newspapers, articles, public appearances, press interviews, and other communications related to political advocacy.

(7) "Dues paying" includes direct and indirect cash and in kind support or endorsement tendered to organizations or individuals. No recipient of Federal dollars may launder funds or contribute them to any organization or individual which could not certify as to its own lack of political advocacy and promise to refrain from engaging in advocacy. Recipients of Federal funds from any intermediary are subject to all provisions of the Act.

(8) "Litigation" includes all actions at law or equity before any Federal, State of local court or administrative tribunal and further includes class action suits or amicus curiae briefs.

(9) "Affiliate" includes another organization or group of organizations where—

(A) The governing instrument of either organization requires it to be bound by the decisions of the other organization on matters of political advocacy; or

(B) The governing board of either organization includes persons who:

(i) are specifically designated representatives of the other organization or are members of the governing board, officers or paid executive staff members of such other organization, and

(ii) by aggregating their votes, have sufficient voting power to cause or prevent action on matters of political advocacy by either organization.

An organization may qualify as an affiliate whether or not it is exempt from taxation pursuant to Section 501(c) of the Internal Revenue Code, so long as conditions enumerated in subparts (A) or (B), above, are present.

(10) "Government decisions"' as used herein includes—

(A) The introduction, passage, amendment, defeat, signing, or veto of legislation, appropriations, resolutions, legislative confirmation of appointees, or constitutional amendments at the Federal, State, or local level;

(B) Any rulemakings, guidelines, policy statements or other administrative decisions of general applicability and future effect;

(C) Any licensing, grant, ratemaking, formal or informal adjudication, other than actions or decisions related to the administration of the recipient organization's specific grant, contract or agreement involved; or

(D) The decision making process of any Federal, State or local court.

SUNSHINE

SEC. 4. Within One Hundred Eighty (180) days of the effective date of this Act, all departments, agencies and instrumentalities of the United States disbursing government funds to recipient organizations, shall adopt regulations which require the recipient organizations to which they disburse government funds, to disclose to the disburser of the funds, on an annual basis during receipt or use of federal funds:

(1) The articles of incorporation and bylaws of the recipient organization;

(2) A list of all other government agencies (whether federal, state or local) from which the recipient organization is currently receiving funds, a description of the funding level and the purpose of the funding;

(3) A list of all other government agencies (whether federal, state or local) before which the organization currently has applications for funding pending, including a statement of the amount of funds requested and the purpose of the funding;

(4) A list of the names and addresses together with the resumes of the board of directors and operating officers of the recipient organization;

(5) A list of the names, addresses and types of business conducted by any other organizations or entities upon whose board of directors any of the directors or operating officers of the recipient organization also serve;

(6) A copy of all publications, newsletters, periodicals, pamphlets, journals or members' reports issued by the recipient organization during the preceding twelve (12) month period;

(7) A list of the names and addresses of any registered lobbyists employed by the recipient organization or by an affiliate or who are retained by or on behalf of any person or organization to represent the recipient organization with regard to any governmental decisions; and

(8) Any other information which the disbursing agency determines to be relevant toward effectuation of the purposes of this Act.

AUDITS

SEC. 5. (1) All departments, agencies and instrumentalities of the United States shall assume the annual performance of an audit of any recipient organizations to which they have disbursed funds in order to assure compliance with this Act.

(2) Recipient organizations shall make available to authorized government officials all books, records and other documents necessary to determine compliance with this Act. Refusal by a recipient organization to make said books, records or other documents available shall result in cessation of further government funds to that recipient organization.

SEC. 6. (1) Certification, under penalty of perjury, by recipient organizations, with respect to noninvolvement in political advocacy, and disclosure, under penalty of perjury, by recipient organizations, are required prior to receipt, renewal or extension of any contract, grant or loan, or any other provision of government funds. Any intentional misrepresentation with respect to the certification or disclosure requirements shall constitute a felony, punishable by a fine up to $10,000 per offense, and/or a prison term not to exceed two years per offense.

(2) All government officials, or their agents responsible for disbursing government funds by grant, contract, loan, cooperative agreement, or any similar means, shall establish, prior to their consideration of any prospective recipient organization for funding, that the prospective recipient organization does not presently, and will not in the future, engage in political advocacy. Any agency or instrumentality responsible for the disbursement of government funds shall—

(A) require that every recipient organization certify, under penalty of perjury, to such agency or instrumentality, at the time of its application for government funds, that such recipient organization is not engaged in political advocacy and will not engage in political advocacy;

(B) require that every recipient organization disclose, under penalty of perjury, to such agency or instrumentality, at the time

of its application for government funds and annually thereafter, the information required by Section 4 of this Act;

(C) require that every renewal or extension of government funds to any recipient organization contain certifications and disclosures set forth in subsections (A) and (B) of this section;

(D) require that the officers, agents, and employees of such agency or instrumentality establish procedures necessary to guarantee that no recipient organization is engaged in or will engage in political advocacy;

(E) require that every recipient individual certify under penalty of perjury, to such agency or instrumentality that such person has not been previously disbarred from the receipt of Federal funds under the provisions of this Act.

(3)(A) Whoever, being an officer or employee of the United States, or of any agency or other instrumentality thereof, or an officer or employee of any corporation chartered by the United States, or of any recipient organization who is found after trial in the appropriate United States District Court to have intentionally violated any provision of this Act, shall be fined not more than $10,000 or imprisoned for not more than two years, or both.

(B) Whoever, being an officer or employee of the United States, any agency or other instrumentality thereof, or an officer or employee of any corporation chartered by the United States, or of any recipient organization who negligently violates any provision of this Act shall, upon such a finding after trial in the appropriate United States District Court, be subject to discharge and forfeiture of office or such other penalty as the court shall prescribe.

(C) The United States or any private citizen thereof shall have a civil cause of action against any person or recipient organization for violations of any provision of this Act. A private citizen may only commence an action in the event there is not already an action pending by the United States, against a person or recipient organization for alleged violations of any provision of this Act, on the date the private citizen files his action. Any such action shall be filed in an appropriate United States District Court. A prevailing plaintiff shall be entitled to recover—

(a) the amount of government funds expended for political advocacy, but in no event less than $10,000;

(b) in the case of a judgment entered on behalf of the United States or any instrumentality thereof, three times the amount of government funds expended for political advocacy;

(c) such equitable relief as the court shall deem appropriate;

(d) an order disbarring any recipient organization found in violation of this Act from receiving any government funds;

(e) reasonable attorney's fees and costs of investigation and litigation actually incurred; and

(f) punitive damages.

(4) Prosecution for violation of this Act will extend to all employees of the Federal Government, federally chartered corporations, as well as officers and employees of recipient organizations.

(5) Any violation of this statute shall be the basis for total disbarment of Federal benefits from any source or agreement whatsoever.

RIGHT TO REPEAL, ALTER, OR AMEND

SEC. 7. The right to repeal, alter or amend this Act at any time is expressly reserved.

EFFECTIVE DATE

SEC. 8. This Act shall take effect on the date signed by the President of the United States.

SEVERABILITY

SEC. 9. If any provision of this Act, or the application thereof to any person, organization or circumstance, is held invalid, the provision to other persons, organizations or circumstances shall not be affected thereby.●

By Mr. EXON:

S. 1407. A bill to protect purchasers of used automobiles from fraudulent practices associated with automobile odometer modifications, and for other purposes; to the Committee on Commerce, Science, and Transportation.

AUTOMOBILE ODOMETER MODIFICATIONS

Mr. EXON. Mr. President, today I am introducing a bill to protect purchasers of used automobiles from fraudulent practices associated with automobile odometer modifications.

This is a consumer protection bill in the best sense of that term, and I hope that my colleagues will agree with me that the growing problem of odometer fraud must be addressed in order to save consumers literally billions of dollars each year.

Officials in the State of Nebraska indicate that odometer fraud costs Nebraskans alone $5 to $10 million annually.

The bill I am introducing is a companion measure to H.R. 1320, introduced by Representative DINGELL in the House of Representatives. Its provisions are designed to create a record from which odometer tampering can be traced and the violators prosecuted.

Some might say that this is an area which is best left to control by State governments. Indeed, there are many areas where the Federal Government should not be involved, but odometer fraud is clearly a problem of national scope dealing with interstate commerce, which is clearly a Federal responsibility under our Constitution.

Moreover, many State governments and associations have already been active in passing legislation dealing with odometer fraud. I am proud to say that the State of Nebraska is one of the leaders in identifying the problems in this area and taking action to protect consumers. Nebraska hosted an eight-State Midwest regional odometer fraud conference on May 4 and 5 in Omaha. The Nebraska attorney general has established an 11-member task force on odometer fraud, at the suggestion of the Nebraska New Car and Truck Dealers Association. The Nebraska Legislature has passed a bill which prohibits title laundering and tampering, and has increased the cost of auto titles to provide the State justice department funds to check odometer fraud.

Mr. President, in closing I would like to cite a newspaper article entitled "State Joins Odometer Crackdown." I ask unanimous consent that this article be included in the RECORD at the conclusion of my remarks.

There being no objection, the article was order to be printed in the RECORD, as follows:

[From the (Lincoln, Nebr.) Sunday Journal and Star, May 19, 1983]

STATE JOINS ODOMETER CRACKDOWN

(By Mike Mulvey)

Nebraska has joined forces with other Midwest states and the federal government in a crackdown on odometer fraud, which costs consumers in this state an estimated $5 million to $10 million annually.

Represenatatives of Nebraska, seven other states and six federal agencies recently formed a task force to coordinate efforts against odometer rip offs, which may amount to billions of dollars in losses nationwide each year, officials say.

State and federal officials met in Omaha about two weeks ago and formed the Midwest Regional Task Force on Odometer Alterations. The group will make prosecution of odometer cases easier, said Nebraska Attorney General Paul Douglas.

He said he recently realized that odometer alterations are more widespread than he had thought. Federal studies indicate that odometer fraud may cost customers $2 billion annually on leased vehicles alone, Douglas said.

The attorney general also has appointed an 11-member task force to study the problem at the state level. That group will hold a public hearing on June 15, said Ruth Anne Galter, assistant attorney general and head of the task force.

TITLE BILL

Assisting in the crackdown is this week's passage of LB234. The measure would increase vehicle title fees, providing 25 cents on each title for the attorney general to prosecute odometer fraud and 50 cents to train investigators in vehicle inspection, Galter said.

The bill also would tighten regulations governing the changing of out-of-state titles, which commonly are used in odometer schemes, she said.

"We now have a good handle on where it's being done, by whom it's being done and how it's being done," said Douglas, who added that he would like to go after five or six organizations apparently making big money in the altering racket.

The customer loses when buying a vehicle that, for example, shows 40,000 miles on the odometer when in fact the car has been driven 80,000 miles. At the lower mileage figure, the person pays more for the used car, falsely believing that it has many good miles left in it.

Ken Schliesman, an investigator with the Nebraska Motor Vehicle Industry Licensing Board, which licenses and regulates all new and used car dealers in the state, said the state can't stop any odometer alterations, particularly those done by private individuals. But increased enforcement should handle operations accounting for most of the ripoffs, he said.

BIG BUSINESS

The number of odometers tampered with probably has risen in recent years along with an increase in used car business, Schliesman said. "With the economy being the way it is, people aren't spending $10,000 on a new car. They would much rather buy a late-model low-mileage used car."

John Sullivan, executive vice president of the Nebraska New Car Dealers Association, said he is encouraged that more stress is being placed on odometer fraud investigations and prosecutions.

"This is big business, and the people doing it are laughing all the way to the bank," he said. "We are talking about something in our industry that is technically and morally wrong. It is harming all legitimate dealerships."

Schliesman offered the following tips to reduce the chances of getting ripped off by odometer tampering when buying a used car:

Buy from a licensed dealer who is subject to bonding and state regulation. Ask the dealer for the name of the former owner, with whom you can check to see that the mileage hasn't been altered. Dealers in Nebraksa aren't required to provide the name, but many will do so on request.

When buying from a private individual, be sure of his reputation. Many people sell cars as private individuals when in fact, they are part of an organization selling a large volume of cars with altered odometers.

Check the car's general wear and tear. It may appear to have gone through more use than the odometer indicates.

After the purchase, check the title to be sure the odometer figure recorded on it checks with the one on the car, and be sure the title hasn't been tampered with.

By Mr. MELCHER:

S. 1408. A bill to cover deficiencies in the Natural Gas Policy Act of 1978, to protect natural gas consumers from price increases because of current distortions in the regulated market for natural gas, to provide for a free market for natural gas, to permit natural gas contracts to reflect the change from a regulated to a free market, to eliminate incremental pricing requirements for natural gas, to eliminate certain fuel use restrictions, and for other purposes; to the Committee on Energy and Natural Resources.

GAS REFORM ACT OF 1983

Mr. MELCHER. Mr. President, today I am introducing a bill entitled "The Gas Reform Act of 1983," to amend the Natural Gas Policy Act of 1978.

It is an effort to cover the insufficiencies in the present law concerning natural gas, to find a method of giving consumers assurance that natural gas prices for them will not be increased in the near future, assurance that we can have quality revision of the present law in order to permit a better pricing mechanism for consumers, at the same time assuring producers that there will be a market for any new gas if it is found.

My bill will provide for a 4-year transitional period during which the price control provisions of the NGPA will be gradually eliminated. During this period, natural gas prices under first-sale contracts which are below the "gas cap" will "phase up" to a gas cap price in 48 monthly increments. Natural gas prices under first-sale contracts which are above the gas cap price will "phase down" to the gas cap price in 30 monthly increments. The phase-down provisions will apply to domestic as well as imported supplies of natural gas. All price controls will end on the 49th month following date of enactment.

The gas cap price will be computed and published monthly by FERC based on the wholesale price for low sulfur No. 6 residual fuel oil less transportation costs. The computation of the gas cap price will be accomplished through data currently available from the Energy Information Agency.

No seller of natural gas will be entitled to phase up gas prices until it has reduced take or pay obligations in all of its contracts to a level which is not more than 70 percent of deliverability. The bill will also require each interstate pipeline to purchase at the same percentage rate of deliverability under each of its contracts. Exceptions are provided for casinghead gas and wells subject to drainage and damage.

This is designated to eliminate the current situation where low-priced contracts with limited or no take or pay clauses are being "shut in" in favor of high-priced contracts with high take or pay provisions.

Natural gas sold under contracts effective after the date of enactment will be free from price controls except no gas may be sold under these contracts at a price in excess of the gas cap price until the 31st month following date of enactment. It is contemplated buyers and sellers of natural gas will renegotiate their contracts during the transitional period to provide for pricing in a decontrolled environment. If buyers and sellers are unable to reach satisfactory agreement, the bill will permit either party to market out on the 49th month or the 31st month following date of enactment, depending on whether the gas was below or above the gas cap price, respectively.

Sales of natural gas which become free of the NGPA maximum lawful price provisions under the bill will simultaneously become free from the Natural Gas act and the jurisdiction of the Commission.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD, together with a section-by-section analysis of the bill and a special explanation of the gas cap that is the pricing mechanism in the proposed bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1408

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Gas Reform Act of 1983".

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TITLE I—REMOVAL OF WELLHEAD PRICE CONTROLS AND REPEAL OF JURISDICTION OVER CERTAIN FIRST SALES

REMOVAL OF WELLHEAD PRICE CONTROLS

SEC. 101. Section 121 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3331) is amended to read as follows:

"SEC. 121. ELIMINATION OF PRICE CONTROLS FOR CERTAIN NATURAL GAS SALES.

"(a) GENERAL RULE.—As of the date of enactment of the Gas Reform Act of 1983 the provisions of subtitle A shall cease to apply to the first sale of any natural gas except to the extent provided for in subsections (b) and (c) of section 111.

"(b) HIGH-COST NATURAL GAS.—Effective beginning on November 1, 1979, the provisions of subtitle A respecting the maximum lawful price for the first sale of natural gas shall cease to apply to the first sale of high-cost natural gas which is described in section 107(c)(1), (2), (3), or (4).

"(c) REMOVAL OF WELLHEAD PRICE CONTROLS ON ALL NATURAL GAS.—Except as provided in subsection (a), beginning on the first day of the 49th month following the date of enactment of the Gas Reform Act of 1983, the provisions of subtitle A respecting maximum lawful price shall cease to apply to the first sale of any natural gas.".

REPEAL OF NATURAL GAS ACT JURISDICTION OVER FIRST SALES OF COMMITTED OR DEDICATED NATURAL GAS

SEC. 102. Section 601(a)(1) of the Natural Gas Policy Act of 1978 (15 U.S.C. 3431(a)(1)) is amended by adding a new subparagraph (F) to read as follows:

"(F) GAS DEREGULATED PURSUANT TO SECTION 111.—Effective on the date of enactment of the Gas Reform Act of 1983 for the purposes of section 1(b) of the Natural Gas Act, the provisions of such Act and the jurisdiction of the Commission under such Act shall not apply—

"(i) to any first sale of natural gas to which the maximum lawful prices under the Natural Gas Policy Act are no longer applicable; or

"(ii) to any first sale of natural gas pursuant to subsection (d) of Section 111.".

STANDBY PRICE CONTROL AUTHORITY

SEC. 103. (a) Sections 122, 123 and 507 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3332, 3333 and 3417) are repealed.

(b) The table of contents of the Natural Gas Policy Act of 1978 (15 U.S.C. 3301 note) is amended by striking the items relating to sections 122, 123 and 507.

TITLE II—TRANSITIONAL PRICE AND CONTRACT PROVISIONS

REVISION OF PRICES FOR CERTAIN NATURAL GAS

SEC. 201. (a) Title I of the Natural Gas Policy Act of 1978 (15 U.S.C. 3311-3333) is amended by adding the following new section:

"SEC. 111 TRANSITIONAL PRICE PROVISIONS.

(a) GAS CAP PRICE.—The Gas Cap Price for each month shall be the price per million Btu's which shall be computed and published by the Commission based upon the wholesale price for low sulfur No. 6 residual fuel oil (0.31 to 1 percent by weight) for the three most recent months for which data are available from the Energy Information Agency less the cost of transporting natural gas to electric plants. The cost of transporting natural gas to electric plants shall be determined by subtracting the average wellhead price of natural gas for the three most recent months for which data are available from the Energy Information Agency from the average delivered price of natural gas to electric utilities for the three most recent months for which data are available from the Energy Information Agency.

"(b) PRICES AT OR BELOW GAS CAP PRICE UNDER EXISTING CONTRACTS.—With respect to the first sale of any natural gas which on the date of enactment of the Gas Reform Act of 1983 is being sold under contracts at prices at or below the gas cap price, commencing on the first day of the first month following the date of enactment of the Gas Reform Act of 1983 and effective on the first day of each month thereafter, the gas cap price shall be the price applicable to quantities of natural gas determined by multiplying the quantities delivered during such month for each price category by a fraction, the numerator of which is the number of months following the date of enactment and the denominator of which is 48. Quantities of gas so determined shall be referred to as "released gas." It shall be unlawful to sell released gas at a price above or below the gas cap price. Released gas shall not be subject to the maximum lawful pricing provisions of subtitle A. Notwithstanding the foregoing, no natural gas may qualify as released gas under this section until the take or pay obligation applicable to gas delivered by seller under all its contracts with its buyers does not exceed 70 percent of deliverability under each such contract. When such take or pay criteria have been met the formula for determining released gas shall begin at one-forty-eighth of the quantities delivered during the next succeeding month and increase by a like fraction for each month thereafter. Natural gas which has not qualified as released gas pursuant to this subsection (b) will continue to be sold at the applicable maximum lawful price under subtitle A of the Natural Gas Policy Act of 1978, or, if there is no maximum lawful price, the lower of the contract price or the gas cap price. With respect to all natural gas subject to this subsection (b), commencing with the first day of the 49th month following the date of enactment of the Gas Reform Act of 1983—

"(1) any portion of such gas which has not qualified as released gas shall no longer be subject to the provisions of subtitle A of the Natural Gas Policy Act of 1978;

"(2) the gas cap price shall cease to be the mandatory price for any such gas; and

"(3) the free market price for such gas shall be as agreed between seller and buyer.

"(c) PRICES ABOVE GAS CAP PRICES UNDER EXISTING CONTRACTS.—With respect to any imported natural gas (including liquefied natural gas) or with respect to the first sale of any natural gas which on the date of enactment of the Gas Reform Act of 1983 is being sold under contracts at prices above the gas cap price, commencing on the first day of the first month following the date of enactment and effective on the first day of each month thereafter, the gas cap price shall be the price applicable to quantities of natural gas determined by multiplying the quantities delivered during each month for each price category under the contract by a fraction, the numerator of which is the number of months following the date of enactment and the denominator of which is 30. Quantities so determined shall be referred to as "reduced price gas." It shall be unlawful to sell reduced price gas at a price in excess of the gas cap price. Reduced price gas shall not be subject to the maximum lawful pricing provisions of subtitle A: *Provided, however,* That reduced price gas may, subject to agreement between seller and buyer, be sold at a price below the gas cap price. Natural gas which has not qualified as reduced price gas pursuant to this subsection (c) will continue to be sold at the contract price or maximum lawful price under the Natural Gas Policy Act of 1978, whichever is applicable. With respect to all natural gas subject to this subsection (c), commencing with the first day of the 31st month following the date of enactment of the Gas Reform Act of 1983—

"(1) the provisions of this subsection (c) which prevent such gas from being sold at a price in excess of the gas cap price shall cease to apply and

"(2) the free market price for such gas shall be as agreed between seller and buyer.

"(d) GAS SOLD UNDER NEW CONTRACTS.—The provisions of subsections (b), (c), and (e) shall not apply to natural gas sold under contracts which become effective, and under contracts negotiated to replace contracts which expire, lapse or are terminated, after the date of enactment of the Gas Reform Act of 1983. The price for all natural gas sold under such contracts shall be the price as agreed between buyer and seller but shall not be in excess of the gas cap price until the 31st month following date of enactment of the Gas Reform Act of 1983.

"(e) RIGHT TO TERMINATE CONTRACTS.—(1) Notwithstanding any other provision of law, any party to a contract under which natural gas subject to subsection (b) is being sold may terminate such contract as it applies to such gas effective as of the first day of the 49th month following the date of enactment of the Gas Reform Act of 1983 upon providing notice to the other party at least 180 days before the first day of the 49th month following the date of enactment and upon complying with the provisions of paragraph (3) below.

"(2) Notwithstanding any other provision of law, any party to a contract under which natural gas subject to subsection (c) is being sold may terminate such contract as it applies to such gas, effective as of the first day of the 31st month following the date of enactment of the Gas Reform Act of 1983 upon providing notice to the other party at least 180 days before the first day of the 31st month following such date of enactment and upon complying with the provisions of paragraph (3) below.

"(3) The party exercising the right to terminate a contract pursuant to paragraphs (1) and (2) above must

"(A) not materially breach the contract at any time prior to the end of the notice period; and

"(B) offer to the other party a full and unconditional release from all future duties and obligations in contract or in law relating to the contract as terminated, which release is effective upon termination of the notice period.

"(f) SYNTHETIC GAS AND ARTIFICIAL GAS.—The provisions of the Gas Reform Act of 1983 shall not apply to synthetic gas or artificial gas.".

(b) The table of contents of the Natural Gas Policy Act of 1978 (15 U.S.C. 3301 note) is amended by inserting after the item relating to section 110 the following:

"Sec. 111. Transitional Price Provisions.".

REPEAL OF CERTAIN CONTRACT REQUIREMENTS AND IMPOSITION OF TAKE OR PAY LIMITS

SEC. 202. (a) Section 315 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3375) is repealed, and a new section 315 is inserted in its place to read as follows:

"SEC. 315 RATABLE TAKES.

"(a) GENERAL RULE.—To the extent permitted by appropriate state or regulatory authorities, each interstate pipeline will be required to purchase and take natural gas under each of its domestic supply contracts at the same percentage rate of deliverability under such contract as it is purchasing and taking under all of its domestic supply contracts. Where the applicable supply contract does not provide for establishing deliverability, the rate shall be as established by the appropriate State or Federal regulatory authority. Where no regulatory authority establishes deliverability, the rate shall be set by deliverability tests.

"(b) DRAINAGE, RESERVOIR DAMAGE, ET CETERA.—The provisions of this section shall not apply to reduce production of casinghead gas or to reduce production of natural gas:

"(i) which is required in order to prevent drainage and protect the correlative rights of the owners of the natural gas involved; or

"(ii) to the extent that reduction in takes would be likely to result in damage to the well or reservoir so that remaining recoverable reserves are reduced.".

"(b) The table of contents of the Natural Gas Policy Act of 1978 (15 U.S.C. 3301 note) is amended by striking the item relating to section 315 and inserting in its place the following:

"Sec. 315. Ratable Takes.".

EFFECT OF GAS CAP PRICE

SEC. 203. (a) Title III of the Natural Gas Policy Act of 1978 (15 U.S.C. 3361-3375) is amended by adding a new section 318 to read as follows:

"SEC. 318. EFFECT OF GAS CAP PRICE.

"For purposes of an area rate clause, the gas cap price is a governmentally established rate or price and shall continue to be so construed following expiration of the 31st and 49th months following the enactment of the Gas Reform Act of 1983 in the case of natural gas subject to the provisions of subsections (b) and (c) of section 111 respectively.

"(b) The table of contents of the Natural Gas Policy Act of 1978 (15 U.S.C. 3301 note) is amended by inserting after the item relating to section 317 the following:

"Sec. 318. Effect of Gas Cap Price.".

EFFECT OF GAS CAP PRICE AND RENEGOTIATED PRICES ON CERTAIN ROYALTY PROVISIONS

SEC. 204. (a) Section 101(b) of the Natural Gas Policy Act of 1978 (15 U.S.C. 3311(b)), is amended by inserting at the end thereof the following new paragraph:

"(10) PRICE CONSIDERED MARKET VALUE.—For purposes of determining the amount payable as royalty under any provision of any contract or law that bases the royalty on market value, any price paid for natural gas under any contract in effect on the date of enactment of this Act, and any subsequent contracts shall be considered its market value if the price was established—

"(A) pursuant to the provisions of section 111; or

"(B) pursuant to the renegotiation of that contract if that renegotiation occurred after the date of the enactment of the Gas Reform Act of 1983. In the case of any such renegotiated contract between any person and an affiliate of that person, this paragraph shall apply only if the price paid does not exceed the amount paid in first sales between similarly situated parties not affiliated with each other which are comparable as to quality and delivery conditions; or

"(C) pursuant to any contract entered into after the date of enactment of the Gas Reform Act of 1983.".

"(b)(1) Section 17 of the Mineral Leasing Act, as amended and supplemented (30 U.S.C. 226) is amended by inserting at the end thereof the following new subsection:

"(1) For purposes of determining the amount payable as royalty under any lease of Federal oil and gas lands entered into under authority of this chapter or of the Mineral Leasing Act for acquired land (30 U.S.C. 351-359), any price under a contract for the first sale of any natural gas produced under such lease shall be considered the value of such natural gas for purposes of this section if the price was established—

"(A) pursuant to the provisions of section 111 of the Natural Gas Policy Act 1978 as amended; or

"(B) pursuant to the renegotiation of that contract if that renegotiation occurred after the date of the enactment of the Gas Reform Act Amendments of 1983. In the case of any such renegotiated contract between any person and an affiliate of that person, this paragraph shall apply only if the price paid does not exceed the amount paid in first sales between similarly situated parties not affiliated with each other which are comparable as to quality and delivery conditions: or

"(C) pursuant to any contract entered into after the date of enactment of the Gas Reform Act.".

(2) Section 8 of the Outer Continental Shelf Act, as amended (43 U.S.C. 1337) is amended by adding at the end thereof the following new subsection.

"(p) for purposes of determining the amount payable as royalty under any lease of Federal oil and gas lands entered into under authority of this chapter, any price paid under a contract for the sale of any natural gas produced under such lease shall be considered the value of such natural gas for purposes of this section if the price was established—

"(1) pursuant to the provisons of section 111 of the Natural Gas Policy Act of 1978 as amended; or

"(2) pursuant to the renegotiation of that contract if that renegotiation occurred after the date of the enactment of the Gas Reform Act of 1983. In the case of any such renegotiated contract between any person and an affiliate of that person, this paragraph shall apply only if the price paid does not exceed the amount paid in first sales between similarly situated parties not affiliated with each other which are comparable as to quality and delivery conditions; or

"(3) pursuant to any contract entered into after the date of enactment of the Gas Reform Act.".

TITLE III—REMOVAL OF IMPEDIMENTS TO INTERSTATE MOVEMENTS OF GAS

AUTHORIZATION OF CERTAIN INTERSTATE SALES, TRANSPORTATION, AND ASSIGNMENTS

SEC. 301. (a) Section 311(a) of the Natural Gas Policy Act of 1978 (15 U.S.C. 3371(a)) is amended by—

(1) amending subparagraph (A) of paragraph (1) to read as follows:

"(A) IN GENERAL.—The Commission may, by rule or order, authorize any interstate pipeline to transport natural gas on behalf of any person.".

(2) inserting "AND LOCAL DISTRIBUTION COMPANIES" after "INTRASTATE PIPELINES" in the paragraph (2) heading;

(3) inserting in paragraph (2) "or local distribution company" after "intrastate pipeline";

(4) amending subparagraph (A) of paragraph (2) to read as follows:

"(A) IN GENERAL.—The Commission may, by rule or order, authorize any intrastate pipeline or local distribution company to transport natural gas on behalf of any person.".

(5) in subparagraph (B)(ii) (I) and (II) of paragraph (2), inserting "or company" after "pipeline".

(b) Section 311(b) of the Natural Gas Policy Act of 1978 (15 U.S.C. 3371(b)) is amended by—

(1) amending paragraph (1) to read as follows:

"(1) IN GENERAL.—The Commission may by rule or order, authorize any pipeline or local distribution company to sell natural gas to any pipeline or local distribution company.".

(2) amending paragraph (2) by—

(A) striking "MAXIMUM FAIR AND EQUITABLE PRICE" after the subparagraph designator "A" and inserting in its place "INTRASTATE PIPELINES AND LOCAL DISTRIBUTION COMPANIES";

(B) inserting "or local distribution company" following "pipeline" and "or local distribution company's" following "pipeline's" wherever they appear; and

(C) inserting "(including storage)" after "transportation" in clause (i) of subparagraph (B);

(D) adding a new subparagraph (D) to read as follows:

"(D) INTERSTATE PIPELINES.—The rates and charges of any interstate pipeline with respect to any sales authorized under subsection (b)(1)(A) shall be just and reasonable (within the meaning of the Natural Gas Act).";

(3) in paragraph (4), striking "pipeline's" and inserting in its place "seller's", and striking "INTRASTATE" in the heading and inserting in its place "EXISTING";

(4) in paragraphs (4)-(7), except for subparagraph (5)(a)(i), striking "intrastate pipeline" or "pipeline" wherever they appear and inserting in their place "seller";

(5) in paragraph (5)(A)(i), striking "interstate pipeline or local distribution" and inserting in its place "purchasing"; and

(6) adding a new paragraph (8) to read as follows:

"(8) DEFINITION OF SELLER.—For purposes of this subsection, the term 'seller' means any person that sells gas under paragraph (b)(1).".

(c) Section 312 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3372) is amended—

(1) by amending subsection (a) to read as follows:

"(a) AUTHORIZATION OF ASSIGNMENTS.—The Commission may, by rule or order, authorize a pipeline or local distribution company to assign, without compensation, to any other pipeline or local distribution company, all or any portion of the assignor's right to receive surplus natural gas at any first sale, upon such terms and conditions as the Commission determines appropriate."; and

(2) by amending subsection (c) to read as follows:

"(c) SURPLUS NATURAL GAS.—For purposes of this section, the term 'surplus natural gas' means, with respect to any pipeline or local distribution company, any natural gas which exceeds the then current demands of such person for natural gas, as determined by—

"(1) the Commission, or

"(2) the State agency having regulatory jurisdiction over that person.".

ACCESS TO INTERSTATE SUPPLY SOURCES

SEC. 302. (a) Section 314 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3374) is amended by—

(1) striking "first" in subsection (a), and

(2) amending subsection (b) to read as follows:

"(b) NATURAL GAS COVERED BY THIS ACT.—For purposes of subsection (a), the term 'natural gas covered by this Act' means—

"(1) for any first sale contract, natural gas—

"(A) which is not subject to the judisdiction of the Commission under the Natural Gas Act by reason of section 601(a)(1) (A), (B) or (F);

"(B) the sale in interstate commerce of which—

"(i) is authorized under section 302(a) or 311(b); or

"(ii) is pursuant to an assignment under section 312(a); or

"(C) the transportation in interstate commerce of which is—

"(i) pursuant to any order under section 302(c) or section 303 (b), (c), (d), or (h), or

"(ii) authorized by the Commission under section 311(a); or

"(2) for any contract, natural gas the sale or transportation of which under the contract is not to interstate commerce by reason of section 601(d) of this Act.".

(b) Section 601 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3431) is amended by adding new subsections (d) and (e) to read as follows:

"(d) LIMITATION OF COMMISSION JURISDICTION OVER INTRASTATE TRANSACTIONS.—

"(1) GENERAL RULE.—No intrastate pipeline or local distribution company shall be sub-

ject to the jurisdiction of the Commission under the Natural Gas Act by reason of purchasing natural gas in a covered transaction.

"(2) SUBSEQUENT TRANSACTIONS.—Any transportation or sale of natural gas purchased in a covered transaction which occurs beyond the point at which such gas is received in the facilities of the purchaser in the covered transaction shall not be in interstate commerce (within the meaning of the Natural Gas Act) and shall not be subject to the jurisdiction of the Commission under the Natural Gas Act to the extent that such gas remains in the State of purchase.

"(3) NATURAL-GAS COMPANY.—For purposes of the Natural Gas Act, the term 'natural-gas company' (as defined in section 2(6) of that Act) shall not include any person by reason of, or with respect to, any transportation or sale of natural gas if the transportation or sale is not subject to the jurisdiction of the Commission solely by reason of paragraph (2) of this subsection.

"(4) STATE OF PURCHASE RULE.—For purposes of this subsection, natural gas shall be deemed to remain in the State of purchase if the gas is not transported outside the State in which it was received into the facilities of the purchaser of the gas in a covered transaction, unless such transportation occurs in connection with—

"(A) transportation authorized under sections 302(a) or 311(a) of this Act, or

"(B) a sale or assignment authorized under sections 311(b) or 312 of this Act.

"(5) DEFINITION OF COVERED TRANSACTION.—For purposes of this subsection, the term 'covered transaction' means—

"(A) a first sale of gas—

"(i) which is not subject to the jurisdiction of the Commission under the Natural Gas Act by reason of subparagraph (A) or (B) of paragraph (1) of subsection (a),

"(ii) which is produced on the Outer Continental Shelf, or

"(iii) which is transported pursuant to an order issued under section 317 of this Act;

"(B) a sale or assignment authorized under section 302(a), 311(b), or 312(a) of this Act; or

"(C) a sale for resale by any person not subject to the jurisdiction of the Commission solely by reason of section 1(c) of the Natural Gas Act.

"(e) NONDISCRIMINATION PROVISION.—The Commission may not condition or deny any authorization of the sale or transportation of natural gas under this Act or the Natural Gas Act on the basis of whether the gas is consumed in the interstate market or the intrastate market.".

CONTRACT CARRIER AUTHORIZATION

SEC. 303. (a) Title III of the Natural Gas Policy Act of 1978 (15 U.S.C. 3361-3375) is amended by adding a new section 317 to read as follows:

"SEC. 317. CONTRACT CARRIER AUTHORIZATION.

"(a) GENERAL INTERSTATE PIPELINE RULE.—An interstate pipeline shall transport natural gas under this section if—

"(1) a seller or a purchaser of natural gas requests an interstate pipeline to transport natural gas,

"(2) such pipeline has available capacity, and

"(3) the seller or purchaser certifies that—

"(A) at least 45 days in advance it notified the interstate pipeline currently serving the person for whom such transportation service is being sought of its intent to request an authorization to this section,

"(B) it attempted, in good faith, to negotiate a continuation of current service by such pipeline, and

"(C) it has been unable to conclude any other satisfactory agreement for the transportation of such gas.

"(b) GENERAL INTRASTATE PIPELINE RULE.—

"(1) APPLICABILITY.—The Commission, after consultation with the Governor of the affected State, shall order an intrastate pipeline to transport natural gas in accordance with this section if

"(A) a seller or purchaser of natural gas requests an intrastate pipeline to transport natural gas,

"(B) such request is received by such intrastate pipeline and filed with the State agency, and that State agency has failed to take final administrative action within a period of 90 days after receipt of such request,

"(C) such pipeline has available capacity, and

"(D) the seller or purchaser certifies that—

"(i) at least 45 days in advance it notified the intrastate pipeline currently serving the person for whom such transportation service is being sought of its intent to request an authorization pursuant to this section,

"(ii) it attempted, in good faith, to negotiate a continuation of current service by such pipeline or local distribution company, and

"(iii) it has been unable to conclude any other satisfactory agreement for the transportation of such gas.

"(2) EXEMPTION.—This subsection shall not apply if a State agency certifies that—

"(A) it has authority to require an intrastate pipeline with available capacity to transport natural gas for a seller or a purchaser of natural gas requesting such transportation, and

"(B) pursuant to such authority, it is required to take final administrative action within a time certain.

"(3) JURISDICTION OF THE COMMISSION.—No intrastate pipeline shall be subject to the jurisdiction of the Commission under the Natural Gas Act by virtue of transporting natural gas pursuant to the requirements of this subsection. The Commission shall—

"(A) establish an incentive allowance for contract carriage compensation under subsection (f) for an intrastate pipeline ordered by the Commission to transport natural gas under subsection (b), if no incentive allowance has been established pursuant to state law, or

"(B) establish a fair and equitable rate for transportation by an intrastate pipeline, if no rate has been established pursuant to state law.

"(c) GENERAL LOCAL DISTRIBUTION COMPANY RULE.—

"(1) APPLICABILITY.—The Commission, after consultation with the Governor of the affected state, shall order a local distribution company to transport natural gas in accordance with this section if—

"(A) a seller or a purchaser of natural gas requests a local distribution company to transport natural gas,

"(B) such request is received by the local distribution company and filed with the State agency, and that State agency has failed to take administrative action within a period of 90 days after receipt of such request,

"(C) such local distribution company has available capacity, and

"(D) the seller or purchaser certifies that—

"(i) at least 45 days in advance it notified the pipeline or local distribution company currently serving the person for whom such transportation service is being sought of its intent to request an authorization pursuant to this section,

"(ii) it attempted, in good faith, to negotiate a continuation of current service by such pipeline or local distribution company, and

"(iii) it has been unable to conclude any other satisfactory agreement for the transportation of such gas.

"(2) EXEMPTION.—This section shall not apply if a State agency certifies that—

"(A) it has authority to require a local distribution company to transport natural gas for a seller or a purchaser of natural gas requesting such transportation, and

"(B) pursuant to such authority, it is required to take final administrative action within a time certain.

"(3) JURISDICTION OF THE COMMISSION.—No local distribution company shall be subject to the jurisdiction of the Commission under the Natural Gas Act by virtue of transporting natural gas pursuant to the requirements of this subsection. The Commission shall—

"(A) establish an incentive allowance for contract carriage compensation under subsection (f) for a local distribution company ordered by the Commission to transport natural gas under subsection (c), if no incentive allowance has been established pursuant to state law, or

"(B) establish a fair and equitable rate for transportation by a local distribution company, if no rate has been established pursuant to state law.

"(4) RESTRICTION.—

"(A) No individual facility served as of the date of enactment of this Act, or historically served by a local distribution company, may receive gas transported under this section without concurrence of the local distribution company and the State agency, except according to the procedures in this subsection.

"(B) For the purposes of this paragraph, any individual facility that—

"(i) has received gas from a local distribution company since January 1, 1980,

"(ii) is not receiving gas as of the date of enactment, and

"(iii) has service facilities physically connected to the local distribution company,

shall be deemed to have been historically served by such company.

"(C) The prohibition under subparagraph (A) shall not apply—

"(i) to a request for transportation service to an individual facility served as of the date of enactment of this Act, or historically served, by a local distribution company to the extent that the volume of natural gas to be transported exceeds the average annual deliveries to such facility within four years prior to the date of enactment,

"(ii) to gas transported to serve facilities not in existence as of the date of enactment,

"(iii) to gas transported to serve facilities which—

"(aa) have not used gas for three years prior to date of application for transportation service, or

"(bb) have not used gas for four years, in the case of facilities historically served by a local distribution company, or

"(iv) to the extent that the individual facility has a direct purchase contract with an interstate natural gas pipeline.

"(5) GENERAL EXCEPTION.—Notwithstanding any other provision of this subsection, the Commission may, by order, approve a request for transportation service in accordance with this section if it finds that—

"(A) a state agency having regulatory jurisdiction over local distribution companies has taken final administration service pursuant to this section, and such action is no longer subject to appeal pursuant to state law, and

"(B) the final action by the state agency did not result in transportation service because such action was arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.

"(d) AVAILABLE CAPACITY.—

"(1) REBUTTABLE PRESUMPTION.—A pipeline or a local distribution company shall be presumed to have available capacity unless the Commission, [or appropriate State agency in the case of an application for transportation service by local distribution company,] determines that such pipeline's or local distribution company's total capacity is necessary to render adequate service to its existing customers.

"(2) PARTIAL CAPACITY.—If the Commission [or State agency] finds that a pipeline or a local distribution company has available capacity to transport only a portion of the natural gas requested to be transported under this section, the Commission [or State agency] shall require such pipeline to transport such natural gas to the extent of such available capacity in accordance with this section.

"(e) PROTECTION FOR HIGH PRIORITY USERS.—

"(1) GENERAL RULE FOR EXISTING CUSTOMERS.—Any pipeline transporting natural gas pursuant to this section shall continue to serve its existing customers, in preference to its contract carriage customers, except as provided herein.

"(2) ESTABLISHMENT OF CONTRACT CARRIAGE SERVICE PRIORITY.—Any contract carriage customer may seek to establish a contract carriage service priority in order to assure that capacity is available for the existing high-priority users of the gas transported on behalf of such customer.

"(A) FILING REQUIREMENT.—The contract carriage customer seeking to establish a contract carriage service priority shall file such information as may be required by the Commission in order to establish the volume of natural gas to be transported by the pipeline in order to meet the current requirements of the existing high-priority users of the gas transported on behalf of such customer. The contract carriage customer seeking to establish the contract carriage service priority shall file such information at the same time it files the request for authorization pursuant to subsection (k)(1).

"(B) COMMISSION DETERMINATION.—The Commission shall determine the volume of natural gas which is necessary to meet the current requirements of the existing high-priority users of the gas transported on behalf of any contract carriage customer, taking into consideration all of the sources of supply of such contract carriage customer. Such volume shall constitute the contract carriage service priority.

"(3) APPLICATION OF PRIORITY.—In the event that the transporting pipeline later develops insufficient capacity to satisfy the transportation needs of both its existing customers and its contract carriage customers, the Commission shall, by rule or order, require the pipeline to transport the contract carriage service priority volume, in preference to the volume necessary to meet the requirements of customers who are not high-priority users of such pipeline.

"(4) INSUFFICIENT SUPPLY.—Nothing in this section shall affect—

"(A) the priority of service afforded users under Title IV of this Act of the pipeline's supply that is subject to the pipeline's curtailment plan, or

"(B) the priority of service established pursuant to state law for any intrastate pipeline.

"(f) CONTRACT CARRIAGE COMPENSATION.—

"(1) GENERAL RULE.—Compensation for transportation service provided under this section shall be determined according to this subsection.

"(2)— VOLUNTARY TRANSPORTATION ALLOWANCE.—Any pipeline or local distribution company that voluntarily agrees to transport natural gas under this section shall be permitted to charge an incentive allowance of up to $0.05 per million Btu's (in excess of the just and reasonable rate, or the fair and equitable rate, for such transportation as established by the Commission) unless and until the Commission determines by rule or order that some other amount is appropriate as an incentive in the public interest. The Commission shall not require any portion of such incentive allowance to be credited and flowed back to the customers of such pipeline or local distribution company.

"(3) REQUIRED CONTRACT CARRIAGE COMPENSATION ALLOWANCE.—Any pipeline or local distribution company that protests the transportation of natural gas under this section and is subsequently ordered to transport such natural gas by rule or order of the Commission shall be allowed to charge an appropriate incentive allowance, to be determined by the Commission. The allowance may exceed the just and reasonable rate, or the fair and equitable rate, for such transportation by up to $0.05 per million Btu's if, in the judgment of the Commission, the protest was a reasonable effort to protect the pipeline's or local distribution company's ability to continue to render adequate service to its existing customers. The Commission shall establish criteria to be used in determining the amount of the incentive allowance to be granted. The Commission shall not require any portion of such incentive allowance to be credited and flowed back to the customers of such pipeline or local distribution company.

"(4) TRANSPORTATION BY MULTIPLE PIPELINES OR LOCAL DISTRIBUTION COMPANIES.—If transportation service is provided under this section by more than one pipeline or local distribution company, the Commission may allocate the incentive allowance provided for in subsection (2) or (3) among the parties providing transportation service under this section.

"(5) CONSUMER PROTECTION RATE DESIGNS.—Within 90 days after enactment the Commission shall promulgate regulations which require that the just and reasonable rates for the transportation service provided in accordance with this section include an equitable percentage of the fixed costs of the transporting pipeline in order to protect all classes of customers, but particularly residential and commercial customers of the transporting pipeline. Such regulations shall be designed to require rates for transportation service provided in accordance with this section that are comparable to transportation charges included in the price of gas sold to pipeline customers receiving comparable service.

"(g) CONSTRUCTION OF NEW FACILITIES.—Upon request of a seller or purchaser of natural gas requesting transportation of natural gas under this section, the Commission may order a pipeline or local distribution company to construct and operate minor facilities necessary for the transportation of natural gas under this section. The person requesting transportation service shall pay the cost of construction and operation of such facilities.

"(h) SERVICE OBLIGATION.—If a customer of an interstate pipeline is a purchaser of natural gas transported pursuant to this section, the service obligation of that pipeline to such customer pursuant to the Natural Gas Act shall be reduced, at the option of the pipeline, to the extent the volumes purchased by the customer reduce the customer's requirements under its contract with the interstate pipeline.

"(i) TERMINATION. The Commission may, by order, reduce or terminate the transportation service provided for under this section upon the filing of a petition by any party to a transportation service agreement if the Commission determines that, because of unforeseen circumstances, the volumes of such natural gas supplied or delivered do not substantially comply with the terms of the authorization under this section.

"(j) REGULATIONS.—The Commission shall issue final regulations implementing the requirements of this section within 120 days of this section. The regulations shall—

"(1) provide for self implementation of transportation requested under this section in the absence of any protest; and

"(2) require semiannual certification by each interstate pipeline of its total capacity, its available capacity, and the amount of natural gas actually taken by its existing customers in months of peak natural gas usage during the five years immediately preceding.

"(k) PROCEDURES.—

"(1) All requests for transportation service under this section shall be filed with the Commission, which shall cause and same to be published in the Federal Register and forwarded to the appropriate State agency as soon as practicable.

"(2) Any transportation service request may be protested by the pipeline or local distribution company to which it is addressed or by any other interested person, or any State agency, on the grounds that—

"(A) the request, if implemented—

"(i) would render the pipeline or local distribution company requested to provide the transportation service unable to render adequate service to its existing customers, or

"(ii) would render the pipeline or local distribution company presently serving the person on whose behalf such transportation is being sought unable to render adequate service to its remaining customers,

"(B) the seller or purchaser did not meet the notice requirement contained in subsection (a), (b) or (c), or

"(C) the seller or purchaser did not negotiate in good faith as required by subsection (a), (b) or (c).

Such protest must be filed within 30 days after publication of the request for transportation service.

"(3) At the expiration of the 30 day protest period provided in paragraph (2), if no protest has been received, the transportation service shall be implemented pursuant to subsection (j)(1).

"(4) The Commission shall hear and decide protests filed hereunder as expeditiously as practicable, giving priority to such proceedings; and shall enter its order with

respect to any protests within 90 days after the date the protest is filed, extending the entry of its order beyond such 90 day period only for good cause shown. If the Commission cannot enter its order within such 90 day period, in the absence of a stay entered to avoid irreparable injury, requests for transportation service shall be implemented at the end of such 90 day period.

"(5) Commission proceedings and orders with respect to any protested request shall be limited to consideration of and decision on the specific grounds for protest specified in this section and asserted in the protest.

"(l) DEFINITIONS.—For purposes of this section, the term—

"(1) 'contract carriage customer' means any person receiving transportation service under subsection (a);

"(2) 'existing customer' means any person served by a pipeline other than a contract carriage customer;

"(3) 'high-priority user' includes any high-priority user, any essential agricultural use, and any essential industrial process and feedstock use, as defined in Title IV;

"(4) 'intrastate pipeline' means any person engaged in natural gas transportation (not including gathering) which is not subject to the jurisdiction of the Commission under the Natural Gas Act, except a local distribution company;

"(5) 'minor facilities" means those facilities, including sales taps, which the Commission determines by rule or order do not involve substantial costs;

"(6) 'render adequate service to its existing customers' means the capacity to transport the volume of natural gas necessary to meet both the present requirements of existing customers and the reasonably foreseeable requirements of such customers as determined by the Commission. The Commission, in making the determination of capacity necessary for a pipeline or local distribution company to render adequate service to its existing customers, shall require the pipeline or local distribution company to specify the amount of natural gas actually used by its existing customers in months of peak natural gas usage during the five years immediately preceding; and

"(7) 'State agency' means an agency or instrumentality of a State or political subdivision thereof, including a municipal utility, with authority to fix, modify, approve, or disapprove rates for the transportation or sale of natural gas;

"(8) 'total capacity' means that capacity to transport natural gas that can be made available consistent with accepted engineering principles to deliver a given volume of natural gas to a given location through all means, including but not limited to, direct haul, storage capacity, compression, flow reversal or transportation by displacement.

"(b) The table of contents of the Natural Gas Policy Act of 1978 (15 U.S.C. 3301 note) is amended by inserting after the item relating to section 316 the following:

"Sec. 317. Contract Carrier Authorization.".

COORDINATION WITH THE NATURAL GAS POLICY ACT OF 1978

"SEC. 304. Title VI of the Natural Gas Policy Act of 1978 is amended—

"(a) By amending section 601(a)(1)(C)(i) to insert 'or 317' immediately following 'or 311(b)';

"(b) By amending section 601(a)(2)(A) to add a new subsection (iii) to read as follows:

"(iii) authorized under section 317 of this Act.".

EFFECTIVE DATE

"SEC. 305. The amendments made by Sections 303 and 304 shall apply to the transportation of natural gas pursuant to requests made one hundred and twenty days after the date of enactment of the Gas Reform Act of 1983.".

TITLE IV—REPEAL OF CERTAIN RESTRICTIONS ON NATURAL GAS AND PETROLEUM USE AND PRICING

REPEAL OF CERTAIN SECTIONS OF THE POWER PLANT AND INDUSTRIAL FUEL USE ACT OF 1978

SEC. 401. (a) The following sections of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8301 et seq.) are repealed:

(1) section 102 (a)(16), (a)(18), (a)(19), and (a)(29)) (42 U.S.C. 8302 (a)(16), (a)(18), (a)(19), and (a)(29));

(2) sections 201 and 202 (42 U.S.C. 8311 and 8312);

(3) sections 302 (42 U.S.C. 8342);

(4) sections 401 (42 U.S.C. 8371);

(5) sections 402 (42 U.S.C. 8372); and

(6) sections 405 (42 U.S.C. 8375).

(b) The "Statement of Purposes" in section 101(b) of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8301(b)) is amended by striking the items relating to the sections repealed by subsection (a) of this section.

CONFORMING AMENDMENTS

SEC. 402. (a) Section 102 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8301) is amended by striking "and major fuel-burning installations" and "and new" wherever these phrases appear.

(b) Section 103 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8302) is amended—

(1) in subsection (a)(13)(B), by—

(A) striking clause (ii)(III);

(B) striking "; or" at the end of clause (ii)(II), and inserting a period in its place: and

(C) inserting "and" at the end of clause (ii)(I);

(2) in subsection (a)(15), by striking "or major fuel-burning installation" and "or new" wherever these phrases appear;

(3) in subsection (a)(20), by striking "or major fuel-burning installation";

(4) by redesignating subsections (a)(17), (a)(20), (a)(21), (a)(22), (a)(23), (a)(24), (a)(25), (a)(26), (a)(27), and (a)(28) as subsections (a)(16), (a)(17), (a)(18), (a)(19), (a)(20), (a)(21), (a)(22), (a)(23), (a)(24), and (a)(25);

(5) in subsection (b), by striking "or major fuel-burning installation" wherever this phrase appears;

(6) in subsection (b)(1)(D), by striking everything after "synthetic gas involved" and inserting in its place a period; and

(7) by striking subsection (b)(3), and redesignating subsection (b)(4) as subsection (b)(3).

(c) Section 104 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8303) is amended to read as follows:

"The provisions of this Act shall apply in all the States, Puerto Rico, and the territories and possessions of the United States.".

(d) Section 303 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8343) is amended—

(1) by striking "or installation" and "or installations" wherever the phrases appear;

(2) by striking "or 302 wherever the phrase appears;

(3) by striking subsection (a)(3);

(4) by amending subsection (b)(1) to read as follows:

"(1) The Secretary may prohibit, by rule, the use of natural gas or petroleum under section 301(b) in existing electric powerplants.";

(5) in subsection (b)(3), by striking "or major fuel-burning installation"; and

(6) by amending the last sentence of subsection (b)(3) to read as follows: "Any such rules shall not apply in the case of any existing electric powerplant with respect to which a comparable prohibition was issued by order.".

(e) Section 403 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8373) is amended by striking—

(1) in subsection (a)(1), "major fuel-burning installation, or other unit" and the comma immediately preceding this phrase and "installation, or unit" and the comma immediately preceding this phrase;

(2) in subsection (a)(2), "installation, or other unit" and the comma immediately preceding that phrase, and "installation, or unit" and the comma immediately preceding that phrase;

(3) in subsection (a)(2), the last sentence; and

(4) subsection (a)(3).

(f) Section 404 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8374) is amended by striking—

(1) in subsection (c), "new or" in the phrase "applicable to any new or existing electric powerplant"; and

(2) subsection (g).

(g) Section 701 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8411) is amended by striking—

(1) in the last sentence of subsection (b), "or installation";

(2) subsection (c);

(3) in the title of subsection (d), "AND EXEMPTIONS";

(4) in the first sentence of subsection (d)(1), "or any petition for any order granting an exemption (or permit)";

(5) in subsection (d)(1)(B), "or in the consideration of such petition";

(6) in subsection (f), "or a petition for an exemption (or permit) under this Act (other than under section 402 or 404),"; and

(7) subsection (g).

(h) Section 702 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8412) is amended by striking—

(1) in the title of subsection (a); "OR EXEMPTION";

(2) in subsection (a), "or granting an exemption (or permit)";

(3) subsection (b), and redesignating subsection (c) as subsection (b);

(4) in the first sentence of subsection (b)(1) (as redesignated), "or by the denial of a petition for an order granting an exemption (or permit) referred to in subsection (b),";

(5) in the first sentence of subsection (b)(1) (as redesignated), "such rule, order, or denial is published under subsection (a) or (b)" and inserting in its place "such rule, or order is published under subsection (a)";

(6) in the first sentence of subsection (b)(2) (as redesignated), "the rule, order, or denial" and inserting in its place "the rule or order";

(7) in the second sentence of subsection (b)(2) (as redesignated), "(or denial thereof)"; and

(8) in subsection (b)(3) (as redesignated), "any such rule, order, or denial" and inserting in its place "any such rule or order".

(i) Section 711 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8421) is amended by striking in the first

sentence of subsection (a), "or major fuel-burning installation".

(j) Section 721 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8431) is amended by striking subsection (c) and redesignating subsection (d) as subsection (c).

(k) Section 723 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8433) is amended by striking subsection (b) and redesignating subsections (c) and (d) as subsections (b) and (c).

(l) Section 731 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8441) is amended by striking—

(1) "or major fuel-burning installation" wherever the phrase appears; and

(2) "title II or" in subsections (a)(1) and (g)(3).

(m) Section 745 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8455) is amended by striking in the first sentence of subsection (a), "from new and existing electric powerplants and major fuel-burning installations" and inserting in its place "from existing electric powerplants".

(n) Section 761 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8471) is amended by striking—

(1) in subsection (a), "any existing or new electric powerplant or major fuel-burning installation" and inserting in its place "any existing electric powerplant"; and

(2) in subsection (b)—

(A) "new or" in the phrase "In the case of any new or existing facility"; and

(B) "except to the extent provided under section 212(b) or section 312(b)" and the comma immediately preceding that phrase.

REPEAL OF INCREMENTAL PRICING REQUIREMENTS

SEC. 403. (a) Subject to subsections (b) and (c) of this section, title II of the Natural Gas Policy Act of 1978 (15 U.S.C. 3341-3348) is repealed, and the items relating to title II are stricken from the table of contents of that Act.

(b) A rule promulgated by the Commission under title II of the Natural Gas Policy Act of 1978 shall continue in effect only with respect to the flow-through of costs incurred before the enactment of the Natural Gas Consumer Regulatory Reform Amendments of 1983, including any surcharges based on such costs.

(c) The Commission may take appropriate action to implement this section.

SECTION-BY-SECTION ANALYSIS OF THE GAS REFORM ACT OF 1983

Title I. Removal of Wellhead Price Controls and Repeal of Jurisdiction Over Certain First Sales.

SEC. 101. Removal of Wellhead Price Controls.

Section 101 of the bill amends Section 121 of the NGPA. As amended Section 121 will eliminate the applicability of subtitle A of the NGPA to any first sale of natural gas except to the extent provided for in a new Section 111 of the NGPA which is established by Section 201 of the bill. Section 121 of the NGPA as amended further provides that all wellhead price controls shall cease to apply following 48 months after passage of the bill.

SEC. 102. Repeal of Natural Gas Act Jurisdiction Over First Sales of Committed or Dedicated Natural Gas.

Section 102 amends Section 601(a)(1) of the NGPA by adding a new subparagraph "(F)" which removes Natural Gas Act jurisdiction over all first sales to which maximum lawful prices under the NGPA are no longer applicable.

SEC. 103. Standby Price Control Authority.

Section 103 eliminates existing Standby Price Control authority by repealing Sections 122, 123 and 507 of the NGPA.

Title II. Transitional Price and Contract Provisions.

SEC. 201. Revision of Prices for Certain Natural Gas.

Section 201 adds a new Section 111 to the NGPA which provides for the phased elimination of (i) price controls on all first sales of natural gas and (ii) the Commission's jurisdiction under the Natural Gas Act to regulate non-price aspects (such as certification and abandonment) of first sales of natural gas.

Section 111(a) ("Gas Cap Price") requires the monthly computation and publication by the Commission of a Gas Cap Price. The Gas Cap Price will be determined by subtracting from the wholesale price of low sulphur No. 6 residual fuel oil[1] the cost of transporting natural gas to electric plants. The transportation cost will be determined by subtracting the average wellhead price of natural gas from the average delivered price of natural gas[1] to electric utilities.[1]

Section 111(b) ("Prices at or Below Gas Cap Price Under Existing Contracts") applies to first sales of gas which is being sold at or below the Gas Cap on date of enactment. Each month following enactment one forty-eighth of such gas will be removed from the maximum lawful pricing provisions of subtitle A and will be referred to as "Released Gas". It will be unlawful to sell Released Gas at any price other than the Gas Cap Price. Gas which has not qualified as Released Gas will continue to be sold at the maximum lawful price or, if no maximum lawful price is applicable, at the lower of the contract price or the Gas Cap Price.

All first sales of Released Gas are removed from Commission jurisdiction, if applicable, under the Natural Gas Act.

As a precondition to taking advantage of the "phase up" provisions of Section 111(b) a producer must agree to limit the take or pay obligations under its contracts with all purchasers to no greater than 70 percent of deliverability. Thus, the formula which operates to qualify volumes as Released Gas will not commence until that take or pay criteria has been met. Beginning with the first day of the 49th month after enactment, (i) all gas which has not qualified as Released Gas will cease to be subject to the provisions of subtitle A of the NGPA or to the Commission's jurisdiction under the NGA, if applicable; and (ii) the Gas Cap Price will no longer be the mandatory price for any gas subject to Section 111(b)—rather the free market price for Section 111(b) gas shall be as agreed between the seller and buyer.

Section 111(c) ("Prices Above Gas Cap Price Under Existing Contracts") applies to the price of imported natural gas and to first sales of natural gas where the price on date of enactment exceeds the Gas Cap Price. Each month following date of enactment one-thirtieth of such gas will be removed from the maximum lawful pricing provisions of subtitle A and will be referred to as "Reduced Price Gas". Reduced Price Gas may not be sold at a price in excess of the Gas Cap Price but may be sold below the Gas Cap Price subject to agreement of the parties. Gas not qualified as Reduced Price Gas will be sold at the contract price or maximum lawful price under the NGPA, as applicable. Beginning with the 31st month after enactment the free market price for gas subject to Section 111(c) will be as agreed between seller and buyer.

Section 111(d) ("Gas Sold Under New Contracts") provides that gas sold under any contract which becomes effective after date of enactment or which expires, lapses or is terminated after enactment will no longer be subject to maximum lawful prices under the NGPA or to commission jurisdiction under the NGA. The price for such gas shall be as agreed between seller and buyer except that the Gas Cap Price will apply to such gas until the beginning of the 31st month after date of enactment.

Section 111(e) ("Right to Terminate Contracts") provides that contracts for the sale of gas subject to Sections 111 (b) or (c) may be terminated by either party upon giving 180 days notice before the end of the 48-month period and 30-month period in the case of Sections 111(b) and 111(c) gas, respectively.

Section 111(f) ("Synthetic Gas and Artificial Gas") provides that the provisions of the bill do not apply to synthetic or artificial gas.

Section 202. Repeal of Certain Contract Requirements and Imposition of Take or Pay Limits.

Section 202 repeals Section 315 of the NGPA and substitutes a new Section 315 which provides that to the extent permitted by state or regulatory authorities pipelines are required to take gas under each contract at the same percentage rate of deliverability as under *all* contracts.

However, the provisions regarding ratable takes would not apply to reduce (i) production of casinghead gas, (ii) gas necessary to prevent drainage or (iii) protect correlative rights.

Section 203. Effect of Gas Cap Price.

Adds a new Section 318 to the NGPA which provides that for purposes of Area Rate Clauses the Gas Cap will be treated as a governmentally established price or rate.

Title III. Removal of Impediments to Intrastate Movements of Gas.

Sec. 301. Authorization of Certain Interstate Sales, Transportation and Assignments.

This provision would facilitate transactions between the interstate and intrastate markets without subjecting those transactions to certification procedures under section 7 of the NGA and without requiring intrastate companies to become jurisdictional "natural gas companies" under the NGA. Current NGPA section 311(a) permits the Commission to authorize transportation by interstate pipelines on behalf of any intrastate pipeline or local distribution company, and by an intrastate pipeline on behalf of any interstate pipeline or local distribution company served by an interstate pipeline. Current NGPA section 311(b) permits the Commission to authorize any intrastate pipeline to sell gas to any interstate pipeline or local distribution company. Current NGPA section 312 permits the Commission to authorize any intrastate pipeline to assign surplus gas to an interstate pipeline or local distribution company. These provisions were designed to permit the then existing "bubble" of gas in intrastate markets to flow into interstate markets that were facing gas shortages. Sections 301(a), (b) and (c) would amend these NGPA provi-

[1] To be based upon the three most recent months for which data are available from the Energy Information Agency.

sions to allow natural gas to flow both ways to correct imbalances in any market. Section 301(a) would expand NGPA section 311(a) to permit the Commission to authorize any pipeline or local distribution company to transport gas on behalf of any person. The use of the phrase "any person" is not intended to reflect any view concerning the persons on whose behalf gas currently can be transported under section 311(a). Section 301(b) would expand NGPA section 311(b) to permit the Commission to authorize any pipeline or local distribution company to transport gas on behalf of any person. The use of the phrase "any person" is not intended to reflect any view concerning the persons on whose behalf gas currently can be transported under section 311(a). Section 301(b) would expand NGPA section 311(b) to permit the Commission to authorize any pipeline or local distribution company to sell gas to any other pipeline or local distribution company. Section 301(c) would expand section 312 to permit the Commission to authorize any pipeline or local distribution company to assign surplus gas to any other pipeline or local distribution company. In addition, the definition of "surplus gas" would be broadened.

Section 302(a) would expand NGPA section 314. Currently, NGPA section 314 voids anticommingling clauses with respect to certain first sales. Section 302(a) would expand section 314 to void anticommingling and similar clauses in contracts for the resale and transportation of natural gas that is not deemed to be in interstate commerce because of NGPA section 601(d) (see section 302(b)). This change is designed to facilitate transactions between the interstate and intrastate markets.

Section 302(b) would add a new subsection (d) to NGPA section 601 which would establish the principle that, in most instances, intrastate pipelines should not be subject to the Commission's jurisdiction just because the intrastate pipeline acquires gas from another State as long as there is no regulatory gap concerning the sale and transportation of such gas. New NGPA section 601(d)(1) would provide that purchasers of gas in certain "covered transactions" would not become subject to the Commission's jurisdiction because of such purchases. New section 601(d)(2) would provide that transactions downstream from such covered transactions would not, solely on that basis, be considered to be in interstate commerce, and that intrastate recipients of this natural gas would not thereby be considered to be "natural gas companies" under the NGA. Covered transactions would be defined as the first sale of natural gas not subject to the jurisdiction of the Commission by reason of section 601(a)(1)(A), (B) or (F), the first sale of gas produced on the outer Continental Shelf, a sale or assignment under sections 302(a), 311(b) or 312(a), a first sale under section 317 (the new "Contract Carrier" provision), and a sale for resale by a Hinshaw pipeline. This section would only apply to natural gas that remained in the State in which the purchaser in the covered transaction received the gas, except if gas is transported outside of that State in connection with a transaction under sections 302(a), 311(a), 311(b) or 312.

Section 302(b) also would add a new subsection (e) to NGPA section 601, entitled "Nondiscrimination Provision". New subsection (e) would prohibit the Commission, in exercising its jurisdiction over any gas under either the Natural Gas Act or the NGPA, from discriminating against either intrastate or interstate purchasers.

Sec. 303 ("Contract Carrier Authorization") amends Title III of the NGPA by adding a new Section 317 which establishes certain contract carrier authorizations.

Sec. 304 ("Coordination with the Natural Gas Policy Act of 1978") amends Title VI of the NGPA to make certain conforming changes.

Sec. 305 ("Effective Date") provides that the amendments made by Sections 303 and 304 shall apply to the transportation of natural gas pursuant to requests made 120 days after the date of enactment of the Gas Reform Act of 1983.

Title IV. Repeal of Certain Restrictions on Natural Gas and Petroleum Use and Pricing.

Sections 401 ("Repeal of Certain Sections of the Powerplant and Industrial Fuel Use Act of 1978") and 402 ("Conforming Amendments").

These sections would repeal several sections of the Powerplant and Industrial Fuel Use Act of 1978 (FUA).

The bill would repeal (1) the prohibitions on the use of natural gas and petroleum as a primary energy source in new electric powerplants and new major fuel-burning installations, (2) the prohibition on the construction of new powerplants without alternate fuel capability, (3) the discretionary authority of the Secretary of Energy to prohibit nonboiler installations from using natural gas and petroleum as a primary energy source, and (4) all corresponding exemption provisions.

The bill would repeal section 302 of FUA which authorizes the Secretary of Energy to prohibit the use of natural gas or petroleum as a primary energy source where coal or alternate fuel capability exists in existing major fuel-burning installations.

The Secretary of Energy's authority under section 401 of FUA to prohibit the use of natural gas as a primary energy source in certain boilers would be repealed.

The bill would repeal section 402 of FUA which prohibits certain installations of new outdoor lighting fixtures that use natural gas and certain uses of natural gas therein.

The bill would repeal section 405 of FUA which authorizes the Secretary of Energy to restrict, by rule, increases in the use of petroleum as a primary energy source in existing powerplants that used coal or another alternate fuel in 1977.

The bill would repeal subsections 103(a)(16), (a)(18), (a)(19) and (a)(29) of the Powerplant and Industrial Fuel Use Act of 1978, which provide certain definitions for general reference that are no longer necessary due to the proposed repeal of many statutory provisions.

Section 403 ("Repeal of Incremental Pricing Requirements") would repeal title II of the NGPA, which provides for an incremental pricing system whereby low priority users of natural gas pay a larger share of the first sale acquisition costs for natural gas, and thus would end this regulatory system. Acquisition costs incurred prior to the enactment of this bill would be passed through to users on the basis of the existing Commission regulations for incremental pricing. Any acquisition costs incurred after the enactment of this bill would be dealt with without regard to incremental pricing requirements.

GAS CAP

For the purposes of natural gas decontrol, it is proposed that a gas cap be established on the following basis:

"Three month rolling average price per million Btu available monthly based on the wholesale price of 0.31-1 percent sulfur No. 6 fuel oil less the average cost of transportation and distribution of natural gas to electric power plants."

Wholesale prices of 0.31-1 percent sulfur No. 6 fuel oil are collected and published by the Energy Information Agency in the Monthly Energy Review. Transportation and distribution costs would be determined from data available to EIA and reported in the same publication using the difference between average natural gas wellhead prices and the average price of natural gas delivered to electric plants.

Table 1 shows the gas cap through 1982 and the estimated monthly amounts for 1983. This table shows that a gas cap calculated under this method would have ranged from a high of $3.66/MM Btu in March 1982 to a low of $2.93 in April 1983. Future gas cap prices would, of course, be dependent upon the price of fuel oil which competes with natural gas in most industrial markets. In developing the 1983 estimates, New York Harbor spot cargo prices have been used since the Energy Information Agency has not yet published 1983 prices. The gas cap prices shown on Table 1 would be used for pricing purposes during the following month.

As shown in Table 2, New York Harbor spot cargo prices have historically tracked the wholesale price of 0.31-1 percent sulfur No. 6 fuel oil prices published by EIA. The decline in the New York Harbor prices for residual fuel oil during 1983 is related to the decreases in spot prices for crude oil. Table 2 also shows the actual price differentials for 1982 between wholesale prices as reported by EIA and New York Harbor prices as reported by Platt's Oilgram Price Reports. For the full year, the average differential was only $0.7 per barrel.

Table 3 shows the computation of transportation and distribution cost for 1982. Transportation and distribution cost data have not yet been published for 1983. In computing the 1983 monthly gas caps on Table 1, a range of transportation and distribution cost estimates was used based on assumed inflation and historic averages for the same period in 1981 and 1982. On the low side of the range a cost of $1.08/MM Btu, to reflect inflation was assumed. On the high side, it was assumed transportation and distribution costs would rise $.16/MM Btu during the January to April period, similar to increases in January to April 1981 and 1982 which reflect seasonal pipeline load factors.

The factor used to convert fuel oil values to millions of Btu is 6.258 as shown for petroleum products consumed by electric utilities on the inside back cover of the April Monthly Energy Review.

TABLE 1.—GAS CAP PRICE CALCULATION

	Wholesale No. 6 [1]		T&D costs [4] ($/MMBtu)	Monthly prices [5] ($/MMBtu)	Gas cap [6] ($/MMBtu)
	$/B [2]	$/MMBtu [3]			
1982:					
January	28.90	4.62	0.85	3.77	
February	29.30	4.68	.94	3.74	
March	27.60	4.41	.93	3.48	3.66
April	27.08	4.33	.96	3.37	3.53
May	27.89	4.46	1.00	3.36	3.40
June	27.26	4.36	1.11	3.25	3.33
July	27.39	4.38	1.22	3.16	3.26
August	27.50	4.39	1.14	3.25	3.22
September	27.73	4.43	1.13	3.30	3.24
October	29.51	4.72	1.13	3.59	3.38
November	29.44	4.70	1.04	3.66	3.52
December	28.19	4.50	1.06	3.44	3.56
Average	28.27	4.52	1.06	3.46	

TABLE 1.—GAS CAP PRICE CALCULATION—Continued

	Wholesale No. 6 [1]		T&D costs [4] ($/MMBtu)	Monthly prices [5] ($/MMBtu)	Gas cap [6] ($/MMBtu)
	$/B [2]	$/MMBtu [3]			
			Estimated range		
1983:					
January	[7] 25.72	4.11	1.08–1.10	3.03–3.01	3 38–3.37
February	[7] 25.73	4.11	1.08–1.14	3.03–2.97	3.17–3.14
March	[7] 25.29	4.04	1.08–1.18	2.96–2.86	3.01–2.95
April	[7] 26.10	4.17	1.08–1.22	3.09–2.95	3.03–2.93

[1] 0.3–1 percent sulfur.
[2] Source: DOE, Monthly Energy Review, April 1983, p. 90.
[3] Conversion factor 6.258 MMBtu per barrel, 1982, electric utility consumption of petroleum, DOE.
[4] Transportation and distribution costs for delivering gas to electric utilities. (See table 3.)
[5] Wholesale price less transportation and distribution costs.
[6] 3-mo moving average of monthly prices.
[7] New York Harbor. Average spot cargo prices No. 6 fuel oil 1 percent sulfur low pour. Platt's Oilgram Price Reports. (See table 2.)

TABLE 2.—RESIDUAL FUEL OIL PRICES

[In dollars per barrel]

	Wholesale, No.6 [1]	New York Harbor [2]	Difference
1982:			
January	28.90	28.59	.31
February	29.30	28.90	.40
March	27.60	27.23	.37
April	27.08	27.70	(.62)
May	27.89	28.82	(.93)
June	28.26	28.09	.17
July	27.39	26.98	.41
August	27.50	26.99	.51
September	27.73	28.97	(1.24)
October	29.51	30.71	(1.20)
November	29.44	29.18	.26
December	28.19	[3]27.45	.74
			(.07)
1983:			
January		25.72	
February		25.73	
March		25.29	
April		26.10	
May		[3]27.08	

[1] Source: DOE, Monthly Energy Review. (0.31–1 percent sulfur.)
[2] Platts, average of lows and highs. (Spot cargoes, low pour, 1 percent sulfur.)
[3] Estimated.

TABLE 3.—ELECTRIC PLANTS NATURAL GAS PRICES [1]

[Transmission and distribution estimates]

1982	Average wellhead value ($/MCF)	Delivered to electric plants ($/MCF)	Transmission and distribution cost	
			$/MCF	$/MMBtu [2]
January	2.21	3.07	0.86	0.85
February	2.23	3.18	.95	.94
March	2.31	3.25	.94	.93
April	2.35	3.32	.97	.96
May	2.41	3.42	1.01	1.00
June	2.44	3.57	1.13	1.11
July	2.45	3.69	1.24	1.22
August	2.51	3.67	1.16	1.14
September	2.52	3.67	1.15	1.13
October	2.53	3.68	1.15	1.13
November	2.55	3.61	1.06	1.04
December	2.56	3.64	1.08	1.06
Average	2.41	3.49	1.08	1.06

[1] Source: DOE, Monthly Energy Review, April 1983, p. 91.
[2] 1,015 Btu per cubic foot, according to DOE conversion factors.

A DIAGRAM OF THE GAS REFORM ACT OF 1983 TO SHOW HOW IT AMENDS PRESENT LAW

TITLE I

Section 101: Removal of wellhead price controls, phased in over 48-months.

Section 102: Repeal of Natural Gas Act jurisdiction over sales of gas covered in above section 101.

Section 103: Repeals stand-by price control of NGPA.

TITLE II

Section 201: Phased elimination of price controls on first sales; regulation of non-price aspects of first sales (certification and abandonment).

Gas cap price based on wholesale price of No. 6 residual fuel oil less the average pipeline transportation cost from natural gas wellhead to electric utility plant (rolling 3-month average); Gas sold under this price phased up over 48 months to cap price.

Gas sold above the cap price (including imported gas) will be phased down to cap price over 30 months.

Gas sold under new contracts effective after date of enactment or contracts which expire, lapse, or are terminated shall be at a price agreed between seller and buyer subject to gas cap price for 30 months after enactment.

Either buyer or seller can terminate contract for high cost gas after 30 months and low cost gas after 48 months.

Synthetic and artificial gas are not covered.

Section 202: As permitted by state law, pipelines are required to take gas at same percentage rate under all contracts.

As a precondition to "phase up" to gas cap price, a producer is required to agree to limit take or pay obligations under contracts with all purchasers to no greater than 70 percent of deliverability.

Section 203: For purposes of Area Rate Clauses the Gas Cap will be treated as a governmentally-established price or rate.

TITLE III

Contract carriage provisions as agreed to by Committee as of June 3.

(Numerous sections that are designed to give flexibility on pipeline transportation of gas between producer's wellhead and purchaser's gateway or end-user site)

TITLE IV

Repeals parts of the Fuel Use Act of 1978. Repeals incremental pricing requirements.

By Mr. HEINZ:

S. 1409. A bill to amend the Tariff Act of 1930 regarding the public disclosure of certain manifest information; to the Committee on Finance.

DISCLOSURE OF CERTAIN MANIFEST INFORMATION

Mr. HEINZ. Mr. President, today I am introducing legislation to provide better access to information about imported goods arriving in the United States. My bill is a companion to legislation which has been introduced on the House side, H.R. 2588, and it is identical to a provision which was approved by the Senate Finance Committee and included in the authorization legislation for the Customs Service.

Currently the Customs Service limits public access to certain basic information about imports. For example, the identity of the foreign shipper is not available and the identity of the U.S. importer will be withheld simply on the submission of a one time request to the Customs Service.

Access to information such as this is important to a wide range of U.S. businesses and governmental units. For example, U.S. port authorities need the information for long-range planning, to improve their services, and to attract new shipping business. U.S. manufacturers could use the information to identify importers who might be potential customers for U.S. manufactured goods instead. The information could also help State trade and development agencies improve their planning and promotion of domestic companies.

Adequate import information is important, but it is also important to protect the legitimate trade secret information about U.S. importers. For that reason, my bill contains a provision to protect their trade secret information from disclosure.

We must have adequate import information if the United States is going to improve its own competitive position. My bill will assure that such information is available.

By Mr. BYRD (for Mr. BENTSEN for himself, Mr. TOWER, Mr. SYMMS, Mr. HEFLIN, Mr. HOLLINGS, Mr. THURMOND, and Mr. DENTON):

S. 1410. A bill to amend the Internal Revenue Code of 1954 to exempt holdings in independent local newspapers from taxes on excess business holdings of private foundations; to the Committee on Finance.

PRESERVING LOCALLY OWNED NEWSPAPERS

● Mr. BENTSEN. Mr. President, I am, along with Senators TOWER, SYMMS, HEFLIN, HOLLINGS, THURMOND, and DENTON, introducing a bill to help preserve locally owned independent newspapers. While this bill amends the Internal Revenue Code its objective is accomplished without revenue loss to the Treasury.

In 1969, S. 4943 was added to the Internal Revenue Code. Under the provision all private foundations will be prohibited after May 26, 1989, from owning more than 50 percent of the assets of stock of any business enterprise owned by them on May 26, 1969.

My bill would permit private foundations which presently own interests in independent daily newspapers to continue that ownership in cases where the newspaper is operated in accordance with the standards of efficiency and profitability prevailing in the newspaper industry in the United States. Further, my legislation would encourage individuals who own controlling interests in other independent newspapers to bequeath their interests in these newspapers to private foundations. In addition to helping to preserve the local newspaper my legislation would make a significant amount of assets and income irrevocable committed to charitable purposes.

The two principal purposes of S. 4943 were, to prevent businesses owned by private foundations from having a competitive advantage over privately owned businesses and to prevent private foundations from having excessive business holdings. Mr. President, I support both those objectives.

My bill would not allow any tax advantage to newspapers owned by private foundations.

Newspapers owned by foundations would be obligated to pay the same corporate income tax as those paid by any other newspaper. In addition, as I noted earlier, my bill requires the newspaper be operated in accordance with general industry standards of efficiency and profitability to insure there is no competitive advantage to private foundations. My bill prohibits excessive business holding by only permitting ownership of local independent newspapers, not ownership of newspaper chains or other media.

Mr. President, I believe there is a significant first amendment question of whether the present tax law prohibiting private foundations from owning a newspaper is an unconstitutional abridgment of freedom of the press of private foundations. The ability to dictate ownership of newspapers provides control over the content of newspapers. This legislation removes this unwarranted Federal Government control over newspaper ownership and helps preserve the constitutional guarantee of a free press.

To insure the continuation of a broad-based, independent, free press in the United States, the policy of Congress should be to encourage, rather than discourage, the ownership of independent local newspapers throughout the country. The bill I am introducing today would promote that objective.●

By Mr. BYRD (for Mr. BENTSEN for himself and Mr. TOWER):

S. 1411. A bill to provide that certain property held in foreign-trade zones shall be exempt from State and local ad valorem taxation; to the Committee on Finance.

FOREIGN-TRADE ZONES IN THE STATE OF TEXAS

● Mr. BENTSEN. Mr. President, I am introducing this bill on behalf of myself and my distinguished colleague, the senior Senator from the State of Texas, Senator TOWER. The Bentsen-Tower bill addresses a very narrow problem dealing with foreign trade zones in the State of Texas. We have found that businesses are being discouraged from locating in Texas foreign trade zones because of a Texas constitutional quirk that leaves uncertain the possibility that their inventories, while in foreign commerce, would be subject to ad valorem tax assessment by local authorities. The Bentsen-Tower bill is designed to remedy that problem.

Texas foreign trade zones are in a very difficult situation. In creating foreign trade zones, Congress has preempted State and local ad valorem taxation of foreign origin goods and domestic origin goods destined for export that are located in foreign trade zones. Acknowledging this Federal preemption, most State and local authorities have taken action to prohibit local authorities from assessing ad valorem tax on foreign trade zone inventory. Texas authorities have been unable to take such measures, however, because the Texas constitution prohibits exemption of items not specifically listed in the Texas constitution.

Despite the Texas constitutional prohibition of formally stating the exempt status of foreign trade zone inventory, Texas taxing authorities have generally recognized the Federal preemption. There has been very little, if any, actual taxation of inventories located in foreign trade zones. Actual taxation is not the problem. It is the threat of taxation which would require a business to litigate in order to secure the ad valorem tax exemption to which it is already entitled, that is inhibiting the business development of Texas foreign trade zones. I do not believe that businesses considering locating in a Texas foreign trade zone should have to consider the contingent expense of buying a lawsuit to secure an ad valorem tax exemption. This was certainly not the intent of Congress in establishing foreign trade zones, and is, in fact, frustrating the congressional scheme.

Congress has created foreign trade zones to encourage and expedite foreign commerce, and to increase export/reexport trade, and import substitution, which is the manufacturing or assembling of goods in U.S. foreign trade zones that would otherwise be done in foreign countries. Foreign trade zones create U.S. jobs, jobs that would otherwise be performed by foreign workers. The national economy directly benefits from the creation of these jobs, and from the capital investment created by the expansion of foreign trade zones.●

● Mr. TOWER. Mr. President, I am pleased to join my distinguished colleague from Texas, Senator BENTSEN, in introducing the Bentsen-Tower bill. The Bentsen-Tower bill is very simply a clarification of existing law that will remedy a gap in the national uniformity of treatment of international trade.

Congress created foreign trade zones to make our country competitive in the international marketplace. Local taxation of goods located in a foreign trade zone would, of course, frustrate the congressional purpose. The Federal preemption of this type of taxation has been uniformly recognized outside of Texas. However, because of restrictions in the Texas constitution, the formal recognition by the State of Texas is not possible.

The lack of a definitive statute in Texas has created a hesitation among businesses that might otherwise use Texas foreign trade zones. A State statute is, of course, not necessary to restate a Federal preemption. A State statute would be merely gratuitous, to insure that local authorities comply with Federal law. Without such a statute to show local assessors, however, businesses are concerned that they will be forced to go to court in order to secure an ad valorem tax exemption to which they are entitled. Although the recent U.S. Supreme Court case of Xerox Corporation against Harris County seems to make the state of the law clear, businesses do not like to operate based on how case law would help them if they are forced to go to court.

By simply restating the existing Federal preemption of ad valorem taxation, the Bentsen-Tower bill will be able to facilitate the development of foreign trade zones. In the past 15 years, the number of jobs in foreign trade zones have increased by 20 times, and the value of shipments through foreign trade zones has increased to over $7 billion. This bill will further enhance the growth of foreign trade zones, and by adding American value to goods manufactured or assembled in foreign countries, the deficit in the balance of trade is reduced.

I firmly believe that the enactment of the Bentsen-Tower bill, by merely clarifying the existing Federal preemption of ad valorem taxation of Federal trade zone inventory, will enhance the development of all foreign trade zones and fulfill the congressional intent in establishing foreign trade zones, the creation of new jobs, and encouragement of capital investment.●

ADDITIONAL COSPONSORS

S. 44

At the request of Mr. KASTEN, the name of the Senator from South Dakota (Mr. ABDNOR) was added as a cosponsor of S. 44, a bill to regulate interstate commerce by providing for a uniform product liability law, and for other purposes.

S. 617

At the request of Mr. STENNIS, the names of the Senator from New York (Mr. D'AMATO), the Senator from Hawaii (Mr. INOUYE), the Senator from Florida (Mrs. HAWKINS), and the Senator from Michigan (Mr. LEVIN) were added as cosponsors of S. 617, a bill to promote the use of energy-conserving equipment and biofuels by the Department of Defense, and for other purposes.

S. 786

At the request of Mr. PRESSLER, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 786, a bill to amend title 38, United States Code, to establish a service-connection presumption for certain diseases caused by exposure to herbicides or other environmental hazards or conditions in veterans who

served in Southeast Asia during the Vietnam era.

S. 832

At the request of Mr. HEINZ, the name of the Senator from Florida (Mrs. HAWKINS), the Senator from Oklahoma (Mr. BOREN), the Senator from Utah (Mr. GARN), the Senator from North Carolina (Mr. HELMS), the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from Mississippi (Mr. COCHRAN), the Senator from South Carolina (Mr. HOLLINGS), the Senator from New York (Mr. MOYNIHAN), and the Senator from West Virginia (Mr. RANDOLPH) were added as cosponsors of S. 832, a bill to amend the Age Discrimination in Employment Act of 1967 to remove the maximum age limitation applicable to employees who are protected under such act, and for other purposes.

S. 863

At the request of Mr. BOSCHWITZ, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 863, a bill entitled "the Enterprise Zone Employment and Development Act of 1983."

S. 869

At the request of Mr. BOSCHWITZ, the names of the Senator from South Dakota (Mr. PRESSLER) and the Senator from New York (Mr. D'AMATO) were added as cosponsors of S. 869, a bill to amend the Export-Import Bank Act of 1945.

S. 1121

At the request of Mr. COCHRAN, the names of the Senator from South Carolina (Mr. THURMOND) and the Senator from Oklahoma (Mr. NICKLES) were added as cosponsors of S. 1121, a bill to repeal the national maximum speed limit for motor vehicles.

S. 1144

At the request of Mr. HEINZ, the names of the Senator from South Carolina (Mr. HOLLINGS) and the Senator from Massachusetts (Mr. TSONGAS) were added as cosponsors of S. 1144, a bill to suspend periodic reviews of disability beneficiaries having mental impairments pending regulatory reform of the disability determination process.

S. 1145

At the request of Mr. DENTON, the names of the Senator from Nevada (Mr. LAXALT) the Senator from Montana (Mr. MELCHER) the Senator from Illinois (Mr. PERCY), and the Senator from Idaho (Mr. SYMMS) were added as cosponsors of S. 1145, a bill to recognize the organization known as the Catholic War Veterans of the United States of America, Inc.

SENATE JOINT RESOLUTION 54

At the request of Mr. NICKLES, the names of the Senator from Washington (Mr. GORTON), the Senator from Idaho (Mr. SYMMS), and the Senator from Texas (Mr. BENTSEN) were added as cosponsors of Senate Joint Resolution 54, a joint resolution to authorize and request the President to designate the month of January 1984 as "National Eye Health Care Month."

SENATE JOINT RESOLUTION 75

At the request of Mr. SYMMS, the names of the Senator from South Carolina (Mr. HOLLINGS) and the Senator from Rhode Island (Mr. PELL) were added as cosponsors of Senate Joint Resolution 75, a joint resolution to provide for the designation of June 12 through 18, 1983 as "National Scleroderma Week."

SENATE JOINT RESOLUTION 77

At the request of Mr. DOLE, the names of the Senator from South Dakota (Mr. ABDNOR), the Senator from Georgia (Mr. MATTINGLY), the Senator from Georgia (Mr. NUNN), the Senator from Illinois (Mr. PERCY), and the Senator from Texas (Mr. TOWER) were added as cosponsors of Senate Joint Resolution 77, a joint resolution designating "National Animal Agriculture Week."

SENATE JOINT RESOLUTION 97

At the request of Mr. BOSCHWITZ, the name of the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of Senate Joint Resolution 97, a joint resolution to authorize the erection of a memorial on public grounds in the District of Columbia, or its environs, in honor and commemoration of members of the Armed Forces of the United States and the allied forces who served in the Korean war.

SENATE JOINT RESOLUTION 109

At the request of Mr. D'AMATO, the names of the Senator from Arkansas (Mr. BUMPERS), the Senator from North Dakota (Mr. BURDICK), the Senator from California (Mr. CRANSTON), the Senator from Kansas (Mr. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Arizona (Mr. GOLDWATER), the Senator from Washington (Mr. GORTON), the Senator from Florida (Mrs. HAWKINS), the Senator from Pennsylvania (Mr. HEINZ), the Senator from North Carolina (Mr. HELMS), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Iowa (Mr. JEPSEN), the Senator from Wisconsin (Mr. KASTEN), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Hawaii (Mr. MATSUNAGA), the Senator from Montana (Mr. MELCHER), the Senator from Idaho (Mr. McCLURE), the Senator from New York (Mr. MOYNIHAN), the Senator from Alaska (Mr. MURKOWSKI), the Senator from Georgia (Mr. NUNN), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Michigan (Mr. RIEGLE), the Senator from Tennessee (Mr. SASSER), the Senator from Idaho (Mr. SYMMS), the Senator from California (Mr. WILSON), and the Senator from Nebraska (Mr. ZORINSKY), were added as cosponsors of Senate Joint Resolution 109, a joint resolution designating the week beginning June 19, 1983, as "National Children's Liver Disease Awareness Week."

SENATE CONCURRENT RESOLUTION 22

At the request of Mr. DOLE, the name of the Senator from Arkansas (Mr. PRYOR) was added as a cosponsor of Senate Concurrent Resolution 22, a concurrent resolution expressing the sense of the Congress with respect to implementing the objectives of the U.S. Decade of Disabled Persons (1983-92).

SENATE RESOLUTION 106

At the request of Mr. THURMOND, the name of the Senator from Illinois (Mr. PERCY) was added as a cosponsor of Senate Resolution 106, a resolution to commemorate the 10th anniversary of the U.S. Product Safety Commission by designating the week of May 8, 1983, through May 14, 1983, as "National Product Safety Week."

SENATE RESOLUTION 114

At the request of Mr. PRESSLER, the names of the Senator from North Dakota (Mr. BURDICK) and the Senator from South Carolina (Mr. HOLLINGS) were added as cosponsors of Senate Resolution 114, a resolution to express the sense of the Senate that certain rural fire protection programs should receive a level of funding for fiscal year 1984 which is at least as high as the level of funding provided for such programs for fiscal year 1983.

SENATE RESOLUTION 127

At the request of Mr. ANDREWS, the name of the Senator from Florida (Mrs. HAWKINS) was added as a cosponsor of Senate Resolution 127, a resolution to make the Select Committee on Indian Affairs a permanent committee of the Senate.

SENATE RESOLUTION 139

At the request of Mr. ZORINSKY, the names of the Senator from Maryland (Mr. SARBANES), the Senator from Montana (Mr. MELCHER), the Senator from Tennessee (Mr. SASSER), and the Senator from Kentucky (Mr. HUDDLESTON) were added as cosponsors of Senate Resolution 139, a resolution disapproving the recommendation of the Study Group on Senate Practices and Procedures to abolish the Senate Committee on Veterans' Affairs.

SENATE RESOLUTION 154

At the request of Mr. D'AMATO, the names of Senator from Missouri (Mr. DANFORTH), and the Senator from Pennsylvania (Mr. HEINZ) were added as cosponsors of Senate Resolution 154, a resolution to designate the week of June 19, 1983, through June 25, 1983, as "Multihousing Laundry Industry Week."

SENATE CONCURRENT RESOLUTION 43—RELATING TO THE CONDITION OF THE INTERNATIONAL FINANCIAL SYSTEM

Mr. ARMSTRONG submitted the following concurrent resolution; which was referred to the Committee on Banking, Housing, and Urban Affairs:

S. CON. RES. 43

Whereas the international banking system is currently threatened by a series of national financial crises;

Whereas the Congress is desirous of finding a solution to the current monetary crisis which will result in a stable monetary system and preservation of a liberal international economy;

Whereas this solution must be found without placing inordinate pressures on United States credit markets;

Whereas the breakdown in the Bretton Woods monetary system has contributed directly to these problems;

Whereas the economic policies prescribed by the International Monetary Fund often are harmful to economic growth;

Whereas the International Monetary Fund currently holds approximately $40 billion of uncommitted assets in the form of gold bullion and has not utilized them fully to date; and

Whereas loss reserves of many United States banks are inadequate to absorb potential defaults: Now, therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) restoration of a stable monetary system is necessary to assure economic growth and to maintain a liberal international economic system;

(2) as a first step toward this restoration the Secretary of the Treasury should renew his call for an international conference on the monetary system to investigate its systemic problems;

(3) in coping with the current financial crisis and prior to any quota increase, the International Monetary Fund should make full use of its current assets, including its gold holdings;

(4) the International Monetary Fund should revise the conditions placed on its loans so as to encourage economic growth;

(5) any additional financial resources made available during the current crisis should be made available on a temporary basis, preferably through bilateral arrangements.

SENATE CONCURRENT RESOLUTION 44—RELATING TO WITHHOLDING ON INTEREST AND DIVIDENDS

Mr. JEPSEN submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. CON. RES. 44

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) the continuing possibility that subchapter B of chapter 24 of the Internal Revenue Code of 1954 (relating to withholding from interest and dividends) will be repealed is creating, for all payors, an undue hardship within the meaning of section 308(b) of the Tax Equity and Fiscal Responsibility Act of 1982 (relating to delay in application of such subchapter to certain payors), and

(2) the Secretary of the Treasury should promulgate regulations pursuant to such section 308(b) delaying the effective date of such subchapter B with respect to all payors until December 31, 1983.

● Mr. JEPSEN. Mr. President, on May 5, I wrote to Treasury Secretary Donald Regan, urging him to delay the implementation of tax withholding on interest and dividends, scheduled to take effect July 1. I argued that, given the Senate vote April 21 in favor of repealing the withholding law, it made little sense to require banks to continue to spend great sums of money preparing for something which probably never would take place.

Subsequent to my letter to Secretary Regan, the House voted 382 to 41 on May 17 in favor of repeal. This overwhelming vote made it even more clear that, in response to a strong popular outcry against an unreasonable law, the repeal of that law was just a matter of time. It would seem apparent that, under the circumstances, requiring preparations for compliance with the law to continue would constitute an undue hardship.

Fortunately, Congress, in its wisdom, provided authority to the Secretary of the Treasury to delay application of the law for any payor until such payor is able to comply without undue hardship. So I was quite surprised when I received Secretary Regan's response to my letter on May 27, indicating his view that "the Treasury Department's limited authority under the law to delay the enforcement of the withholding provisions does not permit a blanket suspension of the statutory provisions * * *."

Accordingly, I am today submitting a concurrent resolution expressing the sense of the Congress that the Secretary of the Treasury should exercise his authority under section 308(b) of the Tax Equity and Fiscal Responsibility Act of 1982 to delay implementation of withholding until Congress completes action on repeal legislation (or until December 31, 1983, as limited by section 308(b) of TEFRA).

It makes no sense whatsoever for bank customers' money to be wasted by requiring financial institutions to comply with an all-but-dead law. Quick action by the Congress on this resolution could prevent the continuation of this costly charade.●

NOTICES OF HEARINGS

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. COHEN. Mr. President, I wish to announce that the Senate Oversight of Government Management Subcommittee will hold a hearing on "Social Security Disability Reviews: The Role of the Administrative Law Judge," on Wednesday, June 8, at 9:30 a.m. in room 342 of the Dirksen Senate Office Building.

COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. GARN. Mr. President, I would like to announce that the Committee on Banking, Housing and Urban Affairs will continue its oversight hearings on the competitive structure and other conditions within the domestic financial services industry on June 7, 8, 9, 16, and 21, at 9:30 a.m. in room SD-538 of the Dirksen Senate Office Building. For further information, please contact Beth Climo of the committee staff at 224-7391.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Committee on Energy and Natural Resources to review the President's proposal for a Caribbean Basin Initiative. The hearing will be held on Friday, June 10, beginning at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C. 20510.

For further information regarding this hearing you may wish to contact Mr. Jim Beirne of the committee staff at 224-2564.

In addition, I would like to announce that the oversight hearings regarding the geopolitics of strategic and critical minerals previously scheduled for Thurday, June 9 and Thursday, June 30 have been canceled and are rescheduled for Monday, June 20, beginning at 10 a.m. in room SD-366.

For further information regarding this hearing you may wish to contact Mr. Bob Terrell of the committee staff at 224-5205.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, June 7, at 5 p.m., to hold an executive session briefing on the Mideast update by the State Department.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Oversight of Government Management of the Committee on Governmental Affairs be authorized to meet during the session of the Senate

on Wednesday, June 8, at 9:30 a.m., to hold a hearing entitled "Social Security Disability Review: The Role of the Administrative Law Judge."

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

SING A LITTLE LOUDER

● Mr. ARMSTRONG. Mr. President, the distinguished majority leader, Senator BAKER, recently spoke to the convention of the National Association of Broadcasters. The speech was short but profound and Senator BAKER made some very important points about the importance of televising the proceedings in this Chamber.

As the majority leader pointed out, it should not be necessary for a taxpayer to make the expensive pilgrimage to Washington to see their representatives in action. And as important as the public's right to watch what we do here is the point that the Senate is on the verge of surrendering a very special place in our Government and our heritage, by allowing the other branches of Government to become more accessible to the public.

During the speech to the broadcasters, Senator BAKER pointed out that he was probably preaching to the choir, as indeed he probably was. But the public needs to be more aware of this important issue and I believe that if people everywhere could zero in on this debate, the outcry for televising the Senate would be enormous. So Senator BAKER wisely advised his audience that "if the choir wants television in the Senate, you're going to have to sing a little louder."

Mr. President, TV coverage of the Senate's proceedings would give the public the chance to zero in on all our debates and bring representative democracy a step closer to the ideal. I think all my colleagues should see the majority leader's superb speech and I ask that it be printed in the RECORD.

The speech follows:

SPEECH OF SENATOR HOWARD H. BAKER, JR., BEFORE THE 61ST ANNUAL NAB CONVENTION, LAS VEGAS, NEV., APRIL 11, 1983

Joining the National Association of Broadcasters for your Annual Convention is like joining the Navy just in time for shore leave. You know there's more to it than this, but this will do for starters.

I've been coming to these conventions for a long time now, and I recently discovered a copy of a speech I had given at the NAB Convention of 1973, when I was the ranking Republican on the Senate Communications Sub-Committee.

Such forays into the past always impress me with how much has changed and how much has stayed the same with time.

That speech, for example, reminded me that if I'd stayed on the Commerce Committee—where I spent the first ten years of my Senate career learning communications law from John Pastore—I could have been the committee's chairman by now and the most popular man in Las Vegas this week.

I also found that the issues I addressed in that speech ten years ago—deregulation, program quality, and the broadcast industry's public service commitment—are not so different from the NAB Agenda today.

And finally, I was struck by the fact that even after a decade of revolution in communications, the broadcast industry still has a special place and an extraordinary influence in American life.

Ten years ago, I was complimenting your coverage of the state funerals of Harry Truman and Lyndon Johnson, the second inauguration of Richard Nixon, the signing of the Vietnam ceasefire, and the return of the POW's from Hanoi.

Only a few months later, still more history would be made before the camera's eye during the Senate's investigation of Watergate.

It pleases me that such dramatic moments are now largely confined to your fictional programming rather than your news broadcasts. I believe we've all seen enough war and death and scandal to last a lifetime.

But it also pleased me that, with all the competitors that have arisen in the past ten years to challenge your dominance of the airwaves, free television is still available to bring events of the highest importance into the homes of the humblest citizens in America.

You are not without your critics—and they are not without their points—but broadcasting has become virtually as important to participatory democracy as the ballot box itself.

I believe you have borne this responsibility well. "The Winds of War" gave us history as well as histronics. "Dif'rent Strokes" gave us a sobering and effective message on drug abuse from none other than Nancy Reagan. And "60 Minutes" proves every week not only that truth is stranger than fiction but that it gets higher ratings.

Local stations, too have become far more ambitious and creative in their public service programming in recent years, and I commend you all, especially for your new joint venture on productivity which supplies the theme for convention.

But I did not come here simply to toss bouquets. I came to enlist your active support for an idea whose time has long since come the idea of televising the United States Senate.

I may be preaching to the choir on this issue, but if the choir wants television in the Senate, you're going to have to sing a little louder.

The principle arguments for televising the Senate are well known by now:

Public galleries have graced the Senate since 1792, and television is nothing more than an extension of those galleries.

The committees of the Senate have done business under the TV lights for years, and the House of Representatives has televised its floor proceedings since 1974 without calamity to the Republic.

And it should not be necessary for an American citizen to make an expensive pilgrimage to Washington to see his government in action when technology can make him an eyewitness to history in his own home.

But there's still more to it than that. The Senate is in danger of surrendering its special place in American government through technological default.

The President of the United States has no hesitation about using television to sell his programs to the American people, and this particular President is very good at it.

Spirited and colorful floor debate from the House of Representatives—a finely calibrated rendering of current public opinion—has become a staple of the evening news.

Even our courts have opened their doors to television cameras with no loss of dignity and with a great gain in the nation's understanding of our system of justice.

Where is the Senate in all of this? Our images are reduced to the artist's caricature, our words to the reporter's paraphrase. We are cloaked in mystery, though we do the public's business.

Thomas Jefferson once poured hot coffee from a cup to saucer as a parable of the difference between the House and Senate in American government.

The Senate is designed too cool the passions of the moment and to serve the long-term interests of the nation. Our six-year terms are fixed to make us more immune to transient political pressure than our two-year house colleagues or even the four-year President.

Ours is intended as a moderating influence on the nation. Ours is a forum in which the rights of minority opinion are accorded greater weight than anywhere else on Earth.

If this special character is lost in the public debate of significant issues, the country will be much the poorer for it. And if all political debate is televised save the Senate's, then the Senate's special prominence cannot be saved.

The vivid historical record we are squandering by the day is another source of frustration for me. What would we give today to see the great debates of Webster and Clay and Calhoun preserved on videotape? What less celebrated treasures have been lost in time? How much better could future leaders prepare for public service if they could see their government at work first hand?

Beyond the public's right to witness the affairs of their own government beyond the Senate's institutional and historical responsibilities, there is the simple truth that to sequester the Senate from television is to break a bargain that we ourselves have made.

It is no longer the political party but television that brings private citizens to public prominence. Through news coverage and through paid campaign advertising, the Candidate relies on television above all to commend himself to the electorate.

Only a very few Senators remain in office who began their public service before the age of televison. Still fewer could claim it has played no part in their subsequent political success.

This is not to say the Senate owes television anything at all. It does not, but if Senators are prepared to use television exposure to gain office, we should also be prepared to accept television coverage of our performance in office.

We need not throw ourselves on the mercy of the network news organizations. The House controls its own coverage, and the networks abide by those rules. The Senate has an equal power and, in my view, an equal obligation to the American people.

But there are good and thoughtful Senators who do not yet share these views and who are not yet swayed by these arguments. So I am calling in the heavy artillery.

The Senate Rules Committee will hold another hearing on this issue on Thursday. Walter Cronkite will testify. But even Walter Cronkite can't carry the day alone.

If the broadcast community wants television in the Senate, now is the time to present your own testimony, to write your own letter, make your own telephone calls, run your own editorials in support of the proposition.

If you as broadasters will do that, I as Majority Leader will do my best to fill the void so well defined by one Haskell B. Duckett, who said "what this country needs is more free speech worth listening to."●

ANNIVERSARY OF ARMENIAN INDEPENDENCE

● Mr. DOLE. Mr. President, I wish to commemorate a proud moment in the history of an honorable people. Recently we recalled in this Chamber the terrible days of 1915, when genocide was introduced into the sad lexicon of this wartorn century. That genocide was directed against the Armenian people.

And yet, Mr. President, the history of the valiant Armenian people did not stop there—as indeed, it was certainly not stopped today. For Armenians took every victimization that a relentless enemy could mete out, and then they rose up—like the brave Jews of the Warsaw Ghetto who rose against their oppressors 40 years ago. And they then set out to build their own free land.

OUR ARMENIAN ALLIES

Let it never be forgotten that Armenian soldiers set a high standard for valiant behavior under arms in their adherence to the allied cause during the First World War. Their persistent bravery delayed, again and again and again, the fall of the Baku oil fields to the enemy, during the critical period when overall strategic initiative on the Western Front went to the Allied armies. Historians are agreed that unexpected resistance in Yugoslavia ultimately delayed the Nazi offensive into the Soviet Union, and that this was an important element in the final German defeat on the eastern front. It ought to be similarly remembered that the brave Armenian resistance in the First World War may have played a similar role, by denying oil supplies to the central powers during the critical days of 1917.

And then Mr. President, for a brief period, beginning May 28, 1918, there was an independent Armenia. The Armenian people were at last masters of their own destinies, or so it briefly seemed. They elected a national parliament, with minority representation and with female sufferage, a full year before the extension of the vote to women in these United States. Finally, the Treaty of Sevres in 1920 fully recognized the new independent state of an ancient people. That treaty also gave full effect to the boundaries of Armenia that had been set, as requested, by President Woodrow Wilson.

INDEPENDENCE AND INVASION

That was the highpoint of Armenian independence, Mr. President, and it did not last very long. Invasions followed from both sides, and the infant republic, after great resistance, was defeated militarily by the invading Soviet Russians and Turks. At the end of November 1920, a Soviet republic was proclaimed, and Armenia itself was subjected over time to a cynical division by its neighbors. The proud hopes of the Armenian people, and the high-minded border solution that the American President had personally subscribed to, were dashed. In 1923, the Treaty of Lausanne finished what had become the inevitable ending, by voiding essentially the Treaty of Sevres.

And yet, Mr. President, something of the Armenian independent spirit continues and will live on. We all know and admire the Hungarian Freedom Fighters of 1956. And yet, how many of us also are aware that this was not the first instance of a people rising, for a time successfully, against Soviet colonialism? For it happened that 35 years before the events of Budapest, the Armenian people overthrew their Soviet oppressors in the February 1921 rebellion. And in that spring, a small, liberty-loving people set a standard of courage that we can all admire, and that the Armenians of today can look back to with pride.

Mr. President, the courage that the Armenian people have persistently shown against such formidable odds merits our notice and our commendation. I have no doubt that this brave history will continue to furnish sustenance to young people everywhere of Armenian heritage. The last chapter of real Armenian independence has not yet been written. Until it has, the brave Armenian republic that was proclaimed on May 28, 1918, will be remembered with admiration by all who value freedom and understand its cost.●

DON'T LOCK UP COAL LEASES

● Mr. GARN. Mr. President, there is a great deal of controversy over the Department of the Interior's coal leasing program. Much of this controversy ignores the fact that the Federal Government will lose significant revenues if there is a leasing moratorium. This point was eloquently made in an April 29 editorial in the Deseret News of Salt Lake City.

I am placing this editorial in the RECORD in the hope that it might help to clarify the impact of the Federal Treasury of a leasing moratorium.

The editorial follows:

[From the Deseret News, Apr. 29, 1983]

DON'T LOCK UP COAL LEASES

Congress is considering a ban on future government coal leases because of claims by environmentalists that Interior Secretary James Watt's leasing policies are costing the nation millions of dollars.

Those complaints have been around for more than a year, but a report released this week by the House Appropriations Committee has added fuel to the fire and seemingly sustains the charges by environmentalists.

The study charges that Watt's program of leasing rich coal lands in the present soft market has driven down the price the government can get from coal company bidders. The 121-page document also accuses Interior of being too close to the coal industry and of leaking bidding information in advance.

Two different philosophies are at stake. The federal government owns about 80 percent of western coal reserves. Environmentalists and some others want those leases to be doled out slowly, thus keeping the price up. The Reagan administration wants to open up the leasing process and let market forces set the price. And that is what Watt has been doing.

The administration's approach probably would not draw much criticism in a healthy market, but the fact is that coal mining is suffering from the recession just like many other industries. Demand is slack and many mines are idle.

Obviously, the federal government is not getting as much money out of the leases as it might if it restricted the number of leases or stopped them altogether until demand for coal is more brisk.

However, as this page has pointed out before, there are some problems with locking up the leases. Experience has shown that it is hard to get the government to start offering leases. Once leases are stopped, and under a different administration, it may be difficult to make them available again.

Admittedly, some leases may be going far too cheaply and tighter controls need to be applied. If not enough bidders are interested, there is nothing that says the land must be leased at that particular moment.

Yet all of the hoopla about lease prices overlooks a significant point. The leases don't even come close to being the real source of money the federal government gets from its coal reserves. The leases account for only 3 percent. The rest comes from royalties when the coal is mined, and from taxes.

It hardly makes sense to lock up the leases because they are going rather cheaply and thus shut off the other 97 percent of coal income.●

SENATE RESOLUTION 115—U.S. AGRICULTURAL EXPORTS

● Mr. D'AMATO. Mr. President, I am pleased to add my name as a cosponsor of Senate Resolution 115, sponsored by my distinguished colleague, the senior Senator from South Dakota, which has already received bipartisan support. The resolution expresses the sense of the Senate that U.S. representatives to United Nations-related agencies and other international organizations should oppose the adoption of international marketing and distribution regulations or restrictions which unnecessarily impede the export of U.S. agricultural and other products.

Next month in Geneva the Economic and Social Council of the United Nations is scheduled to consider proposed "consumer protection" guidelines which may have the ultimate affect of unduly restricting American free enterprise in international enterprise and in consumer choice. It could adversely affect export of U.S. products, especially agricultural commodities and finished goods. I am firmly in opposition to constraining regulations imposed on American involvement in international free trade, even when couched in the terms of "guidelines." I join the Senator from South Dakota in viewing adoption of the U.N. proposals, which are based on nonmarket considerations, as a significant threat to the livelihood of millions of Americans who participate in the healthy competitive atmosphere of a free international market.

Mr. President, the American economy is presently engaged in a slow but deliberate recovery. It has been estimated that for each billion dollars of exports, the economy benefits by 35,000 jobs. We cannot risk jeopardizing the success of our recovery by unfairly impeding the continued growth of vital American export trade.

Just in the past fortnight, at the 1983 Summit of Industrialized Nations in Williamsburg, Va., President Reagan joined the leaders of six other Western nations in recognizing that while there are encouraging signs of economic recovery worldwide, the basic challenge still facing the Western World is to insure that this recovery endures. Restriction of the international free market as proposed by the Economic and Social Council would be counter productive to this objective.

It is time we took steps to slow the ever-increasing efforts on the part of international bodies to restrict free trade. We must also insure that progress toward full recovery of the American economy is not threatened. U.S. economic health in the international market should not be hampered by nonmarket based regulations. I am pleased to cosponsor this resolution, and I urge the Foreign Relations Committee, to which it has been referred, to consider and act on it expeditiously so that firm guidance can be provided to our representatives at the July 1983 meeting of the United Nations Economic and Social Council at Geneva.●

ADDRESS OF ANTHONY HARRIGAN BEFORE THE PHILADELPHIA SOCIETY

● Mr. EAST. Mr. President, the Philadelphia Society is the preeminent conservative intellectual organization in the United States. At its annual and semiannual meetings since its founding in 1964 some of the most significant conservative ideas on the rule of law, the nature of the market, and the crisis of our national security have been circulated and discussed, as well as ideas that speak to the heart of our national and civilizational crisis.

At the most recent meeting of the Philadelphia Society in Chicago on April 16, 1983, Mr. Anthony Harrigan, president of the United States Industrial Council, delivered an address entitled "To Preserve Our Values." This speech contains a number of sharp insights into the problems and crises of American society and government, and I believe it is worthy of close attention by my colleagues.

Mr. President, I ask that Mr. Harrigan's remarks to the Philadelphia Society be printed in the RECORD.

The remarks follow:

TO PRESERVE OUR VALUES

As writers and scholars, as interpreters of currents of ideas and patterns of life, we need to look beyond the contemporary scene in our country and attempt to gauge the character of our world in the final years of this century. We can be very sure that the world of the late 1990s will be very different from the world of 1983. Change has been with us in every decade of the 20th century, but is likely to be vastly accelerated. We live in a swirling cloud of economic change. Technological development is moving at a pace we never imagined even a few years ago. Old ideological commitments are dissolving or shifting. New dislocation are resulting from the unprecedented changes. All this adds up to a bewildering world and great difficulty in estimating what will happen between now and the end of this century. We discern some of the problems and opportunities of the years ahead but not all. As Karel Hujer, the Czech-born astronomer and philosopher has said, "We live in an age prone to unexpected problems."

For all our interest in futurology, we have an inadequate awareness of how much change will take place in this country and abroad and how the change will affect our values and mode of life. Indeed, we often seem unaware of the extent of the change that has taken place in the last few years.

Economic and technological change has come upon us like a storm. Twenty years ago, the United States was the greatest industrial power in the world. In the past two decades, we have lost much of our preeminence. Twenty years ago, the United States imported $7 billion worth of manufactured goods. Last year, we imported $143 billion in manufactured goods—an increase of almost 2,000 per cent. The effect of this is to be found in the blighted industrial centers of the United States, in the run down of basic industries, and in the resulting unemployment. There has been a profound degradation of America's industrial power.

The impact of our economic decline in the past 10 years—since the first oil shock—is reflected in the understandable concern of able, young professional people that they are living in a period of downward mobility. Indeed Americans have lowered their material expectations. It is infinitely harder for young Americans to own a car and a home—amenities that came so easily in the 1940s and 1950s and which the Sixties generation came to regard almost as its birthright.

There are many reasons for all this, including over-production of some types of skills, displacement of people with skills that are no longer necessary, unionism that is unconcerned with productivity, transfer of America's wealth to arrogant, dependent nations, imprudent lending by American banking institutions (often under heavy pressure from the government), waste in public spending, deteriorated public education, and yielding to blackmail by the OPEC oil producers. All together, these causes have contributed to the making of a period of decline.

For the moment, it seems that the hemorrhage of dollars to the OPEC oil producers will be slowed, which should be an immense boon to us. Other problems lie ahead, however, other changes which, while they may actually lead to a renewal of opportunity, will pose severe problems in the interim.

Again, I return to economic and technological change. The shift from the buggy to the automobile to the jet took decades. In the 1980s and '90s, colossal, unprecedented change will be compressed into a few years. This is the meaning of the structural unemployment of today, of the unemployed steelworker who is waiting to return to his old job, but whose old job is gone forever. In the past, as Gov. Pierre duPont of Delaware recently observed, the schools provided a youth with the skill needed for a lifetime of work. Today, one skill is not enough for one generation. New skills are required by millions of Americans as we convert from smokestack industries to computer industries. In the process, millions of people are being displaced. Many Americans may be on welfare for years. Many communities may experience depopulation. These shattering changes will have an impact on the beliefs and values of the affected people. Those who are caught in the crush of change may be very angry and bitter.

I worry about the dislocations that have taken place or that are coming between now and the year 2000. Much of the dislocation is inevitable, as early phases of the industrial revolution were inevitable—and brought hardship as well as opportunity. People in our time are less passive, however; they know more about the national and world scene. They may respond to change in very undesirable ways.

Whatever the emotional impact of changed economic and technological conditions, we can be reasonably sure that we won't have any quiet, stable periods in the remaining years of this century. Change is occurring too quickly—more change than man has ever had to adjust to in one lifetime, and it will be rough on our phyches.

Now, we aren't the only country or system experiencing change. The seemingly monolithic Soviet system cannot avoid profound change. For all its armed might, the Soviet Union has a weak, archaic economy. It is poorly positioned to respond to the computer revolution. It is committed to central state planning, which is grossly inadequate and which fetters the productive process. The introduction of the new technology runs counter to ministerial empires, to the powers of apparatchiks, to centralization. It is reasonable to conclude that enormous technological change cannot be accomplished within the straitjacket of the Communist party control system. The vastly more backward system in place in Communist China also cannot be improved without scrapping the political and economic edifice created since 1949. In both countries, the problems will be horrendous.

Around the world, one of the major changes of the next twenty years will be

population movements. Indeed such movements always have been determinants of history. The Roman Empire broke down because of the population movements on its frontiers—movements which could not be controlled or contained. Western civilization almost disappeared under the waves of Islamic power in the 8th century. The United States, as presently constituted, is the result of vast population movements from Europe to the New World. We are still absorbing the population transfers of 80 years ago and the inner migration of black Americans in the post-World War II period.

Much attention has been devoted to the flood of illegal immigrants from Mexico and the Caribbean, and deservedly so, for the character of the United States will be changed by the influx of people from areas that have very different political and cultural traditions, where the spirit of individual liberty is little known. The increased Latinization of America is one of those unexpected problems that Dr. Hujer referred to. What will it mean? We need to ponder that question. Despite all the ethnic threads of contemporary America, our constitutional system, our concept of nationhood and proper citizen behavior, is derived from our colonial experience in the 18th century, from English tradition with its accent on liberty and personal responsibility. Will that tradition continue to be operative in the U.S. in the 21st century?

America is something of a new amalgam in every generation; we accept that, but we want to be very sure that the process of Americanization is very thorough and that, under the pressure of waves of immigrants from the Southern Hemisphere, we don't shift away from Western civilization, from the body of ideas we received from Europe.

In gauging our future, we should realize that our country is an island in a hostile world. It won't be easy for us to retain our commitment to Western traditions, which made possible the climate of liberty in the United States. As we ponder our national future, we ought to bear in mind that for half a millenium the Western model of life prevailed. All the continents were exposed to the processes of Westernization, to our ideas of government, civil order, human behavior, religion, and justice. The process of Westernization was arrested by the two world wars. Since the end of World War II, other cultures have been resurgent. Much of the world has turned against the West. The United States, as the leading Western power and society, is the target of endless abuse.

In our country we have been urged to look beyond the West, to dilute our dedication to Western ideas. There is a movement in our country—sometimes conscious, sometimes unconscious—to reject Western models and to identify with the Third World and its revolutionary movements and notions. For example: At UNESCO, we are urged to abandon the Western concept of independent news reporting and to adopt the Third World notion of reporting as an exercise in propaganda and uplift of a regime or revolutionary party. Influential Western institutions, notably the churches, have been in the vanguard of embracing anti-Western ideas. Thomas Molnar touched on this in a brilliant essay in National Review last August. He said that there is a worldwide policy of "civilizational adjustment." Yesterday's popular terms, he noted, such as "democracy, liberalism, parliamentarianism—are fading out." We see the post-Western, post-democratic outlook embodied in such development as the so-called liberation theology which embraces Marxist revolutionary movements.

The various branches of Christianity in the West are doing their best to divorce themselves from a strictly Western orientation, and this usually involves hostility to the United States and its capitalist economic system. The churches increasingly favor a detachment from Western styles of thinking and political order. The new churchmen display a socialist fervor.

All this is part of the context of American life—a climate of ideas and influences which surrounds what we do in the economic and technological spheres. It is part of the environment of change, the pressure inside the crucible of our nation's life.

The task facing American conservatives in the complex and pressure-filled period ahead is much greater than we envisioned twenty or thirty years ago. Then, we had a much more simple and secure society. We had limited targets such as the New Deal, the New Frontier, or the Great Society. We were aware of the heritage of liberalism and leftism in this country, the infatuation of many intellectuals with collectivist solutions, and we were prepared to deal with this. Our economy was very strong, however. We were in a period of growth when we could point to the enormous success of our economic system in providing a better life for millions of our citizens. We had the confidence of a generation that had won a great war against totalitarianism. Much of the world was grateful for our assistance, or not openly hostile. Soviet military power was a fraction of what it is today. Most importantly, we had only to deal with the Old Left. The New Left had not appeared. The vast literature hostile to the traditions and econcomic system of the United States, which we know today, had not been produced. We had not lost a war in Southeast Asia. The churches were yet to tell us that we should shoulder an immense burden of guilt and that, as a nation, we should divest ourselves of our power and admit the moral superiority of the Third World. The world is very different now. The conservatives of the 1980s and 1990s will have to reckon with a much more complex situation—economic difficulty at home, armed and ideological challenges abroad, and a massive rejection of Western values and traditions by many of our most important institutions. The future offers a forbidding prospect.

We have to translate permanent conservative values and principles in the context of this emerging world. We have to inspire love of country, promote faith in our economic order, help maintain traditions, strengthen a sense of community, protect the family, and, all in all, safeguard the core of what conservatism means, of what Western civilization means, in a world of immense change and competing pressures.

Conservatives have to carry out those tasks at every level, in the bosom of their families, in their communities, churches, and educational institutions. A special burden will fall on those conservatives who deal with ideas, who are writers and scholars, researchers and philosophers. The arguments we advanced to defend our country and civilization from the 1940s through the 1970s may not be adequate to our suitable for the task ahead.

Conservatives are supposed to uphold the permanent things—some of which I have just mentioned, but there's nothing fixed about the economic, political and social order in which we live. It is essential that we examine and reexamine the conditions of life and seek appropriate ways to apply basic prinicples to shifting practices. Our adversaries, so to speak—the liberals—aren't what one would term innovative. If 1933 returns, they are ready. Their sole answer to the problems of a changing economic and social order is more regimentation, more control. It is interesting that, in the economic sphere, they assign a high priority to plant closure penalty legislation which would freeze the nation's industries in place and forbid the mobility which has been characteristic of the American response to opportunity.

For our part, however, we must be careful not to repeat ourselves or to propose public policies that are applicable chiefly to the experience of the past 25 years. We are at the end of one era of American conservatism, an era which began in the 1940s and culminated, in political terms, in the election of President Reagan. I can't tell you exactly how the years ahead will be different or exactly how conservatism should be reshaped for changed conditions, but I am convinced that we will need new approaches. Danger always exists that ideas harden into dogma, fixed opinions that ignore realities. Rigidity of mind is as much a threat to conservatism as liberalism. Conservatives are't immune to a hardening of opinion that prevents them from seeing the world as it is or that causes them to ignore important evidence. A measure of humility doesn't ill become a conservative.

In this connection, we should keep in mind that the American people will be what they want to be. Unlike the liberals or the Left, we, as conservatives, don't seek to regiment the American people. We simply want to be a beneficial influence and remind the American people of their traditional values. And we endeavor to provide what we deem to be helpful ideas and policies which will ensure the well-being of our citizens.

We always should be mindful of the fact that the American people are a remarkable people, with an extraordinary mix of skills and proven capacity to endure hardship and struggle, as our record in past wars attests. We have a people with a deep love of country, as was so plainly indicated in the American reaction to the Iranian hostage situation. We have reason to be concerned, of course, because moral disorder has grown in the past two decades, education has been deficient, crime has flourished, and our national will sometimes has seemed impaired.

We hope to be an influence in eliminating or correcting such conditions. We recognize that there are powerful nihilistic forces at work in American life; rejection of our heritage among those who deem themselves intellectuals. Countering those forces, those rejectionists, may be the central task for those of us who belong to this Society and to others who share our outlook.

Conservatism, therefore, has to be, first of all, a philosophical position. It has to be concerned, first of all, with the good of society as a whole, not simply the individual. It has to be for liberty, but not narrowly libertarian in the sense that we do not feel any responsibility for our neighbor. It has to be concerned with personal behavior and with standards that are derived from our cultural and religious history. It has to stress responsibility as much as freedom. It has to recognize the importance of economics, but not base itself on the notion that man lives by economics alone.

If we adhere to these ideas, I believe our nation will move into the 21st century in

good shape. I hope our conservative ideas and beliefs will have conservative consequences. I don't believe we can assume that they necessarily will, for man is fallible and shot through with imperfections. We can't expect the future to guarantee success to us in our labors, but we know how we must labor—how we must use our material and intellectual resources—to preserve and advance the values of our country and civilization. If we don't work vigorously, if we aren't discerning, determined and humble in the face of reality, our country and our civilization will most assuredly collapse, for the ideas and values advanced by the collectivists are incompatible with freedom.●

RAILROAD RETIREMENT

● Mr. HOLLINGS. Mr. President, recent projections of the financial condition of the railroad retirement system show that unless corrective action is taken soon railroad retiree's monthly annuities will have to be reduced significantly beginning with the benefit checks scheduled to be sent out October 1, 1983. And, additional reductions required in the future.

Many South Carolinians are presently employed by the railroads, or were previously employed, and they look to the railroad retirement system to provide the benefits they worked so hard to earn. Those presently retired and receiving benefits depend on these checks to meet their normal living expenses. Any reductions in the amount of benefits they receive as beneficiaries under the railroad retirement system would have a drastic impact on their basic standard of living.

Recognizing the urgency for action by the Congress to act on legislation to insure the financial solvency of the railroad retirement system, the General Assembly of South Carolina recently went on record in support of H.R. 1646, the Railroad Retirement Solvency Act of 1983. Introduced in the House of Representatives on February 24, 1983, this measure seeks to resolve the short- and long-term financial solvency problems of the railroad retirement system thereby preserving and protecting the rights and expectations of those currently receiving benefits and those who would receive such benefits in the future.

Mr. President, I am pleased to notify the Senate of the views of the South Carolina General Assembly on this important matter. I encourage my colleagues to give careful attention to these views. I ask that the resolution be printed in the RECORD.

The resolution follows:

H. 2851

A concurrent resolution urging the Members of Congress representing the State of South Carolina to actively support and vote favorably on H.R. 1646, the Railroad Retirement Solvency Act of 1983

Whereas, many residents of the State of South Carolina are currently engaged in railroad employment or have engaged in such employment in the past and look to the railroad retirement system to provide benefits when they retire; and

Whereas, many residents of the State of South Carolina are currently receiving benefits under the railroad retirement system and rely on such benefits to a large extent to meet the normal costs of living; and

Whereas, any reduction in the amount of benefits received by beneficiaries under the railroad retirement system would have a drastic effect on the ability of these beneficiaries to meet normal living expenses; and

Whereas, projections of the financial condition of the railroad retirement system show that unless corrective action is taken, monthly annuities will have to be reduced significantly beginning with the annuity checks to be sent out October 1, 1983, with additional reductions required in the future; and

Whereas, a bill, H.R. 1646, the Railroad Retirement Solvency Act of 1983, was introduced in the United States House of Representatives on February 24, 1983, by Mr. Florio; and

Whereas, H.R. 1646 would resolve the short-term and long-term financial problems of the railroad retirement system, through an even-handed approach of tax increases on railroad employers and employees and adjustments of benefits to current and future beneficiaries, thereby preserving and protecting the rights and expectations of those currently receiving benefits and those who would receive such benefits in the future.

Now, therefore, be it resolved by the House of Representatives (the Senate concurring), That the Members of Congress representing the State of South Carolina are urged to actively support and vote favorably on H.R. 1646, the Railroad Retirement Solvency Act of 1983.

Be it further resolved, That a copy of this resolution be sent to each Member of Congress from South Carolina.●

JUNETEENTH DAY IN KANSAS CITY, MO.

● Mr. DANFORTH. Mr. President, June 19, 1982 marked the first annual Juneteenth Day in Kansas City, Mo. Patterned after a traditional celebration of Emancipation Day in the State of Texas, this event has become a significant observance for the black community in the Midwest.

The second annual Juneteenth Day will be hosted by the Black Archives of Mid-America, Inc. on June 19 of this year. It is expected that 10,000 members of the black community will participate in the event.

I would like to ask my colleagues to join today in recognizing the initiative of Kansas Citians in organizing this important celebration of the heritage of black Missourians. The focal point of Juneteenth Day in Kansas City is a commemoration of the emancipation of Missouri slaves. Horace M. Peterson III, executive director of the Black Archives of Mid-America, Inc., said, "The State of Missouri had a sizable slave population and this is our way of paying homage to them."

Joining the Black Archives in sponsoring the Juneteenth Day celebration will be the Tuskegee Airmen; the Urban League of Greater Kansas City; the National Association for the Advancement of Colored People; the Southern Christian Leadership Conference; the Niles Home for Children; Freedom, Inc.; Blacks in Government; the Black Firefighters and Black Policemen; the Coalition of 100 Black Women; and other community organizations, businesses and individuals.

Juneteenth Day has had a tremendous beginning in Kansas City—a beginning which derives strength from tradition and provides the groundwork for a broadened understanding of black heritage. In the words of Horace Peterson, "Black folks have a personal pride, and this celebration is a key to our history."●

ORDERS FOR TUESDAY

ORDER FOR RECESS UNTIL 10 A.M. TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that at the conclusion of the minority leader's remarks, which I anticipate will be a further presentation on the history of the U.S. Senate, that the Chair then place the Senate in recess under the order previously entered until the hour of 10 a.m. on tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE RECOGNITION OF SENATOR LAUTENBERG ON TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that after the recognition of the two leaders under the standing order that the distinguished Senator from New Jersey (Mr. LAUTENBERG) be recognized on special order for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS ON TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that after the recognition of the distinguished Senator from New Jersey on special order, there be a period for the transaction of routine morning business of not to exceed 15 minutes in which Senators may speak for not more than 2 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROLLCALL VOTES ON BUDGET RESOLUTION ON INTERNATIONAL MONETARY FUND AT 2 P.M. TOMORROW

Mr. BAKER. Mr. President, earlier today an order was entered to provide that if any votes were ordered this day they would be deferred and stacked to begin at 2 p.m. tomorrow. One was ordered today.

I ask unanimous consent that any votes ordered after the convening of the Senate tomorrow and prior to 2 p.m. be stacked to begin at 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BAKER. Mr. President, on tomorrow the Senate will convene at 10 a.m. After the recognition of the two leaders under the standing order the distinguished Senator from New Jersey (Mr. LAUTENBERG) will be recognized on special order for not to exceed 15 minutes, following which there will be a period for the transaction of routine morning business for not to exceed 15 minutes with statements therein limited to 2 minutes each.

After the execution of the special order and the expiration of the time for the transaction of routine morning business, the Senate will resume consideration of the pending business, which is the budget waiver to accompany the IMF bill. The order previously entered today provides that any rollcall votes ordered, and one has been ordered on that motion to proceed, will occur beginning at 2 p.m. tomorrow. It is possible on tomorrow that an additional time for the transaction of routine morning business will be provided.

THE SUPPLEMENTAL APPROPRIATIONS BILL

Mr. President, it is anticipated that tomorrow will be a full day. It is the hope of the leadership on this side that we can dispose of the budget waiver and the IMF resolution before the close of business on Tuesday. It is important, I believe, that we do that because it is the intention of the leadership also to ask the Senate to turn to the consideration of the supplemental appropriations bill this week. I am hoping we can devote Wednesday and Thursday to that matter and perhaps finish that bill on Thursday evening.

In the event the Senate can finish the consideration of the supplemental appropriations bill by Thursday evening, I anticipate that the Senate would be asked to be in session on Friday but that it would be on another matter and that there would perhaps not be votes on that day.

Mr. President, under the order entered now, the time for the transaction of routine morning business will continue. The minority leader, under the order entered, may be recognized without limitation as to time except for the total time allocated for the transaction of routine morning business.

At the conclusion of the minority leader's remarks with respect to the history of the Senate, the Senate will stand in recess until the hour of 10 a.m. tomorrow.

Mr. President, I yield the floor.

Mr. BYRD. Mr. President, I thank the distinguished majority leader for his courtesy in arranging for me to speak on the subject of the U.S. Senate.

This is my 59th speech and the title today is "The Senate in the Gilded Age 1869-1876."

THE UNITED STATES SENATE

THE SENATE IN THE GILDED AGE 1869-1876

Mr. BYRD. Mr. President, the history of the United States Senate is a most dramatic one, filled with significant individuals and important events. Recently I discussed the turmoil of the Civil War and Reconstruction, climaxing with the unsuccessful attempt to remove Andrew Johnson from the presidency. Today I would like to speak about the Senate during the administration of Ulysses S. Grant, a period in our history which Mark Twain has dubbed "The Gilded Age." [1]

Despite the failure of Johnson's impeachment, and the growing disenchantment with Congressional Reconstruction, the Senate was an extremely powerful body in 1869. It had defied President Johnson and seized control of federal policymaking. Indeed, with a succession of relatively weak presidents in the White House, the Senate remained the preeminent political entity in the federal government throughout the remainder of the nineteenth century.

The United States Senate in those years was controlled predominantly by the Republican Party. From 1869 through 1900 there were only two Congresses (the 46th from 1879 to 1881, and the 53rd, from 1893 to 1895) in which the Democrats held a majority in the Senate. By contrast, control of the House of Representatives shifted far more frequently between the two parties, with Republicans in the majority during eleven Congresses, and Democrats in the majority in nine. In 1869 the Republicans controlled the Senate by a margin of 56 to 11, and the House by a similarly wide margin of 149 to 63.

"In the days of General Grant," one historian has noted, "to be a Republican senator, still more to be a member of the inner circle of the dominant party, was to have both the feeling and possession of power such as no senators of any party have had since." Real power in Washington lodged with the congressional committees and their chairmen. Senator Justin Morrill of Vermont, for example, once turned down a cabinet appointment with the comment: "There is no gift, no office to which I could be appointed, that I would accept in preference to a seat in the United States Senate. I consider that the highest honor that could be bestowed on me, and /its duties/ the highest function that I could perform." [2]

Of course, we need to place the image of these supposedly halcyon days in some perspective. Mark Twain's "Gilded Age" was in fact a bitterly satirical novel about political scandal and corruption, and others have referred to this age as "the Great Barbecue," when the wealth of the nation was being divided by unscrupulous spoilsmen. In truth, this was not the most admirable era in our political history. Porkbarrel politics ran rampant in the halls of Congress; lobbyists stretched the boundaries of propriety; and government ethics reached a low ebb as news of the Whiskey Ring and the Credit Mobilier scandals shocked the nation.

Although Ulysses Grant entered the White House in 1869 with no experience in politics, members of his party in Congress held great hopes for his administration. Certainly they expected relations between the executive and legislative branches to improve immeasurably over those of the Andrew Johnson years. Grant's lack of political experience was actually expected to improve his relations with Congress, for it was believed he would defer to congressional authority. As Republican Senator John Sherman of Ohio, chairman of the Finance Committee, noted: "The executive department of a republic like ours should be subordinate to the legislative department. The president should obey and enforce the laws, leaving the people the duty of correcting any errors committed by their representatives in Congress." [3]

In fact, Republican senators found their president's initial actions most unexpected and discouraging. On the day after his inauguration Grant presented his list of nominees for the cabinet, having made no effort whatever to consult with Senate leaders on his choices. Republicans and Democrats alike were stunned by some of his choices, including Congressman Elihu Washburn, a man with no experience in foreign policy, to be Secretary of State, a little known Philadelphia merchant, Adolph Borie, to be Secretary of the Navy, and the nation's most prominent merchant, Alexander Stewart, to be Secretary of the Treasury. Ulysses Grant, a man who had done poorly in business before the Civil War, and who had never accumulated much money, remained impressed throughout his life with wealthy businessmen. Members of the Senate, meeting in special session to act upon Grant's nominations, were quick to point out that the Act of 1789 which created the Department of the Treasury had specifically prohibited those engaged directly or indirectly in business to serve as Treasury Secretary. Stewart clearly violated this provision, and he had no intention of selling his famous department store in New York. Instead he offered to put his stock in what we today would call a "blind

trust," and give his profits to charity. Grant declared this the most magnanimous act he had ever heard of, but the move failed to impress the majority of the Senate, and Stewart withdrew from consideration. Washburn also resigned, after only a week in office. It appears that Grant had appointed him Secretary of State only to give him a little prestige before sending him abroad as American minister to France. Within eighteen months six of the original seven cabinet members were gone. Grant's dismal cabinet choices were hardly an auspicious way to launch a presidential administration.[4]

Although we tend to look back on this period as a continuation of the era of Reconstruction—and it was true that Congress continued to discuss civil rights and the restoration of the former Confederate states—a reading of the *Congressional Globe* during the 41st Congress makes it evident that national finances weighed most heavily upon the minds of senators. The first business of that Congress was to pass "an act to strengthen the public credit." This act was introduced and passed in the House on the same day, and arrived in the Senate on March 15, 1869. Finance Committee chairman John Sherman immediately moved that the Senate substitute its own version of the bill, which passed after just a few hours of debate, by a vote of 42 to 13. On March 19, President Grant signed it into law.[5]

The ease with which this bill sailed through Congress belied its controversial nature. Historian David Rothman has called the need to stabilize the nation's currency "perhaps the most important and complex issue in the post-Reconstruction Senate." During the Civil War, Congress had approved the issuing of greenback paper currency, not backed by gold or silver, as a means of paying for the Union military effort. At the end of the war, the greenbacks were to be repaid in specie, but senators were divided over the best means of proceeding. So-called "hard money contractionalists," particularly representing eastern industrial states, wanted to redeem the greenbacks as quickly as possible; while inflationists, chiefly representing southern and western agricultural states, preferred to increase not decrease the amount of money in circulation. While the public credit bill, setting broad policy objectives, won by a wide margin, specific currency and war debt measures divided the Senate sharply. Not until March 11, 1871 were Senate Republicans, by a strict party vote, able to pass a funding bill, which recalled some of the government war bonds and reissued them at lower interest rates. Passage of this bill, as Professor Rothman has suggested, was due less to party cohesiveness than to the hard work of Finance Committee chairman Sherman, who successfully fought off amendments by inflationists on both sides of the aisle.[6]

Currency problems persisted. There were very few coins in circulation in the early 1870s, except on the West coast where mines were producing great quantities of gold. As part of the act of 1869 to strengthen the public credit, the United States moved to issue gold and silver coins. The Finance Committee received a coinage bill from the Treasury in April 1870, and reported it to the Senate that December. In January the measure passed 36 to 14. The bill then went to the House, where it was passed unanimously the next session, and then reintroduced and passed in the Senate, also unanimously, in February 1873. By this act the Congress had eliminated silver as a monetary standard and placed the country on a gold standard. Members of the House and Senate thought little of the silver issue at this time. John Sherman, who was active in business, could not remember ever having seen a silver dollar, which had been pushed out of circulation by the gold mine discoveries in the west.[7]

The Coinage Act passed in February, and in September of 1873 the nation was plunged into one of its worst depressions, following the collapse of the well-known banking house of Jay Cooke and Company. Cooke's bankruptcy ruined many investors and dragged down the stock markets with it. Businesses failed, unemployment soared, breadlines formed. Wages fell an average of twenty-five percent, while food prices fell only by five percent. The Depression of the 1870s was one of the most protracted in American history, lasting over five years, and indeed some historians believe the effects of the depression lingered throughout the remaining quarter of the nineteenth century.

It was not long before critics were pointing to the Coinage Act of 1873 as one of the causes of the panic and depression. Demonetization of silver, they charged, had caused a contraction of the currency and acted as a brake on the expansion of the economy. As western silver mines began producing silver in unprecedented amounts, inflationists began to see silver coins rather than greenbacks as the best means of stimulating the economy. The act, which prohibited silver from being minted as coins, became the target of their protests. Farmers, debtors, and other hard-pressed segments of the society called the bill "The Crime of '73," and launched a movement to repeal it. The free coinage of silver would remain a rallying cry for the remainder of the century, and would be one of the major planks of the Populist Party of the 1890s.

Members of Congress were clearly aware of the public distress and discontent during the depression. "When Congress convened in December 1873," John Sherman recorded, "the wildest schemes for relief to the people were proposed." Inflationists wanted a large increase in the amount of paper money in circulation. More than sixty bills related to the currency, debt, and national banks were introduced in the Senate. Once again, however, it was the indomitable Senator Sherman who took the lead. In January 1874 he introduced a compromise bill, which would inflate the currency, at a figure lower than that desired by the inflationists, and higher than that wished by the contractionalists. Publicly known as the "Inflation Bill," it fixed the maximum limit of United States notes at $382 million, to be repaid gradually in coin. Sherman reported the bill from the Finance Committee on March 23, 1874, and a "long continuous debate" followed until April 6, when the Senate finally adopted it by a 29 to 24 vote. The vote cut across party lines, and the bill was not identified with either party. Business interests, who saw the bill as a violation of the plan to redeem government notes in specie, urged President Grant to veto the bill. Thus on April 22, 1874, the Republican president vetoed the bill passed by the Republican-controlled Congress. Still, as Professor William McFeely, biographer of Ulysses S. Grant, has asserted, "Grant's veto made the stand of the Republican Party official. From this date it was the party not of the working class but of those who were or aspired to be the capitalists." At least for the remainder of the century the party would identify itself with "sound money contractionalists."[8]

There was a price to pay for Grant's veto and the apparent failure of the administration and the Congress to deal effectively with the panic and depression. In November 1874 the Democrats won control of the House of Representatives for the first time since before the Civil War and increased their representation in the Senate—although Senate Republicans remained by far in the majority. When the members of the 43rd Congress returned for their "lame duck" session in December 1874, the Republican members were subdued and startled by the election returns. The Republican caucus realized it must act quickly, and appointed an eleven-member committee, chaired by John Sherman, to draft a new funding bill. On December 20, the Republican caucus adopted the bill with only four dissenting votes. It was then introduced in the Senate, where members of the majority agreed in advance not to speak for or against it, but simply to adopt it by a party vote. "We have not had the benefit of any discussion that took place over this bill in that secret place called the

caucus," complained Democratic Senator Allen Thurman. "A law upon so great a subject as this, a subject that is to affect all the people of the United States, which is not a party question at all and cannot be made so—in that secret caucus, it seems, this great financial measure to restore a sound currency to the country has been matured and the vote taken to put it through the Senate!" These protests notwithstanding, the Republican majority adopted the bill by a vote of 39 to 16.[9]

The Resumption Bill of 1975 authorized the resumption of specie payment, and cut back the number of greenbacks in circulation. It represented a victory for the northeastern financial interests, and generally set federal policy on the issue. But it did not settle currency disputes. It did not specify whether the redeemed greenbacks would be destroyed or reissued, nor how many would remain in circulation. Inflation, contraction, silver, bimetalism, and other currency issues remained heated political topics in every election for the rest of the century, and I shall have more to say about them in my future addresses on the history of the Senate.

Mr. President, while currency issues stood in the forefront of Senate discussions throughout the Gilded Age, there remained much unfinished business dealing with the Reconstruction of the South following the Civil War. Federal troops continued to be stationed through much of the South, and some southern state governments had still not been readmitted to full status in the Union. The failure to impeach President Johnson had weakened Radical Republicans and there were growing signs that the Northern populace was tiring of Reconstruction issues. But the status of the freedmen, the four million former slaves, remained an important political issue. Congressional Republicans mixed altruism and political advantage in their Reconstruction policies, for the Republican senators and representatives from the Southern states were dependent upon the votes of the freedmen.

At the end of the 40th Congress, in February 1869, Congress had passed the Fifteenth Amendment to the Constitution, which granted the right to vote to all men, regardless of their color—women, both black and white, were still unable to cast votes in state or federal elections. Those Southern states awaiting readmission to the Union were required to ratify the Fifteenth Amendment as a precondition to their readmission. By March 30, 1870, the Amendment had been ratified and went into effect. But no law, even an amendment to the Constitution, is self-administering. It requires the support of the government to enforce it. Even after the passage of the Fifteenth Amendment, it was obvious that forces in the South were at work to deny black citizens their legal right to vote.[10]

Throughout the former Confederate states a number of vigilante organizations had formed, often organized and led by former Confederate soldiers. They went by many different names, the Knights of the White Camelias, the Pale Faces, and so forth, but the most famous of these organizations was the Ku Klux Klan, founded in Tennessee in 1866. Its objective was to frighten supporters of the Reconstruction governments away from the polls, drive out the Carpetbaggers, and restore state political control to the old order. In its first effort to counteract the use of violence and intimidation, Congress passed the Enforcement Act of March 1870, which prohibited groups of people from banding together "or to go in disguise upon the public highways, or upon the premises of another" with the intention of violating their constitutional rights. Even this legislation, however, did not diminish harassment of black voters in some areas.[11]

In December 1870, Senator Oliver H.P.T. Morton, Republican of Indiana, introduced a resolution requesting the president to communicate any information he had about those in North Carolina who "threaten resistence" to the execution of the laws of the United States. After the Senate adopted Morton's resolution, President Grant submitted several War Department reports relating to events in North Carolina and other Southern states. These reports were referred to a panel known as the Select Committee of the Senate to Investigate the Alleged Outrages in the Southern States, chaired by Senator Henry Wilson of Massachusetts. While the select committee concentrated on North Carolina, in the next Congress a Joint Select Committee to Inquire into the Condition of Affairs in the Late Insurrectionary States was created, with a broader mandate.

While these committees were investigating Southern attempts to suppress Reconstruction, the Senate passed two more Force Acts, also known as the "Ku Klux Acts," designed to enforce the Fourteenth Amendment and the Civil Rights Act of 1866. The Second Force Act, which became law in February 1871, placed administration of national elections under the control of the federal government, and empowered federal judges and United States marshals to supervise local polling places. The Third Force Act, which became law in April 1871, provided the broadest federal powers. The president was empowered to use the armed forces to combat those who conspired to deny equal protection of the laws, and also received the power to suspend *habeas corpus* if necessary to enforce the act.

The Force Acts and the publicity generated by the joint committee helped put an end to the Ku Klux Klan (the twentieth century Klan, a different organization, was founded in 1915). Historian Barry Crouch of Galludet College has noted that the Grant administration actively enforced the Ku Klux Acts only until 1874, and that after that the law was "effectively emasculated" by various Supreme Court rulings. Indeed, in a series of decisions between 1876 and 1906 the Court ruled large portions of the First and Third Force Acts to be unconstitutional. "By that time," Professor Crouch has written, "the Ku Klux terror had passed, but the federal government was unable to stem the large-scale disenfranchisement that went on in the South at the end of and after Reconstruction." [12]

It is quite clear that the president and the Congress, even with its Republican majorities, were growing weary of Reconstruction and were seeking peaceful compromises to reunite the South and end the long division between the sections. In fact, the year after the last Force bill was enacted, the Senate debated a general amnesty bill for former Confederates. Since the end of the war, Congress had passed several thousand individual relief bills, returning legal and political rights to former Confederates. Now the time had come for a blanket amnesty. In February 1872 the Senate began debate on H.R. 380, to remove legal and political disabilities from all Southerners except three groups: former members of Congress who resigned to join the Confederacy; former United States Army and Navy officers who gave up their commissions to fight for the South; and members of state conventions who adopted ordinances of secession. Members of the Senate, Republicans and Democrats alike called this a "peace-offering." "I shall vote for this bill," said Massachusetts Republican Henry Wilson," . . . as a safe and sound measure of public policy, as a thing of charity and mercy, of unmerited grace." "The war ended six years ago," Senator Wilson commented. "The nation lives in vigor and power. It can afford not to execute justice, and to forgive the vanquished. It can with safety be magnanimous." [13]

It is interesting to note that among those Republican senators who supported a policy of "forgiveness" to the former Confederates was Senator Hiram Revels of Mississippi, the first black man ever to serve in the United States Senate. Revels entered the Senate in February 1870, in what must have been one of the most emotional moments in Reconstruction history for the champions of civil rights. Born

in North Carolina, Hiram Rhodes Revels attended the Quaker Seminary in Indiana, and graduated from Knox College in Illinois. He was an ordained minister in the African Methodist Episcopal Church, and during the Civil War served as chaplain to a black regiment in Mississippi. After the war, Revels settled in Natchez, where he was elected to the Mississippi state senate and finally to the United States Senate.[14]

Senator Henry Wilson presented Revels' credentials to the Senate, but there was intense opposition to his seating. Democratic senators generally agreed with Senator Willard Saulsbury of Delaware that his election was invalid because Mississippi remained under the control of a provisional military governor. Added Senator Garrett Davis of Kentucky: "Did he come here by the free voices, by the spontaneous choice of the free people of Mississippi? No sir; no. The sword of the military dictator has opened the way for his easy march to the Senate of the United States." The passion of these words betrayed the anger of some members of the Senate at the prospect of accepting a black man as a colleague. Senator Wilson described the seating of Revels as the "last battle" of the Civil War. It was a decisive battle indeed. The Senate voted 48 to 8 to seat Hiram Revels, and on February 25, 1870 he became the first black man to sit in this body.[15]

Senator Revels had been elected by the Mississippi legislature to fill an unexpired term, and his service in the Senate ended after just a year in office. During his brief term even his political opponents described him as dignified and courteous. As a senator, Revels fought for federal protection of the freedmen in the South, and opposed racial segregation in the public schools of the District of Columbia. Revels left the Senate in March 1871. Four years later, Mississippi sent a second black man, Blanche Kelso Bruce, to the Senate. Senator Bruce served a full six-year term, and his presence in the Senate Chamber drew national attention because he was a successor to the seat once occupied by Jefferson Davis.[16]

That is just two desks behind where I stand now. I am not saying that the desk stood there at that time, but that is the desk.

Mr. President, the legacy of Reconstruction is far from being clear and certain. Historians have argued for generations about the merits of congressional Reconstruction. They have alternately painted as devils and saints the senatorial architects and opponents of the various Reconstruction measures. We know that Reconstruction ended not with the integration of the freedmen into full equality with white society, but with segregation. We know that, after the service of Senators Revels and Bruce, it was eighty years before another black man, Senator Edward Brooke of Massachusetts, was elected to the Senate. We know that many of the hopes and ideals held out to the freedmen during Reconstruction were cruelly denied them for decades and generations to come. But whom do we fault? And how do we judge our predecessors?

On the issue of segregation, for example, the Senate passed a very strong Civil Rights bill in 1875. This bill guaranteed equal rights to all citizens in public accommodations and in public transportation. It was in many ways the forerunner of the Civil Rights Act of 1964. The Civil Rights bill was the handiwork of Senator Charles Sumner of Massachusetts, who first introduced it in May 1870 and reintroduced it again and again, fighting strenuously for its passage. As Professor David Donald, in his Pulitzer Prize-winning biography of Sumner, has written:

> Sumner's civil rights bill was a proposal of immense strength and of broad statesmanship. More than any of his political contemporaries, Sumner realized that the future of American democracy depended upon the ability of the white and black races to live together in peace and equality. Instead of huddling the sensitive question of race relations out of sight, he wanted it discussed fully and openly at a time when American institutions were still flexible enough to permit major social changes.[17]

Sumner tried and failed to attach the civil rights bill as an amendment to the amnesty bill in 1872. He lost the procedural battles and the floor votes. But he persisted in his fight. Even on his deathbed in 1874, the bill remained foremost in his mind. When friends came to see him for the last time, he implored: "You must take care of my civil-rights bill, my bill, the civil-rights bill, don't let it fail."[18] Sumner died on March 11, 1874, and almost a year later, on March 1, 1875, his Civil Rights bill became law. Tragically, in 1883 the Supreme Court found the central provisions of this great bill to be unconstitutional. The court took the narrow opinion that the Fourteenth Amendment prohibited only violations of civil rights by the States and not by individuals. Federal attempts to protect black citizens from discrimination were swept away. Thus, obviously, in judging the failures of congressional Reconstruction, we cannot blame the Congress alone. Much of the blame must be shouldered by the executive branch, for its laxity in administering the laws, and by the judicial branch, for its obstruction of the Congress intent.

Turning from issues of public finance and Reconstruction, we can observe that the Senate was exceedingly busy during the Grant era, and faced a growing range of issues. In 1870, for example, Congress created the Department of Justice and, in 1871, it set up the first Civil Service Commission. In 1872, Yellowstone National Park was designated as the first of our national parks, setting aside vast territories with timber, mineral, and water resources, for the common good of the Nation rather than the commercial advantage of individuals and groups. Also passed that year was the General Mining Act of 1872, which provided that "all valuable mineral deposits in the land belong to the United States . . . to be free and open to exploration and purchase by the citizens of the United States." In 1870, 1872, and 1875, Congress also enacted major tariffs. Here their work was contradictory, indicating the great battles going on between protectionists and free trade advocates. The tariffs of 1870 and 1872 reduced rates on many commodities, both agricultural goods and manufactured products. The tariff of 1875, by contrast, represented a protectionist victory and restored all duties to the level of the Morrill Tariff of 1861. This was largely a reaction to the panic of 1873 and the national depression that had followed.

Any one of these issues might merit a speech in itself, but I do not wish to stray from the chief purpose of my remarks to tell the institutional history of the United States Senate and its many members. As a Democrat, I am of course interested in the careers of Democratic senators in the Gilded Age, men of the stature of Thomas Bayard of Delaware and Allen Thurman and George Pendleton of Ohio. But I also realize that any discussion of the Senate in the years after the Civil War must of necessity be a discussion largely of Republicans. The Democrats during those years generally occupied the minority, almost as consistently as the Republicans would find themselves in the minority for the half century after the Great Depression of the 1930's.[19]

The Republican Party had achieved its first majority in the Senate with the secession of the Southern states in 1861, and had remained in power due to its identification with the victorious side in the Civil War. The Grand Army of the Republic, that early veterans' organization of former Union soldiers, formed much of the support for the post-war Republicans, as vigorously as a special interest group or political action committee in current days. But with the conclusion of the war, the Republicans lost some of their sense of meaning and purpose. Cracks developed in the party and factions formed around particular leaders, sometimes representing differences in ideology or, more often, differences in personality.[20] The divisions within the Republican party during the Grant era encompassed many different personalities, but for the purposes of describing its effects on the United States Senate, I should like to

focus on two monumental figures: Senators Charles Sumner of Massachusetts and Roscoe Conkling of New York.

Sumner and Conkling represented two generations of Republican senators. In 1869, the 58-year-old Sumner could boast the longest period of continuous service of senators then serving. He had entered the body in 1851 and had risen to become a major force—as indeed I have referred to him frequently in previous speeches on the Senate's history. By contrast, 40-year-old Roscoe Conkling was then serving in his first term in the Senate.

Here, in the Capitol Building, there are three magnificent likenesses of Charles Sumner. A fine oil portrait hangs immediately outside of this chamber. Upstairs, outside the visitors' gallery, stands a marble bust of Sumner in Roman toga. And painted on the ceiling of S-118, now the Senate Democratic Policy Committee room, is a medallion of Sumner by Constantino Brumidi, commissioned at the time the room was occupied by the Senate Foreign Relations Committee, of which Sumner served as chairman. There are no busts or portraits of Roscoe Conkling in the Capitol, which is a shame. By all accounts—whether one hated or admired him—Conkling was a handsome and fascinating individual. Senator Thomas C. Platt described Conkling as a man "over six feet tall, of slender build, /who/ stood straight as an arrow . . . A curl, described as Hyperion, rolled over his forehead." He had, said Platt, an "Apollo-like appearance." Senator Chauncey Depew insisted that "Roscoe Conkling was created by nature for a great career." It was Conkling's own fault, Depew mused, that he missed it. "Physically he was the handsomest man of his time." What a man he must have been.

"His mental equipment nearly approached genius."

So he was not only handsome, but he also was intellectually a very, very bright person.

"He was industrious to a degree. His oratorical gifts were of the highest order." Parenthetically, the same description might just as accurately have applied to Charles Sumner.[21]

Senator Sumner was approaching the end of a long and notable political career in the Senate, while Roscoe Conkling was just beginning his. Conkling was a intensely ambitious man, most likely with his sights set on the White House. A young man in a hurry, he delighted in taking on and crossing swords with all opponents, and did not fear to tangle with the august Sumner. The two senators first clashed in April 1867, just months after Conkling entered the Senate. Republican Radicals, led by Sumner, wanted Congress to remain in session to continue the battle with President Johnson over Reconstruction. Republican conservatives, led by Conkling, pressed for adjournment. The two sides agreed to compromise by adjourning in April and reconvening in July, rather than waiting for the traditional December date for the next session of Congress. However, in July the Republican caucus adopted a motion by Conkling, limiting Senate business to only those actions necessary to remove presidential obstructions to Reconstruction, and thus defeating Sumner's plan for bold new programs to extend Reconstruction even further. Newspapers began to identify the young Senator Conkling as the new leader of the Senate.[22]

Senator Sumner expressed his annoyance with Conkling and his frustration over the caucus' action in an interview to a Boston newspaper reporter. He described Conkling as "a young man of admirable talents and with a great future, if he does not get ship-wrecked at the beginning." In the same interview, Sumner complained about Conkling and other "new recruits" in the Republican party and warned that they were moving away from the party's traditional policies. The interview received considerable attention in the press, and further undermined Sumner's position in his party. The "new recruits" would retaliate against the senior senator by excluding him progressively from Republican policy making.[23]

When Grant entered the White House, the split between Sumner and Conkling widened further. Conkling avidly supported Ulysses S. Grant, and reaped his patronage. Sumner just as avidly opposed the president, and reaped his emnity. As the leader of the Grant forces in the Senate, Conkling missed few opportunities to bait Sumner on the floor, no matter how minor the issue at stake. Conkling's witty barbs deeply wounded the vainglorious senator from Massachusetts. In private, Sumner attributed Conkling's vituperative style to his experiences in the House of Representatives, where such tactics were far more common in debate than in the Senate.[24]

Mr. President, the United States Senate has been the scene of tremendous political battles over the course of its nearly two hundred years of activity, but few were fought as fiercely, as vindictively, and as destructively as the battle between Roscoe Conkling, Charles Sumner, and Ulysses S. Grant. President Grant had a pet project to annex Santo Domingo (the Dominican Republic) to the United States. Grant was an expansionist who desired to extend American territory and influence, and saw the Caribbean island nation as choice territory. It was a frontier region with mineral resources ripe for development. In addition, Grant believed Santo Domingo would solve many of the problems of the South. Just as the American West provided a chance for numerous Americans to start life over again as pioneer farmers, ranchers, and miners, so Santo Domingo would offer a haven for newly freed black citizens to migrate. Since the treaty of annexation would have to go through the Senate Foreign Relations Committee, which Sumner chaired, President Grant had paid an unusual personal visit at Sumner's home to solicit his support. However, Sumner would not be moved. Annexation of Santo Domingo, he argued on the Senate floor, would mean the dissolution of one of only two black republics then in existence; and Sumner implied that a large and powerful nation was bullying a small, weak neighbor into extinction. As a result of Sumner's opposition, the Senate defeated the Santo Domingo treaty. That same day, Grant responded by recalling the American ambassador to Great Britain, John Lothrop Motley. Poor Motley had nothing to do with Santo Domingo, but he had been Sumner's candidate for the important diplomatic post, and the president removed him solely to spite the senator.[25]

Grant nominated Senator Frederick Frelinghuysen of New Jersey to replace Motley, but Sumner rose in objection to his colleague's nomination. Sumner argued not against Frelinghuysen but in favor of the luckless Motley. At that point, Roscoe Conkling rose to lead the Grant forces. Motley had been removed because he had failed to carry out the administration's policies, Conkling insisted. No, said Sumner, the only reason for the ambassador's dismissal was the treaty's defeat. Sumner had thus made himself the chief issue in the vote on Frelinghuysen's nomination. A vote for Frelinghuysen would now be a vote against Sumner. Senate Republicans lined up solidly with the president and overwhelmingly confirmed Frelinghuysen's nomination. Sumner declined to vote, and only three Republicans voted on his side.[26] Having won this vote, however, Senator Frelinghuysen then declined the nomination.

As a result of Sumner's intransigence, and the erosion of his support in the Senate, Grant's supporters decided to remove the Massachusetts senator from his prestigious post as chairman of the Foreign Relations Committee. This was obviously a significant matter. Not since the Democrats had taken the chairmanship of the Committee on Territories away from Stephen Douglas in 1859 had a Senate committee chairman been deposed. In taking such an action, Senate Republicans would be repudiating one of the most nationally prominent members of their party. But relations between the president

and the Foreign Relations Committee chairman had become so strained that Grant's aides spread the word that "Mr. Sumner must leave the Committee." [27]

Unfortunately for Charles Sumner, he proved to be his own worst enemy, undermining his position in his battle with Grant by his intemperate remarks. Having defeated the president's treaty he simply could not rest easy as a gracious victor. He perceived a renewal of the Santo Domingo battle in every presidential message and accelerated his verbal assaults on the Chief Executive. On December 21, 1870, Sumner delivered his most powerful speech on the subject, known widely as his "Naboth's Vineyard" speech after a biblical allusion to a king who coveted his humbler neighbor's vineyard. As Sumner's biographer, Professor David Donald, has written: "Indeed, the verbal excesses of Sumner's oration strengthened the Republican faction hostile to him, and, as the debate continued all night, both their power and their vindictiveness became evident." In this debate, no one was more severe in his response to Sumner than was Roscoe Conkling. "No sane man," Conkling charged, "no man of common sense, not maddened by passion or blinded by bigotry or hate" could have made such charges against the president.[28]

Conkling now aimed his final salvo: "The time has come when the Republican majority here owes it to itself to see that the Committee on Foreign Relations is reorganized and no longer led by a Senator who has launched against the administration more bitterness than has proceeded from any Democratic member of the body." So it was that when the first session of the 42nd Congress opened on March 4, 1871, the Republican committee on committees voted 3 to 2 to remove Sumner as Foreign Relations Committee chairman. They recommended that Sumner become chairman of the new Committee on Privileges and Elections. When the Republican caucus debated this recommendation, Sumner fought against it vehemently, but was overwhelmed. The caucus adopted the committee's recommendation, 26 to 21. The debate was then carried to the Senate floor. Sumner asked to be excused from service on the new committee, but took little part in the debate over his removal from the chairmanship. Sumner's friends stood up for him, none more eloquent than Lyman Trumbull of Illinois.[29]

"I am not the special friend of the Senator from Massachusetts," said Trumbull. "He and I, during our long course of service here, have had occasions to differ, and differ, I am sorry to say, unpleasantly. But, sir, that will not prevent me from trying to do justice to the Senator from Massachusetts. I stood by him when he was stricken down in his seat by a hostile party, by the powers of slavery/this a reference to Preston Brooks' caning of Sumner in the Senate chamber in 1856./I stand by him today when the blow comes, not from those who would perpetuate slavery and make a slave of every man that was for freedom, but comes from those who have been brought into power as much through the instrumentality of the Senator from Massachusetts as of any other individual in the country." And here the Congressional Globe indicates "symptoms of applause in the galleries." If support for Sumner in the galleries was only tepid, so was his support on the Senate floor. That day the Senate voted 33 to 9 to adopt the committee list as moved, with 25 Senators, including Sumner and his friends abstaining from the vote. Charles Sumner's leadership in American foreign policy had ceased.[30]

Newspapers across the country bemoaned Sumner's fate. "The Nation is Humiliated," wrote the New York *Sun.* Sumner's downfall reflected poorly on his enemies as well as himself. Young Henry Adams, grandson and great-grandson of presidents, historian, and observer of the Washington scene, commented acidly: "Great leaders, like Sumner and Conkling, could not be burlesqued; they were more grotesque than ridicule could make them." [31] The Sumner incident diminished the image of the Senate as did so many other incidents during that period, and the public's opinion of the legislative branch, indeed the entire federal government, declined sharply. In 1872, for instance, the Credit Mobilier scandal broke when the New York *Sun* charged Vice President Schuyler Colfax, Senator Henry Wilson, Senator James Patterson, and numerous members of the House of Representatives with having received stock in the Credit Mobilier corporation in return for their support for government subsidies to the Union Pacific railroad, at a time when the Credit Mobilier corporation was contracting for the railroad's construction. Two representatives, Oakes Ames of Massachusetts and James Brooks of New York were censured by the House for their role in the scandal; the Senate considered expelling Senator Patterson, but did not act since his term was about to expire. The scandal ruined many more politically, and shook the public's confidence in its leaders.[32]

The outgoing third session of the 42nd Congress, in February and March 1873, added to the public outrage. First with the demonitization of silver, the "Crime of '73" that I mentioned earlier; and then with the infamous "Salary Grab Act," passed on the last day of the lame-duck session. The "Salary Grab" perhaps deserves some special attention, if only because the controversies surrounding congressional salaries remain with us today. As I have said in a previous address, for almost the first forty years of the history of Congress, senators and representatives did not receive a yearly salary, but were paid $6 to $8 a day each day Congress was in session. In 1856, an annual salary of $3,000 was established, raised to $5,000 in 1866, in recognition of the inflation of the currency during the Civil War.[33] In 1873, members of the Senate continued to draw just $5,000 a year, even though, as one senator commented, "the services of a competent cashier of a bank or president of an insurance company cannot be secured short of a salary of $10,000 a year." Now, at that time, most members of the Senate were wealthy men who did not depend upon their government salaries to support their way of life. But there were others who felt hard pressed by their limited salaries. We may detect a note of jealousy beneath the sarcasm of Senator Matthew Carpenter's observation about constituents visiting Washington:

"When they come here and ride by the mansions of my honorable friends from Vermont /Mr. Morrill and Mr. Edmunds/ up on the Circle, see their elegant houses, brilliantly lighted, surrounded by acres of pavement, parks, fountains, etc., all built at the expense of the nation; see them giving levees and receptions; and if they ride by the place of my honorable friend from New Jersey and see his magnificent way of living, and then come to the homes of the 'poor white trash' of this Senate and find their own senators among them, they will not like that. They have their pride; and expect to find their senators living like other senators.[34]

Thus, on March 3, 1873, the last session of the 42nd Congress, the Senate joined the House in voting to increase their salaries from $5,000 to $7,500 a year. Had they stopped at this, there would have been criticism, surely, but not the storm that broke upon them when they acted to make the pay raise retroactive for the entire two years of the Congress, thus giving each member an additional $5,000 windfall. President Grant signed the Salary Act, doubling his own salary in the process. The newspaper reaction was so intense and outraged over this "backpay steal," that many members felt compelled to turn back their $5,000 backpay to the treasury, or donate it to charity. Nevertheless, the "Salary Grab" was a blot upon the Congress, and particularly its Republican majority. In the 1873 state elections, Democratic candidates scored numerous upset victories against incumbent Republicans, and the 43rd Congress, reading the handwriting upon the

wall, was quick to repeal the higher salaries. Only members of the Senate and House suffered by this action, since under the Constitution, the Congress cannot reduce the salaries of the president and federal judges, but cut their own pay they did, back to $5,000, at which level it remained for the next 34 years. Not until 1907 was the congressional salary raised to $7,500.

When we look back upon the Senate in the Gilded Age, and regret the folly, and corruption, and backbiting personality clashes that marred its record and its public image, we must of course take into consideration the general atmosphere of the times. It was in 1871, for example, that the Tweed Ring was exposed for having plundered the treasury of the city of New York, and in 1872 that "Boss" William Marcy Tweed was convicted and sentenced to prison. There was corruption in many of the reconstruction governments in the South, and in the "Redeemer" governments that succeeded them. Business ethics had fallen to appalling levels in that "get-rich-quick" era, symoblized by the destructive battles of Jay Gould, "Diamond Jim" Fisk, and Commodore Cornelius Vanderbilt to take over the Erie Railroad, a particularly sordid chapter in American business history. And there was the corruption associated with the Grant administration. In 1875, for example, came revelations of a "Whiskey Ring" of United States revenue officials defrauding the government of internal revenue taxes, a scandal which involved the president's personal secretary, Orville Babcock. In 1876, the House of Representatives investigated Secretary of War William W. Belknap, who had been taking bribes for the sale of trading posts in Indian Territory. The House voted to impeach Belknap, but the Senate declined to convict him because he had by then resigned from office.[35]

It was a result of these sordid revelations that the Republicans began to lose the solid majority in Congress they had enjoyed since the Civil War. During the 42nd Congress, the Democrats gained a majority in the House in the 43rd Congress, but lost it again in the 44th Congress. In the Senate during these years, the Democrats increased their numbers from 11 in 1869 when Grant took office to 29 in 1877 when he left. By 1879, the Democrats would at last take over the Senate majority. This was, in fact, a period of great political instability. From the 1870s through the turn of the century, it was commonplace for the legislative and executive branches to be held by different parties.

The federal government was in just such a divided state as the nation approached the election of 1876. The Democrats held the House, the Republicans held the Senate. Vice President Henry Wilson had died, just off the floor of this chamber, in the Vice President's Room, in November 1875, and Senator Thomas Ferry of Michigan was presiding over the Senate as president pro tempore. Instead of the war hero who had carried them to victory in the last two elections, the Republicans had nominated the little-known reform governor of Ohio, Rutherford B. Hayes, as their compromise candidate for president. Democrats had nominated New York governor Samuel J. Tilden, who had won a reputation for honesty and reform in his battle against the Tweed Ring in New York.

The presidential election promised to be a close one, and Republicans worried that should the election not be decided in the Electoral College, the Democratic House would choose the next election. The tide, after the Grant scandals, was clearly in the Democrats' favor. And on election night 1876, it seemed clear that the Democratic candidate had won. Even the staunchly Republican New York *Tribune* carried the headline: "Tilden Elected."

But was Tilden elected? Of course we know that Samuel J. Tilden never occupied the While House and never served as president of the United States. How this came about, and the role that the United States Senate played in deciding the election of 1876, and the future of Reconstruction in the South, will all be the subjects of my next address on the Senate's history.

Mr. President, I ask unanimous consent that notes to "The Senate in the Gilded Age" be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NOTES TO "THE SENATE IN THE GILDED AGE"

1. Mark Twain and Charles Dudley Warner, *The Gilded Age* (Indianapolis, 1972 /1873/).

2. William B. Parker, *The Life and Public Service of Justin Smith Morrill* (Boston, 1924), 226-7.

3. John Sherman, *Recollections of Forty Years in the House, Senate and Cabinet: An Autobiography*, Vol. 1 (Chicago, 1895), 447.

4. William McFeely, *Grant: A Biography* (New York, 1981), 289-96.

5. *Congressional Globe*, 41st Congress, 1st sess., 66-70.

6. David J. Rothman, *Politics and Power, The United States Senate, 1869-1901* (Cambridge, Massachusetts, 1966), 76-78.

7. Sherman, *Recollections*, 465.

8. Ibid., 388-505; Alvin M. Josephy, Jr., *The American Heritage History of the United States* (New York, 1975), 262; McFeely, *Grant*, 397.

9. *Congressional Globe*, 43rd Congress, 3rd sess., 186-8.

10. Rothman, *Politics and Power*, 78-80.

11. Barry A. Crouch, "Postbellum Violence, 1871," *Congress Investigates* (New York, 1975), 1689-1713; McFeely, *Grant*, 367-71.

12. Crouch, "Postbellum Violence," 1712.

13. *Congressional Globe*, 43rd Congress, 2nd sess., 920-1.

14. Julius E. Thompson, *Hiram R. Revels, 1827-1901: A Biography* (New York, 1982), passim.

15. *Congressional Globe*, 41st Congress, 2nd sess., 1503-1514, 1562-3.

16. Thompson, *Hiram R. Revels*, 78-111; See also John Hosmer and Joseph Fineman, "Black Congressmen in Reconstruction Historiography," *Phylon*, XXXIX (June 1978).

17. David Donald, *Charles Sumner and the Rights of Man* (New York, 1970), 533.

18. Ibid., 586.

19. See, for example, Charles C. Tansill, *The Congressional Career of Thomas Francis Bayard, 1869-1885* (Washington, 1946).

20. George H. Mayer, *The Republican Party, 1854-1964* (New York, 1964), 171-197.

21. Louis J. Lang, ed., *The Autobiography of Thomas Collier Platt* (New York, 1910), 55; David M. Jordan, *Roscoe Conkling of New York: Voice in the Senate* (Ithaca, New York, 1971), 143. If one looks carefully at the large oil painting of "The Electoral Commission of 1877" outside the third floor gallery, one can find Conkling's face in the crowd.

22. Jordan, *Roscoe Conkling*, 93-94.

23. Donald, *Charles Sumner*, 301-302.

24. Ibid., 323.

25. *Congressional Globe*, 40th Congress, 2nd sess., 3389-94; McFeely, *Grant*, 332-55; Donald, *Charles Sumner*, 434-57.

26. Donald, *Charles Sumner*, 458-59.

27. Ibid., 467.

28. *Congressional Globe*, 42nd Congress, 2nd sess., 354-358; Jordan, *Roscoe Conkling*, 175.

29. *Congressional Globe*, 42nd Congress, 1st sess., 33-48.

30. Ibid., 49-50.

31. Henry Adams, *The Education of Henry Adams* (Boston, 1918), 261.

32. W. Allan Wilbur, "The Credit Mobilier Scandal, 1873," in Schlesinger and Bruns, *Congress Investigates*, Vol. 111, 1849-63.

33. Senator Robert C. Byrd, "Congressional Pay Increases, 1789-1977," *Congressional Record*, 95th Congress, 1st sess., S6594-5.

34. *Congressional Globe*, 42nd Congress, 3rd sess., 2181.

35. For a general account of these scandals see Nathan Miller. *The Founding Finaglers* (New York, 1976), 199-279.

Mr. BYRD. I thank the Chair for its patience, and I now yield the floor.

The PRESIDING OFFICER. The Chair thanks the distinguished minority leader for another enlightening history this week.

RECESS UNTIL 10 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order the Senate stands in recess until 10 a.m. tomorrow.

At 5:19 p.m., the Senate recessed until tomorrow, Tuesday, June 7, 1983, at 10 a.m.

CONFIRMATION

Executive nominations confirmed by the Senate June 6, 1983:

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

David F. Emery, of Maine, to be Deputy Director of the U.S. Arms Control and Disarmament Agency.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

THE JUDICIARY

Julia Smith Gibbons, of Tennessee, to be U.S. district judge for the western district of Tennessee.

H. Ted Milburn, of Tennessee, to be U.S. district judge for the eastern district of Tennessee.

Bobby Ray Baldock, of New Mexico, to be U.S. district judge for the district of New Mexico.

DEPARTMENT OF JUSTICE

Ronald A. Donell, of West Virginia, to be U.S. marshal for the northern district of West Virginia for the term of 4 years.

HOUSE OF REPRESENTATIVES—*Monday, June 6, 1983*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O God, grant us the inspiration to live lives that are worthy of the high calling You have given us. May we be sensitive to Your will and open to Your spirit that Your love and compassion will flow through us in deeds of good will to all people. May we ever keep our eyes on the heavenly vision where justice and truth reign and Your grace abounds for ever and ever. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair wishes to congratulate the gentleman from Massachusetts (Mr. CONTE) on the honorary degree the Chair understands that the gentleman received.

Mr. CONTE. I thank the Chair.

The SPEAKER. Where was that honorary degree from?

Mr. CONTE. After all the roll calls I missed, I am starting to think it was the school of hard knocks.

CONSENT CALENDAR

The SPEAKER. This is the day for the call of the Consent Calendar. The Clerk will call the first bill on the Consent Calendar.

AUTHORIZING SECRETARY OF THE INTERIOR TO CONVEY CERTAIN LANDS IN LANE COUNTY, OREG.

The Clerk called the bill (H.R. 1062) to authorize the Secretary of the Interior to convey, without consideration, certain lands in Lane County, Oreg.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

MICHAEL McDERMOTT BULK AND FOREIGN MAIL CENTER

The Clerk called the bill (H.R. 593) to designate the New York Bulk and Foreign Mail Center at Jersey City, N.J., as the "Michael McDermott Bulk and Foreign Mail Center."

There being no objection, the Clerk read the bill, as follows:

H.R. 593

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the New York Bulk and Foreign Mail Center at Jersey City, New Jersey, shall be known as the Michael McDermott Bulk and Foreign Mail Center in memory of Michael McDermott. Any reference in a law, map, regulation, document, or other paper of the United States shall be held to be a reference to the Michael McDermott Bulk and Foreign Mail Center.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

That the New York Bulk and Foreign Mail Center at Jersey City, New Jersey, shall be known and designated as the Michael McDermott Bulk and Foreign Mail Center in memory of Michael McDermott. Any reference in any law, map, regulation, document, or other paper of the United States to such building shall be held to be a reference to the Michael McDermott Bulk and Foreign Mail Center.

The committee amendment was agreed to.

● Mr. SHAW. Mr. Speaker, I rise in support of H.R. 593 which will name the New York Bulk and Mail Center, in Jersey City, N.J., in memory of Michael McDermott.

While it is customary to name Federal public facilties after distinguished statesmen and public leaders, we all too often overlook the actions and contributions made by the employees of our Federal work force.

Michael McDermott was a 25-year-old postal employee at the mail center who met an unfortunate and senseless death while working at the center in December of 1979.

He was working alone late one night when he slipped from his station and onto a faulty conveyor belt from which the safety devices had been removed.

He was found dead the next morning by his fellow workers leaving behind a sorrowful Christmas for them and his young wife and infant daughter.

Safety in our Nation's factories, plants, and offices has progressed dramatically from the tragic days of the sweat-shop era but Mike's death is a sad but fervent reminder that there is still much to be done.

Naming the New York Bulk and Mail Center after him will serve as a memorial to the importance of safety consciousness in the American workplace.

I urge my colleagues to support the passage of H.R. 593.●

● Mr. YOUNG of Missouri. Mr. Speaker, H.R. 593 would designate the New York Bulk and Foreign Mail Center at Jersey City, N.J., as the "Michael McDermott Bulk and Foreign Mail Center." This legislation sponsored by the Honorable FRANK GUARINI is supported unanimously by all of Mike's former coworkers at the New York Bulk and Foreign Mail Center.

Briefly, Mr. Speaker, Michael McDermott was a postal employee who died in an accident caused by a faulty conveyer belt at this facility in New Jersey on December 15, 1979. Mike is survived by a wife and daughter. The other postalworkers at this facility feel to name the building in honor of Michael McDermott would be a fitting tribute and honor a man who represents the group which made America great, the working men and women of this country.

Generally, when postal facilities or Federal buildings are designated with the name of a person, the purpose is to honor someone for distinguished achievements. Public figures, such as Members of Congress or other national leaders, have generally been singled out for commendation in this manner. However, in light of the circumstances regarding Michael's death, and further, in view of the fact that the bulk and foreign mail center is not a building that is accessible to the public, it is an industrial-type warehouse facility to which only postal employees go, it is appropriate and fitting that the building be known as the Michael McDermott Bulk and Foreign Mail Center.●

● Mr. HOWARD. Mr. Speaker, I rise in support of H.R. 593, legislation designed to memorialize Michael McDermott, a postal employee who died in an accident at the New York Bulk and Foreign Mail Center at Jersey City, N.J., on December 15, 1979.

In view of the circumstances surrounding Michael's death, and further, the fact that all postal employees at this facility are in strong support of the legislation, it is a fitting tribute that this facility be named in his honor.●

● Mr. GUARINI. Mr. Speaker, today the House of Representatives will consider H.R. 593, a bill I authored which would change the name of the New York Bulk and Foreign Mail Center in Jersey City, N.J., to the "Michael McDermott Bulk and Foreign Mail Center." This mail center is in my district, and this legislation is very important to me and to the postalworkers in my district, 4,100 of whom work at this huge facility alone.

The House passed this measure last September under the consent calendar after the Committee on Public Works and Transportation and its Subcommittee on Public Buildings and Grounds reported favorably on the bill in a unanimous expression of bipartisan support. Unfortunately, time constraints in the press of last-minute business in the other body prevented their consideration of this bill before the 97th Congress convened. Several weeks ago, the Committee on Public Works and Transportation, with Chairman JAMES HOWARD of New Jersey and key Subcommittee Chairman ROBERT YOUNG of Missouri lending their full support, again reported favorably on this bill with full bipartisan support. I want to add to the record some of the important reasons why the full House should give its strong support to this bill.

Michael McDermott was a 25-year-old employee at the New York Bulk and Foreign Mail Center who was killed in an accident in a faulty conveyor belt almost 3 years ago. Safety devices meant to prevent the kind of accident that happened to Mike McDermott had been removed in order to speed the flow of mail during that Christmas season. Young Mike McDermott left behind a wife and an infant daughter.

The accident touched off a wave of charges that postal management had no concern for the safety of workers at the facility. Subsequent investigations of Mike McDermott's death revealed that 5,000 accidents had occurred at this facility in the 2 years preceding the fatal accident. An onsite survey conducted by the congressional Subcommittee on Postal Personnel and Modernization 1 week after the incident turned up a number of safety violations—and that the same conveyor belt violations which caused the young father's death still existed.

There is a single important reason for the renaming of the New York Bulk and Foreign Mail Center as the "Michael McDermott Bulk and Foreign Mail Center"—a reminder to all that worker safety is the most important aspect of any industrial-type operation. Will Michael McDermott have died in vain? I believe it is right that Mike McDermott become a symbol of safety consciousness. Rather than provoke disharmony between management and workers, the renaming should facilitate discussion of safety consciousness. It could also be a symbol that the Post Office does want to make safety its first priority.

I want to make clear the function of this facility. As you know, it is traditional to name public buildings after statesmen and generals who have distinguished themselves with long records of public service. This is not a bill which would break this tradition—the Bulk and Foreign Mail Center is not a building that is accessible to the public. The mail center is not a post office as we know them in our hometowns; it is an industrial-type warehouse facility to which only postal employees go.

What is most important about this bill to me and the many men and women who have spent their lives in the front lines of public service is the symbol of for safety consciousness that Michael McDermott can become. Naming this facility after Michael McDermott will provide us a monument symbolizing the sacrifice of all working men and women who have lost their lives in public service. Let me assure you—young Mike McDermott was a hero. He is typical of the so many unsung heroes of this land—who go to work every day to support their family and save for their dreams for the future. He was the kind of American we are proud to represent as Members of Congress.

Michael McDermott was not an uncommon man. However, to forget him now—to let his death be in vain when the sorrow we feel from his loss can be turned into something positive—would demean the struggle of American working men and women. When we honor Michael McDermott, we shall be honoring a man who represents the group which made America great, a group which is distinguished by its achievements, a group which continues to serve America well—the working men and women of this country. Their safety while working is of paramount importance. Your favorable consideration of this bill would be a strong signal to all that industry should, first and foremost, be concerned with worker safety. Thank you.●

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the eligible bills on the Consent Calendar.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
June 3, 1983.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, U.S. House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from The White House at 4:35 p.m. on Friday, June 3, 1983 and said to contain a message from the President concerning the extension of the Jackson-Vanik Waiver Authority for a further period of twelve months and the continuation of the waivers applicable to the Socialist Republic of Romania, the Hungarian People's Republic and the People's Republic of China, together with a copy of the President's Determination in connection therewith.

With kind regards, I am

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, U.S. House of Representatives.

EXTENSION OF JACKSON-VANIK WAIVER AUTHORITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 98-67)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Ways and Means and ordered to be printed:

(For message, see proceedings of the Senate of today, Monday, June 6, 1983.)

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas or nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, June 7, 1983.

Following the suspension bills, the House will consider H.R. 3132, energy and water appropriations for fiscal year 1984, and, of course, there will be votes on amendments. Those votes will be taken today.

CIA: PICKING THE HOT ONES

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GONZALEZ. Mr. Speaker, I note that the Director of the Central Intelligence Agency not only refused to put his business interests in a blind trust, as has been the general practice for many years, but that he's been a very active trader in the stock market. The Director says that he avoids possible conflicts of interest by asking a

couple of subordinates to check over his proposed deals and let him know if there is a problem.

Leaving aside the credibility of an opinion by subordinates who serve at the pleasure of their boss, I feel certain that we now know that the office of Director of the CIA—heretofore thought to be an important job—can be filled by a superannuated part-timer. But this can create problems.

For example, I wonder what would happen if the Director got a message one day that said, "we've got a hot lead on a mole." Now, as everybody knows, a mole is the last thing that any intelligence agency wants or can afford. But our Director, being more interested in the stock market than his job, would probably reply, "Mole? I'm just interested in Mole Enterprises. Can you get me a quote on that? Maybe I can get in on the ground floor of this Mole outfit."

And our poor spies would have to go away wondering what to do—ask the FBI to arrest the mole, or see if they could buy him out and get an exclusive book deal for the Director.

THE PEACE NOW MOVEMENT IN ISRAEL

(Ms. OAKAR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. OAKAR. Mr. Speaker, how sad it is to think that 1 year ago marks the invasion of Lebanon by Israel.

I saw the ruins, visited the wounded, and saw the dead. As an American, I am dismayed that so much American equipment was used to destroy this country and its people at our taxpayers' expense.

This week, we learned something that we have all suspected: Alexander Haig, our own Secretary of State, knew well in advance of the plan and sanctioned it. How disgraceful.

To me, the only good that has come out of this is the courageous Peace Now movement in Israel. Hopefully, they will be joined by their Arab brothers and sisters to transcend the selfishness of their leaders and call for an end to bloodshed and a call for peace throughout this troubled region.

THE BUDGET DEFICIT

(Mr. McCURDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCURDY. Mr. Speaker, as the budget conferees begin meeting this week, we see modest signs of an economic recovery. The index of leading indicators rose 1.1 percent in April, the 10th consecutive monthly increase, and official projections for real GNP growth in 1983 have been raised from 3.1 to 4.7 percent.

But even assuming that this optimistic projection is borne out by the end of the year, we would still be well below the 7.5 percent average growth rate during the first year of economic recoveries since World War II. More important, it will have little impact on budget deficits.

Mr. Speaker, we are looking at a record high deficit of $210.2 billion for the current fiscal year, and I am deeply disturbed by the administration's apparent refusal to take this crisis seriously.

Mr. Feldstein, the Chairman of the President's Council of Economic Advisers, said recently, "I am willing to live with the deficits for 1984. I do not think they are a problem." At the Williamsburg summit, Secretary Regan attempted to convince other finance ministers that deficits and high interest rates are not connected. And the President himself seemed to say that if we all clap our hands and wait for a recovery, the deficits will simply melt away.

In my view, the administration is dead wrong in ignoring deficits while urging the Fed to slow the growth of the money supply. This policy is bound to lead us back to the record high interest rates that have had a devastating effect not only in our own country, but abroad—and particularly in those developing nations with large debt problems.

Mr. Speaker, we cannot ignore the current deficit and hope to contain it in future years. We must begin now to cut expenditures and take a realistic look at the insidious effects of indexing. Phase II may not be appropriate at this time, and we may also have to consider limiting the third year of the tax cut.

We must all be prepared to make some sacrifices, and the sooner we reach a consensus the better off we will be. The Nation cannot afford a summer-long veto battle over spending and taxes.

CONTINUING ROLE OF PLO IN CENTRAL AMERICA SHOULD NOT BE OVERLOOKED

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, with news reports of PLO feuding in the Middle East, we should not overlook the continuing role of the PLO in Central America.

It was recently reported that the entire Jewish community in Nicaragua was forced into exile following the Sandinista takeover in that country. Nicaraguan Jews say the long and close relationship between the Palestine Liberation Organization and the Sandinistas is the cause of their persecution and exile.

The PLO provided weapons, training, money, and men to help the Sandinistas overthrow the Somoza regime. They have also helped train guerrillas for the leftist insurgency in El Salvador. PLO leader Yasser Arafat was quoted last year as saying that Palestinian soldiers were actively supporting the Salvadoran insurgency.

Whatever internal problems the PLO may be facing, you may be certain that will not deter their campaign for terrorism and revolution whether in the Middle East or Central America.

DOMESTIC CONTENT LEGISLATION

(Mr. HERTEL of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HERTEL of Michigan. Mr. Speaker, this Saturday at noon I could not believe my ears when I heard President Reagan again announce his opposition to the domestic content legislation. That legislation has over 100 Members of this House listed as cosponsors.

Why? Very simply because we have millions of autoworkers and related industry employees out of work.

The very next day, yesterday, we have an article in Parade Magazine which states that in March, when the unemployment rate was 10.3 percent in this country and 13.5 percent in Great Britain, the Prime Minister's office in Tokyo announced with regret that the percentage of jobless persons in Japan had risen to its highest level in 30 years, 2.7 percent.

In Michigan we have an unemployment rate of over 15 percent; in parts of Macomb County, over 20 percent. In the 2½ years that we have had President Reagan in office, he has offered no assistance whatsoever to the autoworkers that he promised relief for. He has now come out in opposition to the one major piece of legislation introduced in this House to give that kind of assistance.

GENERAL LEAVE

Mr. YOUNG of Missouri. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 593, that was passed on the Consent Calendar today.

The SPEAKER pro tempore (Mr. FLIPPO). Is there objection to the request of the gentleman from Missouri?

There was no objection.

CERTIFICATION OF CONDITIONS IN EL SALVADOR

Mr. BARNES. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1271) with regard to Presidential

certifications on conditions in El Salvador, as amended.

The Clerk read as follows:

Page 1, line 9, strike out "six" and insert in lieu thereof "seven"; and on page 2, beginning in line 3, strike out "(2)" and all that follows through "(3)" in line 5 and insert in lieu thereof "and (2)".

H.R. 1271

Be it enacted by the Senate and House of Repesentatives of the United States of America in Congress assembled, That section 728(e) of the International Security and Development Cooperation Act of 1981 is amended by adding at the end thereof the following: "The fourth certification required under this section may be made only if it includes a determination by the President that, since the third such certificiation was made, the Government of El Salvador (1) has made good faith efforts both to investigate the murders of the seven United States citizens in El Salvador in December 1980 and January 1981 and to bring to justice all those responsible for those murders, and (2) has taken all reasonable steps to investigate the killing of Michael Kline in El Salvador in October 1982.".

The SPEAKER pro tempore. Is a second demanded?

Mr. LAGOMARSINO. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Maryland (Mr. BARNES) will be recognized for 20 minutes, and the gentleman from California (Mr. LAGOMARSINO) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Maryland (Mr. BARNES).

Mr. BARNES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution has the unanimous support of the Committee on Foreign Affairs. It corrects an oversight in the law. There is no reason why it should be controversial, so I will not take up the time of the House with a lengthy statement.

As the Members are aware, section 728 of the International Security and Development Cooperation Act of 1981, requires the President to certify every 180 days that the Government of El Salvador is meeting certain conditions in order for U.S. military assistance to that Government to continue. These conditions relate to human rights, control of the security forces, political and economic reforms, free elections, and negotiations to end the conflict. The law also required a one-time condition that the first certification include a finding that the Government of El Salvador has made good faith efforts to investigate the murders of the U.S. citizens in that country and to bring to justice those responsible for the murders.

I think that when we drafted this provision almost 2 years ago, we assumed that the investigations of these murders would have been completed by now, so there was no need for an ongoing certification in the law. However, experience has shown that this is not the case. The case of the murdered churchwomen has not yet gone to trial, the case of the labor leaders remains in the preliminary stages, and the cases of John Sullivan and Michael Kline remain unsolved.

This requirement was extended by law for the second Presidential certification and the President certified this requirement for the third certification, though we had not completed action on the extension.

H.R. 1271 would once again require that the President include the cases of the murdered American citizens in the fourth and last certification, which is due on July 20.

I think that this certification requirement has proven very useful in keeping the pressure on the Salvadoran Government, and in making clear that we support the strengthening of the judicial system in El Salvador. Our committee believes that the President should be required once again to address these cases in his certification.

This measure was reported out of the Subcommittee on Western Hemisphere Affairs on April 13 by a unanimous voice vote, and was reported out of the full Foreign Affairs Committee on May 18, with technical amendment, by unanimous voice vote.

Mr. Speaker, this is basically the purpose of this resolution. I would like to yield to the sponsor of the resolution, the distinguished gentleman from Massachusetts (and the chairman of the Committee on Foreign Affairs, the gentleman from Wisconsin, if present).

Before I yield to other Members on this side, I would like to yield to the distinguished gentleman from California, who is the ranking minority member of the Subcommittee on Western Hemisphere Affairs.

□ 1215

Mr. Speaker, I yield to the chairman of the Committee on Foreign Affairs, the distinguished gentleman from Wisconsin (Mr. ZABLOCKI), for any comments that he may care to make at this time.

Mr. ZABLOCKI. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of H.R. 1271.

The purpose of this bill is to require the President to include in his fourth certification on El Salvador a certification that the Government of El Salvador has made good faith efforts both to investigate the murders of the seven U.S. citizens in El Salvador in December 1980 and January 1981 and to bring to justice all those responsible for those murders; and also that it has taken all reasonable steps to investigate the killing of Michael Kline in El Salvador in October 1982.

The unresolved murders of the American churchwomen and the U.S. labor leaders continue to be a matter of the highest concern to the Congress. The lack of meaningful progress on these cases will not be tolerated indefinitely. This resolution will convey both to the administration and to the Government of El Salvador the importance the Congress places on bringing to justice those responsible for these shameful murders. I commend the chairman of the Western Hemisphere Subcommittee (Mr. BARNES), and the gentleman from Massachusetts and the principal sponsor of the bill (Mr. STUDDS), for their continuing efforts in this matter.

Mr. Speaker, I urge the adoption of this bill.

Mr. BARNES. Mr. Speaker, I yield such time as he may consume to the principal author of the resolution, the gentleman from Massachusetts (Mr. STUDDS).

Mr. STUDDS. I thank the gentleman for yielding and I will not impose on the time of the House. The bill really requires no further explanation than that already given by the gentleman from Maryland (Mr. BARNES) and the gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. Speaker, let me just reiterate that the reason we have this before us is that almost 2 years ago, when we first placed this condition in the law, it did not occur to any of us that it would be this amount of time that would have expired without there having been effectively any action whatsoever with respect to the prosecution of these cases.

Consequently, every 6 months since then we have had to catch ourselves in our overoptimism and put the conditions back in law for the next certification.

Let me also observe that when we first put this condition in the law, it was with respect, as I recall, to four American citizens who had been murdered. That number has now doubled to eight, and, as a matter of fact, as all Members know, we have had yet another death of an American citizen in El Salvador within the week.

Let us hope, which is about all we can do at this point in this body, that at least some semblance of the outrage felt by the Members of this Congress and the people they represent is conveyed by the passage once again into law of this condition, and let us hope that that message falls upon ears with the power to act upon it in El Salvador.

Mr. Speaker, as you know there has been a great deal of discussion and controversy in recent weeks regarding the proper amount of U.S. military aid to El Salvador, and under what condi-

tions that aid ought to be provided. The matter before us today, however, is, I believe, one about which there is little or no controversy. Under the present set of conditions governing U.S. aid to El Salvador, the President will be required to present to the Congress his fourth and last certification with respect to conditions in that country on July 20. My legislation simply includes in this certification the requirement that the Government of El Salvador has made good faith efforts to investigate and bring to justice those responsible for the murders of the eight U.S. citizens who have been killed in El Salvador since December of 1980.

Because none of us expected these cases to remain unresolved for so long, this provision was originally included as a requirement only in the President's first certification. I believe it is clear to all of us, however, that so long as the murders of the four North American churchwomen, the two agrarian reform advisers, the jounalist, John Sullivan, and the tourist Michael Kline are not solved, we must include as a condition of our assistance to El Salvador the requirement that the Government of that country is doing all that is can to pursue justice in these cases.

As many of us who have been following these cases closely are aware, progress in recent months has not been good. My legislation will serve as an added incentive for the Government of El Salvador to pursue, as vigorously as possible, the full investigation and resolution of all of these murders. The bill was reported unanimously from the House Foreign Affairs Committee and has the welcome support of the ranking minority member of the Subcommittee on Western Hemisphere Affairs, (Mr. LAGOMARSINO).

Regardless of what one's feelings are about U.S. policy in Central America, I believe we all agree that the investigation of these cases is vital, and I would hope, therefore, that the House will approve the resolution before us without delay.

Mr. BARNES. I thank the gentleman for his outstanding leadership on this very important issue.

Mr. Speaker, before I yield to other Members of this side, I want to call on my friend, the gentleman from California (Mr. LAGOMARSINO) the ranking minority member of the Subcommittee on Western Hemisphere Affairs.

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1271.

The Subcommittee on Western Hemisphere Affairs and the Committee on Foreign Affairs passed H.R. 1271 on unanimous voice vote. The administration does not object to the measure, and I believe it is an appropriate addition to the certification procedure for military aid to El Salvador.

All of us in Congress are concerned that sufficient progress be made in investigating and bringing to justice those responsible for the murder of American citizens in El Salvador. The administration has made this a part of its reporting procedure in the past certifications and has expressed its intention of continuing to do so. By this action, the Congress is making explicit the continued interest of this body in seeing justice appropriately carried out.

I urge my colleagues to support this measure.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from New York.

Mr. GILMAN. I thank the gentleman for yielding.

Mr. Speaker, I want to commend the distinguished chairman of the subcommittee, the gentleman from Maryland (Mr. BARNES), and the ranking member, the gentleman from California, (Mr. LAGOMARSINO) for bringing this measure to the floor.

I rise in support of H.R. 1271, a bill pertaining to the Presidential certification of conditions in El Salvador.

Specifically, this measure adds to existing prerequisites for U.S. military assistance to El Salvador a requirement that the President will certify in his July 1983 semiannual report that since the January 1983 report, El Salvador: First, has made good faith efforts both to investigate the murders of U.S. citizens in El Salvador in December 1980 and January 1981 and to bring to justice all those responsible for those murders; second, has taken all reasonable steps to investigate the January 1981 disappearance of journalist John Sullivan; and third, has taken all reasonable steps to investigate the killing of Michael Kline in October 1982.

Mr. Speaker, Congress in 1981 placed strict certification requirements on military assistance to El Salvador. Among those conditions was semiannual certification by the President that the Salvadoran Government is attempting to safeguard human rights and implement economic and political reforms.

H.R. 1271 states clearly that Congress expects the Salvadoran Government to pursue vigorously and without equivocation investigations which will bring expeditiously to justice those responsible for the deaths of U.S. citizens. As my colleagues well know, it has been 2½ years since four American churchwomen were brutally murdered. While led to believe that progress was being made in bringing to trial those responsible for the killings, we have experienced instead a prosecution characterized by stops and starts and few visible accomplishments. I recognize that juridical procedures in El Salvador are different than those in the United States. However, I believe, that the Government in San Salvador would do well to recognize that its pronouncement that "justice is being done" is unconvincing, especially after the announcement in March that the nuns' case had encountered a considerable procedural roadblock.

Mr. Speaker, I believe that a more forthcoming approach to resolving the above cases is long overdue. The families of those Americans murdered in El Salvador have waited a long time for justice. They should not be denied the full efforts of the Salvadoran Government in seeing that those responsible for the killings are brought to justice. Accordingly, I urge my colleagues to suspend the rules and pass H.R. 1271.

Mr. LAGOMARSINO. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of H.R. 1271, a bill relating to the fourth Presidential certification report on conditions in El Salvador. Specifically, the bill amends the certification process by adding another criteria for certification; the good faith efforts of the Government of El Salvador to investigate the murders of the six Americans killed in that country and to bring those responsible to justice. By law, this criteria was mandated only in the first Presidential report.

Mr. Speaker, this depressing story of six brutally murdered Americans is not a new chapter in the unfolding saga of El Salvador. On the contrary, these cases are a recurring story with no conclusion in sight. Maura Clarke, Jean Donovan, Ita Ford, and Dorothy Kazen were murdered in December of 1980. Michael Kline and John Sullivan were killed in 1981. Two and half years have passed since these events took place and little measurable progress has been made to resolve the case and bring the guilty to justice. The immediate question everyone must ask is "why"? What legitimate obstacles have delayed the investigation and prosecution in these cases? But there's another question that bothers me even more. How can a close and well supported ally apparently ignore the cry of outrage by the American public and the Congress?

The Government of El Salvador should know and understand that the Congress has not abandoned the search for justice in these cases. When Americans are murdered in a foreign country, especially an ally, proper justice must be pursued. I realize the legal system, court procedures, and litigation process differs from our own system, but 2½ years later with little

to show does not represent the proper pursuit of justice.

These murder cases also represent a much widespread and serious problem in El Salvador. If the treatment of this highly and crucial case is any indication of publicized the administration of justice in El Salvador, what chance do the campasinos have? How can villagers in Morazan or Santa Ana feel secure knowing there is little to prevent indiscriminate murders or larceny? Indeed, these cases represent a fundamental weakness in El Salvador that must be strengthened in order to insure human rights guarantees for the people of that country. H.R. 1271, if enacted, will give this serious problem the public attention it deserves.

Although the primary responsibility for the investigation and subsequent trial in these cases remain with the Salvadoran Government and its legal system, the United States can also facilitate the process, particularly in the case of the four churchwomen. As many of my colleagues are aware, the FBI conducted, shortly after the murders, an investigation in El Salvador. The Bureau also advised Salvadoran investigators. The information from lab tests, polygraph examinations and ballistics tests collected by the FBI is not being used in the investigation by Salvadoran officials, but instead this valuable information is in the United States—under lock and key. It is puzzling to me; the FBI will not release the information, nor will the Salvadoran court admit the evidence.

The information gathered by the FBI could have an important impact on the case. From what I understand of the FBI's role, the Bureau conducted a polygraph examination and interrogated a Sergeant Martinez in Los Angeles, Calif. The former National Guardsman's statement raises several difficult questions that must be asked and answered.

Were high-ranking officials involved in the murder of the four churchwomen? Has there been a coverup to protect these high-ranking officials? I do not assume to know the answer to these questions, but they must be addressed.

The information gathered by the FBI must be released to the Salvadoran court and to the public, especially to the families of those killed. More importantly, the Government of El Salvador must vigorously pursue avenues to admit the evidence. With regard to this problem, I have personally asked the Attorney General of El Salvador to seize this opportunity. For the information of my colleagues, I will include in the RECORD a letter sent to the Salvadoran Attorney General with a cover letter to El Salvador's Ambassador to the United States. I will include the Ambassador's response. I have not, however, received any communication from the Attorney General himself:

EMBAJADA DE EL SALVADOR,
Washington, D.C. May 16, 1983.

Hon. SILVIO O. CONTE,
U.S. House of Representatives
Washington, D.C.

DEAR CONGRESSMAN CONTE: I have transmitted to Dr. Mario Adalberto Rivera, Attorney General of El Salvador the translation of your letter addressed to him on May 10th. I will forward the original by mail. As soon as I hear from the Attorney General I will be in contact with you again.

I must however say that in spite of the apparent lack of progress in the trial of those accused of the murders, the commitment of my—government to bring to justice the suspects is definite and unabatable. President Magaña is on record saying so himself. Progress is indeed slow but history is being written for the first time in similar cases in El Salvador.

I know I cannot ask you to be patient but I really need to ask your understanding and your confidence in President Magaña's commitment to justice.

With best personal wishes, I am,
Yours sincerely,
ERNESTO RIVAS-GALLONT,
Ambassador.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 10, 1983.

His Excellency ERNESTO RIVAS-GALLONT,
Ambassador of El Salvador, The Embassy of El Salvador, Washington, D.C.

DEAR MR. AMBASSADOR: Enclosed you will please find a letter to the Fiscal General of El Salvador. I would appreciate your efforts if you forwarded this correspondence to Mr. Rivera.

I have been long interested in this case of the American citizens murdered in your country. As you are well aware, three years have passed since the American churchwomen were raped and killed. The lack of progress in the trial of those accused of the murders is distressing and inexcusable. As a Member of Congress, I made a commitment to my constituents concerning further United States support for your government. A proper investigation followed by a fair and speedy trial are a major consideration for me when I cast my vote.

I hope that the government and the judicial system in El Salvador will make a sincere effort to cooperate with the United States Federal Bureau of Investigation in sharing information and evidence this organization has gathered. I am confident that relations between our countries can and will remain strong through mutual cooperation.

With best wishes, I am
Cordially yours,
SILVIO O. CONTE,
Member of Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 10, 1983.

Mr. MARIO ADALBERTO RIVERA,
Fiscal General, La Republica de El Salvador, San Salvador, El Salvador, Central America

DEAR MR. FISCAL GENERAL: I was disturbed to learn that the evidence gathered by the United States Federal Bureau of Investigation was ruled inadmissible as evidence against those accused of the December 1980 killings of the four U.S. churchwomen. I am also deeply concerned about the lack of progress in this regard.

As I understand the circumstances surrounding FBI involvement with the case, Salvadoran investigators collaborated closely with American agents. The FBI assisted and advised Salvadoran investigators on search methods for crime scenes and obtained fingerprint samples for analysis. The FBI also conducted a ballistics test on shell casings and spent bullets found near the site. This type of information, from what I gather, seems crucial to this particular murder case, especially since there seems to be insufficient evidence at this point in the trial. I hope that your office would make every effort to arrange this information in a form acceptable to the court. No evidence should be needlessly left aside in the search for a just resolution to this case.

I also understand that the court has not admitted as evidence the FBI interview with former National Guard Sergeant Dagoberto Martinez. This is distressing. I am informed by those who have studied the case and by the American Embassy in San Salvador that this testimony could be admissible in another form. I sincerely hope that your government will pursue this opportunity.

Mr. Fiscal General, I am not an expert in Salvadoran law, by any means, but I am concerned about vital evidence apparently ignored and put aside. Progress in this trial was cited by an act of Congress as a criterion for further United States assistance to your country. I realize that you must uphold and enforce the laws of your country, but I urge you to use the powers of your good office to admit this valuable information. The fair and proper conduct of this trial is extremely important to many people in the United States, including myself.

Thank you for your attention and cooperation in this matter.

With best wishes, I am
Cordially yours,
SILVIO O. CONTE,
Member of Congress.

Mr. CONTE. Mr. Speaker, I urge my colleagues to support H.R. 1271. These American citizens murdered overseas must not be forgotten. The certification process is not a perfect method of implementing U.S. objectives, but it can serve a useful purpose. These cases must be in the public light, discussed in diplomatic exchanges and pursued as U.S. policy.

Mr. LAGOMARSINO. Mr. Speaker, I reserve the balance of my time.

Mr. BARNES. Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the resolution today and commend the gentleman from Maryland (Mr. BARNES) and the gentleman from Massachusetts (Mr. STUDDS) for the leadership in bringing the resolution to this body for consideration.

I take this time today to focus attention to the issue that faces our Nation on the ambivalent policy of this administration in Central America.

Mr. Speaker, last week a group of high school students from Jonesboro, Ark., Journeyed to the Capitol. During a visit with these young, bright men,

enjoying the flower of their youth, asked me a relevant question of prominent concern, one which is being asked among all discerning 18 year old males in America today.

The question is: "Do I have to look forward to going into the military so that I might fight in El Salvador or in Central America?"

I told them that so far as I could answer their question, the answer is no; but, that the question is relevant and it illustrates a growing concern of millions of Americans to ask. It raises other questions for the President. Why were Ambassador Hinton and Assistant Secretary Enders replaced last week? Why are we sending another 100 military advisers to Honduras? Why do some officials favor more advisers to El Salvador? Why does the administration support an ambivalent, and confusing policy.

I think these questions, together with the question of who runs Central American policy for the administration, and in which direction is it headed, are all timely in view of the news accounts which report consideration among administration officials of further military escalation in the region. These news accounts, if true, result from apparent political and military stalemate in Central America that has been brought about by the policy of the last 2½ years.

Does U.S policy accommodate negotiation with ace factors in EL Salvador, or the U.S. plan military escalation to break the impasse. These are the alternatives negotiation or escalation, that we face at this crossroads in our policy decision.

Well, there is an alternative which is not well known throughout our country called the Contadora Initiative, and I call upon the President and Members of this Congress to carefully review the recommendations of those foreign ministers from Mexico, Venezuela, Colombia, and Panama in pursuing their Contadora Peace Initiative.

Mr. Speaker, I submit a memorandum which I wrote just last week to the Speaker that explains the Contadora Initiative and I commend its contents to every Member of this House.

[Memorandum]

WEDNESDAY JUNE 1, 1983.

To: The Speaker.
From: Bill Alexander, M.C.
Re: Central America File/Contadora Initiative.

From Thursday morning, May 26, when I arrived in Mexico City to rendezvous with other members of our group, until Sunday, May 29, when we departed from Panama City, I led an unofficial delegation of eight on a fact-finding mission which keyed on the meeting of representatives of the "Contadora" nations in Panama.

The delegation included myself; my friend Lawrence Pezzulo, Executive Director of Catholic Relief Services and former U.S. Ambassador to Nicaragua; two staff members, Jackson Baker and Brent Budowsky, Vic Johnson, staff director of the Foreign Affairs Western Hemispheric Subcommittee, Gino LoFredo and Tom Martin, associates in the Commission on U.S.-Central American Relations, which sponsored the trip; J. Roderick MacArthur, president of the Bradford Exchange of Chicago; and his associate, Lance Lindblom, executive director of the MacArthur (philanthropic) Foundation.

Our purpose was twofold: (1) to acquire as much information as possible about the Contadora Initiative, the name given the efforts of the four countries—Mexico, Venezuela, Colombia, and Panama—who are seeking to mediate a peace settlement in Central America; and (2) to acquire background information on the political and economic circumstances of the region, as well as the factors that would influence developments in the direction of either peace or war.

Among the principals with whom we spoke were Bernardo Sepulveda Amor, Foreign Minister of Mexico; Juan Jose Amado, Foreign Minister of Panama; Aquiline Boyd, Panamanian Ambassador to the United States; Rodrigo Lloreda Ceicedo, foreign Minister of Colombia; and Edward Everit Briggs, U.S. Ambassador to Panama.

The meetings with the Mexican officials took place in Mexico City; the others were in Panama on May 27 and 28 as the three-day Contadora conference was getting underway there.

Our discussions took place within the context of a series of fast-breaking news events of the diplomatic and military sort. In rapid succession, we—and the parties with whom we talked—learned of: the assassination of an American naval officer in El Salvador; the Reagan administration's decision to dispatch 100 additional advisors to Honduras, ostensibly for training Salvadoran army personnel; the sacking of Thomas Enders, Assistant Secretary of State for Inter-American Affairs; the sacking of Deane Hinton, U.S. Ambassador to El Salvador and the announcement that he would be replaced by "loyalist;" street talk in Panama that three Russian ships at that moment were off-loading small arms, heavy artillery, and ammunition in Nicaragua. Especially as the sequence of news-shocks continued in this back-to-back manner, we were able to form the impression that principals in Central America—all of them, on whatever side of the issues—were literally, as Ambassador Pezzulo suggested, "scared to death."

I can categorically state that a perception exists among principals of the Contadora nations that a real danger of general hostilities exists, that these countries see the United States position hardening, and that, despite differing emphases on what the American role should be, they are all interested—almost desperately so—in efforts towards mediation and conciliation.

The impression exists among the spokesmen for these nations that both the United States and the Soviet Union are stepping up their preparations for a military showdown in Central America, and that this confrontation is inevitable unless immediate steps are taken to avert it. Several of our group talked candidly with Ambassador Briggs and his Deputy Chief of Mission at a luncheon at the Embassy in Panama, and the impression of a hardening of the policy was confirmed by this conversation. Briggs and his deputy talked in rigidly ideological terms of "good guys vs. bad guys," of the responsibility for developments of Castro "the evil genius" (whom Contadora spokesman had characterized as being interested in striking a deal); the Ambassador allowed as how he was closer than ever before to acknowledging the inevitability of military action.

Yesterday, May 31, 1983, the President was asked by a newsman about the alleged change to a harder-line policy in Central America. Mr Reagan replied, "These (allegations) have been played, very frankly, out of all proportion." The President's representations, playing down the military role in Central America has lead the American people to be insufficiently informed on these and other realities. I consider it essential to set forth immediately the results of our trip to Congress and to the media.

The key question that must be addressed: Is war inevitable, as recent developments in Administration policy would indicate and as Latin American spokesmen fear? Or can war be avoided? And if so, how?

Some capsule summary of conversations with the principals is here in order:

Mexican Foreign Minister Sepulveda is a significant figure in Contadora discussions; he impressed our group with his forceful—yet poised and polite—manner. I communicated to him our interest in seeking a peaceful solution and the fact that, since we discerned that as the primary Contadora motive as well, our interest in the initiative as a means for doing so. Sepulveda responded that he was grateful for our interest. He briefly traced the history of the initiative, which dates from conversations between the governments of Mexico and Venezuela after the accession to power seven months ago of President de la Madrid in Mexico. The two countries reflected on a number of regional conditions, including the meeting of "non-aligned" nations in Managua last December and the "extremely dangerous" political and military circumstances in Central America. The two countries then began discussions with Panama and Colombia, and—discovering similar thinking in those two countries—scheduled the first meeting of the four nations for the Island of Contadora off the coast of Panama in January. From what he characterized as a modest beginning, the group issued a press release which generalized the nature of the meeting, and this press release, Sepulveda said, had taken on unusual weight.

Sepulveda launched into a discussion of points which Mexico considered desirable of immediate resolution. He concurred with my suggestion that a combination of bi-lateral and multi-lateral talks in the hemisphere might be useful. The first point he raised concerned the difficulties on Nicaragua's border. He said that (a) the tensions between Honduras and Nicaragua needed immediate attention; and (b) Nicaragua was interested in bi-laterial discussions—between themselves and Honduras and between themselves and the United States. He was not adamant on the point of bi-lateral talks—at least not to the degree that the Nicaraguans are—and went so far as to compare the distinction between the two kinds of talks to the fruitless atmosphere during early Vietnam talks when much time was wasted on the shape of the negotiating table. The United States, he said in what was perhaps his most determined and solemn moment of the conversation, should "strongly encourage" the Hondurans to be cooperative and to desist from dangerous activities against Nicaragua. Under the circumstances, this could only be construed as a negative Mexican reaction to our own convert-overt operations in Honduras.

On another point, Sepulveda noted that his country had responded to a Costa Rican request for assistance in restraining anti-

Nicaraguan commandoes on that country's border with Nicaragua. Stressing that Mexico's response was confined to the diplomatic, economic, and political spheres, Sepulveda pointed out that the policies of his country precluded participating in a peace-keeping force in the region. He said he had disagreed with Costa Rica's preference for an O.A.S. contingent on its border with Nicaragua and suggested that the United Nations was the proper authority to assume such duties. He noted with satisfaction that Ambassador Kirkpatrick had voted in favor of the recent Security Council resolution which endorsed the Contadora Initiative. He nodded and said, "We have noticed" in a pleased manner when I suggested that the shape of United States policy was fluid.

On one point, Sepulveda was quite firm. It was dangerous, he said, for a State to unilaterally organize "intervention by invitation." Mexico's role was not that of policeman in the Central American area, he emphasized. He agreed with my statement that the essential problems of the area were not of military origin, ultimately, but were economic social, and political.

On that point of agreement, Sepulveda relaxed his quite sober mien somewhat and conceded that the decision of the Sandinistas not to hold immediate and meaningful elections in the 1979-80 period "had been a mistake." But the problem was that the country lacked the institutional structures that would favor elections. Nicaragua had endured "40 years or so" of "no political culture," he said in an apparent reference to the long-term reign of the Somozas and their allies. But, said Sepulveda, the high side of the Nicaraguan situation was that, in his opinion, officials there realized that they had made a mistake in avoiding elections.

Attempts to impose a military solution in Nicaragua would bring about a "tragedy," Sepulveda said. He expressed great alarm (as would other Contadora representatives) about the escalating arms race, with "each country arming itself to absurd lengths." It was wrong to believe in the existence of a "dichotomy between a military solution and nothing."

When both Ambassador Pezzulo and I concurred, Sepulveda expressed interest in increasing his contacts with members of Congress and suggested that his government would gladly pool information on the Contadora Initiative and associated questions. The best position for the United States, however, was not to seek immediate inclusion in Contadora efforts but to encourage them from a distance. "We have to accept that there are different phases in the negotiating process," he said, but added that, once the negotiating process had begun and some "confidence-building" had resulted, there might "in a month, in three months, in six months" be a "need for additional participants." The time was not right, though, for such "additional participants." At the present moment, he said in a firm way which indicated he was conveying his own sentiments, "a U.S. role would be totally rejected by some of the participants."

Sepulveda made a point of saying that one could not resist social, economic, and historical change "with an act of the will." And in this he seemed to mean both the historical change now under way in Central America as well as the shifting diplomatic alignments of Latin America. What nations should do was to try to insure that the inevitable social change would be channeled "through pacific means."

When I pointed out that members of Congress, including Speaker O'Neill and Majority Leader Wright, had been informed of the trip in progress and would naturally wish to be briefed, Sepulveda seemed quite gratified. He noted that, in five weeks' time, the U.S.-Mexico Interparliamentary Commission would be meeting and said that it would be "important" to have a meaningful representation from Washington. New relationships might be sought out, he suggested. On that note our meeting concluded. One would have to say, in diplomatic jargon, that its tone had been "frank and amiable."

The breakfast conversation on Friday morning in Panama City with officials of the Panamanian Foreign Ministry and their Ambassador to the U.S. was quite striking in its contrast to the tone of Dr. Sepulveda's remarks. Although, as a record of their remarks indicates, they were at least as emphatic verbally in sounding the alarm as he was—and in some ways more so—their manner was at most times more indirect and less pronounced. They were more given to polite small talk and salted their conversation with frequent conversational asides meant to be amenable to representatives of the United States with whom they shared a responsibility for the Panama Canal.

I began the conversation by congratulating the Panamanian Foreign Minister, Juan Jose Amado, for the Contadora Initiative and said that I was intrigued by the possibility of conducting multi- and bi-lateral negotiations in Central America.

Amado said that would not be easy, and he echoed the Mexicans in saying that our most effective role might be to encourage the Central American countries to work out their own problems. He said that the difficulty in a country like El Salvador was the problem of how to integrate the quite separate social and political groupings in that nation. Unless such an integration were possible, he said, military approaches would necessarily dominate events.

In response to my statement that I, too, considered social, economic, and political questions paramount, Dr. Amado emphasized that any development plan for Central America would have to involve the interests and participation of "the entire people, not a selected group." He especially mentioned the prospects of American assistance in the development of agriculture.

Ambassador Pezzulo and I agreed and suggested that any comprehensive development plan for the Central American region should be quite general in its application. But unfortunately I said, there existed at present no structure to accommodate such an approach. In response to statements by Ambassador Pezzulo, Vic Johnson, and myself about the need for basic reforms in Central America, Amado delivered himself of several pessimistic statements about the crisis in El Salvador.

The progress of reforms in El Salvador had been "so slow," he said. The danger was that, by the time any real progress could be made, it would be too late. This statement made a strong impression on our group. Dr. Amado continued that it was absolutely necessary to stop the flow of arms into the area, and he insisted that the rebels in El Salvador would have to be given "some share of control." He and Ambassador Boyd seemed concerned both about the American officer's murder in El Salvador and President Reagan's announcement that he was dispatching an additional 100 advisers to Honduras. Arms control, he said, was "one of those steps that must be taken," and observers—whether of O.A.S. or U.N. origin—were vitally needed. Immediate moves were necessary, he said, because of the positive effect such controls would bring to the "image" of the problem. There was now a widespread feeling that the government of El Salvador was not interested in serious negotiations, he said, and this would make a solution "very difficult." What we had now he characterized as a "chicken-and-egg" problem or a "vicious circle," with one belligerent step easily leading to another.

Ambassador Pezzulo suggested that the visible increase in arms shipments into the region was a "symptom" of the disease. Dr. Amado agreed but suggested that a Declaration of Principles about the arms flow would be a "very positive step."

Pezzulo spoke of tendency of the Sandinistas in Nicaragua to want to "fight rather than govern." Eden Pastora, the former Sandinista commandante now leading a rebellion from Costa Rican territory was more a important figure than the contras based in Honduras, he said. He said that it was his impression that the Sandinistas, if they saw a successful agreement coming out of Contadora efforts, would be amendable to negotiations. "Our being out of it (the Contadora Initiative) is the greatest virtue of all," he said. Later, there might develop a coalition in Congress to "jump in at the appropriate time."

At this point, I asked directly, what would happen if some proclamation of support for Contadora came from our government? A general discussion of that possibility resulted, with the consensus being that—depending on how such a statement were made, of course—it could only benefit the search for peace. But, in answer to the question, "How much time do we have?" Dr. Amado answered quite gravely, "I don't think we've got any time left."

The majority of our people—like, presumably, people elsewhere in the hemisphere—do not want an enlargement of hostilities in Central America, I told Dr. Amado, but the problem was that, until quite recently, there had seemed no obvious way out.

Dr. Amado acknowledged this tribute to the Contadora Initiative and answered with a reference to the three-day Contadora meeting, scheduled to begin that day: "We shall see what happens this weekend."

At that point, the meeting concluded.

Between this meeting with the Panamanians and a breakfast meeting Saturday morning, May 28, with Rodrigo Lloreda Ceicedo, Foreign Minister of Colombia, the first informal contacts between Contadora participants had occurred. It was never easy to determine what went on between representatives of the four nations because of an effective press blackout of proceedings. But some measure of them could be taken from Dr. Lloreda's candid comment early in our breakfast that conversations between the four countries were often "very difficult."

The breakfast talk began with Dr. Lloreda saying that he was most interested in the Congressional attitude toward the Contadora Initiative and expressed interest in my being a member of "the opposition party." I replied that one of the Constitutional duties of the loyal opposition in our system required efforts to debate and help shape national policy. The Contadora Initiative, I said, seemed to offer an alternative to the extreme options which has so far been discussed in the United States—i.e., the Shoot-It-Out strategy vs the Walk-Off-and-Leave-It strategy. I emphasized with Dr. Lloreda as with other parties we talked to that I did

not see Congressional opinion on Central America as divided along strict Democratic-Republican lines, but rather into three broad groupings—liberal, moderate, conservative, with Democrats and Republicans in each group and with the moderate as the key factor. I myself, I told him, was a member of the moderate group, as were a substantial percentage of Congressmen. I also offered Dr. Lloreda—as I had the others with whom we talked—my reading of President Reagan's address last month to a joint session of Congress: namely, that the President had not taken a hard position, much less a hard-line one, but instead had invited further Congressional debate toward the elaboration of a bi-partisan political solution in Central America. (I must add that the new Reagan Adminstrative moves over that weekend—with the clues they supplied that the more hard-line approach of U.N. Ambassador Jeane Kirkpatrick was now in the ascendant—dampened my enthusiasm somewhat for that interpretation. I continue to see it, however, as the "bottom line" of what the President said back in April.)

I invited Dr. Lloreda to give me his perspective on the Contadora Initiative, and he obliged by saying that the first meeting of the group in January didn't concentrate entirely on Central America. There were a number of other issues, he said and it was his conclusion that a major reason for the association was to serve as a counter-balance to the previous meeting of "non-aligned" nations in Managua. The Contadora group, he said, wished to present itself as a visible alternative to the Managua meeting's propaganda line of American "slave" countries.

That first meeting had been difficult, Lloreda said. Historically there had been a division between "northern Central America" and "southern Central America," but countries were "no longer isolated" by such convenient distances. Ambassador Pezzulo noted that the present Colombian administration was taking a less "distant" position toward hemispheric linkages than the previous one, and Dr. Lloreda replied that there were reasons for that.

Quite important in causing nations of the hemisphere to form associations like Contadora was the crisis last year in the Falklands-Malvinas, Lloreda said. You had to choose (between Latin opinion and the British) and didn't choose us," he said bluntly but politely. Consequently, a "consciousness" had developed that "we can't always count on the United States in time of crisis . . . a growing consciousness that we're not very important to the United States." Several nations had drawn the conclusion that they should seek mutual cooperation on their own, but that did not mean that there was "dislike" of America, which had improved its position greatly with the Latins by signing the Panama Canal treaty. Pezzulo and I concurred and wondered rhetorically where we would be if we hadn't negotiated that treaty with the Panamanians. (Although there were serious differences of opinion expressed in our conversations with Ambassador Briggs Saturday, we were impressed with several of his statements, including one to the effect that the operation of the canal was now more efficient than ever.)

At this point, Lloreda shifted into a discussion of the problem of Nicaragua, and he was the most concerned of all of the officials we spoke to about what he saw as difficulties caused by the Sandinistas. He said that he personally had advised the comandantes that "if they threw themselves into the arms of the Soviets, they would have problems." I recalled seeing a telecast of the Pope's recent visit to Nicaragua, which featured Sandinista demonstrators heckling His Holiness as he was celebrating a public mass. Yes, Lloreda agreed, that spectacle did "a lot of harm." To a remark, by Ambassador Pezzulo about the "internal strife" of the Church, Lloreda responded by speaking critically of "this group of (Sandinista) priests with their theology of liberation." Rounding out this part of the discussion, I oberved that the Pope had been most impressive both in his handling of the heckling incident and in the dignified, compassionate manner of his touring the afflicted Central American nations.

The Foreign Minister then made several observations to the effect that the United States faced more difficulties in reaction-time to crisis than the Soviets, who were not possessed of Constitutional processes in the sense that we were. This was particularly true in the matter of arms shipments, he said. He suggested that, while the prospect of a U.S. response was helpful, in the longer term a committment to democratic principle and support for democratic groups and processes was essential. He favored educational programs focused on the nature of democratic government. He cited the example of the Germans after World War Two as a case in point.

I spoke briefly of my view that Americans in the Northeast and West of our country were preoccupied with European, Middle East and Asian affairs, respectively, and that people in the South and Southwest of the United States were better tuned to the problems of Latin America. This also was a question requiring further education, I said.

Dr. Lloreda remarked that the Sandinista government was "not easily thrown out." He pointed out, "They have guns, and they have support from outside sources. It is a fact of life." Part of the problem was that the Sandinistas had "been put in a more radical position" by circumstances. He spoke of "unofficial" contacts with the Cubans, who had spoken to him of a desire for "re-accommodation",— i.e., an increase in contacts between hemispheric nations with different social systems. He had been advised by representatives of Fidel Castro's point of view that" things (in Nicaragua and El Salvador) need not be black or white. They can be grey."

Although it was his opinion that "Andropov might need a victory somewhere," Lloreda continued to proclaim that the Cubans had other interests. He went so far as to suggest that the Salvadoran conflict "frightened" them on two grounds: that the war might be enlarged and that the revolutionary movement there was "too radical" by Cuban standards. This remark provoked general laughter, and we took its real meaning to be that Castro was sending signals for negotiation for quite pragmatic reasons of stability in the area.

After more relaxed conversation with this quite American-style Latin minister, we excused ourselves and, each in our own way, set about the process of reflecting on what we had learned from this and the other talks.

The more I thought about these informative exchanges—especially in the context of the weekend's crisis events—the more I was led to several inescapable conclusions that required immediate consideration in Congress.

1. A general consensus is emerging that a stalemate exists in El Salvador; and, the evidence of recent events indicated that both the United States, through its allies in Honduras and the Soviet Union through Cuba and Nicaragua are stepping up their military and political commitments to a point of danger and probable confrontation.

2. American policy—though still at the fluid stage—appeared to be rapidly escalating in the direction favored by the "hard-liners." I recall with some alarm the President's spokesman stating that the replacement of seasoned diplomatic personnel "with our own people" was the purpose of the recent shakeup within the Department of the State.

3. I saw the espoused invitation by the President of a bi-partisan political solution slipping away under the accelerated pace of military buildups by all sides, including our own. It is obvious that Mr. Reagan is articulating a policy of negotiation on the one hand while administering a policy of military buildup on the other hand.

4. Yet there was the bright light of hope offered by the Contadora Initiative. All that I had seen and heard in our visit to Mexico City and Panama indicated that the participating nations were determined in their efforts to seek peace and eager also to assist in formulating a process to accommodate social and economic reform in Central America. I saw reason for the United States to encourage this process, not only for its own sake but for the precedent it offered for later, more comprehensive hemispheric cooperation.

5. In light of the pointed remarks by Dr. Sepulveda and others inviting interchanges between our country and those of Latin America and especially in view of their hopes for our sympathy toward the promise represented by the Contadora efforts, I saw an immediate need for Congressional reaction to these efforts and for a renewal of our determination to establish the basis for a bi-partisan political solution.

The foregoing conclusions present several immediate options available to Members of Congress:

1. We could pursue our contacts with the Contadora group—as they had specifically invited—and could begin by sending a high-level U.S. delegation to the forthcoming U.S.-Mexico Interparliamentary Commission.

2. We could encourage Members of Congress journey to the Contadora capitals and acquaint themselves with the initiative now under way in the four nations of Mexico, Colombia, Venezuela, and Panama.

3. We could immediately set about the long overdue business of conducting hearings in the Congress about the puzzling and alarming deterioration of Central American stability and U.S. policy toward it in the last several years.

4. Encourage Members to debate the issue under Special Order, and in their respective District.

5. Finally, we could begin to consider a framework within which the U.S. could help foster basic reforms in Central America and pursue with those nations a plan of economic development which would be in the best traditions of the Marshall Plan.

These are options that I hope can be considered in Congress, debate of which would heighten the understanding of U.S. citizens about the problems that beset the people of Central America. We are on the threshold of hemispheric change. As Dr. Sepulveda of Mexico said, we cannot oppose historical change by an act of will. Nor should we. And, as Dr. Amado of Panama pointed out

so movingly, we have very little time left to insure that the forthcoming change will lead to peaceful and progressive consequences. However, Dr. Lloreda reiterated cautious optimism, but recited tangible opportunities for a general "re-accommodation" in Central America through negotiations.

PEACE INITIATIVE EFFORTS OF THE CONTADORA GROUP FROM JANUARY TO MAY 1983.

The Foreign Ministers of Colombia, Mexico, Panama and Venezuela, profoundly concerned by the current conflicts in Central America, made an urgent appeal on Contadora Island on January 9, 1983, to the countries of the region so that tensions could be reduced and the basis for peaceful coexistence and mutual respect in Central America could be established through dialogue and negotiation. The Ministers agreed on the need to intensify a Latin American dialogue in order to face the problems which jeopardize peace, democracy, stability and the development of the peoples of the Continent. They warned that it would be highly undesirable to view the Central American conflicts within the context of East/West confrontation and they exhorted all the countries to abstain from actions which might worsen the situation in that region.

Subsequently, and taking into account the worsening of the Central American situation, which endangers regional peace, the Ministers of Colombia, Mexico, Panama and Venezuela, together visited Costa Rica, Nicaragua, El Salvador, Honduras and Guatemala, on April 12 and 13, 1983. As a result of these visits, they invited the Central American Ministers to a second round of talks which took place in Panama on April 20 and 21, and for the first time during the course of the current crises, they agreed upon a common determination for dialogue. These talks allowed a clearer and deeper understanding of the viewpoint of each Central American country and the principal issues of the controversy. Among the matters which require special attention, the Ministers of the Contadora Group cited the following: the arms race, arms control and its reduction, the movement of weapons, the presence of military advisors and other forms of foreign military assistance, actions intended to destabilize the domestic order of other nations, threats and verbal aggression, armed incidents and border tensions, human rights, the serious economic and social problems that are at the root of the conflicts affecting the region. During the meeting an agreement was reached about the consultation and negotiation procedures that should be followed, depending on the nature of the issues and their regional or bilateral scope. The Ministers of the Group of Contadora stated that the responsibility for achieving peace agreements falls primarily upon the Central American nations themselves.

The Ministers of the Contadora Group met again in Panama, on May 12 and 13, and, in response to a request from the Government of Costa Rica, agreed to send an "Observer Commission" to the Nicaraguan/Costa Rican border, made up of two representatives from each country accompanied by the necessary advisors. The Commission will study the events which have occurred in the region and present the appropriate recommendations. The Ministers of the Contadora Group expressed their profound concern about the evolution of the Central American conflict and the renewed violation of international legal order. They indicated that, in the deliberations of the international forums, especially the Security Council of the United Nations, it would be desirable to strengthen the principles whose observance should regulate the actions of nations in the international arena. These principles are, among others, self-determination and non-intervention, respect for the integrity of States and the obligation to prohibit the use of one nation's territory to conduct acts of aggression against others, the peaceful solution of conflicts and the proscription of threats and the use of force to resolve conflicts. The Ministers of Colombia, Mexico, Panama and Venezuela invited the Central American Ministers to a new meeting to be held in Panama on May 28, 29, and 30, 1983.

The initiatives of the Contadora Group have received the support of Argentina, Australia, Brazil, Canada, Czechoslovakia, Dominican Republic, Ecuador, Egypt, European Economic Community, France, Federal Republic of Germany, Great Britain, Mongolia, Peru, the Socialist International, Spain, Sri-Lanka, Sudan, Sweden and Yugoslavia.

Mr. BARNES. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Connecticut, (Mr. RATCHFORD).

Mr. RATCHFORD. Mr. Speaker, I, too, rise in support of the further certification. Really, is it not sad that certification is again necessary?

When I look around and see some of the people here on the floor, I can recall that we were on the floor raising these issues in 1981, the gentleman from Wisconsin, the gentleman from Maryland, the gentleman from Massachusetts, and now here we are, in June of 1983, and many of these issues are still unresolved.

Mr. Speaker, I have a specific concern above and beyond my general concern for the direction that we seem to be pursuing in El Salvador and in much of Latin America, and that is the lack of justice to the four American families who saw family members murdered. When? In December of 1980.

December of 1980 was the time when four American religious workers were murdered in that country. One of those workers, Jean Donovan, has family living in my home town in Danbury, Conn., and every weekend when I go home, and from time to time on the telephone. Jean Donovan's brother, Michael, says to me:

Why is there no progress? Where is there evidence that there will be a full investigation? Are we going to see a white-wash as it relates to my sister, Jean Donovan, and of the other religious workers murdered, when, in December of 1980? Will we only see low-level, low-ranking National Guardsmen brought to trial, or will those fully responsible for this dastardly act also be brought into court?

Yet, as we approach another certification, I think the sad fact of the matter is that there will not be a further investigation, that there will not be a trial, that there will not be justice, without this House and the other body keeping the spotlight on, keeping the focus on, and saying in America that we care about justice, we care about freedom, and to those four important American families, we are not going to let the heat come off until justice is brought for those Americans who have paid the supreme price, the loss of life in El Salvador.

So support the certification, yes, but how good it would be if today we were reporting progress and reporting justice in El Salvador.

Mr. BARNES. Mr. Speaker, I have no additional requests for time, and I yield back the balance of my time.

Mr. LAGOMARSINO. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. MOLINARI).

Mr. MOLINARI. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I would just like to say briefly that I wish to associate myself with the remarks of the gentleman from Connecticut because I, too, had a constituent in my district who was murdered, and I am far from satisfied with the efforts to date in El Salvador in solving those murders.

Mr. Speaker, H.R. 1271 is a most significant piece of legislation. I heartily endorse the statement made by the Committee on Foreign Affairs, as articulated in this bill, that certification be made conditional upon the implementation of "good faith" Salvadoran efforts to investigate the murders of six Americans in that country. By passing this bill, we will be sending a very clear message that the patience of the American people is wearing thin. Many hopes for the resolution of the murder trial of those who murdered the four American churchwomen were dimmed this past March when the case was remanded to the lower court for further evidence clarification.

I have been following very closely the investigation of the murders and the ongoing trial. My vote on continuing aid to El Salvador will, of course, be based on whether it is in our national interest to do so. However, the current situation regarding the American churchwomen is one which intensifies doubts that continued aid is justified. I hope that in the next month, before we vote on certification for El Salvador, we will witness some movement toward justice in the murder case.

I would like to share with my colleagues the following letter from the State Department, which I received in response to an inquiry I made in April.

U.S. DEPARTMENT OF STATE,
Washington, D.C., May 6, 1983.

Hon. GUY V. MOLINARI,
House of Representatives.

DEAR MR. MOLINARI: Thank you for your letter of April 14 concerning the murders of the four American churchwomen in El Salvador.

The Department of State shares your regret and concern about these tragic murders. We remain committed to a full investigation into the murders and to seeing that those responsible are brought to justice. To this end, the Department of State, the U.S. Embassy, and the FBI have spent countless hours working on this case. We will continue to investigate any leads, no matter where they take us, and to press for a fair and thorough administration of justice. President Magana has given his personal assurances to President Reagan that justice will be full administered.

You will be interested to learn the current status of the case. On November 15, 1982, the Judge ordered the churchwomen's case to plenary (trial) and on December 6 he appointed defense counsel for the five accused. Defense counsel then appealed the court order raising the case to the plenary (trial) stage citing insufficient evidence. The Appellate Court ruled that the trial judge had failed to provide the defense attorneys with formal notification prior to ordering the case to plenary. Complying with the Appellate Court ruling, on January 11, 1983, the judge formally notified the defense attorneys of his order raising the case to the plenary (trial) stage. Subsequently, the defense attorneys again appealed the order raising the case to the plenary stage. They asked that the charges against the guardsmen be dropped for lack of evidence.

On March 11, the Appellate Court in San Vicente revoked the lower court motion raising the case to plenary. It returned the case to the lower court in Zacatecoluca for investigation and clarification of three points of evidence having to do with the lesser charge of theft. In its decision, however, the Appellate Court confirmed the validity of the evidence presented against the defendants, specifically the murder charges. The charge of aggravated homicide stands and the Appellate Court's decision in no way changes the continued detention of the five ex-national guardsmen. The case can again be returned to the trial stage when the three points of evidence have been clarified.

Again, thank you very much for your concern. You may be assured that the Department of State shares your concern and commitment for a thorough administration of justice in these cases. We are determined that those responsible for such reprehensible crimes are brought to justice. We hope that by pursuing a fair and thorough prosecution in this particular case a precedent will begin for the revitalization of the judicial system in other cases. We believe that ultimately a viable judicial system is essential if further improvements in human rights and democracy in El Salvador are to come about.

With cordial regards,

Sincerely yours,

POWELL A. MOORE,
Assistant Secretary for Congressional Relations.

Mr. Speaker, I can appreciate, as the letter points out, that President Magana is confident that justice will ultimately be done. However, the letter also touches on a more poignant indicator. That is, the importance of a viable judicial system to a full restoration of human rights in that country. Certainly, as the long delayed murder trial has illustrated, this kind of viability has yet to be exhibited.

● Mr. OTTINGER. Mr. Speaker, for the past 2 years the Reagan administration's policy in El Salvador has been reckless, short-sighted, and based on a faulty set of premises. This policy has ignored the root of causes of El Salvador's instability—the long history of poverty and oppression—and completely evaded any prospect of negotiations to address these issues.

Mr. Reagan continues to up the ante in our involvement in El Salvador. He wants to bypass the limit on military advisers to the region by sending more advisers instead to Honduras; he has asked for dramatic increases in military aid; in short, the Reagan administration continues to feed the very forces of repression engaged in a continual and unabated pattern of human rights abuses against Salvadoran civilians.

There is a growing sense in this Congress that our involvement in El Salvador must not be allowed to escalate. The recent murder of a top military adviser in El Salvador clearly demonstrates that we are involved in a hostile military situation. The President has already presented a phony certification to Congress that there has been enough human rights progress in El Salvador to warrant our continued involvement. While that certification flies in the face of the facts, the President should also be required to address the Salvadorans' failure to prosecute the murder of our citizens—our two agrarian reform advisers, the journalist John Sullivan, a civilian, and the four churchwomen. Two of those churchwomen came from the Maryknoll Sisters in my district.

The Sisters have waited long enough to see justice done. The five men arrested for the murders are still awaiting trial. A false statement that the trial would be held in 2 weeks time has been their only consolation. What's more, despite repeated official statements connecting "higher-ups" with the slayings, to date there has been no investigation of any higher-level involvement. This is simply not adequate.

Promises from the State Departmednt that they will investigate the recent murder of our military adviser "as carefully as we have the death of the churchwomen" offer little hope.

While thé President's willingness to certify anything to continue his unfortunate political objectives in Central America undermines the usefulness of certification, the certification requirement is worthwhile to educate Congress and the country to the point where we will no longer accept the President's false assurances, will cut off our military involvement, and will join with Mexico, Venezuela, Colombia, Spain, Panama, and numerous other countries in seeking a political, rather than military solution that can offer peace and progress to this troubled neighbor.

I urge my colleagues to support this certification legislation, H.R. 1271, and commend the efforts of my colleague from Massachusetts (Mr. STUDDS).●

● Mr. PAUL. Mr. Speaker, I would like to take this opportunity to explain my opposition to H.R. 1271. I do so not only to explain my own vote but to shed further light on this enormously complicated issue.

Let me make it clear that I in no way condone the violence in El Salvador. I think that those of my colleagues who support H.R. 1271 because they believe it would make it more difficult for El Salvador to receive further U.S. dollars are perfectly justified in doing so. But the bill does not challenge the notion of foreign aid itself.

My concern is that this bill would legitimize something my colleagues have denied for years. It legitimizes the concept of American foreign aid as a tool of American foreign policy. Of course, our foreign aid dollar is now and has always been a weapon. H.R. 1271 should lead my colleagues to admit this and to dispense with the humanitarian rhetoric in which we have indulged in this body. It should lead us to end this hypocrisy by ending our foreign aid program altogether.

As our imposition of conditions on El Salvador suggests, our foreign aid is a bribe by which we seek to impose our own will on other supposedly sovereign governments. Worse yet, successive administrations and successive Congresses have used this foreign aid bribe in a most hypocritical manner. In the case of El Salvador, we are not demanding that its Government meet stringent conditions in exchange for relatively small amounts of foreign aid. Yet in the case of other less developed countries—those, that is, ruled by Communists—the utter suppression of the most basic human rights seems to matter not at all. We give them the money without a thought to internal conditions, in the vain hope of buying their friendship.

I oppose H.R. 1271 for another reason: H.R. 1271 and the section of the International Security and Development Cooperation Act of 1981 that it amend demand that the President certify certain conditions within El Salvador. How do we in Congress honestly expect the President of the United States to know exactly what is going on within the government of another sovereign nation? We cannot. Since we cannot, this entire certification nonsense comes to little more than political grandstanding.

If the flow of U.S. foreign aid dollars is intended to boost the economies of our Latin American neighbors and thus arrest the spread of communism, as some of our colleagues insist, then I would submit that there are more ef-

fective ways to accomplish both of these objectives.

After all, four decades of massive foreign aid giveaways have done nothing whatsoever to stop the growth of communism. Similarly, the flow of dollars from the taxpayers of this country to the dictators of the Third World have done nothing to stimulate economic growth in those backward economies, but a good deal to prevent it in our own.

Meanwhile, of course, my colleagues have introduced a barrage of protectionist legislation, imposing artificial barriers to trade that block any possibility of sustained economic growth in those countries. The economic stagnation that results increases the likelihood that these victimized countries will be economically and militarily vulnerable to communism. Our response, of course, will be to send them more dollars.

In closing, I would repeat that I deplore the killings in El Salvador. Unfortunately, the solution cannot be found in this hypocritical use of U.S. dollars.●

Mr. LAGOMARSINO. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Maryland (Mr. BARNES) that the House suspend the rules and pass the bill, H.R. 1271, as amended.

The question was taken.

Mr. CONTE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

□ 1230

GENERAL LEAVE

Mr. BARNES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on the bill just under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

EMERGENCY SCHOOL AID ACT

Mr. PERKINS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2207) to reenact the Emergency School Aid Act, as amended.

The Clerk read as follows:

H.R. 2207

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That the Elementary and Secondary Education Act of 1965 is amended by inserting at the appropriate place in the Act the following title:

"TITLE VI—EMERGENCY SCHOOL AID

"SHORT TITLE

"SEC. 601. This title may be cited as the 'Emergency School Aid Act'.

"FINDINGS AND PURPOSE

"SEC. 602. (a) The Congress finds that the process of eliminating or preventing minority group isolation and improving the quality of education for all children often involves the expenditure of additional funds to which local educational agencies do not have access. The Congress further finds that certain of these local educational agencies require funds in order to complete implementation of activities initiated with assistance under the Emergency School Aid Act.

"(b) The purpose of this title is to provide financial assistance—

"(1) to meet the special needs incident to the elimination of minority group segregation and discrimination among students and faculty in elementary and secondary schools; and

"(2) to encourage the voluntary elimination, reduction, or prevention of minority group isolation in elementary and secondary schools with substantial proportions of minority group students.

"POLICY WITH RESPECT TO THE APPLICATION OF CERTAIN PROVISIONS OF FEDERAL LAW

"SEC. 603. (a) It is the policy of the United States that guidelines and criteria established pursuant to this title shall be applied uniformly in all regions of the United States in dealing with conditions of segregation by race in the schools of the local educational agencies of any State without regard to the origin or cause of such segregation.

"(b) It is the policy of the United States that guidelines and criteria established pursuant to title VI of the Civil Rights Act of 1964 and section 182 of the Elementary and Secondary Education Amendments of 1966 shall be applied uniformly in all regions of the United States in dealing with conditions of segregation by race whether de jure or de facto in the schools of the local educational agencies of any State without regard to the origin or cause of such segregation.

"AUTHORIZATION

"SEC. 604. (a) The Secretary shall, in accordance with the provisions of this title, carry out a program designed to achieve the purpose set forth in section 602(b).

"(b) There are authorized to be appropriated for the purposes of this title, $100,000,000 for fiscal year 1984 and such sums as may be necessary for each of the two succeeding fiscal years.

"(c)(1) From the amount appropriated in each fiscal year the Secretary shall reserve not more than 5 percent for carrying out section 607.

"(2) The remainder of the amount appropriated for each fiscal year shall be available for grants and contracts to local educational agencies which meet the eligibility requirements of section 605.

"(d) No funds are authorized to be appropriated to carry out this title for any fiscal year if the amount appropriated to carry out chapter 2 of the Education Consolidation and Improvement Act of 1981 for such fiscal year does not equal or exceed 95 percent of the amount appropriated to carry out such chapter for the preceding fiscal year.

"ELIGIBILITY FOR ASSISTANCE

"SEC. 605. (a)(1) The Secretary is authorized to make a grant to, or enter into a contract with, a local educational agency—

"(A) which is implementing a plan—

"(i) which has been undertaken pursuant to a final order issued by a court of the United States, or a court of any State, or any other State agency or official of competent jurisdiction, and which requires the desegregation of minority group segregated children or faculty in the elementary and secondary schools of such agency, or otherwise requires the elimination or reduction of minority group isolation in such schools, and which may, in addition, require educational activities in minority group isolated schools not affected by the reassignment of children or faculty under the plan in order to remedy the effects of illegal segregation; or

"(ii) which has been approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 for the desegregation of minority group segregated children or faculty in such schools; or

"(B) which, without having been required to do so, has adopted and is implementing, or will, if assistance is made available to it under this title, adopt and implement, a plan for the complete elimination of minority group isolation in all the minority group isolated schools of such agency; or

"(C) which has adopted and is implementing, or will, if assistance is made available to it under this Act, adopt and implement a plan—

"(i) to eliminate or reduce minority group isolation in one or more of the minority group isolated schools of such agency;

"(ii) to reduce the total number of minority group children who are in minority group isolated schools of such agency; or

"(iii) to prevent minority group isolation reasonably likely to occur (in the absence of assistance under this title) in any school in such district in which at least 20 percent, but not more than 50 percent, of the enrollment consists of children of any single minority group; or

"(D) which, without having been required to do so, has adopted and is implementing, or will, if assistance is made available to it under this title, adopt and implement a plan to enroll and educate in the schools of such agency children who should not otherwise be eligible for enrollment because of nonresidence in the school district of such agency, where such enrollment would make a significant contribution toward reducing minority group isolation in one or more of the school districts; or

"(E) which is developing a plan of desegregation—

"(i) issued by a court of the United States or a court of any State, or any other State agency or official of competent jurisdiction; or

"(ii) undertaken by such agency voluntarily; and

which plan will require the desegregation of minority group segregated children or faculty in the elementary and secondary schools of such agency, or otherwise will require the elimination or reduction of minority group isolation in such schools, or which has been approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 for the desegregation of minority group segregated children or faculty in such schools, and the period for such planning does not exceed two years; or

"(F) which is located within, or adjacent to, a Standard Metropolitan Statistical Area, the schools of which are not attended by minority group children in a significant number or proportion, and which has made joint arrangements with the schools of a local educational agency located within that Standard Metropolitan Statistical Area which are attended by minority group children in a significant proportion, for the establishment or maintenance of one or more integrated schools.

"(2) Not more than one grant for the development of a plan under clause (E) of paragraph (1) may be made to any local educational agency. Receipt of a grant or contract under clause (E) of paragraph (1) shall not be used as an absolute defense in any court of the United States or a court of any State, or before any other State agency or official of competent jurisdiction.

"(3) No grant may be made under clause (F) of paragraph (1) unless the application for such grant has been approved by local educational agencies in the Standard Metropolitan Statistical Area, the students of which constitute two-thirds or more of the number of students in the schools of all the local educational agencies in the Standard Metropolitan Statistical Area.

"(b)(1) Except as provided in paragraph (2), no educational agency shall be eligible for assistance under this title if it has, after June 23, 1972—

"(A) transferred (directly or indirectly by gift, lease, loan, sale, or other means) real or personal property to, or made any services available to, any transferee which it knew or reasonably should have known to be a nonpublic school or school system (or any organization controlling, or intending to establish, such a school or school system) without prior determination that such nonpublic school or school system (i) is not operated on a racially segregated basis as an alternative for children seeking to avoid attendance in desegregated public schools, and (ii) does not otherwise practice, or permit to be practiced, discrimination on the basis of race, color, or national origin in the operation of any school activity;

"(B) had in effect any practice, policy, or procedure which results in the disproportionate demotion or dismissal of instructional or other personnel from minority groups in conjunction with desegregation or the implementation of any plan or the conduct of any activity described in this section, or otherwise engaged in discrimination based upon race, color, or national origin in the hiring, promotion, or assignment of employees of the agency (or other personnel for whom the agency has any administrative responsibility);

"(C) in conjunction with desegregation or the conduct of an activity described in this section, had in effect any procedure for the assignment of children to or within classes which results in the separation of minority group from nonminority group children for a substantial portion of the school day, except that this clause does not prohibit the use of bona fide ability grouping by a local educational agency as a standard pedagogical practice; or

"(D) had in effect any other practice, policy, or procedure, such as limiting curricular or extracurricular activities (or participation therein by children) in order to avoid the participation of minority group children in such activities, which discriminates among children on the basis of race, color, or national origin,

except that, in the case of any local educational agency which is ineligible for assistance by reason of clause (A), (B), (C), or (D), such agency may make application for a waiver of ineligibility, which application shall specify the reason for its ineligibility, contain such information and assurances as the Secretary shall require by regulation in order to insure that any practice, policy, or procedure, or other activity resulting in the ineligibility has ceased to exist or occur and include such provisions as are necessary to insure that such activities do not reoccur after the submission of the application.

"(2) Whenever a local educational agency applies for assistance under clause (E) of section 605(a)(1), the provisions of clauses (C) and (D) of paragraph (1) of this subsection shall not apply if the local educational agency provides assurances in the application for assistance that the development of the plan for which assistance is sought will address the conditions described in such clauses (C) and (D).

"(3)(A) Applications for waivers under paragraph (1) may be approved only by the Secretary. The Secretary's functions under this paragraph shall, notwithstanding any other provision of law, not be delegated.

"(B) Application for waiver shall be granted by the Secretary upon determination that any practice, policy, procedure or other activity resulting in ineligibility has ceased to exist, and that the applicant has given satisfactory assurance that the activities prohibited in this subsection will not reoccur.

"(4) No application for assistance under this title shall be approved prior to a determination by the Secretary that the applicant is not ineligible by reason of this subsection.

"(5) All determinations pursuant to this subsection shall be carried out in accordance with criteria and investigative procedures established by regulations of the Secretary for the purpose of compliance with this subsection.

"(6) All determinations and waivers pursuant to this subsection shall be in writing.

"(7) The Secretary shall prepare and include in the annual report required by section 422(a)(4) of the General Education Provisions Act a list of all the waivers granted under this subsection for the preceding fiscal year.

"AUTHORIZED ACTIVITIES

"SEC. 606. (a) The Secretary shall make sums appropriated under section 604(a) for any fiscal year available for programs and projects designed to meet educational needs that arise from the development of or the implementation of a plan described in section 605(a). The programs and projects may include, but are not limited to—

"(1) planning to implement or carry out a plan of desegregation issued by a court of the United States, or a court of any State, or any other State agency or official of competent jurisdiction, and which requires the desegregation of minority group segregated children or faculty in the elementary and secondary schools of such agency, or otherwise requires the elimination or reduction of minority group isolation in such schools or which has been approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 for the desegregation of minority group segregated children or faculty in such schools;

"(2) the planning for, design of, and conduct of programs in magnet schools, including necessary minor remodeling or alteration of existing school facilities;

"(3) the training of school staff and local educational agency staff in the handling of problems incident to the implementation of a qualifying plan;

"(4) the provision of additional staff members (including teacher aides) to assist in meeting educational needs that arise from the implementation of the plan;

"(5) innovative educational activities, including extracurricular activities, which involve the joint participation of minority group children and other children;

"(6) community relations activities, including public information efforts, in support of the implementation of a qualifying plan;

"(7) activities to prevent or eliminate recurring or continuing problems resulting from the implementation of a qualifying plan; and

"(8) in the case of an applicant implementing a court-ordered desegregation plan under section 605(a)(1)(A)(i), the conduct of educational activities in one or more minority group isolated schools which are not affected by the reassignment of children or faculty under the plan, where the activities have been required by the court to remedy the effects of illegal segregation.

"(b) In recruiting and hiring teacher aides to assist in carrying out a program or projects under this section the local educational agency shall give preference to parents of children affected by the implementation of a qualifying plan.

"SPECIAL STATE PROJECTS

"SEC. 607. From the amount reserved under section 604(c)(1) in each fiscal year, the Secretary is authorized to make grants to, or enter into contracts with—

"(1) State educational agencies, and

"(2) other State agencies involved in or responsible for the desegregation of public elementary and secondary schools within a State,

to provide supportive services to local educational agencies or groups of local educational agencies to implement voluntary or court-ordered plans to eliminate or reduce minority group isolation in such agencies.

"APPLICATIONS

"SEC. 608. (a) Any local educational agency desiring to receive assistance under this title shall submit to the Secretary, at such time, in such form, and containing only such information as the Secretary deems necessary to carry out their functions under this title, an application describing the activities to be carried out under the application during the period, not to exceed three academic years, for which assistance is being sought. That application, together with all correspondence and other written materials relating thereto, shall be made readily available to the public by the applicant and by the Secretary. The Secretary may approve an application only upon a determination that such application—

"(1) has been developed and will be carried out—

"(A) in open consultation with parents, teachers and, where applicable, secondary school students, including at least one public hearing at which such persons have had a full opportunity to understand the program for which assistance is being sought and to offer recommendations thereupon, and

"(B) with the participation of a committee composed of parents of children enrolled in the applicant's schools, teachers and, where applicable, secondary school students, of

which at least half the members shall be such parents and at least half shall be persons from minority groups;

"(2) sets forth such policies and procedures, and contains such information, as will insure that funds paid to the applicant under the application will be used solely to pay the additional cost to the applicant in carrying out the programs described in the application;

"(3) provides that the plan with respect to which such agency is seeking assistance (as specified in section 605(a)(1)(A)) does not involve freedom of choice as a means of desegregation, unless the Secretary determines that freedom of choice has achieved, or will achieve, the complete elimination of a dual school system in the school district of such agency;

"(4) provides assurances that such agency will carry out, and comply with, all provisions, terms, and conditions of any plan, as described in section 605, upon which a determination of its eligibility for assistance under this title is based;

"(5) sets forth such policies and procedures, and contains such information, as will insure that funds made available to the applicant (A) under this title will be so used (i) as to supplement the level of funds that would, in the absence of such funds, be made available from non-Federal sources for the purposes of the program for which assistance is sought, and for promoting the integration of the schools of the applicant, and for the education of children participating in such program, and (ii) in no case, as to supplant such funds from non-Federal sources, and (B) under any other law of the United States will, in accordance with standards established by regulation, be used in coordination with such programs to the extent consistent with such other law, except that nothing in this clause shall prohibit the use of funds under this title for otherwise authorized activities required under a court-ordered plan described in section 605(a)(1)(A)(i);

"(6) provides that (A) to the extent consistent with the number of minority group children in the area to be served who are enrolled in private nonprofit elementary and secondary schools which are operated in a manner free from discrimination on the basis of race, color, or national origin, and which do not serve as alternatives for children seeking to avoid attendance in desegregated or integrated public schools, whose participation would assist in achieving the purpose of this title stated in section 602(b), provides assurance that such agency (after consultation with the appropriate private school officials) has made provisions for their participation on an equitable basis, and (B) to the extent consistent with the number of children, teachers, and other educational staff in the school district of such agency enrolled or employed in private nonprofit elementary and secondary schools whose participation would assist in achieving the purpose of this title stated in section 602(b), such agency (after consultation with the appropriate private school officials) has made provisions for their participation on an equitable basis;

"(7) provides that the applicant has not reduced its fiscal effort per student or the aggregate expenditure for the provision of free public education for children in attendance at the schools of such agency for the fiscal year for which assistance is sought under this title to less than that of the second preceding fiscal year;

"(8) provides that the State educational agency has been given reasonable opportunity to offer recommendations to the applicant and to submit comments to the Secretary;

"(9) provides (A) that the applicant will make such periodic reports as the Secretary may reasonably prescribe, and (B) that the applicant will keep such records and afford such access thereto as—

"(i) will be necessary to insure the correctness of such reports and to verify them, and

"(ii) will be necessary to insure the public adequate access to such reports and other written materials; and

"(10) provides that the applicant, in developing the program or project for which it seeks assistance, has considered the need for compensatory services for children who received those services under title I of this Act, but who are no longer eligible to receive those services as a result of attendance area changes under a qualifying plan.

"(b) The Secretary shall determine whether the applicant is eligible under section 605(b), and notify the applicant in writing of any determination of ineligibility under that subsection, including in detail the relevant information on which the determination of ineligibility is based, not later than March 1 of the year in which the academic year or other period for which the assistance is sought begins. Not later than June 30 of that year, the Secretary shall notify the applicant of the approval or disapproval of the application and the amount of its award, if any.

"(c) No application under this section may be approved which is not accompanied by the written comments of a committee established pursuant to clause (2)(B) of subsection (a). The Secretary shall not approve an application without first affording the committee an opportunity for an informal hearing if the committee requests such a hearing.

"(d) In approving applications submitted under this title (except for those submitted under section 607) the Secretary shall apply the following criteria:

"(1) the recentness of the implementation of the plan described in section 605(a) or modification thereof;

"(2) the proportion or numbers of minority group isolated children involved in the plan described in section 605(a);

"(3) the need for assistance based on the expense or difficulty of effectively carrying out a plan described in section 605(a) and the program or projects for which assistance is sought; and

"(4) the degree to which the program or project for which assistance is sought affords promise of achieving the purposes of this title.

"(e)(1) The Secretary shall not give less favorable consideration to the application of a State or local educational agency (including an agency currently classified as legally desegregated by the Secretary) which has voluntarily adopted a plan qualified for assistance under this title (due only to the voluntary nature of the action) than to the application of a local educational agency which has been legally required to adopt such a plan.

"(2) The Secretary shall not finally disapprove in whole or in part any application for funds submitted by a State or local educational agency without first notifying the agency of the specific reasons for his disapproval and without affording the agency an appropriate opportunity to modify its application.

"(f) The Secretary may, from time to time, set dates by which applications shall be filed.

"(g) In the case of an application by a combination of local educational agencies for jointly carrying out a program or project under this title, at least one such agency shall be a local educational agency described in section 605(a) and any one or more of such agencies joining in such application may be authorized to administer such program or project.

"(h) No State shall reduce the amount of State aid with respect to the provision of free public education in any school district of any local educational agency within such State because of assistance made or to be made available to such agency under this title.

"PAYMENTS

"SEC. 609. (a) The Secretary shall pay to each applicant having an application approved under section 608 the amount set forth in the application. Payments under this title for a fiscal year shall remain available for obligation and expenditure by the recipient until the end of the succeeding fiscal year.

"(b)(1) If a local educational agency in a State is prohibited by law from providing for the participation of children and staff enrolled or employed in private nonprofit elementary and secondary schools as required by clause (6) of section 608(a), the Secretary may waive such requirement with respect to local educational agencies in such State and, upon the approval of an application from a local educational agency within such State, shall arrange for the provision of services to such children enrolled in, or teachers or other educational staff of, any nonprofit private elementary or secondary school located within the school district of such agency if the participation of such children and staff would assist in achieving the purpose of this title stated in section 602(b). The services to be provided through arrangements made by the Secretary under this paragraph shall be comparable to the services to be provided by such local educational agency under such application.

"(2) In determining the amount to be paid pursuant to paragraph (1), the Secretary shall take into account the number of children and teachers and other educational staff who, except for provisions of State law, might reasonably be expected to participate in the program carried out under this title by such local educational agency.

"(3) If the Secretary determines that a local educational agency has substantially failed to provide for the participation on an equitable basis of children and staff enrolled or employed in private nonprofit elementary and secondary schools as required by paragraph (8) of section 610(a), he shall arrange for the provision of services to children enrolled in, or teachers or other educational staff of, the nonprofit private elementary or secondary school or schools located within the school district of such local educational agency, which services shall, to the maximum extent feasible, be identical with the services which would have been provided such children or staff had the local educational agency carried out such assurance. The Secretary shall pay the cost of such services from the grant to such local educational agency and shall have the authority for this purpose of recovering from such agency any funds paid to it under such grant.

"(c) After making a grant or contract under this title, the Secretary shall notify the appropriate State educational agency of

the name of the approved applicant and of the amount approved.

"ATTORNEY FEES

"SEC. 610. Upon the entry of a final order by a court of the United States against a local educational agency, a State (or any agency thereof), or the United States (or any agency thereof), for failure to comply with any provision of this title or for discrimination on the basis of race, color, or national origin in violation of title VI of the Civil Rights Act of 1964, or the fourteenth amendment to the Constitution of the United States as they pertain to elementary and secondary education, the court, in its discretion, upon a finding that the proceedings were necessary to bring about compliance, may allow the prevailing party, other than the United States, a reasonable attorney's fee as part of the costs.

"NEIGHBORHOOD SCHOOLS; PROHIBITION AGAINST USE OF FUNDS FOR BUSING

"SEC. 611. (a) Nothing in this title shall be construed as requiring any local educational agency which assigns students to schools on the basis of geographic attendance areas drawn on a racially nondiscriminatory basis to adopt any other method of student assignment.

"(b) No funds appropriated for the purpose of carrying out this title may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

"DEFINITIONS

"SEC. 612. Except as otherwise specified, the following definitions shall apply to the terms used in this title:

"(1) For the purpose of section 605(a)(1)(F), the term 'integrated school' means a school with an enrollment in which a substantial proportion of the children is from educationally advantaged backgrounds, in which the proportion of minority group children is at least 50 percent of the proportion of minority group children enrolled in all schools of the local educational agencies within the Standard Metropolitan Statistical Area, and which has a faculty and administrative staff with a substantial representation of minority group persons.

"(2) The term 'magnet school' means a school or education center that offers a special curriculum capable of attracting substantial numbers of students of different racial backgrounds.

"(3) The term 'minority group' refers to (A) persons who are American Indians and Alaskan Natives; Asians and Pacific Islanders; blacks, not of Hispanic origin; Hispanics; Franco-Americans; and Portuguese; and (B) (except for purposes of section 605), as determined by the Secretary, persons who are from environments in which the dominant language is other than English and who, as a result of language barriers and cultural differences, do not have an equal educational opportunity.

"(4) The terms 'minority group isolated school' and 'minority group isolation' in reference to a school mean a school and condition, respectively, in which minority group children constitute more than 50 percent of the enrollment of a school.

"(5) The term 'Standard Metropolitan Statistical Area' means the area in and around a city of 50,000 inhabitants or more as defined by the Office of Management and Budget.

"(6) The term 'State' means one of the 50 States or the District of Columbia.".

SEC. 2. (a) Section 561 of the Education Consolidation Improvement Act of 1981 is amended by striking out "VI,".

(b) Section 576 of such Act is amended by striking out "title VI, relating to emergency school aid, of the Elementary and Secondary Education Act of 1965,".

(c) Section 577 of such Act is amended—

(1) by striking out clause (3); and

(2) by redesignating clauses (4), (5), (6), and (7) as clauses (3), (4), (5), and (6), respectively.

(d) Section 587(a)(1) is amended by striking out "VI,".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Kentucky, Mr. PERKINS, will be recognized for 20 minutes, and the gentleman from Pennsylvania, Mr. GOODLING, will be recognized for 20 minutes.

The Chair recognizes the gentleman from Kentucky, Mr. PERKINS.

Mr. PERKINS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2207 reenacts, in simplified form, an elementary and secondary education program which for 10 years had successfully helped school districts meet the educational needs related to school desegregation. This program, the Emergency School Aid Act, enabled school districts to develop and implement desegregation plans, set up magnet schools, and other innovative desegregation arrangements, improve community and parent relations, and enhance achievement of minority youngsters.

Enacted in 1972, the Emergency School Aid Act was based upon an initiative of the Nixon administration that was started as a pilot program in 1971. During school year 1981-82, the last year of the program, the Emergency School Aid Act appropriation was $149.2 million, and 487 applicants were funded, the majority of them school districts.

The Budget Reconciliation Act of 1981 consolidated this program and 28 other categorical programs into a block grant to the States and repealed the separate programs as of October 1, 1982. This block grant, known as chapter 2 of the Education Consolidation and Improvement Act, gave States and local school districts the discretion over which of the wide range of authorized activities to support.

For several reasons, the implementation of chapter 2 has resulted in a drastic reduction in desegregation-related programs in many school districts around the country. First, the funding for chapter 2 was significantly less than the funding for its antecedent programs, $483 million as compared with $538 million. Second, the chapter 2 distribution formula spread the funds more thinly across a greater number of school districts, with the largest school districts losing an average of 44 percent of their Federal funds. Third, chapter 2 gives no priority to desegregation aid, and only 6 percent of school districts are using chapter 2 for that purpose.

H.R. 2207 recreates the Emergency School Aid Act for 3 years. The bill authorizes $100 million for fiscal year 1984 and such sums as necessary for fiscal years 1985 and 1986. Funds may be used for planning and implementing qualifying desegregation plans—but not transportation—magnet schools, staff training, community relations, innovative educational projects, and other activities. Rather than continuing the State formula grants and separately authorized discretionary projects of the old ESAA law, H.R. 2207 contains a single authorization for a national competitive grant program for State and local educational agencies administered by the Secretary of Education.

Mr. Speaker, this legislation is particularly important for those school districts that have voluntarily or otherwise undertaken desegregation plans with the promise of Federal aid. Many school districts had a commitment from the Federal Government for 3- to 5-year grants, only to have this commitment broken in the first year.

I urge the Members to join with me and reinstate this program that is so vital to our national effort to improve education for all youngsters.

Mr. Speaker, I now yield such time as he may consume to the gentleman from Michigan (Mr. KILDEE), who was the author of the bill in the committee for consideration in the Congress.

Mr. KILDEE. Mr. Speaker, I thank the chairman of the committee.

Mr. Speaker, I introduced H.R. 2207, the Emergency School Aid Act, because of what I perceived as a need to fine tune the block grant created by chapter 2 of the Education Consolidation and Improvement Act of 1981. Under this act, as my colleagues are aware, ESAA was one of 29 Federal programs folded into a block grant of Federal funds to the States.

H.R. 2207 would reauthorize ESAA in a modified form and at a reduced level of funding. H.R. 2207, as amended and reported by the House Education and Labor Committee, would be authorized at $100 million for fiscal year 1984 and such sums for the 2 succeeding fiscal years. It would combine the several former ESAA authorizations into a single national competitive grant program administered by the Secretary of Education to which school districts in need of assistance for implementing desegregation programs could apply. Activities to be funded would include those formerly authorized by the basic grant and magnet schools programs of the origi-

nal ESAA, including: staff training, community relations activities, hiring new staff, development of new curriculum or extra-curricular activities, and operation of magnet schools. The criteria on which the Secretary would base grant awards are described in the bill. They include: the recentness of implementation or modification of a desegregation plan, numbers of minority group children involved, and the need for assistance with the desegregation plan.

My intent with this bill has been to reenact ESAA in a limited, modified form to meet a critical need which still exists in many school districts through-out this Nation. This need has not been fully addressed by the chapter 2 education block grant by its very nature. Since implementation of the block grant, most ESAA-recipient school districts have experienced drastic reductions in ESAA funding. Indeed, many districts in multiyear funding agreements saw those agreements abruptly canceled with the advent of the block grant. ESAA has been streamlined under H.R. 2207. Its structure has been simplified, its operation made more effective, its funding reduced and targeted, through the competitive grant process, to the areas of greatest need.

Mr. Speaker, this bill has attracted approximately 40 cosponsors since I introduced it in the House on March 21. It has received the support of Members of this House from both parties and every philosophical affiliation. The ranking minority member of the Education and Labor Subcommittee on Elementary, Secondary, and Vocational Education has endorsed it. It is obvious that the relatively modest Federal expenditure called for under this legislation would accurately meet a critical need and would effectively further a Federal initiative to assist in the desegregation of schools begun over a decade ago.

Mr. Speaker, I want to thank, first of all, the gentleman from Pennsylvania, Mr. GOODLING, for his very hard work in putting this bill together.

I also want to thank the gentlemen from New York, Mr. LAFALCE and Mr. NOWAK. I appreciate the support of the gentleman from Illinois, Mr. PORTER, and that of the gentlemen from New York, Mr. KEMP and Mr. HORTON. I thank the gentleman from Wisconsin, Mr. GUNDERSON. The cosponsorship and help of the gentlemen from New York, Mr. BARBER CONABLE and Mr. HAMILTON FISH, has been very helpful.

Mr. Speaker, I urge the support of my colleagues for the passage of this bill.

Mr. GOODLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2207.

As an original cosponsor of the legislation which established the education block grant, and as the sponsor of H.R. 1035, to make technical amendments to improve the operation of the block grant, I believe my commitment to that approach is plain. I continue to believe in the wisdom of consolidating numerous education programs, as we did, and allowing local school officials, who best know the needs of their particular districts, to decide in consultation with parents and teachers where their funding priorities lie. However, for reasons I will discuss, I feel it is appropriate to honor commitments with a narrowly focused and limited program.

We have seen that the loss of Federal funds since the repeal of the Emergency School Aid Act (ESAA) has in certain school districts seriously hampered their efforts to complete their desegregation activities. Some districts, relying on the continuing availability of Federal funds, has begun costly multi-year desegration plans. In some cases these districts were under court order to desegregate. These districts with grants or contracts were operating under the assumption that the Department of Education had made a commitment to them. Witnesses testifying before the Elementary, Secondary, and Vocational Education Subcommittee described the severe loss of funding as the Federal Government reneging on a promise. Some cities lost as much as 87 percent of their previous funding.

I am concerned about this and believe we have a moral commitment to extend some limited, special assistance, particularly to those districts caught in the middle of an expensive ongoing desegregation plan when ESAA was repealed and placed in the block grant. Yes; it is true that activities previously authorized under ESAA are allowable activities under the block grant. It is also true, however, that substate formula decisions made at the State level have made it almost impossible for the districts that formerly relied heavily on ESAA grants to complete the programs they embarked upon. Many of these districts were in multiyear funding agreements that were abruptly canceled.

I support H.R. 2207 as reported by the committee. I did not support the bill as orginally introduced because it would have merely reenacted the Emergency School Aid Act virtually unchanged. The amendment offered in the nature of a substitute and adopted in committee is more limited in scope, less costly, and is not open ended. I support it for the purpose of permitting those school districts caught in critical financial straits to complete desegregation activities begun with that expectation.

Other improvements in the substitute bill: It eliminates the basic grants allocation formula under which each State received funds whether needed or not. This is a major improvement over the former legislation because one of the criticisms of the old ESAA programs was that schools no longer in an emergency situation continued to receive ESAA dollars. Under H.R. 2207 this will not happen; it substitutes a single national competitive grant program administered by the Secretary under precise criteria which will target the funds where they are needed most; the less effective programs under the old act have been eliminated; and funding for the chapter 2 block grant is preserved by prohibiting funding for the Emergency School Aid Act if chapter 2 appropriations are not at least 95 percent of what they were the previous year.

The issue addressed by this bill is one of equity. The Federal Government should honor its commitment to those school districts, many of whom undertook comprehensive programs of school desegregation with the expectation of some Federal monetary assistance.

Indeed, the Justice Department has expressed support for voluntary school desegregation efforts, particularly magnet schools. ESAA is a natural complement to the Department's approach to school desegregation.

H.R. 2702 has strong bipartisan support precisely because it does address a clear Federal commitment with a program which is limited in scope, duration, and amount of funding. Since the bill would not adversely affect the education block grant and would be funded only if it were a clear priority beyond the block grant, I urge my colleagues to act favorably on this legislation.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, I thank the gentleman for yielding.

I want to take this opportunity to commend the gentleman from Pennsylvania, Mr. GOODLING. As he knows, this comes under the jurisdiction of the Committee on Appropriations and our Subcommittee on Labor, Health and Human Services—Education headed up by the gentleman from Kentucky, Mr. BILL NATCHER. The gentleman from Kentucky and I have been vitally interested in this program for a good many years.

Mr. Speaker, I rise in support of H.R. 2027. This bill would reauthorize the Emergency School Aid Act, which was combined into the chapter 2 block grant in the Omnibus Reconciliation Act of 1981.

What has happened under the block grant is that States are apparently not providing any special, targeted assistance from the block grant for local

school desegregation efforts. The experience in a city in my own school district is illustrative. In 1981, the city of Holyoke embarked upon a voluntary school desegregation effort, and received close to $400,000 from the ESAA to assist it in its efforts. When that program was combined into the block grant, funding from the block grant decreased to about $100,000. Consequently, the school system has been struggling to maintain its desegregation effort, but it has not been able to provide the resources from other sources, local and State, to adequately finance that effort.

As a result, I certainly feel a responsibility to assist that city carry out its desegregation effort. And I believe congressional action is warranted. Reauthorization of the ESAA would be one way to do it. There may be others. I know the superintendent of Holyoke schools has suggested earmarking a percentage of the block grant or matching Federal funds for States willing to commit State moneys toward voluntary desegregation efforts.

But I support H.R. 2027, because of the pressing need to assist certain localities continue their desegregation efforts, so that cities that have worked out voluntary, locally developed plans, can continue their efforts to provide a quality education to all children.

Mr. PORTER. Mr. Speaker, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Illinois.

Mr. PORTER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, as a cosponsor of H.R. 2207, a bill to reenact the Emergency School Aid Act (ESAA), I would like to express my support of this legislation.

This bill is not an attempt to provide for the indefinite continuation of a categorical program. Rather, it is an effort to honor the Federal commitment made to those schools who in good faith undertook large-scale desegregation programs.

In my own district, the ESAA funding for the Waukegan Cooke Magnet School was a key part of the school district's desegregation plan. Prior to the institution of the block grant, the Cooke Magnet School had completed the first year of a guaranteed 5-year grant. Folding the ESAA funds into the chapter II block grant cost the district the funds it had planned for and been promised by the Department of Education as part of its negotiated desegregation funding.

The Cooke Magnet School has become a model for educational excellence in the community. Waukegan's struggle to maintain the quality education—so vital to its future as an attractive and financially sound community—depends heavily upon the Federal Government's living up to its past commitment.

Mr. GUNDERSON. Mr. Speaker, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Mr. Speaker, the obligation of the Federal Government to support activities which it has directed—such as desegregation—is apparent in our consideration of H.R. 2207, the reenactment of the Emergency School Aid Act. As our schools attempt to implement the desegregation requirements imposed upon them by the Federal Government it is appropriate that some financial contribution be received from that government.

While I support this limted re-enactment of the ESAA as a short-term relief measure to continue our desegregation efforts, the separation of this program back to categorical status should in no way be viewed as a precedent. This removal of the ESAA from the chapter 2 block grant should not be seen as the initial step in the unraveling of that block grant.

The reports of the National Commission on Excellence in Education and others have unquestionably opened a wide national debate on the health of our education system. Clearly, strict attention must be paid to the development of solutions for our education bills.

However, the faults of the American education system will not be solved simply by throwing billions of Federal dollars at them. Our problems, nor the solutions to them, are not that simple. We have seen a trend during these first few months of the 98th Congress back toward the "money is the only answer" policies of the past. The inclusion of an amendment in the vocational rehabilitation reauthorization by the majority on the Education and Labor Committee to increase the authorizations for numerous education programs, without committee consideration, is representative of this approach.

This is not to say, however, that the Federal Government should not participate in the efforts to revive American education. We should maintain funding levels in most cases, and in other instances increases are warranted. But it would be irresponsible on our part to quickly forget that we may shortly begin to play the inflation game again. Should we return to that losing scenario where Congress annually increases appropriations for all education programs, only to have these gains quickly eaten up and lost to inflation?

Efforts to unravel the gains we have made to control Government spending during the last 2 years and return some control of education to the State and local level by overincreasing the funding for certain programs, and now, by chipping away at the block grant, must be viewed critically. Yes, Federal support and funding for education must be continued, but in a responsible and effective manner.

I support this bill because efforts were undertaken by its principal sponsor, Mr. KILDEE, to limit the authorizations and scope of the program. The sponsors have identified a problem which requires Federal funding for the completion of Federal mandates. In that sense, it is quite unique.

In addition, those of us who strongly support desegregation but oppose mandatory busing should recognize that this program attempts to hand the decisionmaking process back to the local level. By simply providing funds to the schools and allowing them to implement desegregation as they choose—in place of court ordered busing—we can offer an effective, locally supported program for desegregation.

We must, however, analyze further proposals for the expansion of the Federal role and exhorbitant increases in funding with much skepticism.

Mr. GOODLING. Mr. Speaker, I yield 1 minute to the gentleman from Utah (Mr. NIELSON).

Mr. NIELSON of Utah. Mr. Speaker, I rise because the ranking minority member of this committee, the gentleman from Illinois, Mr. ERLENBORN, is not able to be here until an hour from now. So I would like to recommend that the Members read the dissenting views on this particular bill of the gentleman from Illinois, Mr. ERLENBORN, the gentleman from Texas, Mr. BARTLETT, the gentleman from California, Mr. PACKARD, and myself.

My quarrel is not with the concept of following through on the Government's objectives. I thoroughly agree with that. However, I do believe that if this is to be a block grant program, then this money which is now to be categorized should be deducted from the block grant program and not be an add-on. Unfortunately, it is brought to us under suspension so I cannot attempt to amend it in that particular way.

But I would like to suggest that this is special interest legislation. It is backed by Members from the northwestern part of New York primarily because that is where the problems are, and I do not object to that except that I think that money should come out of the block grant which should be reallocated accordingly to take care of the needs.

□ 1245

Mr. GOODLING. Mr. Speaker, the gentleman from New York (Mr. KEMP) wanted to speak on the bill. He is at his daughter's graduation.

The gentleman from New York (Mr. CONABLE) also wanted to speak on behalf of the bill, but he has a previ-

ous commitment. Mr. Speaker, I yield back the balance of my time.

● Mr. FISH. Mr. Speaker, I am pleased to lend my support to H.R. 2207. The reauthorization of the Emergency School Aid Act as a categorical grant program is of great importance to me and to the magnet schools located in Newburgh, N.Y., in my congressional district.

The result of consolidation of the ESAA, title VI of the Elementary and Secondary Education Act of 1965, into a block grant in 1981 has had a devastating impact on the progress of voluntary desegregation of schools throughout the country. I am pleased to be a cosponsor and strong supporter of Congressman KILDEE's bill, and congratulate him and the other members of the Education and Labor Committee who have worked out this excellent compromise legislation. Passage of H.R. 2207 will send a signal across the land that the Congress remains committed to desegregation and will keep the promise made to many school districts who were abruptly cut off from ESAA funds during multiyear programs.

My own district is very typical of the problem created by the block grant under chapter II of the Education Consolidation and Improvement Act of 1981.

The voluntary desegration program which was established in Newburgh, N.Y., utilizing ESAA funds has set up four magnet schools. In 1979, the school district received $93,000 in funds for magnet schools under the ESAA. This money helped initiate the first three of four magnet schools in Newburgh. By the 1981-82 school year, Newburgh was receiving $624,612 in magnet school funds: $330,221 in ESAA chapter I money, and $415,665 in ESAA chapter II funds. These additional funds were utilized for vital services necessary to keep the magnet schools operating smoothly, such as community relations, home-school liaison, and to relieve tensions in the nonmagnet schools in the community.

Following the passage of the Reconciliation Act of 1981, the school received only $336,010—just for the magnet schools alone—for the 1982-83 school year. No related services were provided. In 1983-84, the district is scheduled to receive only $170,000, which will effectively kill the voluntary desegregation program and eliminate any attractiveness and quality in the magnet schools.

The problems created by chapter II of the Education Consolidation and Improvement Act is the diffusion of funds into school districts that do not have desegregation problems, and the sharing of funds with all school districts regardless of the size of the minority population. Other districts receiving money under chapter II do not have the strong individualized support and need demonstrated by the grant recipients under the ESAA. I do not share the view of others that this may be just the first of many programs removed from the block grant. The block grant concept is valid, and has my support. Like other legislation passed by this Congress, we should acknowledge that we need corrective action. In this case, the programs under ESAA are too important to be lost in the shuffle.

I have met several times with the school administrators from Newburgh who have worked with the magnet school program. They are all sincere and dedicated in their effort to eliminate segregated schools in an area that has a large central city minority population and a majority white population in the suburbs. The schools district encompasses the entire town of Newburgh and most suburbs. Without voluntary efforts, supported by the entire community, such as the magnet schools, court-ordered busing might be the next step to desegregation. The community does not want to be faced with such drastic action. But without Federal assistance, the magnet school program will not be a viable alternative.

I have received dozens of letters from parents whose children attend the magnet schools. The universal support for continuation of the magnet school program was most impressive. The parents have been pleased with the quality of their children's education, and would not want to see it decline. It is clear that from their point of view as well, the alternative would not be acceptable.

I urge my colleagues to support H.R. 2207. This legislation would continue to promote an objective with which we can all agree voluntary desegregation of our Nation's schools.●

● Mr. CONABLE. Mr. Speaker, I strongly support this bill, and I thank the leaders of the House and of the Education and Labor Committee for bringing it up so expeditiously. Congress erred 2 years ago in block granting this increase with a large number of smaller and less significant categorical educational programs. Compared to the others, this program involved significant amounts of money. It was useful only to those communities with integration problems; the money was used in reducing segregation, and its availability helped people of good will avoid the community polarization which results from confrontations on matters of race in education. For instance, in Rochester, N.Y., where patterns of school integration were sought without recourse to the courts, this program proved invaluable. Once block granted, though, the money theretofore available to reduce de facto segregation in schools was spread across the entire State, dissipated in less vital, smaller previously categorical programs in many communities who had no need for integration funds.

This bill will rectify that error; I hope it will have the strong support of all my colleagues.●

● Mr. BIAGGI. Mr. Speaker, I rise to lend my strong support to H.R. 2207, the Emergency School Aid Act of 1983. As an original cosponsor of this vital legislation, I first wish to commend my colleague on the Education and Labor Committee, DALE KILDEE, for his fine and dedicated leadership in this area. He has rightly fought to bring this bill before us today—which would re-act a program which never should have been block granted in 1981.

The Emergency School Aid Act was first created in 1972 to assist schools with the extra expense of implementing desegregation plans. In my own city of New York, as well as in the city of Yonkers, which is the the newest portion of the 19th Congressional District which I represent, ESAA funds have been critical to their efforts in this area. In the last year of its existence, ESAA provided New York City schools with $6.2 million and Yonkers schools with $35,000. These funds, under the block grant, were virtually lost when they were forced to compete with the 30-some other education programs that were also included in the Gramm-Latta budget which created the education block grant.

I voted against this and every other block grant for the very reason that we have this bill before us today. When we submerged categorical programs, with their specifications and targeting provisions to the whims of 50 different States, people suffer. They suffer because without targeting, education funds are not guaranteed equal footing in every program area, despite demonstrated need. Since the block grant, most of the school districts which were receiving aid under ESAA have been forced to absorb drastic reductions. If we take away the very funds that help schools to comply with other Federal laws without jeopardizing their eligibility for Federal funding, we are placing these schools in double jeopardy. Compliance with desegregation orders are costly business—failure to comply can be even more costly. That is why we are here to pass H.R. 2207 today.

I am pleased to note that this legislation has received wise bipartisan support in Congress. It authorizes $100 million for fiscal year 1984 and "such sums" for the following 2 years. It has been modified into a single, competitive grant program which has been steamlined to minimize paperwork burdens upon schools and the Government. Dollars go to areas in greatest need. H.R. 2207 enjoys widespread support among major civil

rights organizations as well as education organizations.

I believe that H.R. 2207 will allow us to honor Federal commitments while giving schools help in an area which has often forced major costs upon local school budget dollars. Block grants have proven to be liabilities to schools rather than assets and a vote in support of this legislation today will help us turn that liability around.●

● Mr. NOWAK. Mr. Speaker, as one of H.R. 2207's original cosponsors, I rise in strong support of its passage.

As the representative from Buffalo, N.Y., I am proud to represent one of the largest and most successful court-ordered voluntary desegregation plans in the Nation. This success has not come easily, nor is its continuance assured without further assistance to complete the plan.

Like many school districts, Buffalo is operating under a Federal court order to desegregate. Rather than attempt the less costly but largely unsuccessful method of fixed assignments, Buffalo developed a highly successful voluntary magnet plan with the assistance of a 5-year grant through the former Emergency School Aid Act.

Only 1 year into the 5-year plan when ESAA was folded in the chapter II block grant, Buffalo lost over $6 million in expected aid. New York, like so many other States, is distributing the block grant according to the number of students rather than the number of students with special needs. Scarce funds which were previously targeted to school districts operating costly desegregation plans like Buffalo are being funneled to school districts without such obligations.

Through the former ESAA, the Federal Government made major funding commitments to Buffalo and other communities. Restoring the program to a separate competitive grant would be only fair to those communities which developed costly comprehensive plans in anticipation of Federal help and which relied on the good faith of our Federal Government.

H.R. 2207 would insure that moneys would be directly funneled to school districts which need them the most and insure that communities like Buffalo can successfully complete their current programs.●

● Mr. GUARINI. Mr. Speaker, today, the House of Representatives will consider H.R. 2207, the Emergency School Aid Act, which will provide assistance to local school districts to meet the educational needs of school desegregation and to encourage voluntary desegregation. I want to express my strong support for this bill and to urge its passage.

The original Emergency School Aid Act became law in 1972 and was instrumental in helping many school districts across the Nation implement voluntary desegregation plans. Bayonne and Union City, N.J., made substantial strides forward in their desegregation efforts directly due to ESAA funding assistance. These two cities also typify the problems which occurred after ESAA was folded into chapter II block grant funding for education 2 years ago.

In 1981, the school districts formerly receiving ESAA grants had been notified by the Department of Education that they would receive multiyear grants of 3 to 5 years. In good faith, these school districts planned and began implementing such multiyear programs. Despite these commitments, ESAA funds were abruptly cut off and the funds melded into chapter II block grant moneys. School districts were left holding the bag on their desegregation programs. Suddenly, upward of one-half of all operation funds were cut off, and cities with desegregation problems were left to compete with better-off communities for diminishing funds. Any progress made since ESAA began in 1972 was interrupted. Programs to set up magnet schools and to improve community and parent relations were slashed. Significantly, no ESAA funds were ever used for busing students.

When ESAA and 28 other categorical education programs were folded into one block grant, total funding became well below the sums each of the 29 programs had received individually. The new block grant funds were distributed on the basis of total student population, and aid was not targeted to those districts facing significant problems in desegregating their schools.

The point of the block grant philosophy is that education initiatives should be the prerogative of local and State school districts. I agree that often local and State districts are the best judge of local needs. However, when the block grant system is used as a tool to purposely slash good and necessary education programs, the block grant system of funding "for local initiatives" loses its philosophical appeal.

Desegregation, and civil rights of any sort, remain a national priority. Focused national attention should be directed to eradicating the problem of school segregation, whether such segregation is deliberate or is a result of population trends. When these desegregation efforts are lost in a myriad of other programs, we must act to distinguish such efforts and to fund them separately, if necessary.

We have seen the drastic effects the block grant form of funding has had on local desegregation efforts. Clearly, it has become necessary to reestablish the Emergency School Aid Act as an entity with separate Federal funding if we wish to continue our school desegregation efforts on an effective level. I strongly urge my colleagues to support H.R. 2207 and thereby support national school desegregation initiatives.●

● Mr. GONZALEZ. Mr. Speaker, today we are considering H.R. 2207 under suspension of the rules. This legislation would reenact the Emergency School Aid Act (ESAA), which was consolidated along with 28 other categorical education programs into a block grant as a result of the adoption of the Omnibus Budget Reconciliation Act of 1981. I would like to express my strong support for this bill.

ESAA is a Federal aid program to assist school districts with the extra expense of implementing a desegregation program. If one looks back to the original intent of ESAA, there were three basic purposes. First, it was established to meet the special needs incident to eliminating minority group segregation and discrimination. Second, it was to encourage voluntary elimination and reduction of minority group isolation. Third, it was to help school children overcome the educational disadvantages of segregation. In my mind, those problems still exist in our school systems. The committee report indicates that under chapter 2 of the Education Consolidation and Improvement Act many schools have been unable to continue ESAA type projects. This is all the more reason for the reenactment of the ESAA.

In my district alone, ESAA funds contributed to the quality of education in those school districts that received funding. There is no doubt in mind that they would be eligible for funding even under the new competitive grant system that H.R. 2207 establishes. For example, the Edgewood Independent School District has a minority student population of 98 percent. The district is comprised of areas that are some of the poorest in the city of San Antonio; 28 percent of the households in the school district had incomes below the poverty level as established by the Federal Government. In addition, 48 percent of the population of 25 years or older completed 8 or less years of school. Only 8 percent of the same age group has completed 4 years of college.

Perhaps a more telling characteristic of the school district can be seen in the property values, through which schools in the State of Texas generate revenues; 72 percent of the homes in the school district were valued below $10,000. In the State, the first $3,000 is exempt from taxation under homestead laws. In San Antonio, the next $5,000 is also exempt. For 72 percent of the homes in the school district, only $2,000 or less can be taxed based on a value of $10,000. What kind of an education could we expect the school district to provide if these were the only resources available? For the EISD student population of approximately 17,000, a total of $33.6 million

was budgeted in the last school year. Of that amount, only $2 million was generated from the school district's tax base.

It is interesting that this administration has begun to appeal to the general public of the need to strengthen this country's education foundation. I maintain that the President and his supporters have done much to speed the mediocrity of our educational system, which was the way the President's National Commission on Excellence in Education characterized it, by phasing out many critical education programs such as ESAA. I quote from the Commission report, "A Nation at Risk: The Imperative for Education Reform":

> Part of what is at risk is the promise first made on this continent: All, regardless of race of class or economic status, are entitled to a fair chance and to the tools for developing their individual powers of mind and spirit to the utmost.

Can we as Americans say that all children have been given that chance or the tools necessary?

ESAA was one Federal program with the purpose of giving students—those haunted by segregation practices and discrimination—the chance to excel; a chance to reach out for the opportunity to become viable members of our society. We as legislators must not lose sight of that. The future of our country is dependent on our youth, and it should be the responsibility of all levels of government, especially Federal, to make that investment. I view the reestablishment of an ESAA program as a critical part of that investment. I commend Chairman PERKINS and the supporters of this bill for their role in seeing that we reaffirm our commitment to the values of a sound education policy.●

● Mr. LAFALCE. Mr. Speaker, I rise in strong support of H.R. 2207, the Emergency School Aid Act (ESAA), and am especially pleased to join a truly bipartisan effort on its behalf. Federal support to back up voluntary desegregation initiatives in our Nation's schools is an issue of great concern to those of us in Congress committed to the pursuit of equality as well as quality in our education system. As an original cosponsor of H.R. 2207, and sponsor of similar legislation in the 97th Congress, I applaud Representative KILDEE's introduction of this legislation which would reenact ESAA with funds separate from the chapter 2 education block grant.

To understand the critical nature of this legislation, a very brief review of the history of ESAA is necessary. In 1970, President Richard Nixon proposed the creation of a program to assist local communities in the court ordered and voluntary desegregation of their schools. The intent was to encourage local policymakers to develop and implement local solutions to the challenge of segregation—solutions that would best fit the unique characteristics of individual communities. School districts are certainly more likely to meet the desegregation standards established by the Federal Government if they are able to fashion their own desegregation plans. President Nixon, recognizing this, recommended that $1 billion be provided for that purpose, and directed, by Executive order, the creation of the emergency school aid program.

Two years later, Congress adopted the Emergency School Aid Act. The purpose of the 1972 act was to encourage communities to voluntarily adopt desegregation programs by providing Federal funds to assist with this effort. The commitment of dollars for the program was commensurate with the commitment of our local communities in fulfilling their vital role in desegregation. In fiscal year 1981, funding for all education programs, which were subsequently folded into the block grant, amounted to $523 million. Yet, the fiscal year 1982 allocation for all education block grant programs dropped to $428 million. However, the block grant approach adopted in 1981 forced the ESAA program to fight with other vital education programs for a piece of a greatly reduced Federal commitment of financial resources.

With regard to emergency school assistance in particular, in fiscal year 1981 school districts in 43 States received some $149 million. Since then, there has been no categorical funding whatsoever. As a result, emergency school aid and desegregation programs have effectively disappeared.

Based on my own observations, ESAA is a program that clearly deserves to be reestablished. Two cities in my congressional district, Buffalo and Rochester, are examples of how funds spent under ESAA have been wise investments in young people, our communities, and future vitality of our Nation. In both communities, the funds have been used to develop and implement innovative, successful voluntary desegregation programs, including magnet schools and specialized vocational assistance. The programs have not only enhanced integration efforts—insuring educational opportunity, but have also increased the quality of education afforded all students. Opportunity without quality is meaningless; as a result of a commitment to voluntary desegregation, students and communities in Upstate New York have been able to enjoy both opportunity and equality.

ESAA supported activities in Buffalo and Rochester have, in fact, received national recognition. As noted by Eugene Reville, the superintendent of Buffalo's school system, that district is operating what is probably the largest and most successful court ordered, voluntary desegregation program in the Nation. The plan has been acclaimed by representatives of the U.S. Justice Department, the National Education Strategy Center, and program officers for the U.S. Office of Education. Most recently, in a meeting with Buffalo area Congressmen, its success was acknowledged by Secretary of Education Bell. In the 1975–76 school year, about 76 percent of the total student body, some 43,000 students in 73 buildings, were in educational settings which did not conform to court guidelines. At the beginning of this school year, the district's magnet schools were balanced at a 50–50 ratio. Academic achievement has also improved dramatically, with a corresponding decrease in the need for remediation. This kind of achievement, coupled with a variety of innovative programs being offered, has been responsible for increased community support for public education.

In a February 1983 status report on magnet schools, the Rochester City School District noted that magnet schools, which depend on Federal assistance through ESAA, have been one of the school district's most successful and attractive programs. "Through planning, creative utilization of resources and the implementation of 'attractive' programs, the Rochester City School District, over the past 5 years, has helped minimize the flight from its public schools and the city has achieved racial balance in schools which previously were heavily racially isolated," states the report. "The repeal of ESAA legislation this year by Congress and the folding of ESAA into a block grant to the States * * * have made it difficult to continue the operation of existing magnet schools and impossible to implement several new magnets planned for implementation over the next 4 years."

Unfortunately, the inclusion of ESAA funds into the chapter 2 block grant has spelled disaster for Buffalo, Rochester, and hundreds of other communities. The unusual nature of the ESAA program—to assist desegregation efforts—has made it difficult to compete with other programs for block grant funds. The result has been catastrophic for voluntary desegregation programs and the gains they have made over the years. In Buffalo, funding from fiscal year 1980 to fiscal year 1982 fell from over $6,000,000 to only $950,000—and 84-percent cut. Likewise, Rochester suffered a 78-percent reduction—dropping from $3,016,000 in fiscal year 1980 to only $673,000 in fiscal year 1982. With programs being cut or eliminated, and the momentum toward continued desegregation stymied, students, schools, and communities have been left high and dry.

It is not the intent of H.R. 2207 to increase the overall Federal expenditures for desegregation efforts.

Rather, the measure restores the method of funding emergency school aid to the way it was prior to 1981. Restoring these desegregation funds to a separate program will insure that available Federal dollars, as they represent our national responsibility and resolve, will be targeted to school district where the need is greatest.

Some have argued that there is no longer a need for emergency assistance to help schools desegregate their classrooms—that, in effect, the job is done, and that schools have been and will only continue using ESAA funds for other educational priorities. This is simply not so; many areas of the country, especially our urban centers—like Buffalo and Rochester—remain challenged by the problem of segregation, and more recently, resegregation in their communities. Segregation is not a temporary condition that can be eliminated in one fell swoop. It persists and continually places pressure against and interferes with equal opportunity in education. While the effort to bring people of all races together has been somewhat successful in our schools, the fact is that, for the most part, our neighborhoods remain segregated. For this reason, school desegregation programs, whether voluntary or not, must not only be implemented, but maintained, year after year, in order to continue to meet federally mandated standards. We are faced with a state of emergency, and emergency action and assistance at this time is most appropriate. I would add that this bill has been carefully drafted to hold down spending, and will terminate at the end of 3 years. At that time, Congress will once again have the opportunity to review the progress made on our desegregation front.

Some have expressed concern for the integrity of the block grant approach. They have stated that the concept is based on the notion that most choices regarding the education of our children should rest in the hands of State and local officials, school administrators, teachers, and parents. I would counter that, if indeed the block grant approach is being undermined, it is only in response to the cries of these very school administrators and local officials. For example, education officials in my district have noted that the diversion of ESAA desegregation moneys into the chapter 2 block grant permits school districts without desegregation programs, and perhaps without a minority population, to share money previously set aside for desegregation efforts—this is clearly not the intent of Congress.

Mr. Speaker, we as a nation through Federal mandates, have called for the desegregation of our schools. In my judgment, it is, therefore, incumbent upon Congress to provide the necessary financial resources to carry out this objective. For this reason, I urge all of my colleagues to support ESAA and to vote for the final passage of H.R. 2207.●

Mr. PERKINS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky (Mr. PERKINS) that the House suspend the rules and pass the bill, H.R. 2207, as amended.

The question was taken.

Mr. NIELSON of Utah. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

EMERGENCY VIETNAM VETERANS' JOBS TRAINING ACT OF 1983

Mr. LEATH of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2355) to establish an emergency program of job training assistance for disabled veterans and veterans of the Vietnam era, as amended.

The Clerk read as follows:

H.R. 2355

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Emergency Vietnam Veterans' Jobs Training Act of 1983".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) there is severe and continuing unemployment among veterans, and particularly among veterans of the Vietnam era and veterans with service-connected disabilities;

(2) because of the condition of the economy, many persons, including many veterans, who previously have been successfully employed are currently unemployed and in many cases have been unemployed for a period of fifteen weeks or longer;

(3) many persons, including many veterans, who have lost jobs have skills in fields in which employment is declining and therefore need to be retrained to qualify for employment opportunities in new fields of employment;

(4) there is a special national responsibility to veterans who served during a period of hostilities or who suffered service-connected diseases or disabilities;

(5) because of this special national responsibility and current economic conditions, it is appropriate to establish an emergency jobs program designed specifically to address the existing severe unemployment problems of such veterans in order to assist such veterans in obtaining productive and not make-work jobs.

(b) The purpose of this Act is to promote job training and employment of unemployed Vietnam-era and disabled veterans through programs under which incentives are provided to employers to hire and train such veterans and under which veterans receive jobs-skill training through vocational training in educational institutions.

(c) In order to carry out the intent of Congress under this Act, the Administrator and the Secretary of Labor shall take all steps to carry out the program provided for in this Act in a vigorous and expeditious manner to achieve the goals of this Act.

DEFINITIONS

SEC. 3. For the purposes of this Act:

(1) The term "eligible veteran" means a veteran—

(A) who served in the active military, naval, or air service for a period of more than 180 days, any part of which was during the Vietnam era; or

(B) who is a disabled veteran in receipt of (or who but for the receipt of retirement pay would be in receipt of) compensation under chapter 11 of title 38, United States Code, for a disability incurred or aggravated after August 4, 1964.

(2) The term "Administrator" means the Administrator of Veterans' Affairs.

(3) The terms "veteran", "active military, naval, or air service", "Vietnam era", "compensation", and "State" have the meanings given such terms in section 101 of title 38, United States Code.

ESTABLISHMENT OF ON-JOB TRAINING PROGRAM

SEC. 4. The Administrator, in cooperation with the Secretary of Labor, shall carry out a program in accordance with this Act to assist eligible veterans in obtaining employment through on-job training in jobs providing significant training opportunities. The program shall be carried out through payments to employers who employ eligible veterans in jobs that involve significant training of employees in order to assist such employers in partially defraying the cost of that training.

ELIGIBILITY FOR PROGRAM

SEC. 5. (a) To be eligible for participation in a job training program under this Act, an eligible veteran must have been unemployed for not less than 15 of the last 20 weeks at the time of applying for participation in the program. To be considered unemployed for purposes of this paragraph, a veteran must be without a job and want and be available for work. The determination of whether a veteran is without a job shall be made in accordance with the criteria used by the Bureau of Labor Statistics of the Department of Labor in defining individuals as unemployed.

(b) An eligible veteran who wants to undertake a program of job training under this Act shall submit an application for such program to the Administrator. Any such application shall be in such form and contain such information as the Administrator may prescribe. The Administrator may not approve such an application if the Administrator finds that the veteran is already qualified for the job for which the training would be provided.

(c) The maximum period of training for which assistance may be provided on behalf of a veteran under this Act is—

(1) twelve months in the case of a veteran with a service-connected disability rated at 30 percent or more; and

(2) six months in the case of any other eligible veteran, with an additional six months of training assistance allowable in individual cases at the discretion of the Administrator.

EMPLOYER JOB TRAINING PROGRAMS

SEC. 6. (a) In order to qualify as a training program under this Act, a job training program of an employer must provide training approved under this Act for a period of not less than six months.

(b) Subject to the provisions of this Act, an eligible veteran approved for participation in a program under this Act may select an approved program of job training with any for-profit private employer which hires the veteran into the regular work force of the employer with the expectation by the employer of permanent employment of the veteran after the training ends.

PAYMENTS TO EMPLOYERS

SEC. 7. (a) Subject to subsection (b), the Administrator shall make payments under this section to an employer of a veteran participating in an approved job training program under this Act. Such payments shall be for the purpose of defraying, in part, the costs of the veteran's training and, in the case of an employer employing a disabled veteran, of defraying the costs of making structural changes to the employer's workplace to remove architectural barriers. The amount paid to an employer on behalf of a veteran for any period may not exceed 50 percent of the amount of the wages paid to the veteran by the employer for that period, determined without regard to any increase in rate of wages above the starting rate paid the veteran by the employer.

(b) Payments shall be made at the end of each three-month period (or fraction thereof) that a veteran participates in a job training program. Payment may not be made to an employer under this Act on behalf of a veteran until the Administrator has received—

(1) from the veteran, a certification as to the veteran's actual employment and training with the employer during that period; and

(2) from the employer, a certification that the veteran was employed and progressing satisfactorily while pursuing a program of training during that period.

(c)(1) If the Administrator finds that an overpayment of assistance under this Act has been made to an employer on behalf of a veteran as a result of the willful or negligent false certification by the employer, the amount of the overpayment shall be a liability of the employer to the United States.

(2) If the Administrator finds that an overpayment of assistance under this Act has been made to an employer on behalf of a veteran as a result of the willful or negligent false certification by the veteran, the amount of the overpayment shall be a liability of the veteran to the United States.

(3) An overpayment referred to in paragraph (1) or (2) of this subsection may be recovered in the same manner as any other debt due the United States.

APPROVAL OF EMPLOYER JOB TRAINING PROGRAMS

SEC. 8. (a) An eligible employer may be paid assistance on behalf of an eligible veteran employed by such employer and participating in a job training program of that employer only if the program is approved in accordance with such procedures as the Administrator may by regulation prescribe and if the program meets the other requirements of this section.

(b) An employer offering a program of training that the employer wants to have approved for the purposes of this Act shall submit to the Administrator (or other entity designated by the Administrator) a written application for such approval. Any such application shall, in addition to furnishing such information as is required by the Administrator, contain a certification that—

(1) the wages and benefits to be paid to a veteran participating in the employer's program of training are not less than the wages and benefits normally paid employees participating in such a program of training;

(2) the amount of assistance to be paid to the employer on behalf of the veteran for any period does not exceed 50 percent of the amount of the wages to be paid to the veteran by the employer for that period, determined without regard to any increase in rate of wages above the starting rate paid the veteran by the employer; and

(3) there is a reasonable certainty that a position of the type of position for which the veteran is to be trained will be available to the veteran at the end of the training period.

(c) Before approving a program of training, the Administrator must find (upon investigation) that the following criteria are or will be met with respect to that program:

(1) The job which is the objective of the training is one in which progression and appointment to the next higher classification are based upon skills learned through organized and supervised training on the job and not on such factors as length of service and normal turnover.

(2) The training content of the program is adequate to qualify a veteran participating in the program for a job in the field for which training is to be provided.

(3) The field or job for which training is to be provided customarily requires full-time training for a period of not less than six months.

(4) The length of the training period under the proposed program is not longer than that customarily required by employers in the community to provide a person with the skills and knowledge needed in order to become competent in the field or job for which training is to be provided.

(5) There is in the training establishment or place of employment adequate space, equipment, instructional material, and instructor personnel to provide satisfactory training.

(6) Adequate records will be kept by the employer to show the progress made by each veteran participating in the program.

(7) No currently employed worker will be displaced (including a partial displacement such as a reduction in nonovertime work hours, wages, or benefits), and no laid-off worker will be prevented from recall, due to the establishment of the training program and the hiring of veterans for the program.

(8) The program of training will not be given to veterans who are already qualified by training and experience for the job for which training is to be provided.

(9) There is a reasonable certainty that a position for which a veteran is to be trained will be available to the veteran at the end of the training period.

(10) The training program of the veteran will be stated in a written agreement signed by the employer and the veteran, and a copy of the signed training agreement will be provided to the veteran and the Administrator.

(11) The program meets such other criteria as may be established by the Administrator.

(d) A program of job training under this Act may be an apprenticeship program.

NONQUALIFYING TYPES OF PROGRAMS

SEC. 9. The Administrator may not approve the enrollment of a veteran in a program of training—

(1) for employment which consists of seasonal, intermittent, or temporary jobs, except that the Administrator may approve enrollment in a program for employment on a seasonal basis if the Administrator determines such enrollment to be appropriate;

(2) for employment in an industry in which a substantial number of experienced workers are unemployed;

(3) for employment under which commissions are the primary source of income;

(4) for employment which involves political or religious activities; or

(5) if the training program will not be carried out in a State.

DISCONTINUANCE OF PAYMENTS FOR UNSATISFACTORY CONDUCT OR PROGRESS

SEC. 10. (a) The Administrator may not make a payment on behalf of a veteran under this Act if the Administrator finds that, according to standards that the Administrator may prescribe or the regularly prescribed standards of the employer, the conduct or progress of the veteran is unsatisfactory due to circumstances within the control of the employer. Unless the Administrator finds there are mitigating circumstances, progress may not be considered unsatisfactory if the veteran is progressing at a rate that will permit the veteran to complete the training program within the training period.

(b) The Administrator may renew the payment of assistance suspended under subsection (a) only if the Administrator finds that the cause of the failure to complete training has been removed.

DISAPPROVAL OF EMPLOYER JOB-TRAINING PROGRAMS

SEC. 11. If the Administrator finds at any time that a program of training previously approved by the Administration for the purposes of this Act thereafter fails to meet any of the requirements of this Act, the Administrator shall immediately disapprove further participation by eligible veterans under that program. An eligible employer which has its program disapproved under this section shall be notified of such disapproval by a certified or registered letter, and a return receipt shall be secured.

INSPECTION OF RECORDS

SEC. 12. The records and accounts of employers pertaining to veterans who have received job training assistance under this Act, as well as other records which the Administrator determines necessary to ascertain compliance with the requirements of this Act, shall be available at a reasonable time for examination by authorized representatives of the Government.

JOBS-SKILLS TRAINING THROUGH VOCATIONAL TRAINING

SEC. 13. (a) A veteran who is eligible for a program of job training under section 5 of this Act may, in lieu of pursuing a program of training with an employer, pursue through an educational institution a full-time program of training with a vocational objective or full-time associate degree program with a vocational objective which has been approved under chapter 34 or 36 of

title 38, United States Code, or through pursuit of an associate degree program with a vocational objective. Any such training program must be of at least six months duration and must be in an employment field for which the Administrator finds (1) that there is a reasonable probability that upon completion of training over 50 percent of the persons trained will be able to find jobs in the skill in which trained, and (2) that there is a substantial probability of long-term employment.

(b) The period of such training may not exceed that prescribed in section 5(c) of this Act. Payment for such training shall be made monthly to the veteran to reimburse the veteran for the cost of the tuition, fees, books, supplies, and equipment which the educational institution requires similarly circumstanced nonveterans enrolled in the same program to pay and may not exceed $500 a month.

(c) An educational assistance payment may not be made to an eligible veteran enrolled in a program of training under this section until the Administrator has received—

(1) from the veteran a certification as to the veteran's actual attendance during the month for which payment is to be made; and

(2) from the educational institution a monthly certification or an endorsement on the veteran's certificate that the veteran was enrolled in, was actually attending, and was satisfactorily progressing in the approved training program.

(d) If the Administrator finds that an overpayment has been made to a veteran receiving benefits under this program, based upon an erroneous certification made under subsection (c), the veteran and the educational institution shall be liable to the Veterans' Administration in the same manner as provided under subsections (a) and (b) of section 1785 of title 38, United States Code, and the overpayment may be recovered in the same manner as any other debt due the United States.

(e) Benefits may not be paid under this section—

(1) for pursuit of a program of flight or correspondence training;

(2) for training barred under clause (3), (4), or (5) of section 9; or

(3) when the Administrator determines, pursuant to regulations which the Administrator shall prescribe, that the veteran is not making satisfactory progress in the veteran's program, unless the Administrator finds there are mitigating circumstances.

(f) No more than $25,000,000 may be obligated under this section in any fiscal year.

COORDINATION WITH GI BILL

SEC. 14. A veteran may not receive benefits under this Act and under chapter 31, 32, 34, or 35 of title 38, United States Code, or chapter 107 of title 10, United States Code, for the same period.

INFORMATION AND OUTREACH

SEC. 15. (a) The Administrator (in consultation and cooperation with the Secretary of Labor) shall provide for an outreach and public information program—

(1) to inform eligible veterans about the employment, job training, and vocational training opportunities under this Act, under title 38, United States Code, and under other provisions of law; and

(2) to inform employers (including Federal contractors and subcontractors, Federal agencies, labor unions, and educational institutions) of their responsibilities and opportunities with respect to such veterans.

(b)(1) The Administrator (after consultation with the Secretary of Labor) shall establish procedures to inform employers of the advantages of developing job training opportunities for veterans under this Act.

(2) The Administrator shall also assign personnel in regional offices of the Veterans' Administration as necessary to facilitate the development, approval, and monitoring of programs under this Act.

(c)(1) The Secretary of Labor shall take steps to provide for the participation of eligible veterans in training programs under this Act and under title III of the Job Training Partnership Act (Public Law 97-300). In carrying out this responsibility, the Secretary of Labor shall consult with and solicit the cooperation of the Administrator.

(2) The Secretary of Labor shall make special efforts to inform eligible veterans of the job training and vocational training opportunities available under this Act and to coordinate such opportunities with those job training and vocational training opportunities authorized under chapters 41 and 42 of title 38, United States Code, and other similar job training and vocational training opportunities offered by other public agencies and organizations.

(3) The Secretary of Labor, acting through disabled veterans outreach program specialists employed under section 2003A of title 38, United States Code, and through other resources available to the Secretary, shall carry out an intensive outreach program to inform employers of the opportunities and advantages available to them through participation in on-job training programs for veterans under this Act.

(4) In carrying out this subsection, the Secretary of Labor shall maintain close contact with Veterans' Administration regional offices. When job-training opportunities for veterans are developed as a result of the efforts of disabled veterans outreach program specialists, or when the Secretary otherwise becomes aware of such opportunities, the Secretary shall promptly provide information concerning such opportunities to the appropriate Veterans' Administration regional office in order to broaden the number of eligible veterans who may become aware of and apply for such opportunities.

COUNSELING

SEC. 16. The Administrator and the Secretary of Labor shall, upon request, provide employment counseling services to any eligible veteran in order to assist such veteran in selecting a suitable program of job training or vocational training under this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 17. There is authorized to be appropriated to the Veterans' Administration to carry out this Act $25,000,000 for fiscal year 1983 and $150,000,000 for each of fiscal years 1984 and 1985.

TERMINATION OF PROGRAM

SEC. 18. A veteran may not apply for a program of job training or vocational training under this Act after the end of the 15-month period beginning on the effective date of this Act. Assistance may not be paid to an employer under this Act for any period after the end of the 27-month period beginning on the effective date of this Act.

EFFECTIVE DATE

SEC. 19. This Act shall take effect on July 1, 1983.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Texas (Mr. LEATH) will be recognized for 20 minutes, and the gentleman from New York (Mr. SOLOMON) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. LEATH).

GENERAL LEAVE

Mr. LEATH of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on the bill, H.R. 2355.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LEATH of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I recommend that all Members approve the legislation we are considering today, H.R. 2355, the Emergency Vietnam Veterans' Jobs Training Act of 1983.

Since the beginning of the recession, unemployment rates for Vietnam era veterans, which have been chronically high over the last decade, have soared. The statistics show that these veterans have been unemployed at a much higher rate than their nonveteran peers. In March of this year, more than 835,000 veterans of the Vietnam era were looking for work. Of these, over 200,000 had been unemployed for 15 weeks or longer. Although the unemployment rate for Vietnam veterans in all age groups was higher than that for nonveterans, the hardest hit were those veterans between the ages of 25 and 29. A staggering 19.8 percent of these veterans were unemployed—43 percent higher than the rate for those in the same age group who did not serve in the military. In addition, many Vietnam veterans are still behind their nonveteran peers in job experience and proficiency. As a result, they have been the last hired and first fired during this recession. Some are still experiencing readjustment problems that have been exacerbated by underemployment and unemployment.

Public Law 97-306 incorporated into law the declaration of the Congress that veterans' employment problems are a national responsibility which must be met. The enactment of the bill under consideration, H.R. 2355, the Emergency Vietnam Veterans' Jobs Training Act of 1983, will go a long way toward meeting that responsibility.

Mr. Speaker, the Subcommittee on Education, Training and Employment, which I have the privilege of chairing, held two hearings on job training legislation for veterans. Testimony was received from both the Veterans' Administrator, Harry N. Walters, and the Assistant Secretary of Labor for Veter-

ans Employment, William C. Plowden, and representatives of national veterans organizations. All were in agreement that a job retraining program is needed.

I take this opportunity to thank the ranking minority member of our subcommittee, the distinguished gentleman from New York (GERALD SOLOMON), for his leadership and support in developing this legislation, and the cooperation and assistance of all members of the subcommittee. I also want to thank the chairman of the full committee, the distinguished gentleman from Mississippi (SONNY MONTGOMERY), for his leadership and cooperation on this legislation. I also want to thank the distinguished gentleman from Arkansas (Mr. HAMMERSCHMIDT), the ranking minority member of our committee, who has been most helpful in the efforts of the committee in its reporting of this legislation to the House.

H.R. 2355 establishes an emergency program of job training assistance for disabled and Vietnam era veterans who have been unemployed for 15 of the last 20 weeks and who have a discharge other than dishonorable. An estimated 100,000 veterans would benefit under the bill.

H.R. 2355 provides two types of job training, on job training and vocational training through an educational institution. For a veteran qualifying for on job training, payments will be made to employers to partially defray the cost of training. This payment, which is limited to 50 percent of the starting wages, will be made on behalf of a 30-percent-or-more disabled veteran for up to 12 months and for 6 months on behalf of a nondisabled veteran.

A veteran pursuing vocational training at an educational institution must participate in a full-time program of training with a vocational objective or pursue an associate degree program with a vocational objective. A vocational training program must last at least 6 months and be in a field in which there is a substantial probability of long-term employment. The veteran may be reimbursed up to $500 a month to cover the cost of tuition, fees, books, supplies, and equipment. Disabled veterans may be reimbursed for 12 months and nondisabled veterans for 6 months.

H.R. 2355 is designed to be quickly implemented and easily administered. As approved by the committee, the program established by the reported bill will require the joint efforts and full cooperation of the Veterans Administration and the Department of Labor, each contributing its particular experience and expertise of providing assistance to veterans.

Mr. Speaker, this bill has the strong support of the American Legion, the Disabled American Veterans, the Amvets, the Paralyzed Veterans of America, the Vietnam Veterans of America, and the Veterans of Foreign Wars. It also has strong bipartisan support from the members of the Veterans Affairs Committee and other Members of the House.

I was keenly disappointed that the House Budget Committee did not provide specific funding recommended by our committee for this program. Although the administration opposes the bill, the first budget resolution, 1984, passed by the Senate, does include an authorization of $150 million to establish an emergency jobs training program for wartime veterans. The Senate Veterans Affairs Committee has reported S. 1033, the Veterans Emergency Jobs Training Act, legislation similar in intent and purpose to H.R. 2355. I strongly recommend the House conferees on the first budget resolution to accept the Senate-approved budget provision, which includes an additional $150 million for fiscal year 1984 for a veteran employment and retraining initiative, as contemplated by H.R. 2355. H.R. 2355 is an authorization and not an entitlement program. This is emergency legislation to meet an unexpected crisis in the veteran community. I am hoping and assuming the bill will be promptly approved and enacted into law and that the Appropriations Committee will provide as expeditiously as possible full funding for the badly needed jobs training program for veterans provided in H.R. 2355.

We as a nation have an obligation to assist the hundreds of thousands of unemployed veterans who served their country in Vietnam or were disabled while serving in our Armed Forces. This legislation is a modest but firm step in that direction and deserves to be enacted into law. I firmly believe that the training programs established in H.R. 2355 are reasonable and will be effective. This bill is aimed at helping long-term unemployed veterans during an extremely difficult time. It is a meritorious bill and it is necessary. I urge my colleagues to support it.

Finally, I am making as part of my remarks a section-by-section analysis of the bill, so that Members and the public will have the benefit of an explanation of each of the provisions of the bill:

SECTION-BY-SECTION ANALYSIS OF H.R. 2355—THE EMERGENCY VIETNAM VETERANS' JOBS TRAINING ACT OF 1983

SECTION 1

This section of the bill provides that the Act may be cited as the "Emergency Vietnam Veterans' Jobs Training Act of 1983."

SECTION 2

Subsection (a) of this section sets forth the findings of the Congress. These include findings that: (1) there is severe and continuing unemployment among veterans, particularly Vietnam era and disabled veterans; (2) many veterans who have previously been successfully employed are currently unemployed, and, in many cases, have been unemployed for a period of 15 weeks or longer; (3) many of these individuals need retraining in new fields of employment; (4) there is a national responsibility to veterans who have served during a period of hostilities or who have suffered service-connected disabilities; and (5) it is appropriate, for these reasons, to establish an emergency jobs program designed to address these problems and to assist veterans in obtaining productive, but not make-work jobs.

Subsection (b) sets the purpose of the program as providing incentives to employers to hire veterans for positions involving significant training or retraining with the costs of such training partially defrayed by the United States.

Subsection (c) calls on the Administrator of Veterans' Affairs and the Secretary of Labor to take all steps needed to carry out this new program in a vigorous and expeditious manner.

SECTION 3

This section defines various terms including "eligible veteran", "Administrator", "veteran", "active military, naval or air service", "Vietnam era", "compensation", and "State".

SECTION 4

This section directs the Administrator to carry out a program to assist eligible veterans in obtaining employment through on-job training in jobs providing significant training opportunities to be carried out through payments to employers who employ eligible veterans.

SECTION 5

Subsection (a) provides that, to be considered for participation, an eligible veteran must have been unemployed for not less than 15 of the last 20 weeks prior to the time of applying for participation. To be considered unemployed, a veteran must be without a job and want and be available for work. A determination whether a veteran is without a job is to be made in accordance with criteria used by the Bureau of Labor Statistics.

Subsection (b) requires an eligible veteran, who desires to participate in the program, to submit an application to the Administrator. The application is to be in such form and contain such information as the Administrator shall prescribe. The Administrator would be barred from approving an application if the veteran is already qualified for the job for which the training would be provided.

Subsection (c) sets the maximum period of training at 12 months for a veteran disabled at 30 percent or more and at 6 months for any other eligible veteran unless the Administrator determines in individual cases that an additional 6 months of training is needed.

SECTION 6

Subsection (a) provides that in order to qualify as a training program, an employer's program must provide training for a period of not less than 6 months.

Subsection (b) provides that an eligible veteran, approved for participation, may select an approved job training program with any for-profit private employer who will hire the veteran into the regular work force with the expectation by the employer of permanent employment of the veteran after the training ends.

SECTION 7

Subsection (a) provides that the Administrator shall make payments to an employer

utilizing a veteran in an approved job training program. The payments are for defraying, in part, the costs of the veteran's training and, where a disabled veteran is employed, of defraying costs of making structural changes to the work site. Payments to an employer may not exceed 50 percent of the wages paid for the period, determined without regard to any increase above the starting wage paid the veteran.

Subsection (b) provides that payments are to be made at the end of each 3-month period that a veteran participates in a program. Payments, however, may not be made to an employer until (1) the veteran provides a certification to the Administrator showing the veteran's actual employment and training; and (2) the employer provides a certification to the Administrator showing that the veteran was employed and progressing satisfactorily during the training period.

SECTION 8

Subsection (a) provides that an eligible employer may be paid assistance only if the program offered is approved according to regulations prescribed by the Administrator and provided the program meets other specific requirements.

Subsection (b) provides that an employer offering a program of training must submit a written application to the Administrator which, in addition to information required by the Administrator, contains the following certifications: (1) the wages and benefits paid the veteran are not less than the wages and benefits normally paid other employees participating in such a program; (2) the amount of assistance to be paid does not exceed 50 percent of the wages to be paid the veteran without regard to any increase above the starting rate; and (3) there is a reasonable certainty a position of the type for which the veteran is to be trained will be available at the end of the training period.

Subsection (c) provides that before approving a training program, the Administrator must find that: (1) the job which is the objective of the training is one in which progression and appointment to the next higher classification is based on skills learned through organized and supervised training on the job and not such factors as length of service and normal turnover; (2) the training content of the program is adequate to qualify the veteran for a job in the field for which training is provided; (3) the field or job for which training is provided customarily requires full-time training for a period of not less than 6 months; (4) the length of the training period is not longer than customarily required; (5) there is adequate space, equipment, instructional material, and instructor personnel at the site to provide satisfactory training; (6) adequate records will be kept by the employer; (7) no currently employed worker will be displaced and no laidoff worker will be prevented from being recalled because of the new program; (8) the program will not be given to veterans already qualified by training for the job for which the training is to be provided; (9) there is a reasonable certainty a position for which the veteran is to be trained will be available at the end of the training period; (10) the training program of the veteran will be set forth in a written agreement signed by the employer and the veteran, which will be provided to the veteran and to the Administrator; and (11) the program meets other criteria established by the Administrator.

Subsection (d) provides that a program of job training may be an apprenticeship program.

SECTION 9

This section bars approval of the following types of training: (1) seasonal, intermittent, or temporary jobs (although the Administrator may approve enrollment in a seasonal job where appropriate); (2) employment in an industry where a substantial number of experienced workers are unemployed; (3) jobs where commissions are the primary source of income; (4) employment which involves political or religious activities; or (5) training outside a State.

SECTION 10

Subsection (a) provides that the Administrator may not make a payment on behalf of a veteran where the Administrator finds that, according to standards prescribed by the Administrator or the regularly prescribed standards of the employer, the veteran has not made satisfactory progress in his or her training program. Unless the Administrator finds there are mitigating circumstances, progress will not be considered satisfactory unless the veteran is progressing at a rate which will permit the veteran to complete the program within the training period.

Subsection (b) would allow the Administrator to resume payments only if the cause of the failure to complete training has been removed.

SECTION 11

This section provides that where the Administrator finds that the training program previously approved fails to meet any of the requirements set forth, the program shall be immediately disapproved and the employer shall be notified by a certified or registered letter, return receipt requested.

SECTION 12

This section provides that the records and accounts of employers shall be available for examination by the Federal Government.

SECTION 13

Subsection (a) establishes a second program of training available for veterans. In lieu of a job training program with an employer, a veteran may elect to pursue a full-time program of training with a vocational objective or full time associate degree programs with a vocational objective through an educational institution which has been approved for GI Bill training. Educational training must be of at least 6 months duration, and must be in an employment field the Administrator finds (1) there is a reasonable probability that over 50 percent of the persons trained will find employment, and (2) there is a substantial probability of long-term employment.

Subsection (b) provides that the period of training may not exceed that set forth in the job training segment of the Act. Payment is to be made monthly to the veteran to reimburse the veteran for the cost of the tuition, fees, books, supplies, and equipment the school requires similarly circumstanced nonveterans enrolled in the same program to pay, and payments may not exceed $500 per month.

Subsection (c) provides that payments may not be made to the veteran until the Administrator has received certifications (1) from the veteran as to his or her actual attendance during the month, and (2) from the school as to the veterans' enrollment in, actual attendance at, and satisfactory progress in the approved training program.

Subsection (d) provides that any overpayment made to the veteran under this training segment, based on an erroneous certification, shall be assessed against the veteran and the school, and shall be collected in the same manner as any other debt due the United States.

Subsection (e) bars payments under this section for (1) flight training; (2) correspondence training; (3) commission-type training; (4) political or religious training; (5) training outside a State; or (6) training where the veteran is not making satisfactory progress unless there are mitigating circumstances.

Subsection (f) limits funding under this segment of the program to $25 million in any fiscal year.

SECTION 14

This section bars concurrent benefits under the new job training program and training under (1) the vocational rehabilitation program (chapter 31); (2) the contributory education program for post-Vietnam era veterans (chapter 32); (3) the GI Bill (chapter 34); (4) survivors and dependents educational assistance (chapter 35); and (5) the education program of the Department of Defense established under chapter 107 of title 10, United States Code.

SECTION 15

Subsection (a) requires the Administrator, in consultation and cooperation with the Secretary of Labor, to provide an outreach and public information program to inform eligible veterans and employers of the opportunities under the new program.

Subsection (b)(1) requires the Administrator, after consultation with the Secretary of Labor, to establish procedures for informing employers of the advantages of establishing new programs and to make every effort to obtain the assistance of the Disabled Veterans Outreach Program (DVOP) specialists in informing employers of these opportunities.

Subsection (b)(2) requires the Administrator to assign personnel in VA regional offices to aid in the development, approval, and monitoring of these programs.

Subsection (c)(1) requires the Secretary of Labor to take steps to provide for participation of eligible veterans under the Job Training Partnership Act and to consult with and solicit the cooperation of the Administrator in this effort.

Subsection (c)(2) directs the Secretary of Labor to make special efforts to advise eligible veterans of the training opportunities under the new Act, job opportunities authorized under chapters 41 and 42 of title 38, and similar job benefits offered by other public agencies and organizations.

SECTION 16

This section directs the Administrator and the Secretary of Labor, upon request, to provide employment counseling services to eligible veterans to aid them in selecting a suitable program of job training.

SECTION 17

This section authorizes the appropriation of $25 million in Fiscal Year 1983 and $150 million in Fiscal Years 1984 and 1985 to carry out the new programs.

SECTION 18

This section provides that a veteran may not apply for a job training program after the end of the 15-month period beginning on the effective date of the Act and bars assistance from being paid beyond the end of

the 27th month period beginning on the effective date.

SECTION 19

This section provides that the new Act shall take effect on July 1, 1983.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. LEATH of Texas. I yield to the gentleman from Georgia.

Mr. JENKINS. Mr. Speaker, I rise in support of H.R. 2355, the Emergency Vietnam Veterans' Jobs Training Act of 1983, and I commend the distinguished chairman of the full Committee on Veterans' Affairs, SONNY MONTGOMERY, and the ranking minority member, JOHN PAUL HAMMERSCHMIDT, for bringing this major legislative initiative to the floor today. I was pleased to join in cosponsoring the bill.

As the distinguished chairman of the subcommittee, Mr. LEATH, has already explained, the bill would establish an emergency program of job training assistance for veterans of the Vietnam era.

Mr. Speaker, the magnitude of the employment problems facing these young veterans is apparent to anyone familiar with the statistics. In February of this year, over 890,000 Vietnam-era veterans were looking for work, a 23-percent increase over February 1982. The rate of unemployment for Vietnam-era veterans 25 to 29 years old was a staggering 21 percent, which is 47 percent higher than the unemployment rate for nonveteran males in the same age group.

Mr. Speaker, enactment of this bill could benefit at least 100,000 Vietnam-era veterans. The rate of unemployment for veterans has been the highest since World War II and is higher than that of nearly every other measured category of unemployed individuals. Studies conducted for the Department of Labor show that the more severely disabled veterans have a higher unemployment rate, tend to spend longer looking for work, and are more likely to be jobless and to give up the attempt to find a job.

It should be noted that only Vietnam-era veterans who have been unemployed for 15 of the last 20 weeks would be eligible for the program. Under the proposed bill, the Veterans' Administration would partially defray the cost of 6 months of job training by paying the employer up to half the veteran's starting salary. Veterans rated 30 percent or more disabled would receive 12-months assistance.

As I understand the bill, veterans enrolled in a full-time vocational education program would be reimbursed up to $500 a month to cover the cost of tuition, fees, books, supplies, and equipment. The training program must last at least 6 months and be in a field in which there is a substantial probability of long-term employment.

Again, I commend the committee for bringing this bill to the floor, Mr. Speaker, and I am delighted to support it.

Mr. LEATH of Texas. Mr. Speaker, I urge all my colleagues to support this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2355, the Emergency Jobs Training legislation for Vietnam and disabled veterans.

Mr. Speaker, I would like also to reiterate the remarks of the distinguished subcommittee chairman, the gentleman from Texas (Mr. LEATH), because without his leadership, we certainly would not have this bill on the floor today. He has done an outstanding job as chairman of that subcommittee and we certainly want to commend him for it; also our ranking member, the gentleman from Arkansas (Mr. HAMMERSCHMIDT), and the chairman of the full committee, the gentleman from Mississippi (Mr. SONNY MONTGOMERY), both of whom could not be here this morning.

In February of this year, Mr. Speaker, nearly 900,000 Vietnam-era veterans were unable to find work. This figure represents a 23-percent increase over the previous year. However, lest this bill be categorized as just another "recession relief measure," the truly revealing statistic is that comparing unemployment among our Vietnam veterans with their age group peers. The unemployment rate for Vietnam-era veterans now stands at more than 20 percent—a rate 47 percent higher than the figure for nonveterans of the same age group. An even more alarming statistic reveals that unemployment among service-connected disabled veterans of the Vietnam war is estimated to be as high as 50 percent.

The simple fact of the matter is that unemployment figures for those men and women who served their country during the Vietnam war has consistently been markedly higher than that for other members of their age group who were not forced to forgo educational and employment opportunities to serve in Vietnam. Vietnam veterans have simply never caught up with their nonveteran peers.

H.R. 2355 is designed to at least partially correct this unacceptable situation. This bill is a carefully drafted, first step approach to providing meaningful and useful on the job training. I stress the term "on the job training" in order to dispel any fears that may exist that this is just another make work, useless public jobs program of the CETA variety. No new layers of bureaucracy will be created under H.R. 2355. The Veterans' Administration already administers on-the-job training programs, and has indicated that it is fully prepared to implement this expansion of existing programs within weeks of final enactment.

Equally important is the bill's special provisions for disabled veterans who may require structural accommodations in the workplace. H.R. 2355 allows larger payments to those employers who make physical adjustments to accommodate disabled veteran job trainees, a provision I believe will make a significant contribution to bringing the unemployment rate for Vietnam-era disabled veterans down from its present intolerable rate of 50 percent.

Mr. Speaker, this bill is ready to be implemented. The administrative costs are estimated to consume less than 3 percent of the program's budget. H.R. 2355 authorizes a modest 2¼-year job training program with a total price tag of $325 million. I think we all agree that this is a reasonable amount to contribute to meaningful and substantive progress toward bringing our Vietnam veterans' employment situation closer into line with that of their nonveteran counterparts.

I strongly urge passage of this long overdue legislation.

Mr. Speaker, I yield such time as he may consume to our distinguished colleague, the gentleman from Indiana (Mr. HILLIS), a member of the committee.

Mr. HILLIS. Mr. Speaker, I want to congratulate the distinguished chairman of our Subcommittee on Education, Training and Employment, the gentleman from Texas (Mr. LEATH) for bringing this bill before the House. I also commend the ranking member, the gentleman from New York (Mr. SOLOMON), for his work on the bill.

Mr. Speaker, in my view this is a modest bill that will materially assist about 100,000 Vietnam and disabled veterans to reenter the job market. The bill is carefully drawn, has a number of good controls on it, and contains a sunset provision. It is not a make-work type of proposal. Its aim is to assist employers in training veterans and then to employ those veterans.

Mr. Speaker, I am pleased to be a cosponsor of H.R. 2355, and I urge its passage by the House.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding time to me and I rise in support of the Vietnam veterans jobs measure now before us. This legislation, H.R. 2355, would authorize new, on-the-job training opportunities for Vietnam veterans by paying to employers half of the veteran's starting wages in order to partially defray the costs of their training. Furthermore, disabled veterans would

receive 1 year of assistance, while nondisabled veterans would be covered for 6 months.

The bill would also authorize vocation training through an educational institution by reimbursing a veteran for up to $500 a month to cover the costs of tuition, books, supplies, and equipment.

Veterans of the Vietnam era returned to our shores facing more hostility and indifference than any other group of veterans in our Nation's history. They encountered increased difficulty in adjusting to their unasked-for status, and have encountered many problems in attempting to either complete their educations or to find gainful employment.

Even though there are several programs to aid veterans with job placement and training, Vietnam-era and disabled veterans have been among the long-term unemployed. Many veterans have lost their jobs due to the dictum "last hired—first fired," and unemployment among veterans in the 25 to 29 age group hovers at 20 percent.

This meaningful Emergency Vietnam Veterans' Job Training Act authorizes $25 million in fiscal year 1983, and $150 million in fiscal year 1984, and the Veterans' Administration, in concert with the Department of Labor, would provide counseling, outreach, and public information to veterans, employers, and education institutions of the provisions of this proposal. Accordingly, Mr. Speaker, I urge support and adoption of this measure.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman from New York for his remarks. He has always been an outstanding leader in veterans' affairs in this House. We certainly appreciate his support.

Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, I want to take this opportunity to commend my good friend from my neighboring congressional district for the fine job he did on this piece of legislation and urge its passage.

Mr. Speaker, I rise in support of H.R. 2355, legislation designed to provide emergency job training for Vietnam-era veterans.

Mr. Speaker, the Committee on Veterans' Affairs noted that there is a 19.8-percent unemployment rate among Vietnam veterans, compared with a much lower unemployment rate for other Americans in the same age bracket. Clearly, something must be done for those veterans who came to their country's need during the conflict in Vietnam.

This legislation meets the need of those individuals. The bill authorizes $325 million between now and fiscal year 1985 to provide incentives for employers to hire these veterans. For example, the bill provides that the Veterans' Administration will pay to an employer one-half of the veteran's salary to subsidize the costs of providing on-the-job training. In the case of disabled veterans, that cost will be given to the employer to defray the costs of structural changes needed at the worksite. As well, the bill authorizes funds to reimburse a veteran enrolled in an approved, full-time vocational rehabilitation program up to $500 per month for tuition, fees, books, supplies, and equipment.

Another important aspect of this bill is that it directs the VA and the Department of Labor to develop and implement counseling and public information programs to inform veterans and employers on opportunities under the program.

Much has been said here in this House about the plight of the Vietnam veteran, and the sacrifices that they made for America. This is a positive, tangible opportunity to prove to those veterans that we thank them for their sacrifices, and we want to help make them fully productive members of our society.

Opponents of this measure contend that the jobs bill takes care of any emergency job funding that needs to be done. However, in the jobs bill there is no mechanism to insure that assistance go to Vietnam veterans. This bill is the only way we can insure that they will be helped, and I urge support for the legislation.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman for his remarks.

Mr. Speaker, I reserve the balance of my time.

Mr. LEATH of Texas. Mr. Speaker, I yield such time as he may consume to the distinguished chairman of the full committee, the gentleman from Mississippi, Mr. SONNY MONTGOMERY.

Mr. MONTGOMERY. Mr. Speaker, H.R. 2355 would establish an emergency program of job training assistance for Vietnam-era veterans who have suffered financially from long-term unemployment. In March 1983, more than 835,000 Vietnam veterans were looking for work. The unemployment rate for veterans of the Vietnam era and all age groups is much higher than their nonveteran peers. The seriousness of this problem fully justifies the necessity of this emergency program which would be in existence for 2 fiscal years.

I do not think, Mr. Speaker, there is any other segment of our society more deserving than veterans who served during the Vietnam era and especially those who served in Southeast Asia. This proposal is a modest bill, and I would hope that my colleagues from both sides of the aisle will support it.

I want to compliment the distinguished chairman of the subcommittee, Mr. LEATH, for placing a high priority on this legislation and bringing this bill to the floor. When he first assumed the chairmanship of our Subcommittee on Education, Training and Employment early this year, he made this bill a No. 1 issue, as did the distinguished gentleman from New York, the ranking minority member of the subcommittee, Mr. SOLOMON. Each of them has devoted much time and effort to this bill, and as chairman of the full committee, I want them to know how much I appreciate their efforts. The distinguished gentleman from Arkansas, the ranking minority member of the full committee, Mr. HAMMERSCHMIDT, has also played a major role in putting this legislation together, and I thank him for his usual good cooperation and special efforts. He too has been greatly interested in assisting our Vietnam veterans, and I appreciate the work of all members of the subcommittee.

Mr. Speaker, Vietnam veterans have fallen victim to the ills of our economy through no fault of their own. This legislation is essential to these veterans, and I hope the House will adopt it unanimously.

Mr. LEATH of Texas. Mr. Speaker, I yield 1½ minutes to the delegate from Puerto Rico (Mr. CORRADA).

Mr. CORRADA. Mr. Speaker, I rise in support of H.R. 2355, the Emergency Vietnam Veterans' Jobs Training Act of 1983 which directs the VA to establish an emergency program of job training assistance for disabled veterans and veterans of the Vietnam war.

The assistance would be in the form of the VA bearing up to 50 percent of the cost of on-the-job training, making it more attractive for employers to hire veterans. The focus of the bill is on the long-term unemployed Vietnam-era and disabled veterans. The training would take place in fields of employment where there is reasonable expectancy of long-term employment thus avoiding the uncertainty of obtaining future jobs.

The concept embodied in the bill is not only sound but sorely needed. When statistics like "in March of 1983, more than 835,000 veterans of the Vietnam-era were looking for work" surface, we must realize we are not doing enough for our veterans.

Their being unemployed creates a lot of despair and anxiety which translates into making even harder their readjustment to civilian life. Many veterans suffer a great amount of frustration when realizing their skills which took so much effort to acquire, are obsolete. The unemployment rate for Vietnam veterans is significantly higher across the board than that of their counterpart nonveteran peers.

We must not stand aside and let the sad show go on. The initiative encompassed in the bill would give reassurance to our anguished unemployed

veterans. Let us step in and help them recover their hopes of success and well-being.

I urge my colleagues to vote in favor of this legislation.

□ 1300

Mr. LEATH of Texas. Mr. Speaker, I now yield 1½ minutes to the gentlewoman from Ohio (Ms. KAPTUR), a new and very fine member of our subcommittee.

Ms. KAPTUR. Mr. Speaker, I rise in support of the Emergency Vietnam Veterans' Jobs Training Act of 1983, and would like to commend both the chairman of the Subcommittee on Education, Training and Employment, Mr. LEATH, and the chairman of the full Veterans' Affairs Committee, Mr. MONTGOMERY, for their work on this bill.

Some Members of the House may believe that the decline in the Nation's unemployment rate in May reflects the increasing strength of the supposed economic recovery, and consequently that bills such as the Emergency Vietnam Veterans' Jobs Training Act are unnecessary. However, these encouraging signs do not tell the whole story. Economists caution that the upturn will continue to be moderate, reducing unemployment at a slow, uneven pace. And the Wall Street Journal reported today, June 6, that some economists are saying that the jobless rate may rise for a month or two this summer.

Obviously, our country is still attempting to recover from the worst recession since the Great Depression. The pain for millions of Americans has been extreme and still continues. The pain for Vietnam-era veterans and service-connected disabled veterans is particularly acute. The rate of unemployment for Vietnam-era veterans is almost 50 percent higher than the unemployment rate for nonveterans in the same age group.

In my district, the Ninth District of Ohio, there are over 19,000 Vietnam-era veterans and disabled veterans. The unemployment rate in my district is 13.1 percent, involving more than 29,000 people. While I am not able to get exact figures on how many of the Vietnam veterans and disabled veterans are unemployed, from meetings which I have held with unemployed persons and with Vietnam veterans in my district, I know that these two groups overlap extensively. Compounding the emotional hardship of being a Vietnam-era veteran in a nation which has refused to bestow upon the veterans the kind of credit and recognition to which they should be entitled by virtue of their honorable service, is the unprecedented rate of unemployment these individuals are experiencing as well as other economic difficulties. The stories which I have heard of the disastrous personal consequences for these unemployed veterans is heartrending.

It is time that we come to the aid of the unemployed Vietnam-era veterans and disabled veterans. It is time that they receive the recognition, credit, and benefits which they have earned for their service. I urge my colleagues to vote in favor of H.R. 2355.

Mr. LEATH of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from South Dakota (Mr. DASCHLE), a very distinguished member of our committee and one who has always been looking out for the Vietnam-era veterans of this country.

Mr. DASCHLE. Mr. Speaker, I rise in strong support of the legislation before us today, the Emergency Vietnam Veterans' Jobs Training Act of 1983, H.R. 2355.

All groups of American society have been affected by the recession of the past 2 years, but no groups have been harder hit than our service-connected disabled and Vietnam-era veterans. Reports from the Bureau of Labor Statistics indicate that in May of this year, Vietnam-era veterans in all age groups were unemployed at a higher rate than their nonveteran peers. Further, unlike the population at large, the unemployment rate of Vietnam veterans was higher in May than it was in April.

For too long, finding and keeping meaningful employment has been a problem for veterans and the impact of the poor economy has been devastating. H.R. 2355, as reported by the House Veterans' Affairs Committee, will go a long way toward helping those most in need of assistance, the long-term unemployed Vietnam-era veteran. This legislation, which establishes an emergency program of job training assistance for Vietnam veterans who have been unemployed for 15 of the last 20 weeks, provides two types of job training, onjob training and vocational training through an educational institution. Payments will be made by the Veterans' Administration to employers to partially defray the cost of training those veterans who qualify for onjob training. Veterans who pursue vocational training at an educational institution will be reimbursed up to $500 a month to cover the cost of tuition, fees, books, supplies, and equipment. Under both programs, disabled veterans will be eligible for benefits for 12 months and nondisabled for 6 months.

H.R. 2355, if fully utilized, will provide assistance to an estimated 100,000 veterans. The veterans trained under this bill will have a reasonable prospect of obtaining long-term employment. Approving the bill will be a giant first step toward solving the employment problems of long-term unemployed veterans of the Vietnam era. We have been told that as high as 50 percent of Vietnam veterans visiting vet centers for assistance have an employment-related problem.

Finally, it is most regrettable that the number of unemployed veterans increased during the month of May, at a time when the unemployment rate for other groups was decreasing. This makes this bill more important than ever, and it is imperative that it be enacted into law as quickly as possible.

I thank the chairman of the full Committee, Mr. MONTGOMERY, and the chairman of the Subcommittee on Education, Training and Employment, Mr. LEATH, for initiating action in this important and badly needed legislation, and I urge my colleagues to support it.

Mr. LEATH of Texas. Mr. Speaker, I yield 2 minutes to another distinguished new member of our committee, the gentleman from New Mexico (Mr. RICHARDSON) who has proven in his short time on the committee thus far that he is indeed a champion of the veterans of this country.

Mr. RICHARDSON. Mr. Speaker, I rise in support of H.R. 2355. I am proud to say that I am a member of the House Veterans' Affairs Subcommittee on Education, Training and Employment, which took the initiative to bring forth this vital piece of legislation. As a cosponsor of the bill, I call upon the Members of the House to favorably consider H.R. 2355 by voting to suspend the rules.

During the many hours of testimony which were presented to our subcommittee, I was extremely troubled to learn that there are over 800,000 veterans out of work who could be potentially affected by this bill. H.R. 2355 takes an important first step in addressing this national problem by allowing at least 200,000 veterans to qualify immediately for either on-the-job training or vocational education as provided by this legislation.

Mr. Speaker, I regret that this bill is not as generous with job training assistance to these veterans as I would have liked. But our committee has decided that legislation is urgently needed and we would be better off with half a loaf or a quarter of a loaf than none at all.

In reporting this legislation, the committee acted well within budget limitations. And I can assure my colleagues that the men and women who testified before our committee in favor of broader legislation understood fully the budgetary constraints under which we must operate.

H.R. 2355 authorizes enough money to provide immediate job training assistance to over 100,000 veterans who have served their country in the armed services. I hope that the Members of this body will insure that we share a small portion of this country's resources with those who have given so much to all of us.

Mr. LEATH of Texas. Mr. Speaker, no member of this committee nor this body has been more interested in veterans in this country than the gentleman from Pennsylvania (Mr. EDGAR). I now yield to him such time as he may consume.

Mr. EDGAR. Mr. Speaker, I rise in strong support of this legislation today. It occurs to me as I listened to some of the debate and as I have worked on the legislation in committee that our chairman and subcommittee chairman and the ranking Republican both on the subcommittee and the full committee have brought to the House a bill that is important and necessary. It focuses on and targets into that group of people in our society who often get overlooked and neglected; namely, the Vietnam-era veteran.

As the chairman of this subcommittee for the last 2 years, prior to moving to the Subcommittee on Hospitals and Health Care, I was made quite aware of the important needs that Vietnam-era veterans have, particularly in the areas of employment and employment services.

I think this bill does begin to address that need and I commend the chairmen of the subcommittee and of the full committee for their work.

Mr. LEATH of Texas. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Speaker, I thank the chairman of the committee for yielding and commend him and the chairman of the full committee for bringing out this bill.

I introduced a bill some months ago built around one of the features that is in this bill; namely, 50 percent compensation to employers for job training of unemployed people.

While my bill is directed toward job training for all unemployed workers, and, therefore, covers a much greater need in terms of numbers of people affected, in terms of the acuteness of the problem I believe that Vietnam-era veterans are problably suffering more than other unemployed.

I am really gratified that the committee has taken this initiative to bring this to the House, and hopefully get it enacted into law in time to help some of these veterans who desperately need this kind of help. I know it will mean a great deal to many veterans and will also make a dent in the really enormous retraining challenge confronting this country.

Mr. LEATH of Texas. Mr. Speaker, I thank the gentleman for his support.

Vietnam veterans have fallen victim to the ills of our economy through no fault of their own. This legislation is essential to these veterans and I hope that this House will unanimously adopt it.

● Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in support of H.R. 2355, the Emergency Jobs Training legislation for Vietnam and disabled veterans.

Mr. Speaker, I congratulate the chairman of the subcommittee of the House Veterans' Affairs Committee, the gentleman from Texas, Mr. LEATH, and the ranking member, the gentleman from New York, Mr. SOLOMON, for their excellent work on the bill. And, of course, I commend the chairman of our committee, the gentleman from Mississippi, Mr. MONTGOMERY.

In February of this year, nearly 900,000 Vietnam-era veterans were unable to find work. This figure represents a 23-percent increase over the previous year. A truly revealing statistic comes to the forefront when we compare unemployment among our Vietnam veterans with their age group peers. The unemployment rate for Vietnam-era veterans now stands at more than 20 percent—a rate 47 percent higher than the figure for nonveterans of the same age group. An even more alarming statistic is that unemployment among service-connected disabled veterans of the Vietnam war is estimated to be as high as 50 percent.

The simple fact of the matter is that unemployment figures for those men and women who served their country during the Vietnam war has consistently been markedly higher than that for other members of their age group who were not forced to forgo educational and employment opportunities to serve in Vietnam. Vietnam veterans have simply never caught up with their nonveteran peers.

H.R. 2355 is designed to at least partially correct this unacceptable situation. This bill is a carefully drafted, first step approach to providing meaningful and useful on-the-job training. I stress the term "on-the-job training" in order to dispel any fears that may exist that this is just another make work, useless public jobs program of the CETA variety. No new layers of bureaucracy will be created under H.R. 2355. The Veterans' Administration already administers on-the-job training programs under the GI bill and has done so successfully for many years. It has indicated that it is fully prepared to implement this expansion of existing programs within weeks of final enactment.

Equally important is the bill's special provisions for disabled veterans, who may require some structural accommodations in the workplace. H.R. 2355 allows larger payments to those employers who make physical adjustments to accommodate disabled veteran job trainees, a provision, I believe, will make a contribution to bringing the unemployment rate for Vietnam-era disabled veterans down from its present intolerable rate of 50 percent.

Mr. Speaker, this bill is ready to be implemented. The administrative costs are estimated to consume less than 3 percent of the program's budget. H.R. 2355 has a termination provision. It authorizes a modest 2¼-year job training program with a total price tag of $325 million. I think we can all agree that this is a reasonable amount to contribute to meaningful and subtantive progress toward bringing our Vietnam veterans' employment situation closer in line with that of their nonveteran counterparts.

I strongly urge passage of this long-overdue legislation.●

● Mr. BONER of Tennessee. Mr. Speaker, I rise in support of the Emergency Veterans' Job Training Act of 1983. As a cosponsor of the bill and as a former member of the distinguished Veterans' Affairs Committee, I commend Chairman MONTGOMERY and the ranking minority member, JOHN PAUL HAMMERSCHMIDT, for bringing this measure to the floor for consideration.

Mr. Speaker, the bill before us provides an excellent opportunity for the Federal Government to resolve the continuing tragedy of nearly 800,000 Vietnam-era veterans who are out of work. This bill is designed to relieve the severe and continuing unemployment among veterans of the Vietnam-era and particularly those Vietnam veterans who are service-connected disabled and in many cases suffering the severest employment problems.

Mr. Speaker, in my district there are over 20,000 Vietnam-era veterans. I have heard from many of these individuals, both those employed and those unemployed, and they have voiced their strong support for this bill.

It is a well known fact that many idle workers across the Nation will never be able to return to their former jobs. Congress would do well to assist them through a federally-sponsored job training program. H.R. 2355 would provide such assistance for those Vietnam-era veterans who have been unemployed for 15 of the last 20 weeks by authorizing both on-the-job and vocational training. In each case, the training is limited to 6 months for nondisabled veterans, and 12 months for disabled veterans. The training must be in a field that offers a substantial possibility for long-term employment. Since this is an emergency measure, the program would end on September 30, 1985.

Mr. Speaker, I understand that hearings held by the committee's Subcommittee on Education, Training, and Employment revealed the dismal trend in the veterans' unemployment rate. Over 890,000 Vietnam-era veterans were looking for work in February, a 23-percent jump over the February 1982 figure. For Vietnam-era veterans 25 to 29 years of age, the unemployment rate was a staggering 21 percent, 47 percent higher than the rate for nonveterans in the same age group.

Even worse, unemployment among service-connected disabled veterans was estimated to be as high as 50 percent.

The seriousness of this problem justifies the establishment of this emergency program. As long as unemployment and underemployment continue as serious problems among our Nation's veterans, alleviating them must be a national responsibility.

I urge my colleagues to join me in support of this necessary legislation.●

Mr. ALBOSTA. Mr. Speaker, I rise in strong support of H.R. 2355, Vietnam Veterans' Job Training Act. This legislation, establishing a temporary emergency job training program for Vietnam veterans, is needed now more than ever.

This legislation will create an on-the-job training program for Vietnam veterans who have been unemployed for at least 15 of the last 20 weeks at the time they apply. This bill also will provide educational assistance to veterans who are studying for a vocational degree.

With national unemployment still in double digit figures, it continues to be particularly difficult for Vietnam-era veterans to break into the job market. It is time we acted to create a targeted job training program that will help these veterans find gainful employment in our country.

Vietnam veterans served this country and by passing H.R. 2355, Congress can show these veterans that we recognize and appreciate their military service in a constructive, positive way. I urge passage of the Vietnam Veterans' Job Training Act.

● Mr. BILIRAKIS. Mr. Speaker, as a cosponsor of H.R. 2355 and a member of the House Committee on Veterans' Affairs, I want to take this opportunity to express my strong support for this legislation, which would establish an emergency job training program for Vietnam and disabled veterans.

We are all aware of the unemployment problems facing the Nation, but what may not be as obvious is that this problem is particularly severe among Vietnam-era and disabled veterans, and indeed, among the veteran population as a whole. For example, unemployment among veterans between the ages of 25 and 29 is 19.8 percent, whereas the unemployment figure for nonveterans in that age group is only 13.9 percent.

Clearly, we need to take action to help these veterans become gainfully employed, not only because the Nation appreciates the service they have given this country, but because in many cases, that service has played a role in their inability to find satisfying and productive work.

H.R. 2355 offers a responsible program for helping disabled and Vietnam-era veterans at a reasonable cost. This is not a loosely-conceived, make-work jobs bill, but a well-directed program with specific guidelines that will be truly effective in meeting the training needs of unemployed veterans. The funds authorized will go only to employers who offer significant on-the-job training opportunities or to those veterans who are employed in a full-time vocational training program in a field in which there is a substantial probability of long-term employment. Disabled veterans will be eligible for 12 months of assistance and nondisabled Vietnam veterans can receive up to 6 months of help.

These men and women gave of themselves when the Nation was in need of their service in defense of our freedom and security. Now, it is the Nation's turn to give to these veterans who are in need of some assistance so that they can lead more fulfilled and productive lives. Surely, we owe this much to these honorable men and women. We, therefore, should pass without hesitation this important legislation to provide job training to Vietnam and disabled veterans in need of the Nation's support.

Thank you, Mr. Speaker.●

● Mr. LEVIN of Michigan. Mr. Speaker, I rise to express the importance of expediting complete congressional approval of the Emergency Vietnam Veterans' Jobs Training Act of 1983, which passed the House yesterday. I commend my colleagues for overwhelmingly supporting this legislation which addresses the urgent unemployment problems of Vietnam-era veterans.

In early 1983, over 800,000 Vietnam veterans were looking for work. The unemployment rate for Vietnam veterans has risen much more rapidly than that of their nonveteran peers. The recession has exacerbated the already difficult employment situation for these veterans, and it is estimated that over 215,000 Vietnam veterans—1 out of every 4—are among the long-term unemployed.

The current economic climate and structural changes in the job market have resulted in millions of lost jobs; for Vietnam veterans, these jobless figures paint an especially bleak picture, for these veterans always faced obstacles in entering the job market. Our commitment to meeting the special needs of those who served this country in the Vietnam war must now be expanded to specifically address their current employment difficulties. As with many of the long-term unemployed today who will require training to become gainfully employed, the Vietnam veteran has special training needs. It has been proven that employer incentives have successfully resulted in jobs for Vietnam veterans. The training and education components in this legislation will provide opportunities for Vietnam veterans to gain the necessary skills and experience to meet the demands of the future job markets.

This is a serious problem and H.R. 2355 provides an effective means for dealing with it. I urge its speedy passage in the Senate.●

Mr. LEATH of Texas. Mr. Speaker, I have no more requests for time, and I yield back the balance of my time.

Mr. SOLOMON. Mr. Speaker, I have no more requests for time. I urge strong support and passage of the bill, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. LEATH) that the House suspend the rules and pass the bill, H.R. 2355, as amended.

The question was taken.

Mr. CONTE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

PERMISSION FOR SUBCOMMITTEE ON MONOPOLIES AND COMMERCIAL LAW OF THE COMMITTEE ON THE JUDICIARY TO SIT ON JUNE 7 AND 8, 1983, DURING 5-MINUTE RULE

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that the Subcommittee on Monopolies and Commercial Law of the Committee on the Judiciary be permitted to sit while the House is reading for amendment under the 5-minute rule on Tuesday, June 7, 1983 and Wednesday, June 8, 1983.

I understand the minority has been consulted on this, and that there is no objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

FLORIDA WILDERNESS ACT OF 1983

Mr. SEIBERLING. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 9) to designate components of the National Wilderness Preservation System in the State of Florida, as amended.

The Clerk read as follows:

H.R. 9

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Florida Wilderness Act of 1983".

WILDERNESS DESIGNATION

SECTION 1. In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131 et seq.) the following lands are hereby desig-

nated as wilderness, and therefore, as components of the National Wilderness Preservation System—

(1) certain lands in the Apalachicola National Forest, Florida, which comprise approximately one thousand one hundred and seventy acres, are generally depicted on a map entitled "Bradwell Bay Wilderness Addition—Proposed", dated February 1980, and which are hereby incorporated in and shall be deemed a part of, the Bradwell Bay Wilderness as designated by Public Law 93-622;

(2) certain lands in the Apalachicola National Forest, Florida, which comprise approximately seven thousand eight hundred acres, are generally depicted on a map entitled "Mud Swamp/New River Wilderness—Proposed", dated February 1980, and shall be known as the Mud Swamp/New River Wilderness;

(3) certain lands in the Osceola National Forest, Florida, which comprise approximately thirteen thousand six hundred acres, as generally depicted on a map entitled "Big Gum Swamp Wilderness—Proposed", dated March 1980, and shall be known as the Big Gum Swamp Wilderness;

(4) certain lands in the Ocala National Forest, Florida, which comprise approximately seven thousand seven hundred acres, as generally depicted on a map entitled "Alexander Springs & Billies Bay Wilderness—Proposed", dated March 1980, and shall be known as the Alexander Springs Wilderness: *Provided, however,* That the Secretary of Agriculture shall not prohibit existing motorboat use on Alexander Springs Creek;

(5) certain lands in the Ocala National Forest, Florida, which comprise approximately thirteen thousand two hundred and sixty acres, as generally depicted on a map entitled "Juniper Prairie Wilderness—Proposed", dated November 1981, and shall be known as the Juniper Prairie Wilderness;

(6) certain lands in the Ocala National Forest, Florida, which comprise approximately two thousand five hundred acres, as generally depicted on a map entitled "Little Lake George Wilderness—Proposed", dated March 1980, and shall be known as the Little Lake George Wilderness; and

(7) certain lands in the Ocala National Forest, Florida, which comprise approximately three thousand one hundred and twenty acres, as generally depicted on a map entitled "Alexander Springs and Billies Bay Wilderness—Proposed", dated March 1980, and shall be known as the Billies Bay Wilderness.

MAPS AND DESCRIPTIONS

SEC. 2. As soon as practicable after the provisions of section 1 of this Act take effect, the Secretary of Agriculture shall file maps and legal descriptions of each wilderness area designated by such section with the Committee on Interior and Insular Affairs and the Committee on Agriculture of the House of Representatives and the Committee on Energy and Natural Resources of the United States Senate, and each such map and legal description shall have the same force and effect as if included in this Act: Provided, however, That correction of clerical and typographical errors in such legal descriptions and maps may be made. Each such map and legal description shall be on file and available for public inspection in the office of the Chief, United States Forest Service, Department of Agriculture.

ADMINISTRATION ON WILDERNESS

SEC. 3. Subject to valid existing rights, each wilderness area designated by this Act shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness: Provided, That any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of the relevant provisions of this Act.

OSCEOLA NATIONAL FOREST

SEC. 4. (1) The Department of the Interior shall not issue phosphate leases in the Osceola National Forest, Florida, unless and until the President transmits a recommendation to the Congress that phosphate leasing be permitted in a specified area in the Osceola National Forest. Notice of such transmittal shall be published in the Federal Register. No recommendation of the President under this section may be transmitted to the Congress before ninety days after publication in the Federal Register of notice of his intention to submit such recommendation.

(2) FINDINGS.—A recommendation may be transmitted to the Congress under paragraph (1) if the President finds that, based on the information available to him—

(i) there is a clear and present national need for the phosphate resulting from a domestic shortage of phosphate reserves, and

(ii) such national need outweighs the overall public values of the public lands involved, including the wilderness area designated in section 1(3) of this Act and any adverse environmental impacts which are likely to result from the activity.

(3) REPORT.—Together with his recommendation, the President shall submit to the Congress—

(i) a report setting forth in detail the relevant factual background and the reasons for his findings and recommendation;

(ii) a statement of the conditions and stipulations which would govern the activity; and

(iii) in any case in which an environmental impact statement is required under the National Environmental Policy Act of 1969, a statement which complies with the requirements of section 102(2)(C) of such Act. In the case of any recommendation for which an environmental impact statement is not required under section 102(2)(C) of the National Environmental Policy Act of 1969, the President may, if he deems it desirable, include such a statement in his transmittal to the Congress.

(4) APPROVAL.—Any recommendation under this section shall take effect only upon enactment of a joint resolution of Congress approving such a recommendation.

WILDERNESS REVIEW CONCERNS

SEC. 5. (a) The Congress finds that—

(1) the Department of Agriculture has completed the second roadless area review and evaluation program (RARE II);

(2) the Congress had made its own review and examination of national forest roadless areas in Florida and of the environmental impacts associated with alternative allocations of such areas.

(b) On the basis of such review, the Congress hereby determines and directs that—

(1) without passing on the question of the legal and factual sufficiency of the RARE II final environmental statement (dated January 1979) with respect to national forest lands in States other than Florida such statement shall not be subject to judicial review with respect to national forest system lands in the State of Florida;

(2) with respect to the national forest lands in the State of Florida which were reviewed by the Department of Agriculture in the second roadless area review and evaluation (RARE II), except those lands remaining in further planning upon enactment of this Act, that review and evaluation shall be deemed for the purposes of the initial land management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974 as amended by the National Forest Management Act of 1976 (Public Law 94-588) to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revision of the initial plans and in no case prior to the date established by law for completion of the initial planning cycle;

(3) areas in the State of Florida reviewed in such final environmental statement and not designated as wilderness by this Act or remaining in further planning upon enactment of this Act need not be managed for the purpose of protecting their suitability for wilderness designation pending revision of the initial plans;

(4) unless expressly authorized by Congress, the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of national forest system lands in the State of Florida for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

SEVERABILITY

SEC. 6. If any provision of this Act or the application thereof is held invalid, the remainder of the Act and the application thereof shall not be affected thereby.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Ohio (Mr. SEIBERLING) will be recognized for 20 minutes, and the gentleman from New Mexico (Mr. LUJAN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 9, which implements the RARE II wilderness recommendations for Florida and bans phosphate leasing and mining in the Osceola National Forest unless and until the President and Congress, at some future date, determine mining is needed in the national forest based on a clear and present national need for the Osceola phosphate reserves. H.R. 9 is cosponsored by the entire Florida delegation and is also strongly supported by Senators CHILES and HAWKINS and the State of Florida. With certain modifications that were made this year it is now also supported by the administration.

Mr. Speaker, at this point I include a letter of endorsement, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., May 10, 1983.

Hon. MORRIS K. UDALL,
Committee on Interior and Insular Affairs, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This responds to your request for the Administration's views on section 4 of H.R. 9 and H.R. 2326, the provisions dealing with phosphate leasing in the Osceola National Forest in Florida.

The Administration would support enactment of H.R. 2326 if subsections (b) through (g) of section 4 are deleted from the bill. We strongly object to these provisions of H.R. 2326 because the issue of compensation for lease applications that have already been denied is moot. All that these subsections could accomplish is to prejudice possible litigation on the denial of these leases in the future.

The Administration opposes enactment of section 4 of H.R. 9, as introduced, for the same reasons that the President disapproved a similar Act, H.R. 9, in the 97th Congress.

The Secretary of the Interior has determined that the holders of the former lease applications identified in section 4(b) are not entitled to phosphate leases under section 9(b) the Mineral Leasing Act of 1920 and, hence, have nothing of value for the Federal Government to buy back.

Under section 9(b) of the Mineral Leasing Act of 1920 (30 U.S.C. section 211(b)), a phosphate lease applicant must show that during the term of a prospecting permit valuable deposits of phosphate were discovered. That means phosphate has been discovered of such a character and quantity that a prudent person would be justified in the further expenditure of his labor and means with a reasonable prospect of developing a paying mine. This is the standard which the courts have held to be applicable to the phosphate in the Osceola National Forest and these former lease applications.

The Mineral Leasing Act for Acquired Lands of 1947 (30 U.S.C. 351 *et seq.*) applies this standard to phosphate leasing on lands acquired by the United States (as are the lands in the Osceola National Forest). It adds the requirement that mineral leases for acquired lands shall be subject to stipulations and conditions prescribed by the surface managing agency to insure the adequate utilization of the lands for the primary purposes for which they were acquired or are being administered. For the Osceola National Forest, this includes watershed, timber production, wetlands, and other purposes. The Forest Service provided such stipulations to the Secretary of the Interior. These stipulations were used by the Secretary in evaluating the former applications for phosphate leases in the Osceola. Parenthetically, there is currently no judicial challenge to the reasonableness of the Forest Service's stipulations.

Using the stipulations and relying on a wealth of documentation prepared through the NEPA process and analyses of drilling data, the Secretary determined in January 1983 that the former lease applicants had not shown a reasonable likelihood of success in developing a valuable mine, since there was no technology currently licensed by the State of Florida which provided reasonably successful reclamation of mined lands to the standards of the Forest Service's stipulations.

Upon making that determination, the Secretary rejected the former lease applications. Under the Mineral Leasing Act of 1920, a rejected lease application gives rise to no compensable property interest. Rejecting an application for failure to satisfy the governing statute is not a taking. A lease applicant in such a situation has no claim against the public treasury. Such an applicant has, of course, the right to seek judicial review of the Secretary's action and certain of the lease applicants in this case have done this, or are expected to do so. However, it was the finding of the Secretary of the Interior that the former lease applicants had not satisfied the statutory prerequisites to a right to a lease.

Even if a court were to direct the Secretary to issue leases, they would be of no economic value. Leases issued by the Secretary pursuant to such a court order would be subject to all the stipulations required by the Forest Service to protect the resource values of the Forest pursuant to the Mineral Leasing Act for Acquired Lands. No mining could occur unless and until the stipulations were satisfied. It has been established that there is no reasonable prospect that reclamation can be accomplished on the lands if they are mined. If a court were to order the issuance of the leases and the lease applicants availed themselves of the option authorized by section 4(c)(2)—bringing the matter of fair market value before the United States Claims Court—the United States would be burdened with the costs of additional litigation for lands that currently cannot be mined and reclaimed as required by the Forest Service's stipulations, and that have no economic value.

Earlier this year, in signing legislation that required the Federal Government to purchase private mineral rights in a newly designated wilderness area, the President voiced a strong objection to this method of indirect condemnation. Specifically, the statement said: "My administration continues its strong objection to the use of mineral credits to hide new spending." He urged that in future wilderness bills the Congress return to its practice of making the lands affected by wilderness designation subject to such claims or outstanding interests.

The situation addressed by subsections (b) through (g) of section 4 of H.R. 2326 is very objectionable. Those provisions could require the use of public funds to buy public resources which in fact have no value because they contain no valuable deposits of phosphate—a finding made by the Secretary of the Interior consistent with the Mineral Leasing Act of 1920—if that finding is overturned by the Claims Court. H.R. 2326 is, in fact, an affirmation of the determination made by the Secretary of the Interior that the lands cannot and should not be mined because they cannot be reclaimed. There is no justification or rationale for expending Federal funds to compensate former lease applicants for an alleged "right" to Federal resources which in fact does not exist.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

GARREY E. CARRUTHERS,
Assistant Secretary.

Mr. Speaker, the wilderness proposals of the bill contain some modifications of the original RARE II submissions in order to accommodate the concerns of the administration, the Florida delegation and other interested parties. They are the same as were contained in legislation which passed the House in previous Congresses, and I believe they are noncontroversial.

The other major issue addressed by H.R. 9 deals with the question of phosphate leasing in the Osceola National Forest. Once again, H.R. 9 closely parallels the bills of the last two Congresses and bans the issuance of phosphate leases unless and until the President and Congress determine mining is in the national interest. This ban is supported by the entire Florida delegation, the State of Florida, and numerous units of State and local government, and has now been endorsed by the Reagan administration.

The phosphate issue arose from provisions of the Mineral Leasing Act of 1920 which authorize the Secretary of the Interior to issue exclusive 2-year prospecting permits to qualified applicants where prospecting or exploratory work is necessary to determine the existence or workability of phosphate deposits, and to renew such permits under certain circumstances. If the prospecting permittee discovers valuable deposits of phosphate within the permitted area, the law states that the permittee is entitled to a lease on all or part of the lands covered by the permit. Pursuant to these provisions the Secretary issued 42 prospecting permits, covering about 144,000 acres of the total 157,000 acres of the Osceola National Forest, between 1965 and 1968. Based on the prospecting work, during the period from July 1969 through May 1972, 41 applications for preference-right phosphate leases, covering about 52,000 acres of the permitted land or some 33 percent of the entire Osceola National Forest, were filed by four companies.

The Secretary of the Interior denied these applications on January 14, 1983, on the ground that no discoveries of valuable deposits of phosphate had been made. The Secretary's denial was based upon his conclusion that there is no current technology to insure a reasonable likelihood of the successful reclamation of mined areas and that there was, therefore, no reasonable prospect that the phosphate could be commercially mined. A Bureau of Land Management study on reclamation technology and an as yet unreleased Environmental Protection Agency study of the same issue appear to support the Secretary's finding.

While our committee's own investigations into the matter indicate that the Secretary's conclusions on reclamation potential are correct, the committee wishes to stress that the right of the preference right lease applicants to contest the decision of the Secretary and to be afforded monetary compensation by a court of competent jurisdiction is not intended to be affected or pejudiced in any way by the enactment of this legislation.

However, in the event the courts ultimately determine that the applicants have established lease rights, H.R. 9 provides that leases will not be issued. The applicants would instead be compensated as required in accordance with constitutional principles. I strongly support the leasing ban contained in H.R. 9 because I believe that the leasing of approximately one-third of the Osceola National Forest for phosphate mining could severly impair the value of the forest for other multiple uses such as recreation, watershed, wildlife, timber production and wilderness.

I urge my colleagues to join me in voting for this meritorious legislation.

□ 1315

Mr. Speaker, I reserve the balance of my time.

Mr. LUJAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 9, the Florida wilderness bill. As a result of amendments adopted in our committee, the bill is essentially noncontroversial this year.

The bill designates seven new wilderness areas in Florida totaling 49,150 acres and bans phosphate leasing on the entire Osceola National Forest unless and until the President and the Congress agree to reopen it.

As my colleagues will recall, President Reagan vetoed the bill last Congress not because of the wilderness designations but because of the question of compensating the companies holding phosphate lease applications on the Osceola National Forest. The administration opposed the formula put in the bill last year which, in their view, would have vested previously contingent property rights in certain mining companies forcing the Federal Government to pay them as much as $200 million.

Two days after the veto, Secretary Watt rejected the lease applications on the basis that available technology could not adequately reclaim the land and that the companies had not, therefore, established valuable deposits—a condition which must be met to obtain a lease. The administration argues that a rejected lease application is in no way a taking and does not give the companies any right to compensation.

Recognizing this change in events, the author of the bill, the gentleman from Florida (Mr. FUQUA), proposed including a provision for compensation only in the event the courts reversed the Secretary's decision and found that the companies were entitled to compensation. The administration objected to this provision. To quote their letter of April 28, 1983, Assistant Secretary Garrey Carruthers said:

If a court were to order the issuance of the leases and the lease applicants availed themselves of the option authorized by section 4(c)(2)—bringing the matter of fair market value before the United States Claims Court—the United States would be burdened with the cost of additional litigation for lands that currently cannot be mined and reclaimed as required by the Forest Service's stipulations and that have no economic value.

This is quite a convincing argument.

I commend the chairman of the subcommittee (Mr. SEIBERLING) for the time he spent listening to the administration's concerns and his willingness to leave the bill silent on the issue of compensation. As he has stated, it is not our intention to prejudice the current litigation by our actions. I believe this is the correct way to handle the problem and consistent with our overall policy of not interfering in ongoing court suits.

Again, I urge my colleagues to support the bill. It resolves the RARE II issue for the State of Florida by designating the appropriate wilderness areas and releasing the remaining lands. The bill also contains the much needed sufficiency language lifting the threat of court suits like the California case and allows the U.S. Forest Service to proceed with its forest management planning process without the need to go back and review the RARE II decisions.

Mr. SEIBERLING. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Texas (Mr. DE LA GARZA).

Mr. DE LA GARZA. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I am pleased to rise in support of H.R. 9, the Florida Wilderness Act of 1983.

There is, happily, little controvery over the designation by the bill of seven wilderness areas, totaling some 49,150 acres, in national forests in the State of Florida. I would point out that the designations have previously been approved by Congress in substantially the same form as they appear in H.R. 9. Further, I would point out that the bill resolves, as far as the administration and the committees are concerned, a difference of views relating to certain applications for leases on deposits of phosphates located in the Osceola National Forest that has been controversial in the past.

We believe that the bill will protect and preserve, for the enjoyment of the people of Florida and the Nation, unique wilderness areas. Further, the bill incorporates what has become standard release and sufficiency language used by the House in wilderness legislation. Thus, in the State of Florida, the Forest Service will be able to manage nonwilderness areas in the national forests in a reasonable and systematic fashion.

In this connection, H.R. 9 was sequentially referred to the Committee on Agriculture in recognition of its jurisdiction over forestry in general and forest reserves, such as those in Florida, that are not created from the public domain. The full committee, and the Subcommittee on Forests, Family Farms, and Energy, under the leadership of CHARLES WHITLEY, have acted promptly on this measure. We have enjoyed a cooperative and congenial working relationship with the Committee on Interior and Insular Affairs, Chairman UDALL, and JOHN SEIBERLING and his Subcommittee on Public Lands and National Parks.

I urge my colleagues to join me in supporting H.R. 9, the Florida Wilderness Act of 1983.

Mr. SEIBERLING. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from North Carolina, Mr. WHITLEY.

Mr. WHITLEY. I thank the gentleman from Ohio for yielding and I appreciate his earlier remarks about the manner in which his subcommittee and the Subcommittee on Forest, Family Farms, and Energy which I have the honor to chair have worked together on this and similar wilderness bills. We certainly expect that to continue in the future.

I rise in support of H.R. 9, the Florida Wilderness Act and as Chairman DE LA GARZA pointed out in his statement, this bill was referred to our subcommittee.

We held a hearing on May 19 and heard testimony on how this bill has a broad range of support throughout the State of Florida. There is one point I would like to make just elaborating a bit on what was said a moment ago by the gentleman from New Mexico. Our hearing generated a good deal of explanation on the meaning of what has been called soft or first generation release. This language appears in this bill and has been included in other wilderness legislation that passed the House this year.

The administration representative, Mr. Robertson was asked to explain the meaning of the term "first generation release." He replied that the Forest Service is developing individual forest plans which are targeted for completion in 1985. When these plans take effect in 1985, they may be in effect for 15 years or until the year 2000. At that time they must be revised.

Therefore, the first generation release begins in 1985 when the plans take effect and end when they are revised which may not be until the year 2000. When planned revision occurs, the areas will be restudied for their wilderness value. I add that for this RECORD because I think as the year goes along we will be encountering this language further as to what constitutes a soft release or hard release and that sort of thing. I might say that my subcommittee and the full

Committee on Agriculture unanimously supported H.R. 9.

Mr. SEIBERLING. I thank the gentleman.

Mr. Speaker, I am happy to yield 2 minutes to the distinguished gentleman from Florida, Mr. FUQUA.

Mr. FUQUA. I will not take up the time of the House, Mr. Speaker, to explain the bill because the distinguished gentleman from Ohio has done a very outstanding job of explaining the provisions of the legislation. However, I would like to thank the gentleman from Ohio and the gentleman from New Mexico for their expeditious manner in getting this through the Interior and Insular Affairs Committee and also I would like to thank the gentleman from Texas for his expeditious work and the gentleman from North Carolina, Mr. WHITLEY, for getting it through the Committee on Agriculture.

This bill has the unanimous support of all 19 members of the Florida delegation, as well as our two Senators, our Governor, and all of the local communities around this area, not only supporting the wilderness areas contained in the bill but also the phosphate leasing ban in the Osceola National Forest. We do not need the phosphate. It is a good reserve for this country, one that we can use in later years should and if that event should occur.

This bill passed the House on two previous occasions, Mr. Speaker; and I urge we do it this time and hopefully we have done it right and it can be signed into law.

Mr. Speaker, I rise today in strong support of H.R. 9, the Florida Wilderness Act. This legislation is cosponsored by the entire Florida congressional delegation and others, and is endorsed by the Governor, the elected cabinet, as well as other leaders throughout the State.

H.R. 9 would expand one wilderness area in the Apalachicola National Forest and create a new one. First, it would extend the boundaries of the Bradwell Bay Wilderness by 1,171 acres. It would also create the Mud Swamp/New River Wilderness Area to be composed of 8,250 acres.

The bill would also create the Big Gum Swamp Wilderness Area in the Osceola National Forest, as well as wilderness areas in the Ocala National Forest.

H.R. 9 will also initiate a statutory prohibition on phosphate mining in the Osceola National Forest. This is a long-time goal and one I believe we are about to make a reality. The Reagan administration expressed opposition to the language providing a method of compensation for the companies with phosphate leases and that language has been stricken, and I now understand the administration will support enactment of H.R. 9.

I do not believe this compromise harms the bill in any substantial way. I have always felt that it was wrong to permit strip mining in the Osceola and that it would ultimately be up to the courts to determine if the companies with lease rights deserved compensation. This is as H.R. 9 reads now and I believe it is worthy of our action.

No legislation comes to the floor of the House without a great deal of work and effort on the part of many people. I extend my thanks to the members of the Florida delegation who have stood by me on this issue for so long and to the Members on both sides of the aisle in the Interior and Insular Affairs Committee and the Agriculture Committee. They have provided thoughtful guidance and suggestions on how to improve the legislation and many of these recommendations have been incorporated into H.R. 9.

One person must be singled out for his tremendous contributions and I refer to the gentlemen from Ohio, Congressman JOHN SEIBERLING. He made this issue his issue and has worked long and hard for passage of this act. I extend to him my heartfelt appreciation.

Mr. Speaker, I urge all my colleagues in the House to support H.R. 9.

● Mr. BILIRAKIS. Mr. Speaker, I wish to join my fellow Floridians in addressing a matter of great concern to our home State.

H.R. 9—the Florida Wilderness Act, which I cosponsored—will designate seven new wilderness areas in Florida, totaling 49,150 acres. Though this measure may seem to only protect the natural beauty of our State, it also is a preventive measure for the protection of our environment.

In recent years, our State and national environmental agencies have expressed their concerns over phosphate leasing and mining in the Osceola National Forest. This controversy has covered a period of 20 years of legal and congressional battles. Attempts in the past to resolve this crisis have not met with the success which we had hoped for. And now, the people of Florida are seeking your support for their cause.

It is not that we wish to overshadow the phosphate industry and the important role it has played in the development of the State of Florida. We do, though, request this protective measure to restrict leasing and mining in our national forests.

I, therefore, urge your support of this important legislation.●

Mr. LUJAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. SEIBERLING) that the House suspend the rules and pass the bill H.R. 9, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

SIPSEY WILDERNESS ADDITIONS ACT OF 1983

Mr. SEIBERLING. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2477) entitled the "Sipsey Wilderness Additions Act of 1983", as amended.

The Clerk read as follows:

H.R. 2477

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Sipsey Wilderness Additions Act of 1983".

SEC. 2. (a) In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131-1136), certain lands in the Bankhead National Forest, Alabama, which comprise approximately twenty-seven thousand eight hundred sixty-five acres and are generally depicted on a map entitled "Sipsey Wilderness Additions—Proposed", dated July 1982, are hereby designated as wilderness and incorporated in and shall be deemed part of the Sipsey Wilderness as designated by Public Law 93-622.

(b) Subject to valid existing rights, the wilderness area designated under subsection (a) shall be administered by the Secretary of Agriculture (hereinafter in this Act referred to as the "Secretary") in accordance with the provisions of the Wilderness Act (16 U.S.C. 1131-1136 governing areas designated by that Act as wilderness except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

(c) As soon as practicable after the date of the enactment of this Act, the Secretary shall submit a map and legal description of the wilderness area designated by subsection (a) to the Committee on Energy and Natural Resources of the Senate and the Committee on Interior and Insular Affairs and the Committee on Agriculture of the House of Representatives. Such map and legal description shall have the same force and effect as if included in this Act, except that any clerical or typographical error in such map or legal description may be corrected. The Secretary shall place such map and legal description on file, and make them available for public inspection, in the Office of the Chief of Forest Service, Department of Agriculture.

SEC. 3. (a) The Congress finds that (1) the Department of Agriculture has completed

the second roadless area review and evaluation program (RARE II); and (2) the Congress has made its own review and examination of national forest roadless areas in Alabama and the environmental impact associated with alternative allocations of such areas.

(b) On the basis of such review, the Congress hereby determines and directs that (1) without passing on the question of the legal and factual sufficiency of the RARE II final environmental statement (dated January 1979) with respect to national forest land in States other than Alabama, such statement shall not be subject to judicial review with respect to national forest system lands in the State of Alabama; (2) with respect to the national forest lands in the State of Alabama which were reviewed by the Department of Agriculture in the second roadless area review and evaluation (RARE II), except those lands remaining in further planning upon enactment of this Act, that review and evaluation shall be deemed for the purposes of the initial land management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974 as amended by the National Forest Management Act of 1976 (Public Law 94-588) to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revision of the initial plan and in no other case prior to the completion of the initial planning cycle; (3) areas in the State of Alabama reviewed in such final environmental statement and not designated as wilderness by this Act or remaining in further planning upon enactment of this Act need not be managed for the purpose of protecting their suitability for wilderness designation pending revision of the initial plans; and (4) unless expressly authorized by Congress, the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of national forest system lands in the State of Alabama for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.".

The SPEAKER pro tempore (Mr. FUQUA). Pursuant to the rule, a second is not required on this motion.

The gentleman from Ohio (Mr. SEIBERLING) will be recognized for 20 minutes, and the gentleman from New Mexico (Mr. LUJAN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of H.R. 2477 as reported by the Committee on Interior and Insular Affairs and with the further technical amendment of the Committee on Agriculture. H.R. 2477 would add approximately 27,865 acres to the existing Sipsey Wilderness in the Bankhead National Forest.

The proposed Sipsey addition was introduced by Congressman FLIPPO and is cosponsored by Alabama Congressmen NICHOLS, EDWARDS, SHELBY, DICKINSON, and ERDREICH. It is in four adjoining parcels and would increase the size of the Sipsey Wilderness to approximately 40,500 acres. The Sipsey Wilderness is about a 90-minute drive from Birmingham and is generally characterized by gently rolling topography which is cut by numerous drainages, or "canyons," noted for their step sidewalls and sandstone cliffs. Fossils from the late Paleozoic era are abundant. Vegetation consists of cove hardwoods along the drainages and a hardwood pine mix on the side slopes and ridges. The cool, moist canyons provide suitable habitat for what are essentially Appalachian flora, but with unusual inclusions from the Piedmont to the east, and Ozark areas to the west. Cool temperatures in the gorges allow many plants to reach their southernmost geographical limit on the Bankhead National Forest. Wilderness protection will insure that the forest returns to a near virgin state. Whitetail deer, bobcat, opossum, raccoon, and other wildlife species inhabit the area.

I note that although the proposed wilderness contains some commercial timber, it is less than two-tenths of 1 percent of the total commercial forest land in Alabama. For this reason, any impacts on timber supply will be almost non-existent.

I would finally note that H.R. 2477 contains our standard RARE II "release/sufficiency" language which confirms that lands not designated wilderness by the bill or remaining in further planning can be made available for timber harvest or other development.

Mr. Speaker, this concludes my prepared statement.

Mr. Speaker, I want to thank the gentleman from New Mexico, Mr. LUJAN, and my colleague the gentleman from Alaska, Mr. YOUNG, for their help and cooperation on both this bill and the preceding bill, which I think has been very commendatory.

Mr. Speaker, I reserve the balance of my time.

Mr. LUJAN. Mr. Speaker, I yield myself such time as I may consume.

I rise in opposition to H.R. 2477, the Sipsey Widerness bill. Unfortunately, we have not arrived at the same consensus on this bill as we did on the Florida bill. One reason is that this bill contains four times the amount recommended by the Forest Service.

The Forest Service has, in testimony before the Interior Committee, presented a strong case in favor of not acting on this bill at this time. The majority of the lands being considered for wilderness designation are in further planning category because of high resource values, particularly timber, as well as wilderness attributes. There are also active oil and gas leases on 4,200 acres and pending leases on another 15,500 acres. The Forest Service would prefer to complete its forest plan for the area in advance of our making a final decision. Only in this way will we have all the facts before us which will lead to a reasonable and responsible decision.

The lands are not threatened while we wait. While in the further planning status, their wilderness qualities will be protected. It would make sense to wait until the forest planning process is complete and the delegation reaches a compromise. It is entirely likely that we would then be able to unanimously support the bill, a position all of us would prefer to be in.

The bill does contain the needed release and sufficiency language but it is unlikely it will become law before the wilderness issue is worked out.

Therefore, I urge my colleagues to oppose the bill in order to force the necessary delay.

□ 1330

Mr. SEIBERLING. Mr. Speaker, I yield 1 minute to the distinguished chairman of the Committee on Agriculture, the gentleman from Texas (Mr. DE LA GARZA).

Mr. DE LA GARZA. Mr. Speaker, I am pleased to rise in support of H.R. 2477, the Sipsey Wilderness Additions Act of 1983.

H.R. 2477 adds an area of about 27,865 acres to the existing Sipsey Wilderness in the Bankhead National Forest in Alabama. At present, the two wilderness areas in Alabama represent only 3 percent of the national forest lands in the State and a small fraction of 1 percent of the land in Alabama. In short, there is broad support for a modest increase in the very limited area set aside as wilderness in the State. The bill would achieve that objective. Given the small area involved, there would be only minimal impact on the supply of timber available in the State.

The bill will insure that the people of Alabama and the Nation will be able to enjoy a relatively small but meaningful addition to the existing Sipsey Wilderness. Further, the bill incorporates what has become standard release and sufficient language used by the House in wilderness legislation. Thus, in the State of Alabama, the Forest Service will be able to manage nonwilderness areas in the National Forests in a reasonable and systematic fashion.

In this connection, H.R. 2477 was jointly referred to the Committee on Agriculture in recognition of its jurisdiction over forestry in general and forest reserves, such as those in Alabama, that are not created from the public domain. The full committee, and the Subcommittee on Forests, Family Farms, and Energy, under the leadership of CHARLES WHITLEY, have acted responsibly and expeditiously on this measure. In considering this legislation, we have enjoyed a very positive working relationship with the Committee on Interior and Insular Affairs,

Chairman UDALL, and JOHN SEIBERLING and his Subcommittee on Public Lands and National Parks.

I urge my colleagues to join me in support of H.R. 2477, the Sipsey Wilderness Additions Act of 1983.

Mr. SEIBERLING. Mr. Speaker, I yield 2 minutes to the distinguished chairman of the subcommittee, the gentleman from North Carolina (Mr. WHITLEY).

Mr. WHITLEY. Mr. Speaker, I rise in strong support of the Sipsey Wilderness bill. My subcommittee held a public hearing on this bill. We heard testimony from a number of witnesses and the only witness who spoke at all in opposition to the bill was a representative of the Forest Service, who addressed some of the issues mentioned by the gentleman from New Mexico.

It is obvious that this bill, which has previously passed the House, as I understand it, has strong support in the Congress. It was unanimously reported by the Subcommittee on Forests, Family Farms and Energy and unanimously reported by the full Committee on Agriculture.

I strongly support its passage.

Mr. SEIBERLING. Mr. Speaker, I yield 5 minutes to the author of the bill, the distinguished gentleman from Alabama (Mr. FLIPPO).

Mr. FLIPPO. Mr. Speaker, I want to thank the gentleman from Ohio (Mr. SEIBERLING) for hearing this bill now for the second year and listening to all of the testimony and I also want to thank the gentleman from North Carolina (Mr. WHITLEY), and the gentleman from Texas (Mr. DE LA GARZA) for doing the same thing.

Having heard all of the testimony, the same old tired testimony that the Forest Service offered last year, they are offering again this year, and I am shocked and dismayed that they would come forward and offer arguments that do not have any fact and no testimony presented that offered any kind of evidence to support their position, but I guess we are getting used to that kind of testimony here.

Mr. Speaker, the Governor of the State of Alabama supports this. The head of the Wildlife Conservation, all of the interest groups in Alabama are supporting this, including the environmental and conservation areas, every major newspaper in the State of Alabama is supporting this bill, and there are many, many reasons that I could go into for supporting this bill.

They mention energy. Yes, there is coal in this area. It is about 165 feet deep, between 85 and 165, and it is two feet thick. There is no economic energy area there.

Mr. Speaker, there are many, many reasons to support this bill, but the main reason is that the citizens of Lawrence County in which all of this land is located, who know it best and love it, want it retained as it is and they want to share it with present and future generations. I commend them for their unselfishness and I believe this bill deserves passage in this House and I hope that the House will agree and pass it the bill, as it did last year by an overwhelming vote.

Mr. Speaker, I rise in strong support of the Sipsey Wilderness Additions Act of 1983. The bill before the House today would add 27,865 acres to the the Sipsey Wilderness in my district. This legislation is similar to the bill passed by the House on August 4, 1982 by a vote of 354 to 49.

At the outset, Mr. Speaker, I want to thank and commend the chairman of the Subcommittee on Public Lands and National Parks (Mr. SEIBERLING) and the ranking minority member (Mr. YOUNG of Alaska) for their help and assistance in bringing the bill to the House floor today. I am very grateful to all the members of the subcommittee for providing me with the benefit of their expertise and attention in producing H.R. 2477.

I also want to commend and thank the chairman of the Agriculture Committee (Mr. DE LA GARZA), the ranking minority member of the committee (Mr. MADIGAN) as well as the chairman of the Subcommittee on Forests, Family Farms, and Energy (Mr. WHITLEY) and the ranking minority member (Mr. HANSEN) for their help and assistance in moving the bill to the floor in an expeditious manner.

H.R. 2477 would change the status of 27,865 acres of forest land in the William B. Bankhead Forest located in north Alabama. The more than 179,000 acres in the Bankhead represents an unique national asset that is an integral part of the culture and economy of the region. Over half the land in the Bankhead is located in Lawrence County, Ala. in the Fifth Congressional District which I am proud to represent. All of the land proposed for the wilderness designation in H.R. 2477 is located in Lawrence County.

In 1974 Congress passed the Eastern Wilderness Act which designates 12,000 acres within the Bankhead National Forest as the Sipsey Wilderness. This was a prudent act of Congress. I wish, Mr. Speaker, that you and all the Members of this body could walk through this area like I have many times and experienced first hand the breathtaking beauty and splendor of this forest. It is a magnificent national treasure.

The RARE II study identified seven roadless areas encompassing 30,658 acres in the Bankhead National Forest. All seven areas are located in Lawrence County in my congressional district or immediately adjacent to my district in Winston County.

The Forest Service recommended that two areas, the Sipsey Additions and Borden Creek, amounting to 7,173 acres be designated as wilderness. The remaining five areas totaling 23,485 acres were allocated for further study and planning.

H.R. 2477 would designate 27,865 acres of the RARE II lands in the Bankhead Forest as wilderness. This proposed wilderness land includes the 7,173 acres recommended in the RARE II study for wilderness, most of four of the five further planning areas, and the approximately 800 acres of land not included in the study area.

The 800 acre tract of land not included in the RARE II study recommendations but included in H.R. 2477 is located between the northern boundary of the Sipsey Wilderness and the Sipsey Addition area. This land was not included in RARE II because of an existing timber contract. This contract is no longer a factor and the land is now available for wilderness designation. The omission of this oblong shaped area would leave a hole in the middle of the proposed wilderness area and complicate management of an expanded Sipsey Wilderness.

The boundary lines on the proposed Sipsey Wilderness Additions have been adjusted to exclude designating private landholdings as wilderness. This was not an easy task.

The boundary lines initially developed by the Forest Services appear to have been drawn to include every possible piece of private land located on the perimeter of the proposed wilderness area.

Information provided to me by the Forest Service showed that there were 24 private landholdings within the boundary lines drafted by the Forest Service. By carefully drawing the boundary lines, we were able to exclude 18 of 24 from the proposed wilderness area.

It might be worthwhile to review the status of the six remaining pieces of private property. The Forest Service has been unable to identify the owner of the Gum Pond Cemetery located in the Thompson Creek area. There are three other private landholdings in the Thompson Creek area of about 40 acres each. These landholdings are located near or on the Northwest Road which H.R. 2477 would keep open for public use. One of the three owners is interested in a land swap.

There are two adjoining parcels of private property located in the two sections recommended by the Forest Service for wilderness designation. One parcel of approximately 15 acres is located in the Borden Creek area (section 208). Another of about 140 acres is located in the Sipsey Addition area (section 068). Both parcels are part of the estate of a gentleman who purchased the land in the early 1940's for a few dollars per acre. The last will and testament of this fine gentlemen

would allow his heirs the use of the land for 99 years at which time the ownership of the land would revert to a private university.

The heirs of the estate have leased the timber rights on the land to a large forest products company. The company has not exercised their rights to the timber yet and probably never will unless timber prices rise dramatically. The area is inaccessible and the owner of the land has described the area as so thick with trees that it is impossible to walk through.

The heirs of the estate have been negotiating with the Forest Service to swap the land for another parcel in the Bankhead. I have been advised that the Forest Service has identified the land that will be exchanged for the 155 acres and provided some money to assist with the legal costs of exchange. I have also been informed that the timber company supports the land swap. The final details have not yet been worked out due to the legal complexities involved in breaking a will. I am confident, however, the land swap will eventually go through since all parties involved are in agreement.

I want to emphasize that H.R. 2477 does not provide the Forest Service with condemnation powers. And this is carefully noted in the Interior Committee report.

Mr. Speaker, I believe that it is important to view the proposed wilderness expansion area in relation to the size and scope of forest activities throughout the State.

The forest products industry is one of the largest, if not the largest industry in Alabama. It has been the fastest growing source of jobs and income in my State.

The commercial forest land base in Alabama is the third largest in the Nation. Only Georgia and Oregon have more commercial forest land than Alabama. Two-thirds of the land in Alabama of 21.3 million acres are covered by forest. Some of this land located in the southern half of the State is among the most productive in the country.

Like most other Southern States, 75 percent of Alabama's commercial forest land is owned and controlled by thousands of nonindustrial private owners. Our forestry industry depends on free timber markets with many participants for most of its wood supply. Public forest lands account for only 1 million acres of the total commercial forest land in Alabama.

The total value of the timber cut in Alabama in 1981 amounted to $228.4 million. The value of the timber cut in Alabama increased by 31.3 percent in the 5 years between 1977 and 1982.

Timber resources and the forest products companies are located in every county in Alabama. Every county has some timber production and every county, except one, has over 100,000 acres in commercial forest land. There are 15 operating paper mills and 225 sawmills in Alabama.

H.R. 2477 would expand the size of the Sipsey Wilderness to approximately 42,000 acres. This expanded wilderness would amount to: less than two-tenths of 1 percent of the total land area in Alabama; less than two-tenths of 1 percent of the total commercial forest land in Alabama; and less than 5 percent of the total public forest lands in the State.

The forest products industry is, without any doubt, a very important source of jobs, income, and business in my State. This industry is part of the culture, history, and heritage of Alabama.

The future outlook for this industry in my State is excellent. The industry is now harvesting 64 percent of the growth in all species and 73 percent of the growth in softwoods. The opportunity for expansion of the forest economy is good.

The proposal to expand the Sipsey Wilderness has received widespread support throughout my district and the State.

The Sipsey Additions Act enjoys widespread support in Lawrence County where the proposed wilderness land is located. The bill has been endorsed by the county tax assessor, the county tax collector, the Lawrence County Association of Elected Officials, the local members of the State judiciary, and a wide spectrum of public and private citizens. The local Chamber of Commerce endorsed the Sipsey Addition last year.

The Sipsey Wilderness expansion has been endorsed by every major newspaper in my district and throughout the State.

The response from public officials throughout the State has been encouraging. The bill has been endorsed by the Governor, the Lt. Governor, the State Attorney General, the State Treasurer, the State Auditor, the Director of the Alabama Bureau of Publicity and Information, the Commissioner of the State Department of Conservation and Natural Resources, and the State Director of the Division of Game and Fish.

The Alabama House of Representatives has adopted a resolution of support for H.R. 2477.

The bill has received support from the mayors of Anniston, Birmingham, Montgomery, and Decatur, Ala., the Birmingham City Council, the Jefferson County Commission, and the Lauderdale County Commission. The Bass Anglers Sportsman Society, the Smith Lake Civil Association, and the city of Vestaria Hills Ala. have also endorsed the bill.

There is widespread support for this bill throughout the State because the four RARE II Planning areas designated as wilderness in the bill contain the entire upper watershed of the West Fork of the Sipsey River, as well as the headwaters of Brushy Creek. These two streams together provide a major source of the water flowing into the Lewis Smith Reservoir in Cullman, Walker and Winston Counties. Pipelines from Smith Lake provide the drinking water supply for a large number of municipalities in the middle portion of Alabama. The city of Birmingham, the largest city in the State, receives 23 percent of its annual supply from the Smith Lake pipelines.

Mr. Speaker, prior to introducing the Sipsey Wilderness Additions Act last year, I requested the assistance of the Alabama Geological Survey to request their assitance in providing information about potential resources in the area. The result of my inquiry and study indicates that the potential for commercial oil, gas and other resource development is minimal.

During the hearings on this bill the U.S. Forest Service implied that the proposed wilderness area had potential for resource development. The Forest Service stated that there are deposits of coal in the area. The Forest Service is right. There are coal resources around the area located near Penitentiary Mountain. The Forest Service failed to point out, however, that coal seams about 2 feet thick are located between 89 and 165 feet below the surface. Obviously these coal resources are beyond economic value now and in the foreseeable future.

The Forest Service also testified about the existence of leasing agreements signed by the Interior Department for land in the area in the late 1970's. The leasing fee on this land amounts to $1 per acre. Obviously the government has not enjoyed a windfall gain by issuing these leases and the individuals leasing the land are not subject to great financial risk.

I would point out that oil and gas exploration has been going on in the area since 1865. The first wells were drilled in Lawrence County in 1965 and reports indicate that at least two wells produced oil. In the late 19th century, the presence of oil-bearing rocks and tar springs created a certain amount of interest in the Tennessee Valley, and several companies were organized to drill test wells. From 1890 to 1910 there was some drilling activity in the area.

Between 1910 and 1970 drilling activity was very slow, with less than 100 wells being drilled in the Tennessee Valley. No commercial discoveries were made.

In the late seventies drilling activity was initiated again in Lawrence and Franklin Counties with no appreciable results.

No wells have been drilled in the Tennessee Valley since 1979.

The expansion of the Sipsey Wilderness provided for in H.R. 2477 will provide numerous benefits to the local community and the State at minimal cost. Enactment of H.R. 2477 would insure the protection of a beautiful and unique area of our country for future generations of Alabamians. This bill is clearly in the public interest. I urge my colleagues to support this measure that means so much to my State and district.

Mr. LUJAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SEIBERLING. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. SEIBERLING) that the House suspend the rules and pass the bill, H.R. 2477, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed, H.R. 2477.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

FOLLOW THROUGH AMENDMENTS OF 1983

Mr. ANDREWS of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2148), to reenact the Follow Through program with certain technical changes, to authorize appropriations for such program for fiscal years 1984 and 1985, and for other purposes, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Follow Through Amendments of 1983".

AMENDMENT TO THE ACT OF AUGUST 20, 1964

SEC. 2. The Act entitled "An Act to mobilize the human and financial resources of the Nation to combat poverty in the United States", approved August 20, 1964 (Public Law 88-452; 42 U.S.C. 2701 et seq.), is amended by inserting after the enacting clause the following:

"That this Act may be cited as the 'Economic Opportunity Act of 1964'.

"TITLE I—FOLLOW THROUGH PROGRAMS

"SHORT TITLE

"SEC. 101. This title may be cited as the 'Follow Through Act'.

"STATEMENT OF PURPOSE

"SEC. 102. The purpose of this title is to provide financial assistance to develop and implement successful programs, projects, and activities designed to assist local educational agencies to help primarily low-income children previously enrolled in Head Start or similar programs to continue to develop to their full potential in kindergarten and the primary grades. Such programs, projects, and activities for which financial assistance may be provided under this title shall be known as 'Follow Through programs'.

"DEFINITIONS

"SEC. 103. For purposes of this title—

"(1) the term 'Commission' means the National Commission on Follow Through Education established in section 116;

"(2) the term 'financial assistance' includes assistance provided by grant, agreement, or contract, and in the form of payments which may be made in installments and in advance or by way of reimbursement with necessary adjustments on account of overpayments or underpayments;

"(3) the term 'Secretary' means the Secretary of Education unless the context specifies otherwise; and

"(4) the term 'State' means any of the several States, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

"FINANCIAL ASSISTANCE FOR FOLLOW THROUGH PROGRAMS

"SEC. 104. (a) The Secretary is authorized to provide financial assistance to local educational agencies, combinations of such agencies, and, as provided in subsection (b), any other public or appropriate nonprofit private agencies, organizations, and institutions for the purpose of carrying out Follow Through programs focused primarily on children from low-income families in kindergarten and the primary grades, including such children enrolled in private nonprofit elementary schools, who were previously enrolled in Head Start or similar programs. Other children in kindergarten and the primary grades, including such other children enrolled in private nonprofit elementary schools, who were previously enrolled in preschool programs of a compensatory nature which received Federal financial assistance may participate in Follow Through programs.

"(b) Whenever the Secretary determines—

"(1) that a local educational agency receiving assistance under subsection (a) is unable or unwilling to include in a Follow Through program children enrolled in nonprofit private schools who would otherwise be eligible to participate therein; or

"(2) that it is otherwise necessary in order to accomplish the purposes of this section;

the Secretary may provide financial assistance for the purpose of carrying out a Follow Through program to any other public or appropriate nonprofit private agency, organization, or institution.

"(c) Follow Through programs to be assisted under this section shall provide such comprehensive educational, health, nutritional, social, and other services as will aid in the continued development of children described in subsection (a) to their full potential. Such programs shall provide for the direct participation of the parents of such children in the development, conduct, and overall direction of the program at the local level. If the Secretary determines that participation in the program of children who are not from low-income families will serve to carry out the purposes of this section, the Secretary may provide for the inclusion of such children from non-low-income families, but only to the extent that their participation will not dilute the effectiveness of the services designed for children described in subsection (a).

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 105. (a)(1) There is authorized to be appropriated for carrying out the purposes of this title, other than section 116, $22,150,000 for fiscal year 1984 and $23,000,000 for fiscal year 1985.

"(2) Funds appropriated under this section shall remain available for obligation and expenditure during the fiscal year succeeding the fiscal year for which they are appropriated.

"(b) Financial assistance extended under this title for a Follow Through program shall not exceed 80 per centum of the approved costs of such assisted program, except that the Secretary may approve assistance in excess of such percentage if the Secretary determines, in accordance with rules establishing objective criteria, that such action is required in furtherance of the purposes of this title. Non-Federal contributions may be in cash or in kind, fairly evaluated, including plant, equipment, or services. The Secretary shall not require non-Federal contributions in excess of 20 per centum of the approved costs of Follow Through programs assisted under this title.

"(c) No Follow Through program shall be approved for assistance under this title unless the Secretary is satisfied that the services to be provided under such program will be in addition to, and not in substitution for, services previously provided without Federal assistance. The requirement imposed by the preceding sentence shall be subject to such rules as the Secretary may issue.

"RESEARCH, DEMONSTRATION, AND PILOT PROJECTS

"SEC. 106. (a) The Secretary shall provide financial assistance through grants or contracts for research, demonstration, or pilot projects conducted by public and private agencies which are designed to test or to assist in the development of new approaches or methods that will aid in overcoming the special problems of primarily low-income children previously enrolled in Head Start or similar programs in continuing to develop to their full potential in kindergarten and the primary grades.

"(b) The Secretary shall establish an overall plan to govern the approval of research, demonstration, and pilot projects and the use of all research authority under this title. Such plan shall set forth specific objectives to be achieved and priorities among such objectives.

"ANNOUNCEMENT OF RESEARCH, DEMONSTRATION, AND PILOT PROJECT GRANTS AND CONTRACTS

"SEC. 107. (a) The Secretary shall make a public announcement concerning—

"(1) the title, purpose, intended completion date, identity of the grantee or contractor, and proposed cost of any grant to or

contract with a private or non-Federal public agency or organization for any research, demonstration, or pilot project under this title; and

"(2) the results, findings, data, or recommendations made or reported as a result of such project.

"(b) The public announcements required by subsection (a)(1) shall be made not later than thirty days after making such grants or contracts, and the public announcements required by subsection (a)(2) shall be made not later than ninety days after the receipt of the information described in such subsection.

"(c) The Secretary shall take necessary action to assure that all studies, proposals, and data produced or developed with Federal funds employed under section 106 shall become the property of the United States.

"(d) The Secretary shall publish summaries of the results of projects carried out pursuant to section 106 not later than ninety days after the completion thereof. The Secretary shall submit to the appropriate committees of the Congress copies of all such summaries.

"EVALUATION

"SEC. 108. (a) The Secretary, in consultation with the Commission, shall provide, directly or through grants or contracts, for a review and analysis of all previous evaluations and reports made in connection with all Follow Through programs and projects authorized by Acts of Congress in effect after August 20, 1964, and provide a comprehensive evaluative report that measures and evaluates the impact of such programs and projects with regard to (1) their effectiveness in achieving stated goals; (2) their impact on related programs; (3) their impact on preschool/elementary school linkage efforts to maintain and enhance the continuity of the child's development; (4) their structure and mechanism for delivery of services; and (5) their effectiveness in narrowing the gap in successful educational performance between children from low-income families and children from non-low-income families. Such report shall include, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such programs and projects, including persons from non-low-income families. Such review and analysis shall be conducted by persons not directly involved in the development, design, administration, or implementation of such programs and projects. Such report shall be submitted to the President and the Congress not later than January 30, 1985.

"(b) The Secretary shall develop and publish general standards for evaluation of Follow Through program effectiveness in achieving the purpose of this title. The extent to which such standards have been met shall be considered in deciding whether to renew or supplement financial assistance authorized by this title.

"(c) In carrying out evaluations under this title, the Secretary shall, whenever feasible, arrange to obtain the specific views of persons participating in and served by Follow Through programs assisted under this title about such programs.

"(d) The Secretary shall publish the results of evaluative research and summaries of evaluations of Follow Through program impact and effectiveness not later than ninety days after the completion thereof. The Secretary shall submit to the appropriate committees of the Congress copies of all such results and summaries.

"(e) The Secretary shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with assistance under this section become the property of the United States.

"TECHNICAL ASSISTANCE AND TRAINING

"SEC. 109. The Secretary shall provide, directly or through grants or other appropriate arrangements (1) technical assistance to Follow Through programs in developing, conducting, and administering programs under this title; and (2) training for specialized or other personnel which is needed in connection with Follow Through programs.

"SPECIAL CONDITIONS

"SEC. 110. (a) Recipients of financial assistance under this title shall provide maximum employment opportunities for residents of the area to be served, and to parents of children who are participating in Follow Through programs assisted under this title.

"(b) Financial assistance under this title shall not be suspended for failure to comply with applicable terms and conditions, except in emergency situations, nor shall an application for refunding be denied, unless the recipient agency, organization, or institution has been given reasonable notice and opportunity to show cause why such action should not be taken.

"(c) Financial assistance under this title shall not be terminated for failure to comply with applicable terms and conditions unless the recipient has been afforded reasonable notice and opportunity for a full and fair hearing.

"COMPARABILITY OF WAGES

"SEC. 111. The Secretary shall take such action as may be necessary to assure that persons employed in carrying out Follow Through programs assisted under this title shall not receive compensation at a rate which is (1) in excess of the average rate of compensation paid to a substantial number of persons providing substantially comparable services in the area where the program is carried out, or in excess of the average rate of compensation paid to a substantial number of the persons providing substantially comparable services in the area of the person's immediately preceding employment, whichever is higher; or (2) less than the minimum wage rate prescribed in section 6(a)(1) of the Fair Labor Standards Act of 1938.

"NONDISCRIMINATION PROVISIONS

"SEC. 112. (a) The Secretary shall not provide financial assistance for any Follow Through program under this title unless the grant or contract with respect thereto specifically provides that no person with responsibilities in the operation thereof will discriminate with respect to any such program, project, or activity because of race, creed, color, national origin, sex, political affiliation, or beliefs.

"(b) No person in the United States shall on the ground of sex be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with any program or activity receiving assistance under this title. The Secretary shall enforce the provisions of the preceding sentence in accordance with section 602 of the Civil Rights Act of 1964. Section 603 of such Act shall apply with respect to any action taken by the Secretary to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if such person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with, any program, project, or activity receiving assistance under this title.

"(c) The Secretary shall not provide financial assistance for any program, project, or activity, under this title unless the grant or contract relating to the financial assistance specifically provides that no person with responsibilities in the operation of the program, project, or activity will discriminate against any individual because of a handicapping condition in violation of section 504 of the Rehabilitation Act of 1973.

"LIMITATION WITH RESPECT TO CERTAIN UNLAWFUL ACTIVITIES

"SEC. 113. No individual employed or assigned by any Follow Through agency or other agency, organization, or institution assisted under this title shall, pursuant to or during the performance of services rendered in connection with any Follow Through program conducted or assisted under this title, by such Follow Through agency or such other agency, organization, or institution, plan, initiate, participate in, or otherwise aid or assist in the conduct of any unlawful demonstration, rioting, or civil disturbance.

"POLITICAL ACTIVITIES

"SEC. 114. (a) For purposes of chapter 15 of title 5, United States Code, any agency which assumes responsibility for planning, developing, and coordinating Follow Through programs and receives assistance under this title shall be deemed to be a State or local agency. For purposes of paragraphs (1) and (2) of section 1502(a) of such title, any officer or employee of an agency receiving assistance under this title shall be deemed to be a State or local officer or employee.

"(b) Follow Through programs assisted under this title shall not be carried on in a manner involving the use of program funds, the provision of services, or the employment or assignment of personnel in a manner supporting or resulting in the identification of such programs with (1) any partisan or nonpartisan political activity or any other political activity associated with a candidate, or contending faction or group, in an election for public or party office; (2) any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election; or (3) any voter registration activity. The Secretary, after consultation with the Director of the Office of Personnel Management, shall issue rules to provide for the enforcement of this section, which shall include provisions for summary suspension of assistance or other action necessary to permit such enforcement on an emergency basis.

"ADVANCE FUNDING

"SEC. 115. For the purpose of affording adequate notice of funding available under this title, appropriations for carrying out this title are authorized to be included in an appropriation Act for the fiscal year preceding the fiscal year for which such appropriations are available for obligation.

"NATIONAL COMMISSION ON FOLLOW THROUGH EDUCATION

"SEC. 116. (a) There is hereby established a National Commission on Follow Through Education which shall consist of fifteen members as follows:

"(1) Except as provided in subsection (c), 5 members shall be appointed by the President.

"(2) Except as provided in subsection (c), 4 members shall be appointed by the Secretary.

"(3) Five members shall be appointed by the Speaker of the House of Representatives.

"(4) One member shall be appointed by the Secretary of Health and Human Services.

Members appointed by the Secretary shall be chosen from among staff and parents involved in Follow Through sponsor agencies, resource centers, and local programs and projects. Other members appointed shall be chosen from among persons who have special knowledge concerning kindergarten and primary grade education of children primarily from low-income families, and persons who have special training or experience in comprehensive early childhood development and services.

"(b) Members shall serve for the life of the Commission.

"(c)(1) The initial appointment of members shall be made not later than ninety days after the effective date of this section. The Speaker of the House of Representatives shall make any appointments not made by the President or the Secretary within such ninety-day period.

"(2) An appointment to fill a vacant position on the Commission shall be made in the same manner as the initial appointment is made. Any ninety-day period applicable to the initial appointment to such position shall apply with respect to an appointment made under this paragraph, except that such period shall begin on the date the vacancy arises.

"(d) The President shall appoint a chairperson from among members appointed to the Commission. If the President fails to appoint a chairperson within the ninety-day period beginning on the date such appointment may be made, then the Speaker of the House of Representatives shall appoint a chairperson.

"(e) The Commission shall meet at the call of the chairperson, but not less frequently than quarterly. Ten members of the Commission shall constitute a quorum.

"(f) The Commission shall—

"(1) review all pertinent research and evaluations of research, demonstration, and pilot projects conducted with financial assistance provided in connection with all Follow Through programs and projects authorized by Acts of Congress in effect after August 20, 1964;

"(2) determine, on a comparative basis, the most effective approaches developed through Follow Through conducive to replication on a national basis;

"(3) recommend Federal, State, and local actions necessary to facilitate the replication of effective approaches on such basis, including the use of such approaches in other compensatory education programs, and in general education programs, for children in kindergarten and the primary grades; and

"(4) submit to the President and to the Congress, not later than January 30, 1985, a report describing the activities of the Commission and detailing the findings, determinations, and recommendations of the Commission.

"(g)(1) Members of the Commission shall be paid compensation at a rate not to exceed the daily equivalent of the minimum annual rate of basic pay payable from time to time for grade GS-18 of the General Schedule in section 5332 of title 5, United States Code, including traveltime, for each day during which they are engaged in the actual performance of duties vested in the Commission.

"(2) Members of the Commission, while serving away from their places of residence or regular places of business, shall be allowed travel expenses, including a per diem allowance in lieu of subsistence, in the same manner as persons in the Government service employed intermittently are allowed travel expenses under section 5703 of title 5, United States Code.

"(h)(1) With the approval of the Commission, the Chairperson of the Commission may appoint such additional personnel as the Chairperson deems appropriate to assist the Commission in carrying out its activities.

"(2) Such personnel may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to subchapter 51 and subchapter III of chapter 53 of such title (relating to classification and General Schedule pay rates), except that no individual so appointed may receive pay in excess of the minimum annual rate of basic pay payable from time to time for GS-15 of the General Schedule in section 5332 of title 5, United States Code.

"(i) The Administrator of the General Services Administration shall provide to the Commission, on a reimbursable basis, such administrative support services as the Commission may request.

"(j) The Commission is terminated on September 30, 1985.

"(k) To carry out the purpose of this section, there is authorized to be appropriated $500,000 for fiscal year 1984 and such sums as may be necessary for fiscal year 1985.".

CONTRACT AUTHORITY

SEC. 3. Authority to enter into contracts under the amendment made by section 2 shall be effective only to the extent, and in such amounts, as are provided in advance in appropriations Acts.

REPEALER

SEC. 4. (a) Except as provided in subsection (b) of this section, subchapter C of chapter 8 of subtitle A of title VI of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9861-9868) is repealed.

(b) After the effective date of this Act, section 657 of the Head Start Act (42 U.S.C. 9852) shall continue to apply with respect to appropriations made to carry out in fiscal year 1984 the Follow Through Act as in effect before the effective date of this Act, and such appropriations shall be deemed to have been made to carry out in such fiscal year the Follow Through Act as reenacted by this Act.

NATIVE AMERICAN PROGRAMS

SEC. 5. (a) Section 803(a) of the Native American Programs Act of 1974 (42 U.S.C. 2991b(a)) is amended by adding at the end thereof the following: "Every determination made with respect to a request for financial assistance under this section shall be made without regard to whether the agency making such request serves, or the project to be assisted is for the benefit of, Indians who are not members of a federally recognized tribe. To the greatest extent practicable, the Secretary shall ensure that each project to be assisted under this title is consistent with the priorities established by the agency which receives such assistance.".

(b) Section 803(c) of the Native American Programs Act of 1974 (42 U.S.C. 2991b(c)) is amended—

(1) by inserting "(1)" after "(c)", and

(2) by adding at the end thereof the following new paragraph:

"(2) No project may be disapproved for assistance under this title solely because the agency requesting such assistance is an Indian organization in a nonreservation area or serves Indians in a nonreservation area.".

(c) Section 812 of the Native American Programs Act of 1974 (42 U.S.C. 2992b) is amended to read as follows:

"ADMINISTRATION; DELEGATION OF AUTHORITY

"SEC. 812. (a)(1) The general administration of the programs authorized in this Act shall remain within the Department of Health and Human Services and, notwithstanding any authority under any other law, may not be transferred outside of such Department.

"(2) The Secretary shall continue to administer grants under section 803 through the Administration for Native Americans. The Commissioner of such Administration may not delegate outside of the Administration the functions, powers, and duties of the Commissioner to carry out such section.

"(b)(1) Except as provided in subsection (a)(2), the Secretary may delegate only to the heads of agencies within the Department of Health and Human Services any of the functions, powers, and duties of the Secretary under this title and may authorize the redelegation only within such Department of such functions, powers, and duties by the heads of such agencies.

"(2) Funds appropriated to carry out this title, other than section 803, may be transferred between such agencies if such funds are used for the purposes for which they are authorized and appropriated.

"(c) Nothing in this section shall be construed to prohibit interagency funding agreements made between the Administration for Native Americans and other agencies of the Federal Government for the development and implementation of specific grants or projects.".

(d) Section 813 of the Native American Programs Act of 1974 (42 U.S.C. 2992c) is amended—

(1) in paragraph (3) by striking out the period and inserting in lieu thereof "; and", and

(2) by adding at the end thereof the following new paragraph:

"(4) 'Secretary' means the Secretary of the Health and Human Services.".

(e) Section 814 of the Native American Programs Act of 1974 (42 U.S.C. 2992d) is amended—

(1) by inserting "(a)" after "SEC. 814.", and

(2) by adding at the end thereof the following new subsection:

"(b) Not less than 90 per centum of the funds made available to carry out the provisions of this title for a fiscal year shall be expended to carry out section 803(a) for such fiscal year.".

EFFECTIVE DATE

SEC. 6. This Act and the amendments made by this Act shall take effect October 1, 1983.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from North Carolina (Mr. ANDREWS) will be recognized for 20 minutes, and the gentleman from Wisconsin (Mr. PETRI) will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. ANDREWS).

Mr. ANDREWS of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to make a brief statement of explanation as to the content of the bill, as amended, but I understand that the gentleman from Wisconsin (Mr. PETRI) has an engagement at about 1:45. Hence I will defer to him for such remarks as he may desire to make.

Mr. PETRI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to H.R. 2148, the Follow Through Amendments of 1983.

At the outset, let me state for the record that I believe that the original goals and objectives of the Follow Through program were laudable and I believe that a satisfactory track record has been established in achieving these goals and objectives.

My reservations focus primarily on the merits of passing new legislation which continues Follow Through as a categorical line item budget authority and extends this authority for an additional year through fiscal year 1985 and provides for increased authorization levels for fiscal years 1984 and 1985.

The initial purpose of this program was one of developing, implementing, and refining model educational and related service programs which would build upon the positive achievements made by disadvantaged children who had been enrolled in preschool programs such as Head Start.

So this was supposed to be a demonstration project at the national level, funded by the Federal Government. We went into this program 15 years ago. We began demonstrating 15 years ago what could be accomplished, and those models served as good examples for a lot of school districts around the United States, but how many kids are really being helped directly by this Federal program? The answer is, about 30,000 across the United States. How many kids are in school in the United States? About 40 million.

So this is a Federal program that ends up appropriating money and setting up staff to help 1 out of 1,250 kids in the United States, which can be justified on a demonstration basis to gain experience, but cannot be justified as an ongoing Federal program to provide special funds and special help for one small segment of the population and not for all the rest.

It seems to me if we have not learned from this program in 15 years, maybe we ought to look at ourselves for our failure to learn rather than at the program. I am sympathetic with those who say it should be wound up in a orderly fashion. I would frankly be very sympathetic to those who say maybe we should have some incentives for the school districts to get into this program or give them some extra reason for looking at it, but we are not going to help all the kids in the United States by a program that is targeted at about 30,000 out of 40 million.

So at some point we really want to change the foundation. It seems to me that the kids that were helped by this program at the beginning are now in their twenties, and we have had plenty of time to test and examine and see what works and what does not work. We really ought to be wrapping this particular experiment up.

One of the things Government has been criticized for over the years is that we start all kinds of things and then we grow inattentive and go on and start other things and we get a whole backlog of little programs lined up there that are inefficient. It adds to bureaucracy, it adds to the paperwork, and it makes a few jobs, but it does not get the job done for the American people.

I would argue that if this program does not now fit in that category, it will before very long.

It is a good idea, but it was set up 15 years ago as a demonstration project and if it was ever going to work, it should have worked by now.

I would also like to remind my colleagues that the Omnibus Budget Reconciliation Act of 1981 provides for the Follow Through program to be phased into chapter 2 of the Education Consolidation and Improvement Act beginning in fiscal year 1985.

Mr. Speaker, it appears that there is no consensus in the other body to take favorable and early action on legislation comparable to that before us today. It would also appear to be the consensus in the other body that chapter 2 of the Education Consolidation and Improvement Act remains an appropriate authority and funding source that will provide State and local governments with a greater degree of flexibility in addressing the unique needs of their disadvantaged elementary level students.

□ 1340

Mr. ANDREWS of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today the Committee on Education and Labor presents H.R. 2148, the Follow Through Amendments of 1983. Its purpose is to extend the Follow Through program for 1 additional year beyond its current authorization.

Follow Through is a federally sponsored education program which develops and provides high-quality classroom programs and supportive services to disadvantaged children across the United States. Initially authorized in 1967, it is intended to literally "follow through" on developmental gains made by disadvantaged children in preschool programs like Head Start as those children enter public schools. Since Follow Through is currently scheduled to expire at the end of fiscal year 1984, much of what we have learned during the past 15 years will be lost unless an extension is provided and a "summing up" required.

The impact of Follow Through is far reaching. Some 30,000 disadvantaged children in 69 school districts are directly served each year. Nearly half a million others benefit indirectly as their school districts replicate successful models without direct Federal assistance. There are presently over 700 additional communities using Follow Through techniques in this manner.

H.R. 2148 should be noncontroversial and I anticipate broad bipartisan support. The bill is supported by 46 bipartisan cosponsors. Aside from those provisions specifically providing for the "summing up" I referred to earlier, it is simply a reenactment of those provisions currently authorized in the Republican authored Budget Reconciliation Act of 1981.

H.R. 2148 does provide new authority for a National Advisory Commission on Follow Through Education. This bipartisan Commission, which the committee bill terminates at the end of fiscal year 1985, will examine all evaluations of Follow Through models to determine those most conducive to replication by State and local education agencies. This should be of considerable value to States using education block grant funds to support Follow Through programs in future years.

The committee also added modest but vitally important amendments to H.R. 2148 during full committee consideration. These provisions would accomplish three objectives. They would indefinitely extend the prohibition of the transfer of administration on native American programs to agencies outside the Department of Health and Human Services. They reaffirm the requirement that these programs serve all types of Indians and native Americans as the law provides and further require that at least 90 percent of the available funds be used to support the development efforts and service programs of grantees working directly with local Indian and native American communities.

Mr. Speaker, the committee is pleased to present what we believe is a strong bill today for consideration by the House. It was passed by unanimous voice votes in both subcommittee and full committee and I believe it deserves the strong support of the Congress as well.

Mr. ROSE. Mr. Speaker, will the gentleman yield?

Mr. ANDREWS of North Carolina. I yield to the gentleman from North Carolina.

Mr. ROSE. I thank the gentleman for yielding.

Mr. Speaker, I simply want to say how much I appreciate the good work that my colleague, the gentleman from North Carolina (Mr. ANDREWS), has done on this important piece of legislation. I compliment the gentleman for bringing it forward.

Mr. Speaker, I take this opportunity to express my strong support for committee bill H.R. 2148—the follow through amendments to the native American Programs Act of 1974.

Since the first days of the 98th Congress, it has remained no secret as to the polar policy directions the administration and Congress have respectively adhered to in concern with formulating and implementing Indian affairs. In an attempt to reduce Federal spending, the administration has consistently proposed the phasing out of numerous Indian programs at a disproportionate rate to other Federal assistance programs. Congress however, has seen fit to recognize its trust reponsibilities to native Americans and thus has stepped in to save these much-needed programs from the administration's obituary list.

On January 29, 1983, President Reagan released his Indian policy statement calling for the phasing out of Federal assistance to Indians who live off reservations or who do not possess Federal recognition. This initiative was followed by the administration's proposal to transfer the delegation of the administration for native Americans' authority to the Bureau of Indian Affairs. Realizing such a transfer would mean the termination of Federal assistance to urban and nonfederally recognized Indians, Congress passed an amendment in the Emergency Jobs Bill Act of 1983 that would prohibit such a transfer. This act clearly demonstrated the intent of Congress to continue funding to native Americans without prejudice as to where they may reside. Since then, however, several urban and nonfederally recognized Indian organizations have repeatedly told Congress that the administration is awarding grants in adherence to the January 29, 1983, administration directive and pointedly ignoring congressional intent.

Given this present situation, a need has clearly arisen for a more concrete piece of legislation to guide this subjective granting procedure in a manner more consistent with congressional intent. H.R. 2148 is capable of performing such a function. Its amendments to the native American Programs Act of 1974 serve to clarify the ambiguity that seems to have recently encompassed the awards process of Indian funding. The bill would indefinitely extend the prohibition of the transfer of programs under title VIII to agencies outside of the Department of Health and Human Services. The bill also specifically states that no potential grantee could be denied assistance solely on the basis of its status with respect to Federal recognition. Furthermore, the language of the bill insures that an adequate percentage of funds be used to support the development efforts and service programs of grantees working directly with local Indian communities—rather than special research or other activities dictated by Federal agency priorities.

Providing assistance to only reservation native Americans is a direct violation of the Federal Government's responsibility of insuring Indian self-determination. Tribal membership in no way terminates merely because of geographic location. In fact, many Indian people are living off their reservations not by choice but because of economic circumstances. This is an inherent "Catch 22" situation, for many Indians who sought additional education or training opportunities were forced to do so away from their homes. After receiving training, many found it impossible to return home because of lack of employment. H.R. 2148 presents us with a comprehensive foundation that will insure the follow through of assistance to these people who deservingly hold a place in Indian funding's service population.

Mr. PETRI. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. PORTER).

Mr. PORTER. Mr. Speaker, I would like to take this opportunity to voice my strong support of H.R. 2148, the legislation introduced by my colleague Congressman ANDREWS to reenact the Follow Through program for fiscal years 1984 and 1985.

As a program, Follow Through was developed to provide disadvantaged primary schoolchildren coming from Head Start with a high quality classroom program and supporting services to enable them to succeed in primary school.

To achieve this, colleges and universities across the country were called upon to design models which would help guarantee a continuation of the gains made by youngsters who had participated in the Head Start program.

In 1969, Waukegan, Ill., which I now represent, chose the behavior analysis model developed by the University of Kansas.

It established the Carman School as the home of the Waukegan behavioral analysis Follow Through program—one of the first Follow Through projects in the country.

In 1977, the joint dissemination review panel, composed of educational specialists of the Department of Education approved the Waukegan Follow-Through program as being an effective and exemplary educational program which significantly improved low-income childrens' reading and math achievement.

The Waukegan program became one of the 21 Follow Through projects in the country approved by the panel for national dissemination.

Over the years, the Waukegan behavior analysis Follow Through program has been a credit to Waukegan and to Illinois.

It has proved both cost effective and educationally sound.

Its students who were judged by the Unviersity of Wisconsin as being 2 to 4 years below grade level in reading and math prior to the program are now scoring at or above grade level.

Since becoming a training and resource in 1977, the Waukegan Follow-Through model had made an extensive contribution to the Nation's entire educational system.

Its director and staff have made presentations at every national educational conference.

It has extended its training facilities to provide instruction to school districts across the country wishing to adopt the behavior analysis program.

In the 1983-84 school year, based on current figures, 3,550 children will be served nationwide by the Waukegan center at a cost of $19/student.

The legislation before us today, H.R. 2148, proposes a balanced approach to the future of the Follow Through program.

It reflects the strong support the program has received in the past and the desire to see it continue—despite proposals to reduce its funding and place it in a block grant.

Reenacting Follow Through for fiscal 1984 and 1985 reflects current authorization language and specific 1983 House and Senate appropriations report language.

Through its provision for a National Commission on Follow Through and a Department of Education sum-up report, the legislation also represents an honest attempt to give Congress and the Department of Education the means to assess responsibly the strengths and weaknesses of the program and best decide its future.

I visited the Waukegan center for the first time last fall and came away feeling extremely proud to have the program in my new district.

Our former colleague, Bob McClory, who represented Waukegan, fought to maintain the program's funding and keep it out of a block grant.

As I am sure Bob would tell you, the enthusiasm and pride on the part of the staff and parents affiliated with the Waukegan center for what the program has done for the children of Illinois and nationwide is contagious.

At a time when many in this country are deploring the rising tide of mediocrity in education, I feel strongly that we should not turn our backs on any

program which holds the promise of raising the educational level of our schools.

Withdrawing support for the Follow Through program—which the Federal Government has spent millions of dollars in developing—would be a terrible waste of a substantial investment and of the many cost effective and educationally valuable programs that have emerged and flourished, not just in Waukegan, but across the country.

Mr. ANDREWS of North Carolina. Mr. Speaker, as has been said, this fine program was begun back in 1967, and the current distinguished chairman of the Committee on Education and Labor, the gentleman from Kentucky (Mr. PERKINS), was a real leader in establishing the program and, as chairman of the committee, he has fostered the program over the years. I am honored to yield such time as he may consume to the gentleman from Kentucky (Mr. PERKINS).

Mr. PERKINS. Mr. Speaker, H.R. 2148 basically reenacts the Follow Through program for an additional year, fiscal year 1985, as it is currently authorized under the Omnibus Reconciliation Act of 1981, except for two additions.

First, there will have to be a thorough review and evaluation of what has been learned from Follow Through during the past 15 years. A bipartisan National Advisory Council on Follow Through will be established to do this comprehensive review and evaluation and report its findings and recommendations to the President and to the Congress. Also, the bill expands the Secretary of Education's authority to evaluate all previous reports and to do a summary of these findings in one report.

Second, the authorization levels are increased only enough to permit the program to continue at current levels. This is done in order to maintain the current grantees, sponsors, and resource centers at the current service level of operation until after this comprehensive evaluation. This study is to determine the most effective methods and models which may be replicated by State and local education agencies as well as to provide the Congress with the best information available on the appropriate Federal role in the future.

Last, the bill amends title VIII of the Economic Opportunity Act, the native American Programs Act of 1974. The amendments attempt to accomplish these three objectives: First, to extend the prohibition of transferring these programs to agencies outside the Department of Health and Human Services; second, to require that these programs are available to all types of Indian and native American organizations, including off-reservation Native Americans, both urban and rural; third, to require that at least 90 percent of the available funds be used for the basic program in section 803, to support projects which service Indian and Native American communities directly.

Mr. Speaker, I wish to compliment our distinguished colleague, IKE ANDREWS, the chairman of the Subcommittee on Human Resources, for his exemplary work on this piece of legislation which provides a vehicle to do a comprehensive and thorough review and evaluation of this proven education program. This opportunity to do a summing up of what has been learned in Follow Through over the past 15 years about compensatory education for the primary school years will be invaluable to the committee, the Congress, and the Nation, as we move toward developing an educational agenda for the 21st century. Fifteen years of experience, research, and expertise cannot be allowed to just slip into the archives of history without a thorough examination and evaluation by members of the Follow Through community which includes parents, students, educators, social scientists, researchers, and other distinguished members of the education and helping communities.

Follow Through was established as a separate program in 1967 with the passage of Public Law 90-222. Follow Through had its origins as a part of Head Start during the years 1964 to 1967.

Follow Through has been strengthened and authorizations increased several times during the 1970's. The authorization has been as high as $100 million. In 1981, the Committee on Education and Labor reported H.R. 3045 which would have reauthorized Follow Through at $34.5 million for 1982, but the committee bill was overtaken by the Omnibus Reconciliation Act of 1981, which authorized Follow Through through 1984 with progressively reduced authorizations. Follow Through is authorized at $22 million in 1983. Currently some 30,000 disadvantaged children in 69 school districts in 35 States are being served by Follow Through. In addition to these direct services, 15 sponsors and 17 resource centers are providing services and training to the 69 school districts. Follow Through has had a $19.4 million appropriation for the last 2 years.

I wish to make a few remarks about Follow Through, the companion program to Head Start. As these preschool children move into the crucial primary grades of the school system, this follow through of Head Start—the highly effective and popular preschool program—has proven to be most effective in assuring greater school success for low income students, and as the recently released CBO figures indicate, the number of children in poverty has increased from 16 percent to almost 20 percent of the population in the past 3 years, and all indictions are that this group will continue to increase for some years to come. Also, if we believe that basics in education are of primary importance for learning and that basics are best taught as the foundation of educational development, we must look at all aspects of Follow Through in order to glean the most effective methods of instruction for these important primary grades. Follow Through provides us with that opportunity, and I do not believe that we can afford not to continue this Federal program which has proven to be so effective during the most formative educational years of our low-income school age youth.

Also, I might note that the President's Commission on Excellence in Education has recommended that the Federal Government's role in education includes such functions as collecting data; curriculum improvement; research on teaching, learning, and the management of schools; and supporting teacher training—all of which Follow Through does and has done effectively for over 15 years. And since I believe that these are important roles for the Federal Government to engage in, I urge you to pass H.R. 2148, the Follow Through Amendments of 1983, which will continue this educational opportunity for an additional year, as we take this opportunity to pull together all of the valuable information available in the Follow Through community and conduct an evaluation and comprehensive review in order to make recommendations to the Congress and the President by January 30, 1985. At the least, we owe this much to our children, our educational system, and our country.

The bill we are now considering is an important step in conserving and preserving much of what we have learned about how to teach disadvantaged primary age children, and surely my colleagues are not desirous of wasting 15 years of valuable educational experience, but what may be more important is that this bill may help us to focus on the educational needs of the future. It is obvious that we have not developed the final solution for excellence in education, but it is equally obvious that if we do not use our past experience and knowledge in education effectively and wisely, we will continue to build on a faulty foundation. I believe that H.R. 2148 is a small step in the right direction of upgrading the quality of education for all of our children. I urge my colleagues to support the bill.

NATIVE AMERICAN PROGRAMS

In addition to the reenactment of Follow Through, H.R. 2148 amends title VIII (the Native American Programs Act of 1974) of the Economic Opportunity Act to accomplish three important objectives: First, the bill will extend indefinitely the current

prohibition on the transfer of programs under title VIII to other agencies; second, the bill requires that native American programs authorized under title VIII be made available to all types of Indian and native American organizations and groups serving native Americans living off reservation areas, both urban and rural (the committee feels that this is consistent with current law and the intent of Congress since the programs under title VIII were established to serve all native American communities in all parts of the country. Today over half of the native American citizens of this country live in off-reservation situations in every State); third, the bill requires that at least 90 percent of the available funds will be used for basic grants which will serve Indian people directly rather than in research or other activities which may be dictated by Federal agency priorities.

I support these changes in title VIII of the Economic Opportunity Act to continue providing the most support for the largest number of native Americans and as consistent with the intent of the Economic Opportunity Act, and I urge my colleagues to support these changes.

Mr. PETRI. Mr. Speaker, I yield such time as he may consume to the ranking Republican member on the Committee on Education and Labor, my distinguished colleague, the gentleman from Illinois (Mr. ERLENBORN).

□ 1350

Mr. ERLENBORN. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in opposition to H.R. 2148, legislation to reenact the Follow Through program as a new title of the Economic Opportunity Act of 1964, with increased authorization of appropriations for fiscal years 1984 and 1985, and for other purposes.

I would like to associate myself with the remarks made by the gentleman from Wisconsin, Mr. PETRI, the ranking Republican member of the Subcommittee on Human Resources.

As has been stated, Mr. Speaker, Follow Through was initiated in 1968 as a demonstration program. We have invested approximately three-quarters of a billion dollars in this program to date. There appears to be little doubt that Follow Through has served well the purpose for which it was originally authorized. It has provided the Nation's educational decisionmakers with a number of proven, replicable models which provide the comprehensive educational, health, nutrition, social, and related services necessary to the continued development of its target population.

The proponents of H.R. 2148 argue that a good deal of what has been learned and accomplished during the 15-year history of the Follow Through Program will be lost, unless it is extended through fiscal year 1985 so that the knowledge that has been developed may be thoroughly reviewed and programs comprehensively evaluated and compared. For this purpose, H.R. 2148 creates a new authority for a bipartisan National Advisory Commission on Follow Through to review all pertinent research, evaluations of research, demonstrations, and pilot projects conducted to date with funds provided under the Follow Through authorities.

On the basis of this comprehensive evaluation, the National Advisory Commission would then recommend Federal, State, and local actions necessary to facilitate the duplication or replication of effective Follow Through approaches. For the work of the National Commission, H.R. 2148 provides for an authorization of $500,000 for fiscal year 1984 and such sums as may be necessary for fiscal year 1985.

Mr. Speaker, I would argue that we have had 15 years in which to evaluate Follow Through activities. I can find no justification for creating a special National Commission—a Commission that may be funded in excess of a half million dollars over a 2-year period—to tell us what we should already know. I firmly believe that State and local educators are quite capable of making their own independent evaluations of the merits of Follow Through activities. Some 700 school districts have already done so—and have chosen to replicate successful Follow Through models that are serving an estimated 500,000 disadvantaged youngsters.

In view of the fact that Follow Through models are widely recognized as being tried and proven successful and cost-effective, I believe that many States and local educators will continue to place a high priority on investing their chapter 2 ECIA resources in adapting Follow Through models to meet their local educational needs.

Therefore, I urge my colleagues to join me in voting against H.R. 2148.

Mr. ANDREWS of North Carolina. Mr. Speaker, I yield such time as he may consume to the gentleman from Puerto Rico (Mr. CORRADA).

Mr. CORRADA. I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of H.R. 2148, which reenacts the Follow Through program through fiscal year 1985.

The Follow Through concept is a strong, comprehensive child development system which effectively maintains and builds upon the gains that children from low-income families have made in Head Start and other quality preschool programs. Although relatively small in monetary terms, Follow Through provides access to innovative curriculum models which annually impact on more than 410,000 disadvantaged children. The network of local program, sponsor, and resource center works as a team to provide quality services to children, to demonstrate and disseminate effective practices, and to provide technical assistance to communities with educational practices.

I want to particularly express my support for the National Commission on Follow Through Education, to be created by H.R. 2148. This bipartisan Commission composed of staff and parents of children in Follow Through projects and specialists in the field of child development will be able to analyze the variety of Follow Through models, and to suggest new avenues of exploration in our attempt to give each child, whatever his or her background, an even chance to succeed in school.

Mr. Speaker, in monetary terms the burden of H.R. 2148 is small—only $22.2 million for fiscal year 1984 and $23 million for fiscal year 1985. Yet, with these funds we will be able to make a difference in the future of thousands of disadvantaged children, who need early intervention in order to perform at school levels consistent with that of their peers.

I believe it is most important that Congress acknowledge the strength of the Follow Through model, and the cost-effectiveness of funds appropriated under the act. We must also recognize that it would be unrealistic to expect school districts to continue to fund Follow Through if it were merged under the chapter II block grant, becoming one more of a series of options open to State education agencies.

Mr. Speaker, I want to commend Chairman IKE ANDREWS for his leadership in bringing this legislation to the floor and for his strong commitment to the Follow Through program throughout the years. Also, I want to point out that many Members on the other side of the aisle share this commitment and have worked hard to make H.R. 2148 a truly bipartisan effort.

As an original cosponsor of H.R. 2148, I urge my colleagues to join with me in supporting the Follow Through program by approving this bill.

Mr. PETRI. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ANDREWS of North Carolina. Mr. Speaker, I yield myself 3 additional minutes.

Mr. Speaker, I would urge all Members to support the bill, H.R. 2148. I think it is the epitome of what the American people expect us to do. So many times we hear that programs which prove to be effective, federally initiated, balloon into monstrosities in terms of cost. This has not been true in the Follow Through program. Even those who have spoken against this

bill, both of them, are fine gentlemen and they have acknowledged that the program has been exceedingly good.

As the gentleman from Wisconsin (Mr. PETRI) says, it only reaches about 30,000 of our some 4 million students, and in one way that is a criticism of it, but I think in another way it speaks well of Congress and those within the program, that we have not tried to expand it into a huge, very cost-consuming program. Instead, it has remained as it initially was, a model whereby we do not benefit just those 30,000 students or other disadvantaged students for whom those programs that are successful within the program become models, but in fact we benefit all of the education system, the teachers and all those who are in it.

I think we learned long ago that children who are disadvantaged and who remain that way, and we equate educational disadvantage to likewise financial deprivation in the homes from which these kids come, if they remain problems, if they do not learn to read and learn basic skills in those first three grades, they become the problem students all the way through school. They are either the dropouts who cause many problems in society at large, or they remain in school and retard progress in classes as they proceed on into and through high school.

These programs have been very effective in causing these young children to adapt to public education classes and institutions of which they are a part. They have become leaders rather than draggers-back on the progress within those schools.

We are asking for 1 year, with a commission to be appointed bipartisanly by the President to study all that has been accomplished, not all of it has been good, but much has, to weed out the wheat from the chaff, so to speak, and preserve this information and disseminate it. That cannot be done with a State block grant. We want to disseminate it nationally to all the school systems within the Nation so that even though this program terminates within a year under this legislation, the things that have been accomplished might go on to succeeding classes and schools, and totally within the education system.

I think it is an excellent bill. It is a minor bill in terms of cost, but major in terms of effectiveness, and certainly we urge all Members to support it, as I believe most will.

● Mr. BIAGGI. Mr. Speaker, I rise, as New York's senior member of the House Education and Labor Committee, to join with my colleagues to express my strong support for H.R. 2148, the "Follow-Through Amendments of 1983."

As a cosponsor of this bill, I wish to commend the chairman of the subcommittee, IKE ANDREWS, for his timely attention to this important program which has proven itself to be critical in helping disadvantaged youngsters in their learning abilities.

The New York sponsor for the Follow Through program, Fordham University, located in my district, has done a most commendable job in administering its eight projects around the city totaling over $2.5 million, which have assisted thousands of our youngest school-age children.

This bill, H.R. 2148, is a 2-year extension of Follow Through which provides $22.15 million for fiscal year 1984 and $23 million for fiscal year 1985. Follow Through is the companion program for its more well-know counterpart, the Head Start program, which is targeted to preschool youngsters. The success of Head Start in improving the learning of disadvantaged children is well-documented. The success of Follow Through is equally as impressive and should and will be continued under H.R. 2148.

Mr. Speaker, at a time when we have a blue-ribbon Federal commission and several other reports which have pointed an indicting finger at American education today—we can ill afford to ignore such dire warnings. Follow Through is a part of several other Federal programs, such as Head Start and title I, which give children an opportunity to learn the basics in the years when they are most receptive to learning. Failure to seize the educational opportunity for this age group can only set the stage for continued decline at a time when we need a well-educated society more then ever.

Follow Through is a small, but important link in the learning process of our neediest students. I, for one, do not want to continue to be dismayed by the report card for American education. Instead, I will vote for H.R. 2148 with the knowledge that I am voting to promote excellence to our schools today. I urge my colleagues to do the same.●

GENERAL LEAVE

Mr. ANDREWS of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2148.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. ANDREWS of North Carolina. Mr. Speaker, I yield back the balance of my time.

□ 1400

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. ANDREWS) that the House suspend the rules and pass the bill, H.R. 2148, as amended.

The question was taken.

Mr. RUDD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

WASHINGTON WORKSHOP FOUNDATION AUTHORIZATIONS

Mr. PERKINS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2943) to authorize appropriations for grants to the Washington Workshop Foundation, as amended.

The Clerk read as follows:

H.R. 2943

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ELLENDER FELLOWSHIP PROGRAM

SECTION 1. Notwithstanding any other provision of law, there is authorized to carry out the joint resolution of October 19, 1972 (86 Stat. 907), relating to the Allen J. Ellender fellowship program, not more than $1,500,000 for each of the fiscal years 1983, 1984, and 1985.

WASHINGTON WORKSHOP PROGRAM

SEC. 2. (a)(1) The Secretary of Education (hereinafter referred to as the "Secretary") is authorized to make grants in accordance with the provision of this section to the Washington Workshops Foundation, a nonpartisan, nonprofit foundation promoting knowledge and understanding of the Federal Government among young people and their educators.

(2) Funds received under this Act shall be used for the purpose of assisting the Washington Workshops Foundation in carrying out its program of increasing understanding of the Federal Government among secondary school students, their teachers, and the communities they represent.

(3) Grants received by such Foundation under this section shall be used only for financial assistance to economically disadvantaged students and their teachers who participate in the program described in paragraph (3) of this subsection.

(b)(1) No grant under this section may be made except upon approval by the Secretary of an application. Such application shall be submitted at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(2) Each such application shall contain provisions to insure—

(A) that fellowship grants are made to economically disadvantaged secondary school students, and to secondary schoolteachers;

(B) that no more than one secondary schoolteacher in each school participating in the program may receive a fellowship grant in any fiscal year;

(C) that every effort will be made to achieve participation of students and teachers from rural and smalltown areas, as well as from urban areas, in the program; and

(D) the proper disbursement of the funds of the United States received under this section.

(c)(1) Payments under this section may be made in installments in advance, or by way of reimbursement, with necessary adjustments on account of overpayment or underpayment.

(2) The Comptroller General of the United States or any of his duly authorized representatives shall have access for the purpose of audit and examination of any books, documents, papers, and records that are pertinent to any grant under this section.

(d) For the purpose of this section, the term "secondary school" means a day or residential school which provides secondary school education, as determined under State law.

(e) There is authorized to be appropriated not to exceed $100,000 for fiscal year 1983 for the purpose of making grants under this section.

LAW-RELATED EDUCATION

SEC. 3. (a) Notwithstanding any other provision of law, the total amount which may be appropriated to carry out the part E of title IX of the Higher Education Act of 1965, relating to law school clinical experience programs, shall not exceed $2,000,000 for each of the fiscal years 1984 and 1985.

(b)(1) Section 583(b) of the Education Consolidation and Improvement Act of 1981 is amended by striking out "and" at the end of paragraph (2), by inserting "and" at the end of paragraph (3), and by inserting after such paragraph the following new paragraph:

"(4) the law-related education program formerly authorized by part G of title III of the Elementary and Secondary Education Act of 1965,".

(2) Such section is further amended by inserting "(or $500,000 in the case of the program referred to in paragraph (4))" after "fiscal year 1981".

The SPEAKER pro tempore. Is a second demanded?

Mr. ERLENBORN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Kentucky (Mr. PERKINS) will be recognized for 20 minutes, and the gentleman from Illinois (Mr. ERLENBORN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Kentucky (Mr. PERKINS).

Mr. PERKINS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2943. This bill authorizes funds for two programs that have been successful in promoting the understanding of the Federal Government among young people.

First, the bill authorizes $1.5 million for each of the fiscal years 1983, 1984, and 1985 for the Allen J. Ellender fellowship program operated by the Close-Up Foundation.

The Close-Up Foundation has received Federal funds since 1972 and currently serves 16,000 students yearly from 2,150 schools. H.R. 2943 increases the authorization for the Ellender fellowships program from $1 million to $1.5 million and extends the program for another year at this higher level. The additional funding will enable Close-Up to generate additional private sector matching, expand into new communities, and abate the effects of inflation.

Second, H.R. 2943 provides a new $100,000 authorization for fiscal year 1983 for the Washington Workshop Foundation, to be used to enable disadvantaged students and their teachers to attend the Washington Workshop's congressional seminar program.

Over its 16-year existence, the Washington Workshop Foundation has been sustained solely by contributions from community, civic, and corporate groups, and by tuition payments. Severe economic conditions during 1983 dramatically affected students' ability to pay tuition and businesses' capacity to contribute. The Federal funding will permit about 230 additional needy students to participate.

I would like to explain that the bill before us this morning is the committee-reported bill with one amendment. This amendment is identical to one passed by the House last year in its consideration of a similar bill, H.R. 7137. The amendment authorizes $2 million for each of the fiscal years 1984 and 1985 for the law school clinical experience program under the Higher Education Act. In addition, the amendment addresses the law-related education program, one of the programs consolidated under chapter 2 of the Education Consolidation and Improvement Act. This amendment places that program in the Secretary's discretionary fund, where its funding would be protected at a level of $500,000 per year.

I urge the Members to join with me and pass H.R. 2943.

Mr. Speaker, I yield such time as he may consume to the gentleman from Colorado (Mr. KOGOVSEK) the author of the bill.

Mr. KOGOVSEK. Mr. Speaker, I thank the chairman of the Committee on Education and Labor for his support of H.R. 2943 and for allowing us to have this bill before us this afternoon. I also thank the chairman of the committee for his very thorough explanation of the bill.

Mr. Speaker, I rise in support of H.R. 2943 which authorizes $1.5 million for the Allen J. Ellender fellowship program to allow the Close Up program to receive their appropriations on a forward funding basis to coincide with the cycle of the school year, and authorizes $100,000 for the Washington Workships program for fiscal year 1983 to allow them to continue to provide services through this year.

The Allen J. Ellender fellowship program, established in 1972 through Public Law 92-506, provides fellowships for teachers and low-income students to participate in the Close Up Foundation's Washington seminar program. It is a program which has enjoyed the broad, bipartisan support of our colleagues since its inception.

These Ellender funds serve as seed money in each of Close Up's 47 participating areas of the country and assure the inclusion of a cross-section of participants. The foundation multiplies the Federal money at a 1.8 ratio, generating eight private dollars for each Federal dollar invested. Private dollars come from corporations, foundations, individuals, school activities, and self-sponsored students.

The Close Up Foundation's educational activities have increased substantially since the Allen J. Ellender fellowship program was enacted in 1972. During this time, the program has gone from 2,000 participants per year in 1973 to almost 16,000 participants during the 1982/83 school year, and some 17,500 students are expected to participate during the 1984 school year. Today, the program is administered in 2,150 schools in 47 areas of the country.

The Close Up Foundation has been most successful in generating private sector matching funds for its programs to maximize the use and impact of the Ellender funds. These private funds multiply the effectiveness of the seed moneys provided through the Allen J. Ellender fellowship program. With the foundation's mandate to reach 22,000 to 24,000 participants per year in all 50 States and the American territories during the next 5 years, Ellender funds are needed to seed these new areas. The foundation plans to continue to generate substantial private sector support, utilizing Ellender dollars to their fullest. This partnership of the private sector and the Federal Government has been the key to the success of the program.

The Washington Workshops program has in the past relied solely on private and corporate contributions and on tuition from its participants. However, because of the current economic conditions, contributions, particularly from the corporate sector, have decreased significantly. Last year the program received a total of $650,000. This year, however, their receipts will only amount to $500,000, a 23-percent decrease in 1 year.

H.R. 2943 authorizes a one time appropriations of $100,000 for fiscal year 1983. Even if the program receives these funds through another supplemental appropriations, they will be forced to administer their program on $50,000 less than they had last year.

These funds will be used by Washington Workshops to maintain their high quality program through the remainder of this year. It will also allow them to use it as seed money to solicit more private contributions.

While I realize the committee acted quickly on this legislation, both the Close Up Foundation and the Washington Workshops Foundation have testified many times before the Appro-

priations Subcommittee on Labor and Education about the merits of their programs and the need for the small amount of Federal assistance.

Mr. Speaker, I am sure my colleagues from both sides of the aisle will attest to the quality of these two programs. I believe each of us have had the opportunity to witness these programs in action, either by appearing before a group of students participating in the programs, or by having one or more of them work as interns for a while in our offices. I can think of no better way of educating these young adults in our governmental process than by bringing them here to Washington for first-hand experience. It is the best way to instill an understanding of their process of Government, of how it works for them, and of how they can become active participants in it. Each year over 25,000 students are brought to Washington to learn about their Government through these two programs. We must allow them to continue, and I urge my colleagues' support for H.R. 2943. Thank you.

□ 1410

Mr. ERLENBORN. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana (Mr. LIVINGSTON).

Mr. LIVINGSTON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of H.R. 2943, specifically as it pertains to the reauthorization of the Ellender fellowship program, better known as the Close Up program, through fiscal year 1985. For this reason alone, the bill deserves our support.

The authorization for the Ellender fellowship program of $1.5 million corresponds to the annual appropriation included in the 1983 labor, health, and education bill, and in the 1983 continuing resolution.

As has already been noted by the distinguished author of the bill, it allows the Ellender program to maintain its historic 8 to 1 private to public donation ratio. For every dollar of Federal funds appropriated, there have been $8 of private contributions. Since the Ellender program began in 1973, with only 2,000 participants per year, the Federal contribution has increased by only $1 million, but the participant level has increased to 17,500 students per year.

Mr. Speaker, the Ellender fellowship program should be reauthorized, so that when the Appropriations Committee acts later this year it will be able to provide the necessary funding.

Close Up is a vital program and should be preserved.

Mr. ERLENBORN. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. PORTER).

Mr. PORTER. Mr. Speaker, I rise today in support of H.R. 2943, a bill to authorize appropriations for the Washington Workshops and the Close-up Foundation, both programs of exceptional merit, providing unique educational opportunities to disadvantaged students to visit the Nation's Capital and learn about our political system. The bill includes $100,000 for the Washington Workshops program, a program of special concern to me.

I understand there is some concern with late changes to H.R. 2943. I want to make it clear that I am speaking on behalf of the bill as reported for the Washington Workshops and the Close-up Foundation.

Washington Workshops is the oldest, most extensive national high school internship program on Capitol Hill. This program is particularly impressive because it enables young students, many of them disadvantaged, to have the opportunity to study and experience the inner workings of the Federal Government. A significant aspect of the Washington Workshop experience for many of the students is the opportunity to receive three units of college credit upon completion of the program. Since the inception of these workshops, the program has proven to be award winning and purposeful, with many elected officials and permanent Government employees numbered among its alumni and alumnae.

In its history the Washington Workshops has already served 20,000 young people—20,000 people who can return to their home States knowledgeable about the Federal Government. The program's high academic standards brings the best of our youth to the Capital. The program offers special advantages to minorities, the disadvantaged, and the handicapped, who would otherwise not have the opportunity to fulfill their desire for Government study. These concerned and involved individuals are able to leave Washington with an increased sense of personal accomplishment.

Now, however, this exceptional program has reached a point of crisis in its funding history. The current state of our economy has limited the availability of this program to only those students who can afford to pay for it. A one-time offer of Federal support would be an encouragement for this program to continue the fine work it has done in supplementing the education of our young American citizens.

This year Washington Workshops has demonstrated the need for Federal money due to a 40-percent reduction in enrollment. This additional money would allow 230 young scholars to come to Washington and enable all of us to benefit from the enthusiasm and enlightment they bring with them. Along with many of my colleagues, I have experienced thoughtful and captivating exchanges with these young students during workshops, and I believe it would be of greatest benefit for us all to see this program continued.

Mr. Speaker, it is necessary to cultivate in the minds of our young citizens the responsibilities and benefits which come to them because they are Americans. I understand Mr. ERLENBORN's concerns about adding new groups to the Federal dole. However, in this case I believe we should make an exception. The $100,000 authorization included in this bill will allow those students who would otherwise not be able to afford this opportunity to come study in Washington. These students can return to their communities with a better understanding of the political process and their role as citizens in a democracy, and with a better understanding of the responsibilities and obligations that go with personal freedom in a democratic Republic. This is always money well spent.

I hope we will vote today to help the Washington Workshop program meet its funding crisis this year, and allow the organization time to search for new sources of alternative funding for the future. I hope my colleagues agree and will join me in support of the bill.

Mr. ERLENBORN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on May 9 of this year, the legislation before us was introduced affecting only the Ellender fellowship program.

Mr. Speaker, the bill was moved so rapidly that it was not referred to the subcommittee. There were no hearings held and it was brought immediately before the full committee.

At the time the legislation was being considered by the full committee, the author of the legislation offered an amendment to include the Washington Workshops as one of the authorized expenditures at a rate of $200,000 per year for 3 years.

At the time, Mr. Speaker, that amendment was offered, I asked if the sponsor of the amendment could—I am not certain it was the sponsor of the bill, but the sponsor of the amendment—could advise me what the total budget of the Washington Workshops was, and the answer was "No."

I asked if $200,000 annually for 3 years represented 100 percent, 200 percent, or 10 percent of the budget of the Workshops, and the answer of the sponsor of the amendment was that he did not know.

We were working in the dark. We really did not know what the conditions of the Washington Workshops might be.

This bill moved so rapidly, Mr. Speaker, that it came to the floor with the title, "To Authorize Appropriations for Grants to the Washington Workshop Foundation."

Excuse me. I have been advised that it is $200 million.

The Washington Workshops was in the bill as introduced. I was in error in my earlier statement.

□ 1420

Mr. Speaker, in the bill as reported the title is "To Authorize Appropriations for Grants to the Washington Workshop Foundation," and that leaves out of the title the Ellender Fellowship Program. The title, therefore, was defective.

The title is being amended by an amendment offered by the committee. However, the amendment to the title will now have the title read, "A Bill to Authorize Appropriations for Grants to the Close Up Foundation and to the Washington Workshop Foundation."

Again, by the way, Mr. Speaker, the title of the program, "Washington Workshop" is incorrect. The real title is "Washington Workshops," with an "s" at the end.

Also this new title does not mention the other matter, the law-related education that is being added to the bill by amendment. So, again, the title is defective.

I just mention this history of how this bill was handled to show how rapidly this committee of ours can move and how sloppy their work is when they are anxious to give away Federal funds.

Mr. Speaker, I rise in opposition to H.R. 2943 which provides for the first time an authorization to the Washington Workshops Foundation. I do not want to see this organization lose its basic character as a private sector program.

Up to this time, support for the program has come solely from the private sector. For 16 years contributions from the community, civic and corporate groups, together with tuition payments, have made it possible for the participants to learn more about the work of the Federal Government.

This is a laudable objective, and I know from experience that some fine young people have participated in the program.

The bill, as amended, authorizes $100,000 for grants to the Washington Workshops in fiscal year 1983, half the amount originally sought. It is not a huge sum to be sure.

It also authorizes $1.5 million to the Close Up Foundation. So we are talking about legislation that authorizes a total of $1.6 million.

Mr. Speaker, my colleagues might ask why would I have such objections to a bill that authorizes less than $2 million for two commendable organizations. Let me make clear that the cost of this particular bill is not the main issue, in my opinion. My concern is the principle involved.

Granting yet another privately funded organization access to Federal funds is akin to starting that group out on dope. Every time we let another group tap into the Federal Treasury we permit, or maybe more accurately encourage them to get hooked. They will feel fine as long as we continue to give them their maintenance dosage. But when we withdraw it, they are likely to have terrible withdrawal symptoms. We should be encouraging instead increased self-sufficiency for these groups, not increased dependency on the Federal dole.

I would like to call my colleagues' attention to the administration's opposition to this legislation. No funds were requested by the administration for either of these programs. In fact, the administration asked for a rescission of fiscal year 1983 funds for the Close Up program.

Moreover, if the rules were not to be suspended, a point of order would lie in that this bill violates two sections of the Congressional Budget and Improvement Control Act of 1974. Section 402(a) of the Budget Act requires that authorizing legislation be reported from committee by May 15th the preceding fiscal year in which spending is authorized.

Clearly the deadline was missed by almost exactly 1 year. The Washington Workshops authorization is for this current fiscal year of 1983.

I hope my colleagues will join me in voting against the motion to suspend the rules and pass this bill. The Federal deficit is projected to exceed $200 billion in this fiscal year and again the next year. At least next year it is going to be over $200 billion. With the condition of the economy improving daily the private benefactors of Washington Workshops are probably in a sounder financial position to offer assistance than is the Federal Government.

Let us not alter the private character of another group. I ask you to join me in my effort to save the Washington Workshops from Federal dollar dependency, an insidious disease endemic in this land. If we do not defeat this legislation you can expect to be hearing again from the Washington Workshops pleading for another Federal fix.

Mr. GUNDERSON. Mr. Speaker, will the gentleman yield?

Mr. ERLENBORN. I am happy to yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Mr. Speaker, the remarks of the gentleman from Illinois (Mr. ERLENBORN), the ranking minority member of the Education and Labor Committee, are well taken and to the point. Unquestionably, the Washington Workshops Foundation and it seminar program are important and provide a valuable experience in the workings and activities of our Nation's Capitol. After 16 years of service to our Nation's secondary students its worth has been well proven.

Despite the overwhelming benefits of the program, the concerns of the gentleman from Illinois (Mr. ERLENBORN) that this program not become addicted on Federal funds should be underscored. We must be careful not to bring such programs—traditionally supported and funded through private efforts—into the Federal funding fold.

It would also be imprudent for the Congress to establish a precedent for such a bailout at this time. The economic conditions of the past few years have placed many such programs in difficult financial straits. While many of these programs are also extremely worthwhile and should continue their services, the Federal Government cannot be counted upon for sustenance, particularly when dificits continue to rise.

I certainly respect the efforts of the gentleman from Colorado (Mr. KOGOVSEK) to provide support for the Washington Workshops program so that it can continue to provide these valuable experiences for our Nation's high school students. However, the interests of the foundation would be better served in the long term if it remains a private sector initiative.

Mr. ERLENBORN. Mr. Speaker, I thank the gentleman for his contribution.

Mr. PERKINS. Mr. Speaker, I yield such time as he may consume to the gentleman from Kansas (Mr. GLICKMAN).

Mr. GLICKMAN. Mr. Speaker, to hear some of the previous speakers in this debate you would think that we were not talking about a program that spends very few dollars and that has its basis in teaching democracy to our kids, high school students, throughout America.

Again I would like to reiterate what both the Close Up Foundation, which some Members of Congress, both Houses, both parties, participate in, as well as the Washington Workshops Foundation have done, and that is to teach the intricacies, the nuts and bolts of democracy, the positives, the negatives, the warts, and the great things, all of it to the young folks throughout this country, young people, so they can become productive leaders and perhaps take over our jobs one of these days and do a much better job maybe than we are doing.

I find probably nothing more that was done this year as important as this kind of concept. I would like to indicate also that business, yes, has provided a great deal of support for both of these programs. But we realize we are in a tremendous recession right now. Business commitment is cut way back all over this country, primarily because of the fact that corporate earnings and business profits have gone down. That means far fewer students will be able to come to Washington to participate in these kinds of

programs. I think that would be a shame for this democracy.

Again, we are talking not about millions and millions of dollars that we will be dealing with on defense bills or even on some of the other bills we talked about earlier today. We are talking about $100,000 for the Washington Workshop Foundation and $1.5 million for the Ellender Foundation, which is the Close Up Foundation.

I would like to close by talking about if you look at the dissenting views of this bill from our colleagues and I quote from their views:

> That the administration's budget does not request funds either for the Washington Workshops Foundation or for the Allen J. Ellender Fellowship Program, which would have its authorization increased by $1.5 million over the next three fiscal years.

The implication is that the administration does not want to fund these programs at all. It wants to turn them all over to the private sector and wants to turn Close Up and its programs over to the private sector because they have not asked for a continuing authorization for those programs. That position would kill these programs.

I guess my point, Mr. Speaker, is that this is one of those unique cooperative programs—I am talking now specifically about the Close Up program—between the private sector and the public sector to educate our kids about the greatness and the future of America. I think it would be a shame to defeat this bill, and so I would encourage my colleagues to vote yes on this bill.

Mr. SHAW. Mr. Speaker, will the gentleman yield?

Mr. GLICKMAN. I am glad to yield to the gentleman from Florida.

Mr. SHAW. I would like to compliment the gentleman on his comments with regard to the usefulness of the programs we are talking about. But this vote will not be a referendum on the program. There is going to be a referendum on the Government funding of the program.

The problem we have seen in some areas is that once the Government gets involved in financing programs such as this, then there becomes a greater and greater dependency.

□ 1430

I think that when we find that the private sector coming forward with a program like this, and there is already government cooperation once these youngsters come here, there is a tremendous amount of cooperation, I think we would be making a mistake in pushing it in this way this year.

Also I would point out that the time of recession of course is not only affecting the fund raising ability of this and many other fine organizations, but also it is very seriously affecting the fund raising ability of the U.S. Government which depends so heavily on the income tax.

Mr. GLICKMAN. If the gentleman would not mind, I will reclaim my time.

Mr. Speaker, I think it is a referendum on the program, because if we defeat this bill we defeat the commitment to the Washington Workshop as well as the Ellender Foundation. They will probably cease to exist. I yield back my time.

Mr. PERKINS. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa (Mr. SMITH).

Mr. SMITH of Iowa. Mr. Speaker, I first want to commend all of those who have worked on this bill. It involves such a little amount of money compared to most bills, as many have said, that some people would wonder why take the time with this bill? But I happen to think it is a terribly important bill. The amount of money involved is really about 1 cent per person in the United States. But as strange as it may seem to some people, we have had our form of government so long that there are a lot of people in this country who really take our form of government for granted; they do not appreciate the difference in our form of government and the forms that they have in some other countries.

So, what we have here today is for three programs, the closeup program, the clinical experience program, and the law-related program. An identical bill that passed the House last year, Mr. SIMON was the author of it last year; did not pass the Senate. I think it is a terribly important bill and should be passed this year.

I want to address the clinical education and law-related part of the program.

Clinical education would be authorized at $2 million, and that is only half of what was authorized 3 years ago. But somehow in the reconciliation package it was reduced at that time, just at the time when it was getting started. It related to law students. I happen to have been one at one time who went to law school with no opportunity to work in their father's law firm. My father was not a lawyer. Such students without access to a law firm have no opportunity to get clinical experience.

So this program will take those kinds of students, like we do medical students and some other students under other programs and give them an opportunity to be exposed to some extent while they are going to law school, to learn how to use their education, after they graduate, including, for example, working in legal aid programs.

As far as law-related is concerned, it is a program that just barely got started at the time of the reconciliation package. Almost all of the resources for this program come from private resources. They come in the form of lawyers contributing their time, they come in the form of public officials contributing their time, but primarily all this program does is to provide just a tiny bit of seed money so schools will know how to handle these programs and so that they can have an opportunity to teach these students in school the difference between our system of government and other governments in this world.

And I think in view of what we are seeing all over the world that this is a terribly important program and it should not be measured by the relatively very small amount of money that is involved.

So, I commend the committee and all of those who supported this bill and I hope that it passes.

Mr. PERKINS. Mr. Speaker, I yield the balance of my time to the gentleman from Illinois (Mr. SIMON).

The SPEAKER pro tempore. The gentleman from Illinois (Mr. SIMON) is recognized for 3 minutes.

Mr. SIMON. I thank the chairman.

A couple of things have to be said. No. 1, and this goes back to the days when I served in the Illinois General Assembly with my good colleague from Illinois (Mr. ERLENBORN) who now opposes this bill. We would have a bill in to appropriate $1 billion for something and it sailed through without any difficulty. Then all of a sudden we would have a bill up to add $1 to the automobile license fee, and we would have lengthy debate on that. The big things, somehow, we do not pay that much attention to. But you have a little amount for something, and we spend all kinds of time on it.

What was true in the Illinois General Assembly is true here today.

No. 2, someone said, "We should not have government involvement in this." That is very interesting; that was the argument that was used against creating public education back 150 years ago in this country: "Let us not get the government involved. We do not really need education that much that the government ought to get involved."

Fortunately we did not heed that advice then, and I hope we do not today.

Finally, the President of the United States today is making speeches around the country saying, "We ought to do more for education." I happen to agree with the President that we ought to do more for education. Frankly, I am not sure that he is yet convinced of that. But you do not just do more for education with speeches; you do it with appropriations, you do it with bills that we pass. We do it with this kind of thing.

This is a kind of test. I hope we pass the test here.

I yield to my distinguished colleague from New York (Mr. BIAGGI).

Mr. BIAGGI. I thank the gentleman for yielding.

I just do not understand what the difficulty is here. I have not heard anyone talk about the priority substance of this legislation. Everyone seems to agree that the program is a fine program.

We just take one point of difference, that they would like to have the Government withdrawn from it completely. I would suggest that we be consistent with what we advocate here. It was not too many years ago when we said, "Let us get involved, let us get the people involved, get the young folks involved with government and the process of Congress and let them see what happens here."

Then we developed these programs. They worked. No one questions their effectiveness. They worked, and they accomplished all they are supposed to accomplish. Even better than that, the cost of these programs has been taken up in the most part by the private sector. It is an 8 to 1 ratio.

Now, what the gentleman from Illinois (Mr. ERLENBORN) is suggesting at this point is to remove the Government support entirely. I think that is a move, that is an action that would probably imperil the program.

I am reluctant to take that action, to place this program in danger. I am sure the gentleman would be the first to agree that these programs should be continued.

The SPEAKER pro tempore. The time of the gentleman from Illinois (Mr. SIMON) has expired.

The Chair recognizes the gentleman from Illinois (Mr. ERLENBORN).

Mr. ERLENBORN. Mr. Speaker, I yield such time as he may consume to the gentleman from Utah (Mr. NIELSON).

Mr. NIELSON of Utah. Thank you. I rise in opposition to this bill. This is a bill which was brought to the full committee. The Close Up program was added as sort of an afterthought to the original bill of the Washington Foundation and I believe that was wrong. No hearings were held on it. I would like to indicate also that the problem is not whether we should have the cooperation of the Government with the Close Up program; we already have $1 million dollars in it. The question is, Do we want a 50-percent raise from $1 million to $1.5 million in Federal funds? That is part of the issue. The other issue is, Do we want to start funding a private institution such as the Washington Workshop?

Many Members have stated that these are very fine activities; I concur. My daughter participated in the Close Up program and benefited greatly. I am sure that both the Close Up and the Washington Workshop are fine.

The question is, Should we bring the new funding in? I think the gentleman from Illinois (Mr. ERLENBORN) has stated the issue very well and I agree with him. We should not start Federal funding of the Washington Workshop program which has been very successfully supported in the private sector, and we should not increase the Federal Government's participation in the Close Up program by 50 percent.

Mr. PERKINS. Mr. Speaker, notwithstanding the time limit, I ask unanimous consent that the gentleman from Florida (Mr. PEPPER) be entitled to speak for 1 minute on the bill.

Mr. ERLENBORN. Would the gentleman yield?

Mr. PERKINS. And after that, that the gentlewoman from Louisiana be allowed 1 additional minute.

The SPEAKER pro tempore. The gentleman from Illinois (Mr. ERLENBORN) has the time.

Mr. ERLENBORN. Mr. Speaker, may I inquire how much time is remaining on each side?

The SPEAKER pro tempore. The gentleman from Illinois (Mr. ERLENBORN) has 5 minutes remaining, and there is no more time remaining on the side of the gentleman from Kentucky (Mr. PERKINS).

Mr. PEPPER. Mr. Speaker, I thank the able gentleman.

The SPEAKER pro tempore. Does the gentleman from Illinois yield to the gentleman from Florida?

Mr. ERLENBORN. Mr. Chairman, I have additional requests for time. That is why I inquired about the time that I had. I understand the gentleman from Kentucky to be asking unanimous consent to further suspend the rules and give additional time to that side for debate.

Mr. PERKINS. I ask unanimous consent that notwithstanding the fact that our time had expired, the gentleman from Florida (Mr. PEPPER) and the gentlewoman from Louisiana (Mrs. BOGGS) each may have 1 additional minute, notwithstanding the time limitation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

□ 1440

The SPEAKER pro tempore. The gentleman from Florida (Mr. PEPPER) is recognized for 1 minute.

Mr. PEPPER. Mr. Speaker, I will not impose upon the House, but besides recording my vote, I would like also to record my voice in support of this measure.

This is a fine group of young men and women who come here every year. It has been my privilege on many occasions to speak to them and to me it has always been an inspiration to speak to that group of young men and women from all over our country.

I think this is a meritorious program. They learn about our Government. I think they go away from here better imbued with the spirit of democracy and the meaning of our Government and what our country stands for. They will be better Americans.

I commend the gentleman from Kentucky (Mr. PERKINS) upon this excellent measure.

Mr. ERLENBORN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I did not object, nor did anyone on this side to the unanimous-consent request of the gentleman from Kentucky, though it did come as somewhat of a surprise.

Let me say I was not inclined to object to the chairman of the Rules Committee having that time, even though it exceeded the time allotted to that side of the aisle. I mean, after all, I will have to appear before the gentleman and his committee many a time during the session of Congress, but, Mr. Speaker, let me also say that I do not think that it is a good precedent for us on suspension of the rules to extend the time by unanimous consent. I think that we ought not to begin this and establish a precedent that I fear we all will be sorry for in the future.

Now, to get to the substance of the bill, Mr. Speaker, when we had the bill before us as it related to the Washington Workshops, I pointed out that a 3-year authorization of $200,000 per year was really starting this fine private program on the road to Federal dependency. I was assured when my amendment was adopted to make it only $100,000 for 1 year that would not become then a permanent dependency on Federal funds.

Now, Mr. Speaker, I have heard my good colleague from Illinois, my colleague from New York, speak about there is nothing wrong with Federal funds for private programs and it sounds to me like we are firmly on that road of continued Federal dependence by the Washington Workshops.

Mr. Speaker, Close Up, which is getting $500,000 additional annually in new authorizations, does the same as the Washington Workshops. It is a program that traditionally has been funded with Federal funds and private contributions.

All we are doing, if this bill is adopted, and we make Washington Workshops the same sort of animal, is to have two Close Up foundation-type programs, and I see no reason to duplicate all of the management of the programs if we are going to have two that are indistinguishable.

Now, I think it is unfortunate that we see this move. I think it was thoroughly predictable that we would have those apologists for Federal contribu-

tions to anything that they deem worthwhile. I mean, after all, what is the definition of a "liberal." My friends over there are proud of being liberals. Liberals are those who are very liberal with somebody else's money. And that is what we are doing today at a time when the Federal Government does not have an awful lot of that money.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. Under the unanimous-consent request, the gentlewoman from Louisiana (Mrs. BOGGS) is recognized for 1 minute.

Mrs. BOGGS. Mr. Speaker, I will not impose upon the House. I agree with the gentleman that it probably is not a good precedent.

Mr. Speaker, I rise in support of H.R. 2943 which extends the authorization for Federal financial participation in the Close Up program.

I have long been an enthusiastic supporter of the Allen J. Ellender fellowship program which is presently completing its 10th successful year. It is a program which has enjoyed the broad, bipartisan support of our colleagues since its inception.

The Ellender fellowship funds provide an opportunity for high school students and their teachers to participate in the Close Up program and learn about the Federal Government through personal contact with Members of Congress, executive officials, and others. While the principal emphasis in our Nation's Capital is on the Federal Government, the program is also designed to stimulate increased citizenship involvement by the students and teachers at State, local, and school levels. During the past few years, the impact of the program has reached countless others through the innovative and extensive use of cable television.

The Close Up program has been designed and operates on a community approach. Each program centers on a geographic hub and involves a cross section of participants from that particular area. This enhances the opportunity for building an effective network of people who become involved in the process of Government and who contribute considerable amounts of energy and resources to the success of the program in that area. It also gives the foundation an opportunity to design and conduct its program in a way that successfully builds partnership activities between the public and private sector.

The Ellender fellowship program was designed to support and complement this approach. Funded by every Congress since 1972, this program is the cornerstone of the growth and success of the foundation. Funds provided through this program are the positive catalyst for involving the private sector in a healthy partnership that establishes the broad community base of program support in each Close Up area.

In 1982, for example, the Ellender fellowship program funds stimulated nine times its amount in program revenues. Contrary to the Department of Education's repeated statements that these revenues would be available without Ellender dollars, these funds serve as the building block—the vital seed element of the private sector involvement. Private sponsors repeatedly suggest that they have become involved because of the incentive of the Ellender dollars in their community and their desire for a public-private partnership in a program so beneficial to their community.

One of the prevalent reasons that the program has been so widely supported by Members of Congress is because of their personal involvement in the partnership building in their community. They are very aware of the importance of the partnership and the judicious and cost-effective use of the limited Federal dollars.

This year, 783 students and teachers from 69 public, private, and parochial schools in Louisiana participated in Close Up's Washington program bringing the total of Louisiana participants since 1972 to 8,274. The New Orleans public school system was the first major public school system to incorporate a Close Up course into its regular curriculum. Civics/Close Up students in Orleans Parish receive tuition assistance for Close Up from their school system, and local government activities have been featured in both Jefferson and Lafayette Parishes.

One key element of the New Orleans Close Up program is the continuing development of a partnership to help support fellowships for teachers and low- to moderate-income students from each participating school. Strong funding support comes from Sea-Land Services, Inc. In addition, matching fund support has been given by several major corporations with activities in the State, including Brown & Root, Inc., Exxon Co., U.S.A., Getty Oil Co., Mobile Foundation, Shell Companies Foundation, Inc., Tennaco, Inc., and United Energy Resources Co.

Mr. Speaker, in the past, Congress has recognized the unique opportunity the Close Up Foundation and its program provide for participants. It is the only program of its kind that brings together a diverse group of young people and sends them home a community of students committed to lifelong involvement in the political process.

At the conclusion of this year's program, over 130,000 students and teachers from 43 States will have benefited from this program. Five new States and seven new communities are already waiting to participate in the coming school year. Thousands of additional young people will be reached through local activities and still more through cable television.

None of this would be possible without the seed money furnished through the Allen J. Ellender fellowship program. It is an essential catalyst to the many benefits the Close Up Foundations provides.

I urge adoption of this bill.

Mr. ERLENBORN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. All time has expired.

The question is on the motion offered by the gentleman from Kentucky (Mr. PERKINS) that the House suspend the rules and pass the bill, H.R. 2943, as amended.

The question was taken.

Mr. ERLENBORN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2943, the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 3132, ENERGY AND WATER DEVELOPMENT APPROPRIATION BILL, 1984

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 210 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 210

Resolved, That all points of order against the consideration of the bill (H.R. 3132) making appropriations for energy and water development for the fiscal year ending September 30, 1984, and for other purposes, for failure to comply with the provisions of section 303(a)(1) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. During the consideration of the bill, all points of order against the following provisions in the bill for failure to comply with the provisions of clause 2, rule XXI are hereby waived: beginning on page 2, line 17 through page 3, line 5; beginning on page 3, lines 12 through 15; beginning on page 4, lines 1 through 23; beginning on page 7, line 1 through page 8, line 2; beginning on page 8, line 21 through page 10, line 4; beginning on page 16, line 20 through page 28, line 19; beginning on page 29, line 17 through page 30, line 14; and beginning on page 32, lines 9 through 18. It shall be in order to consider the amendment printed in the Congression-

al Record of May 25, 1983, by, and if offered by, Representative Wise of West Virginia, and all points of order against said amendment for failure to comply with the provisions of clause 2, rule XXI are hereby waived.

The SPEAKER pro tempore. The gentleman from Florida (Mr. PEPPER) is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, for purposes of debate only, I yield 30 minutes to my friend, the gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 210 waives points of order against the consideration of H.R. 3132, making appropriations for energy and water development programs, fiscal year 1984, for failure to comply with section 303(a)(1) of the Congressional Budget Act of 1974. The rule also waives points of order against specified provisions of the bill for failure to comply with clause 2, rule XXI.

Section 303(a)(1) of the Congressional Budget Act of 1974 prohibits consideration of any measure which provides new budget authority for a fiscal year prior to the adoption of the first concurrent budget resolution for that fiscal year. Since a conference report on a budget resolution has not been adopted by the Congress, all spending measures, including appropriation bills, are in violation of section 303(a)(1) of the Budget Act. As a practical matter, however, H.R. 3132 is within the spending levels provided for in House Concurrent Resolution 91 and Senate Concurrent Resolution 27, the fiscal year 1984 budget resolutions.

Clause 2 of rule XXI prohibts the consideration of appropriation bills containing legislation or providing for spending not previously authorized by law. All four titles of the bill contain legislative language, and titles III and IV appropriate funds for programs whose authorizing legislation has not yet completed the legislative process. Because it is virtually impossible for the authorizing legislation to be enacted before House consideration of H.R. 3132, it is necessary for a waiver of points of order pursuant to clause 2 of rule XXI to be granted.

Further, the rule waives points of order pursuant to clause 2, rule XXI, against the consideration of an amendment, printed in the CONGRESSIONAL RECORD of May 25 by Representative WISE of West Virginia, to delete funding for the Army Corps of Engineers' Stonewall-Jackson Dam.

I would point out that the rule does not preclude the offering of any amendments to the bill on the floor which do not otherwise violate the rules of the House. Nor does the rule make in order the consideration of H.R. 3132, since appropriation bills are privileged under clause 4, rule XI. The rule simply waives points of order against the bill, certain sections of the bill, or certain amendments to be offered which are in violation of the rules of the House.

Substantial portions of H.R. 3132 as reported are in violation of clause 2 of rule XXI and therefore required waivers. These waivers were not granted lightly, however. More and more often, the Committee on Rules has been confronted with a troubling dilemma. On the one hand, the committee could choose to allow important legislation to come to the floor in an extremely vulnerable position. On the other hand, the Committee on Rules can waive points of order which would otherwise lie against many, even the majority of the provisions of a bill.

Recently it has appeared as if the second alternative is the only way to insure that programs vital to the functions of this Republic and to the well-being of the American people are funded in a timely matter. This, I would say to my colleagues, is a very serious development. As chairman of the Committee on Rules, I believe that waiving points of order under the rules of the House is not a procedure to be taken lightly. A pattern of granting blanket waivers will wreak havoc with our committee system, the budget process, and pose a serious threat to the operation of this House in general. I know that I am speaking for other members of the committee, and I believe and hope many of my other colleagues share a deep and abiding respect for the rules of this House.

A considerable number of waivers have been necessary for three appropriations bills in the past 2 weeks. But let us not point our collective finger at the Committee on Appropriations, which has also found itself between a rock and hard place all too often. If the requisite legislation to authorize needed programs is not reported promptly from the authorizing committees, there is little the Committee on Appropriations can do except provide budget authority for the program in violation of clause 2, rule XXI, or simply allow services or benefits under that program to grind to a halt.

I would emphasize here that the authorizing committee themselves may be laboring under unrealistic deadlines provided for in the Congressional Budget Act. But these deadlines are a more formidable barrier for the Committee on Appropriations to process the funding bills for the next fiscal year in a timely matter, These measures must be reported by early June. Even if the authorizing committees fully comply with the May 15 reporting deadline specified in section 301(a) of the Budget Act, the Committee on Appropriations must report out legislation funding virtually every function of the Federal Government within 2 weeks.

The responsibility for avoiding the situation we are faced with today is not borne solely by the Committee on Rules, nor by the Committee on Appropriations, nor even by the authorizing committees themselves. It is the responsibility of each and every Member of this body to devote their efforts toward making the rules of the House a living monument to the proper functioning of our democratic process, not an archaic set of obstacles to be ignored or be sidestepped.

It is therefore with very grave reservations that the Committee on Rules agreed to the procedures outlined in House Resolution 210, waiving points of order against H.R. 3132 for funding unauthorized programs and for legislating in an appropriations bill. Clause 2 of rule XXI serves to guard the prerogatives of the authorizing committees against intended or unintended jurisdictional encroachment by the Committee on Appropriations. In this bill, however, the Committee on Appropriations worked closely with the authorizing committees to craft authorizing or legislative language to their satisfaction. Not one representative of an authorizing committee came before the Committee on Rules to testify that the jurisdiction of their committee had been invaded by the Committee on Appropriations.

So, I would urge my colleagues not to vent their frustration with a seemingly cavalier waiver of the rules of this bill. H.R. 3132 provides funding for desperately needed national defense and infrastructure programs. The bill provides just under $3.8 billion for the Army Corps of Engineers and the Bureau of Reclamation to allow the continuation of 302 water resource projects across the country already underway. No new construction starts are contained in the bill. These funds will help respond to the critical needs of the areas of our Nation which have been devastated by storms and floods.

The bulk of new budget authority contained in the bill, however, is directed toward energy supply and national defense programs under the Department of Energy. The almost $6.6 billion provided in the bill for research, development, engineering, testing, and production of all U.S. nuclear weapons is vital to our national security.

Mr. Speaker, I urge my colleagues to allow its consideration by adopting House Resolution 210.

□ 1450

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, the able gentleman from Florida (Mr. PEPPER), the chairman of the Committee on Rules, has explained in detail the provisions of the rule and,

to some degree, the provisions of the bill.

The energy and water development appropriation bill is necessary. Although the rule waives points of order in some instances, there are not an excessive number of waivers.

The administration opposes the increase in new funding for domestic spending. For instance, there is nearly a 100-percent increase in solar and other renewable programs. For the Corps of Engineers and Bureau of Reclamation water projects, some $247 million of, new overbudget funding has been included.

I would like to point out that there are no new water projects authorized in this measure. A waiver makes it possible to vote to eliminate the Stonewall Jackson Lake project. There are no funds available in this project for two of Tennessee's main projects—the Tennessee-Tombigbee or the nuclear breeder at Oak Ridge.

Also, the administration's proposal to provide funding for the Appalachian highway program out of the highway trust fund until 1986 was rejected.

Even so, Mr. Speaker, the bill itself is necessary. I commend the rule to the membership of the House.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. QUILLEN. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding for just a couple of questions.

Do I understand correctly that the rule that we have before us does waive in its entirety the Budget Act; and so, therefore, we will be setting the Budget Act aside in the consideration of this legislation as a result of the rule?

Mr. QUILLEN. I will respond to the gentleman that it does waive section 303(a)(1) of the Budget Act because there is no budget resolution which has been enacted into law. The waiver is necessary on appropriation bills for that reason.

Mr. WALKER. I thank the gentleman for that explanation and, if the gentleman will yield further, of course we also are obliterating any discipline that might be in the Budget Act by going through and having these kinds of waivers, too.

Did the Rules Committee grant all of the waivers that were requested by the Appropriations Committee on points of order for failure to comply with rule XXI, clause 2?

Mr. QUILLEN. As I recall, the Rules Committee did. I think on this bill it was very commendable that the Committee did not request too many waivers.

Mr. WALKER. If the gentleman will yield further, I am going through the rule and I do notice that quite a few parts of the bill have been waivered under those provisions, so I assume that either we have a considerable number of places where we are appropriating money without proper authorization, or where we are appropriating money in a way which is legislation within an appropriations bill. Could that be assumed, in the case of each of these waivers?

Mr. QUILLEN. The gentleman is correct.

Mr. WALKER. And one final question, if the gentleman will yield further. Are there places in the bill where there were not points-of-order waiver requests that the gentleman knows of where points of order would lie against spending in the bill? Or has the Appropriations Committee covered it?

Mr. QUILLEN. My response would be, the Appropriations Committee and the Rules Committee have protected the spending paragraphs in the bill.

Mr. WALKER. I thank the gentleman.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. COUGHLIN).

Mr. COUGHLIN. Mr. Speaker, I must confess that I am disappointed in this rule.

During the course of the proceedings before the Rules Committee, the gentleman from New York (Mr. OTTINGER) and I both appeared to request a waiver of points of order on an amendment that we would offer concerning the Clinch River breeder reactor.

Now, Mr. Speaker, both the gentleman from New York (Mr. OTTINGER) and I have been around these Halls for a number of years. I notice that there are waivers granted here in similar circumstances for Members who have certainly not been around that long; in fact, one freshman Member was granted such a waiver. I am disappointed that in this case this waiver was not granted. This is an important subject, it is important to many Members of this House, and to have had the rule not waive points of order so that that amendment could be offered to protect a position that this body has taken, to protect us in this appropriations bill so that the will of this House is expressed in votes of this House and could not be protected I think is a very big disappointment.

Mr. QUILLEN. Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. PEPPER. Mr. Speaker, I yield 5 minutes to the able gentleman from Pennsylvania (Mr. EDGAR).

Mr. EDGAR. Mr. Speaker, I find myself in the well today in opposition to the rule, but only mildly.

This rule clearly is milder than past rules that dealt with water and energy appropriations bills. It is a rule that waives points of order. I am opposed to some of the waivers, but I have to commend the subcommittee chairman, the gentleman from Alabama (Mr. BEVILL), and the full committee chairman, the gentleman from Mississippi (Mr. WHITTEN), and others, who worked on the water and energy bill.

□ 1500

The actual bill that is before us, H.R. 3132, is better than any of the energy and water bills that we have seen for some time. It does not have any new starts. It does not try to work authorizations into the appropriations process as aggressively as in the past.

But I have to stand in the well just for a moment under this rule to point out a couple of interesting things. My colleague from Pennsylvania pointed out his frustration at not being able and permitted to offer an amendment dealing with the Clinch River breeder reactor. I have to point out that I am troubled by the fact that the issue which I have taken so much time on over the years, and which is just about finished in terms of completing a project, namely, the Tennessee-Tombigbee Waterway which does not get treated very openly in this bill at all. In fact, one has to search the bill totally from cover to cover to find out that the Tennessee-Tombigbee Waterway is mentioned in the legislation before us.

On page 38 of the report, we do find one paragraph, a very interesting paragraph, that says:

> The Tennessee-Tombigbee Waterway, within funds available in the construction general account, including but not limited to funds deferred, the Corps of Engineers is directed to complete the navigation and related features of the Tennessee-Tombigbee Waterway.

I was curious about the sentence and I went and I began to ask of the committee how much was intended, and when it is not dealt with in the legislation and there is only a paragraph in the report, one thinks we are not dealing with very much money. But I come to discover that we are taking about $90 million in 1984, $90 million in 1985, and an eventual cost of some $202 million.

So I asked whether or not it would not be appropriate in the legislation to actually say that within the funds available in the construction account that we cap at $202 million the additional funds that we want to expend to complete the Tennessee-Tombigbee Waterway. That makes it very public; everybody knows that is how much we are going to spend; we can all go down and celebrate the completion of the project; we would have put in the money that the committee suggests is going to be the maximum needed to complete the project.

I find in the last couple of days that, as I drafted an amendment to do that, that is, to put more money in this bill for the Tennessee-Tombigbee Waterway than anyone anticipates will be spent so that they can accelerate the construction and complete it, there is

suddenly a feeling that maybe that is not going to be enough or maybe this is not the right place to put that kind of money in.

Then I went to the committee and I asked them, "Well, is the Tennessee-Tombigbee Waterway part of the inland waterway system and does it have to pay the same user fees that the other waterways pay?" I find that it does not. So I drafted an amendment to make sure that there was equity, so that if one is using the Mississippi River to take a barge load of grain to New Orleans and one is charged a user fee, if one takes that same commodity down the Tennessee-Tombigbee Waterway one should be charged the exact same price.

I found a great bill, one introduced by the subcommittee chairman, the gentleman from Alabama, Mr. BEVILL. It is an excellent bill that would bring equity to this issue and would include the Tennessee-Tombigbee Waterway into the current user-fee law. So I will attempt to offer an amendment, which happens to be the language of the chairman's bill, to make sure that equity is there.

So I am giving the Tennessee-Tombigbee Waterway more money than it actually needs, and I am including it in the whole inland waterway system in terms of user fees, using the bill that the subcommittee chairman has offered, and then I find that it may be subject to a point of order.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania (Mr. EDGAR) has expired.

Mr. PEPPER. Mr. Speaker, I yield 1 additional minute to the gentleman from Pennsylvania (Mr. EDGAR).

Mr. EDGAR. I thank the gentleman for yielding me this time.

So I took this 5 minutes simply to try to make a last-minute appeal to the subcommittee chairman, to the full committee chairman, to the ranking committee members, that we all ought to be fair and honest. The object is to complete the project. Let us complete it and put a cap on as to how much money it is going to cost us. If it is going to cost $202 million, let us state it publicly; and second, let us accept an amendment that simply includes this project into the user-fee law that all other projects are subject to. That seems a fair and equitable process to me, and I hope that the subcommittee and full committee chairmen will reconsider their opposition.

Finally, I say that I commend the chairman of the Committee on Rules. I think that the Committee on Rules did the best they could. I would hope that in the future we would do a better job with rules and not get into the position we were in a week or so ago where we were waiving points of order on everything under the sun and we were authorizing many pieces of authorizing legislation within the appropriation process.

Mr. PEPPER. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CONTE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 271, nays 92, not voting 69, as follows:

[Roll No. 162]

YEAS—271

Ackerman	Dowdy	Jenkins
Addabbo	Duncan	Jones (NC)
Akaka	Durbin	Jones (OK)
Albosta	Dwyer	Jones (TN)
Alexander	Dymally	Kaptur
Anderson	Early	Kazen
Andrews (NC)	Eckart	Kennelly
Andrews (TX)	Edwards (AL)	Kildee
Annunzio	Edwards (CA)	Kogovsek
Anthony	Emerson	Kostmayer
Aspin	English	LaFalce
AuCoin	Erdreich	Lantos
Barnard	Evans (IA)	Leath
Barnes	Evans (IL)	Lehman (FL)
Bateman	Fascell	Leland
Bates	Fazio	Levin
Beilenson	Feighan	Levine
Bennett	Fish	Lewis (FL)
Berman	Flippo	Lipinski
Bevill	Florio	Livingston
Biaggi	Foglietta	Lloyd
Bliley	Foley	Loeffler
Boehlert	Ford (MI)	Long (LA)
Boggs	Ford (TN)	Long (MD)
Boner	Fowler	Lott
Bonior	Franklin	Lowery (CA)
Bonker	Frost	Lowry (WA)
Borski	Fuqua	Lujan
Boucher	Garcia	Luken
Breaux	Gaydos	Lundine
Britt	Gephardt	MacKay
Brooks	Gibbons	Madigan
Broomfield	Gilman	Markey
Bryant	Glickman	Matsui
Byron	Gonzalez	Mavroules
Carper	Gore	Mazzoli
Carr	Gray	McCain
Clarke	Green	McCandless
Clay	Guarini	McCloskey
Clinger	Gunderson	McCurdy
Coelho	Hall (IN)	McHugh
Coleman (MO)	Hall, Sam	McNulty
Coleman (TX)	Hamilton	Mica
Conable	Hammerschmidt	Mikulski
Conte	Hance	Miller (OH)
Cooper	Harkin	Mineta
Coyne	Harrison	Minish
Crockett	Hatcher	Mitchell
D'Amours	Hawkins	Moakley
Daniel	Hefner	Mollohan
Daschle	Hightower	Montgomery
Davis	Hillis	Moody
de la Garza	Hopkins	Moore
Dellums	Horton	Morrison (CT)
Derrick	Hoyer	Morrison (WA)
Dickinson	Huckaby	Murphy
Dicks	Hughes	Murtha
Dingell	Hunter	Myers
Dixon	Hutto	Natcher
Donnelly	Ireland	Neal
Dorgan	Jacobs	Nelson
Nowak	Roukema	Stump
Oberstar	Rowland	Synar
Obey	Roybal	Tallon
Olin	Rudd	Tauzin
Ortiz	Russo	Taylor
Panetta	Savage	Thomas (GA)
Patman	Sawyer	Torres
Patterson	Scheuer	Towns
Pease	Seiberling	Traxler
Pepper	Shannon	Udall
Perkins	Sharp	Valentine
Petri	Shelby	Vandergriff
Price	Siljander	Volkmer
Pursell	Simon	Watkins
Quillen	Sisisky	Weaver
Rahall	Skelton	Wheat
Rangel	Slattery	Whitehurst
Ratchford	Smith (FL)	Whitley
Ray	Smith (IA)	Whitten
Regula	Smith (NE)	Wirth
Reid	Smith (NJ)	Wise
Richardson	Snowe	Wolpe
Rinaldo	Snyder	Wright
Robinson	Solarz	Wyden
Roe	Spence	Yates
Roemer	Staggers	Young (FL)
Rogers	Stangeland	Young (MO)
Rose	Stenholm	Zablocki
Rostenkowski	Stokes	
Roth	Stratton	

NAYS—92

Archer	Gramm	Penny
Bedell	Gregg	Porter
Bereuter	Hansen (ID)	Ridge
Bethune	Hansen (UT)	Ritter
Bilirakis	Hartnett	Schaefer
Brown (CO)	Hertel	Schroeder
Broyhill	Hiler	Schumer
Burton	Holt	Sensenbrenner
Campbell	Hyde	Shaw
Chappie	Kasich	Shumway
Cheney	Kastenmeier	Skeen
Coats	Kramer	Smith, Denny
Corcoran	Lagomarsino	Smith, Robert
Coughlin	Latta	Solomon
Craig	Leach	Studds
Crane, Daniel	Lungren	Tauke
Dannemeyer	Martin (NC)	Thomas (CA)
Daub	Martin (NY)	Vander Jagt
DeWine	McCollum	Vento
Dreier	McDonald	Vucanovich
Edgar	McKernan	Walker
Edwards (OK)	McKinney	Weber
Erlenborn	Michel	Weiss
Fiedler	Molinari	Whittaker
Forsythe	Moorhead	Williams (MT)
Frank	Nielson	Winn
Frenzel	O'Brien	Wolf
Gekas	Ottinger	Wortley
Gingrich	Oxley	Wylie
Goodling	Packard	Zschau
Gradison	Parris	

NOT VOTING—69

Applegate	Hubbard	Pashayan
Badham	Jeffords	Paul
Bartlett	Johnson	Pickle
Boland	Kemp	Pritchard
Bosco	Kindness	Roberts
Boxer	Kolter	Rodino
Brown (CA)	Lehman (CA)	Sabo
Carney	Lent	Schneider
Chandler	Levitas	Schulze
Chappell	Lewis (CA)	Shuster
Collins	Mack	Sikorski
Conyers	Marlenee	Spratt
Courter	Marriott	St Germain
Crane, Philip	Martin (IL)	Stark
Downey	Martinez	Sundquist
Dyson	McDade	Swift
Ferraro	McEwen	Torricelli
Fields	McGrath	Walgren
Gejdenson	Miller (CA)	Waxman
Hall (OH)	Mrazek	Williams (OH)
Hall, Ralph	Nichols	Wilson
Heftel	Oakar	Yatron
Howard	Owens	Young (AK)

□ 1520

Mr. HYDE, Mrs. SCHROEDER, Mr. STUDDS, and Mr. BEDELL changed their votes from "yea" to "nay."

Mr. RAHALL and Mr. GONZALEZ changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the consideration of the bill (H.R. 3132) making appropriations for energy and water development for the fiscal year ending September 30, 1984, and for other purposes, and that I be permitted to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

ENERGY AND WATER DEVELOPMENT APPROPRIATION BILL, 1984

Mr. BEVILL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3132) making appropriations for energy and water development for the fiscal year ending September 30, 1984, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Indiana (Mr. MYERS) and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama (Mr. BEVILL).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FRENZEL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 337, noes 30, answered "present" 1, not voting 64, as follows:

[Roll No. 163]

AYES—337

Ackerman	Archer	Bereuter
Addabbo	Aspin	Berman
Akaka	AuCoin	Bethune
Albosta	Barnard	Bevill
Alexander	Barnes	Biaggi
Anderson	Bateman	Bliley
Andrews (NC)	Bates	Boehlert
Andrews (TX)	Bedell	Boggs
Annunzio	Beilenson	Boner
Anthony	Bennett	Bonior
Bonker	Hance	Obey
Borski	Hansen (ID)	Olin
Bosco	Hansen (UT)	Ortiz
Boucher	Harkin	Packard
Breaux	Harrison	Panetta
Britt	Hartnett	Parris
Brooks	Hatcher	Patman
Broomfield	Hawkins	Patterson
Brown (CO)	Hefner	Pease
Bryant	Hertel	Penny
Byron	Hightower	Pepper
Campbell	Hillis	Perkins
Carper	Holt	Petri
Carr	Hopkins	Porter
Chappie	Horton	Price
Clarke	Hoyer	Pursell
Clay	Huckaby	Quillen
Clinger	Hughes	Rahall
Coats	Hunter	Rangel
Coelho	Hutto	Ratchford
Coleman (MO)	Hyde	Ray
Coleman (TX)	Ireland	Regula
Conable	Jacobs	Reid
Conte	Jenkins	Richardson
Conyers	Jones (NC)	Ridge
Cooper	Jones (OK)	Rinaldo
Coughlin	Jones (TN)	Ritter
Coyne	Kaptur	Robinson
Craig	Kastenmeier	Roe
Crane, Daniel	Kazen	Roemer
Crockett	Kennelly	Rogers
D'Amours	Kildee	Rose
Daniel	Kogovsek	Rostenkowski
Daschle	Kostmayer	Roth
Daub	Kramer	Roukema
Davis	LaFalce	Rowland
de la Garza	Lagomarsino	Roybal
Dellums	Lantos	Rudd
Derrick	Leach	Russo
Dickinson	Leath	Savage
Dicks	Lehman (FL)	Sawyer
Dingell	Leland	Scheuer
Dixon	Levin	Schneider
Donnelly	Levine	Schroeder
Dorgan	Lewis (FL)	Schumer
Dowdy	Lipinski	Seiberling
Duncan	Livingston	Sensenbrenner
Durbin	Lloyd	Shannon
Dwyer	Loeffler	Sharp
Dymally	Long (LA)	Shelby
Early	Long (MD)	Shumway
Eckart	Lott	Sikorski
Edgar	Lowery (CA)	Siljander
Edwards (AL)	Lowry (WA)	Simon
Edwards (CA)	Lujan	Sisisky
Edwards (OK)	Luken	Skeen
Emerson	Lungren	Skelton
English	MacKay	Slattery
Erdreich	Madigan	Smith (FL)
Erlenborn	Markey	Smith (IA)
Evans (IA)	Martin (NY)	Smith (NE)
Evans (IL)	Matsui	Smith (NJ)
Fascell	Mavroules	Smith, Denny
Fazio	Mazzoli	Smith, Robert
Feighan	McCain	Snowe
Fiedler	McCandless	Snyder
Fish	McCloskey	Solarz
Flippo	McCurdy	Spence
Florio	McHugh	Staggers
Foglietta	McNulty	Stangeland
Foley	Mica	Stenholm
Ford (MI)	Michel	Stokes
Ford (TN)	Mikulski	Stratton
Fowler	Miller (OH)	Stump
Frank	Mineta	Sundquist
Franklin	Minish	Synar
Frost	Mitchell	Tallon
Fuqua	Moakley	Tauke
Garcia	Molinari	Tauzin
Gaydos	Mollohan	Taylor
Gephardt	Montgomery	Thomas (CA)
Gibbons	Moody	Thomas (GA)
Gilman	Moore	Torres
Glickman	Moorhead	Torricelli
Gonzalez	Morrison (CT)	Towns
Gore	Morrison (WA)	Traxler
Gradison	Mrazek	Udall
Gray	Myers	Valentine
Green	Natcher	Vander Jagt
Gregg	Neal	Vandergriff
Guarini	Nelson	Vento
Gunderson	Nielson	Volkmer
Hall (IN)	Nowak	Vucanovich
Hall, Sam	O'Brien	Watkins
Hamilton	Oakar	Weaver
Hammerschmidt	Oberstar	Weiss
Wheat	Wirth	Yates
Whitehurst	Wise	Young (FL)
Whitley	Wolf	Young (MO)
Whittaker	Wolpe	Zablocki
Whitten	Wortley	Zschau
Williams (MT)	Wright	
Winn	Wyden	

NOES—30

Bilirakis	Gekas	McDonald
Broyhill	Gingrich	McKernan
Burton	Goodling	Oxley
Cheney	Gramm	Schaefer
Corcoran	Hiler	Shaw
Dannemeyer	Kasich	Solomon
DeWine	Latta	Studds
Dreier	Martin (IL)	Walker
Forsythe	Martin (NC)	Weber
Frenzel	McCollum	Wylie

ANSWERED "PRESENT"—1

Ottinger

NOT VOTING—64

Applegate	Jeffords	Owens
Badham	Johnson	Pashayan
Bartlett	Kemp	Paul
Boland	Kindness	Pickle
Boxer	Kolter	Pritchard
Brown (CA)	Lehman (CA)	Roberts
Carney	Lent	Rodino
Chandler	Levitas	Sabo
Chappell	Lewis (CA)	Schulze
Collins	Lundine	Shuster
Courter	Mack	Spratt
Crane, Philip	Marlenee	St Germain
Downey	Marriott	Stark
Dyson	Martinez	Swift
Ferraro	McDade	Walgren
Fields	McEwen	Waxman
Gejdenson	McGrath	Williams (OH)
Hall (OH)	McKinney	Wilson
Hall, Ralph	Miller (CA)	Yatron
Heftel	Murphy	Young (AK)
Howard	Murtha	
Hubbard	Nichols	

□ 1540

Messrs. THOMAS of Georgia, NIELSON of Utah, and DANIEL changed their votes from "no" to "aye."

So the motion was agreed to.

The result of the vote was announced as above recorded.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3132, with Mr. PEASE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Under the unanimous consent agreement, the gentleman from Alabama (Mr. BEVILL) will be recognized for 30 minutes, and the gentleman from Indiana (Mr. MYERS) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Alabama (Mr. BEVILL).

Mr. BEVILL. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, we bring to you today for your favorable consideration the energy and water development appropriation bill for 1984. I am joined in this effort by my colleagues on the Energy and Water Development Subcommittee who have worked long and hard to bring this legislation to the floor. Let me express my special appreciation to our ranking minority member, the gentleman from Indiana,

(Mr. MYERS). As in years past, he and I have worked together with the subcommittee without any trace of partisanship to fashion a bill that meets the present and future needs of our entire country. I also want to express my appreciation and thanks to the members of the subcommittee, the gentlelady from Louisiana (Mrs. BOGGS), the gentleman from Florida (Mr. CHAPPELL), the gentleman from California (Mr. FAZIO), the gentleman from Oklahoma (Mr. WATKINS), the gentlelady from Nebraska (Mrs. SMITH), and the gentleman from Arizona (Mr. RUDD). I want to note particularly the contribution of the gentleman from Tennessee, (Mr. BONER), who is new to the committee.

Mr. Chairman, the bill before the committee today would provide $14,205,223,000 in new budget authority to the Army Corps of Engineers, the Bureau of Reclamation, the Department of Energy, and six independent agencies and commissions. This is $330,468,000 less than was provided in last year's appropriation legislation and it is $405,448,000 less than the amounts requested in the President's 1984 budget. The decrease over fiscal year 1983 is principally related to reductions in Corps of Engineers programs. The bill is about $1 billion below the amounts assumed in the House-passed budget resolution pursuant to section 302 of the Budget Act. We believe the outlays associated with this bill also are well under the estimated outlay targets established by CBO for the programs funded in the bill.

TITLES I AND II

WATER RESOURCE DEVELOPMENT

Mr. Chairman, in fiscal year 1984, and in the years ahead, our Nation will continue to face an issue that has been with the American Republic since it was founded over 200 years ago. Indeed, it is an issue that every civilization has had to deal with all throughout recorded history—the wise and prudent development of our water resources.

As shown on page 2 of the report, title I includes $2,721,424,000 for the Corps of Engineers which provides for 207 water resource projects in the planning construction phases. This includes five new planning starts.

The committee has found that the $90 million proposed in the budget for the Tennessee-Tombigbee Waterway project is not required and language is inserted in the report directing the corps to complete the navigation features of the project within funds available. The committee has taken this action because the continuing resolution provided $180 million in excess to the corps' construction requirements and an additional $22 million is available from unobligated balances. This total of $202 million is all that is required to complete the navigation features of the project.

I should point out that the action of the committee will not affect any other project in fiscal year 1983 or fiscal year 1984 because the funds to be used on the waterway are excess to the corps' construction requirements.

By the end of the fiscal year it is estimated that $1.6 billion, or over 90 percent of the funds needed to complete the project will be committed.

Title II includes $987,980,000 for the Bureau of Reclamation which provides for 95 water resources projects in the planning or construction phases. This title contains three new planning starts.

While the subcommittee has received many requests for new construction starts, including those proposed by the administration, the authorizing committees have not addressed the issue of innovative financing which would require up-front financing and cost sharing from non-Federal sponsors. Therefore, the bill contains no new construction starts.

However, because the Public Works and Transportation Committee is working diligently in developing the legislation addressing the innovative financing issue and new construction starts, the Subcommittee on Energy and Water Development will reconvene on or about June 16, 1983, to consider new construction starts.

I have urged the authorizing committee to proceed with the bill expeditiously so that funding the most urgent projects can proceed at the earliest possible time.

Titles I and II provide for continuation of ongoing construction projects and operation and maintenance programs. Within the available funds, the subcommittee has attempted to accommodate the most critical needs identified through the extensive hearings conducted with administration witnesses, the public, State, and local officials and Members of Congress.

TITLE III—DEPARTMENT OF ENERGY

The bill contains $10,034,391,000 in new budget authority for the Department of Energy. This includes $3,476,016,000 for energy and general science programs and $6,558,375,000 for national security activities.

The amount recommended for energy programs reflects numerous changes in the request to reflect the testimony received and the committee's assessment of funding needs. For example, in solar and renewable energy programs, the committee has added $125,295,000 to the request of $127,114,000. The evidence is that the reductions proposed by the administration from the fiscal year 1983 program levels were too drastic and would not maintain the momentum developed to date in the use of renewable energy.

The bill contains no funds for the Clinch River breeder reactor project, pending further review of alternative financing possibilities.

Impressive progress is being made in developing and demonstrating the technological basis for the safe disposal of nuclear waste. On a pilot scale, the program has demonstrated the technology to solidify nuclear wastes, to provide suitable overpack containers and to provide suitable casks for transporting the containers to a disposal site. Test emplacements in geologic storage are beginning to confirm the ability to engineer and utilize stable geologic formations for long-term isolation. There remain the confirmatory programs and resolution of political and institutional barriers to put this problem behind us.

The bill also includes $473,000,000 for fusion energy research and development, which is $6,000,000 over the budget request. Fusion energy is recognized to be one of the most significant potential sources of energy for the future. Impressive progress is being made. However, practical fusion energy is still a long-term effort available to us hopefully around the turn of the century.

For general science and research, the committee recommendation provides a total of $643,250,000 compared to $535,169,000 in fiscal year 1983. There continue to be exciting and important discoveries on the frontiers of basic knowledge concerning the structure and nature of matter from this program. The application of nuclear science for medical purposes also has provided some important new discoveries and potential breakthroughs in the treatment of cancer and other medical disabilities. The committee recommendation continues our strong support for this program.

The committee recommendation provides $6,558,375,000 for national security programs of the Department of Energy, an increase of $854,675,000 over the amount provided in fiscal year 1983. The increase results from the production of new weapons systems, renovation and rehabilitation of existing production facilities, inflation increases, and the employment of additional personnel in R&D, testing and production of warheads. The recommendation reflects the continuation of production programs requested by Presidents Ford, Carter, and Reagan and is consistent with the recommendations of the Armed Services Committee.

The committee recommendation provides $89,582,000 for the Federal Energy Regulatory Commission instead of $94,582,000 as requested. In addition, the bill includes language which would permit FERC to use up to $60 million in revenues from licensing and other activities to offset part

of the appropriations. It is the committee's view that statutory authority exists for FERC to collect additional revenues, but the appropriation language does not require FERC to collect the entire $60 million in estimated revenues.

Since it appears at this time that no final legislative action will occur on the administration's proposal to dismantle the Department of Energy, the committee felt it necessary to increase funding for departmental administration to approximately the fiscal year 1983 level to assure adequate resources to manage departmental programs.

TITLE IV—INDEPENDENT AGENCIES

Title IV of the bill includes $697,928,000 for six independent agencies. This is $153,907,000 below last year's level.

We have provided $152,500,000 for the Appalachian Regional Commission, $465,800,000 for the Nuclear Regulatory Commission, $78,679,000 for the Tennessee Valley Authority, and $949,000 for three river basin commissions. The following specific programs warrant additional comment beyond what is in the committee report.

Appalachian Regional Commission. The committee's action provides a total of $152,500,000 for the Appalachian Regional Commission in fiscal year 1984. The administration had proposed to terminate the ARC as of October 1, 1982, and had, therefore, not requested funding for fiscal year 1983. The Congress agreed in the fiscal year 1981 Supplemental/Rescission Act (Public Law 97-12) that the ARC would be maintained but at a reduced level; while much has been accomplished in Appalachia as a result of the Commission's programs and much remains to be done.

Nuclear Regulatory Commission. The recommendation provides $465,800,000 for the Nuclear Regulatory Commission in fiscal year 1984, an increase of more than $3 million over fiscal year 1983. The committee continues to be concerned about the Commission's progress in licensing of nuclear powerplants, although the committee is pleased to note that some progress has been made this year in the review of operating license requests.

Tennessee Valley Authority. The recommendation provides $78,679,000 in new budget authority for the TVA in fiscal year 1984, which, when joined with funds available from fiscal year 1983, will result in total obligational authority of $125,950,000 during fiscal year 1984.

TITLE V—GENERAL PROVISIONS

The bill contains the customary general provisions carried in prior years to permit the agencies funded in this bill certain flexibility and to limit other activities.

In addition, a new general provision contained in the bill would reduce the overall budget by 3 percent except in atomic energy defense activities. This was included in the full committee in response to indications from the administration that the funding level recommended in the bill was unacceptably high.

COMMITTEE REPORT

The report accompanying the bill provides a good explanation of the recommendations reflected in the bill. I would encourage the Members to look through it.

This is a good bill and report. It is under the President's budget. I recommended its adoption by the Committee.

Mr. Chairman, I would like to call the Members' attention to several printing errors in the committee bill and report (H.R. 3132/H. Rept. 98-217).

On page 80 of the report, under Remedial Action, "Hazel" should be "Hazelwood".

On page 136 of the report, under Appalachian Regional Commission, corridor "Y" should be corridor "V".

□ 1550

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Arkansas.

Mr. ALEXANDER. I thank the gentleman for yielding.

Mr. Chairman, I congratulate the gentleman from Alabama (Mr. BEVILL) on his leadership and effort that he has given to the Congress and the Nation in the fields of energy and water.

Mr. Chairman, one of the most unfortunate developments of the past few years has been a lessening of public and governmental concern about the long-range supply of energy for our Nation. After the so-called energy crisis in the early seventies, very little has been done to find and create energy sources that will supply our needs in the coming years. But the problems that came to the surface in those years have not been solved. They still threaten to bring to a crashing halt the industrial and agricultural vitality that has created the modern America.

One group that is aware of the magnitude of these problems is the American Association of Engineering Societies. This group, through its coordinating committee on energy, has formulated guidelines for a comprehensive national energy plan to solve our energy problems for the foreseeable future.

In the hope that we in Congress will begin to approach these problems, Edgar K. Riddick, Jr., the chairman-elect of the committee and a valued and distinguished citizen of the State of Arkansas, has provided me with a copy of the association's position paper:

SUMMARY

The Coordinating Committee on Energy (CCE) is a working committee of representatives from 22 major engineering societies having a membership of over 700,000 engineers. The Committee prepared this paper because its members recognized that the government has failed to establish an energy policy capable of providing a comprehensive energy source mix which can meet our requirements for the last portion of this century and the greater portion of the next. Long-range planning projections for the United States indicate that our energy demand may increase more than 30 percent by the year 2000. Therefore, CCE has developed specific energy targets to meet these projections and reduce our dependence on imported energy.

Recommendations by the Committee in eight energy related areas are as follows:

(1) Conservation. Conservation is an important segment of a national energy program. Specific approaches to effective conservation practices are:

Developing and disseminating energy conservation information and incentives to use energy more efficiently;

Improving efficient energy use by developing better systems, appliances, and engines to increase end-use efficiency, where economically feasible, and to permit the productive use of all fuels.

(2) Coal. To utilize the large domestic reserves of coal most effectively the following actions are needed:

Encourage the use of coal washing and cleaning systems at the mines;

Encourage production of western coals by the leasing of federally-controlled mineral rights, along with practical procedures for land restoration and environmental protection;

Accelerate research, development, and demonstration efforts in coal mining, coal cleaning, transportation, combustion and gas cleaning processes, and synthetic coal-derived fuels;

Optimize the environmental controls on these processes so as to protect public health and safety without damaging the national economy and quality of life.

(3) Oil and Gas. Actions are needed in four areas to increase the development of our nation's oil and gas resources:

Exploration for new resources;

Improvement of recovery from current sources;

Utilization of deep drilling and other new techniques for developing additional known underground oil and gas deposits;

Increased leasing of Federal and other restricted land and offshore sites for oil and gas exploration and production.

In addition, continued development of more international oil sources having secure supply lines will enhance future reliable energy supply.

Development of these resources will require heavy capital investments, which may not be forthcoming under existing Federal pricing and taxing policies. Further, as with coal, a realistic balance is needed between environmental needs and energy demands.

(4) Shale Oil and Tar Sands. There are several promising processes for extraction of oil from shale and tar sands. Tax incentives and more reasonable environmental requirements are necessary to initiate needed demonstration recovery projects. Support of such projects through defense research

grants, and guaranteed purchase contracts are appropriate with private industry managing the construction and operation of the projects, as well as providing risk capital.

(5) Nuclear. The U.S. must continue pursuing the nuclear energy option vigorously. In order to meet this important objective, the following policies should be established:

In order to provide a more secure energy supply, a national policy should be established to increase the utilization of nuclear fission for electric power generation and other energy requirements;

Public information and educational efforts should be expanded and accelerated.

Existing technology and facilities for spent nuclear fuel reprocessing should be activated;

Existing technology should be employed to expedite nuclear waste disposal now that the Nuclear Waste Policy Act of 1982 has been signed into law by President Reagan;

Existing technologies regarding spent nuclear fuel reprocessing and nuclear waste disposal should be further developed to ease public concern for safety and reduce associated commercial operations costs;

The Clinch River Breeder Reactor project, and other demonstrations of breeder reactor technology, should be accelerated;

Nuclear fusion and advanced thermal nuclear systems should also continue to be pursued expeditiously.

(6) Solar and Other Energy Sources. Adequate incentives and R&D support should be provided to stimulate maximum exploitation of hydropower, geothermal sources, combustible waste, and the multitude of solar-derived energy source technologies. Economic utilization of these options must be stressed, including viable methods for integration of decentralized energy systems into existing utility networks, and establishment of sound standards for performance, safety, cost, and reliability.

(7) Electric Power. Deficiencies in the present licensing process which delay the installation of generation and transmission facilities and raise the cost of electric power, must be corrected. This implies a need for:

Eliminating duplication and overlap in Federal and State actions, and timely resolution of conflicting environmental regulations;

Conducting Federal need-for-power licensing procedures before heavy financial commitments have been made by utilities to individual projects.

(8) Long-Range Energy Planning. Long-range planning should encompass all supply options, demand and utilization patterns, and associated research. This includes consideration of international as well as national implications, and potential long-term as well as short-term impacts (environmental, economic, societal, institutional, and political). A long-range energy planning policy should include:

Security of supply as a basis for maintaining a stable economy;

Both international and national considerations based on economic multiplier benefits to the nation;

A viable synthetic fuel industry and Strategic Petroleum Reserve Program;

Incorporation of national energy targets;

Consistent government research support in cooperation with industry and universities.

BACKGROUND

CONSERVATION

Sound energy management has become universally recognized as a necessary continuing element in the national effort to increase our reliance on domestic energy supplies, reduce oil imports, and make better use of non-renewable resources in general. In order to preserve our standard of living for ourselves and for future generations, we must continue to promote the acceptance of conservation and improved efficiency as a basic ethic of our society.

Based on present technology, the supply of energy is not inexhaustible, but technical developments coupled with realists pricing can help to mitigate the problem. Meanwhile, both conservation and a more efficient use of energy can be realized without reducing our standard of living. For example, it has been demonstrated that reductions in home energy consumption can be achieved without drastic changes in lifestyle. In the transportation industry, effective design, maintenance, and operating procedures can significantly reduce fuel requirements. Careful design and operation of buildings have demonstrated a dramatic reduction in energy consumption. The creation and enforcement of energy efficiency standards will achieve further reductions. It is also important that energy conservation and the efficient use of energy become recognized as good resource management. The increasing price of energy has forcefully demonstrated the economic advisability of improved energy usage.

Conservation should be an important segment of our national energy program, which should include the following considerations:

Since removal of arbitrary or excessive controls on energy prices has encouraged consumers to conserve and producers to invest in new sources, continued deregulation in all relevant energy areas is essential;

Information on energy conservation should continue to be developed and disseminated, identifying opportunities for increasing efficiency and providing estimates of the cost savings created by taking advantage of these opportunities;

Efficient energy use should continue to be improved by the development of better systems, appliances, and engines to increase end-use efficiency and to permit the productive use of all fuels (e.g. recycling and cogeneration), and by the continued development of new and more efficient energy transport and logistic systems for electricity and fossil fuels.

While recognizing that conservation and improved efficiency are vital, we must also accept the fact that growing populations will also require continued development of existing and new sources of energy.

COAL

The U.S. reserves of bituminous coal, lignite the anthracite coal are more than adequate to provide the total energy requirements of our country well into the 21st Century. At the present time, coal provides less than 20 percent of our country's energy consumption. Although reserves are plentiful and technology can ensure adequate production of coal, the United States cannot significantly increase its use of coal without modifications to laws and the subsequent rules and regulations governing the production and the use of coal. A primary example is the Clean Air Act, as amended in 1977. Although the basic intent of this legislation was certainly proper, the Clean Air Act should be revised to remove the present emphasis on source emission standards, and based on accurate data, place emphasis instead on the maintenance of a healthy atmosphere suitable to the needs of people. Furthermore, the Act should ensure that source emission limitations reflect such factors as economics, technology, meteorology, industrial and population density, topography, and land usage. Unrealistic or arbitrary limits will cause major and unnecessary expense, ultimately paid by consumers, which could seriously prejudice the use of coal as a significant future energy growth option.

Burning coal in large boilers is currently the most efficient and environmentally acceptable use of this fuel. To foster this use, there should be a long-range government incentive program including research grants, guaranteed purchase contracts and tax incentive, to encourage the development and use of clean coal-based fuels. The installation and operation of coal washing and cleaning systems at the mines or at the user's plants, taking into consideration water availability and waste water disposal constraints, should also be included so that coal can replace oil and natural gas burned in large boilers. Existing coal cleaning processes not only can remove up to 50 percent of the sulfur from many coals but can also significantly reduce the ash content, increase the heating value, reduce transportation costs per unit of energy produced, and reduce the amount of trace metals commonly occuring in coal. Further, such processes combined with the needed revisions to the Clean Air Act, would reduce the equipment and operating costs and the energy requirements for the flue gas scrubbing equipment, ultimately reducing the inflationary effects of these regulations on our national economy.

Western coals, such as bituminous, sub-bituminous, and lignite constitute an especially important energy source for our country. The production of these fuels and the leasing of federally-controlled mineral rights should be encouraged by Federal and State government agencies, along with realistic and effective procedures for land restoration, environmental protection, and acceptable water usage. Modifications are needed to the Surface Mining Act, and particularly to the permitting regulations thereunder, to allow the rapid expansion of this major energy source.

Increased development and demonstration efforts are needed in coal mining, coal cleaning, and transportation, including rail and pipeline transport. The development of lower cost methods for coal transportation should be promoted through federal legislation, such as providing the right of eminent domain for coal pipeline projects. In addition, federal legislation should also support research that will encourage more efficient means of rail transport of coal.

Research and development more effective combustion and gas cleaning processes should be accelerated, as should the production of synthetic liquid and gaseous fuels from coal. Environmental restrictions on these processes should be carefully drawn so as to impose only those contraints which are necessary to protect health and safety. Excessive environmental restrictions can be damaging to the national economy and quality of life.

Due to our abundance of coal and the need to establish a secure supply of liquid fuels for transportation purposes, the conversion of coal to methanol and its compatibility with the existing distribution infrastructure are worthy of consideration. In the long run, it may be economically sound to subsidize the initial production of methanol and other synthetic coal-derived liquid and gaseous fuels, and their distribution infrastructure even at prices above the pro-

jected market prices for natural hydrocarbon fluids, in order to accelerate the reduction of our dependence on oil imports.

There is growing concern as to the long-term effect on the environment of burning coal and other fossil fuels. Research efforts should be increased to determine the actual impacts of fossil-fuel combustion on such issues as acid rain and CO_2 build-up in the atmosphere. This knowledge will allow us to assess the most benign role for these fuels in our future mix of energy sources.

OIL AND GAS

During the period of transition to alternate energy sources, oil and gas must continue to supply a major portion of the nation's energy requirements. There are no viable alternatives to the accelerated development of our nation's oil and gas resources because imported sources are insecure and represent a serious financial drain.

Avenues of attack available to offset the inevitable decline in production as present sources are depleted include:

Exploration for new resources;

Improvement of recovery from current sources;

Deep drilling and other new techniques for developing additional known underground oil and gas deposits;

Increased leasing of Federal and other restricted land and offshore sites for oil and gas exploration and production.

Development of the nation's remaining oil and gas resources will require heavy capital investments. Enhanced oil and gas recovery also involves significant costs and risks. Suppression of oil and gas prices by government policies and excise taxes, such as the so-called "windfall profits tax", makes these ventures economically unattractive to industry. Such adverse and artificial economic restraints should continue to be evaluated and terminated where appropriate.

Of our remaining oil and gas discovery potential, three-fourths is in the "frontier" areas where recovery costs will be the highest and lead times will be the longest. Furthermore, much of our oil and gas resources are located on Federal lands presently unavailable for exploration because of environmental and other restrictions. A realistic balance should be achieved between environmental needs and energy demands. The current lack of such a balance results in higher demand for imported oil and gas, with the consequent negative impacts on our balance of payments, the value of the dollar, and our national security.

Continued development of additional North American oil sources, particularly those having secure supply lines to the United States from Mexico and Canada, would enhance future reliable energy supply as the developing nations increase their demands.

SHALE OIL AND TAR SANDS

It is estimated that there are 80 billion barrels of currently recoverable shale oil in the United States, which is 2½ times our nation's known conventional oil resources. Furthermore, many times this amount exists in rock structures in the Rocky Mountain area and in the Eastern United States, but there is no available process known which can economically recover this oil. In addition, there are over 30 billion barrels of bitumin in domestic tar sands. To date, little progress has been made in the application of existing technology for converting these resources to usable fuels because of the high risk to private investors and the uncertainties stemming from governmental policies on taxes, project support and environmental matters, and on the perceived need for such resources.

At present there are several promising processes for the extraction of oil from shale and tar sands. In view of the long lead times involved, it is appropriate to continue active development of shale oil and tar sands recovery projects to demonstrate alternative processes. Such action may be justified on the basis of preserving our nation's economic and military security, as in the case of coal-derived liquid and gaseous fuels, even though the products of these first demonstration projects may not prove to be fully price competitive with natural oil and gas. For these reasons, Federal encouragement through tax incentives, defense research grants, and guaranteed purchase contracts is warranted.

NUCLEAR

In order to meet projected energy needs, the United States will have to utilize the energy contained in our uranium reserves. Further, this resource will be of maximum value only if we utilize the vast quantities of energy which can be made available through the use of breeder reactors. The energy value of our present stockpile of depleted uranium is equivalent to a trillion tons of coal. Even if we were to achieve maximum utilization of coal, realistic projections of future energy demand require that we utilize these extensive nuclear resources. Therefore, delays in removing the impediments to the continued deployment of nuclear power generation facilities and in the construction and operation of the Clinch River Breeder Reactor may very well be jeopardizing our mid- and long-range energy future.

Nuclear power has shown itself to be clean, safe, and competitive with other available options for the generation of electricity. There are 83 nuclear units at 55 sites licensed to operate in the United States and another 64 units with construction permits. Their safety and reliability record, based on more than 750 reactor-years of operating experience in the U.S. and more than 2,300 reactor-years experience in the world, is unsurpassed by any other large sector of industry.

Nuclear power plants currently supply about 12.5 percent of the United States electric energy needs. Indeed, some regions of the country rely on nuclear power for more than half their electricity. Nuclear power plant reliability during periods of severe weather, coal strikes, and oil embargoes has been well documented. Major regions such as the Northeast, the Midwest, and the Southeast were protected by the availability of nuclear-generated electricity from what could otherwise have been crippling energy shortages.

Stringent attention to safety in design, construction and operation have been instrumental in preventing injury to any member of the public served by these plants. Moreover, the record shows that despite licensing and construction delays, the costs of producing nuclear-generated electric energy is competitive with the costs from that energy generated from fossil-fueled plants.

Proven technologies exist today for safe, radioactive material handling, the reprocessing of spent fuel, and solidification of high-level wastes (95% of which are from military rather than commercial power plant operations). Several proven options for ultimate disposal using borosilicate glass technology are ready for demonstration. The advanced vitrification method has been proved commercially feasible by the French over the past four years. The United States has developed slurry-fed ceramic melt technique, which is an equally effective means of containing high level waste. These techniques are being improved as the technology advances.

Currently, nuclear programs are being pursued actively in the United States and many nations. However, in the United States progress is being drastically slowed as a result of a number of institutional impediments. In the case of the breeder reactor, the future of the national program is in doubt as a result of differences in opinion as to development approach and timing of requirements. Breeder reactor construction and operation for power production is proceeding in a more orderly way in France, England, the U.S.S.R., West Germany and Japan. If the United States is to continue to refrain from development of the breeder reactor, it could lead to a loss of leadership role in the nuclear field and further increase our dependence on foreign energy sources and technology. Therefore, the following factors are important for the effective utilization of nuclear energy:

The orderly advancement and utilization of nuclear fission for electric power generation and energy requirements should be a continuing national policy;

Efforts to inform the public fully and accurately, in understandable language, should be continued and broadened;

Legislation for streamlining the licensing process, such as regulatory reform (one-step licensing), should be accelerated;

Existing technology should be applied and facilities for spent nuclear fuel should be activated;

Existing technology should be employed to expedite nuclear waste disposal;

The development of breeder reactors should be given the priority that it is accorded in all other countries that are pursuing this option;

Nuclear fusion should be pursued expeditiously as a potential long-term, virtually inexhaustible energy option.

SOLAR AND OTHER ENERGY SOURCES

Adequate incentives should be pursued to stimulate accomplishment of the following:

Effective utilization of solar energy, including methods for integration of decentralized energy systems into existing utility systems and establishment of standards of performance, cost, and reliability;

Continuous development of the following technologies: Direct water and space heating, space cooling, photovoltaic power (centralized and decentralized, land-based and space-based, solar thermal electric power generation (centralized, land-based and space-based, ocean thermal electric conversion, biomass waste conversion, biomass energy plantations (land-based and water-based), and wind turbines for electrical and mechanical energy;

Maximum utilization of hydropower resources;

Environmentally acceptable methods for utilizing geothermal energy (steam, hot water, geopressurized fluid, and hot, dry rock);

Economically and environmentally acceptable methods for converting wastes into usable energy sources.

In addition, the efficient use of these sources via new or improved energy storage and distribution systems should be pursued actively. For example, advanced electric bat-

teries, alcohol, methane, and hydrogen production and distribution, and advanced techniques for gas and electric power transmission are options to be pursued.

ELECTRIC POWER

Although not an energy source, electricity is a key element in any energy policy. It offers the advantage of:

The utmost in flexibility of applications, both in utilizing a variety of input energy sources and end uses:

Greater opportunity to achieve improvements in conversion efficiency, both at the source and in end use. In the long-term, the proportionate growth in electric power usage is expected to be faster than that of prime energy usage.

Regulatory actions, stemming in part from environmental considerations, have created an economic climate of uncertainty which has delayed or cancelled both nuclear and coal-fired electric power generations projects needed for the near future. The complexities of the licensing procedure and environmental regulations, exacerbated by intervenor actions, have increased the lead time required for electric generating facilities to as much as 14 years, with the consequent major increases in the construction costs for such facilities. With a return to normal economic growth, some utilities may have difficulty in meeting their consumer's demands. In fact, the National Electric Reliability Council indicates that electric power shortages will develop in some regions of the nation in the late 1980's.

Serious deficiencies in the present licensing process have delayed the installation of generation and transmission facilities and have substantially raised the cost of electric power. For example:

There is much unnecessary duplication of overlap in the present process, and no system for coordinating Federal and State roles for actions in terms of purpose, timing, or consistency;

Need-for-power issues are too often litigated at Federal licensing proceedings, long after heavy financial commitments have been made to individual projects by utilities and long after States have passed judgement on the need for power;

Sometimes a small vociferous minority of the general public delays the present process by their involvement. More factual and understandable information, and assurance that the general public's interests are really being served, may help to reduce the delays and increased costs of providing power.

Legislative reform to correct these deficiencies is essential. What is needed is a comprehensive one-step siting approval procedure. This should incorporate the views of all interested public, municipal, county, State, and Federal organizations, licensing authorities, and regulatory agencies. The passage of legislation that places time and schedule limits on regulatory reviews and actions such as fast-track legislation should be encouraged.

LONG-RANGE PLANNING

A comprehensive long-range planning process needs to be established and maintained as a means of representing the national policy towards the use of present resources as well as those which appear to have potential in the future. Such a process must incorporate not only all the supply options which have been identified in this paper, but also the projected demand patterns, distribution systems, end-use conversion efficiencies, and developement efforts needed to pursue and evaluate these energy supply, demand, distribution and end-use options.

The Coordinating Committee on Energy (CCE) believes that energy security is basic to the continuity of national policy and the maintenance of a stable economy. To accomplish this, the long-range planning porcess must also include international as well as national considerations. The evaluation of these considerations should be based on net benefit to the nation, and include the economic multipliers (2 to 5) brought about by the reduction of foreign oil imports which may value synthetic oil from $60 to $150 a barrel, based on $30 per barrel oil.

While all supply and conservation elements contribute their share of energy resources, the CCE believes that a stable energy policy must include a viable synthetic fuel industry, capable of being expanded to meet essential needs within three years of a supply emergency. In addition, the Strategic Petroleum Reserve should be filled as soon as practicable, and plans developed for allocation of this oil into the national economy in a timely and effective manner in case of supply interruptions.

Under a 1974 international agreement, the U.S. is committed to share petroleum with certain western European and Asian nations in the event of a major supply reduction. The Strategic Petroleum Reserve is a potential source of satisfaction of these U.S. obligations under the agreement, even though it is not specifically, per se, subject to the agreement. Thus, a shortage of supply to any of the agreement nations could constitute a reduction of imports available to the U.S. Therefore, it is vital to consider the combination of a viable synthetic fuels industry and the Strategic Petroleum Reserve as a combined energy security strategy.

The CCE believes the congress showed great wisdom in adopting the energy targets concept to the Energy Security Act of 1980. This legislation was supported by many of the societies forming the American Association of Engineering Societies.

In March of 1981, the CCE published Energy Targets which conformed to the format of the Energy Security Act of 1980. Despite the changes in the world oil supply situation, the Committee views these as temporary and subject to future wings from feast to famine. The Committee's continuing review of the Energy Targets published in 1981 reveals that they still represent appropriate national targets through the year 2000. They would keep crude oil imports to below 3 million barrels per day by the year 2000 while taking up all energy growth from domestic sources.

The Energy Targets require that 23.2 quads of energy be added to the nation's energy supply capacity by the year 2000. This translates into a capital investment of approximately 900 billion 1980 dollars within 17 years. It should be emphasized that nearly ¾ of the additional energy requirements to meet the demand by the year 2000, will not be available due to the inefficiencies associated with new forms of energy conversion.

It is impossible to predict energy production or needs over the next 15 to 20 years with complete assurance. There are too many uncertainties, domestic and worldwide, that affect supply and demand. Data show that the entire world economy is making a massive adjustment in the rate of energy use increase in response to rapid escalation in oil prices. These adjustments require considerably higher capital investment and longer lead time than have been required previously. Throughout 1981 and 1982 there was a marked increase in the number of cancelled projects in the nuclear and synthetic fuels sectors, all due to long-term uncertainties. Industries and governments are not yet able to deal effectively with these changes.

Nevertheless, national energy targets were required as recognized by the National Energy Security Act of 1980. Such targets, subject to continuous review and adjustment, are needed to provide guidance to both industry and government. The Energy Targets developed by the CCE are considered reasonable and attainable. They have stood the test of an enormous cycle of world oil supply and price change and a change of national administrations.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. I thank the gentleman for yielding.

Mr. Chairman, as the chairman knows, the gentleman from New York (Mr. OTTINGER) and I did appear before the Rules Committee and requested a rule making in order language that would preclude funding for the Clinch River breeder reactor pending further authorization.

I realize there is no funding for Clinch River in this bill, but of course the other body does not have the same rules of germaneness that we do in this body and my question would be to the distinguished chairman, should the other body place authorizing language for a cost-sharing program or some other kind of program for Clinch River in the bill, can we be assured that there would be a vote in this House on that kind of a provision?

Mr. BEVILL. Of course the committees are going to consider whatever proposals come forward and certainly they would be brought to the House for a vote and we would discuss the issues and this House could decide at that time.

To answer the gentleman's question, whatever proposals the industry, utilities, Department of Energy, whatever they submit we would consider those and whether or not the committees feel that they should be brought to the floor. This is what we are saying.

Mr. COUGHLIN. I guess my concern would be should such a provision be amended into the bill by the other body, can we be assured this would be subject to a vote on the floor.

Mr. BEVILL. I can assure the gentleman we would bring such a Senate amendment in technical disagreement and there would be an opportunity for a vote by the House on this issue if the Senate should take any action on it in this bill.

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Mr. COUGHLIN. I thank the distinguished chairman.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Georgia.

Mr. JENKINS. I appreciate the gentleman yielding.

Mr. Chairman, I rise in support of H.R. 3132, the energy and water development appropriation bill for 1984, and I commend the distinguished chairman of the Subcommittee on Energy and Water Development of the Appropriations Committee, the Honorable TOM BEVILL of Alabama. I also commend the distinguished chairman of the Appropriations Committee, my good friend JAMIE WHITTEN, and the entire membership of the committee for their diligent work in bringing this important legislation to the floor of the House. I realize the complexity involved in a bill of this magnitude, and I appreciate the untiring efforts by the committee members in this regard.

Mr. Chairman, I wish to speak in favor of one particular project in this bill because of the impact which it will have on the citizens of Georgia for many years to come. Funds have been included in this legislation for the continuation of planning and engineering of a reregulation dam on the Chattahoochee River of Georgia. Today's action by the House in considering these funds are part of a study which began over a decade ago.

The Metropolitan Atlanta water resources management study was authorized by a resolution adopted by the Senate Public Works Committee on March 2, 1972. The overall objective of the study was to work closely with agencies and citizens in developing a framework plan for the best use and protection of the water and related land resources of the Atlanta region. The study objectives included developing solutions to problems relating to flood damage reduction and flood plain management, drainage and urban run-off, water-supply management, wastewater management, water-quality management, water-related recreation, and conservation and enhancement of fish and wildlife and environmental resources.

The study area was located in north-central Georgia and consisted of seven primary counties—Gwinnett, Clayton, Cobb, De Kalb, Douglas, Fulton, and Rockdale. Contiguous counties were included when there was an impact between them and plans for the primary area.

At the beginning of the study, the U.S. Army Corps of Engineers formed four organizations to participate as a team in all aspects of the study. The executive group was initially composed of the head officials of the Atlanta Regional Commission, Environmental Protection Division of the Georgia Department of Natural Resources, U.S. Environmental Protection Agency, and U.S. Army Corps of Engineers Savannah District. In 1978, the Georgia Mountains Area Planning and Development Commission was invited to participate on the executive group to represent the interests of the Lake Lanier region. These five officials provided policy guidance and worked together toward a consensus on selected plans and recommendations.

The citizens' task force included 32 individuals representing divergent organizations throughout the region. Their comments, criticism, and support for various alternatives assisted in developing recommended plans which were more likely to be generally acceptable to the public.

In October 1973, the citizens' task force was formed and in September 1980 it held its 56th meeting. It provided a continuous forum for discussion of all study activities and was the single most valuable source of public input and guidance.

The Lake Lanier task force was composed of representatives from Federal, State, and regional agencies, and private citizens with a strong interest in Lake Lanier and the Chattahoochee River. This group reviewed specific data and studies on the present use and future operation of Lake Lanier as a regional water resource.

Between November 1973 and December 1979, 52 newsletters were published and mailed to over 3,000 organizations and individuals of the region. These described current study activities, summarized relevant meetings, and examined major issues. Major milestones received widespread coverage by the news media.

A 12-volume interim report on the Metropolitan Atlanta water resources management study dated September 1978 was prepared and distributed to agencies and citizens participating in the study. This report presented findings on all components of the study.

In May 1979, a notice was issued by the U.S. Army Corps of Engineers' division engineer in Atlanta to inform all known interests that the interim report was completed. The recommendations in the interim report did not require congressional authorization, and therefore was not forwarded to Congress at that time.

An August 1980 draft final report describing the evaluation of three final long-range water supply alternatives was widely distributed to several hundred agencies and individuals. Public meetings were held in Gainesville, Ga., on September 9, 1980, and in Atlanta, Ga., on September 10, 1980, to obtain comments on the draft final report. Plan A, the construction of a reregulation dam 6.3 miles below Buford Dam on the Chattahoochee River, was presented as the preferred plan pending public review and comments.

After consideration of all comments received and information available regarding the costs, benefits, and impacts of the various alternatives, plan A, was selected as the recommended plan.

This was based upon the following conclusions:

First. Plan A has the highest net benefits of the final plans considered.

Second. There were no major adverse environmental aspects associated with it.

Third. Plan A is the preference of four of the local governments who have provided letters of intent to cost share in the reimbursement of all water supply costs associated with the project.

Fourth. Plan A is supported by the State of Georgia.

Fifth. Plan A is the most flexible plan in terms of scheduling operation of Buford Dam and control of river-flow.

Sixth. Plan A provides the needed future water supply at the lowest cost to the local governments.

Mr. Chairman, I have participated in this water study since my election to the Congress in 1976. I have authored amendments to complementary legislation in 1977 and again in 1982. I presented testimony to the public hearings in 1980, and, today, I continue to support the concept of this reregulation dam, which, in my opinion, will insure the integrity of a consistent water level for Lake Lanier, and, as important, provide that the future water needs of the north Georgia area are met without waiting until a crisis occurs when no viable alternative is available.

Let us act today in a manner which balances the concerns of all parties fairly, which provides an adequate flow and quality of water, which provides the greatest net benefits to all interests, and above all, which preserves the integrity of this mighty river which originates in the beautiful mountains of north Georgia.

Thank you.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to my colleague and friend, the gentleman from New York.

Mr. OTTINGER. I thank the gentleman for yielding.

Mr. Chairman, as I discussed with the distinguished gentleman from Alabama (Mr. BEVILL) informally, I am deeply concerned about the reductions in the solar energy budget.

In 1982, there were $268 million appropriated for solar programs; in 1983, just $202 million; and this year the committee is proposing $180 million in this bill, but it is subject to the 3- to 5-percent reduction of the Myers amendment. It could be as low as $170 million, which would be a 15-percent reduction from last year.

Following is a comparison of the fiscal year 1984 budgets for solar energy programs in the Science and

Technology Committee authorization bill—and subcommittee markup for the non-R&D accounts—and the energy and water appropriations bill before the 3 to 5 percent across-the-board cut in Mr. MYERS' amendment:

[Millions of dollars]

Program	H.R. 2587	H.R. 3132 [1]	Difference
Photovoltaics	$58.7	$46.7	−$12.0
Solar thermal	51.0	41.5	−9.5
Biomass	29.3	29.0	−.3
Wind	22.0	26.5	+4.5
Solar buildings	22.5	17.2	−5.3
OTEC	7.5	7.0	−.5
International [2]	1.0	1.0	
Information [2]	4.0	3.25	−.75
Program support	1.0	1.0	
Program direction	5.85	5.85	
SERI	1.0	1.0	
Total	203.85	180.0	−23.85

[1] Before Myers cut of 3 percent.
[2] EDA subcommittee markup.

This does not take into account the Myers amendment which could reduce the solar budget as much as $10.19 million more, a total reduction of $34.4 million from last year or 17.6 percent.

Of greatest concern to me is the photovoltaics cut, a $12 million cut from technology development, systems engineering and standards and tests and applications. This reduces near-term work by close to 35 percent from $31.5 to $20.5 million.

Solar energy should still play a very important part in our future and the Department has been doing vital research and development, particularly in the photovoltaics area, where $12 million has been cut. I am very concerned indeed that these cuts will seriously impede our program.

The gentleman from Alabama (Mr. BEVILL) has asked me not to offer an amendment, but I would like some assurance that if the other body does restore some of this money, the gentleman would regard it sympathetically. I would also like to express my concern.

As the gentleman indicated to me, the committee's figure is 100 percent above what the Reagan administration has requested. But the administration has been shamefully ignorant about and hostile to solar energy, it proposed a 60-percent cut from last year, and that is on top of a 69-percent cut from 1982 and an 87-percent cut from 1981.

So we are seeing this program disappear. The relationship of the committee's action to the administration's proposal is meaningless because of the administration's unjustified opposition to solar programs.

Mr. BEVILL. I say this to the gentleman from New York: I and my committee concur in the gentleman's views on this, that the cuts were too drastic, and certainly if the Senate wants to add any additional funds over there, we will certainly look on it with favor in conference because we would like to see more money in it, than was in the budget. But the committee felt that this was as far as we could go, that this was our limit, and this was a tremendous increase above what the administration requested. Every member of my subcommittee has been a solid force, as the gentleman knows, very solid supporter of solar energy research as the gentleman from New York has been.

Mr. OTTINGER. I thank the chairman.

Mr. MYERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as everyone here who has had any responsibility of bringing a bill to this floor, especially those who write the legislation, knows, it is a rather tedious and difficult task to bring a bill to this floor. This bill that this committee brings today is certainly no exception.

First, it starts with the committee members themselves. We have a committee that works together very well, as most committees do, but of the committees in the years I have been here, I must say that this subcommittee works together the best on a nonpartisan basis of any subcommittee I have ever served with. And for that I thank our colleagues.

And, second, the staff is so important. The staff does so much work, works long hours. On this bill, as you might see, there are eight volumes here of reports of committee hearings that started back soon after our session started this year, developing eight volumes of hearings, listening to thousands of witnesses, including Governors, many agencies of our Federal Government, all of the agencies, of course, affecting energy and water development.

But, most importantly, I thank our committee chairman, the gentleman from Alabama (TOM BEVILL). TOM and I came to Congress together a few years ago, and I must say that he is most cooperative and understanding. I have never seen him cut any witness off, and he is always willing to listen to both the majority and the minority sides of the aisle. He has worked very closely with, and I appreciate very much the spirit that he extends to the minority: offering every chance for us to help develop this bill. I have served on some subcommittees in the past that have not always done that, and we do thank our subcommittee chairman very much for that.

When I first came to Congress, when this bill was brought to the floor—back then it was called the public works bill—the chairman referred to it as the all-American bill. Now, the bill has changed somewhat since that period of time a few years ago, but it is still a bill that contains projects for all of America, and it is one of the few bills and contains the provisions, especially for the water, that has to guarantee an absolute return to the taxpayers for their investment.

I do not know of any other bill and appropriation that comes before this committee that must assure, on water projects particularly, that the return on the investment, the benefits, are going to exceed the cost of that investment. These water projects, each of them, has to meet that criteria, something that no other bill has to meet, that scrutiny, that examination.

I must say that this subcommittee listens to a great many witnesses who all have projects that are very high in priority. As the chairman has said, we have had to turn down more than we were able to approve because we just do not have enough money. So we had to decide what was most important to our country, what just could not wait. The committee has not traveled extensively, but we did make a couple of trips this year, one out to the Far West, to California along the Pacific coast, visiting the area that was hard hit earlier this year by heavy seas and heavy winds, and we saw the devastation, the damage done to our west coast. This falls under the purview of this committee. We have to examine and we have to make recommendations, we have to appropriate the public's money to repair the damage done to the west coast.

We visited the South—Alabama, Mississippi, Louisiana, Arkansas—which earlier this year was hit by floods and then again, just in the last few weeks hit once again by floods. We have areas of the country today that are once again damaged by floods. This committee has a deep concern for these areas, first to restore areas that have been hit so hard and, second, as far as funds are available, to stop these floods. We moved in the direction of trying to stop the floods and at least reduce the severity of these floods.

Now, this bill, as the chairman has said, is below every budget figure. It is below last year's bill by over $300 million; it is below the President's request this year by over $400 million. And we have had some people vote against the rule a while ago because they said it was over budget.

Well, of course, everyone knows that we do not have a congressional budget yet this year, and we might not even have one. So if we are going to vote against every appropriation bill because we do not have a budget this year, we are going to find ourselves not operating on any budget or any appropriation; we will have to have a continuing resolution again. I do not think anyone here really wants to go a third year where we have a situation where we operate these important facets of our Government on a continuing resolution. We are not trying

to do that, but we did reduce our spending here.

Although there are some differences, the President will sign this bill that if it does not have any major differences or changes or amendments accepted here. The President will sign it. I have every indication that it is agreeable and acceptable to the President. It is not his first choice. We did not include every item that the President would like to have seen. We did not include all of the things the President put in his budget, nor did we include all of the items that each of you would like to have in it, because we have to make selections—differences had to be considered. So your committee has come up with a bill we think will meet the needs of the country for the next year. We hope that it will. We hope that it will get your support.

Now, the chairman has gone into detail about the individual items in this bill. He has done a very fine job, as he always does. I will just hit a couple highlights here.

First, in the Corps of Engineers projects, we are a little bit over the President's budget. Part of that, I think the President understands, is because things have changed since he prepared that budget last November or December and presented it to the Congress in January. We had not been hit by these hard floods. So conditions have changed somewhat. In the judgment of your subcommittee, we have decided that we needed to spend some more money on flood protection and help restore some of the areas hard hit by floods.

So those have changed somewhat since the time the President presented his budget to us. Yes, we are somewhat over the President's budget. But we did not include any of the new starts that the President would like to see or anyone else would like to see. As the chairman explained, we are waiting for the authorizations and the new innovative financing to come along. So we did not include these items. But we are slightly over on the Corps of Engineers.

Now, with the Department of Energy, we came in under, considerably under, the President's budget, for reasons that the chairman has explained. But one of the high priorities of many people here is solar energy. We are a little more than $90 million over the President's request for solar. And adding that to the other renewables, we are considerably over the President's request, but a little bit under last year. But there again, technologies have moved along where now we have done a lot of the research. You just cannot constantly pour more money into these projects, as much as any of us would like to see that, because we have to concern ourselves with the national debt this year. So we have not increased the solar over last year, but we are over what the President requested this year in the solar areas.

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In the Bureau of Reclamation, we are just about on the target. The President had requested about $960 million, and we are within $1 million or so of what the President requested.

We are about 5 percent over what we had in the Bureau of Reclamation last year. As the chairman said, we have some new planning starts, but absolutely no new construction starts in the Bureau of Reclamation. But we are just about on the target of what the President requested.

We are slightly over the President on TVA because here, again, our choices of what were important to the Tennessee Valley Authority were different from that of the President. So we are slightly over what the President requested.

But for those of my colleagues who say we have not supported the President, yes, we have made some changes in this bill, but it is one the President will sign, and I hope we will have the support today of the Members here in trying to hold down any amendments to this bill, because we do have a bill now that the President can sign, and I think it is important that the Nation and the agencies that are funded by this very important appropriation bill, the all-American bill, will have the support of both the Congress and the President.

Your committee has worked hard to bring this bill to the floor, and I hope we will have your consideration today to help. If there are any amendments, and I am hoping right now there will not be any, but if there are, if they are going to add dollars to this bill, we are going to have to oppose them.

The CHAIRMAN. The gentleman from Indiana (Mr. MYERS) has consumed 9 minutes.

Mr. BEVILL. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida, (Mr. FUQUA).

Mr. FUQUA. I thank the gentleman for yielding this time to me.

Mr. Chairman, first of all I want to thank the gentleman and the members of his subcommittee for the very cooperative attitude that they have displayed in working with the Committee on Science and Technology in perfecting those matters that we have as far as authorization. As usual, they have been most cooperative.

Mr. Chairman, I would also like to encourage the gentleman, should additional funds for solar be in the bill in the Senate, I hope the gentleman would likewise look with great favor on that.

The committee has recommended $5 million for the colliding beam accelerator. The report states that the funds are to be available "only after a positive recommendation is made by the Secretary of Energy and is approved by the appropriate congressional committees."

The Department of Energy's High Energy Physics Advisory Panel is scheduled to report on this project this summer. If that report gives positive approval, then would we expect that that report be transmitted to Congress with the Secretary's recommendation for moving forward with the CBA?

Mr. BEVILL. If the gentleman will yield, the gentleman is correct.

Mr. FUQUA. In that event, then, Mr. Chairman, the committee would expect that with HEPAP approval, the funds would be used for construction.

Mr. BEVILL. The gentleman is again correct. The committee expects the Secretary and the administration to work closely with the authorization and appropriations committees of Congress to make certain that the $5 million for CBA is utilized efficiently and productively.

Mr. FUQUA. I thank the gentleman for yielding and for his assurances.

Mr. MYERS. Mr. Chairman, I yield myself 1 minute to respond also to the question of the gentleman from Florida (Mr. FUQUA). The colliding beam accelerator at Brookhaven is one that this committee has been definitely concerned about.

At the insistence of Mr. CARNEY, this Member went up there last summer and visited the accelerator site. As the gentleman knows, the conventional part of the construction is already underway, and most of it is completed. The hardware part, which is going to be very expensive, is what is remaining, but the committee is vitally interested because so many people are concerned. Also, it is the type of facility that will add greatly to enhance our ability to answer some of our energy questions for the future.

Mr. FUQUA. Mr. Chairman, will the gentleman yield?

Mr. MYERS. I yield to the gentleman from Florida.

Mr. FUQUA. I thank the gentleman for yielding.

Mr. Chairman, I might say that I regret that the gentleman from New York, Mr. CARNEY, due to a death in the family, could not be here today. I am sure he appreciates very much the reassurance that the gentleman, both the chairman and the ranking minority member, have given on this project.

Mr. MYERS. I thank the gentleman.

Mr. BEVILL. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Pennsylvania (Mr. EDGAR).

Mr. EDGAR. I thank the gentleman for yielding this time to me.

Mr. Chairman, I have often stood in the well and offered very strenuous objection to the energy and water appropriation bills that have been before this House. I have to say that as I stand in the well today, I find myself in a very difficult position because for the most part, I think the committee has done a better job than they have done in the past, and I agree with much of what is in the legislation.

Yes, I would like to see a little bit more money in the area of solar energy and solar research.

Yes, I am frustrated that we are going to spend less on all of our renewable energy resource in solar than we are on the Tennessee Tombigbee Waterway, which I am very fond of talking about, over the next couple of years. That troubles me.

It also concerns me that there are some projects in the Army Corps of Engineers area that were forced to go for a waiver of points of order because there was language there that was simply authorization in an appropriation bill.

But putting all of that aside. I believe that the committee has attempted to do a good job by not putting any new starts in the water area and by trying to deal with the issue as carefully as possible.

I have one minor problem. On page 38 of the report, I stumbled across some language that was very troubling. It was troubling because in the bill itself, there are no funds for the Tennessee Tombigbee Waterway, and as an opponent of that waterway, I could not understand how we were going to complete this project, which the chairman says is 90 percent complete, and I will give him that statement. Why then would we not expend a dime on this particular project in 1984? If it is 90-percent complete and everybody is supporting it, why would we not find in the legislation some money for this project?

Well, when we began to explore some questions about it, we discovered that on page 38 of the report there is language to use deferred funds for this project. When asked how much of their funds are deferred, we discovered there is $180 million of deferred moneys. When I asked where that money came from, we discovered that the money came from the continuing resolution of last year, and it is money unexpended. When I asked how much of it was going to be used for the Tenn-Tom, I discovered all of it. All of it.

The $180 million of petty cash seems like a lot of money. The $180 million simply found to be directed to one project seems like a lot of money. But putting all of that aside, I then asked the question, How much would it take to complete this project? How much in additional Federal funds would be needed to complete the project from Pickwick, Tenn., to Demopolis, Ala., totally, finish it, get the Federal Government out of it, complete the navigation and the project?

I was told $202 million. So I plan to offer an amendment a little later that simply states in the legislation that the additional Federal cost will be $202 million, taken in part from the deferred funds of $180 million, so that all of us publicly know that that is the remaining additional Federal cost for navigation and related features.

I do not think that anyone should be opposed to that. It is $22 million above the $180 million that is available under deferred funds.

Second, I discovered that in the language of the user fee legislation passed several years ago, we had neglected to include the Tenn-Tom in that user-fee concept, so I went and asked the chairman about it and he strongly supports including the Tennessee Tombigbee Waterway in the user-fee concept. So as part of my amendment which I will offer I will include the Tenn-Tom within the user fee public law. I just urge my colleagues to listen carefully as we offer amendments that will simply clarify the intent of the committee on this legislation with regard to user fees and total additional cost.

Mr. Chairman, although I have often taken the floor to strongly oppose many of the previous energy and water appropriations bills, I hope to be able to support this bill today. It is a relatively clean appropriation bill, compared to many with which we have considered in earlier years. There are no new project starts and relatively few changes in authorizations and substantive law. The Appropriations Committee says that it will follow the lead of the authorizing Public Works Committee on changes in water policy. The committee will meet again this month to appropriate money for the new starts and other initiatives which will be contained in a new omnibus authorization bill—the first in several years.

Those of us who have opposed or sought to amend this legislation in prior years have been engaged in a constructive attempt to bring merit, equity, and the needs of all regions of the Nation into the debate on national water policy. The water policy debate has stalled action on authorizing legislation since 1976, while the appropriations bills have become the subject of heated controversy. Those of us who sought changes on the broad policy issues have been forced to focus narrowly on individual projects which we take to be the symbols of what is wrong with the current, politically oriented policy process.

No one disputes the need to develop and protect our water resources on a national scale. What we do object to is the spending of millions of borrowed Federal dollars for controversial navigation, water supply, irrigation, and hydropower projects in certain areas of the country, while at the same time the infrastructure already in place in other regions has been allowed to decay and deteriorate.

New Federal projects, with minimal local cost commitment, are being built in many areas of the South and West, while locks and dams on the Great Lakes and Ohio River systems are falling apart. Maintenance has been deferred on many existing urban water supply systems while huge new water supply systems are soaking up multimillion dollar Federal appropriations. Because of Federal subsidies water is cheaper in the Phoenix desert than it is in Boston, and barge traffic flows more freely in newly created southern waterways than on northern river systems that have been in use for hundreds of years.

Equity and merit must be restored to this process. If we are to continue the process of economic growth which was made possible by massive Federal investments in public works over the past decades, we must end our fascination with cutting ribbons on new structures and begin to rehabilitate and maintain those structures already in place.

We must recognize and applaud the national commitment made over the past century to reclamation of the western deserts, to providing electric power to poverty-stricken rural areas, and opening our rivers and harbors to increased commerce. But we must also adapt to changing times and conditions.

The new authorizing legislation which our Public Works and Transportation Committee is now developing will reflect a more balanced and progressive water policy. I respect the commitments that Chairman BEVILL has made to work with the authorizing committee to carry out policy changes and take care of the needs of all regions of the Nation. I believe that those of us who have challenged the traditional process are ready to begin to work cooperatively in this process. As many of the larger current construction projects in the Corps of Engineers and Bureau of Reclamation budgets reach completion, there is room for compromise and needed changes in the direction of the water program.

Many of us feel that water will be the next great resource issue we face as a nation. We cannot properly address this vital issue if we are divided and competing in a narrow way for the limited Federal dollars which will be available to develop and protect water resources. We must use our limited dollars in the wisest and most efficient way possible to insure that legitimate needs are met.

Finally, I must point out that there are still deficiencies in the current bill which must be corrected. Though the committee has left out funding for the Clinch River and Garrison diversion projects, we must remain vigilant in protecting the position of the House that funding be deleted for these projects. We should also eliminate funding in the bill for the Stonewall Jackson Dam project, which has been the subject of controversy over the years. Funding for the Tennessee-Tombigbee Waterway, the largest Corps of Engineers project in history, is not included in the bill but is instead hidden in committee report language which creates an open-ended funding commitment to complete the Tenn-Tom with a windfall of deferred funds left over from the last continuing resolution. We should clarify the situation regarding the Tenn-Tom, which has come within a handful of votes of being defunded in previous years. We should not leave an open ended commitment to the project, and we should insure that the Tenn-Tom, when it is finally opened in the next few years, is in an equal competitive position with other waterways. A number of other miscellaneous and apparently arbitrary provisions of the bill ought to be discussed and examined on their merits.

With a debate that will fully air all these issues, I hope we can shape an appropriations bill which deserves the support of all Members of the House.

□ 1620

Mr. MYERS. Mr. Chairman, I yield 5 minutes to a very valued member of the subcommittee, the gentleman from Arizona (Mr. RUDD).

Mr. RUDD. Mr. Chairman, I support this bill, H.R. 3132. It is a good bill.

I would also like to take this time to commend my chairman, the gentleman from Alabama (Mr. BEVILL), for his leadership in putting this bill together, and my ranking member, the gentleman from Indiana (Mr. MYERS), for his hard work in keeping this bill on track as we are putting it together. I also wish to commend our very competent and dedicated staff for their efforts.

Mr. Chairman, I rise in support of H.R. 3132, the energy and water development appropriations bill for fiscal year 1984. Of the 13 appropriation bills which fund this Government, none, in my opinion comes the closest to doing the real work of the Government as this bill does.

We must take the long view. We have the responsibility to look down the road and consider the interests and needs of citizens unborn.

Other than the appropriations we make for the security and defense of our Nation, this bill comes the closest to filling that prescription of governmental responsibility.

This $14.4 billion appropriation covers water resources, without which our people cannot survive the work of the Corps of Engineers, the Bureau of Reclamation and the Department of Energy functions which include critical research and development in energy supply, advanced nuclear energy research such as breeder systems, solar energy research, uranium enrichment, atomic energy defense activities, and geothermal power research and development.

All these agencies and all these programs are geared not to individual constituencies: But to the infrastructure of this Nation that we may grow and prosper.

The Corps of Engineers provides flood control and navigation for the Nation's waterways. This allows for many towns and cities to grow and provide homes now and for our children free from the fear of the natural disaster from flooding. The work of the Corps of Engineers also enhances our ability, through the maintenance of waterways, to bring our commerce to market and to market our products overseas. In a sense, our commerce and our prosperity floats on the good work of the corps.

The Bureau of Reclamation, established in 1903, at the turn of the century at the urgings of President Theodore Roosevelt, continues in its noble mission of reclaiming the arid lands of the West, and at the same time, through hydroelectric power generation, meet the increasing energy needs of this Nation with cheap, domestic and clean power.

The Bureau, through its efforts, provides the water necessary for growth, a continuation of the dream of the early settlers on this continent, and of our great grandfathers and grandfathers who were in search of the American dream.

In the West, particularly in Arizona, we use water, reuse it and reuse it again until it is dust. The Bureau, in working with the local areas, helps manage our scarce resources and by doing so, help that area produce food and create a sustainable, prosperous and growing industrial base for the rest of the Nation.

Upstream from my home city of Scottsdale, Ariz., the oldest Bureau of Reclamation Dam, the Theodore Roosevelt, named for the President, was personally dedicated in 1911, still stands, still serving the farmers and city folk of the valley over 70 years after its completion. It is the basis for water management provided through the works of Bureau of Reclamation that has literally made the desert bloom and provided benefits not just for Arizona but for the whole Nation.

The energy programs funded under this bill look to the future and look to our ability to become energy independent. We fund research into magnetic fusion. This could eventually lead to inexpensive, and virtually limitless energy for this Nation. We fund, under this bill, research into solar and wind power, to take advantage where it is practical, the renewable sources of energy nature has provided. We have also put into this bill over $22 million for the beginning of an effective nuclear waste treatment program in order to assure a truly safe nuclear power industry.

We also fund under this bill those atomic energy related defense activities which are vital to the defense of this Nation.

Every program in this bill is aimed not at special interest groups, nor special constituencies, but to provide the foundation for prosperity today and the infrastructure and energy for our children's prosperity and their children's prosperity.

This bill and the programs it funds looks to the future of this great Nation and works to make that future bright. I urge my colleagues to support this good bill.

Mr. BEVILL. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Mr. Chairman, I want to thank the chairman for yielding.

I take this 2 minutes to alert my colleagues to the fact that I intend to offer an amendment to this legislation to delete money and funding for the production of the MX nuclear warhead capacity that is in this bill.

I want to alert my colleagues to this amendment because I think we are in a rather unique situation with regard to this particular issue. I know that the Chairman had checked with the authorizing committee before placing this money in the legislation, but I think that the circumstances surrounding the consideration of the MX missile this year have really made some history. It seems to me that the approval that was provided in the earlier supplemental legislation, some $600 million, was, of course, for the research and development of that missile.

I happen to have disagreed with that particular decision; but under no circumstances do I believe that it is desirable at this particular point to move ahead with further funding, really the final funding, for the development of the MX warhead. In fact, I think that this is a situation where we have funding well in advance of the need for this particular warhead, so I hope that this amendment which I will offer will be debated, considered, and passed, so that we can again put the horse before the cart and provide for adequate authorization and debate with regard to the MX warhead. Certainly no one would argue, I believe, that the MX warhead is necessary from research and development, that we indeed

should flight test with live warheads; so I think that this amendment will give us an opportunity to reassert, the proper intent of Congress to fully debate this particular issue and I hope that my colleagues are now alerted to this initiative so that we can have a good debate and pass the Vento amendment and delete funds from this legislation intended for MX production line facilities.

Mr. MYERS. Mr. Chairman, I yield 3 minutes to the gentlewoman from Nebraska (Mrs. SMITH), who is also a very valuable member of this subcommittee.

Mrs. SMITH of Nebraska. Mr. Chairman, I thank the gentleman for yielding.

I strongly support this piece of legislation H.R. 3132, making energy and water appropriations for fiscal year 1984. I want to say that it is a real privilege to work with such an outstanding chairman and good friend as TOM BEVILL, with the gentleman from Indiana (Mr. MYERS), the great ranking minority member and with our top-notch staff.

I think I got on one of the best committees in the Congress in working with these folks on energy and water and agriculture.

Mr. Chairman, this bill with this energy and water funding and the appropriation bill for agriculture and related agencies together make up the most basic Federal investment in our water, our land, and our energy resources. Actually, this is only a drop in the bucket to what we should be doing to ward off natural resource crises and provide in the future that we will have adequate food, water, and energy resources.

While I support for the most part the recommendations of my subcommittee, I do oppose funding in this legislation for MX missile warhead production.

It is my best judgment that basing the MX missile in Minuteman silos—a plan that just last year was rejected by many defense experts—adds little or nothing to our strategic force.

Furthermore, I believe funding warhead production at this time is premature. Congress has not yet approved funding for the MX program for 1984.

Congress has not yet had a chance to review in detail the construction program for placing MX missiles in Minuteman silos nor has it analyzed plans for assembly of the missile. These important steps must be taken if we must go ahead with this weapons program.

On the whole, this a good bill. It provides jobs. It provides for expanded food production, flood control, navigation, hydroelectric power, recreation, wildlife habitat, and much, much more.

The water projects create wealth that produces more tax revenues for the Government for all of us, the sick, the elderly, the very young, the poor.

The Federal involvement helps local project sponsors address the pressing problems of water that face large segments of our population, especially in the semiarid West where population, is booming, but water supplies are diminishing. These programs help insure the future for all Americans.

I urge my colleagues to vote for the bill.

Mr. MYERS. Mr. Chairman, I yield 4 minutes to the gentleman from Louisiana (Mr. MOORE).

Mr. MOORE. I thank the gentleman for yielding.

Mr. Chairman, less than 2 weeks ago, the gentleman from Alabama (Mr. BEVILL), the chairman of this subcommittee, kindly assured the residents of my districts, whose homes had been inundated by the floodwaters of the Amite River in April 1983 that the process of remedy could begin in fiscal year 1983 as general investigation funds for the Corps of Engineers to get flood studies underway were included in the supplemental appropriations bill, H.R. 3069.

Today, this bill, the regular appropriations bill for fiscal year 1984, comes before the House and it appears that there are funds in it to continue the study of the Amite River in the next fiscal year.

I would like to ask the chairman of this subcommittee, the gentleman from Alabama (Mr. BEVILL) if my reading of the bill is correct.

□ 1630

On page 2 of the bill that $148,733,000 have been provided by the Corps of Engineers to initiate general investigations. On page 13 of the committee report there is indicated $350,000 of this $148,733,000 to be used for fiscal year 1984 for an investigative study by the Corps of Engineers on the Amite River and tributaries. Is that correct?

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the gentleman from Alabama.

Mr. BEVILL. The gentleman is correct.

Mr. MOORE. I would also like to ask the chairman of the subcommittee, on page 14 of the committee report there appears the sum of $1,200,000 for continuation of studies of the Pearl River Basin in Mississippi and Louisiana. Am I to understand that that is also part of this $148,733,000?

Mr. BEVILL. The gentleman is correct.

Mr. MOORE. I certainly thank the chairman of the subcommittee.

I would point out to my colleagues in the House that all of the flooding you saw in Louisiana on television back in April occurred from basically two rivers, the Amite River and the Pearl River.

We have seen now by virtue of the answers to the questions the distinguished chairman of the subcommittee has given that there are study funds in this bill to continue studies on the Amite River and to continue studies on the Pearl River. I want to thank the chairman of the subcommittee, the gentleman from Alabama (Mr. BEVILL), and thank the gentleman from Indiana (Mr. MYERS), and the members of the subcommittee of the Appropriations Committee in general, and certainly my two colleagues from Louisiana who serve on that committee, the gentlewoman from Louisiana (Mrs. BOGGS), and the gentleman from Louisiana, Mr. (LIVINGSTON), for having given the consideration that is due and needed.

The flooding that has occurred since I have been representing this district from these two rivers seems to be every other year with increasing frequency, increasing by millions and tens of millions of dollars of damage every time. I certainly think that the Corps of Engineers continuing their studies on these two river basins is absolutely essential to bringing relief to my people.

So I thank the subcommittee and the full committee for having brought forth these funds and I yield back the balance of my time.

Mr. MYERS. Mr. Chairman, we certainly have heard from the Louisiana delegation about the flooding for the entire year. The two gentlemen from Louisiana (Mr. MOORE, and Mr. LIVINGSTON), a member of the committee, have constantly reminded us of the flood problems.

Mr. Chairman, I yield 4 minutes to the gentleman from Louisiana (Mr. LIVINGSTON).

Mr. LIVINGSTON. Mr. Chairman, I rise in support of H.R. 3132, the 1984 energy and water appropriations bill. I want to compliment and thank the Chairman, Mr. BEVILL and the ranking minority member, Mr. MYERS, as well as the staff for the assistance and cooperation they always provide in meeting the needs of Louisiana, especially during these last 6 months when devastating flooding has become a common experience in Louisiana and the Southeast area of the country.

Mr. Chairman, I also want to commend my colleague LINDY BOGGS from Louisiana for her leadership on the Energy and Water Subcommittee. Without her sense of responsibility and dedication over the years, this year's flood damage in Louisiana and throughout the country would have been a lot worse.

Mr. Chairman, I support this bill chiefly for the fine work the Committee and Mr. BEVILL have done in addressing the water resource project

needs throughout this country. Of critical interest to me is the funding in this bill under the general investigations account to allow the Corps of Engineers to accelerate their flood control studies of the Pearl River Basin by 15 months. In doing so the corps will be able to present, for the first time, concrete flood control alternatives to communities in the St. Tammany Parish area of southeast Louisiana by May of next year. This is critical because certain areas of St. Tammany Parish have been hit by floods of record from the Pearl River on three occasions over the last 4 years. In the most recent flood in April, approximately 800 to 1,200 residences were flooded in the Slidell, La., area alone.

Beyond the parochial interest of my district, this bill will also fund projects designed to prevent the type of flooding we have seen occur often this year throughout this Nation. Many claim that these Corps of Engineers projects are boondoggles and not cost-effective. However, that is simply not true. The vast majority of these projects pay for themselves many times over in such things as lives saved and property damages not incurred.

For example, in our Louisiana area, estimates from the Federal Emergency Management Agency reveal that over 2,000 people have had to move to temporary housing. Most shocking are FEMA projections that nearly 16,000 individuals will be eligible for damage claims under the National Flood Insurance Program. Costs to the program in Louisiana alone will run as high as $120 million. Add this to preliminary costs for loans and damage reimbursement under other Federal emergency programs, and it is estimated that total costs due to flooding in Louisiana this year will run well over $145 million.

We have had terrible flooding in Louisiana, Mississippi, Alabama, and the entire Mississippi River Valley; and the cost for damage repair will probably be well into the billions of dollars.

The bill before us today provides just over $900 million for the Corps of Engineers for projects which can prevent these tremendous reoccurring costs to our Federal disaster assistance programs. I would ask Members on both sides of the aisle to consider these savings and vote favorably on this critical legislation.

Mr. MYERS. Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Mr. PURSELL), a very important member of the Appropriations Committee.

Mr. PURSELL. Mr. Chairman, I, too, want to congratulate the gentleman from Alabama (Mr. BEVILL) and the gentleman from Indiana (Mr. MYERS) for an outstanding energy bill, H.R. 3132.

I would like to briefly comment on the extensive studies that are being conducted on the St. Lawrence Seaway. Last week the one-billionth ton moved through the St. Lawrence Seaway. We consider the seaway a great asset to North America and our Canadian partner.

More tonnage goes through the St. Lawrence Seaway than even the Panama Canal or the Suez Canal.

I want to congratulate the committee for the consistent support of additional study money that will lead to the eventual modernization of that seaway. So, as a member of the full Appropriations Committee, I want to congratulate the committee for an outstanding bill.

As one of the whips, I understand the President has agreed to sign this bill if there are no major floor amendments to the House bill.

Mr. MYERS. Mr. Chairman, again this bill in its present form will be signed into law. I hope the members of the committee will join our subcommittee in resisting any increasing amendments that might make that vulnerable to a veto.

So I ask the Members to please help us and hold the line.

Mr. Chairman, I yield back the balance of my time.

Mr. BEVILL. Mr. Chairman, I yield 1 minute to the gentleman from Georgia (Mr. THOMAS).

Mr. THOMAS of Georgia. Mr. Chairman, it is my understanding that $200,000 for the completion of the third increment of the Brunswick, Ga., area water resources study was inadvertently not included in H.R. 3132. This is the third year of a 3-year ongoing study. The first 2 years have already been completed.

I understand that there are adequate funds available in the bill for the study. Is that correct?

Mr. BEVILL. Will the gentleman yield?

Mr. THOMAS of Georgia. I yield to the gentleman.

Mr. BEVILL. The gentleman is correct. This was an oversight that occurred in the printing of the report. Certainly we are going to work with the other body in providing these funds.

Mr. THOMAS of Georgia. I thank the gentleman.

Mr. ANTHONY. Mr. Chairman, I rise in support of H.R. 3132, the energy and water development appropriation bill of 1984. This bill is a product of the Subcommittee on Energy and Water Development chaired by our distinguished colleague, TOM BEVILL of Alabama.

The critical importance of this bill can be seen almost daily in new accounts of destruction and devastation brought on by storms and heavy rainfall of the past few months. Cities, towns, and rural communities have been inundated and serious losses of life and property have occurred in many parts of the country.

The flood control projects that have been put into place in the past have helped to limit and contain what would have been even greater damage. Other vital projects already underway will move toward completion with the passage of H.R. 3132.

In addition, this bill provides funds to improve, repair, and construct river transportation facilities critical to the Nation's economic recovery. Our inland waterways and coastal harbors play a decisive role in our ability to compete in world markets with our industrial and agricultural products. As a greater and greater portion of our gross national product will come from exports, it is vitally important to upgrade water transportation as soon as possible.

The bill includes several meritorious projects that benefit the State of Arkansas and my congressional district. The bill provides $6.8 million targeted toward emergency bank stabilization efforts on the Red River in Arkansas, Louisiana, Oklahoma, and Texas. Instability of the Red River channel has caused the tragic loss of thousands of acres of prime agricultural lands in the four States. Extensive testimony was presented by local citizens and groups which dramatized the serious consequences of continued neglect of the Red River channel.

The bill also adds $3.5 million for construction of recreational facilities at the Felsenthal National Wildlife Refuge in my district. This area contains the Felsenthal lock and dam site which has nearly been completed by the Corps of Engineers on the Ouachita River.

In conjunction with the process of land acquisition several years ago, the Corps of Engineers made commitments to local residents that recreational facilities and public access points would be established in the area. Last year, the administration reversed those commitments and announced that the Corps of Engineers would not construct the facilities.

After a great public outcry and testimony by local citizens before the Subcommittee on Energy and Water Development, I was pleased that the Committee on Appropriations added enough money to begin construction on the promised sites.

The total budget authority in the bill amounts to $14.2 billion for the Corps of Engineers, Bureau of Reclamation, and several independent agencies. This is $405 million less than the President's budget request and $330 million below the fiscal year 1983 energy and water bill.

After making initial reductions the committee also adopted a 3-percent across-the-board cut in all programs

except those functions of the Energy Department related to nuclear weapons production. Therefore, the funding levels for the Red River and Felsenthal project on the Ouachita River will necessarily be reduced by 3 percent as well.

The bill is a vital, lean, and worthwhile piece of legislation. I urge that my colleagues support it as necessary to the Nation's efforts to achieve flood control and economic development.

● Mr. COOPER. Mr. Chairman, I rise to speak on the Appalachian Regional Development Commission funds which are included in H.R. 3132, energy and water appropriations bill.

The Appalachian Regional Commission has been a dynamic Federal-State partnership serving impoverished counties in 13 States in the Appalachian region since its inception in 1965. The Commission has provided a wide range of services in the region from highway construction to health care to the more traditional funding of economic development projects. The services provided by the Commission have been indispensable in bringing the region to the point of being able to participate in our highly industrial economy.

In spite of the unchallenged contributions of the Commission, the Reagan administration has targeted it for immediate extinction in each of the last 2 fiscal years. Fortunately, the Congress has seen the value of the Commission and has continued to appropriate funds for its programs.

H.R. 3132, which we consider today, again rejects the inexplicable recommendations of the Reagan administration for an immediate cutoff of funds for the Commission and adopts instead, in large measure, the recommendations proposed by the Governors of the affected States. Though H.R. 3132 appropriates $35 million less for the highway program (assuming the appropriation of another $80 million in the fiscal year FHA appropriation) and $30 million less for the nonhighway program for fiscal year 1984 than proposed by the Governors and included in H.R. 10, I nonetheless urge its passage. The programs provided by the Commission are too valuable to be cut off at the snap of a finger.

Admittedly, I would have preferred that the funding levels urged by the Commission and included in H.R. 10 be appropriated in full, but I recognize that a half loaf is preferable to no loaf at all. I can, therefore, strongly urge the adoption of this bill.

H.R. 3132 and the funds appropriated therein for the Appalachian Regional Commission will allow for the beginning of an orderly phasing out of the programs of the Commission. For this House to do any less would constitute a grave injury to the people of my home district and to the people of the entire Appalachian region.●

● Mr. BOUCHER. Mr. Chairman, I am pleased to support passage of the Energy and Water appropriations bill for fiscal year 1984 which includes $500,000 for engineering and design work for the Haysi reservoir to be located in Dickenson County, Va.

It has been 45 years since the Haysi project was first authorized by the Congress in 1938. In the intervening years there have been several floods which have taken lives and damaged homes, property, and businesses, and each flood has left the people of our region more anxious about how much longer they will be able to endure without construction of the Haysi reservoir.

The most serious floods occurred in 1977 when damages to homes, property, and businesses exceeded $28 million in Dickenson County alone. More than $128 million in damages occurred further downstream in our neighboring State of Kentucky.

Each flood has taken its toll on private property and essential public facilities. Water systems, sewer systems, electric power generation facilities, highways, and other facilities have been repeatedly damaged or destroyed.

Notwithstanding their losses to the flood waters, however, the people of our region have not given up. Their roots are deep; their commitment is firm, and their hope is that we can fulfill the promise of 1938 and move ahead with the Haysi project.

Absent any positive action to fund the project, economic development in the region has ground to a halt. Costly flood insurance requirements have restricted growth in the town of Haysi. Businesses are reluctant to invest in new plants and equipment for fear of losing their investment to another flood like the one that devastated the area in 1977. In that flood alone, coal companies sustained losses of more than $1.5 million. The threat of another flood and the cost of flood insurance without the reservoir have complicated the severe unemployment situation in Dickenson County where the jobless rate now stands at 20.3 percent.

On April 5, 1983, I was pleased to join with Representative CARL PERKINS who represents the Kentucky district which adjoins my Virginia district in testimony before the Energy and Water Appropriations Subcommittee in support of funding for the Haysi reservoir. I commend the subcommittee and the full Appropriations Committee for honoring our request for the $500,000 appropriation. The Corps of Engineers is prepared to proceed with advanced engineering and design work, and the $500,000 appropriation contained in the measure now before the House will allow for the advancement of this project.●

● Mr. CORRADA. Mr. Chairman, I rise in support of H.R. 3132, the fiscal year 1984 appropriation bill for energy and water development.

The legislation before us today was shaped by subcommittee Chairman TOM BEVILL and his colleagues on the Appropriations Subcommittee in charge of funding for the Army Corps of Engineers and other agencies under its jurisdiction. It is another important stepping stone in maintaining a sound national policy in several critical areas, not only water resource development, but in authorizing programs of the Department of Energy, the Bureau of Reclamation, and the other independent agencies for which the subcommittee has responsibility.

In particular, I am pleased to note that the subcommittee would appropriate funds in the amount of $2.7 billion for 207 water resource projects in the planning or construction phases, including five new planning starts.

While no new construction starts are contained in the legislation, I am hopeful that the authorizing Committee on Water Resources of the House Public Works and Transportation Committee will be successful this year in providing for new water resource legislation.

However, in the interim, this subcommittee bill is important in that it continues the existing programs of the Army Corps of Engineers which have been essential in providing flood control and harbor and river projects throughout the country and in Puerto Rico.

The subcommittee recommends funds in the amount of $212,000 and $90,000 to continue two separate investigations of Army Corps projects in Puerto Rico, namely a study of La Plata River and tributaries, and a study of the Rio Grande de Loíza.

In the case of the La Plata study, there are several municipalities in Puerto Rico severely affected by flooding. These are the towns of Toa Baja, Dorado, and Toa Alta which are near this river. All of this flooding could eventually be alleviated by the construction of levees along a designed floodway, or the possibility of a dam construction. In any event, the appropriation of funds will continue a review of basic data and conditions, and accelerate a process begun in 1966 when the original study was incorporated in the cooperative study program of the Army Corps of Engineers.

The other study is equally important to the residents of Puerto Rico afflicted by flooding of the Loíza River and I am hopeful that the Army Corps officials will recognize the urgency of completing these reports.

Another provision of H.R. 3132 continues funding for Army Corps general construction projects already begun.

I am pleased to note that the subcommittee has included $25 million in funding for the Portugués-Bucaná

Rivers dam construction project in Puerto Rico as part of the subcommittee's recommended total of $918,829,000 in the House allowance for Army Corps construction projects.

This project is essential to the development of the area of Ponce, Puerto Rico, and the entire south coast.

Essentially, the project would provide standard project flood control protection to the city of Ponce, and dependable water supply of about 33.8 million gallons per day.

Two dams will be constructed, the Portugués Dam and Reservoir, and the Cerrillos Dam and Reservoir.

The river channeling and improvement projects already in place were of inestimable value in helping reduce flood damage in the city of Ponce in recent periods of heavy rain.

In addition to the obvious benefits of usual Army Corps projects, this particular project has brought an economic benefit to that area since new jobs have been created by the various construction activities.

This same provision of H.R. 3132 will continue the preliminary funding for the Ponce Harbon project, with inclusion of $25,000 to allow a continuous evaluation of this project.

Mr. Chairman, the Army Corps of Engineers in Puerto Rico has, over the years, played a prominent and remarkable role in the development of infrastructure facilities so necessary in a densely populated island.

Given our total dependence on outside shipping and transportation for the importation of goods and services to Puerto Rico, flood control and harbor development are critical to the future economic well-being of our island.

I am pleased to note that the subcommittee recognizes the continuing importance of the Army Corps, and is providing the necessary Federal assistance to keep these projects on the board and continued.

H.R. 3132 merits the support of all of us as a sound, sensible approach to continuing the Army Corps role prior to resolution of the cost sharing and user fees issues which are the responsibility of other authorizing committees.●

Mr. BEVILL. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CONSTRUCTION, GENERAL

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by States, local governments, or private groups) authorized or made eligible for selection by law (but such studies shall not constitute a commitment of the Government to construction), $908,829,000, to remain available until expended, of which $5,200,000 shall be made available for the Miami Harbor, Bayfront Park project, Florida; and, in addition, notwithstanding any other provision of law, $10,000,000, to remain available until expended, for the Yatesville Lake construction project.

AMENDMENT OFFERED BY MR. WISE

Mr. WISE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WISE: Page 2, line 25, strike out "$908,829,000" and insert in lieu thereof "$882,829,000."

Page 3, line 5, insert ", except that none of the funds appropriated under this paragraph may be used for the Stonewall Jackson Lake Project, West Virginia," before the period.

□ 1640

The CHAIRMAN. The Chair would inquire of the gentleman from West Virginia whether this is the amendment made in order by the rule and printed in the RECORD.

Mr. WISE. Yes; it is, Mr. Chairman.

The CHAIRMAN. The gentleman is recognized for 5 minutes in support of his amendment.

Mr. WISE. I thank the Chairman.

Mr. Chairman, I appreciate the opportunity to be here because finally we can have a vote up or down one way or the other on this very controversial project.

Stonewall Jackson Dam. I would like to make several points before I start and I will reiterate each in detail.

First of all, this project is in my district, please let no one be mistaken about that. It is in Lewis County, one of the counties in my district.

If you will look at the map, you will see generally what we are talking about. Down here at the bottom is the Stonewall Jackson Dam and coming up this blue line, the West Fork River, is the town of Weston in my district. You come north and you get to Clarksburg, not in my district but in an adjoining district. Then you come 200 water miles eventually to Pittsburgh.

So, first of all, the project is in my district. Second, Mr. Chairman, this project has been under great analysis, great criticism, has been analyzed by the General Accounting Office in 1981 and every one of the cost justification analyses was found wanting, greatly wanting.

Furthermore, it has been the subject of 2 days of hearings by the Committee on Government Operations Subcommittee on Energy, Environment, and Natural Resources and independent analyses all have criticized strongly the Stonewall Jackson project. It was authorized in 1965 at an estimated cost of $34 million. To date, $83 million has been spent on this project but I want to stress $83 million for land acquisition, relocation, some road repair, but not construction.

And that is what this appropriation that I seek to cut would do, would be to remove the $26 million that would start the dam to construction.

The estimated cost of the project is now $205 million. Remember, that it was originally started at $34 million.

I would like to talk about the three main elements that the Corps of Engineers justifies this dam on.

The first is flood control. That is why it was initially started. Seventy-one percent as you can see by the chart, 71 percent of the flood control benefits are between the dam and the town of Clarksburg. Most of that is in my district, although some of it is of course in the town of Clarksburg adjoining. Twenty-nine percent from Clarksburg to Fairmont; from Fairmont, probably 150 miles to Monessen one accounts for 1 percent.

But even those have been questioned by the Government for several reasons. First of all it is not shown on this map but between the town of Weston and the dam you have at least three large tributaries that feed into the West Fork River, three tributaries that you are not controlling the flooding on, three tributaries that could benefit from watershed dams instead of no dam at all.

Furthermore, the Government when it was looking at the analysis done by the Corps of Engineers concluded they were not realistic in their projection of damages because they did not look at what the cost actually was; they projected what it might be.

The nature of flooding in this area is slow-rising floods. I believe we need flood control for Weston, but it must be alternate, cheaper methods like watersheds, floodwalls, and diversion.

Finally, the corps never permitted a study to be made of alternative watersheds such as proposed by the West Virginia Commission on Agriculture which would make a cost of something like $17 million instead of $205 million.

Once again, remember that flood control, which is why they say we need this dam, flood control only constitutes 28 percent of the cost justification of this dam. They could not build it in other words to control floods, because there is no cost justification. Twenty-eight percent.

That brings us now to the second reason that this dam is justified and that is water quality—pollution control, they say. Fifty-one percent of this dam's justification corresponding to the Corps of Engineers is for pollution control. How is it going to work? Low-flow augmentation, what is better known as pollution-dilution; you store a lot of water, at certain times you let it out. That dilutes the water downstream, that is the way it is supposed to go.

The only problem is that since 1972 EPA has not recognized this as a valid

means of pollution control for this type of pollution problem.

Instead, we are to be concentrating and we have been concentrating on source point control. In other words, you build sewer plants to control it at the source. You clean up acid mine drainage at the source, you enforce timbering regulations so you control it at the source and you do not let it get into the reservoir. I might add a much larger dam, Rowlesburg, here much closer to Pittsburgh in Pennsylvania and was cancelled because its only cost justification was water quality and that no longer flew. And unfortunately they did not reach the Stonewall.

Finally, recreation is the third reason this dam is justified. Approximately 15 percent of the cost justification is based on recreation. What did the Government say about this analysis, that the Corps of Engineers had been "Gross and imprecise is their analysis of it."

How did they decide the revenue and how many people would be coming to the Stonewall Jackson Dam in Lewis, W. Va.?

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. WISE was allowed to proceed for 5 additional minutes.)

Mr. WISE. How did they arrive at this, to decide what the figures would be? Well, they looked at a reservoir in California and they looked at one in Kansas and incidentally those two dams only had flood control as their other purpose. From that, they decided that the Stonewall Jackson Dam would have a certain kind of attendance. Did they look at the four reservoirs, four lakes, three of which are in my district that are within 75 miles, 100 miles driving area? No; they did not. They did not look at the Burnsville Reservoir, the Summerville Reservoir, the Sutton Reservoir where attendance has been dropping. They did not look at the Tygart Lake. It is Minnesota that is a land of 10,000 lakes, not West Virginia. And the last thing we need is another one for an ill-conceived purpose.

Finally, remember that you are asking the State of West Virginia to put up something like $25 million over 50 years for the recreational area; also asking it to pay $1 million a year in operation and maintenance costs. This comes from a State that has a $92 million deficit this year.

Finally, let me say that the West Virginia Senate, which I was a member of at the time, has gone on record urging that the recreation allotment coming from the State legislature not be given. So, I think it will be a hard time to get that money from the State.

Water supply they say for economic development, 80 percent of that water supply was to go to Clarksburg. Clarksburg says they do not want the water supply and it has not entered into the water supply agreement, leaving only Weston left.

Therefore, water supply is not valid.

Let us talk about jobs, let us talk about those jobs. The estimates run from 300 to 500 temporary jobs created for construction. At a $200 million project, that averages out to $700,000 a job. I want jobs in West Virginia, I worked for the jobs bills, I worked for the targeting amendment, I worked for jobs in West Virginia. This is not jobs, this is unrealistic. Why is it that the United Mine Workers oppose this bill? Because they know it is going to cost jobs when you cover up coal seams.

Why is it the American Farm Bureau opposes this dam? Because they know you are taking valuable agricultural land.

Why is it the West Virginia Legislature, State senate opposed it? For the same reasons.

Finally, let me say that there is legislation coming behind this to deauthorize the Stonewall Jackson Dam. I have introduced that. What it would do is to direct that first of all the land that has been taken be offered back to the original landowners at the price that was paid; second, that an immediate study be made of alternative systems of flood control because we do need flood control and we could finally get some sensible water policy.

Let me say, Members of Congress, let us look at this dam realistically: Temporary jobs, it does not control flooding, it is outdated water pollution control, no longer approved. If you are serious about cutting the deficits, if you are serious about real water projects, I urge you to vote for my amendment and against the dam.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. WISE. I yield to the gentleman.

Mr. EDGAR. I thank the gentleman for yielding.

I wonder if the gentleman could repeat something that I thought he said. Did the gentleman indicate that only 1 percent of the total impact, impacts on the area south of Morgantown?

Mr. WISE. Actually you can start at Fairmont, which is 15, 20 miles by air south of Morgantown and only 1 percent of the flood control benefits go up as far as Monessen.

Once again there is a questionable flood control benefit for the area as a whole.

The water quality benefits, for whatever they are, stop at Fairmont. I have heard a lot of talk about how this is going to benefit Pennsylvania and I know the Pennsylvania delegation's interest. Quite frankly, I do not see how. Pittsburgh is 200 river miles away from the Stonewall Jackson Dam.

Mr. EDGAR. I thank the gentleman for his comments. I offered the amendment that the gentleman is offering several years ago. I studied this project as carefully as I could and I really asked a lot of the supporters of the project to try to bring to my attention the documentation and the impact on Pennsylvania that some were alleging, and I think the gentleman's chart is well taken, because I just simply could not find the water quality impact, the impact in terms of flood control, the impact in terms of recreation, all of the things that were justifying the Stonewall Jackson Dam in West Virginia, having literally any impact on Pennsylvania.

□ 1650

I just wondered if the gentleman knew of any study that indicated that there was more than that minimal 1 percent flood control out of a total project that impacts on the State of Pennsylvania.

Mr. WISE. No, sir, the irony that the Rowlesburg Dam which was canceled at 571,000 acre feet as opposed to the 40,000 acre feet.

The CHAIRMAN. The time of the gentleman from West Virginia (Mr. WISE) has expired.

(At the request of Mr. EDGAR and by unanimous consent, Mr. WISE was allowed to proceed for 5 additional minutes.)

Mr. WISE. In speaking of the Rowlesburg Dam which was canceled in around 1975, 1976, it was sometimes like eight times the size of the Stonewall Jackson Dam. The Rowlesburg Dam would have dammed the Tygart River below Morgantown and its purpose also was water quality pollution control particularly to benefit Pittsburgh, but it was canceled and the reason was that EPA would no longer approve that form of pollution dilution. Also because Pittsburgh and areas south were engaging in source point control.

Therefore if there were a dam that would have helped the Pennsylvania area it would have been Rowlesburg, and Rowlesburg is no longer on the map. As I say what particularly confuses me is that the Stonewall Jackson Dam is 13 percent the size of the Rowlesburg Dam, that is the one that some people seem to be such advocates for and yet the big dam, the one that would have made the difference, maybe, was canceled.

Mr. EDGAR. Could the gentleman also indicate what is the total cost of construction of the Stonewall Jackson Dam.

Mr. WISE. The total Federal cost is estimated now at $205 million. It was originally estimated at $34 million when authorized in 1965. There is an additional $10 million from non-Federal sources. The State government is

expected to come up with something between $10 and $20 million for capital improvements in the recreation area paid back over a 50-year period.

Mr. EDGAR. But the gentleman indicated that the State of West Virginia is a poor State and that its State senate at least had some problems with coming up with the State share.

Mr. WISE. Well, the State senate recommended that we not enter into the recreation agreement that did not pass the House of Delegates, but as I say, when that authorization comes to the State senate in a couple of years, I think it will be very hard to get that money.

In January of this year, the Governor reported a $92 million deficit. Great budget cuts were made. In fact, the legislature—while we are talking about jobs—enacted a couple of days ago a $21 million jobs package, an average cost of $3,000 to $4,000 per job. Here we are proposing a project, the tag on the job is something between $400,000 and $700,000 a job.

Mr. EDGAR. When the people in the gentleman's district want to go fishing and swimming, are they going to be deprived if we delete this project from the process?

Mr. WISE. Not in any way. They can go to Braxton County, which is immediately joining where they have both the Sutton Dam and the Burnsville Dam. They can go to Summersville. They can go to Tygart Lake. We have some beautiful fishing in recreation areas. The irony is that we are going to be taking land that is presently used for hunting and now by flooding it we are turning it into fishing. So I guess we just substitute deer for fish.

Mr. EDGAR. I want to ask one final question about nonstructural alternative. Is there any evidence that the corps or anyone in studying this project really carefully looked at the nonstructural alternatives that might be used to prevent some of the flood damage and alleviate the large Federal expense in building this dam?

Mr. WISE. The General Accounting Office found there was absolutely no evidence of looking at nonstructural alternatives, nor did they consider in a serious vein watersheds, nor is there a flood wall incidentally in the city of Weston. So some of these things that could have been cheaper were never looked at or seriously considered.

Mr. EDGAR. I think the gentleman has clarified a number of the questions that people have been asking me over the last couple of years. There are a number of us here in the House who have been frustrated with the amount of Federal dollars being spent.

I guess the gentleman is aware that this fiscal year we are estimating that our budget deficit will be in the neighborhood of $225 billion. Here is just a little small piece of that being expended in the gentleman's district and the gentleman stands here as someone who is very articulate, asking that we not spend the money.

I am reminded about 8½ years ago when I took the well for the first time and had a shopping list of projects that I thought were wasteful. One of them happened to be in the State of Missouri and the gentleman whose district it was in stood up and said:

> What does a minister from Pennsylvania have to do with a project that is in Missouri. He does not know anything about the project and the real crux of it ought to be that the person whose district it is ought to have the last say.

And I thought to myself, well, I do not quite agree because my constituents have to come up with the money for that project in that gentleman's district, but here I am struck with a very interesting thing where both are merging, both my taxpayers have to pay for a project that does not make sense, both logically and physically, and yet, also, added to that, the gentleman whose district the primary project is in says that he does not want the project for the kind of negative impact it would have on the community.

I think the best thing we could do today would be to support the gentleman's amendment, make sure that this project is deleted, spend those limited dollars on other things or save them to alleviate the deficit.

I thank the gentleman for his comments.

Mr. GAYDOS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

(By unanimous consent, Mr. GAYDOS was allowed to proceed for an additional 10 minutes.)

Mr. GAYDOS. Mr. Chairman, the reason I ask for the additional 10 minutes is that my colleague asked for it and I think that I need the time to respond to his arguments.

Let me set the scenario, if I may. Back in 1965 this was authorized. In 1967 the first authorization was accepted and they started spending money around 1971 in building this dam.

In the meantime it has been told to me by members of the staff that we are talking about a completion with this authorization of expenditure, roughly over 50 percent, give or take a few percentage points.

Now I am trying to bring a semblance of order because my colleague, and I have deep respect for him, talked so fast he lost me on many of those percentages on the chart. So I am trying to put in logical sequence what we are talking about. We are talking about this dam located in the State of West Virginia and here a fellow from the Pittsburgh area is getting up and he is questioning whether or not this dam should or should not be continued.

And apparently after all these years, something like 16, 17 years, this body has been spending substantial money on this dam. And again the staff tells me that with this expenditure, roughly $100 million, will have been spent.

Again I respect—I mean this sincerely—a new Member coming to this House. I compliment him, but he has to show some good reason and restraint. You do not just come to the House upset everything we have done over the years. I could not do that when I came. In fact, this project, when I came had just been authorized around 1967 or 1968.

Are we supposed to change with every Member who comes in because he has some political problem back home?

My good friend tells me that up around the Monessen area where I am from, and in Pittsburgh, there is no effect from this dam. That is not true. The floods are absolutely devastating. We have all kinds of fabricating plants located along that Mon Valley. We are talking about 2½ million people and every municipality drags water out of that Mon River. That is what that dam means to that area. We should not be provincial.

Now if this were a new project and my good friend were elected, I would probably even have a tendency to side with him, to give his arguments credence and to sympathize with him, and yes, maybe even give him support, and stand up here and say, "Listen, it is his district and when it is for a man's district he has a right to expect support from his colleagues. He is closer to the people, he should know."

But that is not the case here. I want to emphasize that. His predecessor, Harley Staggers, who all of us respected, whose son is now in this House, got up and told my good friend and minister from Philadelphia, Mr. EDGAR, very exuberantly, and I think sincerely, "What's a minister from Philadelphia sticking his nose in up here and trying to solve a West Virginia problem?" Remember that?

□ 1700

He did not say it maliciously. He said it because he felt it down deep in his heart.

All of the manufacturing plants, all of the activities in that area, all depend primarily on water. The steel industries are in great chaos today. The steel industries cannot use the water from the Mon River on certain times during the summer because the water flow is so depleted that they cannot cool the furnaces. You have to have at least 80-degree water temperature. If it gets any higher than that, you have to take it up into cooling tanks. You suck it out of the river, and

take it up to the cooling tanks. Then you use it as a cooling fluid. We cannot do that for half of the summer. Why can we not do it? Because the water flow is too low.

Let me tell you something. Commonsense, you do not have to be an engineer—my colleague is not an engineer—commonsense tells you that if you have more water flow you will have a cleaner flow, and if people drag out that water and put it into the filtration plants, you are going to have better water quality. I would like to take him around my district sometime and see some of the overflows and some of the misery, fundamental misery, caused from people who are flooded almost routinely every 2 to 3 years.

I just wanted to make some of these points so that my colleagues will take a look at this with the proper perspective. The news all weekend has been little more than coverage of the enormous damage caused by flooding in the western section of our country. Some of the prior speakers have alluded to it. Yet, we are debating a proposal here today to eliminate vital flood control from a district over here that affects so many people. Granted, where the dam is located—I did not decide where it was going to be located—there are not many people. It is more farmland. Yes, there is some coal that is going to be lost. But remember, there are 2½ to 3 million people all the way down across the border.

I did not make the rules, I did not set out the line dividing the State of West Virginia from Pennsylvania. I think it was William Penn or somebody. They set it up; I did not. The fact remains a lot of people down there, yes, a lot more people are going to be interfered with. My young colleague referred to fishing and hunting rights. I can take you fishing and hunting in the whole State of West Virginia, and if they do not have enough places, come to Pennsylvania. We will give you all kinds of fishing and hunting rights. Come there if you get a little crowded.

When we debate this subject today, we are looking at something over here that is going to create work in its building, work in West Virginia, not Pennsylvania, Ohio, West Virginia. When you build a dam, it is logical to deduce that you are going to have work, you are going to be pouring concrete, you are going to be putting steel in there, you are going to have labor, your technicians, your engineers, everybody and everything. And you are going to make work in a State that has the highest unemployment of all 50 States, West Virginia. It is even higher than Michigan now. That is where you are going to make your work.

Now, this dam will have an economic impact on persons other than West Virginians. I think I have made an attempt to try to demonstrate that. In this body we are supposed to represent the will of the people. We are considering deletion of a project that is desperately wanted and needed by the city closest to it and by the county in which it is contained. You know, the truth of the matter—and I do not like to get into the political aspect—but this very county voted 60 to 40 percent on the other side of this issue, because my good friend and colleague made this an issue in the last campaign. Now, that is neither good nor bad, but it does indicate to me that nobody, but nobody can make the statement that this project as it now is, to the extent that it is completed, is one that is not wanted by the people. You are going to hear from other Members of the West Virginia delegation who are going to refute that argument, but the people in this county, the majority, by far the majority, want that dam in that county. It is badly needed and desperately needed and wanted by the localities because of the work situation.

The importance of the Stonewall Jackson Dam reaches all the way downstream to western Pennsylvania and the cities I pointed out.

It would be extremely unwise, I say to my colleague (Mr. WISE), to let anyone, including him, convince you this is a local issue. It is not a local issue; it never has been a local issue. In fact, the original authorization was not a local issue.

As I understand it from my colleagues who were here at the time, they had a lot of help and assistance from the people of Pittsburgh and in Pennsylvania and in Ohio, as far as authorizing this dam in the first instance. The dam is a planned part of the inland navigation system of the United States, the inland water system of the United States, not of West Virginia. And it is important to the navigational flow on the Ohio River and the Mon River and the system within the United States which carries the lifeblood of Pittsburgh and western Pennsylvania. This system each year moves enormous quantities of agricultural goods, raw materials, finished products; you name it, they move it.

Stonewall Jackson Dam was designed to make it function better than it ever has. An important purpose of this dam is to make that system, that inland water system, work and make it a reliable downstream transportation system. There are 2.3 million people downstream from the Stonewall Jackson Dam, around the industrial city of Pittsburgh. I am not talking about the Mon Valley and the city on the chart which indicated the city of Monessen. In and around that city, industrial jobs involve over half a million people. The benefits on local flood control and low water augmentation and in setting aside as an asset an economic ace, we can do that and play that. I have talked about that.

As far as flood control, which my colleague mentioned, when heavy rains cause flooding in West Virginia, we are not long feeling it in Braddock, Pittsburgh, McKeesport, and Monessen. A swollen river obviously does not recognize congressional district lines nor State boundaries. The dam will protect billions of dollars worth of downstream industry and housing outside of West Virginia and, yes, in West Virginia.

As far as low water, at times of low water the communities downstream are at risk for water for their home or hospitals, their electric power, their industries, et cetera. With a dam, these communities are assured water, and the river transportation system works efficiently and effectively.

As for that economic ace, the assets we are talking about, nothing is going to be in shorter supply in the future than water for any kind of use, whether it is used for drinking, industrial purposes, or whatever. It will be one of the resources—everybody knows it—of greatest demand and of greatest shortage in the near future. Without adequate water, there is little hope of developing industry for population centers anywhere. If any region needs development, it is this one.

So let me conclude by saying this, and then I will yield to the gentleman: I would ask my colleagues, first, to look at this whole project logically, hopefully fairly, fairly in support of my colleague. He does represent the district. But look at it fairly and equitably as to the history, how much was spent. How can we justify to our colleagues and to the taxpayers an abrupt ending and say all that money is down the drain, do not build a dam? It just does not seem logical.

I want to conclude by saying that it is needed desperately. I did not make the rules in this House. None of us have individually. But all of us know what you do in one State affects another State—acid rain, any of those things. It is just logical and just commonsense. The technicians and the engineers and the professionals have concluded originally this dam was necessary. It has progressed reasonably, it has progressed, I hope, economically. The expenditure has taken place in 16 years. So how can you argue against it?

So keeping those things in their proper and logical sequence and place, I ask my colleagues: Give this sincere and fundamental thought, conclude that we have to be a nation that is going to make decisions for the better part of the Nation.

I now yield to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. I thank the gentleman for yielding. I was glad that the gen-

tleman stressed the interstate nature of it, because I hope that may have been the answer to the question of why a minister from near Philadelphia was involved. I think Philadelphia is still part of Pennsylvania and the United States. So presumably if it is a national issue, the gentleman from Pennsylvania was OK, to begin with.

But the one question that I wanted to ask my friend from Pennsylvania is this: He stressed that this authorization, having proceeded for a number of years, we have really no justification in stopping it.

What disturbs me there is the notion that, while we, I think, argue that we are authorizing these and appropriating for them on a year-by-year basis, the implication of what the gentleman is saying is that, once we have done it, we have done it forever.

Why pretend? Why not make this a permanent appropriation?

I had thought that the reason for annually appropriating and authorizing here was precisely so that we could say at some point we want to stop it.

The implication of what the gentleman is saying seems to be to say that once we have voted for one of these things, we are really stuck with it, barring some absolute cataclysm.

□ 1710

Mr. GAYDOS. Let me respond to my friend before my time is gone.

Mr. Speaker, I think the gentleman makes a good point. I would be the first one to respond unequivocally to him, that if he feels in his heart after analyzing these facts which I have placed before this body, that this project should stop right here, then that is how the gentleman should vote, and every one of our colleagues should also.

I put these facts before my colleagues trying to show reasonably, logically, through proper scenario development what has occurred that this is not the time to stop this project. That is the position I take.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. GAYDOS) has expired.

(By unanimous consent, Mr. GAYDOS was allowed to proceed for 1 additional minute.)

Mr. GAYDOS. I do not advocate that approach to anybody. I am just trying to appeal to reason, logic, and commonsense.

Mr. FRANK. If the gentleman will yield further, I thank the gentleman for permission to vote against the appropriation.

Mr. GAYDOS. The gentleman is welcome. I hope he does not prevail.

Mr. FRANK. I did think there was an implication that this has not been appropriated in the past and we should not do it again, and I am glad that has been rescinded.

Mr. GAYDOS. The gentleman makes a good point.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. GAYDOS. I yield to the gentleman from Iowa.

Mr. BEDELL. I thank the gentleman for yielding.

Mr. Chairman, I take the microphone because I think the gentleman would want to correct what at least I gained as an impression from his talk. The gentleman does not believe that it is improper for a freshman, surely, to come in as a new Member and challenge something that he believes is wrong, does the gentleman?

Mr. GAYDOS. No. If I left that impression, I retract it and I apologize for it. I am saying that it is usually the case when a freshman comes in, with all of the affirmative aspects of his new position, that he skips over the facts very lightly. He gets down to what he wants to prevail.

That is what I am saying. That is the only reason. I have great respect for my freshman colleague.

Mr. BEDELL. I guess the gentleman from Iowa would feel that we would welcome freshmen who come in to participate in this process, just the same as any who have been here for a longer period of time.

Mr. GAYDOS. There is no question about it. I was a freshman myself, and all of us were, and I do respect my colleague.

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from West Virginia to cut $26 million in funding for the Stonewall Jackson Dam. I congratulate him for his courage and for his willingness, as a freshman, to take on this issue.

Mr. Chairman, I think that this project gives Stonewall Jackson a very bad name. After all, Stonewall Jackson was a great soldier. He was an outstanding general. I believe that if old Stonewall knew that his name had been attached to this boondoggle, he would be turning over in his grave.

I hope we kill this project. But in any case, I hope we rename it after General McClelland, who was removed from his duty, or for somebody else. But let us not profane Stonewall Jackson, who was a great man, a great soldier, and one for whom I had great admiration.

This has been one of the most controversial projects around, ever since it was authorized in 1976 at a cost of $34.5 million. The cost estimate is now up to $205 million in Federal funds, and who knows where it will be when we finish.

The lake to be created by this dam will flood almost 20,000 acres of West Virginia farmland and displace about 1,800 people. Of course that just includes the living—it will also be necessary to relocate approximately 40 cemeteries.

The biggest problem with this project is that it will not work. The best argument for the dam is that it will provide flood control. But in fact, only 30 percent of the project cost can be justified on this basis, and the dam would not even contain tributaries that would flood the city of Weston below the damsite. As a flood control project, the Stonewall Jackson Dam is a flop.

The other benefit touted by proponents of the project is the improvement of water quality. Again, this is an argument of dubious merit. Water quality is supposed to be improved because the dammed up river can be used for pollution dilution. This method of dealing with pollution has been overtaken by other technology, and in fact it is likely that only slight water quality improvement would result in any case. Nevertheless, the corps' benefit/cost analysis continues to assume that this benefit would be substantial.

Mr. Chairman, once the flood control benefits for this project are accurately evaluated, and once the water quality benefits are accurately accounted for, and once the recreational benefits are properly valued, and once a realistic discount rate is used, this project comes up with a benefit cost ratio significantly below one—in fact, below 0.5. Frankly, Mr. Chairman, this project is an embarrassment to the Congress, and I urge the adoption of this amendment.

I have spoken against this project many times. I think it is one of the most controversial projects around, ever since it was authorized way back in 1976. The gentleman from Pennsylvania said they spent $100 million. It was authorized at $34.5 million and now the cost estimates are up to $205 million in Federal funds, and who knows where it will be when we finish this dam.

The lake to be created by this dam will flood about 20,000 acres in West Virginia farmland. It will displace about 1,800 live people. I mention that. Live people. It also will dislocate a lot of people who have been resting underneath the ground. They will have to dig up about 40 cemeteries in order to build this dam.

The biggest problem with this project is that it will not work. The best argument for the dam is that it will provide flood control. But, in fact, only 30 percent of the project cost can be justified on this basis, and the dam would not even contain tributaries that would flood the city of Weston below the damsite. As a flood control

project, the so-called Stonewall Jackson Dam is a flop.

The other benefit touted by the proponents of the project is the improvement of water quality. Again, this is an argument of dubious merit. Water quality is supposed to be improved because a dam upriver can be used for pollution dilution. This method of dealing with pollution was outlawed by the Congress in 1972 and, in fact, it is likely that only a slight water quality improvement would result, in any case.

Nevertheless, the corps' benefit-cost analysis continues to assume that this benefit would be substantial. Mr. Chairman, once the flood control benefits of this project are accurately evaluated, once the water quality benefits are accurately accounted for, once the recreational benefits are properly valued, and once a realistic discount rate is used, this project—listen to this; you will not believe it—this project comes up with a benefit-cost ratio significantly below 1; in fact, below 0.5.

Frankly, Mr. Chairman, this project is an embarrassment. It is an embarrassment to this House, and I urge the adoption of this amendment.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. I thank the gentleman for yielding.

Mr. Chairman, the previous speaker asked that all of us who are in opposition to this particular project look at the project fairly and look at the facts. I want to commend the gentleman in the well for laying out some facts. The gentleman in the well is not a freshman. The gentleman in the well is a member of the Committee on Appropriations. The gentleman in the well has looked at many projects. We have talked together about Garrison diverson and about Tennessee Tombigbee Waterways and about Clinch River breeder reactors, and other projects, and the gentleman has a reputation in the House of looking at all of the projects as fairly as he can and weighing the value of the good projects and the negative aspects of the bad projects.

I wonder if the gentleman in the well might speak to the question that was raised by the previous speaker that looking at the project fairly, have we not looked at it fairly? Have we not analyzed it fairly? And ought this project not be deleted from this process because of the fair analysis of the facts?

Mr. CONTE. By all means. This action was not taken lightly. I have stood in the well of this House a number of times to speak against this particular project. It is a bad project.

Now, if we want to talk about having a dam that is going to keep water levels up during the summer dry spells, there may be alternative proposals that type Army Corps of Engineers, or local chambers of commerce, or business groups, or others could study.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. CONTE) has expired.

(On request of Mr. EDGAR and by unanimous consent, Mr. CONTE was allowed to proceed for 3 additional minutes.)

Mr. CONTE. But we cannot justify this project, not on a cost-benefit-ratio basis. That is scandalous. In the 25 years I have been on the Appropriations Committee, I have not seen such a low ratio.

Mr. EDGAR. I thank the gentleman.

Mr. BONIOR of Michigan. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Michigan.

Mr. BONIOR of Michigan. I thank the gentleman for yielding.

Mr. Chairman, I just want to commend my colleague from Massachusetts and my colleague from West Virginia for offering the amendment.

I have watched this particular project in the 7 years that I have been here and I agree with my colleague from Massachusetts that its cost-benefit ratio does not warrant its continuation. I hope the House will support his position.

Mr. MOLLOHAN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from West Virginia.

Mr. MOLLOHAN. I thank the gentleman for yielding.

Mr. Chairman, I am curious about where the gentleman gets this cost-benefit ratio, and he might explain that to me. It is my understanding that the cost-benefit ratio for 1982 is estimated to be 1.53 to 1. The gentleman might explain his computation.

Mr. CONTE. I said that one of the arguments that the corps used was that the water quality was going to be improved. That is called pollution dilution. This method of dealing with pollution was superseded back in 1972, so there is no way, that you should factor that in.

Mr. MOLLOHAN. If the gentleman will yield further, then he is achieving that figure by taking out that criteria because he feels that the EPA does not allow achievement of water quality by that process any longer; is that correct?

Mr. CONTE. And I also believe, besides that, that once the recreational benefits are properly valued, and they are currently not, that we get down to a lower figure.

□ 1720

Mr. MOLLOHAN. Is the gentleman aware of the fact that the EPA has approved this project and the water-quality cost-benefit computation for this project on that basis, by achieving water quality by that basis?

Mr. CONTE. But I do not believe the Corps of Engineers should factor that in to reach their ratio.

Mr. MOLLOHAN. Is the gentleman aware that the EPA has approved doing that?

Mr. CONTE. Well, if EPA has approved it then it should not have. If that was the case, we would be building dams all over the United States.

Mr. MOLLOHAN. Well, indeed, we are. The question I am asking is——

Mr. CONTE. That is only one factor.

Mr. MOLLOHAN. Right, but the figure the gentleman has quoted is not a figure that the Corps of Engineers has come up with; is that right?

Mr. CONTE. I believe the corps total ratio is 0.94.

Mr. MOLLOHAN. Is the gentleman aware that figure is 1.5 to 1, the corps computation?

Mr. CONTE. That is the remaining cost/benefit ratio. The total ratio is less than 1.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

(At the request of Mr. WISE, and by unanimous consent, Mr. CONTE was allowed to proceed for 2 additional minutes.)

Mr. WISE. Mr. Chairman, will the gentleman yield?

Mr. CONTE. Yes, I am glad to yield.

Mr. WISE. Perhaps I might help out there. The Army Corps of Engineers, of course, on the total cost-benefit ratio, or even using the water-quality ratio, came out in hearings in April 1982, I know that the gentleman is aware, that the ratio is 0.94 to 1 total benefit ratio. That is the corps figures and that is including water quality.

I think the gentleman might also know that in terms of EPA, the EPA did raise strong objections to this. They never approved the water-quality pollution-control system used by the dam. What they did approve was the 404 permit, to permit dredging and sedimentation.

This dam got grandfathered is what happened. We cannot stop it, based on the fact that it is an illegal form of water-pollution control.

The EPA never approved the system but rather, the EPA approved the 404 permit.

I would like to add that when the corps testified in front of the House Government Operations Subcommittee in December 1981, they stated categorically that the EPA had never reviewed the water-quality benefits.

I thank the gentleman.

Mr. MOLLOHAN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from West Virginia.

Mr. MOLLOHAN. I think it is crucially important here to make a distinction. The EPA does not challenge that the water-quality benefit will be achieved by this process, by the pollution-dilution process.

What the EPA does now is not to approve achievement of water quality by this process. There is a distinction there; not that the water quality will not be achieved, it will be achieved. It went into effect at a time before the EPA standards and their particular way of achieving compliance were put into effect.

The point is that the water quality will be achieved. It may not be a process which EPA would now approve, but it was a process that EPA previously did not object to, and the EPA does approve the project, the water-quality project; and therefore the cost-benefit ratio which the gentleman has cited, which the gentleman has taken out, the water-quality benefit, I would submit is erroneous in this instance.

Mr. CONTE. Well, if you put the water quality in, you still come out to only 0.94. I still say that is unjustifiable.

Mr. MOLLOHAN. Mr. Chairman, I move to strike the requisite number of words.

I rise in opposition to the amendment.

Mr. Chairman, as a freshman here today I rise in opposition to this amendment.

We are experiencing another charge, one in a series of many, against the Stonewall Jackson Dam. The Stonewall Jackson Dam project is located along the West Fork River in Lewis County, W. Va. That is a county immediately under and up against the underside of my congressional district. The dam will be built in Brownsville, 3 miles upstream from Weston and 75 miles upstream from Fairmont, my hometown, where the West Fork River joins the Tygart River to form the Monongahela River. Flowing northward, this waterway reaches throughout western Pennsylvania into Pittsburgh and on into the Ohio River.

This project splits the heart and the middle of northern West Virginia and affects my district. It flows north into my district and not south down into the other districts of West Virginia and it vitally affects my district.

The authorized benefits, flood protection, water quality, and water supply, are wide ranging and will serve a 102 square mile drainage area.

It is well documented, the benefits of the Stonewall Jackson Dam will be significant.

First and more graphically, the Stonewall Jackson Dam and only the Stonewall Jackson Dam will provide flood protection to the city of Weston in Lewis County and also downstream, the West Fork River, throughout my congressional district, protecting such cities as Clarksburg, Shinnston, Enterprise, Gypsy, Worthington, Monongah, and White Rock, just south of my hometown in Fairmont.

To give you some idea of the need for this flood protection, the city of Weston has been flooded 50 times in the last 50 years and 15 times in last 17 years this project was initially authorized.

This flooding is often carried right down the river, right down the West Fork and into the communities that I have previously named in my district.

Surprisingly, the project's flood control benefits reach far beyond the convergence of the West Fork and the Tygart and carry the length of the Monongahela River into the Ohio.

I have been advised by the Corps of Engineers that if the Stonewall Jackson Lake and Dam project had been built in 1967 when floodwaters came 5 feet above the 17 foot flood stage, significant damages which did occur could have been prevented.

For instance, the Weston-Clarksburg area would have had a $6.7 million less flood damage than these north central communities experienced.

Downstream near Fairmont and Morgantown, going out of my district into the Second Congressional District of West Virginia, another half a million dollars in flood damage would have been prevented if the dam would have been in place.

At the West Virginia-Pennsylvania border, $600,000 is estimated by the corps to have saved in damages if the dam had been built and as far away as Pittsburgh the corps estimates that thousands of dollars in flood damages from high waters could have been prevented, which simply underscores and confirms the argument of my good colleague preceding me.

This example illustrates the tremendous flood protection benefits of Stonewall over a wide area.

Water quality benefits: The West Fork River is subject to pollution and this problem is complicated by low water levels in the summer and fall months. Stonewall Jackson is designed with two water quality control sluice gates, with one located in each abutment adjacent to the spillway section and discharging into the spillway basin will also be provided.

The U.S. Environmental Protection Agency has repeatedly reviewed and endorsed the Stonewall Jackson water quality benefits. In 1979, the corps determined, with EPA approval, that the Stonewall Jackson Lake and Dam is the most practical and economic means available to alleviate water quality problems in the West Fork River basin and downstream. Let me repeat it, that the dam is the most practial and economic means available to alleviate water quality problems in the West Fork and downstream.

Also, a recent comprehensive review of water quality in the West Fork River basin by the Ohio River Basin Commission found Stonewall Jackson to be essential to the overall needs of the Monongahela River basin and particularly to the West Fork River.

As a matter of fact, this commission recommended Stonewall as the No. 1 priority for implementation.

EPA was an active member of that commission.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

(By unanimous consent, Mr. MOLLOHAN was allowed to proceed for 5 additional minutes.)

Mr. MOLLOHAN. Mr. Chairman, the EPA was an active commission member in this study and provided review and approved the plan.

Water quality benefits for Stonewall will go far beyond the West Fork River. They will innure to our Pennsylvania neighbors to the north.

Much of the water quality problems in the West Fork and the Monongahela and the Upper Ohio Valley Rivers is due to high acidity from acid mine drainage. Many of these mines are abandoned or in the hands of those who do not have the financial capability to abate the problem at its source.

At very low river stages, acid concentration is greater than at normal high flow levels.

While the ultimate goal of controlling pollution at its source is very laudable and while it may be the way approved by EPA at this time, from a practical standpoint it will be many, many years and require many, many Federal dollars before the problem can be addressed at the pollution source in our part of the country.

The Stonewall Jackson Dam is on line. It is ready to be built. We have spent tremendous amounts on it and it will address this problem right now and it is a serious impediment to industrial development.

In the meantime, acid reduction and other improvements to water quality will be crucially important in reducing erosion damages to public and private navigational equipment and facilities.

Water supply benefits, may I mention those, are of tremendous importance to our area. The importance of an adequate water supply for the area throughout the length of the West Fork cannot be overemphasized.

Mr. Richard Welch, president of the Clarksburg Water Board, located in neighboring Harrison County, my congressional district, wrote last year:

I cannot impress upon you too greatly the importance of this project to the entire West Fork River Valley and the Monongahela River system from Weston, West Virginia, to Pittsburgh, Pennsylvania, as it relates to low stream flow augmentation, to

guarantee flow and water quality enhancement in the lower valley.

□ 1730

He adds:

We are currently in the design stages for a water system improvement program with design 85 percent complete for a new 12.5 million gallon per day water treatment plant which will be completely dependent upon the West Fork River for its raw water supply.

Governor Rockefeller, Mr. Chairman, recognized the tremendous benfits to be derived from this dam when in 1977 he signed the agreement allowing the Corps of Engineers to proceed with the project. At that time he said, and I quote:

It is now clear that the construction of the dam is crucial to the industrial expansion of Lewis County and north central West Virginia.

The Governor has reaffirmed how important this project is to my part of the State and my congressional district in a telegram to me on May 27 of this year in which he said,

The Stonewall Jackson Dam project is totally supported by my administration. The potential for downstream development and resultant economic gains, as well as reduction of flood losses, are significant benefits.

He went further and said,

The recreational potential of the planned State park associated with this project are among the highest of any in the State of West Virginia.

And recreation is our fastest growing industry.

My colleagues, with unemployment in our State the highest in the Nation, any project of this magnitude is vitally important. While general unemployment is above 20 percent, unemployment in the construction and building trades is a staggering 60 percent.

Joe Powell, president of our West Virginia Labor Federation, has estimated that during construction this project will employ approximately 500 people. Mr. Powell is strongly supportive.

Many of us in this Chamber only a few weeks ago worked diligently to pass the jobs bill and equally hard to target that jobs bill money for areas of high unemployment. It is estimated that all of West Virginia will receive approximately $35 million to $40 million under that jobs bill that we passed here with that targeting amendment. To put the importance of this project and the $26 million scheduled for fiscal year 1984 into proper perspective, we only have to compare it with how much the whole State was going to get under that jobs bill, $26 million spent on the dam project in Lewis County in northern West Virginia and $35 million to $40 million for the whole jobs bill for the State of West Virginia, approximately the same amount of money.

Stonewall finally, Mr. Chairman, is well on its way to a 1988 completion date. This is a $205 million project.

The CHAIRMAN. The time of the gentleman from West Virginia (Mr. MOLLOHAN) has again expired.

(On request of Mr. ROEMER and by unanimous consent Mr. MOLLOHAN was allowed to proceed for 2 additional minutes.)

Mr. MOLLOHAN. This is a $205 million project and to date $86 million, or 42 percent of the total projected expenditure, has been appropriated by this Congress in years past and will be expended by the end of this fiscal year; 42 percent of the moneys, Mr. Chairman, and 90 percent of the land has been acquired representing 17,355 acres of the 19,500 acres needed, and 75 percent of the people have been relocated. Thus only a small amount of land remains to be purchased and a relatively few number of people moved out of the area.

The timetable for construction is ahead of schedule and the construction contracts for the actual dam will be let very shortly.

Mr. Chairman, there are a number of people that support this. The entire West Virginia delegation minus one, Governor Rockefeller, the West Virginia AFL–CIO, the West Virginia Chamber of Commerce and, more importantly, as the gentleman from Pennsylvania, Mr. GAYDOS, spoke to, the people of Lewis County.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. MOLLOHAN. I yield to the gentleman from Louisiana.

Mr. ROEMER. I thank my colleague and I thank him for his comprehensive statement.

One question I had in trying to fit the gentleman's statement with the facts presented earlier, and that is a pretty dismal cost-benefit ratio, quite frankly speaking. How can the gentleman talk about 50 floods in 50 years, 15 floods in 17 years, and yet have a cost-benefit ratio some say less than 1 to 1? The most optimistic among the supporters of the project say about 1½ to 1, which puts it at the low end of all projects. How can you fit those two facts together? Did the corps just overlook the floods?

Mr. MOLLOHAN. What immediately comes to mind is the story about statistics and statisticians, which I am sure we have all heard and which I do not need to repeat.

I think that the corps is a very competent organization made up of professional people to come up with these kinds of estimates.

The CHAIRMAN. The time of the gentleman from West Virginia (Mr. MOLLOHAN) has again expired.

(On request of Mr. BEDELL and by unanimous consent Mr. MOLLOHAN was allowed to proceed for 1 additional minute.)

Mr. MOLLOHAN. I am certainly inclined to accept their figures.

Mr. ROEMER. You accept the corps' figures?

Mr. MOLLOHAN. The corps' figures, which are significantly higher. If you begin taking out all of the benefits and say they do not exist, obviously you are going to get into a bad cost ratio. But the corps' cost ratio, as I pointed out before, as I understand it, is approximately 1.5-to-1. I think that is pretty reasonable. I cannot compare it with other projects across the country.

Mr. ROEMER. If the gentleman would just yield briefly, this gentleman from Louisiana knows the devastating effect of floods and of all the facts and figures the gentleman presented, the flood control weighs on our hearts and souls from our part of the country most heavily. We tend to look at your statement with some optimism, or at least some support.

But it just does not jive with the relatively low cost-benefit figures given by the corps. I was hoping that the gentleman could straighten that out but maybe it cannot be straightened out.

Mr. MOLLOHAN. What I am suggesting is that I am not willing to accept a 1.5-to-1 cost-benefit ratio as necessarily low. The figure stated by the gentleman from New Jersey is not the figure of the Corps of Engineers.

The CHAIRMAN. The time of the gentleman from West Virginia (Mr. MOLLOHAN) has again expired.

(On request of Mr. BEDELL and by unanimous consent Mr. MOLLOHAN was allowed to proceed for 1 additional minute.)

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. MOLLOHAN. I yield to the gentleman.

Mr. BEDELL. The gentleman from Iowa, frankly, is here partly to learn. I do feel that flood control is something that should receive serious consideration.

My understanding is that it is not 1.5, but 1.05. Is that correct?

Mr. MOLLOHAN. My figure is 1.5. I do not know how the gentleman computes that. There are differences between whether you are computing the remaining cost benefit or taking into consideration the cost benefit from the beginning of time.

Mr. BEDELL. The question the gentleman from Iowa wanted to ask is I am disturbed over us talking about this being a jobs bill, because if I understand the gentleman correctly we are talking about a maximum of 500 people employed in the project, if I understand correctly. We are talking about $26 million. That would be more than $50,000 per job.

I think we need jobs, but I would hope we would not just vote on this

project as to whether or not it is a jobs bill because if we are going to say that what we need to do is spend over $50,000 per job to provide jobs, I think we are making a mistake.

The CHAIRMAN. The time of the gentleman from West Virginia (Mr. MOLLOHAN) has again expired.

(By unanimous consent Mr. MOLLOHAN was allowed to proceed for 1 additional minute.)

Mr. MOLLOHAN. If I may respond to that, I would simply say that if you are from West Virginia and you are experiencing the excruciating unemployment we are experiencing in West Virginia, and every day you are receiving requests from your constituents to help you with that problem, and when you spend many hours working on the jobs bill and the targeting amendment to get some of those dollars spent in West Virginia, every crumb that comes off the table you are going to fight to get, and you are going to be sensitive to, and it is going to be a big part of the project.

I support this project on its merits substantively, for its primary purpose, flood control. We experience terrible flooding in north central West Virginia. It can be virtually eliminated except for those 100-year floods with this project and only with this project, not only in Lewis County but up the West Fork River. And it will contribute significantly to economic development in that area when we so desperately need economic development and the infrastructure to provide for that economic development, and water quality, and water supply is a crucial element in that economic development.

Mr. FRANK. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

I want to congratulate the gentleman from West Virginia who offered this amendment. It is not easy to come and speak against the expenditure of money in one's own district, and I think it is an important example for the rest of us.

Mr. Chairman, I understand there is some value in this project. There is some value in almost any project. But the question before us, at a time of severe budget constraint, is whether there is enough.

A great deal has been talked about in terms of flood control. As I understand it, the Corps of Engineers' own presentation here attributes something like 28 percent of the justification of the project to flood control.

□ 1740

This project does not have the world's heaviest cost benefit ratio to begin with, and only 28 percent of that is flood control. So by the terms of the project's advocates, the Corps of Engineers cited as the experts who are its major proponents, only 28 percent of it is for flood control. A small percentage is for recreation which the State of West Virginia has, by its legislature, said it is not going to participate in. That leaves the great bulk of the project, some 70 percent as I understand it, for water pollution and this was conceived as a means of dealing with water pollution before we adopted the Clean Water Act. It dates from the 1960's, and predates the notion of treating at the source the kinds of pollution we have.

Mr. Chairman, I understand there is some value here. But if we are not prepared as a body to say "No" to this, then I fear we are not in fact prepared to say "No" to any spending. It is very nice to be against spending in general but the Federal Government does not spend any money in general. It only spends money in specifics. All the rhetoric about cutting the deficit, all the rhetoric about holding down spending is not going to save anybody a nickel. There have to be some hard choices made. When we are confronted with a project, 70 percent of which is justified by doing water pollution control in a form that the country has decided is no longer an effective way to do it and we are left with only 28 percent of its original justification in terms of flood control, then I think we have reached the point when we should say, "No" to this expenditure.

Mr. GAYDOS. Mr. Chairman, will the gentleman yield?

Mr. FRANK. As the gentleman himself did, I will yield at the end of my statement.

The question becomes do we continue to spend because there is any argument to be made for it at all? The gentleman from West Virginia (Mr. WISE), as I understand it, says not that we should not deal with the question of floods, but that there are cheaper ways to do it, less environmentally damaging ways to do it.

Yes, there are jobs to be generated from this bill. There are jobs to be generated by almost any expenditure of money we have. The question is not whether this would produce jobs, but whether it is an efficient way to do it. If you look at the jobs-per-dollar ratio here, it is a very inefficient way to do it. It is an inefficient way to control floods, which is only 28 percent of the justification.

One argument we have gotten is that we have already done some of it so let us keep on going.

No, that is precisely why I thought we have annual appropriation and authorization, so that we do not, once we have wasted a little money, give ourselves an argument to waste more.

One problem that I had with the previous speaker from West Virginia was that he talked about the remaining cost benefit ratio. The trouble with that is that it works this way: Take a project with a low cost-benefit ratio, I think 1.07 overall, when you start it, you go out and you spend about 40 percent of the money. Now you have spent 40 percent of the money but you have not gotten any benefit yet. Of course what that means is that the remaining cost-benefit ratio is going to look terrific. I do not think we should give ourselves incentives to spend a lot of money up front on projects of dubious value and then construct something called the remaining cost-benefit ratio which will always look wonderful because you will always get the costs up front and not the benefits.

No one wants to deny anything that is needed to people. What we are saying is this is not an efficient way to provide job relief to West Virginia, it is not an efficient way to provide flood control. It is a repudiated method of dealing with water pollution. It has been repudiated by West Virginia that this is the way to do recreation. If we do not begin to say "No" to some forms of expenditure, then I think we are in serious economic difficulty, because the notion we can in general get rid of expenditures without ever saying "No" to anything anywhere is simply a mistaken one.

This is a project that I think was dubious to start. It is opposed by the farm bureau in West Virginia, it is opposed by the mine workers, it is opposed by the environmentalists.

Sure it is supported by other people in West Virginia. It is not remarkable that there are some people in this State who support the project. What strikes me is that we have a project here where the Member from the district where it is to be constructed—and I want to congratulate that Member for hanging on to it. As the gentleman from Pennsylvania spoke, I could see that project moving upriver and downriver—and I thought he was going to lose it.

But the redistricting of the gentleman from Pennsylvania, I think, is only prospective. It is still in the district of the gentleman from West Virginia (Mr. WISE).

The farm bureau, the mine workers, hardly a group I think unconcerned with unemployment, has said no it is not a good idea. We are not saying it is a valueless project. We are saying it is a project that is simply not justified.

(By unanimous consent, Mr. FRANK was allowed to proceed for 3 additional minutes.)

Mr. MOLLOHAN. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from West Virginia.

Mr. MOLLOHAN. I thank the gentleman for yielding. I would like to make two points.

First, the formula for computing the cost-benefit ratio is that of the Corps

of Engineers. It is applicable to many projects and it is not unique to West Virginia. I think it is certainly an acceptable cost-benefit ratio.

Second, I think the fact that the Environmental Protection Agency has signed off on this project, accepted this, and the fact that as a practical matter it will achieve and is the fastest way of achieving, and as a matter of practicability, the only way really to achieve water quality in this area is the dam, speaks very highly for this method.

It is not point source control; point source control would take years and years and many more Federal dollars than are being spent here to achieve point source control up and down the West Fork River.

The dam would do it, the dam is here and is funded and it is 42 percent——

Mr. FRANK. I would like to take my time back.

The gentleman yielding to my yield, so I think I am entitled to answer that.

I am not surprised that the Environmental Protection Agency in an act of bureaucratic comity has signed off on the commitment the corps already made. I do not think that alters the fact that we have as a nation decided this is not an efficient way to do water pollution. I am prepared to bet, if it were legal—and I would never do anything illegal—that if we go ahead with the dam we will still be asked to spend money on point source control. No one will accept this finally as the way to do it.

Mr. GAYDOS. Will my colleague yield?

Mr. FRANK. I yield to the gentleman from Pennsylvania.

Mr. GAYDOS. Mr. Chairman, we have a tendency to be a little provincial. I admit to that. But does it not bother my colleague that all of our mutual friends and colleagues, prior to his assumption of the office, all of them were for the project? The Governor is for the project, every elected official in the State of West Virginia is for the project. Does that bother my friend?

Mr. FRANK. Yes, it does and I wish they would change. The fact, Mr. Chairman, is that—of course most people, and there is nothing exceptional about people from an area being for the project. The State Senate of West Virginia refused to cooperate with the recreation phase; the Mine Workers and the Farm Bureau of West Virginia have said no to it.

What is interesting is not that there are some people, even a majority, in West Virginia who are for it, but that there is a significant minority against it, including the gentleman whose district it is.

I would also say to my friend from Pennsylvania he has gone back and forth with astonishing rapidity and agility; it is either a national or a local project depending on what is useful at the moment.

Mr. CONTE. Mr. Chairman, will my colleague from Massachusetts yield?

Mr. FRANK. I yield to my colleague from Massachusetts.

Mr. CONTE. Mr. Chairman, I want to commend my colleague from Massachusetts. He has made a very, very good point here. My good friend from West Virginia muddied the water on two occasions in the well of the House here. First, he referred to me as the Congressman from New Jersey.

And second, in addition to the opponents cited by the gentleman from Massachusetts (Mr. FRANK), the West Virginia State Senate has also gone on record as opposing the Stonewall Jackson project by refusing to pay the State's share of the recreation costs.

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. CONTE and by unanimous consent, Mr. FRANK was allowed to proceed for 2 additional minutes.)

Mr. CONTE. Mr. Chairman, will my colleague yield further?

Mr. FRANK. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I want to go back to the benefits and costs again, so that the record is clear: The current total benefit-cost ratio, from the Corps of Engineers, using the 4⅝ interest rate, is 0.94; and using the 1981 interest rate of 7⅜ percent, the total benefit-cost ratio would be 0.70.

Mr. FRANK. If my friend would let me take my time back, will he tell me where I can get money at those interest rates? I would like to know where. I appreciate that he is using the corps interest rates.

I would like to know where I could get 4-percent money.

Mr. CONTE. You know, I do not think that even Governor Rockefeller of West Virginia would lend it to you at that rate.

As I said before in the 25 years that I have been in the Congress, I have never seen a benefit-cost ratio as bad as this one. It is an embarassment to us, and I urge the adoption of this amendment.

Mr. FRANK. I thank my colleague.

My colleague from Massachusetts is known for the restrained quality of his statements. And if he says this is worst he has seen in 25 years I am sure Members will be impressed by that.

Mr. MOLLOHAN. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from West Virginia.

Mr. MOLLOHAN. Mr. Chairman, I feel compelled to respond to the representation that the States would not pick up this project.

I think I read and I hope the Members picked up the fact that Governor Rockefeller's most recent telegram suggests that this project provides the greatest opportunity for recreational development in the State of West Virginia.

Now one more point——

Mr. FRANK. I want to take back my time at this point to say that I understand Mr. Rockefeller is the Governor. I would think Members in this body would be sensitive to the motion that legislatures have a say in voting money and it is my understanding that the State Senate of West Virginia has declined to go along with the recreation money involved.

Now I have great respect for the executive but it has not reached the point where I think that that wipes out legislative prerogative or that the State Senate opinion is irrelevant.

The CHAIRMAN. The time of the gentleman has again expired.

(By unanmous consent, Mr. FRANK was allowed to proceed for 1 additional minute.)

□ 1750

Mr. MOLLOHAN. That the West Virginia House of Delegates refused to pick that up after it came out of the State Senate and I think it is fair to point out that the gentleman who was the mover and shaker behind that amendment no longer serves in our West Virginia State Senate, but he serves here as my colleague and the author of this amendment.

Mr. FRANK. The point remains I am glad the Governor has his position, I am glad the House has its position, but the Senate does seem to me to represent at least some part of West Virginia, at least I would say to my friend from Pennsylvania, that is what I am used to, I do not mean to be provincial, but I am used to a State Senate which is somewhat different from a house of lords.

Ms. KAPTUR. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I yield to the gentlewoman from Ohio.

Ms. KAPTUR. I thank the gentleman for yielding.

Mr. Chairman, I am just curious since there is so much controversy over this project from within the delegation and since it does not affect our district in Ohio, for example, could the gentleman give me the results of the committee hearings that were held on this particular project?

Mr. FRANK. I will yield to the gentleman from West Virginia (Mr. WISE) for that.

Mr. WISE. I thank the gentleman.

There were 2 days of hearings held in December 1981 and April 1982 by the House Government Operations Subcommittee on Environment, Energy, and Natural Resources. That subcommittee has not issued a report.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. FRANK) has again expired.

(At the request of Mr. WISE and by unanimous consent, Mr. FRANK was allowed to proceed for 3 additional minutes.)

Mr. WISE. If the gentleman will continue to yield, in those hearings no official report has come forth from that subcommittee, and I do not want to hold out there has been, but if you look at the record, the record is complete with attack after attack by subcommittee members and by questioning upon the cost justification analysis. Water quality control, for instance. The corps itself testified that in the terms of water quality benefits, not section 404 permits, which permit dredging and sedimentation, that they had not consulted with EPA.

In the issue of flood control, GAO points out that the corps did not look at what the actual flood damage had been. They asked people what they felt it might be.

They never really adequately measured downstream benefits.

In the area of recreation the corps once again looked at reservoirs that were thousands of miles away, did not take into consideration the reservoirs right there. You had GAO there, you had the corps, you had different groups, the West Virginia Commission of Agriculture, who is adamantly opposed to this incidentally.

So those hearings just presented great doubts as to the authenticity of many of the cost-benefit ratios.

Also what came out was the fact that the total cost-benefit ratio using a 7⅜-interest rate percent is 0.85 to 1.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Louisiana.

Mr. ROEMER. I thank the gentleman for yielding.

Mr. Chairman, I have a question of the gentleman from West Virginia. I know the gentleman from West Virginia is concerned about flood control. I know that in talking to him.

What about the point raised about the cost-benefit ratio and the flooding in the area? I know the gentleman is concerned about flood control. What would happen if this dam is not built? Is there a way to manage the flooding?

Mr. WISE. If the gentleman will yield to me, it is my feeling there is. In fact, one thing that has always been asked of the corps is to permit an alternate system of flood control study to be made, particularly using watersheds, particularly looking at the use of floodwalls in the city of Weston. There is not a floodwall, for instance, in Weston. Nor have they taken the opportunity to construct any.

Also looking at nonstructural improvements, I would like to add that the total flooding since 1865 in that whole area has been $25 million.

Mr. ROEMER. And what is the cost of the project?

Mr. WISE. The cost of the project is $205 million. I think I saw on TV the other day that Utah lost $200 million in one flood.

Mr. ROEMER. I thank the gentleman.

Mr. RAHALL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise as a nonfreshman Member of the West Virginia delegation in opposition to the amendment of my distinguished friend from West Virginia (Mr. WISE).

The point has been made here throughout this debate and many of us have seen in our "Dear Colleague" that this is an issue where the Congressman who represents a particular district where the project is located is opposed to the project and his wishes should be followed.

I have been in the Congress for three terms now and there are times where I have felt very much inclined to follow the respects and desires of the Congressman representing the district where a project is located, but I think it is important to stress here as it has been by several of the speakers before that while the physical location of this project may be in a particular Member's district, its effects are regional in scope. It is a regional project, not just a project that is being physically constructed in a certain Member's district.

The regional effects have to be taken into account. The primary purpose, yes, is flood control. The flood stage on the West Fork is 17 years. In the past 20 years flooding has occurred 16 times. We have heard these figures during this debate this afternoon. We have heard the authorization, that the authorization was approved in 1966, and the first appropriations were made in 1970.

And the important fact that we have to stress is that the project is over 40 percent complete.

The previous question came about alternative flood control projects. Are there any other means of protecting the people who desire protection and a goal for which we all agree? The protection is needed. The flooding is the problem. We all, on both sides of the issue, agree that flooding is a problem.

Well, in regard to watershed projects, the agency in charge of the watershed program, the Soil Conservation Service, does not believe that the watershed alternative could offer the same level of protection as the dam. And I quote in a letter from that agency to Representative WISE:

To believe a small watershed program would reduce significantly the land right requirements and other impacts in comparision to the Corps dam may be in error; even if the watersheds were built a mainstream dam would be required.

They went on to say that the total flood storage would be less than in the corps project. It would provide a lower level of flood protection downstream of Weston and the Soil Conservation Service went further to say in a letter to Representative MOLLOHAN that—

There is no way in our opinion SCS could develop a Public Law 566 project for the upper West Fork River above Weston that would provide the total benefits estimated in the Stonewall Jackson project.

Mr. Chairman, I think that shows that the alternative is not there. If we accept this amendment today, what this body would be saying to the people of north-central West Virginia is that we are eliminating their chance for flood protection, that we are eliminating their desires as expressed in the last election to have a Representative represent them in support of the project. A county registered 60 to 40, Democrat to Republican, went 60 to 40 for the Republicans in a Democratic sweep in the last election. That is no way, in my opinion, to serve the public interest.

Unemployment, we have heard how bad it is in West Virginia, Mr. Chairman. We have seen that the West Virginia AFL–CIO has come out in strong support of this project.

Let me address one other issue that has not been addressed thus far today; the fact that the United Mine Workers of America has come out in opposition to the Stonewall Jackson project. And my good friend from Pennsylvania mentioned that there may be some loss of coal in this area where the project is to be taken, but let me point out what has occurred in the history of this project.

The Corps of Engineers gave to the coal companies in the area the option to mine this coal before they actually went in to procure the land, before the land was actually taken. The coal companies declined that option that was given to them by the Corps of Engineers and to quote one coal executive, he said, "If you put that coal into a utility boiler, it would put the fire out."

So we see that the coal in this area is worthless. It is not going to be mined if the project is stopped. There will not be any additional mine workers' jobs created. The coal is completely worthless. Nobody wants to touch it and indeed, one local road contractor that was able to mine some of the coal during this process, could only get $7 to $9 per ton for his coal, as compared to the going rate of $30 in other parts of West Virginia today on a per tonnage basis.

So I urge my colleagues to look at this amendment in its regional concept, to look at the recreation, to look at the needed financial benefits that

will bring to this part of West Virginia and to look at the fact that our entire delegation, except my distinguished colleague from this district, supports the project. It has strong support on the other side of this Hill and I urge my colleagues to reject the amendment.

Mr. BEVILL. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, the committee has consistently over the year supported this project. These members in Pennsylvania and West Virginia whose districts are directly affected by this project, of course, have consistently supported it. With this appropriation the project will be over 50 percent complete.

We have many organizations, the AFL-CIO, and others, that have been consistently supporting the project, so I point out that the committee has always supported the Stonewall Jackson project and urge the defeat of the amendment.

Mr. MYERS. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, here we go again. How many times we have heard this argument. After we get a project started, someone comes along and decides they do not like the rules that were written at the time we started the project. I do not mean for a moment to question the right of the gentleman from West Virginia to offer this amendment; however, we have been through this and up and down it a number of times.

Since 1966 we have been talking about this, and the argument has always been the same. You ask, "Take one more review." How often must we tell you that we love you? How many times must we review this?

□ 1800

Every year the gentleman from Massachusetts or someone brings it up, and we have it before this body. It stood the test I do not know how many times. Yes, this a new Congress. But the argument is still the same.

Now, you can talk about the benefit-cost ratio. I happen to believe that the act of 1974 establishing the Water Resources Council was wrong when it changed the benefits from water quality. Anyone who lives on a large stream downstream from a large industry would certainly take exception to taking water quality from the benefit side.

I have seen fish die in a large river, the Wabash, the 11th largest river in the United States. I have seen fish die in September, sometimes in August, because the water has gotten so rancid that the fish cannot live in it. And do you think that flow augmentation is not a benefit, my fisherman friend from Massachusetts? You do not want to give water quality?

Now, that has stood the test. There was a lawsuit brought by the National Wildlife Federation that brought out every angle they could possible bring out. First, they argued that the cost-benefit ratio was wrong; they disagreed with the percentage factor that the law provides. Either you live with laws or you do not. The next one they argued was this issue about the quality of water enhancement. It was brought before the courts, and so far there has not been an injunction issued. And it was brought in the District of Columbia here, the most sympathetic court you could possibly bring a suit like this, to stop the project. That is no secret. There is no question about why it was brought in the District of Columbia. They have got a friendly judge.

Now, we talked about the water downstream. We have riparian responsibilities long established. We cannot cut somebody's water off. We have to provide the water for them. You cannot use it upstream if downstream needs it. The industries in the Pittsburgh area need that water during low-flow periods so the people can work in the summer months. Oh, you can say it is not important. It is more important to some areas than others. But I have not heard anyone mention riparian responsibility. If the water falls up in West Virginia, how about the people who are wading in water up to their waists in the Pittsburgh area? Do we not have some responsibility downstream? But it seems that in this body the upstream responsible people never want to assume the responsibility of holding their water, they never want to worry about that, they want to pass it on down, get rid of it as quick as you can. "Well, we do not have any responsibility to those folks downstream; they ought not live down there," that is the kind of excuses that we use.

Now, the last thing: We know exactly what it is going to cost to complete this dam, or as close as we can. But I have not heard anyone today talk about what termination costs are going to be. If this amendment should be adopted, what is it going to cost to terminate this?

The people have been relocated already, the roads have been changed already. What is going to be the cost to cancel this contract today and to revoke everything that has been done in the past 10, 12, 14 years on Stonewall Jackson Lake?

Well, I do not know whether Stonewall Jackson would agree with it or not. But I am going to take the exception, I am going to speak for him. The gentleman from Massachusetts spoke for him. I am going to speak last for him, I believe. I think he would be proud of the diligence, because how did he get his nickname of Stonewall? Because he was persistent and tough. Now, it takes tough people to keep this project alive.

Now, last, no one had mentioned this. In case you could be interested, I received a call from the White House this morning. The administration does not support Mr. WISE's amendment, just in case you might be interested.

Mr. Chairman, I hope this committee sees fit to support your committee.

Mr. EDGAR. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, the previous speaker said, "Here we go again," and I think that it is actually correct, that here we are again on this particular project. And then the previous speaker turns and looks at the question of whether or not in the middle of a project this body ought to have the right to take a second look. I think that is an awfully foolish argument at this particular point in history, particularly when we are looking at budget deficits, we are looking at projects that have been authorized 10, 15, 20, 30 years in the past.

I happen to know that the Congressman from New Jersey (Mr. ROE) is looking at an authorization bill that he plans to bring before the floor in the next several weeks, and as part of the process of putting that bill together he is looking at some $30 billion of projects that we have authorized. And if we use the argument that the gentleman has suggested, this House is committed to spend all $30 billion on all of those projects that are sitting over the shelves of the Army Corps of Engineers simply because this body has expended some amount of money on those projects.

I would argue very strongly that when you find a project that does not meet the cost-benefit analysis, does not meet the analysis in terms of flood control and flood protection downstream, does not make the grade, that this Congress, faced with giant deficits, ought to call a halt to those projects. And this specific project is one of those projects. And this specific project is one of those projects that has been targeted not by someone far away but by someone who happens to represent an area in and around the district. And I think it is a bad precedent for us to say that, suddenly, in the midst of spending a little bit of money, we are going to expend 2, 3, 4, 5, 20 times more on a project, even though we know it is useless, it is worthless, it does not make the grade, it does not fit in. I think it is an irresponsible argument to make on this floor.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from Louisiana.

Mr. ROEMER. Would the gentleman agree that it is a false argument to present to the Members of the House that the Congressman and the district most affected by this project should not have some say in it?

Mr. EDGAR. I would absolutely agree to that.

Mr. ROEMER. And would not the gentleman further agree that the gentleman from West Virginia, whose district represents more than 60 percent of the benefits of this project in any category, is opposed to the project? It is his amendment that we are considering. I think for that reason alone we ought to support the amendment.

How often in this House have we worked together to help Members get a project? Now we are trying to work together, some of us in this House, to force a Member to take a project that he and his district do not want.

Mr. EDGAR. I thank the gentleman for his comments.

Before I yield any further, I would like to point out that there are some additional arguments that I found troubling—the water-flow argument, the fact that only 1 percent of the flood control benefit that is only 26 percent of the overall cost benefit impacts on the downstream area into the Pennsylvania area that is being spoken to. I think it is just amazing that we would think that that would have such an important impact.

Also, I think the whole flooding downstream, if you took all of the $205 million and just stood at an office and handed the money out to those who have been impacted by the flooding, you would in fact be able to pay off all of the damage that has been caused by the floods over the last 25 years and bring some of that money back to think of thoughtful projects that might help those people in that very area prevent flooding, and you would probably save more than $100 million of expended funds that could be used either to offset our deficit or for some of the other worthy projects that have been expended.

Mr. WISE. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from West Virginia.

Mr. WISE. I thank the gentleman for yielding.

Mr. Chairman, I just wanted to ask a question: In terms of stopping projects that have started and have gotten to some level, is there not some precedent in this body already? I recall the Clinch River breeder reactor vote that was taken just a couple of weeks ago which effectively stops Federal funding for that. And I believe in a "lame-duck" session of this body, only in December, the Garrison River and O'Neill projects, the funding was cut for that. So it seems to me that there is precedent.

Also, in terms of water quality, I just want to point out to the gentleman that $45 million has been spent for source treatment already in that area, the western Clarksburg area, for sewer treatment.

Mr. EDGAR. I thank the gentleman for his comments.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. EDGAR) has expired.

(By unanimous consent, Mr. EDGAR was allowed to proceed for 3 additional minutes.)

Mr. MOLLOHAN. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from West Virginia.

Mr. MOLLOHAN. I would just like to suggest that I think that the gentleman has gone astray with his facts in his latest statements. I do not know where he is getting figures to suggest that if we pay off the flood damage from Weston on up to Pittsburgh that we would not be spending as much money as is being expended in this project.

Likewise, I think it discounts all of the other benefits which we have discussed and have laid out here. I think it is better to stick with hard facts and numbers that we know something about.

□ 1810

Mr. EDGAR. Mr. Chairman, I would like to reclaim my time to respond to the gentleman's comments.

The gentleman from Louisiana, I think, raised the crucial question of the day, and that is: What is the impact on flood and flood damage? That is really the issue, not how much of it is going to be used for recreation, because there are other places to go and receive recreation; not how much of it is going to be used for any other purpose.

The question I think today, with our limited expenditures, is the question the gentleman from Louisiana raised, and that is flood control. If we add up the damage over all of the years, the flood damage in that area, the expenditure on this particular project far exceeds the damage that was expended. The gentleman from West Virginia, I think, has articulately indicated the factual information about flood damage, and that is the point we are focusing in on at this point.

Mr. WISE. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from West Virginia to point out that flood damage.

Mr. WISE. I thank the gentleman for yielding.

Mr: Chairman, I just wanted to point out that one thing that those hearings revealed is that the total flood damage for the area is $25 million since the year 1865 to the year 1980. Now, that is too much. But then, as I say, we have got to put it in scale.

I am concerned about flood control. I helped dig people out of Williamson in 1977, but I think there is a much cheaper way to do it.

Mr. EDGAR. I think that is the very point. The point is, how are we going to expend these funds for flood control and flood damage in the most equitable way, and I do not think this project does it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia (Mr. WISE).

The question was taken; and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. CONTE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 213, noes 161, not voting 58, as follows:

[Roll No. 164]

AYES—213

Ackerman	Fiedler	Martin (NY)
Addabbo	Fields	Matsui
Anderson	Fish	Mavroules
Andrews (TX)	Florio	McCloskey
Archer	Foglietta	McCollum
Aspin	Forsythe	McDonald
AuCoin	Fowler	McHugh
Barnes	Frank	McKernan
Bates	Franklin	Mikulski
Bedell	Frenzel	Mineta
Beilenson	Frost	Minish
Bereuter	Garcia	Mitchell
Berman	Gejdenson	Moakley
Bethune	Gephardt	Molinari
Boehlert	Gibbons	Moody
Bonior	Gilman	Moorhead
Bonker	Glickman	Morrison (CT)
Borski	Gradison	Mrazek
Bosco	Gramm	Murphy
Boucher	Gray	Nelson
Britt	Green	Oberstar
Broomfield	Gregg	Obey
Brown (CO)	Guarini	Olin
Broyhill	Hall (IN)	Ottinger
Carper	Hance	Owens
Clarke	Hansen (ID)	Oxley
Clay	Harkin	Patterson
Clinger	Hatcher	Pease
Coats	Hertel	Penny
Conable	Hiler	Petri
Conte	Hillis	Porter
Conyers	Hoyer	Pursell
Cooper	Hyde	Ratchford
Corcoran	Jacobs	Regula
Coughlin	Jeffords	Reid
Courter	Johnson	Richardson
Craig	Jones (OK)	Ridge
Crane, Daniel	Kaptur	Ritter
Crockett	Kasich	Roemer
D'Amours	Kastenmeier	Roth
Dannemeyer	Kennelly	Roukema
Daschle	Kildee	Russo
Dellums	Kostmayer	Savage
Derrick	LaFalce	Sawyer
DeWine	Lagomarsino	Scheuer
Dingell	Lantos	Schneider
Dixon	Leach	Schroeder
Downey	Leland	Schumer
Dreier	Levin	Seiberling
Durbin	Levine	Sensenbrenner
Dymally	Lipinski	Shannon
Early	Lowry (WA)	Sharp
Eckart	Lundine	Shaw
Edgar	Lungren	Shumway
Edwards (CA)	MacKay	Sikorski
English	Madigan	Siljander
Evans (IL)	Markey	Simon
Feighan	Martin (IL)	Sisisky

Slattery	Tallon	Weiss
Smith (NE)	Tauke	Whitehurst
Smith (NJ)	Torres	Williams (MT)
Smith, Denny	Torricelli	Williams (OH)
Smith, Robert	Towns	Wirth
Snowe	Traxler	Wise
Solarz	Valentine	Wolf
Solomon	Vander Jagt	Wolpe
Stenholm	Vandergriff	Wortley
Stokes	Vento	Wyden
Studds	Walker	Wylie
Sundquist	Weaver	Yates
Synar	Weber	Zschau

NOES—161

Akaka	Hall, Sam	Oakar
Albosta	Hamilton	Ortiz
Alexander	Hammerschmidt	Packard
Andrews (NC)	Hansen (UT)	Panetta
Annunzio	Harrison	Parris
Anthony	Hartnett	Patman
Barnard	Hefner	Pepper
Bateman	Hightower	Perkins
Bennett	Hopkins	Pickle
Bevill	Horton	Price
Biaggi	Huckaby	Quillen
Bliley	Hughes	Rahall
Boggs	Hunter	Rangel
Boner	Hutto	Ray
Breaux	Ireland	Rinaldo
Brooks	Jenkins	Robinson
Bryant	Jones (NC)	Rodino
Burton	Jones (TN)	Roe
Carr	Kazen	Rogers
Chappell	Kemp	Rostenkowski
Chappie	Kogovsek	Rowland
Cheney	Kramer	Roybal
Coelho	Latta	Rudd
Coleman (MO)	Leath	Schaefer
Coleman (TX)	Lehman (FL)	Shelby
Coyne	Lewis (CA)	Shuster
Daniel	Lewis (FL)	Skeen
Daub	Livingston	Skelton
Davis	Lloyd	Smith (FL)
de la Garza	Loeffler	Smith (IA)
Dickinson	Long (LA)	Snyder
Dicks	Long (MD)	Spence
Donnelly	Lott	Staggers
Dorgan	Lowery (CA)	Stangeland
Dowdy	Luken	Stratton
Duncan	Mazzoli	Stump
Dwyer	McCain	Tauzin
Edwards (AL)	McCandless	Taylor
Edwards (OK)	McCurdy	Thomas (CA)
Emerson	McEwen	Thomas (GA)
Erdreich	McNulty	Udall
Erlenborn	Mica	Volkmer
Evans (IA)	Michel	Vucanovich
Fascell	Miller (OH)	Watkins
Fazio	Mollohan	Wheat
Flippo	Montgomery	Whitley
Ford (MI)	Moore	Whittaker
Ford (TN)	Morrison (WA)	Whitten
Fuqua	Murtha	Winn
Gaydos	Myers	Wright
Gonzalez	Natcher	Young (FL)
Gore	Nielson	Young (MO)
Gunderson	Nowak	Zablocki
Hall, Ralph	O'Brien	

NOT VOTING—58

Applegate	Hawkins	Neal
Badham	Heftel	Nichols
Bartlett	Holt	Pashayan
Bilirakis	Howard	Paul
Boland	Hubbard	Pritchard
Boxer	Kindness	Roberts
Brown (CA)	Kolter	Rose
Byron	Lehman (CA)	Sabo
Campbell	Lent	Schulze
Carney	Levitas	Spratt
Chandler	Lujan	St Germain
Collins	Mack	Stark
Crane, Philip	Marlenee	Swift
Dyson	Marriott	Walgren
Ferraro	Martin (NC)	Waxman
Foley	Martinez	Wilson
Gekas	McDade	Yatron
Gingrich	McGrath	Young (AK)
Goodling	McKinney	
Hall (OH)	Miller (CA)	

□ 1820

Messrs. SMITH of Florida, BRYANT, ROGERS, and HUNTER and Ms. OAKAR changed their votes from "aye" to "no."

Messrs. CLARKE, DYMALLY, and STOKES changed their votes from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

□ 1830

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OPERATION AND MAINTENANCE, GENERAL

For expenses necessary for the preservation, operation, maintenance, and care of existing river and harbor, flood control, and related works, including such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality or other public agency, outside of harbor lines, and serving essential needs of general commerce and navigation; administration of laws pertaining to preservation of navigable waters; surveys and charting of northern and northwestern lakes and connecting waters; clearing and straightening channels; and removal of obstructions to navigation, $1,215,032,000, to remain available until expended.

AMENDMENT OFFERED BY MR. JONES OF NORTH CAROLINA

Mr. JONES of North Carolina. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES of North Carolina: On page 5, line 12, before the period insert ", of which $319,000 shall be for the Dismal Swamp Canal, Virginia and North Carolina".

(Mr. JONES of North Carolina asked and was given permission to revise and extend his remarks.)

Mr. JONES of North Carolina. Mr. Chairman, my amendment does not raise the authorization level for the bill in any way. It does, however, make clear that the operation and maintenance account for the Corps of Engineers contains enough funding to maintain operation of the Dismal Swamp Canal in Virginia and North Carolina at current levels of operations.

The bill, as reported, has enough money—$131,000—to put the canal in custodial status. To maintain the current schedule of opening the two locks three times a day, will require an additional $319,000. My amendment clarifies that this additional money is available within the bill's current authorization for operation and maintenance. If my amendment is accepted, this means that a total of $450,000 will be available to maintain status quo operations of the historic Dismal Swamp Canal.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. JONES of North Carolina. I am happy to yield to the subcommittee chairman.

Mr. BEVILL. Mr. Chairman, I am familiar with this amendment. I have no objection to it, and we accept the amendment.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. JONES of North Carolina. I am happy to yield to the gentleman from Indiana.

Mr. MYERS. Mr. Chairman, the gentleman has discussed this amendment with this side of the aisle. As he said, it does not add any money, but merely is language that provides a very necessary addition to the bill. We accept it on this side.

Mr. JONES of North Carolina. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina, Mr. JONES.

The amendment was agreed to.

Mr. BEVILL. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker, having resumed the Chair, Mr. PEASE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3132) making appropriations for energy and water development for the fiscal year ending September 30, 1984, and for other purposes, had come to no resolution thereon.

PERMISSION FOR SUBCOMMITTEE ON ADMINISTRATIVE LAW AND GOVERNMENTAL RELATIONS OF COMMITTEE ON THE JUDICIARY TO SIT ON JUNE 7, 8, AND 9, 1983, DURING 5-MINUTE RULE

Mr. SAM B. HALL, JR. Mr. Speaker, I ask unanimous consent that the Subcommittee on Administrative Law and Governmental Relations of the Committee on the Judiciary be permitted to sit on Tuesday, June 7, Wednesday, June 8, and Thursday, June 9, 1983, while the House is considering amendments under the 5-minute rule.

The purpose of the June 7 meeting is to conduct a hearing and markup on H.R. 2797, the Department of Energy authorization amendment.

The purpose of the June 8 and 9 meetings is to conduct hearings on H.R. 2327, the Regulatory Reform Act of 1983.

Mr. Speaker, the minority has been consulted and has agreed to this.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERSONAL EXPLANATION

Mr. GEJDENSON. Mr. Speaker, I was unavoidably detained for the first two votes today, rollcalls 162 and 163. Had I been here, I would have voted in the affirmative in both instances.

PERSONAL EXPLANATION

Mr. NIELSON of Utah. Mr. Speaker, I was absent last week due to flood damage in my district. I missed rollcall votes 146 through 161.

Had I been here I would have voted "No" on rollcall votes 148, 150, and 151.

I was paired "No" on rollcalls 147, the EPA funding increase, and 161, legislative appropriations.

I would have voted "Yes" on rollcall votes 146, 149, 152, 153, 154, 155, 156, 157, 158, 159, and 160.

PERSONAL EXPLANATION

Mrs. VUCANOVICH. Mr. Speaker, emergency district business prevented me from being present on June 2 and 3, 1983 during consideration of several measures before the House. My State, like the State of Utah, has been experiencing floods and mudslides, with even the loss of one life.

Had I been present I would have voted as follows:

Rollcall No. 146, "Yea."
Rollcall No. 147, "Nay."
Rollcall No. 148, "Nay."
Rollcall No. 149, "Yea."
Rollcall No. 150, "Nay."
Rollcall No. 151, "Nay."
Rollcall No. 152, "Yea."
Rollcall No. 153, "Nay."
Rollcall No. 154, "Yea."
Rollcall No. 155, "Yea."
Rollcall No. 156, "Yea."
Rollcall No. 157, "Yea."
Rollcall No. 158, "Yea."
Rollcall No. 159, "Yea."
Rollcall No. 160, "Yea."
Rollcall No. 161, "Yea."

MISGUIDED EXCUSES TO DEFY THE LAW

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, as the Nation learned through extensive news coverage given the event, a tragedy occurred this past weekend near Walnut Ridge, Ark.

I refer, of course, to the gun battle Friday night which cost two lives—those of Lawrence County Sheriff Gene Matthews and Gordon W. Kahl, the fugitive tax protestor from North Dakota who had holed up in a cabin, vowing not to be taken alive.

I grieve for Sheriff Matthews and for the family and friends he left behind. He was a valiant and conscientious law enforcement officer who was merely trying, in a time of confusion and turmoil over the Nation's legal and tax system, to carry out the duties which the voters of Lawrence County had elected him to.

That it fell the lot of Sheriff Matthews to encounter a maddened extremist was his misfortune. That he died in the honorable service of his country was a consolation—even if only a small one—to those of us who knew and trusted and appreciated him.

Sheriff Matthews was my constituent, and Kahl, who killed him, was from a far-off place. But the tragedy was not ours alone in the First Congressional District of Arkansas. It is that of the people of North Dakota, too, and of the entire Nation.

We can never excuse the actions of those who resist the law through violence. But we should not close our minds, either, to real inequities which the misguided among us interpret as their excuse to defy the law by fanatical, last-ditch acts of this sort.

□ 1840

THE INTERNATIONAL CLUBS AND THE WOMEN OF OFFICIAL WASHINGTON

The SPEAKER pro tempore (Mr. MURTHA). Under a previous order of the House, the gentleman from Michigan (Mr. BROOMFIELD) is recognized for 60 minutes.

Mr. BROOMFIELD. Mr. Speaker, 30 years ago this year, Marian Wood Adair, the wife of my good friend, the late Congressman E. Ross Adair, had a dream that the women of official Washington could be mobilized as an important resource in the search for peace and understanding among nations.

The result was the founding of International Club One, a bipartisan group composed of wives of diplomats, Members of the House and Senate, the Judiciary, the Cabinet, Presidential appointees, and heads of the military services.

Mrs. Adair, whose interest flowed naturally from her husband's work as the ranking Republican on the House Foreign Affairs Committee, has expanded that idea in the years since to four International Clubs and four International Neighbors Clubs.

Since 1953, the clubs have touched hundreds of diplomatic wives from more than 100 countries, and the clubs continue to grow as an important force for world friendship and understanding.

Those eight clubs were so successful that Mrs. Adair felt Washington needed an international club with unlimited international membership.

In 1959, "Welcome To Washington International Club" had its first meeting with 100 American members and 100 others from around the world.

Thousands of women from every corner of the world have shared the club's inspired programs—which range from language studies to art classes—and, in the process, have formed new understanding and lasting friendships.

Currently, "Welcome To Washington International Club" has more than 900 members, half of whom are from 64 nations around the world.

The emphasis from the start was on informal gatherings that stressed the development of personal relationships free from the constraints of politics and national interests.

Throughout the history of the clubs, the principle of the "Four P's" has prevailed; that is: No politics, no protocol, no publicity, and no projects.

Marian Adair's hope was that the philosophy of the club would spread to other nations—and it has. A "Welcome To Brussels (Belgium) Club" was founded, and a second "Welcome To Ottawa Club" has been established in Canada.

Mr. Speaker, much good will and understanding has resulted from that historic day on May 5, 1953, when the 16 charter members of the International Club organized what has become a unique and important force in the continuing search for a safer, more peaceful world.

At this point, Mr. Speaker, I would like to include the names of those distinguished charter members as well as of the Presidents of the clubs, and the Presidents of "Welcome To Washington International Club."

Charter members included:

Mrs. Charles Empson, Great Britain.
Mrs. Cesar Gonzales, Venezuela.
Mrs. Charles Malik, Lebanon.
Mrs. Fehmi Nuza, Turkey.
Mrs. Vladimir Popovic, Yugoslavia.
Mrs. Ali Sastroamidjojo, Indonesia.
Mrs. Bahadur Singh, India.
Mrs. J. H. Van Roijen, Netherlands.
Mrs. Hume Wrong, Canada.
Mrs. E. Ross Adair, Indiana.
Mrs. Thurmond Chatham, North Carolina.
Mrs. Brooks Hayes, Arkansas.
Mrs. Alexander Smith, New Jersey.
Mrs. Lawrence Smith, Wisconsin.
Mrs. John Sparkman, Alabama.
Mrs. John Vorys, Ohio.

In addition, Mrs. J. W. Fulbright of Arkansas was asked to join the charter group which provided for four Republicans and four Democrats in the congressional category.

The first presidents of each club were:

International Club I: Mrs. E. Ross Adair, Indiana.

International Club II: Mrs. J. Allen Frear, Jr., Delaware.

International Club III: Copresidents: Mrs. Hanna Kiep, Germany, Mrs. Clifford McIntire, Maine.

The No. 1 International Neighbors Club: Mrs. Douglas Whitlock, residential.

International Neighbors Club II: Lady Coulson, Great Britain.

International Neighbors Club III: Mrs. Howard Davison, residential.

The Presidents of "Welcome To Washington International Club" were:

1959-61: Mrs. E. Ross Adair.
1961-64: Mrs. George L. Hart, Jr.
1964-66: Mrs. Ernest S. Griffith.
1966-68: Mrs. Joseph W. Hazell.
1968-70: Mrs. Ronald Scantlebury.
1970-72: Mrs. Richard Paret.
1972-74: Mrs. Scott C. Whitney.
1974-76: Mrs. Parker Hart.
1976-78: Mrs. J. Ross Heverly.
1978-80: Mrs. Duard Barnes.
1980-82: Mrs. Walter J. Smith, Jr.
1982-84: Mrs. Claude G. Anthony Ross.

SPECIALTY STEEL: A BRIDGE TO THE FUTURE IN DANGER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. GAYDOS) is recognized for 60 minutes.

GENERAL LEAVE

Mr. GAYDOS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. Speaker, if AM-355 and AM-362 were designations for native flora and fauna, they would be on the endangered species list. The system would be moving Heaven and Earth to save them.

If they were breeds of livestock being slaughtered by marauding carnivores, we would have a predator control program in place.

And if they were varieties of grain suffering some sudden and exotic blight, we would be funding a crash research and control program.

Well, AM-355 and AM-362 are endangered, or their habitat is.

They are vulnerable to predators. And a blight is withering the stalk that bears them.

But they are not wildlife or livestock or a grain crop.

They are specialty steel products. They are high-technology specialty steel alloys that are critical to our national defense.

And each comes from a different sole supplier, the only one in the world.

AM-355 is made by Allegheny Ludlum, which is in my congressional district in Pennsylvania. The market is not large; no more than one heat a year, they say. The alloy is troublesome; it requires more than twice the man-hours of a conventional specialty steel. Allegheny Ludlum wanted to quit making it.

But AM-355 has a critical application in a military helicopter. No other material will stand up to the stress. So the Government and the helicopter manufacturer won a plea for continued production.

AM-362 has titanium in it. Only Al Tech Specialty Steel in Mr. LUNDINE'S district of New York makes it. It is used to fashion the tube that holds the charge that propels ejection seats on military fighter and other aircraft.

But the demand is very small. The estimate is that no more than 1,000 tubes and required a year. The Government is the only user. And Al Tech also wanted to quit bothering with the alloy.

So other materials were tested. Nothing else was up to the job. If you have got to leave a jet figher in a hurry, you do want a smoothly working ejection seat. And the Government won agreement for continued production.

Although I offer only two examples for the sake of brevity, the problems behind the threat are industrywide.

And more is at stake than two alloys.

The industry is at stake; and this is an industry without which the coming world of high technology would not exist.

Without the industry; America's place in this world is in doubt.

Specialty steel occupies a unique place in our economy, present and future.

By the judgment of our congressional Office of Technology Assessment;

By the consensus of industrialists in this country and abroad;

The specialty steel industry of the United States is at the leading edge of technology. Nobody does it better. And virtually none are its equal in efficiency, quality, and inventiveness.

Yet even the best of the best in the world are suffering huge financial losses and have had worker layoffs of up to 40 percent.

And of the rest, two are in chapter 11 bankruptcy proceedings; one has been closed and sold and not reopened; and another has moved out of specialty production to concentrate on other lines.

There are victims and casualties of the trade war that is savaging fundamental parts of this economy. The combat is particularly vicious in the specialty steel theater.

American producers, their profitmaking volume markets eaten away by foreign industrial policies, are caught in a backbreaking whipsaw.

Subsidized and dumped imports are destroying their base markets here, their bread and butter markets. The record of 1982 shows dumping margins of up to 18.4 percent, for example.

These are the markets that turn the profit; the markets that enable them to heat such combinations as AM-355 and AM-362; and to conduct the research and development that will lead to alloys better than either for the military and commercial miracles of tomorrow.

But this market is being swept by the subsidizers and dumpers, two practices that are supposed to be outlawed in international trade by agreement.

The result: The research and development and the investment in productivity improvement that will get us into tomorrow is not being made. It is not being made because there is little profit to generate this investment.

Meanwhile, many nations that might buy technologically advanced and high competitive American-made specialty steel have closed their borders to foreign goods; that is, to U.S. goods.

There is little question that this industry could export but for this protective curtain of stainless steel thrown up by our trading partners.

For example, in 1980 the Office of Technology Assessment made this finding about the American producer and the American worker:

> They tend to be the lowest cost producers for the domestic market and for many foreign markets as well.

The caucus asked the director of the OTA's steel study for his current opinion on the industry.

Dr. Joel Hirschhorn said:

> They still are at the leading edge of technology . . . are well-managed, cost-competitive. They were doing all the correct things.

Furthermore, Richard Simmons, the chief executive officer of Allegheny Ludlum, is familiar with the effect of these barriers.

Mr. Simmons asserted in a recent speech:

> That if we had the same access to foreign markets, and cost-competitiveness without subsidies was the rule, Allegheny Ludlum would be substantially larger—50 percent by my calculations . . . we would have kept most of our market . . . and captured significant shares of foreign markets . . . if true free trade with comparative advantage was the rule.

What is the rule? The rule is starkly explained in a letter Allegheny Ludlum received early last year from France. A venture there had not had easy going and their French agent suggested talks in Paris on several points, including this one, and I quote:

> (The) possibility for Vallourec to have one or two of your grades manufactured in France to answer French power company requirement for a 100-percent French delivery as conditions and considerations for such a license. This trend has been increased since the last political change in France.

Vallourec was to process the Allegheny metal in France. The license that was mentioned was one required to do the processing.

Mr. Speaker, the literal translation of the phrase was this: If it is not made in France, it is not going to be sold in France. You see, borders are closed particularly tight when the countries throwing up the barriers have their own specialty steel industries to protect. These are the subsidizers and dumpers, by and large.

In France, for example, Allegheny Ludlum's business is less than 13 percent of what it was a few years ago.

On the other hand, imports from France rose 102.4 percent from 1980 to 1982. There have been findings of dumping margins of up to 14.8 percent on French steel coming into the bread and butter market. One page of an ITC report in a recent proceeding notes that French imports since 1979 have increased 290 percent.

The caucus asked a marketing expert for one of our best specialty steelmakers for a briefing on conditions in the world today.

In Brazil, the border is sealed. Before it was closed, importers were required to have on deposit—interest free—for 360 days the full value of the product. The seller was required to deal on 360-day terms. The tariff was 45 percent. Things are simpler now. The Brazilians simply do not grant import licenses.

Subsidy findings of up to 15.4 percent have been entered on Brazilian specialty steel coming into this market.

In West Germany, if you want to sell a special item, you must submit it for testing by and approval of a metals society. The Germans do not accept world standards. The cost of testing is $20,000 per alloy. The waiting time is 3 to 6 months.

Meanwhile, specialty steel imports from West Germany during the 2-year period rose by 447.9 percent. Dumping margins of up to 18.4 percent have been found in West German steel.

In Japan, they say, you have to do business with the trading companies, if you are going to do business. The big ones do not want to buy from foreigners. The big ones probably will have a business affiliation with a Japanese producer. As they say, they do not have the import habit in Japan. They will buy some special items they do not make.

In Korea, import licenses cannot be had; no license, no sales.

In South Africa, there is a duty of 20 to 22 percent on grades they make.

In India, the tariff on semifinished goods is 335 percent.

In Australia, there is a 20-percent duty.

There is a market in Taiwan, but the Taiwanese are starting their own industry, and controls are expected when they have mastered the art.

As the world economy slowed, the pace of imports to this big and open market picked up: Picked up 231.9 percent from the Netherlands; 248.2 percent from the United Kingdom; 70.4 percent from Austria; and 55 percent from Italy.

The American industry explains the proposition this way:

> The historic tendency among foreign specialty steel producers is to embark on counter-cyclical export strategies to maintain output and employment in the face of declining demand.
>
> Maximizing sales in the U.S. on the basis of low pricing practices unreflective of the cost of production, tnus throwing the whole burden of the world recession and overcapacity on the U.S. industry.
>
> The heart of the specialty steel problem is that foreign specialty steel producers continue to receive protection and financial assistance from their government.

Mr. Speaker, I believe this accurately sums up the state of free trade in world specialty steel. It flows one way only. It flows against us. U.S. companies are pitted against foreign governments—both ways—and not against rival companies.

And administration-through-administration the policy of the United States has been to show understanding, to say tisk-tisk rather than halt. After all, it might offend our potential allies and our allies and Third World Neutrals if they had to bear the unemployment and political unrest that would flow from an increase of American-made imports, even if they are better and cheaper.

If the tendency to dump here in slow times is historic, the dumping is chronic.

This industry suffered virtually the same looting during the mid-1970's. It fought for its life and won invocation of the trade law against the outlawed practices of subsidy and dumping. In return, the industry promised to make capital investment that would put it clearly in front, at what the OTA calls the leading edge of technology.

This promise was kept. During this earlier period of quotas the industry made capital investments of more than $432 million, which is a big figure for a small industry.

The quotas came off and the outlawed practices came back.

If there is a thing that is almost universal in the world of high-technology, it is specialty steel. It literally is the building material for the bridge between today and tomorrow.

Everyday and commonplace things are made with it; nails and tableware and those miniature screws that hold together eyeglasses and even the little tabs on our trousers that have taken over from buttons the duty of preserving our dignity.

If specialty steel were to disappear tomorrow, we truly would lose our pants, literally and figuratively.

The figurative loss applies up the scale to the advanced industries of today: chemical and petroleum processing; heating; electric power.

It is strong, light and resistant to heat and corrosion. No jet aircraft would fly without it, and in its absence we would be back to processing words with quill pens.

What is true for today's advanced technology also holds a step on up the ladder for the developing industries and higher technology. Pac-Man's jaws literally are wired together with specialty steel, and dependent on it are things like the computer and robot magic on which so many hopes for the future are pinned.

Things work together as you move ahead. Advances in specialty steel will bring on advances in the industries that use it; higher requirements in the consuming industries will generate better specialty steel.

If one edge is dulled, so is the other.

Tailor made for the job at hand, it accounts for 10 percent of the dollar value of domestic steel shipments and yet amounts to only about 1.5 percent of the tonnage.

Even the most passionate futurists tend to identify specialty steel as an area in which American industry has an edge and a future, including an export future.

Yet specialty steelmakers and workers in the United States are as endangerred as much of the flora and fauna on the endangered list.

One again this industry has petitioned the Government to invoke the trade law against the damage done—present and future—with the outlaw's weapons of subsidy and dumping. It has prevailed in half-a-dozen antidumping and countervailing duty cases, and, separately, has proved a case for quotas in a section 201 petition.

In fact, this small industry has had to spend substantially over $500,000 to win the rights promised to it under our trade law.

In the section 201 case, the U.S. International Trade Commission has found injury and recommended import quotas for 3 years at levels that would give up to 42 percent of the profit-and-volume markets to foreigners.

This is akin to throwing a life ring on a 50-foot rope to a man who is drowning 100 feet offshore; it is like issuing plastic raincoats to the military and calling them bulletproof vests.

The ITC's recommendation just is not up to the job of carrying this vital and competitive industry through the shakeout that must occur in a state of worldwide overcapacity.

Remember, this is world capacity that is far less advanced and inventive; it knows nothing of AM-355 and AM-362 and world defense requirements, including theirs; it cares not whether the United States has a future in high technology.

If the recommendation is not a half-measure, it is no more than three-

fifths of a measure because the law allows quotas for up to 5 years.

As for the quotas, the industry argues that the Nation will have to witness something of an American economic miracle if the recommended market shares of up to 42 percent are to provde any return to profitability.

For the quotas to help, U.S. domestic consumption of specialty will have to catapult to almost historic highs, the industry says.

Furthermore, this already world-class industry wants to make additional investment in productivity, and it has pledged to do it.

This promise to invest is one they made and kept in the 1970's. They kept it so well that the 1980 OTA study declared it:

Difficult to find an industry in the country that was better * * * in terms of productivity and application of technology.

But only 3 years in enjoyment of their rights under the trade law will leave them exposed to resumption of the looting right in the middle of the 5-year investment cycle, they say. Five years ought to see them through, they add. It will cover the cycle and the inevitable shakeout, they hope.

As the OTA's Dr. Hirschhorn observed recently, "if you expect investment, you have to put some certainty in the market."

Fortunately, the ITC does not have the final say in this matter. The President does. His decision is pending and should be announced this month.

The executive committee of the caucus and other members have urged the President by letter to grant this industry the full enjoyment of the rights accorded by our trade law, and to set the quotas at levels that will mean something to the producers.

I consider this decision so important to the future of all American industry in what it says to the world and in what it means to the development of higher technology that I urge all Members who are concerned about the strength of the Nation to make their own independent inquiry into the situation;

And, if the facts support the case, to let the White House know how they feel about it.

Remember, Mr. Speaker, that when I touched on the uses of specialty steel I mentioned nails, and there is some traditional advice about nails that is very appropriate here.

As George Herbert said,

For want of a nail the shoe is lost; for want of a shoe the horse is lost; for want of a horse, the rider is lost.

Specialty steel is one of the nails that will carry this Nation into the next century, and to lose it will jeopardize much that all of us want to happen.

This top-of-the-line industry really is not unlike the endangered species.

When it is gone;

If we lost it, or the leading edge that it has;

When the body of knowledge, experience, and energy that made it the best is scattered to the winds;

Then neither legislation nor the invisible hand of Adam Smith will hold enough magic to regenerate it as it was. Then our role in the world will be somewhat heavier and our vulnerability greater.

Specialty steel deserves the consideration given to endangered species, to threatened livestock, to blighted grain. It is no less important to the general quality of life in this Nation.

As a philosopher from an earlier day said, no nation is great until it comes to the realization that it has nowhere to look for help but to itself.

And the specialty steel case is a good place to start.

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Mr. MURTHA. Mr. Speaker, will the gentleman yield?

Mr. GAYDOS. I yield to the chairman of the Congressional Steel Caucus, the gentleman from Pennsylvania (Mr. MURTHA).

Mr. MURTHA. I appreciate the gentleman's yielding.

Mr. Speaker, I appreciate the tremendous job the gentleman has done over the last 4 years as chairman of the Executive Board of the Steel Caucus and the Steel Caucus itself.

The House appreciates the gentleman's attention to detail and the accomplishments of the Caucus under the gentleman's direction. I think that everybody will agree much has happened, and it has been so positive for the steel industry.

Mr. Speaker, I rise to direct the attention of my colleagues to an issue familiar to those involved in the struggle for the survival of our basic industries—the problem of unfair trade. In particular, I would like to relate the history of the specialty steel industry and its efforts to seek relief from unfair trade practices. I believe this would be beneficial to those interested in gaining a better understanding and perception of the depth of the problem.

In July 1975, 19 American specialty steel producers and the United Steelworkers of America filed a petition under the "escape-clause" provisions of the Trade Act of 1974 to seek relief from a flood of steel imports which threatened the viability of the industry and the security of its 65,000 workers.

After a comprehensive investigation, the U.S. International Trade Commission (ITC) determined that foreign imports were a substantial cause of serious damage to the industry and recommended quantitative restrictions for a 5-year period. Based on these recommendations, President Ford granted 3 years of import relief to the specialty steel industry beginning on June 14, 1976.

In the following 13 months, the industry made a modest comeback as production capacity expanded and some workers returned to their jobs. In addition, long-range decisions to invest capital to modernize and increase production were undertaken.

In May 1977, President Carter announced plans to review the specialty steel import-restraint program to assess its impact and its future. Before the International Trade Commission, members of the Steel Caucus testified in behalf of the industry and in support of a continuation of the import relief program. In early 1978, President Carter issued a decision to maintain quotas on specialty steel imports for the duration of the initial 3-year period.

Later that year, the industry together with the steelworkers filed a petition for a 3-year extension of the existing quota arrangement. In late February 1979 over 70 members of the Congressional Steel Caucus joined in a colloquy on the floor of the House in support of the industry.

With the expiration of the specialty steel import relief program scheduled for June 13, 1979, the Steel Caucus met with President Carter to urge an extension of the import restraint program for 3 years to give the industry sufficient time to complete its recovery.

On June 12, 1979, the President decided to extend and phase out the speciality steel import relief program over an 8-month period. Prior to the elimination of the program, the Caucus and others had expressed concern about the buildup of foreign specialty steel capacity and the alarming trend of increasing imports. Shortly after the program expired, the Caucus conveyed this concern to the administration and urged consideration of a trigger price mechanism (TPM) for specialty steel.

Unfortunately, the Caucus' expectations were fulfilled. In the first 8 months of 1980, specialty imports increased dramatically compared to 1979:

Stainless wire rod imports increased 55.6 percent;

Tool steel imports were up 28 percent;

Stainless steel bar imports rose 92.6 percent;

The unemployment rate in the industry was 30 percent.

On January 8, 1981, the Department of Commerce established a "surge mechanism" to monitor specialty steel products for import surges caused by dumping or subsidization. Commerce observed that monitoring specialty steel imports for surges was more appropriate and technically feasible than extending trigger price coverage of specialty steel products.

In April 1981, Commerce launched its first formal investigation into an apparent import surge of specialty steel. It was determined that imports primarily from South Korea, West Germany, France, Japan, and Austria constituted a surge, defined as an increase in imports' share of domestic consumption above the average level of the past 10 years.

Despite such efforts, by July imports of tool steel equaled 37.7 percent of apparent consumption. For the third quarter of 1981, stainless sheet and strip imports were 11.2 percent of the market; stainless bars reached 26.6 percent; stainless wire rod imports reached 47 percent and alloy tool steel hit nearly 40 percent; penetration.

Faced with subsidized imports sold at as much as 54 percent below U.S. prices and apparently below the cost of production, domestic specialty steel producers petitioned for relief in December 1981 under section 301 of the Trade Act of 1974. The Steel Caucus expressed its full support of the industry's petition and urged the administration to take expeditious action to restrict the flow of unfairly traded imports.

On January 12, 1982, the U.S. Trade Representative initiated investigations into alleged government subsidization of specialty steel producers in the United Kingdom, Italy, France, Sweden, Austria, Belgium, and Brazil—all but Brazil were eventually accepted for investigation. In addition, between January and mid-October 1982, the industry filed four countervailing duty and three antidumping cases against foreign specialty steel producers.

At the end of the third quarter of 1982, overall unemployment in the specialty steel industry was running at approximately 40 percent. However, in certain specialty steel plants, the unemployment rate was over 50 percent in contrast to the national average of about 11 percent. In addition, a number of plants permanently closed down including the Colt facility in Midland, Pa.; Guterl Special Steel in Rockport, N.Y.; as well as McLouth Steel in Michigan.

In response to the 301 petition, the U.S. Trade Representative announced on November 16, 1982, a proposed three-part course of administrative action:

One, a request to the ITC for an expedited section 201 "escape clause" investigation to determine if increasing imports in five categories were a substantial cause of serious injury to the domestic industry;

Two, initiation of multilateral and bilateral discussions aimed at the elimination of all trade distorting practices in the specialty steel sector; and

Three, the monitoring of specialty steel imports subject to the 201 proceeding.

On April 28, 1983, the ITC recommended that the President impose market share quotas on imports of stainless steel and certain alloy tool steel products for a period of 3 years. In recent testimony before the Steel Caucus, representatives of the specialty steel industry advised that a 3-year import relief program would not adequately address the serious injury the industry has suffered over the past 4 years.

Accordingly, they proposed a 5-year relief program with import restraints levels below those recommended by the ITC. As stated by the industry:

* * * A five year relief program is necessary so that excess world capacity can be brought into better balance with demand and the unfair practices of our foreign competitors eliminated. A full five years of relief is also needed to fully support this capital intensive U.S. industry's commitment to investments needed to stay technologically advanced. Investment planning in our industry takes place over a period of at least five years. A three year relief period is simply not long enough to plan and encourage the kind of investment needed.

Mr. Speaker, this chronology of events regarding the specialty steel industry's efforts to seek relief from unfair imports is a clear indication that even when our trade laws are enforced, our trading partners continue the abuse through every means available—from extensive Government subsidization, dumping, and coordinated industry targeting to abuses of exchange rates.

The specialty steel industry is an efficient, high-technology industry that is essential to our national defense and industrial economy. It is highly competitive and, as history has indicated, has fought successful battles against a nearly endless stream of imports, proving that a high percentage of imports to this country have been unfairly traded.

Together with my colleagues on the Congressional Steel Caucus, I urge the President to implement a strong, effective remedy as soon as possible to preserve this critical industry and the jobs of its workers.

Mr. GAYDOS. Mr. Speaker, I want to thank the chairman of the Steel Caucus and I do not want to turn this into a mutual admiration society, but I want the record to show that the chairman has been with the Steel Caucus since its very beginning and now he has demonstrated brilliant leadership in that area.

I yield to the gentleman from California (Mr. COELHO).

Mr. COELHO. I thank the gentleman for yielding.

I want to compliment the gentleman for the job that he is doing as chairman of the Executive Committee of Steel Caucus and the job that he has done in the past in bringing to the attention of those of us in the House the needs and concerns of the people from the gentleman's area and people all over this country in regard to steel. I think it is very important for us to have that information.

I applaud and thank both the gentlemen from Pennsylvania (Mr. GAYDOS) and (Mr. MURTHA) for the job they have done.

Mr. GAYDOS. Coming from the individual that he is and the record he has compiled in this House, I am most appreciative of those fine remarks of my colleague from California (Mr. COEHLO).

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TRIBUTE TO MAYOR KEVIN WHITE OF BOSTON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. FRANK) is recognized for 60 minutes.

Mr. FRANK. Mr. Speaker, my purpose in coming to the microphone today is to take note of a significant event for those of us who live our lives dedicated to public service. It is the decision made last week by Kevin White, now the mayor of Boston and the man who has served longer continuously in that job than anyone in its history, not to seek another term.

Mr. Speaker, Kevin White was my first employer; that is, my first employer outside the academic community. I went to work for him in 1967 in his campaign and in 1968 I left a graduate program I was pursuing to become his executive assistant. I was grateful then and grateful now for his willingness to take a chance on someone not previously experienced in government, and to entrust me with significant responsibility.

I would say, Mr. Speaker, that one of the hallmarks of Kevin White's 16 years in the mayoralty has been a willingness and an ability to work with young people, to encourage people who shared his very passionate commitment to the notion of public service, to enter that field. Kirk O'Donnell, who serves as counsel to our Speaker, is another alumnus of the Kevin White organization. Ann Lewis, political director of the Democratic National Committee, whom candor compels me to note is my sister in her spare time, got her start working politically with Kevin White on a full-time basis. A number of people who hold important positions in the State government of Massachusetts and elsewhere owe their start in politics to Kevin White's willingness to say to young people, "I appreciate the fact that you share my commitment and concern for the public sector and I invite you to join me," and to treat them not as novices and not as fledg-

lings to be hedged in, but to trust them, to help them, to work with them, to educate them, and to give them a chance to show their ability to perform.

That is one of the services which he has performed over his 16-year career for which I and many others are grateful.

I served subsequently in the Massachusetts Legislature as a representative from the city of Boston while he was mayor. I should say, Mr. Speaker, that on some issues we differed. Toward the end of his mayoral career, I was no longer an ally. I do not retract those differences, as I suspect he does not. But I think it is appropriate at this pause in his career, because I do not think at his relatively young age, even though he spent 16 years as mayor, that his is a career which is ending. I think he is a man who has considerable to contribute in the future to public service, and I believe he will be doing that.

I think it is appropriate to review that phase of his career as a whole. It is a career marked in considerable part not only by a dedication to public service, which is an important asset for us at these times when people turn away from the notion of public service, but a courageous willingness to advocate causes that were not always popular.

When he took over as mayor of Boston, the city's record with regard to racial integration was not a good one. City hall was not fairly representative of the diverse population of that city. In the face of significant political opposition, he offered to the black minority and to the Spanish-speaking minority in that city an entre into positions of power and responsibility to which any group in our society is entitled to participate.

Earlier than most political figures, he was prepared to recognize that this society has discriminated against women in unfortunate ways and to bring into his administration in positions of responsibility and power women at a time when it was rare, to our discredit as a Nation, to see women in positions of responsibility. In the late 1960's and early 1970's, Kevin White was prepared to do that.

He was prepared to be innovative and open to a city in a number of ways that reflects greatly to his credit.

Mr. Speaker, he now has decided, understandably, that after 4 consecutive terms, 16 years, in a very demanding job that he is ready for a pause in his public career. As one who owes his own career in public service, I think in substantial part, to the opening which Kevin White gave me in 1968 when he entrusted me with significant responsibility despite a lack of any obvious reasons to do so, by the example he set, by his courage and compassion on a number of issues, Kevin White has a career at this point of which he can be proud.

As I said, I differed with him in several important respects later in his mayoralty, but judging that career as a whole, it is, I think, one of the most significant in recent American political history, for his willingness and ability in both political and governmental terms to take risks, to care very deeply, and to provide, among other things, Mr. Speaker, a degree of excitement that the public I think is entitled to and too rarely gets.

People who care a lot do great things and they sometimes make great mistakes. I believe Kevin White has done both. I also believe that as his 16-year career as mayor of Boston draws to a close at the end of this year, that he will be taking a rest to which he is well entitled after a long time in one of the most demanding jobs that exists in the United States, and that he will again, because of his commitment, resume an interest and perhaps a career and activity in the public sector.

Mr. Speaker, I am one of those who, having once worked for him, and who thinks of him with admiration and fondness, looks forward to the day when that period of respite for him is over and he again shows the kind of courage, determination and willingness and openness to innovation that marked most of his mayoral career.

WHY WE NEED THE EMERGENCY SCHOOL AID ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 5 minutes.

● Mr. KEMP. Mr. Speaker, today the Congress had the opportunity to debate H.R. 2207, the Emergency School Aid Act. I commend my colleagues Mr. KILDEE from Michigan and Mr. GOODLING from Pennsylvania for their efforts to bring this important issue to a vote. I am a strong cosponsor of this legislation and urge its passage.

The recent report by the National Commission on Excellence in Education found that the democratic foundations of our society are being "eroded by a rising tide of mediocrity that threatens our very future as a nation and a people."

This report has made all of us in Congress reevaluate the appropriate role the Federal Government has to play in meeting the challenge of providing a quality education to the young people of America. I believe that one of the most appropriate responsibilities of the Federal Government in the area of education is to assist local school districts in carrying out those programs mandated at the Federal level.

The original Emergency School Aid Act, enacted in 1972, provided Federal funds to school districts undertaking voluntary desegregation plans in compliance with the Federal mandate to integrate our schools.

I need look no further than my home community of Buffalo, N.Y., to witness first hand how successful the Emergency School Aid program has been. Buffalo is operating the largest and most successful court-ordered voluntary desegregation program in the Nation. The major focus of Buffalo's program is voluntary busing to "magnet" schools and academies stressing special subject areas in order to attract students from all over the city. The integration of the Buffalo school system has been a community effort, with no demonstrations, no public outcry, and minimal "white flight" to the suburbs. In fact, there are waiting lists of students wanting to be admitted to the Buffalo schools participating in this innovative integration program. The emergency school aid from the Federal Government amounted to nearly $7 million in the 1981-82 school year—funds that allowed Buffalo to provide a quality education at the end of the bus ride. Is that not what all of us, as parents, ask of our schools? However, Buffalo has lost 87 percent of these funds under the chapter 2 block grant, and its model programs are truly in jeopardy.

I know that it was not the intention of the Education Consolidation and Improvement Act of 1981 to eliminate the voluntary desegregation programs throughout the country. However, these programs were planned and begun by school districts that expected the Federal Government to hold up its end of the deal. These school districts no longer have the funds to carry out the Federal mandate to integrate their schools, nor the public mandate to achieve this integration voluntarily.

For these reasons, I urge my colleagues to support this needed refinement of the block grant—one which I believe will both strengthen the block grant program and at the same time fulfill an appropriate responsibility of the Federal Government in education—the promotion of equal educational opportunity for all American children.

My colleagues Mr. CONABLE and Mr. NOWAK have also worked hard for this legislation and in that bipartisan spirit and on behalf of inner-city education I urge this legislation be adopted and sent to the President for his signature.●

OUR DEEPENING COMMITMENT IN EL SALVADOR

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from Texas (Mr. GONZALEZ) is recognized for 30 minutes.

Mr. GONZALEZ. Mr. Speaker, we have every sign that the administration is about to dramatically deepen the commitment of the United States in El Salvador. Along with that, the administration is pursuing a policy in other parts of Central America that is even more radical, even more committed to repression in place of reform.

In Guatemala, the Government rules increasingly by terror. President Reagan openly admires this bloody regime. Months ago I reported my meeting with the Bishop of the State of Chiapus in Mexico that borders with Guatemala, in a horrible recital of the murder by the Guatemalan soldiers of 6-month-old infants, ripping their bellies open, causing a sudden exodus at one point of 30,000 of these poor, hapless peasants who do not any more know what Marxist Leninism looks like, talks like or even has the slightest idea.

□ 1920

This is a regime that our President admires. In the country of Nicaragua, the President hopes to put the Sandinista government out of business by means of a now not so clandestine war that used even Argentinians for a while.

This is a pathetically terrible role that our people are being indicted on throughout the world unjustly, because as I have said repeatedly, if there are any people who are free, truly free and genuinely humanitarian, it is the American people; yet actions such as those taken by then Secretary of State and General Haig, in which he managed to pressure the Argentinians who because they knew what their plans were at the time and had, I am sure, all the hope in the world that the United States would back them, since it was soliciting their support; anyway, General Haig persuaded the Argentinians to send some military over to Honduras. That was the beginning of our effort to undo the so-called Sandinista regime in Nicaragua, so that when a few weeks later the Argentinians invaded the Falklands and the United States was caught in a real dilemma, which in effect, you know, they talked about losing China and losing Southeast Asia and losing this and losing that; well, that is what lost us Latin America for good, because we undid the Pact of Rio, which we ourselves led in the formulation.

There is a terrible feeling of anti-Americanism in all those regions as a result, not that after it happened the United States had much of a chance to do differently; but nevertheless, how can we blame the Argentinians for thinking we would not fight with them if we had solicited and had obtained from them their soldiers to come and wage as agents a nasty war in Nicaragua in which again in violation of all the pacts that we had entered into in the Western Hemisphere, we are intervening internally and in a way that is in clear contravention to the basic tenets of international law.

Well, now, the President depends on the straight support of the Sandinista opponents, most of them ex-soldiers of Somoza, who was the most tryannical despot that any part of the world has ever produced, people who seem to be carrying out an odd mixture of feud, religious, and political quarrels.

In Honduras, the administration pours great amounts of military resources. As a matter of fact, we are building every kind of base, naval, intelligence, and air bases and training camps as of this last week in Honduras like mad.

In El Salvador itself, the administration has let it be known that they are not concerned about civil rights, human rights, or any other kind of rights. Murder as usual is the order of the day in El Salvador.

Meanwhile, back here in Washington, the administration has been busily purging the people who have a professional background in dealing with Central America. Assistant Secretary Enders has been fired in favor of a straight political appointee, whose only service has been as Ambassador to Brazil briefly and whose previous background was as a land developer in Alaska.

At the same time, the President fired in a rather callous and brutally denigrating way his own Ambassador to El Salvador, whose only apparent failing was to warn the Salvadorans that they should clean up their act and put some kind of brakes on their murder squads. These moves make clear that day-to-day direction of policy toward Central America will not be in the hands of the State Department at all, but in the hands of the White House itself; namely, the Office of the National Security Adviser—and who is he? Not a foreign policy specialist at all, but an ex-judge from California whose main qualification seems to be an ability to tell Ronald Reagan what he wants to hear.

In sum total, all these personnel changes mean that amateurs are in charge of Central American policy.

And what have these amateurs dreamed up? They have suggested a much deeper military commitment in El Salvador, for one; and, of course, more economic assistance. It is the old Vietnam formula—a little here, a little there, and someday the opposition will get mad and take a crack at American forces; whereupon there would be outrage and a call for the use of any and all necessary force to restore our dignity, a la the Gulf of Tonkin resolution, that functional equivalent of war that became the license to enter into that quagmire.

What Ronald Reagan is looking for today is some excuse to leap over the abyss, to use vast amounts of force in Central America. That is because he wants quick answers, easy solutions, rather than a long and difficult effort to bring some sense of decency and sanity into that area.

On last Saturday, the Pentagon's professionals let it be known that they very much fear the course that the administration's amateurs have set out upon. Through anonymous leaks, they said that there is no way that they could recommend getting into a military commitment in El Salvador without first being assured that there is support here at home. In other words, they are saying that they do not know of any family that is prepared to sacrifice a son in behalf of what former President Carter called the most murderous government in Latin America, and probably anywhere else. And, of course, they are right. Nobody who is familiar with the scene in El Salvador denies the brutality, the corruption, the endless intrigue of those who run the country. No one denies the endless murders carried out by official and semiofficial death squads. Those who try to excuse this murderous behavior say that the Government of El Salvador claims that before 1975 the country had about 3,000 nonpolitical killings a year—a rate that would make old time mob war actually look benign. But how could anyone believe the disclaimers of a government that routinely carries out killings?

The professionals in the Pentagon know that the people of this country could not justify using our forces in behalf of the rotten Government in El Salvador. They realize that the President's search for a quick, bloodless solution to decades of repression, injustice, and corruption, simply will not work. They know that you can kill the people who want peace, those who want reform, those who want simple justice—but this does not kill the idea. As I have said repeatedly, we cannot bomb communism out of existence any more than any other idea. The only way is justice.

The professionals at the Pentagon also know that endless support for a government rotten to the core does not make that government stronger—only more dependent on outside aid.

The Somoza regime in Nicaragua had more American military help and had twice as many military trained by Americans than all the Latin American countries put together, and yet it was not safe. It fell.

□ 1930

The professionals at the Pentagon learned very much, particularly since they became the victims of that end-

less, almost, and divisive war in Vietnam. They also learned it in Iran and Central America. They know about Nicaragua which was the beneficiary, as I say, of decades of American military advice and assistance, and which still did not save the regime.

But Ronald Reagan does not want to hear any of that. He yearns for military glory, the way of Theodore Roosevelt, who said of the Spanish-American War, "It wasn't much of a war, but it was all we had." He yearns for the simplicity that never existed in foreign affairs. He does not understand that a government that has no legitimacy with its own people can exist only at the sufferance and sacrifice of some outside patron. He wants to be able to talk with some general, some incarnation of Rios Montt, who will say that the situation is under control. He does not want to be concerned about the murder of women and children, or about corruption, or about routine brutality, or about the lack of even a pretense about law or justice, or any of the reasons that lie behind any resistance.

But the governments of the area care.

And as I have been trying to say fruitlessly since April 1, 1980, at that time it was President Jimmy Carter, it is a different world. Latin America has changed. Our hegemony has eroded, and American leadership has not been willing to be exerted.

President Reagan does not want to offer leadership of a collective Latin America. He insists on proceeding unilaterally. Also President Carter before him, unfortunately.

Those governments, though, in the area, Mexico, Costa Rica, Panama, Colombia, Venezuela, do care, but only because the United States has abdicated leadership. That is why they have met five times in all to express their concern about the direction of American policy in Central America.

They know that the Reagan policy only increases their own problems. They know that the Reagan program might not only fail in the short run, but that in the long run it will make the incredibly difficult problems of the area even more incredibly different than they are today and much more difficult. And now, those governments are being joined by the Government of Spain, whose prime minister who has just arrived in Mexico, and his first words on arrival were precisely those, will urge President Reagan to listen to what he is being told on this visit to Central America.

The President can fire his own foreign policy experts, but he cannot fire the heads of other governments—people who know what they are doing, who understand what they are facing, and who know that the Reagan policy is a disaster, not only for the United States, but for the countries that we are professing to support.

We are witnessing a drift toward disaster. Even as faithful a supporter of Ronald Reagan as my own local Murdoch newspaper, the San Antonio News, felt moved as long ago as December 9, to editorialize that "the United States appears to be getting sucked ever more deeply into the murderous and murky conflicts of Central America." And, the paper went on, "Inevitably, U.S. policy in Latin America seems to look for military or paramilitary solutions to social upheavals." The editorial went on to express the hope that the President had learned something during his trip to the region. But those proved to be vain hopes. Far from learning anything, the President has continued, step by step, down the road toward the abyss, refusing at every turn to heed the warning signs of disaster. Apparently in the comfort of the White House, or in the splendid tranquility of Camp David, there is no one to give, let alone heed, the warnings. Those who suggest caution and reason have been cut off. Those who understand the military dimension, however, know that the rebellion in El Salvador cannot be laid at the feet of outside agitators. They know that even if there is foreign support, it is Salvadorans who are doing the fighting, and they are doing so because they have given up any hope that their Government will ever provide decency, justice or reform. If the President will not listen to the living, he would do well to heed the comments of our first victim in El Salvador, who perfectly understood the source of the trouble—incredible economic and social injustice—and who understood equally well that guns and blood do not kill the yearning for decency.

I ask my colleagues: Which one of us would volunteer to serve in El Salvador today? Which one of us could say that this is a regime that has its heart set on justice or decency or reform? Not one I do not believe. Yet we stand silent as the administration pushes closer and closer toward irretrievable disaster.

Mr. Speaker, I yield back the balance of my time.

RIGHTS OF PUBLIC HOUSING TENANTS MUST BE PROTECTED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. COYNE) is recognized for 5 minutes.

● Mr. COYNE. Mr. Speaker, one of this Nation's wisest Federal investments, our public housing system, is a principal target of this administration's misguided fiscal policies.

Most of the 1.27 million public housing units are in good condition, in need only of regular maintenance and modernization. A recent HUD study indicates only 7.3 percent of units have chronic problems.

I am pleased to report H.R. 1, the omnibus housing bill reported to by the House Banking, Finance and Urban Affairs Committee in May, recognizes the need to protect the Federal investment in housing. It authorizes $2.1 billion for a comprehensive modernization program for existing public housing stock.

As we protect our investment in bricks and mortar, so should we protect the rights of the residents of public housing. Those rights are now under attack. The Department of Housing and Urban Development proposes to cast aside a decade of experience in which routine disputes between a tenant and a public housing authority are ironed out in a fair and expeditious manner.

The procedures relating to lease and grievance which the agency would repeal, first developed in 1971, grew out of the unfair practices of a few public housing authorities. The regulations which promote the resolution of disputes were upheld in court and were readopted by HUD in 1975 after a 2-year review.

I wish to emphasize to my colleagues that these regulations were developed after widespread input by public housing authority officials, tenants and others. The intent of the rules, which is to resolve a grievance at the point of conflict, is something that we in Congress should commend. Informal hearings at which both parties can state a case are a better vehicle than a court action when it comes to resolving day-to-day public housing problems.

The Department of Housing and Urban Development clearly believes otherwise. The failure of the Department to recognize the utility of lease and grievance procedures caused the House Banking Committee to include in H.R. 1, a section requiring public housing authorities to maintain those procedures.

I strongly support this section of the bill. Years of experience in resolving disputes argues for preservation of a workable grievance system. Having no system at all invites confusion while reducing the legitimate rights of tenants.

I hope that this House votes to preserve our investment in public housing. We must also act to preserve the rights of the residents of that housing. A yes vote on H.R. 1 will be the best method of achieving both aims.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. FLORIO) is recognized for 5 minutes.

● Mr. FLORIO. Mr. Speaker, because of offical duties I was not able to be present on votes taken on June 2 and June 3, 1983. If I were present, I would have cast the following votes:

THURSDAY, JUNE 2

Rollcall No. 146: Motion that the House resolve itself into the Committee of the Whole for further consideration of the bill (H.R. 3133), HUD-independent agencies appropriations. "Aye."

Rollcall No. 147: Amendment to H.R. 3133 by Mr. WIRTH. "Aye."

Rollcall No. 148: Motion that the Committee of the Whole rise. "No."

Rollcall No. 149: Amendment to H.R. 3133 by Mr. DANNEMEYER. "Aye."

Rollcall No. 150: Motion that the Committee of the Whole rise. "Aye."

Rollcall No. 151: Passage of H.R. 3133. "Aye" (paired in favor).

Rollcall No. 152: Amendment to H.R. 3135, a bill making appropriations for the legislative branch, by Mr. WALKER. "No."

Rollcall No. 153: Motion to suspend the rules and pass S. 639, to authorize supplemental assistance to Lebanon. "Aye."

FRIDAY, JUNE 3

Rollcall No. 154: Motion to approve the Journal of Thursday, June 2. "Aye."

Rollcall No. 155: Motion that the House resolve itself into the Committee of the Whole for further consideration of the bill (H.R. 3135), making appropriations for the legislative branch. "Aye."

Rollcall No. 156: Amendment to H.R. 3135 by Mr. GREGG. "No" (paired against).

Rollcall No. 157: Amendment to H.R. 3135 by Mr. BARTLETT. "No."

Rollcall No. 158: Amendment to H.R. 3135 by Mr. HUNTER. "No."

Rollcall No. 159: Amendment to H.R. 3135 by Mr. HILER. "No" (paired against).

Rollcall No. 160: Amendment to H.R. 3135 by Mr. BROWN of Colorado. "No."

Rollcall No. 161: Passage of H.R. 3135. "Aye" (paired in favor).●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. NELSON) is recognized for 5 minutes.

● Mr. NELSON of Florida. Mr. Speaker, because of an official trip to El Salvador, I was not present and was, therefore, not able to cast my vote for rollcall No. 152, which was an amendment to H.R. 3135 which would reduce appropriations for committee employees. Had I been present, I would have voted against this amendment.

Also, I was not present, and was, therefore, unable to cast my vote on rollcall No. 153, the Lebanon Emergency Assistance Act. Had I been present, I would have voted for this bill.

Also, I was not present, and, therefore, not able to cast my vote for rollcall No. 154 to approve the journal of the previous day. Had I been present, I would have voted for approval of the journal.

Also, I was not present, and, therefore, not able to cast my vote for rollcall No. 155, a motion to resolve into the Committee of the Whole House to consider H.R. 3135. Had I been present, I would have voted for resolving into the Committee of the Whole House.

Also, I was not present, and, therefore, not able to cast my vote for rollcall No. 156, an amendment to H.R. 3135 to decrease appropriations for Special and Select Committees. Had I been present, I would have voted against the amendment.

Also, I was not present, and, therefore, not able to cast my vote for rollcall No. 157, an amendment to H.R. 3135 to decrease funding for Members' official expenses. Had I been present, I would have voted against the amendment.

Also, I was not present, and, therefore, not able to cast my vote for rollcall No. 158, an amendment to H.R. 3135 which sought to reduce funding for official mail costs. Had I been present, I would have voted against the amendment.

Also, I was not present, and, therefore, not able to cast my vote for rollcall No. 159, an amendment to reduce funding for the Congressional Budget Office. Had I been present, I would have voted against the amendment.

Also, I was not present, and, therefore, not able to cast my vote for rollcall No. 160, an amendment to H.R. 3135 which would eliminate funding for elevator operators in the House of Representatives. Had I been present, I would have voted against the amendment.

Also, I was not present, and, therefore, not able to cast my vote for rollcall No. 161, which was on final passage of H.R. 3135, the legislative branch appropriations bill. Had I been present, I would have voted for final passage of H.R. 3135.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ST GERMAIN (at the request of Mr. WRIGHT), for today, on account of official business.

Mr. DYSON (at the request of Mr. WRIGHT), for today, on account of a death in the family.

Mr. KOLTER (at the request of Mr. WRIGHT), for June 6 through June 10, on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MOLINARI) to revise and extend their remarks and include extraneous material:)

Mr. KEMP, for 5 minutes, today.

Mr. GINGRICH, for 60 minutes, June 23.

(The following Members (at the request of Mr. SLATTERY) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 30 minutes, today.

Mr. COYNE, for 5 minutes, today.

Mr. FLORIO, for 5 minutes, today.

Mr. NELSON of Florida, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. SHAW, during consideration of H.R. 593.

Mr. ALBOSTA, on H.R. 2355 in the House today.

Mr. PANETTA, to include extraneous material notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $4,105.50.

(The following Members (at the request of Mr. MOLINARI) and to include extraneous matter:)

Mr. BROOMFIELD.
Mr. RITTER in two instances.
Mr. KRAMER.
Mr. LOWERY of California.
Mr. CLINGER.
Mr. LAGOMARSINO in two instances.
Mr. MCEWEN.
Mr. LIVINGSTON.
Mr. BILIRAKIS in two instances.
Mr. CORCORAN.
Mr. PORTER.
Mr. STUMP.
Mr. SUNDQUIST.
Mr. DANNEMEYER.
Mr. WHITEHURST.

(The following Members (at the request of Mr. SLATTERY) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.
Mr. GONZALEZ in 10 instances.
Mr. BROWN of California.
Mr. ANNUNZIO in six instances.
Mr. JONES of Tennessee in 10 instances.
Mr. BONER of Tennessee in five instances.
Mr. MARKEY.
Mr. LANTOS in two instances.
Mr. BARNES.
Mr. HOWARD.
Mr. SKELTON.
Mr. WYDEN.
Mr. NOWAK.
Ms. FERRARO.
Mr. SHANNON.
Mr. MCHUGH.

Mr. PANETTA.
Mr. WAXMAN.
Mr. FAUNTROY.
Mr. BOUCHER.
Mr. OTTINGER.
Mr. PATTERSON.
Mr. DWYER of New Jersey.
Mr. SIMON in two instances.
Mr. FLORIO.
Mr. TORRICELLI.
Ms. KAPTUR.
Mr. MINETA.
Mr. MOAKLEY.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 973. An act to make technical amendments to the Indian Self-Determination and Education Assistance Act and other Acts.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 37 minutes p.m.) the House adjourned until tomorrow, Tuesday, June 7, 1983, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1294. A letter from the Vice President, Government Affairs, Amtrak, transmitting a financial report of the Corporation for the month of March 1983, pursuant to section 308(a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Energy and Commerce.

1295. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

1296. A letter from the Secretary of the Treasury, transmitting a report on the operation and status of the State and local fiscal assistant trust fund and the antirecession fiscal assistance trust fund for the fiscal year 1982, pursuant to sections 105(a)(2) and 121(f) of Public Law 92-512; to the Committee on Government Operations.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LUKEN:

H.R. 3230. A bill to amend the Civil Rights Act of 1957 to provide that individuals appointed to the Civil Rights Commission shall serve for a term of 6 years and may be removed from office only for neglect of duty or malfeasance in office, and for other purposes; to the Committee on the Judiciary.

By Mr. BONKER (for himself, Mr. ZABLOCKI, Mr. FASCELL, Mr. HAMILTON, Mr. SOLARZ, Mr. MICA, Mr. BARNES, Mr. WOLPE, Mr. CROCKETT, Mr. GEJDENSON, Mr. DYMALLY, Mr. LANTOS, Mr. KOSTMAYER, Mr. TORRICELLI, Mr. BERMAN, Mr. LEVINE of California, Mr. FEIGHAN, Mr. WEISS, Mr. GARCIA, Mr. WINN, Mr. PRITCHARD, Mr. LEACH of Iowa, Mr. BEREUTER, and Mr. ZSCHAU):

H.R. 3231. A bill to amend the authorities contained in the Export Administration Act of 1979, and for other purposes; to the Committee on Foreign Affairs.

By Mr. EDWARDS of California (by request):

H.R. 3232. A bill to amend title 28 of the United States Code to authorize payment of travel and transportation expenses of newly appointed special agents of the Department of Justice; to the Committee on the Judiciary.

By Mr. KASTENMEIER (for himself and Mr. LOWRY of Washington) (by request):

H.R. 3233. A bill to amend section 3006A of title 18, United States Code, to improve the delivery of legal services in the criminal justice system to those persons financially unable to obtain adequate representation, and for other purposes; to the Committee on the Judiciary.

By Mr. McDONALD:

H.R. 3234. A bill to repeal the provisions of law which relate to the public financing of Presidential elections; to the Committee on House Administration.

By Mr. PANETTA:

H.R. 3235. A bill to permit teachers to change employment across State lines without substantial loss of retirement benefits; to the Committee on Education and Labor.

By Mr. SHANNON (for himself, Mr. RANGEL, Mr. JENKINS, and Mr. FOWLER):

H.R. 3236. A bill to amend the Tax Reform Act of 1976 to extend, for an additional 4 years, the exclusion from gross income of the cancellation of certain student loans; to the Committee on Ways and Means.

By Mr. WISE:

H.R. 3237. A bill to eliminate the exemption for Congress or for the United States from the application of certain provisions of Federal law relating to employment and privacy, and for other purposes; jointly, to the Committee on Education and Labor and Government Operations.

By MR. ROSTENKOWSKI:

H.J. Res. 290. Joint resolution to permit free entry into the United States of the personal effects, equipment, and other related articles of foreign participants, officials, and other accredited members of delegations involved in the games of the XXIII Olympiad to be held in the United States in 1984; to the Committee on Ways and Means.

By Mr. ROYBAL (for himself, Mr. WALGREN, Mr. RATCHFORD, Mr. ACKERMAN, Mr. SWIFT, Mr. D'AMOURS, Mr. MOAKLEY, Mr. EVANS of Iowa, Mr. MOLINARI, Mr. OBERSTAR, Mr. LOWERY of California, Mr. DYSON, Mr. LANTOS, Mr. FAUNTROY, Mr. EDWARDS of California, Mr. MORRISON of Washington, Mr. HORTON, Ms. OAKAR, Mr. MINETA, Mr. WOLF, Mr. FROST, Mr. FRANK, Mr. KOLTER, Mr. GUARINI, Mr. ARCHER, Mr. BARNES, Mr. WHITEHURST, Mr. LEACH of Iowa, Mr. ROE, Ms. MIKULSKI, Mr. DYMALLY, Mr. LEHMAN of Florida, Mr. DUNCAN, Mr. BROOKS, Mr. SMITH of Florida, Mr. SOLARZ, Mr. ANDERSON, Mr. O'BRIEN, Mr. DWYER of New Jersey, Mr. JEFFORDS, Ms. KAPTUR, Mrs. BOXER, Mr. TALLON, Mrs. JOHNSON, Mr. LOWRY of Washington, Mr. BROWN of California, Mr. MCNULTY, Mr. TOWNS, Mr. FORD of Tennessee, Mr. BATES, Mr. WHITTAKER, Mr. GINGRICH, Mr. BRITT, Mr. LAFALCE, Mr. LUJAN, Mr. MAVROULES, Mr. FRENZEL, Mr. STARK, Mr. BEVILL, Mr. MITCHELL, Mr. TORRICELLI, Mr. MAZZOLI, Mr. CORCORAN, Mr. VANDERGRIFF, Mr. HANCE, Mr. DANIEL, Mr. BONIOR of Michigan, Mr. STOKES, Mr. WEISS, Mr. CHANDLER, Mr. FISH, Mr. MCDADE, Mr. ROSTENKOWSKI, Mr. BERMAN, Mrs. HOLT, Mr. FAZIO, Mr. DE LA GARZA, Mr. EVANS of Illinois, Mr. WEAVER, Mr. CORRADA, Mr. WON PAT, Mr. DIXON, Mr. MCGRATH, Mr. KOGOVSEK, Mr. SKELTON, Mr. MURPHY, Mr. FASCELL, Mr. FORSYTHE, Mr. LEWIS of Florida, Mr. HOPKINS, Mr. HUGHES, Mr. MORRISON of Connecticut, Mr. YATES, Mr. BARNARD, Mr. CLAY, Mr. WINN, Mr. EDGAR, Mr. BIAGGI, Mr. MCCANDLESS, Mr. APPLEGATE, Mr. AKAKA, Mr. MCCAIN, Mr. CROCKETT, Mr. SIMON, Mr. NEAL, Mr. EDWARDS of Oklahoma, Mr. VENTO, Mr. OWENS, Mr. HOYER, Mr. CARPER, Mr. COATS, Mrs. COLLINS, Ms. FERRARO, Mr. ADDABBO, Mr. GEJDENSON, Mr. BONKER, Mr. BEDELL, Mr. MCKINNEY, and Mr. HEFTEL of Hawaii):

H. Res. 219. Resolution expressing the sense of the House of Representatives in support of hospice care; to the Committee on Energy and Commerce.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 104: Mr. FAZIO.
H.R. 107: Mr. FAZIO.
H.R. 132: Mr. RINALDO.
H.R. 171: Mr. DICKINSON.
H.R. 765: Mrs. BOXER, Mr. PATMAN, Mr. MCEWEN, Mr. MINISH, Ms. FIEDLER, Mr. DEWINE, Mr. ROE, and Mr. RAHALL.
H.R. 800: Mr. STUDDS, Mr. KASTENMEIER, Mr. EDGAR, Mr. HARRISON, Mr. MCHUGH, Mr. MCNULTY, and Mr. COELHO.
H.R. 943: Mr. WOLF.
H.R. 1016: Mr. PERKINS, Mr. SENSENBRENNER, Mr. BEVILL, and Mr. RANGEL.
H.R. 1025: Mr. FISH.
H.R. 1026: Mr. DYSON and Mr. FISH.
H.R. 1049: Mr. HORTON and Ms. FERRARO.
H.R. 1084: Mr. KASICH, Mr. FRANKLIN, Mr. KEMP, Mr. VANDERGRIFF, Mr. SUNDQUIST, Mr. ROBINSON, Mr. REGULA, Mr. KAZEN, and Mr. BILIRAKIS.
H.R. 1087: Mr. KILDEE.
H.R. 1092: Mr. MILLER of Ohio and Mr. ANDERSON.
H.R. 1183: Mr. UDALL.
H.R. 1341: Mr. RAHALL, Mr. MRAZEK, Mr. DONNELLY, Mr. WYDEN, Mr. HERTEL of Michigan, Mr. AUCOIN, Mr. FRANK, Mr. TORRICELLI, Mr. MOAKLEY, Mr. OTTINGER, Mr. SMITH of Florida, Mr. OWENS, Mr. TOWNS, Mr. HATCHER, and Mr. WOLPE.
H.R. 1415: Mr. HAMMERSCHMIDT.
H.R. 1515: Mr. SWIFT.
H.R. 1517: Mr. SWIFT, Mr. WHITEHURST, Mr. WON PAT, Mr. STOKES, Ms. MIKULSKI,

Mr. PARRIS, Mr. OWENS, and Mr. EDWARDS of Oklahoma.

H.R. 1668: Mr. HOWARD, Mr. CORCORAN, Mr. LOWERY of California, and Mr. BARNARD.

H.R. 1693: Mr. LEVIN of Michigan, Mr. LEVINE of California, Mr. KASTENMEIER, Mr. REID, Mr. MCHUGH, Mr. ECKART, Mr. BONIOR of Michigan, and Mr. SCHEUER.

H.R. 1743: Mr. EDGAR, Mr. MAVROULES, Mr. SIKORSKI, Mr. BORSKI, and Mr. AKAKA.

H.R. 1918: Mr. LOWRY of Washington and Mr. BILIRAKIS.

H.R. 2034: Mr. MORRISON of Connecticut.

H.R. 2094: Ms. SNOWE, Mr. HERTEL of Michigan, Mr. ROYBAL, Mr. DAUB, Mr. DAVIS, and Mr. GEKAS.

H.R. 2168: Mr. GEKAS.

H.R. 2225: Mr. ROBERT F. SMITH, Mr. LONG of Maryland, Mr. ARCHER, and Mr. MOORHEAD.

H.R. 2380: Mr. EDGAR, Mr. JEFFORDS, Mr. CHANDLER, Mrs. HALL of Indiana, Mr. EDWARDS of Oklahoma, Mr. FRENZEL, Mr. NIELSON of Utah, Mr. TAUKE, Mr. LELAND, Mrs. JOHNSON, Mr. FORD of Tennessee, Mr. MCKINNEY, Mr. OXLEY, Mr. APPLEGATE, Mr. ANDREWS of Texas, Mrs. MARTIN of Illinois, and Mr. ANDERSON.

H.R. 2403: Mr. MORRISON of Connecticut, Mr. LELAND, and Mr. TAUKE.

H.R. 2438: Mr. MORRISON of Connecticut and Mr. HERTEL Michigan.

H.R. 2468: Mr. ANDREWS of Texas, Mr. PATMAN, Mr. GARCIA, Mr. DIXON, Mr. QUILLEN, Mr. SCHUMER, Mr. DAUB, and Mr. LOWERY of California.

H.R. 2491: Mr. MCHUGH, Mr. LELAND, Mr. BEDELL, and Mr. FAZIO.

H.R. 2502: Ms. MIKULSKI and Mr. BARNES.

H.R. 2627: Mr. MORRISON of Connecticut.

H.R. 2633: Mr. SMITH of New Jersey, Mr. PATTERSON, and Mr. JACOBS.

H.R. 2752: Mr. MCKINNEY.

H.R. 2837: Mr. EDWARDS of California, Mr. JEFFORDS, Mr. OWENS, Mr. WOLF, Mr. PORTER, and Mr. REID.

H.R. 2967: Mr. HANSEN of Utah, Mr. WINN, Mr. LAGOMARSINO, Mr. LIPINSKI, Mr. PATMAN, Mr. STOKES, Mr. KASICH, Mr. ROE, Mr. HORTON, Mr. MCEWEN, Mr. OWENS, and Mr. CHANDLER.

H.R. 3170: Mr. ROE, Mr. MINETA, Mr. STOKES, and Mr. ANNUNZIO.

H.J. Res. 20: Mr. DWYER of New Jersey, Mr. SCHEUER, Mr. YATRON, Mr. FAZIO, Mrs. COLLINS, Mr. MACKAY, Mrs. HALL of Indiana, Mr. WON PAT, Mr. HUGHES, Mr. HERTEL of Michigan, Mr. LANTOS, Mr. MCGRATH, Mr. KILDEE, Mr. RANGEL, Mr. FRENZEL, Mr. STENHOLM, Mr. RICHARDSON, Mr. APPLEGATE, Mr. JENKINS, and Mr. FORD of Tennessee.

H.J. Res. 29: Mr. WILSON, Mr. WHITTAKER, Mr. EVANS of Illinois, Mr. FORSYTHE, Mrs. LLOYD, and Mr. ZSCHAU.

H.J. Res. 96: Mr. TAUKE, Mr. WALGREN, Mr. GUNDERSON, Mr. OXLEY, Mr. FAZIO, and Mr. MCDONALD.

H.J. Res. 120: Mr. SABO.

H.J. Res. 168: Mr. BOUCHER.

H.J. Res. 210: Mr. STUMP, Mr. WEAVER, Mr. DYMALLY, Mr. FORD of Tennessee, and Mr. WIRTH.

H.J. Res. 218: Mr. SAVAGE and Mr. PACKARD.

H.J. Res. 225: Mr. ALBOSTA, Mr. BREAUX, Mr. BRITT, Mr. BROOKS, Mr. BRYANT, Mr. CONABLE, Mr. CRAIG, Mr. DANIEL B. CRANE, Mr. DANIEL, Mr. DELLUMS, Mr. DICKS, Mr. DOWDY of Mississippi, Mr. DYMALLY, Mr. FLORIO, Mr. FROST, Mr. GEJDENSON, Mr. GEKAS, Mr. GONZALEZ, Mr. HATCHER, Mr. HEFTEL of Hawaii, Mr. HOWARD, Mr. JACOBS, Mr. JONES of North Carolina, Mr. LELAND, Mr. LENT, Mr. LEVIN of Michigan, Mr. LEWIS of California, Mr. LOWRY of Washington, Mr. MCNULTY, Mr. MARTIN of North Carolina, Mr. MATSUI, Mr. MAZZOLI, Mr. MILLER of California, Mr. MOAKLEY, Mr. MOORHEAD, Mr. MURPHY, Mr. NEAL, Ms. OAKAR, Mr. PATTERSON, Mr. PRICE, Mr. RAHALL, Mr. RINALDO, Mr. ROBINSON, Mr. RODINO, Mr. ROSE, Mr. SAVAGE, Mr. SCHEUER, Mrs. SCHNEIDER, Mr. SKEEN, Mr. SNYDER, Mr. SOLARZ, Mr. STANGELAND, Mr. SWIFT, Mr. TALLON, Mr. TAUKE, Mr. VANDER JAGT, Mr. WALGREN, Mr. WORTLEY, Mr. WYDEN, Mr. YOUNG of Alaska, and Mr. ZABLOCKI.

H.J. Res. 240: Mr. WEISS.

H.J. Res. 241: Mr. WEISS.

H.J. Res. 273: Mr. LIPINSKI, Ms. SNOWE, Mr. LELAND, Mr. LEVIN of Michigan, Mr. WORTLEY, Mr. MAZZOLI, Mr. RICHARDSON, Mr. WON PAT, Mr. BLILEY, Mr. VANDERGRIFF, Mr. LANTOS, and Mr. FRENZEL.

H. Con. Res. 107: Mr. PANETTA, Mr. GREEN, Mr. FORD of Tennessee, and Mr. FAUNTROY.

H. Con. Res. 126: Mr. SEIBERLING and Mr. WATKINS.

H. Con. Res. 129: Mr. MARKEY and Mr. OTTINGER.

H. Con. Res. 132: Mr. BRITT, Mr. BROWN of Colorado, Mr. BROYHILL, Mr. DREIER of California, Mr. FAZIO, Mr. FORSYTHE, Mr. GINGRICH, Mr. HARRISON, Mr. HEFNER, Mr. KEMP, Mr. LUJAN, Mr. QUILLEN, Mr. ROBINSON, Mr. SHELBY, Mr. VANDERGRIFF, and Mr. WHITEHURST.

H. Res. 15: Mr. ACKERMAN, Mr. ANDERSON, Mr. ANDREWS of Texas, Mr. ANTHONY, Mr. BEVILL, Mr. BONER of Tennessee, Mr. CARR, Mr. COELHO, Mr. CORCORAN, Mr. COURTER, Mr. COYNE, Mr. DANIEL B. CRANE, Mr. PHILIP M. CRANE, Mr. DONNELLY, Mr. DOWDY of Mississippi, Mr. DUNCAN, Mr. ECKART, Mr. FASCELL, Mr. FAZIO, Ms. FERRARO, Mr. FOLEY, Mr. FORD of Michigan, Mr. FROST, Mr. GONZALEZ, Mr. SAM B. HALL, JR., Mr. HAWKINS, Mr. HEFNER, Mr. HIGHTOWER, Mr. HORTON, Mr. IRELAND, Mr. JENKINS, Ms. KAPTUR, Mr. KAZEN, Mr. KOLTER, Mr. KOGOVSEK, Mr. LEATH of Texas, Mr. LENT, Mr. LEVIN of Michigan, Mr. LEVITAS, Mr. LEWIS of California, Mr. LOWERY of California, Mr. MCCLOSKEY, Ms. MIKULSKI, Mr. MILLER of Ohio, Mr. MINETA, Mr. MONTGOMERY, Mr. MORRISON of Connecticut, Mr. MURPHY, Mr. MURTHA, Mr. MYERS, Mr. PORTER, Mr. PURSELL, Mr. RANGEL, Mr. RITTER, Mr. RODINO, Mr. ROE, Mr. ROEMER, Mr. ROSE, Mr. ROWLAND, Mr. ROYBAL, Mr. SCHEUER, Mrs. SCHROEDER, Mr. SHELBY, Mr. STAGGERS, Mr. SWIFT, Mr. TAUZIN, Mr. THOMAS of Georgia, Mr. TORRES, Mr. WATKINS, Mr. WHITLEY, Mr. WHITTAKER, Mr. WILSON, Mr. WOLF, Mr. WON PAT, Mr. STANGELAND, and Mr. CHAPPIE.

H. Res. 160: Mr. TOWNS, Mr. FISH, Mr. WEISS, Mr. RATCHFORD, Mr. MCHUGH, Mr. LEVIN of Michigan, Mr. LELAND, Mr. BORSKI, Mrs. BOXER, Mr. RANGEL, Mr. SMITH of Florida, Mr. FORSYTHE, Mr. MORRISON of Connecticut, Mr. HORTON, and Mr. ACKERMAN.

H. Res. 191: Mr. STOKES, Mr. HOWARD, Mr. LANTOS, Mr. ROE, Mrs. KENNELLY, and Mr. MCNULTY.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3132

By Mr. EDGAR:

—On page 2, line 25, strike out "$908,829,000", and insert, in lieu thereof $728,829,000".

—On page 3, line 5, strike all after "expended" through line 5 and insert a period.

—On page 3, delete line 12 through line 15.

—On page 4, line 8, strike all after the colon through the colon on line 16.

—On page 7, strike line 1 through page 8, line 2.

—On page 9, line 1, strike all after "and," through the first comma on line 7.

—On page 16, strike line 20 through line 23.

—On page 27, strike line 5 through line 21.

—On page 32, strike line 9 through line 18.

—On page 8, after line 2, add the following new section:

"SEC. 104. Within funds available in the Construction General account, including but not limited to funds deferred, the Corps of Engineers is directed to complete the navigation and related features of the Tennessee-Tombigbee Waterway at a total additional federal cost of $202,000,000. Section 206 of the Inland Waterways Revenue Act of 1978 is amended by adding at the end thereof the following: '(27) Tennessee-Tombigbee Waterway: From the Pickwick Pool on the Tennessee River at RM 215 to Demopolis, Alabama, on the Tombigbee River at RM 215.4.' ".

By Mr. VENTO:

—On page 19, line 22, strike out "$6,558,375,000" and insert in lieu thereof "$6,538,375,000".

H.R. 3134

By Mr. WALKER:

—On page 48, after line 14, add the following new section:

SEC. 508. No funds appropriated under this Act may be used to prevent the implementation of programs of voluntary school prayer and meditation in the public schools.

EXTENSIONS OF REMARKS

EVOLUTIONARY DEVELOPMENT OF STRATEGIC DEFENSIVE SYSTEMS: A CONCEPT WHOSE TIME HAS COME

HON. KEN KRAMER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. KRAMER. Mr. Speaker, as you will remember, President Reagan in his March speech set forth a formidable challenge for America, a challenge designed to set the wheels in motion to make the necessary technological breakthroughs for a transition from an offensive nuclear retaliation policy to one of nonnuclear defense. It is the President's hope, which I share, that this transition will eventually lead to the obsolescence of nuclear weapons.

It is because of my strong desire to both protect the American people and our allies from the devastation of nuclear war, and to eventually make nuclear weapons obsolete, that I call your attention to an excellent paper written by Senator HOWELL HEFLIN of Alabama. His paper entitled "Evolutionary Development of Strategic Defensive Systems: A Concept Whose Time Has Come," is interesting, well written, and worthy of reading.

Mr. President, I sincerely believe that an objective examination of President Reagan's recent call for the development of strategic defensive systems will disclose that this is a concept whose time has come.

Once past the emotional reactions of those who are tied to the strategic doctrines of the past, this new approach may, indeed, lead to an ultimate reduction in offensive missiles on both sides.

For too long we have relied on strategic policy based on the threat of retaliation rather than a commitment to self defense. I have wondered ever since the signing of the ABM Treaty in 1972, as I asked anew in remarks to this body last December 18, what could be more stabilizing than the ability to defend one's homeland against nuclear attack?

Yet, many of those who are most vocal through the media continue to insist that defense would touch off a new arms race by raising fears that one side was preparing to attack and then defend itself against retaliatory attack. Defense, in fact, is not provocative—it is the opposite. If each side neutralizes the other's offensive capability, the threat of aggression must be reduced. The United States' history discloses proudly that ours is not an aggressor nation. But several times, we have been caught, with almost tragic results, with our guard down.

Still, there are numerous critics who suggest that ballistic missile defense (BMD) is destabilizing. Their arguments should be challenged not only on first principles, but on the grounds that major reductions in offensive weapons are made more feasible if such weapons are protected by BMD.

It is not simply how many strategic weapons are allowed on each side, but how survivable those weapons are. Therefore, we must see to it that a strategic defensive policy that is basically conducive to arms control is not made to appear as the reverse.

I am convinced that it was our technical superiority in strategic areas which induced the Soviets to agree to the ABM Treaty, as well as SALT I. As I noted in my remarks in December, when the ABM Treaty was negotiated it was assumed major reductions in offensive ballistic missile forces would be shortly forthcoming. Instead, the Soviets stepped up their strategic programs on all fronts and, today, our land-based ICBM force stands vulnerable to a first-strike. Vulnerability, I submit, is the most provocative and destabilizing conditions of all, encouraging, at the minimum, international adventures backed by the threat of a first strike.

The ABM Treaty permits limited deployment by both sides, and the Soviets have a system deployed around Moscow. However, Congress decided in 1976 to phase out our deployed site at Grand Forks, South Dakota. Meanwhile, the Soviets have continued with a system-level program, at expenditures three times greater than ours, which we assume could be rapidly deployed in the future. The United States has pursued a modest R&D ballistic missile defense (BMD) program since the early 1970s, progressively developing means to defend our ground-based ICBM force and developing technologies which have provided remarkable advances for future defensive options.

I agree with President Reagan that we need to step up the pace of R&D on advanced long-range BMD concepts which will fully challenge our nation's creative scientific capabilities for success and breakthroughs as well as our political willingness to seek visionary solutions. In this connection, I was one of the first members of this body to speak out on the potential use of directed energy technologies, such as high-energy lasers, for future defensive weapons.

In the future we should be able to use ground-based or spaced-based high-energy lasers to destroy ballistic missile targets, as well as other offensive targets. I have felt for some time that we need to accelerate our efforts in the development of this technology. However, one of my primary concerns has been the fragmentation and lack of coordination among the various Government agencies of the current research and development in the area of directed energy.

This concern was amplified as a result of hearings that I chaired in late 1979. The purpose of these hearings was to provide a broader review of the highly diverse, important and rapidly developing laser technology. From these hearings I determined that we did not have the proper environment to focus this directed energy technology. Therefore, in the last Congress I introduced legislation calling for a laser/particle beam institute to provide a long-range program in this area and serve as a coordinating and managing body for those Government agencies involved in laser/particle beam research and development.

I have recently been encouraged by what appears to be better coordination of these efforts. However, because of the importance of this technology, the science, technology, and space subcommittee plans to conduct further hearings on this issue later this year.

While the President's March 25 announcement properly emphasized the more advanced, long-term BMD concepts. I would encourage him to seriously consider an evolutionary approach that also would include more mature, nearer-term BMD concepts.

I have followed with great interest the progress in Army BMD systems and technology development centered at Huntsville, Alabama. This program has made dramatic strides in recent years over a broad spectrum of systems.

As early as the 1960s, BDM demonstrated essential strategic defensive systems technologies, including phased array radars and Sprint-class interceptors. By the 1970s, the program technologies were developed to enable defense against sophisticated missiles in the terminal stages of attack through the use of complex data processing and discriminating technologies and quick-response interceptors. The program evolved in the 1970s with the development of on-board data processing and long-wave infrared sensors for early identification of targets outside the atmosphere. Today, BMD is demonstrating advanced sensors and data processing and "smart" missiles capable of intercepting incoming missiles with non-nuclear warheads. Programs also are already underway in the non-traditional technology areas of directed energy weapons.

These technology successes provide vast encouragement to the hopes for a successful strategic defense in the future and can be demonstrated, with the option for deployment, on an evolutionary basis while futuristic space-based system concepts are maturing. Skeptics have dismissed the long-range portion of this thinking as a star wars fantasy, but I believe history will prove them to be wrong.

Secretary Caspar W. Weinberger recently noted, "Perhaps one reason for the skepticism with which some have greeted this initiative is due to misunderstanding. Many would have you believe that we seek to develop a single system which can intercept and defend flawlessly against all missiles and all attacks. We know there is no such "magic bullet." What we are trying to develop first is a defense network—a series of systems, not necessarily based on the same technology or physical principles—which taken together will provide a reliable defense against nuclear ballistic missiles.

"The concept we will need to perfect is not dissimilar to the one we now employ to defend our fleet against tactical missile attack. The layered fleet defense system consists of F-14 fighters and Phoenix Missiles at long ranges, the Aegis Cruiser at medium range, and close-in weapon systems. All are under control of computers which keep track of dozens of incoming missiles, and direct interceptors to destroy them. The ballistic missile defenses we seek to build must do these functions also, not against

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

dozens of targets, but against thousands and at vastly greater ranges."

Secretary Weinberger was referring to a defense network, which I believe to be consistent with BMD's layered defense concept, where defense is possible in various regimes of an attacking missile's trajectory.

My interest in also considering more mature BMD concepts is based on several compelling factors that are consistent with the President's policy initiative. They can be fielded earlier and they can be securely based on our own soil. They would pose no threat for any use other than purely defensive objectives, such as defense of our ICBM forces and key command and control centers. And, they would effectively complement any advanced systems that may be deployed later.

I am convinced that we should carefully and objectively evaluate the President's call for the development of strategic defensive systems as a means of making nuclear weapons impotent and obsolete. If we raise ourselves above partisanship, as indeed we must, and look with open minds at what could represent a more stabilizing strategic policy, I believe we will come to agree that this initiative can signal a change in America's strategic policy that is likely to live in history as a dramatic turning point toward world peace. It puts us on a course that is fundamentally more secure and humane.

I believe America's scientists and engineers, who have brought this nation to preeminence in world technology and to the moon and back, can succeed in developing the defensive systems to make this peaceful vision a reality.●

OLIVER BROWN TRUCKING COMPANY CELEBRATES ITS 20TH ANNIVERSARY

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. DWYER of New Jersey. Mr. Speaker, it is an honor for me to share with my colleagues what I find to be a success story in the truest sense and a celebration of all that is possible in this great country of ours:

"In America, you can make something of yourself if you set your mind to it. Hard work, persistence, and perseverance are the keys to the American dream."

These are the words of Oliver Brown, a man who beat all odds to become the largest minority trucking company, in terms of equipment inventory and warehouse facilities in the State of New Jersey. On Aug. 14, 1983, Oliver Brown Trucking Co., Inc. (OBT), of Middlesex, New Jersey, will celebrate its twentieth anniversary in business.

Oliver Brown Trucking Co. started as a one-man operation under the name of Brown Trucking in East Orange, N.J. These days, OBT's fleet of blue and white trucks may be seen on highways from coast to coast.

Oliver Brown, who hails from Bedford, Va., is one of 14 children of very poor parents. He came to New Jersey in 1959 and worked as a construction laborer. Subsequently, he purchased a second-hand pick-up truck and began his career in trucking in 1963.

He used that pick-up to retrieve shopping carts from streets and sidewalks. Soon after, he began the "mail and bakery" run for Good Deal Supermarkets, a now defunct chain of local supermarkets. Subsequently, he was hauling groceries and produce. From his earnings he purchased a 20 foot truck and later went on to secure his first contract with a major corporation—General Electric.

Brown continued to gain new customers which led to incorporation in 1967. During this time, Brown relocated his operation to Elizabeth, N.J.

Further increases in OBT's clientele resulted in the need to purchase additional equipment and expand his storage facility to better serve his suppliers. OBT moved to its present location in Middlesex.

The Middlesex office is located on a 6.4 acre site which houses the main office, terminal, and a 58,000 square foot warehouse. A second warehouse of 100,000 square feet is located in neighboring Plainfield. This warehouse is equipped with five to 20 ton overhead cranes to facilitate easy loading and unloading.

Brown's equipment inventory has since grown from that one 20 foot truck to an impressive 40 tractors, 90—40 and 45 foot trailers, and a good-size number of flat-bed trailers, lift-gate trucks, vans, and forklifts.

Currently, OBT provides general trucking, rigging, and warehousing for approximately 30 accounts to include Avon Corp., Coca-Cola USA, E.I. duPont, General Electric, R. L. Eggert Co., Reeves Brothers, Supermarkets General, Sun Oil Corp., Twin County Grocery, Western Electric, and Westinghouse Corp.

Brown plans to further expand his business with the recent grant of authority by the Interstate Commerce Commission to allow OBT to haul general commodities throughout the continental United States. He also has plans to establish other terminals in the South.

Aside from the general trucking services OBT offers, Brown pointed out that moving and storing supermarket equipment of every variety is OBT's specialty.

Anyone who knows Oliver Brown knows he's no desk admiral with his employees. When time and appointments permit, you'll see Brown, with shirt-sleeves up out on the loading dock with his drivers. His informal manner and close bond with his more than 30 drivers and office staff is what he says, "made OBT such a success." Even though Brown is the man "out front" promoting and seeking new business for the company, the men and women who work for OBT and deal with our customers daily are due their share of credit for the company's success. They're the ones responsible for carrying out our number one rule—to provide prompt, safe, and efficient delivery of our clients' products.

Starting a business and trying to penetrate the marketplace is no easy task, Brown, says, noting that neither the Government nor financial institutions gave him financial assistance. However, having to do it "all on my own was probably the best thing that ever happened." To realize steady company and business growth you have to "have faith in yourself, keep your nose to the grindstone, pour the profits back into the business, and leave that Cadillac on the showroom floor," Brown says.

During the early years of OBT, Brown's wife Carrie worked with her husband. The hustle and bustle of Brown's days does not allow for much free time, but when time permits, Brown prefers spending quiet evenings out to dinner with his wife and daughter Sharon 18 or "just sitting back in my easy chair and listening to the blues." Brown looks forward to passing the business on to his daughter who is majoring in business at a New Jersey college.

Brown, who is a business- and civic-minded person, is very active in various organizations. One of his biggest accomplishments is his newly elected position as vice president of the New Jersey Motor Truck Association (NJMTA) and serving as a board member of the American Trucking Associations. He credited NJMTA with helping him reach many of his goals in the trucking business.

Oliver Brown truly has come a long way from the construction laborer he was and Oliver Brown Trucking Company truly has come a long way from the days of the old pick-up truck. There definitely is something to be said for hard work, persistence, and perseverance and the story of Oliver Brown and Oliver Brown Trucking Co. says it all.

Congratulations Oliver Brown and Oliver Brown Trucking Co., Inc.●

SUCCESS DESPITE ODDS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. FLORIO. Mr. Speaker, it is with great pleasure that I bring to your attention a young man in my constituency who I feel is deserving of our recognition and admiration for his determination in overcoming a handicap to achieve several impressive personal goals. I would like to share with you his outstanding accomplishments.

Hardee Perazelli is an eighth grade student attending the Charles W. Lewis Middle School in Blackwood, N.J. He has had a newspaper route for about 1 year and has been able to purchase a television, an Atari for his family, and a computer for himself with his profits. He is currently saving for a new 10-speed bicycle to replace one that was stolen.

Last spring, Hardee was chosen from Gloucester Township for a Special Youth Citizenship Award. Hardee has been a trusted and respected employee of the Lewis School store, which is managed by special education students.

Hardee participated in the New Jersey Special Olympics this year and won a gold medal in the 50-yard backstroke and two other fourth place ribbons in free-style swimming events. He also won a blue ribbon for running and two sixth place ribbons for the broad jump and the softball throw in the area of Track and Field Special Olympics.

In addition to Hardee's numerous extracurricular activities, he has proved himself to be an excellent student academically by earning a place on the Lewis honor roll for academic achievement. Last but not least, Hardee has had perfect attendance

during his 4 years at Charles W. Lewis Middle School.

Hardee's impressive accomplishments are certainly noteworthy and deserving of our highest commendations. He certainly serves as an inspiration to us all by setting high goals and attaining them despite the odds.

I am certainly proud to represent this outstanding young man.●

THE POPULATION CRISIS

HON. MATTHEW F. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. McHUGH. Mr. Speaker, I often find myself disagreeing with the views of James J. Kilpatrick. On one issue, however, he has been a consistent voice for a more farsighted approach.

That issue is the danger posed by continuing rapid population growth in the developing nations. As Mr. Kilpatrick has noted, a continuation of current population trends is likely to have adverse consequences, both to the development prospects of Third World nations and to U.S. interests in political stability abroad.

In his latest column on this issue, Mr. Kilpatrick raises the question as to whether Congress is prepared to think seriously about problems "that are 20, 30 or 40 years in the future * * *." In the near future, when the House considers the foreign aid appropriations bill, we will have an opportunity to answer that question.

Over the course of the last 2 years, Mr. Speaker, Congress has funded population control programs of the Agency for International Development at a level of $211 million, a 10-percent increase over the level inherited by President Reagan. By way of contrast, we have increased foreign military aid programs by more than 60 percent during the same 2 year period.

For fiscal year 1984, Mr. Speaker, President Reagan is requesting a $1.2 million increase for AID population programs. That amounts to an increase of less than one-half of 1 percent, which is considerably below the 25-percent increase that the Reagan administration is requesting in fiscal year 1984 for foreign military aid.

Mr. Speaker, it is my hope that we will be able to refocus the priorities reflected in the President's foreign aid budget request in a manner that insures that the United States will continue to play a leadership role in efforts to curb rapid population growth. The reasons for doing so have been made clear by Mr. Kilpatrick in his recent column, a copy of which I am inserting into the RECORD at this point.

The article follows:

[From the Washington Post, June 3, 1983]

BEYOND THE BOMB

(By James J. Kilpatrick)

We live in a world whose future is clouded by two great dangers. One of these is talked about incessantly and even now is being debated in Congress. It is the possibility of a war waged with nuclear weapons. The other, because it lacks the drama of Armageddon rarely makes headlines. It is the continuing explosion of population in the less developed nations.

The latest issue of Intercom, published by the Population Reference Bureau, offers some new projections of worldwide population. The figures ought to be of profound concern to our legislators, but because the figures have to do with conditions that are 20, 30, or 40 years in the future, no one is likely to get greatly aroused about them right now.

Consider the elements that should concern us. The world's population is now estimated at 4.6 billion people. The 5 billion mark probably will be reached within five years. The world birthrate is now 29 births per 1,000 population; the death rate is 11 per 1,000. This gives us an annual increase of 1.8 percent. A growth rate of 1.8 means that 84 million people, equal to a country the size of Nigeria, will be added in 1983 alone. If this growth were spread evenly around the world, in rich and poor nations alike, there might be no occasion for alarm. The disturbing fact is that the greatest growth is taking place in the countries least able to feed and house their people.

The Bureau reports: "The less developed countries, which account for 75 percent of the world's population, are growing at just over 2 percent annually, compared to 0.6 percent for the more developed countries. These uneven rates mean that the less developed countries will constitute 79 percent of the world by the year 2000 and 83 percent by 2020."

The Western industrial nations have their population problems in hand. In these more developed regions women are having fewer than two children during their reproductive lifetimes—less than the replacement level of 2.1 per family. In Kenya, by contrast, women have an average of eight children during their reproductive lifetimes. At these rates Kenya's population of 18.6 million will double over the next 17 years.

In one sense, the data just published by the Population Reference Bureau are not new. Roughly the same projections were made three years ago by a presidential study group, Global 2000. Within another generation, it said masses of humanity will have exhausted their own land in a desperate effort to feed themselves. "Barring revolutionary advances in technology," said the Global 2000 report, "life for most people on Earth will be more precarious in 2000 than it is now."

How will these masses be fed, clothed and housed? The brutal prospect is that many of them will not need to be fed: they will have died of starvation. It is only the high rate of infant mortality that prevents the situation from getting out of hand today. But the pressure on the more developed nations will increase inexorably. Our own problems with illegal immigration can be expected to grow with every passing year.

Our children and grandchildren will constitute an ever-shrinking minority in the years ahead. For their sake, if for no other, we ought to study the population projections and think about the future now.●

CITY OF BUENA PARK—VISITORS APPRECIATION MONTH

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. PATTERSON. Mr. Speaker, I would like to join the proud residents of the city of Buena Park in their salute to the thousands of tourists from across the United States and around the globe who visit the city each year. The city has thoughtfully conveyed its appreciation for these welcome visitors by proclaiming May 1983 as "Visitors Appreciation Month."

The city is to be lauded for its acknowledgment of these important guests. As the city's Representative in Congress, I have always felt the special brand of friendliness and hospitality with which one is greeted from the business community, the city leaders and staff, and the residents at large. That is why it comes as no surprise that Buena Park would go out of its way to extend the warmth to include a formal proclamation. In doing so, the city has repaid the visitors for their appreciation of the many diverse and interesting attractions. Among these attractions are cultural exhibits and amusement parks. Some of them are world renowned.

At the helm of today's efforts to continue this success is the Buena Park Visitor and Convention Bureau and its innovative board of directors and staff. This energetic team has also conveyed its appreciation of the Buena Park tourist and conventioneer by hosting them for a good-natured and sincere event which is surely to continue on as one of the city's most well-liked traditions. This event is known as the Annual Hug a Tourist Day. Now in its third year, this event promises to be as memorable as ever. I am looking forward to attending this event, slated for May 27, as it will give me an opportunity to personally congratulate all those who help to make Buena Park such an enjoyable place to visit, and, certainly, a friendly and memorable place to live. Mr. Speaker, I now ask my colleagues in Congress to rise with me and salute the commitment of the city of Buena Park to its economic prosperity on behalf of residents and tourists alike.●

BETTY ACCOMMAZO—1983 NATIONAL COWGIRL HALL OF FAME HONOREE

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. STUMP. Mr. Speaker, I am very proud to announce to my colleagues that Betty Accommazo of Laveen, Ariz., has been named the 1983 Honoree to the National Cowgirl Hall of Fame and Western Heritage Center.

Having known Betty since growing up together in Tolleson, I cannot think of a better person to honor with such a recognition. Betty's concern for her family, her community, and her State is reflected in the many activities she has undertaken during the last 30 years. Her leadership has been an asset to groups including the PTA, 4-H, Future Homemakers of America, the Laveen Community Council, the Phoenix Cotton Wives, and the Arizona Living Pioneer Group.

Betty was born and raised in Arizona and has a deep love for the history of our State and the contributions of the early homesteaders. Since 1978, Betty has been writing and compiling histories on Arizona pioneers, and they provide an excellent reference for the individual contributions that have made Arizona what it is today.

I am proud to be among the many people throughout Arizona that are Betty's friends. She has set an example for all of us to follow, and her concern and leadership is reflected in the many successes of her family and her community projects.

The honor she has received is well deserved, and I have no doubt that we will continue to be the beneficiaries of her dedication and inspiration for many years to come.

Congratulations, Betty.●

SELLING THE HANGING ROPE

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. PORTER. Mr. Speaker, Vladmir Ilich Lenin said:

The imperialists are so hungry for profits that they will sell us the rope with which to hang them.

For years, Western bankers have been unable to resist the temptation to extend ever-increasing loans to the capital-starved countries of the Eastern bloc. Bankers in Zurich, London, and New York have appeared to fiercely compete among themselves for the right to make ever-larger loans to the Comecon Commissars. The result has been an unholy alliance between the bankers, Eastern Europe, and the Soviet Union from which only the Soviet military has gained.

Hence, we are now faced with one of the great issues of the 1980's: Will the West continue to subsidize the economies of the Eastern bloc, indirectly fueling the massive Soviet military buildup? For without Western credits the Soviets could not have sustained the unprecedented 15-year military buildup that continues to this day.

It is clear that Western credit to the Soviet Union and Eastern Europe diverts pressure from the hopeless economic policies of the Kremlin and thus makes it easier for Moscow to direct more of its resources to the production of armaments and its foreign adventures. In addition, by extending credit to Moscow we have added to our own problems by creating a situation where we have to spend more money on our own defenses in order to keep up with Soviet capabilities which our capital helped to create.

The governments of the Eastern bloc have become hard currency addicts. They need hard cash to service the debt owed to Western banks and governments simply because their own inefficient economies cannot produce enough exports to earn the currency through regular means of trade. Now that many Eastern European governments appear unlikely to fully repay these debts, the bankers are trying to entice their own governments into joining this sham by protecting bankers from the consequences of their own poor judgments. Rather than take the painful steps necessary to recognize these loans as uncollectable, which would preclude any future borrowing from Western credit markets, the banks want the West, which is struggling to keep pace with the Soviet military buildup, to divert its own precious capital resources to propping up the Eastern bloc.

It is time for the United States, which is now shouldering the greatest burden in insuring the security of the free democracies of the world, to take the lead in refusing to bail out the bankers and in placing restrictions on the export of America's capital to our adversaries in the East.

Recent proposals to socialize part of the potential losses which private banks face will only encourage bankers to repeat their errors. The risks in international lending should be borne by the lenders, not the taxpaying public.

It is time the West awakened to the dangers of diverting easy credit to the Soviet bloc buildup when, as now, our own efforts to keep pace with the Soviet military program add dangerous pressure to our scarce capital resources.

A Government bailout of the banks obviously would hurt the American taxpayer, but in the long run the banks would also suffer. It would say to them that ideological risk factors are inconsequential.

It will not be good for the people of Eastern Europe. It will only further delay the day when necessary economic and political reforms must be instituted.

And it will not be good for the economies or national security of the West. It will further strain our hard-pressed financial markets through a double dose of increased deficit defense spending, needed to keep pace with the Soviets, coupled with the transfer of scarce credit to our ideological adversaries.

The increasing interdependence of each nation's well-being is a central fact in today's world. But interdependence should not justify the sale of our own hanging rope.●

BISHOP WURM COMMENTS ON NUCLEAR STATEMENT

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. SIMON. Mr. Speaker, one of the most significant documents to appear on the U.S. scene in recent years certainly is the statement of the bishops on the question of arms and nuclear warheads.

I believe I am correct in saying that historically whenever the mainstream churches of the United States in a concerted, organized, thoughtful way go after something year after year, the end result is change on the American scene.

That was true of slavery more than a century ago, and it was true of the civil rights issues a few decades ago.

Now, the bishops of the United States, joined by many Protestants and Jewish, have spoken out, urging the President and the Congress to proceed with considerable caution as we spend excessively on preparing weapons of destruction.

The Belleville Diocesan newspaper, the Messenger, recently published an article interviewing Bishop Wurm on the statement by the bishops. It is significant in part because Bishop Wurm is considered by many of his fellow bishops as more on the conservative side. But his message is strong and clear that spending a great deal of money on weapons and denying help to the poor is not the direction this Nation should be going.

I urge my colleagues in the House and Senate to read his interview.

The article follows:

[From the Messenger, May 20, 1983]

(By Rafe Middeke, Messenger Editor)

Q. I'd like to ask some questions about the peace pastoral. One response I heard is: "What good will it do from a practical view-

point? The government isn't going to change its policies because of it."

A. I think it is going to do a tremendous amount of good. For 50 million Catholics—even though some will remain steadfast in their thinking—I really think, as the polls have shown, that our efforts in writing this pastoral over a two and a half year period have really raised the consciousness of the people to the reality of nuclear war possibility and its devastation.

Once our people have closely read the pastoral and see the logical development of its moral foundations, they will be much more open to it. After they see the pastoral's Scriptural bases, its treatment of the just war theory, and what we really had to say about deterrence, I think they will see why the bishops felt it imperative to delve into this problem and make the statements contained in the pastoral.

Q. Speaking about deterrence—that seemed to be one of the almost ambiguous concepts in the development of the pastoral. The pastoral doesn't rule out nuclear deterrence.

A. It doesn't rule out deterrence?

Q. Does it feel terribly uneasy with it?

A. It is uneasy with it. But we tried to be in the same camp with our Holy Father on this. His bottom line is also the elimination of all nuclear weapons. However, in the pastoral we did not call for unilateral disarmament. We called for mutually and gradually working toward the elimination of nuclear weapons.

I find it significant that in the more than 150 pages of documentation, the bishops never once used to word "freeze." Everyone talks about a freeze. We tried to avoid popular language, that would identify us with particular pressure groups. By not using others' language, we were about to emphasize the moral dimensions of the use of nuclear weapons.

Q. In developing the moral dimensions of deterrence, the pastoral doesn't say that any old deterrence will do—there are parameters of limits outlined.

A. Yes, that's right, there are parameters. We talked about the fact that we are skeptical regarding the use of nuclear weapons—even in response to a first strike situation. However, we didn't rule out their use absolutely at that time, though we want to work towards that. We didn't absolutely state that nuclear weapons could never be used. This is the balance I think we ended up with.

Q. Do you think the pastoral, while not starting it, is part of a different kind of dialogue, that didn't exist several year ago?

A. I think very much so. I've mentioned that the whole process has been a consciousness raising process for many, many people. More people are concerned now about the imminent danger that is upon us—even from the standpoint of accidents. That issue had never been raised but we raised that in our pastoral. I want to stress, though, that we're not talking about eliminating the need for reasonable defense for our country.

Q. That was my next question. There have been a lot of reports about uneasiness among military personnel with the pastoral. Yet, when the pastoral addresses the military, it speaks of them as "contributors to peace."

A. Contributors to peace. Right. Even, President Reagan, on the occasion of our voting favorably for the pastoral, said the bishops are addressing what he is trying to address—though maybe from a different standpoint. But he thinks he is trying to address the issue of peace also. I don't think we're that far apart.

Q. If President Reagan were going to follow the directives of the pastoral, or its suggestions, what would he have to change in U.S. policy? Is there anything in U.S. policy the pastoral seriously questions?

A. The only thing I'm aware of in U.S. policy is that we're still making a great thrust towards arms buildup, and I think the president and his consultants are going to have to readdress that issue. You know, the pastoral really speaks to the need for a defense mechanism, but at the same time there has been such an overemphasis on defense, that many of the government's social programs have been undermined, and that has accentuated the problems of the poor. We have tremendous unemployment in this country, and there's a lot of programs that could be implemented to put people back to work in peacemaking ventures with money that's now being used for nuclear weapons. What if we decided to improve our ground transportation systems? We could be putting money into something that could be of benefit to all the people. That's just one aspect.

Q. Is the pastoral going to be divisive?

A. I don't think so. I think there will be a few people who haven't read it, who will maintain a particular mindset. But I feel that after people have read the pastoral and prayerfully considered it, there will be more and more basic agreement.

Q. Speaking of considerations. One of the questions the bishops tried to clarify in the last draft was the different levels of authority the pastoral is based on. Would you say something about that?

A. I would say that in certain areas we speak about moral standards and principles, which leave no moral options.

Q. They are undeniable Catholic moral teaching?

A. Yes. In other areas we talk about options individuals have in making an informed conscience judgment in a particular situation.

Q. What you are asking is that a person trying to make up his or her mind at least seriously consider what has been written?

A. Right. The distinction is between moral principles and application of those same moral principles in specific instances. The principle is very basic, but in the application there may be room for interpretation.

Q. One of the areas might be whether someone should continue working in a nuclear arms manufacturing plant? You don't tell anyone they should or shouldn't, do you?

A. That's right, we didn't say they couldn't. Some bishops were pushing for that, but it didn't pass. So a person could feel they are still contributing to the defense mechanisms of their country.

Q. Pastorals aren't really known for their sustained presence. Do you see this pastoral becoming part of the educational process? Will it be known by a Catholic 8th grade or high school graduate three years from now?

A. We're working on that. At the USCC educational committee meeting this week, we talked about working with the committee that is to monitor implementation of the pastoral, and about ways to integrate it into our social justice teachings.

Q. A lot has been said about the process that was used in finalizing the pastoral. Will this process continue for future pastorals?

A. Very definitely. I would hope that all subsequent pastorals of U.S. bishops would use this process, which we really got into as a result of our Collegeville experience. I think the bishops really and truly have ownership of this pastoral, more so than any we have ever published before. There has been broad consultation on all sides and that's why I think it's such a good pastoral. I feel this whole pastoral is an expansion of our pro-life stance.

Q. Aren't some Catholics active in the pro-life movement critical of the pastorial?

A. I've already gotten some letters critical of the fact that millions annually are killed because of abortion, that the bishops have not addressed that issue. My answer is I think we have addressed that issue, but I hope now we can address it even more. I feel that for all of us bishops to be consistent we're going to have to take an even stronger stand on the abortion question.

There's another aspect to the pro-life issue, which is addressed by the pastoral. Though the pastoral doesn't advocate a lessening of our defense, hopefully as a "halt" to nuclear weapons is negotiated, a substantial amount of money can be freed to enhance the quality of life for so many people is this country who are really living at a subsistence level. That's a pro-life issue, too. Pro-life extends, as they say, "from womb to tomb."

Q. What do you think is the pastoral's greatest contribution?

A. That we have called on people to come to the realization that there have to be other strategies to resolve international disputes rather than war—that war is not a solution to a problem; it merely exaggerates the problem and heaps untold misery on countless millions. There has to be greater emphasis on negotiations. Our planet is much smaller now. In terms of communication and transportation, we are all neighbors.

Q. Can an honest conscientious objector us this document to support his conscientious objection?

A. I think he can object to application of specific principles, but I don't think he can object to the stated principles of moral theology.

Q. What I meant was: Can a pacifist use the document to support his conscientious objection?

A. No. I think the pacifist could use the document to demonstrate that there is a viable option, but at the same time we stress the need of all people to be supportive of their country in times of war. So the pacifist must be willing to participate in some other kind of community service apart from front-line fighting.

Q. Did those who voted against the document vote against it for the same reason?

A. I don't think so. Some, I think voted against it because of the position on "curb" and "halt." For others, perhaps the moral theology wasn't clear enough. But there were only nine negative votes altogether.●

UKRAINIAN HOLOCAUST COMMEMORATED

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. RITTER. Mr. Speaker, this year, Ukrainians from throughout the United States will be commemorating the 50th anniversary of the Ukrainian

Holocaust. On May 21, 1983, many members of the Ukrainian-American community traveled to Washington to participate in an event commemorating the Ukrainian Famine of 1933, the Ukrainian Holocaust. It was an honor to have been asked to offer my feelings on this important occasion. Because this was a significant event marking one of this century's grave injustices, I am asking that it be enclosed in the CONGRESSIONAL RECORD of the U.S. Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 21, 1983.

ON THE 50TH OBSERVANCE OF THE UKRAINIAN HOLOCAUST

MY DEAR FRIENDS: As you join with Ukrainians throughout the world in commemoration of the 50th Observance of the Ukrainian Holocaust, I want you to know that I am with you. I understand that no amount of time will ever lessen the tremendous suffering that Ukrainians have experienced and indeed continue to experience at the hands of their Soviet oppressors. Yet, remembering is essential so that the horrors of the past are not repeated.

History has been witness to famines brought on by nature and by war, but rarely have a people been so devastated for so long by a famine initiated and directed by a government. Countless stories on individual hardships and suffering have been told. Survivors of the Ukrainian Holocaust still recount the horror of the mid 1930's as if it were yesterday. Their eyes become moist from tears, their voices falter and their wounds are reopened. They tell of families forced to eat their own children, of trains travelling through Ukraine with the curtains drawn sparing passengers the sight of people throwing themselves under the wheels, and of small factory-like buildings, in reality—slaughterhouses, for children whose young bodies are salted and stuffed into barrels to be sold as meat. It is a story of individuals suffering on a catastrophic scale and of a great people dying. It is a story America and the world should know just as they know about the holocaust perpetrated against the Jews.

While historians have chronicled the events and circumstances which led to the famine, little is said of the prolonged suffering and untold hardship of families and individual Ukrainians. When one begins to understand the magnitude of the famine, it can be easily understood why the Soviets have tried to hide this from history's eyes or have sought to lessen its importance. No doubt these are the types of events that the civilized world would sooner forget as they remind us of the grimy side of our existence. However, I think it is important that the events which occurred 50 years ago, as well as the continuing oppression of Ukraine, be brought before the world's attention. We must be reminded of the horror the people endured and the lack of will that other nations had in trying to stop the famine or alleviating the suffering of the Ukrainian people.

Yet, as we gather together today in body and in spirit, we can all be thankful in knowing that Ukrainian people are still strong in will and in spirit and against great odds stand up to oppression. Ukrainian culture, tradition and history stand in the forefront of human development in spite of efforts to crush them and they will endure.

Ukrainians will someday have a free homeland—that I believe in and that I will work to achieve. As a member of the Congressional Helsinki Commission on Security and Cooperation in Europe and Co-Chairman of the Congressional Ad Hoc Committee on the Baltic States and Ukraine, I promise that I will strive on your behalf, on behalf of what is right and good, in keeping the plight of Ukraine before the American people. I salute you for your commemoration of this important event in world history and I pray that someday Ukraine will join its rightful place among free nations of the world.

These remarks will be entered into the Congressional Record of the United States.

With best regards, I am

Sincerely,

DON RITTER,
Member of Congress.●

PERSONAL EXPLANATION

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. TORRES. Mr. Speaker, I was not present for House proceedings on Thursday, June 2, and Friday, June 3, 1983, due to field hearings being conducted in my district. Had I been present on the House floor, I would have cast my votes in the following manner:

Rollcall No. 146. On resolving into Committee of the Whole (yea/nay vote—324 to 2). "Yea."

Rollcall No. 147. Wirth amendment to increase appropriations for EPA from $1.08 billion to $1.3 billion (200 to 167). "Yea."

Rollcall No. 148. Motion that the Committee of the Whole rise (144 to 225). "Nay."

Rollcall No. 149. Dannemeyer amendment to prohibit use of funds to impose sanctions under the Clean Air Act with respect to any area for failure to attain any national ambient air quality standard deadline (227 to 136). "Yea."

Rollcall No. 150. Motion that Committee of the Whole rise (241 to 120). "Yea."

Rollcall No. 151. Passage of H.R. 3133, HUD appropriations (yea/nay vote, 216 to 143). "Yea."

Rollcall No. 152. Walker amendment to reduce the appropriation for committee employees by $1.1 million (142 to 213). "Nay."

Rollcall No. 153. Passage of S. 639, Lebanon Emergency Assistance Act (yea/nay vote, 276 to 76). "Yea."

Rollcall No. 154. Approving the Journal of Thursday, June 2 (yea/nay vote, 283 to 21). "Yea."

Rollcall No. 155. On resolving into Committee of the Whole (yea/nay vote, 301 to 10). "Yea."

Rollcall No. 156. Gregg amendment to reduce funding for special and select committees by $6 million (133 to 189). "Nay."

Rollcall No. 157. Bartlett amendment to reduce the official expenses of Members funding by $6.9 million (156 to 160). "Nay."

Rollcall No. 158. Hunter amendment to reduce the funding for official mail costs by $9.3 million (134 to 173). "Nay."

Rollcall No. 159. Hiler amendment to reduce funding for the Congressional Budget Office by $733,850 (141 to 164). "Nay."

Rollcall No. 160. Brown amendment to reduce the funding for the maintenance and operation of the House Office Building by $169,876 (101 to 193). "Nay."

Rollcall No. 161. Passage of H.R. 3135, legislative branch appropriations (yea/nay vote, 184 to 104). "Yea."

WATCH OUT, ROSCOE, SUSAN THUNDER, ET AL.

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. GEJDENSON. Mr. Speaker, the June 6, 1983 edition of the Baltimore Sun includes a timely and interesting article about the growing problem of computer crime.

The article, written by Sun Staff Correspondent Muriel Dobbin, examines some disturbing examples of "keyboard crime," as well as the difficulty in detecting and preventing such criminal activity.

In the article, Ms. Dobbin also reviews some current attempts to get a handle on this menace, including a measure recently introduced by our friend and colleague, RON WYDEN. The Small Business Computer Crime Prevention Act of 1983, which Congressman WYDEN recently introduced, sets up a task force to assess the dimension of computer crime nationwide.

In addition, it creates a clearinghouse to provide guidelines and aid for small businesses, which currently have few resources to employ in the prevention against computer crimes.

I found this article to be quite interesting and am sure the rest of my colleagues would as well. As such, I would like to ask that this article by Muriel Dobbin be included in the RECORD. The text of the article follows:

[From the Baltimore Sun, June 6, 1983]

WATCH OUT, ROSCOE, SUSAN THUNDER, ET AL.

COMPUTER CRIMINALS GET CAUGHT

(By Muriel Dobbin)

LOS ANGELES.—Logic bombs, data diddling, obscene messages and the ominous possibility of illegal access to defense secrets are just the tip of a computer-crime iceberg that federal and California officials are working full-time to control.

Already established in the annals of crime by computer are The Phantom, who cost a San Francisco corporation $250,000 by feed-

ing obscene messages into its machines; a teenage boy who allegedly acquired computer access to secret Defense Department information, and Cap'n Crunch, one of the original "phone phreaks" from whom today's electronic pirates are descended.

"The magnitude of the problem of computer vulnerability is only now being realized. What we are seeing is the tip of a nasty iceberg," said Clifton Garrot, an assistant district attorney who heads the electronics crime division in Los Angeles.

The U.S. Justice Department has commissioned a team of electronics experts at Stanford Research International (SRI), a California foundation to carry out a study of computer crime in 18 states. And this month Representative Ron Wyden (D, Ore.) introduced a small-business computer crime prevention bill said to be the first measure of its kind as an initial step to combating the problem.

The Wyden bill would set up a task force to assess the dimensions of computer crime nationwide. It also would create a clearinghouse to provide guidelines and aid for small businesses, which are especially sensitive to the depredations of keyboard criminals.

Charles Wood, a management systems consultant at SRI, noted grimly the timeliness of the new movie "War Games," in which a teenager accidentally keys into a Pentagon computer and puts the world on nuclear alert.

"It is conceivable," he said. "The question is whether it is reasonably possible."

Mr. Garrott, who in three years of heading California computer crime fighters has seen such offenses rise sharply, recalled that in fact it was a teenage boy who was reported recently to have used a computer at the University of Southern California to gain access to a Defense Department system.

How far he had been successful had not been established, he said, because no one at the Pentagon would talk about it.

"What we must remember," Mr. Garrott said, "is that a computer is no more than an electronic filing system which will do what anyone tells it to do."

The "intelligent" computer—a computer that could draw upon its own experience when dealing with different sets of facts—is still at least seven years away, he says. Meanwhile, not only corporations but individuals, too, have to learn to cope with the growing threat of computer abuse.

"Our credit ratings, our taxes, our bank accounts, our telephone bills are all to be found on computers, and there is evidence that increasing access is being gained to credit bureau machines where ratings are listed", he said.

"New personalities can be built over existing ones, but it is the real person who gets the bill."

Computer criminals are known as "hackers," and hackers to Mr. Garrott are the successors of phone phreaks such as Cap'n Crunch, who used to employ a device called the "blue box" to enter the telephone system and use it to travel the world without having to pay for it.

"They are beating the system today by breaking into computers as they once beat it by taking on and defeating Ma Bell," he said.

Hackers, he said, are "brilliant in a very limited way."

"They are not sociable," he said. "They flunk out of school and they can communicate only through the world of electronics."

They are people like Lewis DePayne, whose computer names were "Roscoe" and "The Phantom." He led a criminal computer gang in Los Angeles which included two teenage boys and a woman known as "Susan Thunder."

"Susan Thunder loved computers so much that she would prostitute herself to get money to buy computer equipment," Mr. Garrott said.

As for Mr. DePayne, he eventually spent five months in jail for computer fraud, a charge that arose from his success in implanting obscenities in the computers of a California company.

An even darker side of potential computer abuse was uncovered at a hospital where it was found that hackers had gained access to the computerized records of patients in intensive care and had doubled the dosage of their medications.

"If a nurse had not noticed the difference, we could have been dealing with a case of mass murder," Mr. Garrott said.

What worries the computer crime fighters is that such offenses often are discovered by accident.

"It's too often a fluke that it's found out at all," Mr. Garrott said.

He told of the bank employee who decided to triple the withholding for state and federal taxes of the bank staff on the computer and apply for the refund to be paid to himself. He was unsuccessful only because an auditor wondered whether the withholding was too high and investigated.

There was also the case of Sarah the bank teller, who programmed her bank's computer to pay her unearned overtime and was undetected for months.

What was significant about the case was that after Sarah had made restitution of the money, she was not fired. She was given a better job at a higher salary—on condition she told nobody how she had "diddled," or changed the data.

But according to Mr. Garrott such an attitude stemming originally from a reluctance on the part of many firms to admit their own management inefficiency—is now less prevalent.

"That attitude on the part of corporation is passing," he said.

Until computer precautions are improved he said there will continue to be cases where data are diddled, and corporations risk financial disaster as a result of the planting of "logic bombs" that result in a computer erasing all the information in its records on a given time and date.

"The trouble is that people think computer crime is funny when it can be both disastrous and tragic," Mr. Garrott said.

Yet even he admitted computer crime can be funny—as in the classic case of the "cookie monster" in the computer.

That case occurred in San Francisco, where interference by hackers led to the repeated interruption of a firm's programming with the word "Cookie" appearing on the screen.

The message would wind up with, "Gimme cookie." And it turned out that the only way to appease the electronic monster was to feed it by typing in the word it wanted.

The word was "Cookie."●

TAXING PATIENCE

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. McEWEN. Mr. Speaker, Friday afternoon's edition of the Portsmouth Daily Times contains an editorial which offers valid arguments favoring prompt completion of the Gas Centrifuge Enrichment Plant (GCEP) at Piketon, Ohio. As I have testified on many occasions, full funding of the GCEP project is critical in order for the United States to regain its share of the international market for enriched uranium.

More importantly, however, the Daily Times editorial reminds us of the risks of delay, that is, of becoming dependent upon foreign sources of energy. This week, the House votes on the budget appropriation for the GCEP plant as contained in the energy and water development appropriations bill. Included in that bill is a proposal for yet another study of the feasibility of completing the GCEP project. This vital project has been studied, examined, reviewed, and accounted for at all levels of the Federal Government. An additional study at this time is not only unwarranted, but will surely result in needless cost.

We have the opportunity now to prevent America from being held hostage by foreign suppliers with a vote in support of a funding level for GCEP which will allow for its timely completion.

I commend the article to my colleagues:

[From the Daily Times, June 3, 1983]

TAXING PATIENCE

We sometimes wonder just what it takes to convince Congress of something—anything.

Such is the case with the Gas Centrifuge Enrichment Plant (GCEP) being built at Piketon.

Since before the first shovel of earth was turned in 1979, the multibillion-dollar project has been the target of debate, controversy, funding cuts, funding restorations and, alas, study.

Our most recent doubts concerning Congress' inability to make a firm and lasting decision—one way or another—on such a mammoth project is the House Appropriations Committee's latest request for yet another review of the project.

We fail to recall any project that has undergone as much political scrutiny, study, review and microscopic examination of its worth, or lack of it, as the uranium enrichment plant.

Granted, politicians in other states must wince every time several hundred million dollars are funneled to GCEP while they're fighting to get much less money for pet projects in their home states.

And granted they're finding it more difficult to gain public acceptance of such mind-boggling appropriations while constituents

are angry about high taxes, high interest rates, inflation and unemployment.

But we find it difficult to justify a need for another review of GCEP.

Several Department of Energy, congressional and White House studies already have clearly pointed out the necessity of GCEP if the U.S. is to regain its competitive position in the world's enriched uranium market.

Without GCEP, the studies contended, the U.S. could be pushed out of the enriched uranium market altogether and easily become dependent upon other nations for our supply.

We needn't remind lawmakers what happened to the U.S. oil industry and the country's dependence upon other nations.

Even the General Accounting Office received an embarrassing slap in the face when it issued a report claiming the project was unnecessary and a waste of taxpayers' money.

GAO last year claimed the plant would be outdated by the time it was built because a new and more efficient technology was being developed.

DOE countered and later convinced the powers that be in Congress the new technology is still in the earliest stages of development and it won't even be known until at least 1980 whether it's practical.

And heaven only knows how many years after that the new process would be available for wide-scale production.

It should be clear by now, even to Congress, the GCEP is necessary—not only to benefit the economy of Southern Ohio but to the country's standing in a world market.

So, why is another "review" necessary?

And while we're at it, we're wondering how many dollars have been spent for these reviews.●

TRIBUTE TO DR. BENJAMIN E. MAYS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. SKELTON. Mr. Speaker, today I would like join in honoring Dr. Benjamin E. Mays, president of Morehouse College in Atlanta. Dr. Mays has been a leading force in education for the last 27 years. He received his undergraduate education at Bates College in Maine and graduate degrees from the University of Chicago. In addition, Dr. Mays holds honorary doctorate degrees in law, theology, letters, divinity, humane letters, and humanities, from 52 colleges and universities across the country.

Throughout his lifetime Dr. Benjamin Mays has been a leading proponent and driving spirit of civil rights. He has lead the forces calling for peaceful change and understanding in the United States. It is my privilege to be a cosponsor of House Resolution 17 which calls upon the President to award the Medal of Freedom to Dr. Mays. I urge all of my colleagues to support this legislation.

Dr. Mays is most deserving of this medal, he is a model for all Americans. His hard work and devotion to truth and freedom symbolize everything that is fine and noble in our country and people. Dr. Mays is an example to all people who love freedom and I urge this House to pass House Resolution 17.●

UKRAINIAN GENOCIDAL FAMINE DAY—LET US NOT FORGET

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. BROOMFIELD. Mr. Speaker, Let me take this opportunity to talk about Ukrainian Genocide, for today we commemorate the 50th anniversary of that intentional genocidal famine. I think it is important for all of us in this free and affluent Nation to pause for a moment and honor those men, women, and children who died of forced starvation. We should also think about the nature of the regime that brought this brutal and barbaric holocaust to the world.

As all of you know, Ukraine is the richest republic in the U.S.S.R. in terms of its natural resources, its fertile soil, and its natural beauty. It has always been coveted by the Russian rulers of the past as well as the present. Consequently, the Ukrainian people have been subjugated by the Russians for long periods throughout their history. During that time, however, the Ukrainians enjoyed several glorious periods of freedom. Their yearning for liberty never died.

Following the Russian Revolution, the Ukrainians were able to rise up. In 1918, they established an independent state known as the Ukrainian National Republic. Unfortunately, their independence only lasted for 3 short years. The Bolsheviks overran the republic and finally coerced them into the Soviet Union.

A period of more turbulence followed. The famine of 1932 was preceded by a period of drastic repression engineered by Joseph Stalin as he attempted to quell a revival of Ukrainian culture. Stalin initiated a wave of bloody reprisals and purges arresting thousands of Ukrainians. Intellectuals and potential leaders were also executed while others were exiled to Siberia.

Stalin then turned on the Ukrainian peasants who loved freedom, and constituted the backbone of the Ukrainian nation. His cleverly orchestrated "Stalin Famine" claimed over 7 million innocent men, women, and children. The great famine was planned and perpetrated by Stalin with the specific intent of exterminating the Ukrainian nation. The famine occurred during a period of agricultural abundance. There were no crop shortages at the time. Stalin merely took all of the available food away from the Ukraine by confiscating the peasants' crops.

Under orders from the Kremlin, Red Army soldiers took so much of the crops that the peasants were unable to feed themselves and their livestock during the winter months. Over 7 million Ukrainians reportedly perished during the period from 1932 to 1933.

Insensitivity to human rights and the callousness in dealing with human beings still dominate life in the Soviet Union today. The once free Ukraine has been made a colony of the Soviets and the growing Soviet empire has claimed other formerly independent ethnic groups and regions.

On this occasion, I honor those who died at the hands of Stalin. I congratulate Detroit's Ukrainian community for its noble efforts to keep the memory of those innocent people alive today, and I salute the love of liberty and freedom which Ukrainians the world over cherish and respect.●

THE 15TH ANNIVERSARY OF THE BOROUGH OF SUGARCREEK

HON. WILLIAM F. CLINGER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. CLINGER. Mr. Speaker, I would like to take this opportunity to give special recognition to a small community, the borough of Sugarcreek, whose endeavors have led to one of Pennsylvania's leading public services, the Rocky Grove Volunteer Fire Department. It will be observing its 50th anniversary in August of this year.

At a time of dismal hopes and long soup lines during the 1930's Depression, the Sugarcreek citizens took it upon themselves to establish and support a volunteer fire department. Three young men provided the initiative, developed the idea of a fire department, and proceeded to accomplish this service.

In the early years of development, the Rocky Grove VFD's equipment consisted of one truck, a fire alarm, a rented building for the truck, and a handful of volunteers, who provided the manpower. As in all cases of starting a new project, financial support had to be found. With the assistance of the ladies auxiliary; fund-raising events furnished the necessary equipment needed to fight fires and save lives.

It has been said that a task with a vision is a success. The citizens of Sugarcreek represent this determination, and today, the volunteer fire department is a vision come true.

This is one example of American citizens who pulled together the resources available and created a super-

lative public service which excels in every aspect of a volunteer fire department. The citizens of Sugarcreek have shown nothing is impossible for the citizens of our country when a need is recognized.

Today, Mr. Thomas Shuffstall, one of the first members, has remained actively involved in the Rocky Grove Volunteer Fire Department and the Pennsylvania State Firemen's Association. The membership of the volunteer fire department has increased to 434 with 80 active members. Since 1933, the community has acquired five more trucks, not including the first 1929 model which is in continued use today for firefighting. This community certainly represents an achievement of excellence and group effort in presenting Pennsylvania with an outstanding public service.●

VIOLATING OUR PRINCIPLES IN CENTRAL AMERICA

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. OTTINGER. Mr. Speaker, the United States policy toward Central America continues to be one of trying to stabilize inherently unstable situations to prevent the advent of Communist rule close to home. But instead of securing for the people of these countries the rights and liberties we enjoy, our actions in El Salvador, Nicaragua, and Guatemala prolong the conflicts and exacerbate the problems of people and governments in the midst of radical change.

Real or imagined, the Communist threat in Central America is not sufficient to warrant the intrusive interference of the United States in this region. I call to the attention of my colleagues Mr. Anthony Lewis' compelling statement on the problem in the New York Times:

WHO LOST CHINA?

(By Anthony Lewis)

BOSTON.—The tactical elements of the Reagan policy in Central America are now clear. The Administration aims to isolate Nicaragua in the region, harassing the Sandinists by covert war and economic pressure; to support the Governments of Guatemala and El Salvador no matter how murderous they are, and to smear as pro-Communist anyone who disagrees with the policy.

The domestic political threat is an important part of the package. Congress is restive about Central America, and a touch of McCarthyism may help keep it in line. Thus Jeane Kirkpatrick, point woman for the policy, said: "There are people in the U.S. Congress who do not approve of our efforts to consolidate the constitutional government of El Salvador and who would actually like to see the Marxist forces take power in that country."

The tactic of scaring political critics may be effective in the short run. What Democrat wants to defend himself against the charge that he favors "the Marxist forces," or against a future charge that he "lost El Salvador"? But the prospect on the ground in Central America is very different.

Isolate Nicaragua? The chance of doing that by running a guerrilla war against the Sandinist Government and cutting its quota for sugar sales to the U.S. is zero. Those tactics will be seen by Latin Americans from left to right as Yankee imperialism.

Latins remember past U.S. intervention in the region too well. They remember that we put the corrupt and vicious Somoza family in power in Nicaragua. They remember that a C.I.A. operation overthrew the legitimate government of Guatemala in 1954, sending that poor country into decades of tyranny and instability. No, crude displays of Yankee muscle will only evoke sympathy for the Sandinists. If anyone is isolated, it will be the United States.

Over the years the United States has repeatedly tried to hold back political and economic change in Central America by supporting oligarchs. But the tactic does not work. It does not bring the stability we seek, much less democracy. So one student of the history has just pointed out in a cutting comment on the Reagan policy.

"The issue is stability" in Central America, he wrote, "and stability depends, as it has for 20 years, upon a reallocation of power. • • •

"Nicaragua, El Salvador and Guatemala have always been characterized by oppression—oppression which has been generally nourished by the U.S. Their transition to democracy is a tortuous process, probably requiring revolution. If we oppose that revolution, we will lose and will push the winners into the hands of the Russians and the Cubans."

Before Ambassador Kirkpatrick reaches for her cleaver, I should say that the author of that comment was George C. Lodge of Boston, the son of Henry Cabot Lodge.

The U.S. situation in Central America today is often compared to Vietnam. But the episode called to mind by the Kirkpatrick-Reagan tactics is the "loss" of China, as the rightists of the 1950's referred to the establishment of the People's Republic.

In China we wanted to stop revolution instead of dealing with the economic and political reality on the ground. Then we set out to isolate Mao's regime—and for 25 years isolated only ourselves. And, most fatally, the right-wing ideologues fought their political war by branding as traitors all who disagreed with them. They drove the serious China scholars out of public life, and by that "victory" crippled America's ability to deal with the Far East for a generation.

It is down that same road that the Reagan Administration wants to take us in Central America: the road of blindness to facts and resistance to change. And it wants to push us down that road by political scare tactics that will divide and weaken the United States.

There are no easy answers in Central America. But at least, now, we should be able to avoid the worst mistakes of the past, especially the notion that we can act effectively abroad by methods that violate our own ideals. Walter Lippmann made the point 22 years ago after another attempted U.S. intervention: the Bay of Pigs.

"A policy is bound to fail," Lippmann wrote, "which deliberately violates our pledges and our principles, our treaties and our laws. . . . The American conscience is a reality. It will make hesitant and ineffectual, even if it does not prevent, an un-American policy. . . . In the great struggle with communism we must find our strength by developing and applying our own principles, not in abandoning them. . . .

"We have used money and arms in a long losing attempt to stabilize native governments which, in the name of anti-communism, are opposed to all important social changes. This has been exactly what [communist] dogma calls for—that communism should be the only alternative to the status quo with its immemorial poverty and privilege."●

A SPEECH THAT GIVES HOPE

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. LAGOMARSINO. Mr. Speaker, I wish to call to the attention of my colleagues the editorial which follows. It appeared in the official Salvadoran Catholic Church newspaper following President Reagan's address to the Congress on Central America. Besides giving credence to the analysis of the threat in El Salvador, the Church statement also offers this quote:

This country without a doubt would have been reaching the limits of its admirable resistance if it had not been for the military and economic aid of North America.

A SPEECH THAT GIVES HOPE

These last four years have witnessed, perhaps more than any other era of our life, although it may make us uncomfortable to recognize it, to what point the car of our history is towed by the U.S. foreign policy in the countries of Central America.

Our destiny is decided in the foothills and ravines of the hills and volcanos of the east of our native land and on the ruins of the destroyed bridges and telephone lines, of the tractors, buses and burned crops, the demolished electric energy towers and innumerable production centers, reduced to immobility by the ferocious action of the guerrillas. This country without a doubt would have been reaching the limits of its admirable resistance if it had not been for the military and economic aid of North America.

The grays and reds know this perfectly, within and outside of the country; that is why the speech by President Reagan before the Congress of his country last Tuesday, April 27 was the cause for hope and happiness for some and disgust for others. Logically the comments have the political mark of the groups and countries that have interests in our situation. This is not new nor is it of interest.

What can invite reflection, however, is the reaction of the American people to the words of their President. The 1,419 phone calls to the White House, in the 90 minutes after the speech, favorable to the speech as opposed to 904 unfavorable, as well as the 607 telegrams favorable as opposed to 230 against, is what gives credibility to what was said by the Republican Leader of the Senate, Mr. Howard Baker, who stated that Reagan's speech "changed attitudes on the danger in Central America."

We believe that it is really interesting to prove that there are now more Americans and politicians who think more positively

about our situation. Which can only mean one thing: that in that country the campaign in favor of the guerrillas has lost its strength of conviction, in spite of its enormous organizational capacity.

A series of easily verifiable arguments, presented by President Reagan were enough to make the attitude of more Americans change about El Salvador. The matter was thus decided on the ground of "credibilities."

Many Americans decided to believe their President, with the same logic with which they had previously believed the FDR and the FMLN. They raised, as always, as a flag, the just anxieties of the poor and oppressed peoples: Liberty, Democracy and Social Justice, insisting that their revolution was by the people and for the people and that they had the wide support of the masses. Reagan in turn remembered the dramatic gesture of the elections of March 28 and the democratic process and social changes which have been initiated here. He also remembered that the history of Nicaragua and Cuba, to speak of the countries of the area, in no way smiles upon Marxist regimes, with respect to democracy and respect for human rights.

Another thing that was able to impress the Americans is the fact that the Salvadoran revolution, maintained by the guerrillas and supported by Nicaragua and Cuba, is very far from being a popular revolution. The matter was decided then in the area of "credibility" with the argument of the facts and the difference between what is promised and what is now history.

For that reason we are not stating that everything said by the U.S. President is an absolute truth, because everything is not as beautiful as he said. We know that the car of respect for human life is traveling slowly and with great difficulties and there still remain irrational blocks, that there are efforts to hinder social changes, within and outside the government.

With everything and the inexactnesses, what Reagan said is what is the closest to the reality of this country. It is on the basis of that reality that the American people are tending to favor the authentic Salvadoran people. It is on that basis that democracy can be consolidated and social justice can become a better reality, through the dialog of the elections and parliamentary dialog.

It seems also that the argument of "Vietnamization," very intelligently presented and directed by the FDR, has been seen by Americans in its true reality. It is not because the U.S. is providing military advisors and economic aid to El Salvador that this region may turn into a Vietnam, but rather it is because of the aggression of the Salvadoran guerrillas, reinforced by men and war materials supplied by Cuba, Libya and Russia, through Nicaragua, that this could unfortunately turn into a Vietnam. These are what have carried the initiative and what have fed this war. They are the ones who speak of a Vietnam. It is the aggressors who do not want the attacked to be armed. That is why they created the business of "Vietnamization" and tried to export that idea successfully, which frightened Americans.

The idea was thus stated: The victory of the guerrillas in El Salvador is a threat for the continent and for the security of the United States. This is a fact and the Americans have the right to consider it.

The history of what has happened this century and the Salvadoran experience of these four years moves us to be happy over the positive effects of President Reagan.

(Translated by Deanna Hammond, CRS Language Services, June 3, 1983.)●

CAPITOL PAGE SCHOOL AWARDS ASSEMBLY

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. MOAKLEY. Mr. Speaker, this morning the Capitol Page School held its annual awards assembly. Many of our pages received well-earned recognition for academic achievement and leadership.

It is a matter of conscious pride to me as chairman of the Democratic Personnel Committee and I know to all my colleagues as well, that our fine young men and women consistently bring such tangible distinction to themselves and to the Members who sponsor them.

The awards ceremony is one of the concluding events of the Page School year. On June 20, the class of 1983 will graduate and with them will end a long congressional tradition. Recent changes in the page program provide that only high school juniors will serve in the future.

On behalf of all the Members of the House of Representatives, I extend congratulations to the graduates and all the pages who have received honors. I also extend to all the pages the thanks of the Members for the outstanding and dedicated service which they have rendered.

The list of honors follows:

CAPITOL PAGE SCHOOL AWARDS ASSEMBLY, JUNE 6, 1983

Flag Salute: Martin Brook, Vice President, Senior Class.

American Legion: Kelly Carter, Thomas Highlands.

Civitan Honor Key Award: Eugenie Bauman.

Harvard Book Award: Elizabeth Laszlo.

Smith Club Award: Jennifer Small.

Danforth Award: Glenn Ault, Nancy Dynan.

Rensselaer Award: Elizabeth Laszlo.

Yearbook Editor: Kelly Carter.

Journalism yearbook: Megan Connelly, Ruth Stern.

Women's Bar Association of the District of Columbia: Reuven Carlyle, Megan Connelly, Theodore Matlak, Kelly Schaben, and Ruth Stern.

The Mayor's Award: Kelly Carter, Tom Highlands.

Leadership Award: Reuven Carlyle.

Student Council Award: Eugenie Bauman, William Lanham.

Math Award: Nancy Dynan, Elizabeth Laszlo, Carol Hartigan, Kelly Schaber.

Biology Award: Ira Robinson.

Spanish Award: Kelly Schaber.

French Award: Crystal Terrell.

Forensics Award: Eugenie Bauman, Reuven Carlyle, Daivd Schaefer.

Physics Award: Elizabeth Laszlo.

English Award: Ruth Stern.

Chemistry Award: Kelly Schaber.

Alfonso E. Brown Award: Brian Bean.

Science and Social Issues Award: Glenn Ault, Christine Beeby.

It's Academic: Theodore Matlak.

Salutatorian Award: Kelly Carter.

Valedictorian Award: Thomas Highlands.

David Levine Memorial Award: Ruth Stern.

School Letters—Service, Achievement: Sherri Anderson, Glenn Ault, Eugenie Bauman, Brian Bean, Martin Brook, Leon Calomiris, Reuven Carlyle, Kelly Carter, Thomas Highlands, F. Wilson Knecht, Martha Connell, Katherine Koh, Elizabeth Laszlo, Joseph Setting, Peter Snguon, Ruth Stern, and Michael Elkin.

School Star: Nancy Dynan, William Lanham, and David Schaefer.

Varsity Baseball: Gary Fredo, Joseph Fridkin, Christopher Giglio, Robert Henry, Warren Jernigan, Brendan Kemp, F. Wilson Knecht, James Paffhausen, William Regenold, and Ira Robinson.

Most Valuable Player: William Regenold.

Cheer Leaders: Kelly Carter, Jill Hodges, Elizabeth Lazlo, Kelly Schaben, and Crystal Terrell.

Scholarships: John DeGroote, Marcus Nanning, Glenn Ault.●

A SON REMEMBERS HIS FATHER, ROBERT F. KENNEDY

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. TORRICELLI. Mr. Speaker, I rise today on the 15th anniversary of the tragic death of Senator Robert F. Kennedy. In the Washington Post today, his eldest son, Joseph P. Kennedy II, wrote a remembrance of his father's final years. I believe it reflects the high ideals, compassion, and dedication of Senator Kennedy and his hopes for the future of our Nation. Senator Kennedy serves as an inspiration to all Americans and to millions around the world. I commend the reading of this article to my colleagues:

[From the Washington Post, June 6, 1983]

"A MAN MORALLY HAUNTED"

(Joseph P. Kennedy II)

When my father died he was in the midst of a political campaign; but in retrospect some have characterized the last five years of his life, including his battle for the presidency in 1968, as one long, urgent moral crusade.

I remember the burden of grief that fell on him in November 1963—the loss of a brother, the end of an administration whose purposes he had fought hard to achieve; a strong defense linked always to efforts at disarmament; a new recognition of blacks in the South as voters, and as being entitled to every measure of social and economic opportunity; the encouragement of idealism here and abroad through the Peace Corps and the Alliance for Progress, or the attention given to the needs of this nation's poor and needy families.

Yet my father did not allow himself to be stopped by that tragedy—one he knew millions of other Americans shared, especially those who had come to regard President Kennedy as a fair-minded and thoughtful

friend, anxious to extend a hand to his more vulnerable fellow citizens. Soon enough New York's Sen. Robert F. Kennedy was taking on some of the most serious problems this country had in the 1960's—and still has.

I remember him traveling to the rural South, to Appalachia, to the ghettos of city after city in America. He was working with other senators—Ribicoff of Connecticut, Clark of Pennsylvania—to document the extent of unemployment in the country, to evaluate the housing and educational requirements of particular neighborhoods and sometimes entire regions.

At times, though, he couldn't seem to stop himself from going further. He'd become, I suppose, a man morally haunted—by the spectacle of hunger and malnutrition, of idleness and rampant, avoidable illness in hundreds of thousands of people whose country was the world's richest and strongest. I now realize that much of my father's passionate advocacy of social and economic change was fueled not only by his strong religious life but by his willingness in those years to go out and take a good, hard, firsthand look at what was happening to ordinary Americans.

In the Delta of Mississippi he saw children living in shacks, their bellies distended by inadequate diet. He saw the results of poor sanitation. He asked questions and learned what it was like to have no prospect of work—and no recourse to assistance from local, county or state agencies. He met people who had never known doctors or lawyers or well-trained teachers. Such people had gone to our cities by the millions, and he went to the neighborhoods of those cities that had received these American-born migrants—white and black—who had tied their fate to our urban factories.

It didn't take my father long to notice the despair of men and women who wanted work but found it hard to get; and the despair of those who brought with them, unavoidably, the handicaps of a mean and harsh life: untreated disease, faulty education, an utter lack of experience of the hustle of modern industrial life. And it didn't take him long to make suggestions—that the hungry be fed, that the hard-pressed and poor who are ill receive medical care, and the unemployed obtain enough benefits to keep them fed and with a roof over their heads.

My father was restless during those last years of his life. What he saw and the conscience bestirred by it gave him little time to relax. In this country he glimpsed the tragedy of our Indian people—their constantly difficult and impoverished reservation life. He talked with migrant workers, and asked aloud why it should be that those who enable us to eat so well should themselves fare so badly. He confronted coal mine owners (in Senate hearings) with the plight of their employees—the extreme dangers so many miners have had to take for granted as part of this life's burden. He was not afraid of the power those corporate leaders wielded, any more than he feared James Hoffa and the power of his corrupt union.

Even on our vacations, he was not content to close his eyes and whistle the tune of the lucky few who are rich and powerful and able to get their way. I remember his love for our land; I remember those boat trips down the Colorado—the constant veneration he felt for this nation's natural resources, its air and its rivers and its lakes and its forests and its wildlife. He worried two decades ago about what would happen if—if the government failed to protect our nation's one and only environment; and that if has, I fear, become a matter of now.

My father also realized that this country cannot go it alone; our "environment" includes all the other nations of the world. His travels abroad during the last years of his life, in retrospect, were exceedingly prophetic—almost uncannily so. He went to Poland (I went with him) and was greeted by a sea of people, hungry for the presence of an American leader who dared speak of the virtues of democracy. He went to South Africa, and at the University of Cape Town gave one of his most memorable speeches—a stirring challenge to his listeners to take up arms against the world's various injustices, many of them all too apparent in that tormented nation. On the way home my mother and he asked that their plane tip its wings in a gesture of affectionate respect as it passed over Robben Island, where so many opponents of the hateful apartheid regime are confined.

Not least, he went to Latin America, to Venezuela and Chile and Brazil, ever anxious in those countries to break away from "principalities and powers," to walk the streets, climb the favellas, even go down into the mines, in order to meet the penniless, bruised—but sometimes amazingly, fiercely proud—people who live in those countries. To this day, when I go to countries in Central or South America, I hear of his visits—the warm and spontaneous reception he received from large crowds of peasants and workers, the apprehension he inspired in the region's various dictators and wealthly oligarchs.

He was, I suppose, a man of obvious contradictions. Born rich, he worried about the poor—tried hard to improve their lot here and elsewhere on this planet. Tough and forceful in the cruelly competitive world of politics, he was compassionate in his regard for those who had no power. Practical and keenly aware of the constraints that press upon all leaders, he was a stubborn dreamer, a man anxious to inspire others, extend a nation's vision of what is both desirable and possible.

At the end of his life he was, many said, virtually alone in his ability to gather an almost fervent support from millions of America's working people—black and white and Spanish-speaking. He had become, I guess, a kind of populist, and an electable one. Now, 15 years after his death, as I think of what has happened here in America and in other countries, too, I realize that millions of plain people, trying to make a go of it, often against considerable odds, are entitled to keep mourning the terribly premature death of Robert F. Kennedy as much as those in his family still do—his mother, his wife, his brother, his sisters, his children.●

MAKE CIVIL RIGHTS COMMISSION MEMBERS INDEPENDENT OF THE EXECUTIVE

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. LUKEN. Mr. Speaker, today, I am introducing legislation designed to undo damage done to the U.S. Civil Rights Commission when President Reagan summarily fired three of its members.

My legislation would provide for fixed terms for the Commissioners of 6 years and would not allow the President to fire them except for "neglect of duty or malfeasance in office." It would also provide a grandfather protection for the members the President is now attempting to terminate.

President Reagan's attempt to fire the Civil Rights Commissioners without cause will hopefully be denied by the courts. Whether or not the President is successful in making these firings stick, it is imperative that the Congress prevent any President from attempting wholesale discharges without justification.

The President has clearly nullified the intent of Congress in establishing the Commission by attempting to change not only its makeup, but its basic character as well. Congress fully intended the U.S. Civil Rights Commission to serve as the conscience of the Nation, not an arm of any administration.

If the members are to be removed without any charges being lodged against them, the pinprick of conscience will be dulled to the point of total ineffectiveness. Therefore Congress should put some teeth in our Civil Rights Commission legislation.

It is absolutely necessary that the Commission be independent of the Government it is supposed to be watching, and at times investigating. The Commission is charged with matters which are moral questions which makes it the watchdog over the executive branch of Government in particular. If the watchdog is to be tethered and muzzled, the potential violaters of civil rights within the Government will be given a license to trample those rights with impunity.

Under the proposed legislation the U.S. Civil Rights Commission will be given some needed independence from the politics of the executive branch. This bill gives the members of the Commission the ability to speak their minds without threat of losing their positions as a consequence. I urge my colleagues to join me in this endeavor to return the Commission to its necessary and historic role.●

MORAL MAN, MODERN DILEMMA

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. WHITEHURST. Mr. Speaker, on May 12, 1983, Adm. James D. Watkins, USN, the Chief of Naval Operations, addressed the Rotary Club of San Diego, Calif. I have had an opportunity to read his statement, and I was so impressed by the depth of his

thinking, and the wisdom of his words, that I want to share them with my colleagues.

The issue of morality vis-a-vis military service is one that has been discussed at some length in recent months, and I believe that the admiral's views, speaking as a military man who is also a highly moral person, deserve wide reading and serious consideration.

MORAL MAN, MODERN DILEMMA

In the past few months I have addressed many congressional committees regarding questions of military preparedness, budget, weapons systems and the like. I have done so both as Chief of Naval Operations and a member of the Joint Chiefs of Staff. I welcome both the privilege and responsibility that is mine. I also welcome this opportunity today to be able to speak to you about the same questions, but to do so from a different perspective. And I particularly welcome the privilege to speak to you in this city which has given so much to the United States Navy.

Last summer my dual swearing in ceremonies resulted in assumption of awesome responsibilities. As the CNO, I became the principal naval advisor to the President and Secretary of the Navy on the conduct of war. I took the helm of an unbelievably complex organization whose statutory mission statement belies that complexity. Simply stated, it is to be organized, trained, and equipped . . . for prompt and sustained combat operations at sea.

As a member of the Joint Chiefs of Staff, my responsibilities are even broader, for I and the other service chiefs are the principal military advisors to the President, the National Security Council and the Secretary of Defense. Included in our joint charter are a host of strategic, logistic, material, personnel, and policy requirements, including the necessity ot prepare strategic plans and provide for the direction of our Armed Forces.

Recently, the subject of national defense has become part of a much larger debate which is being discussed across our Nation . . . morality and a whole range of issues dealing with nuclear weapons . . . a debate I must join as head of my service and a member of the Joint Chiefs of Staff.

Last August, I publicly entered this arena when I delivered a commencement address at Marymount College in Virginia. I told that group of young Americans, ready to plunge into the real world, that I was a military man—but more importantly—I was a moral man.

I shared this fundamental statement about my make-up—this belief in my own being—not to gather applause, respect or even to surprise, but to demonstrate that a military man too has strong beliefs about morality, about what is right and wrong. I also believe in positively influencing the moral and ethical behavior of those who serve with me, men and women entrusted with the day-to-day care of out Nation's security.

To be honest, I did not feel this was a very astounding statement because it is what I had always assumed comprised the fabric of most American lives—in my case, as a young man at home, pursuing my education, as a young military officer and father of six children, and today as Chief of Naval Operations.

But for some reason, many people unwittingly type-cast military professionals as persons detached from the human equation who place scruples and morality aside when they don their uniforms in the morning. Yet, I have found quite the opposite to be the case in my 34 years of commissioned service.

Just like you, as a moral person I am challenged by life's many decisions and the many choices which must be made each day: Simple choices between good and evil, right or wrong, and the much tougher choices between lesser and greater goods, between lesser and greater evils.

I wish these choices were easy. Unfortunately, they usually are not. Life's many challenges raise questions often too difficult to answer the first time.

As a member of the uniformed services entrusted with the great responsibility of protecting this wonderful nation, I must also face such complex questions as: Nuclear deterrence, Soviet threat assessment, arms control, nuclear freeze, and, most importantly, the proper defense of these United States . . . All of these weigh heavily upon my conscience each day of my life.

These topics seldom lend themselves to simplistic "either/or" decisions. Each area is complex and decisions in the making are less between the absolutes of entirely good and 100 percent correct or entirely evil and dead wrong, than they are between the subtle nuances which make up the best possible course of action considering world realities.

Personally, I find the need to deal in nuclear weapons distasteful . . . as a moral man and as a Christian, as a military officer and as an American. On the same basis, I also find disproportionate use of force objectionable—whether thermonuclear or switchblade. But do these findings make me a pacifist? No, they do not. For I also believe protecting freedom, democracy, and loved ones against an armed aggressor to be a solemn duty under my oath of office and in fact a moral necessity. So, does this make me a war monger? No, it does not.

These two convictions, far from being nutually exclusive, actually strengthen my personal resolve to seek the best ways to have both peace and justice in our world.

But saying this on a podium, detached from real-world considerations, is easy. Each of us must take our ideals into a world where nuclear weapons do exist, a world where there are foreign powers who do not share our zeal to protect as sacred the worth, freedom, and dignity of each human being. Using every principle and fiber of humanity and faith, we must then make tough decisions about defending these inalienable rights of free peoples.

So what about nuclear weapons? How can a moral man ever justify even the mere possession of such horrible machines of destruction? Let me make my position very clear: There are two basic realities which I see as the foundation for my moral decisions regarding nuclear weapons.

First, nuclear weapons do exist. Wishing them away, demonstrating them away, won't make them go away. They exist as weapons in the hands of sovereign nations—friends and foe alike—such as ourselves, the Soviet Union, People's Republic of China, United Kingdom, France, and—unfortunately—perhaps others.

A nuclear weapon is not just a qualitative advance over previous weapons. The intensity of debate and deep convictions of well-meaning people around the world graphically prove otherwise. Nuclear weapons have added a new dimension . . . not only to warfare, but to our very human existence. There can be no winners in a nuclear war.

Second, I cannot apologize for my country having a nuclear capability. These terrible weapons are also the armories of a nation whose leadership is dedicated to the very antithesis of democracy and freedom . . . the Soviet Union. If nuclear balance is destroyed by unilateral disarmament, the likelihood of nuclear use could well increase, rather than decrease.

It is not difficult to show how different the Soviet view of the world is from our own . . . how truly freedom-loving people cannot possibly enjoy the view from the other side of the Iron Curtain.

You can talk to Americans from San Francisco to New York, and you will get many varied definitions of the word "peace." But in the Soviet Union you find only one definition of "peace." As expressed by Lenin many years ago, ". . . peace simply means Communist world control."

These are the realities we must all face. Each of us must decide upon a proper course of action in this very imperfect world by weighing decisions against various probable outcomes. The most serious moral question we must face is what is the greatest injustice: Is it the possession of a weapon we have no intention of using unless cherished freedoms are clearly about to be lost? Or is it the assured loss of the free world to the Soviets under their communist-Marxist philosophy were we to unilaterally rid ourselves of this same weapon?

Before I answer, there is a starting point where we can gain some insight: The majority's acceptance of the basic right and obligation of a nation to defend its people against unjust aggression.

Here I agree with church teaching. Simply, since war is an unfortunate part of the human scene, and as long as this danger persists, a people cannot be denied the right of lawful self-defense once all peace efforts have failed.

So what does this mean in today's nuclear age? Unfortunately, it means we have no realistic choice but to be prepared to respond proportionately to deter aggression. Proportionate is the key modifier which guides our entire approach to assessing the morality of deterrent strategy.

It is my stand that the most moral choice available in today's circumstance, in an imperfect world, is to possess a deterrent nuclear strength proportionate to the nuclear threat we face. On this basis, peace through strength has been our stated and proper national policy.

But possession of a nuclear weapon by a peaceful nation, committed to a defensive military strategy, will not necessarily deter an aggressor. A deterrent force, to perform its moral function of keeping peace, must be credible in substance, strategy, and perceived national resolve to employ it in defense or our Nation, if attacked.

Nuclear deterrence through offensive weapons is not an end in itself. It is only a small interim step while aggressively moving toward achieving long-range goals of a defensive posture and balanced nuclear arms reduction. I believe nuclear deterrence is only morally acceptable in this perspective.

Similarly, it is a moral imperative that our intention be never to use deterrrent force except in response to aggression. We have built weapons of vast destructive power in order not to use them. Their utility lies in the counter-threat they convey.

This is the paradox of the nuclear deterrent system we have lived under for more than three decades. This system will have

successfully served its purpose when nuclear weapons are finally dismantled.

Our national goal—peace through strength—is consistent with the moral philosophy I have attempted to convey so far. I, and the other Joint Chiefs, fully support the President's goal of ensuring that our strategic forces are sufficient to deter war while vigorously pursuing vital arms reductions. These two goals are integrally linked * * * inseparably entwined.

This philosophy is not new. It is evolutionary, not reactionary * * * the product of years of living with—and thinking about—nuclear weapons.

This philosophy is not stagnant. It is still developing. We continue to refine our deterrent strategy as evidenced by the President's vision of strategic defense. Deterrence is the result of years of reflective thought and moral debate, a product of desiring arms reductions while not sacrificing world peace in the process.

While today's concept of deterrence is not the desired longterm solution to maintaining Western World security, I cannot agree with those individuals who would discard the concept in the near term . . . who desire peace at any price. I believe in the morality of self-sacrifice for the betterment of society as a whole . . . the morality of a reasonable self-defense against a threatening aggressor. The moral course is with defending and protecting our freedoms.

Recently a friend of mine visited an inner-city church to leave clothing for those less fortunate. A number of homeless men were enjoying a free cup of coffee in the basement of the church. Upstairs the church office door had three separate locks, for several times in recent months the clergymen had been threatened.

Those men serving God are giving all they can to help those in need, but I would not ask them to remove all locks while they minister in a troubled area. They are entitled to basic security needs.

I am not equating need for security locks with the requirements for nuclear deterrence. Yet, the concept of peace-keeping and the concept of safety lock security have something in common—the desire to deter unwanted criminal action. Prudence and avoidance are the best course of greatest right and least evil.

Until all governments decide our planet is too small to wage war, it would be immoral to disarm unilaterally—either by omission or commission.

Our world is imperfect. So our means of providing peace will also be imperfect. We are weak humans called upon to make moral decisions. So our choices between relative good and evil will reflect the frailty of the human condition. Yes, we do make imperfect choices, choices of a lesser evil. But because we are a free society where all can have their say, and the best minds and spirits can share and grow together, we trust that we will be guided to make the right decisions, one day at a time.

During a recent time of international crisis, a famous American also faced difficult moral decisions. The verdict of history has shown his decision was correct. Peace and security were maintained.

During the height of that crisis, he reported to this Nation—and I quote "The path we have chosen for the present is full of hazards, as are all paths . . . one path we shall never choose . . . is the path of surrender or submission. Our goal is not victory of might, but vindication of right—not peace at the expense of freedom, but both peace and freedom . . . God willing, that goal will be achieved."

Those words are as true today as when first spoken by President John F. Kennedy during the Cuban missile crisis.

Over twenty years later, simple answers about nuclear weapons and defense policy are still not available. President Reagan has acknowledged the seriousness of these problems and the defense posture he has plotted for this Nation is a morally sound course, reflecting these serious moral questions.

He believes that by sustaining an effective nuclear deterrent posture and simultaneously working for mutually verifiable arms reductions, we will preserve the peace without sacrificing our freedom. To sustain an effective deterrent demands the modernization program debated in depth for two years and now fully defined and once again placed before the Congress.

The Joint Chiefs unanimously support the President's nuclear modernization program. We believe it contains only the minimum essential ingredients to provide a credible and proportionate response to potential aggression—no more. We did not arrive at this critical decision in a vacuum—we know the requirements and the obligations to our President and to our country. We have debated the complex issues from a moral perspective, for we too are moral men.

My highest moral imperative is to defend my country to the utmost of my ability. I can and will honor my twin oaths of duty. I can do this "freely, without mental reservation or purpose of evasion" because I have no moral conflict with the course set by the President. It is the right one.

Thank you and God bless.●

FIFTEEN YEARS LATER HANDGUN VIOLENCE CONTINUES

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. TORRICELLI. Mr. Speaker, today marks the 15th anniversary of the tragic death of Senator Robert F. Kennedy—a man of vision, high ideals, and compassion for the poor and defenseless in our land.

Senator Kennedy was killed in a senseless act of violence perpetrated with a handgun. On this day in which we commemorate his death, perhaps we can pay him no higher tribute than to recommit ourselves to the passage of strict handgun control legislation.

Each year handgun violence claims the lives of 23,000 of our fellow citizens. On average 31 Americans are killed each day with a handgun. One in nine Americans have already been threatened or attacked by someone wielding a handgun. Currently, there is a 1-in-5 chance that you or a family member will suffer handgun violence during your lifetime. These statistics and the human suffering that accompanies them is frightening and must prompt us to take tough action against the tragedies of handgun violence.

In Congress today, the Kennedy-Rodino bill, the Nation's primary handgun control legislation, has more cosponsors than any similar bill in history. Also, gaining support daily, despite fierce National Rifle Association opposition, is the Moynihan-Biaggi bill to ban the manufacture and sale of cop-killer bullets, the type of ammunition designed for the sole purpose of penetrating the bulletproof vests worn by American police officers. Already one-third of the Congress is cosponsoring this bill.

Is is time for commonsense to prevail? We in the Congress must ignore the gun lobby and listen to the American people who have been telling us for years, in poll after poll, that they want to see some form of sensible control over handguns.

Robert Kennedy said after the murder of Dr. Martin Luther King, Jr.:

> The victims of violence are black and white, rich and poor, young and old, famous and unknown. They are, most important of all, human beings whom other human beings loved and needed. No one—no matter where he lives or what he does—can be certain who next will suffer from some senseless act of bloodshed. And yet it goes on and on in this country of ours. Why?

A decade and a half later, his words still ring true. We have made some progress in those 15 years since his death. But we must continue to fight. There is still much to be done to eliminate the tragedy of handgun violence in America.●

SALUTE TO FELIX A. ENDICO, AMERICAN HERO AND LEADER OF COMMERCE AND INDUSTRY IN NEW YORK

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. BIAGGI. Mr. Speaker, coming to my attention recently is an extraordinary story of courage and gallantry under enemy fire in the Pacific theater during World War II. It is a story of exceptional heroism, whereby a single young soldier, at the grave risk of his life, offered himself in battle. His example and leadership were thought to be the inspirational factors in larger successful troops movements resulting in the saving of American lives. I want to offer the transcript of the U.S. Marine Corps citation awarding the Silver Star Medal to 1st Lt. Felix A. Endico of the U.S. Marine Corps Reserve to you and my colleagues here today, in tribute to this American hero, Felix Endico and the ideals of our country, for which this young soldier had risked his life so that we may enjoy the freedom we have today.

Felix Endico, after his service during the Second World War, continued to stand out among men, becoming a self-

made man, successful in business and industry in New York. In not unlike the character of the soldier he once was, with principles to uphold and defend, Felix Endico, took the resources and talents available to him to establish his own business, Endico Potatoes, Inc. at 160 MacQuesten Parkway, Mount Vernon, N.Y., and later UFF Industries, in the manufacture of fresh salads. It is a significant tribute to the industry and zeal of Felix Endico that his businesses now employ 200 people, in facilities of 180,000 square feet, greatly contributing to the commerce and livelihood of the area.

Mr. Speaker, it is with great personal pride that I salute Felix Endico, hero of World War II, born and educated in the Bronx at DeWitt Clinton High School and later receiving a bachelor of science degree at the University of Alabama for all the talents he has harnessed for the benefit of others, and the accomplishments he has won through his own determination and hard work.

The citation of the U.S. Marine Corps, Headquarters Fleet Marine Force, Pacific, is as follows. I trust that the admiration we can feel for this great American as a hero will be a lasting tribute to his efforts today as a leader in commerce and industry.

The citation follows:

U.S. MARINE CORPS CITATION

In the name of the President of the United States, the Commanding General, Fleet Marine Force, Pacific, takes pleasure in awarding the Silver Star Medal to First Lieutenant Felix A. Endico, U.S. Marine Corps Reserve, for services set forth in the following:

For conspicuous gallantry and intrepidity in action against the enemy while serving as a rifle platoon leader on Iwo Jima, Volcano Islands, from 24 February to 11 March 1945. On 7 March during a night attack, First Lieutenant Endico distinguished himself by singlehandedly putting an enemy tank out of action with hand grenades, and, when out of ammunition, killing an enemy soldier by crushing his head with a carbine after a hand to hand struggle. Subsequently, when he had assumed command of a rifle company on 11 March First Lieutenant Endico led his company in two assaults and by his outstanding valor, personal courage, and driving aggressiveness, inspired his troops to kill 200 enemy soldiers and reduce 35 caves and pill boxes. His conduct throughout was in keeping with the highest traditions of the United States Naval Service.●

D.C. APPRENTICESHIP WEEK

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. FAUNTROY. Mr. Speaker, I would like to join with the Mayor of the District of Columbia, Marion Barry, Jr., in recognizing that:

Whereas, during the week of June 5-11, 1983, the Government of the District of Columbia will celebrate "Apprenticeship Week" to recognize the contributions made by apprentices to the stability of high craftmanship to our labor force and economic progress and to renew our commitment to ensure the highest standards of training for our residents; and

Whereas, sponsors of approved apprenticeship programs have offered a systematic method of training and career alternatives for apprentices which guarantees the supply of needed master craftspersons in hundreds of trades; and

Whereas, Congress has recognized the value of apprenticeship through legislation and there has been the development of 34 Apprenticeship Councils in the United States and the Territories:

Now, Therefore, I, The Mayor of the District of Columbia, do hereby proclaim the week of June 5-11, 1983, as "Apprenticeship Week" in Washington, D.C., and call upon all of our residents to join with me in supporting apprenticeship programs, particularly employers without such programs, who are requested to give special consideration to their development for the training and advancement of our residents and the increase of expert craftspersons.●

FRANK FISCALINI AND WILBUR J. PECKA

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. MINETA. Mr. Speaker, on behalf of Congressmen DON EDWARDS, ED ZSCHAU, GENE CHAPPIE, and myself, I would like to speak in honor of Frank Fiscalini and Wilbur J. Pecka, two Americans deserving our highest praise and regard. Their public service in the community and leadership in their professional fields serve as models for all citizens. In light of this service, these gentlemen will be honored on June 9, 1983, at a special dinner hosted by the National Conference of Christians and Jews in Santa Clara, Calif.

Frank Fiscalini has made outstanding contributions as an educator. Countless thousands of students have benefited directly from his service as superintendent of the East Side Union High School District for 27 years, from 1956 to 1982. When he took that challenging position, Frank was the youngest superintendent of a California school district, but he enjoyed remarkable success. After Frank took office, students throughout the district improved their schoiastic achievement records, and Frank shaped the district with several imaginative approaches and projects, including the innovative Independence High School, which Frank founded in our Nation's Bicentennial year.

Last year, Frank was honored for his accomplishments in education by over 800 of his colleagues at a testimonial dinner. The dinner was held as Frank stepped down from his post with the school district to take a new position as president of Alexian Brothers Hospital. This remarkable man switched careers when most people think of retiring. He turned from education to another field of compassion—health care. That field certainly was not new to Frank; for the past 15 years, Frank has chaired the hospital's board of trustees.

In his community, Frank is known for the leadership and activism which so distinguished his professional career. He is well known for his participation in the Rotary Club, the Heart Association, and the University of Santa Clara Alumni Association, and recently, he was campaign manager for Mayor Tom McEnery of San Jose. Perhaps most significantly, Frank has served as chair of the San Jose Downtown Redevelopment Committee, and under Frank's leadership, the committee developed a plan for revitalizing San Jose's downtown area.

Like Frank Fiscalini, Wilbur Pecka richly deserves the honor being bestowed upon him by the Conference of Christians and Jews. Another outstanding member of our community, Wilbur was recently named 1982 Business Leader of the Year by Santa Clara Business magazine. He is retiring as regional vice president of Western Electric after 47 years of distinguished service with that company, and I know his colleagues will miss his leadership and expertise.

Wilbur started working at Western Electric in 1936. During World War II he served with the Eighth Air Force over Europe and Greenland as an aerial navigator on combat missions, and was captured prisoner when his plane was shot down in 1943 over Holland. Liberated by the Allied Forces, he later was awarded a Purple Heart and six Presidential unit citations.

He returned to his employment with Western Electric and quickly rose through levels of increased responsibility. Following managerial assignments in New York City, Ohio, and Denver, Wilbur was transferred to Sunnyvale, Calif., in 1972 to be general manager of the Pacific region. He has helped Western Electric earn its reputation as a good corporate neighbor in our community.

Indeed, I have enjoyed working with Wilbur, and I am honored to call him my friend. Wilbur's participation in community service has truly been extensive. He has served as president of the United Way of Santa Clara County, and he has been an active volunteer and board member for numerous other organizations, including the Junior Achievement Association, the Infant Hearing Assessment foundation, the National Alliance of Business, the Boy Scouts of America, the

YMCA, and the Independent Colleges of Northern California.

Thus, it is obvious that Frank and Wilbur J. deserve accolades and thanks for their notable service to our community and their examples of good citizenship. In light of this fact, we ask you, Mr. Speaker, and all Members of the House of Representatives to join us in extending thanks to our friends, Frank Fiscalini and Wilbur J. Pecka.●

ISLAMIC REPUBLIC OF IRAN

HON. JOHN R. KASICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. KASICH. Mr. Speaker, persons in my district and throughout our country continue to be outraged by the tyrannical actions of the rulers of Iran, particularly those actions taken against persons of the Baha'i faith. The last session of Congress, through a resolution, spoke out against this persecution, but it continues nevertheless. I have written both the Supreme Leader and the President of the Islamic Republic of Iran about this indefensible action, and ask that a copy of my letter be printed in the CONGRESSIONAL RECORD.

The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 6, 1983.

ALI KHAMENEI,
President, Islamic Republic of Iran,
Tehran, Iran

DEAR MR. PRESIDENT: Religious freedom is a principle that citizens of the United States hold most dear. As a representative of the government of the United States, it is impossible for me to remain silent when I see this basic human right is being violated. Therefore, I ask that the harassment and persecution of those of the Baha'i faith in your country be halted.

Reports indicate that this persecution ranges from expulsion of children from their schools to execution of Iranian Baha'i leaders. It is incomprehensible that a government which claims to be built on religious principles could condone and participate in such actions. These atrocities sicken decent human beings everywhere. They cannot be condemned too strongly or too often.

The Congress of the United States has once before spoken out against these despicable actions. Men and women of peace will continue to speak out as long as these acts continue to take place. Those who authorize and carry out such barbaric actions should remember: A day will come when their actions will be judged by a Supreme Being, and His judgment may be as harsh as their deeds.

Sincerely,

JOHN R. KASICH,
Representative to Congress.●

BALANCED BUDGET RESOLUTION

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. DANNEMEYER. Mr. Speaker, I doubt if any of my colleagues will dispute that I have been known to show little reticence in the pursuit of cutting Federal spending in order to reduce the size of our budget deficits. And, while I believe the proper mechanism for balancing the budget rests with Congress, the continued refusal of the House to deal responsibly with this issue leads me to conclude that the only way we will be able to achieve fiscal sanity is by constitutional amendment. Accordingly, on October 1 of last year, I was one of 236 "yea" votes in favor of House Joint Resolution 350, the balanced budget constitutional amendment. Unfortunately, we fell 46 votes short of the two-thirds required for passage.

I suggest that the opponents of a balanced budge enjoyed but a pyrrhic victory, however, because defeat of that measure only reinforced the public perception that Congress is both unwilling and unable to take requisite action. And, rather than extinguishing the pursuit of a balanced budget, it has instead fanned public sentiment in favor of a constitutional amendment. Contrary to expectation, therefore, Missouri has just become the 32d State—of 34 required—to call for the convening of a constitutional convention.

The following editorial from the St. Louis Globe Democrat appropriately reports the actions undertaken by the Missouri Legislature as well as illustrates the growing public discontent with congressional intransigence. I commend it to my colleagues.

[From the St. Louis Globe-Democrat, May 27, 1983]

BALANCED BUDGET RESOLUTION PASSES

It's a new day for the forces demanding fiscal sanity in Washington. Missouri has become the 32nd state calling on Congress to convene a constitutional convention to draft an amendment requiring a balanced federal budget.

Members of Congress now may feel the searing heat of the national campaign to balance the budget breathing on their necks. The Missouri General Assembly's action means that only two more states are needed for the two-thirds required to mandate Congress to convene the constitutional convention.

The size of the margins in the Democratically controlled Missouri Senate and House also should give members of Congress cause for alarm. In March, the Senate approved the resolution 21-10, and Thursday the House passed it 116-44.

Capital Hill probably is stunned by the action because it had been thought that the drive to get 34 states to adopt the resolution had been blunted by threats to cut off grants and other aid if any more legislatures approved it.

The huge margin in the Missouri House is especially rewarding because opponents had repeatedly beaten the resolution year after year under the direction of Majority leader Thomas Villa, D-St. Louis.

This year, however, House Speaker Bob F. Griffin, D-Cameron, and Republicans spurred by state chairman John Powell of Rolla led a coalition which crushed the opposition to the resolution.

Assuring the favorable outcome were 35 of 43 freshman legislators who voted for the resolution.

Four main factors were cited for the success in the House:

(1) The fact that even President Reagan hasn't been able to persuade Congress to work toward a balanced budget;

(2) Federal deficits have reached record proportions;

(3) Congress doesn't appear to be making any progress toward a balanced budget, and

(4) Proponents were able to allay the fear that a constitutional convention might consider other issues besides a balanced-budget amendment.

Another factor which probably played a role in the decisive Missouri House vote was the refusal by the U.S. House last October to approve a balanced budget constitutional amendment after it had been approved by the U.S. Senate.

The crushing of the amendment in the House under the leadership of Speaker Thomas P. "Tip" O'Neill, Jr., D-Mass., made it apparent that initiative would have to come from the states.

After approving 22 deficits in the last 23 years, members of Congress no longer have any credibility when they maintain that they should be given more time to prove then can eventually balance the budget. They now are projecting deficits that could run more than $800 billion in the next five years if action isn't taken to compel them to balance the budget.

After the action by the Missouri General Assembly, members of the U.S. House who voted against a balanced budget amendment would be well advised to reconsider their stand because the Missouri resolution is apt to spark a national effort to get the required resolutions from two more states. If this happens, the matter will be out of Congress' hands.

Under the Constitution, Congress would be obligated to convene a constitutional convention. After the convention drafted and adopted a proposed amendment, it would be submitted to the states for approval. If ratified by three-fourths (37) of the states, the balanced budget requirement would become the 27th Amendment of the constitution.●

ALLEN HIGH SCHOOL SWIMMERS: PENNSYLVANIA STATE CHAMPS

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. RITTER. Mr. Speaker, the city of Allentown has itself another sports champion: The Allen High School swimming team. This year, Allen swimmers won the PIAA State championship and in the process many

Allen swimmers became champions in individual events. On May 17, 1983, swimmers, coaching staff, families and fans of the team celebrated with a gala dinner and awards ceremony. It was an honor for me to add my words of congratulations to the team on their achievement and I am asking that my statement be placed in the CONGRESSIONAL RECORD of the U.S. Congress for the benefit of my colleagues.

There is no doubt that athletics help to positively mold an individual's character and personality. We need to continue to foster strong athletic programs in our Nation's schools because it will result in not only having a healthier society but a better one.

Again, I congratulate the Allen High School swimming team on their championship season.

The statement follows:

To the 1983 Championship Allen High Swim Team:

It is a high honor to add my words of congratulations to the coaches, swimmers, parents and fans of the Championship Allen High School Swimming Team. As you gather to celebrate and share the memories of a successful season, I want you to know that you have my very best wishes.

There are few sports more demanding of an individual's physical and mental capabilities as swimming. However, through all the practices, dual meets and pressure, all of you have come to understand a better meaning of the terms friendship and dedication. You are dedicated to furthering your own 'personal best' while at the same time swimming as a team and sharing together in your accomplishments. It takes a certain type of individual who can function both as an individual competitor and a team player. And all of you have proven that you are that kind of an individual.

The memories that you have shared and the hardships you have overcome are memories that will last a lifetime and ones that will be shared with one another in times to come. You are the products of a fine high school steeped in the traditions of many generations of good, hard working people who have gone on to help build a strong community and have contributed to the greatness of our nation. I might also add that you have had excellent models to follow in your coaches, Richard Bleam and Ron Theiss. Like you, they have worked as hard in bringing you to this moment and while many of you have become individual champions, it was they who guided and encouraged you to push harder and win.

Thus another page in the glorious history of Allen High School is written and you are all part of it. May your futures be bright and may you continue to uphold the high standards you have begun to build for yourselves. Good Luck, congratulations and God Bless you. I am going to insert these remarks into the Congressional Record of the United States so that all may know of the new champions of the Lehigh Valley.●

DR. EDWARD TELLER COMMENTS ON COAL

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. SIMON. Mr. Speaker, the Institute of Gas Technology of Chicago, associated with the Illinois Institute of Technology, publishes a journal which deals with energy problems, and recently it published a speech by Dr. Edward Teller, senior research fellow of Hoover Institution at Stanford, Calif.

I have not in the past always agreed with everything Dr. Teller has to say, but he has some comments about coal that we ought to be paying attention to.

He says among other things: The Department of Energy has been completely and scandalously negligent in promoting and researching coal.

He also says:

Private enterprise does research only if it expects a payoff in three years. The government does research only if it is for sure that there is no payoff for twenty years. The research requiring three to twenty years is no man's land. Nobody does it.

He makes two other comments worth noting.

That we ought to be providing much more leadership in the field of energy. He puts it this way:

I want to make one last remark. The United States is the biggest exporter of food in the world. Why? Because starting in 1862 with the Land Grant Act, agricultural research has been cultivated in this country. We have never slackened. In industry, in other branches of technology, we have.

In energy we should not be satisfied with providing enough energy for ourselves. if we could provide energy for the world, as we are now providing food for the world, we could become so useful to so many people that our help would become a politically stablizing factor.

Then he has one other point that is absolutely valid. That is that we ought to be valuing human ingenuity and research much more than we are. He says:

The one inexhaustible resource in the world is human ingenuity. In this country the value of human ingenuity used to be emphasized. If instead of applying Washington bureaucracy, we can apply human ingenuity to the problem of energy. We could create the stablizing factor, the incentive for peace in the 21st century.

I urge my colleagues in the House and Senate to read his remarks.

ENERGY IN THE 21ST CENTURY

(By Dr. Edward Teller)

I am supposed to speak about the next century. Unfortunately, I have been often given the advice not to make prophecies, particularly not about the future. It's risky business.

WHAT IS RENEWABLE?

I have a second difficulty and that concerns the topic on which I am to talk—renewable energy sources. I don't think there is such an animal. Nuclear energy is considered nonrenewable because fuel is used in such a primitive way now that the fuel supply at approximately its present price will be exhausted in 100 years or less.

Solar energy is considered inexhaustible because the sun has been shining for almost five billion years and intends to continue.

A real nonrenewable energy has its basis in an important accident of the past. Throughout the world the whole period since the Second World War has been dominated by the use of oil. It has had an enormous effect on total energy usage. In the third quarter of our century, the per capita energy use in the underdeveloped world increased approximately 200 percent; the per capita use in the advanced countries in the same time increased 70 percent. Quantitatively the latter increase was bigger, but it was smaller proportionately.

Then something happened that no economist dared to predict—a cartel of raw material producing nations, which was thought impossible. Nevertheless it happened. It was stimulated by our approaching a time when oil reserves seemed insufficient, and therefore the emphasis shifted to the availability of raw materials. While we did not give availability of raw materials enough thought in 1960, today we don't give enough thought to anything else.

The fact is that there is no such thing as a renewable energy source. The main expense in solar based electricity is in the solar cell. That apparatus won't last forever. That apparatus not only has human labor costs, but it also has raw material costs. To replace that apparatus will exhaust some of these materials. We are giving too little thought to such questions.

The most striking example of this tendency perhaps is hydropower. Rivers will continue to flow, but the bodies of water behind the hydroelectric dams will silt-up, in a hundred or two hundred years. Then the dams have to be moved to less desirable locations. Eventually the river will be used up. The river is not inexhaustible.

I claim that the most inexhaustible of the energy sources we now have available is nuclear energy. I cannot make predictions about the next century except on the basis of a very weak support, namely reason. Furthermore, I have to assume that what will happen in the long run will be reasonable, and that in itself is an unreasonable assumption. However, I believe my statement, and I am working for its realization. Furthermore, economics will give it a hand in the long run. While economics has no predictive value, in hindsight we can see that it is a powerful factor in what really happens. My number one candidate as a renewable energy source is by no means the only one. Nuclear energy is not a panacea, but it is an important and neglected energy source today.

NUCLEAR ENERGY

Nuclear engineering, due to that great nuclear engineer we had in the White House whose name I have justly forgotten, is neglected today in the United States. It is not neglected in France, in Taiwan, or the Soviet Union, or for that matter Sweden. If we continue to neglect it, we'll come out second best. The Democrats under Jimmy Carter have demonstrated that energy is too important to leave to the government. The private sector is no wiser than the government, but it has more heads, and some of them are right. And that is what we call

having a competitive edge. That is why I want the energy to be as far as ever possible in private hands, not public hands. Political appointees usually know nothing about energy.

One exception to this rule was a political appointee, Dixy Lee Ray, who became the head of the AEC (Atomic Energy Commission) only because she was a woman. And to our surprise she turned out to be exceedingly good.

Nuclear energy is not in itself a renewable source. According to present predictions we'll run out of uranium in less than 100 years. Nonsense! We are now using one percent of the fuel we put in the reactor. We have a method which allows us to use it all, the breeder reactor. Then instead of 50 to 100 years of fuel, we will have 5,000 or 10,000 years. Of course, if we use more of it, then maybe there will be only 1,000 years of supply. On the other hand, the raw material, the uranium, is so cheap today—five percent or a little more of the price you pay for electricity—that its price can go up many times before anyone would notice it in an electricity bill. At a higher price we can produce more uranium from minerals containing less uranium.

We have the method of the breeder reactor, at least on paper. The equipment of a breeder is much more expensive than the reactors we have today, because it works with fast neutrons. Fast neutrons cannot be told where to go, and the engineering becomes more difficult. The whole system becomes more expensive, and this is unavoidable.

Then why are we doing it? Because it is politically acceptable. There is a much better system, the thorium cycle. It works with slow neutrons with which we have had a lot of experience. The Canadians have developed the Candu reactor—which uses not thorium but a derivative of thorium, U^{233}. What we get is not a breeder. If you put 100 parts of U^{233} in, you don't get 120 parts back. You get only 95. Who cares? If five percent of the uranium has to be added in every cycle, we can afford that for a very long time. The apparatus is inexpensive, and we know how to deal with it.

Today you have heard something about fusion, although not the way I would have said it. Currently our nation has a law which says after 20 billion dollars and 20 years we will have a functioning fusion reactor. The law unfortunately forgot to specify that we also need 20 excellent engineering ideas. I think we may have pure fusion in a practical sense by the year 2050, but not sooner. But if you don't happen to be an extremist, if you don't insist on pure fusion, if you could be content with a fusion-fission hybrid, we could have that by the end of the century.

I don't want to go into details, but probably you haven't heard much about the hybrid. It probably will produce no energy for direct consumption. What it does produce is enormous amounts of fuel for the fission reactors. You start with fusion which gives little energy and lots of very fast neutrons. You can multiply both the energy and the neutrons in a fission blanket. What you wind up with is something like breakeven energy but a tremendous amount of fuel for the thorium cycle is created by the neutrons. A real thorium breeder also could be developed, but that's more difficult. If we don't stick to slogans or politically acceptable solutions, fusion and fission could offer the whole world plenty of energy. This electrical energy could last us much longer than the coming of the next ice age. Actually, that may not be so far away. I had better say that I am sure that we could live at least 100,000 years on the nuclear energy supplies that exist today. I think nuclear energy deserves to be called a renewable energy source, if such a word makes sense at all.

OIL AND GAS

But, I also believe that nuclear energy will not be the exclusive solution. We will need the present kinds of fueis—oil and gas and plenty of them, Where shall they come from? You have done a lot of searching successfully for more gas. I want to comment on two possibilities, including the ingenious suggestion by Tommy Gold that gas comes straight from the center of the earth—that methane is not at all a product of decay of ancient life but one of the original constituents of the universe and still found in the earth's core and still seeping out of it. I don't believe it. It's possible, but I haven't seen the proof. Whenever I don't see proof at all, as a last resort I ask the experts. The majority of the experts don't believe it.

Another possible place where the gas may be found has also been mentioned. Gas has been found on dry land and on the continental shelf. After the continental shelf comes the continental slope which is steep. At the bottom of it is the continental rise, which is composed of the debris of sedimentary rock that has been shaken down from the continental shelf during millions of years. There is reason to believe that there is oil in this, the biggest mass on our planet of sedimentary material. I believe that it is quite possible that one of the important technologies that has to be developed (and by whom else except by you?) is the way of getting oil and gas from the continental rise. That means getting it out of a depth of one or even two miles. Remote, operations and automated operation will become important, which initially will be too expensive. In the end using these deposits might really pay.

COAL

There is one really abundant fossil fuel: coal. Coal that is accessible because it is near the surface is not so interesting to me as coal that is a mile deep or two miles deep, or five miles deep. There's lots more of that, and it's inaccessible. Mining it would be very difficult. I think we are doing far too little about other possibilities. In situ gasification might be possible. The Department of Energy has been completely and scandalously negligent. Private companies should begin to look into this resource, but they haven't.

Private enterprise does research only if it expects a payoff in three years. The government does research only if it is sure that there is no payoff for 20 years. The research requiring 3 to 20 years is no-man's land. Nobody does it. I think somebody (and I believe it should be private enterprise) should penetrate this no-man's land, and one private enterprise has. This industry is the only one today, apart from agriculture which is flourishing in the United States, the only private enterprise which really has prospered in our country in the last few years, and that is electronics. The electronics people are looking ten years into the future, and they are succeeding. I think you should look ten years ahead. You will find all kinds of interesting things, and one of them is underground coal gasification.

The method is to go down, loosen up the coal by explosions. Then one will need two holes. Shoot a shaped charged from one hole toward the other, and open a passage between the two holes. Then pump down oxygen, not air because you don't want to burden the gas that you're going to get with a lot of nitrogen. Pump down oxygen, and burn the coal in the presence of water. The coal probably has water, but if it doesn't, you must add it. The high temperature burning of coal produces a gas which then can be pumped out of the second hole. Actually 300 Btu per cubic-foot gas (not pipeline quality yet) has been produced in this manner. Such gas can be further refined. Gas production might be almost indefinitely perpetuated in this manner. Gas might come close to being a renewable resource (without Tommy Gold and his gas from the center of the earth) if you just go down to the deep coal layers.

There is another option connected with coal which is not exercised generally, and which might have a particular significance in Illinois. One of the great difficulties with coal is that it is dirty. Another great difficulty with coal is that it is hard to transport. There is a rather pedestrian development but ingenious in its details. Its name is methacoal. Methacoal is a suspension of rather crudely ground coal powder in methanol.

Why suspend it in methanol? First of all alcohol has a stong affinity to the coal surface. The coal first may have to be dried to get the water off the surface, then you can replace it by an alcohol. Secondly, methanol, the lightest, smallest alcohol, can best penetrate into the smallest cracks. The combination is a fuel whose caloric value will be 75 percent coal and 25 percent methanol. Because of the expense, the estimated value will still not not much exeed the equivalent of $20 per barrel of oil. Probably we can get the cost lower. This source as yet cannot be used in vehicles, but it can be used in oil burners after a small modification which will cost less then $100 per installed kilowatt. Methacoal has not only the advantage that as a suspension it can be pumped through pipelines; it also can be transported in oil tankers of which we have a surplus today. Methacoal will be cleaner than coal, because coal has a lot of dirt in it which will be easy to remove during this process.

The most dangerous impurity in coal is sulfur. On the average, half the sulfur is inorganic and half the sulfur is organic; the proportion is different for different coals. Illinois has sulfur rich coals, four percent sulfur, which today people don't like to have burned. By making methacoal and then centrifuging out the pyrite, the inorganic sulfur, the sulfur concentration gets down the neighborhood of two percent. Dilution by methanol will effectively bring this down to 1.5 percent, and that is tolerable.

I believe that methacoal could make a noticeable impact on our economy in five years, and I believe that methacoal or developments that stem from it may become the chief substitute for oil in the next century. Of course, you need a source of methacoal. That could be coal, gas, or biomass.

GEOTHERMAL

Now I would like to talk about three more subjects quite briefly. One is geothermal heat. It is not inexhaustible. Actually the heat flow that comes from the center of the earth is so small and comes it such a slow rate that its exploitation is really hopeless. The only geothermal energy that we can use is fossil heat—heat that was deposited by volcanic or similar activities a few million

years ago. The total geothermal heat in the earth's crust is about the same as the heat contained in coal. Why people call geothermal energy renewable and coal nonrenewable is a great mystery to me.

Geothermal heat is mostly found in the Ring of Fire, the periphery of the Pacific Ocean (and a few spots in the ocean). For those regions, for instance San Francisco or New Zealand, where it is really important, geothermal heat can make a big contribution. But this is not a workable solution in most locations.

WIND

Another of the possibilities mentioned is wind energy. I love wind energy provided only that there is sufficient wind. The output of a windmill goes up with the cube of the wind velocity. From twice as fast a wind you get eight times as much energy. If you don't have strong winds, windmills are just no good.

Now where do you get strong winds? There are a few places. There is a class of places where it is really worthwhile to look for it—in the islands in the tradewind zone. The tradewinds not only are more or less constant which is a great advantage, but also they come from the same direction—east by northeast in the northern hemisphere and south by southeast in the southern hemisphere. Over the open ocean windmills are no good: the wind velocity is about ten knots or a little less, and that's not enough. But if you have an island in the path of the wind, then the mountains on this island will channel the wind. In some spots this develops much higher wind velocities. Having an average wind velocity of 23 mph, observed in some places in Oahu, is not at all unusual. Similar situations can be found on practically every one of the Hawaiian Islands. (In Puerto Rico, because the mountain is parallel to the tradewind, no such fortunate increase occurs.)

In areas where the wind comes always from the same direction the spots of high wind velocities do not change. They can be located by using lasers to track the little particles that are carried by the wind, and thus find out the wind velocity, its direction, and its turbulence. Building a windmill in the right place is a wonderful thing. Building a windmill in the wrong place is foolish. An error in placement of only 100 feet may easily decrease the output of the windmill by a factor two. Wind energy for all the Hawaiian Islands and for many whole oceanic islands could be important. These incidentally are places where nuclear energy is just no good. Nuclear energy is good only where a lot of energy is needed. On a small island you can't use a lot of energy.

SOLAR

Now last but not least I want to talk about solar energy. I have said that solar energy won't work if the solar cells are too expensive. Now they are $10 for a peak watt, and to be practical they should not be much more than 50 cents. All kinds of people claim 50-cent solar cells because they know that nothing less will do. But I know one example where I have good reason to believe that solar cells will work. (There may be other examples, but I believe this one has a fair probability of succeeding.) This solar cell is due to a man you may have heard of in another debate, Stanford Ovshinsky. He's not an academic scientist. He believes in amorphous semiconductors.

He's right. Amorphous semiconductors exist. Furthermore, they have a real advantage. Their composition can be much more widely varied and much more easily adapted to various purposes. They have a problem, however. They have too high of a resistance—too much of the energy gets lost. But they also absorb sunlight very strongly. Therefore, you can make the semiconductor layer so thin that the high resistance will not prevent the photoelectrons from reaching the adjacent conductors. Ovshinsky has gotten up to nine percent efficiency. He manages to attract quite a number of scientists, including, for instance, a very remarkable Englishman and Nobel Prize winner: Mott. Ovshinsky has managed to put down these amorphous layers of silicon, fluorine, and hydrogen, in exceedingly thin layers. He now has a little factory doing it quite cheaply. Because of this one example, I believe that solar cells will play an important role in the future. Perhaps they will even become so successful as to displace other means of producing energy.

ENERGY AND PEACE

I want to make one last remark. The United States is the biggest exporter of food in the world. Why? Because starting in 1862 with the Land Grant Act, agricultural research has been cultivated in this country. We have never slackened. In industry, in other branches of technology, we have.

In energy we should not be satisfied with providing enough energy for ourselves. If we could provide energy for the world, as we are now providing food for the world, we could become so useful to so many people that our help would become a politically stabilizing factor. Technology can be used and can be misused. The horrors of nuclear war are real even if exaggerated in the popular mind. The question is asked again and again: "What will the end be?"

I have one ending that I think is reasonable, useful, even unavoidable to pursue. We want peace, but peace is not nuclear disarmament. Peace is much more complex. Peace is more than simply the absence of war. Peace is cooperation between nations.

The one inexhaustible resource in the world is human ingenuity. In this country the value of human ingenuity used to be emphasized. If instead of applying Washington bureaucracy, we can apply human ingenuity to the problem of energy, we could create the stabilizing factor, the incentive for peace in the 21st century.●

FOREIGN HONEY IMPORTS THREATEN U.S. BEEKEEPERS

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. RICHARDSON. Mr. Speaker, the domestic honey industry is facing a severe crisis. Beekeepers in my State of New Mexico and throughout the Nation are being forced to sell more and more of their honey to the Government under the Federal price-support program due to a flood of imported honey, mostly from China. While the United States has only a 1 cent per pound tariff on honey, domestic honey producers have no access to many foreign markets because of high import duties. In the face of unfair foreign competition and a shrinking domestic market for honey, the Reagan administration wants to make the Federal honey price support program discretionary.

The administration apparently does not realize that cutting the honey loan program under current market conditions would force many beekeepers out of business. If beekeepers cannot make money by selling their honey, they will not be able to maintain large colonies of bees that are used to pollinate many crops. Many farmers will find it difficult to produce a wide range of crops. The following article by Mr. Ward Sinclair appeared in the Washington Post on June 3, 1983, and accurately cites the problems facing the Nation's beekeepers and the likely negative impacts these problems could have on the agriculture industry. I urge my collegues to carefully read this timely article.

HONEY IMPORTS PRODUCE STICKY SITUATION FOR BEEKEEPERS AND GOVERNMENT

(By Ward Sinclair)

These are bittersweet times in the honey business.

Uncle Sam, with warehouses full, feels stung. The Chinese are combing off the profits. American commercial beekeepers' cries of gloom and doom are waxing toward despair. But Congress is trying to get them back in clover. All of which is to say:

The administration, facing costs of $56 million or more this year to buy surpluses, is asking Congress to modify the federal honey price-support program by giving the agriculture secretary the authority to reduce the loan rates.

An influx of lower-priced imported honey over the past several years, much of it from China, has created an excess on the American market and has sent more of the U.S.-produced sweetener into federal storehouses.

The U.S. beekeepers are pushing Congress to resist President Reagan's move against price supports, while lobbying at the same time for a bill that would increase the tariff on imports, a move they think will make the Chinese buzz off.

Meanwhile, the Agriculture Department, claiming that leaking containers are turning warehouses into sticky messes of oozing honey, is proposing to require beekeepers to use more expensive, safer barrels. The bee people are as mad as, well, hornets, over that.

Now, while it may make some sport to drone on with honey puns, there is a critical side to all this for American agriculture. Farmers rely on honeybees to pollinate many crops, from apples and almonds to blueberries and alfalfa. Keepers commonly lease their colonies to farmers to carry out the pollination.

"Imports, if they continue to increase, will have an impact on the number of colonies that American beekeepers maintain," said Hachiro Shimanuki, one of the USDA's top bee researchers at the Beltsville Agricultural Research Center.

What Shimanuki is saying is that a large U.S. bee population has to be maintained to assure that pollination goes on. It is just too much to expect that Chinese honeybees would fly all the way to, say, an alfalfa field in Minnesota that feeds a dairy or beef herd.

"Few people think about the pollination value of the honeybee," he continued. "But this industry is very important to all of agriculture. Our diet is interesting because of its variety, and much of that variety—apples, avocados, blueberries, you name it—relies on pollination by bees."

Shimanuki and others agree that commercial bees assume a larger role in agriculture because of other factors as well. The wild bee population has declined because of pesticides and a habitat drastically altered by the clearing of trees and brush in rural areas.

Richard Adee of Bruce, S.D., a large-scale beekeeper who is vice president of the 650-member American Honey Producers Association, said he is worried about what's happening in his industry. "It's a critical situation," he said. "Our big markets are lost and it appears the government program will take over about 75 million pounds of our 220-million-pound 1982 crop.

"The United States has become a honey dumping ground for the world because we have only a 1-cent-per-pound tariff. We can't get into markets like Mexico, the European Common Market or Japan because they have high duties. Foreign producers look at our 1-cent tariff and bring their honey here."

Mexico continues in its long-time role as the leading U.S. source of foreign honey, but during the past three years China has entered the U.S. market in a big way and has become the second-largest source. Lower costs make the Chinese honey more attractive to U.S. processors.

Sen. Larry Pressler (R-S.D.), a 4H Club beekeeper in his youth, has introduced legislation aimed at raising the penny tariff to 10 cents, a move he thinks would deter imports, restore stability to the U.S. industry and cut federal support costs.

"This legislation is a little bit out of character for me," he said. "I'm usually not this much of a protectionist. But these are unusual circumstances. Everyone, whether urban or rural, has this basic interest in a healthy bee industry because of the cross-pollination aspects.

"I know it is extremely difficult to sell, but we are running in a dangerous direction if we do not keep enough bees in this country, Pressler said. "We may not have enough bees—they do not abound naturally now because the habitat has changed."

It's enough to give one the hives.●

A LESSON IN CIVIL RIGHTS

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. WYDEN. Mr. Speaker, the Supreme Court recently conducted a special course in civil liberties for the Reagan administration and the more than 100 schools in this country that practice racial discrimination. It did so by upholding the right of the Internal Revenue Service [IRS] to deny tax breaks to such schools.

This ruling repudiates the administration's claim that the Internal Revenue Service lacked legal authority to deny charitable tax exemptions to two schools involved in the recent case before the Supreme Court.

These schools, one of which bans blacks from admission and the other which admits blacks but specifically denies interracial dating or marriage, had sought charitable tax exemptions on the basis of the church-connected activities at the schools.

In its decision, written by Chief Warren Burger, the Court held that the IRS has the authority to deny exemptions to any institution acting "contrary to public policy."

Further, the decision said that:

There can no longer be any doubt that racial discrimination in education violates deeply and widely accepted views of elementary justice.

The Court's ruling does not bar the schools from continuing their discriminatory practices, but, as Chief Justice Burger noted in the decision, the denial of tax benefits will inevitably have a substantial impact on the operation of private religious schools.

The Court's ruling comes almost 1½ years after the Reagan administration revoked the IRS' authority to deny tax exemptions, saying it required explicit congressional authorization. This action touched off a storm of protest within the Congress and around the country, which caused the Justice Department to switch sides before the Supreme Court in an attempt to head off a ruling.

Despite efforts to minimize publicity about the abrupt policy change and later attempts to soften it, the action raised considerable controversy even within the administration, including a letter signed by 200 officials of the Justice Department's Civil Rights Division.

The actions of the administration combined with continued reports of racially motivated vandalism and violence unfortunately have proven that, 20 years after the civil rights fervor of the 1960's, the United States is still struggling to find a way to a truly equal society.

The Court's decision is a beacon of hope for those who have witnessed the seeming backward slide in civil rights progress during the past 2½ years, but it is also a warning that we must be ever vigilant in our pursuit of equal justice under the law for all Americans.●

EMERGENCY PLANNING AND COMMERCIAL NUCLEAR POWERPLANTS

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. CORCORAN. Mr. Speaker, the Nation's nuclear industry and electric ratepayers today face a situation that threatens them with severe consequences if it is not quickly resolved. I refer to a problem brought to public attention by the recent controversy at Indian Point but which affects utilities and customers at numerous other nuclear sites throughout the Nation. That problem is the vulnerability of nuclear plants to shutdown due to the failure of States and localities to develop adequate evacuation and emergency response plans.

Following the accident at Three Mile Island, Congress and the Nuclear Regulatory Commission [NRC] reviewed the response of local authorities and concluded that advance emergency planning was essential to assure public health and safety in the areas surrounding nuclear plants. The NRC developed regulations consistent with legislation which Congress passed and the President signed into law in 1980 and 1982. Those regulations require the submission of an effective emergency response plan as a condition to the continued operation of existing plants and the licensing of new plants. Under criteria of the NRC and the Federal Emergency Management Agency [FEMA], the adequacy of emergency plans depends heavily on the participation of local emergency service personnel.

In several localities, the cooperation of local authorities has been made contingent upon the utility's willingness to contribute financially to the development and implementation of these plans. In others, the local authorities have simply refused to cooperate in the apparent belief that their refusal would effectively stop the operation of a nuclear plant. In the case of the Indian Point facility in New York, one of the counties adjoining the site refused to participate in the planning process. The State, unable to adequately compensate for the county's recalcitrance, has looked to the Federal Government for guidance and assistance. As many as 37 of the 53 nuclear sites across the country currently do not have approved State plans and potentially face similar difficulties.

The consequences of allowing this kind of activity to continue unchecked could be devastating to communities dependent upon nuclear powerplants for electricity, for jobs, and for tax revenues. If nuclear powerplants can be forced to close by this type of local pressure, the following specific consequences can be expected. First, ratepayers will have to absorb substantial costs, including those of shutting down and restarting the reactors and those of electricity generated with more expensive alternative fuels. In the case of Consolidated Edison's Indian Point plant, ConEd's 2.7 million ratepayers would be facing additional costs of $1.3 million per day according to ConEd. Other serious consequences could result. For instance, the New York City subway system and

its riders would be seriously affected inasmuch as the Indian Point facility supplies the subway system's electricity.

Second, an already struggling industry will be further burdened. In recent years, no new reactors have been ordered and many planned facilities have been canceled. If even one plant is successfully shut down as a result of emergency planning difficulties, the entire industry may have to defend itself from similar efforts across the country. As one result, investor confidence could be adversely affected.

Third, the failure of local and State authorities to cooperate with Federal agencies may well ultimately lead to proposals for a stronger Federal role; such proposals can only further erode State sovereignty in an area where it has traditionally been most respected—emergency planning and services.

Just where the blame belongs for the problem currently facing us at Indian Point and elsewhere is not entirely clear. Regardless of where the blame belongs, a solution must quickly be devised with respect to Indian Point.

One such solution may be found in the fiscal year 1980 NRC authorization bill. I was a conferee in connection with that legislation, and the conference report included a compromise provision that "* * * sought to avoid penalizing an applicant for an operating license if the State or locality does not submit an emergency plan to the NRC for review or if the submitted plan does not satisfy all the guidelines or rules." The provision further states that "In the absence of a State or local plan that complies with the guidelines or rules, the compromise permits NRC to issue an operating license if it determines that a State, local or utility plan, such as the emergency preparedness plan submitted by the applicant, provides reasonable assurance that the public health and safety is not endangered by operation of the facility." This language is found in Report No. 96-1070 and related to S. 562. These provisions have been subsequently extended and continue to apply.

I would call upon the responsible Federal and State officials to work out an arrangement in accordance with the conference report language that will insure both safety and electricity for the surrounding communities. But I also foresee a possible need for greater congressional involvement that will anticipate and avoid similar situations elsewhere. Legislation may well be required. Particularly as a member of the Energy and Commerce Committee, which has jurisdiction over the Nuclear Regulatory Commission, I will be closely monitoring this situation.●

REPORT ON TRIP TO CYPRUS

HON. GERALDINE A. FERRARO
OF NEW YORK
HON. BARBARA B. KENNELLY
OF CONNECTICUT
HON. BARBARA A. MIKULSKI
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Ms. FERRARO. Mr. Speaker, following our week-long trip to Israel and Lebanon during the Passover-Easter congressional recess, we visited the Republic of Cyprus April 3 to 6 as guests of the Cypriot House of Representatives. As part of the humanitarian focus of our Middle East trip, we were interested in the human dimension of the ongoing conflict on Cyprus.

We met with refugees who fled to the southern part of the island following the 1974 Turkish invasion and talked with Greek and Turkish Cypriot leaders about their efforts to determine the status of the several thousand missing persons who disappeared during that period.

In addition, we were interested in obtaining a progress report on Greek-Turkish Cypriot efforts to end the island's political, social, economic, and geographic divisions, efforts which revolve around on- and off-again meetings between Greek and Turkish Cypriot negotiators who conduct intercommunal talks under United Nation's auspices.

REFUGEES AND MISSING PERSONS

Representative FERRARO had visited Cyprus in 1979 and told us not to expect to see refugees in camps or in slum conditions as we experienced at the Palestinian refugee camps of Sabra and Shatila in Beirut. The Greek Cypriot Government has succeeded in providing permanent housing for most of the refugees driven from their homes in the northern part of the island during the 1974 Turkish invasion.

With the help of the United States, the Greek Cypriot Government has done an excellent job in building permanent homes for the 165,000 Greek Cypriot refugees displaced from their villages in the north.

We visited families where as many as four generations were comfortably housed, and where younger family members attend and care for their elderly mothers and fathers, grandfathers, and grandmothers. In a housing project for the elderly on the outskirts of Nicosia, the Cypriot capital, we were greeted warmly by aged men and women who can be assured of proper health care, nutrition, and shelter as they live out their years with dignity and security.

Between 1970 and 1982, the United States has contributed approximately $160 million in economic aid to Cyprus, which in large part has helped construct permanent homes for refugees. In the southern part of the island, there are just a few remaining temporary refugee centers, where each week two and three families continue to be transferred to permanent dwellings.

Housing needs remain, however, as the government tries to upgrade both the quality and size of family housing in a program which is scheduled to end in 1986-87. As families grow they are moved to larger quarters.

And permanent quality refugee housing in the south cannot replace the desire of these refugees to return to their homes and ancestral villages in the north. As impressive as the economic compensation effort has been, it clearly does not satisfy the emotional needs of these Cypriots to return to their own property and homes.

Because the housing program has been materially successful in providing decent shelter for refugees, the more recent focus of our aid has been on giving quality education through a U.S.-assisted university scholarship program. Since 1981 when the program began, 59 Greek and Turkish Cypriot students have been placed in American colleges and universities.

Cyprus has one of the highest literacy rates in the world, and one of the highest proportions of university-educated populations, ranking third behind the United States and Canada. Its economy is one of the strongest in that region, and its unemployment among the lowest—3 percent. Its neediest and brightest young people are sent to the best universities with our help. Because Cypriots are so oriented to learning and culture, we were excited to hear of prospects for establishing a national university on Cyprus.

It is clear from our visit that although economic, cultural, and social accomplishments on the island are impressive, political struggles still cloud the horizon. It is important, we believe, to understand the missing persons question as a backdrop to efforts to settle outstanding political questions which for the moment prevent reunification of the island and a return to national unity.

There are approximately 2,500 missing Cypriots—Greek and Turkish—who disappeared following the 1974 invasion by Turkey.

The extent of the concern on the island of Cyprus—roughly the size of Connecticut—over this issue can perhaps best be put into perspective if we think of our country's anguish over the same number [2,500] of missing Americans in Southeast Asia.

However, for the United States to have suffered a proportionate number of missing in Vietnam, one Greek Cypriot mother told us, would mean

nearly a million American soldiers whose fate was still unknown. In Cyprus, with a total population of roughly 650,000, 1 in 260 persons has a missing relative.

Of the roughly 2,500 missing Cypriots, 1,619 are Greek Cypriots. According to Frixos Michaelides, the Greek Cypriot Representative of the Committee on Missing Persons with whom we met, 1,008 Greek Cypriots are military personnel, and 611 are civilians. The latter were unarmed—women, children, and old people who in some cases were photographed alive and in Turkish custody following the July 20, 1974 invasion; 315 of the civilians were over 60 years of age at the time of their disappearance, while 26 were under the age of 16.

The remainder of the missing are Turkish Cypriots, numbering between 800 and 900. According to Dr. Latife Birgen, the Turkish Cypriot Representative of the Committee on Missing Persons, with whom we met in the northern town of Kyrenia in the Turkish sector, roughly 600 Turkish Cypriots disappeared in the 1974 invasion, and 200 in the 1963-64 intercommunal fighting on the island.

The question of missing Cypriots has been raised repeatedly in international forums. In May 1979, a U.N. proposal to set up a three-member investigatory committee of missing persons under the chairmanship of a representative of the U.N. Secretary General was agreed to by Greek and Turkish Cypriots.

Unfortunately, this investigatory committee quickly got bogged down in detailed discussions over how it would conduct its investigation. Procedural controversies have continued without progress on substantive questions. The committee has not held a meeting since February 25, 1982.

In our meetings with Greek and Turkish Cypriot representatives of the missing persons, both stressed the humanitarian and non-political nature of the problem, but both also noted the considerable procedural disagreements still exist.

Confusion, claims and counterclaims continue to cloud the missing persons issue. One thing is certain: time is operating against the families and friends of the victims.

During our meetings, we expressed our firm hope to both sides that talks would resume for the sake of the living—the families and friends who need desperately to know the fate of their loved ones. Many years have passed and not one missing person's case has been resolved—not one mother has been told what happened to her child. Tragedy remains with the living.

The most hopeful signs we found were indications that meetings of the missing persons' investigatory committee might be reconvened if called by a special representative of the U.N. Secretary General and if there is greater flexibility—and the will—on the part of Greek and Turkish Cypriot representatives to put aside recurring procedural difficulties.

INTERCOMMUNAL TALKS

It was initially hoped that creation of the missing persons investigatory committee in 1979 would help pave the way for progress and movement in the intercommunal talks between Greek and Turkish Cypriot leaders. However, this issue and other factors still stand in the way of progress in the reunification talks.

These factors include:

Long-standing animosity between the two communities on the Island which has resulted in periodic violence;

Establishment in 1975 of a self-declared "Turkish Federated State of Cyprus" with Rauf Denktash as its president;

Lack of any significant and continuing contact—except at intercommunal meetings—between the 120,000 Turkish Cypriots in the north and 500,000 Greek Cypriots in the south;

Passage of time which has the potential to legitimize partition of the island; and

Economic factors which may possibly cause short-term disruptions in both communities.

In reaffirming support for a Cypriot Federal constitution and bizonal solution of the territorial dispute dividing Cyprus in August 1980, Greek and Turkish Cypriot leaders agreed to center their current talks on establishing a constitution;

Settling territorial disputes, especially on Varosha, an abandoned coastal city currently under Turkish control;

Protecting the freedom to travel, to settle, to conduct business, and to promote other practical measures for good will and mutual confidence among the parties.

To better understand the context in which these talks are taking place, it is also important to understand Cypriot relations with Greece and Turkey.

Gradual divergence between Greek Cypriot and Greek views reflects an emerging Cypriot nationalism in the Greek Cypriot community. No longer is enosis—union with Greece—a paramount consideration. Greek Cypriot leaders remain concerned, however, that they maintain the general political support of the Athens Government and cultural and human bonds remain strong between Greeks and Greek Cypriots.

In the Turkish sector in the north, economic misfortunes have tied the Turkish Cypriot community more and more to the fortunes of Ankara. Citizens there can travel abroad only via Turkey, and depend heavily on Turkish imports for their essential goods and upon Turkish aid to provide up to two-thirds of their budget.

Per capita income in the Greek Cypriot sector in the south exceeds $4,000 while in the north it is less than $2,000. Northern Cyprus suffers from high inflation, unemployment, and a serious and growing trade deficit. Estimates of Turkish troops in the north range between 20,000 and 25,000, compared to an original force of 40,000 at the time of the 1974 invasion. Their withdrawal is an important condition in any final settlement.

In meetings with Cypriot President Kyprianou, Foreign Minister Rolandis, and Ambassador Mavrommatis [the Greek Cypriot representative at the intercommunal talks] we were encouraged by their general assessment of progress in the talks on some matters although, regrettably, not on the essential issues.

There has been considerable progress on the question of a constitution, but not on such difficult questions as Turkish veto powers and safeguarding minority rights. A major disagreement exists over the question of territory. How large should a Turkish entity be in a federal state? On the question of three freedoms—to travel, to settle, and to conduct business—the air has been cleared but discussions remain inconclusive.

Continuing talks are the only hope for a fair, just, and lasting peace. The longer partition of the island continues, the more likely it could become a permanent reality.

We were told that a new initiative may result from talks with the U.N. Secretary General and possibly action by the United Nations On May 13, the U.N. General Assembly adopted a resolution calling for the immediate withdrawal of all occupation forces from Cyprus and for "meaningful, result-oriented, constructive and substantive negotiations between the representatives of the two communities." The Reagan administration chose to abstain on this issue. This is regrettable. We believe there is a compelling case for withdrawal of all Turkish troops from Cyprus, and this recent U.S. action is a discouraging signal to those seeking a prompt and fair solution to the Cyprus question; 103 nations voted for the resolution and 5 against. The United States was one of 20 nations abstaining.

We are supporting a resolution introduced by the gentleman from New Jersey (Mr. FLORIO) calling for removal of Turkish forces from Cyprus and urging the President to consider appointing a special envoy to seek solutions to the Cyprus conflict. The resolution further calls for suspension of U.S. economic and military assistance to Turkey until the President certifies—and Congress concurs—that Turkish forces have been removed and

Turkey is cooperating in establishing a lasting solution to the Cyprus conflict.

We are encouraged that the House Foreign Affairs Committee recently voted to support revised Reagan administration aid levels for Greece in fiscal 1984—$500 million in military credits which represents a significant increase over the present $281.2 million. Under the pending measure, before military aid can be increased above fiscal 1983 levels either to Turkey or Greece, the President must certify that both countries are taking steps to achieve a settlement of the conflict on Cyprus and are publicly committed to the prompt withdrawal of all foreign troops from that country. Absent further progress, Greece and Turkey will receive no additional increase for 3 years. This provision is still awaiting action by the full House and Senate.

Of particular importance, we believe, is the House Committee's proposed increase in fiscal 1984—to $15 million from the $3 million requested by the administration—in economic aid to Cyprus. This money will be used to strengthen the scholarship program for Cypriot students and improve communication and enhance cooperation between the Turkish and Greek sectors.

In late May the House of Representatives restored $10 million in scholarship moneys for Cyprus for the current fiscal year. We are committed to maintaining $15 million a year despite administration efforts to cut this program. We hope the Republican Senate will concur in our action.

CONCLUSION

We believe these congressional proposals are positive steps toward reunification of Cyprus and combined with efforts in other international forums will contribute to a lasting and peaceful settlement of the Cyprus conflict.

But we caution that the current lull in hostilities and lack of movement on the political front during 9 years of apparent stability on the island ought not to deceive us into believing that the status quo—partition of the island—is the preferred solution to the Cyprus conflict.

Instead, this ought to be a time to reflect without emotion and a time to build trust and confidence—linked with acts of courage on both sides—in order to bring about the reunification of Cyprus. That ought to be our mutual objective.

One final note. Our American Ambassador to Cyprus, Raymond C. Ewing, is, we believe, one of the most able of our country's representatives abroad. Ambassador Ewing and his staff have established excellent ties—exercising fairness and good will—with both the Greek and Turkish Cypriot community.●

CYPRESS COMMUNITY COUNTRY FESTIVAL: TRULY A COMMUNITY AFFAIR

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. PATTERSON. Mr. Speaker, the 27th anniversary of the city of Cypress is the occasion for the third annual Cypress Community Country Festival. The festival is set for July 23, 1983, at the Cypress Cultural Arts Center, formerly Oxford Junior High School. The day promises to be enjoyable for all those who participate.

Cypress is a growing community of over 40,000 people. The expansion of the city's business and professional community in recent years has occurred while maintaining a balanced development. The city's residents do indeed have a community of which they can be proud.

The heritage of the city began back during its days as a pastoral dairy town. At that time, Cypress was inhabited by a few ranchers, landowners, and plenty of livestock. One of the area's earliest historical figures was Manuel Nieto, a corporal in the Spanish military, who in 1769 was one of the original European explorers in the area.

Incorporated in 1956, the city of Cypress has had 15 mayors: Jacob van Dyke, Thomas Baroldy, Frank Noe, Robert Harvey, Richard Bowen, Delnoe Kanode, John Donald Hudson, Howard Rowan, Vickie Evans, Gerald Mullen, and currently Mayor Otto Lacayo.

Cypress is a charter city, administered under the council manager system. The city manager, Darrel Essex, has been in that capacity for over 20 years. He has managed the city from its early rural roots to its contemporary urban atmosphere. In addition to Mayor Lacayo, those currently serving on the city council are: Mayor Pro Tempore Richard Partin, and council members, Chuck Coronado, John Kanel, and Gerald Mullen.

Landmarks in the city include Cypress Community College, Forest Lawn Memorial Park, and the Los Alamitos Race Course. Recent industrial development has brought both national and international corporations to Cypress. Notable among these corporations are: Yamaha International Motor Division, Fiat Motor Division, Mitsubishi U.S.A., Panasonic, and McDonnell Douglas. The future and the economic viability of Cypress are indeed bright.

Mr. Speaker, let me give special recognition to the organizing committees, without whom this festival would not be an annual success. The many dedicated volunteers, whose hard work and careful planning can never adequately be thanked. As the city of Cypress progresses into its second quarter century, I know my colleagues in the House join with me in sending best wishes to the citizens of this fine community.●

BILL TO EXCLUDE FROM TAXABLE INCOME FORGIVEN STUDENT LOANS

HON. JAMES M. SHANNON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. SHANNON. Mr. Speaker, today I am introducing, along with Mr. RANGEL, Mr. JENKINS, and Mr. FOWLER, a bill to extend a little noticed, but nevertheless important provision in the Tax Code which expired at the beginning of this year. This bill has been introduced in the Senate as S. 551.

The provision, which originated as section 2117 of the Tax Reform Act of 1976, stated that when student loans are forgiven in exchange for a work-related agreement with a Government entity or public benefit corporation—such as a public hospital—the amount of the loan forgiven would not be included in the student's gross income for tax purposes. The primary beneficiaries of this provision have been public hospitals which have established loan forgiveness programs to recruit and retain health professionals.

Typically, health profession students are provided with loan forgiveness funded through either a hospital scholarship program or some other Government-sponsored grant or loan, in exchange for which they agree to return to a particular hospital and work there for a certain length of time. Or, a State may forgive a student loan in return for a student's promise to practice there for a certain amount of time. In my home State of Massachusetts, for example, medical students at the University of Massachusetts Medical School are required to sign a promissory agreement with the State under which they receive a loan of $2,400 during their first year of medical school and $2,000 the second. If the student then practices within the State for 1 year, the total amount of the loan is forgiven.

If this provision is not extended, the students who are utilizing loan forgiveness programs will have to include the amount of their forgiven loan in their taxable income. This greatly reduces the value of the loan forgiveness to the student and diminishes the incentive which the institution is trying to provide. This will create difficulties for public hospitals, which have been having serious problems in recent years in recruiting the qualified health professionals they need and have relied on loan forgiveness programs as an incentive. It also repre-

sents yet another reduction in the financial resources available to students at time when they have already experienced severe cutbacks in Federal educational assistance.

The bill that we are introducing today would retroactively extend the student loan forgiveness exclusion for another 4 years, until January 1, 1987. I hope that my colleagues will join me in working to quickly restore this provision.

Mr. Speaker, I like to have the text of the bill printed in the RECORD.

H.R. 3236

A bill to amend the Tax Reform Act of 1976 to extend, for an additional four years, the exclusion from gross income of the cancellation of certain student loans.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (b) of section 2117 of the Tax Reform Act of 1976 (relating to cancellation of certain student loans) is amended to read as follows:

"(b) STUDENT LOAN.—For purposes of this section the term 'student loan' means any loan to an individual to assist the individual in attending an educational organization described in section 170(b)(1)(A)(ii) of such Code—

"(1) by the United States, or an instrumentality or agency thereof, or a State, territory, or possession of the United States, or any political subdivision thereof, of the District of Columbia, or a public benefit corporation which is exempt from taxation under section 501(c)(3), which has assumed control over a State, county, or municipal hospital, and whose employees have been deemed to be public employers under State law, or

"(2) by any such educational organization pursuant to an agreement with the United States, or an instrumentality or agency thereof, or a State, territory, or possession of the United States, or any political subdivision thereof, or the District of Columbia, or a public benefit corporation which is exempt from taxation under section 501(c)(3), which has assumed control over a State, county, or municipal hospital, and whose employees have been deemed to be public employees under State law, under which the funds from which the loan was made were provided to such educational organization.".

(b) That subsection (c) of section 2117 of the Tax Reform Act of 1976 (relating to cancellation of certain student loans) is amended by striking out "January 1, 1983" and inserting in lieu thereof "January 1, 1987."●

TRIBUTE TO JUDGE WILLIAM CLARK

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. SKELTON. Mr. Speaker, on May 16, 1983, a very dear friend of mine, Judge William Clark, passed away. He was born in Sedalia, Mo., in 1927, graduated from Kemper Military Academy, and attended Central College. William Clark joined the Army Air Corps in 1942 and later served in the Burmese, Chinese, and Indian theaters. Upon retiring from the military, Clark continued his service to the public as corporate counsel to the Missouri Secretary of State, and from 1965 to 1974 he was chairman of the Missouri Public Service Commission. In 1979 he was elected to the position of associate judge for Maries County, but had to resign a short time later due to health problems. Judge Clark's entire life was one of service to the people of Missouri and the Nation. I had the honor to be a classmate of William Clark's in law school, and he personified the words "duty" and "service." His death is a great loss to all who knew him, and for the State of Missouri. I know that all of my colleagues join me in offering condolences to the family of a great man, Judge William Clark.●

THE HIGH UNEMPLOYMENT IN OHIO

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Ms. KAPTUR. Mr. Speaker, my congressional district in northwestern Ohio continues to be ravaged by the recession. As part of the application process for the Lyndon B. Johnson Scholarship competition in my office, interested students were requested to submit papers on "The Changing Nature of Unemployment in Ohio's Ninth District." These papers have provided new insights into, and perspectives on, the causes and consequences of the area's prolonged high unemployment. The Toledo standard metropolitan area's unemployment rate continues at over 13.1 percent according to the most recent estimates.

The students who submitted papers deserve praise for their analyses and interest in their local community. What follows are excerpts from the papers of students who did not win the competition. All of their papers displayed an excellent grasp of the economic problems afflicting the greater Toledo area. Given the quality of the papers, choosing the winner of the Lyndon B. Johnson Scholarship competition was, indeed, a formidable task.

I would like to thank the applicants for their papers and ask that the following excerpts be printed in the RECORD.

The number of persons employed in Lucas County has declined since 1977. The highest number of persons employed was in 1977, when 212,600 persons were employed. Since then, the number of persons employed had dropped to 192,500 in 1982. This is a 9.5 percent decrease in the number of jobs in the County. As could be expected, there has also been a large increase in the number of persons that are unemployed. Since 1977, unemployment increased from the 1977 rate of 16,700 to the 1982 rate of 26,100. In terms of the number of persons that are unemployed, this is a 56.3 percent increase.

—MATT SEYFANG.

As a study of the effects of this recession, I'd like to examine what has happened in my own neighborhood. Many of those affected will not show up on the unemployment charts, yet they have suffered nevertheless * * *

Mr. and Mrs. Roberts have been least bothered by the present economic conditions. Mr. Roberts is a mailman, and Mrs. Roberts is a teacher in the Toledo Public Schools. Both have worked steadily but there is a problem with Mr. Roberts's brother who lost his business because of the economic situation. He is now responsible for all of his business debts. His home was to be auctioned by the Sheriff in April, but Mr. Roberts and his sister paid off $17,000 to keep the house from the auction block. The brother has not worked regularly in two or three years, and has not collected unemployment since he was selfemployed. Last year, he qualified for the low income supplement but since he owes the IRS, they kept the $500. His debts are increasing at 20 percent yearly so $500 was just a drop in the bucket.

Mr. and Mrs. Nelson, another neighborhood couple in their forties, seem to be the hardest hit of my neighbors. She is on Social Security disability. He has been laid off from a management position since November 1981. Their daughter, a college student, is on scholarship at a local University. She is presently unemployed and looking for work. Their high school age son is the only member of the family working. He is a carryout clerk at a grocery store. The family's savings are diminishing and it is vital that the husband find some type of work soon.

Another individual, a quality control engineer, was employed by one of the big three automakers until he was laid off three years ago. He then found employment more than 100 miles from Toledo. He found it necessary to return home only on the weekends. He and his wife are a young couple who have been married five years and would like to have a family, but this type of living arrangement made it impossible. He quit his job out-of-town and has returned to school at the University of Toledo so he can receive a degree in Mechanical Engineering and hopefully be able to then find a job in the Toledo area. So far he has had no luck. His wife has been able to find work locally at Owens Corning."

—MOLLY MORGENSTERN.

Toledo is a heavily unionized center of commerce. In a recession in which the American automotive industry is viewed alternately as a villain and a victim, Toledo's largest union is the United Auto Workers. The differing fortunes of two UAW locals underscore the susceptibility of the Toledo economy to national economic trends. UAW Local 14 boasts a fully employed membership of four thousand workers. About 85 percent, or 3,350, of these union members work at the rechristened Hydromatic Division of the General Motors Corporation. The plant employed 3,700 workers in early 1980, but laid off 1,310 workers by last August. Other Local 14 members are employed at Keegan Steel Fabricating Company, the Midas International Distribution

Center (muffler and automobile parts warehouse), and the A P Parts Company.

By stark contrast, UAW Local 12 claimed 14,800 members in early 1980. By March, 1983, however, its dues-paying membership had dwindled to 6,740. Local 12 is an amalgamated local, and is the bargaining agent in 72 area plants. Over 3,500 Local 12 auto workers are employed in the Jeep Division plant whose total employment figure has dropped from a 1978 high of 5,900 to its current figure of 3,935.

Inevitably, the secondary industries, such as trucking and service professions, have suffered as the durable goods made in Toledo no longer find an anxious market. For example, Teamsters Local 20, which is comprised of fourteen counties in Northwestern Ohio reported a membership of over 13,000 in 1979. By 1983, however, dues paying membership had dropped to 9,000.

Of immediate comfort to those now unemployed, however, is the neighborly feeling manifested in many local social service programs that benefit the unemployed. The total persons served by the United Way in Toledo, for example, was 23,022 in 1980; 27,121 in 1981; and 31,325 in 1982. Furthermore, an underlying trend toward requests for emergency assistance is discernible by those who work in these agencies, and one social worker characterized her attitude as "crisis-oriented." Stuart Heiklowicz of the United Way estimated that requests received by the 24-Hour First Call for Help service for immediate assistance in obtaining food, lodging, clothing and utilities during the period from January to June, 1982 ran thirty percent ahead of the same period in 1981. In January 1983 the United Way provided 630 free meals per weekday from its several service centers, an increase of 58 percent over January, 1982.

Also, the United Way distributes a "survival kit," which offers information on the emotional trauma of joblessness, unemployment benefits, and veterans programs, as well as hints for a successful job search.

RICHARD TERMUHLEN II.

You don't have to be a statistician to figure it out, just visit the unemployment lines in any racially mixed neighborhood and you'll see a disproportionate number of Blacks, Latinos, and other minorities. The last hired, they're the first fired during a recession or they are forced to hustle from one marginal job to another with long stretches inbetween. Racism, lack of educational opportunity and the disproportionate numbers of minority workers in the "hard hit" industries compound their problems.

The Auto industry is a good example. Of the 30 largest auto plant shutdowns since 1980, all but a handfull have occurred in the Frostbelt or on the two coasts, where Blacks and Latinos are heavily affected. Minorities constituted about 11.2 percent of all U.S. workers in 1979-80, but held exactly twice that percentage of auto jobs; the 1979-83 auto slump has hit them especially hard. Of the 270,000 indefinite layoffs in the automobile industry, 100,000 were minorities and women.

Two pieces of economic news provide further evidence of this disproportionate impact. First, the April 1982 unemployment rate for Blacks was at 18.4%, not counting the discouraged workers. Second, the reported figure of 46.8% unemployment rate for black teenagers, is most accurately given at 55-60% when the discouraged workers are added. For a growing number of Americans, doubled for Blacks, unemployment is not just a possibility to be feared but its a difficult reality that must be coped with and solved. For Black teenagers who have never worked, the problem is even more acute: How do you define yourself and develop a feeling of self-worth when you are jobless in a society that categorizes people by what they do?

—GLEN SHUMATE.

There has to be a change in the way people think, we have to rebuild, and we must believe an education is more important. I see no quick change in any of our problems, it will take time for improvements, especially for improvements in the problem of unemployment in the Ninth District and in the United States.

—ROBIN LYNN SCOTT.●

"PREACHER" SHELTON NAMED PRESIDENT OF THE TENNESSEE BANKER'S ASSOCIATION

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. SUNDQUIST. Mr. Speaker, I would like to take a moment to congratulate Mr. James Harvey "Preacher" Shelton of Somerville, Tenn., for being recently elected as president of the Tennessee Banker's Association.

By looking at the progress of the Somerville Bank & Trust Co. under Mr. Shelton's tenure, one can see why Tennessee bankers elected him as their president. Under his leadership in 1982, the Somerville Bank & Trust Co. ranked No. 16 out of 14,000 banks in the Nation in financial strength, based on data provided by the Federal Reserve. Also, for 1981-82, the bank ranked as one of the Nation's top banks in terms of financial performance based on an analysis conducted by the Bank Administration Institute. During the past 16 years, the bank has grown from an $8 million to a $46 million bank.

"Preacher" Shelton is actively involved in community and civic affairs, too. He has been active in Boy Scouts and was one of the organizers for the Little League Baseball in Fayette County. He has served as president of the Lions Club, was one of the organizers of the Fayette County Chamber of Commerce, and is very active in his church. Preacher and his wife, Betty, have two sons—Steve and Joe and three grandchildren—Anna, Drew, and Mary.

I am proud to call "Preacher" Shelton my friend. He has been an ideal community leader and bank president, and I am sure the Tennessee Banker's Association will shine under his leadership.●

BUILT-IN SYSTEM FOR FEDERAL SPENDING MUST BE CURTAILED

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. LIVINGSTON. Mr. Speaker, the hard fact about the Federal budget is that it is going to remain in deficit for some time to come, no matter who is President.

This year's budget is running more than $200 billion in the red; the President's 1984 budget proposal is projecting a $189 billion deficit; the 1985 deficit is estimated at $194 billion; and as far as the eye can see, deficits of that magnitude will continue.

That is an unconscionable situation. But when we start laying the blame, let us make sure we put it squarely on the proper shoulders.

When a new President comes to Washington, he does not have a clean slate to fashion his style of government on. He is stuck with having to operate and provide funding for existing programs.

For today's Presidents, those existing programs come together to form a built-in system for runaway Federal spending that is virtually uncontrollable.

More than 77 percent of the total Federal budget is now built-in spending. Throughout the late sixties and seventies, Congress established one new program after another that created "entitlements," or rights to receive Federal funds, for millions of individuals and special programs.

The costs of those entitlements Congress passed out in the seventies have exploded in the last few years. In 1969, the last year the U.S. budget was balanced, total Federal outlays as a percentage of our gross national product (GNP) amounted to 20.2 percent. Nondefense, or social spending, absorbed 11.4 percent of GNP that year.

But today, the total Federal budget is taking up 25.2 percent of our entire economic output, and nondefense spending—which is now made up primarily of those entitlements like medicare and social security and food stamps—has jumped to a full 18.5 percent of gross national product.

So it is not Ronald Reagan's tax cuts or defense spending increases that are running up the huge national deficits. In fact, military spending, at a 6.7-percent share of GNP this year, is still far below the 8.7 percent of GNP our national defense consumed in 1969.

The cause of our Federal deficits is clearly that tremendous growth in special spending throughout the last decade. Congress legislated the jump in spending through its built-in system of entitlements. Unless Congress changes its entitlement laws, the

President simply has no choice; by law, he has to present a budget that funds Congress programs, no matter how fast they increase.

The Reagan administration has offered a number of reasonable amendments to existing programs in an effort to bring the explosion of Federal social spending under control; almost all have been rejected by Congress. The President can only propose, he cannot legislate.

Until the leaders of Congress are willing to begin acting responsibly and begin curtailing the excessive growth in Federal spending that they have mandated, the deficits will continue.●

NATIONAL SAFE BOATING WEEK

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. LOWERY of California. Mr. Speaker, every year hundreds of Americans who should be enjoying the thrill of boating, suffer tragic death when they fall into the water. Most of these people who perish drowning never intended to go into the water in the first place. Thus, there is a consistent need for Americans to be taught to wear personal flotation devices when they are on boats or near water, and to observe safety practices when they are at swimming pools.

For this reason I would like to call my colleagues attention to the activities of the U.S. Coast Guard to promote "National Safe Boating Week," June 5 to 11, and the efforts of the National Safety Council and Sea World in adding a greater dimension to the water safety program.

The National Safety Council and Sea World have joined in a massive national campaign to augment and extend the U.S. Coast Guard's fine water safety program. Television and radio are carrying messages on boating safety and the print media is reporting water safety information. Shamu, the dramatic attraction of the three Sea World parks in San Diego, Cleveland, and Orlando, has been named by the National Safety Council as "spokeswhale for water safety," as part of a concentrated effort to use this colorful marine character to get safety messages across to young children. These messages from Shamu should have a tremendous impact on youngsters. Children will learn the importance of wearing personal flotation devices on boats and how to practice appropriate safety techniques at swimming pools. These animated public service announcements are just the right method to get young people to recognize that water can be dangerous and that they must be aware of the proper safety measures.

"National Safe Boating Week" is sponsored by the U.S. Coast Guard yearly, and is proclaimed by the President. It is heartening to witness the massive national campaign to prevent water accidents in support of the Coast Guard's program. The people at the National Safety Council and Sea World deserve our thanks and appreciation for the work they are doing in assisting the Coast Guard and in protecting the lives of Americans who enjoy water sports.●

REBUILDING THE ENVIRONMENTAL PROTECTION AGENCY

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. MARKEY. Mr. Speaker, on Thursday, June 2, this body took an important first step toward rebuilding the Environmental Protection Agency. By passing the Wirth amendment to H.R. 3133, a bill appropriating money for Housing and Urban Development, and Independent agencies, Congress gave EPA the resources to carry out their important mission of protecting the people of our country and protecting the environment of this land.

I am heartened by recent developments at the EPA. After sitting through closed-door hearings, voting for subpenas and contempt citations in committee and on this floor, and witnessing resignations of people who should never have been appointed, it is my hope that a new day has arrived at the EPA.

The appointment of William Ruckelshaus as Administrator of the Agency was the dawn of that new day. Although I do not agree with Mr. Ruckelshaus on many issues before the Agency, I respect his integrity and his expressed commitment to carry out the laws of this country. If Mr. Ruckelshaus keeps that commitment alone—to carry out the laws of our country—that would be a welcome improvement over the previous management at EPA.

To accomplish this important goal of protecting the environment, however, the EPA needs staff and resources. The HUD-Independent appropriation bill, as reported by the Appropriations Committee, added 700 new positions to the Agency. These positions are needed and I applaud the committee for these provisions. But without matching increases in funds for the Agency, these positions will not be translated into enhanced environmental protection. With these funds, we are giving EPA the chance to put its additional staff to good use and to begin the long process of rebuilding an agency vitally needed by all citizens of this country.

It is important to realize the drastic reductions made in the EPA budget before evaluating the effect of the new influx of moneys. Since 1981, the EPA budget has been cut by 24 percent. Nearly one-fourth of the budget for the only protector of our environment cut—wiped out by a President who opposes the environmental laws he has sworn to uphold. Frankly, I find that cut a betrayal of our promise to serve the people. We must remember that the EPA not only protects the environment, it protects the people of this land. Cases such as Times Beach, Love Canal, and destruction of lakes by acid rain in the Northeast are front-page examples of how environmental protection means people protection.

Unfortunately, the budgets cuts at EPA since 1981 have prevented adequate environmental protection. Research and development accounts at the Agency have been cut by 43 percent. This program funds many important research projects, including much needed research on the acid rain problem which has caused millions of dollars of damage and altered the ecosystem in the New England area. I have long been a supporter of action on the acid rain problem but I think all parties acknowledge that more study is needed in this area. Nonetheless, the account which funds this kind of research, and other research programs like this, has been cut by almost one-half. How can we hope to solve the threatening environmental problems which plague our country without important answers which research supplies?

Another important facet of the EPA mandate is to enforce the environmental laws passed by this Congress. In this area especially, EPA has been unwilling and unprepared to carry out its mandate. We now have a President who does not believe in the environmental laws passed by Congress and signed into law. Consequently, the President has not provided EPA with the funds to carry out these laws. I guess the thinking is: I do not believe in these laws, so there will be no money to carry out these laws. Only the diligence of Congress in overseeing the Agency and forcing them to spend the money has prevented a wholesale abandonment of enforcement proceedings.

The appropriation for the Agency recently passed by Congress will restore the enforcement account to its fiscal year 1981 level. By adding $76 million dollars to the enforcement account, Congress is unmistaken in its message to the Agency: Fulfill your mandate; carry out the laws of our country. EPA now has the funds and the staff to make gains in enforcement of environmental laws. I await with

my colleagues the positive result of their effort.

The last element of the EPA budget I would like to comment on, Mr. Chairman, is the EPA grants to States. These funds are included in the general enforcement account but deserve special note. Since 1981, this portion of the EPA budget has been reduced by 14 percent. And the Reagan administration, in its fiscal year 1984 budget request, designated only $172 million for this program. That amount represents a $100 million drop from its 1981 level, a decrease of 40 percent. These funds are vitally important to the States since States conduct as much as 85 percent of the field work required for the administration of many basic environmental laws. The funds recently appropriated by Congress will raise the State grants program up to its fiscal year 1981 level of $274 million dollars. These extra dollars will enable States to move forward with their field work and help ensure the integrity of our environmental enforcement programs.

After reviewing the needs of the EPA, and the important work the EPA does to protect the people and environment of our country, I believe it is patently clear that Congress took a prudent and needed step by increasing funds for the Agency. Mr. Ruckelshaus deserves a chance to prove his efficacy at the Agency. Recent developments indicate that he is anxious to rededicate EPA to protecting the environment. I congratulate the Administrator for trying to set EPA on a new course.

His new appointments and the recent decision to not force States to come up with matching funds in order to study a potentially dangerous waste site are commendable. I am hopeful that the decision to accommodate the States by paying for the initial study of a waste site portends better State-EPA relations. I know that this decision is greatly appreciated by many State officials and by local EPA administrators. This decision will facilitate accelerated site identification in my home State of Massachusetts and is one that I welcome.

In closing, Mr. Chairman, I am encouraged that we have begun to rebuild the EPA. The Agency now has the funds, the staff, the leadership, and the sense to be a competent Federal agency. I should inject, however, that the oversight of EPA by Congress can not end. As a member of a subcommittee who sat through contempt citation and subpena hearings, I fully understand the sad state of affairs under the previous management. But thankfully, those days are behind us.

Let me assure my colleagues, however, I never would begin to think that all problems are over at EPA. As a matter of fact, Mr. Chairman, I have a personal interest in the administration of the Superfund program, for a site in my district, the Woburn waste site, is on EPA's "national priority list." Nevertheless, this body took an important first step in appropriating expanded funds for the Agency. I am confident that I express the sentiments of my colleagues when I state that I hope these funds are put to good use by protecting the environment and the people of our Nation. If the EPA can accomplish that most noble goal, then the rebuilding effort would have been worth the fight. If the EPA fails to achieve this goal, the Agency would have not only betrayed the Congress, it would have failed the American people.●

LIBYA PART OF PIPELINE

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. LAGOMARSINO. Mr. Speaker, an editorial in the Press-Courier of Oxnard, Calif., in my district, recently called attention to the Soviet pipeline of arms to Central America and the Libyan part of the pipeline. I urge my colleagues to give their attention to the views expressed by the Press-Courier.

The article follows:

[An editorial from the Press-Courier, Apr. 27, 1983]

LIBYA PART OF PIPELINE

Wishful thinkers like to believe that the war clouds over Central America would go away if only the Reagan administration would stop helping the anti-communists. But tut-tutting about U.S. aid to El Salvador and alleged CIA help for anti-Marxist guerrillas in Nicaragua ignores some fundamental realities in the region.

One such reality was dramatically underscored recently when Brazilian authorities peeked inside four Libyan transport planes during a refueling stop. The Libyans had said they were flying medical supplies to Nicaragua. But what the Brazilians found was more than 100 tons of arms, ammunition and explosives.

Apologists for Nicaragua's Sandinista junta will argue, presumably, that the Nicaraguan Marxists are only seeking weapons to defend themselves against the counterrevolutionary guerrillas. But that excuse falls apart in the face of incontrovertible evidence that Soviet-bloc arms began pouring into Nicaragua in 1979, long before those betrayed by the Sandinista revolution began taking up guns.

Then, too, it's worth asking why Libya—long a conduit for Soviet arms destined for communist and terrorist movements throughout the Third World—thought it necessary to lie about the cargo its transport planes were carrying. The likely answer is that the Soviets and their Libyan clients are not eager to provide yet more evidence that Nicaragua's Marxist regime is being sustained by Moscow.

An even better bet is that the ultimate destination for at least some of the arms transported by the Libyans was not Nicaragua but El Salvador. The three-year communist insurgency against El Salvador's duly elected government has obviously been sustained by a steady flow of arms and ammunition funneled through Nicaragua.

Inasmuch as Nicaragua manufactures no arms of its own, the weaponry had to come from elsewhere. Now, it is known that Libya is part of the pipeline. The Libyan transport planes loaded with enough arms and munitions for a small army should make it that much harder to pretend that peace and stability would prevail in Central America were it not for what the Sandinistas are pleased to call "yanqui imperialismo."●

TRIBUTE TO JEROME L. STERN

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. LANTOS. Mr. Speaker, I want to take this opportunity to pay tribute to Jerome Stern, a man whose interests in cultural and religious education span the globe, from his home in New York to the Middle East.

He is a true American industrialist, a man whose company, Brennand-Paige Industries, provides jobs for more than 350 employees, most of them engaged in manufacturing products for use by American business and consumers.

Jerry was one of the cofounders of Paige Electric in 1958, which later merged with another firm to create the current corporate Brennand-Paige.

That merger took place in 1967, and under Jerry's dynamic leadership, Brennand-Paige has expanded ever since, entering into such diversified fields as electrical and electronic wire and cable, industrial hardware and tool kits, and even delicate ribbons and other products for the florist industry.

Brennand-Paige now has six subsidiaries, with 1981 sales of more than $70 million. That figure is about $20 million more than for 1979, another indication of Jerry Stern's business acumen and aggressiveness.

But there is another side to Jerry Stern, one that fills out the picture of a most special individual. That other side is a portrait of a man concerned with expanding cultural and religious educational opportunities for people in many parts of the world.

He is a pillar of his community, supporting a wide range of institutions dedicated to education and philanthrophy.

Through the Stern Foundation, he and his family help to support schools, hospitals, and museums.

But Jerry Stern's interests extend beyond the United States to helping people in the Middle East. He is a major force in organizations such as the American Friends of the Israel Museum and the American-Israel Cultural Foundation.

There is one special interest that deserves special attention. That is Bar-Ilan University, which was organized in the 1930's by, among others, members of his wife, Jane's, family.

On June 8, Mr. Stern will be awarded an honorary doctorate for his monumental work on behalf of that outstanding institution.

Jerry serves on the American Board of Overseers and the Global Board of Trustees for Bar-Ilan. Jane is president of the American Board of Overseers of Bar-Ilan, which is one of the most prestitious educational institutions in the Middle East.

These are but segments of the life of a unique man. His success and dynamism in industry, combined with his interest in enriching the lives of people everywhere, make Jerome L. Stern an outstanding citizen of the United States and of the world. We wish him and Jane health and success in years to come.●

HUNGER IN AMERICA—A SUMMARY OF THE HEARINGS OF THE SUBCOMMITTEE ON DOMESTIC MARKETING, CONSUMER RELATIONS, AND NUTRITION

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1983

● Mr. PANETTA. Mr. Speaker, today I am submitting materials for inclusion in the RECORD as background information on what I believe to be one of the most important issues facing the country today: domestic hunger. I am doing so with the specific hope in mind that Members of Congress, their staffs, and the public at large will read them and be touched by them.

Over the past several months, the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, which I chair, has held a series of hearings in Washington, D.C., and throughout the country in an effort to take an objective look at the issue of hunger in America. The materials I am submitting today include highlights from these hearings, and other evidence on this topic which the subcommittee has gathered. I am presenting this information now because, in the near future, Congress will be making decisions on the fiscal year 1984 budget for nutrition programs and the House will consider H.R. 1590, the Emergency Food Assistance and Commodity Distribution Act of 1983. I believe these materials provide important background information for these deliberations.

The hearing highlights are divided into three categories relevant to H.R. 1590. The first category, "Hunger, the Extent of Need," summarizes testimony on the degree of hunger generally. The second category, "The Need for Commodities," summarizes testimony presented specifically on the desirability of distributing additional commodities. The third category, "Problems With the Current Commodity Distribution Program," summarizes testimony on the need for improvement in the current commodity distribution program—in particular, the need for administrative funding and a more orderly and predictable program.

The newspaper articles included represent only a small sample of those gathered by the subcommittee this year. Several of the articles appeared in the past few weeks, an indication that the problem is not easing yet, despite signs of economic recovery.

Mr. Speaker, I believe that anyone who participated in our hearings, or reads the record of the hearings, will not dispute that there is a serious problem of hunger in the country today. The problem appears to stem mainly from high unemployment, the recession, and from cutbacks in social programs in recent years. No immediate relief for this problem will be forthcoming unless Government takes some action. The private, voluntary sector is already being stretched beyond capacity to meet the demand.

I am deeply concerned that the plight of those in need not be ignored. I fear that America is becoming a polarized society, where the "haves" live in increasing isolation from the "have nots" and have difficulty acknowledging or understanding that some Americans today are hungry. Not only does such a situation lead inevitably to serious problems down the road, but it runs contrary to the self-image we cherish that we are a moral and just society.

In each of the cities our subcommittee visited, we not only conducted a formal hearing but we also visited emergency feeding centers. We talked at length with many soup kitchen and food pantry recipients and those who operate these programs. Everywhere we went, we saw and heard that the suffering was very real and more widespread than any time in recent memory. I believe that anyone who is exposed to this would be moved to do something about it.

I expect there will be much debate in Congress as to how to respond to this problem. One initial step that I hope Congress will take in the near future is passage of H.R. 1590. This bill would require, over the next 2 years, that surplus commodities be distributed to those in need rather than be left in storage. I think this is a sensible, straightforward approach that is appropriate at this time. I hope other measures will follow.

Before closing, I would like to express my appreciation to the ranking minority member of our subcommittee, BILL EMERSON, for his cooperation, advice, and participation in planning and conducting our hearings and in developing H.R. 1590. I would also like to express my gratitude to the chairman, KIKA DE LA GARZA, and the other members of the subcommittee for their help.

The challenge of reducing hunger in America is real. The response of the administration and the Congress must be equal to the challenge.

SUMMARY OF THE HEARINGS

Summary and Excerpts from Hearings of the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, House Agriculture Committee—1983

Hearings included: Cleveland, Ohio, February 28, 1983; Washington, D.C., March 22, 1983; Birmingham, Alabama, March 25, 1983; Washington, D.C., April 20, 1983; Los Angeles, California, April 30, 1983.

HUNGER—THE EXTENT OF NEED

Significant increases in the demand for food aid were reported by all witnesses who addressed the issue. Reasons cited for the increase included:

1. Increasing numbers of the newly unemployed and long term unemployed.
2. Food stamp benefits run out before the end of the month.
3. People have less money to buy food due to cutbacks in other assistance programs.
4. Newly unemployed persons with more than $1,500 in assets cannot qualify for the food stamp program.
5. Current economic conditions force low income people to choose between food and shelter or other basic necessities.

"Never has hunger been more acute in Northern Ohio than right now. We are serving more meals by far than in the past. You are probably talking about a 50 percent increase when compared with 1981 and 1980.

"We opened a meal site several months ago in a middle class neighborhood with a lot of media attention as to why in the world would you open a hunger site amongst middle class people. But when the doors opened and the people came in there was understanding that people down the street we didn't know were hungry were hungry, and I think this is happening all over Northern Ohio and indeed all over our country.

"I am sorry to say I think that if we doubled our feeding programs tomorrow, I don't think we would meet the need."—Major Paul Kelly, Divisional Commander, Salvation Army, Cleveland, Ohio, February 28, 1983.

"I am sure you will hear from others that we in our hunger centers are having some difficulties. We are serving more than one-third more this year than we served last year. We are serving twice as many now as we served two years ago. Persons who used to need help at the end of the month are here at the beginning of the month.

"Being 300th in line at a hot meals program is just one of the indignities that individuals and families are suffering in the United States of America in Cleveland in 1983.

"Today we find women coming to the free meals pushing baby carriages. When it is women, children, elderly, I wonder how many are sitting home because they don't want to go through the hassle, they are afraid to come, because they don't want to admit publicly that they are hungry."—

Father Robert Begin, Catholic Diocese of Cleveland; Cleveland, Ohio, February 28, 1983.

"We served 17,000 in June, 1982. In December, we served 48,000. We are facing a true hunger crisis in Cleveland. Five years ago (at the Westside Community House) we were serving 65 people a night a free meal. Right now we are serving between 200-300 people a night.

"I would urge you to consider, moreover, in the coming three years at least to restore the cuts that we have gotten in the food stamp program during the past two years."—John Mattingly, Cleveland Interchurch Council; Cleveland Ohio, February 28, 1983.

"My kids don't go hungry because there are so many days that I don't eat or that I eat very little so my kids may eat a few days longer. My food stamps never last me four weeks out of a month. And then they say cut free breakfast . . . if you cut it out it is another meal I have to prepare with my food stamp money."—Evelyn Carter, mother of three, food stamp recipient; Cleveland, Ohio, February 28, 1983.

"Cleveland Metropolitan General serves an estimated 55 percent of Cleveland's poor population. Mattie Robinson, Head Nutritionist of the Maternal Infant Care, reports that referrals for emergency formula have increased by a whopping 162 percent as of December 31, 1982, when compared to a similar period in 1980. These referrals for emergency formula are made by nutritionists who assess children as nutritionally in need."—Christine Schenk, Nurse-Midwife, Diocese of Cleveland, Commission on Catholic Community Action; Cleveland, Ohio, February 28, 1983.

"We have major corporations like Eton Corporation laying off 700 people permanently. Cleveland's overall unemployment rate is about 15 percent. I don't see any change occurring in the city of Cleveland for at least a year. As a matter of fact, things may get worse before they get better. These problems are going to be with us and therefore we need the nutrition programs that the Federal government has been involved with to . . . give us the foundation that we need in this community so that we can build on that in terms of our private sector efforts to meet the hunger problem in our country."—Mayor George Voinovich; Cleveland, Ohio, February 28, 1983.

"An average family of three receives approximately $147.00 worth of food stamps each month they are eligible. That is roughly $1.64 per person, per day. They often complain there is too much month and too few stamps.

"In December, 1983, there were 193,350 people receiving food stamps in the county (Cuyahoga). That is 13,735 more than the year before. In the past two years we have seen a steady increase, particularly in that segment of food stamps that is for non-assistance participants, of at least 20-25 percent. The increase best illustrates that group of new poor and those that are on their way to total assistance as they have lost their jobs and are finding it very difficult to make ends meet for the necessities of life."—Marjorie Hall-Ellis, County Welfare Director, Cuyahoga County; Cleveland, Ohio, February 28, 1983.

"Now for the last two years, I have seen an emergency of increased hunger in Alabama. We have food pantries which have been developed all across the state in nearly every county. We have soup kitchens which have developed in Huntsville, in Birmingham, in Bessemer, and in Montgomery. All of these efforts are not meeting the need of hunger in 1983.

"Now the case is that across this state food stamp recipients run out of food stamps approximately one week to ten days before they get their food stamps for the next month. That has been a problem. That problem has been growing in the last two years as we have had cutbacks in the food stamp program, or as food stamp increases have failed to keep pace with inflation.

"Because of the level of poverty in Alabama, which is now 19 percent of our population up from 15 percent in 1976, and the high unemployment rate which was 16.6 percent in January, we have families who will live out all or more of their lives receiving food stamps.

"I have been in homes of poor people across this state where children will come home to nothing to eat and they will go to school the next day hoping that they can get breakfast."—Bill Edwards, Alabama Council on Human Relations; Birmingham, Alabama, March 25, 1983.

"One specific area in which (hunger) it is beginning to show in my area is the children who are no longer eligible for programs such as Headstart and Daycare because of the reduction in funding, and what we have found is children enrolled in those programs who are checked routinely for anemia, the anemia rate is somewhere between 2 and 5 percent. For those children who are not enrolled, who have been pushed out because of a reduction in funding, the level of anemia is up around 20 to 25 percent. So that is a clear indication that the impact is beginning to be felt and I suspect over a period of time we will find lower birth weight infants, an increase in infant mortality, and other problems."—Dr. Aaron Shirley, Chairman, Board of Trustees, Mississippi Medical and Surgical Association; Birmingham, Alabama, March 25, 1983.

"In 1982, January, February, and March, Southside Ministries provided food assistance to 31 families. Already in 1983, and we are not finished with the month of March yet, we have provided assistance to 129 families with food. So that is a 400 percent increase in the number of people who have come to this good church asking for emergency relief. People are trading food for shelter or utilities and are increasingly literally on the street without any resources."—Reverend James Tuohy, Greater Birmingham Ministries; Birmingham, Alabama, March 25, 1983.

"The Salvation Army reports that participation in feeding and shelter programs has increased 100 percent over last year."—Ferd Weil, Sr., President, Operation New Birmingham, Director, Downtown Action Committee; Birmingham, Alabama, March 25, 1983.

"Now we see in hospitals many infants being admitted because of water intoxication, which occurs when infant formula has been overdiluted with water. The decline in the infant mortality rate is changing in Alabama. In 1978 it was 15 percent, in 1981 it was 12.9 percent, and in 1982 it went up again to 14.8 percent."—Jorge Pasquel, Soup Kitchen Supervisor, Trinity Episcopal Church, Bessemer, Alabama: March 25, 1983.

"In Alabama, food stamp participation has reached its highest level ever, with almost $30 million a month. Unemployment, of course, is the primary reason for this increase of 20,000 families compared to this time last year."—Leon Frazier, Commissioner, Alabama Department of Pensions and Security, Birmingham, Alabama, March 25, 1983.

"Unemployment has soared to an astronomical rate of 16.7 percent in Alabama as of January, 1983. Because Alabama has no general assistance program, food stamps in many cases provide the only help available to families who find themselves suddenly unemployed."—Don Williams, Economic Administrator, Alabama Department of Pensions and Security, Birmingham, Alabama, March 25, 1983.

"A recent study at the Harvard School of Public Health, based on data collected at 172 food pantries and 35 soup kitchens in the Boston area, found at least 20,000 persons a month being fed by soup kitchens and food pantries just in this one metropolitan area . . . Requests for help increase dramatically toward the end of the month, when food stamp allotments run out. Soup kitchens cannot keep up with the rising need and many persons go unserved. Food pantries frequently deal with the increased need for help by limiting aid to one bag of groceries per family per month."—Arnold Mayer, United Food and Commercial Workers International Union; Washington, D.C. April 20, 1983.

"The clearest indicator of the inability of federal nutrition assistance efforts to meet needs is documented by the marked increases in requests for emergency assistance. In two years, demand on the food pantry at the Salvation Army in Hartford, Connecticut increased an astounding 400 percent, forcing a reluctant decision that the food pantry would no longer be able to serve single men."—Mary Ruth Herbers, Bread for the World, Washington, D.C., April 20, 1983.

"Most pantries have seen an increase of at least three times the numbers of people that they were serving at this time last year. Not one program has seen a decrease in the demand for food assistance since last year."—Diane Wright, Emergency Food Access Organizer, Interfaith Hunger Coalition, Los Angeles, California, April 30, 1983.

"In October of 1981 we provided food for 947 people. Last month, March of '83, we provided food for 5,588 people. We believe the crisis has come from welfare cuts, unemployment, and from cutbacks of government funded agencies.

"We sampled ten of our clients and asked how many days do they have either no food or little food and each of them said between 10 and 15 days each month.

"We were established to help people who fell through the cracks of the system. Now, the task is impossible. We don't have personnel or expertise or money.

"In 1981 we were spending about $200 a month on food. The first six months of '82 we spent an average of $1,000 a month on food."—Sister Marilyn Rudy, Founder St. Joseph's Center Food Pantry, Venice, California; Los Angeles, California, April 30, 1983.

"This network (churches, nonprofit organizations, CCDS Food Bank) has experienced an increase of approximately 300 per cent in less than a twelve month period, to an all-time high of serving 75,000 persons per month, when produce and commodities are available."—James Logan, Community Care and Development Services, Los Angeles, California, April 30, 1983.

"I come from an area of middle class seniors, and I think I am not exaggerating, I think 5,000 of those seniors are slowly starving to death. I mean that."—Loran Canada,

Senior Citizen, Inglewood, California; Los Angeles, California, April 30, 1983.

"Different types of people who had never requested assistance before are seeking help. These include recently unemployed families with younger, better educated people who have exhausted their resources, including unemployment benefits.

"A recent survey that we conducted of 35 agencies to determine the types of emergency food and shelter services they provided indicated that there had been substantial increases compared to a year ago. The largest number of agencies reporting had increases of up to 100 percent or more."—Dan Jimenez, Director, Government Affairs, United Way; Los Angeles, California, April 30, 1983.

"The voluntary sector, unable to cope with the current level of demand for emergency food, is totally unequipped to respond to needs for ongoing assistance in this area.

"In general, the kinds of people that we talk to are either families who have exhausted their food stamp allocation or families who have never been on public assistance before. After applying for public assistance, they found that it was going to take from 30 to 45 days to get food stamps and they have nothing for the interim period."—Linda Lewis, Info Line, El Monte, California; Los Angeles, California, April 30, 1983."

THE NEED FOR COMMODITIES

"Last year we faced 102 percent increase in the amount of food we distributed and the people who came to our hunger centers for milk. I think indeed we should provide access to surplus commodities of all sorts."—John Mattingly, Greater Cleveland Intrachurch Council, Cleveland, Ohio, February 28, 1983.

"The Salvation Army distributed a little over one million pounds of food in Cuyahoga County this past year and we really cannot satisfy the cry for more. We ask you to open the warehouses, give us the tools, save the storage costs, let us have food. I think the situation is so desperate that almost any food you have available we will take and use."—Major Paul Kelly, Divisional Commander, Salvation Army; Cleveland, Ohio, February 28, 1983.

"As Coordinator of the Hotline, I am in daily contact with the emergency food providers, the food pantries and soup kitchens who are experiencing mounting demands for emergency foods. Some agencies are seeing increases of 200 percent. I assure you that the need for more food to be made available to the emergency food network is a real one. The Emergency Food Assistance and Commodity Distribution Act of 1983 (H.R. 1590) will essentially enable emergency food providers to say "yes" to a hungry man, woman, or child."—JoAnn Eccher, M.P.H., Coordinator, Project Bread Hunger Hotline, Boston, Massachusetts; submitted for hearing record, Washington, D.C., March 22, 1983.

"The Federal Government could be helpful in relieving the hunger problem by releasing additional food through the surplus commodity program. Many people have come to the end of their unemployment compensation and we see considerable strain on the families."—Ferd Weil, President, Downtown Action Committee; Birmingham, Alabama, March 25, 1983.

"Here in Birmingham, we have many in need at this time. In my opinion, there is no rational reason why our nation's government should expend great sums of money to store and stockpile foodstuffs and commodities while so many of our citizens are hungry."—Ben Green, President, Citizens Advisory Board; Birmingham, Alabama, March 25, 1983.

In the last two years we have had soup kitchens emerge in all of our 67 counties. We have churches' voluntary efforts across the state which have developed food pantries for the poor. . . . I am encouraged by what I have heard that we are going to have dry milk, and we may have rice and cornmeal and some of these other products. I think that is certainly a positive step."—Bill Edwards, Alabama Council on Human Relations; Birmingham, Alabama, March 25, 1983.

"We are very much concerned about H.R. 1590, The Emergency Food Assistance and Commodities Distribution Act of 1983. I know it will address the great problems of hunger in this nation and we will do all we can to help pass it because this Act would help solve some of our immediate problems of hunger and deprivation in this country."—William Branch, Probate Judge and Chairman of the County Commission, Greene County, Alabama; Birmingham, Alabama, March 25, 1983.

"I would like to recommend that you improve and facilitate access to Federal food commodities by churches and other organizations which are dedicated to feeding the hungry. At Trinity soup kitchen we see people eating three to six sandwiches and after that, they go to the dumpster to pick out what sandwiches have been thrown in there to take to their wives or to their small children who are unable to come to the soup kitchen."—Jorge Pasquel, Soup Kitchen Supervisor, Trinity Episcopal Church, Bessemer, Alabama; Birmingham, Alabama, March 25, 1983.

"Greater Birmingham Ministries routinely has served food commodities to 3,000 families per year. In the past nine months we have doubled this number. Private sector help is not enough and will not be enough. We are losing the battle. People are trading food for shelter or utilities and are increasingly literally on the street without any resources. . . . Cheese and butter do not make a meal. We need more surplus foods which are wasting in warehouses to be released to the poor."—Reverend James Tuohy, Greater Birmingham, Alabama, March 25, 1983.

"These foods (dry milk, rice, corn meal) are needed and they are needed as quickly as the Federal Government can get them to the States for distribution. Food stamps are not meeting all the needs, for many reasons. Many people do not know they qualify for food stamps, or some are too proud to ask for help. Some people who need help do not qualify, and many who receive them do not get enough."—Leon Frazier, Commissioner, Alabama Department of Pensions and Security; Birmingham, Alabama, March 25, 1983.

"We do participate in the federal processed cheese and butter surplus program. We do applaud the addition of milk, meat, wheat products, peanuts, peanut butter, and raisins into this program. We ask for quality food."—Sister Marilyn Rudy, Founder, St. Joseph's Food Pantry, Venice, California; Los Angeles, California, April 30, 1983.

PROBLEMS WITH THE CURRENT COMMODITY DISTRIBUTION PROGRAM

"I would urge that you make sure that someone pays the administrative costs for those folks like our hunger center managers who have to take the back seats out of their cars to pick up the commodities."—John Mattingly, Greater Cleveland Intrachurch Council

"We have a problem. We never know when it is coming in. Of the 48 hour notification (of delivery) they are usually right about half the time."—Michael Murphy, Director of the United Labor Agency

"The first issue that needs to be raised is the lack of administrative funding for the commodity distribution program. When you don't have any administrative funding the commodity distribution takes place at only one site in the county. This is generally what is happening across the State of Alabama. What this means is that many poor people have to have a round trip of 50 or 60 miles to get the commodity foods."—Bill Edwards, Alabama Council on Human Relations; Birmingham, Alabama, March 25, 1983.

Mr. Edwards also cited other problems with the program that result from lack of funds:

Some counties were unable to accept butter because they could not provide for cold storage.

Programs being staffed by volunteers are open for a limited number of hours.

Extremely long lines result when a small number of people handle distribution from one or a few sites.

"In many instances, so many people are discouraged because the truck shows up and 5,000 people are standing in line all day in the rain and get discouraged and they leave."—Dr. Aaron Shirley, Chairman, Board of Trustees, Mississippi Medical and Surgical Association; Birmingham, Alabama, March 25, 1983.

"The most severe problem that has faced us in administering this program is the absence of Federal funds to help defray the cost of storage, transportation, equipment, staffing, printing, etc."—Don Williams, Economic Administrator, Alabama Department of Pensions and Security; Birmingham, Alabama, March 25, 1983.

Mr. Williams gave specific examples of problems encountered with distributing commodities:

The receipt of shipments was "untimely and unpredictable" and counties could not make definite plans for distribution until the food was actually received.

Staff had to be diverted from their regular work to help with distribution.

"The expansion of the program from cheese to butter and now to nonfat dry milk and other products has been beneficial to those programs, but with additional commodities come additional storage and handling costs."—LaVerne Ausman, Secretary, Wisconsin Department of Agriculture, Washington, D.C., March 22, 1983.

The Secretary gave specific examples of cost:

Butter must be stored at freezer temperature;

Volunteers cannot handle all of the the necessary staffing requirements and therefore funds are needed for that purpose;

Warehouses are beginning to charge for storage and handling as the distribution continue.

"Despite the utmost efforts by state agencies, the use of unconventional methods, and cooperation of volunteers, we have been frustrated by our lack of funds."—Lee Stambaugh, National Association of State Agencies for Food Distribution; Washington, D.C., March 22, 1983.

"We also believe that if the commodity program is going to be effective, you must provide administrative funding for the program. I think that that is perhaps the single most important provision of the bill."—Mar-

shall Matz, American School Food Service Association; Washington, D.C., March 22, 1983.

"If these commodities are "free" government commodities, they should be free. Those charitable and religious organizations who actually distribute the commodities should incur absolutely no cost. We are one of those organizations, in fact, who will participate only in a limited way because of no money being available for administration, transportation and storage."—Barbara Temple, Director, Greater Philadelphia Food Bank; Washington, D.C., March 22, 1983.

"One local unit in a small town in Illinois spent $1,200 of its own funds over a period of about six months, money which had to be taken from other programs and money which they did not have, and after six months they gave up because they simply couldn't afford to give away these things any longer."—Colonel Ernest Miller, Director, National Public Affairs Office, Salvation Army, Washington, D.C., March 22, 1983.

Mr. Miller stressed the need for funding to cover expenses for utilities, staff, storage, security, and transportation. He added that the uncertainty of delivery times was inconvenient especially for volunteers and costly when provisions for storage must be made. Providing funds for security would help to eliminate waste and pilferage.

"We had a problem with the surplus cheese program, in that we found it took all of our resources. We would have to close a day to do it so we have asked to participate only on our own terms within our own area so we can give food to people that we directly serve."—Sister Marilyn Rudy, Founder, St. Joseph's Food Pantry, Venice, California; Los Angeles, California, April 30, 1983.

"The working poor cannot stay away from their jobs to stand in line waiting for cheese. A mother is hard pressed to stand in line for six hours with her young children. And, again, access is largely controlled by information about where the commodities are."—Linda Lewis, Info Line, El Monte, California; Los Angeles, California, April 30, 1983.

"It's (funding) definitely needed and it's too bad that the general public hears the words "free food." The only thing free about it is that you are not paying for the food but many times you have to pay for the handling of it, you have to pay for the storage of it, the transporation of it, all those kinds of things."—James Logan, Community Care and Development Services; Los Angeles, California, April 30, 1983. "Cheese and butter appear to have worked fairly well but, you know, most people can't get it. We have older people that can't come out of their homes, they can't stand in line for all those hours to get the cheese. There should be a way to help them receive it."—Donald Miller, Chairman, Hunger Watch, Pasadena, California; Los Angeles, California, April 30, 1983.

"This letter responds to your request for information about problems foodbanks have experienced or observed as a result of having no money to reimburse costs incurred in the distribution of surplus cheese and butter. I gathered this information by interviewing about half of the 45 foodbanks in the Second Harvest Network. Second Harvest foodbanks distributed 39 million pounds (approximately 30 percent) of the cheese handled through local emergency food providers in 1982.

"Although most foodbanks used financial and in-kind donations to facilitate distribution, in a recent survey, they unanimously recommended the reimbursement of costs related to distribution.

"Reasons most frequently given for recommending reimbursement are lack of money, the unavailability and undependability of volunteers, the expense of training and supervising volunteers, the limited response of the private sector to requests for money and in-kind contributions, interference with regular services an agency provides and the costs incurred by distributing agencies at the expense of other budgeted items . . .

"Evidently, volunteers are willing to respond to a one time project, but lose interest in participating on a regular basis. Donors of money and in-kind items respond similarly. They are often willing to help with a short-term project, but are less than eager to make any type of long-term commitment.

"Foodbanks regularly solicit volunteers and financial and in-kind donations as part of their normal operating procedures. Several complained that they were using up all of their favors or community goodwill on cheese distributions and were receiving less help with regular operations as a result. The effect was higher overall operating costs."—Deborah Oswalt, Food Bank Coordinator, Richmond, Virginia; letter to the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, April 8, 1983.

In her letter, Ms. Oswalt cited dozens of specific examples of food banks, community groups, and others that have either ceased or curtailed distribution of surplus dairy commodities due to a lack of administrative funding. Additional examples were provided of instances where distribution of surplus cheese and butter interfered with the delivery of other services provided by these groups.

SUMMARY OF PRESS REPORTS

[From the New York Times, May 25, 1983]

SOUP KITCHEN CLIENTS INCREASE

WASHINGTON, May 24 (UPI).—The number of people served at soup kitchens and similar emergency food programs in the United States grew dramatically last year, the Center of Budget and Policy Priorities reported today.

After surveying 181 emergency food programs, the center reported that in more than half the number of people served grew more than 50 percent from February 1982 to February 1983.

More than a third of the programs surveyed doubled in size, acording to Kathryn Porter Bishop, the author of the study, a senior analyst at the research and analysis organization.

Many of those seeking help, the report said, had run out of food stamps and 88 percent of the programs surveyed reported those served asked for aid because their stamps did not provide enough food to last the month. More than 80 percent of the agencies reported more people seeking help because their stamps had run out than were reported a year earlier.

In addition, the study said, 75 percent of the programs reported serving more families with children than a year earlier. Nearly 25 percent of the agencies reported having to turn people away in the year. Two-thirds limited the number of times the same person could get food.

"This survey documents dramatic increases in the number of Americans needing food aid and suggests that hunger and inadequate nutrition may again be a growing problem in this country," Robert Greenstein, the director of the center, said.

"Up until now, information on increased use of emergency food services has been fragmentary, anecdotal or limited to a small number of locations," he said.

[From the Gannett News Service, May 1983]

SOUP KITCHENS RETURN WHILE U.S. SURPLUSES GROW

First of a series

(By Johanna Neuman)

WASHINGTON.—All over America the hungry line up for food.

From sunny Los Angeles to depressed Detroit, from rural Mississippi to urban New York, church groups are organizing soup kitchens and pantries, grocers and farmers are donating food, labor unions are formulating emergency food plans, and charities are distributing surplus government cheese and butter.

Still, the ranks of the hungry grow.

In a nation that produces so much food that, farmers are paid to idle their lands, about 32 million people—one of every seven Americans—were living below the poverty line of $7,250 a year for a family of three in 1981, the highest rate since 1967. In a nation that produces so much food that about $5 billion worth of surpluses sit idling in government warehouses, another 12 million lived in "near poverty," earning a maximum of $9,125 for a family of three.

The harvest of hunger in America is not like the famines of Bangladesh, where the stomachs of children are distended in painful want and the rib cages of adults press against their flesh in obvious need.

"The children suffering from growth failure do not have kwashiorkor, the nutritional disease often associated with Third World countries," said Professor J. Larry Brown of Harvard University's School of Public Health. "Rather, they suffer from what the World Health Organization terms 'silent undernutrition,' a condition less apparent to casual observation."

Who are the hungry? Standing in line in soup kitchens across the country, they are the recently unemployed whose benefits have run out. They are elderly people on low, fixed incomes. They are women heads of households. They are children of the needy, who, physicians report, are showing increasing evidence of stunted growth and of such hunger-related sicknesses as water intoxication, a condition that results from prolonged feeding of diluted formula.

Though the federal government keeps no statistics on hunger, "the poverty line is a surrogate for the hunger count," said Nancy Amidei, director of the Food Research and Action Center here. "These are the people at risk."

If the poverty line defines people at risk, the "hunger line" might well be defined as the people at risk who receive no government assistance.

The Census Bureau reports that of the 11.7 million American households living below the poverty line in 1981, about 4.8 million—or 41 percent—received neither welfare benefits nor food stamps nor public housing nor Medicaid nor school lunch assistance, a number that has been growing since the Census Bureau started keeping track of this statistic in 1979.

"Every region in the United States is experiencing hunger as a major social and health problem," said Paul Kittlaus, chair-

man of the Interreligious Taskforce on U.S. Food Policy, "just after most of the visible signs of malnutrition had disappeared from the scene."

Hunger isn't new to America. In 1967, a group of six nationally known physicians journeyed to Mississippi to examine thousands of poor children.

"We don't want to quibble over words, but malnutrition is not quite what we found," they wrote in a report to Congress. "The boys and girls we saw were hungry—weak, in pain, sick."

That report sparked a generation of food programs, federal efforts under a dozen major nutritional titles that slowed the tide of hunger to the point where the same group of physicians, visiting Mississippi and other parts of the country in 1977, were able to report, "Our first and overwhelming impression is that there are far fewer grossly malnourished people in this country than there were 10 years ago. The Food Stamp, Head Start, school lunch and breakfast and Women Infant and Children (WIC) feeding programs have made the difference."

But today, increased unemployment and Reagan administration budget cuts—with $3 billion taken from the food stamp program alone—have combined to fuel the reopening of America's soup kitchens.

"My fear is that, given the current trend, we will be right back to where we were in 1967," said Dr. Aaron Shirley of Jackson, Miss., one of the original six doctors, who reported to Congress on hunger in America. "These federal programs were making a difference, and now, when there are more people who need them, we're cutting back."

While people go hungry, 150 million tons of surplus cheese and butter sit in cavernous limestone quarries in Kansas City—cold storage testimony to a price-support system that pays dairymen $13.10 for every hundredweight of milk they sell to the government.

In the heart of America's dairy industry in Wisconsin, meanwhile, farm foreclosures are at their highest levels since the Great Depression. Of the 9,000 farmers borrowing from the Farmers Home Administration in the state, 231 have filed for bankruptcy.

The irony that thousands are without food while government storehouses sit bulging with surpluses, that food costs to the consumer are increasing even as farmers are losing their land, that federal subsidies to farmers last year topped $1.5 billion while the average farmer netted $8,000, has not escaped notice.

"We're getting CARE packages from Germany and the federal government sits there like a big lump and does nothing," said Sen. Mark Andrews, R-N.D., a farmer and moderate Republican who recently deserted the president in battles over the social spending in the budget.

President Reagan contends that the cuts reflect savings from elimination of waste and fraud, and argues that a healthy economy will benefit the poor as much as the wealthy. But he has also pushed for a redefinition of the federal role, calling on Americans "to accept more responsibility for another's health, happiness and well-being, rather than leaving it to the bureaucracy."

Church groups report, however, that the swell of food requests is beyond their capacity to meet, that soup kitchens are only an emergency stopgap to plug the hole left by decreased federal spending.

The last two years have seen a surge in emergency food requests that know no regional borders, no age limits, no ethnic prerogatives.

In Birmingham, Ala., St. Andrew's Parish soup kitchen served 1,200 children in 1981 and plans to serve 5,000 children this year. In Buffalo, Catholic Charities filled 160,000 requests for emergency food in 1981 and 327,000 in 1982. In New York City, the Food and Hunger Hot Line reported an 82-percent increase in food requests over the past year. And in Wichita, Kan., monthly food requests to the United Methodist Urban Ministries went from 385 in January to 650 in March.

Farmers, meanwhile, are caught in the middle, victims of both overproduction and underdistribution, sympathetic both to the risks of surpluses and the plight of the hungry.

"Too few consumers understand that the cost of processing is what matters," Andrews said. "One hundred bushels of wheat in North Dakota is of no use to the hungry in Detroit."

To bridge the gap, farmers in North Dakota recently donated wheat, millers donate their labor, factory workers donate their processing time, and local companies donated bags and boxes to ship 50,000 pounds of elbow macaroni to the hungry in Cleveland.

"We want to bring to light the fact that we in agriculture here in North Dakota are concerned about hunger," said Robert Sawyer, president of the North Dakota Wheat Producers Inc.

While Cleveland was grateful, Ed Worley, director of the Cleveland Food Bank, which for the last two years has distributed food to hundreds of charity and church groups for distribution in Ohio, points out the depth of the problem.

"That was 50,000 pounds," he said. "We do 500,000 pounds of food a month."

"THERE'S NO FAMINE IN AMERICA UNTIL THE THIRD WEEK"

(By Johanna Newman)

Second of a series

SALT LAXE CITY.—It is Easter Sunday in the heart of Mormon Country.

Worshipers brave an unseasonable snowstorm to renew their faith at the Church of Jesus Christ of Latter-day Saints, then adjourn for a festive meal at Hotel Utah, a charming inn owned by the church.

A few miles away at the Wasatch Presbyterian Church, 251 hungry and destitute residents walk single file through the doors of the auditorium for a free meal of baked ham, candied yams, green beans, bread and butter, cheese and fruit.

The butter and cheese are government surplus contributed by the U.S. Department of Agriculture. The bread is donated by a local bakery. The rest is purchased, prepared and served by the members of the congregation, who started a soup kitchen seven weeks before Easter.

"It was an 8-7 vote to do this," said Kip Herbst, president of the church women's association. "There were lots of fears, big obstacles. People in the congregation said, 'Are they worthy?' It made me mad. I said, "They're hungry."

All over America, soup kitchens serve the hungry. Skid row bums are now joined by unemployed blue-collar workers, by women who now head half the families in poverty, by the elderly on fixed incomes choosing between food and inflation-boosted utility bills.

Tufts University President Jean Mayer, a noted nutritionist, worries that the current harvest of hunger will lead to "an underclass" of poor children whose health will affect long-term national defense capability and medical expenses.

"If you want to avoid the creation of a dependent class," he told a congressional committee recently, "you have to avoid the soup line, the food-for-the-poor approach."

But the harvest of hunger in America is showing up at soup kitchens from California to Maine, usually in the third or fourth week of each month, when food stamp and welfare benefits run out.

"There's no famine in America," said Maj. Paul Kelly, divisional commander of the Salvation Army for Northeastern Ohio, "until the third week".

In Detroit, an emergency hunger hot line has served more than 25,000 people in less than a year, while in New Orleans, the mayor's Citizen Action Center saw a 222-percent increase in requests for food over the last year.

In Texas, the Capitol Area Food Bank has experienced a doubling of its caseload since last June, while in Washington, D.C., requests for food at local food banks have increased by from 100 to 300 percent over the previous year.

In Memphis, Tenn, Catholic Charities distributed 334 food boxes in 1982, up 67 percent from the previous year, while in Bloomfield, N.J., a food pantry went from a caseload of 100 to 200 in less than three months last year.

And here in Salt Lake City, Alan Rhodes sits at the Wasatch Presbyterian Church surrounded by his family. At 26, he is unemployed, "with a high school diploma and everything." As his wife and two green-eyed, redheaded children look on, he describes the reality of trying to feed his family on $295 a month in welfare benefits.

Asked what the family would be doing for Easter dinner if the soup kitchen weren't open, Rhodes simply shrugs his shoulders.

"A poor person's got no chance," he says. "Sometimes I feel like killing myself, but that ain't gonna help me either. Luckily, there are some nice people in the world. We got some cheese and butter yesterday."

A middle-aged woman in polyester pants sits across the room with her four children. She does not want to give her name.

"I don't want anybody to see me," she says, "I want to be back on my feet before anybody sees me."

She is asked about hunger, about their last meal. "I don't want to admit defeat," she says, "but here we are."

The reluctance to admit defeat, to ask for assistance, is especially strong in Utah, world headquarters for a Mormon Church that preaches self-reliance and encourages its members to keep a year's supply of emergency food in their basements.

Utahans Against Hunger reports that one of its clients, a woman who was not enrolled in the federal Women Infant and Children program, had been feeding her baby the powdered breakfast drink, Tang, for six months rather than seek help.

Throughout the country, the newly unemployed, the newly poor, cast their eyes down as they accept help, ashamed in a country of plenty to acknowledge want.

"Most people who are hungry do not enter the emergency food network," said Prof. Larry Brown of Harvard University School of Public Health. Either due to pride, or lack of knowledge of having been turned away, they suffer their lot in the privacy of their own homes.

"Extra water is added to the baby's bottle of milk and more beans to the pot," he continued. "The quantity goes up; nutritional value does not."

If the problem of hunger will not go away, neither will the hungry. Their stories—tales of hunger and shame, of malnutrition and anger—are etched in tired lines around their eyes, told in pained voices, full of despair.

"Last Christmas I had to get a donated tree," said Janie Wood, 34, an unemployed mother of two in Salt Lake City. "I'd lost my car, my phone. The kids had holes in their pants. Being a mother and not having enough money to buy them things, seeing the sadness and hurt in their eyes, feeling the physical damage of lack of nutrition, it pushed my self-esteem way back. That's what a year out of work will do to you."

Her thoughts are echoed by Ted Atkinson, 36, an unemployed autoworker and widowed father of a 2-year-old son in Cleveland, Ohio.

"This is the first time I've been in a soup kitchen, and I'm not too proud of it, but I didn't eat yesterday," he said.

It is their desperation that tugs at the hearts of churches across the country, which warn that cheese giveaways and bread lines are no substitute for a full plate of employment opportunities and federal assistance.

"We're still waiting for the trickle-down," said the Rev. Peter Holdorf, director of Utahns Against Hunger. "Individuals and churches have incresed their support, but that's not enough to meet the need."

FOOD DONATIONS TRICKLE OUT WHILE STOCKPILE OVERFLOW

Third of a series

"We have the hungry people, and the food to feed them. Is our government more concerned that we build hoards of surplus food to balance our national debt, rather than feed the families of jobless Americans who helped pay for that food?"—William Cunningham, director of Focus Hope, a civil rights group in Detroit.

(By Johanna Neuman)

KANSAS CITY, MO.—On July 4, hundreds of demonstrators are expected to gather in the midst of the world's largest refrigerated warehouses to protest the stockpiling of $5 billion worth of government surplus food throughout the country.

While most Americans eat hot dogs and corn on the cob, and guzzle it down with beer, the protesters will build a tent city and begin an open-ended fast to encourage more release of surplus food to the hungry.

"Food giveways should not be seen as a replacement for jobs," said Mitch Snyder of the Committee for Creative Non-Violence. The organizing group recently served black-eyed peas and chicken wings to 250 at the first soup kitchen in the U.S. Capitol. "But when large numbers of Americans are hungry, we don't see the point of sitting on $5 billion worth of food," Snyder said.

Since the cheese giveaway program was announced in January of 1982, the U.S. government has given out 270 million pounds of cheese and 33 million pounds of butter to the states for distribution to the poor.

Even so, surplus stocks—especial dairy products—continue to grow. As of April 8, the government owned:

1.39 billion pounds of non-fat dry milk.

852.1 million pounds of cheese.

476.7 million bushels of corn.

441.2 million pounds of butter.

37.9 million bushels of wheat not already committed to the food security reserve for world famines.

20.3 million bushels of soybeans.

19.9 million 100-weight of rice.

The cost to the government of acquiring and storing the bounteous harvest of American farmers is enormous.

Last year, the U.S. Department of Agriculture paid $2.6 billion to farmers to purchase food under the federal price-support system. The government has the option to sell the food on the open market when prices exceed prescribed minimums. Storing the food cost American taxpayers $240 million last year, approaching $1 million a day.

Despite the huge investment by the government in agribusiness, net income of farmers is at a modern-day low, and foreclosures among both large and small operators are commonplace. Last year, farmers netted $19 billion, down 22 percent from 1975, against a debt that had increased 250 percent from $81 billion in 1975 to $201.7 billion last year.

Farmers are caught in the middle—victims of both overproduction and underdistribution, sympathetic both to the risks of surpluses and the plight of the hungry.

To bridge the gap, farmers in North Dakota recently donated wheat, millers donated their labor, factory workers donated their processing time, and local companies donated bags and boxes to ship 50,000 pounds of elbow macaroni to the hungry in Cleveland.

"We want to bring to light the fact that we in agriculture here in North Dakota are concerned about hunger," said Robert Sawyer, president of the North Dakota Wheat Producers Inc.

Cleveland was grateful. Yet Ed Worley, director of the Cleveland Food Bank that for two years has distributed food to hundreds of groups for distribution, points out the depth of the problem.

"That was 50,000 pounds," he said. "We do 500,000 pounds of food a month."

The cheese giveaways that spread from Washington in the weeks before the 1982 elections are politically popular.

Earlier this year, Congress included $50 million in the $4.6 billion jobs bill to speed processing and distribution of the cheese. President Reagan recently announced plans to add rice, cornmeal and non-fat dry milk to the commodities giveaway program by this month.

But the government, with an eye on foreign sales and export competition, is not about to open the refrigerator doors on its surpluses too quickly, or too widely.

"We have intentionally made some of these dairy products available," Reagan said in a March 25 press conference, "but we have had to work very carefully so as not to either deprive our own farmers or other friends and allies of their commercial market."

The cost of government surplus food, combined with the political polularity of giveaways, is a cause for concern among traditional advocates for the needy.

"One of the great dangers of enacting this kind of (surplus giveaway) program is that some people will view it as an opportunity to make further cuts in the programs already in place," said Rep. Leon Panetta, D-Calif., chairman of the House Nutrition subcommittee. "If we were to provide additional commodities and cut the food stamp program at the same time, the net result would likely be more hunger, not less."

Even if the government wanted to release all the surplus, processing is a problem. The cheese, which is stored in 500-pound hexagon barrels, and the butter, housed in 60-pound blocks, is hardly manageable for a hungry person. A similar quandary awaits the milk distribution program, since the non-fat milk particles manufactured on dairy farms must be processed before they can be reformulated by the consumer into drinking milk.

In Waterloo, Iowa, the pilot site for the nation's distribution program, volunteers from the Hawkeye Valley Area Agency on Aging and the United Auto Workers Local 838 last year worked 18 hours straight to turn government bulk butter into 60,000 one-pound blocks to prove to the federal government that it should release bulk products.

The problems of processing cheese and butter in Waterloo have their counterpart in headaches for Agriculture Department officials who oversee the storage of surplus butter and cheese in Kansas City.

"We're moving 400 million pounds of commodities every month," said Collyn Peterson, until recently head of the USDA's dairy operation. "I don't have enough staff to be on the phone to every soup kitchen in America and still do our regular work on price supports for farmers, which is our primary obligation."

"It's just not practically possible for the U.S. government to get a barrel of cheese to every soup kitchen in America," he said. "We understand the problem and we are doing everything we possibly can, short of opening the warehouse doors and saying, 'Come and get it.' "

But that is precisely what some charity groups advocate.

"It is immoral to have food stashed away when people in our country and in the world are hungry," the Rev. Peter Holdorf, director of Utahns Against Hunger, said. "I get cynical, because the food industry makes more money if food is stored and not distributed."

Inside limestone caves at Inland Distribution Center in Kansas City are 150 million tons of surplus cheese and butter, cold-storage testimony to a price-support system that pays dairymen $13.10 for every hundredweight of milk they sell to the government.

Four miles of barrelled cheese sit in 30-degree refrigeration, while another four miles of butter sit across the hall in temperatures five degrees below zero.

The doors are locked.

HUNGER'S TOLL ON HEALTH HARD TO MEASURE

(By Johanna Neuman)

Fourth in a series

WASHINGTON—In Chicago, Dr. Kathryn Vedder, a staff pediatrician at Cook County Hospital, reports a dramatic increase in infants suffering from water intoxication, a condition that results from prolonged feeding of diluted formula.

In Cambridge, Mass., Dr. J. Larry Brown, a public health professor at Harvard, reports that some 56 of the 400 children using the pediatric walk-in clinic at Boston City Hospital—nearly three times the normal rate—were found to be in the lowest fifth percentile of growth.

In Jackson, Miss., Dr. Aaron Shirley, director of the Jackson-Hinds Comprehensive Health Center, reports that among preschoolers not enrolled Head Start or day care programs, 25 percent are showing signs of iron-deficiency anemia, compared to a

normal rate of 5 percent among the clinic's first-time patients.

The health and psychological effects of hunger are just beginning to surface.

Their measurement is difficult, since the harvest of hunger in America is not like the famines of Bangladesh, where the stomachs of children distended and the rib cages of adults press against their flesh.

"The children suffering from growth failure do not have kwashiorkor, the nutritional disease often associated with Third World countries" Brown said in recent congressional testimony. "Rather they suffer from what the World Health Organization terms 'silent undernutrition,' a condition less apparent to casual observation."

One measure of "silent undernutrition," is the infant mortality rate, currently at 11.8 deaths per 1,000 live births nationwide, representing what the federal Center for Disease Control in Atlanta terms a modest decline.

But in Alabama, where the unemployment rate is 16.1 percent, state health officials report that the infant mortality rate has risen from the 12.9 to 14.8 deaths per 1,000 in the last year. In Michigan, where the unemployment rate is 15.7 percent, infant mortality has gone from 12.8 to 13.2 per thousand during the same period. And in Ohio, county health officials in high unemployment areas like Youngstown, where unemployment stands at 20.1 percent, report a jump of from 13.7 to 14.9 per thousand.

The statistics on infant mortality are subject to different interpretations. To the Reagan administration, they are an unfair measure of spot increases amid a general downward trend nationwide. But to nutritionists and medical professionals, they are early warning signals of increasing health risks associated with economic want.

A similar conflict of interpretation attends the numbers of cases of stunted growth in low-income children.

Although there is an 8 to 10 percent rate of growth-stunting among low-income children, compared to a 5 percent rate for the general population, Dr. George Graham of John Hopkins University, thinks the problem has not been demonstrated.

"There is nothing wrong with being shorter than the national average, (and it may confer some health benefits) unless you are striving to become a professional basketball or football player," he said in recent congressional testimony.

Despite the cautions of the professionals, some physicians are monitoring the problem.

Dr. Charles Stark, medical director of Rufkin Community Clinic in Tampa, Fla., reports that "due to malnutrition, anemia in children and women is very prevalent," though he adds of his largely Mexican-American clientele, "The problem is not poverty, its's ignorance. If I were that poor, I would know how to eat so I wouldn't be iron deficient."

"Our knowledge of the actual impact of hunger on health is presently less clear than the fact of its existence," acknowledged Prof. Brown of Harvard, who with others has called for a more comprehensive survey of nutrition among Americans.

"A child's brain is much like a construction site," he said. "You have materials and a work crew. But the crew will be there only for a fixed time. If the bricks are delivered after the crew is gone, they won't become part of the building."

Put another way, said Brown, "a child's brain cannot wait for economic upswings."

As the debate continues over the health and development effects of hunger on children, few dispute the psychological impact of hunger, a frequent companion of unemployment, on adults.

"We caution our workers not to use the words 'depression' or 'lay-offs,' in the soup kitchens," said Maj. Paul Kelly, divisional commander for the Salvation Army in northeastern Ohio. "We try to be optimistic."

In a soup kitchen in Cleveland, a 31-year-old black man takes a few bites of tomato-based hot dog soup as he attempts to explain his malaise.

"After you be poor for so long, it works on your head," said Don Jackson, who has been in and out of mental hospitals for five years. "I almost had a complete nervous breakdown," he said, his hands shaking. "For years I was so depressed I didn't know what to do."

To many, the beginning pangs of hunger signal the end of the American dream.

"The American dream is too expensive," said Jeffrey Green, a 30-year-old unemployed trade carpenter waiting for a free meal in Utah. "Ten years ago, it cost $40,000 for a home. Lady, if you're not a doctor or a lawyer or an engineer, forget it. I've got two years of college and I can't find a job."

Tom Thompson, one of Green's colleagues on the soup line in Salt Lake City, put it this way.

"The American dream," he said, "is no longer possible unless you're going to steal."

HARVEST OF HUNGER POSES DILEMMA FOR NATION'S LEADERS

(By Johanna Neuman)

WASHINGTON.—In April of 1982, a group of religious leaders had lunch at the White House.

Standing under a huge portrait of Abraham Lincoln in the State Dining Room, President Reagan told them the United States was maintaining its "fundamental commitment" to the poor.

"I realize there is apprehension in the religious community about budget cuts, fear that we are trying to dump responsibility on the churches," said the president.

"I'm not suggesting that churches and other voluntary groups pick up the dollar-for-dollar cost of reduced federal programs," Reagan added. "I just believe it would be a good thing for the soul of this country to encourage people to accept more direct responsibility for one another's health, happiness and well-being, rather than leaving it to the bureaucracy."

The harvest of hunger in America has seen a revival of church charity, an outpouring of private assistance, a renewed understanding among farmers about the effect of federal agriculture policies on the surpluses mounting in warehouses and the lines lengthening at soup kitchens.

The food industry has responded with Second Harvest, a non-profit organization that collects food that would otherwise spoil, which Congress's General Accounting Office estimates at 137 million tons a year, and distributes it to 45 member food banks around the country for use by 8,200 local charities that feed the poor.

General Motors, which in the last three years has laid off 143,000 workers, launched a "share and care program" last January, matching $3.3 million in contributions of food and funds from 75 communities where GM has closed plants, to feed the hungry.

Farmers in the Midwest recently donated 2,600 bushels of wheat to a state-owned mill and elevator in Grand Forks, N.D., which turned the wheat into flour. A firm in Cando, N.D., called Noodles by Leonardo processed the flour into elbow macaroni, which was packed in one-pound bags donated by the Strout Plastics Co. of Bloomington, Minn., and 50,000 pounds of macaroni was shipped to the hungry in Cleveland under the title "Noodles for the Needy."

And churches have responded with a creative array of programs like Operation Garden in Columbia, Miss., run by Methodist deaconess Maudessa Smith to train the poor to grow their own food in a state that pays the lowest welfare benefits in the nation—$40.20 per month compared to a national average of $140.

But charities, corporations and churches insist that their efforts to meet the needs of the hungry are only a Band-Aid on a festering wound, that food giveaways and soup kitchens are no substitute for a long-term, well-financed commitment to eradicate hunger by the federal government.

"The issue," said George Chauncey of the Inter-religious Task Force on U.S. Food Policy, "is whether those in need have moral rights and claims against an affluent society, whether responding to human need is an option of charity or an obligation of justice."

The role of the federal government in feeding the hungry, the depth of its commitment to eliminate want, is an issue that haunts the national agenda.

"Why do people have to go hungry in America?" echoed Jo-Ann Lamphere, project director of Hunger Watch in New York. "Something is wrong in this country when people have to eat in soup kitchens."

[From the Cleveland Plain Dealer, Mar. 1, 1983]

SUBCOMMITTEE ASKED TO GIVE FOOD TO NEEDY

(By William F. Miller)

The city's poor and representatives of the poor appealed yesterday to a congressional subcommittee to open the federal cupboards and provide more surplus food to the needy. They asked that the government not cut other nutrition benefits.

They testified before Rep. Leon Panetta, D-Calif., chairman of the House Agriculture subcommittee on domestic marketing, consumer relations and nutrition, who is conducting a series of regional hearings to assess the severity of hunger and malnutrition across the country.

Mayor George V. Voinovich told the subcommittee that Cleveland has reached the end of the line in help it can deliver to the poor.

"This business of saying 'Things are wonderful because inflation is down' doesn't hold true for the poor in this nation's cities," Voinovich said. He said when gas heating bills go up 40 percent, the poor suffer because their money goes for basic necessities.

Panetta opened the hearing, held at Trinity Cathedral, by saying: "The recurrence of hunger in America is a national shame. We feel that hunger in America is not a partisan area and it's not just a deep personal tragedy. It is a national shame that must not be tolerated."

Panetta has led a bipartisan effort to stop $1.4 billion in nutrition cuts proposed by the Reagan administration.

The subcommittee heard testimony from 14 Greater Clevelanders in the morning and toured hunger centers in the afternoon.

All who testified told about the overwhelming increase in the number of needy people seeking help at hunger centers and from social service organizations.

Walter Hoag, food program coordinator for Euclid, said the new poor in his suburb are suffering and need federal help. "You in Congress know the problems, why are you taking so long to respond?" he said.

United Labor Agency Executive Director Michael Murphy echoed the testimony of others when he said it made no sense for the federal government to give organizations like his only 48 hours notice of when they plan to deliver hundreds of thousands of pounds of cheese and butter for distribution. He said the food is desperately needed, but that the inefficient system of delivering it causes great distribution problems.

The most poignant testimony was from Evelyn Carter, 29, a welfare mother who has three children aged 9, 11 and 12.

She told how her monthly welfare check is consumed by utility bills and rent. She said she has $7.13 daily left to feed herself and her children. "Many times I do not eat," she said. "What do you (congressmen) want from us? We did not choose to be poor."

She said her former husband had been out of work for two years and unable to help the family.

Susan Barlow, consumer director for First National Supermarkets Inc., which operates Pick-n-Pay stores, testified that her company considers hunger to be one of the serious problems facing Cleveland and other locations where the firm does business.

She asked that the government release other commodities like rice, flour and cereals for the needy. She said that Cleveland is the leader in the nation in retrieving food through the Greater Cleveland Community Foodbank Inc.

[From the Washington Post, Mar. 1, 1983]

MAYOR OF CLEVELAND BESEECHES U.S. FOR ADDITIONAL FOOD AID

(By Margaret Engel)

CLEVELAND, Feb. 28.—A House subcommittee attempting to measure the extent of America's hunger came to Cleveland today and heard the city's Republican mayor plead for the federal government to turn food in government warehouses over to the city's 105,700 unemployed.

"There is no community in the nation that has done more to help itself," said Mayor George Voinovich, who said 8½ tons of vegetables were raised by comprehensive education and training act (CETA) workers in 180 city gardens in vacant lots last year.

"But we have reached the end," he said. We cannot see cutbacks in federal nutrition programs that will knock the legs from under this community."

He asked that the government's butter and cheese giveaways be expanded to include stockpiled stores of 16 additional commodities, such as rice, corn, oats and wheat.

The situation is so desperate in Cleveland that farmers from Grand Forks, N.D., promised this week to send 55,000 pounds of elbow macaroni to the city in the spring.

Throughout the city—where unemployment climbed to 15 percent as many major manufacturers permanently laid off workers—churches and charities have opened more than two dozen new soup kitchens.

The subcommittee arrived at a sensitive time—the end of the month, when food stamp benefits have been exhausted and four days before Social Security checks arrive.

Seven House members, all Democrats except for Rep. Bill Emerson of Missouri, heard church, labor and welfare officials state that April 1 would bring a new food crisis as the winter prohibitions against utility shutoffs end in many states.

"We'll have major shutoffs of utilities in April and people will struggle for months to find money to get utilities back for winter," said John Mattingly of the Inter-church Council, a group of 700 Protestant churches in Cleveland. He noted that 151,000 people in northern Ohio are scheduled for utility shutoffs.

"That money will come from their diet," he said.

A parade of witnesses, many of whom included prayers in their testimony, filled the downtown church where Rep. Leon E. Panetta (D-Calif.) termed their reports "a national shame."

The Rev. Robert Begun, director of the Hunger Service Center of the Catholic diocese of Cleveland, said Clevelanders routinely wait two hours for free government cheese and butter.

The stress of waiting in line for food may have contributed to the death of Fred Barker, 67, who died Thursday of a heart attack while waiting in a Salvation Army cheese line on Cleveland's east side.

"He was in need of food," Don MacMurdo of the Salvation Army said of Barker. "He died at the end of a very long line."

At Metro General Hospital, a public facility, there were 619 low birth-weight babies in 1982, an increase of 109 from 1981, reported Christine Shenk, a nurse midwife at the hospital.

Requests for emergency formula, given to infants judged to be inadequately nourished, increased 162 percent in December, 1982, compared with a similar period in 1980, Shenk said.

"We know that low birth-weight babies risk having a lower intelligence, three times more birth defects and retardation," she said. "We'll all be paying the price later on."

Euclid, a middle class suburb of 100,000 with 20 percent unemployment, opened its first food distribution center this year. Government butter and cheese had been distributed through churches to avoid the public stigma of receiving free food.

"Our older residents in some instances have resorted to shoplifting to keep from going hungry," said Walter Hoag, director of the city's food programs. "God help us for letting this happen."

Demand for food is so great at St. Patrick's Church that 100 people wait in its basement while another 100 eat a hot meal upstairs. Mark Brauer, director of the church seating, said the demand requires him to give individuals only one-quarter of the government's five-pound block of cheese.

The city's Inter-church Council, which runs 16 food-distribution centers, opened three sites in November to provide hot meals on the last six days of the month. Because of the 2,500-person waiting list for the women, infant and children's (WIC) nutrition program in Cuyahoga County, the centers will begin stocking infant formula next month.

[From the Los Angeles Times, Apr. 7, 1983]

OTHER VIEWS—POLITICS AND MALNUTRITION

(By Dr. Jean Mayer)

Fifteen years ago, I became the first witness to testify before congressional hearings about widespread hunger and malnutrition in America. After a period of debate, we achieved a national consensus that hunger did exist, serious and indisputable, and that something must be done.

Hunger never has been a partisan political issue. In 1969, a Republican President called the first White House Conference on Food, Nutrition and Health, which I was asked to organize and chair. Programs proposed by the conference were put together by a bipartisan coalition in the Congress, led by Republican Sens. Robert Dole and Charles Percy and Democratic Sens. Edward Kennedy and Hubert Humphrey. The programs were put in place by two Republican administrations. In the 1970s, we had the enormous satisfaction of seeing the essential elimination of hunger and malnutrition in the United States.

It seemed inconceivable to me that a country as rich and compassionate as ours could ever move backward in an area of such basic human needs. As an American, as a nutritionist, I am ashamed that this now appears to be the case.

The reports of people at food banks, waiting for surplus cheese; the new soup kitchens and long lines of people waiting to be fed; the more scientific and clear-cut data from pediatric hospitals in terms of food emergencies; the rise in infant mortality in states and areas within states where unemployment is at its highest, all show that hunger has returned to America.

Mayor George Voinovich of Cleveland—who is, incidentally, a Republican—told me recently that every resource that can be diverted from other purposes is going into the effort simply to feed people there. The idea that private organizations and private citizens might take over the food relief abandoned by the federal government is part of a dream world. In the real world, inhabited by mayors of large cities, if the federal government does not do it, and other levels of government do not have the resources (which they do not), people will starve.

A TURN FOR THE BETTER

There is great hope that our economy is taking a turn for the better, but Mayor Voinovich added, and I agree, that we should not be lulled into thinking that even a very vigorous upturn will solve the problem. About 50% of the people on food stamps are children. A very high proportion of the other 50% are mothers of small children, the elderly and the handicapped, many of whom are unable to work.

Even putting fairness and compassion aside, we are being penny-wise and pound-foolish. These programs are more than paying their way. The food-stamp program was designed to ensure that needy Americans would be able to purchase an adequate diet in times of economic stress. It is the nutritional base on which all the special programs rest. Even in their first year of operation, WIC (Women, Infants and Children) and the elderly feeding programs saved more than they cost.

It can be shown that the WIC program saves up to $3 in immediate medical costs for every dollar spent on its food package for pregnant women. It costs about $450 to get a WIC participant through her pregnancy; one day for a premature or low-birth-weight infant in a neonatal intensive-care unit costs about $450. In Massachusetts, lifetime care for a retarded person runs between $2 million and $3 million. In Louisiana, the possible savings in educational expenses for learning-disabled children has been estimated at over $3.5 million a year.

HOSPITALIZATION IS ALTERNATIVE

Meals-on-Wheels may seem exorbitant at perhaps $10 a meal, but if an elderly shut-in cannot feed herself well and needs to be looked in on each day, the doctor may have no alternative but hospitalization at $200 a day.

It is harder to put a dollar-saving amount on school feeding programs, but teachers know that hungry children do not learn well. In the long run, educated citizens are one of our prime economic assets.

Our best estimate is that between now and the year 2000, one-third of all American children will be eligible for food stamps. This is the class from which most of our armed forces are recruited. The school-lunch program was started in 1940-41 because people were appalled that 50% of the boys called in the draft were rejected for physical reasons. We could get ourselves right back in that position.

The Administration is proposing to engage our adversaries in an ideological debate to demonstrate the virtues of democracy over tyranny. Are soup lines on foreign TV the face of America we want the rest of the world to see? Is it the face we want to see ourselves? The real test of a nation's quality is not what it does for its poor and its hungry when all is well, but how it responds when things are going badly.

[From the Jackson, Miss., Clarion Ledger, Mar. 20, 1983]

MISSISSIPPI'S HUNGRY: DESPERATION IS MUCH STRONGER THAN THEIR PRIDE

(By John Dingman)

Every night, many Mississippians go to bed hungry, but no one really knows how many.

As one welfare official put it, "We don't have time to count, we're just trying to feed them."

But those involved in feeding the hungry agree that whatever the total is, it is increasing.

Some of that increase is caused by the "new poor"—middle class people who never dreamed they would have to turn to public assistance to keep food on their tables.

In increasing numbers, they have been showing up for food stamps, or at soup kitchens, such as those operated by the churches.

They are people who have been hit by layoffs and plant closings, who have exhausted all of their assets and now must overcome their pride and ask for help.

Carole Berger of the Hinds County Welfare Office says such people often wait until they literally do not have a crust of bread in their homes. And when they do come in, they are hurt and baffled by the system.

For one thing, she said, they cannot understand why welfare case workers ask such probing questions. They may be getting family help in keeping their homes and resent it when the case worker insists on calling relatives to verify that help.

She said many find it demeaning to have their families find out they are turning to welfare.

But their desperation is stronger than their pride and they ask for help, Ms. Berger said.

Equally difficult is the fact that some people are not eligible for food stamps, since the assets they have preserved makes their net worth more than the limit for eligibility, she said, and all they can receive is emergency help.

Even when there is food stamp eligibility, it does not always solve the hunger problem. Rims Barber of the Mississippi Children's Defense Fund cites the case of the typical family receiving Aid to Dependent Children funds. He said that in such a family, a mother and two children would receive $96 a month in cash aid, plus $190 in food stamps.

Rents for a shotgun flat in Jackson average about $80, he said, ranging down to $50 or so in rural areas. Add to that a utility bill of $80 or so, Barber said, and a family's cash is exhausted before they buy any food.

He said that as a result, the family must sell or trade its food stamps for cash or other needs. And every stamp that is sold is just that much less food.

Food kitchens provide help for many people, officials said, but the number of kitchens is relatively small.

One of the largest is "The Stewpot" in Jackson, which was opened by a number of churches in October of 1981. The kitchen had served 60 meals by the end of the year and it now serves an average of more than 2,000 meals a month.

Five days a week, for one hour a day, the kitchen is open to all comers, "no questions asked," a spokesman said.

[From the Los Angeles Times, May 1, 1983]

CONGRESSIONAL HEARING—RISING EVIDENCE OF HUNGER CITED

(By Frank Clifford)

The operator of a Venice soup kitchen compared the job of feeding the overwhelming number of hungry people today with running the dining room of a convention hotel.

"Last year we provided food for over 20,000 people from our 600-square-foot center with a staff of four," said Sister Marilyn Therese Rudy of the St. Joseph Center in Venice. "Since July of 1982 we have provided food for over 37,000 with a staff of seven."

A liquor dealer who opened a Skid Row kitchen in downtown Los Angeles five weeks ago said his staff already has served 19,000 meals.

INSPIRED BY TV REPORT

"We've had a woman so hungry she passed out on us," said Jack Cantella Jr., who said he was inspired to open his soup kitchen on South Flower Street after watching a television account of the misery of a destitute Texas family.

Rudy and Cantella were among about 20 witnesses, including actress Valerie Harper, testifying about hunger before a hearing at Los Angeles City Hall on Saturday by members of a congressional subcommittee on nutrition. The hearing was chaired by Rep. Leon Panetta (D-Monterey), and the senior Republican on the subcommittee, Rep. Bill Emerson of Missouri, also attended.

Panetta said the purpose of the hearing and of others held in Cleveland and Birmingham, Ala., was to investigate reports that "the incidence of hunger in America is on the rise again." Panetta also indicated that he is gathering data in support of two pieces of legislation—a resolution calling for an end to reductions on federally subsidized nutrition programs and a bill requiring the U.S. Department of Agriculture to provide a greater variety of surplus commodities to food banks, schools and emergency centers.

Several witnesses Saturday said that requests for free food are exceeding the capacities of local government agencies and volunteer organizations.

Dianne Wright of the Interfaith Hunger Coalition said that most of the 150 "pantries" run by churches and temples in the Los Angeles area reported serving three times as many people this year than last year. Wright said the pantries supply needy people with enough groceries for two or three days.

A spokesman for Lutheran Social Services of Glendale said that his agency is feeding about 400 people a month, compared to 150 a month a year ago.

Daniel Jimenez of United Way Inc. said that most of the 15 member agencies providing emergency food are reporting a 100% increase in requests over the last six to eight months.

ASSISTANCE CALLS UP SHARPLY

Linda Lewis, director of Info-Line, a countywide information and referral service, said telephone calls for assistance jumped from a monthly average of 20,000 to 50,000 in February, when most of the callers wanted to know the locations of the federal government's free cheese distribution centers.

Jeff Dietrich of the Catholic Worker's downtown Hospitality Kitchen said he and fellow staff members are providing 1,000 meals a day compared to 500 at this time last year.

"Usually, you see the numbers tapering off in the spring," and Dietrich, who has been with the soup kitchen for more than a decade. "I don't know where the people are coming from, but it has created an emergency situation."

The speakers said many of the people looking for food are recently unemployed, reasonably well-educated and accustomed to better living conditions.

"Many of them are different from chronically unemployed people," Jimenez said.

Cynthia Thompson, an unemployed single mother trying to feed herself and child with a $76 monthly food stamp allotment, told the congressman that until she lost her job she had been a hospital dietitian.

"I was in charge of the nutritional needs of the patients, and now I can't provide a proper diet for my daughter," Thompson said.

Valerie Harper, founder of a group known as LIFE (Love Is Feeding Everyone), spoke of a growing number of the "new poor," working people who have recently lost their jobs and exhausted their savings.

Among them, she said, her group had encountered one person who was forced to give up a kosher diet when cat food became the only affordable source of meat.

And she spoke of a man named Lowell, a 70-year-old retired handyman whose savings had run out and who was found living in a shack unaware of the free services that are available.

"He didn't know about Social Security or welfare," Harper said.

Several other speakers testified that most of the people requiring food were receiving food stamps or other assistance, but not in sufficient quantities to take care of their needs.

About 180,000 food-stamp recipients in Los Angeles County lost part or all of what they were getting in 1981 as a result of curtailments sought by President Reagan's Administration, said Ray Garcia, chief of governmental relations for the county Department of Public Services.

Garcia said that 617,000 county residents are receiving $21 million in monthly food stamp benefits.

Garcia also urged the committee members to oppose the Reagan Administration's proposal to penalize local agencies whose error

rates in making food stamp allotments exceed 3%.

He said the county's percentage of wrongfull allotments is 5% and the state's rate is 7.5%, both less than the national average of 10%.

Garcia said the cause of most of the errors is the complexity of the changing regulations governing food stamps.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, June 7, 1983, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 8

9:00 a.m.
*Judiciary
To hold hearings on S. 915, proposed Taxpayer Antitrust Enforcement Act.
SD-226

9:30 a.m.
Banking, Housing, and Urban Affairs
To continue oversight hearings on condition, structure, and competition within the domestic financial services industy.
SD-538

Governmental Affairs
Oversight of Government Management Subcommittee
To hold hearings on the role of the administrative law judges of the Department of Health and Human Services related to social security disability.
SD-342

Labor and Human Resources
To hold hearings on food safety.
SD-430

Small Business
To hold hearings on S. 628 and S. 1202, bills to remove agricultural enterprises from eligibility for assistance under the Small Business Administration's disaster and business loan programs.
SR-428A

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Environmental Pollution Subcommittee
To hold hearings on S. 757, authorizing funds for fiscal years 1983 through 1987 for programs of the Solid Waste Disposal Act.
SD-406

Foreign Relations
Business meeting, to mark up S. 602, to provide Federal funding for radio broadcasting to Cuba.
SD-419

Veterans' Affairs
To hold hearings on S. 1388, to increase the rates of disability compensation for disabled veterans and to increase the rates of dependency and indemnity compensation for surviving spouses and children of veterans, and related measures.
SR-418

Select on Intelligence
To hold closed hearings on intelligence matters.
S-407, Capitol

Joint Economic
Agriculture and Transportation Subcommittee
To resume hearings to review the administration's perspective on future farm policy.
SD-124

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

2:30 p.m.
Foreign Relations
East Asian and Pacific Affairs Subcommittee
Closed briefing on U.S.-Taiwan relations.
S-116, Capitol

3:30 p.m.
Judiciary
Separation of Powers Subcommittee
Business meeting, to mark up S. 462, to clarify certain provisions of the Hobbs Act relating to Federal jurisdiction over labor extortion matters.
SD-538

JUNE 9

9:00 a.m.
Judiciary
Constitution Subcommittee
Business meeting, to mark up S.J. Res. 73, proposing an amendment to the Constitution of the United States relating to voluntary prayer in public schools.
SD-226

9:30 a.m.
Armed Services
Closed briefing on security issues of mutual concern.
SR-232A

Banking, Housing, and Urban Affairs
To continue oversight hearings on condition, structure, and competition within the domestic financial services industry.
SD-538

Labor and Human Resources
To continue hearings on food safety.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Environmental Pollution Subcommittee
To continue hearings on S. 757, authorizing funds for fiscal years 1983 through 1987 for programs of the Solid Waste Disposal Act.
SD-406

Governmental Affairs
To hold oversight hearings to review Army tests measurement and diagnostic evaluation.
SD-342

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To resume hearings on S. 958, to reform the current merit pay system of the Federal Government, and proposed amendments to the Office of Personnel Management's proposed regulations.
SD-138

Judiciary
Courts Subcommittee
To resume hearings on S. 645, proposed Court Improvements Act.
SD-226

Small Business
Small Business: Family Farm Subcommittee
To hold hearings on the impact of the Department of Agriculture's payment-in-kind program on agricultural support industries.
SR-428A

Select on Intelligence
Legislation and the Rights of Americans Subcommittee
To hold closed hearings on intelligence matters.
S-407, Capitol

11:15 a.m.
Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
Business meeting, to mark up S. 958, to reform the current merit pay system of the Federal Government, and S. 1009, to extend the authority of Federal agencies to enter into service agreements with Federal physicians which grant comparability allowances.
SD-138

2:00 p.m.
Foreign Relations
To hold hearings on the nomination of L. Paul Bremer III, of Connecticut, to be Ambassador to the Kingdom of the Netherlands.
SD-419

JUNE 10

9:30 a.m.
Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

Energy and Natural Resources
To hold hearings to review the President's proposal for a Caribbean basin intitiative.
SD-366

Labor and Human Resources
To continue hearings on food safety.
SD-430

10:30 a.m.
Judiciary
Separation of Powers Subcommittee
To resume hearings to explore certain Federal court procedures relating to the exclusionary rule, habeas corpus, and related matters.
SD-226

JUNE 13

9:30 a.m.
Finance
To hold hearings to examine the tax structure applicable to property and casualty insurance companies.
SD-215

JUNE 14

9:30 a.m.
Banking, Housing, and Urban Affairs
Securities Subcommittee
To hold hearings on S. 1174, proposed Public Utility Holding Company Act Amendments.
SD-538

Commerce, Science, and Transportation
To hold hearings on Title III, to promote commercial motor vehicle safety and health regulations, of S. 1108, proposed Highway Safety Act.
SR-253

Labor and Human Resources
Labor Subcommittee
To hold hearings on the substance of S. 1227, to improve the single-employer pension plan termination insurance program created in 1974 by title IV of ERISA.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To hold hearings on environmental research and development programs.
SD-406

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Joint Economic
To resume hearings to review the Administration's perspective on future farm policy, focusing on agricultural trade policy.
SD-124

2:00 p.m.
Environment and Public Works
Environmental Pollution Subcommittee
To resume hearings on S. 431, authorizing funds for fiscal year ending September 30, 1983, through fiscal year 1987 for clean water programs, and S. 432, extending the 1984 compliance date for certain requirements of the Clean Water Act.
SD-406

Finance
To hold hearings on the nominations of Lyn M. Schlitt, of Virginia, Susan W. Liebeler, of California, and Seeley Lodwick, of Iowa, each to be a Member of the U.S. International Trade Commission, and Charles E. Clapp II, of Rhode Island, to be a judge of the U.S. Tax Court.
SD-215

JUNE 15

9:00 a.m.
*Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on S. 1286, S. 632, and S. 428, bills to establish a program to conduct research and development studies for improved manufacturing technologies.
SR-253

9:30 a.m.
Banking, Housing, and Urban Affairs
Securities Subcommittee
To continue hearings on S. 1174, proposed Public Utility Holding Company Act Amendments.
SD-538

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To resume oversight hearings on activities of the Patent and Trademark Office, Department of Commerce.
SD-226

Labor and Human Resources
Business meeting, to mark up S. 564, United States Academy of Peace Act, S. 772, Smoking Prevention Health and Education Act, S. 242, Employment Opportunities Act, and S. 724, Public Investment/Jobs Act.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Water Resources Subcommittee
To resume hearings on S. 947, authorizing funds for fiscal years 1984 through 1988 for water resources construction projects of the Corps of Engineers, and related measures.
SD-406

Finance
To hold hearings on the Administration's budget proposals for fiscal year 1984 for programs within the committee's jurisdiction.
SD-215

Veterans' Affairs
To hold oversight hearings to examine the health effects of agent orange.
SR-418

Joint Economic
Economic Goals and Intergovernmental Policy Subcommittee
To hold hearings to examine teacher shortages in the math and science fields.
SD-562

10:30 a.m.
Labor and Human Resources
To hold hearings on the nominations of Ford B. Ford, of California, to be Under Secretary of Labor, Madeleine C. Will, of Maryland, to be Assistant Secretary for Special Education and Rehabilitative Services, Department of Education, and John J. O'Donnell, of the District of Columbia, to be Assistant Secretary of Labor for Legislative Affairs.
SD-430

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

JUNE 16

9:30 a.m.
Banking, Housing, and Urban Affairs
To resume oversight hearings on condition, structure, and competition within the domestic financial services industry.
SD-538

Judiciary
Constitution Subcommittee
To hold hearings on S. 81 and S. 141, bills to revise current law relating to civil actions for the deprivation of rights.
SD-562

Judiciary
Juvenile Justice Subcommittee
To hold hearings on S. 520, to remove all noncriminal juveniles from secure detention facilities within the United States.
SD-226

Small Business
Business meeting, to consider pending calendar business.
SR-428A

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Finance
To continue hearings on the administration's budget proposals for fiscal year 1984 for programs within the committee's jurisdiction.
SD-215

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on S. 1256, proposed Emergency School Aid Extension Act.
SD-430

Joint Economic
Agriculture and Transportation Subcommittee
To resume hearings to review the administration's perspective on future farm policy, focusing on the economic condition and prospects of agricultural and rural businesses.
SD-124

2:00 p.m.
Environment and Public Works
Environmental Pollution Subcommittee
Business meeting, to mark up S. 431, authorizing funds for fiscal year ending September 30, 1983, through fiscal year 1987 for clean water programs, and S. 432, extending the 1984 compliance date for certain requirements of the Clean Water Act.
SD-406

JUNE 17

8:30 a.m.
Finance
Energy and Agricultural Taxation Subcommittee
Taxation and Debt Management Subcommittee
To hold joint hearings on S. 654, to repeal certain IRS Code provisions requiring the apportionment of research and development expenditures made in the United States.
SD-215

10:00 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on S. 314, proposed In-Flight Medical Emergencies Act.
SR-253

Environment and Public Works
Environmental Pollution Subcommittee
Business meeting, to continue markup of S. 431, authorizing funds for fiscal year ending September 30, 1983, through fiscal year 1987 for clean water programs, and S. 432, extending the 1984 compliance date for certain requirements of the Clean Water Act.
SD-406

Finance
Energy and Agricultural Taxation Subcommittee
To hold hearings on S. 1396, to extend the availability of energy tax credits for solar, wind, geothermal, and biomass renewable energy resources.
SD-215

JUNE 20

9:30 a.m.
Finance
To hold hearings on S. 19 and S. 888, bills to revise current Federal pension law with respect to the rights and benefits of working and nonworking women.
SD-215

10:00 a.m.
*Energy and Natural Resources
To resume oversight hearings on the geopolitics of strategic and critical minerals.
SD-366

Judiciary
Immigration and Refugee Policy Subcommittee
To hold hearings on proposed authorizations for refugee programs.
SD-226

JUNE 21

8:30 a.m.
Small Business
To hold oversight hearings on the Small Business Administration's small business development center program.
SR-428A

9:30 a.m.
Banking, Housing, and Urban Affairs
To resume oversight hearings on condition, structure, and competition within the domestic financial services industry.
SD-538

Finance
To continue hearings on S. 19 and S. 888, bills to revise current Federal pension law with respect to the rights and benefits of working and nonworking women.
SD-215

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Water Resources Subcommittee
To resume hearings on S. 947, authorizing funds for fiscal years 1984 through 1988 for water resources construction projects of the Corps of Engineers, and related measures.
SD-406

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on the proposed Alien Education Assistance Act.
SD-430

JUNE 22

9:30 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 1120, to authorize printing of the back side of $1 bills by a method other than the intaglio process.
SD-538

Commerce, Science, and Transportation
To hold hearings on title IV, to provide for increased coordination between Federal, State, and local governments in the transportation of hazardous materials, of S. 1108, proposed Highway Safety Act.
SR-253

Judiciary
Constitution Subcommittee
To resume hearings on Senate Joint Resolution 10, proposing an amendment to the Constitution of the United States relative to equal rights for women and men, and on related measures.
SD-562

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on S. 1306, to encourage American innovation by restoring the patent system as it affects certain products subject to premarket testing by the Federal Government.
SD-226

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To resume hearings on environmental research and development programs.
SD-406

Finance
To resume hearings on the administration's budget proposals for fiscal year 1984 for programs within the committee's jurisdiction.
SD-215

Veterans' Affairs
To hold hearings on S. 374, S. 786, and S. 991, bills to establish a presumption of service connection for certain diseases in veterans caused by exposure to agent orange, herbicides, and chemicals during the Vietnam War.
SR-418

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

JUNE 23

9:00 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on S. 1286, S. 632, and S. 428, bills to establish a program to conduct research and development studies for improved manufacturing technologies.
SR-253

9:30 a.m.
Banking, Housing, and Urban Affairs
Business meeting to consider pending calendar business.
SD-538

Judiciary
Constitution Subcommittee
To resume hearings on S. 81 and S. 141, bills to revise current law relating to civil actions for the deprivation of rights.
SD-226

Labor and Human Resources
To hold hearings on the effects of anticancer drugs in the treatment of cancer patients.
SD-628

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Environmental Pollution Subcommittee
Business meeting, to mark up S. 757, authorizing funds for fiscal years 1983 through 1987 for programs of the Solid Waste Disposal Act.
SD-406

Finance
To continue hearings on the administration's budget proposals for fiscal year 1984 for programs within the committee's jurisdiction.
SD-215

10:30 a.m.
Judiciary
Separation of Powers Subcommittee
To hold hearings to examine the legal and constitutional ratification process of the Panama Canal Treaty.
SD-562

JUNE 24

9:30 a.m.
Judiciary
Courts Subcommittee
To hold hearings to discuss the current bankruptcy situation of the Manville Corp. in Denver, Colo.
SD-562

Judiciary
Juvenile Justice Subcommittee
To hold hearings to discuss proposed Federal assistance to State and local law enforcement agencies in handling child serial murders.
SD-226

10:00 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
Business meeting, to continue markup of S. 757, authorizing funds for fiscal years 1983 through 1987 for programs of the Solid Waste Disposal Act.
SD-406

JUNE 27

9:30 a.m.
Finance
To resume oversight hearings on condition, structure, and competition within the domestic financial services industry.
SD-538

10:00 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold oversight hearings on airline deregulation.
SR-253

Environment and Public Works
Water Resources Subommittee
To resume hearings on S. 947, authorizing funds for fiscal years 1984 through 1988 for water resources construction projects of the Corps of Engineers, and related measures.
SD-406

Judiciary
Immigration and Refugee Policy Subcommittee
To resume hearings on proposed authorizations for refugee programs.
SD-226

JUNE 28

9:30 a.m.
Banking, Housing, and Urban Affairs
To resume oversight hearings on the International Monetary Fund's gold reserves.
SD-538

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 1173, proposed Federal mine safety and health amendments.
SD-430

10:00 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To continue oversight hearings on airline deregulation.
SR-253

Energy and Natural Resources
Business meeting to consider pending calendar business.
SD-366

Environment and Public Works
Water Resources Subcommittee
To continue hearings on S. 947, authorizing funds for fiscal years 1984 through 1988 for water resources construction projects of the Corps of Engineers, and related measures.
SD-406

Finance
To resume hearings on the administration's budget proposals for fiscal year 1984 for programs within the committee's jurisdiction.
SD-215

Labor and Human Resources
* Aging Subcommittee
To hold hearings on the impact of crime on the elderly, focusing on victim compensation.
SD-485

JUNE 29

9:30 a.m.
Judiciary
To hold hearings on S. 737, proposed Joint Research and Development Ventures Act.
SD-226

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
To hold hearings on pending legislation.
SD-406

Finance
To continue hearings on the administration's budget proposals for fiscal year 1984 for programs within the committee's jurisdiction.
SD-215

Small Business
Small Business: Family Farm Subcommittee
To hold hearings on the impact of Canadian agricultural imports and their effect on the small business community.
SR-428A

Veterans' Affairs
Business meeting, to mark up S. 1388, to increase the rates of disability compensation for disabled veterans and to increase the rates of dependency and indemnity compensation for surviving spouses and children of veterans, and related measures, and proposed legislation to provide educational assistance for veterans and persons entering the Armed Forces.
SR-418

JUNE 30

9:30 a.m.
Judiciary
Juvenile Justice Subcommittee
To hold hearings on juvenile offenders of serious and violent crimes.
SD-226

Labor and Human Resources
To hold oversight hearings on the activities of the Equal Employment Opportunity Commission and the administration's equal employment opportunity policy.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
To hold hearings on pending legislation.
SD-406

Judiciary
Administrative Practice and Procedure Subcommittee
To hold oversight hearings on activities of the Office of Administrative Law Judges.
SD-562

JULY 12

10:00 a.m.
Labor and Human Resources
Aging Subcommittee
To hold hearings to examine the use of the judicial system by the elderly.
SD-430

JULY 13

9:30 a.m.
*Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

JULY 14

10:00 a.m.
Labor and Human Resources
Aging Subcommittee
To hold hearings on future directions in nursing home health care.
SD-430

JULY 19

9:30 a.m.
Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 19, to revise current Federal pension law with respect to the rights and benefits of working and nonworking women, and related measures.
SD-430

JULY 20

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

JULY 21

9:30 a.m.
*Labor and Human Resources
To hold hearings to examine fire safety issues.
SD-430

JULY 27

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

SEPTEMBER 8

10:00 a.m.
Labor and Human Resources
*Family and Human Services Subcommittee
To resume oversight hearings on the breakdown of the traditional family unit, focusing on the historical perspective and societal implications.
SD-430

SEPTEMBER 15

10:00 a.m.
Labor and Human Resources
*Family and Human Services Subcommittee
To resume oversight hearings on the breakdown of the traditional family unit, focusing on causes and remedies.
SD-430

SEPTEMBER 20

11:00 a.m.
Veterans' Affairs
To hold hearings to receive legislative recommendations for fiscal year 1984 from the American Legion.
SR-325

CANCELLATIONS

JUNE 14

9:30 a.m.
Labor and Human Resources
Labor Subcommittee
To hold hearings on proposed legislation revising certain provisions of the Labor-Management Reporting and Disclosure Act (Landrum-Griffin Act).
SD-430

JUNE 15

9:30 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on Senate Joint Resolution 10, proposing an amendment to the Constitution of the United States relative to equal rights for women and men, and on related measures.
SD-562

JUNE 16

9:30 a.m.
Labor and Human Resources
Labor Subcommittee
To resume hearings on proposed legislation revising certain provisions of the Labor-Management Reporting and Disclosure Act (Landrum-Griffin Act).
SD-430

JULY 6

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

HOUSE OF REPRESENTATIVES—*Tuesday, June 7, 1983*

The House met at 12 o'clock noon.

Rev. Otto Herrig, Gloria Dei Evangelical Lutheran Church, Cleveland, Ohio, offered the following prayer:

Eternal God, Ruler and Sustainer of all nations, we give You thanks for our country which You have blessed with abundant resources and fertile soil.

We thank You for the Founding Fathers and their efforts to obtain the inalienable rights of life, liberty, and the pursuit of happiness, and we pray that You will instill desire in each of us to promote such rights throughout the world.

We would ask that You help us, and the peoples of the world to build better understanding, where goodness, honesty, truth, justice, peace, and good will prevail, and where all people work together for the common good.

As You love each human being, help us to love one another. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. LOTT. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. LOTT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 377, nays 21, answered "present" 3, not voting 31, as follows:

[Roll No. 165]

YEAS—377

Ackerman	Barnard	Boehlert
Addabbo	Barnes	Boggs
Akaka	Bartlett	Boland
Albosta	Bateman	Boner
Alexander	Bedell	Bonior
Anderson	Beilenson	Bonker
Andrews (NC)	Bennett	Borski
Andrews (TX)	Bereuter	Boucher
Annunzio	Berman	Boxer
Anthony	Bethune	Breaux
Archer	Bevill	Britt
Aspin	Biaggi	Brooks
AuCoin	Bliley	Broomfield
Brown (CA)	Gramm	Mavroules
Brown (CO)	Gray	Mazzoli
Broyhill	Green	McCain
Bryant	Gregg	McCandless
Burton	Guarini	McCloskey
Byron	Gunderson	McCollum
Campbell	Hall (IN)	McCurdy
Carper	Hall, Ralph	McDade
Carr	Hall, Sam	McDonald
Chandler	Hamilton	McEwen
Chappie	Hammerschmidt	McGrath
Cheney	Hance	McHugh
Clarke	Hansen (UT)	McKernan
Clinger	Harrison	McKinney
Coats	Hartnett	McNulty
Coelho	Hatcher	Mica
Coleman (MO)	Hefner	Michel
Coleman (TX)	Hertel	Mikulski
Conable	Hightower	Miller (CA)
Conte	Hiler	Mineta
Conyers	Hillis	Minish
Cooper	Holt	Moakley
Corcoran	Hopkins	Molinari
Courter	Horton	Mollohan
Coyne	Howard	Montgomery
Craig	Hoyer	Moody
Crane, Daniel	Huckaby	Moore
Crockett	Hughes	Moorhead
D'Amours	Hunter	Morrison (CT)
Daniel	Hutto	Morrison (WA)
Dannemeyer	Hyde	Mrazek
Daub	Ireland	Murphy
Davis	Jeffords	Murtha
Dellums	Jenkins	Natcher
Derrick	Johnson	Neal
DeWine	Jones (NC)	Nelson
Dicks	Jones (OK)	Nichols
Dingell	Jones (TN)	Nielson
Dixon	Kaptur	Nowak
Donnelly	Kasich	O'Brien
Dowdy	Kastenmeier	Oakar
Downey	Kazen	Obey
Dreier	Kemp	Olin
Duncan	Kennelly	Ortiz
Dwyer	Kildee	Owens
Dymally	Kindness	Oxley
Dyson	Kogovsek	Packard
Early	Kostmayer	Panetta
Eckart	Kramer	Parris
Edgar	LaFalce	Pashayan
Edwards (CA)	Lagomarsino	Patman
Edwards (OK)	Lantos	Patterson
Emerson	Latta	Pease
English	Leach	Penny
Erdreich	Leath	Pepper
Erlenborn	Lehman (CA)	Perkins
Evans (IL)	Lehman (FL)	Petri
Fascell	Leland	Pickle
Fazio	Lent	Porter
Feighan	Levin	Price
Fiedler	Levine	Pritchard
Fields	Levitas	Pursell
Fish	Lewis (CA)	Quillen
Flippo	Lewis (FL)	Rahall
Florio	Lipinski	Rangel
Foglietta	Livingston	Ratchford
Foley	Lloyd	Ray
Ford (MI)	Loeffler	Regula
Ford (TN)	Long (LA)	Reid
Fowler	Long (MD)	Richardson
Frank	Lott	Ridge
Franklin	Lowery (CA)	Rinaldo
Frenzel	Lowry (WA)	Ritter
Frost	Lujan	Roberts
Fuqua	Luken	Robinson
Garcia	Lundine	Rodino
Gaydos	Lungren	Roe
Gekas	MacKay	Rogers
Gibbons	Madigan	Rose
Gilman	Markey	Rostenkowski
Gingrich	Marriott	Roth
Glickman	Martin (IL)	Roukema
Gonzalez	Martin (NC)	Rowland
Gore	Martin (NY)	Roybal
Gradison	Matsui	Rudd
Russo	Snyder	Walgren
Savage	Solarz	Watkins
Sawyer	Spence	Waxman
Schaefer	Spratt	Weaver
Scheuer	Staggers	Weber
Schneider	Stangeland	Weiss
Schulze	Stenholm	Wheat
Seiberling	Stratton	Whitehurst
Sensenbrenner	Studds	Whitley
Shannon	Stump	Whittaker
Sharp	Sundquist	Whitten
Shaw	Swift	Williams (OH)
Shumway	Synar	Wilson
Shuster	Tauke	Winn
Sikorski	Tauzin	Wirth
Siljander	Taylor	Wise
Simon	Thomas (CA)	Wolf
Sisisky	Thomas (GA)	Wolpe
Skeen	Torres	Wortley
Skelton	Torricelli	Wright
Slattery	Towns	Wyden
Smith (FL)	Traxler	Wylie
Smith (IA)	Udall	Yates
Smith (NE)	Valentine	Yatron
Smith (NJ)	Vander Jagt	Young (FL)
Smith, Denny	Vandergriff	Young (MO)
Smith, Robert	Vento	Zablocki
Snowe	Volkmer	

NAYS—21

Bilirakis	Evans (IA)	Mitchell
Clay	Forsythe	Roemer
Coughlin	Gejdenson	Sabo
Daschle	Harkin	Schroeder
Dickinson	Hawkins	Shelby
Dorgan	Marlenee	Solomon
Durbin	Miller (OH)	Walker

ANSWERED "PRESENT"—3

Jacobs	Oberstar	Ottinger

NOT VOTING—31

Applegate	Gephardt	Schumer
Badham	Goodling	St Germain
Bates	Hall (OH)	Stark
Bosco	Hansen (ID)	Stokes
Carney	Heftel	Tallon
Chappell	Hubbard	Vucanovich
Collins	Kolter	Williams (MT)
Crane, Philip	Mack	Young (AK)
de la Garza	Martinez	Zschau
Edwards (AL)	Myers	
Ferraro	Paul	

□ 1215

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed an amendment in which the concurrence of the House is requested, a concurrent resolution of the House of the following title: (H. Con. Res. 91) "Concurrent resolution revising the congressional budget for the U.S. Government for the fiscal year 1983 and setting forth the congressional budget for the U.S. Government for the fiscal years 1984, 1985, and 1986."

The message also announced that the Senate insists upon its amendment to the concurrent resolution (H. Con. Res. 91) entitled "Concurrent resolu-

tion revising the congressional budget for the U.S. Government for the fiscal year 1983 and setting forth the congressional budget for the U. S. Government for the fiscal years 1984, 1985, and 1986," requests a conference with the House on the disagreeing votes of two Houses thereon, and appoints Mr. DOMENICI, Mr. ARMSTRONG, Mrs. KASSEBAUM, Mr. BOSCHWITZ, Mr. HATCH, Mr. GORTON, Mr. CHILES, Mr. SASSER, Mr. METZENBAUM, and Mr. RIEGLE to be the conferees on the part of the Senate.

The message also announced that the Senate had passed joint resolutions and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S.J. Res. 75. Joint resolution to provide for the designation of June 12 through 18, 1983, as "National Scleroderma Week";

S.J. Res. 108. Joint resolution authorizing and requesting the President to designate October 15, 1983, as "National Poetry Day"; and

S. Con. Res. 27. Concurrent resolution revising and replacing the congressional budget for the U.S. Government for the fiscal year 1983 and setting forth the congressional budget for the U.S. Government for the fiscal years 1984 and 1985.

REV. OTTO HERRIG

(Ms. OAKAR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. OAKAR. Mr. Speaker, it is my pleasure to introduce to my colleagues the minister who so eloquently gave our opening prayer, Rev. Otto Herrig, who is the pastor of Gloria Dei Lutheran Evangelical Church in Cleveland, Ohio, usually called Old Brooklyn, Ohio.

Reverend Herrig has not been in Washington since he was a private in the Army during World War II when he only got to stay in the train station.

So he is here along with a wonderful group of senior citizens who are part of our Senior Citizen Resource Center. He has been a minister for 18 years and served the Greater Cleveland area for 13 years. He is the past president of the Old Brooklyn Community Development Corporation and a coordinator of the Greater Brooklyn Ministerial Association of 1981. He is a board member of the YMCA and the Senior Citizens Resource Center.

So we are very, very happy, indeed, to have Reverend Herrig with us.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. DONNELLY). The Chair will announce that immediately after the 1-minute speeches, we will proceed directly to the appropriations bill.

WHAT WOULD ROBERT KENNEDY THINK ABOUT REAGAN ADMINISTRATION?

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, yesterday was the 15th anniversary of Robert Kennedy's death, and remembering his memory, one can only reflect not only on what he stood for but how much we miss him today.

I wonder what Robert Kennedy would say about this administration's decimation of some of the programs that he stood for—health care, education, nutrition? I wonder what he would say about the MX missile? I wonder what he would say about our policy in El Salvador? About Mr. Reagan's civil rights policies? I wonder what he would say about the tax cuts that are only helping the rich in this country?

Mr. Speaker, Robert Kennedy was the original author of the idea that the public and private sector have to merge together to take care of the problems of this country, and a program in Bedford-Stuyvesant is a memorial to that issue.

Mr. Speaker, there are a lot in this House who stand for what Robert Kennedy stood for, but we miss his leadership today.

NO TAX CUTS THAT ENLARGE RECORD DEFICITS

(Mr. SLATTERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLATTERY. Mr. Speaker, the economy has shown signs of recovery, but I see ominous signs that we could be headed for an economic Dunkirk. Many U.S. banks have overextended their credit to Third World countries, creating a potential debt bomb that could devastate the financial system of the West.

Our Government is crowding out private borrowing because of a bloated demand for money to finance record deficits. Unless the President and Congress cooperate to dramatically shrink the size of the monstrous flow of red ink, the current economic recovery could turn into a nosedive, carrying the United States and our allies with it.

Our deficits simply must be reduced. Reductions must be sought in all areas of the budget except those essential to human survival. The Western economy depends on U.S. monetary and fiscal policy, and the answer is not tax cuts that enlarge already record deficits.

The vast majority of people understand it makes no sense to cut taxes when the United States has deficits in excess of $200 billion. They also understand it makes no sense to borrow money to cut taxes. They are equally adamant that additional revenue should not be spent but should be used for deficit reduction. If we fail to stop the record growth of the Federal deficit, the economic stability of our country and the stability of the Western World is in jeopardy.

ANTI-DEFAMATION LEAGUE MEETING IN WASHINGTON

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, this week, the Anti-Defamation League of B'nai B'rith is meeting in Washington. On this occasion, I wish to salute this distinguished and highly respected organization and urge my colleagues to support two bills I have sponsored of special interest to the ADL.

The first is H.R. 473 a bill to impose specific Federal penalties on persons convicted of acts of religious violence or vandalism against either property or person. This legislation, which I first introduced in 1980 is prompted in part due to dramatic increases in acts of anti-Semitism in the United States. According to the ADL, in 1982 there were 829 anti-Semitic incidents in 35 different States including 14 cases of arson or attempted arson and three bombings. All acts of religious violence and vandalism must be fought by all levels of government. To ignore the problem is as bad as condoning it.

The second bill is H.R. 3036 which would cut off all U.S. economic and military aid to those nations which harbor Nazi war criminals. Again according to research done by the ADL, the nations of Syria, Argentina, Paraguay, Canada and Chile are considered to be harboring these Nazi war criminals although it should be noted that Canada has commenced extradition proceedings against at least one known Nazi war criminal. Under my bill the aid would be suspended unless steps were taken to extradite all Nazi criminals. Since the end of World War II through the present, these nations have received a combined $1.7 billion in U.S. grants and loans for economic and military aid. Our Nation has in the past and properly so imposed conditions on its provision of economic and military aid. It would therefore seem entirely consistent and reasonable to ask nations to assume responsibility to insure that Nazi war criminals who committed such despicable crimes against humanity be brought to justice.

GET STUNG HERE

(Mr. HUGHES asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, last month brought quite a surprise to many patrons of the GSH Exchange store in Vineland, N.J. After 6 months of using the storefront as a convenient place to fence stolen goods, the customers learned that GSH was actually an undercover sting operation, run by the Cumberland County Prosecutor's office and the New Jersey State Police.

The initials GSH stood for "Get Stung Here," and that's exactly what happened. Last week, 60 indictments were handed down against suspects who conducted business at the store, on charges ranging from burglary and theft to weapons and drug offenses.

I am pleased to call the GSH operation to your attention at this time, because this is a perfect example of the type of innovative crime-fighting programs which the Federal Government should be encouraging. That is the promise of the Justice Assistance Act of 1983 passed by this body about a month ago.

Our law enforcement researchers are constantly developing and refining new techniques for fighting crime—like the GSH sting operation—which was the first of its kind in Cumberland County.

With a fair commitment of support from the Federal Government, our State and local law enforcement agencies can put these new techniques to work to keep pace with the changing pattern of crime and criminals.

I want to commend Cumberland County Prosecutor Kenneth Pagliughi and the New Jersey State Police for developing and carrying out the GSH sting. I hope that in the months ahead, many other communities will be able to draw upon the success of this Cumberland County effort, and put together their own sting operation or other innovative program for fighting crime.

CONGRESSMAN DON ALBOSTA'S 1983 QUESTIONNAIRE RESULTS

(Mr. ALBOSTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALBOSTA. Mr. Speaker, I just recently got the results back from a questionnaire that I sent out to my constituents. I think it is important to note what some of the questions were and what some of the results are. I want to make it known to the Members that I intend to send all of them a copy of the results of this particular questionnaire.

The first question I asked, "Should the third year of the scheduled income tax cut be postponed for those earning more than $50,000 until the Federal budget is balanced?" More than 63 percent of my constituents said that we should do that.

Also, I asked if some Federal Government services had to be cut back to reduce the Federal deficit and move toward a balanced Federal budget, which would you favor cutting back on.

I asked a whole series of questions, and those people responding did not want us to cut back on job training funds, they did not want us to cut back on social security payments, they did not want us to cut back on Federal farm programs, but they did want us to cut back of foreign aid, they want us to cut back on nuclear weapons spending, and they want us to cut back on the MX.

Today I am submitting for the RECORD and for the review of may colleagues in the House the detailed results of my 1983 annual questionnaire.

CONGRESSMAN DON ALBOSTA'S 1983 QUESTIONNAIRE RESULTS

[In percent]

	Yes	No
(1) Should the third year of the scheduled income tax cut be postponed for those earning more than $50,000, until the Federal budget is balanced?	63	37
(2) Which do you think is more important right now, controlling inflation, reducing unemployment, or reducing interest rates? (Please check only one.): (a) Controlling inflation? 25 percent; (b) Reducing unemployment? 48 percent; (c) Reducing interest rates? 27 percent.		
(3) If some Federal Government services had to be cut back to reduce the Federal deficit and move toward a balanced Federal budget, would you favor cutting back:		
(a) Housing subsidies?	65	35
(b) Food stamps?	57	43
(c) Aid to education?	32	68
(d) Aid to cities?	70	30
(e) Job training funds?	31	69
(f) Nuclear weapons spending?	69	31
(g) Foreign aid?	93	7
(h) The scheduled third-year income tax cut in 1983?	48	52
(i) Transportation funds?	69	31
(j) Economic development assistance?	39	61
(k) Social security benefit payments?	20	80
(l) Farm programs?	36	64
(4) Should Congress pass laws which restrict the import of goods from countries which block the sale of American goods in their countries?	91	9
(5) Should Federal education benefits be denied to those who do not register for the draft?	85	15
(6) Should Congress approve the multibillion-dollar funding request by President Reagan to begin building the MX missile system?	36	64
(7) Should Congress repeal a provision of the Federal tax law requiring banks to withhold 10 percent of interest of savings and dividends, beginning July 1983?	77	23
(8) In an effort to reduce the number of small and family farms which are going out of business, should Congress direct the Farmers Home Administration to place a partial moratorium on farm foreclosures?	80	20
(9) Should Congress require able-bodied recipients of welfare payments, food stamps, or subsidized housing benefits to work for the benefits they receive?	98	2

SCOTT JOPLIN COMMEMORATIVE STAMP

(Mr. SKELTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKELTON. Mr. Speaker, on Thursday, June 9, 1983, the U.S. Postal Service will issue a commemorative stamp in honor of the great American composer, Scott Joplin. The stamp will be issued in Sedalia, Mo., which is located in my congressional district. The people of Sedalia have planned appropriate ceremonies and festivities to accompany the issuance of the stamp.

Mr. Speaker, it is most appropriate that a stamp commemorating the life and work of Scott Joplin should be issued in Sedalia. Joplin had that rarest of human talents—creative genius. For 14 years, he honed and perfected his natural talent as an itinerant musician in the Midwest and Southwest. Then, in 1894, Scott Joplin came to Sedalia to settle down, and to further refine his skills by studying harmony and composition at the George R. Smith College. It was in Sedalia that his genius took root and blossomed. It was in Sedalia that he began a life-long practice of teaching and assisting other talented composers when he sponsored the work of two gifted young Sedalians, Arthur Marshall and Scott Hayden. And, it was in Sedalia that Joplin made his most original and unique contribution to music.

In 1899, when John Stark of Sedalia published Joplin's brilliant composition named for the Maple Leaf Club, where Joplin was the featured performer, the spirit and character of American music was changed forever. By the standards of any day, "The Maple Leaf Rag" was a sensational hit. It became the first instrumental to top the million mark in sales of sheet music. It should be noted that this was accomplished prior to the creation of radio, television, and sound movies, and with the record industry a mere promising infant. "The Maple Leaf Rag" made ragtime a national, and an international, rage. Moreover, it moved this new music, which so expresses the restless energy and indomitable will of America, toward legitimate acceptance as a classical American form. Without the phenomenon of the "The Maple Leaf Rag," it is doubtful that there would have been the Scott Joplin revival we have seen in our time.

Mr. Speaker, the people of Sedalia, the Sedalia Area Chamber of Commerce, and the Scott Joplin Commemorative Committee can be justly proud of their efforts on behalf of the memory of this great composer who has meant so much to our Nation's artistic and cultural heritage. By helping to preserve a part of our past, they have served to enrich our present. The success of the efforts to have a Scott Joplin Commemorative Stamp issued is due to their enthusiasm, their dedication, and the strength of their commitment. I have enjoyed working with the people of Sedalia on this worthwhile project, and I am pleased that these efforts have come to fruition. I know all of our colleagues here in the House will want to extend their congratulations to the people of Sedalia on the occasion of the issuance of the Scott Joplin Commemorative Stamp.

□ 1230

SOVIET COMMITTEE SAYS JEWS ARE HAPPY IN THE SOVIET UNION

(Mr. FRANK asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. FRANK. Mr. Speaker, in yesterday's New York Times there is a chilling further example of an oppressive regime blaming the victim for oppression. The Soviet Union, in its latest outrageous disregard for basic human rights, has formed a committee which announces that the reason there are fewer requests for emigration from the Soviet Union on the part of its Jewish population is that the Jews in the Soviet Union are now happy.

This is a classic example of adding insult to injury. To the injury of forced detention against their will in the Soviet Union, a large part of the Jewish population now receives the insult of having the world told that it is because they like their prison.

Mr. Speaker, there has been a drop-off of applications for emigration from Soviet Jews in part because in recent years it has been clear that the penalty for asking for emigration is a tightening of the screws and a further degree of oppression for that religious minority in Russia.

For the Soviet Union to continue to deny the basic human right of emigration to those who simply want to follow the tenets of their religion and their culture is in itself outrageous. For the Soviet Union to compound this outrage by announcing to the world that the victims of oppression are in fact willing conspirators in their own imprisonment makes it even worse.

A TRIBUTE TO THE LATE JIM CASEY, FOUNDER OF UNITED PARCEL SERVICE

(Mr. LOWRY of Washington asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. LOWRY of Washington. Mr. Speaker, as I was driving to work this morning, the radio news reported that Jim Casey, 95 years old, passed away in Seattle today. That is, of course, a real loss, but Mr. Casey had 95 years of a very full life. Seventy-five years ago Jim Casey started United Parcel Service. On a bicycle, he delivered packages in the greater Seattle area and from that beginning developed a successful service business across this entire country. I think that is a great example of an instance, where there is a market and a need, that private enterprise can really go ahead and do a real job.

I specifically want to make the comment that Mr. Casey, gave much back to the community from which he made a living. He and his family made significant community and national contributions in the Seattle area and in the United States. One example is beautiful Waterfalls Park in the Pioneer Square area of Seattle.

Mr. Speaker, we will miss Mr. Casey, but his family should be proud that in his 95 years he did very much for Seattle and for his country.

COMMENDATIONS FOR A JOB WELL DONE AT WILLIAMSBURG

(Mr. COELHO asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. COELHO. Mr. Speaker, I take it as a great compliment that the minority leader is watching my comments and my actions, as evidenced by his remarks last Friday in 1-minute speeches. If I may, I would like to add only one point of clarification to his remarks, and that is that I mean to congratulate the President and his political advisers for a job well done on the economic summit. It was a masterful public relations effort, and I want to give him credit where credit is due.

But I would also like to direct the attention of the minority leader to this week's U.S. News & World Report, which included the following item in its political notes column:

> The White House is wasting no time in exploiting the President's success at the Williamsburg economic summit. Aides already are editing some of the clips of the meeting to use in 1984 campaign advertising on television.

Mr. Speaker, I hope my colleagues now understand what I was referring to and what the U.S. News & World Report has confirmed.

THE HOUSE SCHEDULE

(Mr. LOTT asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, what is the deal with the schedule? I am not trying to be critical of any leader of the House because I am not sure who is to blame. And I am not speaking as a Republican or as a whip, just as a citizen Member. I am getting awfully tired of being jerked around by an ever-changing schedule of business in the House.

Last Thursday night at 5 o'clock, the membership did not even know we would be in session the rest of the day or how late we would be in. The membership did not know whether we would be in session on Friday or whether we would have recorded votes. As it turned out, we did have votes on Friday, eight of them, when Members had earlier been given the impression we would not have votes on that Friday.

We were told on Thursday and on Friday that we would have votes on the suspensions yesterday, Monday. Members counted on that, and they were here expecting to have recorded votes on a number of suspensions. We did not have those votes.

Is there consultation with the minority leadership? Very rarely. Is there consultation with the general membership? I do not think there is. And, by the way, the votes on suspensions will now occur at the end of the day. We were told earlier they would be at the beginning of the day, then it was the end of the day, then back to the beginning of the day. Really.

Mr. Speaker, the membership can live with any legislative schedule, in my opinion, but just tell us when we can expect those votes and stick with it. The schedule changes we are living with are surely no way to run a railroad, let alone a Congress.

A NEEDED CORRECTIVE ON LEASING

(Mr. CONABLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONABLE. Mr. Speaker, on May 24, 1983, our colleague from Texas, the Honorable J. J. PICKLE, introduced H.R. 3110, the Governmental Leasing Tax Act of 1983.

The purpose of this bill is to limit the tax benefits from various types of leasing transactions entered into by Government entities including cities, counties, States, Federal agencies, and others. The bill's limitations are intended to eliminate the attractiveness of leasing transactions of public facilities and property put together primarily for tax reasons.

The Subcommittee on Oversight of the Committee on Ways and Means recently held a hearing on the tax and budget issues related to such leasing arrangements. The hearing focused on the Navy Department's TAKX maritime pre-positioning ship program. Among the subcommittee's findings is the following: "Economic analysis leads to the conclusion that the Government's capital cost is greater when it leases property on a long-term basis than when it buys the same property." If you think about it, that is not surprising because lost tax revenues aggravate the actual capital costs.

H.R. 3110 represents a thoughtful approach to dealing with the problems identified as a result of the Subcommittee on Oversight's hearing. Transition dates are not sacred, and perhaps some types of property are appropriately leased; but generally speaking, we should not use expensive Federal tax subsidies to buy what we should appropriate for and build directly. On June 8, the full Committee on Ways

and Means will hold hearings. To save the public money, and to minimize tax manipulation, we should move quickly.

DEVASTATION IN UTAH

(Mr. HANSEN of Utah asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANSEN of Utah. Mr. Speaker, flooding and mudslides have devastated my home State of Utah during the last 2 weeks. A record snowpack coupled with high temperatures have increased dramatically the spring runoff and caused serious floods and mudslides.

My hometown of Farmington was one of the hardest hit areas. I personally was evacuated from home three times during the Memorial week period. Many of my neighbors have lost everything—their homes and their personal belongings.

Fortunately, there has only been one death as a result of the floodings and just a few personal injuries.

We in Utah want to thank the kind people all over America who have shown their sympathy and support.

I want to personally recognize the great efforts of my fellow Utahans in helping each other during these trying and stressful situations. Volunteers have given thousands of hours of their time filling sandbags, cleaning up homes, and providing food and shelter for the flood victims.

We Utahans have a proud pioneer heritage. The positive response of our citizens to this latest natural catastrophe shows again that the independent, self-reliant pioneering spirit is not dead. It has been reborn and rekindled in the latest bout with nature. These devastating mudslides are much like Government spending. Once they start sliding there is no way to stop them and they usually create great problems to everything they touch.

DEMOCRATIC PARTY ACTIONS SEEN AS THREATENING ECONOMIC RECOVERY

(Mr. WALKER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. WALKER. Mr. Speaker, America has often witnessed politicians making cold, calculated decisions to advance their own political ambitions. But rarely has the country seen a decision as cold, cruel, and calculated as that made by the Democratic Party leadership to try to destroy the economic recovery.

Some Democrats have evidently determined that a strong economic recovery will be disastrous to their political fortunes next year. Therefore, they have decided to attack and, if possible, destroy the centerpiece of that economic recovery, the Reagan tax cut—in particular, the third year phase of that tax cut. They know that capping the tax cut will be terribly unfair because it will reduce savings and investment and thereby undercut recovery.

They know that middle-class America, particularly two-income families, will feel the adverse impact of the tax plan, but the Democrats evidently have determined that next year's elections are more important than the pain new taxes will cause this year.

Mr. Speaker, America always has believed that the best politics is doing what is best for the country, but politicians too often forget that fact. The tax-happy Democrats have forgotten.

THE PROBLEMS OF "MR. WEALTH"

(Mr. HARTNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HARTNETT. Mr. Speaker, meet "Mr. Wealth," the person who you say is benefiting from the President's tax cut program and who should be pinched out of the economic recovery program in the bill you want to bring to the floor.

He files a joint tax return reporting taxable income just over $35,200 and has two dependents. He has seen the passage of the House budget which calls for a repeal of the third year of the tax cut and indexing, a tax increase which would cost him $3,549 in higher taxes over the next 6 years.

He has already absorbed the tax increases under TEFRA, the new social security bill, the gas tax bill, bracket creep, and the previously enacted social security taxes.

Since the Democrats, Mr. Speaker, cannot get agreement on the budget to really penalize "Mr. Wealth," they have proposed to cap his tax cut which he would receive in July.

That will certainly show "Mr. Wealth" a thing or two. Did I point out that "Mr. Wealth" is a small businessman who pays only personal income taxes and that a third year cap would result in higher taxes on small business? Did I also neglect to point out that since small business creates most of the new jobs in our economy, the tax increase on his business will affect the jobs of his wealthy employees?

That is showing him, Mr. Speaker.

THE DANGER OF HIGHER TAXES AND MORE SPENDING

(Mr. MACK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MACK. Mr. Speaker, the choice has now become even clearer. When everyone agrees that a recovery is underway and it is fragile, the last thing that should be done is to increase taxes and spending. Yesterday we heard that the answer to the problem is to raise taxes on the hardworking American wealthy; let them make additional sacrifices. I am sure it was good news to those single taxpayers making $31,000 a year to hear it said that they represent high bracket America.

However, if the House leadership is now saying that the most they can raise in taxes is $6 billion for 1984, are they also prepared to cut the additional spending programs approved in the House budget resolution that were to be financed by the $30 billion increase in taxes? If they can only raise $6 billion in taxes and want to keep the deficit in the House budget resolution at the same $174 billion level, then they must be prepared to cut $24 billion in spending out of that resolution. I am looking forward to that initiative.

SMALL BUSINESSMEN, MIDDLE-INCOME AMERICANS WOULD BE HURT BY TAX INCREASES

(Mr. McCANDLESS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCANDLESS. Mr. Speaker, I was disappointed to read you propose to raise the American people's taxes $6 billion next week.

Economists of virtually every persuasion have indicated their support for the third year of the tax cut as a way to continue the budding economic recovery. But now you propose to increase taxes by $6 billion. It is important to remember that this $6 billion in taxes will reduce consumption by more than that amount and thus hamper the recovery.

Mr. Speaker, the two groups harmed most by your tax increase will be small businessmen and those Americans who earn between $35,000 and $45,000 a year.

Small businessmen will suffer because they pay their taxes as individuals and this cap will hurt their business. Perhaps even more importantly, their customers, those helping to fuel the recovery, will reduce their spending due to the tax increases.

Those Americans who earn between $35,000 and $45,000 a year, will have to pay a tax rate increase of more than 10 percent—the highest of any group of citizens—if your tax cap passes.

Mr. Speaker, you say that these tax increases are necessary to reduce the deficit, but there is another way to do that. Simply reduce the $52 billion in new Government programs that you put into the Democrat budget this year.

□ 1245

ASSAULT ON THE AMERICAN TAXPAYER

(Mr. BILIRAKIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BILIRAKIS. It is ironic, Mr. Speaker, that you should have chosen this week to announce your assault on the pockets of the American taxpayer. This week you and your party are scheduled to bring five appropriations bills to the floor. Every single one of them spends more than the President's budget requested. And, contrary to what the American people are being asked to believe, most of these add-ons to the deficit have nothing to do with fairness to the poor. We are asked to approve an extra quarter of a billion dollars for new water projects, in addition to the half a billion dollars' worth we approved in the bipartisan jobs bill. We are being asked for an extra half billion in postal subsidies, and the Appropriations Committee tells us that the President must be prohibited from saving money by contracting out some Government projects to the private sector. These deficit builders alone will chew up a good portion of the $5 billion the Democrats hope to raise this year by limiting the third year of the President's tax cut.

Most ironic of all is the quarter of a billion dollars in new loan funds appropriated for the Small Business Administration—ironic because small business, which is generating the bulk of America's new jobs, will be forking over the lion's share of the Democrats' new tax increase. I cannot imagine a clearer distinction between the two parties: The Republicans want to keep small business at work producing the economic recovery; the Democrats want to tax away their earnings and give a little of it back to the favored few, after deducting suitable carrying charges.

Yes, Mr. Speaker, we will find out this week who really wants to cut the deficit, but we will not find out by watching your tax increase. The real issue is whether we will vote time after time to control spending.

DEMOCRATS ELIMINATE HOPE OF TAX BREAK FOR WORKING COUPLES

(Mr. WEBER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mr. WEBER. Mr. Speaker, the Democratic leadership has spoken many times of fairness. Now they propose to eliminate the only tax rate reduction many working families have received in 20 years—ironic, coming from a party that initiated a reduction in the top rate from 70 to 50 percent for wealthy Americans. The cap on the third year of the tax cut will not—as the Democrats maintain—just force people in higher income brackets to pay their fair share. It will, however, eliminate any hope of a tax break for working couples who may, jointly, make more than the arbitrary limit established by the Democrats.

Is this the message the Democrats want to send to working Americans in 1984? Do not work harder, do not try to make any more money than you are making right now, because you will lose it in the end as your taxes go up. Is this the party of the working American?

Mr. Speaker, the reason why the other party wants to raise taxes on working Americans is simple. They do not want to control spending. Just look at what has happened to spending this year alone. Compared to last year's budget resolution, we have increased fiscal year 1983 spending by $39 billion in budget authority and $33 billion in outlays.

Mr. Speaker, Republicans have an alternative way to reduce deficits and that is to reduce spending. More taxes is not the answer. It is part of the problem.

Fair is fair. The Democratic proposal to eliminate a marginal tax rate reduction for working Americans is not.

THE KENNEDY LEGACY

(Mr. GREGG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREGG. Mr. Speaker, I was planning to rise today to speak about the issue of the proposed tax cap; but earlier one of the 1-minute speeches discussed Robert Kennedy and his legacy to America. Let me just say this about Robert Kennedy, and especially about his brother, the great President of this country. He would not have stood by and allowed what happened yesterday to have happened in the Foreign Affairs Committee. He would not have abandoned those freedom loving people in South and Central America who are attempting to confront the problems foisted upon them by the expansionist Communist states in their region.

We see today in Nicaragua a country which burns the churches of its Indian people, which has destroyed the only synagogue in the country and forced the Jewish people to flee its nation, and in return for that this Congress turns its back on those people in Nicaragua and around Nicaragua who wish to address freedom and to establish liberty in that country.

I ask you, is the epitaph of this Congress going to be that we withdrew the hand of freedom from those people? Is the epitaph of this Congress going to be that we turned our back on a people who were desiring freedom? I do not think Robert Kennedy or Jack Kennedy or any person in this Congress who believes in the traditions which they stood for wants that to happen.

WAIT AND SEE WHAT ELSE THE DEMOCRATS HAVE

(Mr. MARTIN of North Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARTIN of North Carolina. Mr. Speaker, I note that the Speaker of the House of Representatives is promoting another tax increase, a surtax on top of those who are in the 32-percent tax bracket. It is another tax increase on top of the tax increases that were voted in 1982, on top of the gasoline tax increase, on top of the social security tax increase.

Now, this one is intended to raise another $6 billion; but that is just for starters. You have to remember that his party has also obligated itself to raise taxes an additional $24 billion, for a total of $30 billion under their budget resolution; so this first $6 billion tax increase is truly targeted on just one minority segment of the voters in hopes that the majority of the voters will not feel threatened by it.

But what about the other tax increases they have in mind? What about the other $24 billion in tax increases?

Would it not be wise to wait and see who they are going to stick next? So I say let us wait and see what else they have in mind.

A BLATANT TAX INCREASE TO JUSTIFY INCREASED SPENDING

(Mr. MOORE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOORE. Mr. Speaker, I am led to believe by media accounts that the majority leadership suggests that we increase taxes through the implementation of a $700 cap on the 10-percent reduction due the taxpayers next month.

The 10-percent reduction is on the books, and any action to reduce, delay, or eliminate that provision of law is nothing more than a blatant tax increase to help justify increased spending. The increased revenues will not be used to reduce deficits.

Even though the taxpayers are due this slight decrease in Federal taxes this year, they are still going to be hit by a 10.6 percent increase in Federal taxes next year due to the TEFRA, the gas tax, social security tax increases, and additional bracket creep.

Continuing high marginal tax rates are contrary to increasing savings and investments. We need to go in the opposite direction to encourage savings to keep the interest rates going down and the recovery rolling.

The cap is the wrong idea at the wrong time and should not be entertained by this body.

LIBERAL DEMOCRATIC LEADERSHIP UNVEILS ANTIWORKING COUPLES TAX INCREASE

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, the liberal Democratic leadership yesterday unveiled its antiworking couples tax increase. This is a peculiarly badly designed tax increase which would, in effect, put a cap on if you are single and earn $34,000 a year, will put the cap on if you are earning $42,000 as a couple.

In other words, if your spouse earned over $8,000 you would be in a situation where you would be being discriminated against.

This tax increase is part of a series of liberal Democratic tax increases that are occurring in Washington State, in Ohio, in Michigan, and is just a sample of more to come.

There is a serious chance that if the liberal Democrats have their way, they will, in fact, succeed in stopping the recovery and in stopping the creation of jobs which has just begun.

This tax increase would be a serious step toward killing the recovery.

GOOD NEWS FROM PHILADELPHIA

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. Mr. Speaker, in a time of difficulty for the great State of Pennsylvania, where the recession has taken its toll, and recovery in many areas is still hard to come by, we take heart in good news. One week ago, the Philadelphia 76'ers made it four straight over the dethroned champion Los Angeles Lakers. In honor of this event, I have taken the liberty of commemorating this good news with a poem:

Sixer fans can jump and shout
In witnessing the turn about
After many years of doing without
We've won it in four, a sixer rout.

Andrew Toney, backcourt king,
Helped get Dr. J his ring
But they never could have done it alone
They needed the help of Moses Malone.

Moses, who made L.A. mourners
Drove Kareem to far off corners
And played the game with power and speed
To satisfy a champion's need.

And so an era has begun
Where Philadelphia has finally won
The crown of basketball's Number One
And become Pennsylvania's rising sun.

THE GREAT MORNING POLITICAL THEATER

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, it is always interesting to see the great political theater that goes on as we begin the session.

I must say from listening to many of the speeches today that I think the slogan of this Congress might be summed up by saying, "Blessed are the young, for they shall inherit the national debt."

I see some Members of the other party saying that all the Democrats want to do is spend, spend, spend, and tax, tax, tax; but of late what we have done after the huge Reagan tax cut, is spend, spend—borrow, borrow, borrow.

I think it is terribly important that we start getting that debt under control. We certainly want our children to inherit something from us other than just this huge debt we are running.

As we approach July 4, which is our national Independence Day, I think all of us must remember that the one way you can always lose your independence personally or as a nation is to get yourself heavily in debt.

So I salute our side of the aisle and its leadership for at least attempting to try to figure out what they are going to do about the debt. I think all of us ought to be doing that, rather than just making a political theater out of mocking those who are trying.

PERMISSION FOR SUBCOMMITTEE ON MERCHANT MARINE OF COMMITTEE ON MERCHANT MARINE AND FISHERIES TO SIT DURING 5-MINUTE RULE ON WEDNESDAY, JUNE 8, 1983

Mr. BIAGGI. Mr. Speaker, I ask unanimous consent that the Subcommittee on Merchant Marine of the Committee on Merchant Marine and Fisheries be permitted to sit at 9:30 a.m. on Wednesday, June 8, 1983, for the purpose of holding a hearing on H.R. 2692—the Government-Impelled Cargo Act of 1983.

The ranking minority member of the committee, the gentleman from New Jersey (Mr. FORSYTHE), and the ranking minority member of the subcommittee, the gentleman from Kentucky (Mr. SNYDER), have been apprised of the hearing date and time and are in accord with this request.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON MERCHANT MARINE OF COMMITTEE ON MERCHANT MARINE AND FISHERIES TO SIT DURING 5-MINUTE RULE ON THURSDAY, JUNE 9, 1983

Mr. BIAGGI. Mr. Speaker, I ask unanimous consent that the Subcommittee on Merchant Marine of the Committee on Merchant Marine and Fisheries be permitted to sit at 2 p.m. on Thursday, June 9, 1983, for the purpose of holding a hearing on H.R. 1372—a bill to provide for the operation of certain foreign-built vessels in the coastwise trade of Alaska until November 6, 1988 (Hovercraft).

The ranking minority member of the committee, the gentleman from New Jersey (Mr. FORSYTHE), and the ranking minority Member of the subcommittee, the gentleman from Kentucky (Mr. SNYDER), have been apprised of the hearing date and time and are in accord with this request.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

ENERGY AND WATER DEVELOPMENT APPROPRIATION BILL, 1984

Mr. BEVILL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 3132) making appropriations for energy and water development for the fiscal year ending September 30, 1984, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama (Mr. BEVILL).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3132, with Mr. PEASE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Monday, June 6, the Clerk had read through line 12 on page 5.

The Clerk read as follows:

SEC. 103. Notwithstanding any other provision of law, the Secretary of the Army, acting through the Chief of Engineers, is hereby authorized to enter into a purchase contract for the acquisition of new buildings and appurtenant facilities for the United States Army Engineer District, New Orleans, Louisiana. Such buildings and facilities shall be constructed on a site presently occupied by the Engineer District under a long-term right of use donated by the Board of Commissioners for the Port of New Orleans. The contract shall provide for the pay-

ment of the purchase price, which shall not exceed $38,000,000, and reasonable interest thereon, by lease or installment payments over a period not to exceed 25 years. The contract shall further provide that title to the buildings and facilities shall vest in the United States at or before the expiration of the contract term upon fulfillment of the terms and conditions of the contract.

□ 1300

AMENDMENT OFFERED BY MR. EDGAR

Mr. EDGAR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDGAR: On page 8, after line 2, add the following new section:

"SEC. 104. Within funds available in the construction general account, including but not limited to funds deferred, the Corps of Engineers is directed to complete the navigation and related features of the Tennessee-Tombigbee Waterway at a total additional Federal cost of $202,000,000. Section 206 of the Inland Waterways Revenue Act of 1978 is amended by adding at the end thereof the following: '(27) Tennessee-Tombigbee Waterway: From the Pickwick Pool on the Tennessee River at RM 215 to Demopolis, Alabama, on the Tombigbee River at RM 215.4.' ".

Mr. BEVILL. Mr. Chairman, I reserve a point of order on this amendment.

The CHAIRMAN. The gentleman from Alabama (Mr. BEVILL) reserves a point of order against the amendment.

Mr. FLIPPO. Mr. Chairman, I also make a point of order against the gentleman's amendment on the grounds that it violates paragraph (b), clause 5, rule XXI of the rules of the House.

The CHAIRMAN. Would the gentleman suspend.

Mr. FLIPPO. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman reserves a point of order.

Mr. EDGAR. Mr. Chairman, I have asked my colleagues to listen to this amendment just briefly to indicate, as the reservation of points of order have been made against the amendment there is a likelihood that this amendment will be ruled out of order with a point of order. I remind my colleagues that the Appropriations Committee, through its own process just about 10 days ago, brought to this House a continuing resolution that had 19 waivers of points of order similar to the one I am suggesting just on water policy alone dealing with the Army Corps of Engineers.

What I am suggesting in this amendment, and I wish my colleagues could agree, is a two-part amendment that does two things that everybody says they agree to; that is, the committee agrees that it will cost approximately $202 million to complete the Tennessee-Tombigbee Waterway. That the Federal commitment remaining on the Tennessee-Tombigbee Waterway will be $90 million in 1984, $90 million in 1985, and $22 million for spare parts for the locks and dams and other related features in fiscal year 1986.

But when the committee is asked how much will it cost to complete the project, the answer is $202 million. I am simply offering this legislative language so everyone can see what that cost will be.

I draw everyone's attention to page 38 of the report because you will not find an allocation for the Tennessee-Tombigbee Waterway in this legislation. But if you look at the report language it shows that the Tennessee-Tombigbee Waterway will receive the funds, deferred funds that are available. When asked how much is available of deferred funds I was told that there would be $180 million available. When asked how much of that will be specifically targeted to Tenn-Tom the answer is, "all of it."

So in the first part of my amendment I am simply stating the obvious, and that is that $202 million will be necessary to complete the project.

A second part of the amendment is a little more controversial. I offer the bill introduced by my colleague, the gentleman from Alabama, TOM BEVILL as part 2. This would include the Tennessee-Tombigbee Waterway into a public law that is already on the books dealing with user fees.

This present law mandates a user fee, so that barges on the inland waterway system using the Mississippi or using the Monongahela River system or any water system except Tenn-Tom has to pay a user fee. The only major waterway exempted from that user fee is the Tennessee-Tombigbee Waterway.

The chairman of the subcommittee rightly introduced legislation in January to make sure that the Tennessee-Tombigbee Waterway be made part of that inland waterway system and that all fairly and equitably pay the same user fee.

I do not think any of our Members would want to see a barge filled with coal or wheat come down the Mississippi River to New Orleans and have to pay a user fee, but that same barge coming from Pickwick, Tenn., to Mobile, Ala., not having to pay the user fee at all.

I would hope my colleagues would accept this amendment and, while it probably does technically violate the House rules in terms of germaneness right at this moment, it is not without precedent in the last 2 weeks that we have maneuvered around that House rule on several occasions when everybody has been in agreement.

So I would ask the subcommittee chairman whether or not he could not accept this and I would like to yield to the subcommittee chairman just to ask him his position on both of these matters. First, his position on the total cost of the project and, second, the issue dealing with the inclusion of the Tennessee-Tombigbee in the user fee legislation.

Mr. BEVILL. Will the gentleman yield?

Mr. EDGAR. I yield to the chairman of the subcommittee.

Mr. BEVILL. I thank my friend and colleague for yielding to me. I will be glad to explain the cost as well as the user fee issue.

The cost to complete the navigation and related features of the project is just exactly as the gentleman from Pennsylvania stated. It will be $90 million for 1984, and then there would be $90 million for 1985, and then there would be $22 million in 1986, a total of $202 million total remaining cost.

There has been $1.5 billion of Federal funds spent on this project and there is $202 million more needed for the navigation features and related activities.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. EDGAR) has expired.

(By unanimous consent Mr. EDGAR was allowed to proceed for 2 additional minutes.)

Mr. BEVILL. There is no money required to be appropriated in this bill, so this $90 million is available for the new starts that the committee will be considering on or about the 16th of this month.

So there is no appropriation required in this bill. It simply says in the report that with the money that is on hand the corps is directed to go ahead and complete the Tenn-Tom. This will complete it. This is the end of the funding.

It will be completed not later than September 1985 and the other $22 million will be for those items the gentleman has mentioned.

Mr. EDGAR. So the gentleman agrees that the total cost will be in additional Federal funds $202 million.

Mr. BEVILL. The gentleman is correct.

Mr. EDGAR. I thank the gentleman.

Mr. BEVILL. This winds up the funding

Mr. EDGAR. We both celebrate that.

Mr. BEVILL. We both celebrate that, the gentleman is right.

As far as the user fees are concerned, the gentleman has stated that correctly. Senator STENNIS has introduced a bill in the other body on the same subject. There is no opposition to it. It is intended to remove any question as to whether or not the Tenn-Tom is being treated the same as the other waterways in the country, and that is to make certain that user fees now on the books will apply to Tenn-Tom.

We are going to see that this legislation passes.

If I may at this point say, the gentleman from Alabama (Mr. FLIPPO), who

is on the Ways and Means Committee, supports my bill. He has reserved a point of order, too, so he will just tell the gentleman where we are on that piece of legislation.

Mr. EDGAR. I would like to yield to the gentleman from Alabama. The point relates to the user fee. Is the gentleman intending to make sure that the Tennessee-Tombigbee Waterway is included in the user fee legislation?

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. EDGAR) has again expired.

(By unanimous consent Mr. EDGAR was allowed to proceed for 3 additional minutes.)

Mr. FLIPPO. Will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from Alabama.

Mr. FLIPPO. That is the intent of the gentleman from Alabama's bill.

I introduced a similar bill last year to accomplish this.

Mr. EDGAR. So it is the intention of the gentleman to spend no more than $202 million of Federal funds, complete the project?

Also, it is the intention of those particularly from Alabama, Mississippi, and Tennessee to include the Tennessee-Tombigbee Waterway in the user fee public law?

Mr. FLIPPO. That is the intent of the legislation.

Mr. EDGAR. Mr. Chairman, with those assurances, I would like to ask unanimous consent to withdraw my amendment at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. FLIPPO. Mr. Chairman, I reserve the right to object to the unanimous-consent request.

I wish to make a point of order against the amendment because the amendment violates paragraph (b), clause 5, rule XXI of the Rules of the House of Representatives.

The CHAIRMAN. If the gentleman would suspend a moment, proper procedure is for the gentleman to object to the unanimous-consent request of the gentleman from Pennsylvania, to withdraw his amendment and then to make a point of order.

Mr. FLIPPO. I do object to the unanimous-consent request.

Mr. EDGAR. Will the gentleman reserve the right to object?

Mr. FLIPPO. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Before the gentleman makes his objection, the gentleman from Pennsylvania is attempting to remove the impediment that the gentleman wants to call a point of order against, simply because the gentleman has made the assurances.

Mr. FLIPPO. Mr. Chairman, I do not object to the gentleman's request and I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania to withdraw the amendment?

There was no objection.

Mr. WHITTEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wish to thank my colleagues for their support of the Tennessee-Tombigbee, especially TOM BEVILL, JOHN MYERS, in fact, all of my colleagues on the Energy and Water Subcommittee of which I have been long a member. They have worked so hard for the completion of this project, which will add so much to wealth not only to my area but to the Nation.

This major project will bring to the Southeastern area what we have had for years in the Northeast, the Northwest, and the Southwest.

Mr. Chairman, everything depends upon protection and development of our own country, for it is to our country on which all else depends.

As I have said many times, we must return stability to our Nation, in its money, and in its budget, but we must ever keep in mind that we could leave to our children all the money in the world and a wornout land—and they would never make it. But if we leave them a developed and rich land, they could set up their own medium of exchange.

Mr. Chairman, the Tennessee-Tombigbee is a big enough asset to the Nation for everyone to share the credit, including those who first conceived of it more than 100 years ago.

THE BEGINNING

My own connection goes back to 1966 when northeast Mississippi was added to my district. The Tennessee-Tombigbee was authorized in 1946, got off the drawing boards when our committee provided $500,000 in, I believe, 1967 to start preliminary planning and construction. It has been reviewed periodically not only by the Corps of Engineers and the Congress, but also by the courts. Not only has it withstood various charges and statements but also the attacks in the courts. I have copies of decisions by the court.

THE COURTS

Mr. Chairman, we had many problems, from 1967 to date. One of the points raised in the courts was that the public, the Congress, nor the complainants against the Tenn-Tom were aware that the Corps of Engineers, in the proper exercise of its discretion, had provided for widening the canal from 170 feet to approximately 300 feet.

On this point, I would like to quote from the opinion of the district judge, Judge Keady: I quote:

Prior to the submission to Congress of the 1966 Supplement to GDM 1 and Secretary Resor's memorandum purporting to exercise discretionary authority to widen the channel, the House of Representatives, while resolved into a Committee of the whole House, was advised by Congressman Whitten that "indications are that (TTW) will likely be between 250 and 300 feet wide," 112 CONGRESSIONAL RECORD 23374 (1966) (Deft. Ex. 43, Attachment 5). On June 24, 1970, Congressman Whitten advised the full House of Representatives that the TTW "will provide a 9-foot slack water navigation channel with bottom widths of 280 feet in the divide cut and 300 feet in the remainder of the route." 116 CONGRESSIONAL RECORD 21252 (1970) (Deft. Ex. 43, Attach. 17).

Before requesting discretionary authority from Secretary Resor in 1967, the Chief of Engineers had caused public notice to be given of the modification to a 300-foot-wide channel, public hearings were held, and project opponents given a chance to voice their objections. These records thus show that those of us on the Appropriations Committee were aware of this exercise of discretion but that I had twice called it to the attention of the Congress in the RECORD and thus to the public.

Following this action, we directed the corps to go to work on both ends and the middle which assured that the project would be handled in total.

HIGHWAY ACT AMENDED

Mr. Chairman, further when it was realized that due to passage of time and changes in policy by the Congress, the safety features required by new projects would not fit here. Thus, in the Highway Act of 1976, we provided relief in section 132(a). I wrote this language which enabled this project to be treated as later projects had by providing for bridges to meeting modern highway demands, and later got the Congress to provide funds for such bridges in crossings determined by the State.

Some time ago, I went along the Tennessee-Tombigbee from up in the northern part of my State down to Columbus. About 50 percent of the funds have been provided and almost all of the project construction is under contract.

So may I say again that our committee developed for the committee and the public use, all facts concerning this great project, of value to the whole Nation. It is my belief that the Bonneville Power and TVA has strengthened all the competitive forces which they faced earlier that might be in that area because they have increased economic activity.

THE FUTURE

I think with time the Tennessee-Tombigbee navigation project is going to be of sufficient size to lead to a tremendous developing in the area, which will increase the transportation that is carried by rail and truck; but be that as it may, a study made by the Appalachian Commission shows that 23

States will benefit directly from it and coal, so vital to our needs, will be one of the major commodities to make use of this canal.

I point out that the St. Lawrence Seaway now handles over 1 billion tons of cargo freight per year. Not only that, but as I recently pointed out, in the last 50 years, this country has increased its population from about 115 million to about 230 million. Presumably, in the next 50 years, we will be up to around 400 million. I say to you that this project will give to the southeastern part of the United States a tremendous potential for growth and development. It is said that we will have heavy industry coming to that area, and we have several plants already.

These industries will not take away from any other section, but as we grow toward the 400 million population level, we will get credit, all of us, for being as farsighted and constructive as we were with Bonneville Power in the Northwest and the St. Lawrence Seaway in the Northeast.

Mr. Chairman, this is a great day for us and for the Congress, for we will point out once again—our country and its development is our real wealth and Tenn-Tom will greatly increase that wealth.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CONSTRUCTION PROGRAM

For construction and rehabilitation of projects and parts thereof (including power transmission facilities for Bureau of Reclamation use) and for other related activities as authorized by law, to remain available until expended, $696,538,000, and, in addition $15,000,000 to remain available until expended, for the Tucson Division to be expended for commencement of excavation and construction of the Picacho, Red Rock and Brady Pumping Plants, purchase of pumps and motors for those plants, and acquisition of rights-of-way and construction for reaches 1, 2, and 3 of phase A of the aqueduct, of which $161,104,000 shall be available for transfers to the Upper Colorado River Basin Fund authorized by section 5 of the Act of April 11, 1956 (43 U.S.C. 620d), and $179,000,000 shall be available for transfers to the Lower Colorado River Basin Development Fund authorized by section 403 of the Act of September 30, 1968 (43 U.S.C. 1543): *Provided*, That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further*, That transfers to the Upper Colorado River Basin Fund and Lower Colorado River Basin Development Fund may be increased or decreased by transfers within the overall appropriation to this heading: *Provided further*, That the final point of discharge for the interceptor drain for the San Luis Unit shall not be determined until development by the Secretary of the Interior and the State of California of a plan, which shall conform with the water quality standards of the State of California as approved by the Administrator of the Environmental Protection Agency, to minimize any detrimental effect of the San Luis drainage waters: *Provided further*, That no part of the funds herein approved shall be available for construction or operation of facilities to prevent waters of Lake Powell from entering any national monument.

AMENDMENT OFFERED BY MR. EDGAR

Mr. EDGAR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDGAR: On page 9, line 1 strike "$696,538,000" and insert in lieu thereof "$640,485,000".

On page 9, line 7 strike "$161,104,000" and insert in lieu thereof "$105,051,000".

Mr. EDGAR. Mr. Chairman, I apologize for not having that amendment at the desk, but because of the closeness of the amendment to the amendment I offered earlier, plus the fact that the schedule has been changed at least twice whereas we were going to vote on the suspensions and then we move quickly to the energy and water appropriations bill, it was impossible to distribute the amendment.

There is no intention of confusing anybody, so let me clarify exactly what the amendment does.

Mr. Chairman, this amendment will cut just over $56 million from the appropriation contained in the bill for the Bureau of Reclamation construction program.

This is the amount of money sought by Secretary Watt and included by the Appropriations Committee for fiscal year 1984 funding for the Dallas Creek and Delores water projects in western Colorado.

□ 1315

Specifically, the reduction of $56,053,000 is comprised of the following: $37.2 million of a line item for the Dolores project and $16.2 million line item for Dallas Creek and $2.653 million sought for the continuing construction of recreation features for these two projects.

Now, I remind everybody that these projects are not new to this House. In fact, they were on the original shopping list of the former President of the United States, Jimmy Carter for deletion. But, my opposition to these projects today is not based on the merits or demerits of the project, itself; it is based on the policy issue that I hope we can focus on today.

Let me try to explain this amendment in a little bit more detail by asking some questions and trying to answer them.

The question has been asked, "Of all the reclamation projects that provide municipal water, why has the gentleman from Pennsylvania singled out these two projects for attack?" The answer is simple.

The Bureau has 19 projects that provide municipal and industrial water under the terms and authority of the 1958 Water Supply Act. Most of these are completed and water deliveries are underway, with repayment proceeding accordingly; 7 of these 19 are still under construction and funded in this bill. Of these seven, the majority are properly and fully contracted for, according to the Bureau. In only three cases—Dallas Creek, Dolores, and the Bonneville unit of the central Utah project—do current contractual commitments fall short of recovering all costs allocated to M&I water as required by the Water Supply Act. In the case of the Bonneville unit, the Bureau reports that a supplemental contract is scheduled for execution late in fiscal year 1983. Adoption of my amendment will do much to insure that the Bureau sticks to this schedule.

This leaves the Dallas Creek and Dolores projects as the only Bureau municipal water support projects funded for construction in this bill where the Bureau is not now holding contracts to repay all costs as required under the Water Supply Act, and where the Bureau has not even identified a mutually acceptable option for coming into compliance with the law, the 1958 act, nor a timetable for achieving such compliance. Under these circumstances, I believe that Congress should withhold new appropriations for these two projects, and send the Bureau of Reclamation a message: Congress expects you to enforce the law, and to look out for the interests of the American taxpayers.

Now, a second question that might be asked: The Dolores project is more than 30 percent complete and Dallas Creek is more than 40 percent complete, why does the gentleman from Pennsylvania want to halt construction now?

The answer:

My amendment need not stop all construction. By simply striking new budget authority for fiscal year 1984, the amendment is intended to signal to the Bureau the desire of Congress that the repayment status of these two projects should be firmed up before further Federal financial commitments are made. If these projects are truly viable, the Bureau should be able to obtain the necessary repayment commitments within a matter of months. Congress can then provide fiscal year 1984 funding on a supplemental appropriations bill.

A third question might be asked: Has the gentleman from Pennsylvania considered the cost of delay that would inevitably result from the adoption of this amendment? Again, I must answer: Yes.

Again, my amendment need not stop construction. But even if subsequent action by the Bureau or this Congress slowed down construction until this matter were resolved, now is the ideal time to do so. The current recession has reduced or eliminated inflationary pressure on many Federal construction projects. The Commissioner of

Reclamation has testified before Congress that recent bids on Bureau construction contracts have been coming in an average of 25 percent below estimate. So even if construction were slowed or stopped for the few months that it might take for negotiations to resolve the Dallas Creek and Dolores repayment problems, I would not anticipate such a slowdown having a significant impact on the projects' ultimate cost.

The question might also be asked: The local sponsors negotiated with the Bureau in good faith. Does not the gentleman from Pennsylvania believe in the sanctity of those contracts?

Yes; I believe in the sanctity of lawful contracts. If the Dallas Creek project is already consistent with the law, there is no need for Congress to endorse it. However, if the contract is not consistent with the law, the Supreme Court has held that the Federal Government may not be bound by the contract. I do not think the Congress should blindly accept an obligation to fund projects where there are substantial, unresolved questions about the willingness of local interests to repay water supply costs in accordance with the law.

Further the question could be asked: Is the gentleman aware of the difference between the Dallas Creek and the Dolores contracts, specifically that the Dallas Creek contract has a fixed repayment ceiling, while the Dolores contract has no such cap?

The answer is yes, but I am also aware that the Bureau has reported that an amended repayment contract or some other action will still be necessary to assure repayment of the current cost overrun on Dolores. Repayment is still up in the air.

Others might ask: Is the gentleman aware that the Colorado State Legislature has committed the State to finance two features of the Dolores project with State funds?

Again I say yes, I am generally aware of the State's action, but the matter is far from finalized, and the availability of State funds is qualified by many procedural and substantive stipulations, and is by no means assured. The legislation the gentleman refers to is, as I understand it, an authorization rather than an appropriation; permissive, rather than mandatory; and contingent upon local approval of a repayment contract with the State prior to the initiation of any construction. Furthermore, I question how a $7 million State project can make up the $20 million repayment shortfall reported by the Bureau.

Finally, one might ask: Is the gentleman aware that the Dolores project will provide both irrigation and drinking water to the Ute Mountain Ute Indian tribe, and that these Indian needs were a key factor in removing this project from Jimmy Carter's 1977 "Hit List"?

To that I respond: I am aware that the Dolores project is intended, in part, to serve the Ute Indians. In this regard I would also note that the Indian's share of M&I water—about one-eighth of the project's total M&I supply—is not yet covered by any repayment contract. This is of more than academic interest, since the Indians hold water rights that are senior to those of the Dolores project itself. If the Indians are not committed to the Dolores project, as the lack of M&I repayment contract suggests, then the viability of the entire project—the entire $420 million Federal investment in Dolores—could be jeopardized if the tribe chooses to exercise their water rights known as "Winters Rights," through some development other than Dolores. I fully support the provision of water to the Ute Indians but in the absence of a repayment contract, Congress has no assurance that the Dolores project is the water project that the Indians themselves want.

Mr. Chairman, the bottom line is that in this area of the bill is that there are 19 projects, since 1958, that fit into this category.

Of those 19, only 3 have not complied fully and one is about to comply with supplemental contractual relationship.

My amendment says that for the time being we should hold up additional funding for Dallas Creek and Dolores until those two projects comply with the 1958 Municipal and Industrial Water Supply Act which provides for repayment to the Federal Government of that water supply.

We are living in difficult times, in times when we need to have a sound water policy, a water policy that selects projects on their merit, a water policy that develops some cost sharing. And this is a good analysis of where the Federal Government has, in its funding, with all of its pressures, provided a Federal commitment that was intended to be repaid. I do not think that we in the Congress should overlook the obligation of these two communities to repay.

It is my hope that the Members of the Congress on both sides of the aisle will review this project, will help to eliminate these projects at this time because of their failure to come into compliance with good strong contractual relationships and hopefully we could move onto the rest of the energy and water bill, knowing that we have at least forced in this case, compliance with the law. I yield back the balance of my time.

Mr. WEBER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support of the gentleman's amendment. Regardless of the merits or demerits of the Dallas Creek and Dolores projects, an important issue here is whether this body intends to maintain the integrity of the 1958 Water Supply Act and whether we intend to give preferential status to two projects of questionable merit at a time when other local project sponsors around the country are in compliance with Bureau of Reclamation repayment policies.

Simply put, this 1958 law requires municipal and industrial water supply users to repay the Federal Government for the costs of projects that have been constructed for them. However, both the Dallas Creek and Dolores projects have experienced unanticipated cost increases, and their proposed payments will fall far short of the final costs—in both instances only about half of the total.

My colleagues' amendment is a good one. I do not believe Congress should be saddled with the burden of picking up the tab for these overruns simply because local project sponsors see this as a way of escaping what should be their fiscal responsibilities.

I was rather disheartened by the fact that the recent supplemental appropriation bill contained language which, in effect, legitimized this relief for the Dallas Creek project—language that was not debated on the floor and was the subject of the most cursory discussion in the committee report.

However, inasmuch as that bill has yet to clear the other body, we have an excellent opportunity with this amendment to reaffirm our commitment to the 1958 Water Supply Act, and the simple policy of repaying the Federal Government what it is owed for services rendered.

Mr. Chairman, as I said, regardless of each of our feelings as to the merits or demerits of these projects, Congress should not ratify a policy of pouring millions of dollars of Federal money into projects that have such strong legal problems remaining and that have yet to meet their legitimate repayment requirements.

My colleagues from Pennsylvania pointed out in closing his remarks we are in need of a comprehensive water policy in this country. Our colleagues, Mr. ROE of New Jersey is working on a comprehensive water bill at this time. These projects moving ahead at this time without being in compliance with the 1958 act represent a step away from the comprehensive, coherent Federal water policy. My colleague's amendment, besides saving the Federal Government some money in the short run, also is in the best interests of pursuing a comprehensive water policy for our country. I strongly urge the adoption of the gentleman's amendment.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. WEBER. I yield to the gentleman.

Mr. EDGAR. I thank the gentleman for his comments and for his support of the amendment.

Mr. Chairman, I think something the gentleman said is particularly important to mention: That is, that the other projects in this category have had to build contractual relationships that fully repay the Federal Government for this water supply. And as the gentleman pointed out accurately, these two projects failed to make that compliance. In the case of Dolores in Colorado, the actual cost is about $40,580,000. The existing contractual relations are only to repay about $20 million of that cost. So, there is $20 million the Federal Government will lose unless it can build that contractual relationship.

In the Dallas Creek, Colo., project, they have $73 million of investment, but only $38 million of contracts that will be repaid.

Mr. WEBER. If I can reclaim my time, I thank the gentleman for making that point. I think it is important for the Members to understand that the projects are not only out of compliance in a small manner, that this is not a technical violation the gentleman is pointing out, but in both cases they are only paying about half of their obligation.

So, it is a substantial point of noncompliance.

Mr. EDGAR. If the gentleman will yield further.

Mr. WEBER. I yield further.

Mr. EDGAR. I think that is an important point to make. I think those of us who want a national water policy, a sound water policy, want to have a policy that really is committed to principle and here is a principle that was established back in 1958, it has worked well and I do not think in these two cases that enough evidence exists for the exceptions to be made.

So, I thank the gentleman for his support of the amendment.

Mr. WEBER. I thank my colleague for offering the amendment. I think he has pointed out again clearly that the exceptions here are substantial points of noncompliance, that those towns and communities around the country that have complied with the law, would in effect be discriminated against by permitting these exceptions. And that failure to pass the amendment of the gentleman from Pennsylvania would be a step away from a comprehensive national water policy.

Mr. Chairman, I yield back the balance of my time.

Mr. BEVILL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the committee has consistently supported these projects.

With the funds in the bill, $77 million will have been appropriated for the Dallas Creek project with only $30 million needed to complete it. The project will provide needed irrigation, power, municipal and industrial water, fish and wildlife, flood control and other benefits. It has a good cost benefit ratio, 1.4 to 1.

With regard to the Dolores project, over $180 million will have been provided, including the funds in the bill, and the committee has consistently supported the project. I would just like to say that the Bureau of Reclamation has a mighty good track record in reviewing these projects. My committee and I listen to them every year and we have found them to be very reliable. They said these projects are needed and they have never waivered on that. Certainly they are not a perfect agency. We do not have a perfect agency in the Government as you know. But I would say it is one of the very best in our Government, it has an excellent record. Certainly we believe them and we have supported both of these projects. In addition, these funds are in the administration's budget for fiscal year 1984. I urge defeat of the amendment.

Mr. KOGOVSEK. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

□ 1330

Mr. Chairman, I would remind the gentleman from Pennsylvania and the gentleman from Minnesota that many years ago this Congress made a commitment to the people of the Southwestern part of the United States, not only to the State of Arizona, where we have committed to the central Arizona project; when we made that commitment to build the central Arizona project, that law included five other projects in southwestern Colorado. And the law said that those five projects would be built concurrently with the central Arizona project. Two of those projects happen to be the Dolores project and the Dallas Creek project that are under discussion at this time.

What I am saying to the gentleman from Pennsylvania is that the price of the projects has increased because, in his words, of unanticipated costs. Part of those unanticipated costs have been the fact that we have drug our feet in regard to these five projects.

I would remind the gentleman that the legislation authorizing the Dallas Creek project basically states that that project shall be built for $38 million. The Dallas Creek project, according to the law, is the only Bureau of Reclamation project—maybe in the whole United States—that has a nonrenegotiable clause in it. So no matter what we do in this bill today, we have to live with the law that was passed that said that the Dallas Creek is a nonrenegotiable project and shall be built for the specified amount of money, to be repaid by the water users.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. KOGOVSEK. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. I thank the gentleman for yielding.

Mr. Chairman, I am interested, honestly interested, in the gentleman's comment there.

Could the gentleman explain just a little bit more carefully the nonrenegotiable aspect of Dallas Creek and what provision of law gave the Bureau the right to put together that nonrenegotiable when all the other projects have to comply with the total cost of water supply?

Mr. KOGOVSEK. I would tell the gentleman when the Dallas Creek was authorized and the law was written—and I was not here at that point—that contract, according to the law, is nonrenegotiable.

Every other contract in the United States has a renegotiation clause in it. The Dallas Creek does not.

The people of the area that I represent are willing to pay their fair share of that project and they have, as are the people of the Dolores project.

Mr. EDGAR. If the gentleman will yield further, I think the people of Pennsylvania when they seek water supply would like to have the Federal Government come in and provide that water supply for them, but the people of Pennsylvania were asked to go out and through either municipal-owned or private investor-owned water systems develop it with total local participation, total local funding and 100 percent recovery of the cost. And I think the people in Pennsylvania and Ohio and Michigan and some of the other States would love to have the opportunity that is provided in law, particularly under the Bureau of Reclamation, to provide water supply.

Now I support the fact that in the 17 Western States that have need of that water that they perhaps need some extra help from the Federal Government in establishing water supply, but I wonder whether or not it is fair to the Nation not to have those persons who have gotten reduced cost in the construction, Federal subsidy in terms of the interest rates used, to in fact reimburse the Federal Government.

I understand the gentleman's strong feelings because of the projects being in and around his district, but it seems strange to those of us from other parts of the country that there is not that equity.

Mr. KOGOVSEK. If I may reclaim my time, I would tell the gentleman from Pennsylvania that we in the West have constantly questioned the basic fairness as to how the taxpayers' money is spent in Eastern States as

well, on items such as subway systems for large cities.

I am saying to the gentleman that we have a commitment to the people of not only southwestern Colorado, but to all of the southwestern part of the United States when we said that we would, by law, not only build the central Arizona project, but five other projects that should be built according to law concurrently. Once again, the people of my district are willing to pay their fair share and are willing to live up to the law and, basically, I think that we have a responsibility to be fair to them and live up to the commitment we made to them.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. EDGAR).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. EDGAR. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

□ 1340

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Pennsylvania (Mr. EDGAR) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 140, noes 257, answered "present" 1, not voting 34, as follows:

[Roll No. 166]

AYES—140

Andrews (TX)	Clinger	Eckart
Archer	Coleman (MO)	Edgar
AuCoin	Conable	Edwards (CA)
Bartlett	Conte	Erlenborn
Bates	Conyers	Evans (IA)
Bedell	Cooper	Evans (IL)
Beilenson	Corcoran	Fish
Berman	Coughlin	Florio
Bilirakis	Courter	Foglietta
Boehlert	Crane, Daniel	Forsythe
Boland	Crockett	Frank
Brown (CA)	D'Amours	Frenzel
Broyhill	Dannemeyer	Gekas
Bryant	Dellums	Gilman
Burton	Dreier	Glickman
Carper	Durbin	Gradison
Clay	Early	Green
Gregg	McDonald	Sharp
Gunderson	McGrath	Shaw
Hall (OH)	McKernan	Shumway
Harkin	McKinney	Shuster
Hartnett	Mikulski	Sikorski
Hertel	Miller (OH)	Siljander
Hiler	Minish	Smith (NJ)
Jacobs	Mitchell	Snowe
Jeffords	Molinari	Solarz
Jenkins	Moody	Spence
Johnson	Murphy	Spratt
Kasich	O'Brien	Stark
Kastenmeier	Olin	Studds
Kemp	Ottinger	Sundquist
Kildee	Patman	Tauke
Kindness	Pease	Thomas (GA)
Kostmayer	Penny	Vento
LaFalce	Petri	Walgren
Latta	Porter	Walker
Leach	Ridge	Waxman
Lent	Rinaldo	Weaver
Lewis (FL)	Ritter	Weber
Lowery (CA)	Rodino	Weiss
Lundine	Roemer	Wise
Lungren	Roth	Wolpe
Mack	Roukema	Wortley
MacKay	Sawyer	Wylie
Madigan	Schneider	Yates
Markey	Schulze	Yatron
Martin (IL)	Sensenbrenner	

NOES—257

Ackerman	Ferraro	Loeffler
Addabbo	Fiedler	Long (LA)
Akaka	Fields	Long (MD)
Albosta	Flippo	Lott
Alexander	Ford (MI)	Lowry (WA)
Anderson	Ford (TN)	Lujan
Andrews (NC)	Fowler	Luken
Annunzio	Franklin	Marlenee
Anthony	Frost	Marriott
Applegate	Fuqua	Martin (NY)
Barnard	Garcia	Matsui
Barnes	Gaydos	Mavroules
Bateman	Gejdenson	Mazzoli
Bennett	Gephardt	McCain
Bereuter	Gibbons	McCandless
Bethune	Gingrich	McCloskey
Bevill	Gonzalez	McCollum
Biaggi	Gramm	McCurdy
Bliley	Gray	McDade
Boggs	Guarini	McEwen
Boner	Hall (IN)	McHugh
Bonker	Hall, Ralph	McNulty
Borski	Hall, Sam	Mica
Bosco	Hammerschmidt	Michel
Boucher	Hance	Miller (CA)
Boxer	Hansen (ID)	Mineta
Breaux	Hansen (UT)	Moakley
Britt	Harrison	Mollohan
Brooks	Hatcher	Montgomery
Brown (CO)	Hawkins	Moore
Byron	Hefner	Moorhead
Campbell	Hightower	Morrison (CT)
Carr	Hillis	Morrison (WA)
Chandler	Hopkins	Mrazek
Chappell	Horton	Murtha
Chappie	Howard	Myers
Cheney	Hoyer	Natcher
Clarke	Huckaby	Neal
Coats	Hughes	Nelson
Coelho	Hunter	Nichols
Coleman (TX)	Hutto	Nielson
Coyne	Ireland	Nowak
Craig	Jones (NC)	Oakar
Daniel	Jones (OK)	Oberstar
Daschle	Jones (TN)	Obey
Daub	Kaptur	Ortiz
Davis	Kazen	Owens
Derrick	Kennelly	Oxley
DeWine	Kogovsek	Packard
Dingell	Kramer	Panetta
Dixon	Lagomarsino	Parris
Donnelly	Lantos	Pashayan
Dorgan	Leath	Patterson
Dowdy	Lehman (CA)	Pepper
Downey	Lehman (FL)	Perkins
Duncan	Leland	Pickle
Dwyer	Levin	Price
Dymally	Levine	Pursell
Dyson	Levitas	Quillen
Emerson	Lewis (CA)	Rahall
English	Lipinski	Rangel
Erdreich	Livingston	Ratchford
Feighan	Lloyd	Ray
Regula	Skeen	Towns
Reid	Skelton	Traxler
Richardson	Slattery	Udall
Roberts	Smith (FL)	Valentine
Robinson	Smith (IA)	Vander Jagt
Roe	Smith (NE)	Vandergriff
Rogers	Smith, Denny	Volkmer
Rose	Smith, Robert	Watkins
Rostenkowski	Snyder	Wheat
Rowland	St Germain	Whitehurst
Roybal	Staggers	Whitley
Rudd	Stangeland	Whittaker
Russo	Stenholm	Whitten
Sabo	Stokes	Williams (MT)
Savage	Stratton	Williams (OH)
Schaefer	Stump	Winn
Scheuer	Swift	Wirth
Schroeder	Synar	Wolf
Seiberling	Tauzin	Wyden
Shannon	Taylor	Young (AK)
Shelby	Thomas (CA)	Young (MO)
Simon	Torres	Zschau
Sisisky	Torricelli	

ANSWERED "PRESENT"—1

Bonior

NOT VOTING—34

Aspin	Fazio	Paul
Badham	Foley	Pritchard
Broomfield	Goodling	Schumer
Carney	Gore	Solomon
Collins	Hamilton	Tallon
Crane, Philip	Heftel	Vucanovich
de la Garza	Holt	Wilson
Dickinson	Hubbard	Wright
Dicks	Hyde	Young (FL)
Edwards (AL)	Kolter	Zablocki
Edwards (OK)	Martin (NC)	
Fascell	Martinez	

□ 1400

The Clerk announced the following pairs:

On this vote:

Mr. Carney for, with Mr. Badham against.

Mr. Hyde for, with Mr. Pritchard against.

Mr. Philip M. Crane for, with Mrs. Holt against.

Messrs. DUNCAN, BEREUTER, and GARCIA changed their votes from "aye" to "no."

Mr. WORTLEY and Mr. SOLARZ changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there additional amendments to this paragraph of the bill?

Mr. MYERS. Mr Chairman, I move to strike the last word, and I take this time for the purpose of yielding to the gentleman from Utah (Mr. NIELSON) who has recently had some experience with some floods in his area.

Mr. NIELSON of Utah. Mr. Chairman, I would like to point out that the gentleman from Alabama (Mr. BEVILL) and the gentleman from Indiana (Mr. MYERS) have done an excellent job on this bill, and I rise in support of the bill.

I would point out, however, that the money in the Provo River Basin and the Jordan River Basin, $110,000, has been many times exceeded by the floods we have had in the past 2 months in that area. We have had scores of mudslides; we have had one town obliterated and several others threatened. The Members heard the

gentleman from Utah (Mr. HANSEN) this morning report that he had been evacuated. Throughout the State we are having problems.

We do not intend to offer amendments at this time because we do not know what the total amount would be, but I want to put the Congress on notice that there will be a supplemental request from the State of Utah for additional help for the Corps of Engineers for flood control.

I might point out also in this regard that this is the first time Utah has ever had an emergency declared in the State. It was the only State to have had that record.

We do appreciate what the Corps of Engineers has done already, and we appreciate what FEMA has done. We appreciate the help we have had from many agencies such as the Red Cross, the Salvation Army, the Church of Jesus Christ of Latter Day Saints, and others, which have brought in materials and donated time. We appreciate that very much.

But, Mr Chairman, we will be coming in with a request for help for flood control at a later date.

Mr. MYERS. Mr. Chairman, the committee appreciates the remarks of the gentleman from Utah (Mr. NIELSON) and fully understands the problems in Utah. We will be sympathetic with any requests the gentleman might make.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Are there further amendments to this paragraph of the bill?

If not, the Clerk will read.

The Clerk continued to read the bill.

Mr. BEVILL (during the reading). Mr. Chairman, we know of no amendments to title II, and, therefore, I ask unanimous consent that the remainder of title II be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The CHAIRMAN. Are there any points of order to be made against any part of this title?

Are there any amendments to this title?

If not, the Clerk will read.

The Clerk read as follows:

TITLE III—DEPARTMENT OF ENERGY

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for energy supply, research and development activities and other activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed 19 of which 16 are for replacement only), $1,964,209,000, to remain available until expended.

AMENDMENT OFFERED BY MR. SENSENBRENNER

Mr. SENSENBRENNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SENSENBRENNER: On page 17, line 14, strike out "$1,964,209,000" and insert in lieu thereof "$1,954,209,000".

The CHAIRMAN. The gentleman from Wisconsin (Mr. SENSENBRENNER) is recognized for 5 minutes in support of his amendment.

Mr. SENSENBRENNER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks, and I ask unanimous consent also that I may be allowed to speak for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. KAZEN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. SENSENBRENNER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Mr. Chairman, this country's preeminence in scientific research can be maintained only if the scientific review process, established over three decades ago, remains unfettered. This process insures that the funding of scientific research proposals is based solely upon scientific criteria. Proposals for the expenditure of our limited financial resources are forced to prove their scientific value against other competing proposals. In this manner, only those proposals deemed to be meritorious, after appropriate review by the scientific community, are recommended to be funded.

My colleagues on the Appropriations Committee recognize the importance of maintaining this review process. In recommending that the request for the National Center for Advanced Materials be deferred without prejudice, the committee, on page 88 of the report accompanying this bill, states:

The Committee is also concerned that the customary and desirable peer review of this project was not undertaken, largely due to the last-minute inclusion of the proposal in the budget. Peer review in the scientific community is a recognized and necessary element to ensure that all possible aspects of proposed research be observed.

Having embraced the principle of scientific review, I fail to understand my colleagues' recommendation of funding for the construction of two new laboratories at Catholic and Columbia Universities.

□ 1410

The committee has recommended that funding be provided for the initiation of construction of two new laboratories: $5 million for a $13.9 million Vitreous State Laboratory at Catholic University; and $5 million for a $20 million National Center for Chemical Research at Columbia University.

And what peer review has been undertaken for these projects? Absolutely none.

These projects have never been submitted for consideration to any scientific body. Further, the Department of Energy and the House Science and Technology Committee have never reviewed either of these projects. Finally, I note upon review of the hearing record of the Energy and Water Subcommittee, that no testimony was received by representatives of either of these two projects requesting funding.

The absence of peer review is understandable, since prior to this body's consideration of the Department of Energy Authorization bill for fiscal year 1984, on May 12, these proposals were nonexistent. The last minute inclusion of a project, as the Appropriations Committee noted in its report:

. . . results in extreme fluctuations in a constrained basic energy budget that may result in undesirable impacts throughout the program.

The issue presented by these projects is not whether these universities conduct meritorious research, but rather, on what basis shall new research initiatives be funded, political or scientific? If these projects are funded, and this amendment is defeated, every other college and university in the country, with comparable research programs, will have been denied an opportunity to compete for this funding. Moreover, every college and university will be encouraged to contact their own representative to obtain a facility, regardless of duplication or its value to our national scientific research program.

I would urge the Members to adopt this amendment to save the $10 million and to force the two projects to go through the normal peer review, the normal administrative review in the Department of Energy and the normal legislative review.

I am happy to note that George Keyworth, the Science Advisor to the President, has endorsed this amendment in a letter, which I will read as follows:

THE WHITE HOUSE,
Washington, June 3, 1983.

Hon. F. JAMES SENSENBRENNER,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN SENSENBRENNER. I understand that you intend to propose an amendment to the fiscal year 1984 Energy and Water Appropriations Bill to delete funding for the Vitreous State Laboratory at Catholic University and the National

Chemical Research Center at Columbia University. I wish to lend my support to your amendment.

Although these may be worthy construction projects, the method by which they were inserted into the authorization and appropriation bills will result in a serious erosion of the orderly Executive Branch planning and Legislative Branch oversight processes. The normal planning and oversight processes for scientific projects have been, and will remain, the key to successful development and maintenance of a world-renowned scientific research enterprise in American universities.

The Administration and Congress have worked well in the past to develop a very solid approach to maintain the preeminence of American science. I hope we can continue to do so. Your proposed amendment is essential if we are to assure that federally funded science projects are consistent with a rational policy framework.

Yours truly,

G. A. KEYWORTH,
Science Advisor to the President.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. WALKER. Mr. Chairman, I ask unanimous consent that the gentleman be given 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. KAZEN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. RANGEL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I want to laud the gentleman from Wisconsin for pointing out to the full committee that a process that I had wished we had the opportunity to follow but we did not have a chance to go through it. The letter the gentleman just read from the administration indicated that some months or years ago the administration had indicated that it wanted to expand our university research and development system. Indeed, Columbia was one of the universities that thought they were serious about it, had a meeting with the Board of Trustees, and the same university in 1981 that did one-third of the chemistry research for the Nation did, in fact, put together a 300-page proposal that was drafted by a person that won the Department of Energy prize for the undertakings that he did in chemistry research.

So naturally, it was hoped that the Federal Government would go in partnership with this. What happened was that the administration never indicated that it was prepared to go the constuction route. Columbia had no problem with equipement and certainly had no problem with staff, but needed help with the construction. It was only in recent months when the administration announced their $264 million construction project that we had an opportunity to come to the floor and by that time the Science and Technology Committee had completed its work.

So we come before the committee trying to do what we could. We worked with members of the committee. The only route that we had was to go through the floor amendment route and to work it out with the Appropriations Committee.

So I hope that because the administration was late in letting universities know that they were prepared to go the construction route, that those who have proven to provide a great service to this Nation, those that have proven to have won five Nobel Prizes in this area, are not denied the opportunity to have the Federal Government to reach the goals which the Department of Energy has set. Not only that they want to reach, but had specifically given direction to the university system that they would hope that the country would get more involved in trying to make us energy independent and in trying to make certain that we could compete with Japan and Germany.

So I would sincerely hope that we do not divert from the committee system, but I do believe that this is one of those circumstances that the House will understand was not done, not to have peer review, and it was not done not to have the review of the members of that committee.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. RANGEL. I yield.

Mr. GREEN. Mr. Chairman, I thank my colleague from New York for yielding.

I simply want to reinforce what the gentleman has said, that as soon as we were aware of this, we did proceed with all expedition.

Certainly, at the Appropriations Committee level there was a full review, and this item was included by the subcommittee with full support from both sides of the aisle, so that it is not as if this had not been reviewed, and, of course, the full House in the authorizing bill did, in fact, approve this.

It does strike me as most strange, after all the criticism that has been heaped on the Appropriations Committee for arrogating unto itself powers of authorizing committees, that we should now have an item that was approved for the full House in an authorizing bill and find it subject to attack in the appropriations bill.

Mr. FUQUA. Mr. Chairman, will the gentleman yield?

Mr. RANGEL. I yield to the chairman of the Science Committee.

Mr. FUQUA. Mr. Chairman, I certainly appreciate the gentleman yielding.

I want to join in opposing the amendment. I certainly sympathize with the concerns that have been expressed by my friend, the gentleman from Wisconsin, about the project that we have.

Unfortunately, I think what we have, and I think we pointed it out in the report of the bill that came from the Science and Technology Committee, that the Department of Energy should improve immediately the procedures that they have for choosing and authorizing these types of funds.

However, this matter was debated on May 12. The House spoke at that time and I would urge that the committee again reject this amendment, as they did on May 12, and that we move forward.

In the meantime, I certainly hope that the Department of Energy can expedite their procedures for the review of projects, and worthy projects such as these, so that we will not be caught in this situation in future years.

I appreciate very much the gentleman yielding.

Mr. RANGEL. I thank the chairman for the courtesy which he extended.

Mr. BEVILL. Mr. Chairman, I move to strike the last word and I rise in opposition to this amendment.

Mr. Chairman, this amendment would eliminate the $5 million included in this bill to initiate the construction of the Vitreous State Laboratory at Catholic University in Washington, D.C., and the $5 million to initiate construction of the National Center for Chemical Research at Columbia University, New York.

Both of these laboratories were extensively debated on the floor by this body on May 12, as pointed out here by the distinguished chairman of the Committee on Science and Technology. The decision was made to increase the Department of Energy Civilian Research and Development Authorization Act for 1984, as reported by the authorization committee. At the time the two laboratories were added, offsetting decreases were made to other activities in the authorization bill. So we are not making increases to the budget. The appropriation bill we are now considering supports the decision made on May 12, 1983, by this body which was debated extensively.

□ 1420

The Appropriations Committee has strongly supported research and development in the area of materials science.

So I would urge you to vote against this amendment.

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I will be glad to yield.

Mr. SENSENBRENNER. On page 89 of the committee report on this piece of legislation the committee discusses the inclusion of the $10 million for the two projects at Catholic and Columbia Universities. In the next line it says

that the committee is recommending the $25,900,000 requested for the National Center for Advanced Materials be deferred without prejudice.

Then the committee goes into a rather long explanation that the NCAM project in California did not go through a peer review process, and was inserted by the administration after the Department of Energy had put together its budget requests. It says:

> The committee is also concerned that the customary and desirable peer review of this project was not undertaken, largely due to the last minute inclusion of the proposal in the budget.

Is what the committee saying that the last minute inclusion of a project in the budget process is bad, but a last second inclusion of a project inserted on the floor by amendment, when the authorization bill comes up, is not quite so bad?

Mr. BEVILL. Actually what this gentleman is saying, in response to the gentleman's question, is certainly consistent with what the chairman of the Committee on Science and Technology has just stated. We prefer that more studies be conducted in the future. This is really what we are saying.

Mr. SENSENBRENNER. Will the gentleman from Alabama yield further?

Mr. BEVILL. I yield to the gentleman.

Mr. SENSENBRENNER. The amendments that were offered when the authorization bill came up, one by our colleague from California (Mr. MINETA) relating to the Vitreous State Laboratory at Catholic University, and the second by our colleague from New York (Mr. RANGEL) relative to the Columbia University reduced the NCAM project in California by $5 million, and took the other $5 million out of the reduction in the various other authorizations. The Subcommittee on Appropriations in putting together the bill presently before the committee together did not track with those amendments that were adopted on May 12 in that it deleted the full $25,900,000 for NCAM in California rather than just having the $5 million reduction.

Could the gentleman from Alabama kindly explain why they decided to zero out the other project rather than just reducing it a bit?

Mr. BEVILL. We were certainly aware of objections to the National Center for Advanced Materials.

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment to strike funding for the Vitreous State Laboratory at Catholic University and the National Center for Chemical Research at Columbia University.

Mr. Chairman, the House adopted floor amendments providing for the authorization of these projects on May 12, during floor consideration of the Department of Energy Civilian Research and Development Authorization bill. The same arguments against these projects were made by the gentleman from Wisconsin, and the House very appropriately rejected those arguments. The Appropriations Committee has included funding of $5 million each for these projects, and I urge that this money be retained.

Mr. Chairman, both of these laboratories are excellently positioned to be in the forefront of energy research in their respective fields. The Vitreous State Laboratory at Catholic University has already been tremendously successful in translating the results of laboratory scale research on specialized glassy materials into innovative industrial technologies with important energy-related applications. The additional funding provided in this bill would permit an expansion of current facilities and enable the laboratory to effectively grow and build on its past successes.

The laboratory at Columbia University would permit the expansion of important work being done there in the energy field, including research involving lasers and energy conservation. It would build on the outstanding faculty and other resources already in place, and would clearly be in the forefront of energy-related chemical research.

Mr. Chairman, the funding of these laboratories will significantly advance our efforts to remain in the forefront of energy research and development, and I urge the defeat of this amendment.

Mrs. BOGGS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. I am sympathetic with the gentleman's concerns about the procedural aspects of these two labs, but this is not the issue before us. That issue was disposed of as the gentleman from New York has pointed out when this House voted 230 to 132 against a motion to recommit the Energy Department research authorization bill on May 12. The House voted to authorize these laboratories by substantial margins. The Appropriations Committee is simply following the wishes of the House.

On a substantive basis, there is urgent need for the Vitreous State Laboratory because it will be used to address two important national priorities. The first priority is the need to develop an adequate solution to the problem posed by nuclear waste from our atomic powerplants. The Vitreous State Laboratory is perfecting the development of technologies for the safe and effective disposal of nuclear wastes. These include methods of turning nuclear wastes into glass, an essential element of long-term storage, and a process for cleansing reactor water.

The second national priority is in telecommunications and other areas of technological research and development where the Vitreous State Lab is especially well-suited. One of these areas is in the development of the next generation of energy-efficient computers, which will integrate glassy-state and crystalline materials to prevent the overheating problems that presently impede advanced computer research. The lab is also involved in the development of telecommunications equipment using fiber optic devices, and the development of facsimile machines for the delivery of electronic mail.

In all three of these area delay increases the risk that the United States will fall behind—in some cases, further behind—foreign competition, especially from Japan, in the development of these new technologies. In the facsimile machine area, for example, the graded index lenses developed at the Vitreous State Lab represent the only alternative to the lenses currently being produced in Japan.

The absence of an adequate facility severely inhibits the important research that can be undertaken by the laboratory. At present, the lab receives, through competitive grant processes, $800,000 annually in private funds and another $400,000 annually in Government funds. If adequate space for additional research projects were available, total funds from private grants would rise to $1.8 million annually and from Government grants to an estimated $1 million annually. The research funded would involve, among a variety of other projects, the use of glass surface catalysts and solar energy to produce molecular hydrogen fuel from water, a project with the potential to reduce substantially the Nation's reliance on imported oil—with annual savings on the order of tens of billions of dollars.

In addition to the research mentioned by the gentleman from Massachusetts, Mr. CONTE, the Semiconducter Research Cooperative has expressed strong interest in funding the lab in the amount of $3.5 million for research on the use of glass materials in hydrid computer systems that include optical as well as electronic components. That funding, however, is contingent on the availability of adequate space at the laboratory for research.

Finally, I would note that the lab has had to decline a Defense Department request for assistance in research on certain problems of glass technology that have military applications. The lab did so because of a lack of adequate space for the project.

The Vitreous State Laboratory is unique. There is no other facility that can perform comparable research on glassy-state materials. As a result, when the lab is compelled by limited laboratory space to refuse research grants and contracts, for both military and civilian purposes, the research those grants and contract would have supported simply does not take place. The real loser in this situation is therefore not the laboratory but rather the Nation itself, because it is deprived of the benefits that would otherwise flow from the lab's energy-related research on glassy-state materials.

This is a worthwhile undertaking. It belongs in this bill because it has been approved by the House. I urge defeat of the amendment.

□ 1430

Mr. ADDABBO. Mr. Chairman, will the gentlewoman yield?

Mrs. BOGGS. I yield to the gentleman from New York.

Mr. ADDABBO. I thank the gentlewoman.

I fully agree with the gentlewoman. I think this amendment should be resoundly voted down as we did on the authorization bill. We are looking to the energy needs of the future and we need every facility possible. It takes a while for these buildings to come on line. We have the scientists to go in and work on them.

This amendment should be stricken and let us move on to the future.

Mrs. BOGGS. I thank the gentleman for his comments.

Mr. MYERS. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment. I do so reluctantly because I understand from where the gentleman from Wisconsin, the author of the amendment, comes. I am sympathetic to his reason for offering this amendment. However, his amendment addresses two laboratories that are not strangers to this committee. The committee is well aware of the work being conducted in both of these laboratories. Both of them are ongoing studies, have been going on for quite some time. Catholic University here in the District of Columbia has been doing glassification research for quite some time, which is vitally needed as we are now trying to develop a system of disposal of our nuclear waste.

We cannot successfully dispose of nuclear waste until we accomplish this research. So it is timely and needed very badly.

The building this money would provide part of the funds for is needed if we are going to continue and advance this research. The other research which Catholic is doing which I think is important to the jurisdiction of this committee is in the energy conservation; the energy that we can learn to conserve here through increased thermal insulation, is very important research.

Now at Columbia they are doing very important work in combustion research as far as taking the soot out of diesel fuel. You might question whether that should be in this committee or not. I too, questioned whether it comes under this committee. However, when you look at all the research being done at Columbia, definitely most of it does come under the jurisdiction of this committee. I do not think anyone here who has followed some diesel trucks down the highways will object to some more research to take soot out of the air.

I am sure the gentleman from Wisconsin is not against that. Isotope separation is a vital element in the development of better and cheaper energy; more research in isotope separation is part of the work being done at Columbia. It goes on and on, the work being done.

I do understand why the gentleman offered his amendment. Usually I would agree. But in this particular instance, since we serve on the subcommittee and understand the necessity of having these particular amendments in here, it is a matter of timing. We do it now or do it later. It is usually cheaper to do it now than put it off for 2 or 3 years when we will eventually do it. That is why this committee accepted these two late amendments. The procedure I would not agree, but they are vitally needed for the advancement of better energy for our country.

I suggest we vote against the amendment.

I yield back the balance of my time.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, I have sat here and listened and I have heard that the only real justification given for approving this spending and thereby rejecting the amendment of the gentleman from Wisconsin is that we said that we were going to do this in the House on May 12; that is the main argument in favor of this amendment. Well, I would remind this body that the action that we took on May 12 has not yet become the law of the land, that there is no mandate for this spending in authorization. We have simply acted here in the House. In fact, in order for this spending to go forward, points of order had to be waived against this section of the bill in order to bring this language to the floor.

So, it seems to me that we have got a serious question even in terms of processes when you consider this spending in light of the action in the House on May 12.

I would like if I could to pose a question to the chairman of the subcommittee, if I could, the gentleman from Alabama.

Is it true, as I understand, that the markup for this spending in this bill came prior to the House action on May 12?

I yield to the gentleman.

Mr. BEVILL. I thank the gentleman.

We were aware of these two projects and after the House acted on this on May 12, then we provided the funding for these two projects.

Mr. WALKER. I thank the gentleman.

Mr. BEVILL. Just as Chairman FUQUA pointed out, the chairman of the authorizing committee handling this matter on the floor when it came up May 12, we would prefer not to act this fast on projects and we hope that we will have more studies performed the next time. But the Appropriations Committee was convinced, the authorizing committee was convinced, the House of Representatives was convinced that it was good. We were convinced that it is good.

Mr. WALKER. I thank the gentleman for his explanation. But, in fact, then it is true that the Appropriations Committee was acting before that May 12 action of the House. This spending was moving forward before the House had ever acted to authorize. So, now when we get to the action on the floor they come out and tell us, "Well, because the House authorized it, now you should appropriate the money."

I think this is a pretty backward process particularly when you look at the fact there has never been a review of these projects. Everybody says and the chairman of the subcommittee rightfully just repeated again we ought to be reviewing these projects.

I am a member of the Committee on Science and Technology. There has been absolutely no review whatsoever in the Committee on Science and Technology of these projects. None whatever. We have not looked at them, we do not know anything about them; the only thing we heard discussed about the projects is when we brought our portion of that bill to the floor. There has been no review by this body since May 12, even though the discussion on the floor during consideration was primarily about the fact that there had been no review of these projects and there was some question about whether there was even a site for them, whether there were architectural drawings, whether anything had been done. The subcommittee even after these questions had been raised went ahead and approved the spending even though the questions had been raised and they held no hearings. There were no hearings held in other words when the expenditures

were brought before the Appropriations Committee.

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. SENSENBRENNER. I thank the gentleman.

One other important thing happened since May 12; that is the science adviser to the President, Mr. Keyworth, sent a very strongly worded letter to me which I read in the RECORD in the course of my remarks supporting this amendment.

So, whatever position has been taken by the administration on this amendment through the science adviser has been extremely positive. That strengthens the point you just mentioned, there has been no review.

Mr. WALKER. I thank the gentleman. That was information not available to the House on May 12. As a matter of fact, in the hurry up action we took, there was no information available to the Members of the House. We acted very quickly and without very much knowledge whatsoever of what was involved in these projects.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. MYERS. I thank the gentleman.

To clarify your question about May 12, that was the first markup by the Energy and Water Subcommittee. We met subsequent to that twice, and made two other changes, before it was sent to the printers. But May 12, when we wrote this, it was subject to that afternoon's approval of the authorizing bill by this full House. But we met twice after that before this bill was finally marked up and sent to the printers.

So, in justice, it was not finalized until a week later and sent to the printer.

Mr. WALKER. I thank the gentleman. He helps emphasize my point. That you met twice following that and did not bother to hold any hearings about these two projects. As a matter of fact, the committee report talks about the project but mentions it very briefly, does not go into any detail at all, there were no witnesses brought in, nobody has presented any evidence about these projects. Even after some, I think, very serious questions raised about these projects on the floor, I understand that review did not take place in your committee. I would be glad to have the gentleman correct me if I am wrong on that.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. WALKER. I would be glad to yield further to the gentleman (Mr. MYERS).

Mr. MYERS. I thank the gentleman.

Hearings on this specific issue were not held by the Energy and Water Committee but that does not suggest that the committee is not well aware of what was in this. The work being done by these two universities has constantly been before our committee.

So, it is not a strange issue. Every item that is in this markup of the bill, the bill before you today, was not necessarily discussed in full committee of the Energy and Water Committee. Many things are familiar to the Members of the committee; it is not necessary to have a hearing on that issue.

□ 1440

Mr. WALKER. So the committee was well aware of the fact when it approved the money that there is not even a site for one of the projects, that there are no architectural drawings, that we are approving a project site-unseen, that we know nothing about, and yet we call ourselves competent to judge the scientific merits of the whole thing.

There has been no peer review of the project, Some other worthwhile projects are not going to get funding as a result of what we are doing here. We have become the ultimate scientific experts in this body on a very, very brief discussion of the projects on the floor. We really do not have a very good basis on which to make those judgments.

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. I thank the gentleman for yielding.

Mr. Chairman, there is one other point relating to the Vitreous State Laboratory and that is that the proposal that was submitted post haste when this amendment came up last month did not indicate that the Vitreous State Laboratory would be open for use for scientists who are outside of the faculty, staff, and students of Catholic University. Most of the other labs that we have financed are open labs so that scientists from other universities can come in. No commitment along those lines on this one has been given.

So instead of having something that everybody can use located at one particular university, we have a project that may very well result in being closed to other scientists who know something about glass research.

Mr. WALKER. I thank the gentleman for that explanation. That is the reason why we have a peer review process is to make certain that in fact the projects that we fund have a public merit to them.

Mr. LOWRY of Washington. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to compliment the subcommittee on a job well done on this bill and to specifically ask the chairman a question, if I could, regarding the source of funding for the National Center for Chemical Research at Columbia University.

My question is: Is the source of funding an across-the-board source of funding or does it come from specific individual universities?

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. LOWRY of Washington. I yield to the gentleman from Alabama.

Mr. BEVILL. I thank the gentleman for yielding.

I assure the gentleman that we are under the President's budget and we did not take it out of any specific university.

Mr. LOWRY of Washington. It was not taken out of any specific university?

Mr. BEVILL. That is correct.

Mr. LOWRY of Washington. I thank the gentleman.

Mr. SCHEUER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Wisconsin and request unanimous consent to revise and extend my remarks.

Mr. Chairman, I oppose the gentleman's amendment that would eliminate funding for the Columbia University National Chemical Research Center.

Columbia University is one of the most prestigious research centers in the United States.

The chemistry progams at the university are among the top rated nationwide.

Therefore, it is a wise decision to construct a national chemical research center at the university.

The research center activities would focus on the production, use, and conservation of energy in chemical, petrochemical, and other energy intensive industries.

This beneficial program would address the basic questions of chemistry as related to important energy production and conservation questions.

The Energy Research Advisory Board (ERAB), an independent advisory panel to the Department of Energy, rated chemical sciences research as a very high priority program in Federal energy research and development.

In a report issued in November 1981, the Advisory Board recommended an increase in funding for the chemical sciences research programs.

Mr. Chairman, the need for additional research in the chemical sciences is clear and the qualifications of the scientists at Columbia University are well known.

I think the most responsible action for this House to take is to support funding for the Columbia University National Research Center.

Therefore, I urge my colleagues to vote against this amendment which would eliminate funding for this important research program.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. SENSENBRENNER).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SENSENBRENNER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 105, nays 312, not voting 15, as follows:

[Roll No. 167]

AYES—105

Andrews (TX)	Gramm	Olin
Archer	Gregg	Packard
Bartlett	Gunderson	Parris
Bereuter	Hall (OH)	Petri
Bethune	Hall, Ralph	Porter
Bilirakis	Hall, Sam	Pritchard
Broomfield	Hansen (UT)	Ray
Brown (CO)	Hartnett	Ridge
Broyhill	Hightower	Ritter
Burton	Hiler	Roberts
Campbell	Hopkins	Roemer
Carper	Hyde	Roukema
Chandler	Jeffords	Sawyer
Chappie	Johnson	Schaefer
Cheney	Kasich	Sensenbrenner
Coats	Kindness	Shaw
Coleman (MO)	Kramer	Shumway
Conable	Leath	Siljander
Corcoran	Loeffler	Skeen
Craig	Lott	Smith, Denny
Crane, Daniel	Lungren	Smith, Robert
Daniel	Mack	Snowe
Dannemeyer	Madigan	Solomon
Daub	Marlenee	Spence
DeWine	Martin (IL)	Stangeland
Dreier	Martin (NC)	Stenholm
Edwards (OK)	McCandless	Sundquist
Erlenborn	McCollum	Tauke
Evans (IA)	McDonald	Taylor
Fields	McKernan	Thomas (CA)
Forsythe	Miller (OH)	Walker
Franklin	Montgomery	Weber
Frenzel	Moorhead	Whittaker
Gekas	Morrison (WA)	Winn
Gradison	Nielson	Zschau

NOES—312

Ackerman	Boner	Crockett
Addabbo	Bonior	D'Amours
Akaka	Bonker	Daschle
Albosta	Borski	Davis
Alexander	Bosco	Dellums
Anderson	Boucher	Derrick
Andrews (NC)	Boxer	Dickinson
Annunzio	Breaux	Dicks
Anthony	Britt	Dingell
Applegate	Brooks	Dixon
Aspin	Brown (CA)	Donnelly
AuCoin	Bryant	Dorgan
Barnard	Byron	Dowdy
Barnes	Carr	Downey
Bateman	Chappell	Duncan
Bates	Clarke	Durbin
Bedell	Clay	Dwyer
Beilenson	Clinger	Dymally
Bennett	Coelho	Dyson
Berman	Coleman (TX)	Early
Bevill	Conte	Eckart
Biaggi	Conyers	Edgar
Bliley	Cooper	Edwards (AL)
Boehlert	Coughlin	Edwards (CA)
Boggs	Courter	Emerson
Boland	Coyne	English
Erdreich	Livingston	Rose
Evans (IL)	Lloyd	Rostenkowski
Fascell	Long (LA)	Roth
Fazio	Long (MD)	Rowland
Feighan	Lowery (CA)	Roybal
Fiedler	Lowry (WA)	Rudd
Fish	Lujan	Russo
Flippo	Luken	Sabo
Florio	Lundine	Savage
Foglietta	MacKay	Scheuer
Foley	Markey	Schneider
Ford (MI)	Marriott	Schroeder
Ford (TN)	Martin (NY)	Schulze
Fowler	Matsui	Seiberling
Frank	Mavroules	Shannon
Frost	Mazzoli	Sharp
Fuqua	McCain	Shelby
Garcia	McCloskey	Shuster
Gaydos	McCurdy	Sikorski
Gejdenson	McDade	Simon
Gephardt	McEwen	Sisisky
Gibbons	McGrath	Skelton
Gilman	McHugh	Slattery
Gingrich	McKinney	Smith (FL)
Glickman	McNulty	Smith (IA)
Gonzalez	Mica	Smith (NE)
Gore	Michel	Smith (NJ)
Gray	Mikulski	Snyder
Green	Miller (CA)	Solarz
Guarini	Mineta	Spratt
Hall (IN)	Minish	St Germain
Hamilton	Mitchell	Staggers
Hammerschmidt	Moakley	Stark
Hance	Molinari	Stokes
Harkin	Mollohan	Stratton
Harrison	Moody	Studds
Hatcher	Moore	Stump
Hawkins	Morrison (CT)	Swift
Hefner	Mrazek	Synar
Hertel	Murphy	Tallon
Hillis	Murtha	Tauzin
Holt	Myers	Thomas (GA)
Horton	Natcher	Torres
Howard	Neal	Torricelli
Hoyer	Nelson	Towns
Huckaby	Nichols	Traxler
Hughes	Nowak	Udall
Hunter	O'Brien	Valentine
Hutto	Oakar	Vander Jagt
Ireland	Oberstar	Vandergriff
Jacobs	Obey	Vento
Jenkins	Ortiz	Volkmer
Jones (NC)	Ottinger	Walgren
Jones (OK)	Owens	Watkins
Jones (TN)	Oxley	Waxman
Kaptur	Panetta	Weaver
Kastenmeier	Pashayan	Weiss
Kazen	Patman	Wheat
Kemp	Patterson	Whitehurst
Kennelly	Pease	Whitley
Kildee	Penny	Whitten
Kogovsek	Pepper	Williams (MT)
Kostmayer	Perkins	Williams (OH)
LaFalce	Pickle	Wilson
Lagomarsino	Price	Wirth
Lantos	Pursell	Wise
Latta	Quillen	Wolf
Leach	Rahall	Wolpe
Lehman (CA)	Rangel	Wortley
Lehman (FL)	Ratchford	Wright
Leland	Regula	Wyden
Lent	Reid	Wylie
Levin	Richardson	Yates
Levine	Rinaldo	Yatron
Levitas	Robinson	Young (AK)
Lewis (CA)	Rodino	Young (FL)
Lewis (FL)	Roe	Young (MO)
Lipinski	Rogers	Zablocki

NOT VOTING—15

Badham	Ferraro	Kolter
Carney	Goodling	Martinez
Collins	Hansen (ID)	Paul
Crane, Philip	Heftel	Schumer
de la Garza	Hubbard	Vucanovich

□ 1450

The Clerk announced the following pairs:

On this vote:

Mr. Paul for, with Mrs. Collins against.

Mr. Philip M. Crane for, with Mr. Carney against.

Mr. BERMAN and Mr. MACKAY changed their votes from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1500

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

NUCLEAR WASTE DISPOSAL FUND

For nuclear waste disposal activities to carry out the purposes of Public Law 97-425, including the acquisition of real property or facility construction or expansion, $306,675,000, to remain available until expended, to be derived from the Nuclear Waste Fund. To the extent that balances in the fund are not sufficient to cover amounts available for obligation in this account, the Secretary shall exercise his authority pursuant to section 302(e)(5) to issue obligations to the Secretary of the Treasury.

Mrs. LLOYD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to discuss the issue of advanced centrifuge development in the uranium enrichment program with the distinguished chairman of the Energy and Water Development Subcommittee.

Mr. BEVILL. Mr. Chairman, I am pleased to discuss this issue with the gentlewoman.

Mrs. LLOYD. Mr. Chairman, our Science and Technology Committee recommended a $21 million reduction in set-III machine procurements for the gas centrifuge enrichment plant at Portsmouth. This reduction was also recommended in the gentleman's bill. However, our Science and Technology Committee recommended an increase of $11 million to accelerate advanced machine development, particularly for set-V centrifuges in order to arrive at a lower cost technology at the earliest possible date. This funding would be allocated to the three vendors who are engaged in centrifuge manufacture in such a way as to minimize impacts on the industrial infrastructure.

This recommendation is not included in this appropriation bill.

I would like to ask the distinguished chairman of the subcommittee if the subcommittee which I chair, and the full Committee on Science and Technology encourages the DOE to redirect uranium enrichment funds for advanced machine development, would he be agreeable to such a funding set-aside for acceleration of this key machine technology?

Mr. BEVILL. Mr. Chairman, if the gentlewoman will yield, we support the acceleration of the set-V centrifuges and encourage the Department to allocate funds to this important activity.

Mrs. LLOYD. I thank the chairman.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ATOMIC ENERGY DEFENSE ACTIVITIES

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for atomic energy defense activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed 333 of which 323 are for replacement only) including seven police-type vehicles; purchase of one helicopter, $6,558,375,000, to remain available until expended.

AMENDMENT OFFERED BY MR. DELLUMS

Mr. DELLUMS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DELLUMS: Page 19, line 22, strike out "$6,558,375,000" and insert in lieu thereof "$6,551,375,000".

Mr. DELLUMS. Mr Chairman, the effect of the amendment before the body is to strike $7 million from this section of the bill. The thrust of the amendment would be to preclude the acquistion of buffer land adjoining the Lawrence Livermore Laboratory.

Mr. Chairman, the ostensible purpose of this $7 million is to purchase land to build a buffer zone around the Lawrence Livermore Laboratory in California. The concern of this gentleman, and the concern of thousands of people in that area in California is that while the ostensible purpose is to build this buffer zone, the practical effect would be to preclude thousands of people from peacefully demonstrating their concern and horror and abhorrence for nuclear war, their specific concern for the research activity of this facility in the military application of nuclear power, and finally, this facility's involvement in research and development of specific weapons systems ulimately designed to destroy life on the face of this Earth.

Mr. Chairman, there have been a number of peaceful demonstrations there at the front gate of Lawrence Livermore Laboratory where thousands of people over several years have said this should not be the function of a university to engage in the development, research and development, of weapons designed to destroy life, that that is an inappropriate function of universities.

There have been people who have come to that front gate, have demonstrated; they have all been peaceful. There has been no violence in any of these demonstrations. So the practical effect of building a moat around this facility would, in my estimation, be to preclude the ability of people to carry out their first amendment rights; that is, to peacefully demonstrate against an activity and a facility that they feel strongly about.

So, Mr. Chairman, this is the thrust of this amendment; that is to strike $7 million so that this facility could not build a buffer zone around Lawrence Livermore Laboratory, precluding the ability of people to approach that gate and peacefully demonstrate against the insanity of nuclear war, the absurdity of a facility engaging in research and development of nuclear weapons, and the insanity, Mr. Chairman, of developing specific weapons whose design on the face of this Earth is to destroy life.

Mr. Chairman, I have consulted with the subcommittee chairman with respect to this amendment, and I would yield to the gentleman at this time for the purpose of establishing legislative history.

Mr. BEVILL. I thank my good friend and colleague for yielding. We have discussed this and we have the same feeling about this situation. Certainly this committee would not ever try to prohibit the constitutional right to demonstrate. We, of course, support people's constitutional right to demonstrate. That issue was not even brought up in the hearings or considered in the context of this recommendation by the committee.

This is simply a buffer zone to prevent dwellings and houses and buildings from being built in close to the lab, which as you know is one of the finest labs in the world. The lab handles much sensitive material, and this is simply a buffer zone to protect the security of the laboratory. Certainly nobody's constitutional rights will be violated as far as freedom to demonstrate or whatever they wish to do legally.

The purpose is simply a safeguard as far as this buffer zone is concerned.

Mr. DELLUMS. Mr. Chairman, if I may reclaim my time, I would like to ask the gentleman a few very specific questions.

First, as I understand the statement of the gentleman, it is not the purpose of this $7 million expenditure to preclude the possibility of people peacefully demonstrating their concern for the development of nuclear weapons and nuclear war at that facility.

Mr. BEVILL. The gentleman is correct.

Mr. DELLUMS. I thank the gentleman.

Second, as I understand the gentleman's concern, it is to preclude commercial and residential development that would impact upon this facility in terms of security issues and it is not the intent to build a moat around the four areas of this facility, simply around the three areas, precluding commercial and residential development that would come in close to that facility.

Mr. BEVILL. The gentleman is correct.

□ 1510

The CHAIRMAN. The time of the gentleman from California (Mr. DELLUMS) has expired.

(By unanimous consent, Mr. DELLUMS was allowed to proceed for 1 additional minute.)

Mr. DELLUMS. Mr. Chairman, I would simply like to ask the gentleman from Alabama (Mr. BEVILL) one additional question.

Would the gentleman raise these questions on the concern of this gentleman with the appropriate personnel at that facility so that they have a clear understanding that it is not the intent of this subcommittee nor the Congress of precluding the ability of people to come right up there and peacefully demonstrate against that facility at the front gate?

Mr. BEVILL. Mr. Chairman, if the gentleman will yield, the gentleman is correct. We will see that this matter is brought to their attention and let them know the intent of Congress. The intent of Congress is the same as that of the gentleman from California (Mr. DELLUMS).

Mr. DELLUMS. Mr. Chairman, I would like to thank my colleague, the gentleman from Alabama (Mr. BEVILL) very much for his comments and his response to my specific questions, and with those assurances, Mr. Chairman, I ask unanimous consent at this time to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

AMENDMENT OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BEVILL: On page 19, line 23, before the period insert: ": *Provided*, That none of the funds included in this Act can be used to continue construction of the Missile X warhead production facilities, project 81-D-115, pending the enactment of legislation authorizing the production of the MX missile".

Mr. BEVILL. Mr. Chairman, after we had the markup on this bill, the House debated the MX issue for several days, and in order to preserve for the House the option to make its decision with regard to the production of the MX missile, I have proposed an amendment to defer the $20 million included in the bill for MX warhead production facilities until the Congress has enacted legislation authorizing the production of the MX missile.

Now, this is in accord with the gentleman from Minnesota (Mr. VENTO); and the members of the Committee on Armed Services with whom I have had an opportunity to meet—the subcommittee chairman, the gentleman from New York (Mr. ADDABBO); the gentle-

man from California (Mr. EDWARDS); the gentleman from Alabama (Mr. DICKINSON); and the gentleman from New York, Mr. SAM STRATTON. These are the members who took the lead on this issue and will be taking the lead next week on the same issue.

So it is our feeling that we should not take the time to spend a full hour on debate, which is only to be repeated again next week by the Committee on Armed Services. So for that reason we are saying, just leave the $20 million here, and do not spend it on these production facilities until this issue is resolved by the Congress.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I just want to commend the gentleman from Alabama (Mr. BEVILL) for offering the amendment. I think this is a very sensible approach since the basic quesion of authorization for facilities involving the MX lies within the purview of the Committee on Armed Services and that bill has already been before the House, and presumably title III, which is a package arrangement in connection with the MX, will be debated sometime next week. So I think the gentleman's amendment is a very good one.

Mr. Chairman, if the gentleman will continue to yield to me, I would like to make another comment with respect to the dialog between him and the gentleman from California (Mr. DELLUMS).

The proposal for a buffer zone around the Lawrence Livermore Laboratory had nothing to do whatsoever with trying to keep out demonstrators. It was simply the recognition that in an age, unfortunately, of terrorism, this facility is a highly important and essential facility to the security of the Nation and we felt that it would be a mistake if individual offices and stores could be built right in front and even surrounding this particular laboratory.

It was for the purpose of providing minimum security to one of our important facilities that the Committee on Armed Services authorized acquiring that land.

In fact, I might point out to the members of the committee that the distinguished chairman of the Committee on Energy and Commerce, the gentleman from Michigan (Mr. DINGELL), has been making announcements from time to time in the past few weeks that many of our nuclear facilities and production areas, including the Savannah River facility, are not being provided with adequate security.

There was no possible thought of limiting anybody's right to protest against nuclear weapons—although I cannot see why anyone should—but certainly that would be within their constitutional rights. I think it is important that the RECORD should be corrected to that extent.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield briefly to me on that subject?

Mr. BEVILL. I am glad yield to the gentleman from California.

Mr. DELLUMS. Mr. Chairman, I will simply say to my distinguished colleague, the gentleman from New York (Mr. STRATTON) that the author of this amendment in the Committee on Armed Services, when it went to the authorization bill, did not make the statement that the gentleman is now making. The thrust of that amendment clearly was understood by this gentleman, and it had a political overtone because it went to the question of people's ability to move close to that front gate and peacefully demonstrate in that area.

Mr. Chairman, I am sure the gentleman recalls that debate in the Committee on Armed Services, and there was a political thrust to it. This gentleman is not dreaming.

Mr. STRATTON. Mr. Chairman, if the gentleman will yield further, I recall the debate, but as the chairman of the subcommittee that deals with nuclear military systems, let me say it was our intention and our understanding when we visited Lawrence Livermore Laboratory last year that our committee would take the action that they had requested, namely, to provide an adequate buffer zone that would reduce the threat of danger from terrorism. It was certainly not to deny anyone their constitutional rights.

Mr. DELLUMS. Mr. Chairman, I thank the gentleman from New York (Mr. STRATTON).

Mr. VENTO. Mr. Chairman, I rise in support of the Bevill amendment.

Mr. Chairman, first of all, I want to thank the gentleman from Alabama (Mr. BEVILL) for offering this particular amendment, and I thank those principals who worked on this issue, especially the gentleman from New York (Mr. ADDABBO), with respect to addressing this issue and the fact that the MX nuclear warhead manufacturing facilities are not authorized. I think that this amendment provides us with the opportunity to consider in an orderly manner the authorization of the MX missile and then the production of warheads if indeed the authorization of that missile is approved by this Congress.

Mr. Chairman, I think the process that we have been involved with, this appropriation measure before us, with almost 80 percent of the funding for the MX warhead production, would have given the wrong appearance and would in fact have contradicted the agreement that exists with regard to the consideration of the MX. So I would hope that next week or if and when we can address the MX issue more substantive debate may occur. I think there are many arguments that should be made.

The warhead production indeed is not a long lead production item.

So it does well for us to wait and to permit this MX debate to go forward at a later date. This certainly will keep the issue and the debate before the Congress, and it does not abdicate this particular responsibility in any way as might have very well accurred with the present language of the legislation.

Mr. Chairman, I am pleased to rise in support of the amendment and commend the gentleman from Alabama (Mr. BEVILL) for working this out so we can move ahead and consider the authorization in a meaningful way in regard to the warhead production for the MX missile.

My initial amendment would quite simply have struck the $20 million for MX nuclear warhead production facilities from the bill. My reasons for doing so are that Congress has not had an opportunity to examine some important questions such as the policy of MX use, the question of commonality with Trident II—even the size of the proposed warhead. These are important questions which need to be fully explored. My amendment would not have delayed the MX initial operational capability (IOC) but merely would have insured that we are not locked into a course of which Congress may not approve.

The proposed amendment offered by Chairman BEVILL will accomplish what I initially proposed to do, that is to lock up the money until the full authorizing of the MX missile occurs.

Two weeks ago, the gentleman from New York (Mr. ADDABBO) warned the House that we ran the risk of voting for MX procurement on House Concurrent Resolution 113—despite many assurances to the contrary by administration supporters. How accurate, indeed insightful, was the gentleman from New York. On the same day that he spoke, this bill H.R. 3132 was being reported, ironically containing funding for the final production line for MX nuclear warheads. The fact that this was being slipped through even though there was a freeze on MX moneys shows the lack of regard this administration has for legitimate congressional concern.

We were told that House Concurrent Resolution 113 just concerned R&D and flight testing—not procurement—we would discuss the question of procurement during the DOD authorization bill. If the Congress has not yet decided to procure the missile then why do we need to produce the warheads? At this rate, the missile will be tested with live warheads.

There is, for example, a very controversial unresolved question of how accurate the MX warheads ought to be. If the Congress rejects the doctrine of launch under attack, then those 10 or so MX missiles which can be expected to survive a Soviet first strike would constitute a reserve force capable of destroying Soviet soft targets—ranging from bomber bases to industrial facilities. Hard targeting would be performed by the Trident II. If the MX is to be reserved for soft targets, then its warheads do not need to be as accurate as is currently planned. There is an important question of policy which should be fully debated before we fund an MX warhead production line and, in fact, fully fund and construct such production lines.

We have already appropriated $74.1 million for the production line, yet we have not yet decided to finally procure the missile. The leadtime on the bringing into production of the warheads is not as time critical as the missile production—we have gotten out of phase. A delay in this appropriation will not delay the initial operational capability (IOC) of the MX—it will merely allow Congress to obtain answers to necessary questions.

The committee moved somewhat in the right direction by cutting the administration request from $30 to $20 million. I ask House Members to move still further and support this Bevill amendment to limit the $20 million for these MX production facilities until such time as the MX is authorized. This will keep this matter before Congress and will subordinate it properly to the authorization process and debate. This indeed means that we have not abdicated this discussion to the Pentagon by default. It is an important victory for the deliberative process and congressional consideration of this very important MX weapons issue.

Mr. MYERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am not going to oppose the amendment offered by the chairman of our subcommittee, but I have some reservations as to whether this is the proper direction that this committee should be taking at this time.

There are absolutely no funds in this appropriation for the procurement of missiles nor for the basing mode. This particular part of our appropriation bill providing funds started back in 1981 when we first provided funds for the facilities to construct an MX missile if and when a decision was made by this Congress to construct a warhead for the MX.

□ 1520

We started appropriating back in 1981 and have been appropriating since that time. Last year this Congress appropriated $60 million for this purpose. Most of it was held, however, until a decision was made whether we would actually deploy an MX missile. That decision was made by this Congress a few weeks ago.

Now, in this particular bill, we have reduced the request by the administration from $30 million to $20 million for construction of two buildings and to make some other improvements at existing facilities already on board. These facilities are in Colorado, in Missouri, in Tennessee, in Ohio, and Florida, where we already have facilities. But they need modernization and improvement and that is all in this bill; but we have already delayed the construction of the facility to build the MX that we decided 2 weeks ago to proceed with.

It does not take any additional funding. The only funding required would be if we are actually going to procure the MX; but the money provided in our bill would start the facilities only to build an MX warhead. We could not start the procurement of the MX warhead at best until 1986, because we have already delayed it close to a year.

Now, what concerns me is that the amendment offered by our chairman provides that none of the funds can go for procurement of buildings and equipment until enactment of another authorization bill.

Now, what happens if we do not have an enactment this year? We have had years when we did not have an enactment of legislation to provide for this. We would be further delaying something I think the Congress is going to do eventually.

Again, this is not procurement of any warhead but to build a facility.

I am not going to object or vote against the gentleman's amendment, but I really think in the best interests of what has already been decided by Congress, we are not following the right way here in further delaying something that we probably are going to do anyway.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. MYERS. I yield to the gentleman from Minnesota.

Mr. VENTO. I can understand the gentleman's concern, but I think that the authorizing bill will be considered in an orderly manner this year and likely will be acted on. We also have other bills to consider. The fact of the matter is, and I know it is not the intent of the gentleman to get into the merits of the debate, but there is not even a consensus within DOD as to the type of warhead yet. Given the fact that the warhead production is not a long lead item, that you really do not have the type of problem that the gentleman is presenting with regard to this.

I would hope that with the money in the bill that we could adopt the Bevill amendment and leave the major part of the debate to the authorizing and the defense appropriations measures.

Mr. MYERS. Well, I understand why the gentleman is making the argument and I do not disagree. Every Member has a right to offer amendments; but I likewise have a belief, because having served on this committee for a number of years, that we are only further delaying something that will eventually be done and cost us more when we finally do. If it were for the procurement of the warhead itself, Congress has not made that decision, and I would not disagree.

Mr. VENTO. Mr. Chairman, if the gentleman will yield further, I would point out that the committee report indicates that there are funds available that they have been utilizing. In fact, that is one of the reasons that the administration request was reduced.

Mr. MYERS. Reduced by $10 million. I do not know how this will be interpreted by the administration or by OMB. Does this mean that we are going to stop the money that is now in the pipeline already from last year? I do not know how it will be interpreted by the language of the gentleman's amendment. This is what troubles me very much.

Again I say, I am not going to oppose it, but I do think the Congress and this committee is making a serious mistake this afternoon in further delaying something that has already been on board.

Seventy-four million dollars have been appropriated already, not all of which has been spent. Some of it was delayed last year by the administration, subject to final approval by the Congress, which was made a few weeks ago. Further delay I think, is a mistake but I am not going to object to it.

Mr. VENTO. Mr. Chairman, if the gentleman will yield further, the point is that some of us do not look at that as being final approval. I think we can debate that today or we can wait until the authorization bill.

Mr. MYERS. Would the gentleman ever support final approval on this one? I doubt it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama (Mr. BEVILL).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

DEPARTMENTAL ADMINISTRATION

For salaries and expenses of the Department of Energy necessary for Departmental Administration and other activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the hire of passenger motor vehicles and official reception and representation expenses (not to exceed $35,000); $371,056,000, all of which is available for fiscal year 1984 and shall remain available

until expended, plus such additional amounts as necessary to cover increases in the estimated amount of cost of work for others notwithstanding the provisions of the Anti-Deficiency Act (31 U.S.C. 1511 et seq): *Provided*, That such increases in cost of work are offset by revenue increases of the same or greater amount, to remain available until expended: *Provided further*, That moneys received by the Department for miscellaneous revenues estimated to total $209,619,000 in fiscal year 1984 may be retained and used for operating expenses within this account, and may remain available until expended, as authorized by section 201 of Public Law 95-238, notwithstanding the provisions of 31 U.S.C. 3302: *Provided further*, That the sum herein appropriated shall be reduced by the amount of miscellaneous revenues received during fiscal year 1984 such that the final fiscal year 1984 estimated appropriation not be greater than $161,437,000.

Mr. FAZIO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the Appropriations Committee has reported seven bills to provide funding for fiscal 1984 thus far this spring, and two of them have passed the floor already. Last year by this point no bills had even been marked up. I think that demonstrates that Congress has regained a measure of control over Federal spending priorities, despite the difficulties which the budget resolution itself has encountered in the Senate and more recently between the two Houses.

I urge my colleagues' strong support of the third appropriations bill to reach the floor thus far for 1984, H.R. 3132, the energy and water development bill. It, too, is a bill written by Congress and reflects some major disagreements the Congress has had continually with the administration over two major issues confronting the Nation in the 1980's. One is water policy. The other is energy policy. In both cases, I am happy to say, this bill before us today takes a wiser, more considered approach than the ones the administration would have us follow.

We have done so without exceeding the limits in the House's version of the budget resolution. We have managed even to come in below the President's request for fiscal 1984 in these accounts, by $405 million out of a total of $14.2 billion. We are even lower than last year's appropriation figure, by $330 million, as we have been for the past several years, particularly when one considers the annual billion increase we have afforded the weapons portion of the bill since 1981.

With respect to water development policy, we have rejected a request from the administration to fund 14 new starts, all of them on the Corps of Engineers project list, 10 of them in States west of the Mississippi. We declined funding for these items because we did not think it wise for an Appropriations Committee to accept the strings the administration had attached to their request: Cost-sharing arrangements that were the function of the particular project's immediate economic circumstances or degree of desperation. In our view the Congress should decide what, if any, new cost-sharing arrangements should consist of.

The administration might make temporary alliance with those who are disenchanted with current water policy, or with the specific projects on the current water project list. In the long run, however, we on the committee felt that what the Nation actually needs the most is not a few new projects but a freshly conceived, comprehensively applicable approach to water development, conservation, and flood control. Congress should resist the pressure to go along with local water development interests whose need may be acute and genuine but whose individual cost-sharing arrangements, reached outside any authorized congressional framework, should not because a de facto basis for cost-sharing arrangements required of everyone.

It then becomes the obligation of the Federal Government to try to hammer out a new water cost-sharing policy. For several years, we on the Hill have heard of ideas floating about the executive branch, but for one reason or another they have not been formally presented to the Hill, except in the limited case of deepwater port standards contained in legislation which the OMB has apparently endorsed.

Absent a meeting of the minds within the executive branch, the congressional job is harder. Nonetheless, the chairman of the Energy and Water Appropriations Subcommittee, Mr. BEVILL, and the ranking minority member, Mr. MYERS, have established an arrangement with Mr. ROE, chairman of the Public Works Subcommittee on Water Resources, whereby the Appropriations Committee will wait until the Public Works Committee reports out an omnibus water project bill in mid-June. That bill will contain cost-sharing criteria for the broad range of projects which the Corps of Engineers undertakes around the Nation. When that bill is underway, the appropriations process can legitimately begin.

Despite the pain this decision might cause individual Members whose constituents cannot understand why the Government should resist projects with greater local support, I am sure my colleagues will agree that as a general matter it is important that we proceed this way. This decision should not be enacted by means of a nonprocess. Congress should do it. Certainly it would be inappropriate for the Appropriations Committee to do it. Accepting the administration's proposal would not only be assuming the responsibility of the authorization committee it would be giving away **congressional constitutional prerogatives.**

By the time our oil imports rose to 8.8 million barrels per day in 1977, the Nation was on its way to establishing an energy policy. The objective was to cope with rising dependence and prices in the short term, and to try to lay the basis for a strong, independent economy in the long term.

In the short term we achieved great successes; in my view the decontrol of oil did much to reverse the increasing drop in domestic production and at the same time amplified certain truths in the market place necessary to get the public to capitalize on conservation. The Federal public education and outreach programs also did much to tell people how to respond to the new market signal. In our research and development programs we began to make early progress in disseminating sharpened concepts about passive solar and we did well at launching efforts to develop solar technologies for wide use in the late 1980's and early 1990's.

I am personally convinced that the recent improvements in the economic picture are attributable in large measure to the turn-around on energy prices we have experienced since our near-term energy policies were adopted. Clearly the mechanics of supply side economics failed to work as they were supposed to, according to the speculative pronouncements of their supporters. The fact that the price of oil dropped from as high as $37 per barrel in 1981 to $29 currently is the most significant economic development one can point to as a primary cause of what is happening in the economy.

More ominous is the pronouncement the other day that because of restraint in Iran and continued work to hold up the price of international oil by the Saudis, the price has stabilized at $29 per barrel. To me that is a reflection of the fact that the economy worldwide is stiffening somewhat in reaction to the drops in price so far. We should wonder also if we are abandoning our chance to hold oil at that level, or to push it lower, by abandoning the coherent energy policy we had up to 1981.

In that period of time solar energy has fallen from a budget high of $520 million to a proposed $86 million for this year. There is no doubt that the solar energy budget was at times greater than an amount that was spent constructively. That is the nature of new programs, begun in a hurry amid great political ferment in a time of great stress. However, if not all the $520 million was constructively spent, certainly most of it was. One wonders, further, what might have happened if, instead of throwing the Department of Energy into turmoil

again by threatening to abolish it, the administration had instead sought to make cuts where reasonable and to improve the program performance where the potential justified it, which was the case for most of the program.

Similar stories could be told of other portions of the energy research and development budget, where the administration's philosophies will bcome self-fulfilling: geothermal development, electrical energy systems, and on the scientific side, environmental health.

This bill represents congressional intent to preserve for the taxpayers the value of those concrete achievements that the relatively new research and development program had managed to develop in the term allotted it. For solar we propose $180 million, rather than $87 million; for electric energy systems and storage $44 million versus $27 million proposed; and for environmental research $230 million versus $211 million.

There may be members who have problems with components of the bill, prominently the water elements. I would ask them to focus as well on the bill as a whole, not any particular. Additionally, I would ask them to bear in mind that the Congress will have a difficult time responding to the water needs of the 1990's and beyond unless and until we get a new authorization bill, both to spread the benefits to areas where new needs have developed, and to do so under new policies.

There may be others for whom our ability to finance a truly broad-based and efficient dependency-prevention program for energy seems unfortunately constrained. Certainly I have my strong feelings about shortcomings in our offers on magnetic fusion, though we ask for more than the administration. I appreciate also the administration's interest in sustaining a high level of advanced scientific effort, though I am distinctly unhappy about our inability to sustain support for a national center for advanced materials at the University of California at Berkeley. I am hopeful that we can pick up in conference the pieces to this badly handled effort. The merits of the project have been obscured by procedural mistakes and the apparent need among other areas of the country for a "mission" of their own. I hope that out of this contentious and leaderless situation a consensus will develop in the Senate to avoid the national center's becoming a collection of disorganized, incoherent satellites. The product of their separate efforts will benefit the taxpayers and the private sector far less than a central one.

I share concerns of some that the committee has not been able to take a position fully supportive of the high temperature gas-cooled reactor, though we did increase the line item from zero to $25 million. Again we have a reflection of lack of leadership within the administration in the outcome of this deliberation. The Congress would have a difficult time keeping sustained a good program to develop near-term alternative nuclear technologies unless the Department of Energy will commit itself to doing so.

All these concerns aside, this bill represents a vast improvement over the request received from the Departments and the Office of Management and Budget. I urge my colleagues to have their separate votes on matters of individual concern and then to gather behind this bill which lays the groundwork for wiser water and energy policies in the future.

I congratulate my chairman, TOM BEVILL, and my ranking minority member, JOHN MYERS, for their efforts. The bill takes a particularly long-range and effective view of the water situation in California. It is of similar benefit to the Nation as a whole.

Mr. BEVILL. Mr. Chairman, we know of only one more amendment at the end of title III.

I ask unanimous consent that the remainder of title III be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The CHAIRMAN. Are there any points of order against any part of title III?

Are there any amendments?

AMENDMENT OFFERED BY MR. ROE

Mr. ROE. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

SEC. 306. Not more than $500,000 of funds available to the Federal Energy Regulatory Commission shall be available for updating the comprehensive water resources analysis covering the Fifteenth Congressional District of California, in accordance with the provisions of sections 4(a) and 10(a) of the Federal Power Act including such public hearings as are necessary and appropriate for that purpose: *Provided*, That notwithstanding any other provision of law or regulation, the construction of any dam or hydroelectric facility on Whiskey Creek, Nelder Creek, and Lewis Fork of the Fresno River, all located in the Fifteenth Congressional District of California, shall be suspended and deferred until completion of the aforementioned updating of the comprehensive water resource analysis covering that District, and any permit, license, or exemption issued by the Federal Energy Regulatory Commission shall be modified as necessary to be consistent with the results of that analysis.

The Clerk read as follows:

Amendment offered by Mr. ROE: Page 27, after line 21, at the end of title III, add the following new section:

SEC. 307. Of the funds available for Energy Supply, Research and Development Activities, $10,000,000 is available for remedial action at Wayne/Pequannock, New Jersey.

Mr. ROE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WALKER. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Pennsylvania reserves a point of order against the amendment.

Mr. ROE. Mr. Chairman, as you know, I have been deeply concerned with a thorium contamination problem in my district for quite some time, almost 2 years in fact. After extensive studies by the Nuclear Regulatory Commission, the U.S. Department of Energy, the Centers for Disease Control in Atlanta, and the New Jersey Department of Environmental Protection, it has been determined that there is a public health hazard due to the significant levels of radiation found both on and off the site and that this hazard requires remedial action. This legislative action by the Appropriations Committee directs the Department of Energy to give first priority to the cleanup and removal of the thorium contamination in the Wayne/Pequannock, N.J. area, and ends any lingering doubts over the fact that the Department of Energy, rather than the Nuclear Regulatory Commission, has jurisdiction over this site under the FUSRAP program. In addition, in discussions with Department of Energy personnel we have been assured that the funds appropriated in this bill will be used immediately as a first step in the cleanup of this site.

At this point in the RECORD, Mr. Chairman, I would like to have printed two reports which more specifically outline the status of this most important remedial action matter. The first is an April 28 letter to me from Dr. William H. Foege, the Assistant Surgeon General who is the Director of the Centers for Disease Control in Atlanta, in which he expresses the deep concern of the CDC over the possible leeching of radioactive materials into the water supply of the area. The other is an April memo from Mr. E. L. Keller, Director of the Technical Services Division of the Department of Energy's Oak Ridge (Tennessee) Operations Office to Mr. John E. Baublitz, Director of the Division of Remedial Action Projects in DOE, in which Mr. Keller discusses the various logistical and cost factors involved in this cleanup operation.

PUBLIC HEALTH SERVICE,
CENTERS FOR DISEASE CONTROL,
Atlanta, Ga., April 28, 1983.

Hon. ROBERT A. ROE,
Chairman, Subcommittee on Water Resources, Committee on Public Works and Transportation, House of Representatives, Washington, D.C.

DEAR MR. ROE: This is in response to your letters of March 16 and April 4 to Mr. VanderMeer regarding the reports on the W. R. Grace Property in Wayne, New Jersey, prepared by the Nuclear Regulatory Commission (NRC) and by the State of New Jersey Department of Environmental Protection.

Dr. James Ruttenber, who completed a review of the first report you sent, has also analyzed these documents. On the basis of his analysis, it appears that both surveys have documented the contamination of the Grace site by radionuclides. The NRC study also documents contamination of an area near the Pompton Plains station. There is also evidence of contamination of soil adjacent to these sites. These reports indicate that external doses from the soil in both areas exceed levels considered safe by the NRC. The study performed by the State of New Jersey also indicates that radon levels exceed guidelines for nonoccupational exposure at the Grace site. The data, therefore, suggest a need for the evaluation of remedial alternatives.

We realize that these studies specifically addressed the issue of the extent of contamination at the sites, and not the extent of off-site contamination. From a public health standpoint, we are interested in the identification of all exposure routes for current workers at the Grace site, as well as for those who may live or work near these sites, or who may be exposed to radiation by water or suspended soil that was contaminated by these sites. To answer these questions, inhalation doses for specific radionuclides (particularly thorium isotopes) will need to be calculated for public exposures, both for the current conditions and after the cleanup of these areas. Likewise, ingestion doses from river water and wells will need to be evaluated. We concur with both reports on the need for additional monitoring and analysis to determine whether groundwater and shallow aquifers have been contaminated.

Although these studies evaluated radiation exposure on property adjacent to the contaminated site, they do not provide adequate confirmation that contamination from run-off has not occurred beyond the areas sampled. The absence of detailed drainage data for this site makes interpretation of this possibility difficult.

In conclusion, we emphasize that the question of possible public health risk must be answered by addressing all important exposure routes for all relevant radionuclides. The data in these two reports and their companion study of Sheffield Brook focus primarily upon external exposure to gamma radiation.

Sincerely yours,
WILLIAM H. FOEGE, M.D.,
Assistant Surgeon General, Director.

DEPARTMENT OF ENERGY,
OAK RIDGE OPERATIONS,
Oak Ridge, Tenn.

To: John E. Baublitz:

Subject: Preliminary cost estimates for cleanup of the W. R. Grace site at Pompton Plains, N.J.

In accordance with your March 28, 1983, request, enclosed are four copies of our report on a conceptual investigation and cost study for the W. R. Grace Site and vicinity properties. The investigation has included an order-of-magnitude cost for each of the three options. This estimate has not included escalation nor evaluation of construction schedules.

In conjunction with this cost study, we have reviewed the Aerospace estimate. The basic difference between our results and those of Aerospace is with the estimated volume of contaminated materials and method for disposal for onsite stabilization. The BNI volume estimate has optimized the areas and depths of buried waste where Aerospace assumed the contaminated area with a uniform average depth. The BNI total waste volume is 36,000 yd^3 versus 55,000 yd^3 for Aerospace. The Aerospace solution consisted of placing a 3 foot soil cover over the contaminated areas and capping with a 12-inch-thick rock cover. The BNI method of stabilization (Option 1) requires removing the buried material from the groundwater and depositing on a prepared impermeable bottom and side wall dike and covering with an engineered cap conforming to the intent of 40 CFR 192.

Option 1 is for Offsite Decontamination and Site Stabilization. The offsite properties include the bus maintenance yard, Sheffield Brook and vicinity, and railroad area. Decontamination of these areas involves transporting the contaminated materials to the W. R. Grace Plant during site stabilization. The site is located in a commercial and residential area. The 6.5-acre site is congested and limited by geographic and topographic features. The geologic and hydrologic conditions dictate removal of buried contaminated material (estimated 20,000 yd^3) and stabilizing it above grade within diked walls, bottom liner, and cap cover. The cost estimate for stabilization, including offsite decontamination (estimated 16,000 yd^3) is $19 million in 1983 dollars.

Options 2 and 3 for transporting the contaminated materials (36,000 yd^3) to a disposal site within 100 miles in the State of New Jersey or to a disposal site 750 miles at Oak Ridge, Tennessee, respectively, have major limitations. These options cannot materialize until a disposal site is designated and constructed within the New Jersey area or elsewhere within a reasonable distance. This action could take up to 8 years as estimated by the FUSRAP Conceptual Design Report. The cost estimates for Options 2 and 3 are $21 million and $31 million respectively, in 1983 dollars.

Based on the preliminary evaluation, it appears that the site may be a candidate for interim action pending the identification of disposal sites. This interim action could start immediately, with cleanup of some of the vicinity properties and storage of the materials at the W. R. Grace property. This cost would be $1.9 million. The scope included in this cost involves a consolidation of the contaminated materials from the railroad property in Pompton Plains, the school bus yard adjacent to the W. R. Grace plant, and the athletic and recreational fields near the Pompton River, and covering the surface hot spots at the burial yard at W. R. Grace Plant. This cleanup activity involves **about 500 yd^3 of contaminated materials at** these three offsite areas and provides an above grade storage (interim) similar to that at the Middlesex Sampling Plant. The cleanup of the Sheffield Brook and vicinity is not included in this interim action and potential for down-stream contamination would continue to exist.

A tabulation showing a rough breakout of costs for Task No. 1.0 for the three options studied is attached.

If you have any questions or need additional information, give me or E. Hardison a call.

E. L. KELLER,
Director, Technical Services Division.

INTRODUCTION AND SUMMARY

INTRODUCTION

At a hearing before the subcommittee on Energy Research and Production, the Department of Energy (DOE) on February 24, 1983, was requested to provide a preliminary cost estimate for disposal of low-level radioactively contaminated materials at the W. R. Grace plant site and vicinity properties including (1) areas along Sheffield Brook, (2) the school bus maintenance yard south of the site, and (3) a section of track and right-of-way on the Erie Lackawana Railroad at the end of Peck Avenue in Pompton Plains. On March 30, 1983, DOE Oak Ridge Operations (DOE-ORO) requested Bechtel National, Inc. to provide the preliminary cost estimates for the following remedial action options:

Option 1—Stabilize the waste from the site and from the vicinity properties on the W. R. Grace site.

Option 2—Remove the wastes from the W. R. Grace site and vicinity properties and transport them to an existing New Jersey disposal site (within 100 miles).

Option 3—Remove the wastes from the W. R. Grace site and vicinity properties and transport them to the DOE disposal site in Oak Ridge, TN (within 750 miles).

On April 5, 1983, members of the Bechtel engineering, project controls, and safety and licensing departments, as well as representatives from Oak Ridge Associated Universities and W. R. Grace met at the site and inspected the plant and vicinity properties. They also met with the local health representative and identified source pits in the immediate area for clay and aggregate.

SUMMARY

Due to the geological and hydrological conditions at the W. R. Grace site, in-situ stabilization is not feasible based on the present available information. The cost study has therefore investigated stabilization of the existing material by removing and depositing the contaminated materials on a clay liner and within clay dike located near the original grade above the ground water level. The order-of-magnitude cost for this option (Option 1) is $19 million including cleanup of the offsite vicinity properties. The volume of contaminated materials **has been estimated to be 20,000 yd^3 onsite and 16,000 yd^3 offsite based on recent 1982** radiological surveys by Oak Ridge Associated Universities (Frame, 1982; 1983).

The Option 2 cost estimate for transporting the contaminated materials to a disposal site within 100 miles in the state of New Jersey is $21 million. The Option 3 cost estimates for transporting the contaminated material to a disposal site in Oak Ridge, Tennessee (750 miles) is $31 million. The cost estimates are in 1983 dollars and are order-of-magnitude estimates, including a 20 percent contingency. The cost study assumes that disposal sites are available for receiving the contaminated materials.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. ROE. Yes, of course.

Mr. BEVILL. Mr. Chairman, we are familiar with the gentleman's amendment and all in agreement with it. We are glad to agree to it and support it.

Mr. ROE. I appreciate the fact the Chairman does not have any objection.

I do not know about the ranking minority member.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. ROE, Yes, of course.

Mr. MYERS. Mr. Chairman, the gentleman from New Jersey has discussed this with the minority. I understand the gentleman from Pennsylvania is going to object on a point of order; but the project that the gentleman from New Jersey discusses is a worthwhile project and the committee has no objection and the project will be needed.

Mr. ROE. I appreciate that.

We have some serious problems in New Jersey. Let me share this with you. I know that my good friend and colleague who is in the contiguous district of mine shares the same problems that we have.

We are not asking for any additional appropriations. We are asking for a priority in this area for the problem we have. I realize that there could be a point of order and I would be glad to yield to the gentlewoman from New Jersey in the immediate future; but our State has been ravaged with this situation.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. ROE. I am pleased to yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. While I was not prepared to speak to the subject, Mr. Chairman, I do take the opportunity because of the particular problem that the gentleman from New Jersey has and New Jersey shares in my former district across the line, that is, the thorium contamination and the reason it is applicable as a priority list is that in both cases these sites go back to times when the Defense Department was associated and the sites were located on Defense Department authorization and work done for the Federal Government; so I would hope there would not be a point of order made, but that it be recognized that this is part of a vital problem that the citizens of New Jersey face. We, more than any State in the Union, have more hazardous waste sites, these thorium sites included, within the borders of our State and it is a very serious and growing problem. It is a situation that if not attended to now will only result in greater health hazard and greater cleanup costs in the future.

Therefore, I would agree with the gentleman from New Jersey that this is not only a worthwhile, but an essential project for our citizens.

Mr. ROE. Well, let me expand just a little further, so that the gentleman from Pennsylvania will understand our dilemma.

We have gone through the procedure. We have gone through the committee. We have testified. We need this extra help now because there is a serious potential contamination of our water supply in the area. We know that what we have asked to be done we cannot achieve unless we move in this direction; so I really trust that the gentleman from Pennsylvania will understand our serious dilemma in the State of New Jersey and not press his point of order.

Mrs. ROUKEMA. Mr. Chairman, if the gentleman will yield further, let me point out also that thorium is radiation and the radiation is difficult enough to exhume, but even more difficult to find a waste site for; so the problems are enormous and complicated and they do not lessen with time. They only increase the complexities of disposal with time.

□ 1530

POINT OF ORDER

The CHAIRMAN. Does the gentleman from Pennsylvania insist on his point of order?

Mr. WALKER. Mr. Chairman, I insist on my point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. WALKER. Mr. Chairman, I make a point of order against the amendment because it fails to comply with the provisions of clause 2 of rule XXI which bars appropriations for unauthorized measures.

I would say in defense of my point of order that we are talking about process here and not merit of the particular projects. There is no doubt in my mind that the project is one of extreme merit.

One of the reasons why we have an authorization process around here, followed by an appropriations process, is that we try to sort out what has merit and then follow through on those measures with appropriations. That is where we have a problem with the gentleman's amendment.

The amendment refers to a project which has not been properly authorized and, therefore, in my opinion, a point of order rests against it.

The CHAIRMAN. Does the gentleman from New Jersey wish to speak to the point of order?

Mr. ROE. I would like to respond, Mr. Chairman.

I respect and understand the gentleman's problem. But, you know, here is a situation in America where you have a population that is affected by a radiant situation into the water supply. We have gone through the committee, you are right. The other body has not passed this and I am not going to quarrel with you about that. But I think that a governing body such as this body with 435 Members, where the Federal Government did the testing in this community, they are the ones who did this work, we have debated this in both the authorization and the Appropriations Committee and I am not quarreling with the gentleman, but it seems a tragedy to me that here are hundreds and thousands of people that are dependent. On these issues in my State there are 419 of the priority sites in this Nation on toxic wastes and 60-some are in the State of New Jersey.

We will get this ultimately because the cause is just. The cause is genuinely just.

How many times on your side have your people come to me on project after project after project where the cause was just and needed some special help because there was a time element involved? Is it right for the Congress of the United States not to speak to the issue where people can be poisoned by a water supply because we refuse on a procedural basis, and I am not quarreling, I am pleading with you to help us on this one.

The CHAIRMAN. Does the gentleman from Pennsylvania wish to be heard further on a point of order?

Mr. WALKER. The gentleman wishes to be heard further on the point of order.

I would say to the gentleman that I understand his dilemma. But there are procedures that were available to him with regard to the case that he makes. He could have gone to the Rules Committee, for example, and gotten an amendment made in order under the rule which would have precluded a point of order being raised.

But I would say to the gentleman that in my area we have a Three Mile Island problem that has been frustrated.

Mr. ROE. In my State, too.

Mr. WALKER. And we have to try to deal with that. There are many, many frustrating problems that we as Members of Congress come up against that affect our area.

If we do not have some kind of procedures, though, here, and that is the reason for the rules, and the reason for the procedures, we will never be able to sort out the merits.

So in this particular instance I am making the point of order based on the rules of the House and I would insist on the point of order.

The CHAIRMAN (Mr. PEASE). The gentleman insists on his point of order.

The gentleman from New Jersey (Mr. ROE) has conceded that there is no authorization in law for this program and, therefore, the Chair sustains the point of order.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

DELAWARE RIVER BASIN COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out the functions of the United States member of the Delaware River Basin Commission, as authorized by law (75 Stat. 716), $191,000.

Mr. SIMON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the Committee on Public Works and Transportation as well as this subcommittee of the Appropriations Committee has been very good to an area of my district that has been flood prone, Alexander and Pulaski Counties, and you have authorized a study for the first time of an area that happens to fall in the jurisdiction of three different Corps of Engineers districts. We have never had a coordinated look at the area, and we now have had 2 years of a 3-year study.

I have just learned in my office that the third year was somehow inadvertently not requested by the corps.

My question to the gentleman from Alabama would be if in the other body we can get that third year restored so that the study can be completed whether you would be sympathetic to including that in the conference report.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to the chairman of the subcommittee.

Mr. BEVILL. I will say to the gentleman from Illinois it was an oversight on our part. If the other body includes the project in the bill we will accept it and we will see that that the third year funding is brought forth.

Mr. SIMON. I thank the gentleman from Alabama and I yield back the balance of my time.

Mr. RIDGE. Mr. Chairman, I would like to take this opportunity to commend Chairman WHITTEN, Mr. CONTE, and the members of the Appropriations Committee on a job well done.

In particular, I would like to express my appreciation to the committee, and to the full House, for funding two very important projects in my own part of Pennsylvania.

In March, I testified before the Subcommittee on Energy and Water, chaired by my distinguished colleague from Alabama (Mr. BEVILL), in order to request the funds necessary to begin detailed design and engineering on a permanent solution to a long-standing beach erosion problem at Presque Isle in Erie County. My request was not for additional funds, but for transfer of some $500,000 already budgeted by the Corps of Engineers for beach replenishment at Presque Isle. I did so only after I was advised by the corps that because last winter was less harsh than expected, the need for sand replacement could be met with less than the amount previously budgeted.

I was cordially and warmly received by members of the subcommittee, and I very much appreciate their decision to grant my request. Surely, getting started on a long-awaited permanent solution to the erosion problem at Presque Isle is a prudent and productive use of taxpayers' funds.

I would also like to take just a minute to express my appreciation for my colleagues' willingness to support continued flood control work by the Corps of Engineers at Shenango Lake in Mercer County. This lake has long been a favorite recreation spot for countless families from many towns in my district. There is always more that can be done to improve the Shenango Lake watershed, and the $1.281 million appropriated today will go a long way toward maintaining one of my constituents' favorite public facilities.

Mr. BEREUTER. Mr. Chairman, I am deeply concerned that current efforts to attain a consensus on a viable alternative to the O'Neill unit (Norden Dam) move forward, before all opportunity for water development in this area of Nebraska is lost. Several such alternatives have been proposed in the past.

Language which directs the Bureau of Reclamation to contract with the State of Nebraska to conduct a study to determine the viability of developing water in north central Nebraska by means of a ground water research project is included in the 1983 supplemental appropriations bill before the Senate. I would have made a similar effort during consideration of the 1984 energy and water development appropriation bill, had I not been precluded from doing so by the Rules of the House and the Budget Act.

Because no specific authorization for such a study had been approved, any attempt to direct funds in the energy and water development appropriation for that purpose could be subject to a successful point of order on the basis that we are legislating in an appropriations bill. It is also clear that such a point of order would be made on this issue.

I urge my colleagues, particularly those members of the Energy and Water Development Subcommittee, to support this effort.

With each passing year, it becomes more evident that the currently authorized O'Neill project will not be built. We have and are witnessing a steady erosion of support for the project in Congress and in Nebraska. A recent poll to my constituents in Nebraska's First Congressional District reveals that 60 percent now say they oppose the project while only 17 percent support it.

This erosion of support became dramatically clear last year when the House of Representatives voted to deny all funds for the O'Neill unit. The Senate refused to take similar action, thus enabling funds to be restored in a House-Senate conference committee.

I am, therefore, encouraged by the recent action of the Senate Appropriations Committee. For the duration of this study, the Bureau would not be permitted to proceed with the O'Neill-Norden Dam project.

Given the House's clear rejection of the O'Neill project last year, I believe conferees on the bill are well advised to accept the Senate language authorizing the necessary study of alternatives.

It is time—in fact, this Member felt the time had come over 2 years ago—for opponents and supporters of the O'Neill unit to accept a viable, cost-effective alternative that does not build a dam on the Niobrara River. A recent editorial in the Omaha World Herald shed wisdom on this issue:

> It would make good sense to lay aside emotionalism and to remember that the primary purpose of the O'Neill Unit is not to build the Norden Dam. The primary purpose of the O'Neill Unit is to provide irrigation water to farmers in an area where water tables are declining.

I commend that wisdom to my colleagues in the House, and particularly those Members who will serve on the conference committee on the supplemental appropriations bill. It is my hope that this effort may lead to a constructive solution to what has been a troubling problem for Nebraskans and Congress.

● Mr. GILMAN. Mr. Chairman, I rise in support of this appropriations measure, on which the committee worked so diligently and expertly.

This appropriations bill earmarks $100,000 for the Army Corps of Engineers to get started on a badly needed flood control project on the Delaware River, near the point where the States of New York, Pennsylvania, and New Jersey meet.

In severe winters, ice jams the river, causing water to back up into the populated areas in and near Port Jervis, N.Y. and Matamoras, Pa. This happened again in February 1981, causing property damages of nearly $8 million in New York alone, displacing 200 families, and resulting in the loss of at least one life. Grant assistance had to be obtained by most of the 200 displaced families, and severe loss of public services was experienced.

The Army Corps of Engineers has spent a great deal of time looking into this matter, and would like to commence a flood control study to prevent a repetition of the events of February 1981, which not only produced a human tragedy to countless lives, but costs the taxpayers of America millions of dollars in relief funds.●

● Mr. BROWN of California. Mr. Chairman, I rise in support of the energy and water appropriations bill for fiscal year 1984 (H.R. 3132) and

commend the distinguished chairman of the Subcommittee on Energy and Water Appropriations, my colleague TOM BEVILL, and the chairman of the full Committee on Appropriations, my colleague JAMIE WHITTEN, for the fine work they have done in bringing this bill to the floor.

I understand that there is no funding in the bill for the Clinch River breeder reactor. Some of my colleagues and I are concerned that the other body may include some sort of provision for the project when the energy and water appropriations bill is considered. I simply want to join my colleague, Mr. COUGHLIN, in expressing the concern that should the other body include funding or a cost-sharing authorization provision for Clinch River that this be considered an item in disagreement in the conference report and that the House be provided the opportunity to vote on this issue separately as an item of disagreement. However, I certainly hope that my concern on this is not interpreted to signify a lack of confidence in the other body finally seeing the light on this issue and deleting funds for Clinch River, as the House has just done.

Mr. Chairman, I would like to particularly commend my colleague Mr. BEVILL, for his inclusion in the bill before us of $6 million for geothermal research at the Salton Sea in California. This research project, which will entail a piggyback arrangement with a commercial venture, is very interesting because it is a joint industry/university project. The University of California at Riverside is conducting the research with Republic Geothermal Co. Both the industry and the university are very excited about the potential benefits of drilling what will be the deepest and hottest geothermal well in the world. What I find particularly encouraging about this type of arrangement is that the information obtained from the research will be published openly; generally industry likes to keep the results of research proprietary. Also encouraging is that the cost of doing this research will be several times less than if the university had to drill the entire well on its own.

Mr. Chairman, I must say that I am disappointed that the overall figures for solar and conservation programs are lower than the fiscal year 1983 appropriation was for these programs. I do not understand how we can continually erode these programs and expect to achieve a reasonable energy balance. Some of these technologies are ready for the market, but there is still much research that needs to be done. I think it is unrealistic to keep pumping money into our nuclear technologies and to keep cutting back on solar and conservation technologies if we are aiming for long-term energy stability.●

● Mr. RAHALL. Mr. Chairman, I rise in support of the Energy and Water Development Appropriation bill for fiscal year 1984. In particular I wish to express my gratitude for the money included in this bill for the Tug Fork flood protection project and the Appalachian Regional Commission.

The Tug Fork flood protection project is needed to protect lives and property in the Tug Valley. This particular project will offer relief from the ravages of flooding for approximately 33,000 people who live in this area. Not only will the Nation be providing relief to the residents of this area, but we will be protecting 8 to 10 percent of the finest low sulfur coal in the Nation. The funding in this bill will allow the corps to construct floodwalls and pump stations near the most populous areas of this region.

Another program of vital importance to West Virginia and Appalachia is the Appalachian Regional Commission. The committee bill appropriates approximately $145.5 million for the next fiscal year. Two-thirds of the money will be earmarked for completion of vital segments of the Appalachian highway system with the remaining funds going to depressed countries in Appalachia for health care and economic development programs.

I wish to commend the Committee on Appropriations and, specifically, the gentleman from Alabama, Mr. BEVILL, the distinguished chairman of the Subcommittee on Energy and Water Development, for their interest in these projects which benefit West Virginia.●

● Mr. FRENZEL. Mr. Chairman, since the vote to make a small percentage cut in this appropriation bill was passed in the committee, it has been said, with some accuracy, that H.R. 3132 is within all budgets.

Of course, anything at all would fit within the House's budget resolution. That resolution was no more than a letter to Santa Claus. It covers any and all aspirations, however olympian, and it is therefore not a fit gage for budget responsibility.

The Senate resolution is better, but it has increased spending too much this year. It cannot operate as a effective restriction on spending.

It is also alleged that H.R. 3132 fits the President's budget, too. Actually, it only fits because Clinch River has been removed. The Appropriations Committee took Clinch River out and then spent all the Clinch River savings on its own favorite projects.

I am also afraid that supplemental appropriations for new authorizations lurk, as usual, in the future. When the whole process is analyzed, it can readily seem to be business as usual, or spending as usual.

Because I believe the times demand something better than spending as usual, I shall vote "no."●

● Mr. BOUCHER. Mr. Chairman, I rise in support of the appropriation for the Appalachian Regional Commission contained in title IV of H.R. 3132, the energy and water appropriations bill for fiscal year 1984.

Title IV appropriates $150 million for ARC programs, including $100 million for highway projects and $50 million for area development activities. Although I regret that the committee was unable to recommend funding for the ARC at the levels contemplated in H.R. 10, the ARC extension legislation we will consider later this month, the $150 million appropriation in H.R. 3132 should send a strong message to President Reagan, who proposed no funding for the ARC's area development program. I look forward to the passage of H.R. 10 to extend the existence of the ARC, and I am hopeful that we will eventually win a permanent reauthorization of the Commission.

It is indeed ironic that on the one hand President Reagan extolls the virtues of federalism and of decentralization, and on the other hand, he seeks to destroy the Appalachian Regional Commission, an agency that has been uniquely successful in working with States and localities for the good of our citizens. On the one hand, the President proclaims his patronage of American business while on the other he proposes the abolition of one of the Nation's premier industrial development agencies. It is clear that the investment of a modest sum of public dollars today in the ARC's area development program will reap enormous economic returns in the years ahead in many underdeveloped areas of the Nation.

Since its creation in 1965, the ARC has served as a catalyst for improvements in basic public facilities that have benefited the entire Appalachian region. Among the many southwest Virginia projects funded by the ARC are the Clintwood health clinic, the Wythe-Grayson regional library, several water and sewer projects, the Duffield Industrial Park and improvements to small, regional airports serving rural areas. It would have been virtually impossible for the localities to undertake these projects without the support of the ARC.

In a recent letter to me, Mr. C. Paul Kinkade, chairman of the Mount Rogers Planning District Commission wrote:

> Despite the vast improvements which have occurred over the past twenty years, a lot of work remains to be done. Towns, rural communities, and industrial sites still need water and sewer systems. Industrial sites with utilities need to be carved out of the mountain sides. Industries and businesses need assistance in their financing and in adjusting to the new demands of the market place. All of these needs are directly related to our pressing concern of relieving the

chronic unemployment which affects this corner of the Commonwealth; unemployment which is in excess of 13 percent in our region.

Past federal investments in our region through the auspices of the Appalachian Regional Commission and the Economic Development Administration have been highly successful in helping communities meet their developmental needs and in making possible the private sector investments which have created jobs . . .

There is little I can add to Mr. Kinkade's comments in support of the ARC. I enthusiastically support appropriations for the Commission, and I commend the committee for resisting the President's efforts to terminate the Appalachian Regional Commission.●

● **Mr. BILIRAKIS.** Mr. Chairman, when the Subcommittee on Energy and Water Development held hearings on the projects to be funded in the State of Florida, I had the pleasure of testifying before them. I stated then and I want to reiterate that I support all the funding requests made by the State of Florida. But I want to emphasize two of these requests which are of great importance to the people of Florida's Ninth Congressional District, whom I proudly represent.

The Four River Basins project is an ongoing flood control program which was begun in 1961 after three floods caused extensive damage throughout west central Florida. The horrors caused by floods can be seen in the present crisis in Utah. Effective management of water resources in any flood-prone area is critical to the safeguarding of hundred of thousands of acres of land, and even more important, the people who live, work, and visit the area. Overall, the project in Florida covers 6,000 square miles in 14 counties and includes part of the drainage basins of four major streams and three smaller watersheds.

The 1984 budget proposal requests $3 million for work on three separate components of the Four Basin plan. The continued removal of shoaling from the Tampa Bypass Canal, work on the Flint Creek Mitigation project near Lake Thonotasassa and continued construction on the lower Hillsborough Wilderness Park will certainly be a positive step in flood control.

I am also pleased to see that the Clearwater Spoil Disposal study was included in the budget of the House Committee recommendation. This project will provide for the needed dredging of the navigation channels in Clearwater Bay. As the population of the area continues to grow, so will the demands on the Intracoastal Waterway. This plan not only meets the needs of those who use our waterways, but it also seeks solutions to the environmental problems which Clearwater faces.

Though I spoke mainly about the projects in my home district, I want to reaffirm my support of all the requests of the State of Florida and I look forward to the progress of these projects.●

● Mr. RICHARDSON. Mr. Chairman, I have mixed feelings toward the Appropriations Committee's treatment of funds of solar energy programs for the Department of Energy during the coming fiscal year. It is true that the committee's recommendation is $93 million more than proposed by the administration in its 1984 budget. But it is also important for my colleagues to realize that solar energy is being asked to take a cut of $22 million below the current level of appropriations.

Normally, a $22 million cut would not be a serious blow to a major Federal research and development program. But in the case of Federal programs for solar energy, it is a blow which I believe is unwarranted and potentially very harmful.

During the past 3 years, Federal support for solar energy research and development has dropped from $552 million to the current appropriated level of $202 million. Mr. Speaker, that is a cut of more than 63 percent. This series of cuts has been more akin to a **meat ax approach than a prudent** trimming of fat in the Federal budget. Indeed, we have cut the fat, and in the process we have cut the muscle, the tendons, the ligaments, and the heart out of Federal research and development activities for solar energy development.

Now the Appropriations Committee wants to make a further cut of $22 million. This is another case of penny-wise, pound-foolish budget reductions. As we pare our Federal solar research and development activities to a skeletal level, the French and Japanese are pushing ahead with expanded Govern**ment-supported efforts to bring down** the cost of implementing photovoltaics on a commercially competitive scale.

Photovoltaics are critical to our energy future. And yet, because we are unwilling to make the necessary Federal investment in research and development, we may very well find in the coming years that we have lost our technological advantage in solar energy development, just like we have lost the edge in automobile, steel, electronics, and far too many other industries.

I pray I am wrong, Mr. Chairman, but if we are unwilling to make the necessary investments in Federal research and development, we cannot expect other nations to sit idly by and allow us to keep our position of superiority.●

Mr. BEVILL. Mr. Chairman, we know of no further amendments to the bill and I ask unanimous consent that the remainder of the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The CHAIRMAN. Are there any points of order against the remainder of the bill?

Are there any amendments to the remainder of the bill?

Mr. BEVILL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. PEASE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3132) making appropriations for energy and water development for the fiscal year ending September 30, 1984, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 379, nays 39, not voting 14, as follows:

[Roll No. 168]

YEAS—379

Ackerman	Archer	Berman
Addabbo	Aspin	Bethune
Akaka	Barnard	Bevill
Albosta	Barnes	Biaggi
Alexander	Bartlett	Bilirakis
Anderson	Bateman	Bliley
Andrews (NC)	Bates	Boehlert
Andrews (TX)	Bedell	Boggs
Annunzio	Beilenson	Boland
Anthony	Bennett	Boner
Applegate	Bereuter	Bonker

Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brooks
Broomfield
Brown (CO)
Bryant
Burton
Byron
Campbell
Carper
Carr
Chandler
Chappell
Chappie
Cheney
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Conable
Conte
Conyers
Cooper
Coughlin
Coyne
Craig
Crockett
D'Amours
Daniel
Daschle
Daub
Davis
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Erlenborn
Evans (IL)
Fascell
Fazio
Feighan
Fiedler
Fields
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Forsythe
Fowler
Frank
Franklin
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Gore
Gramm
Gray
Green
Gregg
Guarini
Gunderson
Hall (IN)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Harkin
Harrison
Hatcher
Hawkins
Hefner
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hughes
Hunter
Hutto
Hyde
Ireland
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kindness
Kogovsek
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Leath
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin
Levine
Levitas
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
MacKay
Madigan
Markey
Marlenee
Marriott
Martin (IL)
Martin (NY)
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McNulty
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Mineta
Minish
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Patman
Patterson
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ratchford
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Rudd
Russo
Sabo
Savage
Sawyer
Schaefer
Scheuer
Schneider
Schulze
Schumer
Seiberling
Shannon
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Simon
Sisisky
Skeen
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert
Snowe
Snyder
Solarz
Spence
Spratt
St Germain
Staggers
Stangeland
Stenholm
Stokes
Stratton
Stump
Sundquist
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vander Jagt
Vandergriff
Vento
Volkmer
Walgren
Walker
Watkins
Waxman
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wirth
Wise
Wolf
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zablocki
Zschau

NAYS—39

AuCoin
Bonior
Broyhill
Corcoran
Courter
Crane, Daniel
Dannemeyer
Dellums
DeWine
Dreier
Edgar
Evans (IA)
Frenzel
Gingrich
Gradison
Hall (OH)
Hartnett
Hertel
Jacobs
Latta
Leach
Mack
Martin (NC)
McDonald
Moorhead
Paul
Ritter
Schroeder
Sensenbrenner
Sharp
Smith, Denny
Solomon
Stark
Studds
Tauke
Weaver
Weber
Weiss
Wolpe

NOT VOTING—14

Badham
Brown (CA)
Carney
Collins
Crane, Philip
de la Garza
Ferraro
Goodling
Heftel
Hubbard
Kolter
Martinez
Pritchard
Vucanovich

□ 1550

Messrs. HERTEL, WEAVER, and DEWINE changed their votes from "yea" to "nay."

Mr. McCOLLUM and Mr. FIELDS changed their votes from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to clause 5, rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed on Monday, June 6, 1983, in the order in which that motion was entertained.

Votes will be taken in the following order: H.R. 1271, by the yeas and nays; H.R. 2207, by the yeas and nays; H.R. 2355, by the yeas and nays; H.R. 2148, by the yeas and nays; and H.R. 2943, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic votes after the first such vote in this series.

□ 1600

CERTIFICATION OF CONDITIONS IN EL SALVADOR

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill, H.R. 1271, as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Maryland (Mr. BARNES) that the House suspend the rules and pass the bill, H.R. 1271, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 416, nays 2, not voting 14, as follows:

[Roll No. 169]

YEAS—416

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Aspin
AuCoin
Barnard
Barnes
Bartlett
Bateman
Bates
Bedell
Beilenson
Bennett
Bereuter
Berman
Bethune
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brooks
Broomfield
Brown (CO)
Broyhill
Bryant
Burton
Byron
Campbell
Carper
Carr
Chandler
Chappell
Chappie
Cheney
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Conable
Conte
Conyers
Cooper
Corcoran
Coughlin
Courter
Coyne
Craig
Crane, Daniel
Crockett
D'Amours
Daniel
Dannemeyer
Daschle
Daub
Davis
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Erlenborn
Evans (IA)
Evans (IL)
Fascell
Fazio
Feighan
Fiedler
Fields
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Forsythe
Fowler
Frank
Franklin
Frenzel
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Gore
Gradison
Gramm
Gray
Green
Gregg
Guarini
Gunderson
Hall (IN)
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Harkin
Harrison
Hartnett
Hatcher
Hawkins
Hefner
Hertel
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Huckaby
Hughes
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kindness
Kogovsek
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin
Levine
Levitas
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Markey
Marlenee
Marriott
Martin (IL)
Martin (NC)

Martin (NY)	Petri	Solarz
Matsui	Pickle	Solomon
Mavroules	Porter	Spence
Mazzoli	Price	Spratt
McCain	Pritchard	St Germain
McCandless	Pursell	Staggers
McCloskey	Quillen	Stangeland
McCollum	Rahall	Stark
McCurdy	Rangel	Stenholm
McDade	Ratchford	Stokes
McDonald	Ray	Stratton
McEwen	Regula	Studds
McGrath	Reid	Sundquist
McHugh	Richardson	Swift
McKernan	Ridge	Synar
McKinney	Rinaldo	Tallon
McNulty	Ritter	Tauke
Mica	Roberts	Tauzin
Michel	Robinson	Taylor
Mikulski	Rodino	Thomas (CA)
Miller (CA)	Roe	Thomas (GA)
Miller (OH)	Roemer	Torres
Mineta	Rogers	Torricelli
Minish	Rose	Towns
Mitchell	Rostenkowski	Traxler
Moakley	Roth	Udall
Molinari	Roukema	Valentine
Mollohan	Rowland	Vander Jagt
Montgomery	Roybal	Vandergriff
Moody	Rudd	Vento
Moore	Russo	Volkmer
Moorhead	Sabo	Walgren
Morrison (CT)	Savage	Walker
Morrison (WA)	Sawyer	Watkins
Mrazek	Schaefer	Waxman
Murphy	Scheuer	Weaver
Murtha	Schneider	Weber
Myers	Schroeder	Weiss
Natcher	Schulze	Wheat
Neal	Schumer	Whitehurst
Nelson	Seiberling	Whitley
Nichols	Sensenbrenner	Whittaker
Nielson	Shannon	Whitten
Nowak	Sharp	Williams (MT)
O'Brien	Shaw	Williams (OH)
Oakar	Shelby	Wilson
Oberstar	Shumway	Winn
Obey	Shuster	Wirth
Olin	Sikorski	Wise
Ortiz	Siljander	Wolf
Ottinger	Simon	Wolpe
Owens	Sisisky	Wortley
Oxley	Skeen	Wright
Packard	Skelton	Wyden
Panetta	Slattery	Wylie
Parris	Smith (FL)	Yates
Pashayan	Smith (IA)	Yatron
Patman	Smith (NE)	Young (AK)
Patterson	Smith (NJ)	Young (FL)
Pease	Smith, Denny	Young (MO)
Penny	Smith, Robert	Zablocki
Pepper	Snowe	Zschau
Perkins	Snyder	

NAYS—2

Paul	Stump

NOT VOTING—14

Badham	de la Garza	Hunter
Brown (CA)	Ferraro	Kolter
Carney	Goodling	Martinez
Collins	Heftel	Vucanovich
Crane, Philip	Hubbard	

□ 1610

Mr. STUMP changed his vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to clause 5 of rule I, the Chair announces he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all of the additional motions to suspend the rules on which the Chair has postponed further proceedings.

EMERGENCY SCHOOL AID ACT

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill, H.R. 2207, as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky (Mr. PERKINS) that the House suspend the rules and pass the bill, H.R. 2207, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 299, nays 120, not voting 13, as follows:

[Roll No. 170]

YEAS—299

Ackerman	Downey	Jones (NC)
Addabbo	Duncan	Jones (OK)
Akaka	Durbin	Jones (TN)
Albosta	Dwyer	Kaptur
Alexander	Dymally	Kastenmeier
Anderson	Dyson	Kazen
Andrews (NC)	Early	Kemp
Andrews (TX)	Edgar	Kennelly
Annunzio	Edwards (CA)	Kildee
Anthony	Edwards (OK)	Kogovsek
Applegate	English	Kostmayer
Aspin	Erdreich	LaFalce
AuCoin	Evans (IL)	Lantos
Barnes	Fascell	Leach
Bates	Fazio	Lehman (CA)
Bedell	Fish	Lehman (FL)
Beilenson	Flippo	Leland
Bennett	Florio	Levin
Bereuter	Foglietta	Levine
Berman	Foley	Levitas
Bethune	Ford (MI)	Lewis (CA)
Bevill	Ford (TN)	Lipinski
Biaggi	Fowler	Livingston
Boehlert	Frank	Lloyd
Boggs	Frost	Long (LA)
Boland	Fuqua	Long (MD)
Boner	Garcia	Lowry (WA)
Bonior	Gejdenson	Luken
Bonker	Gephardt	Lundine
Borski	Gibbons	MacKay
Bosco	Gilman	Markey
Boucher	Glickman	Marlenee
Boxer	Gonzalez	Marriott
Breaux	Goodling	Martin (IL)
Britt	Gore	Martin (NY)
Brooks	Gray	Matsui
Bryant	Green	Mavroules
Carper	Guarini	Mazzoli
Carr	Gunderson	McCloskey
Chappell	Hall (OH)	McCurdy
Clarke	Hall, Ralph	McDade
Clay	Hall, Sam	McHugh
Clinger	Hamilton	McKernan
Coelho	Hammerschmidt	McKinney
Coleman (TX)	Hance	McNulty
Conable	Harkin	Mica
Conte	Harrison	Mikulski
Conyers	Hatcher	Miller (CA)
Cooper	Hawkins	Mineta
Coughlin	Hefner	Minish
Courter	Hertel	Mitchell
Coyne	Hopkins	Moakley
Crockett	Horton	Mollohan
Daschle	Howard	Moody
Davis	Hoyer	Moore
Dellums	Huckaby	Morrison (CT)
Derrick	Hughes	Mrazek
Dickinson	Hunter	Murphy
Dicks	Hutto	Murtha
Dingell	Ireland	Natcher
Dixon	Jacobs	Neal
Donnelly	Jeffords	Nelson
Dorgan	Jenkins	Nichols
Dowdy	Johnson	Nowak
O'Brien	Rowland	Thomas (GA)
Oberstar	Roybal	Torres
Obey	Russo	Torricelli
Olin	Sabo	Towns
Ortiz	Savage	Traxler
Ottinger	Sawyer	Udall
Owens	Scheuer	Valentine
Panetta	Schneider	Vander Jagt
Parris	Schroeder	Vandergriff
Pashayan	Schulze	Vento
Patman	Schumer	Walgren
Patterson	Seiberling	Watkins
Pease	Sensenbrenner	Waxman
Penny	Shannon	Weaver
Pepper	Sharp	Weiss
Perkins	Shelby	Wheat
Petri	Sikorski	Whitehurst
Pickle	Simon	Whitley
Porter	Sisisky	Whitten
Price	Slattery	Williams (MT)
Pritchard	Smith (FL)	Williams (OH)
Pursell	Smith (IA)	Wilson
Rahall	Smith (NJ)	Wirth
Rangel	Snowe	Wise
Ratchford	Solarz	Wolf
Regula	Spratt	Wolpe
Reid	St Germain	Wortley
Richardson	Staggers	Wright
Ridge	Stark	Wyden
Rinaldo	Stokes	Yates
Rodino	Stratton	Yatron
Roe	Studds	Young (AK)
Roemer	Swift	Young (FL)
Rose	Synar	Zablocki
Rostenkowski	Tallon	Zschau
Roth	Tauzin	

NAYS—120

Archer	Gradison	Nielson
Barnard	Gramm	Oakar
Bartlett	Gregg	Oxley
Bateman	Hansen (ID)	Packard
Bilirakis	Hansen (UT)	Paul
Bliley	Hartnett	Quillen
Broomfield	Hightower	Ray
Brown (CO)	Hiler	Ritter
Broyhill	Hillis	Roberts
Burton	Holt	Robinson
Byron	Hyde	Rogers
Campbell	Kasich	Roukema
Chandler	Kindness	Rudd
Chappie	Kramer	Schaefer
Cheney	Lagomarsino	Shaw
Coats	Latta	Shumway
Coleman (MO)	Leath	Shuster
Corcoran	Lent	Siljander
Craig	Lewis (FL)	Skeen
Crane, Daniel	Loeffler	Skelton
D'Amours	Lott	Smith (NE)
Daniel	Lowery (CA)	Smith, Denny
Dannemeyer	Lujan	Smith, Robert
Daub	Lungren	Snyder
DeWine	Mack	Solomon
Dreier	Madigan	Spence
Eckart	Martin (NC)	Stangeland
Edwards (AL)	McCain	Stenholm
Emerson	McCandless	Stump
Erlenborn	McCollum	Sundquist
Evans (IA)	McDonald	Tauke
Feighan	McEwen	Taylor
Fiedler	McGrath	Thomas (CA)
Fields	Michel	Volkmer
Forsythe	Miller (OH)	Walker
Franklin	Molinari	Weber
Frenzel	Montgomery	Whittaker
Gaydos	Moorhead	Winn
Gekas	Morrison (WA)	Wylie
Gingrich	Myers	Young (MO)

NOT VOTING—13

Badham	de la Garza	Kolter
Brown (CA)	Ferraro	Martinez
Carney	Hall (IN)	Vucanovich
Collins	Heftel	
Crane, Philip	Hubbard	

The Clerk announced the following pairs:

On this vote:

Mrs. Collins and Mr. Carney for, with Mrs. Vucanovich against.

Mr. HILLIS and Mr. KASICH changed their votes from "yea" to "nay."

Mr. COUGHLIN changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

The result of the vote as announced as above recorded.

A motion to reconsider was laid on the table.

EMERGENCY VIETNAM VETERANS' JOBS TRAINING ACT OF 1983

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 2355, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. the question is on the motion offered by the gentleman from Texas (Mr. LEATH) that the House suspend the rules and pass the bill H.R. 2355, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 407, nays 10, not voting 15, as follows:

[Roll No. 171]

YEAS—407

Ackerman	Chappie	Evans (IA)
Addabbo	Cheney	Evans (IL)
Akaka	Clarke	Fascell
Albosta	Clay	Fazio
Alexander	Clinger	Feighan
Anderson	Coats	Fiedler
Andrews (TX)	Coelho	Fields
Annunzio	Coleman (MO)	Fish
Anthony	Coleman (TX)	Flippo
Applegate	Conable	Florio
Archer	Conte	Foglietta
Aspin	Conyers	Foley
AuCoin	Cooper	Ford (MI)
Barnard	Coughlin	Ford (TN)
Barnes	Courter	Forsythe
Bateman	Coyne	Fowler
Bates	Craig	Frank
Bedell	Crane, Daniel	Franklin
Beilenson	Crockett	Frenzel
Bennett	D'Amours	Frost
Bereuter	Daniel	Fuqua
Berman	Daschle	Garcia
Bethune	Daub	Gaydos
Bevill	Davis	Gejdenson
Biaggi	Dellums	Gekas
Bilirakis	Derrick	Gephardt
Bliley	DeWine	Gibbons
Boehlert	Dickinson	Gilman
Boggs	Dicks	Gingrich
Boland	Dingell	Glickman
Boner	Dixon	Gonzalez
Bonior	Donnelly	Goodling
Bonker	Dorgan	Gore
Borski	Dowdy	Gradison
Bosco	Downey	Gramm
Boucher	Dreier	Gray
Boxer	Duncan	Green
Breaux	Durbin	Gregg
Britt	Dwyer	Guarini
Brooks	Dymally	Gunderson
Broomfield	Dyson	Hall (OH)
Brown (CO)	Early	Hall, Ralph
Broyhill	Eckart	Hall, Sam
Bryant	Edgar	Hamilton
Burton	Edwards (AL)	Hammerschmidt
Byron	Edwards (CA)	Hance
Campbell	Edwards (OK)	Hansen (ID)
Carper	Emerson	Harkin
Carr	English	Harrison
Chandler	Erdreich	Hatcher
Chappell	Erlenborn	Hawkins
Hefner	McNulty	Seiberling
Hertel	Mica	Sensenbrenner
Hightower	Michel	Shannon
Hiler	Mikulski	Sharp
Hillis	Miller (CA)	Shaw
Holt	Miller (OH)	Shelby
Hopkins	Mineta	Shuster
Horton	Minish	Sikorski
Howard	Mitchell	Siljander
Hoyer	Moakley	Simon
Huckaby	Molinari	Sisisky
Hughes	Mollohan	Skeen
Hunter	Montgomery	Skelton
Hutto	Moody	Slattery
Hyde	Moore	Smith (FL)
Ireland	Moorhead	Smith (IA)
Jacobs	Morrison (CT)	Smith (NE)
Jeffords	Morrison (WA)	Smith (NJ)
Jenkins	Mrazek	Smith, Denny
Johnson	Murphy	Smith, Robert
Jones (NC)	Murtha	Snowe
Jones (OK)	Myers	Snyder
Jones (TN)	Natcher	Solarz
Kaptur	Neal	Solomon
Kasich	Nelson	Spence
Kastenmeier	Nichols	Spratt
Kazen	Nowak	St Germain
Kemp	O'Brien	Staggers
Kennelly	Oakar	Stangeland
Kildee	Oberstar	Stark
Kindness	Obey	Stenholm
Kogovsek	Olin	Stokes
Kostmayer	Ortiz	Studds
Kramer	Ottinger	Stump
LaFalce	Owens	Sundquist
Lagomarsino	Oxley	Swift
Lantos	Packard	Synar
Latta	Panetta	Tallon
Leach	Parris	Tauke
Leath	Pashayan	Tauzin
Lehman (CA)	Patman	Taylor
Lehman (FL)	Patterson	Thomas (CA)
Leland	Pease	Thomas (GA)
Lent	Penny	Torres
Levin	Pepper	Torricelli
Levine	Perkins	Towns
Levitas	Petri	Traxler
Lewis (CA)	Pickle	Udall
Lewis (FL)	Porter	Valentine
Lipinski	Price	Vander Jagt
Livingston	Pritchard	Vandergriff
Lloyd	Pursell	Vento
Loeffler	Quillen	Volkmer
Long (LA)	Rahall	Walgren
Long (MD)	Rangel	Walker
Lott	Ratchford	Watkins
Lowery (CA)	Regula	Waxman
Lowry (WA)	Reid	Weaver
Lujan	Richardson	Weber
Luken	Ridge	Weiss
Lundine	Rinaldo	Wheat
Lungren	Ritter	Whitehurst
Mack	Roberts	Whitley
MacKay	Robinson	Whittaker
Madigan	Rodino	Whitten
Markey	Roe	Williams (MT)
Marlenee	Roemer	Williams (OH)
Marriott	Rogers	Wilson
Martin (IL)	Rose	Winn
Martin (NC)	Rostenkowski	Wirth
Martin (NY)	Roth	Wise
Matsui	Roukema	Wolf
Mavroules	Rowland	Wolpe
Mazzoli	Roybal	Wortley
McCain	Rudd	Wright
McCandless	Russo	Wyden
McCloskey	Sabo	Wylie
McCollum	Savage	Yates
McCurdy	Sawyer	Yatron
McDade	Schaefer	Young (AK)
McEwen	Scheuer	Young (FL)
McGrath	Schneider	Young (MO)
McHugh	Schroeder	Zablocki
McKernan	Schulze	Zschau
McKinney	Schumer	

NAYS—10

Bartlett	Hartnett	Ray
Corcoran	McDonald	Shumway
Dannemeyer	Nielson	
Hansen (UT)	Paul	

NOT VOTING—15

Andrews (NC)	Brown (CA)	Collins
Badham	Carney	Crane, Philip
de la Garza	Heftel	Martinez
Ferraro	Hubbard	Stratton
Hall (IN)	Kolter	Vucanovich

□ 1630

The Clerk announced the following pairs:

On this vote:

Mrs. Collins and Mr. Badham for, with Mrs. Vucanovich against.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. STRATTON. Mr. Speaker, I have been advised that I was not recorded on the vote with respect to H.R. 2355, the Emergency Vietnam Veterans' Jobs Training Act of 1983. Had I been recorded, I would have voted "yea."

FOLLOWTHROUGH AMENDMENTS 1983

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 2148, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. ANDREWS) that the House suspend the rules and pass the bill, H.R. 2148, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 288, nays 132, not voting 12, as follows:

[Roll No. 172]

YEAS—288

Ackerman	Brooks	Edgar
Addabbo	Bryant	Edwards (CA)
Akaka	Carper	Edwards (OK)
Albosta	Carr	Emerson
Alexander	Chappell	English
Anderson	Clarke	Erdreich
Andrews (NC)	Clay	Evans (IA)
Andrews (TX)	Clinger	Evans (IL)
Annunzio	Coelho	Fascell
Anthony	Coleman (MO)	Fazio
Applegate	Coleman (TX)	Feighan
Aspin	Conte	Fish
AuCoin	Conyers	Flippo
Barnes	Cooper	Florio
Bates	Coyne	Foglietta
Bedell	Crockett	Foley
Beilenson	D'Amours	Ford (MI)
Bennett	Daschle	Ford (TN)
Bereuter	Davis	Fowler
Berman	Dellums	Frank
Bevill	Derrick	Frost
Biaggi	Dicks	Fuqua
Boehlert	Dingell	Garcia
Boggs	Dixon	Gaydos
Boland	Donnelly	Gejdenson
Boner	Dorgan	Gephardt
Bonior	Dowdy	Gibbons
Bonker	Downey	Gilman
Borski	Durbin	Gingrich
Bosco	Dwyer	Glickman
Boucher	Dymally	Gonzalez
Boxer	Dyson	Goodling
Breaux	Early	Gore
Britt	Eckart	Gray

Guarini
Hall (IN)
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Harkin
Harrison
Hatcher
Hawkins
Hefner
Hertel
Hightower
Horton
Howard
Hoyer
Huckaby
Hughes
Hutto
Ireland
Jacobs
Jeffords
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kogovsek
Kostmayer
LaFalce
Lantos
Leach
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin
Levine
Levitas
Lipinski
Lloyd
Long (LA)
Long (MD)
Lowry (WA)
Lundine
Markey
Marlenee
Marriott
Martin (NY)
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McGrath
McHugh
McKernan
McKinney
McNulty
Mica
Mikulski
Miller (CA)
Mineta
Minish
Mitchell
Moakley
Mollohan
Moody
Moore
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Natcher
Neal
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Ortiz
Ottinger
Owens
Panetta
Patman
Patterson
Pepper
Perkins
Pickle
Price
Quillen
Rahall
Rangel
Ratchford
Regula
Reid
Richardson
Ridge
Rinaldo
Rodino
Roe
Rose
Rostenkowski
Rowland
Roybal
Rudd
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shannon
Sharp
Shelby
Sikorski
Simon
Sisisky
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spratt
St Germain
Staggers
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vander Jagt
Vandergriff
Vento
Volkmer
Walgren
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitley
Whitten
Williams (MT)
Williams (OH)
Wilson
Wirth
Wise
Wolpe
Wortley
Wright
Wyden
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zablocki

NAYS—132

Archer
Barnard
Bartlett
Bateman
Bethune
Bilirakis
Bliley
Broomfield
Brown (CO)
Broyhill
Burton
Byron
Campbell
Chandler
Chappie
Cheney
Coats
Conable
Corcoran
Coughlin
Courter
Craig
Crane, Daniel
Daniel
Dannemeyer
Daub
DeWine
Dickinson
Dreier
Duncan
Edwards (AL)
Erlenborn
Fiedler
Fields
Forsythe
Franklin
Frenzel
Gekas
Gradison
Gramm
Green
Gregg
Gunderson
Hansen (ID)
Hansen (UT)
Hartnett
Hiler
Hillis
Holt
Hopkins
Hunter
Hyde
Jenkins
Kasich
Kindness
Kramer
Lagomarsino
Latta
Leath
Lewis (CA)
Lewis (FL)
Livingston
Loeffler
Lott
Lowery (CA)
Lujan
Luken
Lungren
Mack
MacKay
Madigan
Martin (IL)
Martin (NC)
McCain
McCandless
McDonald
McEwen
Michel
Miller (OH)
Molinari
Montgomery
Moorhead
Myers
Nielson
Olin
Oxley
Packard
Parris
Pashayan
Paul
Pease
Penny
Petri
Pritchard
Pursell
Ray
Ritter
Roberts
Robinson
Roemer
Rogers
Roth
Roukema
Sawyer
Schaefer
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Siljander
Skeen
Smith (NE)
Smith, Denny
Smith, Robert
Snyder
Solomon
Spence
Stangeland
Stenholm
Stump
Sundquist
Tauke
Taylor
Thomas (CA)
Walker
Whitehurst
Whittaker
Winn
Wolf
Wylie
Zschau

NOT VOTING—12

Badham
Brown (CA)
Carney
Collins
Crane, Philip
de la Garza
Ferraro
Heftel
Hubbard
Kolter
Martinez
Vucanovich

Mr. LOWERY of California changed his vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

WASHINGTON WORKSHOP FOUNDATION AUTHORIZATIONS

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 2943, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky (Mr. PERKINS) that the House suspend the rules and pass the bill H.R. 2943, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 230, nays 190, not voting 12, as follows:

[Roll No. 173]

YEAS—230

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Anthony
Applegate
Aspin
Barnes
Bereuter
Berman
Bethune
Bevill
Biaggi
Boggs
Boland
Boner
Bonior
Bonker
Boucher
Boxer
Breaux
Britt
Broyhill
Bryant
Carr
Clarke
Clay
Coelho
Coleman (TX)
Conte
Conyers
Cooper
Coyne
Crockett
Daschle
Davis
Dellums
Dicks
Dixon
Donnelly
Dorgan
Dowdy
Downey
Dwyer
Dymally
Dyson
Early
Eckart
Edgar
Edwards (CA)
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Franklin
Frenzel
Frost
Garcia
Gejdenson
Gephardt
Gilman
Gingrich
Glickman
Gonzalez
Gore
Gray
Green
Guarini
Hall (IN)
Hall, Ralph
Hall, Sam
Hamilton
Hance
Harkin
Harrison
Hatcher
Hawkins
Hefner
Hertel
Horton
Howard
Hoyer
Huckaby
Hughes
Ireland
Jones (OK)
Jones (TN)
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kogovsek
Kostmayer
Lantos
Leach
Leath
Lehman (FL)
Leland
Levin
Levine
Levitas
Lipinski
Livingston
Long (LA)
Long (MD)
Lundine
Markey
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McHugh
McKernan
McKinney
McNulty
Mica
Mikulski
Miller (CA)
Mineta
Minish
Mitchell
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Natcher
Neal
Nowak
Oakar
Oberstar
Obey
Ortiz
Ottinger
Owens
Panetta
Patterson
Penny
Pepper
Perkins
Pickle
Porter
Price
Rahall
Rangel
Ratchford
Ray
Reid
Richardson
Ridge
Rinaldo
Rodino
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Savage
Sawyer
Schneider
Schroeder
Schumer
Seiberling
Shannon
Sikorski
Simon
Sisisky
Smith (FL)
Smith (IA)
Smith (NJ)
Solarz
Spratt
St Germain
Staggers
Stark
Stenholm
Stokes
Studds
Swift
Synar
Tallon
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vandergriff
Vento
Walgren
Waxman
Weiss
Wheat
Whitley
Whitten
Williams (MT)
Williams (OH)
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Young (AK)
Young (MO)
Zablocki

NAYS—190

Andrews (TX)
Annunzio
Archer
AuCoin
Barnard
Bartlett
Bateman
Bates
Bedell
Beilenson
Bennett
Bilirakis
Bliley
Boehlert
Borski
Bosco
Brooks
Broomfield
Brown (CO)
Burton
Byron
Campbell
Carper
Chandler
Chappell
Chappie
Cheney
Clinger
Coats
Coleman (MO)
Conable
Corcoran
Coughlin
Courter
Craig
Crane, Daniel
D'Amours
Daniel
Dannemeyer
Daub
Derrick
DeWine
Dickinson
Dingell
Dreier
Duncan
Durbin
Edwards (AL)
Edwards (OK)
Emerson
Erlenborn
Fiedler
Fields
Forsythe
Frank
Fuqua
Gaydos
Gekas
Gibbons
Goodling
Gradison
Gramm
Gregg
Gunderson
Hall (OH)
Hammerschmidt
Hansen (ID)
Hansen (UT)
Hartnett
Hightower
Hiler
Hillis
Holt
Hopkins
Hunter
Hutto
Hyde
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Kaptur
Kasich
Kindness
Kramer
LaFalce
Lagomarsino
Latta
Leath
Lehman (CA)
Lent
Lewis (CA)
Lewis (FL)
Lloyd
Loeffler
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lungren
Mack
MacKay
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
McCain
McCandless
McCollum
McDonald
McEwen
McGrath
Michel
Miller (OH)
Molinari
Moore
Moorhead
Morrison (WA)
Murphy
Murtha
Myers
Nelson
Nichols
Nielson
O'Brien
Olin
Oxley
Packard
Parris
Pashayan
Patman
Paul
Pease
Petri
Pritchard
Pursell
Quillen
Regula
Ritter
Roberts
Robinson
Rogers
Roth
Roukema
Rudd
Schaefer
Scheuer
Schulze
Sensenbrenner
Sharp
Shaw
Shelby
Shumway

Shuster	Stangeland	Whitehurst
Siljander	Stratton	Whittaker
Skeen	Stump	Wilson
Skelton	Sundquist	Winn
Slattery	Tauke	Wolf
Smith (NE)	Taylor	Wortley
Smith, Denny	Vander Jagt	Wylie
Smith, Robert	Volkmer	Yatron
Snowe	Walker	Young (FL)
Snyder	Watkins	Zschau
Solomon	Weaver	
Spence	Weber	

NOT VOTING—12

Badham	Crane, Philip	Hubbard
Brown (CA)	de la Garza	Kolter
Carney	Ferraro	Martinez
Collins	Heftel	Vucanovich

□ 1640

So (two-thirds not having voted in favor thereof) the motion was rejected.

The result of the vote was announced as above recorded.

PERMISSION FOR COMMITTEE ON RULES TO FILE REPORT ON TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATION BILL

Mr. PEPPER. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight, June 7, 1983, to file a privileged report. The report in question is the rule providing for the consideration of the appropriation for Treasury, Postal Service, and General Government.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. FRENZEL. Mr. Speaker, reserving the right to object, I do so for the purpose of asking the distinguished chairman of the Rules Committee whether additional waivers were granted under that rule beyond the general waiver of the Budget Act. Can the gentleman describe what waivers were granted besides the waiver of the Budget Act?

Mr. PEPPER. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Florida.

Mr. PEPPER. Mr. Speaker, I will say to the able gentleman that there were two special waivers that were voted by the committee. One was a waiver request by Mr. SMITH which asked leave to offer an amendment forbidding the use of any funds for abortion except in case the life of the mother was in jeopardy. There was a divided vote, but the majority prevailed and granted the waiver for that amendment to be offered.

The other one was a request by Mr. EDWARDS. Mr. EDWARDS requested leave to offer an amendment forbidding the use of any funds appropriated in that bill for the enforcement of the withholding law. It was designed, of course, to prevent the effective exercise of that law.

Mr. FRENZEL. And then the gentleman assures me there are only three waivers, the Budget Act and those two amendments?

Mr. PEPPER. The gentleman is correct.

Mr. FRENZEL. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 3223, AGRICULTURE, RURAL DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS, 1983

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 98-233) on the resolution (H. Res. 220) waiving certain points of order against consideration of the bill (H.R. 3223) making appropriations for Agriculture, Rural Development, and related agencies programs for the fiscal year ending September 30, 1984, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 3134, COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1984

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 98-234) on the resolution (H. Res. 221) waiving certain points of order against consideration of the bill (H.R. 3134) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1984, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PERMISSION FOR SUBCOMMITTEE ON CRIME OF COMMITTEE ON THE JUDICIARY TO SIT TOMORROW DURING 5-MINUTE RULE

Mr. HUGHES. Mr. Speaker, I ask unanimous consent that the Subcommittee on Crime of the Committee on the Judiciary be permitted to sit during the 5-minute rule tomorrow, June 8, 1983.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

Mr. WALKER. Mr. Speaker, reserving the right to object, I would ask the gentleman whether or not this has been cleared with the minority.

Mr. HUGHES. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from New Jersey.

Mr. HUGHES. Yes, in fact, the ranking minority member of the subcommittee, the gentleman from Michigan (Mr. HAL SAWYER) is here.

Mr. WALKER. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

THE FUSE IS LIT

(Mr. COOPER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COOPER. Mr. Speaker, only Ronald Reagan could have done it. No one else could have plundered the Treasury, produced record deficits as far as the eye can see, and still look like a fiscal conservative.

This is the central problem, and opportunity, that Democrats will face in the 1984 elections.

We all know that the great communicator is smooth at explaining away the hardship that Reaganomics has caused. And we know that he is quick to claim that Reaganomics has worked.

But the real trick—the genius of Republican strategy—is the way that Democrats are about to be blamed for the legacy of Reaganomics; namely, the deficits.

If you were a smart Republican, you would not bother to argue whether Reaganomics has worked or not. The important point to make is simply that it is over. Then you make a few bipartisan noises and after awhile—probably right before the 1984 elections—the deficits will start raising interest rates. Your scapegoat for the next recession will be the Democratic Party due to its failure to cooperate in reducing the deficits.

Fiendish? Yes. Effective? Lyn Nofziger would be proud. In fact, he probably has been for months.

The Democratic response must begin now. Reaganomics is not over and it will not be—because Reagan's deficits could last for years, even after a Democrat is elected President. His first recession may have ended, but his second is on its way. Part 2 of Reaganomics will be here as soon as the deficits stop being stimulative and start crowding out private investment, thereby raising interest rates. The current recovery is no more than the eye of the storm.

Of course, Members of both parties are likely to be lulled into complacency about the deficits now that the recovery has begun. And this complacency is likely to grow as the election approaches, although the threat of higher interest rates will also be imminent. Why the inevitability of the business cycle should elude politicians is little wonder when, despite repeated gasoline shortages in the past, Americans are once again turning to larger cars. But it is Congress responsibility to plan ahead in order to foresee and prevent crises. The difficulty of doing so is no excuse for not trying.

It would not be easy to explain the truth to the American people. The great obfuscator's skills aside, most voters will probably say that this recovery belongs to Ronald Reagan. It probably does. But the coming high interest rates that will be produced by his monumental deficits will also belong to him.

Americans are so used to cause-and-effect, action-reaction relationships that they will be tempted to ignore the side effects or delayed reactions to Reaganomics even after they are told the truth.

But the fuse is lit. And I believe that it is up to the Democratic Party not only to shout "fire," but to help put it out.

The House-passed Democratic budget threw some water in the direction of the deficit time bomb. Much more is needed. Especially now that the budget's revenue projections are agreed to be grossly exaggerated, much more must be done.

Why help the Republicans? Not just because we need to nurture the recovery as long as possible for the good of the Nation. Nor even because the Republicans will probably succeed in blaming the next recession on us if we do not.

Just as important is the opportunity it presents the Democratic Party to be perceived as not only the party of compassion, but also the party of fiscal responsibility. We should not fool ourselves. It will take a bold stroke—more than a tax hike—to alter the frequent public perception of Democrat as spendthrifts, but it can and must be done. Otherwise, the country will suffer, we will suffer, and there will be no way to expose the current administration for what it is: hard-hearted and fiscally irresponsible.

NICARAGUA, EL SALVADOR, VIETNAM

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. LIVINGSTON. Mr. Speaker, with one emphasis or another, the point has been made many times: "No More Vietnam." The point is well taken. Never again must the West allow the Communists to absorb another people, carry out another bloodbath, and send another massive wave of refugees to exile abroad.

Mr. Nguyen Bich, of Georgetown University, knows from painful experience what happens when a Communist regime absorbs a freedom-loving people as has happened in his native Vietnam. He is working for the rebirth of freedom in Vietnam through the Vietnam Freedom Movement. He is also working with other ethnic groups who are concerned about the countries of their origins which are suffering under Communist control.

On May 25, Mr. Bich and I were on the same platform to speak to a group of people gathered to support the President's policy with respect to Central America, especially El Salvador and Nicaragua. Mr. Bich represented the two groups I mentioned above and also spoke as an individual. He was concerned about what is happening in Central America and spoke from the vantage point of someone who has seen communism in action in Vietnam.

I spoke against the Marxist government of Nicaragua and in favor of the democratically elected government of El Salvador. I spoke against Soviet, Cuban, East German, and PLO support for Nicaragua's designs in Central America and in favor of U.S. support for freedom fighters in Nicaragua and to the defender of democracy in El Salvador. Mr. Bich spoke from his own vantage point and his speech follows:

STATEMENT OF THE VIETNAM FREEDOM MOVEMENT

I am here not simply as an individual but hopefully reflecting the experience of 57 million Vietnamese who since 1975 have suffered the yoke of Communism in Vietnam. I am also representing the Vietnam Freedom Movement, world coalition working for freedom and democracy in Vietnam, and the Freedom Federation, which is a coalition of 16 ethic groups now under Communism.

The reason I am here is because what is happening in Central America and especially El Salvador is precisely what happened in my country, except that my country was halfway around the world while the danger of Communism in El Salvador is practically in our backyard. Of course, we have heard it all; all the arguments that were advanced for not interfering in Vietnam, for pulling out and for the world to run its own course; of course, we have heard also the arguments about the poor conditions of human rights and lack of an ideal democracy; of course, we have heard the argument about the Church's need for allying itself with Communism to defeat proverty and illiteracy. Of course, we have heard it all to discover one day that with the Communists in power, not only do you not have a better economy, do you not have more rights, but you end up hundreds of thousands in jail for every imaginable crime or non-crime that you could think of. Look at Vietnam now, under Communism: it is a hundred times poorer than it ever was, the dollar which was worth 3.50 dong in 1975 is now worth 137 dong, a 4,000 percent rate of inflation in 8 years, it is at war on three fronts, it never had a single day of peace after nearly half a century of warfare, the people have lost every right and freedom, including the simplest ones, the freedom of religion or to speak up or to gather as we do today. Do we want that to happen to our Central American neighbors, to El Salvador?

The answer of course must be no! A hundred percent no! And a hundred, a thousand times no!

There are those among us who even at this late date clamor "No more Vietnam!" It is easy to say that and disclaim any responsibility in the world. But mark my word, if the Vietnam experience should be allowed to blind us to the realities of Central America and the Communist threat there, the day is not far when the Communists may launch the watchword: "No more U.S.!" In that case where will we go?

Let us therefore take this opportunity as a people who still enjoy our God-given freedoms to assert our solidarity with the people of Central America and the people of El Salvador and our determination to say No to Communist aggression there.

Viva la Libertad!

Viva la Democracia!

Viva El Salvador libre y independiente!

Down with Communism and Soviet-Cuban-Nicaraguan imperialism!

PREVENTING FEDERAL PREEMPTION OF STATE APPLIANCE EFFICIENCY STANDARDS

(Mr. OTTINGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, today I am introducing legislation to continue the right of States to establish energy efficiency standards for home appliances. The Department of Energy last year proposed a rule which would not only fail to establish efficiency standards, but would also preempt and nullify all existing and future State standards. This policy was applied to the December 1982 final no-standard rule for clothes dryers and ovens/ranges.

My bill will insure that the existing right of States to achieve conservation through adopting appliance efficiency standards will not be nullified by such a perverse Federal regulation. The failure of the administration to issue the standards required by law is outrageous in the face of studies that show that energy savings from more efficient appliances could amount to 2 billion barrels of oil equivalent energy by the year 2005 at a cost savings to consumers of up to $19.3 billion. To prohibit the States from setting their own standards in the absence of substantive Federal standards is abhorrent, particularly in light of the administration's alleged support of the principles of "New Federalism".

In 1978 Congressman David Stockman best explained the market imperfections which require minimum

standards for appliances; Congressman Stockman, now OMB Director, supporting the regulatory approach, said:

Now that consumers are faced with a sharply rising cost of electricity, the central policy choice for Congress is whether to rely on market forces alone to reverse the trend to inefficient, low first-cost appliances, or whether to interpose some form of mandatory efficiency program.

There is some reason to doubt that market forces alone will bring about the needed shift to more efficient appliances. Numerous witnesses appearing before the subcommittee testified that the average consumer looks for a payback from higher purchase prices within three years. In the case of an appliance with a useful life of 10 years, this short payback horizon severely limits the amount of higher purchase price the consumer will accept in choosing a more efficient product over a cheaper, less efficient product.

A second reason to doubt the efficiency of higher electric prices in changing consumer appliance buying habits is a lack of information that would enable consumers to judge the relative efficiency of competing products, as well as a widespread lack of understanding of the little information that is available.

A third reason that would support a regulatory approach is that the appliances in many new residential units are not purchased by the user but are purchased by the builder who will continue to seek appliances with the lowest initial cost without regard to increasing electric rates.

In the face of these factors inhibiting the operation of market forces in the consumer appliance sector, a regulatory program designed to impose life-cycle cost purchasing on the consumer appears justified.

Perhaps most important among these factors is the fact that over 50 percent of such major home appliances as furnaces, central air conditioners, and water heaters are purchased by contractors and developers whose major concern is first cost, not energy efficiency or life-cycle operational costs which will be faced by the long-term user.

Under the Energy Policy and Conservation Act, as amended by the National Energy Conservation Policy Act, DOE was required to issue standards setting minimum energy efficiency levels for major home appliances no later than January 2, 1981.

The DOE Secretary was directed to prescribe standards for 13 specified consumer products: Refrigerators and refrigerator freezers; freezers; water heaters; furnaces; central air conditioners; home heating equipment other than furnaces; room air conditioners; clothes dryers; kitchen ranges and ovens; clothes washers; dishwashers; television sets; and humidifier/dehumidifiers. The statute established a priority for standards for the first nine products, which account for 19.5 percent of the Nation's primary energy use and 82 percent of all residential use. Despite the statute's requirement, the DOE proposal excludes the named priority of home heating equipment other than furnaces because of "incomplete analysis."

In proposing a standard of "no standard" for the eight products which are involved in the current rulemaking, the Secretary made the preliminary determination that establishment of a standard for a given product "will not result in significant conservation of energy or is not technologically feasible or economically justified." For each of the eight products analyzed, DOE has determined that standards were not justified and would not result in significant savings, despite studies, including its own, which show the contrary.

The legislative history affirms that Congress intended expeditious prescription of substantive Federal standards. Prior to the National Energy Conservation Policy Act amendments in 1978, the act had authorized the imposition of standards if the development of labels showing applicance efficiency was found to be an ineffective means of promoting energy conservation. The act was amended to mandate standards partially due to dissatisfaction with the pace of action and a desire to more quickly and efficiently realize the potential energy savings in home appliances.

DOE's first proposed rule, published on June 30, 1980, advocated substantive standards for these eight priority appliances. DOE received more than 1,800 comments and held meetings with potentially affected groups between July 1980 and January 1981. A final rule was nearing promulgation in February 1981 when the Reagan administration took charge of the program.

After the statutory deadline had passed, on February 17, 1981, DOE published a notice that energy efficiency standards would not be promulgated, in order to complete further analysis. Some additional studies were contracted out and this work was completed by mid-1981. At various times the DOE data base has supported the issuance of standards for eight products, six products, four products, three products, and now, still using the same data base, a no-standard determination for all products.

In its first proposed rulemaking exercise on standards, the DOE claimed energy savings of 13.8 to 25.2 quads during the 1982-2005 period from standards, an estimated savings equal to as much as 2 billion barrels of oil and cost savings of $15.2 to $19.3 billion from 1982 to 2005. Moreover, many of these products utilize the peak energy outputs of electric utilities and thus, even modest savings from efficiency improvements could save billions of dollars in unneeded construction of peak-load generating facilities over the long run.

The law provides that a Federal appliance efficiency standard supersedes all State laws prescribing efficiency standards or other restrictions on appliance energy use. The purpose of this preemption was to protect the industry against having to meet multiple State standards in addition to a Federal standard. A Federal no-standard standard was not contemplated and is a perverse use of the preemption clause. DOE's no-standard standard proposal has the untoward effect of preempting efficiency standards already enacted in several States. Further, ancillary State programs, such as bans on pilot lights, could be preempted and industry consensus standards, such as the American Society of Heating Refrigeration and Air Conditioning Engineers Standard 90 (ASHRAE 90), could also be nullified. The practical effect is that over 40 States will be affected by the preemption provisions.

The justification for preempting the States on a major consumer and energy conservation decision is bewildering in light of the administration's highly touted support for New Federalism which supposedly would support greater State authority over their own affairs. Unfortunately, this retrogressive action is but one item in a long list of inconsistencies in Reagan energy policies.

The National Conference of State Legislatures commenting on this Federal interference in State energy planning last year passed a resolution calling for the action I propose today. The resolution reads:

Whereas, federal pre-emption of state authority undermines the nation's system of federalism and is unacceptable without a showing of urgent necessity; and

Whereas, legal relief is available if a particular state's action unreasonably burdens interstate commerce; and

Whereas, appliance efficiency standards have been enforced in most states for many years as part of local and state building codes, without interfering with interstate commerce; and

Whereas, proposed federal regulations would pre-empt state and local authority without demonstrating or attempting to demonstrate the need for such pre-emption; therefore, be it

Resolved, That National Conference of State Legislatures opposes the proposed Federal regulations because they would overturn State and local standards concerning the efficiency or energy use of appliances; and Congress should remove statutory requirements for pre-emption of all state and local requirements concerning the energy use of appliances.

The Energy Committee of the National Governors Association, as well, voiced support for this bill in the following statement:

Whereas, on April 2, 1982, the United States Department of Energy proposed not to adopt energy efficiency standards for appliances because, according to DOE, appliance efficiency standards would not result in significant conservation of energy.

Whereas, DOE's proposed rule, if it becomes final, will have as its only effect the

supersession of all state regulations and standards respecting the efficiency of appliances, unless each state affected by DOE's action employs a costly, burdensome and uncertain process to petition DOE not to be superseded;

Whereas, supersession of state appliance efficiency standards will interfere with the states' rights and abilities to implement programs for the conservation of valuable energy resources; It is therefore

Resolved, That the National Governors' Association finds that the potential energy savings resulting from national appliance efficiency standards are significant, and DOE's criteria for determining the significance of potential energy savings are arbitrary, capricious, and without foundation; and

That DOE should propose meaningful national appliance efficiency standards, and revise its proposed rule so that the states may utilize appliance efficiency standards in their efforts to conserve valuable energy resources.

Absent DOE action to propose standards, we urge the Congress to amend the statute (EPCA) to eliminate provisions pre-empting the right of states to adopt appliance efficiency standards.

Already, States have suffered from the DOE's lengthy and illegal 30-month delay in promulgating Federal standards, creating unintended disruption and uncertainty for State energy programs.

Under the statute and DOE's regulations, States which have taken the initiative in conserving energy by adoption of efficiency standards must engage in a protracted and burdensome petition processs to plead their case to a Federal Government predisposed against any standards. They must demonstrate, to the satisfaction of the Federal agency, that there is a significant State and local interest in retaining efficiency requirements, and that a State standard would not unduly burden interstate commerce.

Mr. Speaker, while I still strongly believe that mandated Federal standards should be—indeed, must be issued—the legislation I propose today would only eliminate the Federal preemption of a State's authority to establish energy efficiency requirements.

I will continue to promote the Federal standards which the statute requires and which a sound national energy policy demands.

□ 1650

AMENDMENT TO STATE AND LOCAL FISCAL ASSISTANCE ACT AMENDMENTS OF 1983 WILL SPUR HIRING AND REDUCE UNEMPLOYMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. WALKER) is recognized for 5 minutes.

● Mr. WALKER. Mr. Speaker, the House will soon consider the State and Local Fiscal Assistance Act Amendments of 1983. More commonly known as revenue sharing, this legislation provides much needed funding and flexibility for local governments.

As ranking minority member of the Subcommittee on Intergovernmental Relations and Human Resources, I will have much more to say in support of revenue sharing during future deliberations. At this time I want to make my colleagues aware that I will offer an amendment to the State and Local Fiscal Assistance Act Amendments of 1983 that will spur hiring and reduce unemployment.

Without extraneous detail, let me simply remind my colleagues that there are Davis-Bacon provisions within the basic revenue sharing statute. Under these provisions, the federally determined prevailing wage must be paid on construction projects where a significant amount of revenue sharing funds are used.

The results of these prevailing wage requirements are disturbing. Testimony before our subcommittee revealed that some units of local government actually avoid committing revenue sharing funds to construction projects because paying the artificially contrived prevailing wage makes the project too expensive. Testimony also showed workers on Federal projects, under the Davis-Bacon requirements, being paid twice as much as their counterparts on a private project.

The conclusion is obvious. Without Davis-Bacon requirements, more people would be working, there is a direct link between unemployment and enforcement of Davis-Bacon Requirements in the revenue sharing program.

The amendment I will offer at the appropriate time will allow local governments to apply for a waiver of the Davis-Bacon provisions if such a waiver would result in the creation of a significant number of additional jobs on a project. Any decision to apply for a waiver is optional and the Secretary of the Treasury would make a discretionary judgment on granting a waiver.

GAO has called for repeal of Davis-Bacon. The Advisory Commission on Intergovernmental Relations (ACIR) has made a similar recommendation. My amendment will be a first step.

The unemployment rate is dropping, but it is still too high. People want to work; and if my amendment to the revenue sharing legislation is passed and Davis-Bacon provisions can be waived, people will find jobs.●

LEE L. VERSTANDIG

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky (Mr. SNYDER) is recognized for 5 minutes.

● Mr. SNYDER. Mr. Speaker, I am pleased to learn that this administration and the Nation will continue to enjoy the very able services of Lee L. Verstandig, newly appointed as Assistant to the President for Intergovernmental Affairs.

The recent accomplishments of Lee Verstandig are surely fresh in the minds of my colleagues. At President Reagan's request, he took charge of the embattled Environmental Protection Agency at perhaps its most turbulent period, first as Assistant Administrator for Legislation, and soon thereafter as Acting Administrator of EPA.

As Assistant Administrator, he quickly set about the task of restoring the Agency's public credibility, reestablishing a dialog with Congress, improving morale within the Agency, and strengthening its relations with State and local governments and environmental and business interest groups.

When he assumed the duties of Acting Administrator, he quickly put the Agency back on course, instituted an Agencywide management reorganization, and prepared William D. Ruckelshaus for his Senate confirmation and transition to the Agency. He was an exceptionally competent administrator.

Certainly it was not by accident that President Reagan selected Lee Verstandig for the difficult job at EPA. His outstanding record of accomplishments at the Department of Transportation had preceded him. As Assistant Secretary of Transportation for Government Affairs, Under Secretary Drew Lewis, Lee Verstandig received extremely high marks for his direction of the Department's relations with Congress, State, and local governments, and special and public interest groups, as well as its technology and assistance planning efforts.

He provided substantial input into the deregulation of the intercity bus industry; enactment of landmark aviation legislation which will modernize the Nation's air traffic control system; transfer of the Maritime Administration to the Department of Transportation; and passage of the 1982 Surface Transportation Act, which will assist in improving the Nation's deteriorating transportation infrastructure.

The President's selection of Lee Verstandig as his Assistant for Intergovernmental Affairs is a wise and altogether appropriate decision. His outstanding professional career covers an extremely broad range, stretching from his days as a member of the faculty at Brown University, to his service as administrative assistant to Senator JOHN CHAFEE, and eventually to a number of important posts in the executive branch.

Lee Verstandig's extensive experience uniquely qualifies him for his new position at the White House, and certainly his track record throughout

an enormously successful public and academic career gives all of us reason to applaud his selection.●

FOSTER GRANDPARENTS PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. GREEN) is recognized for 5 minutes.

● Mr. GREEN. Mr. Speaker, today we are celebrating the 10th anniversary of the Foster Grandparents program in New York City. This program has provided an extremely valuable service to both the old and young of our community. The Foster Grandparents program was created in 1965 to offer older men and women the opportunity for a close relationship with children having special and exceptional needs.

Foster Grandparents are low-income persons, who are at least 60 years of age, and come from a variety of backgrounds. They receive both preservice orientation and inservice instruction. Volunteers serving 20 hours per week receive a nontaxable stipend of $2 per hour, as well as a lunch each day at the institution where they serve and a yearly physical examination. Foster Grandparents serve in schools and hospitals for retarded, disturbed, and handicapped children; day care centers, city hospital wards, corrections institutions; homes for disadvantaged, dependent, or neglected children; and other settings within the community. An increased percentage of Foster Grandparents is being encouraged to serve in settings dealing with literacy, drug abuse, and runaway youth. At present, there are over 250 older New Yorkers working as Foster Grandparents, of whom 80 percent are female and 20 percent are male.

The primary purpose of this program is to help provide for the emotional, mental, and physical well-being of children by affording them close, personal, and continuing relations with an adult. These grandparents furnish a sense of caring which all too often is missing in the institutional environment. They assist in feeding, dressing, reading, playing games, speech and physical therapy, and other activities that tend to maximize the functional capabilities of these exceptional children. On this anniversary date, it is important that we gather to recognize the unique service this program provides for our city and our Nation. Congratulations to all participants of the New York City Foster Grandparents program.●

THE 75TH ANNIVERSARY OF CHICAGO'S POLISH DAILY ZGODA (DZIENNIK ZWIAZKOWY)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, I rise to call to the attention of my colleagues the 75th anniversary of the founding of Chicago's Polish Daily Zgoda—Dziennik Zwiazkowy—the oldest Polish newspaper in our country, and one of only two Polish daily newspapers in the United States.

The Zgoda has become a tradition in the Polish-American community, and I congratulate Mr. Aloysius A. Mazewski, president of the Polish National Alliance which publishes and owns the Polish Daily Zgoda, and the paper's staff and readers on this diamond jubilee anniversary, for the newspaper has become a fitting testimony to the success of Polish immigrants to the United States.

The 75th anniversary of the newspaper will be celebrated at a Polish Press dinner-ball on Friday, June 10, 6:30 p.m., at the House of the White Eagle, 6845 Milwaukee Avenue, in Niles, Ill., located in the 11th Illinois Congressional District which I am honored to represent.

For 75 years, the Polish Daily Zgoda—Dziennik Zwiazkowy—has served as a dear friend to Polish immigrants and their descendants in our precious American homeland, and indeed, the continued success of the Polish Daily Zgoda is itself a tribute to the role of Polish immigrants in making our country strong and free.

Again, I congratulate the staff, the management, and the friends of the Polish Daily Zgoda on this 75th anniversary, and extend my warmest best wishes for continuing success in the decades ahead.

Mr. Speaker, excerpts from a statement by President Mazewski, as well as a biographical sketch of the Polish Daily Zgoda—Dziennik Zwiazkowy—follows:

STATEMENT OF ALOYSIUS A. MAZEWSKI

The Polish Daily Zgoda (Dziennik Zwiazkowy) has been admirably fulfilling these tasks for the past 75 years.

It has been addressing itself not only to the objectives of the PNA, but, above all, to the national purposes of the United States, to the defense of Poland's right to freedom and independence within the framework of American security and enlightened self interest; to publicizing activities of the Polish community's fraternal, civic, cultural and educational societies; and to the aspiration and attainments of Americans of Polish heritage in the mainstream of our national life.

Dziennik Zwiazkowy has been and remains to be—

Our friend ever ready to warn and defend us against encroachment and attacks of inimical forces that would minimize, even destroy our standing and the values with which we enrich the fabric of America's pluralist society;

Our advisor in Polonia's larger objectives and pursuits;

Our companion, bringing to us in various features, written in a lighter vein, a respite from every day drudgery;

And above all—a trail blazer in search for objective truth and the real meaning of the developing events.

At the time when concepts of ethnicity and the recognition of ethnic values were trampled upon and even condemned by the exponent of the wildly impossible "melting pot" theory—Dziennik Zwiazkowy kept Polonia's ethnic values of Polish culture, history and tradition alive and vibrant in the hearts of Polish immigrants and Americans of Polish heritage. In this it was sustained by the knowledge that the time will come for the nation to understand and appreciate the fact that it was born of many peoples and cultures.

I avail myself of this opportunity to extend deeply felt appreciation to the General Committee of this observance for the outstanding job it has performed under the chairmanship of PNA Vice President, Mrs. Helen Szymanowicz.

BIOGRAPHICAL SKETCH OF POLISH DAILY ZGODA (DZIENNIK ZWIAZKOWY)

(By Joseph L. Wiewiora)

The date of January 15, 1908, has a signal meaning in the annals of American Polonia.

On that day, the Polish National Alliance published the first issue of the Polish Daily Zgoda-Dziennik Zwiazkowy.

It was a successful and happy culmination of a struggle that began several years before and became the springboard for stress and strife the enormity of which is difficult to understand today. It threatened to tear the social fabric of Polish immigrants asunder.

The Polish National Alliance membership, representing more progressive and enlightened elements of Polish immigration felt with increasing urgency the need of a daily newspaper which would faithfully mirror their societal, cultural and national feeling and purposes.

True, the PNA one year after its founding in 1880, began publishing its official organ the weekly Zgoda.

But in rapid growth of the Polish immigrants at the turn of the century and with the PNA astonishing development, Zgoda seemed inadequate in many ways. Thus PNA leaders and activists concluded that the weekly should be supplemented with a daily publication.

And that is, when around 1906 a storm broke out, unleashing against the PNA and the unborn Dziennik Zwiazkowy concerted attacks of the conservative and reactionary elements. They already had their own dailies in Chicago and Milwaukee and have seen the proposed Dziennik Zwiazkowy as a threat to their thriving business and considerable influence.

The controversy threatened to split and destroy the unity Polish immigrants laboriously built under the aegis of the Polish National Alliance.

In this atmosphere of attacks and criticisms aimed at creating havoc and disunity among PNA members, Censor Antoni Schreiber issued on June 7, 1906 a special proclamation (Oredzie) ordering a dual referendum on the question of the proposed Dziennik Zwiazkowy. The balloting was dual—by individual members and by the Lodges.

Overwhelmingly, individual members approved the founding of Dziennik Zwiazkowy.

The Lodges, however, while casting vast majority of ballots for Dziennik Zwiazkowy, stipulated that the final decision should be

made by the forthcoming 17th PNA Convention in September, 1907 in Baltimore.

Accordingly, that Convention adopted a motion to publish Dziennik Zwiazkowy with the reserve funds of the weekly Zgoda.

The Convention was the final battleground.

Opponents of Dziennik Zwiazkowy were strong, well organized and wealthy, and knew how to use their influence and resources.

The fate of Dziennik Zwiazkowy hung in balance.

Then its supporters resorted to an imaginative parliamentary maneuver that would bring fame to the shrewdest parliamentarians of our Congress today: they slightly altered the program of one session and imperceptibly advanced the time of voting on the Dziennik Zwiazkowy proposal. By the time their opponents realized what was happening and marshalled their forces, the votes were already counted and the publication of Dziennik Zwiazkowy approved.

Thus the sponsors, if not the actual founders of Dziennik Zwiazkowy were:—Chairman of the Convention Jan Sliwinski, Censor Schreiber (holder of a doctorate degree in chemistry from Berlin University) and PNA President Marian B. Steczynski and Pawel Kurdziel who made the motion in favor of the publication. In 1918 Mr. Kurdziel became publisher and editor of the Polish Daily News (Wiadomosci Codzienne) in Cleveland.

Thus Dziennik Zwiazkowy, first on paper, several months later in fact, became a reality on January 15, 1908 and with a capital investment of $6,000.00 entered Polonia's world of publishing.

The PNA Founders and pioneers were in close contact with Nobel Laureate Henryk Sienkiewicz and with one of the most prolific and outstanding writers of historical novels Jozef Ignacy Kraszewski.

In the late 1920s another Nobel Prize Winner Wladyslaw St. Reymont became a PNA member, and another prominent author of historical novels Waclaw Gasiorowski became President of Alliance College, founded by the PNA in 1912.

These contacts with Poland's great men of letters were reflected in the care and discernment with which editor of Dziennik Zwiazkowy were selected through the seven decades.

To paraphrase a recent literary expression, they were always "the best and the brightest" that could be found among Polish immigrants.

The first editor of Dziennik Zwiazkowy was Francis Jerome Jablonski former PNA President (1897-1901) who completed college education in Inowroclaw, Poland and received a degree in humanities in Lovarium, Belgium.

He was ably assisted by Thomas Siemiradzki, graduate of the University of Petersburg, teacher of Latin and Greek in colleges in Poland and Germany, professor of history and ancient languages at Orchard Lake Seminary and Editor of Zgoda from 1901 to 1913.

They were followed by highly respected journalists—Jan Przyprawa, Stanislaw Zaklikiewicz, Karol Piatkiewicz and, currently, Jan Krawiec.

Present General Manager is Dr. Edward C. Rozanski.●

ROBERT F. KENNEDY AND POWER IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. WALGREN) is recognized for 5 minutes.

Mr. WALGREN. Mr. Speaker, as we reflect on the life of Robert Kennedy on the 15th anniversary of his death, the following essay by Allard Lowenstein provides an important perspective from someone who knew Robert Kennedy better than most and who was intimately involved in the political movements that swept the Nation in the late sixties. Although written by Lowenstein in 1977, this essay was not published until the recent book "Lowenstein: Act of Courage and Belief," a collection of Lowenstein's writings edited by Greg Stone and Doug Lowenstein.

ROBERT F. KENNEDY AND POWER IN AMERICA

(Completed in 1977, this essay did not appear during Lowenstein's lifetime.)

Not the least of the wonders of Robert Kennedy is that more than almost anyone else he understood both what America had become and what America could be, and that he set out to change not just specific policies but the way policies were made. He knew a great deal about the curious, contorted, nonideological reality of power in the United States, understood it, and decided to try to increase the influence of people, some of whom had never really had any, and others of whom had barely noticed that they were losing what influence they had.

He had managed his brother's transactions with the political warlords whose help was necessary to put together a presidency—the operatives from businesses, unions, city machines, the media, and racial jive artists getting their "share of the action," and the rest. He knew the world of patronage and payoffs as well as he knew the world of slogans and issues and egos, and when he wasn't trying to reform something he was trying to use it. He dealt in jobs for uncles of Democratic committeemen, with dollars for minority ministers and saloon keepers and undertakers to run "registration drives," with estates for properly connected lawyers to probate; dealt with these attractions of American politics with the same magnetic detachment that he reserved for reformers agitated about whatever revisions of the national agenda had currency at the moment.

He said he could breathe better north of the Bronx line where the air was freer, but he knew that even up there the toastmasters of Kiwanis luncheons and hostesses at Hadassah coffees were more likely to support him if they were stroked personally and helped with their sons' problems with the draft.

He made his way through these worlds that we all knew something about, first for his brother and later for himself, the celebrated ruthlessness concealing the reticence and humor that might have seemed weakness to people who experience had taught him responded mostly to power.

But he knew as well about worlds the rest of us didn't know about—worlds situated, as it were, above invisible barrage balloons that shield those below from glimpsing too clearly whatever might be influencing events from far overhead. And the more he learned about these shadowy forces, the more troubled he became.

He respected and wanted power too much to agonize over the necessary accommodations with the corruptions normal to the human condition, but what he discovered about the extent to which hidden influences affected the nation stunned and engaged him.

His early education must have been slow—whiffs from some of his father's associations, McClellan Committee run-ins with intransigent figures invoking constitutional strictures and protected by high connections and endless quantities of untraceable cash.

Bullying and influence peddling, racketeering with roots deep in American life, he understood. Like Tom Dewey and Estes Kefauver, he set out to expose the worst of it, to try to arouse the public and the government, and so to reduce its scope. But somewhere along the way he discovered that the uses of illicit power went beyond buck-chasing, beyond bullying mom-and-pop stores, even beyond owning a few politicians here and there; and he decided that this power had become a threat to democratic process itself. The zeal of his hostility to this threat was to cost him the trust of some who saw in this zeal a greater threat to democratic process than they could detect in what seemed a few corrupt union officials.

He wrote a book, The Enemy Within, and those who thought the book was designed mostly to trumpet his own ambitions found in its fury a confirmation of their suspicion that he was in fact not very committed to democratic process, at least not where individual liberties stood in the way of his ambitions.

Even friendlier observers found the book overdrawn, a bit fanatic. A decade later it would sound more prophetic than fanatic; but by then Robert Kennedy knew that the source of the threats to democracy was much broader than he had realized when he wrote the book, and that those threats had become much more powerful over the years. Above all, he had come to know that the word "threat" itself was misleading, because power exercised is not a "threat" but a fact.

Then suddenly he was the attorney general, the chief of law enforcement, and he began to poke beyond the known parameters of illicit power, to become an explorer in the unknown blue yonder above the barrage balloons. Soon he was after Hoffa and Marcello, the capo of New Orleans; and then after other capos, other unions, other institutions—on to Chicago, and Miami, and Las Vegas; and early on, when most people were just beginning to notice the charm and style that were known as Camelot, he was already into the soupy brew of exiles, gangsters, intelligence agents, and ideologues of all kinds that led to and from the Bay of Pigs. Always at hand were the peculiar and sometimes unfathomable workings of J. Edgar Hoover, his field marshal and presumed chief ally in the wars both to secure civil rights for racial minorities and to protect the interests of the general public by whittling away at an amorphous empire whose webs and tentacles stretched across the land and reached equally into its penthouses and alleyways—an empire with many czars and would-be czars, not all of them known even to one another.

From these adventures emerged an attorney general determined to stem the drain of power to mysterious forces, working with a president too new, too narrowly elected, too vulnerable to risk head-on the consequences

of his desire to fire Hoover and cast the CIA "to the winds." And somewhere along the way started a new phase in the accelerating education of Robert Kennedy—a stumbling across unexpected people in hidden alliances in high places, the uncovering of overlapping clandestine interests and operations; and so to a dawning glimpse of the full enormity of the unknown, an invisible empire allied to parts of an invisible government. Could anyone, even a president and his attorney general brother, master anything so cloaked, so ubiquitous, so complementary and unreachable—icons and hit men in holy league against Communism; parts of J. Edgar Hoover and Roselli and Giancana and sometimes Allen Dulles; Howard Hughes and more money than most governments, John Rooney running the House subcommittee that financed Immigration, Commerce, Justice, and the FBI; pension funds and real estate developers, Teamsters and Longshoremen, journalists and entertainers and folk heroes; more paleolithic than monolithic, built on greed and mistrust, battling over turf and spoils, scorpions in spidery embrace for fear of mutual extinction—who knew where it all started or how far it all reached, much less how it could be tamed or its power balanced?

But it was clear where to begin, and Robert Kennedy began: from forty underworld figures targeted for prosecution to 2,300, a 400-percent increase in one year in the Organized Crime and Rackets section of the Justice Department; from marginal staffing of half-hearted or half-baked inquiries to platoons of bright lawyers prying into Nevada and Texas and places between and around.

Not many people, not even all his closest associates, understood this preoccupation, some said his obsession: why so much energy chasing a bunch of gamblers and hoods, why not more effort in antitrust or civil rights? Why this vendetta against a few corrupt union officials? The emphasis seemed disproportionate, an elephant after some gnats.

But he saw it as a problem of the basic health of the republic, and eventually Robert Kennedy tried to do something even more difficult than restructuring intelligence agencies or imprisoning or deporting would-be czars. He tried to build the strength of the democratic counterpoise, of people struggling around in constitutional forums beneath the balloons; and he died when there was a chance that he might succeed.

"Every individual can make a difference," he kept saying; the simplest acts can spread ripples of hope; personal involvement is the only way to safeguard freedom, to make electoral democracy work; we can do better if everyone understands that, and tries.

The passion of this greatest effort of Robert Kennedy's came not from a naiveté assumed for political purposes, a willingness to build false hopes in pursuit of personal power, but, rather, from a great optimism about America. It was his central conviction that if people couldn't be roused to try to make a difference in what he saw as the effort to "reclaim" their country, they would make a difference anyway by not trying.

He knew more about the problems of reclaiming the country than any of his contemporaries. He understood the complexities and absurdities and paradoxes; almost alone he saw the nature of the lassos that were hobbling the machinery of democracy, and he set out to weaken the hobblers and strengthen the hobbled. He must have thought of his brother even more than we understood at the time, and wondered if he would be able to do any more in this effort than his brother had. It was inevitable and magnificent that he decided to try.

Robert Kennedy's death, like the President's, was mourned as an extension of the evils of senseless violence; events moved on, and the profound alteration that these deaths and the death of Dr. King brought in the equation of power in America was perceived as random, a whimsical fate inconveniently interfering in the workings of democracy.

What is odd is not that some people thought it was all random, but that so many intelligent people refused to believe that it might be anything else. Nothing can measure more graphically how limited was the general understanding of what is possible in America.●

THE U.S. HEALTH SERVICE

● Mr. DELLUMS. Mr. Speaker, for over 30 years the Congress has considered various legislative proposals to alter substantially the role of the Federal Government in providing personal health care services to the American people. The Reagan administration has proposed to turn the clock back to the days of the Great Depression when millions of people had to depend on charity or go without necessary health services. This administration is suggesting that we place in control of our medical system the very same people—the private sector—who created the problem we face today, those **of inaccessibility by the poor, maldis**tribution of health workers, unreliable quality of care, and excessive and uncontrollable costs.

It is interesting to note that the United States is the only industrialized nation in the world, with the exception of South Africa, that does not have a national health program for its people. As a result, we fall far below most of these countries when the major health indicators are ranked: 12 nations do better in preventing cancer deaths; 11 nations have lower infant mortality rates; 14 nations have longer life expectancy rates for both men and women; and 26 nations have lower cardiovascular death rates.

Yet we spend almost over 10 percent of our GNP on medical care as opposed to the British who spend less than 6 percent for a national health service that provides service for all the people in their country. They also rank higher than we do in all the above categories.

There is an alternative to both the Reagan administration's approach and the present Federal involvement in providing health care to the American people.

It is a comprehensive, community-based, publicly funded national health service. Only such a system can fully respond to the health needs of all the American people. Only such a system can hold down the escalating costs of medical care, insure easy access to health services in every community, and address the increasingly severe occupational and environmental health problems facing the American people. In addition, since such a program would serve the needs of all the people, not simply the poor, the minorities, and the powerless in our society, it would not be vulnerable to the kind of attacks now being launched against our public sector health services.

I urge my colleagues to consider such an alternative system and to read the summary of this legislation that follows:

QUESTIONS AND ANSWERS ON THE HEALTH SERVICE ACT

While high quality health care is a right of all people, this is not the current reality in the United States. Unequal access to care, excessive costs, geographical imbalances, and the deterioration of social, environmental, and occupational conditions beset Americans today. This Act creates a United States Health Service to overcome these deficiencies and implements the right to quality health care.

The United States Health Service will provide to all individuals, without charge and without discrimination of any kind, comprehensive health care and supplementary services delivery by salaried health workers and emphasizing the maintenance of health as well as the treatment of illness. Representative and democratic governance will be established through community boards mandated to provide primary health care services and chosen in community wide elections. District boards will oversee general hospitals and be selected by the community boards. Regional boards will oversee specialized care facilities and health team schools and be selected by district boards. Lastly, the National Health Board will provide overall planning and guidance and be selected by the regional boards, with approval by the President.

Health workers will have fair compensation, secure employment, and opportunities for career advancement and for full and equal participation in governance. There will be local, regional and national planning and funding to establish health care facilities so as to overcome shortages, especially for inner-city and rural populations. The Service will be financed through progressive taxation of individuals and payroll taxes on the employers, with these funds distributed on a capitation basis, supplemented by allocations for special health care needs.

WHY A HEALTH SERVICE?

Growing numbers of Americans realize that the present health care system, based on the private delivery of health care and financed on a fee-for-service basis, is unable to meet the health care needs of this country. One response has been to propose some form of national health insurance. However, no insurance plan will guarantee that health care services are available to everyone, improve the quality of current services, or hold down costs.

Instead of propping up an inadequate system with complex payment mechanisms and ineffective quality reviews, the Health Service Act will establish a health care delivery system that provides comprehensive health services to all Americans and is accountable to those it serves. This will be a publicly-controlled and operated health

service employing health workers who will directly serve the public. Any scheme short of this can, at best, only ameliorate the ailments of the present health care system.

WHAT IS THE UNITED STATES HEALTH SERVICE?

The United States Health Service is an independent federal agency that is democratically-controlled to deliver health care in communities throughout the United States.

WHO CAN USE THE HEALTH SERVICE?

Any individual, while within the territory of the United States, will be able to receive services.

WHAT SERVICES WILL BE PROVIDED?

The United States Health Service will provide, without charge, a full range of medical, dental, and mental health services, as well as occupational, home health, and health education services. Drugs and medical equipment will be furnished without charge. Environmental inspections and monitoring services will also be conducted.

These services will be provided through facilities established and maintained by the Service. Except in emergencies, it will not pay for services provided elsewhere. Three years after it begins full operation, it will not be possible for private practitioners (who charge their patients a fee) to use the facilities of the United States Health Service.

HOW WILL PHYSICIANS AND OTHER HEALTH WORKERS BE COMPENSATED?

All health workers will receive salaries commensurate with their job requirements and experience. Workers can receive increases in salary and be certified for job advancement through recognition of successful performance and through enhancement of their skills.

WHAT WILL BE THE STRUCTURE OF THE UNITED STATES HEALTH SERVICES?

The Health Service will be set up as a four-tier system—the community, district, region, and national level. The base of the system is the "community," a geographic area with a population of between 25,000 and 50,000 (less in rural areas or in other special circumstances). In each community, primary health care services—general outpatient medical care, emergency services, mental health services—will be provided through community health centers, physicians' offices, laboratories, pharmacies, and other facilities. Nursing homes, multiservice centers for the handicapped, and mental health facilities, also will be established and operated so as to promote the integration of persons using these facilities into the community.

Several communities will be joined together to form a "district" with a population of between 100,000 and 500,000. Each district will have a general hospital.

Several districts will be joined to form a "region" with a population of between 500,000 and 3,000,000 (more if necessary to enclose an entire metropolitan area). Each region will have a medical center providing highly specialized medical services and a health team school where all health workers will receive their education.

HOW WILL THOSE WHO USE THE SERVICES OF THE UNITED STATES HEALTH SERVICE, AND THOSE WHO WORK FOR IT, RUN IT?

Community health boards chosen in community wide elections by residents and health workers will plan the delivery of primary and preventive health services, hire community health workers, and assume overall responsibility for all community health services. District health boards, appointed by the community health boards in the district (with each community appointing three members) will oversee the district general hospital. Regional health boards, appointed by the district health boards in the region, will oversee the regional medical center and health team schools, and assist community and district boards in performing their duties. Lastly, the National Health Board, appointed by the regional health boards with the approval of the President, will carry out overall planning and budgeting and establish guidelines for the provision of health services by all health boards.

Two-thirds of the members of each board will be representatives of the users of the Service; one-third will be representatives of those who work in the health facilities operated by the Service.

All health facilities will be managed by the workers in them on a democratic basis. Each health board, in consultation with the workers, will develop a plan for democratic decisionmaking within each facility, including the equal participation of health workers at all skill levels. Health workers can also bargain collectively with the health boards on wages, benefits, and working conditions.

WHAT SPECIAL RIGHTS AND GUARANTEES WILL HEALTH SERVICE USERS HAVE?

A Bill of Health Rights incorporated into the legislation guarantees users of the United States Health Service access to all its services, to their choice of health workers and facility, to information and explanations in their primary language about their health status and any treatment or procedure, and to advocacy and legal assistance. Specific protections are included for women and residents of health care institutions to ensure rights associated with their special situations and health needs.

HOW WILL THE QUALITY OF HEALTH CARE BE ASSURED?

In contrast to the present medical licensing system, this Act calls for continuing review and assessment of the competency of health care providers, with oversight by representatives who use those services as well as those who provide them. The National Health Board will establish national guidelines for area health boards in training, hiring, and certifying health workers.

The ultimate safeguard of quality is the control of service delivery by health boards accountable to those who use the Service and those who work in it, able to draw for advice and technical support upon all the professional expertise employed by the United States Health Service.

WILL THIS BILL PROVIDE OCCUPATIONAL HEALTH SERVICES?

Unlike any of the current health insurance proposals, this bill will provide extensive occupational health services. Screening diagnosis, treatment, and education for the detection and prevention of occupational hazards and diseases will be provided in community health facilities. Workers will participate in the occupational health programs in their community and work-places through elected community occupational safety and health action councils, which will perform monitoring and other functions to protect the safety and health of workers. Workers in each workplace will have the right to establish workplace occupational safety and health committees which will perform monitoring and other functions to protect the safety and health of workers.

HOW WILL THIS BILL ADDRESS THE PRESENT MALDISTRIBUTION OF HEALTH WORKERS AND FUNDS?

Operating funds will be allocated to regions, districts, and communities on a per capita basis, so that all areas will have funds proportionate to their populations. This will allow presently underserved areas especially those where low income and minority persons live, and many rural areas, to overcome their present serious shortages of physicians, other health workers, and health facilities. Special funds, amounting to 2 percent of all operating funds, will be allocated to communities where low income persons live, to help them alleviate their special burden of health problems.

The present maldistribution of health workers will be dealt with by requiring that graduates of health team schools serve in underserved areas for at least a period equal to the duration of their education but not to exceed two years, and by requiring that health boards not hire particular types of health workers if they have substantially greater numbers of them while other areas have substantially less.

HOW WILL USERS OF THE SERVICE BE PROTECTED FROM FAILURE OF HEALTH BOARDS TO PERFORM THEIR DUTIES?

Members of health boards will be accountable to the people who chose them. If they fail to meet the health needs of their areas, or neglect their duties, members of community health boards can be removed from office through a recall election. Members of other boards can be removed from office by two-thirds vote of the body that appointed them.

Regional boards will be empowered to investigate complaints regarding the actions of the community or district boards. In the event they determine that there has been mismanagement of funds or other failure or misconduct, they can suspend or restrict the board, appoint a trustee to take over its affairs, and hold a new election for a community board or see that a new district board is appointed. The National Health Board will perform similar oversight of regional boards.

HOW WILL THE EDUCATION OF HEALTH WORKERS BE CONDUCTED UNDER THIS BILL?

Health workers will receive their education from the Service in health team schools organized by regional health boards. They will begin their education by sharing classroom and clinical experiences in a restructured educational process. Curriculum design will maximize the studies undertaken in common by students preparing for the various types of health work and will emphasize the social basis of health. As students progress, their studies will branch out and extend into the various categories of health-related skills and knowledge.

Admission policies will emphasize previous health-related work experience and encourage the entrance of students who reflect the composition of the region's population. No tuition will be charged, and there will be stipends for living and educational expenses. (Outstanding health education loans will be paid by the Service for those accepting employment under the Service.) Each health team school will be governed by representatives of the region's residents and the staff and students of the school.

HOW WILL HEALTH RESEARCH BE CONDUCTED UNDER THIS BILL?

The Service will be mandated to conduct an extensive program of health and health

care research. The first priority will be on the prevention and correction of the leading causes of illness and death, including environmental, occupational, and social factors. Research will be performed, to the maximum extent possible, under the auspices of community and district health boards, to ensure it is responsive to the health needs of people in their communities and workplaces.

HOW WILL THE SERVICE BE FINANCED?

In spite of the expansion of services, the cost of operating the Service will be less than the cost of the present health care system. The elimination of administrative costs associated with the insurance industry and its complex billing procedures, the expected decrease in unnecessary hospitalization and treatment from the elimination of fee-for-service medical practice, and the elimination of excessive fees and profits are estimated to reduce the total cost by at least 20 percent.

Funds to run the Service will come from a Health Service Trust Fund containing receipts from a special health service tax on individual and corporations and from general Federal revenues. The individual health service tax will rise with increasing income. Low and middle income individuals having not over $6,000 taxable income will pay only 1 percent (equivalent to the Medicare payroll tax now in force, but repealed when the Service begins providing health services.) Higher income individuals and corporations will pay substantially higher taxes, and general revenues will contribute the amount now spent by Federal, State, and local governments on health services (Federal payment of these will be a form of additional revenue sharing to States and localities.)

Funds will be distributed to regions, districts, and communities on a uniform per capita basis, with special funds allocated to communities and districts for the care of persons over 65 years of age, persons confined to full-time residential institutions, low income persons, rural areas, and to meet special environmental, occupational, and other health needs of particular regions.

The division of funds between the district and community levels will be determined by the district boards, but with the consent of a majority of the community boards in each district. Similar procedures will be followed in dividing funds between the regional and district levels and the National and regional levels. Thus all health boards will have an equal role in determining the allocation of funds.

HOW WILL THE TRANSITION FROM THE PRESENT SYSTEM TO THE NEW HEALTH SERVICE BE MADE?

Immediately after this law is enacted, the President will appoint an Interim National Health Board broadly representative of the American people, to oversee the start of the transition process. It will draw the regional boundary lines and appoint an interim regional health board for each region. These boards in turn will draw boundaries for districts and communities and will then conduct elections for the members of community health boards. The boundaries drawn by these interim boards can be modified by the permanent boards once they are established, using a procedure in which residents of the affected areas will participate.

Once community health boards are elected, they will begin identifying sites for health facilities, acquiring buildings, and hiring health workers, and they will appoint the members of district health boards. Each board in turn, as it is appointed, will begin preparing to carry out its assigned responsibilities.

Two years after the bill is enacted, the National Health Board will begin functioning, and the delivery of health services will start 2 years later. All the health-care-related functions now carried out under the direction of the Secretary of Health and Human Services will then be transferred to the Service. Every 2 years thereafter, there will be elections for members of community health boards and subsequent appointments of new members of the district, regional and national boards.

In cases where particular boards are not ready, at the end of the 4-year start-up period, to assume responsibility for the full delivery of services, these will be provided in neighboring areas or through private practitioners reimbursed under current Medicare arrangements. These temporary measures will remain in effect for up to three additional years.

The educational programs will be fully operating four years after the start-up of services.

SECTION-BY-SECTION SUMMARY

TITLE I—ESTABLISHMENT AND OPERATION OF THE UNITED STATES HEALTH SERVICE

Initial operation

Sec. 101—Establishment of the Service. There is established an independent establishment of the executive branch to be known as the United States Health Service. The authority of the Service shall be exercised by the health boards set up under this Act.

Sec. 102—Appointment of Interim National Health Board. No later than 30 days after the enactment of this Act, the President shall appoint 21 individuals over 18 years of age, broadly representative of the Nation's population, and no more than 7 of whom have been health workers within the preceding 2 years, to serve as members of the Interim National Health Board.

Sec. 103—Powers and duties of the Interim National Health Board. Members of the Interim National Health Board shall take whatever steps are necessary to establish the Service. They shall serve as the National Health Board of the Service until the National Health Board holds its first meeting, establish boundaries of health care delivery regions, select and provide assistance to interim regional health boards, and coordinate the initial election of community health boards.

Sec. 104—Authorization. There are authorized to be appropriated to the Service $4 billion to establish the Service.

Organization of area health boards

Sec. 111—Establishment of health care delivery regions. No later than 6 months after the appointment of members of the Interim National Health Board, the Board shall establish health care delivery regions throughout the United States. Each health care delivery region shall be a contiguous geographic area having a population of not less than 500,000 and not more than 3 million, except that the population may be less than 500,000 if it would facilitate the delivery of health care services or the effective governance of the program, and it may be greater than 3 million if the region includes a standard metropolitan statistical area. The boundaries of such regions shall consider economic and geographic barriers to the receipt of health care in nonmetropolitan areas. At least 60 days prior to the establishment of a boundary, the Interim National Health Board shall provide for a public hearing regarding such boundary.

Sec. 112—Appointment of interim regional health boards. No later than 60 days after the establishment of health care delivery regions, the Interim National Health Board shall appoint an interim regional health board for each region. Each interim regional health board shall be composed of 9 members over 18 years of age, broadly representative of the region's population, and no more than 3 of whom have been health workers within the preceding 2 years. Each interim regional health board shall establish the boundaries of health care delivery districts and communities in its region and conduct elections for voting members of community health boards in its region.

Sec. 113—Establishment of health care delivery districts and health care delivery communities. No later than 6 months after its appointment, each interim regional health board shall establish health care delivery districts and communities throughout its region. Each region shall be divided into three or more districts, each of which shall be a contiguous geographic area having a population of not less than 100,000 or more than 500,000, except that a district may have a population of less than 100,000 if this would facilitate the delivery of health care of the effective governance of the program.

Each district shall be divided into three or more communities, each of which shall be a contiguous geographic area whose residents have a commonality of interest, language, and ethnic and racial composition and whose population is not less than 25,000 or more than 50,000 except that a community may have a population of less than 25,000 if this would facilitate the delivery of health care or the effective governance of the program.

At least 60 days prior to the establishment of a boundary, the interim regional health board shall provide for a public hearing regarding such boundary.

Sec. 114—Election of community health boards. The Interim National Health Board shall arrange with State and local governments for the initial election of user members to be held on a date not later than 9 months after the appointment of the interim regional health boards. For each board there shall be 6 user members, plus one user member for each 5,000 residents in the community in excess of 30,000. For each board there shall be 3 worker members, plus one for each 10,000 residents in the community in excess of 30,000. The Interim National Health Board shall establish procedures for nomination and election of these health board members following the criteria outlined in this Act. The interim regional health boards shall conduct and supervise the nominations and elections of community health board members.

The initial meeting of each community health board shall be held not later than 30 days after the election.

Sec. 115—Appointment of district health boards. Not later than 60 days after its initial meeting, each community health board shall appoint two users residing in the community to serve as user members of its respective district board. The worker members of each board shall appoint a community health worker to serve as a worker member of its respective district board. The district health workers shall appoint a district health worker to serve on the district health board, following procedures outlined in the legislation. The initial meeting of the

district health board shall be not later than 30 days after such appointment.

Sec. 116—Appointment of regional health boards. Not later than 60 days after its initial meeting, the user members of the district health board shall appoint two users to serve as user members of its respective regional health board. The worker members of the district health board shall appoint a district health worker as a worker member of its respective regional health board. The regional health workers shall elect a regional health worker to serve on the regional health board. The initial meeting of the regional health board shall be not later than 30 days after such appointment.

Sec. 117—Appointment of the National Health Board. Each region shall be assigned to one of three groupings of regions, each having (to the extent possible) an equal number and balanced geographic distribution. Each board for a region in the first two groups shall appoint a user to serve as a user member of the National Health Board; the others shall appoint a worker member. These names shall be submitted to the President who shall have 10 days in which to approve or disapprove the nominations.

Sec. 118—Subsequent election and appointment of members of health boards. The next election for members of the community health boards shall be held in conjunction with each election of Members of the U.S. House of Representatives that occurs after the effective date of health services. The term of service (of all members of health boards) will be 4 years with staggered terms, half of the members being elected every 2 years. Such elections, and subsequent appointments of members of district and regional boards and the National Health Board shall conform to the requirements of sections 114, 115, 116, and 117, respectively.

Sec. 119—Modification of the boundaries of health care delivery areas. No later than 2 years after each decennial national census, and at any other time it deems necessary, the National Health Board shall review the appropriateness of the boundaries of each region and may modify the boundaries if there has been a substantial population shift and if the modification is approved by a referendum of the residents whose regional identification would be changed. At least 60 days before the modification, a public hearing shall be held.

No later than 2 years after each decennial national census, upon receipt of a petition signed by not less than 15 percent of the registered voters in an area, and at other appropriate times, each regional board shall review the boundaries of the districts and communities in its region. A regional board may, after review and public hearings, modify a boundary if there has been a substantial population shift or the change would better carry out the purposes of this Act, and if the changes are approved by a referendum of those affected by it.

General provisions regarding health boards

Sec. 122—Membership of health boards. Each health board shall be composed of (1) members elected or appointed in accordance with the preceding sections, (2) one member appointed, in the case of a community board, by the community occupational safety and health action council established in section 412 and, in the case of a regional board, by the regional occupational safety and health action council established in section 413, (3) such voting user members as are necessary to ensure that the user members of the board approximate the population of the area by race, sex, income level and language and segments of the population having special health needs, and (4) such nonvoting associate members as the members determine to be necessary to provide representation of State, territorial, and local government, of segments having special health needs of the population and, in the case of the Interim National Health Board and the National Health Board, to help carry out this Act.

A recall election shall be held for any member of a community health board no later than 60 days after presentation to the regional health board of a petition signed by at least 15 percent of the registered voters (or health workers as appropriate) in the community requesting recall of the member. Members of district, regional, and the interim regional boards, and the National Board, may be recalled from office by the vote of two-thirds of the health board which appointed such members.

No individual may serve as a member of any board for more than 4 consecutive years, exclusive of any time that may be served to fill a vacancy. A vacancy caused by the death, resignation, or removal of a member shall be filled within 60 days by the same process which placed the original member on the board.

Sec. 123—Meeting and records of health boards. The members of each health board shall elect a chairperson and vice chairperson from among their members. The chairperson shall be responsible for convening meetings, including upon written request of any two members, and for carrying out other duties as the board may assign. Minutes of meetings of the board and its committees shall be available to the public, and all such meetings shall be open to the public.

Each health board may establish committees and advisory groups, and appoint to them such individuals as they find necessary to carry out their duties. Members of health boards shall receive per diem or salary payments plus reimbursement for necessary expenses.

Sec. 124—Procedures for establishment of national guidelines and standards. The National Health Board shall establish such guidelines and standards as will facilitate implementation of this Act. It encourages innovation and experimentation in achieving its objectives. At least 90 days before establishing a guideline or standard, it shall submit such guidelines or standards to all regional health boards for their review and comment. The National Health Board shall assist members of area health boards in using and implementing such guidelines and standards.

Sec. 125—Assistance to area health board members. Each regional board shall provide orientation, education, and technical assistance to district and community boards to insure that they are prepared to perform their duties.

TITLE II—DELIVERY OF HEALTH CARE AND SUPPLEMENTAL SERVICES

This title specifies the health care and supplemental services, and the administrative arrangements for delivering such services.

Patients' rights in health care delivery

Sec. 201—Basic health rights. The Service, in delivering health care services, shall ensure that every individual is given basic health rights. These include the right to receive high quality health care and supplemental services without charge and without discrimination; to be treated with dignity and respect; to choose health workers and to be responsible for facilities in which to receive service, to have access to one's health records; to have information translated into the individual's primary language; to receive a full explanation of all questions related to health care; to refuse any health care service, when the refusal does not directly endanger the health of others; to have counseling and assistance on health matters; to be accompanied and visited at any time by a friend or relative of the individual in the event of terminal illness, to die with dignity and to be allowed to die at home; and to have access to a complaint system and to legal assistance to enforce these rights.

Sec. 202—Right to paid leave to receive health care services. Each employee is entitled to one hour per 35-hour work week of paid leave to receive health care services.

Eligibility for, nature of, and scope of services provided by the service

Sec. 211—Eligibility for services. All individuals while within the United States are eligible to receive health care and supplemental services under this Act.

Sec. 212—Entitlement to services. On or after the effective date of health services, the Service shall provide users with all health care and supplemental services described in section 213 which are necessary for the promotion and enhancement of health, the prevention of disease, the treatment of illness, and rehabilitation following injury, disability or disease. These services do not include personal comfort or cosmetic services, unless the health board providing the services determines they are needed for health-related reasons.

Sec. 213—Provision of health care and supplemental services. The Service shall provide the following health care services in or through facilities established by the Service: promotion of health and well-being through health education programs; prevention of illness, injury, and death through education and advocacy addressed to the social, occupational and environmental causes of ill health through preventive services; diagnosis and treatment of illness and injury, including inpatient and outpatient service, mental health, occupational health, dental care, long-term care, and home health services; rehabilitation of the sick and disabled; and provision of drugs and therapeutic devices, appliances and equipment. The Service shall provide supplemental services of transportation and ambulance service to health facilities, child care facilities, homemaking and home health services, and counseling and social service assistance. The Service shall conduct environmental and preventive functions now performed by State and local health departments. The Service shall provide reimbursement for the cost of emergency health care services provided in facilities or by persons outside the Service, when immediate medical attention is required and it is impractical for the individual to receive care from the Service.

Health care facilities and delivery of health care services

Sec. 221—Establishment of health care facilities and distribution of delivery of health care and other services. Each community board shall establish facilities in its community to deliver (1) comprehensive primary medical and dental care immunization, nutrition and screening services; children's health services; obstetrical and gynecologi-

cal services; family planning and contraceptive services; pregnancy and abortion counseling and services; vision and hearing testing; provision of eyeglasses and other visual aids and hearing aids; 24-hour emergency medical services, provision of pharmaceuticals and medical equipment, mental health services, home health services, and occupational safety and health services; (2) specialized inpatient and outpatient health care services when these can be most effectively provided in a community setting; (3) supportive services and facilities for the physically or mentally handicapped, mentally ill, infirm and chronically ill to promote their integration and functioning within the community, and (4) community oriented health measures to focus community activities on the promotion of health and prevention of illness and injury and to make all residents aware of their ability to use the health services.

Each district board shall establish in its district a general hospital to provide inpatient health care services, as well as such other facilities as will promote the effective delivery of health care in its district.

Each regional board shall (1) establish a regional medical facility providing highly specialized health care services, and (2) provide health care services for individuals whose health care needs cannot be met by community or district boards because of occupational or other factors including migratory agricultural workers and those confined to correctional institutions.

Each area health board shall also provide health education, the maintenance of personal health records, referral services to facilities outside the area, assistance to individuals with language or cultural differences or educational handicaps in utilizing the services, information on health rights, guidelines, and standards, information on grievance mechanisms and legal services, and environmental health inspection and monitoring services.

Each area health board shall hire appropriate health workers (including administrative personnel) to ensure that its facilities provide the services mandated for the board. Each area health board shall utilize, wherever possible, existing health facilities including health centers, clinics, hospitals, nursing homes, and medical laboratories.

If a community district board fails to provide the necessary health care and supplemental services on the effective date of health services, its respective regional board shall take whatever steps are necessary to ensure that such services are available to individuals, in the area. This may include appointment of a trustee or trustee committee under section 402, requiring the community or district board in an adjacent area to provide such services on a temporary basis, or (until three years after the effective date of health services) providing reimbursement provision of specified services using procedures in effect just before the effective date of health services under title XVIII of the Social Security Act (Medicare).

Sec. 222—Operation and inspection of health care facilities. Each health board shall establish policies and organizational plans for each facility it has established. In establishing, implementing, and modifying such policies and plans, it shall seek the fullest possible participation of health workers in the facility and individuals using the facility by the workers in the facility. These policies and plans shall provide for (1) the management of the facility through decisionmaking mechanisms which provide full and equal participation of all health workers employed in the facility, (2) the elimination of domination by health professionals, and (3) regular accountability of the health workers to the board which established the facility.

On and after three years after the effective date of health services, a health board may not permit a health facility it has established to be used for the private delivery of inpatient or outpatient services. No individual employed by a health board may engage in the private delivery of health care. ("Private delivery" means the delivery of the services for which there is remuneration from any source other than the Health Service Trust Fund established in section 511.)

Each health board shall ensure that any facility which provides substantial inpatient service for individuals who are within it for continuous periods of 30 days or longer is cleared and well-heated, cooled and ventilated, adequately staffed, provides, comfortable quarters for inpatients, provides opportunities for creative activity and recreation, establishes a review committee, informs an inpatient of all decisions involving the inpatient's health, and permits participation in such decisions. It shall not censor or harass communication of an inpatient, confiscate personal property, deny social and sexual life, require that the inpatient work, pay an inpatient less than the minimum wage, physically restrain an inpatient, other than one convicted of a crime, involuntarily for more than 72 hours without determination by the facility's review committee that such restraint is necessary, or take punitive or discriminatory action without approval of the facility's review committee. Annually, the inpatients of each such facility shall elect, from among themselves and any representatives of an interested user association, a review committee of at least 3 members.

Quality care shall be assured by regular inspections of the health care facilities. The results will be reported to the public.

Sec. 223—Provision of health services relating to reproduction and childbearing. Area health boards shall provide the following services: complete information on contraception and provision birth control materials or medication of the individual's choosing; complete and effective evaluation and treatment of veneral diseases and diseases of the reproductive organs; complete information and counseling with respect to pregnancy childbearing and possible outcomes involving genetically induced anomalies; complete and effective pregnancy testing; prenatal services; safe, comfortable and convenient abortion services; counseling by women in conjunction with the provision of all gynecologic, female contraceptive and abortion services and the counseling by men for male fertility-related services.

The services will be delivered without coercion or harassment, with complete confidentiality and without prior approval by anyone other than the individual receiving the services. An individual may be accompanied by a person of the individual's choice during the provision of the services described above to the extent this would not significantly increase the medical risk to the individual.

No area health board may perform a treatment or procedure (other than to preserve the patient's life) which could reasonably be expected to affect the individual's capacity to reproduce children unless the individual has again given voluntary consent to the treatment or procedure after being given full information on the effect of the treatment or procedure and on possible alternative treatments at least 30 days before beginning the treatment; and the individual, after the 30 day waiting period, has given written consent. Exceptions to this are the voluntary sterilization following the delivery of a child if written consent has been given 30 days prior to the anticipated delivery date, or during emergency surgery within the 30 day waiting period.

Before a mastectomy or other breast cancer treatment is performed, an area health board shall provide the woman with complete information on the range of medical options available and the side effects of each option and she shall give voluntary written consent to such procedures.

An area health board shall provide that a woman may deliver her infant in her home, be accompanied during labor and delivery by whomever she chooses, use the position she chooses, care for her infant at her bedside, and feed her infant according to the method she desires, and be provided with information on the benefits, risks and side effects of each option.

TITLE III—HEALTH LABOR FORCE

Job categories and certification

Sec. 301—Effect of State Law. Notwithstanding any law of a State or political subdivision to the contrary, the service shall be the sole judge of the qualifications of its employees.

Sec. 302—Qualifications of Health Workers.—Each area health board shall establish procedures which ensure that work classified under a job category is performed by a health worker who is certified as competent to perform the work and authorized to perform the work by the area health board which employs the worker. Each area health board shall provide for the periodic review and assessment of the competency of its employees, and shall provide opportunities for health workers to be certified for more advanced job categories, each regional board shall provide periodic review and assessment of the performance of health workers in their region. The National Health Board shall provide the same for regional health workers.

Sec. 303—Establishment of Job Categories and Certification Standards.—The National Health Board shall establish guidelines for the classification, certification, and employment of health workers by job category that will ensure that health workers have demonstrated the necessary competency, expand the roles of health workers by enabling them to participate in health care delivery to the maximum extent consistent with their skills and permit alternative approaches to healing. In establishing these guidelines, the National Health Board shall provide for sufficient flexibility to permit regional boards most effectively to meet the health needs of their regions, and for sufficient uniformity to permit mobility of health workers among the regions as well as require exchange of health workers between districts. The National Health Board shall periodically evaluate the job categories and certification practices and make whatever modifications it deems necessary.

For job categories not requiring advanced specialty training, each regional board shall establish certification standards for its region which specify the functions performed by a health worker employed in a job category, the skills required to perform this work, the initial and continuing train-

ing, experience, and performance required, and the curriculum which a health worker must follow in a health team school. Each area health board within the region shall apply such standards to all health workers it employs.

The National Health Board shall establish standards for job categories involving highly specialized skills and requiring advanced specialty training. Area health boards shall apply such standards to all health workers employed by them in such job categories.

All such standards shall periodically be reviewed and modified as appropriate.

Education of health workers

Sec. 311—Health team schools. Each regional board shall establish a health team school to provide initial and continuing education in health care delivery for all health workers. Each school shall be functioning not later than four years after the effective date of health services, unless the National Health Board approves an alternate plan. A regional board, in consultation with its district and community boards, may decide that conducting particular educational programs in its school would be inefficient or inappropriate, and it may collaborate with one or more adjacent regional boards in conducting joint programs.

Schools shall be funded exclusively by the Service, shall not charge tuition, and shall provide students with allowances for living expenses. The National Health Board shall establish guidelines for operating health team schools such that the activities of each school shall be designed to meet the health needs of the region it serves, the number of students enrolled in each educational program shall be based on the needs of the region, and education for different job categories shall be integrated so as to permit health workers to receive successively higher levels of education. Each school's admissions, curriculum, faculty hiring, and governance policies shall be established with the fullest possible participation of community boards, health workers, staff, and students. Schools may not use low-income or minority individuals, women, or those in mental or penal institutions for experiments and demonstrations in numbers that are disproportionate to their population in the region.

Each regional board shall establish admissions policies for its school which emphasize previous health-related work experience, minimize the use of academic criteria other than those that are significantly related to future work performance, give preference to segments of the population now underrepresented among health workers, seek a student body that approximates the region's population by race, sex, family income, and language, and require the applicant to agree to perform health care service in accordance with Sec. 312.

Each regional board shall establish curriculum policies for its schools that give priority in study and field work to the leading causes of illness and death in the region (including especially environmental and social factors), provide all students with a common initial sequence of courses and then offer progressively more specialized studies, emphasize work-study experience in all types of health care facilities in the region, and facilitate the development of skills in decisionmaking and problem assessment by all health workers.

Each regional board shall establish faculty hiring procedures that seek a faculty that approximates the population of the region, and shall establish a government plan for the school which gives significant decisionmaking powers to staff and students.

Sec. 312—Service requirement. No individual may be enrolled in a health team school unless the individual agrees to perform service as an employee of the Service after graduation, for a period of time equal to the period of enrollment but not to exceed two years and for an area health board with the highest priority. For graduates of a health team school in a particular job category, the priority ranking for hiring is as follows: (1) the region, or a district or a community in the region, in which the school is located, if there is a health worker shortage in that job category; (2) any other region, district or community having such a shortage; and (3) any other area. A health worker shortage is defined to exist if an area has a ratio of the number of health workers in that job category to the number of residents which is less than two-thirds of the average of that ratio in the Nation, and the area health board has plans and a budget which call for hiring such an individual. The National Health board shall assist in matching the locational preferences of graduates with the needs of the area health boards in the area. Any individual who refuses to fulfill his service obligation shall be required to repay to the Service an amount determined in accordance with a formula stated in this Act.

Sec. 313—Payment for certain educational loans. For individuals who have incurred educational loans prior to the enactment of this legislation and who agree to work for the U.S. Health Service, the Service agrees to assume payment of their educational loans in accordance with this section.

Employment and labor-management relations within the service

Sec. 321—Employment, transfer, promotion, and receipt of fees. Health boards shall hire, classify and fix the compensation and benefits of their employees, in accordance with this Act and guidelines established by the National Health Board. There shall be employment and promotion in the Service in the same manner as is provided under the Federal civil service system, opportunities for career advancement, encouragement of health workers to use up to ten percent of their work time for continuing education without loss of pay, and full protection of employees' rights to a fair hearing on adverse actions.

Health boards shall give preference in hiring to those employed, or self-employed, as health workers before enactment of this Act. The National Health Board shall ensure that all such individuals may find employment within the Service Employees of the Service shall be eligible for promotion or transfer to any position in the Service for which they are qualified. Each regional health board shall have a job placement service to assist health workers in its region in attaining the maximum degree of career promotion opportunities and to insure continued improvement of health care services.

A district or community board may not hire an individual to fill a position in a job category if the ratio of health workers in that category to residents in the district or community is greater than four-thirds of such ratio for the region, and if there is a district or community within the region which is a health worker shortage area.

An employee of the Service may not receive a fee or prerequisite from anyone other than the Service for duties performed by virtue of such employment.

Sec. 322—Applicability of laws relating to Federal employees. The provisions of chapter 75 of title 5, United States Code (relating to adverse actions against employees), subchapter I of chapter 81 of title 5, United States Code (relating to compensation for work injuries), and chapter 83 of title 5, United States Code (relating to civil service retirement) shall apply to employees of the Service (except in some cases for the personal staff of health board members), unless these are inconsistent with provisions of negotiated collective bargaining agreements or with procedures established by the Service and approved by the Office of Personnel Management.

Compensation, benefits, and other terms and conditions of employment in effect before the effective date of health services for health workers employed by the Federal Government shall apply to employees of the Service until changed by the Service in accordance with this Act. No variation of fringe benefits shall result in benefits which are less favorable to employees of the Service than benefits in effect for employees of the Federal Government on the effective date of health services.

Sec. 323—Applicability of Federal labor-management relations law. The provisions of the National Labor Relations Act shall apply to the Service and its employees, except that (1) supervisory employees shall be included, (2) professional and unprofessional employees shall not be treated separately and (3) emergency provisions shall apply to regions.

Sec. 324—Defense of certain malpractice and negligence suits. No malpractice suit may be brought against an employee of the Service while acting within the scope of the employee's employment. The remedy in such cases shall be in civil action brought against the United States.

TITLE IV—OTHER FUNCTIONS OF HEALTH BOARDS

Advocacy, grievance procedures, and trusteeships

Sec. 401—Advocacy and legal services program. Each area health board shall establish a program of health advocacy to ensure the full realization of patients' rights. Such program shall include the employment of health advocates in health care facilities and measures to correct any infraction of such rights.

The National Health Board shall establish a health rights legal service program to ensure that patients and health workers receive, free of charge, high quality legal services for problems related to health care. The health rights program shall include the establishment of a legal services office in each region, and the establishment of such offices in communities and districts that have inadequate legal services. This program may be carried out directly or, in each instance, by contract with the National Legal Services Corporation or members of the private bar.

Sec. 402—Grievance procedures and trusteeships. Any user, health worker, or user association having an interest in health care may commence a grievance proceeding before a regional board, and a regional board may commence such a proceeding before itself, because of an alleged violation of this Act by a district or community board. Any user, health worker, or user association may commence a grievance proceeding before the National Health Board because of an alleged violation of this Act by a regional board, and the National Health Board may commence such a proceeding before itself.

The National Health Board shall review by appeal, by any party or on its own initiative, an adverse decision by a regional board.

Whenever a grievance proceeding is commenced there shall be a public hearing if the grievance is supported by a suitable petition or before setting aside an election or transferring any function of a board. If a grievance concerns the conduct of a election of a community board, and it is determined that the election was not conducted in compliance with this Act, or that there had been systematic failure of the user members of such community board to approximate the population of the community, by race, sex, language, of income level, the election shall be set aside and a new one held within 60 days after the date of the determination. If a new election is held because of a determination that portions of the population have not been represented, the election shall be conducted in a way that will facilitate such representation.

For grievances having to do with other matters, if it is determined that a health board has failed to comply with this Act, a new election or appointment within 60 days may be required. If it is determined that a community or district board has failed to comply with this Act, functions of such board may be transferred to the respective regional board until a new election or appointment is carried out. If a regional board has failed to comply with this Act, functions of this board may be transferred to the National Health Board until a new regional board is appointed.

Any party to a grievance proceeding may bring suit in the United States district court for the judicial district in which such proceeding was brought.

Occupational safety and health programs

Sec. 411—Functions of the National Health Board. On and after the effective date of health services, the National Health Board shall oversee an occupational safety and health program conducted at the regional level and shall participate in establishing and administering occupational safety and health standards under the Occupational Safety and Health Act of 1970, which is amended to transfer this area of authority from the Secretary of Health and Human Resource to the National Health Board.

Sec. 412—Community occupational safety and health activities. A community occupational safety and health action council shall be established in each community as follows: With the assistance of the community board, employees of each workplace in the community having 500 or more employees shall elect one member for each 500 employees; employees of workplaces having less than 500 employees shall vote in communitywide elections for a number of members equal to the number of such employees divided by 500 (rounded to the next highest whole number). Each such council shall appoint one individual to serve as a member of its community board; appoint one individual to serve as a member of the regional occupational safety and health action council for its region; advise the community board on, and oversee occupational safety and health programs in the community; facilitate the establishment and operation of workplace safety and health committees; and assist employees with respect to inspections of their workplaces.

Sec. 413—Regional occupational safety and health programs. Each regional board shall establish an occupational safety and health program for its region using to the maximum extent feasible, facilities and resources of the community boards in its region. This program should include increasing the ability of employees to monitor safety and health conditions in, and assist in inspections of, their workplaces; facilitating communication among workers employed in similar industries in the region and unions regarding occupational hazards; conducting biologic screening of employees; monitoring the environment to identify hazards; and analyzing employment-related injuries and illnesses in the region.

Each regional occupational safety and health action council shall appoint one individual to serve as a member of its regional board, and shall advise its regional board and the National Health Board on occupational safety and health matters.

Sec. 414—Workplace health facilities. The employer in each workplace having 25 or more employees shall maintain a health facility in or near the workplace for occupational and emergency health care for employees. These facilities shall be organized according to National Health Board guidelines to provide services that meet the needs of the employees. They will be operated by the community board or the employer, with the cost in either case borne by the employer.

Sec. 415—Employee rights relating to occupational safety and health. Employees in each workplace having 25 or more employees shall have the right to establish workplace occupational safety and health committees. Members of these committees (not to exceed one for every 100 employees or fraction thereof) may, without loss of pay, spend 8 hours of each month on occupational safety and health matters and may accompany inspectors during inspections of their workplaces. Employees have the right, without loss of pay, to monitor safety and health conditions in their workplaces and to remove themselves from the site of any hazard until it has been eliminated. Employers shall furnish their employees with safety equipment and clothing. Employees or their representatives shall have the right to inspect all medical records kept by their employer on the condition of their health. Employers shall provide their employees with copies of reports and data on conditions affecting their health and safety and with timely notification of the presence of any dangerous materials or conditions.

Health and health care delivery research

Sec. 421—Principles and guidelines for research. On and after the effective date of health services, the Service shall conduct a program of research on health and health care delivery. Within two years thereafter, the research program shall conform to these principles: (1) to the maximum extent possible, research shall be performed under the direction of, and in association with community, district and regional boards; (2) area health boards must review and approve any research conducted in their facilities; (3) priority in health research shall be given to the prevention and correction of the leading causes of illness and death; (4) priority in health care delivery research shall be given to the improvement of ambulatory and primary health care; (5) no research shall be conducted using human subjects until all useful animal research has been undertaken; and (6) no research shall be conducted on humans without written consent of the individual or while involuntarily confined.

Sec. 422—Establishment of institutes. The National Health Board shall establish a National Institute of Epidemiology, a National Institute of Evaluative Clinical Research, a National Institute of Health Care Services, a National Institute of Pharmacy and Medical Supply, and a National Institute of Sociology of Health and Health Care, each with specified functions.

HEALTH PLANNING, DISTRIBUTION OF DRUGS AND OTHER MEDICAL SUPPLIES, AND MISCELLANEOUS FUNCTIONS

Sec. 431—Health planning and budgeting. Each area health board shall collect data on the delivery of health care in its area and shall transmit this data and their evaluation of it to the respective regional board, in the case of a district or community board, or to the National Health Board, in the case of a regional board and to residents of the area. Each regional board shall coordinate the planning and administration of health care service, health worker education, and research in its region. The National Health Board shall formulate a national health plan and budget, in consultation with the regional boards, to provide guidance to area health boards.

Sec. 432—Distribution of drugs and other medical supplies. The National Health Board shall prepare and disseminate to area health boards a National Pharmacy and Medical Supply Formulary which will list drugs and medical supplies and give, for each item, standards of quality, medical conditions for which it is certified effective, and other appropriate information. At regular intervals the Board shall update the Formulary and publish a price list for items in the Formulary.

Each regional board shall establish a program for the purchase and distribution of drugs and other medical supplies for use by the health facilities in its region. This program will provide for the purchase of each item by competitive bidding or based on the price listed by the National Health Board, and it will provide for the distribution of drugs under their generic names.

Sec. 433—Miscellaneous functions of the National Health Board. The National Board shall, at the end of each calendar year, publish a report describing the operations of the Service during the preceding fiscal year and surveying the future health needs of the Nation and plans the Board has to meet these needs.

The National Health Board shall publish and disseminate to area health boards, for use by users, a comprehensive dictionary of terms used in health care records and services.

TITLE V—FINANCING OF THE SERVICE

Health service taxes

Sec. 501—Individual and corporate income taxes. The Internal Revenue Code of 1954 is amended by adding a new part on health service taxes. These taxes are imposed on the taxable income of every individual, estate, trust, and corporation, increasing their tax liability in accordance with a table included in the Act. These taxes apply to taxable years including and after the effective date of health services.

Sec. 502—Other changes in the Internal Revenue Code of 1954. The Internal Revenue Code of 1954 is amended to delete any income exclusion for contributions to health plans providing health care and supplemental services that are provided under this Act; to deny deductions of payments for health care services provided under this Act; to deny deductions for contributions to medical and hospital facilities; and to repeal

Medicare taxes. These amendments apply to taxable years including and after the effective date of health services.

Sec. 503—Existing employer-employee health benefit plans. No contractual or other nonstatutory obligation of an employer to pay or provide health services to his employees or others shall apply after the effective date of health services, to the extent such services are provided under this Act.

Sec. 504—Workers compensation program. No worker's compensation program shall pay for or provide health services after the effective date of health services, to the extent such services are available under this act.

Health Service Trust Fund

Sec. 511—Establishment of Health Service Trust Fund. There is created on the books of the United States Treasury a trust fund to be known as the Health Service Trust Fund. Funds received from health services taxes shall be appropriated to the Trust Fund.

Sec. 512—Transfer of funds to the Health Service Trust Fund. On the effective date of health services, all of the assets and liabilities of the Federal Hospital Insurance Trust Fund and the Federal Supplementary Insurance Trust Fund are transferred to the Health Service Trust Fund. In addition to the funds received from health service taxes, there is also appropriated to the Trust Fund a contribution from general revenues equal to 40 percent of the funds received from health service taxes.

Sec. 513—Administration of Health Service Trust Fund. The Trust Fund shall be administered by a Board of Trustees, composed of the Secretary of the Treasury, the Secretary of Health and Human Resources, and the chairperson of the National Health Board, according to the accepted standards for such federal trust funds. The Secretary of the Treasury shall pay from time to time from the Trust Fund such amounts as the National Health Board certifies are necessary to provide health care and supplemental services under this Act.

Preparation of plans and budgets

Sec. 521—Determination of fund availability. The National Health Board shall, not later than January 1 of each year, initially fix the maximum amount of funds which may be obligated during the fiscal year beginning on October 1 of such year. Such amount may not exceed the lesser of 140 percent of the expected net receipts from health services taxes, or the amount spent during the previous year adjusted to reflect changes in the cost of living and scope and cost of services. The National Health Board may obligate less funds, if it determines that the cost of providing services has lessened, or additional funds if necessary because of an epidemic or other unexpected occurrence.

Sec. 522—Preparation of area plans and budgets. Each community board shall, by January 1 of each year, submit to its respective district board a plan and budget for the fiscal year beginning October 1. Each district board, in consultation with its community boards, shall, by February 1, submit to its respective regional board a plan and budget for the fiscal year beginning October 1. Each regional board, in consultation with its district boards, shall, by March 1, submit to the National Board, a plan and budget for the fiscal year beginning October 1. In preparing these budgets, each area health board shall specify its operating, prevention, capital, and research expenses for the coming fiscal year and for the five-year period beginning with that fiscal year.

Allocation and distribution of funds

Sec. 531—National budget. The National Health Board shall, as soon after April 1 as practical, transmit to the regional boards a national health budget for the fiscal year beginning October 1. It shall divide the total funds available into funds for ordinary operating, preventive health, capital, and research expenses, all divided into funds for use by the National Health Board and funds for the regions, and funds for special operating expenses as described in section 534. Funds for ordinary operating preventive health measures and research expenses are allocated to regions in proportion to their populations. During the first ten fiscal years, priority in capital funds shall be given to areas lacking adequate health care facilities. The budget shall be adopted upon approval by a majority of the regional boards.

Sec. 532—Regional budgets. Each regional board shall, as soon as practicable after adoption of the national health budget, transmit a regional budget to each district board in its region. This budget shall be adopted upon approval by a majority of the district boards. Funds for ordinary operating, prevention and research expenses shall be allocated to each district in proportion to population.

Sec. 533—District budgets. Each district board shall, as soon as practicable after adoption of the respective regional health budget, transmit a district budget to each community board in its district. This budget shall be adopted upon approval by a majority of the community boards. Funds for ordinary operating, prevention and research expenses shall be allocated to each community in proportion to population.

Sec. 534—Special operating expense fund. A fund for special operating expenses shall be incorporated into each budget prepared by the National Health Board. Special operating expenses include the costs of care and treatment of users 65 years of age and over, care and treatment of persons confined to full-time residential care institutions, special health needs of low-income individuals, special health needs of residents of rural areas, special health needs arising from environmental or occupational health problems, special needs from unexpected occurrences, and the conduct of environmental inspection and monitoring services.

The special operating expenses fund is allocated as follows: Funds for the additional expenses associated with senior citizens, and with persons confined to residential care institutions, are allocated to districts and communities and consist of basic capitation amounts multiplied, respectively, by the number of senior citizens and number of residents in such institutions, in the respective areas. The National Health Board shall determine the basic capitation amounts.

Funds for the needs of low-income residents are allocated to communities in proportion to the number of residents having incomes below the poverty level. (The total of these funds shall be no less than 2 percent of the ordinary operating expenses.) Funds for special environmental and occupational health needs are allocated by the National Board to regional boards in accordance with its determination of such needs. (The total of these funds shall be no greater than one-half percent of the ordinary operating expenses.) Funds for unexpected occurrences shall be retained by the National Board and allocated by them. (These funds shall be no greater than one-half percent of the ordinary operating expenses.) Funds for environmental inspection and monitoring services shall be allocated to the area health boards performing such services.

Sec. 535—Distribution of funds. Funds shall be distributed by the National Health Board from the Trust Fund. No health board may request or receive funds from any other source. Area health boards may retain funds received from the National Health Board for two years after receipt of funds; after this period, unexpended funds must be returned to the National Health Board for deposit in the Trust Fund.

Sec. 536—Annual statement, records, and audits. Each area health board shall prepare annually and transmit to the National Health Board a statement that accurately shows the financial operations of the board and its facilities. The National Health Board and the Comptroller General of the United States shall, for auditing purposes, have access to all records and documents of the Service.

General provisions

Sec. 541—Issuance of obligations. The National Health Board is authorized to borrow money and to issue and sell such obligations as it determines are necessary to carry out this Act, but only in such amounts as are specified in appropriation Acts. The aggregate amounts of obligations at one time shall not exceed $10 billion. The National Health Board may pledge the assets of the Trust Fund and pledge and use its revenues to pay principal and interest on obligations. The service shall abide by the general rules and procedures for the issuance of obligations followed by agencies of the Federal Government. Obligations issued by the Service shall be obligations of the United States Government and payment is fully guaranteed by the Government.

TITLE VI—MISCELLANEOUS PROVISIONS

Sec. 601—Effective date of health services. The effective date of health services under this Act is January 1 of the fourth calendar year after the year in which this Act is enacted.

Sec. 602—Repeal of provisions. Effective on the date of health services, portions of the Public Health Service Act, the Social Security Act, and other acts relating to the provision of health care services and the conduct of health and health care research are repealed. Portions of the Public Health Service Act relating to health worker education remain in effect until four years after the effective date of health services.

Not later than 3 years after the date of enactment of this Act, the President shall prepare, in consultation with the National Health Board, and transmit to Congress legislation to repeal or amend additional provisions of law that are inconsistent with the purposes of this Act. Such legislation shall include transfers of such authority of the Secretary of Health, and Human Resources relating to standard-setting, regulation, and licensing, as the President determines, after consultation with the National Health Board to be appropriate.

Not later than one year after the effective date of health services, the National Health Board shall report to the President and to the Congress on how the Service is carrying out the purposes of the programs which have been repealed.●

PRESERVING SANITY IN U.S.-U.S.S.R. RELATIONS

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. SEIBERLING. Mr. Speaker, no thoughtful person can fail to be profoundly disturbed by the serious deterioration in relations between the United States and the Soviet Union. While these relations were probably worse prior to the détente efforts of the 1970's, the trend has clearly been downward for several years, and at an accelerating rate in the last 2 years as a result largely of President Reagan's bellicose rhetoric and accelerated nuclear buildup.

Moreover, each side possesses far more deadly and destructive weapons than were deployed 10 years ago. On the basis of authoritative studies by agencies of our own Government, as well as by nongovernmental experts, one can fairly conclude that if both the United States and U.S.S.R. exploded all of their existing nuclear weapons, the northern hemisphere, and probably the entire Earth, would become inhabitable. Nor is it possible to say with any degree of assurance that a nuclear war, once commenced, could be limited or controlled short of a complete barrage by all nuclear weapons on both sides.

The most important saving feature in this bleak prospect is that both sides are in the posture of respecting the unratified SALT Treaty and participating in arms control negotiations. Obviously, ratification of SALT II by the United States and Soviet Union would improve the situation, but at least President Reagan seems to have realized that to jettison SALT II now would precipitate a major crisis with the Soviet Union.

Nevertheless, the situation is approaching a crisis which could lead to a complete breakdown of relations between the two superpowers. The crisis is the self-imposed deadline of December 31, 1983, for the deployment of Pershing II and cruise missiles by the United States in Western Europe. The Soviets have made such an issue of this deployment that it may be very difficult for either side to back off unless some kind of agreement is reached in the INF talks before the December deadline. In the absence of that, the Soviets will feel impelled to make good on their threat to match deployment of Pershing II with an analogous threat to the United States. We could have a Cuban missile crisis in reverse.

Mr. Speaker, Sunday's Washington Post contained an outstanding article on this subject by Robert Kaiser, who was the Post's Moscow correspondent from 1971 to 1974. Mr. Kaiser points out that:

An untrammeled European missile race could so undermine the previously-negotiated nuclear balance that either side could decide it had to abandon the SALT contract.

That is the true danger before us, and it is a great danger. For if the fashionable proposition about the state of today's Soviet-American relations is wrong, tomorrow's relationship can be truly horrendous. A world in which the contract achieved with such difficulty has been torn up will be much more dangerous than the world that predated the existence of the contract. Mistrust will be greater than ever, and the arsenals on both sides are vastly more dangerous now than they were in 1972.

Mr. Kaiser goes on to suggest what must be done in order to salvage the tacit contract which has maintained the essential modus vivendi between the Soviet Union and the United States, as follows:

To salvage the necessary degree of sanity in the Soviet-American relationship, the Reagan administration has to have a policy toward Moscow. Now it has a posture—hostility. A real policy would give the Russians a sense of what the United States is prepared to give them as well as deny them. It would include some place in world affairs for the U.S.S.R. and also some prospect of rewards for better Soviet behavior. Without a coherent policy, the contract will not survive.

The full text of Mr. Kaiser's article follows these remarks:

[From the Washington Post, June 5, 1983]

WE'RE NOT AT THE BRINK WITH RUSSIA—NOT YET

(By Robert G. Kaiser)

It is fashionable now to wring hands over the state of Soviet-American relations, to declare them worse than at any time since the Cuban missile crisis and the cold war, to speak ominously of "a march toward war," as George F. Kennan put it recently.

Yes, formal relations between the two superpowers today are terrible. As a wise Soviet observer put it recently, no one in Washington believes anything that is said in Moscow, and no one in Moscow believes anything that is said in Washington. There is very little constructive communication between the two capitals, and each seems baffled about how to deal with the other.

But this lousy situation does not compare with the depths of the cold war. Things are really much better now than then. Unfortunately, though, we are on the verge of a situation that is much worse than any earlier phase of the Soviet-American relationship. The prophets of doom may be prophets indeed before long.

The cold war parallel doesn't stand up because Soviet-American relations were transformed during the 1970s—transformed fundamentally, in ways that cannot be easily erased.

There was a reminder of that in Minneapolis the week before last.

Two dozen Soviet citizens, including some important officials and academics, came to Minneapolis to meet with a delegation of Americans put together by Washington's Institute for Policy Studies (IPS), a liberal think tank that passes for a left-wing bastion in a society lacking a real left wing. It was a curious meeting—earnest, occasionally flakey American dissidents meeting for five days with mostly solemn members of the Soviet establishment. But there was a lot of genuine exchange of views.

Such exchanges are now quite common. Hundreds of Russians and hundreds of Americans now know each other reasonably well. Most of them are specialists, but we also have political leaders on both sides who—in a crisis—could draw on past associations and shared experiences to ease communication between Moscow and Washington.

In fact the United States and the Soviet Union now have a real relationship—something that was simply absent from 1945 to 1969. We have extensive dealings with the Russians, even now when most the formal exchange programs instituted in the palmy days of détente have been suspended. The State Department's cultural exchanges are in hibernation, but just last weekend audiences in California and Moscow shared a live, televised rock concert with one another—a private undertaking financed by one of the inventors of the Apple computer. (Of course, on the Soviet side the audience was carefully selected by the "relevant authorities"—the relationship we have has not transformed traditional Soviet behavior.)

We forget too easily how isolated the two countries were before détente. Before 1972 a Soviet citizen visiting the United States was a rarity. Most of our dealings with each other were conducted at arm's length. Both sides held utterly caricatured images of the other.

Mutual understanding has increased substantially. Even at the top of the Reagan administration, whose florid anti-Soviet rhetoric has done much to aggravate formal relations, important officials have caught on that the Soviets are not so ominous as they once feared. In recent times the rhetoric on both sides has been hair-raising, but as Robert Legvold, a Kremlinologist at the Council on Foreign Relations, observed last week, we are not headed for imminent confrontation or crisis—not yet, anyway.

The biggest change in Soviet-American relations in the '70s involved the redefinition of the arms race—a change of enormous significance, though we seem to slight it constantly. Before 1972—and apart from atmospheric nuclear test, which had been banned by treaty in 1963—the competition in nuclear weapons was a wild and woolly affair, unregulated in any significant way. In 1967, when Lyndon B. Johnson proposed to Alexei Kosygin at Glassboro, N.J., that the two superpowers agree to ban anti-missile missiles (ABMs), the Russian haughtily dismissed the idea as ridiculous.

Five years later, Kosygin watched Leonid Brezhnev and Richard M. Nixon sign a treaty strictly limiting ABMs, and another agreement limiting both countries' offensive arsenals. Those first SALT agreements made the arms race a contractual affair.

Now both superpowers routinely eavesdrop on each other's weapon's tests, count each other's missiles and planes one by one, even watch them being built from satellite eyes in space. Both countries have agreed not to hide their weapons. Both accept "counting rules" that say, for instance, that every Soviet SS-18 rocket is considered to carry 10 nuclear warheads, though in fact some of them carry only one and some carry eight.

The Russians agreed in the SALT II negotiations that to maintain an orderly accounting system, every rocket of a certain type has to be considered as carrying the largest number of warheads carried by any rocket of that type. (It's relatively easy to identify different types of rockets from spy satellites, but it is impossible to count war-

heads visually, since they're hidden inside the tip of the rocket. But you can count the number of warheads fired by a particular type of rocket in tests; so, for example, we have seen SS-18s fire one, eight and ten warheads.)

Because effective defensive missiles are essentially precluded by treaty and both sides know how many weapons the other side has, and where most of them are, the nuclear balance of terror is vastly safer than it might be otherwise. Both sides are reassured by the knowledge that under the existing rules, neither can get an advantage that would be significant enough to justify a decision to initiate a nuclear war with the expectation of winning or even surviving it. After all the strategists' mumbo jumbo, that is the bottom line; a Soviet politburo or an American president would have to be crazy to initiate nuclear war out of any calculation or emotion short of sheer desperation.

Crazy as the arms race is, then, it's a lot less crazy than it easily might have been—and might yet be. The real measure of the danger of Soviet-American relations is not the temperature of public rhetoric, but the state of that contract. As long as it holds, we are not reverting to the bad old days, no matter what the atmospherics are like.

President Reagan and his colleagues seemed to understand this, despite all their bluster. Reagan has taken only one transcendingly important decision on nuclear weapons since becoming president—the decision to respect the SALT II treaty that he had campaigned against as "fatally flawed." Apparently Reagan got the message that to ditch SALT II would mean ripping up the contract. He didn't want to go that far.

Nor have the Russians. They are furious with the United States for failing to ratify SALT II, and they seem to be showing their anger by stretching the treaty to its limit, but they are respecting it.

Now the President is busily trying to convince the House and Senate (not the Russians yet, just Congress) that he seriously wants to renew and broaden the contract with new arms deals. The Russians, however, don't believe he is really serious yet. That was the message they delivered in Minneapolis, and their reasoning was difficult to fault. From a Soviet point of view, all Reagan's arms control proposals up to now look like propaganda ploys, not serious bargaining positions. (From an American point of view, Soviet proposals have been similarly unappealing.)

The lack of seriousness in formal American and Soviet proposals to date is not an accusation, but a fact, confirmed last year by the administration's own negotiator at the Geneva talks on European weapons, Paul Nitze. Nitze and his Soviet counterpart, Yuli Kvitsinky, apparently took it upon themselves to find a framework for a deal that really might interest both sides.

To do this they had to ignore the formal positions they had put on the table, which they did. And they found a new framework, too. At first it attracted a lot of interest in Washington, but then the Pentagon intervened and quashed it. The Soviets in Moscow also rejected the Nitze-Kvitsinky scheme. But its contents were leaked, and now most of Western Europe looks to that rejected formula as the way out of the current impasse over Soviet SS-20s and American Pershing II ballistic missiles and land-based cruise missiles that we are supposed to begin installing in Europe at the end of this year.

Conceivably, the Nitze-Kvitsinky formula will be revived in the months ahead. It calls for the dismantling of some Soviet rockets aimed at Europe and the installation of some American cruise missiles (relatively slow, unpiloted drones that can carry nuclear bombs into East Europe and parts of the Soviet Union) but no Pershing II ballistic missiles, which seem to worry the Russians most.

Reviving this idea is conceivable, but not probable, because the two sides are now very far apart indeed. The Soviets have invested heavily—indeed, extravagantly, and probably foolishly—in a propaganda campaign intended to prevent the installation of any new American missiles in Europe. This investment has backfired, and there now appears to be strong enough support for new missile deployments in Europe to insure that they will begin as scheduled. President Reagan hopes that the Soviets will now realize this, and respond by negotiating a deal before December or soon afterward.

But this is unlikely, because a flip-flop now would be extremely embarrassing for the Soviets, and would gain them little. The first phase of U.S. deployments next year will result in the installation of just nine Pershing II's and 32 cruise missiles—a militarily insignificant number for the Soviets. It's easy to imagine Soviet officials deciding they would prefer the spectacle of angry protests in the streets and general turmoil in Europe—both likely if deployment goes forward—than face the humiliation of caving in to Reagan's strong-arm diplomatic tactics.

Soviet sensitivity to the appearance of caving in will be particularly acute this year, while Yuri Andropov is still trying to consolidate his position as a strong new leader. He is unlikely to risk looking soft at this crucial time in his own career.

If the Soviets don't cave in, they will have to respond to the beginning of new American deployments. They will likely do this by building additional SS-20 rocket batteries in European Russia. They will also have to make good on their promise to match a new threat to the Soviet homeland—new U.S. missiles in Europe—by creating "an analagous threat" to the United States.

So we face the prospect of an intensified arms race of European-based missile systems on both sides, and it may spread beyond Europe. An untrammeled European missile race could so undermine the previously-negotiated nuclear balance that either side could decide it had to abandon the SALT contract.

That is the true danger before us, and it is a great danger. For if the fashionable proposition about the state of today's Soviet-American relations is wrong, tomorrow's relationship can be truly horrendous. A world in which the contract achieved with such difficulty has been torn up will be much more dangerous than the world that predated the existence of the contract. Mistrust will be greater than ever, and the arsenals on both sides are vastly more dangerous now than they were in 1972.

This unhappy ending is still avoidable. Avoiding it will require restraint on both sides, though, which may be too much to hope for.

In fairness, the Reagan administration has shown restraint despite its anti-Soviet crusade. Think of the temptation President Reagan has resisted to blame the Soviets openly for trying to kill the Pope, for example. And for all the ballyhoo surrounding it, the great Reagan defense buildup has stayed inside the parameters of the old superpower contract. There is still room for maneuver.

Moreover, America's hand appears stronger today than it has in many years. The Soviets have pulled back from their adventurous ways of 1975-79 (Angola to Afghanistan). They have shown restraint in Poland. They are having grave economic problems and are obviously eager to maintain their access to the world capitalist economy, on which they now depend for food, technology and investment capital.

To salvage the necessary degree of sanity in the Soviet-American relationship, the Reagan administration has to have a policy toward Moscow. Now it has a posture—hostility. A real policy would give the Russians a sense of what the United States is prepared to give them as well as deny them. It would include some place in world affairs for the U.S.S.R., and also some prospect of rewards for better Soviet behavior. Without a coherent policy, the contract will not survive.●

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MORRISON of Washington) to revise and extend their remarks and include extraneous material:)

Mr. WALKER, for 5 minutes, today.

Mr. SNYDER, for 5 minutes, today.

Mr. MCEWEN, for 20 minutes, today.

(The following Members (at the request of Mr. COLEMAN of Texas) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 30 minutes, today.

Mr. LAFALCE, for 5 minutes, today.

Mr. WALGREN, for 5 minutes, today.

Mr. PEPPER, for 30 minutes, on June 16.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. SCHEUER, immediately prior to the vote on the Sensenbrenner amendment to H.R. 3132 in the Committee of the Whole today.

Mr. RIDGE, immediately preceding the vote on H.R. 3132.

Mr. BEREUTER, immediately before the vote on H.R. 3132.

Mr. DELLUMS, and to include therein extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $3,501.75.

(The following Members (at the request of Mr. MORRISON of Washington) and to include extraneous matter:)

Mr. BEREUTER in two instances.

Mr. MARTIN of North Carolina in two instances.

Mr. WEBER.

Mr. SAWYER.

Mr. CORCORAN.

Mr. FORSYTHE.
Mr. LUJAN.
Mr. KRAMER.
Mr. FISH.
Mr. BILIRAKIS.

(The following Members (at the request of Mr. COLEMAN of Texas) and to include extraneous matter:)

Mr. BONIOR of Michigan.
Mr. DYSON.
Mr. RICHARDSON in two instances.
Mr. YATES.
Mr. LAFALCE.
Mr. WAXMAN.
Mr. MCDONALD.
Mr. YATRON in three instances.
Mr. RODINO.
Mr. BONKER.
Mr. HARRISON in two instances.
Mr. OBEY.
Mr. BOUCHER.

SENATE JOINT RESOLUTIONS REFERRED

Joint Resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 75. Joint resolution to provide for the designation of June 12 through 18, 1983, as "National Scleroderma Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 108. Joint resolution authorizing and requesting the President to designate October 15, 1983, as "National Poetry Day"; to the committee on Post Office and Civil Service

ADJOURNMENT

Mr. COLEMAN of Texas. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 53 minutes p.m.) the House adjourned until tomorrow, Wednesday, June 8, 1983, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1297. A letter from the Deputy Assistant Secretary of Defense, transmitting a report on negotiated contracts for experimental, developmental, test or research work, or for industrial mobilization in the interest of the national defense, covering the period October 1982 through March 1983, pursuant to title 10, United States Code, 2304(e); to the Committee on Armed Services.

1298. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Army's proposed sale of certain defense equipment and services to Turkey (transmittal No. 83-29), pursuant to section 133b of title 10 United States Code; to the Committee on Armed Services.

1299. A letter from the Acting Assistant Secretary of the Army (Manpower and Reserve Affairs), transmitting a draft of proposed legislation to amend section 2104 of title 10, United States Code, to remove the eligibility requirement of 2 years remaining at an educational institution for enrollment in Senior Reserve Officers' Training Corps' advanced training, and to extend eligibility for such advanced training to certain persons who have no military training; to the Committee on Armed Services.

1300. A letter from the Secretary of Energy, transmitting the fourth annual report of progress by State authorities and nonregulated utilities in complying with the statutes requirements related to their consideration of 11 ratemaking and regulatory policy standards for the period January 1, 1982, through December 31, 1982, pursuant to section 116(b) of Public Law 95-617; to the Committee on Energy and Commerce.

1301. A letter from the Assistant Secretary of Energy for Environmental Protection, Safety, and Emergency Preparedness, transmitting a final environmental impact statement for conversion to coal of Holyoke Water Power Co.'s Mount Tom generating station (DOE/EIS-0092-F, May 1983), pursuant to the Energy Supply and Environmental Coordination Act of 1974, as amended; to the Committee on Energy and Commerce.

1302. A letter from the chairman of the board, U.S. Railway Association, transmitting the Association's first profitability determination with respect to the Consolidated Rail Corp., pursuant to section 403(a) of Public Law 93-236, as amended; to the Committee on Energy and Commerce.

1303. A letter from the Director, Defense Security Assistance Agency, transmitting the Air Force's proposed lease of defense articles to the United Kingdom (transmittal No. 14-83), pursuant to section 62(a) of the Arms Export Control Act; to the Committee on Foreign Affairs.

1304. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to offer to sell certain defense equipment and services to Turkey (transmittal No. 83-29), pursuant to section 36(b) of the Arms Export Control Act, together with certification that the sale is consistent with the principles contained in section 620C(d) of the Foreign Assistance Act of 1961, pursuant to section 620C(b) of the act; to the Committee on Foreign Affairs.

1305. A letter from the Administrator, Agency for International Development, transmitting a semiannual report of the Inspector General covering the period October 1, 1982, through March 31, 1983, pursuant to section 5(b) of Public Law 95-452; to the Committee on Government Operations.

1306. A letter from the Administrator, Veterans Administration, transmitting a semiannual report of the Inspector General covering the period October 1, 1982, through March 31, 1983, pursuant to section 5(b) of Public Law 95-452; to the Committee on Government Operations.

1307. A letter from the Associate Dean of Operations, Uniformed Services University of the Health Sciences, Department of Defense, transmitting the annual pension report for 1982, pursuant to section 121(a)(2) of the act of September 12, 1950, as amended; to the Committee on Government Operations.

1308. A letter from the Secretary of the Interior, transmitting a report on the means of preserving and conserving intangible elements of the Nation's cultural heritage, pursuant to section 502 of Public Law 96-515; to the Committee on Interior and Insular Affairs.

1309. A letter from the Acting Director, Minerals Management Service, Department of the Interior, transmitting notice of the proposed refund of $191,904.28 to Chevron U.S.A. Inc., for an excess royalty payments, pursuant to section 10(b) of the Outer Continental Shelf Lands Act of 1953; to the Committee on Interior and Insular Affairs.

1310. A letter from the Acting Director, Minerals Management Service, Department of the Interior, transmitting notice of proposed refunds totaling $118,616.57 to ARCO Oil and Gas, Chevron U.S.A. Inc., Mobil Oil Corp., Cities Service Co., and Conoco Inc. for excess royalty payments, pursuant to section 10(b) of the Outer Continental Shelf Lands Act of 1953; to the Committee on Interior and Insular Affairs.

1311. A letter from the Acting Director, Minerals Management Service, Department of the Interior, transmitting notice of proposed refunds totaling $25,655.87 to the ARCO Oil and Gas Co., Mobil Oil Corp., and Shell Oil Co. for excess royalty payments, pursuant to section 10(b) of the Outer Continental Shelf Lands Act of 1953; to the Committee on Interior and Insular Affairs.

1312. A letter from the Acting Director, Minerals Management Service, Department of the Interior, transmitting notice of proposed refunds totaling $29,717.01 to the ARCO Oil and Gas Co., Mobil Oil Corp., Amoco Production Co., and Gulf Oil Corp. for excess royalty payments, pursuant to section 10(b) of the Outer Continental Shelf Lands Act of 1953; to the Committee on Interior and Insular Affairs.

1313. A letter from the Acting Director, Minerals Management Service, Department of the Interior, transmitting notice of proposed refunds totaling $81,441.16 to the Anadarko Production Co., Chevron U.S.A. Inc., Koch Exploration Co., Shell Oil Co., Gulf Oil Corp., and El Paso Natural Gas for excess royalty payments, pursuant to section 10(b) of the Outer Continental Shelf Lands Act of 1953; to the Committee on Interior and Insular Affairs.

1314. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation, together with a list of persons involved, pursuant to sections 244(a)(1) and 244(c) of the Immigration and Nationality Act, as amended; to the Committee on the Judiciary.

1315. A letter from the Deputy administrator, General Services, transmitting a prospectus proposing the construction of a new Federal office building in Knoxville, Tenn., pursuant to section 7 of Public Law 86-249, as amended; to the Committee on Public Works and Transportation.

1316. A letter from the Assistant Secretary of the Army, (Civil Works), transmitting a report by the Chief of Engineers on the Clarion River Basin, Pa., acid mine drainage abatement program, phase I general design memorandum, pursuant to section 101(a) of Public Law 94-587; to the Committee on Public Works and Transportation.

1317. A letter from the U.S. Trade Representative, transmitting a report on the evaluation of United States and foreign origin rules, pursuant to section 305(c) of Public Law 96-39; to the Committee on Ways and Means.

1318. A letter from the Acting Chairman, Nuclear Regulatory Commission, transmitting a report on abnormal occurrences at licensed nuclear facilities, covering the fourth calendar quarter of 1982, pursuant to section 208 of Public Law 93-438; jointly, to

the Committees on Interior and Insular Affairs and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ST GERMAIN: Committee on Banking, Finance and Urban Affairs. Supplemental report on H.R. 1 (Rept. No. 98-123, Pt. II). Ordered to be printed.

Mr. DERRICK: Committee on Rules. House Resolution 220. Resolution waiving certain points of order against H.R. 3223, a bill making appropriations for Agriculture, Rural Development, and related agencies programs for the fiscal year ending September 30, 1984, and for other purposes (Rept. No. 98-233). Referred to the House Calendar.

Mr. BONIOR of Michigan: Committee on Rules. House Resolution 221. Resolution waiving certain points of order against H.R. 3134, a bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1984, and for other purposes (Rept. No. 98-234). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 222. Resolution waiving certain points of order against H.R. 3191, a bill making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President and certain independent agencies, for the fiscal year ending September 30, 1984, and for other purposes (Rept. No. 98-235). Referred to the House Calendar.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. DINGELL: Committee on Energy and Commerce. H.R. 3021. A bill to amend the Social Security Act to provide for a program of grants to States to provide health care benefits for the unemployed, and for other purposes; with amendments; referred to the Committee on Appropriations for a period not to exceed 15 legislative days with instructions to report back to the House as provided in section 401(b) of Public Law 93-344; and referred to the Committee on Ways and Means for a period ending not later than June 27, 1983, for consideration of the second sentence of subsection 2102(f)(1)(A) of the Social Security Act as proposed by the bill, and for other provisions of the bill and amendments which have a direct effect on administration of Federal employment compensation benefits (Rept. No. 98-236, Pt. I). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ACKERMAN (for himself, Mr. ADDABBO, Ms. FERRARO, and Mr. SCHEUER):

H.R. 3238. A bill to designate the U.S. Post Office Building in Flushing, N.Y., as the "Benjamin S. Rosenthal Post Office Building"; to the Committee on Public Works and Transportation.

By Mr. BIAGGI:

H.R. 3239. A bill to permit the exclusion from gross income of certain work-related sick pay received by New York City police officers; to the Committee on Ways and Means.

By Mr. RANGEL (for himself, Mr. ADDABBO, Mr. DE LUGO, Mr. LELAND, Mr. PATTERSON, Mr. HANSEN of Idaho, Mr. EDWARDS of California, Mr. TOWNS, Mr. GRAY, Mr. KEMP, Mr. FASCELL, Mr. DIXON, Mr. DELLUMS, Mr. FAUNTROY, Mr. FOWLER, Mr. MATSUI, Mr. DONNELLY, Mr. WINN, Mr. MAZZOLI, Mr. OWENS, Mrs. HALL of Indiana, Mr. MITCHELL, Mr. SAVAGE, Mr. FORD of Tennessee, Mr. BEDELL, Mr. DYMALLY, Mr. STOKES, Mr. HORTON, Mr. WEISS, Mr. YATES, Mr. ROE, Mr. BONER of Tennessee, Mrs. COLLINS, Mr. CROCKETT, Mr. BEVILL, Mr. CONYERS, Mr. HAWKINS, Mr. ANDREWS of North Carolina, Mr. ANDERSON, Mr. BROWN of California, Mr. RAHALL, Mr. GREEN, Mr. OTTINGER, Mr. FAZIO, Mr. RATCHFORD, Mr. MCHUGH, Mr. WHEAT, Mr. SIMON, Mr. LAFALCE, Mr. VENTO, Mr. CLAY, Mr. WAXMAN, Mr. FRANK, and Mr. FROST):

H.R. 3240. A bill to authorize the President of the United States to present on behalf of Congress a specially struck medal to the widow of Roy Wilkins; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BONKER (for himself and Mr. ROTH) (by request):

H.R. 3241. A bill to facilitate the adjudication of certain claims of U.S. nationals against Iran, to authorize the recovery of costs incurred by the United States in connection with the arbitration of claims of U.S. nationals against Iran, and for other purposes; to the Committee on Foreign Affairs.

By Mr. BROWN of Colorado (for himself, Mr. DYSON, Mr. FORSYTHE, Mr. HUNTER, Mr. LELAND, Mr. MITCHELL, Mr. OWENS, Mr. ROE, Mr. STOKES, Mr. MCCOLLUM, Mr. DEWINE, Mr. BEREUTER, and Mr. WHITEHURST):

H.R. 3242. A bill to amend title 10, United States Code, to provide benefits under the survivor benefit plan to the spouses and dependent children of members of the Reserve components of the uniformed services who die after completing service requirements for participation in the plan but before being afforded the opportunity to elect participation in the plan, and for other purposes; to the Committee on Armed Services.

By Mr. FRENZEL:

H.R. 3243. A bill to amend the Internal Revenue Code of 1954 relating to the tax-exempt interest on certain governmental obligations; to the Committee on Ways and Means.

By Mr. OTTINGER:

H.R. 3244. A bill to amend the Energy Policy and Conservation Act to eliminate preemption of a State's authority to establish or enforce any energy efficiency standard or similar requirement if a Federal energy efficiency standard has not been established; to the Committee on Energy and Commerce.

By Mr. WILLIAMS of Montana:

H.R. 3245. A bill to provide for the establishment of a national summit conference on education; to the Committee on Education and Labor.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

163. By the SPEAKER: Memorial of the Legislature of the State of Washington, relative to Export-Import Bank; to the Committee on Banking, Finance and Urban Affairs.

164. Also, memorial of the Legislature of the State of New Hampshire, relative to Federal policies which prohibit marihuana's legitimate medical use; to the Committee on Energy and Commerce.

165. Also, memorial of the Legislature of the State of Washington, relative to Mount Constitution transmitter; to the Committee on Energy and Commerce.

166. Also, memorial of the Legislature of the State of Washington, relative to hydroelectric facilities; to the Committee on Energy and Commerce.

167. Also, memorial of the Legislature of the State of Washington, relative to freeze on nuclear weapons; to the Committee on Foreign Affairs.

168. Also, memorial of the Legislature of the State of Washington, relative to MIA's in Vietnam; to the Committee on Foreign Affairs.

169. Also, memorial of the Legislature of the State of Washington, relative to Columbia River Gorge; to the Committee on Interior and Insular Affairs.

170. Also, memorial of the Legislature of the State of Washington, relative to rights of women; to the Committee on the Judiciary.

171. Also, memorial of the Legislature of the State of Washington, relative to steelhead trout; to the Committee on Merchant Marine and Fisheries.

172. Also, memorial of the Legislature of the State of Washington, relative to Grand Coulee Dam; to the Committee on Post Office and Civil Service.

173. Also, memorial of the Legislature of the State of Washington, relative to Port of Grays Harbor; to the Committee on Public Works and Transportation.

174. Also, memorial of the Legislature of the State of Washington, relative to domestic trade in the Pacific Northwest; to the Committee on Public Works and Transportation.

175. Also, memorial of the Legislature of the State of Nevada, relative to gaming winnings; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. RATCHFORD introduced a bill (H.R. 3246) conferring jurisdiction upon the U.S. Court of Claims to hear, determine, and render judgment upon the claim of James W. Brundage; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 493: Mr. YOUNG of Alaska and Mr. FAZIO.

H.R. 507: Ms. MIKULSKI, Mr. SPENCE, Mr. GIBBONS, Mr. WORTLEY, Mr. BRITT, Mr. LEHMAN of Florida, Mr. KASTENMEIER, Mr. SMITH of Iowa, Mr. WOLF, Mr. RATCHFORD, Mr. BONKER, Mr. YATES, Mr. CHANDLER, Mrs. BOXER, Mr. MOODY, Mr. ROGERS, Mr. SUNDQUIST, Mr. BROWN of California, Mr. FLORIO, Mr. DYSON, Mr. MCCOLLUM, Mr. ECKART, Mrs. COLLINS, Mr. HEFTEL of Hawaii, Mr. FORSYTHE, Mr. LAGOMARSINO, Mr. KINDNESS, Mr. MOLLOHAN, Mr. OWENS, Mr. EDGAR, Mr. KILDEE, Mr. ACKERMAN, Mr. BERMAN, Mr. REID, and Ms. FERRARO.

H.R. 800: Mr. VENTO, Mr. RINALDO, Mr. GILMAN, Mr. HEFTEL of Hawaii, Mr. AKAKA, Mr. TORRICELLI, Mr. AUCOIN, and Mr. FEIGHAN.

H.R. 1141: Mr. MRAZEK.

H.R. 1183: Mr. TORRICELLI.

H.R. 1199: Mr. DOWNEY of New York, Mr. MARTIN of New York, and Mr. DURBIN.

H.R. 1452: Mr. MCNULTY.

H.R. 1531: Mr. LEVINE of California.

H.R. 1646: Mr. SIKORSKI and Mr. SCHEUER.

H.R. 1693: Mr. BEILENSON, Mr. CORRADA, and Mr. BARNES.

H.R. 1776: Mr. ALBOSTA, Mr. BREAUX, Mr. BURTON, Mr. CHAPPIE, Mr. CHENEY, Mr. COATS, Mr. HEFTEL of Hawaii, Mr. HUCKABY, and Mr. SMITH of New Jersey.

H.R. 1788: Mr. MCNULTY.

H.R. 1905: Mr. MCKINNEY, Mr. MITCHELL, Mr. SILJANDER, Mr. GRAY, Mr. CARR, Mr. ANDERSON, and Mr. HOWARD.

H.R. 2069: Mr. MITCHELL.

H.R. 2073: Mr. BEREUTER, Mr. LEACH of Iowa, Mr. LIVINGSTON, Mr. CAMPBELL, Mr. IRELAND, Mr. EVANS of Iowa, Mr. HAMMERSCHMIDT, and Mr. EDWARDS of Oklahoma.

H.R. 2090: Mr. MCNULTY.

H.R. 2204: Mr. CARPER, Mrs. COLLINS, Mr. SYNAR, Mr. MCKINNEY, Mr. WILLIAMS of Montana, and Mr. BEREUTER.

H.R. 2391: Mr. STUDDS.

H.R. 2410: Mr. PATTERSON.

H.R. 2411: Mr. LEVIN of Michigan and Mr. NEAL.

H.R. 2495: Mr. LEWIS of Florida.

H.R. 2547: Mr. MITCHELL.

H.R. 2560: Mr. HUGHES, Mr. MATSUI, Mr. VENTO, Mr. WYDEN, and Mr. PEASE.

H.R. 2715: Mr. ANDREWS of Texas, Mr. GEJDENSON, and Mr. BILIRAKIS.

H.R. 2815: Mrs. COLLINS.

H.R. 2822: Mrs. BYRON and Mr. DAUB.

H.R. 2911: Mr. UDALL, Mr. ACKERMAN, Mr. COELHO, Mr. BEDELL, and Mr. SMITH of Florida.

H.R. 2928: Mr. WILLIAMS of Montana and Mr. WEBER.

H.R. 2929: Mr. SUNDQUIST.

H.R. 2997: Mr. FORD of Tennessee, Mr. BERMAN, Mr. BIAGGI, Mr. BARNES, Mr. OTTINGER, Mr. KASTENMEIER, Mr. FAUNTROY, Mr. SMITH of Iowa, Mr. LEHMAN of Florida, Mr. ROE, Mr. STOKES, Mr. LANTOS, Mr. DYMALLY, Mr. SEIBERLING, Mr. TOWNS, Mr. MINETA, Mr. HUGHES, Mr. HANCE, Mr. CROCKETT, Mr. SMITH of Florida, Ms. KAPTUR, Mr. EVANS of Illinois, Mr. OWENS, Mrs. BOXER, Mr. EDWARDS of California, Mr. KILDEE, Mr. WEAVER, Mr. WILLIAMS of Montana, Mr. FORD of Michigan, Mr. WEISS, Mr. BOLAND, Mr. BROWN of California, Mr. DIXON, Mr. FLORIO, Mr. LOWRY of Washington, Mr. FASCELL, Mr. DYSON, Mr. SOLARZ, Mr. JEFFORDS, Mr. MCHUGH, Mr. ACKERMAN, Mr. CLAY, Mr. LAFALCE, Mr. HOWARD, Mr. ZABLOCKI, Mr. VENTO, Mr. BEDELL, Mr. MORRISON of Connecticut, Mr. BONKER, Mr. ANDERSON, Mr. LEVIN of Michigan, Mr. RAHALL, and Mr. CLARKE.

H.R. 3072: Mr. CONTE.

H.R. 3074: Mr. LANTOS, Mr. HOYER, Mr. ZABLOCKI, Mr. SUNIA, Mr. VENTO, Mr. MORRISON of Connecticut, Mr. PATTERSON, Mr. SMITH of Florida, Mr. LEVINE of California, Ms. MIKULSKI, Ms. FERRARO, Mr. RAHALL, Mr. BERMAN, and Mr. JEFFORDS.

H.R. 3106: Mr. CLINGER, Mr. FORSYTHE, Mr. ROE, Mr. DICKS, Mr. SIMON, Mr. SENSENBRENNER, Mr. BEILENSON, and Mr. DENNY SMITH.

H.R. 3139: Ms. MIKULSKI and Mr. DYSON.

H.J. Res. 200: Mr. FAUNTROY, Mr. DWYER of New Jersey, Ms. MIKULSKI, Mr. ROE, Mr. LEHMAN of Florida, Mr. VANDERGRIFF, Mr. SCHEUER, Mrs. BOXER, Mr. HORTON, Mr. LELAND, Mr. EDWARDS of California, Mr. WINN, Mr. FRENZEL, Mr. WIRTH, Mr. BEREUTER, Mr. PATTERSON, Mr. DIXON, Mr. FAZIO, Mr. EDGAR, Mr. CAMPBELL, Mr. FORSYTHE, Mr. GILMAN, Mr. JACOBS, Mr. OBERSTAR, Mr. SUNIA, Mr. FRANK, Mr. BARNES, Mr. STOKES, Mr. SMITH of Florida, Mr. WORTLEY, Mr. TOWNS, Mr. LEVIN of Michigan, Mr. BRITT, Mr. OWENS, Mrs. COLLINS, and Mr. WON PAT.

H.J. Res. 201: Mr. ANDREWS of North Carolina, Mr. STENHOLM, Mr. PETRI, Mr. BERMAN, Mr. KRAMER, and Mr. DANNEMEYER.

H.J. Res. 210: Mr. FASCELL, Mr. MADIGAN, Mr. HARKIN, Mr. BORSKI, Mr. CARR, Ms. FERRARO, Mr. GRAY, Mr. HEFNER, Mr. ROSE, Mr. SHARP, Mr. VENTO, Mr. WEISS, Mr. WISE, Mr. O'BRIEN, Mr. FOWLER, Mr. MORRISON of Connecticut, Mr. MCHUGH, and Mr. MURTHA.

H.J. Res. 255: Mr. ROE, Mr. DIXON, Mr. BEVILL, Mr. WILSON, Mr. HORTON, Mr. LIPINSKI, Mr. WEISS, Mr. CROCKETT, Mr. RANGEL, Mr. BARNES, Mr. WAXMAN, Mrs. KENNELLY, Mr. DE LA GARZA, Mr. LEVIN of Michigan, Mr. VENTO, Mr. SIMON, Mr. HATCHER, Mr. TOWNS, Mr. OWENS, Mr. DELLUMS, Mr. DYMALLY, Mr. BOLAND, Mr. WON PAT, Mr. MINETA, Mr. LELAND, Mr. VANDERGRIFF, Mr. STOKES, Mrs. HALL of Indiana, Mr. FAUNTROY, Mr. PANETTA, Mr. GRAY, Mrs. COLLINS, and Mr. MCNULTY.

H. Con. Res. 81: Mr. SLATTERY.

H. Con. Res. 121: Mr. CROCKETT, Mr. D'AMOURS, Mr. HARRISON, Mr. MURPHY, Mr. OBERSTAR, Mr. SIKORSKI, Mr. BARNES, Mr. SOLARZ, Mr. STOKES, Mr. ROE, Ms. MIKULSKI, Mr. OWENS, Mr. RATCHFORD, Mr. STUDDS, Mr. TOWNS, Mr. SCHEUER, Mr. DASCHLE, Mr. BOSCO, Mr. MCCAIN, Mr. RAHALL, Mr. VENTO, Mr. BERMAN, Mr. KILDEE, Mrs. HALL of Indiana, Mrs. BOXER, Mr. EDGAR, Mr. ADDABBO, Mr. WILLIAMS of Montana, Mr. FORD of Michigan, Mr. WEISS, Mr. STAGGERS, Mr. BROWN of California, Mr. FLORIO, Ms. OAKAR, Mr. FORD of Tennessee, Mr. SCHUMER, Mr. MINETA, Mr. MCKINNEY, Mr. FRENZEL, Mr. VANDERGRIFF, Mr. MITCHELL, Mr. LELAND, Mr. RANGEL, and Mr. BEDELL.

H. Con. Res. 132: Mrs. BOGGS, Mr. FIELDS, Mr. FRANKLIN, Mr. MCCURDY, Mr. MORRISON of Washington, Mr. TAUZIN, Mr. WALKER, and Mr. YOUNG of Florida.

H. Res. 215: Mr. FIELDS and Mr. SKELTON.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

114. By the SPEAKER: Petition of city of Arlington, Tex., relative to cable television; to the Committee on Energy and Commerce.

115. Also, petition of Western Interstate Energy Board, Denver, Colo., relative to Outer Continental Shelf; to the Committee on Merchant Marine and Fisheries.

116. Also, petition of Napa County Board of Supervisors, Napa County, Calif., relative to American wines; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2969

By Mr. SKELTON:

—Page 56, after line 24, insert the following new section:

VARIABLE TERMS FOR ENLISTMENTS AND REENLISTMENTS IN REGULAR COMPONENTS

SEC. 1025. Section 505 of title 10, United States Code, is amended by striking out "two, three, four, five, or six years" in subsections (c) and (d) and inserting in lieu thereof "at least two but not more than six years".

H.R. 3191

By Mr. EDWARDS of Oklahoma:

—On page 11, after line 4, adding the following new section:

"SEC. 105. None of the funds appropriated under this Act shall be obligated or expended to implement, administer or enforce the provisions of Title III, Subtitle A of the Tax Equity and Fiscal Responsibility Act of 1982 (P.L. 97-248).".

By Mr. JACOBS:

—Page 27, line 22, strike out "$1,171,000" and insert in lieu thereof "$260,300".

—Page 27, line 22, strike out "$1,171,000" and insert in lieu thereof "$684,150".

—Page 27, line 22, strike out "$1,171,000" and insert in lieu thereof "$1,148,500".

By Mr. SMITH of New Jersey:

—On page 48, after line 4, insert the following new section:

SEC. 617. No funds appropriated by this Act shall be available to pay for an abortion, except where the life of the mother would be endangered if the fetus were carried to term, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions, except where the life of the mother would be endangered if the fetus were carried to term, under such negotiated plans after the last day of the contracts currently in force.

H.R. 3222

By Mr. SENSENBRENNER:

—On page 29, strike line 12, and all that follows through page 30, line 2.

SENATE—*Tuesday, June 7, 1983*

(Legislative day of Monday, June 6, 1983)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Almighty God, Sovereign Lord of the Universe, we have taken seriously order in the physical realm and have advanced scientifically and technologically beyond the wildest dreams of our forebears. Our finest minds have devoted themselves to explore physical laws in obedience to which they have fashioned incredible progress.

Meanwhile we have ignored as a matter of indifference the inviolate spiritual and moral order. As a result we have become technological giants and spiritual and moral adolescents, and the supreme product of scientific progress now threatens our survival. We are like siblings in a nursery playing with time bombs.

Awaken us Lord before it is too late. Awaken us to the truth about Thyself—our need of Thee—and the consummate danger in continuing to neglect moral-spiritual order. Help us to take seriously Thy law which frees our spirits, brings them under Thy control, and makes us masters rather than victims of our destinies. We ask this in the name of the Lord of life and death. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

SENATE SCHEDULE

Mr. BAKER. Mr. President, after the recognition of the two leaders under the standing order, the distinguished junior Senator from New Jersey (Mr. LAUTENBERG) will be recognized on special order for not to exceed 15 minutes, and after the execution of the special order there will be a period for the transaction of routine morning business.

At the conclusion of the time for the transaction of routine morning business, the Senate will resume consideration of the budget act waiver in connection with the IMF bill. That is Senate Resolution 146. The IMF bill is S. 695.

As is our recent and usual custom, the Senate will stand in recess today, being Tuesday, from 12 noon until 2 p.m. so that Senators on both sides of the aisle may caucus with their colleagues off the floor.

At 2 p.m., any rollcall votes ordered prior to that time will occur in sequence.

One vote has been ordered already, and it is a rollcall vote on the budget act waiver Senate Resolution 146. There may be other rollcall votes ordered. But in any event there will be at least one rollcall vote at 2 p.m.

I expect the Senate to continue the consideration of the budget act waiver, the motion to proceed to the consideration of the IMF bill, or the IMF bill itself during the course of this day.

The schedule and outlook for the Senate this week is much the same as I described it yesterday. We need to dispatch the IMF bill and the supplemental appropriations, and it is my hope that we can finish IMF in time to get to the supplemental and to finish the supplemental appropriations bill by Thursday evening.

Senators should be reminded that Thursday is our usual late evening. Indeed we may be late this Thursday in order to finish the supplemental appropriations bill.

But I think for many reasons it would be highly desirable to try to do that instead of finishing it on Friday, but if we do not finish it Thursday night, Mr. President, we will be on the supplemental appropriations bill on Friday. We will be on it on Friday and I regret to say this but I feel I must: If we do not finish the supplemental appropriations bill we will be on it on Saturday because we have to finish that bill and get on with the appropriation bills. As I have indicated any number of times, we owe the obligation to deal with the appropriation bills as fast as we can as they are received from the House of Representatives.

Yesterday a messenger from the House of Representatives delivered to us two appropriations bills. They are the first two delivered this year. They are the legislative appropriations bill, which is H.R. 3135, and the HUD appropriations bill, which is H.R. 3133. Those are the first of two of the 13 regular appropriation bills. They are referred, but it is my understanding, after talking to the chairman of the Appropriations Committee, Senator HATFIELD, that they will be ready promptly and be back here for action on the calendar sometime next week.

If that is so, then we are going to take them up next week.

Right now I would guess that we would do it right after the cable TV bill, which is scheduled for Monday and Tuesday. It is my hope that we will not have to take both Monday and Tuesday on the cable TV bill, and we may be able to get to the first of the two regular appropriations bills maybe even on Monday, but certainly by Tuesday during the day and that the cable TV bill will not take the entire time provided for in the unanimous-consent agreement.

But in any event, Mr. President, by reason of the necessity to deal promptly with the regular appropriations bills, Senators should be on notice that we will make a maximum effort to finish the supplemental appropriations bill this week and that we will be in session this week, including Friday, with the hope that we can finish the supplemental appropriations bill Thursday night and be on something else Friday without any votes perhaps on Friday, but if we cannot do that we will be still on the supplemental appropriations bill Friday and maybe even on Saturday.

Mr. President, I believe that is all I have to report to the Senate at this moment.

If I have any time remaining under the standing order I yield it to the minority leader for his use.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The minority leader is recognized.

SENATOR LAUTENBERG'S MAIDEN SPEECH

Mr. BYRD. Mr. President, Mr. LAUTENBERG has an order for 15 minutes. Does he wish any additional time?

Mr. LAUTENBERG. No. I thank the minority leader. That will be ample.

Mr. BYRD. That will be ample?

Mr. LAUTENBERG. Yes. I thank the Senator very much.

Mr. BAKER. Mr. President, will the Senator yield to me briefly?

Mr. BYRD. I yield.

Mr. BAKER. Mr. President, I understand the special order that was awarded in favor of the Senator from New Jersey may be his maiden major

speech in the Senate since he arrived here. I wish to congratulate him on that event.

I remember so clearly my first and maiden speech, which incidentally was on revenue sharing, back in January or February 1967. I prepared for it at great length and with ardor and diligence, and I arrived over here and I delivered it to an empty Chamber.

So if there is not a great array of our colleagues here, I can assure the Senator from New Jersey that that is not without precedent and that his remarks will be scrutinized not only by staff but by Members and its impact will be substantial indeed.

I congratulate him on his maiden venture.

Mr. BYRD. Mr. President, I yield to the Senator such of my time as he may require even though he does not anticipate that he will need it. If he does not use it, he can yield it back unless another Senator wishes to have it.

I look forward with anticipation to hearing the Senator and I congratulate him. I have been very much impressed with this new Senator. I have no doubt that Senator LAUTENBERG is going to leave his impression on the Senate.

So I yield time to him.

RECOGNITION OF SENATOR LAUTENBERG

The PRESIDING OFFICER (Mr. COCHRAN). The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Thank you, Mr. President. I thank the minority leader for his friendship and his comments and I thank the majority leader, as well, for his reference to the auspicious occasion of his introductory remarks. Mine is a relatively simple subject. It is the information age and its implications on our society and our globe.

AN AMERICAN CHALLENGE IN A NEW AGE: FAIRNESS AND OPPORTUNITY

Mr. LAUTENBERG. Mr. President, I rise today to make my first speech on the Senate floor and I do so with gratitude and awe.

I am deeply grateful to my fellow citizens in the State of New Jersey for entrusting me to serve them in this great center of debate and decision.

I am in awe of the brilliance of our forefathers who wrote the Constitution for a nation that welcomed those seeking freedom and a new way of life. Their wisdom enabled my parents to be brought here by their families searching for refuge and opportunity.

It was their pattern of sacrifice that served as my critical learning experience. All that followed whether at university, business, or life in general was molded by the framework provided by these new citizens.

I am grateful also to those who preceded me in this Chamber for their contribution to this beloved democracy, and to those colleagues with whom I presently share this honor for the advice and encouragement they regularly impart to me.

In particular, I am deeply indebted to the senior Senator from the State of New Jersey, Senator BRADLEY, with whom I share common interest and goals, and to the Democratic leader, Senator BYRD, who has extended to me every courtesy and whose respect for the history and traditions of this institution set a high standard for a new Member like myself.

Mr. President, not very long ago, our Nation entered what many call the information age; a period during which information serviced industries, have become predominant in our economy. They have eclipsed manufacturing, just as manufacturing surpassed farming decades ago. The change has been gradual, but undeniable. Some 60 percent of our work force is employed in creating, storing, processing, or distributing information. Who does that include? Officeworkers, salespeople, secretaries, people at work in telecommunications, computers, in education, research and science, financial services and insurance, to name a few. People applying information technology to make the production of goods more efficient.

Technological innovation has brought vast changes in our society, in our workplaces, in our homes and schools.

Innovation and change is accelerating. This will drive the future growth of our economy and alter the character of our society. Mr. President, this Nation can ride the wave of the information age, or can be swamped by it. Great challenges accompany the promises of change. In responding to those challenges, we must draw on the best of our values and ideals. In a nation that is plugged into computers, questions of success and failure may become questions of who is on-line and who is off-line. In an economy where technology will dominate our future, how do we cope with businesses, people and places still tied to the past?

Mr. President, these are issues I hope to address in the Senate. They are issues of equity and opportunity in the 1980's and the 1990's and beyond. They are issues that trouble my State. I am proud that New Jersey has been the home of many of the inventions that are the foundation of this new age. But New Jersey was also the birthplace of American manufacturing—and many of its factories and plants are in decline. New Jersey was third in the Nation in new patents last year. But it lost 46,000 jobs in manufacturing. For those workers there is no end to recession.

The suburbs of my State are enjoying great growth, tied to service and research-based industries on the rise. But New Jersey's cities are being stripped of the industry around which they were built. The unemployment in some of our cities is about the highest in the Nation.

In reflecting on these contrasts, I feel compelled to offer a personal note. I myself am the son of a millworker. My father worked in textile mills that have long since shut down. But I made my mark in a computer-based company. A company that advanced in tandem with technology. I crossed into that future because my country gave me the chance. It gave me an education. It afforded me opportunity.

I pledged to the people of my State that one of my main missions would be to work to provide employment and economic opportunity. We must work to insure that everyone shares in what is to come. Already, we can see the kinds of challenges we face. Already, we can identify the tasks that lie ahead, to insure that the promises of the future are promises for all of us.

There is a broad consensus that we must place increased emphasis on training in math and science. There are proposals to enhance the quality of teaching, to enrich the opportunities for students at all levels. Most of our new jobs will be information related. They will require new skills, constantly upgraded over a worker's lifetime. New demands will be placed on our educational and training systems and on our people. The capacity to use and work with computers is becoming essential. Almost as essential as being able to read and write clearly.

The concept of computer literacy in turn defines a new type of illiteracy, and the potential for new and distressing divisions in our society. From the fall of 1980 to the spring of 1982, the number of microcomputers and computers available to public school students tripled. Growth in the use of computers in the schools is accelerating. By January 1983, more than half of all schools in the United States were using microcomputers in instruction. But where is the growth occuring?

According to one study, title I schools—schools with programs for the economically and socially disadvantaged—average 25 percent fewer computers than nontitle I schools. Almost 70 percent of wealthy schools have microcomputers, almost 60 percent of poor schools have not. These statistics are ominous.

Numbers raise other questions as well. The same schools that lack the resources to buy computers, very likely lack the resources to enrich the

skills of their teachers, to buy the software, and design the programs and provide the faculty necessary for effective teaching. In an age that demands computer literacy, a school without a computer is like a school without a library. And the same patterns extend to the home. The Office of Technology Assessment says the number of computers in homes has doubled from 1982 to 1983. Those computers are being acquired by the affluent, reinforcing disparities in opportunity.

As we address the issue of education in an information age, we must address the question of equal opportunity. There will continue to be debate over what is the appropriate Federal role when it comes to education. I believe that a major responsibility is to even out the inequities, to insure equal opportunity. The Congress is considering various proposals to insure an education appropriate to our times. We must see to it that all our children have an equal chance to get the education they need to grow and succeed in America today.

Mr. President, we face other issues of equity. Telecommunications networks will be the new infrastructure: Satellite networks to conquer the physical isolation of rural communities; networks that link computers and businesses in a national web; networks that channel more information, at faster speeds, than ever before. Who will be connected, and who will not?

The American Telephone & Telegraph Co., our national phone system, is being broken up. Local telephone companies will be spun off and will provide basic telephone service.

For years, profits from long distance and equipment charges have held down the cost of local telephone rates. But that day is ending. We are fast approaching a time when local telephone users will have to pay the full cost of local service. Local rates may double or triple. In my State, regulatory officials predict that basic telephone rates could rise as much as 150 percent by early 1984.

The effect could be devastating. For every 10 percent rise in price, we can expect that 1 percent of telephone users will drop service. Projected price increases would lead to a fall off of telephone service to more than 10 percent of the population. Further increases will cut millions more from the most basic of our information networks—the telephone system.

Cut off will be the poor, the sick, and the elderly, in need of telephone service for emergencies, for contact with the outside world.

Cut off will be the unemployed, who will become further isolated from job opportunities.

Cut off will be whole areas of our poorest cities, adding another impediment to their revival.

Our concern for equity in the information age must also extend to heavy industry and industrial workers. While we should encourage the growth of service opportunities, we cannot turn our backs on basic industries or the people and places affected by job loss. Monumental changes occur in the life of an individual and his or her family, when unemployment hits, when new skills must be acquired, when a new job must be found and a new life made, perhaps far from a person's home. And substantial distress is experienced by old cities with so-called sunset industries—when the tax base and infrastructure built around declining industries erode.

Advance notice, information about job markets, and opportunities for retraining help workers adjust more easily to change. Targeted incentives and appropriate planning help many cities attract the makings of new industry—information based, service industry and new jobs. As a matter of responsibility, we must ease the process of adjustment.

We cannot stand back and permit our industrial base to disappear. We cannot concede these jobs to our foreign competitors. We must encourage change in our manufacturing and industrial plants to make them competitive. This can be done through changes in tax policy, in trade policy, and other incentives—and by promoting partnership among management, workers, and Government. The Democratic industrial policy task force, on which I serve, is studying these questions to shape a legislative agenda to address them.

Mr. President, in my own State, there is growth and prosperity directly tied to the coming of the information age—jobs in research, science, financial services. But at the same time, there are areas in deep decline, cities where unemployment is pervasive, and industry on the wane.

In welcoming the information age, we must not leave these people and communities behind.

Mr. President, our Nation has long stood for opportunity, equality, and fairness. I would not be here today were it not for the opportunities granted me. A child of the Depression, I was given the chance to get an education, to go forth, and make a mark. We are in the midst of substantial changes in our economy and our society. Industries are transforming. Tasks are changing. Demands are shifting. In our efforts to seize the best the new age has to offer, we must not ignore the call of our conscience, to insure that we go forward together, as a united people sharing the potential of this new age.

Mr. BYRD. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. BYRD. I thank the Chair.

Mr. President, I congratulate the Senator on his speech. He is a member of the Industrial Task Force which I appointed, and which I expect to look very carefully into the matter of long-term revival of our basic industries in this country. The Industrial Policy Task Force is chaired by Senator KENNEDY, who is approaching the responsibility with great vigor.

The task force has had before it a number of people from throughout the country who are very knowledgeable in areas of concern to the task force.

The distinguished Senator who has just spoken is a very active member of that task force, having attended all meetings. He is enthusiastic about the assignment. I am confident he will make a fine contribution to the efforts of the task force.

I again congratulate him on his speech this morning.

Mr. LAUTENBERG. I thank the minority leader. As usual, he gives comfort and encouragement to all Members. I thank him for his comments.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. There will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 2 minutes.

Mr. SPECTER. Mr. President, in the absence of any other Senators on the floor seeking time in morning business, I ask unanimous consent that I may be permitted to speak for a period not in excess of 10 minutes until the majority leader arrives on the floor. I wish to make a statement to the Senate concerning my recent trip abroad.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

SENATOR SPECTER REPORTS ON RECENT VISIT TO ISRAEL, EGYPT, AND ITALY

Mr. SPECTER. Mr. President, I am making this floor statement today without the delay which would result from preparing a polished, written statement. The report is to my colleagues and others on a recent trip to Israel, Egypt, and Italy.

My wife and I arrived at Tel Aviv late on May 28 and departed early on June 1. We then went on to Egypt, staying there from June 1 through June 3, and then to Rome on June 3, and returning to the United States on June 5.

While we were in Israel, we were with the congressional delegation from Pennsylvania under the sponsorship of the Jewish Community Relations Committee of the United Jewish

Federation of Pittsburgh, the Jewish Community Relations Council of Greater Philadelphia, and the Jewish Federation of the Delaware Valley. Other Members of that Pennsylvania congressional delegation included Congressman EDGAR, Congressman FOGLIETTA, Congressman COYNE, Congressman KOSTMAYER, and Congressman BORSKI. When we were in Israel and at meetings elsewhere, too, we were joined by others from the Congress, including Congressman WEISS and Congressman SOLARZ of New York, Congressman HARKIN of Iowa, and Congressman REID of Nevada.

During our stay in Israel, we had an opportunity to meet with leaders of the Israeli Government, the opposition, representatives of Arab organizations on the West Bank, and representatives of the Peace Now movement.

The day we arrived in Israel, there had been an easing of tensions on Israeli's northern border. For the prior 7 days, there had been a massing of Syrian and Soviet military units. Late in the day on May 28, that tension eased when those military maneuvers were declared over. But as we moved northward in Israel, we saw large-scale Israeli tank movements, and as we came to the Lebanese border and had occasion to look into Lebanon, we saw units of Syrian forces there and there was considerable basis for concern about the possibility of further hostilities in that area.

Mr. President, during the course of our visit in Israel, we went to Ofra settlement in the Judean mountains. We continued along the Alon Road to the Sea of Galilee, where we had lunch at the Kibbutz Ein Gev. We ascended the Golan Heights to visit the Kibbutz Kfar Haroub and to visit an outpost on the Israeli-Syrian border. We descended the Golan Heights at Bnot Yaacov Bridge and had dinner at the Kibbutz Ayeleth Haschachar Guest House, where we spent the night. We then drove on to Metullah on the Lebanese border to witness the Good Fence, then went to Nazareth to tour the Church of the Annunciation. While in Nazareth, we had a very illuminating meeting with the deputy mayor of Nazareth.

Our itinerary also included an opportunity to meet with Prime Minister Begin, who appeared in good health and good spirits, I am pleased to say. He restated Israel's intention to withdraw from Lebanon at the earliest moment when Syria and the PLO forces will do the same. He welcomed the Lebanese-Israeli agreement on withdrawal, even though, as he pointed out, there were key concessions which Israel had made in terms of not attaining the peace treaty which Israel has sought with Lebanon, and also a concession that there has not been a determination of the status of Major Haddad.

Mr. Begin spoke about his forthcoming visit to the United States. Representative EDGAR had made the suggestion, which I had seconded, that it would be appropriate if suitable arrangements could be made to have Prime Minister Begin address a joint session of Congress. When that possibility was broached with Mr. Begin, he said he would be honored to do so if invited. Representative EDGAR intends to pursue that matter, he said to me, with Speaker O'NEILL in the House, and I shall pursue the matter with our Senate majority leader (Mr. BAKER) to see if such arrangements could be made. My sense is that the Israel-Lebanon situation is one of tremendous world importance and that a speech by Prime Minister Begin to a joint session of Congress would be very informative and would provide Congress with a much better understanding of the nature of the problem there.

If others from the Middle East, such as President Mubarak or King Hussein, would care to make similar presentations, I think there would be much to commend that, to give them equal time, so to speak, if that contingency were to arise.

Prime Minister Begin expressed his gratitude that the issue of F-16's had been submitted to the Senate for approval. I facetiously commented to him that I thought it likely that the Senate would approve the sale of the F-16's to Israel with greater speed and less debate than the sale of the AWAC's to Saudi Arabia. Mr. Begin did not grasp the point at first; then he did and with a straight face said he did not know that Israel was to get AWAC's. Then in a serious vein, he said the sale of F-16's is crucial to Israel and expressed the hope that they might be expedited, in advance of 1985, which would be enormously helpful to Israel.

We had occasion to meet with Defense Minister Moshe Arens, to renew our friendship from his year as Israeli Ambassador to the United States. I think that he has made an enormous contribution to United States-Israeli relations, based on his knowledge and understanding of the United States from having lived here for so many years and from his relationship with President Reagan, and Secretary of State Shultz, and Secretary of Defense Weinberger; so there has been a rapport, a relationship, and a line of communications which has eased substantial tensions between the two nations.

We had occasion to meet with Shimon Peres, the leader of the Labor Party. Mr. Peres had views substantially different from those of Mr. Begin. I think it a very healthy sign in that democratic society that, notwithstanding the problems the nation faces, there is room for debate and disagreement and a sign of real strength that comes from a democracy where there is no single view, no monolithic approach.

Mr. Peres, for example, expressed disagreement, as he had publicly before, with the Government's view of moving beyond 45 kilometers into Lebanon and said he thought it preferable to withdraw to a point some 45 kilometers into Lebanon to maintain security in that area but not beyond. He expressed a very different position about the West Bank.

Prime Minister Begin had renewed his position that the West Bank, Judea, and Samaria, were indispensable for Israel's security. Mr. Peres, on the other hand, thought that if security were obtained for a strip of that area, it would be appropriate to have concessions of a territorial nature to attain a solution to the Palestinian problem and peaceful relations with other Arab nations.

On the West Bank, we visited a kibbutz and heard a very important speech from a young woman, Shifra Blass, who, coincidentally, is a native of Chambersburg, Pa., in my home State. She spoke of the interests of young Israelis in settling on the West Bank, where real estate could be obtained within their means, and spoke of settlement there of somewhere in the range of 23,000 to 25,000 Israelis and plans for 10,000 additional apartments, which could bring perhaps as many as 30,000 more Israelis. We know that these substantial developments are continuing on the West Bank.

We then moved on to the Golan Heights, where we met a man who bears the same name as mine, Specter, a man in his mid-30's named Leonard Specter, from New Jersey. He showed us the same problems that had been present in the Golan Heights and pointed to villages below where we stood. For some 19 years, from 1948 to 1967, the Syrians engaged in periodic shelling, making the lives of Israeli settlements below totally intolerable. That situation has now been altered since the Golan Heights are under Israeli control, so that threat to peace is gone.

During the course of our visit there, we heard substantial expressions of concern about the rights of the Arabs. A meeting was obtained with a group called Peace Now, which raised questions about the morality of having Arabs in a subservient status.

I earlier made reference to a visit with the Deputy Mayor Madger, who complained about the lack of contributions from the Israeli national government to the Arab parts of Nazareth. The issue was discussed with Prime Minister Begin, who spoke out about what he considered to be fair treatment for the Arabs. On the issue of domination, Mr. Begin pointed out

that Arabs had the option of Israeli citizenship which could give them an opportunity to vote on a parity with any Israeli citizen, should the Arab nationals choose to exercise the option for such citizenship.

Mr. President, that is a sketch of some of the facts which we found on our trip. My conclusions are that Israel is much stronger now than on the previous occasions when I have visited Israel. This was my fifth trip there, having been there in 1964, 1970, 1980, and 1982, and then in May and June of 1983. Notwithstanding tremendous problems of inflation and a tremendous allocation of the Israeli gross national product for military purposes. the signs are that the nation is stronger. There are new hotels flourishing in Jerusalem and Tel Aviv, and there are more apartment houses being constructed. There are signs of vitality and prosperity. There is great concern in the country about the Lebanese conflict in and of itself. I carefully do not use the term "invasion," because I think that it is a misnomer. The Israelis moved into southern Lebanon on June 6 just 1 year ago yesterday in response to repeated terrorist attacks on the Israeli northern border.

Some expressions of thought were that with an incursion of 45 kilometers, the Israelis had gone far enough into Lebanon. Israeli casualties then numbered only 25 dead. There was great concern in the country about the 486 Israelis who ultimately died in the conflict, the number that we had heard on our arrival on May 28. It is a matter of some note that when a small nation like Israel is at war—with fewer than 4 million people and a limited number of young men—their expressions of casualties are right down to the last number: 486. It is not about 500 dead; it is 486.

When we met with Defense Minister Arens, he pointed out that two other Israelis died the night before in an ambush in Lebanon, so the number had gone to 488; and the very thoughtful, inspective way the nation of Israel is reviewing the actions of the past year and questioning the wisdom of moving beyond the 45-kilometer range.

My own sense is that the ultimate solution to peace in the Mideast must come with recognition by other Arab nations. An enormous step forward was taken with the Camp David accord, the Egyptian-Israeli peace treaty. A significant step has been taken with the Israeli-Lebanese agreement, limited as it is. That must be followed by the involvement of Jordan, and perhaps Saudi Arabia, in the peace process to move forward with a long-range peaceful solution to the problems of that area.

The issue of peace in the Mideast is vital not only for the Mideast but for the world as well. We learned that the Soviet presence in Syria is much more open and much more flagrant than at any time in the past; while in the past there had been Soviet advisers present, today they were present in large numbers and in uniform to be very visibly present. With the U.S. interests in that area and the U.S. effort to try to secure the withdrawal of PLO, Israeli, and Syrian forces, there is the potentiality for a world conflict if the matters are not solved in that range.

A solution must also include the withdrawal of 12,000 to 15,000 PLO soldiers who are present there, having reentered Lebanon in violation of the commitments to leave which had been entered into in the fall of 1982.

From Israel, my wife and I moved on to a visit in Egypt where we had the opportunity of an extensive discussion with President Mubarak. We had tentatively scheduled a squash match at 7 a.m. on June 2, but the option was to talk about U.S. foreign aid instead of occupying our time with the athletic event. President Mubarak and I, and our wives—Mrs. Mubarak joined us when Joan was present—together with Ambassador Atherton had a wide-ranging discussion on the issues of the Mideast.

I began by conveying Prime Minister Begin's respects as the Prime Minister has asked me to do, and President Mubarak responded about his esteem for Prime Minister Begin, saying that the Prime Minister was a man of his word and also, as President Mubarak said, "tough." I believe he said that word "tough" in a complimentary sense.

I then expressed to President Mubarak the appreciation of the United States for Egypt's support of the Camp David accord and for President Mubarak's repeated statements that, as President of Egypt, he would support in all ways the principles of the Camp David accord, including when he spoke at a Senate luncheon in January 1983, and similarly at a Senate luncheon in 1982.

I raised the issue with President Mubarak about returning the Egyptian Ambassador to Israel because the Egyptian Ambassador had been withdrawn shortly after the incidents in the refugee camps in mid-September 1982. I urged President Mubarak to return the Ambassador in light of Israel's agreement with Lebanon to withdraw, conditioned, of course, on the simultaneous withdrawal of Syrian and PLO troops. And without discussing the matter at great length, I am optimistic that the Egyptian Ambassador may soon be returned to Israel.

Mr. President, I then pursued a discussion with President Mubarak on the question of further negotiations between Israel and Egypt in pursuance of the principles of the Camp David accord which had not yet reached full fruition.

President Mubarak expressed his interest in having such discussions but said that he did not believe that the time was right. I inquired as to how President Mubarak thought that King Hussein of Jordan might be involved in those discussions. President Mubarak responded that he believed there would have to be a link established between Palestinian leaders and King Hussein before that involvement would occur.

Speaking for myself, I expressed the view that Yasser Arafat and the PLO were inappropriate representatives of the Palestinians, but I expressed the thought that we certainly needed to pursue those discussions in the future. President Mubarak said that wherever he has gone, he has explained the principles of the Camp David accord to leaders of other Arab nations and that, privately, leaders of othe Arab nations agree that Egypt had done the right thing in entering into this peace treaty with Israel brokered by the United States.

President Mubarak expressed the view that the Arab nations have a propensity to reject opportunities when they are presented and accept them only when it is too late. But notwithstanding that, President Mubarak is optimistic that the opportunity would be present for others among the Arab nations to join in the Camp David peace process and the extension of it.

When I inquired of President Mubarak about his view as to the likelihood of conflict between Syria and Israel, I was pleased with his response that he thought such renewed conflict unlikely for a number of reasons.

First, Syria knew it would be unlikely to win such a conflict and would not undertake such a war on its own. Second, President Mubarak felt that the Soviet Union would not actively support Syria. He expressed his reason for that by referring to the experience Egypt had with the Soviet Union back during the so-called war of attrition in the 1969-70 period. From that experience, President Mubarak expressed the opinion that the Soviets would supply to a nation like Syria or to a nation like Egypt, as they had in the past, only defensive weapons, not offensive weapons.

He then spoke at some length about a situation in which, during the late 1960's, the Soviet Union had really sought only to expand its presence in Egypt and that the Soviet Union had made an effort to establish their presence at the base of Mersa Matruh and had spoken of the possibility or the imminence of an Israeli attack there, but only for the purpose of the Soviet Union extending its own influence in Egypt at that time. President Mubarak expressed the view that similar pattern would be followed by Egypt, the Soviet Union, and Syria and that

the Soviets would not really support the Syrians in an active way, and therefore the Syrians would not initiate hostilities with Israel on their own.

I then discussed the issue of the United States aid, and I asked him whether there were any special requests he had to make that I could transmit to my colleagues on the Foreign Operations Subcommittee of the Appropriations Committee.

President Mubarak said that Egypt would like more aid and would like greater flexibility in the aid which Egypt received.

I said to President Mubarak that I would not make any commitment on the issue of increase in aid to Egypt because of the grave problems that the United States faced, the difficulties of taking care of substantial domestic problems in the United States; but on the issue of flexibility, I thought there was much to be said, and I would support his interest in having that flexibility increased.

President Mubarak essentially said that Egypt would like the same flexibility which Israel now enjoys, and that is a matter I intend to pursue with the AID unit in the State Department.

In the remainder of our trip and stay in Cairo, we had the opportunity to meet with the very fine staff of Ambassador Atherton at the Embassy. I met with the military attachés, the agricultural counselor, the commercial affairs counselor, the defense and air attachés, the political officer, the head of the consular section, and the science, technology and health officer. We received a thorough briefing on the situation there.

One matter of concern was the report from the agricultural counselor that Brazil had dumped, or sold at subsidized prices, some $82 million worth of poultry into the Egyptian market the year before and, in so doing, had substantially prejudiced the opportunities of others, including U.S. farmers, to sell poultry in Egypt. That is an issue which I think has to be taken up in some detail when Congress considers further advances to the International Monetary Fund, which may in turn go to nations like Brazil and then in turn may be used to subsidize sales to countries like Egypt, to the great disadvantage of farmers in the United States.

We cannot tolerate a pattern where U.S. farmers or U.S. steelworkers are paying taxes into the U.S. Treasury, which then makes allocations to the International Monetary Fund, which then advances funds to nations like Brazil, which in turn subsidizes steel, to put steelworkers out for work in the United States, or subsidizes poultry, as for example in this sale to Egypt, which puts farmers out of work.

Mr. President, we then had an opportunity to travel to Rome, where we had an audience with the Pope.

"Courage" was the theme of the message delivered by Pope John Paul II in the Vatican to a small congressional delegation last Saturday, June 4. Referring to man's unalienable dignity, the Pontiff urged us to pursue truth and righteousness, to promote peace, and improve man's lot on Earth.

Our delegation consisted of Senators LUGAR, PERCY, HATCH, HAWKINS, and MATTINGLY; Representative FOGLIETTA; my wife, councilwoman Joan Specter; and me, plus staff. We were received by His Holiness in a resplendent chamber on an upper floor of the Vatican.

In advance of his arrival, we were told that the Pope preferred a simple greeting and a handshake to anything more formal. The chairman of our delegation, Senator LUGAR, expressed our appreciation for the audience and stated our admiration for the Pope's worldwide activity for the cause of peace and social justice.

The Pope spoke to us in flawless English, reading from a brief text. After thanking us for our visit, he talked of the world's problems and urged us to work for the betterment of mankind with courage, regardless of the consequences.

Prior to his entering the room, we had formed a semicircle. The Pope then walked around the room, shaking hands with each of us individually while two cameramen captured the moment in photographs. When the Pontiff came to Joan and me, he greeted us and extended a blessing upon us and our family. In that brief moment, I told His Holiness we were from Pennsylvania and brought him greetings from Cardinal Krol, who has been his close friend for many years.

All those in attendance sensed that we were in the presence of a great man. He spoke eloquently and directly. In his white gown, sash, and skull cap, he radiated warmth and good will.

Our later visit to the Sistine Chapel, the tomb of St. Peter, and the enormously impressive cathedral completed a very memorable visit to the Vatican.

EXTENSION OF TIME FOR ROUTINE MORNING BUSINESS

(During the foregoing address by Mr. SPECTER, the following occurred:)

Mr. BAKER. Mr. President, we have a procedural paradox on our hands. As soon as morning business is over, the question will occur on the Budget Act waiver. There is no more time, I believe, for debate on the Budget Act waiver.

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. And we cannot vote until 2 p.m., under the order previously entered.

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. Therefore, in order to prevent a procedural stalemate, I ask unanimous consent that time between now and 12 o'clock, when we shall recess, be devoted to the transaction of routine morning business, in which Senators may speak for not more than 15 minutes each.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. SPECTER. I thank the leader for extending the morning business which will permit me to speak more extensively for the moment.

(Conclusion of earlier proceedings.)

Mr. SPECTER. Mr. President, I thank the Chair for the extended time, and I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

LAUNCH ON WARNING—THE WORST NUCLEAR STRATEGY

Mr. PROXMIRE. Mr. President, in the recent Senate debate on the MX, those of us who opposed the missile argued that it was so vulnerable—as a stationary, land-based missile with the inviting target of 10 warheads—that it would have to be launched on warning. On Sunday, May 29, the New York Times published an article by Charles Mohr that some policymakers speak with increasing frequency of launching "American nuclear missiles on the sole basis of electronic sensors' warning that an enemy missile attack has begun." Both this country and the Soviets deny this is fixed policy. But both sides indicates that such a response might be necessary.

Ironically, some argue that the purpose of the so called nuclear modernization program is to give the President more time. Result: He would not have to trust a warning system. Such a system, like anything else made by fallible human beings, could give a false signal. Yet, the modernization system itself—not only the MX but also the sharp improvement in accuracy and hard target kill capability—puts a premium on launch on warning. And that is not all: The finding released by the Air Force recently that a Soviet attack could knock out 99 percent of our land-based missiles suggests the same thing—that the progress of the nuclear arms race—each refinement, each

success—leads to a shortening of the time the President or the ruler of the Soviet Union would have for response. It therefore accelerates the terrible possibility that a false notice that one side or the other had insufficient time to check out could result in the most tragic mistake in human history—maybe the last mistake.

Mr. President, if there is one nuclear war issue on which virtually every Senator should be able to unite—those who favor a nuclear freeze, those who believe in arms control, and those who would rely on constantly improving our nuclear weapons—it should be the imperative necessity of working to stop the testing, the production, and the deployment of weapon systems that are hair-trigger, that must be fired because of their vulnerability, and that provoke the fear of a first strike from the opposition.

Fortunately, this country at the present time has an immense advantage in this nuclear competition. The Soviet Union has placed about 60 percent, more than two-thirds, of its nuclear power in stationary, land-based missiles. These missiles are vulnerable because we know where they are. They are stationary in fixed sites. If the Soviet Union can knock out 99 percent of our fixed missiles, we can or probably will be able to do the same to them. Furthermore, the Soviet Union will have only 5 to 8 minutes in which to act in the event of a report that our missiles are on their way, because our missiles are emplaced so much closer to the Soviet Union than theirs are to the United States. On the other hand, we would have 20 to 35 minutes.

Also, we have only 25 percent of our nuclear-strategic power in stationary land-based missiles. Seventy-five percent, three-quarters, of our nuclear power is in mobile bombers or submarines.

So for us to build more land-based missiles makes no sense, either from the standpoint of reducing the possibility of a terrible error precipitating a nuclear war, or simply from the standpoint of having a suitable nuclear deterrent.

Mr. President, I ask unanimous consent to have printed in the RECORD the article by Charles Mohr, to which I have referred from the May 29 New York Times.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, May 29, 1983]

DEBATE ON EARLY LAUNCHING

(By Charles Mohr)

WASHINGTON, May 28.—Some policy makers and military thinkers speak warily, but with disturbing frequency, of the possibility of launching American nuclear missiles on the sole basis of electronic sensors' warning that an enemy missile attack has begun.

Both the United States and the Soviet Union deny that "launch under attack" or, as it is sometimes called, "launch on warning" is official policy and doctrine. But both have hinted that they might be forced to adopt such a policy, and both have cloaked their statements in apparently deliberate ambiguity.

Officials in both the Reagan and Carter Administrations have said that while "launch under attack" was not national policy, the Soviet leadership could not be sure that the United States would wait until attacking missiles actually struck before firing its own. Soviet officials began to drop hints that they might be forced to adopt the policy because of the Reagan Administration's nuclear arms buildup.

Gen. John W. Vessey Jr., Chairman of the Joint Chiefs of Staff, told a Senate committee earlier this month that the Russians "have no assurance that we would ride out an attack" before begining a retaliatory strike.

Washington's longstanding policy has been that retaliation would be ordered only after unmistakable confirmation of nuclear explosions on United States territory. But weapon experts agree that multiple warheads and missile accuracy, which has improved at a remorseless rate, have begun to overwhelm methods of protecting landbased missiles the most versatile and capable part of the nuclear arsenal. These technological advances have seemed to push the superpowers toward consideration of "launch under attack."

Does this mean that an already dangerous world is becoming a hair-trigger world, subject to destruction by a faulty computer microchip?

Many experts think probably not. Several studies of the question of launching under attack, done by entities ranging from the Carnegie Endowment to the Reagan Administration's Pentagon, have concluded that a more "robust" and "reliable" combination of sensors, communications and command arrangements would be needed under that policy, and that would require extensive and expensive improvements in such technologies. Even with such improvements, many national security analysts, whose ranks include retired and active senior officials, do not believe the policy is practical or defensible now or any time soon.

One major study said that "no matter how robust" and redundant the system became, it would never be possible to erase doubts that the Soviet Union would be able to blind or "spoof" the warning sensors. Such thinkers doubt it would be feasible for any President to begin nuclear war merely because the sensors had gone dead. This study, by a panel of authorities recruited by the Office of Technology Assessment, argued, as have other committees, that it would never be possible to erase all doubt about the absolute reliability of an automated war-making system.

The occasions and manner in which spokesmen for the two superpowers talk about launching on warning tend to indicate some nonmilitary motives. For instance, on almost every occasion since 1979 when senior Defense Department officials have discussed the subject, it has been when they were trying to reassure Congressional committees that land-based missiles, for which the officials were seeking appropriations, were not hopelessly vulnerable to preemptive destruction.

Let a senator or representative deride the survivability of MX or Minuteman, and an official may respond that the Russians could never be sure the missiles would not be launched on warning, leaving attackers to strike empty silos. In the case of the Soviet Union, which began to drop dark hints about launching under attack in early 1982, the tactic seems to be to try to frighten the United States out of modernizing strategic forces or deploying medium-range missiles in Europe.

Fred C. Iklé, Under Secretary of Defense for Policy, the third-ranking official in the Department of Defense, has been a determined and vocal opponent of launching under attack. In 1981, General Richard Ellis, then commander of the Air Force Strategic Air Command, told a closed Senate hearing that he strongly opposed such a policy, and this appears to be a consistent view of the Strategic Air Command and among other senior American officers.

The large majority of uniformed and civilian officials and former officials who oppose the policy do so because they regard it as too dangerous. An Air Force analytical paper written in April this year said the whole point of modernizing United States strategic forces was to give the President enough time to make reasoned decisions in time of nuclear stress.

A CONFLICT WITH GOALS

Launching under attack, as many detailed studies have suggested, would probably have to be a formal policy, consciously adopted and embraced. It is not thought likely by military analysts that the President could adopt it as a last-minute improvisation in the less than 30 minutes of warning that enemy missiles were in flight, given present procedures to verify launching orders, arm nuclear warheads and give target orders. Still less could the Russians launch their liquid-fueled rockets in the six- to eight-minute flight time of Pershing 2 missiles, which are scheduled to go to Europe in December.

Moreover, such a policy is in basic conflict and tension with other policy goals of the Reagan Administration and of some national security analysts who are conservatives. Those analysts, including Richard N. Perle, Assistant Secretary of Defense for International Security Policy, have often opposed the policy not merely because of its inherent dangers but also because they fear it could be used as an excuse not to build the MX missile and modernize nuclear forces.

Also, the Reagan Defense Department has put high priority on attaining the capacity, if necessary, to fight a protracted nuclear war and to "prevail." This is one reason that an $18 billion, five-year program to improve communications and space and terrestrial sensors was announced in October 1981, although these improvements could also increase the ability to launch missiles while under attack.

But the concept of protracted war requires, Pentagon officials say, a "secure reserve" of nuclear weapons, some of which have great flexibility to be programmed for new targets. That primarily means land-based missiles. If the United States were to shoot all, or even many, of its missiles in the first few minutes of war, it would forgo the endurance to wage protracted war.

FLEXIBILITY SOUGHT IN RESPONSE

Moreover, a goal of all administrations since 1974 has been to try, at least, to give Presidents more flexibility in response and possibly to contain nuclear violence at levels lower than huge "spasm" retaliations. The three United States infrared warning satellites in stationary orbit over the Soviet Union would give almost instantaneous

warning that Soviet missiles had been fired. But the ground radar stations that would count the missiles and calculate their destinations would not furnish data useful for planning retaliation until many minutes later.

The shortage of time to decide, and the complexity of incoming information, has led scientists who specialize in military issues to conclude that adopting a policy of launching under attack would require the delegation of Presidential authority over the launching of nuclear warheads, a decision that a study sponsored by the Office of Technology Assessment called "unpalatable." This would almost certainly lead to a more or less automated system of beginning nuclear war.

Some studies have said that under such a policy the President's role might be little more than to endorse the probability calculations of computers. Other studies give the human executive an even smaller role. This would be a very difficult policy to justify politically.

OTHER FORCES NOT AFFECTED

Doomsday discussions of irretrievable launchings based solely on sensor warning apply only to fixed, land-based missiles, which form more than 70 percent of the Soviet Union's striking force but less than 25 percent of the United States'. If land-based forces were invulnerable, certain to absorb an attack and retaliate, there would be no need to pose the possibility of launching under attack as a deterrent. And some military strategists see an advantage in riding out the attack rather than shooting blind. Surviving space sensors and sensors launched immediately after the Soviet attack would help identify the highest-value targets for retaliation.

American bomber forces would, of course, be launched as soon as any serious warning of hostile attack was flashed by the electronic sensors, but those aircraft take hours to reach enemy airspace and can be recalled.

Missile-launching submarines are considered impervious to pre-emptive attack, and their relatively prolonged communications and prelaunching procedures make a policy of launching under attack irrelevant to them.

This raises a major question about the usefulness of even bluffing with a doctrine of launching under attack. What, opponents of the policy ask, would be the purpose of such a policy? Because of the near invulnerability of the submarine force and the nearly certain survival of at least 30 percent of the powerful bomber force, it is not needed to insure overwhelming retaliation against the Soviet Union, they say.

If adopted, the policy would serve only as a substitute for a secure basing system for land-based missiles, to save that leg of the nuclear triad when no other measure would serve. The dangers and disadvantages of electronic decision-making, and the availability of other, admittedly more expensive, solutions to vulnerability of land-based missiles, seem to outweigh the importance of that single goal, even to the officials who continue to hint that no one can be sure they would not give it a try.

GENOCIDE CONVENTION: ADDRESS TO THE AMERICAN GATHERING OF HOLOCAUST SURVIVORS

Mr. PROXMIRE. Mr. President, recently the text of an address by David T. Chase, delivered to the American Gathering of Jewish Holocaust Survivors, was printed in the New York Times. The impetus for this moving speech was his silent promise to two condemned fellow inmates of Auschwitz 39 years ago.

In the spring of 1944, two young men were condemned to die for attempting to escape from the concentration camp. The S.S. guards assembled all of the remaining inmates to witness the hanging of the two Jewish boys. Moments before the executioner removed the bench on which they stood, with their last breath, the boys screamed out to the crowd, "Don't let this day be forgetten—never forget this inhumanity!"

Mr. Chase never knew their names, nor does he remember their faces. But their dying wish and mandate was one he will never forget for the rest of his life.

Unfortunately, the fate of these Jewish boys was not unique. In his address Chase asks, "How many times has this episode been repeated in so many different forms and incidents during the Holocaust years?" Nearly every survivor of the Holocaust lost a family member during this era. Chase feels fortunate that he had one member of his immediate family, a sister who also survived the Holocaust. Approximately 60 other members of his family, including parents, grandparents, aunts, uncles, and cousins perished during Hitler's bloody reign.

But Mr. Chase did not wish to focus entirely on horrors of the Nazi period. He urged the crowd to pay homage and express deep gratitude to America; a country that gave Holocaust survivors a home when they had none.

Chase also points out that the Holocaust survivors and their children have been extremely successful in the professional world, with a high proportion of doctors, lawyers, and business leaders among them. Speaking for the survivors, Chase asks the world to give them credit for their achievements and contributions to society, not sympathy for their sufferings.

Finally, Chase expresses this concern for the future in this passage of his address:

> Today, my friends, we are proud to be Americans. But what about tomorrow? Can we become complacent or indifferent to the injustice which takes place in this world? Can we limit our concern to ourselves only? Or as good Americans and true to our Jewish heritage, we acknowledge our responsibility to our fellow man . . . United with a single voice of justice and in pursuit to equality, we can and will make this world a better place to live.

Mr. President, we should commend Mr. Chase for keeping the silent promise he made to the Jewish boys in Auschwitz nearly 39 years ago. Through this speech, he has attempted to keep alive the memory of man's inhumanity to man. While we salute Mr. Chase, we should also heed his words of advice when he tells us that we cannot afford to become complacent to the injustice which takes place in this world today. We cannot afford another Holocaust.

Mr. President, we here in the Senate have remained complacent for too long. For nearly 35 years we have failed to become a party to the Genocide Convention, a treaty that has been pending in this body, as I say for 35 years. Only the Senate has to act on it, and every President has pleaded with us to act, as have every Secretary of State, every Attorney General, and every religious organization in this country, and as has the American Bar Association. They have all asked us to ratify the treaty that would make the extermination of any national, racial, ethnic, or religious group a crime under international law. The need for such a treaty has not diminished since the Holocaust. Those who would attempt to destroy an entire group of people have found their work shamefully easy, for they can operate without fear of systematic international condemnation and punishment. The Genocide Convention is a step in the direction of correcting this situation.

There is no justification for the Senate's inaction on this important treaty. Let us not wait for another Holocaust before we are spurred to action. I urge my colleagues to ratify the Genocide Convention.

APPOINTMENT OF SENATE CONFEREES—HOUSE CONCURRENT RESOLUTION 91

The PRESIDING OFFICER (Mr. MATTINGLY). Pursuant to the previous order, the Chair appoints the following Senate conferees for House Concurrent Resolution 91: Senators DOMENICI, ARMSTRONG, KASSEBAUM, BOSCHWITZ, HATCH, GORTON, CHILES, SASSER, METZENBAUM, and RIEGLE.

SENATOR LAUTENBERG'S MAIDEN SPEECH

Mr. PROXMIRE. Mr. President, earlier today the distinguished Senator from New Jersey (Mr. LAUTENBERG) made his maiden speech, the first speech he has made as a Member of the Senate.

I regret very much that I was not here to hear Senator LAUTENBERG's speech, but I do wish to commend him on speaking out. I hope he will take the occasion to speak out frequently. We need his advice.

He is a man of great accomplishments. He was able to build an extraordinary business with 15,000 employees, a business which is in the middle of the high-tech revolution.

He spoke on the implications of the computer age, I understand, this

morning. And I am very anxious to read his speech because he speaks with such authority because computers are such an important part of our lives.

I think all of us are conscious of the fact or when we reflect on it will become conscious of the fact that the year 1984 is the year that George Orwell, the remarkable British writer, selected as the time when we would have the loss of freedom in this world and domination by a government that would be a big brother.

The computer revolution is part of the way to that terrible future if we permit it to take that path. At the same time computers can certainly make life better, fuller, more beautiful, better organized and more efficient than it otherwise would be.

At any rate, Mr. President, I certainly commend my good friend from New Jersey (Senator LAUTENBERG) for speaking out this morning. He is a fine Senator, I serve with him on the Banking Committee. He has been a great addition to that committee. He is a man who obviously has excellent business judgment and is going to be a real asset to us in this body.

STATEMENT OF JOHN F. SOMMER, JR., DEPUTY DIRECTOR, AMERICAN LEGION

Mr. MITCHELL. Mr. President, I call the attention of my colleagues to recent testimony of John F. Sommer, Jr., deputy director, National Veterans Affairs and Rehabilitation Commission of the American Legion. Mr. Sommer's testimony was given before the House Veterans' Affairs Subcommittee on Oversight and Investigations on May 3, 1983.

The subject of Mr. Sommer's testimony was the various research projects being conducted regarding agent orange exposure by Vietnam vets and the possible health effects of that exposure. As a member of the Veterans' Affairs Committee, I am aware of the magnitude and the scope of the current research.

Mr. Sommer's testimony has great importance to the veterans of this country. My colleagues who share my concern over agent orange will find his testimony enormously enlightening. I ask unanimous consent that Mr. Sommer's testimony be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF JOHN F. SOMMER, JR., DEPUTY DIRECTOR, NATIONAL VETERANS AFFAIRS AND REHABILITATION COMMISSION

Mr. Chairman and Members of the Subcommittee: The American Legion appreciates this opportunity to present our views on Agent Orange research; a priority issue of this organization, and a matter of utmost importance to Vietnam veterans and their families.

There is a considerable amount of research relating to various health effects of Agent Orange exposure, aside from the study mandated by PL 96-151, that is either currently underway or in the planning stages, and we will comment on several of the projects that the Legion feels are significant.

Mr. Chairman, The American Legion was extremely pleased that the Center for Disease Control took over the responsibility for the PL 96-151 study when the Interagency Agreement between the Veterans Administration and the Department of Health and Human Services was signed on January 14, 1983. The transfer fulfilled a long and intense effort by the Legion to have the study completed by a scientific agency that is independent of the VA.

We are encouraged by the manner in which CDC has progressed since accepting the responsibility for the study. Within a matter of days following the signing of the Interagency Agreement, CDC officials met with The American Legion to discuss the study and elicit input and recommendations relating to the research.

At the same time, we offered the cooperation of the Legion in encouraging the participation of Vietnam veterans in the study, as we are keenly aware of the importance that such participation will play in the success of the CDC studies.

In reviewing the protocol outline prepared by CDC when it first became available to the Legion in early February, it was obvious that a great deal of what appears to us to be highly competent work was achieved in a relatively short period of time.

CDC has recommended that two historical cohort studies be completed; the Agent Orange study, and a broader Vietnam experience study. Authority for the expansion of the study was provided under PL 97-72, and CDC was quick to realize the importance of studying the possible health effects that other herbicides such as Agents White and Blue (picloram and cacodylic acid, respectively), other chemicals, medications, or environmental hazards or conditions, that existed in Vietnam could have had on the veterans who served in RVN.

The studies will each be comprised of three major components; a mortality study, a health and exposure questionnaire, and a clinical and laboratory assessment.

The Agent Orange study is to consist of 3 cohorts, and the Vietnam experience study 2 cohorts. The cohorts are to be composed of 6,000 individuals each, selected pursuant to a thorough review of the military records by the Army Agent Orange Task Force (AAOTF). The American Legion is pleased to have learned that CDC has assigned a Public Health Advisor to work full-time with the AAOTF, as we have long stressed the importance of a liaison between this dedicated group of experts in the area of military records and the agency responsible for the development of the protocol and the conduct of the Agent Orange study.

The AAOTF plays an integral part in the Agent Orange research efforts, and especially with respect to the foregoing studies that are currently being implemented by CDC. Without the military records from Vietnam the study cohorts could not be selected, thus it would be impossible to carry out the studies. It is unfortunate that the unobtrusive nature of the work performed by AAOTF detracts from the actual importance of the responsibilities that the Task Force bear. The American Legion is concerned that because of this inconspicuousness, not enough emphasis is placed on the priority nature of the Army Agent Orange Task Force's role in the ongoing research.

The Legion understands that CDC has received approval for the requested positions needed to carry out the studies, and they are in the process of recruiting the necessary staff. However, this has not detracted from the ongoing development of the protocols for the two studies which are expected to be completed and available for peer review by the end of May.

CDC is also looking at the possibility of conducting case-control studies of the incidence of soft-tissue sarcomas and lymphomas. The American Legion is aware of the importance of such case-control studies, particularly with respect to soft-tissue sarcomas, and we urge that they be conducted by, or under the responsibility of CDC.

Mr. Chairman, as we stated at the outset, the Legion is both encouraged and pleased by the progress made by CDC in a relatively short period of time. In addition, CDC has held to a commitment made at the time the agency assumed responsibility for the study—to seek the input and recommendations of The American Legion and other veterans organizations, and to maintain open lines of communication. For this we are appreciative.

The only other thing that we can ask is that CDC release all relevant findings as they become available during the studies. Vietnam veterans are concerned about the effects of Agent Orange and other environmental hazards and want the facts as best they can be established. The American Legion's goal is to make absolutely sure that these concerns and apprehensions are promptly and accurately addressed.

Mr. Chairman, we will now offer comment on some of the other Agent Orange related research projects that are currently being carried out by the Veterans Administration, other Federal agencies, and by private entities under contract to the government. The American Legion is monitoring all of these studies, within the limits of our capabilities, and it is hopeful that the results of each of the projects will complement the total Agent Orange research effort.

The examination of Ranch Hand personnel, those Air Force personnel who were directly involved in Agent Orange spraying missions in Vietnam, has been completed, and we understand that an excellent rate of participation among the over 1,200 individuals who served in that unit was experienced. The study is composed of three elements; a mortality study, a morbidity study, and a follow-up. The questionnaire involved in this investigation was administered under contract by the Harris Organization, and the physical examinations and laboratory studies were conducted by the Kelsey-Seybold Clinic in Houston, Texas on a contract basis. A mortality report is expected to be issued in the near future, and preliminary reports on the data obtained from the examinations and questionnaires later in 1983. Follow-up examinations will be completed at 3, 5, 10, 15 and 20 year points.

The Centers for Disease Control in Atlanta is conducting a study that is designed to determine whether or not veterans who served in Vietnam are at a higher risk of producing offspring with serious birth defects. The test population consists of approximately 7,500 babies with birth defects born in the Atlanta area between 1968 and 1980, the identity of which were extracted from the CDC birth defect registry. Where possible, the parents of the subject babies

are being interviewed to determine the factors which may be responsible for the occurrence of the abnormalities, including service in Vietnam and possible exposure to toxic substances which may be attributable thereto. Reportedly, CDC has experienced a good participation rate in this study. However, we understand there are some problems in locating a small number of veterans who were previously interviewed, and are now being contacted for followup interviews, due to the fact they have moved. The results of this study are expected to be available by the end of 1983.

The Armed Forces Institute of Pathology, since 1978, has been collecting pathologic material including tissues extracted during surgical procedures and during autopsy procedures, of Vietnam veterans from Veterans Administration medical centers, Armed Forces hospitals, and from medical facilities in the private sector, for the purpose of surveying the illnesses that have been incurred by these Vietnam veterans. It was recently reported that 1,200 cases have been submitted to AFIP to date, and an additional 600 are forthcoming. The project is being divided into two phases. The first phase is the collection and evaluation of the cases of veterans who served on active duty in Vietnam from 1962 to 1974. The second phase consists of the collection and evaluation of the cases of veterans or active duty personnel who did not serve in Vietnam. This group will serve as matched controls for the cohort included in phase one. We find it interesting to note the different diagnoses that have been made thus far. There are 86 different diagnoses of the skin, 15 varied liver diagnoses, 16 different benign tumor diagnoses, and 30 diagnoses of malignant tumors. There have been an additional 173 diagnoses made, not including the foregoing. As for the collection of the pathologic tissue, 1,088 samples are submitted by VA medical centers, 74 of the cases involved veterans in civilian hospitals, and the remaining 4 percent were submitted by Federal hospitals, for the most part Air Force. The tissue samples have been sent to AFIP from 46 States, and 99 percent of the cases involved male veterans. The completion date of this study is indefinite.

The Veterans Administration has begun preliminary work on a Vietnam veteran mortality study which will draw a comparison of death rates and the causes of death between groups of veterans who served in Vietnam and those who did not. VA estimates that this study will be completed in mid 1984.

An identical twin study is currently being designed by the VA at the St. Louis VAMC. The proposed study will compare a significant number of pairs of twins; one of whom served in Vietnam and the other who was in the military but was not in RVN, to examine the effects of the Vietnam experience. This study is expected to be concluded in mid 1984.

Ten additional research projects have recently been approved by the Administrator of Veterans Affairs, selected from proposals submitted by individual investigators working in VA medical centers, in response to a request for new research proposals issued by VA Medical Research Service, which specified a biochemical, physiological or toxicological focus on the delayed effects of exposure to Agent Orange and other herbicides. The research projects for the most part involve animal studies, but human tissue cultures will be analyzed in some of the experiments, such as biochemical studies of fat metabolism. The new projects are supported for up to five years with VA research funds in excess of $2 million.

The VA has established an Environmental Medicine Monograph Series which was designed to provide useful information of a scientific nature on environmental and occupational factors that have or may have affected the health of Vietnam veterans. The Monographs that are to be initiated in Fiscal Year 1983 include Agent Blue (cacodylic acid), Human Exposure to Phenoxy Herbicides, Birth Defects (genetic screening and counseling), and Chloracne. The American Legion will continue to monitor the development of these and other monographs that have been proposed for future implementation.

The Legion is also following with interest several other ongoing studies involving dioxin exposure, including the National Institute for Occupational Safety and Health (NIOSH) Dioxin Registry, the NIOSH Soft-Tissue Sarcoma Investigation, and the National Cancer Institute's Case Control Study of Lymphoma and Soft-Tissue Sarcoma.

Mr. Chairman, we have presented this compendium of major Agent Orange and related research projects to demonstrate the magnitude of the total effort being put forth to determine the possible consequences of exposure. Needless to say, the picture is changing and it is apparent to the Legion that progress is being made. As was stated earlier, the Centers for Disease Control has moved quickly on the preliminary implementation of the study mandated by PL 96-151, and the expansion of that study authorized by PL 97-72. The agency has determined the complexities involved in such problematic research, and has moved forward to address the studies. We urge that CDC continue to act in an expeditious but cautious manner as they complete the protocols for the Agent Orange and Vietnam experience studies.

Mr. Chairman, The American Legion thanks you for your timeliness in scheduling hearings on this issue that is of such extreme importance to Vietnam veterans, as time is of the essence in this critical matter, and the continued vigilance of this Subcommittee will certainly serve to ensure that the research discussed today will continue to be conducted without delay.

You may be assured that The American Legion will continue its involvement in every aspect of the issue of Agent Orange.

Mr. Chairman, that completes our statement.

REMARKS OF AL KELLER, JR., NATIONAL COMMANDER OF THE AMERICAN LEGION

Mr. MITCHELL. Mr. President, I call the attention of my colleagues to recent remarks by Al Keller, Jr., National Commander of the American Legion. Mr. Keller made these remarks at a banquet at the American Legion Post 84 in Orono, Maine, on April 23, 1983.

Mr. Keller's remarks touched on a wide variety of issues on which the American Legion has taken a strong position. That includes agent orange, "atomic veterans," the nuclear freeze, and Central America.

Mr. Keller's remarks demonstrate the American Legion's strong tradition of active participation in the democratic process. I believe my colleagues will find his remarks thought provoking and well worth reading. I ask unanimous consent that Mr. Keller's remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY AL KELLER, JR., NATIONAL COMMANDER, THE AMERICAN LEGION

Distinguished guests, ladies and gentlemen, my fellow Legionnaires. As many of you who have heard me speak know I like to talk about tradition, the value of knowing where we have been, and keeping faith with the tried and true ways. I do not like to think of tradition as an excuse for not changing or as a place to hide because we are afraid of the future but I do like to recognize the value, and the importance, of preserving those things in life that have served us well and for which there are no reliable replacements.

The American Legion is a traditional organization. Our fundamental beliefs, outlined in the preamble to our constitution, talk of God, country, and service to veterans and their families. Today we are addressing these fundamental beliefs to the 98th Congress.

After months of work, legislation has finally been introduced in the 98th Congress that addresses the subject of Agent Orange and compensation for some Vietnam veterans.

I am pleased to report to you that it is a bill The American Legion can finally support. Scientific evidence now pinpoints three diseases that can be caused or aggravated by exposure to the herbicide used to destroy jungle cover in Southeast Asia.

The bill would establish a procedure for presumption of service connection for compensation based on those three diseases.

For years Vietnam veterans and their families have been concerned about the potential—but unknown—health hazards they may have incurred by exposure to Agent Orange.

It is high time Congress took up this issue of compensating veterans for their disabilities as scientific evidence becomes available. On behalf of our 700,000 Vietnam veteran members, I assure you, the American Legion insists on it.

Also in the area of veterans affairs, I am pleased that the Veterans Administration announced earlier this month that after 17 months of delay, they have agreed to liberalize their guidelines to provide medical treatment to military personnel who took part in open-air atomic tests and whose illnesses might have been caused by exposure to radiation.

Between 220,000 and 350,000 military personnel were exposed to radiation during atmospheric nuclear testing from 1945 until the Partial Test Ban Treaty of 1962. A large number subsequently developed leukemia and other cancers. However, only a small number of these veterans filing disability claims have had their claims approved by the VA.

The American Legion's position on "atomic veterans" is mandated by national convention resolutions going back to 1978, and most recently restated in Resolution 409 at our national convention last August in Chicago. Our work with individual veterans filing radiation-related disability claims goes back further.

It is apparent much more needs to be done about the plight of these "atomic veterans." The American Legion will continue its effort to help these afflicted veterans obtain recognition and compensation for service-connected disabilities.

Today the American Legion's concern for national security and foreign relations also remains intact.

All of us in The American Legion have a lot of work cut out for us in the days ahead. Secretary of Defense Caspar Weinberger has been talking lately of a consensus erosion. He points out that from the earliest days of our nation we have loved peace and been suspicious of things military. But defending a free society rests on principles that require a consensus to be formed in favor of a strong defense, if we are to have one, and for that consensus continually to be maintained. That's certainly no small task.

Today there are many voices shouting for attention across this great land. Voices that call for an immediate nuclear freeze, voices that demand cutbacks in our defense spending budget, voices that urge the government pay out money for this thing or that, all voices sincere in their beliefs but often ignoring cold, hard facts of history.

Does America really need a nuclear freeze? Certainly we do and so does the world. But an immediate nuclear freeze today is not the answer to the world-wide threat of nuclear war.

The American Legion continues to stand on our well established principles. We desire an end to the nuclear arms race with just four provisions.

First, the United States must be allowed to maintain a deterrent capability to be able to protect ourselves and our interests from those who would threaten our very existence.

Second, the introduction of Pershing missiles in NATO countries must move ahead. For years our NATO friends have been staring down the barrel of the Soviet SS-20 missile threat knowing that nothing is there to offset that threat. The Pershing missile will work toward that end. However, we do agree that a "zero option" agreement would be better still, if that can be negotiated.

Third, once this rough parity has been reached America and the Soviet should agree to begin a mutual reduction of nuclear arsenals.

Finally, a freeze can be negotiated that depends heavily on the ability of both sides to verify compliance with the agreement. That verification certainly should be tied to on-site inspection.

These four steps are not ultra-conservative. They are logical, rational, and necessary, if the ultimate objective is to ever be achieved.

It is up to each of you to let those who make laws on Capitol Hill, and in Maine, know how you feel. For it is very possible that a vocal minority can swing the pendulum to the "freeze right now" side.

In the related area of foreign relations, I feel the Caribbean Basin and Central America have been too long neglected in United States foreign policy.

Earlier this year I visited Mexico and Panama and I have come to believe that a solid "good neighbor policy" is imperative if we are to assist our friends in Latin America in regaining economic prosperity and defeating communist aggression.

The American Legion, after an extensive study by our Western Hemisphere Task Force, adopted three resolutions at our national convention in Chicago dealing with the Caribbean Basin and Central America.

One of those resolutions calls for an expansion of the Caribbean Basin initiative into a true "Marshall-type plan." Obviously, an expanded initiative could help rejuvenate the area just as it breathed new life into a devastated western Europe after World War II.

Our resolution also urges increased educational exchanges between the United States and all of the Caribbean Basin. We feel that concept is an excellent means of helping provide the technical knowledge needed for economic growth.

Incidentally, during my visit to this area, several high ranking U.S. officials pointed out that the Soviets offer many more scholarships than we do and thus gain influence among Latin America's youth.

A second resolution adopted in Chicago recommends economic and military aid be given to El Salvador. We know that help is needed there to fend off a hungry communist bear.

You and I should take heart from the elections in that country last year. The people soundly rejected the communist backed insurgents in the face of life-threatening danger. But Marxist backed guerillas rejected democracy. We support the enhanced aid package to El Salvador to give that beleagured nation the resources to defeat the insurgents.

Last month President Reagan suggested he would send more military advisors to El Salvador, if Congress does not approve a $110 million increased military aid package to that country.

This satisfies a mandate from our 1982 national convention concerning El Salvador, which urges the U.S. government to provide adequate economic aid to El Salvador and furnish increased military training and equipment as necessary to defeat communist guerillas in El Salvador.

Our third resolution focuses on Costa Rica, Honduras, and Guatemala. It mandates The American Legion to speak directly to the need for U.S. government economic and security assistance in those countries.

These same concerns were addressed by President Reagan when he made a major foreign policy address to The American Legion during our Washington Conference in February.

America is a wonderful country, founded on principles of freedom and peace. Nothing in our history has happened to destroy those principles.

In recent weeks, many people have been testifying in Washington on various aspects of the 1984 budget. Defense spending is increasingly under attack. There have been thoughts tossed around that defense spending is nothing more than welfare for the defense industries.

Members of The American Legion certainly do not feel that way. And if surveys are to be trusted neither do America's youngest veterans. A Lou Harris and Associates poll shows 79 percent of Vietnam veterans favoring increased defense spending.

They understand full well that for nearly 25 years defense spending in constant dollars remained virtually unchanged in this country while those who would impose their will on other countries had beefed-up every aspect of their military.

Today we are building a stronger military. One that is capable of responding to the variety of challenges that could present themselves in the years ahead.

Defense spending now amounts to 28 percent of the federal budget. That compares to more than 45 percent in 1960. Clearly, defense money for our nation can never be considered welfare for contractors, more like welfare for all citizens. For if we shirk from our responsibility to remain a strong and capable deterrent in troubled times, all other spending for our people will be of little use.

You as members of The American Legion in the Department of Maine are an important link in determining our success in these mandates. I have full confidence that you will realize as did our founders years ago that American national security and foreign relations policy will determine the future peace and freedoms for the peoples of the world.

My fellow Legionnaires, now is the time to get involved. Continuing a strong veterans voice, anchored in proud American Legion tradition, is the challenge we face. I have no doubt that you will make vital contributions as we meet these challenges today and in the future.

Thank you, good luck, and God bless.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 2 P.M. TODAY

Mr. BAKER. Mr. President, notwithstanding that the time for the transaction of routine morning business was extended until 12 noon, the time scheduled for the recess of the Senate for 2 hours to accommodate the requirement for caucuses on both sides of the aisle, it appears that there is no further need for time for morning business. Therefore, I ask unanimous consent that the Senate now stand in recess until the hour of 2 p.m. today.

There being no objection, the Senate, at 11:29 a.m., recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HECHT).

BUDGET ACT WAIVER

The PRESIDING OFFICER. The clerk will state the pending business.

The assistant legislative clerk read as follows:

A Senate resolution (S. Res. 146) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to consideration of S. 695.

The Senate resumed consideration of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BAKER. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from Alaska (Mr. MURKOWSKI), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska (Mr. MURKOWSKI) and the Senator from Alaska (Mr. STEVENS) would each vote "yea."

Mr. BYRD. I announce that the Senator from Montana (Mr. BAUCUS), the Senator from Texas (Mr. BENTSEN), the Senator from New Jersey (Mr. BRADLEY), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Connecticut (Mr. DODD), the Senator from Missouri (Mr. EAGLETON), the Senator from Colorado (Mr. HART), the Senator from Alabama (Mr. HEFLIN), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Louisiana (Mr. LONG), the Senator from New York (Mr. MOYNIHAN), and the Senator from Rhode Island (Mr. PELL), are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL) would vote "yea."

The PRESIDING OFFICER. Are there any other Senators desiring to vote?

The result was announced—yeas 57, nays 26, as follows:

[Rollcall Vote No. 116 Leg.]

YEAS—57

Andrews	Gorton	Packwood
Baker	Hatfield	Percy
Biden	Hecht	Proxmire
Bingaman	Heinz	Pryor
Boschwitz	Inouye	Quayle
Bumpers	Jackson	Riegle
Byrd	Johnston	Roth
Chafee	Kasten	Rudman
Chiles	Kennedy	Sarbanes
Cochran	Lautenberg	Sasser
D'Amato	Laxalt	Simpson
Danforth	Levin	Stafford
Denton	Lugar	Stennis
Dixon	Mathias	Thurmond
Dole	Matsunaga	Tower
Domenici	Mattingly	Tsongas
Durenberger	McClure	Wallop
Garn	Mitchell	Weicker
Glenn	Nunn	Wilson

NAYS—26

Abdnor	Hatch	Nickles
Armstrong	Hawkins	Pressler
Boren	Helms	Randolph
Burdick	Humphrey	Specter
Cohen	Jepsen	Symms
East	Kassebaum	Trible
Exon	Leahy	Warner
Ford	Melcher	Zorinsky
Grassley	Metzenbaum	

NOT VOTING—17

Baucus	Eagleton	Long
Bentsen	Goldwater	Moynihan
Bradley	Hart	Murkowski
Cranston	Heflin	Pell
DeConcini	Hollings	Stevens
Dodd	Huddleston	

So the resolution (S. Res. 146) was agreed to.

The PRESIDING OFFICER. The majority leader.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. HEINZ. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

INTERNATIONAL MONETARY FUND AUTHORIZATIONS

Mr. BAKER. Mr. President, I have been advised by the minority leader that the four requests I am about to make have been cleared on his side and I will now present them.

Mr. President, the budget waiver authorizing consideration of S. 695 has now been agreed to.

Mr. President, I ask that the Chair lay before the Senate Calendar Order No. 185, S. 695.

The PRESIDING OFFICER. Is there objection?

Mr. HUMPHREY. Mr. President, reserving the right to object this is S. 695, the International Monetary Fund?

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. Mr. President, I object.

Mr. BAKER. Mr. President, I move that the Senate now proceed to the consideration of S. 695 and ask for the yeas and nays on the motion.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. BAKER. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from Alaska (Mr. MURKOWSKI), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska (Mr. MURKOWSKI) and the Senator from Alaska (Mr. STEVENS) would each vote "yea."

Mr. BYRD. I announce that the Senator from Montana (Mr. BAUCUS), the Senator from Texas (Mr. BENTSEN), the Senator from New Jersey (Mr. BRADLEY), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Connecticut (Mr. DODD), the Senator from Missouri (Mr. EAGLETON), the Senator from Colorado (Mr. HART), the Senator from Alabama (Mr. HEFLIN), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Louisiana (Mr. LONG), the Senator from New York (Mr. MOYNIHAN), and the Senator from Rhode Island (Mr. PELL) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL), would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 65, nays 18—as follows:

[Rollcall Vote No. 117 Leg.]

YEAS—65

Andrews	Hatch	Packwood
Baker	Hatfield	Percy
Biden	Hecht	Proxmire
Bingaman	Heinz	Pryor
Boren	Inouye	Quayle
Boschwitz	Jackson	Riegle
Bumpers	Johnston	Roth
Byrd	Kassebaum	Rudman
Chafee	Kasten	Sarbanes
Chiles	Kennedy	Sasser
Cochran	Lautenberg	Simpson
D'Amato	Laxalt	Specter
Danforth	Leahy	Stafford
Denton	Levin	Stennis
Dixon	Lugar	Thurmond
Dole	Mathias	Tower
Domenici	Matsunaga	Trible
Durenberger	Mattingly	Tsongas
Ford	McClure	Wallop
Garn	Metzenbaum	Weicker
Glenn	Mitchell	Wilson
Gorton	Nunn	

NAYS—18

Abdnor	Grassley	Nickles
Armstrong	Hawkins	Pressler
Burdick	Helms	Randolph
Cohen	Humphrey	Symms
East	Jepsen	Warner
Exon	Melcher	Zorinsky

NOT VOTING—17

Baucus	Eagleton	Long
Bentsen	Goldwater	Moynihan
Bradley	Hart	Murkowski
Cranston	Heflin	Pell
DeConcini	Hollings	Stevens
Dodd	Huddleston	

So the motion was agreed to.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 695) to amend the Bretton Woods Agreements Act to authorize consent to and authorize appropriations for an increase in the U.S. quota in the International Monetary Fund and to authorize appropriations for increased U.S. participation in the IMF's General Agreements to Borrow.

The Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations with an amendment to strike out all after the enacting clause and insert the following:

TITLE I—BRETTON WOODS AGREEMENTS ACT AMENDMENTS

That (a) section 17 of the Bretton Woods Agreements Act (22 U.S.C. 286e-2) is amended—

(1) by striking out in subsection (a) "decision of January 5, 1962" and inserting in lieu thereof "decisions of January 5, 1962, and February 24, 1983, as amended in accordance with their terms,";

(2) by striking out in subsection (a) "not to exceed $2,000,000,000 outstanding at any one time," and inserting in lieu thereof "in an amount not to exceed the equivalent of 4,250 million Special Drawing Rights, limit-

ed to such amounts as are appropriated in advance in appropriation Acts,",

(3) by striking out in subsection (b) "$2,000,000,000" and inserting in lieu thereof "an amount equivalent to 4,250 million Special Drawing Rights"; and

(4) by adding at the end thereof the following:

"(d) Unless the Congress by law so authorizes, the President, the Secretary of the Treasury, or any other person acting on behalf of the United States, may not instruct the United States Executive Director to the Fund to consent to any amendment to the Decision of February 24, 1983, of the Executive Directors of the Fund if the adoption of such amendment would significantly alter the amount, terms, or conditions of participation by the United States in the General Arrangements to Borrow.".

(b) The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following new sections:

"SEC. 40. The United States Governor of the Fund is authorized to consent to an increase in the quota of the United States in the Fund equivalent to 5,310.8 million Special Drawing Rights, limited to such amounts as are appropriated in advance in appropriation Acts.

"SEC. 41. (a) It is the sense of the Congress that—

"(1) the lack of sufficient information currently available to allow members of the Fund to make sound and prudent decisions concerning their public and private sector international borrowing, and to allow lenders to make sound and prudent decisions concerning their international lending, threatens the stability of the international monetary system; and

"(2) in recognition of the Fund's duties, as provided particularly by article VII of the Articles of Agreement of the Fund, to act as a center for the collection and exchange of information on monetary and financial problems, the Fund should adopt necessary and appropriate measures to ensure that more complete and timely financial information will be available.

"(b) To this end, the Secretary of the Treasury shall instruct the United States Executive Director to the Fund to initiate discussions with other directors of the Fund and with Fund management, and to propose and vote for, the adoption of procedures, within the Fund—

"(1) to collect and disseminate information, on a quarterly basis, from and to Fund members, and to any other persons as the Fund deems appropriate, concerning—

"(A) the extension of credit by banks or nonbanks to private and public entities, including all government entities, instrumentalities, and central banks of member countries; and

"(B) the receipt of such credit by those private and public entities of member countries, where such banks or nonbanks are not principally established within the borders of the member country to which the credits are extended;

"(2) to review and comment, on a timely basis, on such contemplated receipt of credit by any member as the Fund determines to be of significant monetary value given the current state and size of that member's economy; and

"(3) to disseminate publicly information which is developed in the course of the Fund's collection, review, and comment efforts and which the Fund determines would serve to enhance the informational base upon which international borrowing and lending decisions are taken.

"(c) As used in this section, the term 'credit' includes—

"(1) outstanding loans to private and public entities, including government entities, instrumentalities, and central banks of any member, and

"(2) unused lines of credit which have been made available to those private and public entites of any member,

where such loans or lines of credit are repayable in freely convertibile currency.

"(d) The President is authorized to use the authority provided under section 8 of this Act to require any person (as defined by that section) subject to the jurisdiction of the United States to provide such information as the Fund determines to be necessary in order to carry out the provisions of this section.

"(e) Within six months after the date of enactment of this section, the Secretary of the Treasury shall prepare and transmit to the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives, a report on the progress made toward establishing collection, review, comment, and reporting procedures within the Fund, as provided by this section.

"SEC. 42. It is the sense of Congress that the Chairman of the Federal Reserve, the Secretary of the Treasury, and the Secretary of State should consider United States membership in the Bank for International Settlements and report to Congress within ninety days of the enactment of this legislation on their findings.".

The bill was then reported from the Committee on Banking, Housing, and Urban Affairs with amendments to the previously reported amendment, as follows:

On page 3, line 6, strike "That (a) section", and insert "SEC. 101. (a) Section";

On page 7, after line 15, insert the following:

SEC. 102. The Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"SEC. 43. (a) The Secretary of the Treasury shall instruct the United States Executive Director to the Fund to present proposals to the Executive Board of the Fund for the purpose of ensuring that each member country using fund resources takes steps to eliminate expeditiously all import restrictions which are inconsistent with the General Agreement on Tariffs and Trade, or other international agreements, and which have a serious adverse impact on United States exports or employment. The United States Executive Director shall consult with the appropriate Committees of Congress prior to voting for any program which would be inconsistent with the above instructions.

"(b) As part of this effort, the United States Trade Representative, the Secretary of Labor, and the Secretary of Commerce shall inform the United States Executive Director to the International Monetary Fund and the Congress of all import restrictions and export subsidies maintained by member countries of the Fund which have a serious adverse impact on exports from or employment in the United States.

"(c) The Secretary of the Treasury shall transmit to the appropriate committees of Congress an annual report on the success in reducing or eliminating the restrictions referred to in subsection (a).

"SEC. 44. The Secretary of the Treasury shall instruct the United States Executive Director to the Fund to initiate a wide consultation with the managing director of the Fund and the other directors of the Fund with regard to the development of financial and technical assistance policies which, to the maximum feasible extent, reduce obstacles to and restrictions upon international trade and investment, eliminate unfair trade and investment practices and promote mutually advantageous economic relations.".

TITLE II—INTERNATIONAL LENDING SUPERVISION

SEC. 201. This title may be cited as the "International Lending Supervision Act of 1983".

FINDINGS; DECLARATION OF POLICY

SEC. 202. (a) The Congress recognizes that prudent international lending plays an important role in the growth of world trade and the health of the United States and world economy, that United States banking institutions are important participants in this process, and that from time to time external financial imbalances will develop as countries pursue differing economic policies suited to their individual circumstances. The Congress finds, however, that in recent years banking institutions have extended large amounts of credit to borrowers in some foreign countries which, as a result of strained economic conditions worldwide, have been unable to acquire foreign exchange for the payment of their external debts.

(b) In these circumstances, it is the policy of the Congress to assure that the economic health and stability of the United States banking system is not adversely affected in the future by concentrations of credit to borrowers which may experience serious external payment problems, and to maintain international lending to support world trade, United States exports, and the required economic adjustments in countries where adequate stabilization programs are in place. The Congress finds that these concerns should be addressed by strengthening the banking regulatory framework to encourage prudent private decisionmaking on international lending, by enhancing international cooperation among banking regulatory authorities, and by encouraging the early adoption of sound adjustment policies by borrowing countries.

DEFINITIONS

SEC. 203. For purposes of this title—

(1) the term "appropriate Federal banking agency" has the same meaning as in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q));

(2) the "appropriate Federal banking agency" for bank holding companies and nonbank subsidiaries thereof, Edge Act corporations organized under section 25(a) of the Federal Reserve Act (12 U.S.C. 611-631), and agreement corporations operating subject to section 25 of the Federal Reserve Act (12 U.S.C. 601-604(a)) is the Board of Governors of the Federal Reserve system;

(3) the term "banking institution" means any insured bank as defined in section 3(h) of the Federal Deposit Insurance Act (12 U.S.C. 1813(h)) or any subsidiary of an insured bank, any Edge Act corporation organized under section 25(a) of the Federal Reserve Act (12 U.S.C. 611-631), and any agreement corporation operating subject to sec-

tion 25 of the Federal Reserve Act (12 U.S.C. 601-604(a)); and

(4) the term "banking institution" also includes, to the extent determined by the appropriate Federal banking agency, any agency or branch of a foreign bank, and any commercial lending company owned or controlled by one or more foreign banks or companies that control a foreign bank as those terms are defined in the International Banking Act of 1978 (12 U.S.C. 3101), but such term does not include a foreign bank.

STRENGTHENED SUPERVISION OF INTERNATIONAL LENDING

SEC. 204. Each appropriate Federal banking agency shall evaluate banking institution foreign country exposure and transfer risk for use in banking institution examination and supervision. Each such agency shall establish examination and supervisory procedures to assure that factors such as foreign country exposure and transfer risk are taken into account in evaluating the adequacy of the capital of banking institutions.

RESERVES

SEC. 205. Each appropriate Federal banking agency shall require a banking institution to establish and maintain a special reserve whenever in the judgment of such agency the quality of such institution's assets has been impaired by a protracted inability of public or private borrowers in a foreign country to make payments on their external indebtedness as indicated by such factors, among others, as a failure by such public or private borrowers to make full interest payments on external indebtedness, or to comply with the terms of any restructured indebtedness, or a failure by the foreign country to comply with any International Monetary Fund or other suitable adjustment program, or where no definite prospects exist for the orderly restoration of debt service. Such reserves shall be charged against current income and shall not be considered as part of capital and surplus or allowances for possible loan losses for regulatory, supervisory, or disclosure purposes.

ACCOUNTING FOR FEES ON INTERNATIONAL LOANS

SEC. 206. Each appropriate Federal banking agency shall establish rules or regulations for accounting for agency, commitment, management, and other fees charged by a banking institution in connection with international lending. Such rules or regulations shall establish the accounting treatment of such fees for regulatory and disclosure purposes, to assure that the appropriate portion of such fees is accrued in income over the effective life of the loans.

COLLECTION AND DISCLOSURE OF CERTAIN INTERNATIONAL LENDING DATA

SEC. 207. (a) Each appropriate Federal banking agency is authorized to require each banking institution with foreign country exposure to submit, no fewer than four times each calendar year, such information regarding that exposure in such format as the agency shall prescribe.

(b) Each appropriate Federal banking agency shall require banking institutions to disclose to the public information regarding material foreign country exposure in relation to assets and to capital in such form as is deemed necessary or appropriate in the public interest.

INTERNATIONAL COOPERATION

SEC. 208. (a) The Secretary of the Treasury shall instruct the United States Executive Director to the International Monetary Fund to propose that the Fund adopt the following policies with respect to international lending:

(1) In its consultations with a member government on its economic policies pursuant to Article IV of the Fund Articles of Agreement, the Fund should intensify its examination of the trend and volume of external indebtedness of private and public borrowers in the member country and comment as appropriate in its report to the Executive Board from the viewpoint of the contribution of such borrowings to the economic stability of the borrower, and, the Fund should consider the extent and form that these comments might be made available to the international banking community and the public.

(2) As part of any Fund-approved stabilization program, the Fund should give consideration to placing limits on public sector external short- and long-term borrowing.

(3) As a part of its Annual Report, and at such times as it may consider desirable, the Fund should publish its evaluation of the trend and volume of international lending as it affects the economic situation of lenders, borrowers, and the smooth functioning of the international monetary system.

(b) The Federal banking agencies shall consult with the banking supervisory authorities of other countries to reach understandings aimed at achieving the adoption of consistent supervisory policies and practices with respect to international lending.

CAPITAL ADEQUACY

SEC. 209. Each appropriate Federal banking agency shall require banking institutions to maintain adequate levels of capital. Each such agency may establish reasonable time periods for a banking institution to comply with such capital requirements.

GENERAL AUTHORITIES

SEC. 210. (a) Each Federal banking agency is authorized to interpret and define the terms used in this title, and shall prescribe rules or regulations or issue orders as necessary to effectuate the purposes of this title and to prevent evasions thereof. The appropriate Federal banking agency is authorized to apply the provisions of this title to any affiliate of an insured bank, but only to affiliates for which it is the appropriate Federal banking agency, in order to promote uniform application of this title or to prevent evasions thereof. For purposes of this section, the term "affiliate" has the same meaning as in section 23A of the Federal Reserve Act (12 U.S.C. 371c(b)), except that the term "member bank" in such section shall be deemed to refer to "insured bank".

(b) The Federal banking agencies shall establish uniform systems to implement the authorities provided under this title.

(c) The powers and authorities granted by this title shall be supplemental to and shall not be deemed in any manner to derogate from or restrict the authority of each appropriate Federal banking agency under any other law or under section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), including the authority to require additional capital or reserves. Any such authority may be used by an agency to ensure compliance by a banking institution with the provisions of this title and all rules, regulations or orders issued pursuant thereto.

(d) The issuance of regulations, requirement of reports, and collection of information pursuant to this Act shall be exempt from the requirements of chapter 35 of title 44, United States Code and chapter 6 of title 5, United States Code.

(e) Within one year after the date of enactment of this title and for each of the two succeeding years, the Federal banking agencies shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives on actions taken to implement the provisions of this title. The report shall include a description of the actions taken in carrying out the objectives of the title, and any actions taken by any Federal banking agency that are inconsistent with the uniform implementation by the Federal banking agencies of their respective authorities under this title, and any recommendations for amendments to this title or any other provision of law.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. HEINZ. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc and be considered as original text for the purpose of amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HEINZ. Mr. President, it is my understanding that the bill is now open for amendment.

It is also my understanding that the Senator from Utah (Mr. GARN) and the Senator from New Mexico (Mr. DOMENICI) have an amendment they would like to offer at this time.

AMENDMENT NO. 1304

(Purpose: To discourage lending to overseas mining operations that are not economically sustainable unless subsidized)

Mr. GARN. Mr. President, I send to the desk an amendment for Senator DOMENICI and me, and Senator HEINZ wishes to have his name added as a cosponsor of this amendment. I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Utah (Mr. GARN), for himself and others, proposes an amendment numbered 1304.

Mr. GARN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

Mr. MELCHER. Mr. President, reserving the right to object, I should like to have an opportunity to either hear the amendment read or have a copy of it.

Mr. GARN. I shall be happy to have it read or to supply the Senator from Montana with a copy. It might be more expeditious to have a copy. I am not aware of any controversy on this issue.

I believe it has been agreed to by both sides.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendment is as follows:

At the bottom of page 18, add the following:

SEC. 211. (a) No banking institution shall extend credit, whether by loan, lease, guarantee, or otherwise, to finance all or any portion of any project, which project:

(1) has as its principal objective the construction, establishment, or major expansion of any mining operation, or any metal or mineral processing or fabricating facility or operation, located outside the United States or its territories or possessions, and

(2) can reasonably be expected to require aggregate development expenditures (including all costs of construction and establishment) in excess of $25,000,000, unless a written economic feasibility evaluation of such foreign project is prepared by or for such banking institution and approved in writing by a senior official of such banking institution; or if such loan is made as a part of a bank consortium loan, prepared by or for a banking institution managing such consortium and approved in writing by a senior official of such managing banking institution.

(b) Such economic feasibility evaluation shall—

take into account the profit potential of the foreign project, the impact of the project on world markets, the impact on U.S. industry and employment, the inherent competitive advantages and disadvantages of the project, the likely effect of the project upon the overall long-term economic development of the country in which the project would be located, and whether the extension of credit can reasonably be expected to be repaid over the life of the project without regard to any subsidy listed in the Annex of the Agreement on Interpretation and Application of Articles VI, XVI, and XXIII of the General Agreement on Tariffs and Trade provided by the government of the country in which the project would be located, or by any instrumentality of that government.

Mr. GARN. Mr. President, does the Senator from Montana wish that I put in a quorum call while he reads the amendment?

Mr. MELCHER. I thank the chairman, the floor manager of the bill. I will welcome his explanation of the amendment.

Mr. GARN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. NICKLES). Without objection, it is so ordered.

Mr. GARN. Mr. President, what we are trying to resolve is this amendment of Senator DOMENICI and myself, and I expect it will be accepted—I think ultimately probably it will be—but it is not at that point yet.

I ask unanimous consent that my amendment be temporarily set aside so that the Senator from New Hampshire can bring up his amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The amendment is temporarily laid aside.

AMENDMENT NO. 1305

(Purpose: To limit compensation of employees of the IMF)

Mr. HUMPHREY. Mr. President, I ask unanimous consent that it may be in order to return to the consideration of my amendment in the event we are interrupted by the amendment addressed by the Garn request.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire (Mr. HUMPHREY) proposes an amendment numbered 1305.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 9, between lines 7 and 8, insert the following:

SEC. 103. The Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"SEC. 45. Notwithstanding section 40 of this Act, the United States Governor of the Fund may not consent to the increase in the United States quota in the Fund which is described in that section unless the United States Governor is satisfied that the Fund has established, and will maintain, a requirement that employees of the Fund (including the Managing Director, Executive Directors, Alternate Executive Directors, and the staff of the Fund) may not be paid at a rate in excess of the rate payable for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code.".

Mr. HUMPHREY. Mr. President, this amendment addresses the salary of IMF officials. It has been very difficult for my office and my staff to obtain information about the rate of pay and benefits for employees and officials of the IMF, as it has indeed been difficult to obtain any kind of information about the operations and operational expenses of the IMF.

However, by various means we have learned and verified that officials and employees of the IMF make extraordinarily high salaries. Before I delve further into that matter, let us all recall these salaries are paid for by the very kind of subscriptions and quota increases which we have been asked to approve in this bill now before us. In other words, it is the taxpayers of the United States, irrespective of the channels by which this money flows, it is the taxpayers of the United States and other member nations, who pay the salaries of IMF officials and, therefore, it is perfectly in order for the citizens of our country, the taxpayers, to be aware of the level of prudence exercised in setting staff salaries at the IMF.

Mr. President, the IMF employs a total of 1,559 individuals. Two hundred thirteen of that number earn a take-home pay of between approximately $54,000 and $92,000. I emphasize and underscore and italicize this is take-home pay, this is net pay. This is not gross pay, this is net pay, and 213 are in between $54,000 and $92,000; 618 earn between $39,000 and $65,000.

The IMF has a policy for U.S. citizens, Mr. President, U.S. citizen employees, to gross up their salaries so that their take-home pay, their net pay, is that of those employees who are not U.S. citizens and who are not subject to U.S. taxes. So the take-home pay is net. In fact their gross pay is much higher and in many cases exceeds $100,000. I need not point out to Members of Congress or to members of the senior executive of the U.S. Government that this is considerably in excess of what Members make and what executives, senior executives, of the U.S. Government make. So my amendment, Mr. President, would require that the Governor—this amendment, Mr. President, requires that the U.S. Governor—who is the Secretary of the Treasury in our case, the U.S. Governor, may not consent to this increase in the U.S. quota unless the U.S. Governor, that is our Secretary of the Treasury, is satisfied that the Fund has established, the IMF has established, and will maintain a requirement that employees may not be paid at a rate in excess of the rate payable for an individual occupying a position at level IV of the executive schedule under title 5 of the United States Code. That equates to presently $67,000 gross salary.

This might seem to be a niggardly or nitpicking amendment, Mr. President, but I think not. I think most U.S. citizens will be outraged to know they are paying grossly excessive salaries to an organization which in my view is elitist. The taxpayers are doing so at a time when they are having great economic difficulties of their own, and being asked to help pay excessive salaries to these employees of the IMF.

So it is a simple amendment. It would curb these excessive salaries at the IMF and bring some sense of reasonableness and responsibility to that organization which today compensates its employees as though there was no end to the money which will flow from member nations. I will ask for the yeas and nays on the amendment at this time, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HUMPHREY. Let me ask if the floor managers wish to comment on the amendment, and I yield the floor.

Mr. GARN. Mr. President, I do not stand to argue with the Senator from New Hampshire on the amendment of the IMF salaries. He is correct, they are high. I do not think there is any doubt or any dispute about that. The difficulty comes in the amendment, and the reason I must oppose it is not on the substance of the issue of the size of the pay but on the matter that there are some 150 countries, member countries, of the IMF, and the effect of the amendment's trying to mandate salaries to one country is a very difficult process, in fact impossible unless they agree.

So it could have the effect of us simply dissolving our membership in the IMF and not being able to participate. I do not think it is a viable amendment from that standpoint.

Again, I am not going to stand up here and argue with the Senator from New Hampshire on the size of their salaries in comparision to others in the governmental sector. Those in the IMF would argue that they are in comparision to private sector banks for similar responsibilities which are comparable, but they are a quasi-governmental agency. Anybody who would start making that comparison would do it with the private sector.

I would only make one other point, however, which is not a strong one. Again, I do not want anyone to think I am standing up here defending the salaries. But they are paid out of the funds of net income and not paid out of the appropriated funds. Again, a major reason that I would oppose is simply the fact that you have 150 member countries and rather than getting agreement it might be better to send a message. Depending on the course of debate, I might offer a substitute, either a sense-of-the-Senate resolution, letting everybody know how we feel about it, or another amendment that would direct our Executive Director to work toward equitable salary levels that are more comparable. I do not know whether the Senator from New Hampshire would consider either of those types of modifications, rather than trying to mandate it.

I am sympathetic with what he is trying to do. But the problems that it would create among the member countries are my concern with the amendment.

Mr. PROXMIRE. Mr. President, I would flatly oppose this amendment. I have great admiration for my friend from New Hampshire. I am an old nitpicker myself. In fact, like some people like intoxicating beverages, others gamble, and others sex, I like to pick nits. I have done it for years, and I get great pleasure out of it. In fact, when my wife feels that I am getting on other subjects, she will say, "Bill, tend to your own knitting." That is what I have been doing since I have been in the Senate.

I congratulate my friend from New Hampshire because this is a nit beyond all nits. The fact is that I am really astonished by what the IMF pays its people. We do get very able people to work in the IMF. We limit our own representative, as the Senator points out, to $67,500. Why not limit everybody else?

David Maxwell, head of Fanny Mae, appeared before the Banking Committee not long ago. David Maxwell gets a salary, and this is a U.S. agency, of over $300,000 a year, not $92,000, which is the maximum the IMF people get. Furthermore, he was paid an additional $190,000 in deferred payments for 1982. So he is paid something like $500,000 a year.

Two wrongs do not make a right, but in this case I think if you compare what the people in the IMF receive with what the people in comparable areas of activity get in private enterprise, you will not think their salaries are out of line. A banker in a reasonably good size bank will get half of a million dollars a year. In the National Citibank, Walter Wriston gets $1.2 million a year, and he has two people under him who get over a half million dollars a year. The IMF is about the same size of the National Citibank.

The people in the IMF have to be very skilled. They have to have the ability to deal with a whole series of other countries.

They have made remarkable progress in doing so because, as you know, before they make an IMF loan, they require economic reforms and they insist that the borrowers live up to these conditions. It is too bad they cannot apply such measures to this country because among other conditions, as the Senator knows, they require borrowing countries to hold down their spending, they require them to balance their budget, they require them to follow policies with respect to their balance of payments so that they can get inflation under control.

That is their mission and they have been very, very successful in performing it.

I agree with the Senator from Utah that there are other reasons, but I think just on the merits, for this U.S. Senate, the Congress of the United States, to tell the International Monetary Fund, to which we contribute less than 20 percent of the amount, that they have to cut their salaries to the level that we dictate, that we put a veto on it, seems to me to be unfortunate and unwise.

The United States really, as the Senator from Utah has indicated, has no real ability to control such matters within the IMF. No one country has control of the salaries of the IMF employees.

If they were paying salaries of $300,000, $400,000 or $500,000, then I think the Senator would have a point. We might have to find some way of remedying such a situation. I do not think we should do it this way, but we would find some way of trying to bring our own values to bear.

In this case, I would suggest that if we do have an amendment of any kind, what we do is we urge our own representative to make a representation to the IMF, but not to say that we are going to withhold our contribution and, in effect walk out of the IMF, which we would be doing that very possibly would precipitate the end of this extraordinarily valuable and useful international agency.

Mr. HUMPHREY. Mr. President, I value the remarks of my fellow nitpicker. I hope that he will go after this very carefully as he described a moment ago concerning a gentleman who received over $300,000. I would only respond by saying that the employees of the IMF, like Members of Congress and the executive, are not working for a private concern. We are not in the business of producing profits from which our salaries are paid. We are in the process of being engaged in disbursing funds that we tax from our citizens. That is an important distinction.

In any case, my amendment does not direct the IMF to do anything. It rather directs the U.S. Government, which is to say the Secretary of the Treasury of the United States, to withhold its consent from this increase unless the IMF designs and implements a program to bring into line more reasonable levels of salaries within that organization.

So, Mr. President, unless there are others who wish to address the amendment, perhaps we should vote.

Mr. GARN. Mr. President, I do not wish to discuss this further, but I am advised there is a large number of Senators on both sides of the aisle, both Republicans and Democrats, who are meeting with the President at the White House. As they are not back yet, I would simply suggest the absence of a quorum at this time.

Mr. HUMPHREY. Would the Senator withhold that for a moment so that we could discuss something else?

Mr. GARN. Can we temporarily lay this aside and see if I can resolve a matter with the Senator from Montana? I do not think I would be in a position, as manager of the bill, without the leadership, Senator BYRD and Senator BAKER, to bring forth a unanimous-consent agreement to stack votes. Either we can just go into a quorum call temporarily or, by unanimous consent, set the Senator's amendment aside and go back to the

Garn-Domenici amendment, which ever is his choice.

Mr. HELMS. Will the Senator yield?

Mr. GARN. I am happy to yield to the Senator from North Carolina.

Mr. HELMS. Mr. President, in the event the distinguished Senator from Utah is unable to work out anything on the Domenici amendment, I wonder if the Senator from New Hampshire will be willing to set his amendment aside and let me call up one?

Mr. GARN. May I suggest that, just for a couple of minutes, we have a quorum call and see if we can work something out?

Mr. HELMS. Surely, Mr. President.

Mr. GARN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The acting assistant legislative clerk proceeded to call the roll.

Mr. GARN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GARN. Mr. President, I ask unanimous consent that the Humphrey amendment be temporarily set aside and that the Senate return to the Garn-Domenici amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 1304, AS MODIFIED

Mr. GARN. Mr. President, I ask that I may be permitted to modify my amendment. On page 2, line 3, after "subsidy," add the words, "including but not limited to those".

The PRESIDING OFFICER. Has the Senator sent the modification to the desk?

Mr. GARN. Yes, Mr. President, there is a copy at the desk.

The PRESIDING OFFICER. The amendment is so modified.

The amendment, as modified, is as follows:

At the bottom of page 18, add the following:

Section 211(a) No banking institution shall extend credit, whether by loan, lease, guarantee, or otherwise, to finance all or any portion of any project, which project:

(1) has as its principal objective the construction, establishment, or major expansion of any mining operation, or any metal or mineral processing or fabricating facility or operation, located outside the United States or its territories or possessions, and

(2) can reasonably be expected to require aggregate development expenditures (including all costs of construction and establishment) in excess of $25,000,000, unless a written economic feasibility evaluation of such foreign project is prepared by or for such banking institution and approved in writing by a senior official of such banking institution; or if such loan is made as a part of a bank consortium loan, prepared by or for a banking institution managing such consortium and approved in writing by a senior official of such managing banking institution.

(b) Such economic feasibility evaluation shall—

take into account the profit potential of the foreign project, the impact of the project on world markets, the impact on U.S. industry and employment, the inherent competitive advantages and disadvantages of the project, the likely effect of the project upon the overall long-term economic development of the country in which the project would be located, and whether the extension of credit can reasonably be expected to be repaid over the life of the project without regard to any subsidy including but not limited to those listed in the Annex of the Agreement on Interpretation and Application of Articles VI, XVI, and XXIII of the General Agreement on Tariffs and Trade provided by the government of the country in which the project would be located, or by any instrumentality of that government.

Mr. GARN. Mr. President, I thank the Senator from Montana for his suggestion.

I yield to the Senator from Montana.

Mr. MELCHER. Mr. President, first, I thank the chairman of the Committee on Banking, the manager of this bill.

The amendment that is before us is an amendment requiring, in the case of loans to foreign countries for the development of a mining operation or the processing of a mineral, that the banks involved which are making the loan at least have a feasibility study conducted by a senior officer of that bank or the senior officer of a leading bank or consortium of banks in the United States. This is a beginning step toward determining whether such loans made by a bank or group of banks in the United States for the purposes of mineral develoment in another country are making a loan that will result in the production or processing of a mineral in excess of world demand and which will become surplus to world supply. Second it is a means of determining whether or not, in doing that, the country involved is looking at the means of government subsidies to make it possible or feasible for such production or processing.

We have good reason for wishing to determine whether such loans are going for that purpose. We watched a series of loans made by the International Monetary Fund to copper-producing countries. The result of those loans was actual production of copper or processing of copper that has been subsidized by the government of the country involved.

So we find ourselves in the position where our own domestic copper industry is already in the doldrums, with production limited to 50 percent, sometimes lower, and American workers out of jobs, or temporarily laid off—by temporarily, I mean for extended periods of time, sometimes as long as 6 to 9 months or sometimes well over a year. We find ourselves financing operations that impact upon domestic copper producers or their employees the excessive amounts of copper production lowers the world price of copper and those workers or those producers are subsequently hurt. This situation is of significance to the entire country.

Copper production and the use of copper throughout the world is extremely important in automobile manufacturing, in housing, and in many other basic industries. So this is a first step and I compliment the authors of the amendment for taking this step to start gathering the information in order to document how much there is in subsidy and where it occurs. The amendment, of course, will not infringe upon the individual banking institutions making the loans such lending is their choice and we would not seek to infringe on that right. But we think it is fair to at least ask the institution to have a feasibility report that will indicate whether or not the feasibility of the venture is partially based on a government subsidy.

Mr. President, the requirement for this economic feasibility report is a very meritorious step.

If the feasibility study is going to look at the borrower's capability to repay the loan, and that is what is required in the language of this amendment, then the repayment of that loan should be evaluated against the criteria of what subsidies would be used to enhance that government's capability of making the repayment of the loan.

The words that are added are meant to establish that the economic feasibility study look at all subsidies, whether or not they are those subsidies listed in the GATT agreement or whether they are subsidies not explicitly listed in the GATT agreement. As such, it seems that the report will be more meaningful and will provide some opportunity for Congress to look at these types of loans.

The amendment only deals with private banks. We should not infringe on their right to make a loan even if on principle we think the loan is not meritorious in terms of the public interest of the United States, and we do not do so by this amendment. All we are requiring is the performance of an economic feasibility study.

At another point during the consideration of this bill I plan to offer an amendment that would require the U.S. member of the International Monetary Fund to be instructed by the Secretary of the Treasury to oppose any such loan from the International Monetary Fund. In that regard we have a greater responsibility concerning the direction the International Monetary Fund is going in making potentially bad loans because a large portion of the additional money authorized, is from the United

States. Additionally, a great percentage of the loans that are currently held by the International Monetary Fund are previous contributions of the United States, so we can be a little bit tougher in that regard. I plan to offer an amendment to that effect at the appropriate time.

Might I inquire of the chairman and the lead author of this amendment whether I might be added as a consponsor of the pending amendment?

Mr. GARN. I am happy to have the Senator from Montana added as a cosponsor.

Mr. MELCHER. I thank the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered. The question is on agreeing to the amendment, as modified.

The amendment (No. 1304), as modified, was agreed to.

Mr. GARN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNANIMOUS-CONSENT AGREEMENT

Mr. BAKER. Mr. President, there are a number of Senators on both sides of the aisle who are necessarily absent from the Chamber on official business at another place and will be until 4:30 p.m. It seems desirable, therefore, to try to arrange record votes so they will occur at that time or later. I have consulted with the minority leader, who has indicated he believes there is no objection on his side. I will not state the unanimous-consent request for his benefit and that of all Senators. I have also consulted with the distinguished Senator from New Hampshire whose amendment was pending and on which the yeas and nays have been ordered.

Mr. President, I ask unanimous consent that the rollcall vote ordered on the Humphrey amendment or in relation to the Humphrey amendment No. 1305 occur at 4:30 p.m. this afternoon.

I further ask unanimous consent, Mr. President, that any other rollcall votes ordered between now and 4:30 p.m. on or in relation to any matter occur in sequence after the execution of the Humphrey vote.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object——

Mr. BAKER. Mr. President, I think that it might be wise to alter my unanimous-consent request to avoid complications that could occur. Let me restate it now.

Mr. President, I ask unanimous consent that the rollcall vote ordered on the Humphrey Amendment No. 1305 or on any vote in relation to the Humphrey amendment be deferred to occur at 4:30 p.m. today.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

Mr. BAKER. Now, Mr. President, if I may impose on the time of the Senator for one further moment, we have not made provisions for stacking other votes which might be ordered between now and 4:30 p.m. I do not propose to do that at the moment because we are not sure what amendments might be offered, but I urge Senators to consider that the leadership should have an opportunity to consult with Senators on when any votes would occur if they were ordered between now and 4:30 p.m. in order to accommodate to the circumstances that I described earlier.

Mr. President, I thank the Senator for yielding. I thank all Senators, and I thank the minority leader for his cooperation.

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

Mr. GARN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GARN. I thought we would return to the Humphrey amendment automatically, the one which was set aside.

The PRESIDING OFFICER. The Senator is correct—the original Humphrey amendment was set aside.

Mr. GARN. I ask the Senator from New Hampshire if this is a different amendment.

Mr. HUMPHREY. Yes. Inasmuch as the vote on the amendment is set for 4:30 p.m., I presume we are at liberty to offer another amendment at this point.

Mr. GARN. I assume that that would have to be done by unanimous consent, and I would not object. However, the Senator from Pennsylvania was called from the floor momentarily, and I believe he was going to offer a substitute to the pending Humphrey amendment. So, until he returns, in order to see if he wishes to do that, I will have to object to substituting a different amendment for the original Humphrey amendment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The acting assistant legislative clerk proceeded to call the roll.

Mr. HEINZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1305

Mr. HEINZ. Mr. President, will the Chair state the pending amendment?

The PRESIDING OFFICER. The pending amendment is the Humphrey Amendment No. 1305.

Mr. HEINZ. Mr. President, is my understanding correct that not only will any rollcall vote on the Humphrey amendment take place at 4:30 p.m., but also, any motion on which a vote may be ordered, including a motion to table, even if made at this time, will take place at 4:30 p.m.?

The PRESIDING OFFICER. The order was that any motion or rollcall vote pertaining to the Humphrey amendment would occur at 4:30 p.m.

Mr. PROXMIRE. Mr. President, will the Senator yield on that point?

Mr. GARN. I am happy to yield.

Mr. PROXMIRE. I want to clarify it.

Suppose a substitute for the Humphrey amendment should be offered. Would the vote on that also take place at 4:30 p.m. Is that covered?

The PRESIDING OFFICER. No.

Mr. PROXMIRE. It would not be covered. I thank the Chair.

Mr. HEINZ. Mr. President, at the appropriate time, I intend to move to table the Humphrey amendment. I will not do so at this point so as not to impede any debate on the amendment of the Senator from New Hampshire.

Senator GARN, the chairman of the Banking Committee, and Senator PROXMIRE, the ranking minority members, have discussed the Humphrey amendment at some length, and quite eloquently. I also wish to state my strong opposition to the Humphrey amendment.

It seems to me that this amendment is really a killer amendment to the bill. Indeed, if one wanted to find a way to kill the bill by a back-door method, one would be well advised to vote for the Humphrey amendment, because that is what it will do. But I hope that our colleagues will not use a back-door method to try to deal with this legislation.

I understand the frustration of my colleagues who currently have a salary that is lower than that of Members of the House. I have a great deal of sympathy for the inequities that creates.

This amendment says that unless the IMF adopts a salary scale at level IV of the executive schedule, which is just a little above that of the Senate and just a little below that of the House, as I understand it—unless that is actually adopted, the International Monetary Fund is not going to get any authorization. The United States will therefore default on its obligations, and everything that the Reagan administration had labored to put in place for the last 6 to 12 months will come apart at the seams.

Mr. President, every Senator I know of keeps talking to us about the decisions of the marketplace. We are great believers in our speeches here about:

Let's have the marketplace make decisions. Let's not get involved in labor-management disputes; that's the collective bar-

gaining system. Let's leave that alone. Let's permit employers to decide how much they are going to pay their employees, and let them work that out.

We do that for small business. We do it for farms. We do it for General Motors. We even do it for banks. But apparently we are not willing to do it for a U.S.-headquartered international organization in Washington, D.C., the International Monetary Fund.

That is the principle: Free enterprise; free markets for Americans everywhere, unless you happen to be an employee of the International Monetary Fund in Washington, D.C. It seems to me that this goes against every principle of the free market in which most of us say we believe.

We could set the salaries far lower, I suppose, if we wanted to, of any of these organizations. Maybe that would save money. Of course, it might also have the effect of making it impossible for them to hire anybody.

I do not know what the intent of this amendment is. But we should not adopt, Mr. President, with respect to entities that are not part of our judicial, executive, or legislative branches what you might call the extraterritorial application of what we do to ourselves.

We, as I said a moment ago, do not set wages, or prices for that matter, for institutions, corporations, or businesses that are in this country, but if there is an international organization apparently we have a different standard. Who knows, maybe the next amendment will be to set the salaries of the people who work at the Red Cross or the Salvation Army and maybe because they serve poor people we should set their salaries low.

But the International Red Cross is an international organization and why it is not covered in this amendment makes me wonder about the consistency of it.

Mr. President, the fact is that this amendment represents a terrible principle which I hope I never see this body adopt, and I oppose it frankly not on the merits of whether the people at the IMF have high salaries or low salaries, but on the basis of the principle that the only place that this body should be setting salaries is for the U.S. Government, and this clearly does not meet that test. If we violate that principle, then tomorrow we will be expanding that principle to every organization, not just international oganizations, but every nonprofit organization and ultimately every business organization in the United States. That is a Pandora's box that we open at great peril.

Mr. President, it is not as if the level of compensation at the IMF or other international financial institutions for that matter has been ignored as an issue by the U.S. Government.

We are one of many, many members of the IMF. We have some influence there. And we do pay attention to the way that organization is managed.

As a result of that concern of our Government, the IMF and for that matter the World Bank created an international committee of experts in 1977 to examine the basis on which IMF compensation should be established.

Our Government representatives, Mr. President, were active participants on that committee. It met extensively over an 18-month period for 2 years. It was assisted in its deliberations by management consulting experts, American as well as British, and as a result of that committee's deliberations and recommendation IMF salaries are based on those paid in the United States in public and private sectors for comparable jobs.

Mr. President, that is a perfectly reasonable way for an organization to go about setting its executive salaries and other compensations.

For us to go farther than to insist upon a rational mechanism, it seems to me is not only irrational but also a dangerous principle, the end to which would not soon be in sight.

So, Mr. President, I ask my colleagues to defeat the Humphrey amendment. It is my intention to make a motion to table. But if there are any other Members wishing to speak on the Humphrey amendment, I urge them to do so at this time.

Does the Senator from New Hampshire wish to speak further on his amendment?

Mr. HUMPHREY. Yes. I am exercising my right.

Mr. President, I wish to make a very clear distinction between the nature of the IMF and the private firms and for that matter charitable organizations. The IMF obviously is not a private organization. It does not generate profits out of which salaries are paid. Congress is not, in trying to reform the salary levels of IMF, proposing to set wage levels of private organizations. Nothing could be farther from that situation.

Likewise, the IMF, although charitable in a certain nature, much too charitable in fact, is not the same kind of a charity as is the Red Cross and the Salvation Army. What is the difference? The difference is that the Salvation Army and Red Cross and other truly charitable organizations derive their funds from citizens who freely give and the situation with the IMF is quite different.

There are no Americans queuing up to make a voluntary contribution to the IMF. Instead Congress is going to use the taxing powers of the United States, the taxing powers of the Federal Government to take from citizens most of whom would not give a nickel or a penny to this organization; the Federal Government is going to use its taxing powers to take the property of their labor and hand it over to the IMF who will then disburse it as though it is a charity but, of course, it is not a true charity because it is funded involuntarily and we are not proposing to set the salary levels for a charity or a private profitmaking organization. Instead, we are proposing to set the salary levels or reform the salary levels or bring them into a reasonable level of an organization that is funded by taxes raised among the people of the United States, among others.

So it is quite different, I think, than the situation described by my friend from Pennsylvania. I will say that I was delighted, although not in the least surprised, to learn that the Senator from Pennsylvania is a strong advocate of the free enterprise system. I would hope that would run in his family, and I imagine it does. I believe it does.

But this organization, the IMF, has nothing whatever to do with the free enterprise system in this country or anywhere else in the world, nothing whatever. It is completely the opposite of that situation.

The IMF is a substitute for the allocation of resources by the marketplace.

The Senator from Pennsylvania believes in the free enterprise system. He believes in letting scarce resources be allocated by marketplace forces and not by politicians. Yet precisely what we are being asked to do today in this bill is to empower politicians and bureaucrats to allocate scarce resources. In this case we are being asked to allocate to provide to IMF $8.4 billion ultimately in real American assets, not just papers, real cash, taxed from our citizens or borrowed from them, one of the two, to turn that over to the IMF to be disbursed as the bureaucrats, some of whom are politicians in my view, of that organization see fit.

That is allocation of resources by bureaucracy. That has all the trappings of socialism and central planning and will yield, as it has yielded in the past, all of the fruits of central planning and allocation by bureaucratic fiat which is, namely, lower production, a lower standard of living for our people, and all kinds of economic difficulties.

So, it does seem to me that the Senator is inconsistent in urging that we embrace the free enterprise system when, it fact, the IMF from A to Z is completely against the free enterprise system, is supposed to be.

Mr. HEINZ. Mr. President, it seems that all the Senators desiring to speak on this motion have done so. I shall make the motion to table in the expectation we will vote on it at 4:30 p.m.

Mr. President, I ask for the yeas and nays on the motion to table.

The PRESIDING OFFICER. Does the Senator make a motion?

Mr. HEINZ. The Senator from Pennsylvania moves to table the Humphrey amendment and asks for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HEINZ. Mr. President, I understand, with the concurrence of the majority and minority leaders, that we could take up another amendment at this time, but I see no Senators seeking to offer other amendments at this time.

Mr. HUMPHREY. Mr. President, if the Senator from Pennsylvania will yield, I know the Senator from North Carolina was prepared to offer an amendment.

Mr. HELMS addressed the Chair.

Mr. HEINZ. Mr. President, I ask unanimous consent that the Humphrey amendment be temporarily laid aside, in accordance with the previous agreement, and that it be in order to proceed to an amendment that I understand will be offered by the Senator from North Carolina.

The PRESIDING OFFICER (Mr. WILSON). Is there objection? The Chair hears none, and it is so ordered. The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, I thank the able Senator from Pennsylvania and I thank the Chair for recognizing me.

I listened with great interest to the debate thus far. You will recall yesterday the distinguished Senator from Montana (Mr. MELCHER) commented that this whole concept of the International Monetary Fund is absurd. He said we lend them money to buy things from us.

I am reminded of the plight of various countries—and it might be applicable to our own as well—by my recollection of Tennessee Ernie Ford. He used to sing a song about 16 tons. He said:

Sixteen tons and what do we get?
Another day older and deeper in debt.
St. Peter, don't call me because I can't go,
I owe my soul to the company sto'.

That is what is happening, except that the taxpayers of the United States are unknowingly picking up the tab on this and a lot of other things.

I said yesterday if the average men and women on the street really understood what is being done here they might organize a posse and take off after those of us in Congress.

AMENDMENT NO. 1296 (AS MODIFIED)

(Purpose: To condition the receipt of financial assistance from the International Monetary Fund on the elimination of predatory export subsidy practices in connection with international trade in agricultural products)

Mr. HELMS. Mr. President, I have an amendment at the desk which I call up and ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an amendment numbered 1296, as modified.

Mr. HELMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDENG OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 9, line 7, strike out the closing quotation mark and the second period and insert in lieu thereof the following:

"SEC. 45. (a) In order to contribute to global economic stability through a cooperative framework for the conduct of a free and market oriented system of world trade in agricultural commodities and products thereof, the Secretary of the Treasury shall instruct the United States Executive Director to the Fund to propose and to vote for the adoption by the Fund of the following policies with respect to any purchases, drawings, or other use of Fund resources (including loans under the General Arrangements to Borrow), by members, except for purchases or drawings within a member's reserve tranche:

"(1) That as a condition of receiving Fund resources, a member must present to the Fund information describing all direct or indirect export subsidies, including among other things the use of special tax incentives and subsidized financing for exports, employed by such member in connection with the exporting of agricultural commodities and products thereof to foreign countries.

"(2) That as a further condition of receiving Fund resources, if it is determined by the Fund that the export subsidies being employed by such member are predatory export subsidies and the U.S. Executive Director to the Fund has been advised by the Secretary of Agriculture, after consultation with the United States Trade Representative, that such subsidies have an adverse impact on United States exports of agricultural commodities and products thereof, such member must agree to a specific program of steps to eliminate expeditiously such predatory export subsidies over a period of time not to exceed three years.

"(b) For purposes of subsection (a) of this section, the term 'predatory export subsidies' means the provision by any country or organization of countries, or instrumentality thereof, of any financial assistance through loans, payments, or comparable means (including the use of special tax incentives or subsidized financing for exports) to any person in connection with the export sale to a third country of agricultural commodities and products thereof produced in such country or organization of countries, that has the effect of lowering the export price, directly or indirectly, of such commodities and products thereof to less than the highest comparable price that a like commodity or product thereof produced and processed in the United States could be exported to the same third country in the ordinary course of trade.

"(c) Not later than January 1, 1985, the President shall prepare and transmit a report to Congress setting forth his determination on whether the Fund has adopted and fully implemented the policies set forth in subsection (a) of this section. If the President determines that the Fund has not adopted the policies set forth in subsection (a), or that the Fund has adopted but not fully implemented the policies set forth in subsection (a), the President shall take immediate action to suspend United States participation in the Fund. Within thirty days after any such suspension, the President shall prepare and transmit a report to Congress setting forth his recommendations with regard to any further United States participation in the Fund, and, such suspension shall continue in effect until there is enacted specific authorization for further United States participation in the Fund.".

Mr. HEINZ. Mr. President, does the Senator from North Carolina have an extra copy of the amendment?

Mr. HELMS. Yes. I believe it has been handed to either the Senator or his staff.

Mr. HEINZ. Do I understand the Senator has sent to the desk a modified amendment?

Mr. HELMS. The modification I propose simply conforms the amendment to the printed version of the bill, S. 695, by changing the line number where the amendment is to be inserted.

Mr. President, this amendment would add a new section to the Bretton Woods Agreements Act to require that the U.S. Executive Director to the Fund propose and vote for the adoption of certain policies applicable to member purchases or drawings from the Fund above their reserve tranche level.

These policies would require that any member seeking access to Fund resources provide information to the IMF describing all direct and indirect export subsidies being used by that member in connection with agricultural exports. This would include the United States as well, to the extent that our Government may seek to borrow from the IMF above our reserve position at any future time.

In addition, if the Fund determines that the members' trade practices involved the use of predatory export subsidies, and the U.S. Executive Director of the Fund has been advised by the Secretary of Agriculture, after consultation with the U.S. Trade Representative, that the subsidies have a serious adverse impact on U.S. agricultural exports, the member must agree to the elimination of the predatory export subsidies within a period of 3 years as a condition to receiving resources from the International Monetary Fund.

There is nothing complicated about this proposal, Mr. President. This amendment would attempt to restore free and fair trade in agricultural export markets by conditioning the receipt of IMF assistance on the elimination of export policies that are disruptive of foreign trade in agricultural products and destructive of international prosperity.

Let me say that my intent, as I have expressed it in this amendment, is consistent with the underlying objectives set forth in the articles of agreement forming the IMF, and this amendment is consistent with the free market philosophy that we are told pervades the IMF. Nevertheless, adoption of this amendment is necessary because in actual practice, as all Senators should know, the International Monetary Fund has not—and I reiterate for the purpose of emphasis, the IMF has not—gone far enough in its efforts to achieve these objectives.

The amendment pending also defines the term predatory export subsidies in order to clarify specifically what type of trade practices are being objected to. As defined, this would include any financial assistance such as loans, direct payments, subsidized interest rates, tax incentives or similar means being made directly or indirectly by the borrowing member to any person in connection with agricultural exports to a particular market that has the effect of reducing the export price of the products involved to less than the highest comparable price that a like product produced and processed in the United States could be exported to the same market in the ordinary course of trade.

Let me digress, Mr. President. This past November President Reagan and Ambassador Brock and others urged me to go to Switzerland to attend the GATT Ministerial during Thanksgiving week. I did not want to go because I had looked forward to spending that week with my four grandchildren in North Carolina. But, I suppose that they wanted the rough element represented there to lay down the law as best I could do it to various nations and, in particular, to the European Community nations which are constantly and arrogantly using unfair predatory export subsidies in connection with trade in agricultural products.

It turned out that the GATT Ministerial in terms of getting anything done was almost meaningless because these nations do not take the United States seriously. They almost arrogantly disregard any suggestion that the matter be discussed.

I think Senator GRASSLEY, who was on the trip, Senator MATTINGLY, who conducted himself so ably there, Senator DOLE, and others will agree with me that something serious needs to be done about the existing situation because we are sitting here letting our farmers be patsies to subsidized trade by the European Community and others.

We all go home and tell our farmers, "We are going to look after you the best we can." and I suppose we all mean it—I know I do. I say to Senators if you do mean it then you had better vote for this amendment because the farm community in this country will be watching the vote on this amendment with great interest.

Mr. President, I realize that the task of defining unfair export subsidies has been a rather difficult and perhaps elusive one for the existing international trade organizations such as GATT. It is for this very reason that I have rejected the idea that the conditionality requirement of this amendment be tied only to subsidy practices determined to be inconsistent with the GATT or other international agreements.

Instead, through this amendment, I propose that we adopt the more logical approach of using the U.S. export price as the yardstick for making the determination. That is, since U.S. farmers are the most efficient farmers in the world, and the U.S. domestic prices for agricultural products tend to be among the world's lowest, this amendment defines as predatory export subsidies those practices which lower the export prices of commodities to a point below the export price to the same market for a comparable U.S. produced product marketed in the ordinary course of trade.

If there is a better way to do it, Mr. President, it has not come to my mind, nor has it come to the mind of any member of the Senate Agriculture Committee, of which I have the privilege of being chairman.

Finally, recognizing that the United States has only about 20 percent of the voting power in the IMF, and, thus, could easily be blocked in its efforts to get these important policies adopted, the amendment would require that the President take action to suspend U.S. participation in the Fund by January 1, 1985—more than 1½ years down the line—if the President determines that the Fund has failed to adopt these new policies by that time.

The President would also be required to report to Congress within 30 days after such suspension his recommendations for further U.S. participation in the IMF. The suspension would then remain in effect pending congressional action on the President's recommendations.

Mr. President, the United States is the single largest contributor to the IMF by far. Currently, the United States share of total IMF quota contributions is about 20.7 percent, if my information is correct, and I think it is.

Based on April exchange rates, this reflects a commitment of about $13.6 billion of the American taxpayers money.

It is not the money of Congress. It is not the money of any administration. It is not the money of the State Department or the Treasury Department. It is the money of the American taxpayers.

The next largest contributor, by the way, is England, with about a 7.2-percent share compared to the 20.7 percent share of the United States. Third, Mr. President, is West Germany, with a 5.3-percent share of the total.

The point I am trying to emphasize is that the International Monetary Fund is highly dependent upon U.S. participation. In fact, it probably could not exist as it exists today without the U.S. contribution. For this reason, I do not think the circumstances on January 1, 1985, will be such as to require the suspension called for in this amendment.

Let me digress once more, Mr. President.

During my stay in Geneva during Thanksgiving week 1982, I met with dozens of officials of other countries. An official of a very friendly country said:

> I do not understand you Americans. Here you are, Senator Helms, in Geneva, wondering why the European community is arrogantly ignoring U.S. requests to talk about unfair subsidized trade practices by the European Community and by other nations. But you do not do anything about it. You just talk.

He said:

> Why do you not use your clout with the International Monetary Fund? Then you will get their attention, Senator. And you are not going to get their attention otherwise.

I concluded, Mr. President, he was absolutely right. That is the reason this amendment is pending in the Senate today.

There are not many Senators on this floor. I hope some may be listening in their offices over the loudspeakers. But I say to them with all courtesy, respect, friendship, and affection, this is put-up or shut-up time with respect to doing the best we can for the American farmer.

What we do on this amendment will not escape their attention.

I believe it is essential to include the suspension language in the amendment in order to impress upon all of the IMF members, every one of the member countries, that the United States at long last is dead serious about this issue of linkage between monetary aid and fair trade in agricultural export markets.

I do not apologize to anybody for saying that it is time for us to plant the flag and take a position.

The timing for this amendment to be adopted by the Senate could not be more appropriate than it is this very day.

Just a week ago, the Williamsburg Economic Summit meeting took place. Of course, I commend President Reagan for his masterful handling of that meeting. But this point must be made: The outcome, as far as resolving agricultural trade issues, was disappointing.

I hope I do not have to present any credentials to indicate my support for Ronald Reagan. I have been supporting him for a long time. But I wrote him and I have told him that the performance at Williamsburg was disappointing insofar as what was not done for the American farmer and comity in world agricultural trade.

I note that in a May 31 Washington Post article about the summit, it was stated that,

> The French did succeed in having agriculture removed from * * * the communique. But the others succeeded, over French opposition, in including trade in services and in high technology products among the issues to be pursued by both the GATT and OECD.

The PRESIDING OFFICER. The Chair regrets interrupting the Senator from North Carolina in order to respect the previous order, which calls at this hour, 4:30 p.m. having arrived, for a vote on the motion to lay the Humphrey amendment on the table.

Mr. HELMS. Mr. President, I shall be through in just a moment and I ask unanimous consent that I be allowed to continue for 5 more minutes.

The PRESIDING OFFICER. Is there objection? There being no objection, it is so ordered.

Mr. HELMS. I thank the Chair.

Mr. President, if you read that quote from the Washington Post article of May 31 to which I have just alluded, you see that the French avoided the export subsidy issue as the French have been doing for so long: they succeeded in having agriculture removed from the communique. This avoidance of the subsidy issue is what has been going on the full while, not only with France but with other countries in the European Community and in other places around the world.

The fact that agriculture is not mentioned in the communique obviously causes great concern with this Senator. Without a firm commitment from the administration and the GATT member nations to even discuss this issue and to agree to carry it to resolution, through bilateral and multilateral negotiations in the form of a work program, the Congress simply has no recourse but to mandate through statute certain unilateral actions to nullify the effect of the subsidies.

Mr. President, the Williamsburg summit was not the first time the United States has raised this matter with our trading partners. Several unfair trade practices petitions filed by U.S. agricultural groups are presently pending at various stages in the GATT process. In addition, a major effort was made by the United States during the GATT Ministerial Conference last November to discuss the issue with the Europeans, but to no avail. I attended those discussions and can report that our efforts to get the Europeans to agree to a work plan to resolve these issues were rejected out-of-hand. Some discussions have taken place since November, but the bottom line is that the Europeans, and other countries using unfair export subsidies, simply have not indicated any resolve to work toward the elimination of these practices.

These issues have also been examined in detail by the Senate Agriculture Committee, of which I am the chairman, and a bipartisan measure to authorize certain U.S. responses to such practices was reported to the Senate by the committee on March 16 of this year. That bill, S. 822, is currently pending on the Senate Calendar.

Mr. President, for the United States, the stakes involved in this export subsidy dispute are very high. At issue is the welfare of our agricultural industry and jobs. Yes, jobs—25,000 lost jobs for every $1 billion in lost export sales.

The value of U.S. agricultural exports fell from $43.8 billion in fiscal year 1981 to $39.1 billion in fiscal year 1982, the first year-to-year decline since 1969. Export values are expected to decline to $36 billion this year. These figures translate to the loss of nearly 200,000 jobs for Americans since 1981, due in great measure to the impact on U.S. agricultural exports of the predatory export subsidies being employed by the competitor nations.

To be blunt, Mr. President, a vote against this amendment is a vote for continued losses of export markets for U.S. agricultural products due to unfair export practices and for fewer jobs. A vote for this amendment is a vote against continued use of the predatory export subsidies that have been so harmful to U.S. agriculture and against higher unemployment.

Mr. President, some of the very nations that are devastating U.S. agricultural exports with their predatory subsidies have at the same time turned to the IMF, as in the case of Brazil, or are likely to turn to the IMF in the near future, as in the case of France, to bail them out of their monetary problems, brought on in great measure by irrational and poorly conceived economic policies.

I see no reason why the United States should continue to divert its increasingly limited resources to aid the economies of nations that in turn are pouring massive amounts of their own resources into export subsidies that adversely impact on the U.S. economy. The use of these export subsidy practices simply must be brought under control by the competitor nations if the United States is to be expected to continue providing assistance to these same nations in their times of economic need.

Clearly, then, when nations suffering from economic and monetary problems seek help from the IMF it is completely reasonable to require that the use of such practices be examined and that conditions be imposed to bring about the termination of export policies that lack economic value—particularly when those policies adversely impact on the economy of the United States. This is exactly what I propose be done.

Mr. President, as I pointed out previously, the adoption of this amendment is consistent with the current policies of the IMF to impose conditionality requirements on members seeking access to Fund resources above the reserve tranche level. It simply adds a new and very important dimension to that conditionality that will take into account the economic value of export policies being used by members seeking IMF assistance and the extent to which those policies adversely impact on agricultural exports from the Fund's largest contributing member.

Let me point out that the subject of unfair export subsidies was discussed in the Agriculture Committee's report on S. 822—Senate Report No. 98-27—and in my statement that accompanied introduction of amendment No. 1296. These materials are most informative on this subject, and I commend them to interested Senators.

Finally, Mr. President, I offer this amendment because it is absolutely necessary to put U.S. agricultural policy on a correct course. I do not believe that any observer or analyst would dispute the fact that the massive export subsidies employed by competitor nations are a substantial reason why the value of wheat and some other commodities has fallen below what it would otherwise be—and in many instances below the cost of production in the United States.

The massive worldwide oversupply of virtually all farm commodities is the result of a number of factors, of course. One significant factor is the fact that the U.S. loan rate creates a worldwide floor for grain prices. When the United States creates a price "umbrella," it induces overproduction worldwide. This trend began in the late 1970's, when the U.S. loan rates began to climb higher and higher—after they had substantially declined during the late 1960's and early 1970's leading up to the 1973 adjustment in U.S. farm policy incorporating the target price concept as the principal farm income support. Then, in 1980, just when worldwide production had been induced higher and higher because of the increased U.S. loan rates,

the Carter administration imposed its grain embargo on the Soviet Union.

The Carter administration and Congress then increased the loan rates even more—with the idea to "help" farmers cope with the embargo. Well, in fact, these increases in the loan rates actually served to induce even greater production from United States and foreign farmers and principally served to exacerbate the already tremendous surpluses and oversupplies worldwide.

During this time, the EEC and other nations disposed of their surpluses with the massive use of export subsidies, in effect, dumping their surpluses on world markets.

It just seems irrefutable to me that it will be impossible for the world agricultural economy to right itself without the end to these massive export subsidies. U.S. reductions in production will not do the job—unless we are prepared to virtually withdraw from foreign markets, and that is just not acceptable. Of course, it will be necessary for our loan rates and target prices to be at market clearing levels, but it is absolutely essential that predatory foreign export subsidies be eliminated or U.S. efforts to adjust loan rates and target prices and to employ production controls will prove to be insufficient to achieve profitability in the production of agricultural commodities.

Needless to say, Mr. President, I feel very strongly about this amendment and I am prepared to discuss it further. But now, in view of the unanimous-consent request, I yield back the remainder of my time.

I thank the Chair.

AMENDMENT NO. 1305

The PRESIDING OFFICER. The question is on agreeing to the motion to lay the Humphrey amendment on the table. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BAKER. I announce that the Senator from Kansas (Mr. DOLE), the Senator from Arizona (Mr. GOLDWATER), the Senator from Pennsylvania (Mr. SPECTER), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska (Mr. STEVENS) would vote "yea."

Mr. BYRD. I announce that the Senator from Montana (Mr. BAUCUS), the Senator from Texas (Mr. BENTSEN), the Senator from New Jersey (Mr. BRADLEY), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Connecticut (Mr. DODD), the Senator from Missouri (Mr. EAGLETON), the Senator from Colorado (Mr. HART), the Senator from Alabama (Mr. HEFLIN), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from New York (Mr. MOYNIHAN), and the Senator from Rhode Island (Mr. PELL) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL), would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 55, nays 26, as follows:

[Rollcall Vote No. 118 Leg.]

YEAS—55

Andrews	Grassley	Proxmire
Baker	Hatfield	Pryor
Biden	Hecht	Quayle
Bingaman	Heinz	Riegle
Boren	Inouye	Roth
Boschwitz	Jackson	Rudman
Chafee	Johnston	Sarbanes
Chiles	Kasten	Sasser
Cochran	Lautenberg	Simpson
Cohen	Leahy	Stafford
D'Amato	Levin	Stennis
Danforth	Lugar	Tower
Dixon	Mathias	Trible
Domenici	Matsunaga	Tsongas
Durenberger	Metzenbaum	Wallop
Exon	Murkowski	Warner
Garn	Nunn	Weicker
Glenn	Packwood	
Gorton	Percy	

NAYS—26

Abdnor	Hawkins	Mitchell
Armstrong	Helms	Nickels
Bumpers	Humphrey	Pressler
Burdick	Jepsen	Randolph
Byrd	Kassebaum	Symms
Denton	Laxalt	Thurmond
East	Mattingly	Wilson
Ford	McClure	Zorinsky
Hatch	Melcher	

NOT VOTING—19

Baucus	Eagleton	Long
Bentsen	Goldwater	Moynihan
Bradley	Hart	Pell
Cranston	Heflin	Specter
DeConcini	Hollings	Stevens
Dodd	Huddleston	
Dole	Kennedy	

So the motion to lay on the table Mr. HUMPHREY's amendment (No. 1305) was agreed to.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. PROXMIRE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, if I could have the attention of the managers and other Members, it is 5 p.m. now and it will be the intention of the leadership on this side to ask us to go a little while longer, maybe to 6 or 6:30 p.m., if we could make good progress on this measure. We are making progress now.

I inquire of the two managers if they think they could handle another amendment or two in the course of the next hour or hour and a half.

Mr. HEINZ. Mr. President, if the Senator will yield, there is an amendment pending offered by the Senator from North Carolina.

I would hope and anticipate that we might proceed to dispose of that with a vote by 5:30 p.m.

Mr. BAKER. I thank the Senator.

Mr. HEINZ. And it would be, I think, quite possible to take up one more amendment and dispose of it by 6:30 p.m. That is not impossible.

Mr. BAKER. Mr. President, I see the senior Senator from New Hampshire is in the Chamber. Could I inquire of the Senator if he has another amendment that he would be willing to call up this afternoon?

Mr. HUMPHREY. Yes.

Mr. BAKER. Could the Senator give me some idea how long he might require to debate the amendment?

Mr. HUMPHREY. For my part it would require not more than 10 minutes, I would say.

Mr. HEINZ. Mr. President, I am advised that the Senator from Georgia (Mr. MATTINGLY) also has an amendment that also could be disposed of quite promptly.

Mr. BAKER. Very well.

Mr. President, it looks like we might be able to do as many as three more amendments. That means another rollcall or two, maybe three. But Senators should be advised that there is a high likelihood of at least one more record vote and we will be in for another hour and a half approximately.

I thank the Senator.

AMENDMENT NO. 1296, AS MODIFIED

Mr. HELMS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is amendment No. 1296, as modified, offered by the Senator from North Carolina.

Mr. HELMS. I thank the Chair.

Mr. President, I ask unanimous consent that the distinguished occupant of the chair, Mr. WILSON, be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. I thank the Chair.

Mr. HEINZ. Mr. President, some of us wish to speak on the amendment.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. HEINZ. I thank the Chair.

Mr. President, I rise in opposition to the amendment of the Senator from North Carolina, and I do so notwithstanding the fact that what the Senator from North Carolina is attempting to do is quite attractive.

I happen to share the concern of the Senator from North Carolina about the impact of foreign agricultural subsidies on U.S. farm exports. But I am concerned that the amendment that he has proposed reflects a basic misperception about the role of the IMF and our role in the IMF that could be counterproductive.

I alluded yesterday in my introductory remarks to the fact that the International Monetary Fund already plays an important role in encouraging an open trading system. So it does.

In fact, a standard performance criterion in IMF programs is a prohibition on the introduction or, for that matter, on the intensification of restrictions on trade and payments.

Second, this goes to the heart of the Senator's amendment. The IMF actively encourages members to eliminate existing restrictions by relying on more efficient market-oriented measures.

In other words, it discourages direct Government intervention, such as subsidies, such as performance requirements, such as quotas, in favor of market measures such as exchange rate changes.

Of 38 recent International Monetary Fund conditionality programs, 30 included positive reform or liberalization of the borrowers' exchange or trade systems.

Clearly, we should encourage the IMF to do more to promote a fairer international trading system, and the International Monetary Fund legislation before us does contain a provision designed specifically to achieve that objective.

However, no matter how much I may agree with the intent of the Senator from North Carolina in what he wishes to achieve, namely, a more open international trading system, one free of agricultural subsidies, such as those used by our friends in the Common Market, such as those used by the Brazilians, on any number of products including manufactures as well as agriculture, nonetheless, I am afraid that the proposed amendment goes too far and could hamper efforts to achieve the objectives which the sponsors seek.

I am afraid that it may be unrealistic to expect that we can overnight eliminate agricultural subsidies. I would like to be able to do it. It would be nice if we could do it. But a practice that has been in effect for 20 or 30 years, such as our dairy program, or the common agricultural program in the European Community is probably going to be around, even if we can minimize it, for more than just another 6 months or a year.

What happens is that such subsidies are major political issues in the countries that maintain them, and those nations obviously feel they have a right to control their own resources, their own agriculture.

And let me put it this way, Mr. President: If the United States were in the position of having to go to the International Monetary Fund as we did frequently in the sixties and early seventies—we are the second largest user of the IMF—would we be willing as a condition of going to the International Monetary Fund to eliminate our tobacco program—I choose that one randomly, of course—our peanut program, our dairy program, our wheat program? Would we be willing to just get rid of all those programs as a condition of going as we did in the sixties and early seventies to the IMF?

The answer is, I think we would be very hard put to agree to change everything that we have built up over decades.

Mr. President, we did not necessarily want it this way, but the fact is that agricultural export subsidies are permitted under the GATT, provided that countries do not take more than an equitable share of the world market, or result in prices materially below other suppliers in a particular market.

The GATT already provides a mechanism which the United States is actively using for dealing with such problems and that is the appropriate forum for dealing with this issue. That mechanism is embodied in section 301 of the Trade Act of 1974. In addition, we are using ongoing bilateral channels for resolving problems in this area.

Further, Mr. President, the International Monetary Fund simply does not have the mandate or the expertise to determine what is, under the terms of the amendment of the Senator from North Carolina, a predatory export subsidy, notwithstanding the fact that he does provide a definition in his bill. Furthermore, our Executive Director, the U.S. Executive Director, is not in a position to assess whether such subsidy has a serious adverse impact on American farmers.

Finally, it is this Senator's judgment, perhaps others will concur, that the standard proposed in the amendment is so broad as to encompass any commodity sold anywhere in the world at prices below those in the United States.

Mr. President, I said a moment ago that I certainly have sympathy for the objectives of the amendment, but my sympathy for the amendment itself ends when I read the last paragraph of the amendment which says that by the end of 1984, roughly 18 months from now, the President not only has to prepare and transmit a report to Congress, determining whether or not the International Monetary Fund has adopted and fully implemented the policies set forth in this amendment; but further if he determines that the Fund has not fully implemented the politics set forth in this amendment, the President shall immediately suspend U.S. participation in the International Monetary Fund.

(Mr. DURENBERGER assumed the chair.)

Mr. HEINZ. Mr. President, that judgment would have to be made by the President 18 months from now, and it is not possible. It is unrealistic to even wish that all of the subsidies to which we object, let alone all of those which exist, would be eliminated within the terms of the Senator from North Carolina's amendment.

As a result, Mr. President, this amendment really would force the United States to withdraw unilaterally from an institution which has been a cornerstone of U.S. foreign economic policy for 40 years and which is at the heart of international efforts to deal with current economic and financial problems.

Mr. President, the International Monetary Fund, as I said yesterday, is the international turnaround expert. We are a very important player, therefore, in those turnaround operations. The jobs of millions of Americans who are working today depend upon our continued ability to export to the member nations of the IMF and to the member nations who are taking advantage of IMF bridging loans. Were this country to withdraw, one of two things would happen: Either we would take our money out of the IMF, and it is a very big chunk indeed, and the IMF might be forced to suspend its role, possibly creating an international catastrophe, or, Mr. President—and here I am really not sure what the Senator from North Carolina intends—the United States will withdraw from the IMF and leave its money that is already there, a considerable amount, and we will lose any voice over the conduct, not just of the IMF but how the money that we put into the IMF in fact is managed for the future.

Remember, Mr. President, all the money that has ever been committed to the IMF by the United States is in a revolving fund. The IMF has never suffered a failure to repay by a borrowing country. So we have a lot in there right now, and maybe the Senator from North Carolina can, if he would be so kind as to respond, enlighten me as to whether he would intend to take all our money out of the IMF when we withdraw or what his intentions would be? Would he respond to that question?

Mr. HELMS. I would like to respond to a number of things the Senator has said.

Mr. HEINZ. The Senator from Pennsylvania understands that and will certainly finish his statement. But I was wondering if he would respond to the question.

Mr. HELMS. As the Senator from Pennsylvania knows, it is not going to happen because you had better believe that these offending countries are going to get the message. They cannot operate in the International Monetary Fund without the United States. The Senator knows that, and all this Senator from North Carolina is saying is let us send them a message which will be unmistakable.

Before the Senator regains the floor, I notice in a random selection of commodities he mentioned tobacco and peanuts. He did not mention poultry. There is a great deal of poultry in Pennsylvania and in North Carolina. Senator, the poultry people in North Carolina are not enthusiastic that this amendment has a 3-year phasedown. They say to me: "Senator, we can't last 3 more years" I am sure they are saying that in Pennsylvania as well.

So I say to the Senator from Pennsylvania I understand his need to defend this piece of legislation. But if we do not do something along the lines of the amendment pending, farmers are simply going down the tube.

Mr. HEINZ. Mr. President, I thank the Senator from North Carolina for his response.

I would say to him that when I said I have sympathy with the objectives of his amendment it was not empty rhetoric. I do, and I share his goals. I just do not happen to think that his amendment as drafted on this bill is the way to achieve it. But I do intend, at the appropriate time, to offer a substitute amendment for the amendment of the Senator from North Carolina which I hope the Senator from North Carolina would consider supporting even though it is somewhat different from his amendment. I know he will reserve judgment on that until he sees the amendment, and he should appropriately do so.

Mr. HELMS. The Senator can count on that. Any remedy for the situation is suitable for the Senator from North Carolina. I have no pride of authorship in the amendment. If the Senator can improve on it and get the job done, fine.

Mr. HEINZ. I thank my friend from North Carolina. I yield the floor.

Mr. PROXMIRE. Mr. President, I have great respect and affection and admiration for my good friend from North Carolina.

I might call his attention to the fact, however, on page 7, line 16 and following, the committee has tried to do much of what the Senator is offering in his amendment. They adopted the Mattingly-Riegle amendment, and I want to read that amendment, it is short, only takes a minute or two to read, and I think it does help to take us a long way toward trying to reduce these predatory practices, these restrictions on trade, which are so unfortunate. It reads as follows:

SEC. 102. The Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"SEC. 43. (a) The Secretary of the Treasury shall instruct the United States Executive Director to the Fund to present proposals to the Executive Board of the Fund for the purpose of ensuring that each member country using fund resources takes steps to eliminate expeditiously all import restrictions which are inconsistent with the General Agreement on Tariffs and Trade, or other international agreements, and which have a serious adverse impact on United States exports or employment. The United States Executive Director shall consult with the appropriate Committees of Congress prior to voting for any program which would be inconsistent with the above instructions.

"(b) As part of this effort, the United States Trade Representative, the Secretary of Labor, and the Secretary of Commerce shall inform the United States Executive Director to the International Monetary Fund and the Congress of all import restrictions and export subsidies maintained by member countries of the Fund which have a serious adverse impact on exports from or employment in the United States.

I repeat that part, "that the Trade Representative shall inform the Congress of all import restrictions and export subsidies maintained by member countries of the Fund which have a serious adverse impact on exports from or employment in the United States."

Then that section concludes by saying:

"(c) The Secretary of the Treasury shall transmit to the appropriate committees of Congress an annual report on the success in reducing or eliminating the restrictions referred to in subsection (a).

So this bill already attempts to deal with this and I think does so in a responsible and effective way. It does not require the United States to withdraw from the International Monetary Fund if its provisions are not adopted but it takes steps which, it seems to me, would be effective without that kind of an unfortunate threat which the Senator from North Carolina says he did not think we would have to carry out in any event.

Mr. President, agricultural subsidies are just a legal nightmare worldwide. The U.S. subsidizes agricultural exports. GATT discussions have considered including agricultural subsidies and, as I say, our remedy is not to withdraw from the IMF but to work to eliminate subsidies.

What bothers this Senator is the wording of the amendment is so broad that it could be very, very embarrassing to us.

I call the attention of the Senate to the fact that in a March release of the U.S. Department of Agriculture, it is pointed out that we today provide subsidies for our agricultural exports. That backgrounder from the Department of Agriculture says the following:

The program was announced last October 20 at $1.5 billion over 3 years. One-hundred million dollars in direct, interest-free CCC credit was to be blended with $400 million in credit guarantees during fiscal 1983, with like amounts for each of the next 2 fiscal years.

Then a further release by the Department of Agriculture on March 11:

Secretary of Agriculture John Block today announced a new $255 million package of blended credits and credit guarantees for agricultural exports to Portugal. These include approximately 1.25 million tons of feedgrains, 250,000 tons of wheat and 300,000 tons of oilseeds.

Mr. President, this country is by far the biggest exporter of agricultural products in the world. It is the most important element in our trade situation that gives this country a benefit in international trade. And it has really exploded in recent years. I think few people in the country realize how enormously helpful the American farmer is to us in providing food that is sold abroad.

The U.S. trade—now listen to these figures—the U.S. trade surplus in agriculture grew from $1.6 billion in 1970—that is only 12 years ago—to over $24 billion in 1982. So in 12 years, we have had our trade surplus in agriculture explode. Now this is at a time when we have an adverse balance of trade with many countries, when we suffer an adverse balance of trade in manufacturing and many other respects. But in agriculture we have this enormous benefit. So talk about shooting yourself in the foot.

This amendment, if it is passed, would, No. 1, take us out of the International Monetary Fund which has served our interests and served the interests of countries throughout the world I think with great skill. In the second place, it would provide the basis for other countries to attack our agricultural exports, which are so absolutely vital for our economy and so very useful to us, when we, as I say, have a surplus that has grown from $1.6 billion to $24 billion. As I multiply that out that means we have increased our surplus 15 times. I do not think there is any country in the world that has that kind of a record.

So, Mr. President, it seems to me it would be most unfortunate to us from every standpoint, and especially from the agricultural standpoint, for us to adopt the amendment of the very able Senator from North Carolina, the chairman of the Agriculture Committee. I think the language we have in the bill at the present time is good language, strong language, language that will enable us to act effectively in reducting the export subsidies both here and abroad and in negotiating with other countries to do this in a responsible way and without a threat which,

if we were pressed to exercise, would be very pernicious from our own standpoint.

Mr. HELMS. Mr. President, I do not have to remind my friend from Wisconsin I owe him the greatest admiration and affection. He and I have worked together on many things and it is rare when we disagree, particularly on matters of economics, and Federal spending, and that sort of thing.

Now, he read section 102 beginning on page 7. Now let me read it and I want to ask him if I am correct in my understanding of the English language.

SEC. 102. The Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"SEC. 43. (a) The Secretary of the Treasury shall instruct the United States Executive Director to the Fund to present proposals to the Executive Board of the Fund for the purpose of ensuring that each member country using fund resources takes steps to eliminate expeditiously all import restrictions which are inconsistent with the General Agreement on Tariffs and Trade, or other international agreements.

Now, that is the action part of section 102. And that deals purely and simply with import restrictions. It does not deal with export subsidies.

Now, true enough, in section (b) it does say that:

The United States Trade Representative, the Secretary of Labor, and the Secretary of Commerce shall inform the United States Executive Director to the International Monetary Fund and the Congress of all import restrictions and export subsidies maintained by member countries.

But that is all it says about these export subsidies.

At this time, Mr. President, I am not worried about import restrictions. I am concerned about these export subsidies.

Now, the distinguished Senator from Pennsylvania, and I must confess a measure of surprise, as I understood him, compared the farm programs in the United States with the export subsidies of the European Community, Brazil, and so forth. Now the difference, I emphasize to my friend from Pennsylvania, is that the United States maintains inventory and engages in acreage reduction programs, while the European Community and Brazil dump their subsidized commodities onto the world market.

Now that is the difference, that is the malignancy of the predatory export subsidies. I do not know any way in the world to resolve the problem except to get their attention.

Any farmer in North Carolina will tell you the story about the man who was hitting his mule between the eyes with a 2 by 4. His friend came up and said: "Why are you doing this?" He said: "I want to get his attention."

Now I do not know what it will take to get the attention of the European Community and Brazil and other countries which are dumping subsidized commodities worth billions upon billions of dollars onto the world market.

I say again, Mr. President, that any Senator who is misled on this amendment and votes against it is going to have a difficult time explaining to his farmers or her farmers. Now, Senators may do as they wish, but if we do not get a handle on this proposition, countless hundreds of thousands of additional farmers are going to go down the tube. It is as simple as that.

Now, the use of agricultural export subsidies is widespread throughout the world. These practices, as I have said over and over again this afternoon, impair and inhibit free trade in world agricultural markets. All I am asking for is free trade in the markets.

Although the U.S. farmers are the most efficient producers of most of the agricultural commodities, our farmers have lost our competitive advantage in world markets largely due to these predatory export subsidy practices of other nations. Any Senator who does not know that needs to wake up and smell the coffee.

To illustrate the extent to which these practices have been employed to the detriment of U.S. farmers, I ask unanimous consent that a table prepared by the Senate Agriculture Committee staff showing a number of countries known to employ export subsidies and the type of assistance offered be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COUNTRIES KNOWN TO EMPLOY EXPORT SUBSIDIES

	Country	Type of government assistance
Wheat and wheat flour	EEC	Cash Payment.
Coarse grains	EEC	Cash Payment.
Beef and veal	EEC	Cash Payment.
Poultry meat	EEC	Cash Payment.
	Brazil	Favorable Prod. Financing, Rebate of Taxes.
Lard	EEC	Cash Payment.
Cotton	Argentina	Cash Payment.
	Brazil	Differential Taxes.
	Turkey	State Control, Cash Rebates.
Lemons	Cyprus	Cash Payment.
	Spain	Tax Rebate, Pref. Credit.
	Italy	Cash Payment.
Grapes, pears, and apples (fresh)	EEC	Cash Payment.
Almonds, shelled	Italy	Cash Payment.
	Spain	Tax Refunds, Pref. Credit.
Rice	Japan	State Trading.
	Italy	Cash Payment.
Soybean meal and oil	Brazil	Tax Rebates, Pref. Credit.
	Argentina	Tax Rebates, Pref. Credit.
Pork	EEC	Cash Payment.
	Sweden	Cash Payment.
Eggs	EEC	Cash Payment.
	Sweden	Cash Payment.
Tobacco	EEC	Cash Payment.
Oranges and tangerines	Spain	Internal Tax Rebates.
	Italy	Cash Payment.
	Greece	Cash Payment.
Grapefruit	Spain	Tax Rebates, Pref. Credit.
Walnuts in shell	France	Cash Payment.
	India	Cash Payment.
	Italy	Cash Payment.

Note.—Listing is partial and preliminary, as prepared by staff of Senate Committee on Agriculture, Nutrition, and Forestry.

Mr. HELMS. I do not want to go over and over again, on this question, like a broken record, but we do not have any time to play with, Mr. President, in trying to get this burden off the back of the American farmer. We either do something now or it is going to be too late for tens of thousands of them. We can play around with the semantics on International Monetary Fund and all the gobbledygook in this bill, but the bottom line is: Are we going to include in this legislation something that will offer a fair and equitable protection to the finest producers in this world, the American farmer?

I yield the floor.

Mr. DANFORTH addressed the Chair.

THE PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. I have just come on the floor and have not had the benefit of listening to the debate or the explanations by Senator HELMS of his amendment, but I wonder if he could just perhaps answer one or two questions for me.

As I understand this, the purpose of it would be that the United States would take the position, with respect to the availability of IMF funding, that it would not be available to countries that subsidized the exports of agricultural products, but that it would not preclude a country from subsidizing the production of its agriculture. Is that correct?

Mr. HELMS. Before I answer let me clarify that I am neither a lawyer nor a specialist in international finance. So permit me to check with my experts before I answer the question. The answer is "Yes."

Mr. DANFORTH. Therefore, where it says on page 1 of the amendment, "direct or indirect export subsidies," an indirect export subsidy would not be the subsidy of the production of an agricultural product.

Mr. HELMS. Staff suggests that I illustrate this point by mentioning a tax incentive in connection with the export of agricultural products, or something of that sort. So the short answer is "Yes."

Mr. DANFORTH. So that a tax incentive for the production of a product would not be an indirect export subsidy?

Mr. HELMS. A tax incentive for production would not, but a tax incentive for export would.

Mr. DANFORTH. Only for export?

Mr. HELMS. Yes.

Mr. DANFORTH. If the government of a country would very heavily subsidize the production of a product but not actually subsidize the shipment of the product abroad, that would not be covered by this amendment?

Mr. HELMS. Obviously, the Senator has asked a question that requires some explanation by the experts on

the Agricultural Committee. They say that probably it is not covered.

Mr. DANFORTH. Could the Senator explain sometimes or some circumstances under which it would be covered?

Mr. HELMS. The amendment states, and I shall read it in answer to the question:

(b) For purposes of subsection (a) of this section, the term 'predatory export subsidies' means the provision by any country or organization of countries, or instrumentality thereof, of any financial assistance through loans, payments, or comparable means (including the use of special tax incentives or subsidized financing for exports) to any person * * *

And the key words are "in connection with the export sale" of agricultural products.

I think that answers the Senator's question. But if the Senator is looking for specific instances of obviously predatory export subsidies now in use, I would remind him of the very large restitution payments made by the European community or point him toward the tax preferences for exports employed by Brazil. The European community has an 11-cents-per-carton direct subsidy on eggs, it is those kinds of indisputable export subsidies that are so very damaging to our farmers.

Mr. DANFORTH. Let us suppose that a product in another country, say Egypt, is produced for export and not for domestic consumption. Suppose that Egypt goes into, for example, the business of raising tomatoes, not because there is any particular demand for tomatoes in Egypt, but because it wants to get into the European market, and it subsidizes the production of tomatoes, just the production, but it does not have any specific subsidy for the cost of shipment, for example. Would that be a direct or indirect export subsidy?

Mr. HELMS. That determination would need to be made on the specific circumstances involved.

Mr. DANFORTH. Who would determine whether or not there is an export subsidy?

Mr. HELMS. The IMF, of course, would have to determine it. Under the provision of this amendment, countries that are seeking loans above the reserve tranche level would be required to provide the IMF with specific information describing their subsidy practices in connection with agricultural exports.

Mr. DANFORTH. So it would be like an honor system. The country would identify whether or not it is engaging in subsidies, and if it says that it is engaging in export subsidies, then the IMF would make a determination that it is engaging in export subsidies?

Mr. HELMS. This is not an invisible operation, the business of farming and export production. It would not be an honor system. It would be there for all to see.

Mr. DANFORTH. Suppose the United States were to believe that, say, Mexico were involved in subsidizing exports. Would our Government be able to make that determination on its own under this amendment, or would we have to go to the IMF?

Mr. HELMS. The U.S. Executive Director to the IMF, who represents, let me say, about 20 percent of the voting power of the Executive Board of the IMF, would also have some input and he would report the information that he has. We should understand that everybody will be watching everybody else. That question would seem to raise no problem.

Mr. DANFORTH. Is the International Monetary Fund equipped to make determinations as to what is a subsidy and what is not a subsidy?

Mr. HELMS. I think so without question. Particularly since the amendment gives some very clear direction on this point through the definition of "predatory export subsidy."

Mr. DANFORTH. In our country, in policing countervailing duty laws, it is a fairly elaborate process. Some people think that it is too elaborate. We tried to correct that in the 1979 Trade Act. That is, for determining, first, what is a subsidy, and, second, whether or not there is injury.

It would seem to me that there would have to be some form of adjudication as to what is a subsidy and what is not a subsidy. Or is there? Is it just viewed under this amendment as being self-evident?

Mr. HELMS. There would be adjudication only in the sense that the representatives of the countries would vote on the proposition.

Mr. DANFORTH. Would the vote of our country in the International Monetary Fund be based on a determination of subsidy which is identical to the determination made under the countervailing duty laws?

Mr. HELMS. I have no earthly way of answering that question because I do not know.

Mr. DANFORTH. Is there any provision for hearings before, say, the International Trade Commission?

Mr. HELMS. No; there is not.

Mr. President, I will state to the Senator that I apologize to him for having to consult once again with my legal adviser. I am not a lawyer. I do not want to give an answer which may be incorrect. I apologize to him for taking the time to make sure that I understand both his question and the proper answer to it.

There is a mechanism. The Secretary of Agriculture will consult with the U.S. Trade Representative—in this case, Mr. Brock at the present time—and then will report to the U.S. Executive Director.

Mr. DANFORTH. Well, Mr. President, Senator HEINZ and I, back in 1979, spent an inordinate amount of time, really, working with the revisions to the Trade Act. The whole point of that was to try to streamline the process of both dumping and countervailing duty cases. It is a fairly detailed process of how a determination is made and also the determination as to whether or not there is injury caused by the subsidy. I take it that that process is just not going to be followed under this procedure. It is a much more casual procedure.

Mr. HELMS. It is not necessary, I say to the Senator. GATT and its adjudicative procedures relating to unfair trade practices would not be affected by this amendment. However, we do not need to wait for GATT to determine if U.S. tax dollars should be used to support those unfair trade practices. After all, what we are talking about is how we are going to use the billions of dollars of the taxpayers' money. It seems to me that the Secretary of Agriculture and the U.S. Trade Representative and this Congress and the President of the United States not only have the capability of making the determination but the responsibility to make it. We must decide whether we are going to continue to put money in an organization so it can be used to drive the American farmer out of business with export subsidies, as is now the case.

Mr. DANFORTH. Would DISC be covered under this?

Mr. HELMS. I am advised no, Mr. President.

Mr. DANFORTH. So that we, in our country, would still be able to use DISC for agricultural exports? That would not come within the terms of this amendment?

Mr. HELMS. Mr. President, we are not borrowing from the IMF, nor to my knowledge are we engaging in predatory export practices. Those countries that are doing that, this amendment says to them, "Stop it."

Mr. DANFORTH. But we are using IMF—the United States is, as I understand it.

Mr. HELMS. I am advised that we have never drawn on the IMF beyond our reserve position. This amendment applies only to those nations which make drawings above their reserve tranche.

Mr. DANFORTH. But we are the second largest borrower from IMF, as I understand it.

Mr. HELMS. That may be true, but because our donations are large, our reserve position is also large. I repeat the United States has never drawn beyond our reserve, and thus would not be affected by the amendment.

Mr. DANFORTH. But if the United States were, itself, practicing export subsidies, would that not cut us out from the availability of IMF? We would not be able to use it ourselves, would we?

Mr. HELMS. It would and it should.

Mr. DANFORTH. Why would not DISC be clearly an export subsidy?

Mr. HELMS. Again, Senator, I am not a lawyer and I ask your forbearance while I consult with counsel.

The amendment would apply only to countries which IMF assistance over and above their IMF reserve positions, the United States is not doing so, and this amendment would not apply to us.

DISC may well be an export subsidy, but in the instance of this particular amendment, it would not have the effect of a predatory export subsidy.

The purpose of the amendment is to assure that U.S. taxpayer dollars will not be sent, via IMF, to countries which will then use those funds, in effect, for predatory export subsidies that rob our farmers of trade markets with their own money. That is the issue here.

The other point the Senator must keep in mind is that the amendment applies only to the use of predatory subsidies as I have clearly defined in the amendment. If we, the United States, engage in predatory subsidies, certainly it should and would affect us. Everybody would be treated on the same basis and I think that is the way it should be.

Mr. DANFORTH. Well, DISC or any substitute for DISC that we devise to meet the terms of the General Agreement on Tariffs and Trade would clearly be in jeopardy under this amendment, would it not?

Mr. HELMS. Why?

Mr. DANFORTH. We could not very well take a position that other countries cannot engage in export subsidies but the United States can.

Mr. HELMS. Predatory export subsidies.

Mr. DANFORTH. What is the meaning of the phrase "predatory export subsidies"?

Mr. HELMS. It is stated in the amendment.

Mr. DANFORTH. Where is it, Mr. President?

Mr. HELMS. I continue:

(b) For purposes of subsection (a) of this section, the term "predatory export subsidies" means the provision by any country or organization of countries, or instrumentality thereof, of any financial assistance through loans, payments, or comparable means (including the use of special tax incentives or subsidized financing for exports) to any person in connection with the export sale to a third country of agricultural commodities and products thereof produced in such country or organization of countries, that has the effect of lowering the export price, directly or indirectly, of such commodities and products thereof to less than the highest comparable price that a like commodity or product thereof produced and processed in the United States could be exported to the same third country in the ordinary course of trade.

Mr. DANFORTH. That has the effect of lowering the export price, directly or indirectly. Is that not DISC?

Mr. President, it would seem to me that—DISC might be short lived anyhow, but we are at least trying to work out a substitute for it and it would seem that the effect of this amendment is that it would put DISC in jeopardy.

Or am I wrong?

Mr. HELMS. Let me get the advice of counsel. I do not know, frankly.

Mr. President, counsel points out that I have already answered that question once or twice. We are talking about amounts above the reserve. So the answer to the Senator's question is no, it would not affect DISC.

Mr. DANFORTH. Because the United States only participates in the IMF up to a certain point, it can continue to engage in export subsidies, but those countries which do not——

Mr. HELMS. Predatory subsidies as defined in the amendment.

Mr. DANFORTH. It looks to me as though DISC may well be covered under this definition. But who knows? It would have to be determined by the IMF.

Let me ask the Senator this: Under the subsidies code, there is the so-called injury test. That is, the subsidy has to cause injury. Would that same standard, the so-called injury test, apply under this amendment?

Mr. HELMS. I am advised that that question has been answered before, however, the process incorporated into this amendment calls for the Agriculture Secretary to confer with the U.S. Trade Representative and then to advise the U.S. Executive Director to the Fund as to whether or not the particular subsidy practices adversely impact on U.S. agriculture.

Mr. DANFORTH. So the International Trade Commission would be required under this amendment to make a determination of injury?

Mr. HELMS. I am advised that that question has been answered and, again, the answer is no, that determination would be made by the Trade Representative and the Secretary of Agriculture.

Mr. DANFORTH. Would they not be guessing, though——

Mr. HELMS. No, sir.

Mr. DANFORTH. If we did not use the established process for making a determination of injury?

Mr. HELMS. No, sir, there would be no guesswork about it.

Mr. DANFORTH. Maybe we should just abolish the International Trade Commission. It is surplus——

Mr. HELMS. I would rather abolish the International Monetary Fund, to tell you the truth.

Mr. DANFORTH. I gathered that.

Mr. President, let me ask another question.

Mr. HELMS. I hope it is not one the Senator has asked three times before. He is a good trial lawyer.

Mr. DANFORTH. Let me ask about the meaning of export subsidies. Let us suppose that a country subsidizes its railroads and that the railroads are used to ship grain from the farm ultimately to the consumer, whether the consumer is home or abroad. Would subsidies for the railroad be viewed as export subsidies under this amendment?

Mr. HELMS. The IMF would make that determination.

Mr. DANFORTH. So that would be a factual determination but it might be, as I understand it under this amendment, that a subsidy of a country's railroads would be an export subsidy?

Mr. HELMS. The Senator's guess is as good as anybody's.

Mr. BAKER. Mr. President, will the Senators permit me to interrupt their colloquy for a moment to ask a question so that we can try to determine the schedule for the remainder of this day and tomorrow?

Mr. HELMS. Surely.

Mr. BAKER. It appears to me from listening to the colloquy of the two very excellent Senators that they are not through and there may be more discussion on this subject—as a matter of fact, there may be a good bit more discussion on this subject. I wonder if they would be, especially the author of the amendment, willing to agree by unanimous consent to temporarily lay aside this amendment and make it the pending question when we return to the consideration of this bill tomorrow? Perhaps then the managers of the bill might find one or two or three matters that they could dispose of yet this evening and still permit the Senate to finish by 6:30 or 7 p.m. tonight.

Mr. HEINZ. Will the majority leader yield?

Mr. BAKER. Yes; I yield.

Mr. HEINZ. Speaking for the managers—I cannot speak for Senator DANFORTH or Senator HELMS—they would most certainly encourage that and would be most agreeable to it. I might say to the Senator from North Carolina that Senator DOLE called, and he is detained out of town tonight. He would like to be a participant in the discussion on the amendment of the Senator from North Carolina and also would join, I think, if he were present, in the majority leader's request.

Mr. HELMS. Certainly I would agree to anything that would be accommodating to the distinguished leader.

Mr. BAKER. Very well. Mr. President, I thank the Senator from North Carolina. I thank the manager on the majority side. I assume that is agree-

able to the Senator from Missouri also.

Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside to recur as the pending question immediately after the Senate resumes consideration of this measure on tomorrow.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. HEINZ. Mr. President, at this point what is the pending business?

The PRESIDING OFFICER. The bill is the pending business.

Mr. HEINZ. The bill. Very well.

Mr. President, my understanding is that the Senator from Georgia and the Senator from New Hampshire have amendments. I can say that the amendments, which I believe are several in number, the Senator from Georgia will be seeking to offer, we can dispose of fairly quickly, if the Senator will offer them.

Mr. MATTINGLY. Yes; I will offer them right now.

AMENDMENT NO. 1307

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. MATTINGLY. Mr. President, I send three amendments to the desk and ask that they be considered en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The amendment will be stated.

The bill clerk read as follows:

The Senator from Georgia (Mr. MATTINGLY) proposes amendment No. 1307.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 9, between lines 7 and 8, insert the following:

SEC. 103. (a) Not later than 180 days after thd date of the enactment of this section, the Secretary of the Treasury shall transmit to the Congress a report containing a thorough review and detailed analysis of the policies of the International Monetary Fund (hereinafter referred to as the "Fund") relating to the Fund's gold reserves. Such report shall include an analysis of—

(1) the feasibility of returning all or part of the Fund's gold reserves to Fund members;

(2) the feasibility of selling the Fund's gold reserves in the private markets in an effort to raise capital; and

(3) the feasibility of establishing a Gold Lending Facility whereby the Fund would lend gold to Fund members who would in turn use such gold as collateral for commercial loans.

(b) In addition to the matters referred to in subsection (a), the report shall analyze—

(1) the effect on the market price of gold as a result of taking any of the actions described in paragraph (1), (2), or (3) of subsection (a);

(2) the effect on countries whose central banks maintain reserves in the form of gold as a result of taking any of the actions described in paragraph (1), (2), or (3) of subsection (a); and

(3) the effect on the credit markets of the United States as a result of taking any of the actions described in paragraph (1), (2), or (3) of subsection (a).

On page 9, between lines 7 and 8, insert the following:

SEC. 103. The Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"SEC. 45. (a) The Secretary of the Treasury shall instruct the United States Executive Director to the Fund, prior to the extension to any country of financial or technical assistance by the Fund, to work to obtain the agreement of such country to eliminate, in a manner consistent with its balance of payments adjustment program, unfair trade and investment practices, such as those which are inconsistent with the General Agreement on Tariffs and Trade or other international agreements, including the provision of export subsidies such as government subsidized below-market interest rate financing for commodities or manufactured goods, the maintenance of unreasonable import restrictions, or the imposition of trade-related performance requirements on foreign investment, which the Secretary of the Treasury, after consultation with the U.S. Trade Representative, the Secretary of Commerce, and the Secretary of Labor, has determined to have a significant deleterious effect on the international trading system.

"(b) In determining the United States position on requests for periodic drawings under Fund programs, the Secretary of the Treasury shall take full account of the progress countries have made in achieving targets for eliminating or phasing out the unfair trade practices referred to in subsection (a) of this section. In the event that the United States supports a request for drawing by a country that has not achieved the Fund targets relating to such practices specified in its program, the Secretary shall report to the appropriate committees of Congress the reasons for the United States position."

On page 9, between lines 7 and 8, insert the following:

SEC. 103. It is the Sense of the Congress that there should be meetings on a regular basis between representatives of the International Monetary Fund and of the Contracting Parties to the General Agreement on Tariffs and Trade to ensure closer cooperation and more frequent sharing of information on the monetary-trade link.

Mr. MATTINGLY. Mr. President, I am pleased to introduce three amendments which I feel will improve the quality of S. 695, the proposed increase in the U.S. contribution to the International Monetary Fund. These amendments enjoy the support of the administration, Senator GARN, Senator PROXMIRE, and Senator HEINZ, the managers of S. 695 and, therefore, will be acceptable without the necessity of a rollcall vote.

Very briefly, the amendments are as follows:

Amendment 1 requires the Secretary of the Treasury to conduct a review and detailed analysis of the gold reserves held by the International Monetary Fund, including the feasibility of returning all or part of the Fund's gold reserves to Fund members; the feasibility of selling the Fund's gold reserves in an effort to raise capital, and the feasibility of establishing a gold lending facility whereby the Fund would lend gold to Fund members who, in turn, would use such gold as collateral for loans in the private sector.

Amendment 2 expresses the sense of the Congress that the General Agreement on Tariffs and Trade and the International Monetary Fund should meet on a regular basis to insure closer cooperation and more frequent sharing of information on the monetary-trade link.

Amendment 3 instructs the U.S. Executive Director to the Fund to obtain the agreement of countries which use unfair trade and investment practices, such as those inconsistent with the GATT or other international agreements, to eliminate such practices before any assistance is extended. In the event that the United States supports a request for drawing by a country that has not achieved the Fund targets relating to such practices specified in its programs, the Secretary shall report to the appropriate committees of Congress the reasons for the U.S. position.

Mr. President, again I believe the foregoing amendments improve the quality of this legislation. The first amendment examines an alternative to the necessity of Fund members increasing their quota to raise capital. Such should prove helpful in the event the current $8.4 billion fails to last the intended 5-year period. In my opinion, it is very likely the proposed quota increase will be exhausted in a much shorter period of time.

The second and third amendments will go a long way toward improving the quality of the international trade environment. None of these is a panacea. However, they will go a long way toward encouraging both free and fair trade in the international arena.

Again, I thank both Senators HEINZ and PROXMIRE for their support of these amendments.

In addition, Mr. President, $8.4 billion, the choice is whether it will cost the taxpayers money or whether it is going to net out in job increases in our country. So that is the decision that we have to make today. I believe that these amendments lend credibility toward the $8.4 billion coming back to our country in the form of increased trade and maintaining jobs and increasing economic growth.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. HEINZ. Mr. President, I have examined all three of the amendments offered by the Senator from Georgia (Mr. MATTINGLY). All three are good amendments. The first amendment, at least in the order I have them, seeks to eliminate unfair trade and investment practices, those that are inconsistent with the General Agreement on Tariffs and Trade, including export subsidies.

The second amendment requires the Secretary of the Treasury to study and report on the feasibility of returning gold reserves to Fund members, the selling of the Fund's gold reserves in private markets and the feasibility of establishing a gold lending facility where the Fund would lend gold to Fund members. This also is a worthwhile study.

The third amendment expresses the sense of the Senate that the International Monetary Fund should meet regularly with the contracting parties to the GATT to insure closer cooperation and more frequent sharing of the monetary-trade link.

I commend the Senator from Georgia on a set of amendments which, taken together, I think, will substantially strengthen free and fair trading practices in international trade and might well lay the groundwork for a good deal more progress in this area than we have achieved heretofore, notwithstanding many excellent efforts.

So, speaking for this side of the aisle, I commend the Senator from Georgia for his amendments, and we are prepared to accept them.

Mr. PROXMIRE. Mr. President, the Senator from Georgia was very instrumental in committee in getting a greatly improved bill to the floor. In committee, it was a Mattingly amendment which we have already discussed, on pages 7 and 8, which I think does exactly what we should do in reducing restrictions and exports, subsidies, and so forth, and does it in an effective way.

In addition, the Senator has offered three amendments, all of which I approve, but the third amendment particularly, because that is more specific than the language now in the bill. It would provide for the elimination of versions of export subsidies, such as government-subsidized, below-market interest rate financing for commodities or manufactured goods, and so forth.

Mr. President, I think this is precisely what the Senator from North Carolina was working toward, but I think the Senator from Georgia is doing this in a very responsible and effective way, and I am delighted to support his amendment. I commend him on the excellent work he has done throughout on this bill.

Mr. MATTINGLY. Mr. President, I thank the Senator from Wisconsin and the Senator from Pennsylvania for their kind remarks.

I ask unanimous consent that the names of Senator WILSON and Senator RANDOLPH be added as cosponsors of the amendment.

THE PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATTINGLY. The intent of the amendments is to stop the unfairness that prevails in certain countries in the trade field. We have been looking forward to vehicles to try to stifle something that could not be stifled at the GATT conference last November. I think this will be a useful tool.

I thank the Senator from Wisconsin and the Senator from Pennsylvania for their confidence.

Mr. HUMPHREY, Mr. President, a parliamentary inquiry.

Is the amendment disposed of?

The PRESIDING OFFICER (Mr. PRESSLER). The amendment has not been disposed of.

Mr. HUMPHREY. I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1307) was agreed to.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1309

(Purpose: To make quota increase conditional on the non-participation of communist nations in the IMF)

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask for its consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Hampshire (Mr. HUMPHREY) proposes an amendment numbered 1309.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 9, between lines 7 and 8, insert the following:

SEC. 103. The Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"SEC. 45. Notwithstanding section 40 of this Act, the United States Governor of the Fund may not consent to the increase in the United States quota in the Fund which is described in that section as long as communist nations remain members of the International Monetary Fund.

Mr. BAKER. Mr. President, will the Senator from New Hampshire yield to me for a moment?

Mr. HUMPHREY. I yield.

Mr. BAKER. Mr. President, I expect that this will be the last matter the Senate can deal with this evening.

I inquire of the distinguished Senator from New Hampshire, first, if he expects to ask for a rollcall vote on this measure tonight. Second, if he does, would he be agreeable to stacking that vote to occur tomorrow, after we resume consideration of this bill?

Mr. HUMPHREY. I will respond by asking for the yeas and nays, Mr. President.

Mr. HEINZ. Mr. President, I do not know what the amendment is yet.

The PRESIDING OFFICER. The Senator has a right to ask for the yeas and nays.

Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HUMPHREY. Yes; I will be more than happy to stack the vote.

Mr. BAKER. Mr. President, I ask whether the managers of the bill are willing to do this:

I ask unanimous consent that when debate is completed on this amendment today, the vote just ordered be postponed to occur first after we resume consideration of this measure tomorrow.

I further ask unanimous consent that following this vote, the Senate then resume consideration of the Helms amendment, which was temporarily laid aside.

I further ask unanimous consent that when the Senate completes its business today, it stand in recess until 12 noon tomorrow.

Mr. President, I further ask unanimous consent that the Senate resume consideration of the pending measure at 1 p.m. tomorrow.

Mr. PROXMIRE. Mr. President, reserving the right to object, I will need to consult with the staff of the minority leader on this before I agree.

Mr. BAKER. Mr. President, I was under the mistaken impression that the request I had just made, to arrange the sequence of the Senate for today and tomorrow, had already been cleared. Apparently, it has not. For the moment, I withdraw the request.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry. Who has the floor?

The PRESIDING OFFICER. The Senator from New Hampshire has the floor.

Mr. HUMPHREY. Mr. President, the amendment I have offered would act in the following manner—to wit, the U.S. Governor of the Fund may not consent to the increase in the U.S. quota in the Fund as long as Communist nations remain members of the International Monetary Fund.

I hate to be a tattle-tale, Mr. President, but it should be known to the American citizens that there are three Communist member nations in the International Monetary Fund—namely, Romania, Hungary, and the People's Republic of China.

Perhaps the question will arise, "So what? What is wrong with that?" The question really is, should the United States—and we in Congress, acting as the agents of our people—obligate them to support Communist regimes? The answer, of course, is clearly "No." Yet, that is what we are doing with respect to these Communist nations.

We are taxing the American people. Congress is then authorizing an increase in the quota of the IMF, which is to say that we will transfer the proceeds of that tax upon the American people to the IMF to distribute and disburse as the agents and employees of the IMF choose to do.

Some of those funds historically have gone to Communist nations, and more than likely—almost certainly—some of this $8.5 billion we have been asked to approve, this levy on the American people that will be turned over to IMF, will be turned over to the regimes in these Communist countries. That constitutes a subsidy, a support, for the Communist regimes, which are among the most repressive in the world.

Therefore, as we consider the legislation before us, we should consider, as we act as agents of the American people, whether we should be in support of those repressive Communist regimes.

I remind my colleagues—although I am sure there is no need of reminders on this point—that there is very little, almost nothing, in the way of freedom in these Communist nations. There are no free elections, no meaningful free elections. There is very little in the way of freedom of emigration—in fact, less and less in recent years. There is very little freedom in the way of travel. There is no freedom in the area of the press. All press is government controlled.

All press is really propaganda in these nations. There is no freedom of the press in Communist nations, no freedom of speech, no freedom of religion, no due process of law, no protection of the God-given rights as we have stated in our Declaration of Independence, no protection of the God-given rights of life, liberty, and property and as explicitly spelled out in our Constitution in the 5th and 14th amendments.

So if we approve this quota increase, this extension of aid to Communist nations we support, we reinforce, we extend these oppressive regimes. Is that what the American people expect us as their agents to do with their money? I doubt it.

So I offer this amendment to draw attention to this matter, to the matter that we are subsidizing, reinforcing, and extending oppressive Communist regimes if we pass this quota increase.

If it is in our interest to lend certain countries, then let us do it bilaterally. Let us lend to our allies. Let us lend in those circumstances where our lending can be conditioned on reforms, real reforms in the area of human and civil rights. Let us lend where we will get credit. Let us lend bilaterally.

But let us not lend through multinational, multilateral organizations where we have no leverage to reform oppressive regimes such as those that exist in Hungary, Romania, and the People's Republic of China where there is no hope among the peoples of those nations that they can change their government, that they can secure their God-given rights.

I am not arguing against aiding our allies and aiding those nations where it is in our interest to do so, but I am arguing against aiding through multinational and multilateral organizations, and I am arguing particularly against aiding and abetting and extending and reinforcing these wicked Communist regimes which have never been elected and would not stand one day in a truly free election.

Mr. HEINZ. Mr. President, the amendment offered by the Senator from New Hampshire is very clear. It simply says that we are not going to put any money into the International Monetary Fund unless the three Communist countries that are now members in good standing—Romania, Hungary, and the People's Republic of China—get out of the International Monetary Fund.

Mr. President, the criteria for membership in the International Monetary Fund are the same for every country. They are not political criteria. The 146 members of the IMF include countries with a wide range of economic, social, and political systems.

But in spite of those tremendous differences, all members have exactly the same responsibilities to provide financing to the International Monetary Fund when in sufficiently strong balance-of-payments positions and have the same rights to obtain IMF resources on the basis of the economic and financial criteria applied uniformly to all members.

The IMF, therefore, is an economic institution, and its technical economic character is essential to its successful functioning.

Despite the fact that there are numerous conflicts, all too numerous indeed among countries, the IMF membership—146 strong—has carefully respected this basic political approach.

I think we should ask ourselves, Mr. President, what happens if we begin to politicize the IMF? I would imagine that were this amendment to pass or were this kind of policy to be adopted Arab countries would start to make an effort to expel Israel from the International Monetary Fund. I can imagine less-developed countries unhappy with the terms of North-South trade suggesting that the United States should not be allowed to make withdrawals as we have on so many occasions from the International Monetary Fund. I can imagine many black African nations moving to expel South Africa from the International Monetary Fund.

I can imagine all of those consequences and more. I do not think that this body should invite the responsibility for kicking off the politicization of the Fund and injecting this kind of political consideration into it and its financing decisions. It would simply invite others to do so. It would totally change the character of the IMF, and more than that it would undermine the ability of the IMF to meet its responsibilities.

Before I go any further, Mr. President, I note in the Chamber the majority leader and the minority leader and, I suspect, if my instinct serves me correctly, they may have some business they wish to transact. So I yield the floor.

Mr. BAKER. Mr. President, I thank the Senator. He is most perceptive, especially since as far as I could tell he never looked back. He must have felt my presence.

In any event, I am grateful to the Senator to give me this opportunity to repropound the unanimous-consent request that I described or at least substantially the same request at this time.

I believe now, Mr. President, the Senator from New Hampshire is agreeable to finish the debate on his amendment tonight and have the vote tomorrow.

ORDERS FOR WEDNESDAY

ORDER FOR RECESS UNTIL TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 12 noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR THE TRANSACTION OF MORNING BUSINESS TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that after the recognition of the two leaders under the standing order there be a period for the transaction of routine morning business to extend from the time of the expiration or yielding back of the time allocated to the two leaders under the standing order until 1:30 p.m. in which Senators may speak for not more than 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RESUMPTION OF CONSIDERATION OF S. 695 TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that at 1:30 p.m. tomorrow the Senate resume consideration of S. 695, the pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR VOTE TO OCCUR AT 1:30 P.M. TOMORROW ON OR IN RELATION TO THE HUMPHREY AMENDMENT AND THEN RESUMPTION OF CONSIDERATION OF THE HELMS AMENDMENT

Mr. BAKER. Mr. President, I ask unanimous consent that at 1:30 p.m. tomorrow a vote occur on or in relation to the Humphrey amendment and that following the vote on the Humphrey amendment and after the disposition of the Humphrey amendment, the Senate resume consideration of the Helms amendment which has been temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, what that means is first there will not be any more record votes tonight; second, that we will get a fairly late start on this measure tomorrow but with relative certainty as to the next few steps to be taken in connection with this measure.

Senators should be on notice that since we do not resume consideration of this bill and the amendments thereto until 1:30 p.m. tomorrow we may have to stay later than would ordinarily be expected.

I sincerely hope we can finish this bill tomorrow, and I am persuaded that we can. Therefore, I urge Senators not to make plans for an early evening tomorrow and to anticipate that we will stay a reasonable length of time past the usual recess or adjournment hour in order to complete this measure.

It is the hope of the leadership on this side, Mr. President, that as soon as we finish this measure we can at least lay down the supplemental appropriations bill.

I would not expect us to be able to do much more than just lay it down on Wednesday if we can reach it.

Mr. President, with that I am prepared to yield.

Mr. HEINZ. Mr. President, will the majority leader yield for a parliamentary inquiry at this point?

Mr. BAKER. I yield.

Mr. HEINZ. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HEINZ. Mr. President, at the appropriate time I will move to table the Humphrey amendment. Does the leader's unanimous-consent request make a tabling motion in order?

Mr. BAKER. Yes; it was on or in relation to the Humphrey amendment.

Mr. HEINZ. I thank the Senator.

Mr. BAKER. Mr. President, could I inquire of the Senator from New Hampshire if he has any need for time for debate on this measure tonight.

Mr. HUMPHREY. I would, in fact, like to have a few minutes.

Mr. BAKER. Then, Mr. President, I yield the floor.

Mr. PROXMIRE. And I also wish to speak briefly on this.

Mr. BAKER. Mr. President, I hope we will be able to finish the debate on this amendment, the pending question, in a reasonably short time. After that it is my intention to ask the Senate to recess over until tomorrow.

SEVERAL SENATORS addressed the Chair.

INTERNATIONAL MONETARY FUND AUTHORIZATIONS

The Senate continued with the consideration of the bill (S. 695).

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I will be very brief. I have just one further observation I want to make on the amendment of the Senator from New Hampshire, and that is this: The fact that we have so-called nonmarket economies, Communist countries, in the IMF subjects them every time they come to the International Monetary Fund for any assistance to the same kinds of conditionality that are imposed on any non-Communist country.

Mr. President, that is rather interesting because what that means is that when Romania or Hungary or the People's Republic of China comes to the IMF they have to adopt what we all think of as free market capitalist principles. What are those principles? Well, they cannot use artificial barriers, they cannot use quotas, they cannot use subsidies to help themselves. They have got to use free market mechanisms.

It sounds like one of the best weapons we have in trying to change nations that we today consider Communist, so they become more and more like capitalist countries. It seems to me if we really want to spread the idea of free market discipline, the idea of capitalist economies, such as ours, that we should not be afraid to allow our ideas to be spread by the IMF, as indeed they are so carefully built into the IMF. As a matter of fact, one of the reasons that the Soviet Union is not a member of the International Monetary Fund is that after the Bretton Woods negotiations they were afraid their economy would be contaminated with capitalistic ideas.

So I do not think we should be afraid of teaching capitalism to Communist countries. They might learn something, and indeed some people have said that Romania and Hungary and even the People's Republic of China are moving more and more toward the West and western economic systems, and when you consider the alternative this has got to be better.

Mr. President, what are the alternatives to moving their systems in our direction? I suppose the real alternatives are either totally to shut them out and ignore them, and I do not know where that leads, or somehow try to subjugate them either by economic or military warfare. Well, we do not propose to engage in that kind of warfare.

I think we well serve the foreign policy interests of this country, the promotion of democracy, the market system, the enterprise system, capitalism, by supporting the IMF, and at the appropriate time, Mr. President, I will move to table the Humphrey amendment.

Mr. PROXMIRE addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. PROXMIRE. I also strongly oppose this amendment by my good friend from New Hampshire. It is the kind of amendment which is tempting. Everybody likes to show in the RECORD they are anti-Communist. As a matter of fact my predecessor in the U.S. Senate was Joe McCarthy and he made a great reputation. He was the best known Senator in the United States and many people felt he was even better known than the President in some parts of the world because of his conspicuous, strident opposition to communism.

All of us—I think there is not a U.S. Senator who does not deeply, deeply oppose communism and will do all he can to prevent its progressing certainly in this country in any way, shape or form.

Mr. President, we ought to realize that trade is quite a different kind of an operation, Romania, for instance, is a most-favored-nation country. They get most-favored-nation treatment from us. So does Yugoslavia, Mr. President. I think we should keep in mind that these countries are quite different from the Soviet Union as the distinguished Senator from Pennsylvania has pointed out. Furthermore, Mr. President, our trade with these countries is very, very big and very important. This country exports to the Eastern bloc $4.3 billion; that is to Communist countries, in Europe. We made that kind of an export in 1981, $4.3 billion. That is an important source of jobs for American farmers and industry.

The logic, if we accept this amendment by the distinguished Senator from New Hampshire, is we should not trade with them at all, do not touch them. I hope we do not get into an isolationist mood where we figure there can be no progress that these coun-

tries can evolve toward, can move, in our direction.

As the Senator from Pennsylvania pointed out they can do that economically and there is every reason to hope and pray and expect they can do so politically.

Let us take the three countries that would be affected: Yugoslavia. Yugoslavia is an original IMF member, is not a member of the Soviet bloc. Its ability to maintain an independent position depends importantly on the close economic ties with the West which IMF membership fosters. So if you believe in helping this country, helping democracy, opposing the foreign policy of the Soviet Union, it seems to me that you should oppose this amendment, and make it possible for the country of Yugoslavia, which is against the Soviet block in its foreign policy, to continue to be so.

Romania joined the IMF in 1972. Romania tends to pursue a foreign policy also separate from the Soviet Union, despite its participation in the Communist economic arrangements. Romania's use of the IMF resources has helped to strengthen economic ties to the West, has promoted a more efficient market-related use of its resources. I am sure the Soviet Union does not want Yugoslavia or Romania to have those relationships with the West. It would be serving the interests of Communist Russia if we adopt this amendment.

Hungary has the most market-oriented economy in Eastern Europe and it became an IMF member in 1982 as a further means of liberalizing its economy and broadening its relationship with Western democratic anti-Communist countries. The adoption of an IMF adjustment program in December has played an important role, enabling Hungary to maintain its creditworthiness and thereby reduce the potential zone of Soviet influence and pressure on its policies.

This Senator does not want to throw in the sponge, give up on these countries when there is every reason to hope, pray and expect they may be ready to move away from the Soviet Union further, possibly politically.

It will not be easy. It may not be possible. But I think we should certainly encourage that kind of action and their continued membership in the U.N.—in the IMF will do that.

As a matter of fact, as long as I mentioned the U.N., let me point out that if we are going to follow this kind of policy with respect to the International Monetary Fund, we might do the same thing with respect to the United Nations—lay down the gauntlet to the United Nations, get rid of the Communist countries or get out and no longer contribute 20 percent of the support of the United Nations. The same thing for UNESCO, GATT, all along the line.

Mr. President, I think we should realize and recognize that we live in a world in which we can agree to be different. All of us in the Senate, virtually all of us, I am sure, deplore the Communist system. We think it inhibits freedom. We think it destroys the opportunity for people to be independent and own their own property and lead their own life. But, at the same time, I think all of us respect the right of other countries to be different than we are. I think if we do that, if we believe in peace, if we believe in trying to work toward a peaceful world and negotiate with other countries, we should do our best to try to make it possible for them to evolve through an institution like the IMF in our direction.

Mr. President, I yield the floor.

Mr. HUMPHREY, Mr. President, my friend and colleague from Wisconsin stated a moment ago that we should all agree to be willing to be different. But what choice do the people of Hungary and Romania and so-called People's Republic of China have? What role do they have in agreeing to be different? Have they agreed for their nations to have repressive regimes? Romania has one of the most repressive regimes and is one of the most repressive states in the Communist bloc.

This is not a question of funding a charity or a United Nations. This is a question of lending money, to be sure, through an intermediary called the International Monetary Fund, but it is a question of lending hard assets taxed from the American people or borrowed from their economy and providing that to Communist regimes which deny, however present there might be gradations between the oppressive nature of these regimes from country to country, which deny their citizens of any of the basic human rights that we all talk about so often—no free speech, no freedom of religion, no freedom of emigration, no free elections, no freedom of protection of one's life or liberty or personal property, the property of one's labor.

These are vicious regimes. We should not be subsidizing them, supporting them, extending them, perpetuating them with money taxed from American people.

If we want to lend to other countries, then let us do it bilaterally, but let us not directly or indirectly lend to regimes as oppressive as these Communist regimes which are members of the IMF.

Mr. PERCY. Mr. President, I have just seen a copy of the amendment of our distinguished colleague. My initial reaction is negative. Certainly, through the years I have denounced the theory of communism. I have pointed to its utter failures, which are apparent all over the world, whether in foreign policy or in the ability to feed its people or to run an organization that will economically support its people. Certainly in the area of human rights it has the most miserable record of any system of government on Earth.

But, when my former professor and my opponent in the race for the U.S. Senate in 1966, Paul Douglas, became a founder of the movement to keep Red China out of the United Nations, I was very strongly opposed. The idea might at one time, have had some validity. But at that particular time, I saw tremendous advantage in having a fourth of the human race become a part of a United Nations which embraces the whole world, regardless of ideology. It was a revealing thing to have the two Communist countries, in the same international organization.

During the 6 months I was a delegate to the U.N., I saw the Soviet Union and the People's Republic of China at each other's throat on virtually every single issue that was raised. So I would certainly oppose any amendment that would require that Communist countries be excluded from the United Nations.

When we participate in organizations such as GATT, we do so whether there are Communist countries in GATT or not. We are not going to withdraw from GATT. We remain in our national interest.

With respect to the pending amendment, three Communist countries, Romania, the PRC, and Hungary, would be affected. Certainly, they are not, any one of them, looked upon as satellites of the Soviet Union, our most powerful adversary and the greatest threat to world peace today. In fact, as we all well know, every single nuclear missile in Communist China, is aimed at the Soviet Union and there are a million forces on either side of that border compared to our virtually undefended border. So that they tie up a tremendous amount of the manpower because of the fear that exists between these countries.

Romania and Hungary are Communist countries, but they are more independent of the Soviet Union than certain other Iron Curtain countries.

Having these countries in the IMF means that they are obliged to follow the rules of the IMF. This encourages them to adopt market-oriented economic practices. Certainly it is in the interest of free capitalistic countries and to encourage market-oriented activities in other countries.

We are not pleased to see that the PRC itself is abandoning certain collective farming activities and going to individual plots. I have been in Communist countries and seen private ownership of farmland. That is a helpful and encouraging improvement over having it all commonly-owned property, because it provides incentives that we believe in so strongly.

These three countries could not belong to the IMF and participate in it unless they actually accept its requirements, including guidance which encourages market-oriented economic practices.

We deal with these Communist countries in the GATT and we deal with these countries in the U.N. I see no reason, therefore, that we should not continue to deal with them in the IMF because they have to operate under the rules of the IMF. These Communist countries also contribute to Fund resources. To have Communist countries, particularly those that we have mentioned, participate in these activities, contribute toward the Fund and be a part of it, in association with other free economic societies, I think is strongly to be encouraged.

So long as they are members in good standing, pay their allotments including the quota increase on which we are taking action now, and abide by the rules of the IMF, it is desirable to encourage that participation rather than take any action to force them out, and push them into greater isolation.

I hope that my distinguished colleague will take these factors into account and reconsiders his own amendment.

Mr. HEINZ. Mr. President, the parliamentary situation is such that, as I understand it, we have concluded all debate for anyone now wanting to debate this issue. We will again take up this issue tomorrow at 1 p.m.

I move to table the Humphrey amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BAKER. Mr. President, I gather from that that there is nothing more we can do on this bill tonight.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there now be a brief period for the transaction of routine morning business to extend not past the hour of 6:50 p.m. in which Senators may speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE WAGNER-PEYSER ACT OF 1933 WAS A VITAL PART OF THE NEW DEAL

Mr. RANDOLPH. Mr. President, I hope my colleagues and readers of the CONGRESSIONAL RECORD will examine the speech I gave last evening at the Interstate Conference of Employment Security Agencies.

I supported the important measure signed by President Franklin D. Roosevelt on June 6, 1933.

The measure provided for services to jobseekers and to employers. For a half-century the program has served to lessen unemployment by assisting the people to secure work.

In those crucial days we acted quickly but wisely. The bill was passed after an hour of debate in the House and discussion was some 4 minutes in the Senate. In both bodies there was no opposition.

Mr. President, at this point I wish to set forth in the RECORD my remarks of last evening.

REMARKS BEFORE INTERSTATE CONFERENCE OF EMPLOYMENT SECURITY AGENCIES, INC., COMMEMORATING THE FIFTIETH ANNIVERSARY OF THE ENACTMENT OF THE WAGNER-PEYSER ACT OF 1933, ARLINGTON, VA., JUNE 6, 1983

Fifty years ago the Wagner-Peyser Act became law, on June 6, to be precise. It passed the U.S. Senate on May 29 after 4 minutes of debate. The U.S. House of Representatives in which I served at that time, took a little longer to pass the bill. June 1, after about an hour's debate, we passed it with a few minor amendments. The Senate accepted those amendments and the measure went to President Roosevelt. The President signed the legislation into law June 6, 1933.

The act established a Federal-State Employment Service system which provides services to job seekers and to employers. The State Employment Services have provided labor exchange services for a half century. We celebrate the anniversary today.

Why was this system created in 1933? Who were the two gentlemen whose names are identified with this visionary plan to help alleviate the suffering of unemployment by matching jobs with the jobless?

I must tell you that as a young Representative newly arrived in Washington in 1933, that I was committed to developing policies and programs to help people through the Great Depression which had descended on our Nation. We were fortunate that we had leaders who were able to move the country ahead. Wagner-Peyser was part of that forward movement.

Robert F. Wagner was a Senator from New York. He was born in Germany. With his parents he had immigrated to the United States in 1885 when he was only eight years old. He had a distinguished career in public service in the New York State Legislature, and as justice of the Supreme Court of New York prior to being elected as a Democrat to the U.S. Senate in 1926. He later served as a delegate to the United Nations Monetary and Financial Conference at Bretton Woods in 1944. He resigned from the Senate in 1949.

The other man who shares authorship of the act was Theodore Albert Peyser, a Representative from New York. We take justifiable pride that Mr. Peyser was born and reared in Charleston, W. Va. At the age of 20 he moved to Cincinnati and became a traveling salesman, an occupation which led him to New York City in 1900, where he settled into the life insurance business. He was elected as a Democrat to Congress in 1932, the same year that I was first elected. Mr. Peyser served until his death in 1937.

Although the Wagner-Peyser Act bears the names of these two gentlemen, we must not forget nor overlook the inspirational leadership in 1933 of President Franklin Delano Roosevelt. There would have been no Wagner-Peyser Act without FDR. Indeed, President Herbert Hoover had vetoed similar legislation in 1932 saying that it was not necessary.

Not necessary. The Nation was in the grips of the worst economic catastrophe in our history. Unemployment had reached 25 percent in 1933 and nearly every family was suffering. Those who did have jobs were fortunate, but wages were down about 60 percent and industrial output stood at 50 percent. Thousands took to the roads and railroads in the search for work, leaving their families and loved ones behind. There were bread lines and soup lines and deprivation and suffering in 1933.

The First Hundred Days of Franklin Roosevelt's first term made great progress in establishing economic order out of economic chaos. There were those who disagreed with the proposals, but the President believed, and a majority of those in the Congress agreed, that direct action to alleviate the suffering was necessary.

I remember when the President called me and a few of my young colleagues to the White House in those early weeks of the new Congress. President Roosevelt looked across his desk at us as we sat together, and said, in essence, "Gentlemen, we shall make some mistakes with these programs but we must act now." And we did act. Some mistakes were made, but the Nation went back to work and the productive capacity began to improve. We created jobs and dignity began to return as deprivation receded a little under the leadership of FDR.

We know that our job is not over, we are faced with the most serious economic recession now that we have seen since the 1930's and I fear that our response is inadequate. Our Nation cannot sustain over 10 percent unemployment for these long periods of time. Our State of West Virginia suffers over 20 percent unemployment. Today, a 1-percent increase in unemployment costs $20 billion to $30 billion in lost revenues. If you add increased outlays for unemployment insurance, Federal assistance and interest on the debt, each percentage point of unemployment costs $26 billion to $40 billion.

We are working on a variety of jobs and other emergency assistance measures. I believe we must design and enact programs which have human needs at the center. Current economic policies have failed to work, and in fact have further harmed the Nation by vastly increasing the number of persons without jobs. We are not acting as quickly as we should, but it is difficult to hammer out these programs when we consider budgetary concerns.

Since 1933, the employment service has been an essential element in combating unemployment. You are on the front lines in the economic war and I know you are serving the jobless and the jobseekers with compassion and strength. You also serve employers by recruiting workers for jobs to be filled. You administer the unemployment compensation program in your States.

Your task is not easy. You do not have adequate resources, and we are trying to rectify that in the Congress. I believe the employment service system created under the Wagner-Peyser Act of 1933 is more valuable and vital today than ever before. The 50th anniversary is a special time—you have served millions of jobseekers and employers in the last five decades. I salute you on a job well done.

Join with me now as we recognize problems as challenges. With that positive outlook we shall work together and win together.

CHICAGO TRIBUNE HONORED FOR POPULATION REPORTING

Mr. PERCY. Mr. President, recently I attended the Population Action Council's third annual awards luncheon for media excellence in population reporting. The Washington-based Population Institute, with its Population Action Council and a 14,000-member grassroots network, has been working since 1969 to educate the public and Congress on the issues of the global population explosion. I am proud that the Chicago Tribune won an award as best U.S. daily newspaper in the area of population reporting.

The journalists honored at the PAC luncheon have, over the past year, informed the public all over the world by writing articles on population issues. From as close to home as Chicago, Ill., to as far away as Dacca, Bangladesh, these journalists have called the world's attention to the underlying cause of many of today's problems.

The Population Action Council citation states that these reporters have worked together with the people of many countries "in fostering support to solve the world population crisis through a demonstrated commitment to share ideas, knowledge, and experience toward the ultimate objective of reducing population growth and creating a better life for all the world's people." And the Population Institute is doing its job to help lessen misery and tensions and to alleviate hunger around the world.

APPROPRIATE TECHNOLOGY

Mr. PERCY. Mr. President, during a time when we are reexamining the usefulness of our aid to developing countries, I commend to the attention of my colleagues a recent article in the Harvard Business Review entitled "The Coming Growth in Appropriate Technology." The article outlines the innovations taking place in the field of international development whereby the traditional gap between Western technology and village-level needs in less developed countries (LDC) is being filled.

Coauthor Henry Norman is the executive director of Volunteers in Technical Assistance (VITA), a private, voluntary organization based in Arlington, Va., which provides the services to help fill this gap. Coauthor Patricia Blair is a writer and consultant on third world development.

VITA draws upon its unique documentation center and worldwide network of volunteers, who lend their technical expertise, to provide specifically tailored packages of technical assistance to requesters in LDC's. Under a grant from the U.S. Agency for International Development, VITA's research and technical information exchange has resulted in a number of advances in the development and diffusion of technologies relating to renewable energy, and in the ability of local entrepreneurs and institutions to adopt and sustain the innovations in the application of those technologies. The United States also benefits as demand for fossil fuel is reduced.

I believe that VITA's activities go a long way in helping to clarify the concept of appropriate technology. I ask unanimous consent that the article be placed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

THE COMING GROWTH IN "APPROPRIATE" TECHNOLOGY

(By Henry R. Norman and Patricia Blair)

Western Solar Refrigeration, Inc. recently shipped a solar-powered refrigerator system to Outer Mongolia, where it is being used to store medicines and vaccines at a rural public health station. Other Western Solar systems have gone to Red Cross stations in Kampuchea and a Bedouin village in Egypt. Ronald Strathman, president of this San Diego company, now has 180 solar-powered units in 18 Third World countries. The two-year-old company's refrigeration and lighting systems, which are run by photovoltaic cells, are in growing demand from governments and international agencies for use in clinics and installations in remote places.

Last year Wind Baron Corporation of Phoenix raised $4.5 million in a public stock offering to underwrite the manufacture of its patented windmill. Three years in development, this mill can pump water efficiently from depths exceeding 1,500 feet and in wind speeds of less than five miles an hour, so that it is usable almost everywhere over 90 percent of the time. It requires little or no maintenance. One reason President Richard Sutz expects the windmill to sell well in the Third World is that it can be built locally with "low-level machine shop technology."

Western Solar Refrigeration's units and Wind Baron's pumping mills are examples of an increasingly popular form of "appropriate technology"—a marriage of high-tech elements with a product or service designed to meet the needs of poor, undereducated users in Africa, Asia, and Latin America. Appropriate technology presents a growing market opportunity for small and not-so-small companies in the industrialized nations.

Most of the products in question are too expensive for individual villagers, at least until their incomes rise, but they are tailor-made for the thousands of rural development projects directed at small-scale farmers and entrepreneurs now being supported by governments and international aid agencies. Strathman estimates that such projects could use up to 50,000 of his solar refrigerators, to say nothing of the larger refrigeration systems he is developing for vegetable cooling and fish freezing.

Strathman, Sutz, and others are testing the commercial potential of a product gap between sophisticated Western technology and more primitive local goods. They hope to combine the best features of Western technology with local needs and resources to fill this gap and at the same time to meet the basic needs of the poor. This concentration on designs to meet the needs of developing countries has grown increasingly popular in the years since E.F. Schumacher (the Britisher who wrote "Small Is Beautiful" and others pointed out that many development projects worldwide are failing because they rely on Western technology, which has been designed for quite different conditions.

In response, entrepreneurs and researchers have designed an impressive variety of products ranging from improved charcoal stoves to better peanut oil presses. What is notable in recent years is their increasing willingness to integrate advanced Western technology with these appropriate technologies when it makes sense to do so—and to try to make a profit in the process. Besides opening up a chance to make a profit, companies that invest in appropriate technology activities are helping to benefit host economies in two ways.

First, they are adding to entrepreneurial strength and general productivity, which in turn enhances a country's ability to participate in the international economy.

Second, they are helping to spread technical awareness and dexterity through the population. Developing countries are usually short of people with crucial supporting skills in such fields as equipment repair and maintenance, bookkeeping, and welding. They lack Americans' easy familiarity with machines and numbers. Without this familiarity, or something like it, middle-level manpower takes longer to train or, worse, must be imported at considerable cost to the investor and the country.

The needs—and the potential—of the rural and semiurban masses have been the focus of our organization, Volunteers in Technical Assistance (VITA), for more than 20 years. Our staff and 4,000 volunteer con-

sultants, many of them from leading businesses and universities around the world, have promoted R&D and information exchange on the whole range of technology applicable to small farmers and entrepreneurs in developing countries, including small-scale cement plants and improved water wheels, automotive repair and pedal-powered threshers.

Recently, thanks to a grant from the U.S. Agency for International Development, we have been concentrating on technology relating to renewable energy—technology that cuts down on the use of scarce firewood and expensive kerosene, the chief energy sources in rural areas—as well as on technology that uses sun, wind, water, and biomass. In most developing countries these energy sources are more competitive with, as well as more readily available than, imported fossil fuels. The oil price increases of the past decade have made believers out of a lot of appropriate technology skeptics in the Third World.

Increasingly VITA and organizations like A.T. International, a government-sponsored organization in Washington, and the Intermediate Technology Development Group (ITDG) in London, are looking for "second-generation" appropriate technology—that is, technology that has links to the modern sector and is capable of evolving as user needs change. If it is to spread beyond the demonstration-project stage, this technology must also have the potential for commercial success. Experience has taught us that, without these characteristics, appropriate technology is unlikely to be competitive with modern techniques and products, even when they are expensive and unsuitable.

U.S. business has not been known to take the long view in development matters. But appropriate technology is an area well suited to the strengths of American industry in R&D, managerial know-how, and investment resources.

There are signs that some small young businesses and some transnational corporations are seeing opportunities in this field. Almost two dozen American companies (out of 200 worldwide) took space in the U.S. pavilion at the "Technology for the People" trade fair held in Mexico City in November 1981. They displayed technologies ranging from "starter" tractors sun-powered audio-visual units, and small canning installations to pedal-powered farm implements and composting toilets. Several organizations offering appropriate technical or management assistance to small enterprises were also among the exhibitors. Deals worth as much as $5 million were discussed, some of them involving joint ventures or manufacturing agreements, others direct sales.

Many Third World governments want evidence of social commitment from companies that do business in their countries, and more and more such companies seem to be getting the message. For example, the Liberian American-Swedish Minerals Company (LAMCO) is supporting an elaborate program for developing small-scale entrepreneurship in Yekepa, the site of its mining concessions. This project—which includes a poultry farm, a bakery, woodworks, a supermarket, and a farm store among its many Liberian-run enterprises—provides services to LAMCO workers now, and the company has pledged to leave behind a healthy local economy when the iron ore deposits run out in about 25 years. LAMCO's record is likely to translate into a warmer welcome when it seeks new mining concessions in other developing countries.

Other large corporations are beginning to find that appropriate technology can complement their operations. Control Data Corporation, for example, is including a data base specifically related to Third World needs as part of its new international development services. It contains information on such subjects as alternative energy and small-farm agriculture, with descriptions of available technology, names of experts, possible licensing arrangements, and so on. For a modest charge Control Data expects to sell this information to distributors, venture capitalists, governments, voluntary organizations, and international agencies in both industrial and developing countries.

In a different vein, 3M Company is looking for ways to market in the Third World some highly reflective polyester-based films that the Minnesota company has developed. The mirror-like films, which are low in cost and can be used outdoors, might be applied in solar devices for cooking, pumping, refrigeration, and other purposes. 3M thinks they have great potential for areas where power is expensive or unavailable.

This is not to suggest that the appropriate technology business is easy. Most businesses that are developing new products or services are young, small, and inexperienced. They tend to be undercapitalized, to have little money for extensive product promotion, test marketing, and working out the mechanical and distribution problems that come up with any new product.

Solar Enterprises of London, England is one example. Its product is a portable solar micro-pump designed to fill the enormous gap in irrigation technology between the bucket, which can service farms of a quarter acre or so, and the five-horsepower diesel pump, which becomes economical when a farmer has ten acres or more. The average farmer in Asia's rich river deltas is lucky to have one or two acres, the size for which the Sun Pump was designed.

Managing Director Stephen V. Allison originally projected sales of 10,000 units by 1984, but bureaucratic constraints, particularly in India, have proven more formidable than anticipated. Also, the cost of the photovoltaic cells that power the pumps has dropped more slowly than expected (partly because incentives to the U.S. solar industry have been slashed). About 200 Sun Pumps have been sold, and an order for 2,000 more is still in the works. Allison remains optimistic that the company will be successful.

There are other important constraints on the participation of private companies in the development and spread of appropriate technologies. Among them are:

Lack of information on opportunities and markets for appropriate technology.

Lack of experience in managing programs that involve numerous small farmers and entrepreneurs.

Lack of support systems (training, services, spare parts) to help users minimize the risks inherent in new technology.

A legacy of local and governmental suspicion toward both appropriate technology and foreign involvement.

Intermediary institutions—local and international nonprofit agencies, research laboratories and extension services, multinational development institutions, and the like—often can help overcome these constraints. The organized network in this field, by now quite extensive, is becoming more adept at filling the information gap and brokering suitable projects. (The ruled insert lists some additional information sources.) In working with small farmers and entrepreneurs, many other institutions have built up experience and now have entrée.

These intermediary institutions have played a variety of roles in the examples cited here. LAMCO has turned over operating responsibility for advising and assisting Yekepa's small businesses to the Partnership for Productivity/International, a development agency with many years' experience in the field of small-scale enterprise. LAMCO had tried to mount the program on its own but soon ran into technical, financial, and cultural problems that it was unequipped to deal with. The prototype of Allison's Sun Pump was developed at M.I.T.'s Lincoln Laboratory under a grant from the U.S. Department of Energy, and ITDG sponsored the field tests in Pakistan. Control Data has contracted with the Denver Research Institute to conduct searches on Control Data's DEVELOP data base for requesters in developing countries.

Research and development have barely scratched the surface of possibilities for second-generation appropriate technology. By and large, the technology now in use is still too expensive and too risky. Systems for diffusion are ill developed. On-site follow-up and maintenance remain problem areas.

Nonetheless, there seems to be a realistic prospect for considerable expansion, along with increasing recognition that appropriate technology must be linked to the marketplace if it is to be a vehicle for sustained development. If the examples we have cited are indicative, appropriate technology could yet turn from a movement into a growth industry worth entering.

LEE VERSTANDIG, ASSISTANT TO THE PRESIDENT FOR INTERGOVERNMENTAL AFFAIRS

Mr. ANDREWS. Mr. President, as of June 1, Lee Verstandig succeeded Richard S. Williamson as Assistant to the President for Intergovernmental Affairs.

I rise at this time to commend President Reagan for appointing such an eminently qualified individual to this key post in his administration.

As chairman of the Appropriations Subcommittee on Transportation I had the opportunity to work with Lee when he was Assistant Secretary of Transportation for Governmental Affairs, and I have rarely encountered an administrator with sounder judgment or more sensitivity to congressional and public concerns.

It came as no surprise that the President chose Lee to be Acting Administrator of the Environmental Protection Agency to help restore some amount of confidence in the EPA and to pave the way for the return of another fine administrator, William Ruckelshaus.

Lee Verstandig brought his expertise as a professor of history and political science to Capitol Hill in 1977 as administrative assistant to my distinguished colleague from Rhode Island, Senator CHAFEE. As so often happens with people of his rare and highly

valued qualities, he has progressed rapidly from one position of responsibility to another and shows all promise of continuing to make valuable contributions to the advancement of national policy in the public interest.

Once again I compliment the President on his outstanding choice, and look forward to Lee Verstandig's continued association with Congress.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed in the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 2:27 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

S. 973. An act to make technical amendments to the Indian Self-Determination and Education Assistance Act and other acts.

The enrolled bill was subsequently signed by the President pro tempore (Mr. THURMOND).

At 5:08 p.m., a message from the House of Representatives, delivered by Mr. Berry, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 593. An act to designate the New York Bulk and Foreign Mail Center at Jersey City, N.J., as the "Michael McDermott Bulk and Foreign Mail Center".

HOUSE MEASURE REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 593. An act to designate the New York Bulk and Foreign Mail Center at Jersey City, N.J., as the "Michael McDermott Bulk and Foreign Mail Center"; to the Committee on Governmental Affairs.

HOUSE MEASURES HELD AT DESK

The following bills, received from the House of Representatives on June 6, 1983, were ordered held at the desk by unanimous consent:

H.R. 2293. An act to amend the Office of Federal Procurement Policy, and for other purposes; and

H.R. 2592. An act to transfer from the Director of the Office of Management and Budget to the Administrator of General Services the responsibility for publication of the catalog of Federal domestic assistance programs, and for other purposes.

ENROLLED BILL PRESENTED

The Secretary reported that on today, June 7, 1983, he had presented to the President of the United States the following enrolled bill:

S. 973. An act to make technical amendments to the Indian Self-Determination and Education Assistance Act and other acts.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1137. A communication from the Secretary of Agriculture transmitting a draft of proposed legislation to establish an improved program for extra-long staple cotton; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1138. A communication from the Secretary of Agriculture transmitting a draft of proposed legislation extending authority of Secretary of Agriculture to collect fees for enforcement of plant and animal quarantine laws, laws for humane care, treatment, and transportation of animals; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1139. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report on four new deferrals and a revision to a previously reported deferral; jointly, pursuant to the order of January 30, 1975, to the Committee on Appropriations, the Committee on the Budget, the Committee on Commerce, Science, and Transportation, and the Committee on Energy and Natural Resources.

EC-1140. A communication from the Clerk of the U.S. Claims Court transmitting, pursuant to law, a copy of the court's judgment order in the matter of Hannahville Indian Community against the United States; to the Committee on Appropriations.

EC-1141. A communication from the Assistant Secretary of Defense (Comptroller) transmitting, pursuant to law, a secret report on a supplemental listing of contract award dates for June 18 to 30, 1983; to the Committee on Armed Services.

EC-1142. A communication from the Administrator of the Panama Canal Commission transmitting, pursuant to law, a report on a claim for damages incurred by a vessel in canal waters; to the Committee on Armed Services.

EC-1143. A communication from the President of the United States transmitting, pursuant to law, his conclusions relative to the survivability, cost effectiveness, and combat effectiveness of certain new ships requested for the combatant forces; to the Committee on Armed Services.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. Hatch, from the Committee on the Judiciary, with an amendment but without recommendation:

S.J. Res. 3. Joint resolution to amend the Constitution to establish legislative authority in Congress and the States with respect to abortion (Rept. No. 98-149).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. TOWER, from the Committee on Armed Services:

Mr. TOWER. Mr. President, from the Committee on Armed Services, I report favorably the following nominations: Lt. Gen. John J. Murphy, U.S. Air Force (age 57) to be placed on the retired list, Maj. Gen. James E. Light, Jr., U.S. Air Force, to be lieutenant general, Lt. Gen. Marion C. Ross, U.S. Army, (age 55) to be placed on the retired list, Maj. Gen. Charles P. Graham, U.S. Army, to be lieutenant general, Lt. Gen. William J. Livsey, U.S. Army, to be reassigned in the grade of lieutenant general, Lt. Gen. William R. Maloney, U.S. Marine Corps, to be reassigned in the grade of lieutenant general, Maj. Gen. Bernard E. Trainor, U.S. Marine Corps, to be lieutenant general, Rear Adm. Joseph Metcalf, III, U.S. Navy, to be vice admiral, Rear Adm. Donald S. Jones, U.S. Navy, to be vice admiral and in the Air Force Reserve there are 14 appointments in the grade of major general and below (list begins with Jerry W. Cochrane). I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, in addition, in the Air Force Reserve there are 48 promotions to the grade of colonel (list begins with John A. Almquist, Jr.), in the Navy and Naval Reserve there are 34 permanent appointments in the grades of captain and below (list begins with Stephen J. Bowdren) and in the Navy and Naval Reserve there are 26 appointments to the grade of captain and below (list begins with David A. Baran). Since these names have already appeared in the Congressional Record and to save the expense of printing again, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of May 23 and May 24, 1983, at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DANFORTH (for himself and Mr. EAGLETON):

S. 1412. A bill to authorize community relocation and business and employee protection in cases of toxic substance contamination; to the Committee on Environment and Public Works.

By Mr. INOUYE:

S. 1413. A bill for the relief of Dr. L. Neil Frazer and wife, Marie Sylvania Pauline Frazer; to the Committee on the Judiciary.

By Mr. TRIBLE:

S. 1414. A bill for the relief of Rebecca Lynn Higgins; to the Committee on the Judiciary.

By Mr. INOUYE:

S. 1415. A bill to amend title 10, United States Code, to authorize retention of certain reserve officers and to authorize the transfer of certain reserve officers from the Retired Reserve to active status; to the Committee on Armed Services.

S. 1416. A bill to amend title 10, United States Code, to prohibit persons from furnishing care as clinical psychologists to members and former members of the uniformed services and their dependents unless such persons meet certain professional qualifications; to the Committee on Armed Services.

S. 1417. A bill to amend title 10, United States Code, to provide that the Chief of the Army Nurse Corps be appointed in the regular grade of brigadier general; to the Committee on Armed Services.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 1418. A bill to amend title XVIII of the Social Security Act to provide that services furnished by a clinical social worker shall be reimbursable under medicare when furnished by a health maintenance organization to a member of that organization; to the Committee on Finance.

By Mr. SARBANES:

S. 1419. A bill to amend title XVIII of the Social Security Act to retain the option of direct reimbursement for all providers under the medicare program; to the Committee on Finance.

By Mr. MITCHELL:

S. 1420. A bill to suspend the duties on semiconductors and computers; to the Committee on Finance.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S.J. Res. 112. Joint resolution to proclaim the month of March 1984 as National Social Work Month; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DANFORTH (for himself and Mr. EAGLETON):

S. 1412. A bill to authorize community relocation and business and employee protection in cases of toxic substance contamination; to the Committee on Environment and Public Works.

RELOCATION AND PROTECTION IN CASES OF TOXIC SUBSTANCE CONTAMINATION

● Mr. DANFORTH. Mr. President, the State of Missouri has had the unfortunate experience during the last 6 months of serving as a laboratory for the initial operations of the Superfund program. Through the actions of a single waste-oil hauler, Missouri was contaminated by one of the most lethal chemicals known to man, dioxin. More than 200 potential sites of contamination have been reported to the Environmental Protection Agency, and 30 have been confirmed. The Superfund program has responded to this emergency, but not without difficulty.

As with the initial operations of any program, problems have arisen that could not be foreseen in the drafting of the Superfund law—the Comprehensive Environmental Response, Compensation and Liability Act. And it is for that reason that today, along with my colleague from Missouri (Senator EAGLETON), I am introducing legislation to amend that law. The problems we seek to address are not earth shaking ones, but they are important in human terms. Our bill would expand the latitude given to EPA to respond to an emergency; I believe it will not prove controversial.

This legislation arises out of the following fact situations. In December, the citizens of Times Beach, Mo., were driven from their homes by the rising waters of the Meramec River. They then were told not to return because of dioxin contamination in their community. The Government provided temporary relocation assistance to the majority of residents that heeded that warning, and the assistance mitigated the financial hardships involved in relocation. But the owners of businesses in Times Beach found themselves in quite a different pickle. Not only were they told to stay away from their businesses—so were their customers. They were, in effect, put into a situation where their income went to zero and their obligations continued unabated—a prescription for bankruptcy. As an obvious corollary, some of their employees were put out of work.

In the case of Times Beach, after 2 months EPA decided to relocate the residents permanently, and the businesses were assured of a fresh start. EPA was aided in reaching this decision by the fact that there is no established technique for removing dioxin from soil and Times Beach is subject to frequent flooding. The danger to the residents was so obvious that there could be little question as to the remedy. But other cases may not be so obvious, and they may lead not to permanent relocation, but to cleanup. In such cases businesses may find themselves unable to continue in operation for many months, and, Mr. President, there are not many small businesses that could long survive under those circumstances. Justice delayed thus becomes justice denied.

This anomaly was not specifically addressed by the Superfund law, but I believe the omission was not deliberate. What we propose today is that during periods of temporary relocation, Superfund pay not only the costs of shelter for the residents involved but also the debt service of the businesses. This "hold harmless" situation would continue only until permanent relocation was accomplished or until it was rejected and the termporary relocation ended.

In addition, some of the aid available to individuals under the Disaster Relief Act of 1974 would be permitted for those persons thrown out of work by the relocation. This includes unemployment and reemployment assistance, food stamps, and grants to meet necessary expenses or serious needs of individuals or families if those expenses are not covered by other aid programs. Such a provision simply would extend to victims of a manmade disaster some of the humanitarian relief measures that we now accord to victims of natural disasters.

The second fact situation follows. A trailer park in Gray Summit, Mo., recently was found to be contaminated with up to 1,100 parts per billion of dioxin—that is, 1,100 times the amount deemed to be acceptable in soil. Again, the residents were temporarily relocated. This time it was very obvious from the beginning that permanent relocation is the only answer that makes any sense at all. But as implemented by the EPA, the Superfund law does not allow for such an immediate response, even if it is the most humane and cost-effective strategy available.

The legislation we propose today would give EPA the authority to proceed immediately with permanent relocation if it determines that to be the best option. This change in the law was suggested by Gov. Kit Bond of Missouri at the annual meeting of the National Governors Association and adopted by that group.

Mr. President, this legislation simply would expand EPA's flexibility in responding to an emergency involving hazardous substances. The State of Missouri unfortunately was the test case that proved the need for changes in law, but other States will be afflicted by like disasters and would benefit by the changes we propose today. I am hopeful that the Committee on Environment and Public Works and the Congress as a whole can take quick action on this bill, so that the changes we propose can be implemented in Missouri now and be available later when needed elsewhere in the Nation.

Indeed, we are submitting the identical language today as a proposed amendment to S. 757, the Solid Waste Disposal Act Amendments of 1983—amendment No. 1306—in the hope

that it can be included with that bill and enacted by midsummer.

I ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1412

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Paragraph 101(23) of the Comprehensive Environmental Response, Compensation and Liability Act is amended by substituting a period for the semicolon and inserting the following new language:

"In those circumstances where temporary relocation or evacuation is the appropriate response and permanent relocation may be an appropriate remedy, the term includes the permanent relocation of residents, businesses and community facilities. In the case of a business located in an area of evacuation or relocation, it may also include the payment of those installments of principal and interest on business debt which accrue between the date of evacuation or temporary relocation and 30 days following the date that permanent relocation is actually accomplished or, if permanent relocation is formally rejected as the appropriate response, the date on which evacuation or temporary relocation ceases. In the case of an individual unemployed as a result of such evacuation or relocation, it may also include the provision of the assistance authorized by sections 407, 408, and 409 of the Disaster Relief Act of 1974;"●

By Mr. INOUYE:

S. 1415. A bill to amend title 10, United States Code, to authorize retention of certain reserve officers and to authorize the transfer of certain reserve officers from the Retired Reserve to active status; to the Committee on Armed Services.

TRANSFER OF CERTAIN RESERVE OFFICERS TO ACTIVE STATUS

● Mr. INOUYE. Mr. President, today I am introducing legislation which would authorize the Secretary of the Army to either retain in an active status or transfer certain reserve officers from the retired reserve to active status if such a consenting individual would contribute to the service.

This proposal essentially modifies an earlier bill which I introduced (S. 204) to give the Secretary of the Army the additional authority to invite retired reserve officers back into the service. Under the current law, the Secretary may retain in an active status any consenting reserve officer in the Medical Corps, the Dental Corps, the Chaplaincy, the Army Nurse Corps, or the Army Medical Specialist Corps until that officer reaches 60 years of age. Other officers must currently retire when they satisfy the mandatory retirement requirements, which I personally do not feel is in the best interest of our Nation.

Accordingly, my proposal will allow the Secretary of the Army greater administrative flexibility.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1415

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 3855 of title 10, United States Code, is amended to read as follows:

"§ 3855. Retention in and transfer to active status of certain officers until age 60

"Notwithstanding any other section of this chapter except section 3846, the Secretary of the Army may, with the officer's consent—

"(1) retain in an active status; or

"(2) transfer to an active status from the Retired Reserve and retain in such status,

any reserve officer until the date on which such officer becomes sixty years of age. An officer may be retained in an active status or transferred to an active status from the Retired Reserve under the authority of this section only to fill a mission-based requirement.".

(b) The item relating to section 3855 in the table of sections at the beginning of chapter 363 of such title is amended to read as follows:

"3855. Retention in and transfer to active status of certain officers until age 60.".●

By Mr. INOUYE:

S. 1416. A bill to amend title 10, United States Code, to prohibit persons from furnishing care as clinical psychologists to members and former members of the uniformed services and their dependents unless such persons meet certain professional qualifications; to the Committee on Armed Services.

FURNISHING OF CERTAIN CLINICAL PSYCHOLOGISTS TO MEMBERS AND FORMER MEMBERS OF THE UNIFORMED SERVICES

● Mr. INOUYE. Mr. President, I am introducing legislation today which would require that those persons who serve in our Department of Defense health care programs as psychologists be required to be licensed by a State licensing authority within a reasonable period of time upon their entry into the service. My proposal is very similar to that adopted for psychologists serving with the Veterans' Administration as set forth in Public Law 96-151. In my judgment, it is in the best interest of our Nation's military personnel and dependents that all health care providers serving within the armed services be licensed. Currently, only nurses and medical technicians must be licensed and, of interest, attorneys who are commissioned in the Judge Advocate General's Corps must be admitted to a State bar.

I further understand that physicians who have been in private practice for some time after finishing their formal medical education and who then entered into the military must have a State license; however, once in the Armed Forces they are not required to maintain such licensure.

This has been an issue which the Senate Appropriations Committee has addressed on several occasions but, unfortunately, the Department has not been forthcoming with corrective measures. My proposal, as drafted, would not affect those psychologists currently in the services; however, all new entrants would have to meet the minimal standards.

Mr. President, I request unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows;

S. 1416

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 49 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 979. Professional practice by qualified clinical psychologists

"(a) Except as provided in subsection (b), a person may not furnish care as a clinical psychologist under the Surgeon General of any of the armed forces unless the person has received a doctoral degree in psychology with a specialty in clinical psychology from a college or university pursuant to a program of education and training approved by such Surgeon General for the purposes of this section, has completed an internship in clinical psychology approved by such Surgeon General for the purposes of this section, and is licensed or certified to provide care as a clinical psychologist in a State.

"(b) A person who satisfies the requirements of subsection (a) other than the requirement to be licensed or certified in a State may furnish care as a clinical psychologist udner the Surgeon General of any of the armed forces for not more than two years if such person furnishes such care under the direct supervision of a person who satisfies all the requirements of subsection (a) and who furnishes care as a clinical psychologist under such Surgeon General.".

(b) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"979. Professional practice by qualified clinical psychologists.".

SEC. 2. The amendment made by subsection (a) of the first section shall not apply to any person who, before January 1, 1984, furnished care as a clinical psychologist under the Surgeon General of any of the Armed Forces of the United States.●

By Mr. INOUYE:

S. 1417. A bill to amend title 10, United States Code, to provide that the Chief of the Army Nurse Corps be appointed in the regular grade of brigadier general; to the Committee on Armed Services.

PROMOTION OF CHIEF OF ARMY NURSE CORPS

● Mr. INOUYE. Mr. President, today I an introducing legislation that would provide that the Chief of the Army

Nurse Corps be appointed in the regular grade of brigadier general.

I recently had the opportunity to participate in the special memorial service at Arlington Cemetery which was highlighted by a solemn wreath-laying at the Nurses' Memorial Statue. In preparing my remarks, I learned that since 1775, dedicated and compassionate persons have served our Army as nurses even though it was not until 1901 that the Congress of the United States statutorily established the Army Nurse Corps as a permanent entity.

I further learned that it was not until 46 years later, in April 1947 that nurses were finally commissioned as officers in the Regular Army. The current Chief of the Army Nurse Corps, Brig. Gen. Hazel W. Johnson, is the first black woman general officer in the entire Department of Defense. In all candor, I am afraid that for too long a time now, we have been taking our Nation's professional nurses for granted since they have always provided us with dedicated, compassionate, and high-quality care whenever the need has arisen.

Accordingly, I sincerely hope that my colleagues on the Senate Armed Services Committee will report my proposal favorably to rectify this situation and provide our Army Nurse Corps with the status and stature that it so richly deserves.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1417

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 3069 of title 10, United States Code, is amended by adding at the end thereof the following new sentence: "If the officer appointed as the Chief holds a lower regular grade, such officer shall be appointed in the regular grade of brigadier general.".●

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 1418. A bill to amend title XVIII of the Social Security Act to provide that services furnished by a clinical social worker shall be reimbursable under medicare when furnished by a health maintenance organization to a member of that organization; to the Committee on Finance.

Senate Joint Resolution 112. Joint resolution to proclaim the month of March 1984 as National Social Work Month; to the Committee on the Judiciary.

RECOGNITION OF CLINICAL SOCIAL WORKERS

● Mr. INOUYE. Mr. President, today, Senator MATSUNAGA and I are introducing two legislative proposals which would further the professional recognition of our Nation's clinical social workers.

The first would proclaim the month of March 1984 as "National Social Work" month.

The second would amend the medicare health maintenance organization (HMO) provisions to insure that within the HMO clinical social workers would continue to be authorized to perform to the fullest extent of their State licensure/certification statutes.

Mr. President, I request unanimous consent that the text of these proposals be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1418

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1861(s)(2)(H) of the Social Security Act is amended to read as follows:

"(H)(i) services furnished pursuant to a contract under section 1876 to a member of an eligible organization by a clinical social worker (as defined in subsection (ee), or by a physician assistant or nurse practitioner (as defined in subsection (aa)(3)), and (ii) services and supplies furnished as an incident to the services described in clause (i) to such a member which would otherwise be covered under this title if furnished by a physician or as an incident to a physician's service;".

(b) Section 1861 of such Act is amended by adding at the end thereof the following new subsection:

"CLINICAL SOCIAL WORKER

"(ee) The term 'clinical social worker' means an individual who—

"(1) possesses a master's or doctor's degree in social work;

"(2) after obtaining such degree has performed at least two years of supervised clinical social work; and

"(3) is licensed or certified as a clinical social worker in the State in which the services are performed, or, in the case of a State which does not provide for licensure or certification, is listed in a national register of social workers who, by education and experience, qualify as health care providers in clinical social work.".

(c) The amendments made by subsections (a) and (b) shall be effective with respect to services performed after the date of the enactment of this Act.

SENATE JOINT RESOLUTION 112

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas, a productive and rewarding life for all of our citizens is a major goal of our nation; and

Whereas, for millions of people in our society adverse economic and social conditions create severe stresses and an inability to cope with life situations; and

Whereas, countless numbers of Americans through accidents, birth or illness develop physical, emotional and mental impairments; and

Whereas, professional social workers are advocates for sound and humane public policies and services; and

Whereas, professional social workers are in the vanguard of the forces working to provide protection for children and the aged, the reduction of racism and sexism and the prevention of the social and emotional disintegration of individuals and families; and

Whereas, professional social workers constitute the largest group of professionals engaged in the treatment and recovery of those individuals who have become emotionally and mentally ill:

Now, Therefore, in recognition of professional social workers continuing efforts to provide the opportunities for a life of accomplishment, dignity and purpose for all people, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the month of March 1984 as "National Social Work Month", and calling upon the people of the United States to observe the month with appropriate programs, ceremonies, and activities.●

By Mr. SARBANES:

S. 1419. A bill to amend title XVIII of the Social Security Act to retain the option of direct reimbursement for all providers under the medicare program; to the Committee on Finance.

MEDICARE FISCAL INTERMEDIARY AMENDMENTS ACT

● Mr. SARBANES. Mr. President, I am introducing legislation today to require that the Health Care Financing Agency retain the option of direct reimbursement for health care providers under the medicare program. Providers of health care services currently have the right for their medicare claims to be processed either by a designated regional intermediary or directly by the Federal Government, through the Health Care Financing Agency's Office of Direct Reimbursement.

HCFA, however, has recently announced its intention to dismantle the Office of Direct Reimbursement and contract out its functions to the intermediaries, putting an end to any direct Federal role in the processing and reimbursement of medicare claims.

This legislation would mandate that the current choice be continued. The Office of Direct Reimbursement has proven to be a cost-effective mechanism for controlling rising medicare claims processing expenses. ODR is, according to HCFA's own figures, one of the most efficient processors of medicare claims, ranking second lowest in cost nationwide out of 66 intermediaries in fiscal year 1982. The Agency has offered no rigorous cost or quality comparison studies to justify contracting out the work performed by the Office of Direct Reimbursement. HCFA has only indicated that it is taking steps "to assure that operations in the private sector are no more costly than those in ODR."

In contrast, a recent study by the President's Private Sector Survey on Cost Control clearly found that the

plan to do away with ODR "will actually increase the cost (to the Medicare program), rather than produce savings." Shifting ODR's claims load to other, less efficient intermediaries will result in increased administrative and medicare claims processing costs. In addition, the benefits of ODR's centralized operations to many providers will be lost through a regionalization of reimbursement and the unnecessary duplication of many functions.

The Office of Direct Reimbursement enjoys a national reputation for promptness in processing claims, consistent and fair application of standards in judging medicare services, and expertise in all areas of health care. ODR's cost-effectiveness and efficiency provide important competition with regional intermediaries, and encourage them to maintain similar high performance standards.

The option of medicare providers to use the Office of Direct Reimbursement as an intermediary acts as a key check and balance in the system. It serves HCFA as a resource for quality control of the regional intermediaries, and permits them to make comparisons among intermediaries on a variety of performance measures. Thus a reimbursement system is achieved that is far more likely to provide both cost control for the medicare program and fairness for beneficiaries.

The health care data base which has been compiled by the Office of Direct Reimbursement also serves HCFA as an invaluable tool for determining health care policy and reimbursement procedures and benefits. ODR provides HCFA with the ability to experiment and to test ways to reduce claims processing costs and to strengthen program administration. Development of new methods of savings for the medicare program will be far more difficult without the Office of Direct Reimbursement.

I have worked closely over the past 2 years with the employees of ODR and their representatives to insure the continuation of this tremendously important operation. HCFA's efforts to contract out the Office of Direct Reimbursement clearly run counter to the intent of Congress, as expressed in the 1980 Omnibus Budget Reconciliation Act, that medicare providers retain the choice of contracting directly with the Federal Government for reimbursement.

At a time when spiraling medicare costs are of national concern, the ODR permits the Federal Government to maintain oversight over the payment of medicare claims and to seek innovative ways to reduce administrative costs. I therefore urge my colleagues to join me in supporting this legislation to provide an on-going Federal commitment to holding down medicare costs.●

By Mr. MITCHELL:

S. 1420. A bill to suspend the duties on semiconductors and computers; to the Committee on Finance.

SUSPENSION OF DUTIES ON SEMICONDUCTORS AND COMPUTERS

Mr. MITCHELL. Mr. President, today I am introducing legislation to suspend the duty on computers and semiconductors.

This legislation is rather unique in that the computer and semiconductor firms in my State and across the country support suspension of the duty on their own products. This is a reflection not only on the increasingly international character of these industries, but of their strong commitment to open markets in this country and abroad.

In an era of increasing concern over the continuing competitiveness of U.S. industry in world markets, the American computer and semiconductor industries have proven remarkably successful. This is largely due to their heavy emphasis on research and development of technologies, their high level of capital investment, and their ability to operate successfully internationally as well as domestically.

This legislation will help the industry to meet its two most important challenges—the need to meet the challenge of foreign competition and to respond to increasing capital demands for investment in research and development and plants and equipment.

These industries face a growing competitive challenge from Japan, which has committed substantial national resources to promotion of its own high technology industries. Japanese protectionism and export drives have already resulted in serious losses for some U.S. semiconductor companies. However, the U.S. computer and semiconductor industries believe that the answer to the Japanese challenge is not market protection, but open markets. These companies do not seek to raise U.S. duties, but to eliminate them.

The U.S. duties on semiconductors, computers, data processing machines, calculators and parts range from 4.2 percent to 5.1 percent. These duties have virtually no effect on import levels or prices—they offer little or no protection to U.S. producers. In semiconductors, for example, rapid cost reductions can cause the price of a device to fall from $30 to $5 in little more than a year. Moreover, international currency exchange rates may shift 20 to 40 percent in a very short time. Given such tremendous price variables, a 4 to 5 percent duty is simply irrelevant to the competitive equation. Thus, the lack of support by domestic manufacturers for duties on their products is not surprising.

On the other hand, duties on computers and semiconductors—both United States and foreign—impose costs on U.S. companies. These companies have subsidiaries around the world, and duties add to the cost of shipping products from one plant location to another. If all duties on these products would be eliminated, U.S. companies would enjoy major savings—funds which could be invested in new research and development and capital investment, and passed on to consumers in the form of lower prices.

In spite of the need by firms in high technology industries for additional investment funds, these firms are among the most heavily taxed businesses. This bill will provide an additional source of funds by suspending duties that are proving to be counterproductive.

Moreover, if the United States were a duty-free zone, computer producters—both United States and foreign—would have an additional incentive to maintain their systems production operations in the United States, where they can ship and assemble their products combining both United States and foreign components. The U.S. benefit from such operations is substantial. In 1980, the United States imported $1 billion in computers and parts and exported over $7 billion of such items. This 7 to 1 ratio of exports to imports is the sign of a healthy and growing industry which makes a major contribution to this country's trade balance.

This bill is designed as a first step toward the elimination of all duties on computers and semiconductors. In effect it represents a challenge to Japan, our leading high technology competitor, to suspend its own duties. Japan has frequently proclaimed its commitment to the principle of free trade—while at the same time protecting its own domestic market. This measure throws down the gauntlet to Japan. If it really believes in free trade—and the superior quality of its products—then it will find it difficult to justify maintaining its own duty in the fact of a U.S. suspension. As a safeguard, this legislation provides that it will take effect within a stated period of time if the President determines it is in the national economic interest. This will enable the President to use this legislation as a lever to insure that other countries open their markets to U.S. exports.

Should Japan and the United States, the world's leading high technology nations, suspend their computer and semiconductor duties, other nations are likely to follow suit—recognizing that in these international-in-scope industries, duties serve only to retard the industries they are intended to protect.

The proposal to eliminate the U.S. duties on semiconductors and computers is not new. Authority to negotiate these items to zero was included in S. 144, the International Trade and In-

vestment Act of 1983, which was reported favorably by the Senate Finance Committee and approved by the full Senate. Thus, this approach is consistent with that taken in S. 144.

The American computer and semiconductor industries should be commended for this positive response to the Japanese challenge. These industries seek only a level playing field and open markets. This legislation is an important step in that direction.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1420

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. SUSPENSION OF DUTIES

That subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by adding in numerical sequence the following new items:

Transistors and other related electronic crystal components:

913.01	Transistors (provided for in item 687.70, part 5, schedule 6).	Free	Free	35% ad val.
913.02	Diodes and Rectifiers (provided for in item 687.72, part 5, schedule 6).	Free	Free	35% ad val.
913.03	Monolithic integrated circuits (provided for in item 687.74, part 5, schedule 6).	Free	Free	35% ad val.
913.04	Other integrated circuits (provided for in item 687.77, part 5, schedule 6).	Free	Free	35% ad val.
913.05	Other (provided for in item 687.81, part 5, schedule 6).	Free	Free	35% ad val.
	Other, including parts not specifically provided for:	xl	xl	
913.06	Parts of semiconductors (provided for in item 687.85, part 5, schedule 6).	Free	Free	35% ad val.

Calculating machines; accounting machines, cash registers, postage-franking machines, and similar machines, all the foregoing incorporating a calculating mechanism.

914.01	Accounting, computing, and other data processing machines (provided for in item 676.15, part 9, schedule 6).	Free	Free	35% ad val.
914.02	Office machines not specifically provided for (provided for in item 676.30, part 4, schedule 6).	Free	Free	35% ad val.
	Parts of the foregoing	xl	xl	
914.03	Other (provided for in item 676.52, part 4, schedule 6).	Free	Free	35% ad val.

SEC. 2. The provisions of section 1 shall become effective by April 1, 1984, or within six months from the date of enactment of this Act, whichever is later, if the President has determined that it is in the national economic interest for such suspensions to become effective. Any such determination shall be made after receiving the advice of the U.S. Trade Representative as Chairman of the Trade Policy Committee. Such suspensions shall remain in effect for a period of four years, subject to the provisions of section 3.

SEC. 3. Any suspension of duties that takes effect under this act be treated as if proclaimed to implement a trade agreement under the Trade Act of 1974 as amended.

ADDITIONAL COSPONSORS

S. 476

At the request of Mr. LEVIN, the names of the Senator from New York (Mr. D'AMATO), and the Senator from Rhode Island (Mr. PELL) were added as cosponsors of S. 476, a bill to amend title II of the Social Security Act to require a finding of medical improvement when disability benefits are terminated, to provide for a review and right to personal appearance prior to termination of disability benefits, to provide for uniform standards in determining disability, to provide continued payment of disability benefits during the appeals process, and for other purposes.

S. 528

At the request of Mr. DOLE, the name of the Senator from Iowa (Mr. JEPSEN) was added as a cosponsor of S. 528, a bill to amend the Internal Revenue Code of 1954 to provide a Federal income tax credit for tuition.

S. 555

At the request of Mr. MOYNIHAN, the name of the Senator from West Virginia (Mr. RANDOLPH) was added as a cosponsor of S. 555, a bill to stop the proliferation of "cop-killer" bullets.

S. 591

At the request of Mr. INOUYE, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. 591, a bill to amend the Internal Revenue Code of 1954 to provide a mechanism for taxpayers to designate $1 of any overpayment of income tax, and to contribute other amounts, for use by the U.S. Olympic Committee.

S. 593

At the request of Mr. INOUYE, the name of the Senator from Oklahoma (Mr. NICKLES) was added as a cosponsor of S. 593, a bill to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act to permit distribution of certain State-inspected meat and poultry products, and for other purposes.

S. 695

At the request of Mr. HEINZ, his name was added as a cosponsor of S. 695, a bill to amend the Bretton Woods Agreements Act to authorize consent to and authorize appropriations for an increase in the U.S. quota in the International Monetary Fund and to authorize appropriations for increased U.S. participation in the IMF's General Arrangements to Borrow.

S. 737

At the request of Mr. MATHIAS, the name of the Senator from Maine (Mr. COHEN) was added as a cosponsor of S. 737, a bill to allow business to jointly perform research and development.

S. 780

At the request of Mr. SARBANES, the names of the Senator from Connecticut (Mr. DODD), and the Senator from Michigan (Mr. LEVIN) were added as cosponsors of S. 780, a bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to require the Administrator of the Environmental Protection Agency to maintain a facility for the biological testing of pesticides under such act.

S. 873

At the request of Mr. LUGAR, the names of the Senator from Hawaii (Mr. MATSUNAGA), and the Senator from Virginia (Mr. WARNER) were added as cosponsors of S. 873, a bill to help insure the Nation's independent factual knowledge of the Soviet Union and Eastern European countries, to help maintain the national capability for advanced research and training on which that knowledge depends, and to provide partial financial support for national programs to serve both purposes.

S. 915

At the request of Mr. GORTON, the names of the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Ohio (Mr. METZENBAUM) were added as cosponsors of S. 915, a bill entitled the "Taxpayer Antitrust Enforcement Act of 1983".

S. 995

At the request of Mr. EXON, the names of the Senator from North Dakota (Mr. BURDICK), the Senator from Iowa (Mr. JEPSEN), the Senator from South Dakota (Mr. ABDNOR), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Oklahoma (Mr. NICKLES), and the Senator from South Dakota (Mr. PRESSLER) were added as cosponsors of S. 995, a bill to amend title 38, United States Code, to modify the rule for the commencement of the period of payment of certain adjustments in compensation in the case of hospitalized veterans.

S. 1081

At the request of Mr. FORD, the name of the Senator from Iowa (Mr. JEPSEN) was added as a cosponsor of S. 1081, a bill to authorize the Interstate Commerce Commission to adjust rail rates to reflect cost decreases due to deflation.

S. 1082

At the request of Mr. FORD, the name of the Senator from Iowa (Mr. JEPSEN) was added as a cosponsor of S. 1082, a bill amending title 49 of the United States Code with respect to standards for rail rates and determinations of rail carrier market dominance, with respect to railroad accounting principles, and for other purposes.

S. 1176

At the request of Mrs. HAWKINS, the names of the Senator from Hawaii (Mr. MATSUNAGA), the Senator from New York (Mr. MOYNIHAN), and the Senator from California (Mr. CRANSTON) were added as cosponsors of S. 1176. a bill to authorize the appropriation of funds for preventive health service programs for tuberculosis.

S. 1206

At the request of Mr. PRYOR, the name of the Senator from Montana (Mr. MELCHER), was added as a cosponsor of S. 1206, a bill to amend titles II and XVI of the Social Security Act to make it clear that administrative law judges engaged in reviewing disability cases under the OASDI and SSI programs may not be rated or evaluated on the basis of the percentage of such cases which they decide in favor of or against the claimant.

S. 1220

At the request of Mr. MATHIAS, the name of the Senator from Florida (Mr. CHILES) was added as a cosponsor of S. 1220, a bill to amend title VIII of the act commonly called the Civil Rights Act of 1968, to revise the procedures for the enforcement of fair housing, and for other purposes.

S. 1244

At the request of Mr. PACKWOOD, the names of the Senator from Illinois (Mr. PERCY), and the Senator from New Jersey (Mr. LAUTENBERG) were added as cosponsors of S. 1244, a bill to amend title XVIII of the Social Security Act to provide for a program of health care for elderly individuals who require long-term care.

S. 1278

At the request of Mr. MELCHER, the name of the Senator from Ohio (Mr. GLENN) was added as a cosponsor of S. 1278, a bill to provide for an accelerated program of research, development, and demonstration with respect to the production of electricity from magnetohydrodynamics, leading to the construction and operation of at least one major proof of concept demonstration project in connection with an existing electric powerplant, and for other purposes.

S. 1301

At the request of Mr. HEINZ, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 1301, a bill to amend the Internal Revenue Code of 1954 to allow a credit against tax for expenses incurred in the care of elderly family members.

S. 1302

At the request of Mr. HEINZ, the name of the Senator from West Virginia (Mr. RANDOLPH) was added as a cosponsor of S. 1302, a bill to amend title XVIII of the Social Security Act with respect to purchase and rentals of durable medical equipment.

S. 1306

At the request of Mr. MATHIAS, the names of the Senator from Delaware (Mr. ROTH), the Senator from Georgia (Mr. NUNN), the Senator from North Carolina (Mr. HELMS), the Senator from Missouri (Mr. DANFORTH), and the Senator from New Jersey (Mr. BRADLEY), were added as cosponsors of S. 1306, a bill to amend the patent law to restore the term of the patent grant for the period of time that nonpatent regulatory requirements prevent the marketing of a patented product.

S. 1376

At the request of Mr. PRYOR, the name of the Senator from Arkansas (Mr. BUMPERS), was added as a cosponsor of S. 1376, a bill to amend the Federal Crop Insurance Act to require the Federal Crop Insurance Corporation to pay promptly claims for indemnity under such act and to report annually to the Congress on the payment of the claims.

SENATE JOINT RESOLUTION 34

At the request of Mr. RIEGLE, the names of the Senator from Georgia (Mr. NUNN), the Senator from North Carolina (Mr. HELMS), the Senator from Florida (Mr. CHILES), the Senator from South Dakota (Mr. ABDNOR), the Senator from New York (Mr. D'AMATO), the Senator from Washington (Mr. GORTON), the Senator from Alabama (Mr. HEFLIN), the Senator from Idaho (Mr. SYMMS), the Senator from South Carolina (Mr. THURMOND), the Senator from Indiana (Mr. LUGAR), were added as cosponsors of Senate Joint Resolution 34, a joint resolution designating "National Reye's Syndrome Week."

SENATE JOINT RESOLUTION 42

At the request of Mr. STEVENS, the name of the Senator from New Mexico (Mr. BINGAMAN), was added as a cosponsor of Senate Joint Resolution 42, a joint resolution designating Alaska Statehood Day, January 3, 1984.

SENATE JOINT RESOLUTION 50

At the request of Mr. LEVIN, the name of the Senator from Louisiana (Mr. JOHNSTON), was added as a cosponsor of Senate Joint Resolution 50, a joint resolution designating the week beginning September 25, 1983, as "National Adult Day Care Center Week."

SENATE JOINT RESOLUTION 54

At the request of Mr. NICKLES, the name of the Senator from Nebraska (Mr. ZORINSKY), was added as a cosponsor of Senate Joint Resolution 54, a joint resolution to authorize and request the President to designate the month of January 1984 as "National Eye Health Care Month."

SENATE JOINT RESOLUTION 77

At the request of Mr. DOLE, the names of the Senator from Arkansas (Mr. BUMPERS), and the Senator from Arkansas (Mr. PRYOR) were added as cosponsors of Senate Joint Resolution 77, joint resolution designating "National Animal Agriculture Week."

SENATE JOINT RESOLUTION 104

At the request of Mr. GARN, the name of the Senator from Arizona (Mr. DECONCINI) was added as a cosponsor of Senate Joint Resolution 104, joint resolution to designate July 20 of each year as "Space Exploration Day."

SENATE CONCURRENT RESOLUTION 6

At the request of Mr. BOSCHWITZ, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of Senate Concurrent Resolution 6, a concurrent resolution expressing the sense of the Congress that the Federal Government should maintain current efforts in Federal nutrition programs to prevent increases in domestic hunger.

SENATE CONCURRENT RESOLUTION 40

At the request of Mr. LEVIN, the names of the Senator from Florida (Mrs. HAWKINS), the Senator from Oklahoma (Mr. BOREN), the Senator from Colorado (Mr. HART), and the Senator from Maryland (Mr. SARBANES) were added as cosponsors of Senate Concurrent Resolution 40, a concurrent resolution expressing the sense of the Congress that a uniform State act should be developed and adopted which provides grandparents with adequate rights to petition State courts for privileges to visit their grandchildren following the dissolution—because of divorce, separation, or death—of the marriage of such grandchildren's parents, and for other purposes.

SENATE RESOLUTION 88

At the request of Mr. SARBANES, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of Senate Resolution 88, a resolution expressing the sense of the Senate opposing cuts in library programs.

AMENDMENTS SUBMITTED

INTERNATIONAL MONETARY FUND

GARN (AND OTHERS) AMENDMENT NO. 1304

Mr. GARN (for himself, Mr. DOMENICI, Mr. HEINZ, and Mr. MELCHER) proposed an amendment to the bill (S. 695) to amend the Bretton Woods Agreement Act to authorize consent to and authorize appropriations for an increase in the U.S. quota in the International Monetary Fund and to authorize appropriations for increased U.S. participation in the IMF's general arrangement to borrow; as follows:

At the bottom of page 18, add the following:

Section 211. (a) No banking institution shall extend credit, whether by loan, lease,

guarantee, or otherwise, to finance all or any portion of any project, which project:

(1) has as its principal objective the construction, establishment, or major expansion of any mining operation, or any metal or mineral processing or fabricating facility or operation, located outside the United States or its territories or possessions, and

(2) can reasonably be expected to require aggregate development expenditures (including all costs of construction and establishment) in excess of $25,000,000, unless a written economic feasibility evaluation of such foreign project is prepared by or for such banking institution and approved in writing by a senior official of such banking institution; or if such loan is made as a part of a bank consortium loan, prepared by or for a banking institution managing such consortium and approved in writing by a senior official of such managing banking institution.

(b) Such economic feasibility evaluation shall—

take into account the profit potential of the foreign project, the impact of the project on world markets, the impact on U.S. industry and employment, the inherent competitive advantages and disadvantages of the project, the likely effect of the project upon the overall long-term economic development of the country in which the project would be located, and whether the extension of credit can reasonably be expected to be repaid over the life of the project without regard to any subsidy listed in the Annex of the Agreement on Interpretation and Application of Articles VI, XVI, and XXIII of the General Agreement on Tariffs and Trade provided by the government of the country in which the project would be located, or by any instrumentality of that government.

HUMPHREY AMENDMENT NO. 1305

Mr. HUMPHREY proposed an amendment to the bill S. 695, supra; as follows:

On page 9, between lines 7 and 8, insert the following:

SEC. 103. The Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"SEC. 45. Notwithstanding section 40 of this Act, the United States Governor of the Fund may not consent to the increase in the United States quota in the Fund which is described in that section unless the United States Governor is satisfied that the Fund has established, and will maintain, a requirement that employees of the Fund (including the Managing Director, Executive Directors, Alternate Executive Directors, and the staff of the Fund) may not be paid at a rate in excess of the rate payable for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code.".

SOLID WASTE DISPOSAL ACT AUTHORIZATION

DANFORTH (AND EAGLETON) AMENDMENT NO. 1306

(Ordered to be referred to the Committee on Environment and Public Works.)

Mr. DANFORTH (for himself and Mr. EAGLETON) submitted an amendment intended to be proposed by them to the bill (S. 757) to amend the Solid Waste Disposal Act to authorize funds for fiscal years 1983, 1984, 1985, 1986, and 1987, and for other purposes; as follows:

On page 28, after line 8, add the following:

COMMUNITY RELOCATION

SEC. 15. Paragraph (23) of section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (Public Law 96-510) is amended by striking out the semicolon at the end thereof and inserting in lieu thereof a period and the following: "In those circumstances where temporary relocation or evacuation is the appropriate response and permanent relocation may be an appropriate remedy, the term includes the permanent relocation of residents, businesses and community facilities. In the case of a business located in an area of evacuation or relocation, it may also include the payment of those installments of principal and interest on business debt which accrue between the date of evacuation or temporary relocation and 30 days following the date that permanent relocation is actually accomplished or, if permanent relocation is formally rejected as the appropriate response, the date on which evacuation or temporary relocation ceases. In the case of an individual unemployed as a result of such evacuation or relocation, it may also include the provision of the assistance authorized by sections 407, 408, and 409 of the Disaster Relief Act of 1974;".

INTERNATIONAL MONETARY FUND

MATTINGLY AMENDMENT NO. 1307

Mr. MATTINGLY (for himself, Mr. WILSON and MR. RANDOLPH) proposed an amendment to the bill S. 695, supra, as follows:

On page 9, between lines 7 and 8, insert the following:

SEC. 103. (a) Not later than 180 days after the date of the enactment of this section, the Secretary of the Treasury shall transmit to the Congress a report containing a thorough review and detailed analysis of the policies of the International Monetary Fund (hereinafter referred to as the "Fund") relating to the Fund's gold reserves. Such report shall include an analysis of—

(1) the feasibility of returning all or part of the Fund's gold reserves to Fund members;

(2) the feasibility of selling the Fund's gold reserves in the private markets in an effort to raise capital; and

(3) the feasibility of establishing a Gold Lending Facility whereby the Fund would lend gold to Fund members who would in turn use such gold as collateral for commercial loans.

(b) In addition to the matters referred to in subsection (a), the report shall analyze—

(1) the effect on the market price of gold as a result of taking any of the actions described in paragraph (1), (2), or (3) of subsection (a);

(2) the effect on countries whose central banks maintain reserves in the form of gold as a result of taking any of the actions described in paragraph (1), (2), or (3) of subsection (a); and

(3) the effect on the credit markets of the United States as a result of taking any of the actions described in paragraph (1), (2), or (3) of subsection (a).

On page 9, between lines 7 and 8, insert the following:

SEC. 103. The Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"SEC. 45. (a) The Secretary of the Treasury shall instruct the United States Executive Director to the Fund, prior to the extension to any country of financial or technical assistance by the Fund, to work to obtain the agreement of such country to eliminate, in a manner consistent with its balanced payments adjustment program, phase down unfair trade and investment practices, such as those which are inconsistent with the General Agreement on Tariffs and Trade or other international agreements, including the provision of export subsidies such as government subsidized below-market interest rate financing for commodities or manufactured goods, the maintenance of unreasonable import restrictions, or the imposition of trade-related performance requirements on foreign investment, which the Secretary of the Treasury, after consultation with the U.S. Trade Representative, the Secretary of Commerce, and the Secretary of Labor, has determined to have a significant deleterious effect on the international trading system.

"(b) In determining the United States position on requests for periodic drawings under Fund programs, the Secretary of the Treasury shall take full account of the progress countries have made in achieving targets for eliminating or phasing out the unfair trade practices referred to in subsection (a) of this section. In the event that the United States supports a request for drawing by a country that has not achieved the Fund targets relating to such practices specified in its program, the Secretary shall report to the appropriate committees of Congress the reasons for the United States position."

On page 9, between lines 7 and 8, insert the following:

Sec. 103. It is the Sense of the Congress that there should be meetings on a regular basis between representatives of the International Monetary Fund and of the Contracting Parties to the General Agreement on Tariffs and Trade to ensure closer cooperation and more frequent sharing of information on the monetary—trade link.

SUPPLEMENTAL APPROPRIATIONS, 1983

KENNEDY (AND OTHERS) AMENDMENT NO. 1308

(Ordered to lie on the table.)

Mr. KENNEDY (for himself, Mr. HOLLINGS, Mr. RANDOLPH, Mr. PELL, Mr. PRYOR, and Mr. CHILES) submitted an amendment intended to be proposed by him to the bill (H.R. 3069) making supplemental appropriations for the fiscal year ending September, 30, 1983, and for other purposes; as follows:

On page 38, between lines 3 and 4, insert the following:

NATIONAL SUMMIT CONFERENCE ON EDUCATION

For conducting a National Summit Conference on Education, $500,000, which shall be held within 90 days after the date of enactment of this Act, and shall be subject to the following conditions:

(1) The Conference shall consist of not less than 200 individuals and shall be representative of teachers, parents, school administrators, college faculty and administrators, school board members, State education officials, State legislators, Governors, students, and business and labor. The Conference participants, as a whole, shall be racially and politically balanced.

(2) One-fourth of the participants in the Conference shall be appointed by the President, one-fourth of the participants shall be appointed by the President from among recommendations made by the Governors of the States, one-fourth of the participants shall be appointed by the Speaker of the House of Representatives, and one-fourth of the participants shall be appointed by the Majority Leader of the Senate. Each Governor shall recommed no more than two individuals.

(3) The President of the United States, the Speaker of the House of Representatives, the Majority Leader of the Senate and the Governors of the States, as a group, shall each designate two individuals to serve on an Executive Committee. The Committee shall be responsible for selecting a presiding officer for the Conference.

(4) The Conference shall develop specific recommendations for action in response to the findings of the National Commission on Excellence in Education, including recommendations relating to student achievement, student discipline, teacher quality and compensation, curriculum content, the role of the federal, state and local governments and of private institutions in improving the educational system of the United States and the resources needed to implement such recommendations.

(5) The Conference shall prepare and transmit its recommendations to the President, the Congress and the Governors of the States no later than January 15, 1984.

● Mr. KENNEDY. Mr. President, I am today offering, on behalf of myself and Senators HOLLINGS, RANDOLPH, PELL, PRYOR, and CHILES, an amendment which would appropriate $500,000 to convene a national summit conference on education. I intend to offer this amendment to the Emergency Supplemental Appropriations Act, H.R. 3069, when the Senate turns to consideration of this measure later this week.

This summit conference would be the logical successor to the recently ended National Commission on Excellence in Education. That Commission's report and the reports of other blue ribbon panels included eloquent descriptions of the problems in our public schools and outlined the needs for improvement. These reports have raised the consciousness of America on the state of our schools. However, these reports did not include the specific prescription for implementing their general recommendations. A national conference, drawing broadly on individuals with varied experiences and interests in the field of education, could develop such a blueprint to respond to the needs in the schools.

To briefly summarize my amendment, it would convene a national summit conference within 90 days of the enactment of the supplemental appropriations bill. The conference would include not less than 200 participants. They would be individuals with diverse backgrounds but sharing a strong interest in the improvement of our educational system. They would include teachers, parents, students, school administrators, college faculty, and administrators, representatives of business and labor, and local, State, and Federal policymakers.

The participants would be selected in the following manner:

One-quarter by the President of the United States;

One-quarter by Speaker O'Neill;

One-quarter by the Senate majority leader, Senator BAKER; and

One-quarter by the President from a list submitted by the Governors of the various States.

It is essential that the participants selected be politically and racially balanced and that all viewpoints are represented. It will be up to the individuals selecting the participants to insure that this occurs. It is particularly important for this conference not to be overburdened with too many participants representing any single interest or level of government. Governors, for example, should consult with other State office-holders and with local education officials in selecting their recommendations.

The President, the Speaker, the Senate Majority leader, and the Governors shall each designate two individuals to serve on an eight-person executive committee. The committee will be responsible for selecting a Chair for the conference. The committee will also select any staff needed to prepare for the conference and to assist the participants.

This amendment has received the endorsement of a number of important organizations with an interest in education, including the American Federation of Teachers, the National Education Association, the National Parent-Teacher Association, the American Association of School Administrators, and the chief State school officers.

The report of the National Commission concluded by noting that:

It is the America of all of us, that is at risk; it is to each of us that this imperative is addressed. It is by our willingness to take up the challenge, and our resolve to see it through, that America's place in the world will be either secured or forfeited. Americans have succeeded before and so we shall again.

These are optimistic sentiments, but I believe that they can be borne out if we are willing to meet together, talk together, and work together to restore excellence in American education. Our school system attained greatness because it was placed above politics and outside the arena of petty partisan disputes. It attained greatness because Americans universally embraced the concept that a quality education was an imperative. That greatness can be restored and the enactment of this amendment is the next step in that quest.●

HUMPHREY AMENDMENT NO. 1309

Mr. HUMPHREY proposed an amendment to the bill S. 695, supra; as follows:

On page 9, between lines 7 and 8, insert the following:

SEC. 103. The Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"SEC. 45. Notwithstanding section 40 of this Act, the United States Governor of the Fund may not consent to the increase in the United States quota in the Fund which is described in that section as long as communist nations remain members of the International Monetary Fund.

NOTICES OF HEARINGS

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. ROTH. Mr. President, the Senate Committee on Governmental Affairs will hold a hearing on operational testing procedures in the Department of Defense on Thursday, June 23, at 9:30 a.m. in room SD 342 of the Dirksen Senate Office Building. For further information, please contact Mr. Lincoln Hoewing at 224-4751.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HELMS. Mr. President, as chairman of the Senate Committee on Agriculture, Nutrition, and Forestry, I wish to announce that a hearing has been scheduled to review proposed modifications in the Federal tobacco program. The hearing will be held on Tuesday, June 14, at 9:30 a.m. in room 328-A, Russell Senate Office Building.

Anyone wishing further information should contact Denise Alexander of the Agriculture Committee staff at 224-0014.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, June 8, at 10 a.m., to hold a markup of S. 602, radio broadcasting to Cuba.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BAKER. Mr. President, I ask unanimous consent that the Commit-

tee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, June 7, 1983, in order to consider and act on pending nominations and the following bills:

S. 53—The Justice Assistance Act of 1983 (Subcommittee on Juvenile Justice).

S. 57—To amend the Protection of Children Against Sexual Exploitation Act of 1977 (Subcommittee on Juvenile Justice).

S. 500—Christopher Columbus Quincentenary Jubilee Act (Full Committee).

S. 774—The Freedom of Information Reform Act (Subcommittee on the Constitution).

S. 779—Intelligence Personnel Protection Act (Subcommittee on Criminal Law).

Budget waiver authorization(s) for any bill(s) requiring the same.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, June 8, in order to receive testimony concerning S. 915, the Taxpayer Antitrust Enforcement Act of 1983 (Illinois Brick).

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EAST ASIAN AND PACIFIC AFFAIRS

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on East Asian and Pacific Affairs, of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, June 8, at 2:30 p.m., to receive a secret level briefing on United States and Taiwan relations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, June 8, in order to receive testimony concerning the following nominations:

Justice Gene Carter of Maine to be U.S. district judge for the District of Maine;

Mrs. Lois Herrington of California to be Assistant Attorney General;

Francis M. Mullen of Virginia to be Administrator of the Drug Enforcement Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON LEGISLATION AND THE RIGHTS OF AMERICANS

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Legislation and the Rights of Americans of the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, June 9, at 10 a.m., to hold a hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. BAKER. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, June 8, at 10 a.m., to hold a hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CIVIL SERVICE, POST OFFICE, AND GENERAL SERVICES

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Civil Service, Post Office, and General Services, of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Thursday, June 9, at 10 a.m., to hold a hearing on S. 958, the Merit Pay Reform Act, and to continue in a markup session at 11:15 a.m. of S. 958 and S. 1009, a bill reauthorizing Federal physician's comparability allowances.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

BUDGET STATUS REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate a status report on the budget for fiscal year 1983 pursuant to section 311 of the Congressional Budget Act. Since my last report the Congress has completed action on Senate Concurrent Resolution 26 approving the obligation and expenditures of funds for the MX missile.

The report follows:

REPORT NO. 83-5: REPORT TO THE PRESIDENT OF THE U.S. SENATE FROM THE COMMITTEE ON THE BUDGET, STATUS OF THE FISCAL YEAR 1983 CONGRESSIONAL BUDGET ADOPTED IN S. CON. RES. 92, REFLECTING COMPLETED ACTION AS OF MAY 31, 1983

[In millions of dollars]

	Budget authority	Outlays	Revenues
2d budget resolution level	822,390	769,818	665,900
Current level	868,492	783,054	665,298
Amount remaining	0	0	0

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and which exceeds $0 million for fiscal year 1983, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in S. Con. Res. 92 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate and which would result in outlays exceeding $0 million for fiscal year 1983, if adopted and enacted, would csuse the appropriate level of outlays for that year as set forth in S. Con. Res. 92 to be exceeded.

REVENUES

Any measure that would result in revenue loss exceeding $0 million for fiscal year 1983, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in S. Con. Res. 92.●

THE EXPORT ADMINISTRATION ACT

● Mr. GARN. Mr. President, the Committee on Banking, Housing, and Urban Affairs recently ordered reported a bill to amend the Export Administration Act of 1979. Our bill would make significant improvements to the current law. The classic economic solution is one in which all are benefited. That is exactly what would result from enactment of the Banking Committee bill. Our national security would be enhanced, while at the same time incentives for trade would be increased.

Mr. President, this is the result that most have hoped for but that few have thought possible to reach. Allow me to cite one example of the balance in the committee's approach. One of the most significant provisions of the Banking Committee bill would strengthen multilateral cooperation in controlling exports to our potential adversaries, both by upgrading the international cooperation agency—the coordinating committee of Cocom—and by empowering the President to deny access to the U.S. market to those violating Cocom regulations.

Our expectation is that this will result in a much more effective multilateral effort to curb the transfer of sensitive goods and technology to the Soviet bloc. With this increased multilateral cooperation it would be appropriate to decontrol the trade with our allies in nonsensitive items, and in general to facilitate trade with our Cocom partners. Provisions to accomplish these goals are also integral parts of the Banking Committee bill.

Mr. President, I wish that I could report that the other body is taking the same balanced approach, and I am hopeful that they will. In this regard I would recommend, Mr. President, that all interested in this issue read a recent editorial in the Wall Street Journal, entitled "Politics and Trade," and I ask that this editorial of June 2, 1983, be printed in the RECORD.

The editorial follows:

[From the Wall Street Journal, June 2, 1983]

POLITICS AND TRADE

Western leaders have stepped down from the summit far more gracefully than at Versailles last year, when efforts to find unity were tripped up by differences on East-West trade. That's great but if doesn't mean by any stretch of the imagination that the trade issue has been resolved.

President Reagan has lowered the pitch of his arguments against certain kinds of dealings with the Soviets, but he hasn't dropped them. Indeed, he wants Congress to further toughen the Export Administration Act, due to expire Sept. 30, to give him stronger

powers to punish foreign companies that don't abide by U.S. trade strictures, allowing him to close the U.S. market to foreign firms that violate the act. Our summit allies, no fans of the act as it already stands, would hate that. It appears that Congress doesn't like it very well either, judging from committee actions so far. Some have the effect of weakening rather than strengthening the act.

We admit to some ambivalence of our own on this issue. Our fundamental position on trade is that it should be as free as possible so that all the world's citizens can have the benefits of broad and varied commerce. But we know as well that there are special problems in trading with Communist bloc nations, who have no such liberal notions themselves and who are ideologically hostile to Western democracy and capitalism. Most importantly, much of the trade in question itself seems like a politically inspired departure from market principles.

Mr. Reagan has some good arguments and the distinctions he makes about what kinds of trade are acceptable and unacceptable are not merely politically self-serving as the Europeans often claim. The Reagan administration, in essence, makes the following points:

Detente has become a Western policy of making deliberately uneconomic trade deals with the Soviets, really simple appeasement under the guise of trade. It's a failed political strategy, and the U.S. will make no bones about voicing its view of what NATO political strategy should be.

The vast array of European subsidies to the Communist bloc for everything from butter to natural gas compressor stations is not just bad defense policy but bad economics. The heavily subsidized Soviet gas pipeline, for example, will cost European consumers an arm and a leg.

We've got to get serious about keeping strategic high-tech goodies like terrain-mapping guidance systems away from the Soviets. This means toughening up COCOM, the Paris coordinating group, which doesn't even have its own office space yet. Already U.S. Assistant Defense Secretary Richard Perle estimates that 150 Soviet weapons, among them the SS-20s aimed at European capitals, include Western technology.

Indeed, the Europeans, while decrying U.S. "economic warfare" for public consumption, are not totally unsympathetic to any of these complaints. They have even paid lip service to having East-West trade "guided by indications of the market," a promise subject to various interpretations. But there was little serious discussion of these issues until the Reagan administration's pipeline sanctions. And even now several European governments are toying with the awful idea of further expanding the pipeline project.

Given those circumstances, a good case can be made for toughening the Export Administration Act. If ever applied, the sanctions the administration has in mind clearly could raise havoc with trade and markets, but some threat seems to be just about the only way to get serious discussion about how the West behaves towards its military adversary. We say two cheers for the leverage a tough export administration act gives the U.S.—even while we hope its sanctions are never used.●

CHURCH RESOLUTION ON REFUGEES IN CENTRAL AMERICA

● Mr. KENNEDY. Mr. President, the plight of hundreds of thousands of refugees in Central America has evoked a strong and commendable response from many religious leaders in our country. The voluntary agencies associated with them have also taken steps to redouble their efforts in behalf of the growing tide of refugees.

They speak eloquently to both the urgent need to provide humanitarian assistance, as well as the need to address the underlying causes behind the mounting refugee tragedy in Central America.

Recently, the Immigration and Refugee Program Committee of Church World Service, representing 32 denominations associated with the National Council of Churches, unanimously adopted a resolution calling for greater action to respond to the refugee crisis in Central America, stressing also the particular plight of refugees from El Salvador who are in the United States.

Mr. President, I commend these resolutions to the attention of the Senate and ask that they be printed in the RECORD.

The resolutions follow:

RESOLUTION ON REFUGEES AND DISPLACED PERSONS IN CENTRAL AMERICA

Whereas there is a crisis of people in Central America with spreading violence, persecution and civil strife;

Whereas the evolving crisis is resulting in a growing toll of deaths, civilian casualties, displaced persons within their homelands, and persons fleeing as refugees over international boundaries into neighboring countires;

Whereas in this regard, the plight of large numbers of people especially Salvadoran and Guatemalan nationals, is particularly grave;

Whereas insufficient attention is being dedicated to these humanitarian problems by members of the international community, including the United States; and

Whereas the Christian community internationally and here in the United States is deeply disturbed by these developments: Therefore, be it

Resolved, That the Church World Service Immigration and Refugee Program Committee, entrusted by its member national religious communions to address refugee concerns, and understanding that the solution to these problems will only come through the peaceful resolution of the present conflicts;

Expresses its profound humanitarian concern for the protection and well being of the displaced persons and refugees in Central America;

Commends private voluntary agencies, especially indigenous and ecumenical church organizations, for their extraordinary efforts to protect and aid homeless people;

Commends the International Committee of the Red Cross for its outstanding special services among displaced persons and refugees;

Calls upon the governments of the region to take all appropriate measures to help assure protection to displaced persons and refugees;

Calls upon the United Nations' Organization and the United Nations' High Commissioner for Refugees to expand and direct its activities to respond more adequately to the humanitarian crisis of the region, and to take appropriate measures to help assure equitable protection for all refugees and to help provide full relief assistance to all in need;

Calls upon the government of the United States to recognize the situation in Central America as a major humanitarian crisis and urges that our Government encourage and facilitate equitable protection for and adequate aid to the displaced persons and refugees of the region and;

Urges greater efforts by the churches in the United States to contribute to bringing peace to the region and relief to the victims of the crisis in Central America.

RESOLUTION ON FIRST ASYLUM

Whereas an important historical ideal of the United States is to grant refuge to those fleeing persecution and civil strife;

Whereas the Christian community has traditionally upheld the concept of providing safe haven and sanctuary to such persons in need;

Whereas the United States has become a country of "first asylum" for Salvadorans, Guatemalans, Haitians and others seeking refuge from persecution and/or civil strife in their homelands; and

Whereas the United States is failing to live up to is moral responsibilities and legal obligations to provide protection and due process to those seeking temporary safe haven or political asylum here: Therefore be it

Resolved, That the Church World Service Immigration and Refugee Program Committee reaffirms, as an expression of our faith in God seeking justice and love for our neighbors, the concept and practice of providing refuge to persons in this country who have fled persecution and/or civil strife in their homelands, calling on the Government of the United States to:

(1) Recommit itself to the principle of nonrefoulment (no forced return) of those seeking refuge in this country,

(2) Grant temporary safe haven, through extended voluntary departure status, to groups needing such protection, in particular to Salvadoran and Guatemalan nationals who have fled to the U.S. since 1980, until they can return home in safety, and

(3) Insure fair and expeditious consideration, with full due process, for all persons requesting political asylum status; and be it further

Resolved, That the Church World Service Immigration and Refugee Program Committee urge the constituent bodies, congregations and individuals of its member communions to engage in advocacy to help bring about the full implementation of these measures, which reflect the humanitarian traditions of this Nation and the concerns of Christian faith and practice.

NATIONAL COUNCIL OF CHURCHES LIST OF MEMBER COMMUNIONS

African Methodist Episcopal Church
African Methodist Episcopal Zion Church
American Baptist Churches in the U.S.A.
The Antiochian Orthodox Christian Archdiocese of North America
Armenian Church of America
Christian Church (Disciples of Christ)

Christian Methodist Episcopal Church
Church of the Brethren
Coptic Orthodox Church in North America
The Episcopal Church
Friends United Meeting
General Convention, the Swendenborgian Church
Greek Orthodox Archdiocese of North and South America
Hungarian Reformed Church in America
Lutheran Church in America
Moravian Church in America Northern Province Southern Province
National Baptist Convention of America
National Baptist Convention, U.S.A., Inc.
National Council of Community Churches
Orthodox Church in America
Patriarchal Parishes of the Russian Orthodox Church in the U.S.A.
Philadelphia Yearly Meeting of the Religious Society of Friends
Polish National Catholic Church of America
The Presbyterian Church in the United States
Progressive National Baptist Convention, Inc.
Reformed Church in America
Serbian Eastern Orthodox Church
Syrian Orthodox Church of Antioch
Ukrainian Orthodox Church in America
United Church of Christ
The United Methodist Church
The United Presbyterian Church in the U.S.A.●

AUTOMOTIVE SAFETY

● Mr. DANFORTH. Mr. President, last month I introduced S. 1108, the Highway Safety Act of 1983, on behalf of Senators PELL and PACKWOOD and myself. This omnibus safety bill seeks to promote safety at the Federal level and encourage effective State action to improve highway safety.

Mr. President, title I of S. 1108 addresses various aspects of automotive safety. Earlier this year, the Surface Transportation Subcommittee heard testimony which clearly showed that technologies exist which would reduce deaths and injuries from highway accidents. For the most part, however, these technologies currently are unavailable to the American consumer. Title I provides for specific technology related safety improvements; this title would require the installation of such life- and injury-saving devices in automobiles as airbags, 5-mph bumpers, antilacerative windshields, and high-mounted stoplamps as well as require a rulemaking by NHTSA which would lead to improved side impact protection for automobiles, light trucks, and vans.

Mr. President, I would like to bring to my colleagues' attention a recent article from the New York Times which discusses auto safety from a free market perspective.

I ask that this article be inserted in the RECORD.

The article follows:

[From the New York Times, May 10, 1983]

AIRBAGS FOR ADAM SMITH

Is the Reagan Administration about to alter course on auto safety? The dismissal of Raymond Peck, the highway safety administrator who spent the last two years dismantling key regulations, doesn't necessarily signal a change. Apparently it was Mr. Peck's ability to irritate his boss, Transportation Secretary Elizabeth Dole, more than his policies that cost him his job.

Still, there is hope. Mrs. Dole is a smart, practical conservative who knows that free-market principles do not necessarily conflict with sophisticated regulation.

Last year 45,000 Americans died on the road; several hundred thousand suffered severe injury. A pity, say the free marketeers in the Reagan Administration, but if crashworthy cars were worth the cost, consumers would want to buy them and Detroit would want to make them. Since safety doesn't sell, they argue, Government has no business overriding consumer preferences. It's just such "respect" for individuals that inspired Raymond Peck to roll back requirements for self-activating passive restraints and tougher bumpers.

The pitch has a nice ring. But any conservative worthy of her Adam Smith necktie understands there is more to economic efficiency than free choice. Consider a few of the logical gaps in the economics of rugged individualism.

Economies of Scale. If you install airbag restraints in a few thousand cars, a la Mercedes-Benz, it costs about $1,000 per vehicle. Put them in a few million cars and the costs drops to about $300. A brave auto maker might turn a profit by selling safety in quantity at the more attractive price, but these days no one in Detroit can afford to be brave. Thus if airbags are worth $300 (but not $1,000), there is reason to force their installation.

Information Costs. Everybody can guess that 5-mile-per-hour bumpers are better than 2½-m.p.h. bumpers. But few car buyers can tell which sort of bumper is on which car—in Chryslers, the two varieties look identical. And even fewer people are equipped to calculate how much the tougher bumpers are worth in repair savings or reduced injuries. Careful "cost-benefit" estimates show that 5-m.p.h. bumpers pay off; Uncle Sam is justified in requiring them.

Externalities. One might argue that individuals have the right to risk injury. But in the real world, much of the cost of mayhem on the highway is borne by others, in the form of higher insurance premiums and the higher taxes, as long as there is medical and disability insurance, Social Security and welfare, society has a stake in how dangerous it is to drive.

Besides, even in the purest of hypothetical worlds "consumer sovereignty" is a flawed concept. One of those flaws is the right of parents to make spending decisions for their children. It's illegal to deprive kids of food or education. Why let dad alone decide how safe little Jennifer and Max will be in the family station wagon?

Conservatives distrust government, but only simple ones believe it has no constructive role to play in real-world markets.●

ADDRESS OF SENATOR PELL AT 85TH ANNUAL COMMENCEMENT DAY LUNCHEON AT COLUMBIA UNIVERSITY

● Mr. STAFFORD. Mr. President, for over a decade, I have had the great pleasure of serving on the Labor and Human Resources Committee with my good friend and distinguished colleague, Senator CLAIBORNE PELL of Rhode Island. His record of achievement in the Senate, on that committee, and on our Subcommittee on Education, Arts, and Humanities, which he chaired throughout the 1970's, is remarkable. Senator PELL has been a passionate advocate for enriching our lives through the arts and humanities and has been a champion of opening the doors of higher education to all, regardless of economic circumstances.

I would like my colleagues to note that on May 17 of this year, Columbia University awarded Senator PELL the degree of doctor of laws, honoris causa, at its 229th commencement exercises and also honored him that day by asking him to deliver Columbia's 85th annual commencement day luncheon address. I am delighted to share Senator PELL's eloquent remarks with my colleagues, and I commend to you his vision for a better world.

The remarks follow:

REMARKS OF SENATOR CLAIBORNE PELL AT 85TH ANNUAL COMMENCEMENT DAY LUNCHEON, COLUMBIA UNIVERSITY

It is a huge personal pleasure and honor to be at Columbia today. My father was a lecturer here in the 1920's and I am proud to hold a Columbia degree myself, as did my grandfather. And long before our time, we had an historical connection with this wonderful institution of learning, then called King's College, as evidenced by the fact that our family's coat of arms is one of those on the cupola of St. Paul's chapel over there. I would add that my Tory origins have eroded a bit with the passage of time.

This is a time of cheer and hope, and I would like to ask you to share with me in these next few minutes a bright vision. It is a vision, still within our grasp, of a world somehow freed from the scourge of nuclear armaments. We have lived for so long now with the terrible weight of this burden that it is difficult to envision what life would be like without it. But let us share, for a moment, this vision.

What a springtime of rejuvenation for the human spirit would occur if mankind could witness the curtailment, reduction and ultimate abolition of nuclear armaments as instruments of national power. What a release it would mean from the unspoken grip of fear that weighs on the human race—particularly on our young people.

The world could not only be released from the fear of nuclear annihilation, but from other fears as well; the fear of starvation, the fear of poverty and the fear of catastrophic illness. For the fact is that if expenditures for nuclear weapons were to be reduced 100% and, with a concomitant reduction in tensions, those for conventional armaments reduced by 50%, vast resources of mind and material could be released to

attack the real problems that bedevil the human condition.

We could address with fresh energy the quality of life that would be possible on this planet. In particular, we could renew and intensify the emphasis that should be placed upon education, upon the arts and humanities, and upon the vital role they can plan in enhancing the worth and value of life in this world.

I have long believed that the real strength of our Nation is determined not by our weapons of destruction or our machinery of construction, but by the sum total of the education and character or our people. And our true place in history will be determined not by our machinery of construction—or destruction—but by our works of art and literature.

At the end of the last decade I stressed that, here in our own country, we would soon be able to turn from a fulfilled promise of educational opportunity for all Americans to attaining an education of excellence for all. That was more than three years before the National Commission on Excellence in Education even existed, let alone issued its very somber report on the present state of American education.

Ironically, the fact that my vision of excellence as a goal now has been deferred is a direct consequence of the shift in our national priorities away from education toward defense. To my mind, it is an unrightable wrong that we have had to spend the first part of this critical decade, not in the pursuit of excellence, but in keeping the doors of education opportunity from slamming shut on tens of thousands upon tens of thousands of deserving young men and women. I am particularly sad to see Guaranteed Student Loans and my Pell Grants increasingly denied to middle income Americans.

Notwithstanding these setbacks, I want to assure you that there are already forces in motion, of which I am pleased to be a part, to redress the balance. We are starting with a concerted effort to avert the prospective shortfall in technological skills by the end of this century. What is at stake is a virtual retooling of the US workforce to keep pace with the exploding tide of new technology.

Much more needs to be done, of course, and across a broad range. The arts and humanities are necessary, too, as particularly vital ways in which people communicate ideas, feelings, values and identities in an attempt to deal with the problems that burden our lives today. The survival of any social and economic system depends upon the constant infusion and the free exchange of ideas.

When, on the Senate side, Senator Javits and I, together with Congressmen Frank Thompson and Brownie Reid on the House side, well represented here by his wife, established the National Endowment for the Arts and Humanities back in 1965, we declared right at the outset of that landmark legislation that "a high civilization must not limit its efforts to science and technology alone, but must give full value and support to the other great branches of man's scholarly and cultural activity in order to achieve a better understanding of the past, a better analysis of the present, and a better view of the future."

I believe we should remain as deeply committed to that proposition now in 1983 as we were in 1965. I only regret that Jack Javits, my old colleague and friend, is not in the Senate to help in this battle. We must not only preserve and consolidate the gains we have made, but we must seize every opportunity to promote new qualities of mind and spirit to sustain civilization in the 21st Century.

Complimenting this brief vision of education and the arts is the prospect of innovation and restructuring of the urban environment in which so much of mankind now lives—a realization, as it were, of the ancient prophecy of a "new Jerusalem." I have been particularly impressed by the concept of ekistics, the science of human settlements as developed by Dr. Constantine Doxiadis. The theme of ekistics is to reduce the urban setting to human scale; to make urban development subordinate to human beings, **rather than the overwhelming and oppressive** instrument of human confinement. Doxiadis would return human pedestrians to streets and walkways, banish vehicles underground, bring greenswards into the very heart of our cities and design housing that would combine privacy with freedom from pollution—atmospheric, audio and visual.

Ekistics thus could provide the physical setting for renaissance of the human spirit—a tranquil environment in which humanity, freed now from an overwhelming sense of fear, and freed by technology from so much of the drudgery of life, could pursue education to the limit of individual capacity, and realize a new order of self fulfillment **heretofore undreamt. Think what** this realization could mean to New York and New Yorkers.

So much, then, for the vision of a nuclear-free world. What of the present reality?

The reality we must face is of the two super powers hurtling down the treacherous path of threatened mutually assured destruction. We are told that more weapons will encourage our adversaries to exercise restraint, but we know that the possibility of conflagration mounts as proliferation of weapons increases—through a flock of geese or electrical short circuit, misjudgement or mishap, or not by deliberate act.

Our course today reminds me of a sailboat race I saw some time ago when two large vessels were on a collision course and neither would put over the helm. The inevitable result occured and one of the boats was demasted and the other damaged almost beyond repair. If our ships of state don't put over the helm, the result will be a devastation **so awful that, as Nikita Khrushchev** once said, "the living will envy the dead."

Hoping for a moment, that the global protagonists may not yet be on a collision course, there is another nautical analogy which could apply to our present circumstances, and that is the scenario of two great ships silently passing each other in the night, the passengers on each oblivious to the fears and frustrations of the other.

This second analogy is instructive because it reminds us that ignorance is one of the great inadvertent forces of history and that the best hope for our survival at this late hour is to strive by every means at our disposal to cut through the clouds of misunderstanding and come to an accurate comprehension of our adversary's needs and aspirations—and they of ours. Here is where you at Columbia are to be congratulated on your marvelous W. Averell Harriman Institute for Advance Study of the Soviet Union and on the excellence of your professors such as John Hazard and Marshall Schulman.

The fact is that the United States and the U.S.S.R. have so entangled their opposing defense policies in outdated rhetoric that it is doubtful that either side has an accurate understanding of the other's true objectives. It is entirely possible, for example, that the Soviet Union is motivated far more by fear of its adversaries than by a compelling desire for territorial or ideological expansion.

But in the nuclear age, there is no room for false assumptions and no substitute for accurate judgement. Never before has there been such relevance to Tallyrand's axiom that "For every 60 minutes of negotiations one should spend 10 minutes in the skin of one's adversary."

Time may be very short and we may be able to save ourselves only by a wrenching change of course. We know all too clearly what the awful consequences of inaction could be. But, as we have envisioned here today, the future could be far different it we could but come to our senses. Civilization faces an epochal choice.

Here I am remined that Clemenceau once said "War is too important to leave to generals." Well, we fellow passengers on space ship earth are starting to say "Nuclear war is too important to leave to governments" and seeking to seize more reins of power for ourselves.

In doing this, let's remember Clifford Bax' couplet:

"Turn back, O man, forswear thy foolish ways * * *
Earth might be fair, and all men glad and wise."

That is the vision of hope we should never let slip from our grasp.

Alfred North Whitehead once said that the five most important qualities of a civilized society are truth, beauty, adventure, art and peace. In the fifty years that have passed since he made that statement, I doubt that anyone has improved on that **simple but profound formula. For a world** that is facing such a crucial choice between survival and destruction, surely that should be the noble, laudable goal to which we should aspire.●

FAMINE IN AFRICA

● Mr. DANFORTH. Mr. President, freedom from hunger and malnutrition both here at home and abroad is a matter of great concern. Of special **concern is the situation in sub-Saha**ran Africa, the only region in the world where per capita food production has declined over the past two decades. In this region the race between population growth and food production is being lost; moreover, the problem has been made worse by prolonged droughts and the constant mass migration of refugees from one country to another. If nothing is done and the present trend continues, Africans face the prospect of mass starvation by the end of the century.

Over the past few months, articles in the Washington Post and New York Times have described the tragic scope **of this food crisis in sub-Saharan** Africa—a crisis made worse by a drought that is in its second year. The most recent of these articles, in today's New York Times, describes the current drought in the region as causing the worst famine in a decade. According to this article by Bernard

Weinraub, United States and international relief officials say that the region faces the worst food shortages since the early 1970's when at least 200,000 to 300,000 people starved to death.

Mr. President, these articles underscore the urgent need for increased U.S. food and development aid for this region. I ask that the text of these articles be printed in the RECORD and I urge my colleagues to give these articles their serious consideration.

The articles follow:

[From the New York Times, June 7, 1983]

FAMINE IN AFRICA IS CALLED WORST IN A DECADE

(By Bernard Weinraub)

WASHINGTON, June 6—A drought affecting 18 countries in Africa is causing increasing concern among United States and international relief officials, who say that the region faces the worst food shortages since the early 1970's when at least 200,000 to 300,000 people starved to death.

Donald C. Kimmel, director of the Food and Agricultural Organization's office here, said that reports reaching the organization made it clear that "we are coming into something far worse than what we had in 1972-73." The organization itself has termed the situation in Africa "extremely serious."

State Department officials, who are pressing for an increase in the United States' $244 million food aid program for Africa, said that border and internal unrest in nations such as Ethiopia, Chad, Mozambique and Angola had seriously compounded the food shortages. Roads have been shut, stranding trucks carrying food supplies, and thousands of farmers have fled to urban and border regions, the officials said.

With many African nations suffering their second year of drought—and with an estimated five million refugees within Africa—the food shortages present "a forbidding picture," said a World Bank official. What makes the situation ominous, he said, is that the drought and food shortages are not limited to one area, as in the early 1970's, but are afflicting nations all through the continent south of the Sahara.

In recent days a private F.A.O. report received here has painted an especially bleak portrait of nations such as Chad, where "starvation deaths are reported," Ethiopia, the Central African Republic, Mozambique, Tanzania, Botswana, Lesotho and Swaziland.

Food experts noted that nations outside Africa, such as Cambodia, Indonesia, Nepal and the Philippines, have also been severely affected by drought. But, officials said, the situation in Africa is especially serious because this is the second year in a row that nations there have suffered drought.

Beyond this, officials said, inept bureaucracies and a lack of government machinery to deal with food emergencies have left some African nations almost powerless to deal with the crisis. "Look at Chad," said one United States official. "Every few months you get a new government and a new agricultural minister. There are 50 miles of paved roads in the country. You go to the Agriculture Ministry and they don't even have pens and pencils."

Underlying the overall problem is the crucial issue of Africa's birth rate and food production. In the last few years the birth rate has risen at a rate of about 3 percent annually, which is double the increase in the continent's food production.

United States, Food and Agriculture Organization and World Bank officials declined to estimate how many Africans have starved to death in recent months. Officials said, essentially, that it was impossible to determine how many children and adults had died of dehydration and illnesses related to hunger.

SIX NATIONS AFFLICTED IN SEVENTIES

Officials recalled that in a belt of six countries south of the Sahara, perhaps 300,000 Africans, and possibly far more, were believed to have died of starvation in the early 1970's, largely because of drought. The countries—some of them affected by the current drought—were Mauritania, Senegal, Mali, Upper Volta, Niger and Chad.

F.A.O. officials said that 18 countries had been especially hard hit by the current drought. They are Botswana, Cameroon, Cape Verde, Chad, Ethiopia, Ghana, Djibouti, Lesotho, Mali, Mauritania, Morocco, Mozambique, South Africa, Swaziland, Tanzania, Togo, Zambia and Zimbabwe. Three of these—Morocco, South Africa and Zimbabwe—are suffering drought but not experiencing serious food shortages, F.A.O. officials said.

In recent weeks, Edouard Saouma, director general of the F.A.O. in Rome, has sent telegrams to 27 nations, including the United States, seeking urgent assistance in "helping African countries bilaterally and multilaterally" in buying food and protecting livestock production.

United States officials indicated that the State Department would probably seek an additional $18 million in emergency food aid for stricken African nations, bringing the overall total of food assistance to the continent for this year to $262 million. Last year Africa received $266.2 million in food aid.

AFRICAN EXPORTS LAGGING

Mr. Kimmel, the F.A.O. representative here, said that the food situation in Africa seemed worse than the situation a decade ago, partly because many African countries had found themselves unable to earn foreign exchange from traditional export products such as cocoa, rubber and coffee, whose prices are depressed on the world market. At the same time, he noted, industrial nations have sought to reduce their imports because of economic restraints.

"In times of bumper harvests, major exporting nations are less willing to step up food aid because of the costs," Mr. Kimmel said. "Someone has to pay for it. Someone has to pay to ship it."

Although World Bank and United States officials emphasized the seriousness of the immediate African situation, their concern also focused on the long-term impact of the drought on Africa's food needs. In southern Africa, for example, river levels are at 50-year lows, leading to "salt water intrusion on the land that kills everything you want to grow," said one State Department official.

Moreover, officials pointed out, a "vicious cycle" exists in many African nations in which population pressures force families to eke out livelihoods on barely arable lands, thus exploiting and exhausting the land and preventing it from recovering fertility. At the same time land is increasingly being used for livestock and many areas are deprived of forest cover because trees are cut for fuel.

[From the Washington Post, Apr. 10, 1983]

DROUGHT PARCHES GROWTH PLANS OF ONCE BUOYANT IVORY COAST

(By Leon Dash)

ABIDJAN, IVORY COAST.—A spreading West African drought has exacerbated the deepening domestic woes of the Ivory Coast, for many years the region's paragon of economic development and political harmony.

The lingering global recession already has had a devastating economic impact throughout West Africa, which is dependent on commodity exports, but the drought, coupled with recent brush fires, has endangered even domestic food supplies.

A prolonged harmattan, the dust-carrying, dry Saharan wind that normally blows to the tropical West African coast from November to January, worsened the parched conditions by blowing until the end of March this year and fanning the brush fires.

The Ivory Coast, after two decades of agricultural planning, is expected to weather the drought with a tight food supply if the rainfall returns to normal at the end of the dry season in May.

In Africa as a whole, however, the food supplies of an estimated 50 million people are threatened along the West African tropical coast from the Ivory Coast to Cameroon, the nine-country zone known as the Sahel, running on the southern edge of the Sahara desert through Ethiopia in East Africa.

Because of years of prosperity, the Ivory Coast is in a better position than its neighbors to adjust to the region's climatic vagaries. But the government's belt-tightening measures have rent the tight political fabric woven by Felix Houphouet-Boigny, the Ivorian president since independence from France in 1960.

The drought-caused economic deterioration has triggered a sharp cutback in government largesse, an uncharacteristic crackdown on party officials who were pocketing public funds, and rising unemployment. The trouble has provoked similar consequences in the weaker economies of other West African countries, but the impact is perhaps wider here because Ivorians had come to expect their "economic miracle" to continue unabated.

That was acknowledged by Houphouet-Boigny in a January public meeting, which led to the sharp cutback in the extraordinary government subsidy for 30,000 civil servants' housing—from a high of $240 million a year to $48 million.

"I know that to ask a brother to reduce his style of living to which he is accustomed is painful," said Houphouet-Boigny. "But facing our present situation, what else can one do?"

In March, seven secretaries of the Ivory Coast's sole party, the Democratic Party, were dismissed at public tribunals after being found guilty of embezzling hundreds of thousands of dollars of party members' donations. Their photographs were prominently displayed in the government-controlled Fraternite Matin, the only newspaper, over a three-day period. In previous scandals, Houphouet-Boigny had ordered the officials concerned to resign quietly and had issued face-saving bureaucratic excuses on their behalf.

Gnogbo Gouamene, secretary of state for internal security, said in a published interview in April that the new public exposure policy "is necessary to give examples. It is necessary that everyone know if he commits

such malpractices, he will be known to all Ivorians."

The Ivorian economy has been contracting since a plunge in world cocoa and coffee prices, the country's major exports, four years ago. With half of the 8 million population under the age of 20, the government is nervously faced with increasing pressure for jobs as 185,000 primary, high school and college graduates enter the job market each year.

Added to the economic malaise is the political uncertainty of what would follow Houphouet-Boigny, who has not designated a successor.

Since no one has been named to the empty vice presidential slot, if Houphouet-Boigny, 77, were to become incapacitated "there is legally no successor," said a well-informed source who insisted on anonymity. "There is a widespread apprehension in the Ivory Coast that there would be a scramble for power" if something should happen to the man who has been the dominant politician here since 1945.

That source and several Ivorians said, however, that it is understood Houphouet-Boigny does not want to "openly" choose his successor for fear of disrupting the balance among the more than 60 ethnic groups. These sources said it was possible that the vice presidential candidate for the 1985 elections will be chosen next year in an open primary contest among half a dozen candidates.

Given the Ivory Coast's mounting economic difficulties, "there is a good chance a young technocrat will emerge as Houphouet-Boigny's successor," according to this informant, who noted as precedents the recent handovers of power from Leopold Senghor to Abdou Diouf in Senegal and Ahmadou Ahidjo to Paul Biya in Cameroon.

Perhaps a crowning glory for Houphouet-Boigny is a development that has caused some muted popular resentment in these hard times—the National Assembly's vote by "acclamation" in March to move the capital from Abidjan to Yamoussoukro, the president's home village 166 miles northeast of Abidjan.

Houphouet-Boigny already has poured hundreds of millions of dollars of the country's cocoa and coffee revenues into transforming Yamous-soukro from a village of 1,300 in 1955 into a modern city of eight-lane, practically empty boulevards with an estimated metropolitan population of 70,000. Abidjan's population is close to 2 million.

Government planners indicate the government's move to Yamous-soukro is still far off. "The country simply does not have the money," said one African urban planner. "The vote was more of the country saying 'thank you' for what he has done over the past two decades."

While the brush fires in the past weeks have destroyed some cropland, it is estimated that the drought has done far more damage and that the harvest of cocoa this month may drop by a third.

The Ivory Coast has another advantage over its neighbors, though: offshore oil production takes care of domestic petroleum needs, 25,000 barrels a day.

[From the New York Times, March 18, 1983]

To Southern Africa's Agony, Add Two Arid Years

(By Alan Cowell)

LUSAKA, ZAMBIA.—For the second successive year, drought has parched the lands of southern Africa, and it has imposed itself capriciously, sparing some and breaking others. It has coincided with other woes, too, that blur the shall imprint of political independence in nations still reliant in others ways on distant and fickle forces in the industrialized world.

Some farmers assert that the dryness is the worst since records were first kept at the turn of the century. And so they are slaughtering cattle in Zimbabwe that should have been kept for stock; rainfall in some parts of southern Mozambique, the authorities there say, is barely a quarter of that in a good year; and crops of the white corn that is the mainstay of the region's diet will be down sharply in a swath of land that runs from South Africa through parts of Botswana, Zimbabwe, Zambia, Lesotho, Swaziland and Mozambique.

In the harsh heat of the Zambezi Valley, the river should be high on its banks now, turbulent with rain. Instead, it is lower than some remember it in the dry and wintry parts of the year that coincide with America's summer. It writhes between exposed shoals, laying bare the rocky architecture and contorted sculpture it has hewn from its bed over the centuries.

The drought has created an unpredictable patchwork of worries. A white commercial farmer near here was contemplating the total failure of his corn crop a few weeks ago, telling friends that without just one inch of rain he had no hope. For the next two nights, the skies opened, rain revived his fields and his fortunes and he was saved. In southern Mozambique, by contrast, an American traveler reported chancing upon two wizened women, aged beyond their years, replanting a meager crop of corn on a plot by a dirt road. They had not been so lucky—it had been two days since they had eaten and no rain had come to provide a promise of succor.

THE THREAT OF STARVATION

"There will be starvation in Mozambique," a Western agronomist said, "and scarcities elsewhere."

The drought is part of a tangle of related difficulties in parts of southern Africa. In Mozambique, where some southern rivers have become no more than dry and sandy courses, the authorities say drought will reduce marketed food this year by 105,000 tons, but the total deficit will be 250,000 tons. The difference, according to an official Mozambique report, is created by "bandit actions directly and logistically supported by South Africa."

The activities of guerrillas opposed to the Marxist regime are such, the report says, that "some roads are mined, food stores and commerical enterprises are looted and burned and many people have to leave their homes in search of security." Planting is thus reduced, marketing is difficult and state farms, already inefficient, cannot be supplied with equipment.

In Zambia, as elsewhere in the region, the peasant farmers have suffered most because their response to drought is not as flexible as that of the 280, mainly white, commercial farmers whose estates contribute 60 percent of the landlocked nation's food production.

FADING HOPE OF SELF-SUFFICIENCY

The lack of rain in the main corngrowing area in the south is again expected to frustrate a long-held desire for self-sufficiency in production of white corn, which is used to make a kind of porridge, called nshima in Zambia and sadza in Zimbabwe, and which is a staple throughout the region.

The shortage this year, according to Western estimates, will be around 90,000 tons, which will have to be imported from elsewhere and paid for in foreign currency. But Zambia has no cash to spare. Its loan repayments already consume half of its foreign echange earnings, according to a recent report by a London bank, its foreign debt is in excess of $3 billion and the Government has suspended all payments of principle and interest. Those who have sold goods to Zambia, a Western banker said, must now, in some cases, wait up to three years to be paid.

The crisis, as in other parts of the region, has been caused to some extent by the vagaries of alien markets.

Zambia earns 95 percent of its foreign exchange from copper, whose price, set in London, reflects demand in industrialized countries. Over the years revenue has fallen steadily with the declining price while the oil import bill has mounted and agriculture has faltered. The irony is that those same powers whose recession has contributed to the crisis also provide the sole hope of salvation.

Although free of foreign political dominance, the economies of many African nations still ebb and flow to foreign rhythms. In the past year, a Western economist said, Botswana, Malawi, Zambia and Zimbabwe have all devalued their currencies to seek favor from the Western-dominated International Monetary Fund, which, in turn, sets loan conditions that have a direct bearing on domestic politics.

Zambia, for instance, has imposed a wage freeze and abolished some price controls in return for a one-year standby agreement with the fund for $211.5 million in special drawing rights. The danger, Western diplomats said, is that the terms will fan discontent in an election year.

CORN CROP SERIOUSLY DAMAGED

"The drought could hardly have come at a worse time," said a Western diplomat in Lusaka, for the recession in the West has been felt harshly in third world nations while domestic mismanagement in some countries, insurgency in others and political confrontation between black-ruled Africa and the white-ruled south have hurt the region too.

"Zimbabwe almost did not have a rainy season this year," accordingly to a Western report. "After good early falls, particularly in Matabeleland in the southwest striken by drought last year, hardly more than showers were recorded throughout much of the country until mid-January."

"By then, parts of the crop-growing areas had received less than half their normal rainfall," the report says. "Other areas had even less."

As a result, "the corn crop has already been seriously damaged and the irrigated winter wheat crop will be considerably reduced unless substantial rains continue.

Reservoirs needed for irrigation are low or dry and subterranean water reserves have fallen. Even South Africa, the most powerful agricultural force in the region, has fared badly, Western economists said. Its corn crop available for market is expected to be only one-quarter of last year's levels, though nonetheless the region's biggest.

An additional factor is at play: Demand is rising while crops fail. Birth rates of 3 or 4 percent are common in Africa and in Zimbabwe the ending of the war three years ago has brought increased buying power for many people. Zimbabwe's food consump-

tion, by one calculation, will probably have doubled by next year over 1980 while the two successive droughts have reduced production to one-third of that year's record crop.

Several countries in the region are expected to seek food relief supplies from Western donors. Mozambique is expected to receive an American grant of 20,000 tons. And under negotiation is a deal whereby the United States will provide Zambabwe, still a corn exporter despite the drought, with 20,000 tons of scarce wheat in return for its shipping 30,000 tons of corn from it stocks to neighboring Zambia.

[From the New York Times, March 6, 1983]

A FAMINE IS SAID TO THREATEN 300,000 IN CHAD

(By James F. Clarity)

NDJAMENA, CHAD.—Hundreds of relief workers and dozens of medical teams are reported to have fanned out in this drought-stricken country to aid hundreds of thousands of people threatened with famine.

According to a United Nations relief official, at least 300,000 of Chad's four and a half million people are suffering from malnutrition so severe that thousands may die.

The official, Wali-Shah Wali, the coordinator of United Nations relief programs here, said precise figures were not available on the effects of drought, famine, malnutrition and disease in Chad because the Government bureaucracy was still not functioning fully after nine months in office under President Hissen Habré. But the number of people affected by lack of food, the official said, may be as high as 600,000.

Mr. Wali said the relief and medical teams were distributing food and medicine, and trying to determine how many people had died and how many were seriously ill.

"The situation seems to be of a magnitude approaching that of 1973," he said, referring to the last year of widespread drought and famine that led to the deaths of at least 100,000 people in the sub-Saharan region.

Famine in the countries of the region is caused by recurrent drought and the gradual expansion of the Sahara southward. When wells dry up, the largely nomadic, cattle-herding people of the area are forced southward toward places like Ndjamena where there is more fertile land.

In recent weeks, Mr. Wali said, a serious hazard has arisen as the acutely infectious disease rinderpest has spread among cattle. As many as one-third of the five million cattle in Chad are believed to have been affected, and an accelerated program of vaccination for three and a half million animals is reported under way.

Mr. Wali, a native of Afghanistan who has been working in Chad for a year, said "the state of the world economy" was preventing donor nations from providing the aid needed here.

A CUT IN U.N. RELIEF AID

He and other relief officials noted that Chad's announced budget for 1983 would require $110 million in revenues. But, they added, Chad expects to earn only about $10 million, mostly from taxes on the few foreign companies running profitable textile, sugar and beer businesses.

Because of the shortage of donor funds, Mr. Wali said, the "budget for United Nations aid in Chad was cut to $31 million from $50 million."

Among the countries still providing aid is the United States, which is giving $17 million this year. France, the colonial ruler here when Chad was part of French Equatorial Africa, has already given $23 million and may provide more.

At a special conference of donor countries in Geneva in November, Western nations pledged to invest $185 million here in the next few years. Although Chad needs all the money the rest of the world can give it, the immediate problem is getting delivery of the food and the medicine already ordered, and moving the supplies quickly into the countryside.

Mr. Wali estimated that 192,000 tons of food—wheat, rice, sorghum, cooking oil, millet—would be needed this year. To prevent famine and death from malnutrition, at least 50,000 tons must be delivered before rains turn the roads to mud in June.

One aspect of the relief operation that pleases, and in some cases surprises, relief officials is the Habré Government's readiness to let the foreign agencies run their operations the way they choose, according to relief workers. Every bit of aid that gets here, the foreign officials say, seems to be getting to the Chadians who need it.●

ECONOMIC EQUITY ACT

● Mr. DURENBERGER. Mr. President, on March 23 my distinguished colleagues from Oregon, Senators PACKWOOD and HATFIELD, and I were joined by 21 of our colleagues in introducing the Economic Equity Act of 1983 (S. 888). This bill has been hailed as a legislative milestone by major newspapers, Republicans and Democrats, women and men, and national organizations representing all points on the political spectrum.

The EEA of 1983 and its predecessor introduced in 1981 are the most comprehensive bills ever introduced in Congress to legislatively eliminate economic discrimination against women.

The Economic Equity Act is now consponsored by 30 Senators, almost evenly divided between the 2 parties. The companion bill in the House of Representatives has more than 100 cosponsors. And more than 30 national organizations representing all points of view have endorsed the EEA, and I ask that the list of those organizations be placed in the RECORD following my comments.

On June 20 and 21 the Senate Committee on Finance will hold hearings on the EEA. With that in mind, this is an appropriate time to review the history of the EEA and to briefly outline the bill's major provisions.

I particularly want to spend some time on what is becoming one of the most controversial issues before this Congress: Eliminating sex discrimination in insurance. One section of the EEA deals with this subject. In addition, Senators HATFIELD and PACKWOOD have introduced a separate bill, S. 372, to accomplish the goal of eliminating sex discrimination in insurance.

First, however, a bit on the history of the EEA:

During the 1960's and 1970's there was a growing recognition by many people that economic discrimination extends far beyond pay scales. Women who work outside the home are far less likely than men to be covered by pension plans; homemakers have little opportunity to build their own retirement security in the event of a divorce or the premature death of a husband; and, many Federal regulations discriminate against all women, both homemakers and those who work outside the home. These are just a few examples of the economic discrimination against women.

In 1979, I joined Senators PACKWOOD and HATFIELD to begin drafting a comprehensive bill to eliminate these forms of economic discrimination. The drafting process brought together other Members of Congress interested in the issue and representatives of major national organizations. After thousands of hours of meetings, the Economic Equity Act of 1981 was introduced on April 7, 1981. The bill—S. 888—was greeted with widespread enthusiasm that crossed all political and philosophical barriers.

Although the 97th Congress was dominated by budget and tax issues, four major provisions of the first EEA were incorporated into other pieces of legislation and signed into law during the 97th Congress:

Estate tax reform: Estate taxes have long been viewed as a tax on the wealthy. The reality is that the wealthy have found ways to shelter their income. The burden of estate taxes has fallen mainly on family farms and small business owners—especially farm and business widows. The estate tax reforms of 1981 recognize the role of the woman as an equal partner in building a family farm or business and protects her interests from the tax collector after her husband dies.

Day care tax credits: Day care tax credits, especially for low-income families, were increased in 1981. Rather than a flat-rate tax credit that treated all people equally regardless of their income, the 1981 changes raised the credit to 30 percent of child care expenses for taxpayers with incomes of $10,000 or less, with the credit reduced 1 percent for each $2,000 of income between $10,000 and $28,000. For example, a family with an income of $10,001 receives a credit of 29 percent while a family with an income of $28,001 or more would receive a credit of 20 percent.

The Senate made the tax credit refundable; that is, low-income families with little or no tax liability would actually receive a refund from the U.S. Treasury to cover a portion of the family's child care expenses. The House objected to this provision and it was dropped in a Senate-House conference committee—refundability is included in the EEA of 1983.

Individual Retirement Accounts: IRA's were expanded in 1981 to make virtually all income-earning workers eligible. In addition, homemakers who do not earn an income can establish IRA's.

Federal farm credit: The bias in farm credit that often resulted in women being placed at the bottom of the preference list was eliminated.

THE EEA OF 1983

As the 97th Congress drew to a close, the drafting of a new Economic Equity Act became a priority for the original Senate sponsors, members of the Congressional Caucus for Women's Issues and representatives of the major national organizations. The EEA was revised to reflect the successes of 1981-82 and broadened to reflect the goals yet to be accomplished.

On March 23, 1983, the Economic Equity Act of 1983 was introduced, still retaining its Senate bill number of S. 888. In addition to its broad support in Congress, the Leadership Council on Civil Rights—the umbrella organization for the key civil rights groups—has made the EEA one of its top legislative priorities for the 98th Congress.

Both Houses of Congress are moving quickly on the bill. I have noted the days of hearings in the Senate Finance Committee and I am pleased that the House of Representatives is moving on individual provisions in the EEA with equal speed.

WHAT DOES THE EEA COVER?

The Economic Equity Act is a comprehensive bill. It is divided into five major sections: Tax and retirement issues; dependent care; eliminating discrimination in insurance; reforming Federal regulations that discriminate; and stricter enforcement of child support payments ordered by courts.

The following is a quick look at what the EEA would do.

I. TAX AND RETIRMENT ISSUES

Private pension reform: Requires payment of survivor annuity to the spouse of a worker who was fully vested, even if that worker dies before the annuity starting date.

Requires written consent of both participant and spouse to waive survivor annuity option.

Permits assignment of pension benefits by State divorce courts in cases related to alimony, child support, and marital property rights.

Lowers the minimum age for participation in a pension plan from 25 to 21.

Modifies break-in-service rules to give 20 hours per week credit for up to 1 year of employer-approved maternity or paternity leave, provided worker returns to his/her job.

Abolishes ERISA provision allowing plans to deny widow's benefits if an otherwise qualified spouse dies within 2 years of choosing survivor benefits—if death is from natural causes.

Spousal Individual Retirement Accounts: Permits a homemaker with no earnings or lesser earnings of her own to contribute to a spousal IRA as much as the earning husband may contribute. The maximum deduction permitted each spouse individually shall be $2,000 a year.

Allows alimony to be treated as compensation for the purpose of eligibility to open an IRA.

Displaced homemakers tax credit: Makes employers who hire displaced homemakers eligible for tax credit of $3,000 in the first year and $1,500 in the second year.

Civil service pension reform: Entitles the divorced spouse of civil service member or retiree, married 10 years or more, to a pro rata share of the civil service retirement annuity and survivor benefits, subject to court review, modification or rejection.

Requires the written consent of the spouse—or former spouse, if any—before the retiree can waive survivors benefits.

Head-of-household tax reform: Revises the Federal income tax rate to allow single heads of household to a zero bracket amount equal to that allowed on joint returns.

II. DEPENDENT CARE

Sliding scale for tax credits: The 1981 Economic Recovery Tax Act established a sliding scale for tax credits for child care expenses from 20 to 30 percent of work-related expenses. This section would increase the credit to 50 percent for those with annual incomes of $10,000 or less.

Tax-exempt status for child care facilities: Enables nonprofit organizations providing work-related child care to be eligible for tax-exempt status.

Refundability: Allows the child care tax credit to be refundable. People who owe no income tax would receive as a refund the amount of credit to which they would be entitled. This section—which passed the Senate in 1981, but was defeated in a House-Senate conference committee—is critical to low-income families.

Information and referral: Establishes a Federal grant program to provide seed money to community based clearing houses for child care information and referral.

III. NONDISCRIMINATION IN INSURANCE

Prohibits discrimination on the basis of race, color, religion, sex, or national origin in insurance and annuities.

IV. REGULATORY REFORM

Requires the head of each Federal administrative and executive agency to conduct a review of agency regulations, to rewrite current regulations with sex-based distinctions sex-neutral and to refrain from promulgating future regulations which contain gender-based distinctions unless the subject matter specifically applies only to one sex, or the words used do not result in sex-based discrimination.

Codifies Presidential directive of August 26, 1977, requiring all executive departments and agencies to identify rules, regulations, guidelines, programs, and policies of the agency which results in different treatment based on gender.

V. CHILD SUPPORT ENFORCEMENT

AMENDMENTS TO THE CHILD SUPPORT PROGRAM: UNDER TITLE IV-D, SOCIAL SECURITY ACT

Provides a clear statement of purpose for the title IV-D program where none now exists. It clarifies Congress intent that the program enforces child support payments for non-AFDC cases as well as for AFDC cases.

Allows States to withhold Federal income tax refunds from absent parents who owe past due child support. Currently, States can only use this procedure for absent parents of AFDC children.

Requires that each State, as a condition of an approved State IV-D plan, implement certain progressive administrative procedures.

Federal mandatory wage assignment: Creates an automatic assignment of Federal civilian employee's wages when child support is ordered, modified or enforced by States.

IS THE EEA REALLY NEEDED?

Reading a section-by-section analysis of a bill as comprehensive and complex as the EEA is sometimes as confusing as it is enlightening. You can read each of the provisions and still end up with the same questions: Is the EEA really needed? Are the changes cosmetic, or do they really get at the heart of the problem?

The answer to both questions is, yes. And here are just a few cases—with the EEA-provided solution—to show why this legislation is long overdue.

Mary was widowed after 30 years of marriage. It was only after the funeral that she discovered that her husband during his working years had opted out of survivor's benefits in his pension plan. He made this decision on his own, without consulting or even informing Mary. Of course, the decision was made with all the best of intentions: By turning down survivor's benefits, the pension benefits would be larger and he and Mary would be more comfortable in their retirement. As it turned out, they received those higher benefits for only a few months before Mary's husband died. Mary, a homemaker who had not worked outside the home since before marriage, was left with no pension income even though she had never even participated in the decision.

The EEA would change that situation to require that both the participant in a pension plan and his or her spouse give their joint consent in writing to waive the survivor annuity option.

A Minnesota woman whose husband worked for a mining company on the Iron Range was widowed when her husband died at age 46. He had worked for the company the required number of years to be eligible for a pension, but he had not reached the minimum age—in this case, 50. Consequently, his wife was denied all survivor benefits.

The EEA would require that survivor benefits be paid in cases where a worker has worked long enough to qualify for a pension, but dies before reaching the minimum age.

More than 3 million women are displaced homemakers—women who spend years raising and caring for a family, then, through separation, divorce, death, or disability, lose their income. All too often, these women are left in the situations of the women in the examples above. No salaries, no pension income and, in most cases, only a small savings account.

Many women in these circumstances find themselves in the job market for the first time in years, maybe decades. Yet, they often have few marketable skills and are competing with younger people in a tight job market.

We have recognized that employers should be encouraged to hire hard-to-employ persons. Tax credits are offered to employers who hire and train economically disadvantaged youths, for example. The idea is that a relatively small tax credit now will pay for itself many times over in increased taxes from a new worker and lower costs for Government income security programs.

The EEA would make employers of displaced homemakers eligible for a tax credit of $3,000 in the first year of employment and $1,500 in the second year.

For many families, dependent care for children is an economic necessity. More than one-third, that is, 35 percent of two-income families would have to survive on an annual income of $15,000 or less—at a time when the country's median income is over $23,000—if the woman were not working outside the home. Yet, low-income families pay the same amount for dependent care as do middle and upper income families—a cost that all too often is unaffordable.

In addition to increasing the dependent care tax credit for low-income families, the EEA would make it refundable. That is, families with little or no tax liability—the families that get no benefit from a tax credit, even though they are the ones needing it the most—would receive a refund from the U.S. Treasury for a share of their dependent care expenses. For many, this refund could be the difference between paid employment and welfare.

According to a recent study, between a quarter and a third of fathers never make a single court-ordered child support payment. Yet, most States do not actively enforce child support payments unless the mother is receiving welfare. Of course, it can become a vicious circle. Often, the nonpayment of child support can force a mother and her children into welfare programs.

The EEA would make it easier for States to enforce payment of court-ordered child support in both welfare and nonwelfare cases.

Older women are the fastest growing poverty group in our country. A recent study found that only about 10 percent of all women over age 65 were receiving a private pension and that their average pension was about $2,400 a year. By comparison, almost three times as many men were receiving private pensions and the amount they received averaged more than $4,150 a year.

Many reasons account for the disparity. Part of the problem is that current law does not require eligibility for participation in a private pension plan until a person turns 25 years old. Yet, women in the 20-to-24 age bracket have the highest labor force participation rate among women. By age 29 or 30, though, many women have left the paid work force, at least temporarily, to raise a family.

To put it simply, because they cannot participate in a pension plan until age 25 and leave to raise a family before they have worked long enough to earn any pension benefits, many women never qualify for private pensions.

The EEA would change the minimum age for participation in private pension plans from 25 to 21. It also would allow credit toward pension benefits for people who take breaks in service for family raising. Finally, the EEA would allow homemakers to establish their own individual retirement account (a tax-deferred nest egg for retirement) of up to $2,000 per year.

ELIMINATING DISCRIMINATION IN INSURANCE

In recent months some of the country's biggest industries have put their massive resources to work in lobbying campaigns directed at Congress to repeal laws or block legislation from becoming law. Millions of dollars are being spent in advertising and mailings to promote "grassroots" campaigns by their customers.

The bankers were first and now, close on their heels, is the insurance industry. In newspaper advertisements and other media, the insurance industry is telling America that gender-based distinctions in insurance rates are not only fair, but that they benefit women. The insurance industry wants to stop the antisex discrimination provisions in the Economic Equity Act and in two other bills (S. 372 in the Senate and H.R. 100 in the House of Representatives) that prohibit the use of gender-based distinctions in setting insurance rates.

The issue is complex, to be sure, and good arguments can be made by both sides. The insurance industry is not intentionally trying to mislead anyone, it is only trying to put its case in the best possible light. Certainly, no one in Congress is trying to bankrupt insurance companies or cost them billions of dollars, as some insurance spokespeople claim. Congressional hearings and cooperation on both sides can fairly settle all the thorny and legitimate concerns in this issue.

One thing is clear: by and large, insurance rates discriminate against women. On most types of insurance, women end up paying more or getting less or, in some cases, both. The insurance industry says that while it is true that men and women pay different rates for most types of insurance, those rates are based on statistically verified facts, not intentional discrimination.

In fact, says the industry, prohibiting the use of distinctions by gender would hurt women, not help them. As evidence, the insurance lobbying campaign points to two examples: auto and life insurance. In both cases women (at least during parts of their lives) pay less than men. Why? Because in auto insurance more young men than young women have accidents, therefore, the industry argues, all young male drivers should and do pay higher rates.

In the case of life insurance, women pay less because of the statistically verified difference in life spans between men and women, according to the industry.

Prohibiting the use of these statistically verified facts would increase insurance rates for women and that is not fair, says the industry campaign. One insurance industry advertisement puts it this way:

> As a result of these statistically verified facts, women pay less for life and auto insurance than men do. That sounds logical and reasonable, doesn't it? Yet, there is a movement in Congress to axe this common-sense system and replace it with one based on politics and ideology.

Let us look at all the facts. Young women, up to age 25 or 30, do pay less than young men for auto insurance. But keep in mind that both young men and young women, regardless of their driving records, pay 100 to 250 percent more for auto insurance than do older men and women. In other words, the "discount" for young women is really nothing more than a small reduction in a huge surcharge.

Gradually the surcharge for young drivers is reduced and finally eliminated. By age 30, male and female drivers in the same circumstances pay the same rate. Yet men as a group continue to have more accidents than women. In fact, one study shows that

men have 1.43 times as many auto accidents as women. So, women over 29, by paying the same auto insurance rates while having fewer accidents, are actually subsidizing male drivers. According to averages, women should pay less for auto insurance throughout their driving careers, not just during the first few years.

When we look closer, we find an even more serious fault in the way auto insurance rates are calculated. It is not men as a group who have more accidents, it is all people who drive more miles than average. These high-mileage drivers are men and women.

A fair auto insurance rate would disregard sex for both young and old drivers and put more weight on the number of miles driven or, better yet, on accident records, as a determining factor in setting premiums.

North Carolina is one of a handful of States to prohibit the use of sex as a risk classification in automobile insurance. This antidiscrimination provision has been in effect since 1977 and, according to State officials, it has worked very well. Rates for safe young women drivers have not increased.

The North Carolina insurance commissioner recently told a U.S. Senate Committee:

> Our legislation was good because no safe driver received a rate increase . . . since the primary purpose of insurance is to share risks across all population groups, it is unfair for insurance companies to place undue financial burdens on any one group for characteristics over which they have no control. In North Carolina, we decided that all drivers had control over their own driving record, but no control over their sex.

Those same arguments—sharing risks and basing premiums on controllable factors—apply to all forms of insurance. In the case of life insurance, for example, it may be true that the "average" woman lives longer than the "average" man, but what was true 50 years ago may not be true 50 years in the future. Every day medical experts are discovering new evidence that gender is only one of many factors in determining longevity or the probability of good health. In fact, a pile of evidence suggests that many insurance companies put far too much emphasis on gender distinctions with the result that women are shortchanged on benefits and overcharged for premiums.

More relevant data than gender should be used to set premiums and benefits for men and women: smoking habits, drug and alcohol use, the individual's family health history as well as his or her own health history, the person's job—and related stress—and recreational habits, just to name a few of the proven health-related criteria that can be applied.

Discrimination in insurance takes some subtle forms in addition to the more blatant cases. Term life insurance is an example. Take the case of the policy offered by one major national company:

A 30-year-old woman pays the same rate as a 27-year-old man. This three-year "setback" is used to give women a lower rate and compensate them for their longer lifespan. Yet, if insurance companies were to rely solely on statistically verified facts, the woman should be given a 6.8-year setback—that is the statistically verified difference in lifespans between the average man and the average woman at age 30.

Maybe even more important is the way life insurance policies—intentionally or unintentionally—are tailored to benefit men more than women. Women generally buy smaller policies. The reason is that most women earn substantially less than men; in fact the average woman who works outside the home earns only 59 cents for every $1 earned by a man. New life insurance policies issued in 1981 to women were only 44 percent as large as policies issued to men.

Yet the company in the earlier example—as well as most insurance companies—offer a premium discount to larger policies. In this case, a man purchasing a $100,000 policy would pay $178 a year or $1.78 for every $1,000 worth of coverage. A woman buying a policy 44 percent as large—$44,000 worth of coverage—would pay $80.52 a year or $1.83 for every $1,000 worth of coverage.

Bit by bit over the last several years our society has moved from judging people as classes to judging them as individuals. In almost every case, the change has been opposed, often with the best of intentions and almost always bitterly, but the results have been positive.

In a recent newspaper article, Senator PACKWOOD wrote that the arguments against sex discrimination in insurance are strikingly similar to the arguments opposing the Equal Credit Opportunity Act when it was first proposed. Many in the business community would not accept that a woman—especially an unmarried woman—could be as solid a credit risk as any man. Women, after all, might get married, have a baby and stop working in paid jobs. All of this, of course, would result in the woman defaulting on her loan.

The Equal Credit Opportunity Act proved what nonsense that kind of thinking was. Credit is no longer approved or denied based on a person's gender. Instead, relevant facts are used: a person's work history, salary, length of time working, and prior credit rating.

The insurance industry will make the same discovery when sex is no longer a rating classification. Certainly, the transition will have some rough spots, and some questions, including retroactivity (should antisex discrimination provisions affect the premiums and benefits of policies already in force, or be applied only to those issued after the changes?) remain to be answered by the legislative process.

For that legislative process to work the way it was intended it is necessary that everyone with a stake in the outcome is equally well informed and the debate remains fair. The congressional authors of the Economic Equity Act and the many local and national associations of private citizens which support the EEA can never match the financial resources that the affected industries can bring to bear. The supporters of the EEA want the insurance industry to present its side of the case, but we also want the millions of people involved in the outcome of this issue to have both sides of the story on this most significant issue.

This critical issue must be resolved by the people who will be affected—consumers of insurance and their families. The issue is not easy, and legitimate concerns must be addressed.

But the complexity of the issue cannot stop us from implementing what is good and fair social policy. We have recognized that sex discrimination must not be allowed in areas ranging from employment to housing. For all the reasons our society determined that it would not tolerate discrimination in those areas, we must move forward and agree that discrimination in insurance is no longer acceptable.

THE EEA'S FUTURE

The Finance Committee hearings on June 20 and 21 will set the wheels in motion for what I hope will be quick passage of the Economic Equity Act.

The Economic Equity Act is a comprehensive piece of legislation. It is complex and, in some provisions, controversial. But most of all, the EEA is necessary and long overdue.

I often am asked if our country can afford the cost of the Economic Equity Act. To those questioners as well as to my colleagues in the Senate my response is this: We cannot afford the cost of not having an Economic Equity Act.

The national organizations endorsing the Economic Equity Act of 1983 are:

American Citizens Concerned for Life, Inc.
American Association of University Women (AAUW).
American Nurses' Association.
Association of Junior Leagues.
B'nai B'rith Women.
Displaced Homemakers Network, Inc.
Federally Employed Women.
General Federation of Women's Clubs.
Girl Scouts of America.
Leadership Council on Civil Rights.
League of Women Voters.
National Black Child Development Institute.
National Council of Catholic Women.
National Council of Negro Women.
National Education Association.
National Federation of Business & Professional Women (BPW).

National Organization of Women (NOW).
National Federation of Republican Women.
National Woman's Party.
National Women's Political Caucus.
Organization of Chinese American Women.
Older Women's League.
Pension Rights Center.
Rural American Women.
Wider Opportunities for Women.
Women's Division of the United Methodist Church.
Women's Equity Action League (WEAL).
Women in Communication.
Women's Legal Defense Fund.
Women, U.S.A.
International Brotherhood of Teamsters.●

THE BALKANS TODAY: YUGOSLAVIA AND THE PROSPECTS FOR FREEING THE ALBANIAN NATION

● Mr. HELMS. Mr. President, I am deeply concerned about the deteriorating situation in the Balkan region and particularly the threat that the Soviet Union poses for the area. It is unfortunate, but true, that the Balkan region for decades has been misunderstood and too little attention has been placed on the consequences arising from potential instability there.

Soviet expansion in the region is posing grave challenges to the West and we must face the prospect that, within coming months, serious instability may arise.

The Balkan region is composed of Greece, Albania, Yugoslavia, and Bulgaria.

Historically, the Balkan situation has not remained static. The old Russian Empire, as the Soviet regime has, always aimed for a land-controlled base on the Mediterranean and in the warm-water ports. With the exception of the Soviet Union's Black Sea ports, all the major ports are iced up for 6 months of the year. The Black Sea ports are, in fact, controlled by the Dardanelles.

It is true that the Soviet Union maintains other bases around the world, but in practically every case, these bases are, to a certain degree, dependent on the goodwill and cooperation of the countries in question. It is, therefore, not surprising that the Soviet Union has continued to carry out laying the groundwork for destabilization of the Balkans. The Soviets' eventual aim is to take actual physical control of the Balkan countries. Thus, the Soviets would achieve control of warm-water ports and would bring back into the fold "heretical" countries such as Albania and Yugoslavia, both of which have proved too independent for the Soviet Union's purposes.

Also, it should be obvious that a full-scale assault by means of propaganda, subversive activity, and all-round destabilization has been mounted on Greece. The Communist Party in Greece, under orders from the Soviet Union, has continued subversive activities, as in the 1960's, until such time as it forced the reaction by rightwing elements within the Greek Armed Forces. As is often the case, the 1967 coup by the colonels in Greece was an overreaction. Not only did it eliminate the monarchy, with its stabilizing affect, but prepared the ground for leftists abroad, as well as at home, to prepare the counter-coup which brought in Karamanlis.

Throughout this period in Yugoslavia, nationalism began to again gain momentum. The tightly controlled Federation came under assualt from the various ethnic groupings. The fact that the Serbs controlled the majority of the Yugoslav economy and the way they disposed of the funds was resented by the Croatians, the Albanians, the Macedonians, the Montenegrins, the Slovenes, and other minority groups.

Early in the 1970's, Croatian nationalism became a significant threat to the Yugoslav Federation and it has remained so ever since. Armed clashes were reported in the early 1970's and sabotage continues today. In spite of Yugoslav attempts to contain and crush Croatian nationalism, other national groups within the Yugoslav Federation, such as the Kosovo region, which is ethnically Albanian, and Macedonia, have also started demanding their national rights.

The Kremlin has continuously orchestrated these ethnic frictions to Soviet advantage. The Soviet Union has been actively destablizing the Yugoslav Federation using these nationalist feelings, often without the knowledge of those involved. In the case of Kosovo, for example, the Soviets established an organization called the Red Front, which is financed by Moscow and is inspired by Tirana. Despite that fact, there are no overt diplomatic links between the Soviet Union and Albania. The Red Front is Marxist-Leninist in orientation, but manipulates anti-Serb feelings which are prevalent among Albanians living in the Kosovo region and in other countries. The Red Front operates within the Albanian communities located in Belgium, West Germany, Switzerland, Turkey, the United States, Canada, and Australia, sometimes under different names. The incidence of Communist agents controlled by the Belgrade regime and the Tirana regime has increased both in number and activity in Albanian communities throughout the world, particularly in the United States and Yugoslavia. Similar organizations operating under similar covers are manipulating nationalist feelings among the other ethnic groups in Yugoslavia and their emigrés abroad.

In recent months, the Soviets have been manipulating nationalist feelings in Macedonia through their Bulgarian surrogates. A number of reports have pointed out that Bulgaria has recently stated that one-third of Macedonia belongs to Albania and the other two-thirds belongs to Bulgaria. It should be remembered that Macedonia's population contains Bulgarians and Albanians as well as many other ethnic groups. Traditionally, Bulgaria has had its designs on Macedonia in order to create a so-called Greater Bulgaria. There have been reports that the Bulgarians are providing money and weapons to groups inside of Macedonia to foment unrest and a potential uprising.

Some analysts of the Balkan situation have expressed concern over an apparent Soviet design to forge a political link between the Serbs, who control the Yugoslav Federation, the Macedonians, and the Bulgarians. These analysts point out that the Soviets are manipulating certain pan-orthodox religious sentiments as well as certain pan-Slavic ethnic sentiments as a mean of bringing this alinement into being. Apparently the support of the Montenegrins is taken for granted.

Mr. President, I ask that an article, from the journal, Problems of Communism, entitled "Yugoslav's National Question" be printed in the RECORD at the conclusion of my remarks as exhibit 1.

THE SITUATION IN KOSOVO

In the early 1960's, when the Military Council—the freedom movement in Albania as represented by H. M. King Leka I of the Albanians—for the Liberation of Ethnic Albania began to create an information network within the Albanian area of Yugoslavia (Kosovo) as a springboard to the penetration of political Albania—present day Albania—two major factors arose. The first was the rising tide of nationalism within the Albanian communities in Yugoslavia, and the second was the fact that an organization parallel to the MCLEA was being formed by the Soviet Union.

Both of these organizations are made up of volunteers whose feelings for Albanian nationalism have grown to the point where they are willing to take enormous risks for the reunification of Kosovo with the fatherland. The activities of the Military Council gave the people of Kosovo an opportunity to vent their nationalistic feelings through the constructive activity of fighting the present regime in Tirana. They fully realized that through the liberation of Albania the chances of reunification with the fatherland would increase considerably and would be achieved through peaceful negotiations with the Yugoslav Federation and the government in Belgrade.

It was not until just before the death of Marshal Tito that the organizations influenced and controlled by

the Soviet Union in Kosovo began their militant activities. Up to that time, they had contented themselves with increasing their numbers and perfecting the underground movement under the cover of nationalism. At the same time, certain members of the government in Tirana had begun to politicize the intellectual class of the Albanians in Kosovo. The ideology was characteristic of Tirana in that they offered a Marxist-Leninist solution with Albanian national reunification as bait. This was, and is, acceptable to some of the more vocal elements within the intellectual classes, but has never been acceptable to the mass of the Albanian people in Kosovo, nor to those living in Albania proper.

On March 11, 1981, the university riots of Prishtina, the capital of Kosovo, were sparked off by an order from the Politburo in Tirana. This order was given, probably without the knowledge of Enver Hoxha, by then Prime Minister Mehmet Shehu. It is now know that even as far back as that, there were clashes of policy between Enver Hoxha and Mehmet Shehu regarding the possibility of Albania going back into the Soviet Union's sphere of influence.

The riots lasted several days and spread to other major centers throughout Kosovo, including Peja, Gjilan, and Skopja. In particular, armed clashes became very severe in the Drinica and Rugova areas. In the first 5 days the loss of life, not to mention the numerous casualities, was well beyond the figure quoted by the press of 11 killed and some 60 imprisoned. The actual figure at that time was 1,600 killed and about 5,000 imprisoned. From that day onward, the situation in Kosovo became more and more critical until even the most remote villages in the province were affected. As of July 30, 1982, the Albanians have lost over 11,800 people, countless numbers have been wounded and crippled, and between 20,000 and 30,000 people are in detention. The figures quoted by Tanjug, the Yugoslav Press agency, of some 600 people imprisoned, with sentences ranging from 15 to 30 years, are in themselves indicative of the gravity of the situation, particularly in a country which has no freedom of the press.

The Yugoslav Army has moved a total of 40,000 troops, including 200 armored vehicles, some helicopter gunships and some ground-attack fighters into the area to try to contain the insurrection within the borders of Kosovo. Several new factors have come to light. The death of Prime Minister Mehmet Shehu in Albania, reported by the Government as suicide, was in fact a result of a final clash during a restricted meeting of the Politburo between Mehmet Shehu and Enver Hoxha. Fifteen people are reported to have died in the gun battle which ensued after insults had been exchanged when Hoxha insisted that Albania should not be involved in supplying funds and weapons to the Kosovo rebellion. It has also recently come to my notice, through confirmed reports, that there have subsequently been armed clashes between Hoxha and Shehu supporters in Albania. Additionally, a purge of up to 3,000 officers and NCO's of the armed forces and security police has occurred. Shehu had held the post of Minister of Interior and was, at the time of his death, Prime Minister and was also in charge of the Defense Ministry.

These circumstances would in themselves be dangerous to the Balkan area, but considering the fact of the existence of parallel nationalist-oriented organizations in Macedonia, Croatia, Bosnia, and Slovenia, all of which are strongly influenced by the Soviet Union, often without their being aware of it, and considering that the Soviet Union has a very strong following among the Yugoslav military, particularly in the officer crops, and has historic links with the Montenegrin Republic, the situation assumes potentially catastrophic proportions.

Here, too, under the guise of nationalism, strong pro-Soviet elements have laid the groundwork for a future uprising of the different republics within the federation. There is a two-pronged move by the Bulgarian Government against Yugoslavia. One prong is in the form of political pressure on the ruling clique in Belgrade. The second prong is the movement of arms and funds across the border from Bulgaria into Macedonia. Informed observers have pointed out that funds and weapons are also moving from Montenegro into Croatia and Kosovo. Incidents and odd clashes have been reported in the last few months in Croatia, Bosnia, Slovenia, Vovoydina, Macedonia, and of course, Kosovo. In Macedonia, the situation is becoming almost as bad as in Kosovo, with both Albanian and Bulgarian inhabitants taking part in armed clashes, riots, and countless incidents of sabotage.

It is clear that the Bulgarian Government would never initiate such a move without express instructions from the Soviet Union, nor would Montenegro risk the displeasure of the central government without some assurance from the Soviet Union.

Mr. President, I ask that an article entitled "Crisis in Kosovo" which has recently appeared in the journal, Problems of Communism, be printed in the RECORD at the end of my remarks as exhibit 2.

THE DETERIORATING SITUATION IN COMMUNIST ALBANIA

Albania internally has been headed for crisis for a long time. Since the end of the Second World War, over 45,000 people have been executed including the newest purge of the military and security forces after the shooting of Mehmet Shehu. There are over 90,000 people in political prisons, concentration camps, and labor camps. Since 1968, Albania, by decree, became the only atheist country in the world where freedom of religion has been absolutely proscribed to the point where several religious personalities have been executed and all houses of worship closed. The economy has been for a very long time on a subsistence level and practically everything is rationed.

The events leading up to the shooting of Prime Minister Mehmet Shehu and the after-effects of the purge of the armed forces that immediately followed have created a situation of mistrust, fear, and instability in all levels of Albanian society. The ailing dictator, Enver Hoxha, 73, is primarily preoccupied with his family's survival after his death. Reports from informed observers indicate that pro-Soviet elements among those imprisoned in the labor camps and concentration camps are planning a revolution after Hoxha's death.

There are some 18 concentration camps, 6 major political prisons, and 7 forced labor battalions. The harshest are the political prisons, such as the prison of Burël and the prison of Balsh, the largest with 6,000 inmates. The "closed" concentration camps such as Spacz, a nickel mine, and Fiere, and Ishen are all hard-labor camps devoid of all basic human facilities. In 1975, out of pure desperation, the inmates of Spacz took over the camp after killing their guards and held it for 3 days. They were finally subdued by two armored columns, one sent from Tirana and the other sent from the northern divisional command at Shkodra. All 3,500 inmates were executed. The camp was refilled by Begir Baluku's (Minister of Defense who was also executed in 1975) pro-Soviet supporters in the military forces who had been purged.

The "open" concentration camps, such as the one in Vlona and the one in Mammuras, are mainly agricultural and land reclamation camps where people are forced to report three times a day to their local commissar. The labor battalions go wherever directed to perform heavy construction work.

Despite the political committees and informer system within the security forces and the civilian population, the evidence of rebellious acts against the regime is beginning to manifest itself.

Even though the pro-Yugoslav elements in the country have been completely eliminated, some pro-Soviet underground has been detected. The nationalist underground, though relatively uncoordinated, is extremely silent, but shows their presence through numerous acts of sabotage. There have been certain conciliatory moves by the Soviets, both covert as

well as overt. The most overt move was made by Andropov himself, as reported by Pravda on November 29, 1982.

ALBANIA AND SOVIET REGIONAL STRATEGY

The Soviet Union is pressing forward in the Balkans through the method that it has always used in the past, namely, of arranging to be invited in by members of the government or governments of the countries in question who find themselves no longer able to control the aspirations of the people.

It should also be noted that there is a disastrous economic situation in **Yugoslavia, Greece, and Albania, as** well as in the rest of the Eastern countries. Should Yugoslavia default on its international loans—approximately $23 billion—this, in itself, could bring about a domino effect throughout the satellite nations and the Soviet Union.

The artificial state of Yugoslavia has had in the past many instances of rebellion against the rule of Serbia. It is therefore becoming apparent that unless appropriate measures are taken, either through intervention on the part of Western powers or through the encouragement of nationalist anti-Communist movements within the different countries, the entire area will be controlled and dominated by the Soviet Union in as short a time as 2 years.

If one brings into this equation the tremendous unrest in Turkey, the dangerous situation in the Middle East, the active support of the Soviet Union by Libya and Algeria, the weakness of the Italian Government, and the strong presence of the large Soviet fleet in the Mediterranean, it is quite probable that in 3 years at the most, the control of the Eastern Mediterranean and the oil-producing countries of the gulf will have passed into Soviet hands.

The Albanian Government headed by Enver Hoxha is at present caught in an impossible situation. Should the Albanian regime permit itself to accept the support of Western nations, its Communist rulers are aware that they will not be able to maintain control of the Albanian people and the regime will, therefore, be destroyed. On the other hand, should Albania swing to the Soviet Union, after the events of 1961 when the Soviet troops were forcibly evacuated from Albania with numerous armed clashes, Albania could be faced with severe Soviet retaliation. Therefore, Albania is in an anomalous position of being totally isolated from both the East and the West, and their respective spheres of influence.

This being the case, it should be obvious that Albania is one of the weakest and most easily subverted of the Communist countries. A revolution in Albania would have the effect of canceling the Soviet strategy in the Balkans. Should a successful anti-Communist revolution take place in Albania, the people of Kosovo in present day Yugoslavia and the Albanians in Macedonia would cease their insurrections, because they would know that free Albania would negotiate an agreement with the Government of Belgrade in their favor for the eventual reunification of ethnic Albania.

SHIFTING ALBANIAN FOREIGN POLICY

In 1948, pro-Titoist elements under Koci Dzoxha tried to make a coup against the Enver Hoxha regime, but were detected and purged by the security forces (Sigurimi).

In 1960, when Nikita Khrushchev was preaching détente, he made a trip to the Balkans, including Bulgaria, Albania, and Yugoslavia. The primary purpose of this trip was to insure cooperation for his policy of détente. The Albanian Government, however, because of its need to maintain strict control and discipline over its people, was unwilling to go along with the process. Therefore, Khrushchev entered into a secret agreement with Marshal Tito in Yugoslavia which assured Yugoslavia of the Soviet Union's non-interference should a pro-Yugoslav coup take place in Albania.

The reaction by the regime in Tirana was immediate and threefold. At the meeting of world Communists in Moscow in 1961, Enver Hoxha denounced Khrushchev's intrigues, insulted him personally, and marched out of the meeting. He sought sanctuary with the Chinese People's Republic. At the same time, he carried out the further purge of the pro-Yugoslav element in Albania. After some sharp fighting, the Hoxha regime took over the Soviet bases in Albania, giving Soviet diplomats and technicians 12 hours to leave the country.

Albania's tie with the People's Republic of China was of interest to both countries. For the Albanians, it insured security and technical aid. Red China had a need for a mouthpiece in the United Nations, and a country that could irritate the Soviet Union by subverting the Soviet satellite countries such as Romania and Czechoslovakia. Finally, it gave the Chinese intelligence networks a penetration into the Caucasian world and forward training bases in Europe for terrorist activities. This uneasy alliance lasted until 1975, when Chinese need for Albania grew far less.

Tirana's reaction was to break diplomatic relations with China in 1978, to renew them again in 1979, but on a much smaller scale. In effect, Albania has been without any ideological ties other than its own brand of Marxist-Leninist-Stalinism and without any treaties or ties with any other Communist countries since March 1978. This has put Albania into the peculiar situation of not only being nonalined with the Communist world, but also with the Western world, and, therefore, makes Albania extremely vulnerable to changes of government.

Mr. President, on December 15 of last year, I expressed my concern to the Senate about the overtures which the Soviet leader Yuri Andropov was making to Communist Albania. I would like to point out that, today, Peking is following suit.

Mr. President, I ask that three recent articles, two from the Wall Street Journal and another from the Washington Post, describing recent Red Chinese overtures to Communist Albania be printed in the RECORD at the conclusion of my remarks as exhibits 3, 4, and 5.

Mr. President, rather than allow the Balkan region to explode owing to Soviet manipulation, the West would be better advised to seek a natural evolution in the area. Such an evolution must be based upon just principles which would insure the integrity and the sovereignty of the various nations within their natural ethnographic frontiers.

An example of such evolution would be insuring that the Albanians of Kosovo be reintegrated with the parent country Albania. This, however, could only be done with a non-Communist and pro-Western Albania. The present situation is unjust, because it denies the right of national self-determination.

Once such readjustments have taken place, a confederation of free Balkan nations could emerge. This natural evolution could insure stability and progress in the region and could form a solid block of free nations against future encroachment into the area by the Soviet Union.

The exhibits referred to follow:

EXHIBIT 1

YUGOSLAVIA'S NATIONAL QUESTION

(By Viktor Meier)

At the end of March 1981, disturbances broke out in the Yugoslav autonomous province of Kosovo, inhabited primarily by Albanians but part of the Republic of Serbia. Since that time, the Kosovo region has effectively been subject to combined military and police rule under the control of the federal authorities. The cause of the disturbances in Kosovo is alleged to have been "Albanian nationalism." Thus, the nationality question in the multi-national state of Yugoslavia erupted once again a sensitive area, approximately 10 years after the national crisis in the Republic of Croatia. The events in Kosovo in turn stimulated nationalist reactions in Serbia. One gets a strong impression that the situation is turning into a traditional Balkan nationality struggle and that it will be waged in the traditional way. Communists in Yugoslavia have been claiming in their propaganda for years, even decades, that they have solved the nationality problem in Yugoslavia thanks largely to socialism and socialist self-management. Yet, today they are confronted by national

Footnotes at end of article.

problems that are hardly less serious than those of the interwar Yugoslav state.

One may well ask whether a movement like communism can by its very nature arrive at real solutions to the nationality question in a multi-national state. The Yugoslav Communists could find little encouragement in the ideas of their ideological mentors. Multi-national states were an abomination for Lenin. Agreeing with Karl Kautsky, he postulated in 1914 that "both the example of all progressive mankind and the example of the Balkans" demonstrated that the national state is the rule and norm under capitalism. "The state of diverse composition is something backward or an anomaly." [1] For the proletariat, Lenin continued, national demands are generally subordinate to the interests of the class struggle; for the proletariat it is important "to ensure the development of its class." [2]

Communist Yugoslav writers admit now that it was not easy for their party to arrive at adequate solutions for the nationality question, probably due in part to such concepts as Lenin's. Gavro Altman writes that in the Yugoslav as in the other Communist parties the idea had prevailed that "the national question was in substance a peasant question." From this it was tempting to conclude "that this problem was peculiar to capitalist countries and that under socialism it would tend to disappear by itself." [3] Sima Marković, the first leader of the Communists in Yugoslavia, believed that he was doing justice to Lenin's precepts by opposing a federal solution for Yugoslavia and by displaying complete indifference about whether the three peoples making up the state at that time—the Serbs, Croats, and Slovenes—were three nations or three branches of a single nation.[4] Thus, contrary to Tito's remarks at the 8th Congress of the League of the Communists of Yugoslavia in 1964, it is not accurate to say that the party had a correct "Leninist" position toward the nationality question since 1924—when it stipulated the principle of "equal rights up to secession" for every nation.

Such declarations mean little. At the time they were proclaimed, the Comintern found it useful to favor the dissolution of all existing states in the Balkans and their replacement by one or more federations.[5] This position could even be traced to the ideas of the old Serbian socialist, Svetozar Markovic.[6] Nevertheless, some Yugoslav observers have claimed that these prewar federative concepts led to the adoption of a federal structure for the postwar Yugoslav state.

On the other hand, there have always been—and continue to be—Yugoslav Communists who cling as a matter of principle to Lenin's original thesis that multinational states are awkward and backward. Their beliefs led them either to try to form separate Communist parties and toy with the idea of dismembering the country, or to advocate an integral Yugoslav nation, such as King Alexander had proclaimed in 1929, and thereby leap over the national contradictions in Yugoslavia. In 1937, independent Communist parties arose in Croatia and Slovenia; for Macedonia, the same was at least contemplated. At the same time, in view of the dangers on the European horizon in the 1930's, other Yugoslav Communists became prey to patriotic impulses in the sense of advocating the integrity of the Yugoslav state.[7] Yet, after the occupation of Yugoslavia by the Germans in April 1941, the Comintern, as well as wide circles of the Yugoslav party itself, leaned toward accepting the dissolution of the state, not only in Macedonia but also in Croatia. In Zagreb in July 1941, an agent of the Comintern named Kopinic was promoting the creation of an independent Communist party for the "Independent State of Croatia."

For a long time there was only vague knowledge of this interlude. Vladimir Dedijer was the first to publish details in his "new contributions" to the biography of Tito that was published in 1981.[8] As a result of these efforts, which could have been interpreted as treason, the agent Kopinič in no way lost Tito's friendship. He extricated himself from the situation by claiming communications problems, and merely had to be content with subordinate posts after the war. Separatism evidently was not a transient phenomenon in Croatia. Even in 1944, Milovan Djilas noted "little prominence for Yugoslavia and an overemphasis on Croatian peculiarities" in the headquarters of the Communists of Croatia.[9] Dedijer claims that his portrayal of the activities of the Croatian party during the war made Vladimir Bakarič and other high Croatian party functionaries hostile toward the publication of his book.[10]

Prewar Yugoslavia did not have autonomous territorial sub-units. There were merely administrative districts in various forms, although the nations—at least the three leading nations—were recognized as constituting the state. This was expressed in the very name of the country adopted in 1918, "Kingdom of the Serbs, Croats and Slovenes." Politically, the nations were represented by parties in prewar Yugoslavia. The more important ones succeeded in becoming "national" parties with leading roles among the nations concerned: the Radicals and their auxiliary and successor organizations among the Serbs; the Croatian Peasant Party among the Croats; and the clerical People's Party among the Slovenes. Even the Bosnian Moslems had a kind of national representation at certain times. These parties received recognition even in public law. For example, the so-called *sporazum* (agreement) of August 1939 that was to resolve the Croatian question was concluded between Yugoslav Prime Minister Dragiša Cvetković and the leader of the Croatian Peasant Party, Vladko Maček.

The new Communist Yugoslavia that was conceived at the second session of AVNOJ—the Anti-Fascist Council for the National Liberation of Yugoslavia—in November 1943 at Jajce was based on the principle of federalism. The territory of the country was to be divided into six republics, according to both historic and ethnic considerations. Within the Republic of Serbia two autonomous regions, Kosovo-Metohija (later called just Kosovo, or in Albanian, Kosova) and Vojvodina, came into being. The relations of the Yugoslav nations and nationalities were put under the slogan "unity-brotherhood"—a description which lends itself well to papering over problems.

The federal constitution of postwar Yugoslavia, following the Soviet pattern, was probably supposed to have a primarily declarative character in the eyes of the Yugoslav Communists. In Article 1 of the constitution of 1946, the member republics even received the formal right to secede from the federation. One of the ideological pillars of the "Croatian Spring" of 1968-71, Zagreb University professor Sima Djodan—later sentenced to a long prison term at Tito's insistence—said with regard to this conception: "For us the federation was first created as a state and assumed exclusive competence over all spheres it deemed important for state sovereignty and for socioeconomic life. The republics, as a kind of ethnic form, were left with the less important and the local communities with the least important functions."[11]

Djodan is not entirely correct in this definition of Yugoslav federalism. In one sense, and perhaps the most important one, the republics quickly grew into considerable and to a certain extent autonomous power centers, namely in regard to the Communist party and its apparatus.[12] As we shall see, the relative independence of the republic party apparatuses was to prove of great importance for the subsequent development of Yugoslavia. (In the Soviet Union, where similar tendencies were bloodily liquidated by Stalin, matters were different.)

The republics in Yugoslavia, however, are not coterminous with the nations. Of all the republics, only Slovenia is ethnically homogeneous. Croatia has a large Serbian minority. Many Croats live in Bosnia-Hercegovina and Vojvodina. Macedonia too has large ethnic minorities within its boundaries, as does Serbia, above all in the two autonomous regions. Similarly, Serbs live in Bosnia-Hercegovina and in Croatia. Montenegro is not clearly defined from an ethnic standpoint, and Bosnia-Hercegovina is a historically determined unit inhabited by Moslems, Serbs, and Croats. Of the two autonomous regions created in Serbia, Kosovo has an Albanian majority while Vojvodina has a large Hungarian minority, although in Vojvodina the Serbs predominate numerically and politically.

The lack of congruence between the republics and the nations has occasionally led to situations whereby ethnic animosities found outlets within the boundaries of a specific republic and did not affect the state as a whole. Furthermore, despite the federal state, the nations remained an additional category, separate from the republic structure. As nationalist impulses were expressed once again in Yugoslavia, the old irritation of the Communists with this phenomenon that they could not master also returned.

Moreover, from the very inception of Communist rule in Yugoslavia, the category of nation contained politically conditioned ambiguities. There were what might be called "good" and "bad" nations and even "good" and "bad" nationalisms. The newly created Macedonian nation with its ethnic consciousness has been favored: this new nation has been allowed to pursue irredentism abroad, in Bulgaria as well as in Greece. In the same way, the ethnic feelings of the Slovenes have enjoyed understanding and support. The Slovenes are permitted to bring up continuously the issue of their fellow nationals in Carinthia (Austria) and in the area around Trieste (Italy). Serbian and Croatian national aspirations, on the other hand, have long been regarded negatively; the former are equated with "hegemonism" and the latter with "separatism."

Nevertheless, eventually it seemed advisable to accord greater recognition to the nations under constitutional law. In the new "basic principles" preceding the revised constitution of 1963, "the nations of Yugoslavia," without being expressly enumerated, were called the constituent parts of the country; they—and not the republics—were granted the fictitious right to secede. This construction has been retained in all subsequent revisions of the constitution including that of 1974, now in effect. However, the "nations and nationalities" (formerly "national minorities") are neither enumerated nor recognized as legal subjects. Articles

245-247 simply set forth the principle of equal rights for the nations and nationalities, including the right to use their various languages. The difference between nations and nationalities is also not specifically defined. In practice, it seems that the nations of Yugoslavia are those that have their ethnic center within the boundaries of Yugoslavia, while the nationalities have their center outside the borders.[13] Thus, in the census results of 1981, the 577,000 Montenegrins are listed as a "nation," while the over 1.7 million Albanians are considered a "nationality" ("national minority" according to previous usage).[14]

In the second half of the 1950's, nationally related tensions made themselves felt in Yugoslavia, particularly among the individual republics. At first, the tensions were economically conditioned. The separate power centers of the Communist leadership in the individual republics had an impact for the first time. Their economic interests had come to coincide with those of the population, including the non-Communists, within the individual republics. For example, general dissatisfaction prevailed in Slovenia because large funds were channeled from this developed republic via the federal budget to the less developed parts of Yugoslavia. The Slovenes felt threatened by stagnation and feared that their republic might fall behind the neighboring Western countries with which it was compared. At the 7th Congress of the League of Communists of Yugoslavia in 1958, therefore, Slovene politicians called for a compromise that would guarantee further advances for the developed parts of Yugoslavia.[15] The economic discussions arising from this issue led many Yugoslavs, including many Communists, to the conclusion that a new nationalism based exclusively on unresolved economic problems could arise. From this it followed that acceptable economic solutions would dampen ethnic stirrings. Such views were still being voiced when the so-called "Croatian Spring" of 1968-71 was already under way in Zagreb.

This diagnosis proved to be another Communist mistake. While it cannot be denied that economic problems and a sense of economic backwardness played a large role during the onset of the malaise in Croatia, and came up again and again in discussions at that time,[16] it was also apparent that in the final analysis these economic discussions were actually only a starting point for the articulation of a much more general and deeply felt emotional current. In other words, at issue was classical nationalism with all its ramifications. Furthermore, the polemics which broke out among the historians of the individual republics and regions coincided with, rather than followed, the discussions about the distribution of the national income.[17]

The uncertainty of the Communists in the face of the revival of national movements and conflicts caused the party to look for theoretical concepts that might resolve these contradictions in the multi-national state of Yugoslavia. Somehow, it was felt, a "Yugoslav consciousness" must be created that could appeal to both patriotic and ethnic feelings. In 1957, Edvard Kardelj attempted to direct this search into politically acceptable channels. In the foreword to the second edition of his work on the Slovenian national question, written before World War II, he spoke in favor of a socialistically determined "Yugoslavness" (Jugoslovenstvo) that should form a "consciousness" above national feelings among the different peoples of Yugoslavia. According to Kardelj, national conflicts could arise only if a "nationalistic" position was adopted, if "Yugoslavness" was understood as national integralism (as King Alexander had understood it in 1929), or if a "bureaucratic" standpoint was taken.[18]

This was a very complicated definition. It is no wonder that some party members simply took Kardelj's "Yugoslavness" to mean overcoming particular nationalisms by cultivating a new Yugoslav national feeling, that is, precisely by promoting Yugoslav national integralism. This interpretation corresponded also with Lenin's view on how to overcome the "backward" multi-national state. The Zabreb sociologist Dušan Bilandžić recalled in a 1982 interview with the Zagreb Vjesnik that at the 7th Congress of the League of Communists in 1958, some delegates had spoken out "for the formation of a Yugoslav nation and the abolition of the republics."[19] Tito, too, was apparently influenced by such views. In 1963, out of the blue, he advocated Yugoslav integralism, at least in the cultural sense: "If we want to create a socialist culture," he said in an address to the Yugoslav journalist's association, "we must also have a common program. It must be Yugoslav. Not every republic or every nationality can create its own socialist culture, for this would again mean separation."[20] Such theses were soon dropped since they encountered resistance. In 1967, Tito stated before the Communists of Belgrade that the term "Yugoslav" meant "membership in our socialist community but not a nationality."[21]

Nevertheless, it is probable that the attempts to stimulate a renewed Yugoslav integralism played a large role in the rise of the national movement in Croatia during 1968-71. In part, this movement consisted of a very emotional reaction against "unitarism" and "centralism" in any form. It stressed the independence and equal rights of the nations within the federal structure to the point of reviving the "right to secede," which the constitution had granted first to the republics and later to the nations. There were proposals to transform the federation into a confederation.[22] In this connection, the principle of statehood for the individual republics was also advocated. This demand was important because it basically involved, at least for Croatia, the revival of the idea of national sovereignty within Yugoslavia and its linkage to the republic. The Croatian crisis was a crucial turning point in the evolution of the nationality question in Yugoslavia. It spelled the end of propagandistic slogans and Leninist flourishes, as well as of notions that socialism made nationalism inconceivable.

Although Tito ordered a thorough crackdown on nationalist manifestations in 1971, national aspirations were accorded more consideration in the ensuing years. The principle of statehood for the individual republics became accepted and adopted first in the constitutional amendments of 1971 and then in the constitution of 1974. Even the autonomous provinces within Serbia were recognized as constituent elements of Yugoslavia and were granted autonomous rights, recognized in the constitution. The difference in comparison to the republics lay in the fact that the statehood of the regions was not recognized. Article 4 characterizes the regions simply as "autonomous, socialist, self-managed, democratic, socio-political communities"—in which, to be sure, "the nations and nationalities realize their sovereign rights." This is the point on which the authorities of Kosovo and Vojvodina base their claims in the struggle against centralizing tendencies in the Republic of Serbia.

It is often asked why federalism in Yugoslavia came to be especially emphasized and anchored in the constitution in a veritably "bourgeois" manner after the crisis in Croatia. The explanation can only lie in Tito's belief at the time that he had discovered a new political concept for Yugoslavia. He apparently thought it possible to accommodate the new realities on the state level through a federalism solidly anchored in the constitution and the legal system, while a more disciplined and centralized party would buttress both the state and the regime. In two speeches in Split and Zadar as early as the summer of 1970, Tito characterized as an error the attempt (at the 6th Congress of the Yugoslav League of Communists in 1952) to obliterate the centralist organizational principle of a Leninist Communist party.[23] The 10th party congress in 1974 emphasized, as had not been done for a long time, the centralist and Leninist nature of the party; it took an explicit stance against the party's "federalization."[24]

This concept of Tito's—which, like Kardelj's sought to mix "socialist internationalism" with an unclearly defined "Yugoslavness"—failed, since it aggravated national and federal problems in the post-Tito period. Because the Communist party apparatuses in the individual republics constitute relatively independent power centers, a centralist conception of the party could not prevail over them. While Tito did succeed, in conjunction with the purge in Croatia, in ousting from their posts in the Serbian, Slovenian, and Macedonian republics proponents of policies that he disliked, he was forced to rely even in the Croatian case on alliances with the various republic leaderships. Aside from the fact that these purges caused the Yugoslav party to lose many outstanding personalities, whose absence is still felt today, Tito's actions precipitated a general decline in the authority and prestige of the party as an institution.

These developments, the further strengthening of the republics and the decline of the party's importance in the spectrum of Yugoslav institutions, continued at an accelerated pace after Tito's death. They reached their high point thus far at the 12th Congress of the League of Communists of Yugoslavia in 1982.[25] Both developments were closely linked to growing economic difficulties, which could not be overcome by party resolutions alone. It also became clear that all the problems, including the Kosovo problem, did not lead to strong solidarity within the Yugoslav party but rather to an intensification of conflicts. In September 1982, the new party chairman, Mitja Ribičić, spoke openly about the lamentable state of cohesion within the party and threatened his listeners with "democratic centralism."[26]

As far as the Republic of Croatia is concerned, Tito's crackdown in the early 1970's left it in an unsatisfactory state, indicative of Communist inability to cope with the phenomenon of nation. The new leadership was of second-rate quality. While they did defend the economic interests of the republic,[27] the new leaders in Zagreb could not bring about an identification between republic and nation. This left the mounting Croatian national consciousness without an outlet. The situation was not improved by the fact that the roughly 15 percent Serbian minority within the republic has been accorded preferential treatment. These Serbs

live in the economically more backward areas and favored strong Yugoslav centralism as far back as the pre-war period. They were afraid—as it turns out justifiably—of Croatian nationalism. In 1941, these Serbs were driven into the arms of the Communist partisans by the operations of the Croatian Ustaše, and it is probably no exaggeration to say that after 1945 and again after 1971, the Serbs behaved like conquerors. The share of Serbs in the membership of the Croatian Communist party was around 28 percent in 1958 and was still 24 percent in 1978.[28] This is far more than their proportion of the population. One also gets the impression that the Serbs are overrepresented in the political police of Croatia.

The Catholic church was able to fill the national vacuum in Croatia. It succeeded in making itself the guardian of the historical traditions of the Croats. The massive gathering of about 200,000 participants in Nin (Dalmatia) on September 1 and 2, 1979, to celebrate the Croats' 1,100 year-old affiliation with Roman Christianity constituted the high point of this effort.[29] The success of this celebration and of other activities by the Church made the regime nervous and led to an anti-clerical campaign in 1980 and 1981, including police harassment of the clergy extending even into Bosnia-Hercegovina. Jakov Blažević, then president of the Presidium of the Croatian Republic and the chief procurator in the 1946 trial of the Archbishop of Zagreb, Aloys Stepinać, reopened old wounds by publishing his memoirs in January 1981.[30] At the same time, nationalistically inclined Croatian intellectuals such as Franjo Tudjman, Vlado Gotovac, Zlatko Tomičić, Dobroslav Paraga, and Marko Veselica were put on trial. To this day, many expressions of national feeling that have long been a matter of course in the other republics of Yugoslavia are apparently taboo in Croatia.

The percentage of party members among the individual nations or nationalities seems to have become more and more the measure of the tolerance and understanding that the Communist regime is ready to display in specific instances, including on the issue of nationality. The percentages of party membership were long secret, but in June 1982, official statistics were published.[31] With a "Communist density" of only 4.62 percent, the Albanians are the black sheep among the Yugoslav nations, even if one takes into account that the proportion of minors among this nation is especially high. The Croatians, with 7 percent, are not much better off. As for the Slovenes, only 6.4 percent belong to the party. However, in addition to the strength of Catholicism there, low party membership is probably due to higher living standard and relatively tranquil conditions, which make political involvement seem rather superfluous. Among the Montenegrins, on the other hand, almost 20 percent are Communists, and among the Serbs over 12 percent. Of the Macedonians, 10.5 percent are Communists. Of those who designate themselves ethnically as "Yugoslavs," more than 11 percent belong to the party.

This last-named ethnic designation gave rise to many comments and discussions in the spring of 1982, and brought the dilemma of the Yugoslav Communists vis-a-vis the nationality question back to its starting point. When the results of the 1981 census were published, it turned out that a surprisingly large number of Yugoslav citizens—around 1.22 million or 5.42 percent of the total population—designated themselves as "Yugoslavs" by national affiliation. This was 4.3 times as many as in 1971. It is interesting to note how this phenomenon manifested itself in different parts of the country. In Bosnia-Hercegovina, the number of "national Yugoslavs" rose in comparison to the 1971 census from around 44,000 to 326,000; one can assume that the figure was for the most part made up of Moslems who do not care for the formal identification of religion and nationality. In the autonomous region of Vojvodina, the "Yugoslavs" increased from 47,000 to 167,000; on the other hand, the number of Hungarians declined by 40,000, and that of Croats fell also. In the Republic of Croatia, the percentage of Serbs sank from 14.2 to 11.5 percent, while there were suddenly 8.2 percent "Yugoslavs," a figure more than four times as great as in 1971. In Kosovo, the share of "national Yugoslavs," 0.2 percent, was the lowest percentage in all of Yugoslavia.[32]

Did the tremendous increase in the number of national Yugoslavs come about because the party carried out direct or indirect propaganda to the effect that "Yugoslav" as a national category was "more progressive" in the socialist sense than Croat, Slovene, or Serb? Obviously, this must have played a role. Dusan Bilandzić met with excited denials when he tried to explore this question. The fear of conflict that many citizens might have harbored so soon after Tito's death, the wish to resolve personal dilemmas such as mixed marriages, or a preference for unity and centralism undoubtedly influenced the choice of some respondents. In addition, some groups who are minorities in their area might have sought to protect themselves by "national Yugoslavness." In any event, in Bilandzić's opinion, the huge increase in "national Yugoslavs" shows that "something is wrong in our society."[33] Bilandzić also suggested that the striving for a Yugoslav nation was an "illusion."

The ugly way in which some party activists, notably Serbs from Croatia, conducted polemics against Bilandzić[34] supports the assumption that, now as before, there are many Yugoslav Communists—and perhaps non-Communist Yugoslav patriots as well—who seek to overcome Yugoslavia's national diversity and occasional discord through a supranational "Yugoslavism." The unease over this declarative Yugoslavism so evident in the Bilandzić interview, however, indicates that the traditional nations of Yugoslavia still constitute the basic components of that country, and cannot be pushed into the background or bypassed. Bilandzić is probably correct in saying that "national Yugoslavism" is primarily a product of specific regional or personal idiosyncracies and thus a limited phenomenon. Indeed, developments since Tito's death seem to have strengthened rather than weakened the assertiveness of individual nations, nationalities, and republics.

Nowhere has this assertiveness been expressed more conspicuously than in Kosovo. The events in Kosovo clearly show the limits of national integralism in contemporary Yugoslavia. At the same time, they could also signify an unequivocal and perhaps irrevocable dashing of hopes that national contradictions in the Balkans might be overcome by means of "supranational" socialist doctrine. The very name "Yugoslavia" signifies the land of the Southern Slavs. The Albanians—of whom more than 2.5 million live in the Albanian Socialist People's Republic and another 1.73 million, according to the 1981 census, live in Yugoslavia—are not Slavs. According to modern scholarship, they are the descendants of the ancient Illyrians. This hypothesis is accepted today by all Albanian scholars and by a large number of non-Albanian Balkan specialists.[35] The Albanians were the last Balkan nation to acquire a modern national consciousness in the 19th century and form a national state. In Tirana, the visitor is always told that the religious diversity of the Albanians (Moslem, Orthodox, and Catholic) hindered the process of becoming a nation. This is given, among other reasons, as the explanation for the massive antireligious campaign of 1967–68 and the designation of Albania as the world's "first atheistic state." It is probably also true that the late coalescence of the Albanians into a modern nation led them at first to prefer the continued existence of the 19th-century Ottoman Empire, which at least tried to protect the Albanian settlement areas against the territorial claims of the new Balkan Christian states of Serbia, Greece, and Montenegro. The "League of Prizren," the first united political association of the Albanians which sought to make the Berlin Congress of 1878 understand their interests, certainly contained this tendency along with an emancipatory one.[36]

The first Balkan War then brought precisely what the Albanians had feared: the victorious young Balkan states appropriated large parts of the Albanian settlement area, with Serbia and Montenegro dividing between them Kosovo and today's western Macedonia. The Albanians of Kosovo fought against this annexation but were unable to prevent it. Of the 1.73 million Albanians in Yugoslavia today, 1.23 million live in Kosovo where, according to the 1981 census, they make up 77.7 percent of the population. In Macedonia, there are 374,000 Albanians making up 19 percent of the population; not quite 38,000 live in Montenegro.

Kosovo is dear not only to the Albanians; it was also the heart of the medieval Serbian kingdom. Many important Serbian cultural monuments are located here, and the landmark battle of 1389 against the Turks was fought on Kosovo Field. This Serbian defeat forms the subject of the national epic literature. In Prizren, the great memorials of both Albanians and Serbs are found only a short distance apart: in the city is the villa in which the "League of Prizren" met in 1878; two miles up the valley is the monastery on the site where Tsar Dusan, the greatest ruler of medieval Serbia, was buried. It is also beyond doubt that in this early period Kosovo was settled primarily by Serbs. In the western part of Kosovo, that is, along the border with contemporary Albania, Metohija and its cities Peć and Prizren may have always been partly settled by Albanians; but in eastern Kosovo, where Pristina is located, the Albanians came to settle only toward the end of the 18th century and later.[37]

These historical points are important because the Kosovo conflict has increasingly become a purely national dispute between Serbs and Albanians, as well as between the authorities of the Republic of Serbia and those of the autonomous region of Kosovo. The rest of Yugoslavia seems to play the role of an irritated and concerned spectator. The authorities of the Republic of Serbia and the Serbian press concentrate their attention to an ever greater extent on the problem of the emigration of the Serbs out of Kosovo. At the request of Serbia, the Federal Parliament has also taken up this

problem but obviously has difficulty finding solutions.[38]

Even a casual visitor to Kosovo can easily see that relations between the two groups of inhabitants are quite tense.[39] Outmigration of Serbs has been a persistent phenomenon there since 1966, when the authorities and police in Kosovo were "Albanianized" after the fall of the internal affairs minister, Aleksandar Ranković. As a result of the Serbian outmigration and the higher birthrate of the Albanians, the population ratio has changed since World War II. In 1953, the Albanians made up not quite 65 percent of the population of Kosovo, while Serbs and Montenegrins together accounted for over 26 percent. Today, the corresponding figures are 77.7 and not quite 15 percent.[40] Thus, Albanian nationalists are tangibly realizing the goal of an "ethnically pure Kosovo," despite federal intervention and massive police pressure. There is little doubt that the outmigration of many Serbs, especially from the villages, is hastened by the behavior of segments of the Albanian population. Although only incomplete statistics on the exact number of Serbs and Montenegrins that have left are available, the Belgrade newspaper *Politika* estimates the migration losses of these two groups in Kosovo between 1971 and 1981 to be about 102,000 persons.[41] The absolute number of Serbs in Kosovo declined during this period from 228,000 to just under 210,000, while the number of Albanians grew from 916,000 to 1.23 million.

The present situation is just a phase in a long process. The governments of Serbia and interwar Yugoslavia—both dominated by Serbs—viewed the annexation of Kosovo after the first Balkan War and World War I as a return of places sacred to the Serbian national past; they attempted to bring Serbs into Kosovo again and to push back the Albanians through colonization. Most Albanians in Kosovo therefore welcomed the breakup of Yugoslavia by fascist Italy and the uniting of Kosovo and western Macedonia to Albania proper, even if they presumably would have preferred to see this "liberation" take place in different circumstances.

In this connection, a former high official of the Yugoslav Communist party, Vukmanovic-Tempo, vividly described the precarious conditions in which the Communists had to try to build their resistance movement during World War II.[42] There was always the risk that the few Albanians who found their way to the Communists would begin to discuss unification plans with the Communists of Albania. Quite possibly, it was the substantial dependence of Enver Hoxha's Albanian partisan movement on Tito's Yugoslav partisans that prevented greater complications in this sphere. The scant joy of the Albanians over the reestablishment of Yugoslavia was again expressed in armed resistance after 1944, prompting Tito's government to introduce a brutal police regime in Kosovo that oppressed the Albanian population, despite the formal autonomy of the region. This regime was supported by many of the Serbs and Montenegrins living in Kosovo, some of whom avenged grievances accumulated during the Albanian domination in World War II.

When repression eased after 1966, the feeling of liberation on the part of the Albanians was expressed in the demonstrations of 1968. Subsequently, the Albanians succeeded in creating a national intellectual center for Kosovo in the University of Pristina. In addition, a generation of young, nationally conscious teachers for all school levels reached maturity. These people were the instigators of the nationalist revolts of 1981, and they firmly maintain their national positions. The police and military repression, as well as the arrests and convictions of so many young Albanians—often out of all proportion to their transgressions—contribute to hostility toward the Serbian and Montenegrin population. The situation appears insoluble today since all suggested measures can ultimately be undermined by the Albanian population of Kosovo, which reacts to repression with solidarity and a conspiracy of silence.

What do the young Albanian rebels of Kosovo want? One can get some idea of their goals only through personal impressions: the conspiracy of silence also applies to their objectives. They feel themselves to be Albanians, for whom the unification process of the Albanian nation is the determining national experience. A corollary of this is a feeling of indifference to the problems of Yugoslavia. Just as 19th-century Serbs thought about national unity first culturally and then politically, today the Albanians of Kosovo, above all the younger generation, are doing the same. This, however, does not necessarily imply an unconditional desire for union with present-day Albania.

Immediately after the events, Stane Dolanc, a member of the Presidium of the League of Communists of Yugoslavia and minister of internal affairs, dismissed the notion that the unrest was instigated by Tirana.[43] Subsequently, Albania generally, and Enver Hoxha personally, were accused of "agitating" the young Albanians in Kosovo with irredentist sentiments. Yet, from visits and conversations in Tirana, one gains the impression that this has not been the case. On the contrary, there is unease in Tirana about the developments in Kosovo. The Albanians in Kosovo are perceived to be national "purists" whose intensifying nationalism is unsettling to authorities in Tirana because it is not subject to their control. There is also fear that the Kosovars—who have a freer life, practice their religion, and can travel abroad—might cause unrest in Albania by stimulating desires for similar conditions there. Furthermore, Tirana appreciates the importance of Yugoslavia as one of the few countries with which Albania has contacts, as its most important trading partner, and as a rampart against the Soviets. In principle, so a visitor is always told, Albania wants good relations with Yugoslavia, but naturally cannot remain silent when the "brothers on the other side of the border" are oppressed by Serbian or Macedonian nationalism.[44]

It would seem that the time for true Albanian irredentism in Kosovo, in the sense of a movement for unification with Albania, has not yet come. Rather, one has the impression that the young Kosovars feel that their mission includes lighting the torch of national unity on a "realistic" basis in Albania proper. Enver Hoxha is respected as a national leader, a sort of "anti-Tito," but hardly as anything more. As long as the current regime and the current system exist in Albania, the Kosovo problem will remain a domestic problem for Yugoslavia. The young Kosovars in no way dispute the fact that they have more freedom and a higher standard of living in Yugoslavia than do their brothers in Albania. They think, however, that they owe it to their Albanian national consciousness to place these advantages in the service of eventual Albanian unification.

The Communist authorities in Kosovo who are Albanian are in danger of falling between two stools. Under the former party secretary Mahmud Bakali, a kind of state-socialist regime was in effect in Kosovo, with capital investments coming from the central government. Today, the much weaker political leadership of Kosovo is under pressure from the authorities of Serbia, who would like to reduce the constitutional prerogatives of the province and who threaten "personnel changes."[45] The Serbian leadership, especially Dragoslav Marković, can and does capitalize on Serbian frustrations unleashed by the Kosovo question. Statements expressive of low esteem for the national achievements of the Albanians are pouring out of Serbia;[46] even the Illyrian ancestry of the Albanians is presented as a political problem (and thus denied) in the Serbian Central Committee.[47] This overt anti-Albanian bias also found its way into the platform on Kosovo adopted at the 12th Congress of the League of Communists.[48]

Thus, the nationality question has become again a rivalry between nationalisms in socialist Yugoslavia, as it had been in prewar Yugoslavia. This development is regarded with concern by many people in Yugoslavia, in and out of the party. In the wake of the 12th party congress in the summer of 1982, there were some criticisms of the political leadership in Serbia on this point.[49] The question remains whether Serbia, which is strong in both population and power, can be circumvented or induced to change its policies. According to some views, the Yugoslav federation, including the party, is not sufficiently strong to bring this about. With regard to Kosovo, the policy of the federation at the present time amounts simply to keeping the situation under some degree of physical control through a massive show of force. A political solution, however, would have to include recognition that the Albanians are the majority in Kosovo, and perhaps even a change of the present constitutional arrangements. Because of the specter of separatism, there is reluctance to give Kosovo republic status. Yet, postponement of a political solution might necessitate greater concessions in the future. Meanwhile, the Kosovo problem reveals the limited room for maneuver at the disposal of the post-Tito leadership of Yugoslavia.

FOOTNOTES

[1] V. I. Lenin, "Concerning the Right of Nations to Self-determination," *Ausgewahlte Werke* (Selected Works), Vol. 1, Berlin, Dietz, 1953, p. 676.

[2] Ibid., p. 685.

[3] Gavro Altman, *Yugoslavia, a Multinational Community*, Belgrade, Jugoslovenska Stvarnost, 1978, p. 8.

[4] Paul Shoup, *Communism and the Yugoslav National Question*, New York, NY, Columbia University Press, 1968 p. 25.

[5] Ibid., pp. 30 ff.

[6] See Svetozar Markovic, "Serbia in the East," in *Sabrani Spisi* (Collected Works), Vol. III, Belgrade, Kultura, 1965.

[7] Shoup, op. cit., p. 47.

[8] Vladimir Dedijer, *Novi Prilozi za Biografiju Josipa Broza Tita* (New Contributions for a Biography of Josip Broz Tito), Vol. 2, Rijeka, Liburnija, 1981, pp. 425 ff.

[9] Milovan Djilas, *Der Krieg der Partisanen, Memoiren 1941-1945* (The Partisan War, Memoirs 1941-1945), Vienna and Munich, Molden, 1978, p. 413.

[10] Interview with Gustav Chalupa in *Europaische Rundschau* (Vienna), No. 3, 1982, pp. 123 ff.

[11] *Kolo* (Zagreb), No. 11, 1968.

[12] Ernst Halperin, *Der Siegreiche Ketzer* (The Victorious Heretic), Cologne, Verlag fur Politik und Wirtschaft, 1957, p. 45.

[13] Altman, op. cit., p. 15.

[14] All of the data on census results in Yugoslavia, unless otherwise noted, are derived from the offi-

cial publication *Facts about Yugoslavia*, published by the Federal Secretariat for information, Belgrade. The editions of these publications before 1982 contain the census results of 1971, and the new 1982 edition contains the results for 1981.

[15] Shoup, op. cit., p. 235.

[16] See Hrvoje Sosic, *Za ciste racune* (For a Clean Accounting), Zagreb, Matica Hrvatska, 1970.

[17] Shoup, op. cit., p. 195.

[18] Edvard Kardelj (Sperans), *Razvoj slovenackog nacionalnog pitanja* (The Evolution of the Slovene National Question), Foreword to 2nd ed., Belgrade, Kultura, 1957, p. 53.

[19] Dusan Bilandzic, "High Tide of Declared Yugoslavs," Interview in *Vjesnik* (Zagreb), May 8, 1982.

[20] *Politika* (Belgrade), Feb. 14, 1963.

[21] Bilandzic, op. cit.

[22] Ivan Peric gives a summary of the concepts that came to light in the so-called "Croatian Spring" with numerous quotations in *Ideje Masovnog Pokreta u Hrvatskoj* (The ideas of the Mass Movement in Croatia), Zagreb, Narodna Sveuciliste Grada Zagreba, 1974. (The document is written from the standpoint of the leadership that was newly installed in 1971.)

[23] *Politika*, Aug. 23 and 30, 1970.

[24] Dennison Rusinow, The Yugoslav Experiment 1948-1974, London, C. Hurst, 1977, pp. 332 ff.

[25] For example, the main speaker on the Yugoslav economy had to rely on data prepared by a commission under the authority of the State Presidium. Materials from the 12th Congress of the League of the Communists of Yugoslavia, Belgrade, June 1982.

[26] Borba (Belgrade), Sept. 15, 1982.

[27] See Frankfurter Allgemeine Zeitung, Nov. 11, 1981.

[28] NIN (Belgrade), Dec. 16, 1979.

[29] In the year 879, Prince Branimir had received from the Pope the recognition of the independence of the Croatian church. See Frankfurter Allgemeine Zeitung, Sept. 9, 1979.

[30] Politika, Jan. 29, 1981.

[31] Ibid., June 24, 1982, p. 7

[32] Bilandžić, op. cit.

[33] Ibid.

[34] For example Jovan Mirić in Danas (Zagreb), May 25, 1982.

[35] See the report of Professor Aleks Buda at the National Conference on the Formation of the Albanian People, their Language and Culture, "The Ethnogenesis of the Albanian People in the Light of History," Tirana, Albanian Telegraphic Agency, July 3, 1982.

[36] With regard to these developments see Stavro Skendi, the Albanian National Awakening 1878-1912, Princeton, NJ, Princeton University Press, 1967.

[37] See Atanasije Urosevic, Toponomia Kosova (Toponymy of Kosovo), Belgrade, Serbian Academy of Sciences and Arts, 1975.

[38] Politika, Sept. 30, 1982.

[39] For reports on a visit to Kosovo in June 1982 see Frankfurter Allgemeine Zeitung, July 12, 18, 19, and 27, 1982.

[40] Politika, Sept, 30, 1982, p. 4.

[41] Ibid.

[42] Svetozar Vukmanovic-Tempo, Revolucija Koja Tece, Memoari (The Continuing Revolution, Memoirs), Vol. 1, Belgrade, Komunist, 1971, pp. 332 ff.

[43] Tanjug Domestic Service, Apr. 6, 1981, trans. in Foreign Broadcast Information Service, Daily Report: Eastern Europe (Washington, DC), Apr. 7, 1981, pp. 1/5-9.

[44] Viktor Meier, "Impressions from a Visit to Albania," Frankfurter Allgemeine Zeitung, June 8, 1982.

[45] Visit of General Nikola Ljudicic, President of the Presidium of Serbia, to Kosovo at the end of June 1982, Politika, June 22-25, 1982.

[46] See the publication of Tanjug, Enver Hodzina Albanija (Enver Hoxha's Albania), Belgrade, July 1981. In this publication, the "League of Prizren" is portrayed as useless and the Albanian national hero Skenderbeg as a figure of minor historical significance.

[47] See "Illyrian-Albanian Enigma," NIN, June 6, 1986.

[48] "Political Platform for Action by the League of Communists of Yugoslavia in Developing Socialist Self-Management, Brotherhood, Unity and Fellowship in Kosovo," Materials of the 12th Congress of the League of Communists of Yugoslavia, Belgrade, June 1982.

[49] In this regard, see Ribičić's allusions in Kumrovec (Borba, Sept, 15, 1982) and before the Central Committee (Politika, Sept. 25, 1982).

EXHIBIT 2

CRISIS IN KOSOVO

(By Mark Baskin)

The recent upheaval in Yugoslavia's predominantly Albanian province of Kosovo and the vicissitudes of Belgrade's efforts to restore political order there provide an interesting opportunity to address the issue of ethnicity in that multinational country. The literature on postwar Yugoslav politics has generally proceeded from the assumption that this issue and related regional particularisms comprise the central, underlying dilemmas of Yugoslavia's politics and society. Pessimistic assessments question the country's very viability and argue that zero-sum, primordial ethnic struggles for power will prevent the firm establishment of legitimacy of the "national" (i.e., federal) government among strategic elites and public.[1] Optimists see central decision-makers managing conflicts in ways that may ultimately break down the patterns of ethnic identification, and perhaps even result in a broader "Yugoslav" identification.[2] Thus, the ways in which the "crisis in Kosovo" continues to be a major issue on the agenda of Yugoslavia's leadership command great interest.

Within the Socialist Federal Republic of Yugoslavia, Kosovo has the status of an autonomous province in the Republic of Serbia. As of 1981, Albanians constituted 78 percent of its population of 1,584,588; Serbs, 13 percent; and Montenegrins, 2 percent.[3] Politically dominated by the Serbs and Montenegrins until 1966, the province's Albanians staged major nationalist demonstrations shortly thereafter—in November 1968—demanding republic status for the province within the federation.[4] In the 1970's, there occurred an "Albanianization" of the province's administration; explosive growth of the university in the provincial capital, Pristina, as a magnet for all Albanians in Yugoslavia; an increase in direct contacts between the province and the People's Socialist Republic of Albania; and a widening of economic disparity between the province and the rest of Yugoslavia in terms of per capita income.[5] In short, the demonstrations that took place in early 1981 should not have come as much of a surprise.

THE DISTURBANCES OF 1981

The "crisis in Kosovo" began on March 11, 1981, with demonstrations at the student center of Pristina University that soon turned into a march to the center of the provincial capital with demands for better food and improvement of other conditions facing the large student body. Police used tear gas to restore order.[6] Things grew more tense on March 26, when "hundreds" of students and youths again marched toward the city center to break up the local leg of a Yugoslav youth relay race, then smashed shop windows, overturned automobiles, clashed with the police, and—more important—propounded openly nationalist slogans: "Kosovo—Republic," "we are Albanians, not Yugoslavs," "We are the children of Skenderbeg, the army of Enver Hoxha," "Union with Albania," " Long Live Marxism—Down with Revisionism," and "Trepca does the work, and the Serbs profit."[7] Even more alarming to authorities were the demonstrations at the beginning of April. Tear gas and tanks had to be used to disperse thousands of nationalist demonstrators in Pristina. Smaller scale demonstrations—complete with marches, slogans, attacks on non-Albanian residents, broken store windows, boycotted schools, and clashes between demonstrators and police—occurred in the Kosovo municipalities of Vucitrn, Kosovska Mitrovica, Glogolac, Djakovica, Prizren, Podujevo, and Gnjilane, as well as Tetovo, Gostivar, Debar, Kicevo, Struga, Ohrid, Kumanovo, and Skopje in the Republic of Macedonia. In intensity and duration, this activity surpassed all prior such disruptions in postwar Yugoslavia.[8] The regime acted authoritatively on April 2, closing the university, denying foreign journalists entry to the province, imposing a curfew, and declaring a state of emergency (*vanredno stanje*).

Having quelled the outward manifestations of trouble in Kosovo, Yugoslavia's rulers faced the more difficult task of sorting out the causes and restoring socialist order in the province. The April 2, 1981, joint communique of the Federal Presidency and of the Presidency of the Central Committee of the League of Communists of Yugoslavia confidently asserted that Albanian nationalism has "nothing in common with the demands of most in Kosovo."[9] In this interpretation, the problems of Kosovo were not linked to ethnic inequality, but to the perfidy of neighboring Albania, enemies within Kosovo, and the laxness of the local political organization.

On this last point, Djavid Nimani, a local party leader, openly discussed the provincial party organization's inability to cope with the "tempestuous development" of the province, which had "created many difficulties and contradictions,"[10] Consistent with this diagnosis, the regime has maintained that an increasingly vigilant party organization was the key to political and economic stabilization and further development of self-management in Kosovo.[11]

To the extent that the optimists are correct, one would have anticipated a successful normalization of Kosovo, based on: (1) a settlement of accounts with Albanian nationalists and with "opportunists" in the provincial party organization; (2) a reevaluation of past developmental strategies and adoption of ameliorative policies; and (3) some sort of policy of reconciliation designed to achieve the political acquiescence of the people of Kosovo or even increase the legitimacy of the regime.[12]

Actual events have not matched this optimistic scenario, whether in the matter of settling accounts with nationalists and "differentiating" (i.e., purging) the provincial party organization, in dealing with the deeper economic and social problems, or in coming to terms with the less tangible problems of ethnic identification. Below, I shall explore developments in each of these areas, providing some of the context in which current problems have arisen.

POLITICS OF NORMALIZATION

There can be no doubt that since April 1981, the Yugoslav regime has engaged in a policy of political differentiation in Kosovo aimed at rooting out Albanian nationalism and at purging and placing under firmer control the local League of Communists organization. One can cite high levels of rhetorical conflict with Albania; invocations that the party is "engaged in multifaceted and dynamic ideopolitical action"; almost weekly uncovering of new enemy groups administrative punishment of over 1,000 persons; criticism of past formalism and bureaucratism in the administration of Kosovo; resignation of many high-level functionaries; and the disbanding of weak

Footnotes at the end of article.

basic party organizations and revitalization of others.[13]

Yet, as late as March 1982, the Yugoslav party's official newspaper could only state that "subjective forces [read "socio-political organizations"] in the province should begin to take the offensive."[14] This admonition, a year after the initial demonstrations, suggests an "enemy" far more intransigent than the optimists perceived and indicates that political restoration in the province has presented problems not foreseen by a party seemingly concerned with outward appearances alone.

Indeed, the press is rife with reports of continued dissidence despite the ritual of "differentiation and renewel." For example, we learn that "over a thousand workers" from the Ramiz Sadiku enterprise had participated in the April 1981 demonstrations; that in Albanian-inhabited regions in Kosovo, Montenegro, and Macedonia nationalist slogans continue to appear, pamphlets are still distributed, and rumors continue to spread; that large demonstrations occurred in Pristina in February, March, and April 1982, with smaller ones continuing to occur throughout the province; that incidents of student discontent and rowdyism continue; that attacks on and threats to Serbs and Montenegrins throughout Kosovo have hastened their outmigration; that some organizations in Kosovo and Western Macedonia conduct business solely in the Albanian language; and that Pristina citizens are refusing to pay taxes and bills.[15]

Nor did the 13th Conference of the Provincial Committee of the Kosovo League of Communists, in April 1982, give optimists much encouragement concerning political stabilization. In his report, the committee president, Veli Deva, gave a bleak account of party accomplishments since March 1981—one dotted with "formalism" in democratic life, weakening of the party's militancy, and strenthening of opportunism within party ranks. In short, Deva reported, "the League of Communists has not been at the center of political life . . . the link with the grass roots has been continuously weakening."[16]

Moreover, the process of "differentiation" has not penetrated much beyond the very top leadership of the Kosovo party organization. As of September 1981, only 365 of some 4,000 members of the key party organization at Pristina University has been purged; and by June 1982, only some 1,200-1,500 of a total of 92,000 party members in the province has been expelled.[17] In short, one does not see in Kosovo the reassertion of firm political control generally characteristic of the early stages of a successful restoration process.

ECONOMICS OF STABILIZATION

Political stabilization hardly occurs in a vacuum. As an article in Komunist of September 18, 1981, suggests, "in the otherwise very complex political situation, the struggle for economic stabilization is as significant as the struggle against political enemies." Thus, while the party leadership may prefer to cope with the crisis through the reassertion of Leninist norms within the provincial party organization and adoption by the party of a unitary, monolithic stance vis-à-vis the society, a variant of the optimistic image holds that the advent of economic abundance will lead Kosovo's citizens to evaluate regime performance less on the basis of shared norms and values and more on the basis of well-stocked stores and full stomachs. Such a "consumerist" strategy might elicit the political quiescence of the population in the short term, and perhaps even provide a basis for support of the regime in the long term.[18]

In evaluating the possibilities of this option, it is important first to bear in mind some structural parameters within which the entire country currently operates. Yugoslavia suffers from recurrent negative trade balances and high foreign debt (estimated at US$20 billion at the beginning of 1983), which precludes the wholesale importation of consumer goods (and, in many cases, raw materials); embarrassingly high inflation (over 40 percent in 1981, and 29.5 percent in 1982); and high unemployment (12 percent in 1981).[19] Even those republics of Yugoslavia not burdened with "nationalist excesses" have had great difficulty in implementing a program of economic stabilization. Such negative trends are bound to affect Kosovo—the least developed region in Yugoslavia—even more severely.

One should also look at Kosovo's past achievements in economic development. Even the most depressing reports about the political situation will nevertheless paint Kosovo as "a unique example of socioeconomic development."[20] There has unquestionably been rapid growth of national income, development of a skilled labor force, and increasing urbanization in the province, and optimists point to abundance of coal and other raw materials there. Yet, the gap separating Kosovo from the rest of Yugoslavia has continued to widen. For example, in 1954, per capita income in Kosovo was 48 percent of that in Yugoslavia as a whole; by 1975, this percentage had dropped to 33. (In the same period, Slovenia's gross material product rose from 188 percent to 201 percent of the national average.[21] At the end of 1980, Kosovo had slipped further in relative terms—to 27.8 percent of the national level.[22]

Have central policies since 1957—when, as the Communist party admits, "the country was unable to commit itself sufficiently to stimulating Kosovo's development"[23]—prepared the province for an economic "breakthrough"? Since then, significant amounts of capital have been transferred from the developed to the less developed regions (i.e., Bosnia-Hercegovina, Macedonia, Montenegro, and Kosovo). Initially, these transfers were in the form of compulsory plan allocations, but the "reform" of 1965 (sponsored largely by the developed republics) abolished the central investment fund and replaced it with the Federal Fund for the Accelerated Development of the Underdeveloped Regions. This fund received 1.85 percent of each republic's gross social product for exclusive redistribution to the less developed regions. Kosovo received more than 40 percent of these resources; this federal contribution amounted to more than 70 percent of the province's investment capital and approximately 70 percent of the province's budget in 1971-75.[24]

Despite this federal largesse, in December 1980 (three months before the demonstrations in Kosovo), Mahmut Bakali, then provincial party president, publicly complained that "the resources set aside in the last medium-term plan [for the 1976-80] obviously were not sufficient to ensure . . . developing Kosovo as rapidly as possible."[25] In the same month, the Central Committee of the League of Communists of Yugoslavia approved a measure allowing one-half of northern assistance to be in the form of direct investment by northern enterprises in the less developed regions or of joint ventures ("direct association of resources") of northern enterprises and those in Kosovo.[26]

Realization of these provisions has been termed "an essential precondition" for achievement of the 7.2 percent annual growth rate of social product targeted in Kosovo's 1981-85 economic plan.[27] But one suspects that the decentralizing principles behind these various reforms continue to provide northern elites with incentives to keep their investment capital where it returns the greatest profit, i.e., in their own republics. A full year after the demonstrations, Uros Seslija, president of the Kosovo Chamber of Commerce (*privredne komore*), lamented that although over 100 proposals for joint ventures had been made in the previous 14 months, only 15 agreements had been signed and 31 programs approved. As a result of such foot-dragging, "the entire means set aside or pooling resources are not utilized, [so] Kosovo will not be able to count on reaching its planned development in this plan period."[28]

The last two years have provided little good economic news for Kosovo. Uncovered losses of 2.6 billion dinars for 1981 in the provinicial economy were 82.4 percent higher than in 1980. Moreover, although aggregate industrial production grew more quickly than expected (at 6.7 percent), half the industrial branches produced less than in the previous year. Similarly, in 1981 investment declined 40 percent, inflation continued at 43 percent, and personal incomes grew by 40.2 percent.[29] Downward trends accelerated in 1982: while total industrial production fell by 3.3 percent, losses grew to 10 billion dinars, and the number of unemployed grew by 12.5 percent (from 72,000 to 82,000).[30]

Kosovo's developmental problems are manifold. Its exceptionally high birthrate of 32 per 1,000 impedes efforts to improve per capita income and has also created a very young population structure.[31] Agriculture grew at only 1 percent a year in 1976-80, with the larger, but neglected, private sector growing even more slowly than the socialized agricultural sector. Able-bodied rural labor has consequently left the land, mostly for cities in Kosovo.[32] Yet, the province's industry has not been able to absorb the surplus of rural manpower.

Several factors explain this inability. In the first place, investment has been heavily skewed toward capital-intensive basic industry—largely mining and power generation. The province's industry is only a little more than half as profitable—and its industrial labor, 30 percent less productive—than the national average. Wages in the social sector are artificially high, which offsets Kosovo's comparative advantage with respect to labor and discourages investment by northern enterprises. As a result, Kosovo's rate of capital accumulation is less than one-half the national average.[33]

These factors have contributed to a dangerously high level of unemployment—the highest in Yugoslavia. Between 1971 and 1981, Kosovo's unemployment level rose from 18.6 to 27.5 percent.[34] The means heretofore used to expand employment in the province neither address the problem squarely, nor provide a sound basis for further advances.

One strategy has been to expand the number of administrators relative to production workers. Thus, whereas only one in seven of Slovenia's labor force is employed in administrative jobs, Kosovo's has one in four employed in such activities.[35] This palliative only aggravates the province's low labor productivity and low level of capital accumulation.

Another way of absorbing the province's surplus labor in the past decade has been to expand Pristine University. Thus, 35,000 students currently attend a university founded only in the early 1960's. However, in conception, the University of Pristina (in mid-1981 renamed "Kosovo University") represented far more than a means to absorb surplus labor. It has served as "proof" of Albanian equality within Yugoslavia—an institution where Albanian has become the de facto language of instruction (at the expense of the formally equal Serbo-Croatian). Moreover, the university can be viewed as an institution training cadres for productive employment in the economy and one that implants the norms and values of Yugoslav self-management into its students. In all, then the investment in the province's university might be considered an investment in Kosovo's future productive development.

Unfortunately, it would be difficult to maintain that the university has fulfilled its appointed tasks. First, one cannot ignore the generally low living standard experienced by the majority of the students—the initial catalyst of the 1981 demonstrations. Moreover, the quality of instruction is generally considered quite low. Less than half of the professors possess doctorates, and those who do have generally published little and are not considered serious scholars by others in Yugoslavia. One also wonders—in light of the high ratio of students in the social sciences relative to those in engineering and other technical fields—whether students really receive training for productive employment.[36] Those who do receive technical training often cannot find work in the province because of the unemployment noted above, and those who wish to migrate with their degrees to other parts of Yugoslavia often have difficulty finding work because they are not fluent in Serbo-Croatian.[37] In addition, and perhaps more serious in official eyes, was the neglect of education in the regime's ideology of self-management.[38]

If it has been difficult to link the university's Albanian students to other parts of Yugoslavia, there seems to have been a warm working relationship with Albania. Indeed, before the demonstrations, the now-deposed administration of Pristina University considered cooperation with the University of Tirana—in effect since the early 1970's—mutually beneficial and fruitful.[39] Hindsight tells us, of course, that much about the relationship was nonreciprocal and problematic. For example, because of the poor publication record of the Pristina University faculty, more than half of the textbooks used at the university were imported from Albania. Many of the texts—particularly those for language and history—allegedly portrayed the Yugoslav national liberation struggle "insufficiently," presented maps of Alabania that included Yugoslav territory, and were permeated with "dogmatic, statist ideology" that ignored the accomplishments of Yugoslav self-management. Then there were the professors from Tirana who taught in Pristina. Although the behavior of most seemed generally correct, some reportedly exceeded the limits of Yugoslav hospitality by criticizing high levels of unemployment in Kosovo or by encouraging students to express their demand for republic status.[40] Finally, some in Yugoslavia now complain that while Tirana was always prepared to send professors to Pristina, Titograd, and Skopje, Albania only accepted Yugoslav Albanians of the most dubious political reliability in return.[41]

By itself, easy access to texts and professors from Albania was probably inoffensive to Yugoslavia. However, when combined with poor student conditions and a low educational level at Pristina University, this arrangement contributed to making the university a "hotbed of nationalism," according to the regime. Needless to say, the current university administration has discontinued direct links between Pristina and Tirana universities, and prefers that future relations be regulated by conventions on cultural and educational cooperation negotiated by the two central governments.[42]

As for the immediate future of the Kosovo economy, Yugoslav elites ostensibly seek the development of the manufacturing industry and agriculture. However, the 1981-85 plan for Kosovo still projects a more rapid growth of output for energy (11.8 percent a year) than for agriculture (5.7 percent) or industry (8.5 percent).[43] As Laura Tyson points out, this hardly suggests deep concern for increasing productive employment; rather, it implies that Kosovo will remain a supplier of raw materials and semi-finished products, activity too capital-intensive to increase employment much.[44] If the failure of northern enterprises to invest significantly in Kosovo's manufacturing capacity does little to increase employment, the large number of unfinished projects, or the luxury hotels and large university library being constructed in Priština, will also not add measurably to productive capacity in the province.[45]

Kosovo's underdeveloped status within Yugoslavia will not be easily changed. The economic "rationality" demanded by northern elites has been sorely absent in their own republics. In Kosovo, this would also require the deferment of prestigious public consumption in the name of productive investment, i.e., it would preclude a consumerist strategy aimed at placating feelings of national disadvantage.

THE POLITICS OF ETHNIC SYMBOLS

There is, of course, no a priori reason why Kosovo's economic difficulties should lead to nationalist discontent. Yogoslavs are quick to point out that the Albanians in Kosovo have more freedom and a higher living standard than their more dogmatic brethren across the border, and one might add that the province's Serbs share some common grievances with its Albanians—particularly regarding regional inequality. Indeed, one might expect—perhaps naively—to find in Kosovo a nonethnic, class-based movement that reacted to a high unemployment level, managerial inefficiency, corruption, low productivity, and the relative economic backwardness of the province. Yet, most Yugoslav and Western observers, whether optimists or pessimists, end up posing essentially the same old question: can the Yugoslav state successfully resolve problems based on national conflicts?

Both Serbs and Albanians have a deep emotional and historical attachment to Kosovo. It was the seat of Tsar Dusan's medieval empire and figures strongly in Serbian epic poetry. Albanians claim to have lived there as Illyrians long before the Slavs invaded the Balkans in the 6th and 7th centuries. The founding of the Prizren League there in 1878 made Kosovo "the cradle of Albanian rebirth."[46] Moreover, the Albanians significantly outnumber the Serbs and Montenegrins (a disparity that continues to grow). Thus a constant of Belgrade's policy—whether royalist or Communist—has been to insure that Serbs remain in the province.

The interwar royalist government considered Kosovo part of "South Serbia," sponsored Serbian colonization of the region, and tried to prevent public expressions of Albanian culture. It was therefore not surprising that at the outset of World War II, Kosovo's Albanian population welcomed inclusion of the region in Italy's puppet state of Greater Albania. Toward the end of the war, as many as 30,000 Albanians in Urosevac, Gnjilane, and Trepca staged an uprising against the Communist-led Partisans, who seemed naturally linked with the Serbs and Montenegrins who had repressed the Albanians before the war. Hostility toward the idea of Yugoslavia was even evident among those Albanians that were active in the Partisan movement. Indeed, some Albanian brigades refuse to participate in repression of the uprising.[47] Moreover, when the National Liberation Committee for Kosovo and Metohija met in Albania on New Year's Day 1944, the 49 delegates present adopted a resolution stating that "Kosovo and Metohija form a region in which Albanian inhabitants preponderate; they, as always, still wish to be united with Albania. Consequently, our duty is to the true way which the Albanian people should take in order to achieve their aspirations." Only after strong criticism by some central party leaders, such as Milovan Djilas and Svetozar Vukmanovic-Tempo, did the local leadership amend such claims and emphasize a more lasting union with the Yugoslav federation.[48]

After the war, the Yugoslav solution for the heavily Albanian, underdeveloped Kosovo region was to include it as an "autonomous province" within the Republic of Serbia. This constitutionally inferior status, akin to that of the autonomous republics within the union republics in the Soviet model, was aggravated by Serbian domination of the region's political life until 1966. For example, in 1945, the Serbian party organization attempted to dissolve the district-level party organization in Kosovo and deal directly with Kosovo town committees, with communications in Serbo-Croatian. Not surprisingly, this dominance by the Serbs also reflected itself in party membership. For example, in 1958, Serbs and Montenegrins jointly comprised 27.4 percent of the population of Kosovo but made up 49.7 percent of local party membership.[49]

The Cominform split in 1948 raised fears in Belgrade that anti-Yugoslav propaganda emanating from Tirana might have appeal among Kosovo's Albanians. Under Aleksandar Rankovic, the Serbian-dominated secret police imposed a harsh and unjust rule in Kosovo that, according to a subsequent account, "led to the visible breakdown of national relations, to crude deformations in relation to the Albanian minority, to the breakdown of the [party's] policy on the national question."[50] In the 1950's, the situation was so bad that many Albanians declared themselves Turks and emigrated to Turkey.[51]

The Brioni plenum of the party's Central Committee in 1966 ended Rankovic's personal rule over Kosovo and claimed to have adopted measures that "eliminated the causes and consequences of the earlier deformations and created new conditions for the many-faceted affirmation of the Albanian nationality [nacionalmost]."[52] At Brioni, the political principles of decentralization, republican/provincial parity in federal-level decisionmaking bodies, and ethnic affirmation within the republics and provinces were accompanied by the increasing dispersion of economic decisionmaking power to the re-

publics and provinces. Consequently, Titoist strategies in Kosovo during the 1970's permitted the de facto Albanianization of the provinces' administration, of its political and security police, as well as of its cultural life.[53]

This was part of a broad strategy designed to include representatives of each unit of the federation in collective decisionmaking bodies. It was evidently hoped that routinization of inter-republic bargaining would serve to reduce the likelihood of interethnic conflict.[54] As I have suggested elsewhere,[55] such "consociationalism," by institutionally legitimizing the notion of subcultures as the key component of Yugoslav society, may actually have reinforced and strengthened the partial, subcultural interests to the detriment of the general interest. This is more striking in Kosovo than elsewhere. Not only does the province continue to lag behind other regions economically, but it also finds itself with a smaller representation in federal bodies because it is only an autonomous province within a republic. Unlike the republics, which possess sovereignty (including the right to secede from Yugoslavia) autonomous provinces are only referred to as "self-managing communities." [56] In this context, the consociational legitimation of subcultures can help create—rather than resolve—ethnic conflicts.

Indeed, many Albanians in Kosovo may have felt that they really had no place in the federation. Already in November 1968, several hundred Albanian students gathered at Pristina University's Department of Philosophy and "threatened public order" with speeches, slogans, and Albanian flags. This was followed by a march on the town, smashing of store windows, and police use of tear gas to suppress rioting. The students' fundamental demand? Republic status for Kosovo.[57]

One might argue that, as individuals, Kosovo's Albanians are granted full equality as members of a recognized minority nationality. Yet, constitution and ideology notwithstanding, one must note the casual racism with which the "Siptari" are regarded in Yugoslavia. However much Montenegrins are chided for their laziness and Bosnian Moslems are berated for their stupidity, the "average Yugoslav" sees these negative traits combined with a good measure of cruelty and barbarity when it comes to the Albanians. Indeed, if one were to plot a status hierarchy of Yugoslav ethnic groups, only the gypsies might score lower than the Albanians.[58] When Albanians travel to other republics to find employment, they suffer social ostracism and ghettoization in addition to being offered only low-status, low-paying jobs. The demonstrations in 1981 probably only exacerbated such tensions. For example, Albanian bakers long resident in Croatia and Serbia proper experienced "quiet boycotts" after the demonstrations.[59]

Even migration to Western Europe and North America has its problems. Some Albanian emigrants from Kosovo have come into contact with anti-Yugoslav Albanian and Croatian emigré circles and have engaged in activities ranging from demonstrating against "Yugoslav ethnic festivals" to bombing noncooperative countrymen and official representatives of the Yugoslav government.[60] Indeed, the Yugoslav government does not exaggerate when it claims that some groups seek to create an enlarged Albania that includes not only Kosovo, but also parts of Serbia and Macedonia.[61]

This, of course, raises the issue of the Albanians in Macedonia. Although they make up only 20 percent of that republic's population, they constitute majorities and pluralities in communities bordering on Albania and Kosovo. In World War II, Albanian-populated regions of both Macedonia and Montenegro were included in Greater Albania—thus providing Albanian nationalists with a historical precedent to invoke. It has been reported with pride that the Albanians and Turks in Macedonia enjoy full equality with other ethnic groups in terms of the thousands of children attending schools with instruction in their native language.[62] However, in political representation through the delegate system in Albanian-dominated communes in Macedonia—perhaps important only for its symbolic content—Albanians are seriously underrepresented.[63] Thus, if one reflects on the ease with which those Albanians could matriculate in that "hotbed of Albanian nationalism"—the University of Pristina—such linguistic equality may well have contributed to the Albanian nationalism observable in the border communities of Macedonia since March 1981.[64]

While concentrating on the sense of alienation from the Yugoslav community felt by the Albanians of Kosovo and other regions, one should not overlook the sense of persecution and oppression experienced by the Serbs and Montenegrins of Kosovo. The events of 1966-68 that increase mass self-confidence among Kosovar Albanians also led to increased Serbian and Montenegrin emigration from the province. If before 1981 much of this flow appeared to comprise members of the intelligentsia who sought higher living standards elsewhere in Yugoslavia,[65] since then "emigration has taken the form of fleeing."[66] This flight has reportedly been encouraged by letters, threats, contrived firings, beatings and murders, and vandalism of Serbian monasteries and monuments in Kosovo.[67] The Serbs move to places like Smederevo, Kragujevac, Nis, Kraljevo, and Svetozarevo, as well as Belgrade, where they are referred to as "Vrcani" and are rumored to suffer new social ostracism for having lived for years with the Siptari (and perhaps also for being productive farmers and workers).[68]

Beyond the personal disruptions involved, this displacement of Kosovo's non-Alabanians has caused some questioning of the Yugoslav system itself. According to one account, "loss of faith in legal institutions because of persecution . . . is one of the decisive factors contributing to the people's decision to move. Ineffectiveness is often the cause of that loss of faith." [69] The larger Serbian community in Yugoslavia may perceive the "forced" emigration of Serbs from Kosovo as further proof of a national decline under socialism in Yugoslavia, of a loss of Serbian patrimony. For example, members of several Kosovo veterans' associations now living in Belgrade have called for "more rigorous measures against the enemy. . . ." These veterans, who "struggled under terribly difficult circumstances for the autonomy and equality of the Albanian people [narod]" in the "federal community," must feel an acute sense of rejection by those they ostensibly helped.[70] Needless to say, the Serbian veterans argue more vociferously than most for further "differentiation" of Kosovo's leadership—paticularly the purging of those Albanians who have remained politically active throughout the entire crisis. It is no wonder that Serbian nationalism seems to be enjoying a revival in Yugoslavia.

BALANCE SHEET

If one looks at the major categories of socialist restoration—political and economic stabilization and the development of some acceptable ethnic symbolism—the "crisis in Kosovo" would seem to provide little grounds for optimism. The political differentiation has barely scraped the surface, and although a few nationalists received long jail terms, most have been sentenced for 30-60 days and have returned to warm welcomes not only by neighbors but by local party and state functionaries as well.[71] There seem to be no quick answers to Kosovo's economic problems. And in light of the continuing presence of "the enemy"—i.e., Albanian nationalism—the idea of granting to Kosovo status within the federation as an "Albanian" republic (with the implicit right of the Albanian nation to secede) is not a very palatable constitutional solutions.

Moreover, one constitutional crisis seems to beget another. The discussion over the constitutional status of Vojvodina (also an autonomous region in Serbia) that started behind closed doors in 1977 has been conducted quite openly since June 1981. Leaders of the Vojvodina party organization have propounded conceptions concerning the rights of the autonomous provinces quite similar to those of the fallen leaders of Kosovo, who—ironically—are routinely condemned by spokesmen from Vojvodina.[72]

One might even link the "crisis in Kosovo" to the tendency to define other difficult issues in ethnic and constitutional terms. For example, the international loans floated while Tito was still alive are now coming due. This has engendered a foreign-currency crisis that evokes memories of the rising tide of nationalism in the late 1960's, in which Croatian elites sought to retain foreign currency earnings in Croatia. Many fear this issue may again become linked to the politics of ethnic symbols. In fact, one hears of the specter of nationalism throughout Yugoslavia. According to the party's Central Committee, it is "the most dangerous counterrevolutionary tendency today. . . . All nationalisms are operating more or less through legal institutions—most of all in education, culture, and the press. . . ." [73]

In sum, the "crisis in Kosovo" and the "inability" of the regime to resolve the constitutional definition of Yugoslavia might seem a dramatic refutation of arguments such as Stephen Burg's that Yugoslavia's federal center, through its near monopoly of information and control of the federal issue agenda, increased its powers vis-à-vis the regional centers between 1974 and 1980.[74] One might even see the Kosovo events as signifying the disintegration of the federation into a collection of fiefdoms, each ripe for the entreaties of nonbenevolent actors from East and West.

There is, however, much that is exaggerated in such a pessimistic perspective. Despite the official rhetoric of external threat, it seems to be business as usual between Yugoslavia and major foreign powers. While Western countries seek repayment of loans, they have shown no interest in a drastic reorganization of Yugoslavia. Despite post-Afghanistan polemics between Moscow and Belgrade, total trade between the USSR and Yugoslavia continues to rise.[75]

Even with regard to Albania, the rhetoric emanating from Belgrade seems more an attempt to manipulate domestic support than a reflection of real apprehension. While it may increase support for the Yugoslav regime by galvanizing Serbian, Montene-

grin, and Macedonian feelings against Albania (and perhaps against Kosovar Albanians, too), it has not prevented the signing of trade protocols with that country, the maintenance of the Belgrade-Tirana air route, or the establishment of rail links between the Albanian town of Shkodër and the Yugoslav port of Bar.[76] It is, moreover, questionable whether Albania maintains any territorial pretensions against Yugoslavia. However much Tirana may have condemned Yugoslavia's "un-Leninist approach to the national question" in Kosovo, Enver Hoxha at the 8th Congress of the Albanian Worker's Party in November 1981 did not claim Kosovo for Albania but rather argued for a Kosovo republic within Yugoslavia.[77] Indeed, the Yugoslav Albanians would seem to be hard for Tirana to digest. Hence, Albanian rhetoric denouncing Yugoslav revisionism and Serbian chauvinism seems designed mostly to bolster the spirits of Albanian domestic audiences, even while warning Yugoslav elites not to repress Kosovar Albanians. It would appear that Belgrade and Tirana have tacitly agreed on the range and limits of rhetoric to be employed.

Internally, the demands from some of Kosovo's Albanians for republic status raise an issue that no one else in the Yugoslav body politic really wants to face. In many respects, the Yugoslav national question has found an equitable, albeit inefficient, solution in consociational federal institutions. With respect to the Albanians of Kosovo, however, the group demanding recognition has never been viewed as loyal to the socialist Yugoslav state. Moreover, when the issue of Kosovo is framed in terms of ethnicity and the constitutional definition of Yugoslavia, the stakes of the conflict are raised to such a level that any patriotic citizen of Yugoslavia would demand nothing less than maintenance of the status quo. The specter of Kosovo's possible secession from the federation makes a "just" resolution of the problems in the province inconceivable. Thus, much of the elite's political rhetoric decrying nationalism in Kosovo and elsewhere can be seen as a means to legitimize the power of the elite as a class, as well the sacrifices ordinary citizens make in their daily lives. In the end, then, a leadership unable to address a major problem efficaciously might be lauded as valiant and beleaguered by a majority of the population.

Although the discontent festers on, the disparity in levels of resources between the central government and the Albanian nationalists is sufficiently great that no real threat of insurrection exists.[78] The ritualized invocation of "continued enemy activity" and calls for "more vigilant differentiation" serve to inform the Yugoslav political community that "political resolution in Kosovo" remains an active agenda item. Recalcitrants in Kosovo receive notice that business is not "as usual" and that their jobs may be on the line. Elites in other republics are put on notice that in order to insure the integrity of the Yugoslav regime, they may have to sacrifice still more investment capital and hard-currency earnings to support Kosovo's long-term development. To an extent, the "crisis" atmosphere may actually strengthen the province's hand in federation-wide bargaining!

What this suggests is not a situation where matters completely elude the manipulation of a central leadership that approaches them with few resources. Rather, events in Kosovo seem to provide an opportunity for different coalitions of actors to express their preferences on a variety of issues—from problems with foreign currency balances to economic reform, corruption, the role of the press, redressing of regional inequality, and the revival of various nationalisms. By confirming and/or discrediting particular policy strategies followed in the past, the Kosovo events provide a basis for public discussion.

The Kosovo crisis also suggests that the "national question" does not present itself on the agenda in a void, independent of decisions by Yugoslavia's governing elites. Previous federal-level agreements concerning nationalism have unquestionably shaped the way in which the issue has most recently resurfaced. Specifically, the principle of equal distribution of the symbol of national equality through the form of eight little party-states (the six republics and the two less prestigious autonomous provinces) has brought unintended results. It has been very inefficient economically, with each republic building its own capacities and resisting interrepublic projects.[79] When the overall parameters of economic life began to narrow, discontent in Kosovo was expressed in terms of ethnic nationalism because ethnic organizations were those most familiar and comfortable to its citizens. There is now a pressing need to "unify the Yugoslav market," but it remains to be seen whether the crisis in Kosovo can help focus attention on the real problems that Yugoslavia faces, rather than on narrower issues defined by loaded terms like "nationalism" and "enemies."

FOOTNOTES

[1] See, for example, A. Ross Holinson, "Yugoslavia: In the twilight of Tito." *The Washington Papers* (Beverly Hills, CA), No. 16, 1974, also Pedro Ramet, "Problems of Albanian Nationalism in Yugoslavia," *Orbis* (Philadelphia, PA), Summer 1981, pp. 369-88. Finally, see the anti-Yugoslav émigré press.

[2] See, for example, Bogdan Denitch, *The Legitimation of a Revolution*, New Haven, CT, Yale University Press, 1975, and Gary Bertsch, "Ethnicity and Politics in Socialist Yugoslavia, *Annals of the American Academy of Political and Social Sciences* (Philidelphia, PA), September 1977, pp. 88-89.

[3] "The National Composition of the Population by Communes, Final Results," *Statisticki Bitten* (Belgrade), No. 595, May 1982.

[4] See below, pp. 70-71.

[5] See below, P. 65.

[6] The account herein is taken largely from *NIN* (Belgrade), Apr. 12, 1981, pp. 8-12; and *Sta se Dogadjalo na Kosovu* (What Happened in Kosovo), Belgrade, Mala Beblioteka Politike, 1981, pp. 1-24. For confirmation of the validity of the students' complaints, see the comments of former provincial party leader Mahmut Bakali in Tanjug, Apr. 6, 1981, trans. in Foreign Broadcast information Service, *Daily Report: Eastern Europe* (Washington, DC—hereafter *FBIS-EEU*), Apr. 7, 1981, pp. 1/10-14, esp. p. 1/12.

[7] Bakali, loc. cit. Trepca is a large lead and zinc smelting combine located in Kosovska Mitrovica.

[8] To my knowledge, no monetary estimate was attached to the damage. The then secretary for internal affairs, Franjo Herljevic, reported to the Federal Assembly on June 9, 1981, that a total of 16 mass demonstrations in 11 municipalities resulted in 100 autos damaged or destroyed, 400 store windows broken, numerous buildings and apartments broken into, and 9 dead and 257 wounded. See Tanjug, June 9, 1981, trans. in *FBIS-EEU*, June 10, 1981, pp. 1/1-8; also *NIN*, Apr. 10 and July 19, 1981.

[9] Cited in *Sta Se Dogadjalo na Kosovu*, p. 21.

[10] Ibid., p. 22. See also *Komunist* (Belgrade), Apr. 24, 1981, p. 8.

[11] See the "Political Platform for LCY Action in the Development of Socialist Self-Management, Brotherhood, Unity and Community in Kosovo," Tanjug Domestic Service, Nov. 24, 1981, trans. in *FBIS-EEU*, Nov. 27, 1981, pp. I/1-35.

[12] For a discussion of normalization in East European socialist states, see Zvi Gitelman, "The Politics of Socialist Restoration in Hungary and Czechoslovakia," *Comparative Politics* (New York, NY), January 1981, pp. 187-210.

[13] *Komunist*, Aug. 13, 1981, p. 8; *NIN*, Apr. 4, 1982, p. 4, and Apr. 7, 1982, p. 15; Tanjug Domestic Service, June 6, 1981, trans. in *FBIS-EEU*, June 8, 1981, pp. I/10-14.

[14] *Borga* (Belgrade), Mar. 17, 1982, p. 3 (emphasis added).

[15] *NIN*, June 21, 1981, p. 13, Feb. 28, 1982, pp. 10-11, and March 7, 1982, pp. 8-12; *Borba*, Mar. 13, 1982, p. 3, and Dec. 13, 1981, p. 4; *Komunist*, Nov. 20, 1981, p. 10; Tanjug Domestic Service, Dec. 8, 1981, trans. in *FBIS-EEU*, Dec. 9, 1981, p. I/7; *NIN*, Jan. 17, 1982, p. 11; and *Borba*, Mar. 15, 1983, p. 6.

[16] Tanjug Domestic Service, Apr. 24, 1982, trans. in *FBIS-EEU*, Apr. 26, 1982, p. I/6.

[17] *NIN*, Sept. 6, 1981, pp. 8-11; and Belgrade Domestic Service, June 16, 1982, trans. in *FBIS-EEU*, June 17, 1982, pp. I/14-15. According to a delegate from Gnjilane at the April 1982 provincial League of Communists Conference, "the question of differentiation of Communists . . . is still not being implemented evenly in all basic League of Communists organizations." The municipality partly organization in Gnjilane had since March 1981 apparently expelled only 82 members, taken action against 20 others, and admitted 325 new members, many of them young. Tanjug Domestic Service, Apr. 26, 1982, trans. in *FBIS-EEU*, Apr. 27, 1982, p. I/7. (One wonders how many of the new members had participated in the Kosovo demonstrations.)

[18] See Zvi Gitelman, "Power and Authority in Eastern Europe," in Chalmers Johnson, Ed., *Change in Communist Systems*, Stanford, CA, Stanford University Press, 1970; and Kenneth Jowitt, "Inclusion and Mobilization in European Leninist Regimes," *World Politics* (Princeton, NJ), October 1975, pp. 69-96.

[19] On the Yugoslav foreign debt, see, e.g., *The Wall Street Journal* (New York, NY), Jan. 18, 1983; also *Danas* (Zagreb), Feb. 8, 1983, p. 4.

[20] "Political Platform for LCY Action," loc. cit.

[21] Martin Schrenk, Cyrus Ardalan, and Nawal A. El Tatawy, *Yugoslavia, Self-Management Socialism and the Challenges of Development*, Baltimore, MD, Johns Hopkins University Press, 1979, p. 287.

[22] Tanjug Domestic Service, Dec. 4, 1980, trans. in *FBIS-EEU*, Dec. 10, 1980, p. I/11.

[23] "Political Platform for LCV Action," loc. cit.

[24] *The Policy and Results of the Development of Economically Underdeveloped Republics and the Autonomous Province of Kosovo*, Belgrade, Secretariat of Information, n.d., pp. 34-35; also Schrenk, et al., op. cit.

[25] Cited by Tanjug Domestic Service, Dec. 4, 1980, trans. in *FBIS-EEU*, Dec. 10, 1980, p. I/11.

[26] See the conclusions of the Central Committee meeting, Tanjug Domestic Service, Dec. 5, 1980, trans. in *FBIS-EEU*, Dec. 11, 1980, pp. I/1-11.

[27] *Komunist*, Nov. 13, 1981, p. 3.

[28] *Borba*, Mar. 12, 1982, p. 3.

[29] *NIN*, Apr. 4, 1982, p. 12; and *Komunist*, Apr. 16, 1982, p. 4.

[30] *Borba*, Jan. 25, 1983, p. 4; *Politika* (Belgrade), Dec. 13, 1982, p. 4.

[31] Schrenk, et al., op. cit., esp. the chapter on regional inequality.

[32] "Political Platform for LCY Action," loc. cit.

[33] See *Komunist*, Nov. 6, 1981, p. 13; Laura Tyson, *The Yugoslav Economic System and Its Performance in the 1970s*, Berkeley, CA, Institute of International Studies, University of California Press, 1980; Martin Schrenk, et al., op. cit., pp. 172, 298-99. The last source notes that the gap between per capita household income in Kosovo and that for Yugoslavia as a whole is far smaller than the one between agricultural per capita income in Kosovo and that for Yugoslavia. See also Veli Deva's Report to the Kosovo League of Communists Conference, loc. cit.

[34] Schrenk, et al., op. cit., p. 248; and *NIN*, Feb. 28, 1982, p. 15. Only the Republic of Macedonia comes close to these figures, which might partially be explained by that republic's own large Albanian population.

[35] *Indeks* (Belgrade), No. 2, 1981, cited in Radio Free Europe Research, *RAD Background Report* (Munich), No. 108, Apr. 23, 1981. This is quite typical of developing countries. See Elliott Berg, "Some Problems in the Analysis of Urban Proletarian Politics in the Third World," Center for Research on Economic Development, Discussion Paper No. 48, Ann Arbor, MI, University of Michigan.

[36] *NIN*, Dec. 21, 1980, pp. 15-16; *Komunist*, July 3, 1981, p. 10; Dennison Rusinow, "The Other Albania: Kosovo, 1979. Part I, Problems and Prospects," *American University Field Staff Reports* (Hanover, NH), No. 5, 1980; and *Politika*, Aug. 10, 1981, p. 6.

[37] See Dobroslav Culafic's report to the Central Committee of the League of Communists of Yugoslavia (SKJ CC), cited by Tanjung, Nov. 17, 1981, trans. in *FBIS-EEU*, Nov. 18, 1981, pp. 1/1-17.

[38] *NIN*, Sept. 6, 1981, pp. 8-11.

[39] Ibid., Dec. 21, 1980, pp. 15-16.

[40] *Politika*, Aug. 10, 1981, p. 6, and May 25, 1981, p. 5; also *Komunist*, June 5, 1981.

[41] Tanjug, Sept. 29, 1981, trans. in *FBIS-EEU*, Oct. 6, 1981, pp. 1/19-20.

[42] Tanjug, July 23, 1982, trans. in *FBIS-EEU*, July 24, 1982, p. 1/8.

[43] *Komunist*, Nov. 13, 1981, pp. 12-13.

[44] Tyson, op. cit., p. 66. See also the complaints of Nazim Mikulovci, Director of the Trepca combine, that his enterprise continued to be "exploited . . . because we undervalued the primary industries and raw materials and left them to fend for themselves." *Danas*, May 11, 1982, p. 10.

[45] Komunist, Nov. 13, 1981, p. 10.

[46] Peter Prifti, Socialist Albania Since 1944: Domestic and Foreign Developments, Cambridge, MA, MIT Press, 1978, p. 325.

[47] Ivo Banac, The Cominformists, unpublished manuscript; also, Paul Shoup, Communism and the Yugoslav National Question, New York, NY, Columbia University Press, 1968, pp. 75-76, 104-05.

[48] See Ramadan Marmullaku, Albania and the Albanians, London, D. Hurst & Co., 1975, pp. 143-44; also Dusan Bilandzic, Historija Socijalisticke Federativene Republike Jugoslavije, Glavni Procesi (History of the Socialist Republic of Yogoslavia—Highlights), Zagreb, Skoljske Knjige, p. 71.

[49] Shoup, op. cit.; and Banac, op. cit.

[50] Hajredin Hodza, "A Self-Management Affirmation of the Albanian Nationality in Yugoslavia," in Udruzeni Rad i Medjunacionalni Odnosi (Associated Labor and Inter-Nationality Relations), Belgrade, Marksisticki Centar CK SK Srbije, 1979, p. 219.

[51] Nusi Pajazit, "The Character and Particularities of the Approaches to the Study of the Emigration of Nations and Nationalities from the Province of Kosovo," Iseljenistvo Naroda i Narodnosti Jugoslavije (Emigration of the Nations and Nationalities of Yugoslavia), Zagreb, Zavod za migracije i narodnosti, p. 586.

[52] Hodza, loc. cit.

[53] See Rusinow, loc. cit. For example, Albanians now constitute 71 percent of the elected delegates in the Kosovo commune parliaments. Opstine u SAP Kosovo (Communes in the Socialist Autonomous Province of Kosovo), Pristina, Pokrajnski Zavod za Statistiku, p. 15. This is also seen in the changing composition of employment in Kosovo (in **percent**):

	Albanians	Serbs	Montenegrins
1968	52.2	35.4	8.1
1974	59.7	31.0	5.7
1980	65.0	25.6	4.2

Source: Statisticki Godisnjak SAP Kosovo, 1981 (Statistical Yearbook of the Socialist Autonomous Province of Kosovo), Pristina, Pokrainski Zavod za Statistiku, 1981, p. 65.

[54] See Denitch, op. cit.; and Susan Bridge, "Some Causes of Political Change in Modern Yugoslavia," in Milton Esman, Ed., *Ethnic Conflict in the Western World*, Ithaca, NY, Cornell University Press, 1977, pp. 343-468.

[55] "The Secular State as Ethnic Enrepreneur: Macedonians and Moslems in Socialist Yugoslavia," *Michigan Discussions on Anthropology* (1983, forthcoming). See also John de Lamater, "Commitment to the Political System in a Multi-Nation State," unpublished Ph.D. dissertation, University of Michigan, Ann Arbor, MI, 1969.

[56] According to the current chief judge of the Federal constitutional court, Alexander Fira, "unlike the socialist republics, whose links to working people and citizens assume the legal form of republican statehood, residence in an autonomous province does not assume such a character . . . an autonomous province is not a state community." *Ustavno Pravo* (Constitutional Law), Belgrade, Privredni Pregled, 1981, 447-48.

[57] Ramet, loc. cit., pp. 374-75; also Stephen E. Palmer and Robert R. King, *Yugoslav Communism and the Macedonian National Question*, Hamden, CT, Archon Books, 1971.

[58] Based on the author's personal observations and discussions with numerous persons in Yugoslavia.

[59] *NIN*, June 7, 1981, p. 20; and *Komunist*, June 20, 1981, p.3.

[60] The author witnessed such demonstrations in Detroit, Michigan, in July 1981. See also *Vjesnik* (Zagreb), Dec. 16, 1982, p. 12.

[61] See Ranko Petkovic, "The Fascist Emigration from Yugoslavia and its Protectors," *Pregled* (Sarajevo), March 1980, pp. 439-50; and Banac, op. cit.

[62] Spirko Spirovski and Danco Kolozegovkis, "The equality of the Albanian and Turkish Nationalities According to the Constitution of the Socialist Republic of Macedonia and in Practice," in *Udruzeni Rad i Medjunacionalni Odnosi*, pp. 235-240; and *Komunist*, June 12, 1981, p. 18

[63] The following breakdown is given (in percent) for selected communes in Macedonia in the year 1978 (data for population is for 1981):

	Macedonians		Albanians	
	Population	Delegates	Population	Delegates
Gostivar	18.2	43.6	62.5	44.3
Kicevo	41.2	69.2	45.4	25.8
Tetovo	23.5	48.1	69.8	43.7

Source: Statisticki Godisnjak SR Makedonija (Statistical Yearbook of the Socialist Republic of Macedonia), Skopje, Republicki Zavod za Statistiku, 1981, pp. 350-52.

[64] Komunist, Mar. 26, 1982, p. 9; and *NIN*, July 19, 1981, p. 17. Albanian nationalism was also observed in these communities in 1968. See Palmer and King, op. cit., pp. 175-83.

[65] Ramet, loc. cit., p. 15.

[66] *NIN*, Nov. 22, 1981, p. 21. Estimates of emigration from Kosovo in the first year since the demonstrations range from 40,000 to 100,000. See *Komunist*, Mar. 19, 1982, p. 3.

[67] Komunist, Mar. 19, 1982, p. 3; *NIN*, June 21, 1981, p. 37, Nov. 8, 1981, pp. 33-35, and Nov. 22, 1981, p. 10; and *Borba*, June 6, 1982, p. 4, trans. in *FBIS-EEU, June 9, 1982, p. 1/1*

[68] *NIN*, June 21, 1981, p. 37.

[69] Ibid., Jan. 17, 1982, p. 10.

[70] Ibid., Apr. 11, 1982, p. 15, and Apr. 25, 1982, p. 19.

[71] *Rilindija* (Pristina), June 25, 1982, cited in Radio Free Europe, *RAD Background Report*, No. 148, July 12, 1982. The most extensive punishments seem to have just been meted out. A Reuters dispatch of Feb. 15, 1983, from Belgrade reported the sentencing of some 23 ethnic Albanians for terms ranging from one to 14 years for advocating formation of a separate republic of Albania (*The New York Times*, Feb. 16, 1983).

[72] *NIN*, May 17, 1981, p. 18-20; June 21, 1981, pp. 10-13, Jan. 3, 1982, pp. 24-32, and Apr. 25, 1982, pp. 10-11.

[73] Cited in *Danas*, Feb. 15, 1983, p. 8.

[74] Stephen Burg, "Decision-Making in Yugoslavia," *Problems of Communism* (Washington, DC), March-April 1980, pp. 1-20. Also suggestive of increased strength of the center is the effort to recentralize the League of Communists of Yugoslavia, described in William Zimmerman, "The Tito Succession and the Evolution of Yugoslav Politics," *Studies in Comparative Communism* (Los Angeles, CA), Spring/Summer 1976, pp. 62-79.

[75] Trade with the Soviet Union as a percent of total Yugoslav and exports from 1977 through 1981 was:

	1977	1978	1979	1980	1981
Imports	13.5	13.8	14.0	17.9	18.8
Exports	21.7	24.6	20.6	27.7	33.3

Source: Direction of Trade Statistics—Yearbook, Washington, DC, International Monetary Fund, 1982, pp. 401-02.

[76] See Zdenko Antic, "Yugoslav-Albanian Economic Relations Broaden Despite Tension," *RAD* Background Report, No. 102, Apr. 29, 1982.

[77] See *Zeri i Popullit* (Tirana), Nov. 2, 1981, trans. in *FBIS-EEU*, Nov. 20, 1981, Supplement.

[78] Apparently, an unusually large number of security forces from other republics remain stationed in Kosovo. See A. Ross Johnson, *Impressions of Post-Tito Yugoslavia: A Trip Report*, Santa Monica, CA, Rand Corporation, January 1982, p. 9.

[79] This has been strongly argued by the distinguished economist Branko Horvat. See "Republican Economics and Republican Sovereignty," *Nase Teme* (Zagreb), No. 12, 1981, pp. 1925-29; and idem, "The Economic System and Stabilization," *Gledista* (Belgrade), Nos. 7-8, 1981, pp. 130-45.

[From the Wall Street Journal, May 18, 1983]

EXHIBIT 3

ALBANIA FORGES TRADE TIES WITH PEKING, BUT KEEPS ITS DISTANCE FROM U.S., SOVIETS

(By David Brand)

TIRANA, ALABANIA.—In the national library at the Palace of Culture, the foreign reading room doesn't have a single U.S. publication, and when the librarian is asked for a copy of the Soviet newspaper Pravda she replies with an angry "nyet." But a quick look under her desk when her back is turned reveals a pile of China's People's Daily.

That little drama speaks much of Albania's relations with the outside world. The U.S. and the Soviet Union are officially despised as superpowers and imperialists. The Chinese, however, after a period of equal revilement, appear to be tiptoeing back into favor.

According to diplomats in Tirana, the capital of this isolated European country, a Chinese trade delegation slipped into Albania a few weeks ago. It was the first official contact between Tirana and Peking since Communist Party leader Enver Hoxha (pronounced HOD-jah) turned on his former benefactors in 1978.

It's believed that the Chinese have agreed to renew economic ties with Tirana, which Mr. Hoxha severed when Peking altered political course following the death of Mao Tse-tung in 1976. Renewed trade would enable the Albanians to pay off—by barter trade through the end of the century—debts to China thought to total the equivalent of $5 billion. It would also mean that Albania will be getting spare parts for the huge amount of military and civilian equipment supplied by the Chinese before the break.

NEW ALLIANCES?

But what's in it for the Chinese, other than getting repaid and getting supplies of Albanian chrome ore? Diplomats believe that the Chinese are becoming increasingly anxious about Albania's future alliances after ailing party boss Hoxha passes from the scene. Peking may also be acting in the interests of Albania's neighbors, Yugoslavia and Greece, who are fearful that the Soviets could step in to fill the vacuum that would be left by Mr. Hoxha's death.

Western analysts point out that this tiny country of 2.8 million people is in a strategic location on the Adriatic, with excellent deep-water ports. At its closest, it is a mere 50 miles from the Italian coast. "After Hoxha it's quite possible that Albania could become either pro-Soviet or pro-Chinese," says one Western diplomat with long experience in Albania.

Renewed Soviet friendship would seem unlikely given the steady stream of abuse that Mr. Hoxha has directed at Moscow since 1961 when the Albanians broke with their former Stalinist friends who by then were being viewed as Khrushchev "revisionists." For years the Soviets simply ignored the name-calling. But after the Albanians fell out with the Chinese (because they considered that Peking, too, had abandoned the road of true Marxism), Moscow began calling for the normalization or relations with Tirana.

In November, Moscow again sent a "let's be friends" message on Albania's national liberation and independence anniversaries. Within days the Albanian party newspaper,

Zerii Popullit, published a stinging editorial—possibly written by Mr. Hoxha himself—dismissing Soviet Communist Party leader Yuri Andropov as a "policeman" and calling him incompetent."As far as our country is concerned, it has had no links with Khrushchev, it will not have any now with Andropov, nor will it with whoever eventually heads the revisionist Soviet Union," fumed the editorial.

The Soviet Union doesn't give up easily on a former ally. The Czechoslovak diplomatic mission in Tirana has long acted as the Soviet representative in Albania. But in recent months the Bulgarians have beefed up their representation in Tirana, apparently in the Soviet cause. Western diplomats say that a top Bulgarian, the man in charge of Balkan affairs on the Central Committee of the Bulgarian Communist Party, is now Bulgaria's acting charge d'affaires in Tirana.

INVECTIVE FOR THE U.S.

The U.S., however, hasn't any such intimate eyes and ears at its command in Albania. Some Western diplomats complain that Washington, in fact, takes little or no interest in Albania. Occasionally the U.S. State Department considers making a new approach to Albania, but it appears to be quickly dissuaded by Mr. Hoxha's invective, which views the U.S. as "a ferocious enemy of freedom."

The anti-U.S. stance is partly for ideological reasons—"being antisuperpower has turned into a dogma," says Louis Zanga, Albanian analyst for Radio Free Europe in Munich. But there are also wounds from the past, particularly from Washington's support of an abortive invasion of Albania by anticommunist exiles in 1949. The U.S. also earns Albanian resentment because it supervises, along with Britain and France, the holding of $36 million of Albanian gold, plundered by Italian forces in World War II and recovered by the Allies after the war.

The gold hasn't been returned largely because of Britain's claim that Albania owes it $1.3 million in damages from a 1946 incident in which two British destroyers hit mines off the coast of Albania, killing 44 men. The British blamed the Albanians.

Thus, with its back turned on the U.S., the Soviets and the Chinese, the Albanians have tried to pursue a policy of self-reliance. The result, analysts say, is that today Albania is the poorest country in Europe with a per-capita income of only $840 a year.

At the same time, Albania has the highest population growth rate in Europe, five births to every death. Providing for these people is becoming increasingly difficult, and the Hoxha regime has been forced to hold down the standard of living to put scarce funds into heavy industry. Clearly the party realizes that development is impossible without outside help, and it has started a policy of gradually improving economic relations with a select number of small and medium-sized countries in the West.

Yugoslavia, Italy and Greece are the leading customers for Albania's oil, chemicals, mineral ores and agricultural products with Yugoslavia alone accounting for 19 percent of trade, valued at $115 million in 1980, compared with only $20 million in 1979. Recently trade agreements also have been signed with the Netherlands, and West Germany has agreed to supply a nickel-processing plant.

And yet, diplomats note, these changes in foreign trade haven't been accompanied by similar changes in Albanian foreign policy. Yugoslavians still aren't allowed into the country and the border with Greece is believed to be mined. In the case of the new agreement with China, "I think it is strictly trade and nothing else will come from it while Hoxha is alive," say Radio Free Europe's Mr. Zanga.

EXHIBIT 4

[From the Wall Street Journal]

LAND OF FEAR: IN STALINIST ALBANIA, RULE IS SO STRICT IT BARS EVEN SINGING IN PUBLIC—REGIME BANS ANY "DECADENCE" AS IT HARPS ON THE THREAT THAT ALL OUTSIDERS POSE—SIGNS OF THE SLIGHTEST THAW

(By David Brand)

GJIROKASTER, ALBANIA.—Perched on the battlements of a medieval fortress overlooking this ancient town in southern Albania is an incongruous sight: a U.S. Air Force Shooting Star aircraft, guarded by a soldier, rifle at the ready.

The airplane, captured after making an emergency landing in 1957, stands as a symbol of eternal Albanian vigilance against unseen enemies. In the narrow, winding streets below, there are less-conspicuous guards—the Sigurimi, the country's secret police. Unsmiling and dour, sometimes leaning on umbrellas, sometimes mounted on bicycles, the Sigurimi seemingly miss nothing.

This tiny European country, one of the world's most closed societies, is cocooned in paranoia. Bomb shelters cover the countryside, gun turrets poke up behind distant hills, and all young people are trained in weaponry. The authoritarian regime's aim is to convince its citizens that most outsiders must be viewed with fear, particularly the U.S., considered decadent, and the Soviet Union, considered a betrayer of Marxism-Leninism.

Touring Albania recently on a British passport (few Americans are allowed in), this reporter found a nation where private cars, religion and even singing in public are forbidden. Dominating the landscape are slogans and portraits of Communist Party boss Enver Hoxha, who has been in power since 1944 and worships Stalin. An occasional purge reportedly still sends a party member to the firing squad or to a labor camp.

SIGNS OF THAW

A pugnacious refusal to have much trade or other dealings with the outside world has left Albania as Europe's poorest and least-developed country. But there are signs that the Hoxha (pronounced HOD-jah) dictatorship is beginning to raise its tattered curtain. It is believed that Albania recently completed a trade agreement with the once-vilified Chinese (also considered traitors to Marxism-Leninism). It plans a ferry service to Italy for the first time since World War II and a link, through Yugoslavia, to Europe's rail network, for the first time ever.

There are also less obvious signs of a slight thaw. A few months ago, Albania relaxed a ban on Western journalists and tourists with beards or long hair. Neil Taylor, a part-owner of an English travel firm that arranges tours here, sees other signs that Albania is becoming less zealous. "This time our guides actually identified for us some of the government buildings in Tirana (the nation's capital) which is quite amazing," he says of his latest tour.

But a nine-day journey through Albania, a country of two and three-quarters million people about the size of Maryland, still leaves the impression of a bucolic version of Stalin's dictatorship of the 1930s and 1940s, transported through space and time to the Balkans.

"This is the most controlled country I've ever been in," complains a Western diplomat in Tirana. Indeed, Albania is a land of "no's"—most people aren't allowed to own cars, or their homes, or farmland, or, except in a few mountainous areas, livestock.

EVERYDAY "NO'S"

Albanians can grow vegetables for their own use, but they aren't permitted to sell them. Western diplomats in Tirana doubt that any black market in food exists, but it is not uncommon to see women sitting on the sidewalk, stealthily proffering an egg to passersby.

The list of "no's" extends into family life. Because the party wants to build the population as quickly as possible, no contraception or abortion is allowed, except on doctors' orders. Nor can families own a washing machine, a refrigerator and a television set at the same time. They must choose just one.

Card playing in public places, such as bars, is banned, as is the sale of playing cards. Says a Western businessman: "I'll tell you how I do business here. I bring everyone gifts of condoms, Playboy magazine and playing cards."

Although the Albanian constitution provides for freedom of speech, the average Albanian clearly takes great risks in discussing either religion or politics. An Albanian tour guide is blunt about it: "All religious services are banned, and family services are criticized."

That is no problem for Albanians, she says, because "religion has been forgotten." However, tourists report seeing women fingering crosses, and this reporter saw several old men crouching on the sidewalk, running Moslem prayer beads through their fingers.

SILENT CHURCHES

The state has obsessively tried to wipe out the memory of religion. In 1967, the Communist Party closed all mosques (the country was 70% Moslem) and Russian Orthodox and Roman Catholic churches. Today, many churches have been turned into sports centers or movie theaters, and the locked church door is a silent symbol of the party's preoccupation with atheism.

No sign of religious activity is overlooked. Crosses have been scratched from gravestones, people are required to refer to the time before Christ as "before our era."

As for politics, that is a subject safely discussed only by Tirana's small foreign community, which gathers most nights in the bars at the Dajti and Tirana hotels. "Albanians just don't discuss politics openly there are no political jokes here," says one Western diplomat.

The most sensitive political subject at the moment is former Premier Mehmet Shehu, who was reported a suicide in late 1981. Sometime later, party boss Hoxha announced to the world that his former wartime compatriot had actually been a triple agent, spying for the CIA, the KGB and the Yugoslavs.

There is speculation that Mr. Shehu was executed, another victim of Mr. Hoxha's sporadic purges. He now is officially a nonperson, which has involved a painstaking rewriting of the country's postwar history and removal of all evidence of his past from Tirana's National Museum. He remains, however, in the many photographs of the party faithful as a barely visible, vaporous presence, blacked out by the censor.

Another sensitive subject is the once close relationship with the Soviets (cold shouldered since 1961) and the Chinese (blacklisted since 1978). Both governments are attacked as "revisionists" by Albania's true believers in Marxism.

It has been harder to make non-people out of the Soviets and the Chinese because of the large numbers of trucks and other machinery left behind and the Mao suits still sported by the Albanian militia. The Chinese have continued to keep up diplomatic relations, the ambassador and his staff of 15 living in a large mansion surrounded by overgrown vegetation. Reportedly, the Albanian refuse to make any deliveries, so the embassy receives supplies by air from Peking.

[From the Wall Street Journal, June 6, 1983]

LAND OF FEAR: ALBANIA STILL IS GUIDED BY XENOPHOBIA, BUT SOME SIGNS POINT TO SLIGHT EASING OF ITS ISOLATION

Fostering a fear of foreigners is one of the Hoxha regime's main methods of keeping total control over the populace. A constant stream of slogans and speeches on radio, television and in the newspapers makes it clear that the country expects tanks to start rolling across its borders at any moment. A tiny northern border station of Han i Hotit, where Western tourists must make the crossing on foot from Yugoslavia, this greeting from Enver Hoxha is emblazoned on a wall: "Even if we have to go without bread, we Albanians do not violate principles, we do not betray Marxism-Leninism."

CONCRETE BEEHIVES

Along the road from the border can be seen the first of thousands of tiny shelters, strung out across Albania like so many concrete beehives with rectangular gun windows. Indeed, the gun is seen as a symbol of the national will to hold off unnamed hordes. At an exhibition of Albanian-made toys, there is a child's plastic rabbit—holding a machine gun. And in an opera performed at Tirana's Palace of Culture, the heroine—all jutting chin and squared-off shoulders—reaches for a high note and guns down the evil Turk of the piece.

Albanians are required to spend several days a year on weapons training, beginning as teen-agers. It is a common sight in towns to see schoolgirls in military uniform, sporting red ribbons in their hair, chattering and laughing on their way to military training.

Foreigners remain objects of intense suspicion by the secret police and intense curiosity among young children, who gather round to gape in wonder and to practice the two English words they all seem to know—"pens" and "gum"—with outstretched hands. But the constant surveillance by the secret police makes contact with foreigners difficult, if not impossible.

"I've been here for two years and I still don't know a single Albanian," says one Western diplomat.

STRANGE CUSTOMS

After four decades of isolation, Albanians retain some of their odder customs, such as nodding the head to say "no" and shaking it for "yes." Then there is the curiosity of telephone books that print given names first. Looking up the number for Anastas Zoto requires a search through many Anastases before reaching the name Zoto. Very few people have telephones, and even finding a public telephone is difficult.

Most conversations, it would seem, are carried out on the street, usually in the evening when the central squares in every town, with their stern busts of Stalin looking down, are filled with the muted buzz of conversation. Tirana's Skanderbeg Square, a large Venetian-style piazza, is a favorite place for promenading, with only slight diversions required to avoid cyclists, buses and the occasional official black Mercedes pushing its way through the crowd, curtains drawn to conceal the high-ranking Albanian inside. Traffic policemen blow their whistles at people incessantly, one suspects out of frustration at not having a real traffic jam to control.

The lack of private cars gives the entire country an almost pastoral air. Towns and cities are strikingly quiet and free of traffic fumes. A few buses and trucks struggle along Albania's narrow, poorly surfaced roads, but traffic consists mainly of horse-drawn carts and peasant women on their way to work the fields by hand. Sheep, cows, chickens and pigs are fellow travelers. In the entire country, there exists only one set of traffic lights, which this reporter was taken to see in the coastal town of Durres. They weren't working that day.

The economy doesn't work very well, either. Although everyone is guaranteed a job, idleness seems to be a way of life for large numbers of peasant women lazing in the fields, or for men who hang about the streets from early in the morning. Perhaps this is because the average monthly salary is 550 leks (about $80 at the tourist rate of exchange of seven leks to a dollar), and the highest wage allowed in the country is 1,100 leks (about $157).

The few consumer goods on sale at the state-run Ma-Po stores are expensive: a television set costs 4,000 leks; a radio, 1,000 leks; a woman's sweater, 150 leks and a man's suit, 675 leks. Meat is inexpensive, but hard to get, although there is a good assortment of bread and vegetables. Albanians pay no taxes, and apartment rents are only 45 leks a month.

No one really knows how well the government-run economy is doing, because of a lack of reliable official statistics. At a permanent industrial exhibition in Tirana, with its products from the Enver Hoxha Tractor Factory and light-festooned displays of power generation, all of the latest production figures are compared with a base year of 1938.

Although Albanian officials boast of steady growth in economic measures such as national income, Western diplomats here have no doubt that the country is in serious trouble. The Albanian constitution is partly to blame for this, because it prohibits any foreign credits, which severely restricts imports of foreign technology.

Says one diplomat: "We always assume that all economic figures here are totally false. They're like the party history—every year the version is different from the previous year."

[From the Washington Post, June 2, 1983]

EXHIBIT 5

ALBANIANS PEEPING OUT OF BUNKER

(By Greg Chamberlain)

Tirana, Albania.—Hundreds of thousands of dome-shaped concrete bunkers—along beaches, atop hills, in fields, by roadsides, in front gardens—suggest an instant history of Europe's most isolated country.

They are there to fight a "people's war" against any new attack by the foreigners who have trampled for more than 2,000 years on Albanian nationhood, currently under the strict personal supervision of Enver Hoxha, whose guerrillas drove out the Italians and the Germans nearly 40 years ago.

As Hoxha, 74, enters the twilight of his life, the enemies he has kept at bay—the Russians, the Americans, the Yugoslavs and the Chinese—are perceived to be closing in again, each hungry for a foothood in the mountainous, strategically located Balkan state hemmed in by Yugoslavia, Greece and Italy.

Driven by hatred for "superpowers," Hoxha has rebuffed recurrent offers by Washington to establish diplomatic ties and from Moscow, which has its eye on the naval base it built at Vlore just before Hoxha sent the Soviets packing 22 years ago.

He has also picked a quarrel with "revisionist" Yugoslavia by backing the undeclared revolt against the Belgrade government by 2 million ethnic Albanians in neighboring Kosovo. Each accuses the other of annexationist aims across an illogical common border decreed by major powers of another era.

But the Yugoslav leaders, frightened about the effects of a post-Hoxha upheaval of the fragile geopolitical patchwork of the region and, without Tito, feeling ever more under pressure from Moscow, are reportedly relieved by Hoxha's recent decision to resume ties with China. They hope the Chinese will be a hedge against future Balkan instability.

Albania has been encouraged by worsening relations among Moscow, Washington and Peking and has dropped its charges of "social imperialism" against China. The Chinese seem glad to have another card to play and to gain a step on the other superpowers.

Peking, as Albania's only friend in the world between 1961 and 1978, says it provided $5 billion worth of aid before storming out of the country in response to Hoxha's bitter charge that post-Mao China was ideologically unclean.

A Chinese trade delegation arrived here a few weeks ago to talk about new purchases of Albanian chrome in exchange for industrial spares, cotton, and such staples as rice and cooking oil. Five years have taken their toll on the capital equipment, arms and unfinished projects the Chinese left behind, despite brave Albanian efforts to maintain them.

According to diplomatic sources here, Tirana also is stepping up overtures it has been making in recent years to half a dozen western countries in a quest for help to restore Albania's antiquated economy.

A weekly ferry service from Trieste to Albania's main port, Durres, will provide the first passenger sea link into Albania for decades. West Germany has agreed to build a nickel-processing plant.

Even relations with Greece have become a shade more chummy, although the border is still mined by the Albanians and the two states are still officially at war in a hangover from World War II and because of Greece's claim to southern Albania.

Eastern Europe's links with Tirana are low-key in deference to the Soviet Union. Only Romania has an ambassador here.

The last party congress, in November 1981, drew only one major foreign delegation, from Vietnam, because of Hoxha's ideological standards. As an unreconstructed Stalinist, he has no time for such notions as the Third World or the new world economic order.

Albanian officials insist that their country is not isolated, that it has formal relations with 96 countries. But it is hard to find more spectacular examples of isolation.

The 1976 constitution forbids the government to contract foreign debts. Yet Albania is one of the world's most indebted countries for its size. International aid was refused after a bad earthquake in 1980. There are no resident foreign journalists in Tirana and no Albanian correspondents abroad. Slogans everywhere urge greater production to "beat the imperialist, revisionist blockade." But Hoxha helped put it in place.

Americans, Yugoslavs, Soviets and other eastern Europeans are banned from entry and few of Albania's 3 million people are allowed out, mostly students. "We do not travel abroad or need foreign newspapers here," said one guide. "We are too busy building socialism."

Contraception is effectively forbidden in an effort to increase the population (already the fastest growing in Europe) for defense reasons.

The government relays to the capital Italian television, shorn of any scenes of luxury, sex or the pope. It is watched covertly as a perk by party loyalists with special antennas.

Albania has fared reasonably well since the Chinese pulled out in 1978. But can it avoid being overrun, economically if not politically, by the West after Hoxha has gone?

Perhaps Hoxha is reminded of George Skanderbeg, whose 60-year resistance of the Turks five centuries ago is commemorated in a magnificent museum—designed by Hoxha's architect daughter, Pranvera, and scattered with quotations from her father's works.●

U.S. SUBMARINE FORCES

● Mr. INOUYE. Mr. President, it is difficult for most Americans to appreciate the heavy physical and mental burdens demanded of the members of our Nation's submarine forces. They remain submerged in unbelievably small quarters for months at a time, isolated from family and friends ashore.

Yet our submariners perform with high morale and much professional skill, as they vigilantly patrol our oceans on the constant alert, realizing—as we do—their vital role as a basic element of our nuclear deterrent system. Despite all the technological advances in machinery and weaponry, the effectiveness of our military continues to depend on the abilities and dedication of our personnel.

The Wall Street Journal recently published an article by Walter Mossberg, describing the heroic contributions of the unheralded members of our submarine forces.

A substantial segment of our submarine force—that of the Pacific Fleet—is stationed in my home State of Hawaii at the Pearl Harbor Submarine Base. There are about 20,000 naval personnel and 3,000 civilians assigned to the Pacific Fleet submarine force.

Therefore, it is with special pride that I commend our Nation's submariners for their outstanding service.

Mr. President, I ask that the Wall Street Journal article be reprinted in the RECORD.

The article follows:

[From the Wall Street Journal, May 19, 1983]

QUIET DEFENDER: A NUCLEAR ATTACK SUB SHOWS ITS CAPABILITIES IN LONG, SILENT PATROLS

IN A NAVAL WAR, THE GROTON WOULD GET CRUCIAL JOBS; HIGH MORALE AND COSTS—SONAR AND SOVIET 'SIGNATURES'

(By Walter S. Mossberg)

THE TONGUE OF THE OCEAN.—As the U.S.S. Groton prepares to submerge into the mile-deep waters of this oddly named sea-floor trench off the Bahamas, the scene in her control room looks like something out of an old war movie.

A high-pitched klaxon sounds twice, and loudspeakers bark the warning "Dive! Dive! Dive!" as the Groton's sleek black form disappears beneath the inky blue Atlantic.

Inside the nuclear-powered vessel—at 360 feet much longer than a jumbo jet—the dive from the surface to the ocean depths produces no sensation of change. The view through the periscope, showing waves swiftly closing over the boat, is the only certain sign that the Groton has slipped out of sight of a nearby British destroyer.

Once below the surface, the Groton shows off some of the capabilities that make such new nuclear attack subs the most stealthy and versatile war machines in the Pentagon's arsenal and a centerpiece of President Reagan's $1.6 trillion military buildup.

Fast plunge

Crewmen at the submarine's airplane-style controls send her plunging hundreds of feet in a minute or so. Silently, she gains a forward speed that takes her miles away from the destroyer a few minutes later. And the Groton could keep going like this, without surfacing, for months. "If I had to, I could go to Australia right now," says Capt. Gary Crahan, a sandy-haired, 38-year-old New Yorker.

This tremendous power to dive, hide and run has made the Navy's 91 nuclear attack submarines the principal U.S. weapons in a world-wide secret contest with the Soviet Union for control of the ocean depths. This shadowy competition has recently taken on even more urgency in the West as Soviet submarine forays in Sweden and Norway have demonstrated Moscow's readiness to boldly challenge potential enemies under the seas.

The nuclear attack subs, though much less well known than the bigger Trident and Poseidon ballistic-missile-firing submarines, "would be the No. 1 determinant of victory in any protracted war at sea," according to Adm. James Watkins, the chief of naval operations. "The Soviets are paranoid about our attack-submarine capability," he contends.

U.S. war plans are secret, but the war-time mission of the attack subs in the Atlantic would probably be to speed to the Arctic waters frequented by most of Moscow's huge nuclear missile submarines and destroy them before they could obliterate the U.S. After that, the American subs would try to sink the Soviet surface and attack-submarine fleet to protect Western convoys to Europe.

War-games range

To practice such missions, the Groton has traveled here from her home base in Connecticut to the Tongue of the Ocean, Near, Desolate Andros Island in the Bahamas. The Navy has seeded the bottom of this deep sea-floor canyon with listening devices and uses it as an elaborate war-games range. Giant computers in a building on shore digest the sensor readings and track the Groton, another submarine, and two frigates as they prowl local waters trying to "kill" each other with practice torpedoes.

This is one of many deployments that keep the Groton's crew of 134 away from their New London, Conn., home base six months each year, and keep the crew under water for periods of 60 to 80 days at a time.

To serve aboard the Groton, a man must be willing to give up for long stretches seeing not only his family but even the sky. He must live and work in cramped conditions next to a nuclear reactor, unable to stretch his legs, read a current newspaper or send a letter. He may not even be assigned his own bunk; there are too few aboard. His family may send him only four 25-word messages per deployment; family crises may be kept from him for months. For this demanding duty, the pay is none too generous.

Morale high

Yet morale aboard the boat is high. From cook to captain, most crew members express pride at being one of the Navy's elite—a nuclear submariner.

Aboard the Groton, it isn't long before a visitor hears the saying: "There are only two kinds of ships—submarines and targets."

The sub has backed up that boast in this series of war games. In one afternoon's "mini-war," she managed to elude two frigates and two antisubmarine helicopters pitted against her and then, using unarmed torpedoes, to "sink" one of the two surface ships.

In a real war, the Groton would rely on other weapons. She can carry wire-guided torpedoes, short-range cruise missiles and rocket-powered nuclear depth charges. Later this year, the Navy is due to provide the Groton and the 20 other Los Angeles-class attack subs with nonnuclear Tomahawk antiship cruise missiles able to fly 300 miles. Next year, they are scheduled to be armed with longer-range Tomahawks, designed to deliver nuclear warheads to Soviet land targets up to 1,500 miles away.

In addition, the Groton carries some of the world's most sophisticated sonars, computerized so that the sound of a Soviet submarine can be plucked from the cacophony of ocean noises.

At the same time, the boat is designed to give off as little telltale sound as possible. She maintains constant radio silence and is loaded with clever sound-deadening features; the working and living quarters are isolated from the hull by padding and other devices.

Capabilities secret

The Navy won't disclose the Groton's exact operating capabilities; it says only that her speed tops 20 knots and that she can dive more than 400 feet. But the Groton is far exceeding both figures during the war games here, and the markings on her speed and depth gauges indicate that her real capabilities make the official claims laughable. Private military analysts generally credit the subs with a top submerged speed of about 35 knots, roughly 40 miles an hour, and a maximum depth exceeding 1,500 feet.

Such capabilities don't come cheap. The Navy estimates that it will cost nearly $30 billion to build the entire planned fleet of 62 Los Angeles-class subs, such as the

Groton, by the mid-1990s. The price comes to nearly $500 million per boat.

What's more, attack subs are only one element of the Navy's intensive antisubmarine effort, which also includes surface ships, aircraft, legions of researchers and computers and secret undersea microphones and sonars along routes frequented by Soviet submarines.

This year, antisubmarine warfare programs will cost the Navy about $12 billion, including $2 billion to build three more Los Angeles-class subs. That's 15% of the total Navy budget, the largest single share for any military mission. And the antisubmarine budget has soared 64% in just three years—even faster than military spending as a whole—because of Soviet advances that the Navy wants to counter.

Soviet fleet huge

Moscow has the world's largest submarine fleet—a total of 367 boats, compared with 130 of the U.S., and 115 nuclear attack subs, compared with 91 in the U.S. fleet. Yet the Kremlin is believed to be spending billions to expand and improve this huge force. Five Soviet shipyards, including a vast new complex at Severodvinsk on the White Sea, are turning out five classes of attack submarines, three of them nuclear-powered.

Among these are the titanium-hulled Alfa, which outruns and outdives any U.S. sub, and the gargantuan Oscar, which sports 24 missile tubes to the Groton's four and is nearly three times as large.

What keeps the U.S. Navy from being hopelessly outclassed by the Kremlin's fleet is acoustic technology. To put it simply, Soviet subs give off far more noise than do U.S. subs underseas and have much cruder sonar and computer gear with which to sweep the seas. Details about the sonar are classified, but some experts contend that when the Alfa hits its top speed of 42 knots it can be heard for 100 miles or more. The Navy believes that its own subs are rarely detected by the Russians.

For all this sophistication, the Navy doesn't underestimate the task of locating submarines. Sweden's recent difficulties in finding Soviet subs in its waters show that antisubmarine forces must have billions of dollars worth of gear, which Sweden lacked, to be assured of success, Navy officials say. What's more, even the U.S. has a tough time when small submarines operate close to the coastline as the Soviets did with "midget" submarines off Sweden.

New challenges arise all the time. For instance, Admiral Watkins has disclosed that the Navy is modifying some of the 688s to make them better able to operate under the polar ice cap, because Soviet missile subs have begun hiding under the ice.

On this day, according to Navy officials, U.S. antisubmarine sensors have detected more than a dozen Soviet submarines operating in the North Atlantic and adjacent waters. Several Soviet nuclear missile subs of the Yankee class have been discovered off the U.S. East Coast a fairly typical pattern. With their 1,600-mile range SS-N-6 nuclear missiles, the Yankees could wipe out Washington, New York or major East Coast military bases with just 10 minutes of warning.

Constantly in mind

For the Groton's crewmen, guiding their big boat through the Tongue of the Ocean, their Soviet counterparts are never far from mind. "When we go to sea, we know damned well what we're going to sea for," says Lt. Cmdr. Bruce Lenkin, the Groton's executive officer, or second in command. "When you're out on a deployment, you don't know if it's a drill or what. It might be the Russians," Petty Officer Walter Cooke adds.

If it is the Russians, the American submariners who will know it first are in the Groton's cramped, blue-lit sonar area, where several sailors wearing headphones hunch over computer screens filled with squiggly green lines and flashing orange numbers representing the frequencies of sounds in the sub's vicinity.

In many ways, the Groton's sonar system is the boat's heart. The entire nose of the submarine is actually a huge structure housing a large sonar. This main sonar, like another than the sub can trail behind it on a cable, takes readings of a large swath of surrounding ocean and feeds them back to the sonar operators.

Navy computers sift through the sonar readings and select any sounds in the general frequency ranges characterists of machinery or other man-made causes. Sensitive analytical devices swifty define the reading and match it against Soviet subs' known "signatures," which are stored in computer memory banks.

"Biological" sounds

This day, the headphones and computer screens are reporting the squiggles and scratchy noises normally associated with the ocean; occasionally, there are the squeaks and clicks of fish and shrimp—"biologicals," as the Navy calls them.

With no "mini-war" scheduled for a while and no real or mock enemies in sonar range, the men of the Groton are relaxing a bit. But the boat offers few amenities for whiling away off-duty hours. Crew members can watch movies on videotape or listen to several stereos. A so-called library—actually a locker—has some books. Some crewmen don sweatsuits and go jogging in place in the sub's engine room, where the temperature is about 85 degrees. Others do chin-ups in the passageways.

But the Navy, fearing too much idleness, keeps each crew member busy with training while he isn't standing watch. Each man must "qualify" annually on various aspects of the boat's operation, and that takes time.

This day, some men linger in the enlisted men's mess area, where ice cream and juices are always available. This room, one of the Groton's few good-sized open spaces, features loud music, videotapes on TV, and red vinyl booths that give it the atmosphere of a diner.

Other crew members are trying to catch some sleep, in quarters that seem depressingly cramped to a civilian but are familiar to sailors. Low, narrow bunks are stacked three high, with only a curtain for privacy. Clothing and other personal effects must be stowed in a single drawer for each man.

Food and sleeping arrangements are perennial problems for nuclear-submarine commanders. Over a breakfast of steak and eggs in the officers' ward room, at a table set with linen, china and silver, Capt. Crahan says, "The only thing that limits me at any time is my food supply. We keep about 90 days' worth on board when we start."

That 90-day food supply, measured in terms of four meals daily (the normal three plus "midnight rations"), overtaxes Groton's food-storage lockers and freezers. So, the captain says, "we pile it up everywhere—in the passageways, ladderways, everywhere, at first. For a while, we sort of walk on food. Then we eat our way down." The cooks must be certain that food is stacked in a sensible order; otherwise, the men would have to eat corned beef hash at meal after meal.

Although food storage limits the sub's time at sea, the biggest drag on morale, the captain says, is "that we don't have enough bunks for our people." The Groton carries only 94 bunks for the crew of 134. So, the captain says, "we have to use hot-bunking—assigning three men to every two bunks. That means a man may come off duty and have to climb into a bed someone else just left."

Avoiding the bunks

To avoid "hot bunking," the men bed down in unexpected places. Peering into a room full of electrical equipment, a visitor notices the feet of a sleeping man, covered with a blanket, between rows of gray metal cabinets. An even more popular sleeping spot is the large torpedo room.

Most crew members insist that they don't feel claustrophobia or terminal boredom while confined in their metal tube, next to a nuclear reactor, under hundreds of feet of water, for months at a time. "You don't think about it, after a while. You're too busy to think about it," says Chief Petty Officer Leonard Stanfield, a 16-year veteran.

Crew members say a strong sense of community and group rituals help keep morale high. Aboard the Groton, a popular activity is the Saturday-night pizza dinner, at which crew members get to take over the kitchen and concoct their own toppings.

I've only seen one fistfight in 15 years," says Chief Petty Officer James Scaly. "There's a lot of pride. You've got to want to do this to be here."●

MRS. DOROTHY BUSH—A BORN DEMOCRAT

● Mr. PRYOR. Mr. President, today I pay tribute to a lady whose name is synonomus with the Democratic Party. To quote her, "I was born a Democrat like most people were born into a religion."

On June 11, 1983, she will visit Little Rock, Ark., to key-note the 50th anniversary convention of the Arkansas Democratic Women.

Knowing how important women are in every aspect of the political process of this Nation, I shall mention only a few of her singular accomplishments and honors.

Continuously involved in Democratic politics since 1941 when she became National Committeewoman for the Young Democrats of Alabama, she also became the only woman to hold the position of acting president of Young Democrats of America.

In February 1981, Mrs. Dorothy Bush was elected to her 11th 4-year term of office as secretary of the Democratic National Committee. In March 1944, she was appointed secretary of the Democratic National Committee and elected to a 4-year term in July of that year. She was the first woman to ever hold that position. The March 5, 1944 edition of the Washington Post noted that she was the

youngest person to serve as secretary of either party.

She has served as permanent secretary for the past 10 national conventions. In July 1984, she will again call the roll of the States at the Democratic National Convention in San Francisco. This convention will mark 44 years of continuous service and dedication to the Democratic Party—an enviable record which speaks for itself.

In behalf of the Democratic Women and the Democratic Party of Arkansas, I welcome this distinguished lady to our State and thank her for her contributions and years of service to the Democratic Party.●

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I have a few matters in my folder that appear to be cleared for action by unanimous consent. I have two requests to hold measures at the desk.

ORDER TO HOLD H.R. 2293 and H.R. 2592 AT THE DESK

Mr. BAKER. Mr. President, I ask unanimous consent that H.R. 2293, the Office of Federal Procurement Policy Act amendments of 1983, be held at the desk pending further disposition, and I also ask unanimous consent that H.R. 2592, a bill dealing with the transfer of publication from the OMB to GSA be held at the desk pending further disposition.

Mr. BYRD. Mr. President, we have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

DISCHARGE AND REFERRAL OF S. 1188

Mr. BAKER. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be discharged from further consideration of S. 1188, legislation that would repeal section 901(b) of title 36, U.S. Code, and that it be referred to the Judiciary Committee.

Mr. BYRD. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR STAR PRINT OF REPORT NO. 98-111

Mr. BAKER. Mr. President, I ask unanimous consent that the report to accompany S. 869, Report No. 98-111, be star printed to reflect the changes which I send to the desk.

Mr. BYRD. The majority leader is asking that the report be star printed?

Mr. BAKER. Yes, Mr. President.

Mr. BYRD. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE EXECUTIVE CALENDAR

Mr. BAKER. Mr. President, I have a few items on today's Executive Calendar cleared for action by unanimous consent on this side. I would inquire of the minority leader if he is prepared to consider those nominations appearing under the Department of Justice and the Federal Home Loan Bank Board on pages 2 and 3 of today's Executive Calendar.

Mr. BYRD. Mr. President, this side is only prepared to proceed with Calendar No. 190. We do this out of special consideration for the majority leader.

Mr. BAKER. I thank the minority leader. I am very grateful for that. The item identified by the minority leader is for the nomination of the U.S. Marshal for the middle district of Tennessee.

EXECUTIVE SESSION

Mr. BAKER. Mr. President, it is my pleasure to ask unanimous consent that the Senate go into executive session to consider the nomination of Charles F. Goggin III, of Tennessee, to be U.S. Marshal for the middle district of Tennessee.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF JUSTICE

The PRESIDING OFFICER. The nomination will be stated.

The legislative clerk read the nomination of Charles F. Goggin III, of Tennessee, to be U.S. Marshal for the middle district of Tennessee.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask that the President be immediately notified that the Senate has given consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BAKER. Mr. President, the Senate will convene at 12 noon tomorrow. There will be a time for the transaction of routine morning business, after the time of the two leaders expires, which will end at 1:30 p.m. At 1:30 p.m., the Senate will vote on the motion to table the Humphrey amendment and, if it is tabled, the Senate will then go on to resume consideration of the temporarily laid aside Helms amendment. If it is not tabled, of course, then the Senate will proceed to vote on the Humphrey amendment itself. In any event, after the disposition of the Humphrey amendment, the Senate will resume consideration of the Helms amendment.

Once again, we hope that we can finish the IMF bill tomorrow. Senators should be on notice that tomorrow the Senate may be in session later than usual.

Mr. PERCY. Will the majority leader yield for a question?

Mr. BAKER. Yes.

Mr. PERCY. Mr. President, I do agree it is possible to finish the IMF bill tomorrow, and it would be desirable to stay in until we do finish it tomorrow. So that plans may be made for the weekend, is there any indication as to what time we may finish up, say, on Thursday, for those of us who are planning schedules out of town?

Mr. BAKER. Mr. President, I hope we can get onto the supplemental appropriation bill yet tomorrow, at least to lay it down. If we can, I suppose there is some chance we can finish it Thursday night at a decent hour.

Let me do this: Let me look at the situation a little more tomorrow. I will consult with the Senator from Illinois during the day. We will see what we can arrange.

Mr. PERCY. I appreciate the majority leader's consideration.

RECESS

Mr. BAKER. Mr. President, I see no other Senator seeking recognition. Therefore, I move, in accordance with the order previously entered, that the Senate now stand in recess until the hour of 12 noon tomorrow.

The motion was agreed to, and the Senate, at 6:47 p.m., recessed until Wednesday, June 8, 1983, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate June 7, 1983:

THE JUDICIARY

Peter C. Dorsey, of Connecticut, to be U.S. district judge for the district of Connecticut vice T. Emmet Clarie, retired.

Stephen N. Limbaugh, of Missouri, to be U.S. district judge for the eastern and western districts of Missouri vice H. Kenneth Wangelin, retired.

ENVIRONMENTAL PROTECTION AGENCY

Lee M. Thomas, of South Carolina, to be an Assistant Administrator of the Environmental Protection Agency, vice Rita M. Lavelle.

NATIONAL COUNCIL ON EDUCATIONAL RESEARCH

David J. Armor, of California, to be a member of the National Council on Educational Research for the remainder of the term expiring September 30, 1983, vice Robert E. Nederlander.

Joan M. Gubbins, of Indiana, to be a member of the National Council on Educational Research for a term expiring September 30, 1985, vice Alice Coig McDonald.

David J. Armor, of California, to be a member of the National Council on Educational Research for a term expiring September 30, 1986 (reappointment).

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Oren E. DeHaven, [redacted] (age 58), U.S. Army.

IN THE COAST GUARD

The following chief warrant officers W-2, of the U.S. Coast Guard to be permanent chief warrant officers W-3:

John D. Flewelling
Charles C. Wood, Jr.
Lamar I. Rockne
Franklin C. Watling
Lyle R. Nelson
William B. Fox III
Roland E. Shafranek
Harold J. Wise
Robert M. White
Marshall S. Wills
Robert C. Tice
Fred A. Siegal, Jr.
William E. Lorenz
Ralph A. Hemenway
Richard A. Lake III
Billy J. Perry
Glenn L. Ishler
Virgil L. Mathewson
Douglas O. Pine
George A. Suntherland
Donald H. Shinpaugh
Thomas J. Eldridge
William E. Jones
Robert L. Pfeiffer
Melvin A. Pulsifer
William Rumley III
Alex C. McMahan, Jr.
Maurice O. Robillard
Charles M. Tomarchio
Dennis E. Williams
Ronald A. Gillette
Robert L. Racette
Lonnie R. Harding
Edward D. Huechtker
Robert L. Smith
Larry J. Bilski
William B. Stevens, Jr.
James L. Hampton
Sherman O. Acord
Allan J. Coates
William J. Savage
Kenneth D. Lacy
Johnnie L. Register
Thomas E. Gledhill
Kenneth E. Matz
Michael G. Sowden
Melvin W. Herman
Donald A. Meier
Joseph C. Burns
Richard B. Milne
Robert W. Pryor
James R. Moon
James C. Hutson
Robert L. Chandler
Delmas R. Price
Werner W. Splettstoesser
James B. Curlis
George H. Bassett, Jr.
Byron F. Baty
Anthony Barcellos
Douglis I. Posner
John P. Kilgore
Henry J. Styron, Jr.
Roy T. Keel
Dennis P. McTigue
John S. Miller
Andrew H. McClary
Alfred A. Campolongo
Edmond T. Magnan
Silvestre F. Borja
Dewey S. Nicholls
Reginald W. Hempeck
John D. Tuckwood
Oke S. Thorngren, Jr.
Harold B. Cole
Eugene C. Jay
Steven W. Day
Darrell R. Sadler
Wayne C. Hill
Jack R. Reid
Theodore Y. Kitagawa
Fred C. Goodwin
Jose A. Franco
Thomas A. Hiller
Douglas J. Taylor
Daniel Rebkovich
Thomas K. Bender
George Noell III
Theron A. Turner
Byron W. Weaver
James E. Thompson
Walter L. Morelan
William R. Mosley
Harice G. Ogle
Carl W. Beal
Lawrence E. Jackson
Thomas H. Stevens
David C. Orolfo
Ernest J. Andrews
Tommy R. Ballard
William J. Reetz
Samuel L. Rowe
James E. Merrill
Ronceford C. Escue
Douglas R. Peterson
Richard L. Marini
Arthur E. Jones
Jerry J. Varvel
Frederick T. Armstrong
Allan D. Haven
Nicolas J. Cassara
Charles W. Davenport
John K. Makaokalani
Charles C. Purin
Ronald E. Chapman

The following chief warrant officers W-1, of the U.S. Coast Guard to be permanent chief warrant officers W-2:

Mark E. Allen
Rodney L. Boyd
Michael R. Safford
Charles E. McMahon
Donald A. Hermanson
William M. Slabonik
Irving T. Sparrow, Jr.
Irving E. Gadow, Jr.
Henry R. Murak
Karl Kier
Earl A. Sandness, Jr.
Stanley A. Massie III
Roger M. Davis
Peter C. Jandreau
Terry R. Stockman
Joseph T. Knowles
William F. Carroll, Jr.
Norman W. Cox II
Hugh D. Roberts
Steve A. Yurick
Andrew J. Kacsanek
Thomas S. Hamilton
Antonio T. Mateo
David R. Lapp
Gerald A. Demetriff
Marion A. Sporar
Lowell S. Lillard
Robert J. Krikorian
David J. Halter
Daniel D. Parker
John H. Pabich
Charles D. Williams
Roger C. Young
Romes L. Embuscado
Charles J. Tringali
Paul J. Healey
Richard K. Gaede
Ronald S. Beglin
Samuel L. Wilson, Jr.
Scott R. Richardson
Terrence E. Holub
David M. Krym
Ricardo S. Deleon
Michael A. Holincheck
Arthur J. Greiner
Stephen Kibner
Michael H. Siebert
Daniel R. Estep
Leonard M. Grzelewski
Sheldon L. Naumann
Lorne E. Gould
Eugene H. Peltier
Dean C. Miller
Moises F. Deleon
James R. Naegel
William D. Carnegie
Delbert W. Riley
Michel K. Brokaw
Thomas G. Edmonds
Randy L. Rhoton
Randall J. Blunck
Michael A. Bills
Donald H. Dunn
Lester F. Bliss
John A. White
John C. Krause
Charles R. Ledden
Paul J. Klein
Marvin J. Cooper
Gary G. Scarborough
Bruce S. Skinner
James J. Hendricks
Daniel F. Hisken
Denton C. Adams
John C. Haley
Harrald K. Madigan
Curtis G. Erickson
Stephen J. Aldrich
James F. Davis
George G. Helm
Daniel C. Slagle
Gerald L. Mason
Frederick P. Courtney
Joseph D. Amato
David P. Hartley
Edward Santos
Leonard Cruz
David M. Wheaton
Walter A. Dennis
Charles R. Byrne, Jr.
Ernest M. Gaskins
Stephen H. Obarr
Howell R. Standridge
Patrick A. Rykard
David J. Rightmyer
Don J. Simms
Robert G. Benson
Harry C. Baxley
John R. Burback
Bruce C. Kippley
Thomas A. Saint, Jr.
Michael D. West
William D. Redwine
Donald R. Lincoln
Hary H. Duncan
David R. Alt
Frank E. Gordon
Edward L. Whiteside
Joseph D. Lewis
Robert H. Collupy
James E. Iozzo
Thea S. Kennedy
Stephen R. Prather
Clyde J. Buchanan
Wilfredo S. Taboy
John W. Gregson
Gary A. Lewis
Ronald J. Hanson
Kurt F. Doninger
Peter C. Hopkinson
Nelson W. Harder
George S. Frederick
Daniel L. Robinson
Robert J. Brickwedde
James R. Paper
Danny L. Osborne
Charles L. Chalmers
Maxiel L. Lang, Jr.
Roma D. Wade, Jr.
Laverne H. Williams
Scott E. Gaber
James P. Burrell
Paul M. Blank
John S. Wojicki
Ronald W. Onoff
James F. Thomas
James W. Hill
Paul J. Dimauro
William G. Whitehouse
Richard L. Helt
Robert C. Lafean
Kenneth A. Siders
David M. Cunningham
William C. Dabney
Stephen P. Tolbert
Carroll E. Griffin
William F. Butler
Robert G. Frank
Danny O. Teves
James T. Jacks
Dennis H. Monroe
Vincent A. Walser
Coleman M. Ray
James M. Rundlett
William P. Seibt
Peter J. Kelly
George O. Gehring
Robert J. Walters
John A. Crick
Thomas M. Chinni
Thomas M. Kueblbeck
Thomas G. Okeefe
William C. Miller
Charles M. Collins
Felix Y. Atienza
Gregory D. Smith
Carlos D. Ortiz
Armondo Mangahas
Ronald P. Kievit
Milan W. Krambeck
Gregory E. Johnson
William D. Everton
Hector G. Barajas
Monte A. Ownbey
Robert W. Blachowski
Louis J. Cyganek
John B. Kline
Guy I. Kent
Marion E. Haines
Joseph J. Lisko
Riley W. Byrd
Thomas M. Madigan
Perley O. Weed
Frederick A. Wilson
Lawrence P. Leonardson
Ralph L. King
Edward W. Effler
Wyman E. Lare
James D. Gillespie
Victor P. Sarmiento
Robert O. MacMillan
Wallace G. Rainey
Frederick C. Harmon
Charles O. Boll
Miguell B. Marcellian
Paul C. Scott
Emmett R. Mick
Patrick L. Willis
Robert E. Smith
Thomas Flora
Roger R. Mapili
Kendall J. Lewis
Robert G. Vachula
Richard G. Waechter
Russell Hudson
William N. Vail

The following officers of the U.S. Coast Guard for promotion to the grade of lieutenant commander:

Lewis J. Buckley

The following officers of the U.S. Coast Guard Reserve for promotion to the grade of captain:

Maurice R. Dumas
Gary C. Kornish

The following officers of the U.S. Coast Guard Reserve for promotion to the grade of commander:

Michael W. Pierson
Hugh D. Campbell

IN THE ARMY

The following-named officers for appointment in the Regular Army of the United States, in their active duty grades, under the provisions of title 10, United States Code:

To be colonel

Jalbert, Armand N., [redacted]
Njus, Irving C., [redacted]
Peters, Roy V., [redacted]

To be lieutenant colonel

Bartlett, Charles M., [redacted]
Curtiss, John B., [redacted]
Ditaddeo, Alessandro, [redacted]
Friend, Peter K., [redacted]
Gipson, Ronnie B., [redacted]
Holder, Haywood, [redacted]
Logue, Charles D., [redacted]
Lukaszewski, Leonard J., [redacted]
Stockstill, John D., [redacted]
Taylor, Peter R., [redacted]
Tierney, Warren L., [redacted]

To be major

Anderson, Robert L., [redacted]
Bice, William S., [redacted]
Emerson, Michael F., [redacted]
Fredo, John W., [redacted]
Kelley, John W., [redacted]
Nelson, Robert D., [redacted]
Vandarsdale, Layne A., [redacted]

To be second lieutenant

Hall, Theresa S., xxx-xx-xxxx
Hands, Robert D., xxx-xx-xxxx
Hewlett, Larry P., xxx-xx-xxxx
Nichols, Richard A., xxx-xx-xxxx

The following-named cadet, graduating class of 1983, U.S. Air Force Academy, for appointment in the Regular Army of the United States in the grade indicated below, under the provisions of title 10, United States Code, sections 531 and 541:

To be second lieutenant

Carson, Eldra D., xxx-xx-xxxx

IN THE MARINE CORPS

The following-named Naval Reserve Officers Training Corps graduates for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, section 2107, subject to the qualifications therefor as provided by law:

Adams, David E., II, xxx-...
Amundson, Craig A., xxx-...
Anderson, Earl J., xxx-...
Baker, William H., xxx-...
Brinegar, Gregg W., xxx-...
Burns, Jack P., xxx-...
Carberry, Michael K., xxx-...
Carlson, Christopher G., xxx-...
Claucherty, Jonathan S., xxx-...
Dawson, David A., xxx-...
Dillon, James T., xxx-...
Dodd, Jeffrey S., xxx-...
Doss, Frank E., xxx-...
Dumke, Brad R., xxx-...
Edwards, Roberts W., xxx-...
Emerson, Thomas J., xxx-...
Fitzgerald, Timothy W., xxx-...
Giannetta, David, xxx-...
Grosscup, Kelvin D., xxx-...
Hamilton, Michael D., xxx-...
Healey, John J., xxx-...
Heckroth, Nelson T., xxx-...
Hrdlicka, Thomas O., xxx-...
Ivens, Albert H., xxx-...
Kelly, James J., xxx-...
Kiefer, John F., xxx-...
Klaus, Nicholas B., xxx-...
Kraus, Daniel, xxx-...
Lane, Francis C., xxx-...
Lecocq, Kevin L., xxx-...
Lyons, Martin A., xxx-...
McDonald, Mark A., xxx-...
Monahan, Daniel P., xxx-...
Mullins, James M., xxx-...
Needham, Peter D., xxx-...
Olszowy, David P., xxx-...
Pipho, Stuart A., xxx-...
Pollock, John M., xxx-...
Powell, Kenneth D., xxx-...
Roffee, Daniel W., xxx-...
Russell, Thomas W., xxx-...
Scharf, John M., xxx-...
Sears, Stephen A., xxx-...
Stevens, John A., xxx-...
Thormer, Darrel, xxx-...
Urquhart, Lionel B., xxx-...

The following-named U.S. Naval Academy graduates for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, section 531, subject to the qualifications therefor as provided by law:

Crozier, Wilbur V., xxx-...
McAneney, Vincent, xxx-...
Puccetti, Perry A., xxx-...

CONFIRMATION

Executive nomination confirmed by the Senate June 7, 1983:

DEPARTMENT OF JUSTICE

Charles F. Goggin III, of Tennessee, to be U.S. Marshal for the middle district of Tennessee for the term of 4 years.

EXTENSIONS OF REMARKS

WALTER CRONKITE ADDRESSES WASHINGTON COLLEGE

HON. ROY DYSON
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. DYSON. Mr. Speaker, Walter Cronkite, one of this country's most trusted and best known commentators on current events, recently addressed the graduating class of Washington College, one of the country's oldest educational institutions, located in Chestertown, Md.

For over 200 years Washington College has prepared its students to meet the challenges of citizenship. And for nearly 20 years as anchorman and managing editor of CBS, Inc. "Nightly News" Walter Cronkite informed the citizenry of the challenges confronting them in the public realm. In his speech to this year's graduates, Mr. Cronkite proved his powers of perception to be undiminished. He crystallized, in a presentation that merits the respect and attention of the Congress, the historic responsibilities of our democracy. His words, I believe, are as well directed to myself and my colleagues as they were to those college graduates on Maryland's Eastern Shore. I respectfully invite my friends and colleagues to ponder Mr. Cronkite's message:

COMMENCEMENT SPEECH GIVEN BY WALTER CRONKITE AT WASHINGTON COLLEGE, MAY 15, 1983

In your lifetimes, certainly in the lifetimes of your parents, this world has almost simultaneously plunged into five eras, any one of which alone would qualify as an entire age of man: the Atomic Age, the Computer Age, the Space Age, the Petro-Chemical Age, the Telecommunications Age. Together they comprise a technological revolution perhaps greater in its impact than the industrial revolution of the last century. And there is evidence that we are living through it just as blind to its social, economic and political impact as did our grandfathers through the industrial revolution.

The very invention and development of these devices of the technological revolution give proof of man's intellectual capabilities. Can we really believe that he is incapable of applying equal brain power to solving the great problems?

Can we believe that the beleaguered peoples of the world will long be tolerant of those who possess the tools but who can't make them work for the good of men everywhere?

There is going to be social and political and economic evolution, coming with such explosive suddenness as to have the character of revolution.

The revolutionary forces already are at work today, and they have man's dreams on their side. It is up to us—to you—to get into the leadership of that revolution.

To do that we've first got to put our own house in order. There is a growing feeling, and mounting evidence, too, that government doesn't work very well anymore; that it is unwieldy and not very competent; that it is ill-equipped to handle many of the more critical problems the nation will face in coming years.

Ways must be found for government to [cope] with the vast technological changes taking place today, anticipate new problems and to safeguard the health and interests of the people. Three Mile Island and Love Canal are all the argument any sane society should need for that proposition.

You will need to look hard at Congress and its procedures. For, if the government is to be updated, brought up to speed, some way must be found to make the legislative branch more efficient, more responsible and more knowledgeable.

The Presidency also needs careful examination—especially the way we pick our presidents. You should ask yourselves whether the talents and qualities that get a man elected have anything to do with those needed to run the country—whether the current process selects the best man for the job.

The relationships between the branches of government also desperately need review. You will hardly be able to afford the kind of paralysis that so often seems to afflict government today, just when the need for effective action is most urgent.

You also should re-examine the relationship between government and industry to see if there is not a more efficient and productive way of ordering the nation's economy. However you do it, you are going to have to get the country's economy moving again and competing effectively in the international market place.

You are going to have to develop a system for managing this nation's resources, while there still are resources worth managing.

You will have to devise a means of coping with the growing problems of immigration to this country from other nations whose borders are spilling over with excess people. That could provide one of the great policy challenges of your generation.

An even greater test is likely to be in finding ways to meet our problems while at the same time making sure individual liberty has room enough to breathe.

And you will have to look beyond our borders. Our house cannot be in order unless affairs abroad are as well.

So far, the international community seems unable to find ways to make the engines of progress work equally for all mankind.

And the approach of many developing countries to those global problems symbolized by the Four Horsemen has been anything but enlightened. Typically, they argue that pollution controls hold back their development; efforts to contain nuclear proliferation are conspiracies to maintain a military status quo; suggestions that poor countries spend more on food and less on expensive military hardware, draw similar responses; and population control is seen as a form of racism.

But if the so-called North-South negotiations to reform the world economy have been marred by overreaching and posturing on the part of the poor, they also have been harmed by indifference on the part of the rich—by the impression that many affluent countries merely have been going through the motions. We have been too ready to plead hardship and to give up the effort as impractical—beyond our means. That is a short-sighted response. For helping that poor majority of the world is very much in our own interest.

In the straightened conditions this planet faces, it seems unlikely that freedom can endure easily for very long among an affluent ten percent or less of the world's population. We are going to need converts to the cause of freedom if it is to endure. Freedom must be a growth-industry. And converts will not come from nations bulging with people so hungry they cannot think or work efficiently. And they will not come from countries with illiteracy rates of 70 and 80 and 90 percent.

Thomas Jefferson once wrote, "The disease of liberty is catching." It was not one of his better metaphors. Liberty is not a virus. It requires special conditions—the satisfaction of basic needs, such as food and shelter, some sense of physical security, at least a modicum of hope. It also requires a certain level of cultural development and liberacy if it is to function efficiently. Jefferson was closer to the mark when he warned that if a nation expects to be ignorant and free, it expects what never was and never will be.

It is high time that the United States returned to full and active participation in the affairs of the world—a participation consonant with its wealth and power, and the interests it has at stake. We need to re-establish our credentials for leadership among the developing nations—and we can only do that by taking the lead in a serious effort, rationally and fairly, to recognize the global economy. We need the Third World. We need its peoples as allies, we need its raw materials, and we need its cooperation in tackling those global problems which threaten rich and poor alike.

That does not mean that we should be apologetic about our own success, or timid in our leadership, or suicidal in our generosity. Our first duty, to ourselves and to humanity's future, will be to preserve those beach-heads of liberty which we and our friends already hold. To that end, we must strive to make America as self-sufficient and self-reliant as is humanly possible. We must reduce our dependence on foreign oil and other resources, in so far as that is possible.

But we also must make our peace with the fact that full independence no longer is possible in this world; with the fact that we will grow increasingly dependent on other peoples, other places—and they on us.

And that is the idea which I think must order this country's—your agenda for the eighties and beyond. Our own values and

traditions urge upon us a special mission in this world to help and to lead. Our interests demand it.

In the course of the 20th Century, America has grown up, or we hope it has. We have turned in some spectacular performances economically, militarily, in science and technology. We have added enormously to man's store of knowledge, and to his reach. We have begun the exploration of space, which may prove the great agenda for the 21st Century.

We also have learned the lesson, paid the price particularly in Vietnam, for arrogance and the careless exercise of power; and we have learned, as well, the futility of cringing from its responsibilities. We have sinned and we have come of age. We have learned that we are neither omnipotent nor omniscient. Now we must apply those lessons.

In sum, your task will be to make America work again, to overhaul the system, discarding defective or outmoded parts and restoring those that still serve.

You should not be too quick to throw out the familiar, the traditional—for familiarity and tradition are values in themselves. But neither should you flinch from radical thought, hard questions and fundamental change—if they are necessary to pass on intact the heritage passed to you, the heritage of human freedom.

The historian Carl Bridenbaugh has written of your revolutionary counterparts of 200 years ago (some of them anyway): "Their equality and status questioned, the now united gentry became radicals, gentlemen revolutionists. They revolted to preserve what they had."

And that is what you will be doing, if you are faithful to the demands history will make upon you. You will be rebuilding, even redesigning, America to preserve what it always has been and must remain—a nation of free men, an example to all men; in Lincoln's phrase, "the last best hope of earth."

The task sounds gargantuan. But don't despair. You, of all people, are up to it.

You have survived one of the more formidable intellectual obstacle courses in the world. You have made it all the way through the American educational system without apparent brain damage, and you have even managed to get an education.

You are graduates today of an eminent institution which has turned out its share of the nation's moral, intellectual and political leadership. You become the upholders of a fine tradition. You march behind an honored banner.

The challenges ahead of you are immense, but the greater the challenge the sweeter the taste of victory. It is not a time for the fainthearted. Marshal your courage and your convictions. Pick up your cudgels and man (and woman) the barricades—seize with joyous enthusiasm the opportunity to carry on the fight that inspired your revolutionary forefathers on this continent—the dream of a world of liberty and justice for all.

It is in your power to make your revolution a model to live, as did that other revolution, for two hundred years.

Good-luck, God-speed—for the good of us all.●

MEMORIAL DAY

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. YATES. Mr. Speaker, in the best tradition of Memorial Day, Mr. Sydney Harris, the author and distinguished nationally syndicated columnist, wrote a column for this past Memorial Day that causes us to pause and reflect in the most fundamental way. That is what Memorial Day is supposed to do and I ask that this very fine column, which appeared in the Chicago Sun Times, be included in the RECORD at this point.

The article follows:

[From the Chicago Sun-Times, May 30, 1983]

WE MEMORIALIZE FAILURE TO COEXIST WITHOUT WAR

(By Sidney J. Harris)

On this Memorial Day, I think it appropriate that we give some thought to the only question worth asking: What are we memorializing, and why?

What we are really memorializing is man's incapacity to find a mode of conflict-resolution short of killing off the bravest and finest of our young in each generation.

We are memorializing our own mistakes, our own lack of foresight, our own stupidity and stubbornness and lack of ingenuity in solving mankind's largest and most fatal problem—how to coexist despite our differences.

Everything in life has changed except this. An ancient Roman or a medieval Frenchman would not recognize it as the same world in any fundamental aspect, except that we keep on slaughtering one another in greater numbers with ever more ferocious weapons.

We have made progress in every facet—in our work, in our comforts and conveniences, in our laws and social arrangements, in our medical and scientific advances. Many more of our babies live, and many more of our citizens stay alive longer and enjoy it more.

Only in the ultimate terms of war and peace have we retrogressed—in that every "advance" in conflict is more threatening to human life on this planet. Nuclear weaponry marks the end of the line.

A strange thing has happened within our time, unrecognized except by a few. Throughout history, until now, it had been the "idealists" who opposed war, who held out a plan and a vision for a peaceful world, and the "realists" who accepted war as a tragic inevitability for our species.

Now, for the first time, with the prevalence of nuclear weapons, the tables have been turned.

Now it is the starkest "realism" to accept the fact that the world will be blown up if we do nothing to stop it, and the airiest "idealism" to suppose that anything short of nuclear disarmament can avert this universal catastrophe.

The cold facts, the tables of probabilities, are now on the side of the anti-war forces; and the sentimental optimism now belongs to the people who still insist we can fight a "limited" nuclear war with unlimited means.

Now, again for the first time, another world war will kill and disable millions more civilians—women and children—than men in the front lines. Indeed, there will be more front lines; every city in the world will be hostage to the enemy.

The only meaningful Memorial Day observance would memorialize the end of war, the end of pre-history and the beginning of the recognition that we all live together or die together, that it is not necessary to like each other or agree with each other in order to survive. Anything less, on this day, would be an obscene mockery.●

SOUTH AFRICA BECOMES TARGET OF HILL DEBATE

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. BONIOR of Michigan. Mr. Speaker, as a member of the Arms Control and Foreign Policy Caucus, I would like to express my concern over the current human rights situation in South Africa. The administration's policy of "constructive engagement" has improved neither the independent status of Namibia nor the status of the over 20 million blacks faced daily with humiliation and indignity. This course having failed, we must now seriously consider a new policy.

I would like to commend the following Washington Post article, of June 5, 1983, by Lexie Verdon, to the attention of my colleagues. We, as a Congress, will soon address this issue and this piece is a good summary of our various alternatives.

I urge each Member to review this situation and realize that a new political direction must be pursued in this area. We cannot afford to stand by and watch the unrest which threatens basic human rights and which violates the fundamental principles of international law.

SOUTH AFRICA BECOMES TARGET OF HILL DEBATE—ADMINISTRATION CRITICS GAIN AFTER 3 KEY COMMITTEE VOTES

(By Lexie Verdon)

South Africa, which has seen its ties with the United States improve under the Reagan administration, is becoming a clearly defined target in the growing, acrimonious congressional debate on foreign policy.

Hill opponents of the administration's policies toward South Africa won three key committee votes last month in their campaign to limit trade and economic ties with Pretoria, which practices a policy of racial segregation called apartheid.

Rep. Stephen J. Solarz (D-N.Y.), one of the leading congressional critics, said in a recent interview that Congress is becoming increasingly involved in South African issues because there is a "lot of pent-up frustration over the failure of the U.S. to make it clear over the past two years that we are opposed to apartheid."

The measures approved by committees, which range from cutting million-dollar lending programs to ensuring that black clerical workers of U.S. firms receive pay equal to their white counterparts, are ex-

pected to come before the full House this summer. It would be the first House action on legislation dealing with South Africa since 1978, and although congressional sources on both sides of the argument say the measures face tough votes on the House floor and in the Senate, they refuse to dismiss their chances.

The congressional campaign signals a growing disenhancement with the administration's policy of "constructive engagement," in which officials seek to maintain good relations with South Africa in hopes of influencing its behavior, congressional sources assert. Proponents also say the campaign is an indication of Congress seeking a more activist role on issues relating to South Africa and on the negotiations to end its control of the mineral-rich territory of Namibia.

Those negotiations—spearheaded by U.S. Assistant Secretary of State Chester Crocker—have been the centerpiece of the Reagan administration's African policy. Although U.S. officials had hoped that an agreement would be reached by the end of last year, the talks have stalled as the United States and South Africa have insisted that Cuban troops in neighboring Angola be withdrawn before Namibia is granted independence.

The failure to produce a peaceful Namibian settlement has contributed to increasing criticism of what at least one congressman has called diplomatic "carrots" in a U.S. policy that has produced few "sticks" for South Africa. Critics cite a general upturn in relations, including the loosening of controls on exports, especially to the military and police; high-level police and military visits to the United States, and U.S. support for a $1.1 billion International Monetary Fund loan to Pretoria.

"One can make a case in almost any circumstance for quiet diplomacy," said Rep. Jim Leach (R-Iowa), who serves on both the Foreign Affairs and Banking committees, which voted on the measures. "But once the case is made you look for the proof in the pudding." He said there is "no doubt" that the committee votes were "a reaction to administration policy and developments within southern Africa."

The administration has vowed to continue its constructive engagement policy, which officials say has strengthened the U.S. position in South Africa and helped bring some reforms, and it warned critics that shifts now would hamper the effort on Namibia. Its supporters in Congress also argue that hardening the U.S. position toward South Africa could bring a right-wing backlash there.

Congressional sources say the strongest of the three pieces of legislation to be considered by the House is an amendment to the bill that would increase U.S. contributions to the IMF. The amendment would instruct the U.S. director at the IMF to vote against any future loans to Pretoria.

Although the Reagan administration opposes the amendment, it is pressing hard for passage of the bill, which faces strong opposition among conservatives in Congress. Those favoring the amendment say that without the South African provision many of the amendment's backers would not support the bill and it would die.

Even some opponents of the amendment argue that it will be hard to defeat. Rep. Henry J. Hyde (R-Ill.), who opposes the amendment and other punitive actions directed against South Africa, said the measures do have "political implications and they do intimidate." That consideration, he said, will make it difficult for congressmen to vote against the measures, even though he complains that South Africa is being singled out by liberals who overlook human rights problems in other countries.

There is "no political profit" in seeking to stop antiapartheid amendments, he said. "The political profit is in standing up and denouncing apartheid. Who the hell could defend apartheid?"

Other legislation that has passed committee and is to be considered by the House includes:

An amendment sponsored by Solarz to the Export Administration Act that would set employment standards for U.S. companies operating with more than 20 employees in South Africa, prohibit U.S. bank loans to the South African government except for those made for educational, housing or health facilities that are available on a nondiscriminatory basis, and ban the importation of South African Krugerrand gold coins. The Banking Committee may still offer changes to this amendment for House consideration.

The labor standards mandated by this legislation are very similar to a voluntary code established by the Rev. Leon H. Sullivan, a Philadelphia Baptist minister, for U.S. companies doing business in South Africa.

An amendment by Rep. Howard Berman (D-Calif.), also to the Export Administration Act, that restores export controls on nonmilitary sales to the South African military and police and on computers to South Africa. These controls were lifted by the administration in March 1982.

Other legislation also is pending before committees in the House, including a bill that prohibits nuclear exports to South Africa, a bill curbing new corporate investment in South Africa and several resolutions criticizing South African policies and the U.S. approach to South Africa.

Even in the Senate, which has been much softer in its criticism of constructive engagement, critics have made some moves. The Foreign Relations Committee, by a 10-to-3 vote, adopted a measure offered by Sen. Paul Tsongas (D-Mass.) to impose a 2 percent import surcharge on Krugerrands. Tsongas withdrew the measure after the vote, however, because it faced opposition in the Senate Finance Committee.

Tsongas said he was hesitant to oppose the administration's policies in the past two years because Crocker asked Congress for time to achieve progress in the Namibian talks. But Tsongas said he has been disappointed because "I just feel that no progress has been made that is visible" either on Namibia or in domestic reforms in South Africa.

In the House, Democrats such as Solarz and Howard Wolpe (Mich.), chairman of the Foreign Affairs Africa subcommittee, have challenged constructive engagement since the Reagan administration announced the policy. But now, they said, other congressmen are joining their campaign.

Solarz, who has offered his amendment before but never had it pass through the House Foreign Affairs Committee, agreed that Congress is becoming more militant about South Africa. After two years, he said, "the verdict is in, Constructive engagement has turned out to be the flop and failure we always thought it would be . . ."

Constructive engagement, Wolpe said, has unintentionally reinforced South Africa's segregationist policies and caused an increase in domestic repression. He also charged that South Africa has taken advantage of the cooling in U.S. pressure to become one of the "most aggressive" countries in the world as it moves militarily against neighbors such as Angola and Lesotho.

"These initiatives in Congress are in direct relation to the fact that negotiations are stalemated and to South African aggression," he said.●

PLIGHT OF YURI TARNOPOLSKY

HON. KEN KRAMER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. KRAMER. Mr. Speaker, I would like to call attention to the plight of Yuri Tarnopolsky during the 1983 Congressional Call to Conscience Vigil for Soviet Jews.

On March 15, 1983, the KGB arrested Yuri Tarnopolsky of Kharkov, U.S.S.R. and charged him with article 70, "anti-Soviet agitation and propaganda with the intent to defame the Soviet State." The charge against him carries a maximum sentence of 7 years in prison and 5 years in exile, a total of 12 years imprisonment. Tarnopolsky, an outspoken critic of the harsh Soviet policies on emigration restrictions, has been under surveillance since his colleague, Aleksandr Paritsky, was arrested in September of 1981.

Tarnopolsky, a 47-year-old organic chemist, his wife Olga, and their 12-year-old daughter Irene, applied to emigrate to Israel in 1976. He promptly lost his job, which is common practice. After their most recent refusal in September, an OVIR official told them that in view of the state, they had "no reason for leaving the U.S.S.R."

From October 1, 1982 to November 9, 1982, Tarnopolsky went on a hunger strike to protest the continued refusal and the treatment of Soviet Jews. At that time, he explained the reason for the hunger strike:

> Where are the guards of the morality, conscience and honor of our ancient people? I am not a judge or a prophet, but I cry like our ancient prophets cried. Are we, the refuseniks to be sacrificed to give again a lesson to the Jews of the world? Wasn't the preceding lesson (of the Holocaust) sufficient? . . . the noose around our neck will tighten step by step.

In March, after being arrested and held in an unknown location, Tarnopolsky again embarked on a hunger strike and has remained on it for over 2 months.

Tarnopolsky characterizes the plight of the Soviet Jews, particularly those who have applied for emigration. The number of Soviet Jews allowed to emigrate has declined significantly. In 1982, Soviet emigration fell to its lowest annual level in over a decade

with the emigration level representing a 95-percent decline since 1979. The United States must take a strong stand against Soviet violations of human rights.●

MR. ARAFAT'S TROUBLES

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. OBEY. Mr. Speaker, those who are terribly interested in long-term peace and justice in the Middle East cannot ignore the thoughts expressed so well in today's Washington Post editorial.

The great tragedy represented by the PLO these past years has been that, in the last analysis, when the opportunity presented itself, it has not found itself able to take a risk for peace which would benefit the same Palestinian people the PLO claims to represent.

Leadership involves more than simply advocating a cause on behalf of the people you are leading. Leadership also requires a recognition of reality and a willingness to think new thoughts when the situation requires it. If in its present struggles the PLO once again decides that increased radicalization rather than realistic accommodation is the order of the day, they will forfeit any claim to responsible leadership and guarantee the existence of a status quo which benefits no one.

I commend the editorial to the House.

[From the Washington Post, June 7, 1983]

MR. ARAFAT'S TROUBLES

It turns out that Yasser Arafat, head of the PLO, was reading his press clippings rather than keeping in touch with the rank and file. He is under challenge from within the main PLO component, the "centrist" faction known as his turf, Fatah. Whether he survives or, if he does, whether his command will be anything close to what it was, apparently is a question.

As is usual when there is blood in the water, many personal and organizational failings are being attributed to Mr. Arafat. But it is not difficult to see wherein the trouble lies. The PLO was supposed to bring Palestinians a homeland, but the Palestinians have not been further away from a homeland since the PLO was formed almost 20 years ago. The ouster of PLO forces from Beirut last summer merely brought home to many PLO fighters a disastrous condition that was already widely evident. The surprise is that the disaster could have been covered up as long as it was.

The PLO rebels are said to feel that the "moderate" Arafat brand of leadership has been discredited. A fundamental misreading is involved here. Mr. Arafat was a moderate only in the sense that he dabbled with a political solution, while others believed strictly in armed struggle. But Mr. Arafat only dabbled. He never made the unequivocal commitment to peaceful coexistence with Israel that alone would have made possible the requisite negotiation. He feared, apologists repeatedly said, that accepting Israel before (or even after) Israel accepted a Palestinian state might "split the movement." His equivocation brought the PLO the worst of both worlds. It has never tested the political route and it has been reduced to little more than a nuisance military force.

If Mr. Arafat is forced to harden his line to retain power, or if he is replaced by someone more militant, then it can be confidently predicted that the PLO will continue to cause a lot of misery, mostly to Palestinians, and that it will move the Palestinians even further away from a homeland.

At this point, the so-called friends of the Palestinians usually start complaining about how unfair it is to ask the Palestinians to sit down with the Israelis, how difficult, etc. How ridiculous. The Palestinians should start asking who their real friends are. They could have had a state from the United Nations in 1947, with Israeli consent, but their then-leadership and their Arab brothers rejected it for them. It is past time for some representative group of Palestinians to take their people's fate out of the hands of Israelis and fellow Arabs, who toy with it, and to challenge Israel to negotiate peace.●

FOUNDATION OF THE AMERICAS FOR THE HANDICAPPED

HON. DOUGLAS K. BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. BEREUTER. Mr. Speaker, as Central America is on the minds of a great number of our citizens, and the debate centers on what kind of assistance to offer, we tend perhaps to think exclusively, too often, in government-to-government terms. We individuals are capable of personal responses which address the problems which affect all countries, large and small. One of these is the May 18–22, 1983, Inter-American Very Special Festival and Symposium in the beautiful capital of Guatemala. People from a dozen Central and South American countries, under sponsorship of Secretary General Alejandro Orfila of the Organization of American States, met there to address and seek solutions for the plights of physically impaired and handicapped children.

One of those panelists was from my home State and congressional district by birth, Col. Barney Oldfield (USAF, retired), who has been more than 20 years with Litton Industries in Beverly Hills, Calif. He suggested that there are all kinds of handicaps; one of them we all know well, the handicap of insufficient funds—and that there was a way around it. He proposed the establishment of a Foundation of the Americas for the Handicapped. It would be endowed to hire from its income teachers and provide facilities for skill training of youngsters.

He made the first contribution to get it underway to show the seriousness of his intentions, and in the hope that it would not be just another set of remarks heard between four walls only to die there. Not only did it not die there, Guatemala's Minister of Economics, Julio Matheu, insisted that he repeat his pledge before a luncheon of 250 leading businessmen, with the Minister himself giving it the emphasis of acting as interpreter. Both visiting Primera Damas (first ladies) of El Salvador, Senora Marina de Magana, and Honduras, Senora Aida de Suazo-Cordova, joined in the applause and asked for copies of his remarks.

I commend an edited version of his suggestions, delivered in Guatemala City on May 19, 1983, to the attention of my congressional colleagues.

REMARKS OF COL. BARNEY OLDFIELD (USAF, RET.) OF LITTON INDUSTRIES, INC., BEVERLY HILLS, CALIF.

* * * When I was invited to come here for this Inter-American Very Special Festival and Symposium in your beautiful Guatemala, they told me the centerpiece of this meeting would be recognition of the handicapped as potential national resources of countries rather than their just being dismissed and disregarded as one more societal concern and burden. I was struck by the sheer coincidence of it because of something which would happen just before I came here. The very leadership of the company—Litton Industries, Inc.—for which I have worked for more than 20 years was involved.

It had all started in 1981 when Charles B. Thornton, the founder of our company, was dying of cancer. He knew he only had a few days left of his life, and he was hurrying to get those things he thought important completed. He called me to his office to tell me he had selected as his successor a man named Fred O'Green. He also told me he had nominated Fred O'Green for one of the Unites States most prestigious and coveted honors—selection as a recipient of membership in the Horatio Alger Association of Distinguished Americans. The 19th century author, Horatio Alger, wrote many stories about youngsters who went from the rags and poverty to success and achievements and riches. He said he wanted me to write the justification to back up the nomination, and he asked me to promise him—a dying man—that this would happen. "He is not only a fantastic achiever," he told me, "He's an inspiration. His example should be out there for everyone to know about and appreciate."

Last week I was in Pittsburgh, Pennsylvania, with that same Fred O'Green and watched him become one of 11 people who were given this year's Horatio Alger Awards. All of them were justifiably great and deserving, but in the case of Fred O'Green there was an additional message—a very positive message—sent to the people in the United States—and everywhere else in the world where people have physical impairments.

Fred O'Green, who heads the 68th largest company in the United States, had an attack of the measles when he was 5 years old. He started to notice when using the phone he could not hear well with his left ear. By the time he was 26, the hearing in his other ear was gone, too. The best specialists in the world sentenced him to a lifetime of silence, but with hearing aids added, he refused to allow it to defeat him.

He plunged on into an electrical engineering career. When our country was behind in the beginnings of the space program, he was the first to be honored for having given means and instruments which put the United States on course to the moon and the universe beyond. He was moved into the No. 2 position in our company when it was in great trouble. He righted it. Through decisions and actions he took which worked, the company is stronger today than it has ever been. Never once through all these challenges has anyone noticed that he was deaf. He has done so many things in such dazzling areas, has been so busy in near-miracle-making, all his hearing deficiency has ever done is show in even bolder relief how fantastic his accomplishments were and why they are appreciated that much more.

Over the years, it has been my good fortune to associate with and write about some of the most interesting people, and the best known people in the world—those in entertainment, the movies, television, politics—people who make the world laugh and enjoy, to sense great emotional experiences, to feel inspired, as the moving picture is the most nomadic art form, and through pictures visual communication can be made almost without necessity of accompanying translation, few people would ever notice from how effective they are that a Bob Hope has known both ear and eye problems, that deafness is very real to Lorne Greene, Nanette Fabray, Florence Henderson, and the late Henry Fonda. Ray Charles and Stevie Wonder live in a world of perpetual darkness.

A friend of mine, the late Harry Woods, was a great songwriter. One of his songs, "I'm Looking Over a Four Leaf Clover," has had more parody, or special lyrics written for it than almost any other popular song. Harry always walked in public with his left arm stuffed in his coat pocket. It was when he played the piano that his secret came out because of a thumping sound on the keyboard. He had no left hand. He hit the keys with his wrist. And how many of you have witnessed the absolute agony of that great violinist, Itzhak Perlman, approaching the podium and how quickly it's forgotten in the ecstasy which pours from that violin. Even the President of the United States, Ronald Reagan uses contact lenses, and has for many years. How many years? He was barely able to qualify for military service due to his eyesight in the early 1940's. He persisted his way into uniform, and into the Presidency * * *

I cite all these stories of individuals rising above their inconveniences, their built-in or acquired obstacles, and their persistence in developing avenues of escape from their limiting restrictions—and then exploiting them to the fullest—just as a way of getting to the main point I want to make here with you.

There are all kinds of handicaps. By all means, they are not all physical. Sometimes they are self-imposed, leading to individuals being described as quitters. Sometimes they can be overcome with attitude correction. Sometimes they call for an intensive kind of targeting to achieve change * * *

There are many sides to handicaps, and many forms. Sometimes they can be built on. Often they can arouse courage in others. They can cause thought processes which might not otherwise occur. One thing we do know about them is that they can range widely. When we begin concentrating on doing something about them, the biggest handicap of all to whatever we dream of, hope for and want to try for in way of a solution in whole or in part usually encounters that handicap called "lack of sufficient funds," to do anything about correction of the handicapped scene takes dedicated people, persistence, a devotion to the ideal of individual preparation that each may better cope, and it also takes money.

The tactic I most often recommend where I'm invited in for occasions like this is the establishment of a public, non-profit foundation which is chartered and cleared to address a particular type of problem, one I have worked with almost from its inception is called the Falcon Foundation. The United States Air Force Academy quickly discovered, when it was formed in the mid-1950's, that its human resources were ill-prepared because of the vast difference in the quality of various community schools. There were many young people who had the personalities and the physical qualities for courage and leadership, but they were deficient in mathematics, English and science. They couldn't pass the entrance examinations, or even if they could top that hurdle, there was little hope they could hold up during the four hard years of cadet courses. Solution? The Falcon Foundation. Purpose? To give one year of preparatory school concentration on those key subjects before taking the entrance examination. Result? More than 500 young people who could never have had a professional Air Force career are now serving their country. Some have become general officers as a result of this Falcon Foundation educational upgrading.

When it became apparent that the present generation of young journalists in college were so used to air and space flight, it was no longer as exciting to them as it was to those of us who were older and have seen not only all the remarkable developments and have known the people who brought them about, we sought a means of arousing that interest. Why? We're only on the primitive threshold of forays into the universe and all its spectacular mysteries. It will unceasingly want for intelligent appraisal, explanations, meanings and impacts on the human race.

How could we fix student attention on this spectrum of technological leaps and bounds occurring daily? I suggested that we bring into being an Aviation/Space Writers Foundation to which we could all make contributions to the endowment base. We could then use its income for our disbursements. To whom? College students on campus newspapers, radio and television stations if they did features and documentaries well on aerospace subjects. If they do these treatments exceptionally and perceptively well, we surprise them with a check from the Aviation/Space Writers Foundation. It causes them to look in the direction, get enthused about and become inquiring about the implications of air and space developments. Perhaps we will have a better informed public in the future on such matters. We think it's worth doing, worth trying.

The Radio & Television News Directors Association of the United States and Canada had a professional problem. Our journalism schools have traditionally been print-oriented. But radio is a voice medium, and television a combination of visuals and voice. How stories are told is different. How to promote and get appreciation for that difference?

They turned to me and I established for them what we call the Radio and Television News Directors Foundation. The endowment has grown slowly, but constantly, and we are now able to give eight scholarships annually. These are to pursue broadcast or electronic journalism. Result? More than fifty young people are now in broadcast journalism in the United States and Canada who would not have been there without this help.

Today, what I have in mind is something like the biblical story of the "widow's mite." It's in verse 42, chapter 12, in the New Testament's St. Mark. It says:

"And there came a certain poor widow, and she threw in two mites which make a farthing." The Bible says she made the greater gift because all the others gave of their abundance. And what she gave was all she had. This check I have here in my hand is not all I've got, but I want it to be the small start toward what I'd like to see happen. It is for $1,000, and when I last talked with Bank of America, it is good. The payee line is filled in. I'm going to hand it over to my colleague, that gracious lady, Mrs. Jayne B. Spain, with certain stipulations about when it can be cashed.

To get on with why we have come here to this portion of our hemisphere, I suggest we set about bringing into being something we will call Foundation of the Americas for the Handicapped. Before leaving to come here, I checked with the Internal Revenue Service in the United States. That title is clear. In all the thousands of existing foundations, which are declared non-profit, public foundations, not one bears the name of Foundation of the Americas for the Handicapped. Only when that foundation has been created bearing that name is my check any good. It could be said to be an incentive to get on with bringing it into being. Banks being what they are, after two months time, if a check is uncashed it is called stale-dated. I don't know whether that's true of this check or not, but let's operate in the fear that it is, and hurry along. There is work to be done—and it's urgent. There are some 150 major American companies who are your good neighbors and employers in Guatemala, and there are your own business and activities, as well as individuals who could be potential supporters of such a vehicle. Once such a foundation has gone through the organizational stages, has gotten the proper credentials and is chartered to pursue instruction in skills for handicapped young people, I want Mrs. Spain to make this check the first contribution to that endowment fund. First purpose of the endowment fund income will be to set up small model facilities and employ teachers who can deal with instruction of the handicapped to perform functions within their capacities and aptitudes.

Last month, I was at Washington State University and there was told how the world's most famous pioneer news broadcaster came to be. He had a teacher named Ida Lou Anderson. She gave him role models to follow. She was a speech teacher, so she taught him how to talk, how literally to make each word he used count. He went on to become Edward R. Murrow. Although he died in 1965, every U.S. News commentator is influenced by the way he did things. Many never knew of this teacher, Ida Lou Anderson, but he never forgot her and kept in touch with her as long as she lived. He was an elegant man, who stood six feet tall. She had a body twisted and crippled by infantile paralysis, but all that did was increase the intensity of her effort to bring out all the capacities she detected in her prize student.

To the critic who says this is a real "widow's mite," I would be the first to agree, but serious people usually start small, find out what they can do, and build on demonstrated success stories. A plain truth is—and I know this from experience all over the world—if each of us who could would help one who needs it, society would have few problems, indeed. There is nothing wrong with a beginning that uses a small model that works well. The kind of foundation we are considering here is no competition with any other existing activity which is addressing economic development, which has to do with things. The Foundation of the Americas for the Handicapped is devoted to people, and I commend it to your thoughts, your convenience to bring something constructive out of our gathering—and your conscience.

Thank you all.●

PERSONAL EXPLANATION

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. CORCORAN. Mr. Speaker, due to commitments in Illinois, I was unable to be present on the House floor during the eight votes that took place on Friday, June 3. I note that over 100 of our colleagues were also not present for each of these eight votes.

Had I been present, I would have voted as follows:

Rollcall No. 154, approval of the House Journal, yes.

Rollcall No. 155, resolving into the Committee of the Whole, yes.

Rollcall No. 156, Gregg amendment to cut House committee funding, paired for.

Rollcall No. 157, Bartlett amendment to cut House congressional office funding, paired for.

Rollcall No. 158, Hunter amendment to cut funding for official congressional mail costs, paired for.

Rollcall No. 159, Hiler amendment to cut Congressional Budget Office funding, paired for.

Rollcall No. 160, Hank Brown amendment to cut elevator operator funding, yes.

Rollcall No. 161, final passage, paired against.

The first two votes above were procedural votes while the remaining six votes all related to the fiscal year 1984 legislative branch appropriations bill, H.R. 3135.●

CUBAN POET JORGE VALLS

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. YATRON. Mr. Speaker, I commend to your attention an article by Carlos Ripoll published in Worldview magazine concerning the plight of Cuban poet Jorge Valls. Mr. Valls served almost 20 years in the Cuban prison system for simply speaking out against the injustices committed on the Cuban people by the Castro government. The poetry in this article written by Valls eloquently describes the suffering many people are forced to endure in a totalitarian society.

The article follows:

POETRY AND PROTEST

(By Carlos Ripoll)

(Carlos Ripoll is Professor of Romance Languages at Queens College, City University of New York. The translations of Mr. Valls's poetry are among those Dr. Ripoll has prepared for a bilingual anthology, "Caged Voices: Poetry From Cuban Jails.")

In 406 B.C., eight generals of the Athenian navy were brought to trial for abandoning survivors of a shipwreck after the great battle of Arginusae. The public clamored for blood; and the state, spreading a wave of terror, intimidated the assembly that was then trying the generals. They were condemned to death. Only Socrates dared to speak out against the abuse of law, identifying the generals as victims of an insecure government. "The true teacher," he had said, "must offer himself as a model of what he preaches."

More than two thousand years later the Cuban liberator and poet, José Martí (1853-95), was to follow this Socratic tradition, capturing its essence in the aphorism: "The apostle himself must be willing to pay the price required to further his cause." And, like Socrates, Martí lent legitimacy to his doctrine by offering his example and his life.

Jorge Valls, a poet who has spent the past eighteen of his forty-nine years in Cuban prisons, was taught Martí's doctrine from childhood. His first reader was Martí's *Versos sencillos*, which his grandmother had him recite by heart. There he learned the rule of civic duty that was to govern his actions:

Of tyrants? Of tyrants say all
there is to say, and then say more.
Use thus the rebellion of your hand enslaved
to hammer the tyrant to the wall.

And there to he found a cause: freedom from slavery of every kind:

I know a sorrow profound
among the sorrows that have no name:
the enslavement of mankind
is of all the greatest shame.

In 1957 a group of university students opposed to the regime of Fulgencio Batista went into hiding after an unsuccessful attempt to storm the National Palace. When found by the police on Humboldt Street in Havana, they were killed outright. Seven years later the Castro government tried one Marcos Rodríguez for having informed on his fellow students, the "Humboldt Martyrs." Only Jorge Valls appeared in Rodríguez's defense. Valls believed that the trial had been engineered for reasons that had nothing to do with the announced charges against Rodríguez. He asked only that justice be done, implicitly condemning the use of Rodríguez as a scapegoat.

Valls had been Rodríguez's friend and had personal knowledge of the events on which the charges were based. He was an important witness and, notwithstanding threats designed to intimidate the public, spoke out. Fidel Castro himself had warned that the court empanelled to try Rodríguez could just as easily "seat in the dock and publicly pillory" anyone who "questioned the Revolution" in its conduct of the trial.

There was ample reason to be asking questions. The circumstances surrounding Rodríguez's arrest and interrogation, the delay in bringing him to trial, the silence of the official Party newspaper—all were highly irregular or unusual. Then Castro, taking the witness stand, conducted himself as both prosecuting attorney and judge, rejecting the defendant's official statements and offering instead his own testimony on Rodríguez's answers supplied at an interrogation that Castro stated he had conducted in private.

Jorge Valls's effort was unavailing. Rodríguez was executed. But Valls had affronted those who lied or remained silent. A month later he was arrested and was held prisoner for almost a year before being brought to trial. There was cause for the delay: His crime had been to ask for justice, and that was not a breach of law. Then too, it is unwise for officials to be too obvious about revenge.

The manufactured charges against Valls carried a maximum penalty of nine years' imprisonment. Given the unsatisfactory results of the prosecution's efforts, the authorities suspended the trial and, without informing the defendant of his sentence, sent him to prison amidst rumors that he had been given twenty years.

TWILIGHT'S MADMEN AND THE MOON

Since his imprisonment Jorge Valls has taken part in every important protest staged by Cuba's political prisoners. Drawing on his firm sense of patriotism and sustained by his religious beliefs, he has withstood the many abuses to which the authorities subject all plantados, i.e., prisoners who refuse to submit to programs of indoctrination. Although beatings, hunger strikes, and denial of medical care have undermined his health, those who have been in prison with him say that Valls has always found the strength to console, to teach, and to give moral guidance to his fellow inmates. His verses reflect the pain and love with which he fulfills his sense of mission.

Damn, Cuba, you have nailed me!
I burst into flower for you
with the passion of my life,
denying myself over and over . . .
I embraced your children and I was set ablaze with them
(my brothers, my beloved brothers).
my painful, hurtful, harsh brothers).
I suffered their pain and the pain that they did not suffer . . .
I have been your living verse.
You have been my cross, and I have loved you,
for what is better to love
than a cross for reaching from the earth to the sky? . . .

Political prison, which has often served as the most distinguished platform for Cuban patriotism, has brought out the best in Jorge Valls, both as a leader and a writer. Some of his work—letters, plays, poetry—has made its way abroad through clandesine channels. Part of that production was recently published in Madrid in a volume entitled *Donde estoy no hay luz y está enrejade* (Where I Am There Is No Light and There Are Bars). Valls's work has a single, consistent view of the world. The style and metrics, however, are as varied as the influences they reveal: César Vallejo, Federico Garcí

Lorca, Vicente Aleixandre, Octavio Paz, and José Martí.

To convey the horrors of prison, Valls in one poem compares himself with a rat that has found its way to his cell:

She came from the toilet pipe
and ran devilishly from death
awaiting in her and in my stick.
A hideous splash offended my legs.
Then a fright made my flesh cringe.
She jumped and fled, her tail long and bald,
her whiskers disgusting, slimy.
I didn't want to kill her, for she was alive,
she was the sister who most resembles me,
my sister the rat,
who disappeared with a leap
into the open belly of the sewer.

The moralist in Valls speaks through other verses that express a fear of the loss of spirtuality and the dangers of materialism in the contemporary world:

Die soon, my son, there still is time.
Later the wise men of this world will come
with their bespectacled eyes
and muddy lives
with logarithms and cubic roots,
and they won't leave you even a little corner
for a beautiful, passionate death,
clean like the calyx of a lilly.
Die while there is still time
for a fiery leap into infinity.
Later they say things will be so wholesome
that you will be sickened
if you see with burning eyes . . . .

What is consistently revealed in Valls's poetry is his faith, his conviction that good will ultimately triumph—as in the following verse, in which divinity, symbol of good, finds refuge in the simple and beautiful:

When men have finished banishing God
the animals will take Him in;
the doves: they have always been with Him.
The leaves on the trees
will be more than content,
for they will have Him to themselves
playing in the treetops
like a child swimming in the surf. . . .
All this if they go through with His banishment
(they have already tamed Him
and put Him aside in a little pen).
But who knows? . . .
There is a conspiracy between children and flowers,
between beggars and driving showers,
between twilight's madmen and the moon.
A whole lower order of beggers
is implicated,
and they rise up their rags and sing.
Who knows if they will connive with the honeysuckle
and take Him to the forest amid stems of lillies
to crown Him.

POETRY AND MISSION

Condemned to death for preaching of truth and virtue to his fellow Athenians, Socrates addressed his judges: "I prophesy to you who have condemned me that, after I have gone, you will surely meet with punishment more severe than that which you inflict on me. . . . For I tell you that there will be more accusers than there are now. If you think that you can prevent men from censuring the evil you have done by killing them, you are wrong. . . ."

The writings of Jorge Valls, like those of other political prisoners who have chosen to pay the price of their protest, offer testimony to the truth of Socrates' prophecy. Foreigners invited to the island by the Castro government almost never speak of the horrors of repression in Cuba today, but outsiders rarely get a glimpse of Cuban penal institutions. Dostoevski said it well: "One can only judge a society after entering its prisons."

In making their caged voice heard abroad, shedding light on those abuses otherwise obscured from the world's view, Jorge Valls and his brothers also fulfill a sacred mission of poetry: to contribute to the ultimate victory of justice, which is history's lasting punishment for its jailers.●

A TRIBUTE TO REV. JAMES L. SHANNON

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. DYSON. Mr. Speaker, I would like to take a moment to commend the extraordinary contributions of Rev. James L. Shannon, a dedicated servant and minister, who for 31 years has brought the word of God and the love of his fellowman to his country.

Rev. James L. Shannon served his country well as a member of the U.S. Army from June 1941 until June 1945 during which time he earned the Purple Heart Award.

His call to the ministry came in 1947 and he entered Western Maryland College, receiving his B.S. degree in 1951. He then entered Westminister Seminary earning his master of sacred theology degree in 1954. In 31 years he has served many charges, coming to Calvert County in 1967 to serve as pastor of Trinity United Methodist Church in Prince Frederick.

He has in these 16 years devoted his life to the needs and concerns of others and served as an example for them to follow. Under his leadership, the membership has grown and maintains a proud record in community status. The values he has taught and shown for others has earned the respect of his congregation and associates alike. He has encouraged full community participation of youth activities, Boy Scouting, senior citizen programs, drug and alcohol educational programs to aid individuals and their families, by affording the use of the church's fellowship hall and rooms.

In the lives of his congregation he has shared moments of happiness and despair; he has brought comfort to the sick and dying; he has seen the joy of new life and the promise of love in the faces of a young couple in matrimony.

And with all this he has raised a beautiful family consisting of five boys and one girl. He has reached out to touch any person in his county who has needed help and the need has been great. He has cared; he is concerned; and he is recognized as being a true Christian example.

This is our way of saying thank you for a lifetime of dedicated service to the people of Calvert County.●

THE NECESSITY OF PEACE AND FREEDOM

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. WEBER. Mr. Speaker, I want to bring to the attention of my colleagues an excellent editorial, entitled "Peace Comes to Minneapolis," which appears in Friday's Wall Street Journal.

Too many nuclear freeze proponents have sought to characterize this debate as a disagreement between those who favor world peace and those who favor world war. Life is not so simple, and neither is the nuclear freeze resolution the House passed recently.

While the nuclear freeze resolution serves as a statement of our concern about the threat of nuclear catastrophe, we cannot allow it to blind us to other issues, important issues, about which Americans have always been concerned: religious liberty; freedom of speech and thought; freedom of movement, and, if desired, emigration; and national sovereignty.

The Wall Street journal editorial makes this point quite well, and I commend it to the attention of my colleagues and you, Mr. Speaker:

[From the Wall Street Journal, June 3, 1983]

PEACE COMES TO MINNEAPOLIS

The nuclear-freeze movement gets a pretty smooth ride as it travels around the country with its mon-and-apple pie routine. We recall, for instance, the warm, grassroots feeling created last year when the villagers of Weston, Vt., passed a nuclear freeze resolution. In large part, the freeze movement is an idea that comes out of what might be called the John Lennon school of foreign policy: All we are saying is give peace a chance. Who could be against that?

The freeze movement found out who could be against that kind of flimsy thinking in Minneapolis last week. A delegation of 25 Soviet scholars and government officials and 30 Americans had gathered there to discuss nuclear disarmament at the invitation of Minneapolis Mayor Don Fraser. The Americans included President Carter's former ambassador to the U.N., Donald McHenry; Randall Forsberg, founder of the freeze movement itself, and Cora Weiss, who speaks often on behalf of "peace."

The symposium was sponsored by the Institute for Policy Studies of Washington, D.C., described in press reports as a "left-leaning think tank." IPS is indeed left-leaning, but to identify any American who leans further to the left would require naming individuals few readers have heard of.

This convocation of Soviet and American citizens for peace was not long under way when it ran smack into the one group of people it should most want to avoid—recent immigrants to the U.S. from the Soviet Union and Eastern Europe. One questioner in the audience called the panelists "propagandists or liars and hypocrites." Others in attendance voiced their bill of particulars:

The Soviet Union harasses its citizens for their religious beliefs; its army is killing innocent people in Afghanistan; its policies caused the death of millions in the Ukraine in the 1930s; Jews are no longer allowed to leave Russia, and we can't trust the Soviets to honor their international agreements.

Harrison Salisbury, a journalist who was moderating, tried to limit questions from the audience. He failed. Ruth Adams, an American, asked, "What is the most important question facing the world today?" Someone shouted "freedom." Someone else shouted "liberty." The American delegates later issued a formal apology to their guests from the Soviet Union.

In a "joint communique" last Saturday, the peace-conference delegates in Minneapolis announced formation of a joint study group to further pursue the issue of disarmament and to make plans for a similar conference in 1984. It will be held in Moscow, where, unlike in Minneapolis, one can discuss peace without apology.●

ANDROPOV SETTING STAGE FOR MOVE INTO IRAN?

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. McDONALD. Mr. Speaker, in the last 2 weeks of April the Soviet Union reportedly sent another 6,000 to 8,000 troops to Afghanistan. This new contingent of Soviet forces has been deployed about 60 to 80 miles from the border with Iran in two locations, the city of Herat and at the huge Soviet-built air force base of Shindand.

In his recent speech at the celebration of the World War II victory over Germany, Defense Minister D. F. Ustinov disclosed that General Secretary Yuriy V. Andropov assumed the post of Chairman of the Military Council. In this position, Adropov is the Commander in Chief of all the armed forces of the Soviet Union, and, thus takes the direct responsibility for any deployment of troops or military decision of any shape or form. This highly centralized command and control system reaching the very top of the Soviet governmental and party structure reminds one of the situation during World War II when Stalin also had both positions, the General Secretary of the Communist Party and Chairman of the Defense Committee.

Recent decisions on the Soviet military actions in Afghanistan are the first straight expansion of the military presence outside the direct Soviet sphere of influence since the original Soviet intervention in Afghanistan in December 1979.

During the initial 3 months of Soviet invasion into Afghanistan—December 1979-February 1980—about 85,000 troops were flown in or crossed the border along the two highways Kushka-Herat in the west and Termez-Mazari-Sharif in the east. Since that time, the troops were rotated and losses were replaced—according to different reports, about 5,000 to 8,000 killed, and 10,000 to 15,000 wounded—but the presence was maintained at the same level of 85,000 until November-December 1982.

On November 12, 1982, Yuriy Andropov became Secretary General of the Central Committee CPSU—2 days after L. I. Brezhnev's death—and the level of action in Afghanistan increased instantly. During the occupation years of 1980, 1981, and 1982, the Soviet troops maintained a low profile in the rural areas in Afghanistan, attempting to leave the war with freedom fighters to the loyal Afghan Army units. This strategy did not go very far when the loyal units defected massively, sometimes the entire units, to join the freedom fighters in the mountains. From time to time, the Soviet expeditionary operations would strike against the resistance groups, destroying entire villages and towns. The loyal Afghan Army dwindled from the original 80,000 men to about 30,000 by the end of 1982 and the intensive recruitment program only intensified the flow of refugees to Pakistan and Iran, totaling now about 4 million people.

The Soviet command in the meantime strengthened and fortified their garrisons and bases throughout the country. The huge air force bases in Kandahar and Shindand were built and equipped to accommodate any size of aircraft and are now considered to be the most modern and largest air bases in this part of Asia. These two bases were obviously built not for the purpose of serving the present Soviet operations in Afghanistan but for some future long-range use. The advanced strategic Soviet planning has been spectacularly demonstrated by the construction of the 800-mile-long highway Kushka-Herat-Shindand-Kandahar by the Soviet contractors for Afghanistan 15 years before the invasion. This highway has been used by mountain goats and occasional horse-drawn vehicles until the Soviet trucks and tanks started rolling in December 1979.

The November-December 1982 operation increased the Soviet presence in Afghanistan by about 20,000 new troops. For the first time, the new units deployed included the entire groups of internal security forces trained specifically for insurgent warfare. Such units were never used outside of the Soviet Union before, and it required special legislation passed in November last year permitting flexible deployment of these units beyond the borders of the U.S.S.R. These units were returned to the Soviet Union after performing their special duties of exterminating villages, search and destroy operations in small towns, burning civilians hiding in tunnels, and other such missions beyond the competence of the regular army. The overall Soviet presence since that time has been estimated at 105,000 troops.

In May, a large operation was mounted against the insurgents in two areas, in the Herat region and in the Shomali region north of Kabul. The drive in Herat destroyed many villages near the city where bombing and shelling killed about 1,500 civilians. The new Soviet troops crossed the border at Kushka, 60 miles north of Herat, on May 5, surrounded the city of Herat on May 7, bombed and shelled for several hours and then entered the city and made house-to-house search. The indications are that the Soviet troops intend to use Herat as a large new garrison which is close to the border of Iran.

The Shindand air base was also considerably strengthened by addition of several thousand troops which landed there at the same time.

Some observers connect this move with the recent crackdown on the Communist Tudeh Party in Iran. On May 3, the Government of Iran declared the Tudeh Party illegal, arrested the entire party leadership and ordered all party members to register with the courts filing special forms. In addition, 18 Soviet diplomats were given 48 hours to leave the territory of Iran.

Next day, General Secretary of the Tudeh Party, Nureddin Kianuri, appeared on television and made a long statement confessing to "treasonous relationships with the Soviet Union." Since its founding in 1941, the Tudeh Party, he said, was "an instrument of espionage and treason." It is assumed that all these revelations are the result of the defection of the former Soviet diplomat in Teheran, S. Kuzichkin, who is now in London. Kuzichkin also said, and it has been confirmed since, that 20 Soviet divisions were massed recently in the Black Sea area near the Iranian border in the Soviet Azerbaidzhan and Turkestan regions, and that many Iranian Kurds and Azerbaidzhani are trained in partisan warfare in the Soviet territory.

To add to Ayatollah Khomeini's troubles, North Korea and Vietnam suspended recently their deliveries of arms and ammunition to Iran, and the Soviet Union resumed its arms deliveries to Iraq.

The Soviet troop movements in Afghanistan could have only a local restricted meaning but they could also be part of the overall changing strategic situation in the area, opening new options for the Soviets in the not-so-distant future.●

NATIONAL SPELLING BEE COMPETITORS

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. RICHARDSON. Mr. Speaker, this week young men and women from all over the country will converge at the Capitol Hilton Hotel here in Washington to compete in the National Spelling Bee competition sponsored by Scripps-Howard Newspapers. We can all be proud of the accomplishment these young people have shown in mastering a special educational skill.

I had the privilege of meeting one of the many spelling bee competitors this week. Twelve-year-old Ashley Adams attends Academy Elementary School in Guymon, Okla., and spends part of her time in Raton, N. Mex., in my district. Ashley won a regional spelling bee competition involving students from Kansas, Oklahoma, Texas and New Mexico. She is in Washington this week with her parents, J. R. and Joann Adams, and her brother and sister. Ashley's sixth grade teacher Mrs. Carolyn Brock is also with her for encouragement, support, and to complete some last-minute coaching before the competition heats up.

Ashley has aspirations of becoming a newspaper reporter in the future and I am confident the hard work and determination that won her a regional spelling bee competition will help set the tone for her to attain her future goals. Mr. Speaker, it is appropriate that all of us in the Congress take note of the accomplishments of the spelling talents of the many young people who have traveled to Washington this week to compete in the National Spelling Bee competition.●

SALUTE TO REV. JOSEPH A. COGO, C.S., ON HIS SILVER JUBILEE ANNIVERSARY

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. GUARINI. Mr. Speaker, next Wednesday, June 15, a dedicated man of God, Father Joseph A. Cogo, C.S., will be celebrating his jubilee 25th anniversary as a priest. In honor of this special occasion and this special man, Father Cogo's many friends will gather on Sunday to share his joy at a luncheon at New York City's Waldorf-Astoria. The luncheon will follow a Mass of celebration at Our Lady of Pompeii Church in Greenwich Village.

Father Cogo has received considerable acclaim as the executive national secretary of the American Committee on Italian Migration, a post he has held since 1966. ACIM is a private, voluntary, nonprofit agency which supports a fair immigration policy and offers services to assist immigrants from Italy and dozens of other nations with their problems with immigration, resettlement, and assimilation into American society. The ACIM has been a Godsend to many immigrants who faced an uncertain future on our shores.

Father Cogo has spent all his adult life serving the needs of immigrants and their families. Born in Italy in 1933, he came to the United States in 1955 to complete his theological training for the priesthood in Chicago, Ill. He was ordained a priest there on June 15, 1958. He belongs to the religious order of the Society of Saint Charles—the Scalabrini Fathers—whose mission is the social and spiritual care of immigrants. The order was founded by Bishop John Baptist Scalabrini in 1887.

Father Cogo served at Our Lady of Pompeii Church, where his jubilee mass will be celebrated this Sunday, from 1959 through 1965. At Our Lady of Pompeii, Father Cogo distinguished himself through his work with Italian immigrants and their social and religious needs. He organizes the young people of Catholic Action in a religious, social, cultural, and recreational program which embraced the entire New York metropolitan area.

In 1966, Father Cogo was named executive secretary to ACIM. In his work at ACIM, Father Cogo has testified on various occasions on behalf of the organization before the House and Senate Subcommittees on Immigration here in Washington. He has also appeared before the Select Commission on Immigration appointed by President Carter and a special task force formed by President Reagan. He was received by Presidents Johnson and Nixon at the White House.

Last year, the ACIM celebrated its 30th anniversary. Throughout its lifetime, the ACIM has raised its voice to awaken our country's conscience to its human and moral obligation to insure that immigration policies remain generous, humane, and fair. The ACIM has been especially active in cases where the reunificaiton of families is concerned.

The ACIM board of directors include the Most Reverend Edward E. Swanstrom, D.D., the chairman of the board; E. Howard Molisani, secretary; Clemente A. Siclare, treasurer; and, of course, Father Cogo as executive secretary.

Others on the board include Salvatore Argento; Eugene Barse; Nicholas A. Bonasera; Rt. Rev. Msgr. J. John Busco; Frank Caleca; Frank Carano; Ralph DeChiaro; Baldwin J. DiGiovanna; Rev. Louis Donanza, C.S., Carl Fazio; Rt. Rev. Msgr. Carl J. Fenice; Charles A. Gargano; Very Rev. Joseph Invernizzi, C.S.; Rt. Rev. Msgr. William F. Kelly, William Laurice; Marion Macioce; Juvenal L. Marchisio; Dominic R. Massaro; Charles Matero; Salvatore Pelle; Most Rev. Joseph M. Pernicone, Fortune Pope; Joseph Preite; Hon. Hugo L. Ricci; Angelo D. Roncallo; Peter Torrieri; Charles Tricarichi; Carl A. Vergari; Anthony Verrone M.D.; Capt. Mario F. Vespa; Umberto VillaSanta, M.D.; and Most Rev. Aloysius J. Wycislo, D.D.

At the ACIM. Father Cogo is assisted most ably by two hard-working executives, Marianna Terranova and Yolanda A. Coda. Ms. Coda is also the national coordinator of ACIM's women's division. Through these people, and the many volunteers who spend countless hours offering assistance to America's newest inhabitants, ACIM has earned accolades such as these, from President Lyndon Johnson: "No group has worked harder or with more dedication than the American Committee on Italian Migration."

In an average year, some 1,300 people obtain assistance from ACIM for their problems of immigration and citizenship. In a typical week, ACIM's office receives over 300 telephone calls. More than 30 people a week come to ACIM's office to look for answers to their problems. Every Monday, Wednesday, and Friday at 2:15 p.m., ACIM broadcasts information to an estimated half million listeners in the New York metropolitan area, including Connecticut and New Jersey.

Once a month, Father Cogo broadcasts a message of information and general guidance to the vast Italian-speaking audience of "Pomeriggio Italiano" on the RAI-Italvision program on channel 47.

Also, every Sunday ACIM provides the Italian-speaking community with a column featuring information on general topics in the national Italian language newspaper, Il Progresso Italo-Americano. Il Progresso covers world, national, State, and local news of interest to Italian-Americans. Il Progresso publishes out of Emerson, N.J. and is ably represented in New Jersey by Enzo De Luca, who combines a small-town warmth with years of professional experience in his news coverage. ACIM also publishes two bulletins: La Nuova Via, in Italian, and the ACIM newsletter, which are given free to all those who come in contact with ACIM's work.

Truly ACIM provides a vast and important network of information to millions of people.

In addition to its diligent casework for immigrant clients, ACIM has advocated legislation to abolish all forms of racial discrimination and to establish a fair and equitable system of preferences for the selection of immigants.

Without such advocacy groups as ACIM, where would our country be? Today, Italian-Americans have assumed prominent roles in the leadership of our country in all fields, including government, industry, religion, education, the arts, and sports. The American success story comes to mind when we think of Chrysler Corp.'s Lee Iacocca; Yale University's president A. Bartlett Giamatti; the first woman Supreme Court Justice in New Jersey, Marie Garibaldi; New York Gov. Mario Cuomo; our own Congressman PETER RODINO; New York Senator ALPHONSE D'AMATO; Chicago's Archbishop Joseph Cardinal Bernardin; film leader Jack Valenti; baseball great Joe DiMaggio; opera superstar Luciano Pavarotti; Seton Hall University president Edward D'Alesio; entertainer Perry Como; and many, many more men and women who have made the best of America's opportunities.

Last year, ACIM held its 1982 Rome symposium. While there, the group inspected the fruits of their hard work raising funds to help relieve communities stricken by the great earthquake of 1980. As you remember, this disaster ravaged 10,000 square miles of the rugged southern countryside, striking 686 towns and villages; 10 million people felt the effects of the quake; whole communities were obliterated and the region's system of roads destroyed; 80,000 homes were completely wrecked, leaving 350,000 people homeless; 3,000 people were killed.

When the news of this terrible calamity reached our shores, the men and women of ACIM quickly rallied to offer their assistance. In a matter of months, ACIM raised over $300,000 for the victims of the earthquake. In planning for the disbursement of these funds, ACIM joined forces with community leader Fortune Pope, who, with a similar campaign under the aegis of Il Progresso, raised about $650,000. I have had the pleasure of serving with Fortune Pope as a trustee at St. Peter's College in Jersey City, where his father, Generoso Pope, is honored with the science building being named after him. The Pope family has contributed mightily to journalism with their leadership at Il Progresso and to many community activities.

Nine projects in the devastated region were initiated with these funds. I personally was able to witness the hope and encouragement these projects engendered in the region in a visit there last year. Indeed, the combined efforts of many nations and concerned groups such as ACIM truly saved the people of the earthquake-shattered region.

While in Rome, the members of the ACIM received the personal thanks of our Most Holy Father, Pope John Paul II, who greeted the visitors with these words: "I am happy to have this opportunity to thank you for your active interest in the problems of the people affected by disaster and for the generous donations that you were instrumental in raising for the alleviation of their needs. All of this speaks of worthy aims and practical initiatives." The Pope also praised ACIM's work with immigrants, noting: "Some of the many values that you have rightly sought to protect are the human dignity of each individual, universal brotherhood, the sanctity of the family, and the family's need to be together." While in Rome, the group happily celebrated the anniversary of the ACIM's 30th year of service.

Mr. Speaker, the far-reaching work of the American Committee on Italian Migration, which stretches across the ocean to touch millions of lives, deserves our heartiest praise.

To Father Cogo, who has spent 17 years as the ACIM's executive secretary, we offer our praise for his hard work and direction. For 25 years, Father Cogo has selflessly dedicated his life to comforting and assisting the people who have become our newest Americans. Father Cogo and the good people of ACIM embody the noblest virtues of our Founding Fathers. Through groups such as the ACIM, through their diligence and persistence, our national philosophy of a great "melting pot" becomes more real. It takes hard work to see that this is so. We are indeed a nation of immigrants, and from this history of hope and hard work has risen the greatest, most free country on Earth, the United States of America. Let us celebrate this history, let us celebrate the bond of friendship between Italy and America, and let us toast the fine work of Father Cogo and his associates at the ACIM. Auguri! Bona fortuna . . . bona salud!●

A CONGRESSIONAL SALUTE TO THE NEW LONG BEACH HYATT REGENCY HOTEL

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. ANDERSON. Mr. Speaker, this past week marked the grand opening of the new $60 million Hyatt Regency Hotel in my area in Long Beach, Calif. Mr. John Pritzker is its general manager.

It was not too many years ago when downtown Long Beach was entangled in the web of deterioration which today plagues many of this country's great cities.

However, with strong local support we were able to secure a badly needed Federal financing package designed to bring Long Beach back to life. This was approximately 8 years ago.

Today, Long Beach is a city alive, ready to meet the challenges of today and in future years. Since 1975, when the downtown redevelopment plan or project was established, well over $1 billion in private investment has been generated in the downtown area.

Most recently, it was the Hyatt Regency Hotel which joined the growing skyline in Long Beach. This blue-green-silver mirrored superstructure is conveniently situated at the steps of the Long Beach Marina with spectacular views of the west coast's busiest harbor.

In addition to its 542 guest rooms and suites, the 16-story hotel has all the facilities necessary to make the convention traveler or the family traveler feel right at home.

To give you a more thorough understanding of what the new Long Beach Hyatt Regency has to offer, I have included a recent article which appeared in the Los Angeles Times detailing this beautiful facility.

The article follows:

HYATT: NEW LOOK TO DOWNTOWN

Downtown. The mere word conjures up images of a hustling, bustling metropolitan population hurrying through the streets beneath the shadows of neck-straightening skyscrapers. No time to talk; no time to stop.

But a $1 billion redevelopment project that's nearing completion in Long Beach will give new meaning to the word downtown. When it all comes together, downtown Long Beach will emerge as one of the most exiciting business, entertainment and recreation meccas in the United States.

For there aren't that many cities in the world whose downtown section can boast to housing the most famous retired ocean liner, the largest airplane ever built, an internationally famous Grand Prix race, a $34.5 million marina with 1,694 slips and a brand new entertainment convention center and sports arena with a breathtaking view of the Pacific Ocean.

But standing tall and majestic—even over the Queen Mary and Spruce Goose—as the cornerstone of the new and exciting things that are happening to this urban California seaside community with 361,000 residents is the 542-room Hyatt Regency Long Beach.

Why the Hyatt Corp. selected Long Beach as the site on which to build the newest jewel of their crown of hotels isn't surprising if you listen to John Pritzker, the hotel's general manager.

"Long Beach was a natural move both in terms of the location and in the spirit and attitude of the city itself," Pritzker explains. "The commitment to the redevelopment is such that I've never seen anything stronger. We're just happy to be a part of it all."

The $60 million, blue-green-silver mirrored superstructure lies conveniently located adjacent to the Convention Center and Sports Arena in the middle of the Shoreline Village.

"Just about everything there is to do in the city is within walking distance of the hotel," Pritzker points out. "A guest can attend a show or convention in the morning then come back to the hotel, change into their bathing suit, and enjoy an afternoon of sunning, sailing and swimming."

One of the amenities of the hotel is the five-acre Rainbow Lagoon and park which surrounds 75 percent of the hotel itself with water. "We're planning to have two-person pedal boats, a picnic area, bike paths and a three-quarter mile fitness course around the lagoon," Pritzker says. "Our guests will also be able to use golf, tennis and health club facilities that are near the hotel; it's all part of the Hyatt Hotels' 'spirit of sports' commitment," he adds.

Another feature will be the hotel's international lighthouse restaurant called the Beacon which will feature foods from the ports of the world with an emphasis on fresh seafood. Those dining in the Beacon will be afforded a 180-degree view of the waterfront.

Symbolic of the accommodations and service which have been Hyatt's trademark since its inception is the Regency Club level, a prominent characteristic of the Hyatt Regency Long Beach.

A private concierge will greet each Regency Club guest by name, escort them to their room and cater to their every need—whether it be arranging for secretarial services or obtaining restaurant reservations. The Regency Club maintains its own lounge where guests may enjoy a refreshing cocktail, conduct a business meeting or browse through the latest periodicals.

The Hyatt Regency Long Beach is already receiving a great deal of reservations for various conventions—some up to six years in advance.

"The momentum is so strong, there's no stopping it," Pritzker says. "When meeting planners come in from out of town, they are just astounded. They can't believe all of this can be happening in Long Beach when times are so hard in other parts of the country. The genuine surprise in their faces is fun to see.

"We're so glad to be in Long Beach because we have things that no other city can offer its visitors," he says.●

FOSTER GRANDPARENTS CELEBRATE DECADE OF ACHIEVEMENTS IN NEW YORK CITY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. BIAGGI. Mr. Speaker, there are few more touching sentiments that we can receive in life than that of the love of a child. What is even more special is the fact that when this love is given from a handicapped or disabled child to a foster grandparent it becomes a bond that is difficult to replace.

The foster grandparent program has been providing opportunities for low-income seniors to work with children with special needs for 15 years. In my own city of New York, the foster grandparent program is proud to note 10 years of successful operation today. Operating under a grant from the ACTION agency, the New York City Foster Grandparent program covers Manhattan, Brooklyn, Queens, and Staten Island.

The devoted seniors who participate in this program are people 60 years of age and older with low incomes; $6,080 for an individual and $8,180 for a couple. Over 250 elderly New Yorkers are now foster grandparents of which 80 percent are female and 20 percent are male.

Foster grandparents serve children with special needs in a host of settings for 4 hours per day, 5 days a week. They can be found in hospitals, youth correction facilities, centers for neglected and abused children and in homes of distressed young families. They receive small compensation for their volunteer work—a stipend of $2 per hour which is not considered income for the benefits provided by government, such as medicaid and food stamps. In addition to their stipends, the foster grandparent also receives one hot meal per day, health care, and transportation.

Mr. Speaker, there are few Federal programs which provide so much to so many with so few dollars. I am pleased to be a cosponsor of H.R. 2655 which reauthorizes all three senior volunteers programs under ACTION for an additional 3 years. This bill, the Domestic Volunteer Service Act Amendments of 1983, will allow for seniors to continue to contribute to their communities in meaningful ways. As the largest part of a trio of senior volunteer programs—the others being the retired senior volunteer program and the Senior Companion program—the Foster Grandparent program has been essential to the quality of life of not only the low-income seniors who serve as foster grandparents, but also to the estimated 18,000 children that are served each year in over 244 projects.

In my dual capacity as an original member of the House Select Committee on Aging and the Education and Labor Committee which was responsible for H.R. 2655, I am proud to count the achievements of the New York City Foster Grandparent program as some of the older and most notable in the Nation. The $57 million per year that is being spent in this year to continue this program, in my opinion and I know in the opinion of my colleagues, is well worth the price. These programs have always received strong, bipartisan support in Congress because they have yielded results in our communities that we can see and that we hear about.

I commend the New York City Foster Grandparent program, under the New York City Office for the Aging ably headed by Commissioner Janet Sainer, for their fine achievements in their decade of providing service to the special children of New York.●

U.N. CONFERENCE ON TRADE AND DEVELOPMENT BEGINS IN BELGRADE

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. BONKER. Mr. Speaker, the sixth meeting of the U.N. Conference on Trade and Development (UNCTAD) begins this week in Belgrade. UNCTAD, founded in 1964, is viewed by the developing countries as the principal international forum for discussing global trade and development questions. At UNCTAD VI, the industrialized and developing nations will consider a range of proposals dealing with trade, finance, monetary, commodity, and development matters. The actions taken at UNCTAD VI could have a significant impact on our interests in promoting free trade, stabilizing commodity prices, strengthening the international monetary system, and furthering development in the Third World.

I wish to submit for the record excerpts from a statement on UNCTAD VI by Mr. Paxton Dunn, vice-president of the U.S. Council for International Business. Mr. Dunn has represented the U.S. Council's parent organization, the International Chamber of Commerce, as an official observer at the fourth and fifth UNCTAD meetings, and has closely followed the preparations for this year's UNCTAD session. His statement provides a concise summary of the importance of UNCTAD to American interests as well as of the major issues the conference will address.

Excerpts from Mr. Dunn's statement follows:

I firmly believe it is useful to heighten awareness of the Congress, and indeed, of the public at large, of the proceedings of the quadrennial UNCTADs in which the developing countries place so much stock. The issues to be discussed at UNCTAD VI are not to be dismissed lightly. As someone who has been involved with U.N. economic life for the past twenty years, I believe that these matters should be aired at the highest levels of our government.

By this, I do not mean to imply that I am in any way dissatisfied with the status of the preparations of the U.S. Government for this Sixth Session of the U.N. Conference on Trade and Development to be held in Belgrade, June 6 to 30, 1983. I am convinced that this year, as in previous years, prior to the convening of these major economic conclaves that the State Department, in conjunction with the relevant sister agencies of the executive branch, has been diligent in preparing sound and realistic positions on the myriad issues which have been raised this year at the UNCTAD.

One could say that the easy out would be to agree to the comprehensive shopping list of proposals put forth by the UNCTAD Secretariat and fully incorporated by the Group of 77 caucus held in Buenos Aires in

March of this year. I am convinced, however, that the UNCTAD agenda, as in previous years is seriously flawed and that it is not in the best interests of the world economy or the developing countries in particular to see this program approved.

I know that Secretary Shultz believes fervently that we must take the concerns of the Third World in the North-South dialogue seriously. Thus, I am pleased to see that the Administration's position on UNCTAD VI has received the high-level attention it deserves, and that it has put forth reasoned responses to the UNCTAD agenda, which it believes will further world economic growth and prosperity.

I am also pleased to hear that the composition of the U.S. Delegation is expected to be commensurate to the Administration's perception of the needs at hand. I believe that, all things considered, the ideal level of representation for the Head of the U.S. Delegation is the Deputy Secretary or Under Secretary for Economic Affairs of the Department of State. While I would not oppose the attendance of the Secretary of State, or of some other Cabinet officer at the opening ceremonies to deliver the U.S. Government statement in the general debate, there is the danger that too high level a personage would send misleading signals to the Third World that the U.S. Government had shifted priorities and was ready to deliver on programs giving top attention to the needs of the Third World. This situtation virtually occurred in 1976 with the appearance of Secretary Kissinger in Nairobi with a series of proposals in the technology transfer field and the ill-fated international resources bank, only to leave it to the professional full-time delegation to try to pick up the pieces after Kissinger departed.

Although I am in general agreement, to the extent I know, to positions arrived at by the U.S. Government in advance of UNCTAD VI, I do feel that the Administration should have come up with a bold initiative in the financial or monetary field, which is clearly of crucial interest to the developing countries. Maybe, I will still be surprised, but I have been urging the State Department informally to present a U.S. version of plan to reform the international monetary system, to stabilize interest rates and exchange rates, and to alleviate debt burdens. It is far better in my mind, to come up with a program which we believe is viable and within our present resources, than having to respond to third party initiatives, such as the Mitterand Plan or the unrealistic schemes put forth by UNCTAD.

I was consulted in the early phases of the preparation of the Concurrent Resolution submitted by Chairman Bonker on May 11, 1983 relating to U.S. participation in UNCTAD VI, and am pleased to say that I can support it in all essential respects.

I would now like to comment on the key and most contentious issues raised in the documentation prepared by the UNCTAD Secretariat for the Conference, and which has been endorsed in most respects by the Group of 77 at Buenos Aires. These positions are drawn from the formal statement which our parent organization, the International Chamber of Commerce, will present to UNCTAD VI next month, in which preparation the U.S. Council played a key role and in which we concur fully.

* * * * *

The Fifth Session of the United Nations Conference on Trade and Development took place in the same year as the second oil price "shock", which triggered the deepest and most prolonged recession in the world economy since World War II. In 1982, the output of the OECD member countries actually fell, compared with 1981, by 0.5 percent in real terms. The recession in the OECD area produced a sharp decline in the international prices of developing countries commodities; high real interest rates in international financial markets greatly increased the cost of servicing their foreign debt; and growing protectionism in the industrialized world added to the difficulties of exporting to markets where demand was already weak.

There are, however, a few bright spots in the present situation. First, nominal interests rates—and most importantly, dollar interests rates—have declined substantially since mid-1982. Secondly, some readjustment of the exchange rates of major currencies has occurred. Together, these changes should help to facilitate economic recovery in the developed world and alleviate the debt service burdens of developing countries.

There remain, however, two principal threats to the current prospects for economic recovery. First, it is essential that commercial banks do not overreact to the increased risks to which they are now exposed and withdraw from international lending on a large scale.

The second principal threat to international recovery is the growing tide of protectionism in the industrialized countries. The current recession is structural, rather than cyclical in nature. Protectionism, by freezing existing patterns of production and diminishing the pressures for adjustment, is helping to exacerbate and prolong it. For example, protectionism is discouraging investment by becoming an increasingly serious source of uncertainty for business corporations. The growing array of measures to restrict imports and subsidize exports is making it increasingly risky to invest in new lines of production whose profitability is dependent on assured access to foreign markets and foreign inputs, as well as on a reasonably reliable foreknowledge of competitive conditions.

Increased protectionism to developing countries' exports, is also intensifying the hardships of adjustment in those countries and reducing their ability to service their enormous debts to financial institutions in the industrialized world.

The U.S. Council believes that, despite all the considerable dangers, the world can be returned to a better economic and financial condition if the nations of the world recognize their interdependence and commonality of interest. Resolution of the severe debt and adjustment problems of a number of developing countries will demand a great deal of mutual trust and goodwill among those countries, their private creditors, the IMF, the World Bank, and the governments and central banks of the industrialized world. In addition, the Eastern bloc countries should be called upon to demonstrate a greater sense of responsibility than hitherto towards the developing world. The industrialized countries should strive for closer coordination of their policies which have important international repercussions—notably, monetary, fiscal, industrial, and exchange rate policy. Finally, governments must not talk only to other governments. The business community has an important role to play and expert advice to offer. It is more than willing to make its contribution to the success of sensible and practical programs for sustainable economic recovery in all parts of the world.

It is against this sober economic background that the U.S. Council welcomes the opportunity to present its views on four major issues to which UNCTAD VI will address itself—international trade policy, commodity policy, financial and monetary issues, and shipping.●

THE 50TH ANNIVERSARY OF THE ROCKY GROVE VOLUNTEER FIRE DEPARTMENT

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. CLINGER. Mr. Speaker, I would like to take this opportunity to give special recognition to a small community, the borough of Sugarcreek, whose endeavors have led to one of Pennsylvania's leading public services, the Rocky Grove Volunteer Fire Department. It will be observing its 50th anniversary in August of this year.

At a time of dismal hopes and long soup lines during the 1930's Depression, the Sugarcreek citizens took it upon themselves to establish and support a volunteer fire department. Three young men provided the initiative, developed the idea of a fire department, and proceeded to accomplish this service.

In the early years of development, the Rocky Grove Volunteer Fire Department's equipment consisted of one truck, a fire alarm, a rented building for the truck, and a handful of volunteers, who provided the manpower. As in all cases of starting a new project, financial support had to be found. With the assistance of the ladies auxiliary, fundraising events furnished the necessary equipment needed to fight fires and save lives.

It has been said that a task with a vision is a success. The citizens of Sugarcreek represent this determination, and today, the volunteer fire department is a vision come true.

This is one example of American citizens who pulled together the resources available and created a superlative public service which excels in every aspect of a volunteer fire department. The citizens of Sugarcreek have shown nothing is impossible for the citizens of our country when a need is recognized.

Today, Mr. Thomas Shuffstall, one of the first members, has remained actively involved in the Rocky Grove Volunteer Fire Department and the Pennsylvania State Firemen's Association. The membership of the Rocky Grove VFD has increased to 434 with 80 active members. Since 1933, the community has acquired five more

trucks, not including the first 1929 model which is in continued use today for firefighting. This community certainly represents an achievement of excellence and group effort in presenting Pennsylvania with an outstanding public service.●

NICARAGUAN INTERFERENCE IN EL SALVADOR

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. MARTIN of North Carolina. Mr. Speaker, it is important that the public recognize the central role played by Nicaragua in the attempted subversion of El Salvador by Marxist guerrillas.

Even the Democratic majority on the House Intelligence Committee, in their report accompanying the intelligence authorization bill, conceded that—

It is not popular support that sustains the insurgents (in El Salvador). * * * this insurgency depends for its lifeblood—arms, ammunition, financing, logistics and command-and-control facilities—upon outside assistance from Nicaragua and Cuba."

To further document Nicaragua's hostile acts against neighboring El Salvador, I am inserting in the RECORD an article from a recent issue of Time magazine. Readers can follow the trail of arms and other assistance from Nicaragua into El Salvador.

I also am inserting a "Dear Colleague" letter from Representative TOM COLEMAN, chairman of the House Republican Research Committee's Task Force on Foreign Affairs. I ask my colleagues to look at the relative numbers of Communist advisers in Nicaragua and Americans in El Salvador. They speak for themselves.

[From Time, May 9, 1983]

"LIKE A SEARS, ROEBUCK CATALOGUE"—HOW THE SALVADORAN REBELS ORDER OUTSIDE HELP FOR THEIR REVOLUTION

In the debate over U.S. policy in Central America, one of the Reagan Administration's biggest problems has been to make a successful case that there is any kind of superpower meddling in the stricken region—any meddling, that is, aside from its own. Congressmen have leaped quickly upon the Administration's barely concealed support for the guerrilla warfare of disaffected rebels against the Marxist-led Sandinista government of Nicaragua. Legislators have been unwilling to accept Reagan's oft-repeated assertion that the four-year-old insurgency in El Salvador is covertly sponsored by the Soviet Union and its revolution-oriented client states.

From sources in Washington and Central America, Time has pieced together many aspects of the nature of the Marxist-Leninist interference in El Salvador that worries Washington. The picture that emerges is of a sophisticated strategy that takes advantage of the region's terrain and circumstances, and, above all, of the weaknesses of the U.S.-backed Salvadoran forces. The guerrillas, says a Washington-based intelligence analyst, "are really good. They're flexible. There are no Ho Chi Minh trails this time."

According to a Sandinista military defector interviewed by Time, the building of a Nicaraguan arms link to El Salvador began almost as soon as the victorious revolutionaries took power in the Nicaraguan capital of Managua in July 1979. Says the defector: "It took nine months to plan the operation. The arms that eventually went to El Salvador were first taken from our forces who fought against [Nicaraguan Dictator Anastasio Somoza Debayle]. After the triumph, they were instructed to turn in their weapons, which were put in warehouses and held for shipment to El Salvador. Then it was discussed who would take them there. It was decided that the organization to run this was [Sandinista] military intelligence. As former guerrillas, we knew that different routes could be used to make it difficult to prove that this was happening. We studied the environmental and human factors to determine the possibility of the mission's success."

According to the defector, arms were secreted in trailer trucks with dummy fuel tanks, then driven from Nicaragua through Honduras to El Salvador. Some of those runs were detected. In 1981 the Reagan Administration displayed photographs of such a truck containing a cache of U.S.-made M-16 rifles in its false bottom. The serial numbers on some of the rifles showed that the weapons had been left behind by U.S. forces in Viet Nam.

Soon after the early Nicaraguan smuggling operations into El Salvador, Washington began trying to document Marxist-Leninist interference in that country. In February 1981 the Reagan Administration sent a white paper to its West European and Latin American allies, concluding that the Salvadoran civil war had been "transformed into a textbook case of indirect aggression by Communist powers."

The U.S. wanted to show that the Salvadoran guerrillas were receiving matériel and direction from revolutionary Nicaragua, which in turn was supplied by the Soviet Union, Cuba, Libya and various East block countries. Among other things, the white paper contained copies of documents allegedly written by a Salvadoran Communist leader, Shafik Handal, mentioning commitments to the Central American insurgency from Viet Nam, Ethiopia, the Soviet Union and East European nations.

The white paper also spelled out the crucial role of Fidel Castro in forging a coalition among El Salvador's formerly disparate Marxist-Leninist guerrilla groups. As early as 1979, the U.S. documentation showed, Castro helped to coordinate the activities of three of the five major Salvadoran guerrilla organizations. According to the white paper, the three groups saluted Castro for his help at the time and acknowledged Cuban assistance in the signing of an agreement among the rebels that "establishes very solid bases upon which we begin building coordination and unity of our organizations." Throughout that formative period, Salvadoran guerrilla leaders conferred frequently in Havana. Their efforts led to the formation of the Farabundo Martí National Liberation Front (F.M.L.N.), the current Salvadoran guerrilla umbrella organization.

Since those days, the Nicaraguan arms smugglers have turned to more sophisticated methods. An insight into their tactics came last March, when Honduran police intercepted a group of green-uniformed Salvadoran irregulars backpacking near the town of Nacaome, 50 miles from the Nicaragua-Honduras border. After a gunfight, the Salvadorans fled, leaving behind notebooks that mapped out, in unusual detail, an important arms infiltration route. It hugged the Honduran Pacific coast between Nicaragua and El Salvador, then angled into the remote areas of El Salvador where the Marxist rebels hold almost undisputed sway. U.S. analysts estimate that 15 to 20 such land routes exist across Honduras. Some involve cable-and-pulley systems to carry arms shipments across otherwise impassable mountain gorges and rivers. The arms routes are interchangeable and almost impossible to patrol on a constant basis.

Other military shipments come in by air and sea. Sandinista smugglers have been known to move supplies directly across the 20-mile-wide Gulf of Fonseca. When the going is safe, the Nicaraguans make nighttime forays from the Pacific gulf port of Potosí aboard small fishing boats, equipped with false bottoms, or 50-foot frame canoes. That practice has now been curtailed because of the patrols of U.S. electronic surveillance ships in the area and the greater vigilance of the Salvadoran and Honduran navies.

Lately, Nicaraguan vessels have set sail from the Pacific landing of Estero Padre Ramos, then headed as far as 50 miles straight out to sea. There, says one U.S. analyst, "you're getting into an area where nobody can watch all that open water." The Nicaraguan boats are known to rendezvous with Salvadoran ships that speed farther north toward isolated beaches near the Salvadoran Bay of Jiquilisco. That area is a swampy maze of waterways, canals and tributaries. Concealment is easy, pursuit almost impossible. The military shipments are then quickly transferred to small canoes that take the loads upstream to clandestine warehousing points along the local bayous.

At night, the Jiquilisco region is also known as a favorite destination of arms-laden helicopters and light fixed-wing aircraft. If warned off from the steamy coast, the smugglers head for other makeshift airfields farther inland. Says one U.S. analyst: "These people have it down so that an aircraft can land, unload and be off again within five minutes." An important alternative air route for the smugglers is from the former British colony of Belize into Guatemala. After that, the rebels and their supplies filter south into Salvadoran rebel strongholds.

Once in El Salvador, the pipeline becomes even more labyrinthine. Matériel from the Jiquilisco area is moved by boat, oxcart or mule train toward guerrilla camps in the center and northwest of the country. Supplies that come overland across Honduras also move northwest, toward El Salvador's vital agricultural provinces of Usulután and San Vicente. Every guerrilla route has at least one alternative path. In areas where the rebels are strong, the alternative routes often interconnect; at night, smugglers can slip right under the noses of Salvadoran soldiers.

The flexible and surreptitious nature of the guerrilla supply system is a major reason why the Reagan Administration has been unable to add much in the way of flesh-and-blood examples to its rarefied intelligence data concerning outside interference in El Salvador. U.S. electronic listening equipment aboard naval vessels or AWACS

aircraft can sometimes detect arms shipments, but rarely in time to photograph or intercept the smugglers. Says a U.S. intelligence source: "They set up meetings in code. You dig in and figure out the codes, but it takes too long. The infiltration has already occurred." Specialists also blame their lack of physical proof on the reluctance of Salvadoran armed forces to patrol at night, when most of the smuggling takes place.

The battery of U.S. listening gear now in and around El Salvador may not be directly hindering the insurgents, but it has helped to confirm Nicaragua's role in the Salvadoran conflict. U.S. intelligence sources insist that there is a constant chatter of coded radio traffic between the Salvadoran rebels and Managua. When Salvadoran guerrilla units stop fighting, says a U.S. expert, "you can hear them order supplies [from Nicaragua]. A unit says: 'I need candles, boots, batteries, diarrhea medicine, bullets and mortor rounds.' It's like a Sears, Roebuck catalogue. If they don't get what they ask for, they bitch. The fact that they bitch shows that they've got a pipeline that they think they can depend on."

Along with foreign supplies, the guerrillas can also depend on foreign training. Cuban advisers frequently sit in on Salvadoran guerrilla strategy sessions. Rebel cadres have all taken extensive training courses in Cuba. U.S. intelligence sources have obtained a 14-page manual used by the guerrillas that describes a seven-month "platoon leader course" with topics ranging from "review of infantry movements" to radio communications to "the history of Cuba." If seven months' training is given to guerrilla platoon leaders, U.S. analysts note, the training given to higher-ups in the guerrilla hierarcy is probably far more intensive.

U.S. counterinsurgency experts and the Salvadoran guerrillas agree on one thing: the rebels are not utterly dependent, for the moment at least, upon outside help for weapons. Guerrilla radio calls to Nicaragua are almost always for ammunition, medical help and food, rather than for rifles and machine guns. That seems to bear out a rebel claim that they have captured, or bought, sufficient arms from the demoralized Salvadoran army.

U.S. radio eavesdropping supports the Reagan Administration's contention that Nicaragua calls most of the shots for the Salvadoran rebels. TIME has learned from a Central American source that virtually all of the commanders of the all-important Unified Revolutionary Directorate (D.R.U.), the topmost level of Salvadoran guerrilla leadership, have been living in Managua for the past two years.

A feisty challenge to Nicaragua's complicity was offered last week by Representative Bill Young of Florida. On a congressional fact-finding tour in Managua, he asked his hosts about a local command center that relayed orders to Salvadoran rebels. The Nicaraguans denied the existence of the place. When Young offered to provide an exact address, the subject was abruptly changed.

Ties between the Sandinistas and the Salvadoran guerrilla movement do not provide by themselves proof of East bloc involvement in Central America. But the circumstantial evidence is overwhelming. U.S. analysts have charted an "impressive" number of Soviet freighters docking at Nicaraguan ports. Cuban cargo flights land regularly at Managua's Augusto César Sandino Airport. So do large numbers of Libyan Il-76 transport planes. In addition, a veritable flotilla of Cuban surface ships pays regular calls. Referring to Nicaragua's enigmatic stockpile of Communist goods, a U.S. analyst commented: "You see piles and piles of crates, but you can't be sure what is in them."

A strong indication of what might be in the crates came three weeks ago, after the Brazilian government seized four Libyan transport aircraft carrying tons of illicit arms to Nicaragua. The Brazilians were tipped off by U.S. intelligence about the load. Among the contents were reported to be rocket parts, rifles, and at least one Czechoslovak light ground attack trainer aircraft.

Yet another exposé of clandestine Nicaraguan arms shipments seemed to be in the offing early last week, when Costa Rican officials boarded a Panamanian ship that was bound for Managua. The ship contained some 50 tons of dynamite and detonators. The Costa Ricans took no further action, lamely explaining that the explosives were destined for a private company in Nicaragua.

In one sense, the complicated chain of Soviet-Cuban-Nicaraguan interference in the Salvadoran civil war only fulfills a long-standing dictum of guerrilla warfare: at some point, rebel forces need outside assistance in order to win. That precept has been endorsed by such revolutionary strategists as Mao Tse-tung, who wrote that "international support is necessary for the revolutionary struggle in any country," and North Vietnamese General Vo Nguyen Giap.

Such outside support, it is true, need not be Communist. In the case of Castro's 1959 revolution, aid came from pro-democratic Cuban exile groups in the U.S., Puerto Rico and several Latin American countries. In the case of Nicaragua, assistance came from Venezuela, Costa Rica and a variety of West European social democratic groups that still support the increasingly totalitarian Sandinistas.

At the same time, the presence of outside assistance does not necessarily mean that a guerrilla uprising will win. In the Philippines' Hukbalahap movement of the late 1940s and early '50s and again in the Malayan rebellion of the same period. Insurgents were defeated even though they claimed to have external help. In both cases, a key factor proved to be whether local residents could be won over by something other than Communist ideals. Even though he is once again meddling in El Salvador, no one should know that lesson better than Cuba's Castro. It was he who lent outside support to revolutionary adventures in Venezuela and Bolivia during the 1960s, only to see those efforts squelched ignominiously when the residents of those countries rejected the message of Communist salvation.—By George Russell; Reported by James Willwerth/Mexico City.

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 1, 1983.

DEAR COLLEAGUE: As our consideration of aid to Central America approaches, I feel it is important that we all begin to acquaint ourselves with essential facts which should form the basis of our discussions.

The recent death of an American military adviser in El Salvador accentuates once again that U.S. involvement in El Salvador is not merely economic and military, but also human. We now have 55 American military men in El Salvador, aiding the El Salvadoran military through training and instruction. Congress has set this numerical limit and has specifically proscribed the actions of these men in any type of combat situation. Nonetheless, one has been killed in gangland style, murdered while waiting for a friend in the streets of San Salvador.

While it is clear that the United States has carefully limited its direct military involvement in El Salvador, it is also clear that other nations have not been as moderate. The following table shows that the Soviet Union, Cuba, East Germany, the Palestinian Liberation Organization and Libya all have sizeable contingents in neighboring Nicaragua.

Military and security advisers

Nicaragua:	
Soviet Union	50
Cuba	2,000
East Germany	35
PLO	50
Libya (exact numbers unknown)	.....
Total	2,135+
El Salvador:	
United States	55
Total	55

The "magnitude" of our human presence is perhaps best illustrated by the fact that the U.S. presence in El Salvador is just about matched by the PLO presence in Nicaragua. I think the above figures speak for themselves and help answer the question of who has been practicing moderation in Central America.

Sincerely,

E. THOMAS COLEMAN,
Member of Congress.●

TRIBUTE TO WILLARD JOHNSON

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. ANDERSON. Mr. Speaker, on June 17, the San Pedro Peninsula Chamber of Commerce will hold its 78th annual installation dinner/dance and at that time will honor retiring chamber president O. Willard Johnson.

Willard originally hailed from Aurora, Ill., where he was the first son of a minster. He attended schools in Illinois and the State of Washington, graduating with a B.A. degree from Azusa Pacific. He also has done graduate work at the University of Washington.

Willard moved to San Pedro in 1963 where he resides with his lovely wife Beverly. He has been president for the past 8 years of Financial Planning, Inc. Prior to that, he was a minister with the Free Methodist Church for 8 years.

He is a member of the San Pedro Lions Club, Elks Club, a founding member of the Conches Club, a charter member of the Estate Planning Committee of San Pedro Peninsula Hospital, and a member of the National Association of Life Underwriters. He is on the board of directors of the San Pedro High Boosters Club, and was

chairman of the 1981 Fisherman's Fiesta.

Willard headed the San Pedro Chamber through a dynamic year critical to the community. During his tenure, 320 new members joined the chamber. He was very active in forming a special task force to work on the Beacon Street project, and began work setting up the downtown revitalization committee. In addition, Willard established the political appointment committee in order to get San Pedro citizens involved in State, county, and Federal Government. Prior to his role as chamber president Willard served as treasurer and vice president. My wife, Lee, joins me in congratulating Willard on the many fine contributions he has made to San Pedro and the chamber of commerce. We wish him and his wife Beverly much success and happiness in all future undertakings.●

IRS RULING DISCRIMINATES AGAINST NEW YORK CITY POLICE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. BIAGGI. Mr. Speaker, today I am introducing a bill that would provide relief to over 2,000 New York City police officers who are being unfairly forced by a recent Internal Revenue Service ruling to pay back taxes on sick pay they received up to 3 years ago.

A review of the issue shows that prior to last month New York City police officers were allowed to exclude sick pay received for a service-connected injury or illness from Federal taxation. This same exclusion is also available to workers in other professions.

However, on May 9, 1983, the IRS reversed itself and ruled that New York City police officers should not receive this exclusion because their sick pay is part of a union contract and not a workman's compensation statute. To make matters worse, IRS also decided to make this ruling retroactive for 3 years.

My bill would delete the retroactivity portion of the ruling and would leave it up to the city of New York to enact the statute necessary to deal with the prospective effect of the IRS decision.

As one who was wounded 10 times during my 23 years with the New York City Police Department, I am very disturbed that the IRS would discriminate against thousands of New York City police officers who became ill or were injured as a result of their official law enforcement duties.

For some officers who have suffered lengthy illnesses or injuries, this ruling will mean they must pay the Government thousands of back-tax dollars for income they were originally told was tax free. Many of them simply do not have the means to bear this grossly unjust financial burden and my bill would remedy this serious problem.

It has come to my attention that a number of audit notices have already been sent out to officers who received service-connected sick pay during the past 3 years. With this in mind, Mr. Speaker, I urge that my legislation receive prompt and favorable consideration.

I also want to acknowledge the New York City Patrolmen's Benevolent Association for alerting me to this situation, and for providing information essential to the drafting of this legislation.●

U.S. AUTO INDUSTRY RESPONDS TO JAPAN

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. LaFALCE. Mr. Speaker, I want to bring to the attention of the House the building of a new state of the art auto assembly plant by General Motors. As reported by John Holusha in the New York Times, the Orion Township plant has used automation, sophisticated manufacturing systems, and enlightened labor relations to create a plant with many of the cost and quality advantages enjoyed by Japanese plants.

I applaud this as a positive respond to foreign competition. GM is investing $500 million each in three totally new plants. Ford and Chrysler are also spending billions of dollars in retooling. This high level of investment and greater attention to innovative engineering and production techniques is the proper way to meet the international competitive challenge.

In the months ahead, the Subcommittee on Economic Stabilization, which I chair, will be exploring this problem of responding to the international competitive challenge in its hearings on industrial policy. The first set of hearings is scheduled to begin June 9.

The New York Times article follows:

[From the New York Times, June 6, 1983]

G.M.'s "Last-Word" Auto Plant

IT IS ANSWER TO JAPANESE

(By John Holusha)

Orion Township, Mich.—If the American auto industry has an answer to the quality and cost advantages enjoyed by Japanese producers, part of it is to be found here at the General Motors Corporation's newest assembly plant, which is due to start producing Cadillacs and Oldsmobiles later this year.

The new plant, described by G.M. as the last word in automation, sophisticated manufacturing systems and enlightened labor relations, is one of three the auto maker is building at a cost of $500 million each. They are all scheduled to be turning out new models by 1985.

The plant is big—72 acres under one roof—and filled to the walls with robots and other automated equipment. Eighty-five percent of all the welding on the new cars will be done by machine, and all the painting.

Components will be delivered to the plant in trucks with sides that open like gull-wing doors, a design that will permit faster unloading. Once inside, the parts will be delivered to where they are needed on the assembly line by computerized, unmanned forklift trucks.

"UNUSUAL FOR G.M."

"The plant is new, the concept is new and the product is new," said Ralph Donaldson, director of plant engineering at the facility. "We finally got all the parts of the company working together as a unit on this, which is unusual for G.M."

Indeed, a lot of things that were once unusual have become commonplace as the nation's Big Three auto companies have been jarred out of long-established patterns by the success of imported cars. Without restraints on the Japanese, some industry analysts say, imports could capture as much as 40 percent of the American car market, instead of the current 26 percent.

Nevertheless, some academic specialists and others who follow the American auto industry closely are cautiously optimistic that Detroit's changed way of doing business will sharpen its competitive edge, although they say the results may not be immediately obvious.

"It's like when a person neglects their health and gets sick," said Prof. David Cole, director of automotive research at the University of Michigan. "It takes a while for the medicine to work. Well, the auto industry has taken its medicine and we should start seeing the effects soon."

Detroit has certainly seemed sickly enough over the past four years. The oil shortage in 1979 switched consumer demand from large to small cars almost overnight, and the subsequent recession produced losses in the billions as the industry was forced into its most extensive retooling since the end of World War II.

Even now, an apparently fickle public has shifted back toward larger cars, giving planners fits. The shock of 1979 notwithstanding, the Bit Three auto makers find themselves having to offer incentives to sell fuel-efficient small cars while running their big car factories on overtime to meet increased demand.

There are other trouble spots as well. Although the auto companies trumpet their dedication to quality in public statements and advertising, the steady stream of recalls does little to substantiate the claims. A survey by the American Society for Quality Control in 1981 found only 17.6 percent of Americans considered domestic cars to be high-quality products.

LABOR COST OUTLOOK

Labor costs, which were trimmed somewhat by union concessions in 1982, may surge again as members of the United Automobile Workers union demand wage increases to make up lost ground, worsening Detroit's cost disadvantage with the Japanese.

The Orion plant is part of Detroit's strong medicine. G.M. resisted the temptation to save money by adapting an existing factory to a new line of cars, as it had often done in the past. Instead, it is closing two old plants in the nearby city of Pontiac and shifting the operations to the new location.

"In an existing facility, you're entrenched," said Leslie D. Richards, the plant manager. "You can't take a clean sheet of paper and maximize the environment for quality and for people. In a new plant, you can provide the right lighting and air-conditioning and put the product at the right height for the person to work. You can restructure the work force. Here we could just throw away the book in terms of organization."

G.M., of course, is not the only auto company refurbishing its facilities, although its financial muscle allows it to do more than its smaller competitors. The Ford Motor Company and the Chrysler Corporation have both poured billions of dollars into retooling, and Chrysler is buying an unfinished assembly plant from Volkswagen of America to add capacity.

Meanwhile, some of Detroit's new car models have drawn praise from former critics.

"If we had been building cars like the Topaz for the last 10 years, the Japanese would have never gotten past 14 percent of the market," said David E. Davis Jr., editor of Car & Driver magazine, a trade publication that has been critical of American cars. The Topaz is the Mercury version of Ford's new line of compact cars.

The major remaining problem for the American auto industry, Mr. Davis and others say, is to make subcompact cars as well as the Japanese. This is a particular problem for G.M., Mr. Davis observed.

"It doesn't give them much credibility when they say they have to go to Japan for small cars," he said, referring to G.M.'s plans to import some Japanese-made cars and jointly manufacture one model with the Toyota Motor Corporation.

Michael Driggs, the United States Deputy Assistant Secretary of Commerce for Automotive Affairs, said the industry had not been given credit for the rapid progress it has made in adapting to current conditions.

"You can't fault Detroit for not anticipating a sudden and drastic shift in the market," he said. "And their investment as a percentage of sales has been 15 percent over the past few years, which is more than twice what U.S. industry in general has been able to make."

Other experts, including Prof. William Abernathy of the Harvard Business School, say that the industry's change of emphasis is as important as the dollars it is investing.

Detroit's obsession with financial goals and marketing gimmicks is being replaced by greater attention to innovative engineering and production techniques that emphasize doing things right the first time, he said.

At Cadillac's 60-year-old Clark Avenue plant on Detroit's west side, for example, nearly the final third of the assembly line is devoted to repairing mistakes made earlier. The repair areas at Orion are small and few.

There is also a ferment under way in American car design, a degree of change not seen in the industry since the introduction of automatic transmissions and the high compression V-8 engine in the early 1950's.

For example, most new models of American cars have switched from rear-wheel to front-wheel drive for more efficient use of interior space. The convertible has been revived. New small vans will be introduced this fall as an alternative to conventional station wagons.

G.M.'S ORION PLANT—AT A GLANCE

Size: 72 acres, or a little more than 3 million square feet, under one roof.

Cost: $500 million (begun in 1980).

Output: Designed to produce 75 Cadillac Coupe deVille's or Oldsmobile 98's an hour.

Employees: Approximately 6,000 total.

Automation: 19 robots in paint shop (painting operations are completely automated. 135 robots in body shop (welding operations are 85 percent automated).●

66 MORE REASONS FOR INDIAN HEALTH SERVICE CONTRACT CARE

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. RICHARDSON. Mr. Speaker, the administration continues to pull back, harder and harder, on the extremely limited resources which are left to providers and recipients of Indian Health Services. I make this statement, not for purely partisan reasons, and not only for the sake of argument. President Reagan's policies have had devastatingly harsh effects on constituents at home in New Mexico. I commend to my colleagues the following article which appeared in the Albuquerque Journal on Sunday morning, May 29, 1983. The writer did an admirable job in detailing in both human and economic terms the necessity of a well-funded Indian Health Service in New Mexico, and what President Reagan has delivered instead.

The article follows:

FUND SHORTAGE CRIPPLES INDIAN HEALTH SERVICE

(By Talli Nauman)

Sixty-six people from Indian reservation areas near Albuquerque who are eligible for medical attention in the Albuquerque Service Unit of Indian Health Service can't get care for their problems from the Federal agency because of fund shortages.

More than half of them are children. Some need operations to repair holes in their eardrums caused by chronic ear infections, some need eye operations, some need diabetes treatment. Others need foot surgery. One needs plastic surgery so he can use his burned hand. One child needs to have a cleft pallet repaired.

Some have been waiting more than a year for treatment.

IHS doctors have diagnosed their needs but cannot treat them because the Federal health care institution does not have the necessary surgical facilities and specialists.

The Indian Health Care Improvement Act, renewable every three years, authorizes Congress to appropriate tax money for Indian health care, which is provided by the Indian Health Service, a subdivision of the U.S. Department of Health and Human Services.

In the past, when an IHS service unit didn't have the facilities or expertise to provide care to an eligible Indian, it provided money to a private health facility to fill the need. The private government-paid care has been dubbed indirect care or contract health care.

But ever since the Reagan administration placed Indian Health Service on the budget chopping block the last few years, the agency's ability to provide comprehensive Indian health care has been curtailed, and the contract health care program has received some severe blows.

In 1981, the approved Federal budget included $19.8 million for the IHS in the Albuquerque area. In 1982, the area got $20.2 million, and in 1983 expected Congressional action probably will bring the budget to $22.8 million. But a burgeoning patient load and health care costs rising at an estimated 10 percent annually have more than offset the increases.

Some patients who are denied contract care as a result of budget problems have alternatives. They can travel at their own expense to Gallup or Phoenix Indian hospitals, which have more facilities than the Albuquerque hospital.

Some have Medicare, Medicaid, private insurance, or personal money they can use to pay for private care.

But the others can only wait and hope that either Congress will approve a supplemental appropriation to increase contract care, or that the state will step in and fill the void.

The 66 men, women and children on the IHS unmet needs list are the ones who don't have the alternatives or the money to seek them.

Unmet needs lists are nothing new at IHS, but they are a lot longer these days.

Dr. Albert Rizzoli, Albuquerque Service Unit Clinical Director, said this year's unmet needs list has 50 percent more names on it than last year's.

Doctors at the health service have determined that the patients on the list need treatment, but a new administration policy instituted in October prevents them from giving it. The policy stipulates that only life and death emergency care situations be paid for out of the contract health budget.

Therefore, the 66 will have to wait and hope. It's hard for them to accept, Rizzoli said. "Medically, their conditions are not a threat to their lives or continued survival," he said. "Nonetheless, if you're a diabetic and going progressively blind because you can't get treatment, that would seem to me to be a very urgent thing."

The policy is not bad news for patients; it's putting the squeeze on health care professionals, too.

Now doctors are forced to decide who can get contract care and who will have to wait.

According to Raymond Rodgers, Albuquerque IHS Unit Director, leaving this up to doctors puts them under a lot of pressure. "There is less latitude for a physician to make some of the judgments. That's where the pressure comes," he said. "Most physicians are trained to complete continuity of care, not to make a diagnosis and stop in the middle of it."

Dr. Jack Ellis, Albuquerque area deputy director, calls the contract care cuts the most politically explosive Indian health problem.

The Albuquerque IHS service unit, a section of the Albuquerque Area IHS that provides care to most New Mexico Indians and some from Southern Colorado, has about 55,000 Indian clients. Through its direct care budget the unit operates clinics at

Isleta, Jemex, Alamo, Zia, Sandia, and Santa Ana reservations. It also runs the Indian hospital adjacent to Bernalillo County Medical Center, and a dental facility and clinic at Southwestern Indian Polytechnic Institute in Albquerque.

It relies heavily on contract health dollars to provide surgical, X-ray, baby delivery and emergency services that it is does not offer.

About one-third of the Albuquerque area's health care budget, $8 million, was earmarked for contract health care this year.

It was not enough. This month administrators of the service unit discovered they were on the verge of depleting their contract care funds.

"We were at a danger point," Rizzoli said. "With five months remaining in the fiscal year, we had obligated all our money. We asked for emergency funds, and it turned out they (the area office) didn't have any."

Only last minute budget shuffling by area office managers in downtown Albuquerque averted immediate disaster. And still the service unit might run out of contract health care money before the end of the fiscal year in September if unforseen, expensive medical emergencies arise, Rizzoli said.

If the service unit did run out of money, anyone involved in a critical accident or with a life threatening illness that the health service could not treat in-house would be responsible for paying his or her own debt to a private healthcare provider.

Area office managers, the ultimate overseers of the financial end of all the service unit operations, say adequate funding depends on a supplemental appropriation they expect from Congress.

"We used to be reasonably sure we'd get to the end of the fiscal year," Ellis said, but "keeping control in this hand-to-mouth game now is very difficult. These are the first years any of us have experienced this uncertainty," he said.

On one hand, budget shortfalls and uncertainty have had a positive effect on health service management. "We're thinking much more carefully about how we can be more efficient and effective," Ellis said.

But dramatic contingency plans such as possible furloughing of medical personnel also have been drawn up.

And the pressure has caused a public furor.

"It's a political problem," said Dennis West, area office executive officer. "If we have to tell people as of tomorrow we can no longer provide services we've been providing, that creates quite a flap."

Rizzoli added, "I think the fear is that we will eventually reach a point where we cannot provide an acceptable level of care for the patient."

Congressmen held field hearings on this year's reauthorization of the Indian Health Care Improvement Act in Albuquerque and across the West over the last two months. They received one loud and clear message: Indians want the act reauthorized this year and they want the funds increased.

The Albuquerque Area Indian Health Board has charged that cuts in contract health care constitute termination of the federal government's trust responsibility to Indian tribes.

Termination, a controversial policy pursued under President Eisenhower in the 1950s, would have ended federal responsibility for Indian programs.

Even Russell Rhoades, director of IHS, has stated, "We are once again in a terminationist atmosphere. This time it is termination by budgetary constraint."

Despite public outcry, the budget picture for IHS next year is no brighter.●

WAR AGAINST TERRORISM

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. YATRON. Mr. Speaker, in the late 1970's the military junta in Argentina engaged in a war against terrorism in which thousands of innocent people, including women and children, were kidnaped and in most cases tortured and killed. Argentine human rights groups and many prestigious international organizations have verified that approximately 20,000 people disappeared during this horrendous period. The overwhelming evidence presented by these groups attributes most of these atrocities to the armed forces.

In response to international pressure calling for an account of the military's complicity in these heinous crimes against the Argentine people, the commanders-in-chief of the armed forces issued a report entitled, "Final Document of the Military Junta on the Struggle Against Subversion and Terrorism." As the chairman of the Subcommittee on Human Rights and International Organizations, I have closely followed the situation in Argentina and it seems abundantly clear that this report not only seeks to repudiate documented evidence implicating the Argentine security forces in gross violations of human rights, but also attempts to justify the actions of the military as being in the best interest of the Argentine people.

This report is an attempt to shut the door on the thousands of families who have been desperately searching for information on the whereabouts of their loved ones. The Mothers of the Plaza de Mayo, a group consisting of the families of the missing, have been repeatedly frustrated by the Government in their efforts to track down leads on individual cases. Even when the evidence is compelling concerning cases of torture, executions, and unidentified mass gravesites, the Argentine Government is silent. The "Final Document" disavows any knowledge of detention centers, or systematic murders, and establishes a category in which the missing are described in the following manner:

These documents are known as "tickets to the underground". Those who decide to join terrorist organizations do so in a surreptitious manner by fading away from their family, job and social environment. That is the most typical cause: Families report disappearances the cause of which they do not know or, if they do know, they do not want to reveal.

There are cases of deserters from the various terrorist organizations who are now living in the country or abroad under false identity to protect their own lives.

Many of those who died during clashes with security forces did not carry any identification documents or they carried forged documents on which, in many cases, the fingerprints were blurred. Other terrorists, in view of imminent capture, committed suicide by swallowing a cyanide capsule. In these cases the bodies were not claimed and since they could not be identified, they were legally buried as "unidentified."

Whenever they could do so, the terrorists removed the bodies of their dead from where the clash had taken place. The bodies, as well as the wounded who died as a consequence of the clashes, were destroyed or clandestinely buried by the terrorists.

The struggle for hegemony within terrorism resulted in murders and kidnappings among the various terrorist factions. Terrorism, sheltered by a so-called revolutionary code, held kangaroo courts and murdered those members who had deserted or failed to accomplish the missions with which they had been entrusted. They were then buried under false identity or unknown circumstances and places.

Throughout the struggle against subversion, the security forces infiltrated men into the terrorist ranks. They were murdered once they were discovered, but there is no documentation on where they were buried.

Moreover, there have been cases of persons who were reported missing and later appeared living perfectly normal lives, without this fact ever being reported to the pertinent judicial or administrative authorities.

The list of missing persons could be artificially lengthened by including cases that cannot be attributed to terrorist actions and which are normally registered in any large city.

It must be noted that the circumstances of reported kidnappings are subject to court investigations; a great number of cases concerning allegedly illegal arrests have been heard by judges acting ex-officio.

One of the theories which the government has always upheld is the possibility that persons declared missing could have been buried as unidentified. The report drawn up by the Inter-American Human Rights Commission—which visited our country in 1979—supports this theory by maintaining that a great number of unidentified persons who had died violently, mostly during clashes with the security forces, has been buried in different cemeteries.

Mention is also made to "missing" persons allegedly being held under arrest by the Argentine Government in the most remote areas of the country.

This is nothing but a lie that is being used for political purposes, since there are no secret prisons in the republic, nor are there any persons being held under arrest in a clandestine manner in Argentine prisons.

Therefore, it should be clearly understood that those persons who are on the list of missing persons and are not among those living in exile or underground—for juridical or administrative purposes—are regarded as dead, even though the causes and time of their eventual deaths or the place where they were buried has yet to be determined.

Mr. Speaker, the Vatican and the Italian Government are among the members of the international community that have strongly criticized the Argentine Government for issuing the "Final Document." The response of

the Reagan administration, however, has been sufficiently ambiguous so as to warrant closer scrutiny of U.S. policy toward Argentina.

Presently, U.S. law stipulates that the Argentine Government may not receive security assistance unless the President certifies that the Government of Argentina is "complying with internationally recognized principles of human rights." In making a certification, the President must also consider "efforts by the Government of Argentina to provide information on citizens identified as disappeared." The "Final Document" does not even begin to address those conditions in U.S. law necessary for making a Presidential certification.

By publishing the "Final Document," the Argentine military seeks to convey the impression that its house is in order. In reality, this report is an attempt to cover up responsibility for what is probably the most violent period in Argentine history.●

ANNUAL MEETING OF ECONOMIC DEVELOPMENT COUNCIL OF NORTHEASTERN PENNSYLVANIA

HON. FRANK HARRISON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. HARRISON. Mr. Speaker, on Thursday, June 23, the Economic Development Council of northeastern Pennsylvania will conduct its annual meeting. This is a significant event for northeastern Pennsylvania because of the ongoing work of the EDCNP and its many accomplishments over the past 16 years. This year, however, the annual meeting assumes an even greater significance.

At this meeting, Roy E. Morgan will complete his 2-year term as president. Dr. Morgan is one of the truly distinguished sons of Pennsylvania and, in particular, of the great northeast. He is a scholar, teacher, critic of the arts, community volunteer par excellence and, in his capacity as president of the Wyoming Valley Broadcasting Co., a thoughtful and articulate commentator on public issues.

In many ways, Roy E. Morgan has capped a career of public service and community commitment in the past 2 years. He has led the economic development council through a difficult time and has brought it out stronger than before. He has done this, in particular, by his determination that the EDCNP retain and strengthen close ties with the governing bodies of the seven counties which it serves. He has met with the county commissioners of each of the constituent counties, has involved them in the organization of the EDCNP and, as a result, has strengthened the unique public/private partnership which has made this organization so successful.

Over the past 2 years, the EDCNP has addressed the railroad crisis in northeastern Pennsylvania. The Conrail Corporation's abandonment of 44 miles of track in Luzerne County posed a serious threat to the continued viability of our industrial base. Under the leadership of the Economic Development Council, the community rallied together, attracted and organized a new railroad, the Pocono Northeast Railroad Co., to serve the Wyoming Valley area. Admittedly, there are still other railroad problems that must be faced. The council is currently working on one of these in conjunction with the commissioners of Monroe County. But much has been done and, most importantly, a beginning has been made and our industrial base has been preserved.

The Economic Development Council has also done significant work in surfacing the need for industrial waste disposal. In conjunction with the Pennsylvania Department of Environmental Resources, they are presently working on a program which will, we hope, open additional sites.

During the past year, the EDCNP has organized a labor/management program to assist local industry, and has served as a catalyst in the organizing of local labor/management committees.

They have also set up a revolving loan fund program that has aided in the location of new industries and the expansion of existing ones. Twelve such loans have already been advanced or are in the process. In addition, they have worked with agencies in both Luzerne and Lackawanna Counties to administer loan funds that have been created in the Scranton, Wilkes-Barre, and Hazleton areas.

Much has also been accomplished through the energy conservation program. The council has been designated as the energy center for the northeastern and central parts of Pennsylvania and its program has been cited by the State as being the best in the Commonwealth. Seminars and conferences conducted by the EDCNP have brought enrollees from as far away as Washington, D.C. and New York State.

These are only a few of the things, Mr. Speaker, that this outstanding community organization, made up of citizen volunteers and government officials from seven counties, has done over the past 2 years.

We should never forget, Mr. Speaker, that this Nation was founded by volunteers. They were, after all, volunteers who threw the British tea into Boston Harbor and so made the stand for liberty which began this brave new land. It was a volunteer named Paul Revere who watched as one lantern if by land and two if by sea were held aloft in the tower of the Old North Church. And they were volunteers, too, who faced the British at Lexington and Concord and fired the shot heard round the world.

So it is not surprising, Mr. Speaker, that the Economic Development Council of Northeastern Pennsylvania, an agency of volunteers, has forged the way and led the fight for a stronger economy and a revitalized future for all of us.

Mr. Speaker, I am proud to join with seven counties of northeastern Pennsylvania, their citizens and governing bodies, in paying tribute to the Economic Development Council on the occasion of its annual meeting. It is, in particular, a personal honor to pay tribute to my old friend and greatly admired colleague, Dr. Roy E. Morgan, as he completes another significant milestone of community service. And to wish for Roy, his beloved wife Mary and their wonderful family, many, many more years of health, happiness, and success in all that they undertake.●

REOPENING OF WARNER SPRINGS RANCH

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. HUNTER. Mr. Speaker, this Friday, June 10, 1983, a dedication will take place in my district to celebrate the rejuvenation of a significant historical landmark.

Almost 200 years ago, in a region then called Valle de San Jose, Spanish missionaries discovered what the local Indians had known for generations: hot springs of sulfurous water arising from deep within the Earth.

The Spaniards called this unusual natural phenomenon, agua caliente, or hot water. These waters were believed to possess curative qualities, and Indians came from miles around to receive their therapeutic powers. Many years later, thousands of people would travel much further distances—from all over the world— to visit the remarkable hot springs.

In 1844, a transplanted easterner by the name of Jonathan Trumbell Warner gained title to the Spanish land grant of 48,000 acres, which contained the springs. The place became known as Warner's Ranch.

For many years the ranch served as the only inhabited stopping point for travelers between New Mexico and Los Angeles. Stagecoach travelers became the first visitors to enjoy bathing in the hot waters, paying $1 for the privilege.

In the 1880's, the site was developed as a health spa. Over the years, many

facilities were added, including guest houses, a chapel, dining rooms and dance hall. The resort flourished until the late 1970's when ownership changes left it dormant.

This Friday, Mr. Speaker, the A. Cal Rossi Co. will bring it back to life. In a ceremony to celebrate a new beginning for the Warner Springs Ranch, a time capsule will be buried to symbolize the long-range commitment to preserving the natural beauty of this region and to maintaining its rich heritage. Its fame as a place of scenic wonder will continue undiminished.●

BISHOPS' PASTORAL LETTER FLAWED

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. WEBER. Mr. Speaker, I would commend to my colleagues the following editorial which appeared in the Mankato Free Press on May 12, 1983. It, I believe, brings to light some important issues raised by the U.S. Catholic Bishops in their pastoral letter on war and peace.

BISHOPS' PASTORAL LETTER FLAWED

The Catholic Bishops' pastoral letter on nuclear war contains many noble and deeply felt sentiments about war and peace. But it fails because it assumes that the question of using nuclear weapons can be resolved by eliminating nuclear weapons instead of controlling them.

The cat is out of the bag. We live in a world that will have nuclear weapons for generations to come. That is the reality. Mankind has harnessed the technology to create such weapons. The best that the world can hope for is to maintain a deterrent level that will keep any aggressor from being tempted to use such fearsome weapons.

The Catholic bishops argue that it is wrong to aim such weapons, indeed any bombs, at population centers where the victims will be innocent. They argue that nuclear war is not winnable, and they are probably right. They argue that the initiation of nuclear war, no matter how limited, can never be justified, and, again, they are probably right.

But in an imperfect world, even the elimination of all existing nuclear weapons would not decease the chances of nuclear war. The problem is that if someone then built as much as one weapon, it would tip the nuclear balance fearsomely. Limiting the targets of nuclear weapons would also undermine the deterrence that has worked for more than 30 years. As the New York Times concluded, "There is no known way to get rid of The Bomb, no way to guard against all possible production or concealments of warheads. That is why, for a quarter-century, negotiations have focused on limiting and reducing delivery systems.

"Even reductions of Soviet and American nuclear weapons, while useful, are less important than achieving a stable nuclear balance. Too much reduction could add to instability. . . .

"None of this means mankind has to learn to love The Bomb. But it does have to learn how to live with it and manage the problems it poses. There's no place to hide, even in morality."●

IN HONOR OF BETTY BLOOM

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. ANDERSON. Mr. Speaker, for the past 2 years the president of the women's division of the San Pedro Peninsula Chamber of Commerce has been Betty Bloom. On June 17, she will be stepping down from that position, and will be honored for her outstanding leadership as president at the chamber's 78th annual installation dinner/dance. It is interesting to note that this is Betty's second stint as president of the woman's division, having also served in that capacity from 1972 to 1974.

Betty, a native of Melbourne, Australia, has lived in San Pedro for the past 22 years. Her son Eric will be attending Long Beach State this fall, and is studying to be a paramedic. She is a past president of the Australian Club of southern California, past State secretary for California Women in Chambers of Commerce, and past president of the Harbor Area Los Angelenas. Her many outstanding achievements have been recognized by Los Angeles Mayor Tom Bradley, who has presented her a medallion for outstanding civic achievement.

Betty is now serving on Councilwoman's Joan Milke Flores' Advisory Council, the Harbor Area Police Community Council, and the Neighborhood Reinvestment for Barton Hill Project Community Council. She is also third vice president of the San Pedro Republican Club Federated.

Last month, Betty presided over the celebration honoring the 35th anniversary of the women's division. The women's division sponsors or participates in numerous civic and cultural events. These include the scholarship award, San Pedro cleanup day, and the spirit of Christmas event on Christmas Day. Betty also led the Christmas land parade this past year.

Although relinquishing one position of great responsibility, I am sure new and equally great demands on her time for the betterment of our community will soon be made; and I am equally sure that Betty Bloom will accept these new tasks with the same willingness and dedication that she has demonstrated in the years past. My wife, Lee, joins with me in wishing Betty and her son Eric, all the best in the years ahead.●

NEW YORK CITY PARTNERSHIP JOBS DRIVE LED BY PHILIP MORRIS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. BIAGGI. Mr. Speaker, one of the most pressing economic problems which continues to plague this Nation is the shame of youth unemployment. In my own city of New York—where youth unemployment has crept toward 20 percent—I am pleased and proud to note that the annual summer jobs for youth campaign is being ably led by Philip Morris, a valued member of the New York City Partnership which is the sponsoring organization.

The partnership is a dedicated group of business and civil leaders which was founded in 1979 by its chairman, David Rockefeller. The group's mission is to lend the expertise and the resources of the private sector toward helping to solve the chronic job shortage that exists in New York today. By focusing its work on youth during the summer months, the partnership—especially its member Philip Morris which heads the drive this year—has recognized the value of providing learning opportunities for disadvantaged youth during the summer months. Its program is complement to Federal jobs programs—most notable the new Jobs Training Partnership Act—which seek to provide similar employment opportunities for in-school and out-of-school youth during the rest of the year as well as during the summer.

As New York's senior member of the House Education and Labor Committee and one of the original authors of the Job Training Partnership Act, I know first hand that the summer jobs for youth program is the perfect example of the partnership at the Federal-State and city levels which we must promote if we are to attack unemployment at all levels for all citizens. More importantly, the city has dropped from a high of 54,000 summer youth jobs in 1978 to a low of 44,000 for this year as a result of the demise of CETA as well as budget cuts in related programs. Clearly, the JTPA provides for a comprehensive plan by marshaling both public and private sector forces to create—and keep jobs.

At hearings our committee conducted earlier this year in New York City, Philip Morris provided us ample testimony of their willingness to work with us in order to join in a comprehensive problem to youth unemployment. Since its creation 3 years ago, summer jobs for youth has placed 25,000 New York City young people in jobs in the private sector. In his testimony on behalf of Philip Morris, Don Harris

noted to the committee that "we are ready to work with you in recognition that the private sector cannot do the job alone, nor can the Federal Government."

I would be remiss if I did not mention that the continued success of the summer job program is virtually guaranteed by the fact that former New York City school board chancellor Frank J. Macchiarola is now heading the New York City Partnership. As its president, Frank has a prime opportunity to continue the fine work in the private sector that he was able to do in the public schools during his tenure there. In commenting on the partnership's goal of placing 15,000 young people in over 2,000 city businesses, Dr. Macchiarola noted:

> This is a reachable goal . . . I know New York City youth from first hand experience. They're bright, ambitious, motivated people. What they seek most is respect and the opportunity to make a valid contribution to their City and community. Summer Jobs '83 not only offers them this chance, but is a vital link in the transition process from dependent to provider. I urge all New York businesses to participate in this worthwhile endeavor.

I am confident that Philip Morris, under the direction of its valued and respected chairman, George Weissman, will continue the fine work on behalf of the youth of the great city of New York. No greater opportunity exists for these young people to advance themselves into becoming self-sufficient and contributing members of the work force. The research shows that youth are ready, willing, and able to work—if we give them the chance. The summer jobs for youth campaign in New York City will do just that and I commend the partnership for its visionary leadership in this most important area.●

CONCERT IN MEMORY OF RUSSELL REES LLEWELLYN

HON. FRANK HARRISON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. HARRISON. Mr. Speaker, on Saturday, May 14, 1983, the community of Berwick, Pa., paid tribute to the memory of a most dedicated teacher in the field of music education, Russell Rees Llewellyn. Born in 1904, a native of Edwardsville, Pa., Russell Llewellyn began a career in music at age 7 that spanned more than half a century.

He received a bachelor of science in music education from Ithaca College and did further work at New York University, Columbia University, the Ebby School of Music and Bloomsburg State Teachers College before beginning his teaching career at Kingston High School, where he organized the school's first band. "Prof," as he was called, came to Berwick High School in 1928, serving the community as band director for 42 years until his retirement.

Under his leadership, the Berwick High School Band took the class A State title for 3 consecutive years, earned two national ratings of superior and won a tri-State competition. The fine reputation of Mr. Llewellyn and the band led to performances before the Kiwanis International, the Rotary International and three World Fairs, as well as an invitation to the Tournament of Roses Parade.

This memorial concert, given by his band of the anniversary of his passing, proved a most fitting tribute to a man who devoted so many years to the musical education of the youth of northeastern Pennsylvania.●

HOLTVILLE, CALIF., TO CELEBRATE ITS DIAMOND JUBILEE

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. HUNTER. Mr. Speaker, I am here today to honor the city of Holtville, Calif., which will celebrate its diamond jubilee in July 1983. Incorporated on July 1, 1908, this southern California city has prospered for 75 years with a current population of nearly 5,000 residents who have made Holtville the city where friendliness is a way of life.

Situated in the Great Imperial Valley on vast and rich farmland irrigated by lifegiving water from the Colorado River via the All-American Canal, this sun-drenched city is known for its agribusiness. Located on a direct route from the east coast to the Pacific, with an airport near by, Holtville has access to major markets in the United States. Holtville, named for early pioneer L. H. Holt, is known for its prosperous agribusiness which earned the city the title, "Carrot Capital of the World." Indeed, the city is famous for the carrot festival held every February. This celebration as well as the sunny, arid climate provide Holtville with a large and increasing number of visitors and it is the friendliness that keeps them coming back. It is this city that is depicted by Harold Bell Wright, that famed novelist who resided in Holtville, in his novel "The Winning of Barbara Worth."

Holtville is also the gateway to the Imperial Valley's vast geothermal resources. Following experiments for several years on distillation of hot underground water, power production potential is now being tapped. Already in operation is a closed cycle geothermal plant constructed in 1977 by Magma Electric.

Mr. Speaker, I am glad to have the opportunity to pay tribute to the city of Holtville and all of its citizens on this 75th jubilee. Amidst the Imperial Valley desert, Holtville has prospered with its agribusiness and rapidly developing geothermal industry, and promises continued growth and prosperity in the future.●

JAPANESE-AMERICAN CITIZENS LEAGUE HONORS ACADEMIC EXCELLENCE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. MATSUI. Mr. Speaker, it is a distinct pleasure to commend before the House of Representatives the work of an important public service organization in Sacramento, Calif., the Japanese-American Citizens League.

The league has over the years provided services of value not only to the Japanese-American community in the Sacramento area, but to the general community as well. Typical of this awareness is the league's upcoming presentation of academic scholarships to 22 young people in the Sacramento area.

On June 15, the Japanese-American Citizens League will present these awards to assist worthy students with their college education. In light of the unprecedented challenges to our society arising from the vast changes in technology and the world economy, the importance of education is truly greater now than ever before.

These scholarships are being made available through the league by many private citizens, civic organizations, and local businesses.

I wish to commend the league on this act of public service, and extend congratulations to the recipients of these scholarships. Being honored with these scholarships are:

Natasha Ann Reichle and Julie Tamiko Matsumoto of Rio Americano High School; Robert Susumu Shinkawa, Calvin A. Nakamoto, Russell Mamoru Kuroda of John F. Kennedy High School; Peter Samuel Phillips and Craig Tsuboi of Hiram Johnson High School; Brian Kenji Sugimoto of El Camino High School; Steven Kishaba, Brian Hamamoto, Alex Sato, Jonathan Nagao, Erin Satow, and Steven Wayne Kohaya of Sacramento High School; Kelly Kaneko of La Sierra High School; Jean N. Kawahara, Margaret Inokuma, and Melanie Umeda of C. K. McClatchy High School; Jack Ogawa of Delta High School; Renita Ann Kilgore of Cordova High School; Joyce Kawano and Tammie M. Iseri of Sacramento City College.●

EFFORTS OF MANY SAVE HISTORIC APOLLO LAUNCH TOWER AT CAPE KENNEDY

HON. MANUEL LUJAN, JR.
OF NEW MEXICO
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. LUJAN. Mr. Speaker, I am pleased to announce to my colleagues that through the efforts of a great number of concerned and dedicated people, the National Aeronautics and Space Administration (NASA) has recently announced that it will save from planned destruction the historically significant Launch Umbilical Tower located at Cape Kennedy in Florida.

This 380-foot steel tower stands vertically atop a mobil launch platform. The tower was used to assist the launch of many major space ventures, including Apollo 11 in 1969, which accomplished the first landing of man on the moon, as well as the Apollo-Soyuz project in 1975, which accomplished the linkup of American and Soviet vehicles in space. The tower was involved in the fairly instant making of history of international significance on numerous occasions.

Two other towers similar to this one have been modified earlier by NASA for use in other parts of the space program. This last remaining tower of the original three was slated for destruction by NASA.

In January of this year we were alerted to the impending destruction of this historic tower by two Florida citizens who were concerned that the historic attributes of the tower were too great to permit relegation to the scrap heap. Those two people were Mr. John London of Merritt Island, Fla., and Mr. Joe Fury of Cocoa, Fla. I can say with all certainty that had these two individuals not initiated the campaign they did and when they did to save the tower, we would in all likelihood not be able to announce the saving of the tower today.

Mr. Speaker, the reason I became concerned over this matter is due to the responsibilities I have related to my committee assignments, both of which exert jurisdiction over such an issue: I serve as the ranking minority member on the Committee on Interior and Insular Affairs, which has jurisdiction over historic preservation matters, and I serve as the ranking minority member on the Subcommittee on Space Science and Applications of the Committee on Science and Technology, which has jursidication over NASA's operations.

Due to the costs entailed and other factors, NASA was not initially willing to save the tower, even after significant clamor had been raised to do so. Through the efforts of a great many individuals and organizations over many months, and through the assistance of numerous Members of Congress, congressional committees, court action, and finally NASA itself, the tower has been saved.

Funds will need to be raised to assist the reerection of the tower for the use and appreciation of the public at the visitor center at Cape Kennedy. It is planned to reerect the tower as identically as possible and practical to its current configuration and appearance, and to permit public access to the top of the tower by an elevator system similar to that currently within the tower used by past astronauts for access to space vehicles. The tower's function will be fully interpreted to the visiting public, and could likely soon become the most magnetic of all attractions at the visitor center.

Mr. Speaker, as I indicated earlier, the saving of this tower from destruction is truly due to the great persistence of a very large number of dedicated people. At the expense of possibility omitting someone, I would like to mention the names of a number of key persons who aided greatly in the saving of this important historic structure: from the National Trust for Historic Preservation—Ian Spatz, Beverly Reece, and Michael Ainslie; from the Advisory Council on Historic Preservation—Bob Garvey and Tom King; from Preservation Action—Nellie Longsworth and Ellen Sheridan; from the National Parks and conservation association—Laura Beaty; from the council on America's Military Past—Herbert Hart; from the L-5 Society—Stan Nevins; from the law firm of Arnold & Porter—David Bonderman and Richard Schifter; from the Florida State Historic Preservation Office—Louis Tesar; from the Florida Trust for Historic Preservation—Joan Jennewein; a private citizen from Melbourne, Fla.—Greg Winter.

Mr. Speaker, of course there were a number of persons in Congress who were of great help in this effort: Congressman NELSON of Florida, in whose congressional district the tower and Cape Kennedy are located, was a major force in our achieving this victory; Congressmen UDALL, SEIBERLING, and EMERSON of the Interior Committee; and Congressman BOLAND, the chairman of the Appropriations Subcommittee for HUD and Independent Agencies. A number of staff people also played an important part: Kurt Lohbeck, Clay Peters, Loretta Neumann, and Leslie Wildeson of the Interior Committee; Joyce Freiwald of the Science and Technology Committee; and Rosalie Roberts and Bruce Buckingham of Congressman NELSON's staff.

Mr. Speaker, I also want to applaud the efforts of NASA in working with us on this matter—namely Administrator Beggs, Neil Hosenball, Jack Murphy, Pat Templeton, Ed Andrews, and Bob Efrus. Without their help and assistance all the way along, and particularly at the end, we never would have seen the tower saved.

All that has preceded this point in time is only half of the total effort, however, Mr. Speaker. The tower has been saved from destruction, but there now remains the challenging need to raise funds for the reerection of the tower so that the public can fully appreciate this giant piece of historic technology.

I hope and expect to see cooperation and dedication in the fund raising effort for tower reerection parallel that exhibited in the tower saving effort. Mr. Speaker, the end result of all this effort will be the saving of a major historic component of America's ever evolving space technology, with the opportunity for the American public to see, touch, and experience the tower first hand. I want to extend my deep appreciation to all those people and organizations who have helped to save this important piece of America's historic fabric.●

SUPPORT FOR CLOSE-UP FOUNDATIONS

HON. DOUGLAS K. BEREUTER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. BEREUTER. Mr. Speaker, I want to express my support for H.R. 2943, which contains the reauthorization for one of the most effective and impressive Federal education programs that we have today. The Allen J. Ellender fellowship program, operated by the Close-Up Foundation, brings talented students and their teachers to Washington to participate in Government seminars and observe firsthand the workings of the political process.

I became acquainted with the Close-Up program several years ago when I was asked to participate in one of their question and answer sessions with students. I was immediately enthusiastic about the program's potential, and began a year-long effort to involve Nebraska students in the program. Those efforts culminated this spring when Nebraska sent 138 students and teachers from 21 schools to Washington. By the end of 1 week, these students were starry eyed, stimulated, and challenged as they had never been before. They say that the Federal system they studied at home really works, and that people in Congress and in the executive branch are real, live people just like they are. These students were thrilled at the opportunity to question individuals responsible for lawmaking and public policy. Young people who are encouraged to formulate questions learn to

make their own judgments. Close-Up challenges them to examine all sides of an issue. The resulting impressions and lessons last a lifetime.

I believe that the opponents of H.R. 2943 have some valid concerns, in my opinion, surrounding the authorization of $100,000 for the Washington workshop congressional seminar program, which is also included in this bill. Indeed, I share some of those concerns. While I clearly support the concept of congressional and Government seminars that enable America's young people to learn how our laws are made and how public policy develops, I think it is a mistake to begin a subsidy for a program unless we can expect to continue it. We are assured that the $100,000 for the Washington workshop program is a one-time only appropriation, but, in my estimation, it is rare indeed when we really have a "one-time only" appropriation.

Nevertheless, I am not willing to jeopardize the Close-Up program, for it has made a profound impact on thousands of students over the last 10 years. Furthermore, I venture to say that not only do these students share their Close-Up experiences in their subsequent government and civics classes, but that the future will see local, State, and national leaders who will tell us that Close-Up ignited a fire in them and changed the direction of their lives. Funding for Close-Up is a sound Federal investment and I, therefore, support H.R. 2943 despite my reservations about this particular method for funding the Washington workshop.●

LARRY NIELSON'S ACHIEVEMENT

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. BONKER. Mr. Speaker, I want to call the attention of the House to the remarkable achievement of one of my constituents, and the lessons it holds for us all.

Larry Nielson, of Olympia, Wash., reached the 29,028-foot summit of Mount Everest on May 7. Five individuals from the State of Washington had been there before him, yet his ascent was unique among them all.

Larry Nielson climbed to the top of the highest mountain in the world, and he did it without bottled oxygen. He is the first American ever to accomplish this feat.

His historic climb last month was complicated by a case of the flu, which prevented him from eating anything for 5 days prior to the final assault, and by a severe snowstorm, which dumped waist-deep drifts on the mountain and prompted the rest of his team to suggest turning back. Nielson announced, "I'm going to go to the summit, and if anybody wants to go with me you're welcome to." All five climbers resumed the struggle and made it to the top.

Nielson also suffered from frostbite and stress fractures on two of his ribs, the result of gasping for every breath at altitudes of more than 5 miles. Yet, despite such arduous physical setbacks, Nielson describes his accomplishment in rapturous tones. "My first thoughts were, 'I made it.' I was overjoyed with that. It was just fantastic on top. You could see for hundreds of miles. It was the most exhilarating thing that I've ever done in my life."

Nielson, an Olympia schoolteacher, was given leave of absence from his social studies, health and language arts classes at the Washington Middle School by the local school board. Recognizing the importance of continuing personal growth and development beyond the years of formal schooling, the board voted to allow Nielson to pursue the goal which had evaded his attempts the previous year.

Some 50 eighth graders shared in this educational experience, closely following their teacher's 2-month Everest expedition. "They're very proud of him. They kind of feel a part of it," commented Washington principal Gene Kernan. "I think there is something to be learned from associating with the man."

I could not agree more. We can all learn something special from Larry Nielson. Ours is an era that frequently overlooks persistence and excellence, choosing instead to follow the dictates of ease and expediency. Nielson committed himself wholly to his goal, combining strength of body, strength of mind, and strength of soul to see it through. What better illustration of conviction, action, and achievement could the eighth graders of Washington Middle School, and indeed the rest of us, have than Larry Nielson?

Nielson returned to his hometown of Olympia amid much celebration. He was welcomed home a hero and a teacher. In his speech to the crowds, however, he did not speak of his achievement. Rather he spoke of the community. "I appreciate, more than you will ever know, this warm welcome. You honor yourselves. I'm a product of this community."

I commend both Mr. Nielson's remarkable achievement and his sense of community to the attention of my colleagues.●

CLARENCE R. KLINE—MR. EDUCATOR

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. STARK. Mr. Speaker, on June 22, 1983, the educational community in the city of Alameda will gather to honor Clarence R. Kline, superintendent, Alameda Unified School District, for his 32 years in public education.

Mr. Kline's service to his community is exemplary. He has been an Alameda resident all of his life and is active in a number of civic organizations in his hometown, among them, the Alameda Elke Lodge, the Alameda Historical Society, Historic Alameda High School Foundation, and the good neighbor program. He is also past president of the Alameda Council Navy League of the United States.

Education is the focal point of Mr. Kline's life. He has devoted his career to teaching and administration. His active involvement in the California Teachers' Association, the National Education Association, the Association of California School Administrators, and other professional organizations is a testament of his commitment to excellence in education.

Thirty-two years ago, Clarence Kline accepted the challenge of enriching young people's lives through education. Today, he continues with the same zest and enthusiasm to insure that each student is given every opportunity for educational enrichment.

I join in paying tribute to Mr. Kline for his outstanding service in public education.●

DANGEROUS FILES ON "DANGEROUS" PEOPLE?

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. BERMAN. Mr. Speaker, I would like to call the attention of my colleagues to an excellent op-ed piece by Congressman DON EDWARDS, chairman of the Judiciary Committee's Subcommittee on Civil and Constitutional Rights that appeared in today's Los Angeles Times.

The Federal Bureau of Investigations National Crime Information Center has implemented the Secret Service proposal permitting it to enter into its computer the names and descriptions of persons it believes pose a danger to its protectees, with virtually no public debate to consider the serious implications of such an action. Congressman EDWARDS clearly and co-

gently outlines the grave dangers of this decision.

The article follows:

DANGEROUS FILES ON "DANGEROUS" PEOPLE?—HERE COMES 1984 AGAIN

(By Don Edwards)

"Any sound that Winston made, above the level of a very low whisper, would be picked up by it . . . . There was of course no way of knowing whether you were being watched at any given moment . . . you had to live—did live, from habit that became instinct—on the assumption that every sound you made was overheard and except in darkness, every moment scrutinized."—"1984" by George Orwell.

In April, the fundamental purpose of the FBI's National Crime Information Center—the dissemination of information about convictions, outstanding warrants, stolen property, missing persons and so on—was shattered with the implementation of the Secret Service proposal permitting it to enter into its computer the names and descriptions of persons it believes pose a danger to its protectees.

The individuals so identified will now be known to every criminal-justice user of the NCIC computer system—not just police on the beat but also probation officers, judges and others with access to arrest records. In some states this information will be available for employment and licensing purposes as well.

The important point to remember is that these men and woman have not been charged with the crime of threatening a Secret Service protectee. Rather, it is a question of suspicion. Through this system the Secret Service hopes to track the movements of people it considers dangerous—in other words, to follow them around the country, using a computer.

What is wrong with this? First, the Crime Information Center's chief safeguard is breached. The names, descriptions and personal information about men and women who are not criminals and who are not wanted by the police are entered into a national, computerized telecommunications system for purposes of federal government surveillance.

Second, it is inevitable that this information will unfairly influence the fate of individuals on the list who are stopped by police. Can anyone doubt that a judge, in setting bail or handing down a sentence for even a minor crime or traffic infraction, will not be influenced by the knowledge that the person is considered by the Secret Service to be "dangerous"? Or that a police officer will not decide to arrest the individual once he discovers that he has located a "dangerous" person?

Third, its usefulness in protecting the President is dubious. The Secret Service tells Congress that the NCIC will be an important help in keeping tabs on suspects. I ask the Secret Service: "Which of the six persons who have assassinated, or attempted to assassinate, a President would have been thwarted with NCIC use?" The answer: None—not John W. Hinckley, Jr., not Lee Harvey Oswald and none of the others. Sarah Jane Moore would have been in the NCIC system because she had publicly threatened President Gerald R. Ford, but she had been interviewed by the Secret Service the night before she shot at Ford. The Secret Service knew where she was, and that was no help.

Fourth, and most important, once the precedent is set for including investigative data on these kinds of people in the NCIC system, cannot a strong case be made to include other "dangerous" types? How about a list of all radicals, communists, suspected spies? How about a list of all mentally ill persons who have ever made any kind of threat to any public official?

The great danger is not in this modest use by the Secret Service; that could be controlled by strict regulations or by law. But the basic rule has been broken. How do we know that tomorrow the Secret Service will not have a thousand names, or that the FBI, the Internal Revenue Service or some other agency will not want to include its favorite lists of suspects? Once the door has been opened, how many thousands, or millions will be included?

The most frightening aspect of life in George Orwell's 1984 was that the government always had you under surveillance, not because you were a criminal but because you might, today or tomorrow, do or say something that threatened it. And the government felt threatened by almost everything.

The House Judiciary Committee's Subcommittee on Civil and Constitutional Rights, which I chair, is vitally concerned about the quiet, unannounced, undebated action to put this pervasive government surveillance system into operation. We have offered equally effective alternatives to the plan, but the FBI and Secret Service have refused to consider them. Last month we tried to delay implementation of the scheme so that there could be a public debate, but the full Judiciary Committee turned us dowm.

The members of the committee did not see in this national, computerized police telecommunications system the grave dangers of including unproved file information about Americans who are not criminals. They saw it only in terms of a means to an end: protecting the President and others. That end, of course, is so important that it tends to overwhelm reasoned debate on the subject. But that is what the public must demand.●

ARMS CONTROL

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. FISH. Mr. Speaker, recently I received two interesting arms-control proposals from my constituents. The concepts expressed in these two documents, one of which was published in the monthly newspaper of the Boston College Law School, both raise valid points of arms control from different points of view.

I think my colleagues will find this material useful in future discussions on arms control. The first is an arms-reduction proposal presented to me at a recent town meeting by Mr. Charles H. Ford of Yorktown Heights, N.Y., and the second is an article by Mr. Robert J. Abalos of Mahopac, N.Y. Both of these statements merit the attention of the House of Representatives. Although divergent views, they are excellent examples of the amount of thought and insight which our constituents have put into this important issue.

ARMS CONTROL PROPOSAL OF MR. CHARLES H. FORD

Strategic arms limitation is not being accomplished. The primary reason given is the mutual distrust of the U.S. and the U.S.S.R. My approach is to make this mutual distrust an effective tool.

Each side would agree to reduce its existing nuclear arsenal by one-third; the U.S. would select the Russian third and they ours.

Prior to this selection process, two additional elements are essential. The first element would be a freeze and the second would be the agreement by the Bristish and the French to include their weapons in the second "one-third" reduction.

The freeze would stop deployment of all new nuclear missiles, including ABM's. Further no constuction would be permitted on new silo's or on new naval launching systems. All underground testing would cease and no missile could be test fired. Finally all weapons in space would be banned. Subsequent agreements could cover development and production restrictions, as well as airplane systems, sky-labs, satellite launchings and space shuttles.

The various parameters of this "one-third process remain to be defined but some aspects do have a bearing on the effectiveness of a true reduction. The delivery vehicles as well as the warheads are important to this process. For example, the selection of a particular submarine would means the impoundment of the vessel as well as its warheads and missiles. Likewise, a selected silo would be rendered inoperative.

To ensure the ground rules are met, a neutral international body would oversee the process. Part of their job would be to transport the selected missiles to the test point and to ensure the destruction of selected silos. The test point would be on neutral territory. Here both parties and the neutral body would perform the "measurements" and the destruction of the warheads and their portable delivery systems. The international body would be required to revisit on a random basis all previously selected sites. Likewise they would be empowered to inspect all space vehicles and to supervise all new space launchings, both public and private. The stumbling block of "on-site" inspection by the adversaries is thus eliminated.

This initial "one-third" selection process itself would be divided into stages. After each party had made its first round of selection and the "measurements" completed, there would be a break while each side confers with its own government. Strategies for the next round of selections could be developed. As each side reviewed its "losses" todate, each would attempt to optimize its remaining choices. The mutual distrust element would guide this process.

The process itself would literally involve the entire world community. At the outset only Russian and U.S. nuclear missiles would be removed but the eventual inclusion of the British and French missiles could lead to the inclusion of the Chinese, the Indians and others. Further the somewhat artificial distinction between tactical and strategic nuclear weapons would itself be defined by the selection process itself.

This proposal does not attempt to include conventional arms and does not necessarily mean the total elimination of strategic nuclear weapons. Its thrust is to stop the arms

race and to reduce the number of missiles currently in place.

SOVIET PROPOSALS: ARMS CONTROL?

(By Robert J. Abalos)

Every person in frequent touch with the media is tired of hearing of the arms race and the vast destructive capabilities of thermonuclear weapons. It is clear America and the world is demanding immediate action on this problem and the United States, through its START talks and the personal initiatives of Ronald Reagan, is not moving fast enough. In response, many in the U.S. and Western Europe have begun to look to the other major nuclear protagonist, the Soviet Union, to take the lead in arms control. To the Greens of West Germany, the neutralist factions of the British Labour Party and many supporters of the nuclear freeze issue in the U.S., the Soviets already have.

Indeed, the rhetoric of Mr. Andropov and his predecessor has been extremely frank in a desire for sheathing the nuclear Damoclesian sword and it is easy to understand why so many intelligent people have come to accept this talk as reality. To desperate individuals hope can sometimes outweight logic. Yet the true question does remain: is Mr. Andropov sincere in his desire for peace or is he just talking? An examination of the latest Soviet peace proposals in the context of forty years of cold war propaganda reveal the Soviets may have something more on their minds than arms control.

An example to illustrate my point. The latest major Soviet peace barrage in the continuing war came in early January at the Warsaw Pact meeting in Prague. On January 5, a long "Political Declaration" was published which dealt with Soviet solutions to all the world's military problems, from the Middle East to the Falklands. At the core of the proposal was a series of suggestions to reduce the chance of conventional and limited nuclear war in Europe and decreasing the rapid growth of strategic nuclear weapons. To the new observer of Soviet propaganda, the proposal would look much like a welcome revelation of peaceful intentions by a formerly bellicose nation realizing the insanity of nuclear war. To the experienced observer, however, the proposal was a group of familiar suggestions, some exclusively Soviet creations and others as old as time itself, but all not leading the superpowers one step closer to agreement.

One of the Prague proposals was "Talks on naval disarmament, limits on the deployment of warships and naval confidence-building measures should be started." Assume that these talks yield an agreement both East and West can sign, an optimistic assumption if there ever was one. Treaties for naval limitations have never worked in the past for a variety of reasons, primarily the lack of enforcement if the treaty is violated. Would a new U.S.-U.S.S.R. naval limitation treaty succeed where others have failed? The Washington Limitations on Naval Conference Treaty of 1925 and the London Naval Reduction Treaty of 1930 failed to keep the U.S., Britain, France, Italy and Japan out of World War II even though all signed both treaties. Why can we assume differently now?

Another suggestion is that the "NATO and Warsaw Pact should agree on measures to limit military spending." This is truly an admirable goal considering the tremendous strain excessive military spending has had on both groups, yet there isn't much chance of an agreement on such a limit. In the fairyland of official Soviet statistics, the Russians claim to spend about 3 percent of their gross national product on the military, but a simple count of the number of weapons systems and troops deployed in Europe and Asia suggest that the true figure must be in the 13-16 percent range that most non-communist analysts now agree on. (The NATO average, incidentally, is about 4 percent of GNP.) Assuming East and West can agree to a percentage somewhere between four and sixteen percent, how could the Soviets continue to support their substantially larger war machine on considerably less money? Within the next five years, some 50,000 Soviet tanks and 2,700 fighter-bombers will need replacement. How would a military spending limit permit growth and replacement simultaneously? Based on past experience with Soviet negotiations, the Russians will insist on the accuracy of the "official" 3 percent measure and the talks will go nowhere. The Vienna negotiations on non-nuclear arms cuts provide an analogous example. These talks have gone around in circles for almost ten years primarily because the Russians claim to have fewer troops in Eastern Europe than the West is more or less certain they have. Why can we assume they will behave differently here?

The Prague declaration also called for "NATO and the Warsaw Pact (to) sign a treaty renouncing the use of force against each other." NATO and the Warsaw Pact have already promised not to attack each other in the United Nations charter and in the Helsinki Agreement of 1975. Would another treaty make the promise any stronger? The declaration also calls that "all nuclear powers should promise not to use their nuclear weapons before another power has done so," the so-called "first use" proposal. How does one nation protest to another nation when the treaty has been violated, except by retaliation with nuclear weapons? This idea is as naive as the Kellog-Briand Peace Pact of 1928, where 62 nations humbly agreed to condemn the use of war as an instrument of national policy. Peace proposals are not based on redundancy or naivete as these are.

And so the Prague declaration goes, with suggestions ranging from the rediculous (the dismantling of foreign military bases) to the interesting (the ubiquitous nuclear freeze question). However sarcastic my treatment of the proposal, nothing matches the sarcasm of the proposal itself. This document is not an instrument of peace. It is simply a new form of military offensive, a variation on the same propagandistic idea mounted many times by the Soviets since 1945 at moments when their chief aim is to take advantage of their adversaries' weakness. Western Europe is severely divided on the peace issue and Soviet peace proposals (as do U.S. proposals) only fuel the fragmentation. The timing of the Prague declaration was uncanny, two days before the West German president, Karl Carstens, announced the holding of a midterm election in his country on March 6. This election may give the pro-Soviet Greens the balance of power in Germany, placing pro-American goals on all issues, not just nuclear reduction, on the chopping block. It would not be incorrect to conclude that the Prague declaration had a strong influence on Mr. Carsten's decision. Should this type of politicking be the purpose of a peace proposal?

The mood in the U.S. and Europe, however, should be optimistic. As long as peace proposals fly from East to West and vice versa, it is likely bullets will not. If Mr. Andropov's large scale initiatives are to be taken seriously, maybe he would agree to some of the more realistic suggestions of the Prague proposal. For example, the document calls for the elimination of all chemical weapons. While everyone claims to abominate chemical weapons, the Soviets and their allies are using them in Afghanistan and Kampuchea and the U.S. is preparing to build stockpiles of nerve gas and other chemical toxins. If the Soviets truly loathe such weapons, let them propose a realistic means of preventing their use. One simple solution would be to forbid the issue of gas masks and protective clothing to troops on both sides of the Iron Curtain. This option is easily verifiable and no general would use chemicals that would expose his troops to the same dangers as his opponents.

In late January, Vice President George Bush began a tour of Europe to placate the pro-American elements there on the issue of American commitment to arms control. His proposal, highlighted with a personal letter from President Reagan, called for a Soviet-American agreement to ban intermediate range ballistic missiles from "the face of the earth." (Mr. Reagan's words.) This is simply a rewording of the "zero option" rejected by the Russians many times in many other different formulations. The theatrics continue with regard to arms control. The Soviet salvo has been met with an American one. The politics continue. And still the world waits for peace.●

CLOSING "DIOXIN" LOOPHOLES

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. RODINO. Mr. Speaker, an article in Monday's New York Times details the extent to which loopholes in present law are each year allowing millions of tons of hazardous waste—including dioxin—to legally poison our environment.

Perhaps the best current example of the need to include these hazardous wastes within the "cradle-to-grave" regulatory system under the Resourse Conservation and Recovery Act (RCRA) is in my own district, in Newark, N.J., dangerous levels of dioxin contamination have been confirmed there at a former industrial property.

As the New York Time's article notes, my colleague, JAMES J. FLORIO, has authored strong amendments to severely tighten the regulations of dioxin and other hazardous wastes now legally escaping into the environment. Mr. FLORIO's amendments, which have been approved by the House Energy and Commerce Committee, also would severely increase the criminal penalties for illegally dumping hazardous waste.

Congress must now act speedily to close these loopholes and safeguard the public health and safety.

The article follows:

PUBLIC THREAT FEARED IN LOOPHOLES IN LAWS ON TOXIC WASTE DUMPING

Public health and safety are in jeopardy because of the many loopholes in poorly enforced Federal and state laws that were designed to curb the indiscriminate dumping of hazardous industrial waste, according to environmental officials and members of Congress.

Aspects of the system that concern both lawmakers and environmental officials include the following:

A state and Federal system that uses manifests—itemized listings of origin and destination—to monitor toxic waste shipments has been loosely policed. A New Jersey hauler, for example, reported that he disposed of 270,000 gallons at a Wilmington, Del., address over two years. At that point investigators found the address was that of an office building and that the wastes had been dumped elsewhere.

Regulations exclude from Federal control combustible liquid wastes that have a "benefical re-use" as boiler fuel. According to a Congressional report published a week ago, the result may be that as much as half of all hazardous industrial waste is burned in furnances not designed as high-temperature waste incinerators. The toxic byproducts of incomplete combustion are recycled into the atmosphere, with what the report called "direct threats to human health and the environment."

The Environmental Protection Agency has excluded from manifesting and other regulations those businesses that generate small quantities of hazardous wastes, typically small paint manufacturers and the nation's 25,000 dry-cleaning shops. These businesses can still legally dispose of toxic solvents in landfills and sewer lines, a practice forbidden to larger producers. Although each business produces only a small amount of waste, the total volume is great.

Despite requirements of a 1976 law, the E.P.A. has still not published final regulations that would bar liquid hazardous wastes from deep injection wells, which are used for pumping liquid hazardous wastes into the subterranean water table. The agency has located as many as 7,500 unregulated deep injection wells near subterranean sources of drinking water.

An unpublished agency survey of underground drinking water supplies in 954 cities of more than 10,000 people found chemical contamination in 29 percent of them, or 276 communities.

When Congress passed the Resource Conservation and Recovery Act in 1976, state governments were offered financial incentives to impose a "cradle to grave" tracking system for dangerous chemcial wastes. The idea was to establish a system of detailed manifests with multiple carbon copies, that would trace hazardous waste from the industrial source, or "generator," through storage and transfer points and transportation and ultimately to an authorized and controlled disposal site.

By requiring the generator, the hauler and the disposer to participate in the record-keeping, under nominal legal penalties for nondisclosure, Congress presumed that it was unlikely that the three parties would engage in a criminal conspiracy. Many officials now say this theory was naive.

The drafting of the formal code that finally put the manifest system into effect in 1980 took four years, so long that many states, starting with New Jersey in 1978, imposed their own requirements without waiting for the Federal regulations.

Moreover, the Federal rules required only that hazardous waste transporters keep copies of manifests in their files, available for inspection, for three years. Twenty-one states, including New York and New Jersey, strengthened the system by requiring that copies of the manifests be filed with state officials at each stage of shipment, storage and disposal.

Eleven of these states, including New York and New Jersey, use computers to compare the waste generators' description of shipments with those of the transporter and the disposer. In theory, differences are flagged for investigation, but investigatory manpower remains critically short.

ADDRESS OF AN OFFICE BUILDING

According to New Jersey investigators from 1978 to 1980 a Holmdel, N.J., waste transporter, Olay S. Gromann, was able to report that he was delivering 270,000 gallons of toxic liquids from major chemical companies in New Jersey to a disposal site that turned out to be the Montchanin office building in downtown Wilmington.

The "disposal facility" listed on the manifests as "Capital Recovery Inc." was at the Wilmington address of the Corporation Trust Company, which serves as a mailing address for 56,000 companies incorporated in Delaware, many of which exist in name only.

The Delaware authorities, unaware that thousands of gallons of waste chemicals were manifested for disposal in downtown Wilmington, failed to act.

Investigators say they believe most of the waste, trucked from the plants of such concerns as Exxon, the Koppers Company, the Union Chemical Company of New Jersey, Reynolds Metals and the Public Service Electric and Gas Company, actually went to the now-closed Tybouts Corner landfill off Route 13 south of Wilmington. New Jersey investigators say some of the waste was dumped from tank trucks directly into the Raritan River at Perth Amboy.

The New Jersey waste control authorities say that with the exception of Exxon, which successfully argued that the "Capital Recovery" manifests were forged, all the corporations known to have consigned waste to Capital Recovery have been assessed token civil penalties of $250 for each deceptive manifest on file.

But three years after the dumping, prosecuting officials in Trenton said the case was still "under investigation." They attributed the delay to a shortage in their staff. Repeated calls to Mr. Gromann were not answered, and his lawyer did not return several calls.

Another form of liquid waste disposal with a high potential for abuse, according to investigators in New York, is the blending of combustible fluid chemicals with boiler fuel for "disposal" by burning in industrial furnaces. The environmental agency does not require warnings on contracts for the sale of hazardous waste liquids sold as fuel on the ground that this material is not "waste" because it is not "discarded."

The investigators believe millions of gallons of low-cost contaminated oil may have been bought by landlords, perhaps unwittingly, in Manhattan and other Northeastern cities for use in boilers in apartment houses and office buildings.

"This may involve actionable consumer fraud, if not waste disposal violations," said Jeremiah B. McKenna, counsel to the New York State Senate Select Committee on Crime. He added that buyers might not know what they were burning and that their suppliers would be making a double profit, on the waste oil and on the disposal of the contaminated wastes.

Many of the regulatory loopholes could be closed under strong amendments proposed by Representative James J. Florio, Democrat of New Jersey. The amendments have cleared the energy committee and are awaiting action by the full House this summer.

The amendments would severely tighten exemptions in Federal law for generators of small quantities of hazardous waste. Under local enforcement programs, 20 states have already abolished these exemptions.

Mr. Florio's proposals would also compel the environmental agency to regulate the processing, storage and sale of fuel derived from wastes. It would have a year to begin enforcing mandatory labeling of bills of sale for such fuel with the words: "Warning: This fuel contains hazardous waste." The amendments would also give the agency six months to prohibit deep well injection of waste material into underground sources of drinking water.

While asserting that "we agree that all these gaps identified by the committee should be closed," Michael B. Cook, deputy director of the agency's Solid Waste Divison, said, "These deadlines are beyond the agency's capability to meet."

The amendments would also increase criminal penalties for aggravated dumping to as much as $50,000 a day, or $100,000 a day for repeated violations, and would provide prison terms of up to 15 years for "knowing endangerment" of the public health and safety by dumping.

FINES A "COST OF DOING BUSINESS"

The stiff penalties are designed to end what Mr. Florio views as a pattern of token fines for dumping convictions.

"This illegal dumping is just so lucrative that when you impose small fines they are accepted as a cost of doing business, like paying bribes," he said in an interview. "What we are proposing is designed to convince these people that this kind of crime does not pay."

Small but growing numbers of violators are being prosecuted by the state and Federal authorities. Under Federal law, willful illegal dumpers face felony prosecution by a new environmental crimes unit in the Justice Department, backed by a small, recently installed team at the environmental agency.

After a decade of aloofness toward pollution-related crime, there is also now a limited interest in environmental prosecutions at the Federal Bureau of Investigation, which has agreed to assist in up to 30 cases a year. Both the Federal and the state authorities are beginning to take aim.●

DOES LIBYA HAVE NUCLEAR WEAPONS?

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. YATRON. Mr. Speaker, last Sunday the Reading Eagle carried a story on Libya with potentially frightening consequences for the United States and our allies. The article

strongly suggests that Libya may already possess as many as five nuclear devices. The implications for our country and the world of possession of nuclear weapons by a leader as erratic as Qadhafi are profound. I have already asked the distinguished chairman of the Committee on Foreign Affairs to immediately launch an inquiry into the situation and its implications.

Following is the complete text of the copyrighted article from the Reading Eagle of June 5, 1983:

KHADAFY HAS A-BOMB—INTELLIGENCE SOURCES UNCOVER SHOCKING SCENARIO

(By Mark Abrams)

(Editor's note—The following exclusive story resulted from a recent meeting between Reading Eagle Co. reporter Mark Abrams and a U.S. intelligence source.)

Western intelligence agencies are in an uproar over secret reports that Libyan leader Col. Moammar Khadafy has five atom bombs in his arsenal, a factor which could pose a serious challenge to the balance of power in the explosive Middle East.

This information was given to this reporter Saturday by a highly reliable U.S. intelligence source who said the alarming development was brought to light in recent days by agents operating in the Middle East.

The situation in Lebanon has become extremely volatile with Khadafy's announcement Friday that he would provide any military or other support to Syria and the Palestine Liberation Organization in their war against Israel.

The unknown factor here, the source said, is how Khadafy's forces would use the A-bombs since Libya has not yet developed a system to accurately deliver the bombs on target.

Also, it is not known whether Khadafy would be willing to use the atomic weapons to support Syrian and PLO forces now in Lebanon.

The source said officials believe Khadafy was able to gain access to the crude devices as the result of collusion with Pakistan. Although Khadafy has the bombs, they are described as "dirty" because of their potential for extensive and damaging radioactive fallout, the source reported.

If the report is true, Libya is the first of the Islamic nations to obtain nuclear weapons.

A spokesman for the White House, contacted Saturday night, declined comment on the report.

"We don't comment on intelligence reports," said Anson Franklin, assistant White House press secretary.

Sondra McCarty, a press officer with the U.S. State Department, said, "The department has no immediate comment on it."

A Central Intelligence Agency press spokesman did not return phone calls Saturday night, although the CIA desk in Arlington, Va., acknowledged a spokesman was apprised the *Reading Eagle* was attempting to obtain comment on the report.

Attempts to reach the Libyan mission in Washington, D.C., Saturday night also were unsuccessful.

Khadafy's atomic cache came about through Libyan investment of more than $100 million in the Pakistani "Project 706," which U.S. officials described as having reached the "bomb-in-a-basement stage." A test detonation is being considered for the near future, the intelligence source said.

In addition, the source said, Libya has provided Pakistan with all the uranium it needed to build the bombs. The mineral was purchased by Libya from the African nation of Niger, which has some of the richest uranium deposits in the world, according to intelligence reports.

The source said Israel, while publicly denying it has developed a nuclear option, is believed to have a sophisticated arsenal of nuclear weapons with refined delivery systems.

According to intelligence analysts; Soviet armaments and advisers, and the feeling of invincibility among the Syrian and PLO forces occupying eastern and northern Lebanon have set the stage for a new outbreak of fighting in that divided country.

In fact, the stability of the region known as the Bekaa Valley, where troops are just hundreds of yards away from direct confrontation, is viewed as extremely volatile, the source said.

The growing discontent among the ranks of the PLO, reported in recent weeks by news services and other correspondents, has now been manifested in a challenge to Yasser Arafat's control of the PLO.

The source said there is a very real fear that radicals in the PLO could grab power and possibly trigger a "holy war" against Israel.

Officials report that PLO troop strength in the Bekaa Valley now could range from 12,000 to 14,000, all of whom have re-entered Lebanon.

In addition, the Syrian occupation force in Lebanon is believed to have a contingent of more than 50,000 troops in place, the source said.

Israel has approximately 30,000 to 35,000 troops within that portion of Lebanon under Israeli control, officials acknowledged.

According to recent reports from the Middle East, Syrian troops and the PLO forces are receiving arms and ammunition at an alarming rate by ship and air transport.

Included in the deliveries from the Soviet Union are the new Soviet-built SAM-5 surface-to-air missiles, new model light and medium tanks, and more sophisticated MIG fighters, officials have learned.

It is believed that between 5,000 to 10,000 Soviet technicians and advisers have been sent to Syria to help train the Syrian army and air force in the use of the new weapons, the source said.

Other reports from the region indicate the Syrian armed forces are extremely nationalistic and have a fanatical hatred of the Israelis.

With the increased training program involving Syrian troops during the past 15-to-18 months, the fiery statements of Syrian President Hafez Assad, and the support of the Soviets, officials acknowledge that the Syrians and PLO pose an explosive threat.

Intelligence sources believe the PLO goal is not only to bring Israel to its knees, but to totally eradicate the Jewish nation. The source said it is possible that a power struggle successfully won by a radical PLO element could ignite a drive to try and accomplish this goal.

Khadafy's atom-bomb cache and his pledge to support Syria and the PLO in their fight against Israel makes the situation even more ominous.

Although statements by Israel in recent days indicate the Jewish nation hopes to honor the terms of the American-backed troop withdrawal plan, officials believe PLO or Syrian troop movements out of the Bekaa Valley and deeper into Lebanon could shatter the agreement and spark a war more intense than the early days of the Israeli invasion.

As to the Israeli nuclear arsenal, officials declined to pin the source of the necessary nuclear ingredients on any one country. However, there is speculation the French were instrumental in delivering materials to Israel to make the bombs.

The French connection is believed to be related to the possible nuclear potential elsewhere in the Middle East, the source said.

According to intelligence files, Saudi Arabia signed a secret pact with France in 1975 for a French reactor. By July 20, 1979, the Saudis assumed control of the French firm, Creusot Loire, the military section of what is known as Amban Schnider, which manufactures nuclear reactors.

Officials also have known that Egypt has been working on the development of nuclear arms since 1959. A Soviet cargo ship carrying nuclear warheads was spotted in the waters off Alexandria on Oct. 23, 1973, the source said. Egypt currently has two megawatt research nuclear reactors in operation, according to the source.

Libya purchased a 10-megawatt research nuclear reactor from the Soviet Union in 1973, the source said. The Soviets also have agreed to supply Khadafy with a 440-megawatt power plant for delivery in the near future, intelligence officials have learned.

The French also have assisted Iraq in its nuclear program. France sold the Iraqis the Osirak reactor which Israel bombed and destroyed in a secret raid carried out June 7, 1981. According to news accounts, another French reactor and a smaller Soviet-made reactor in Iraq, were not damaged in the raid.

Israel charged that the Osirak reactor and refined uranium, stored at another site, were being used in the development of nuclear weapons.

Prime Minister Menachem Begin was asked by reporters at a June 9, 1981, press conference if the raid meant Israel would launch a pre-emptive strike against any Arab state that began a nuclear program. In reply, Begin said: "I didn't say so. I said Israel will not tolerate any enemy—not Arab, any enemy—to develop weapons of mass destruction against the people of Israel."

While the nuclear concern has been heightened in the Middle East, the source said officials also are attempting to verify an alarming intelligence report that a nuclear device may have been smuggled into Mexico. The source declined to disclose just where in Mexico the device may have been taken or what country or countries may be involved.

However, the source acknowledged that officials fear such a device might be used in the Panama Canal zone.●

PERSONAL EXPLANATION

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. FORSYTHE. Mr. Speaker, last Thursday and Friday, June 2 and 3, I was not present for recorded votes

149-161 because I was out of town on official business of the House Merchant Marine and Fisheries Committee. Had I been present, I would have cast my vote in the following manner:

Rollcall No. 149—Dannemeyer amendment to prohibit EPA from using funds to impose sanctions during fiscal year 1984 on any area failing to attain national ambient air quality standards established under the Clean Air Act. (Adopted 227-136) I would have voted "yea."

Rollcall No. 150—Motion that the Committee of the Whole rise. (Adopted 241-120) I would have voted "nay."

Rollcall No. 151—Final passage of H.R. 3133, HUD appropriations, fiscal year 1984. (Adopted 216-143) I would have voted "nay."

Rollcall No. 152—Walker amendment to reduce by $1.1 million the appropriation for House committee staffs. (Rejected 142-213) I would have voted "nay."

Rollcall No. 153—Passage of S. 639, Lebanon Emergency Assistance Act of 1983. (Adopted 276-76) I would have voted "yea."

Rollcall No. 154—Approving the Journal of Thursday, June 2. (Approved 283-21) I would have voted "nay."

Rollcall No. 155—To resolve into the Committee of the Whole for further consideration of H.R. 3135, legislative branch appropriations, fiscal year 1984. (Approved 301-10) I would have voted "yea."

Rollcall No. 156—Gregg amendment to reduce funding for special and select committees from $44 million to $38 million. (Rejected 133-189) I would have voted "nay."

Rollcall No. 157—Bartlett amendment to reduce funding for Members official expenses from $103 million to $96 million. (Rejected 156-160) I would have voted "nay."

Rollcall No. 158—Hunter amendment to reduce funding for official mail costs from $107 million to $97 million. (Rejected 134-173) I would have voted "nay."

Rollcall No. 159—Hiler amendment to reduce funding for the Congressional Budget Office from $16.3 million to $15.5 million. (Rejected 141-164) I would have voted "nay."

Rollcall No. 160—Brown amendment to eliminate funding for 14 elevator operator positions on automatic elevators of the House. (Rejected 101-193) I would have voted "yea."

Rollcall No. 161—Final passage of H.R. 3135, legislative branch appropriations fiscal year 1984. (Approved 184-104) I would have voted "yea."●

WELFARE FRAUD

HON. HAROLD S. SAWYER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1983

● Mr. SAWYER. Mr. Speaker, I introduced in this Congress legislation to designate the week of June 5 as National Welfare Fraud Prevention Week, House Joint Resolution 276. Unfortunately, time did not permit the consideration of this bill in this Congress, but I do think it is important that we recognize the success which has been realized in preventing and eliminating welfare fraud. We seem to all too frequently hear of the abuses; we should put more emphasis on efforts to prevent and detect welfare fraud.

It is difficult to say how much money the Federal Government loses each year in the three largest welfare programs: AFDC, food stamps and medicaid. Federal spending for the three programs for the fiscal year 1982 was estimated to be around $35 billion. It seems apparent that the biggest losses to the Government occur on a small scale, where the small discrepancies simply add up. Therefore, Congress has encouraged the States to take a more active role to detect fraud, and has simultaneously increased the penalties for convictions. In the case of food stamp fraud, the Federal Government will even pay 75 percent of the cost of the investigations. States can the keep 50 percent of the funds they recover.

Some examples of methods currently being used to eliminate welfare fraud will illustrate the innovative methods currently being put into use. In Kent County, which is located in my congressional district, a photo identification system helped to reduce duplicate issuances of food stamps from $5,000 to $1,000 per month. With a magnetic card system now in use, duplications have been cut to $300 a month.

Because inaccurate reporting (withholding information, failing to report pay raises, not mentioning the presence of a full-time wage earner in the home or falsely listing dependents) is probably the biggest welfare problem, such methods as cross-checking these details is crucial. This can be accomplished via school records, birth certificates, tax returns, and so forth. In this way, welfare cheaters can be detected and taken off the rolls. Unfortunately, proving intentional fraud and recovering the moneys is a very difficult task, so oftimes the elimination of an individual from the rolls is the best that can be done.

One final example from a personal involvement I have had with welfare cheating will serve to prove that many and varied attempts are being made to deal with welfare fraud. When I was the prosecuting attorney in Kent County before I came to Congress, I announced a 30-day period of amnesty whereby a welfare recipient could come forward and admit that they had cheated in some way and would not be prosecuted. Further, these cheaters would be allowed the opportunity to reimburse the Department of Social Services for any moneys they received illegally. During that 30-day period of time, hundreds of people came forward to admit cheating on welfare. Kent County has continued to improve upon their record, and it is a record of which to be proud. That record will follow these remarks.

Finally, we all have an obvious interest in prevention and detection of welfare fraud, because it will save tremendous amounts of money which can better be used to help those truly in need, not to mention defraying our growing Federal deficit. I hope that other local jurisdictions will attempt to emulate Kent County's example; its results are impressive.

Recap of statistics from the Office of Inspector General—Kent County—January 1, 1975, to December 31, 1982

Number of cases submitted to the Kent County prosecuting attorney	1,482
Dollar value of reimbursement Agreement signed and Court Orders issued	$1,072,054.91
Dollar value where judges ordered prison sentences with no restitution to the State of Michigan	$104,903.50
Dollar value of cases currently in the Criminal justice system (68 cases)	$115,693.38
Dollar value of total violations	$1,292,651.80
Dollar value of reimbursement agreements	$1,072,054.91
Collections:	
Kent County DSS Business Office	$278,452.67
Administrative Reimbursements	[1] $392,062.50
Total	$670,515.17
Dollar value of cases pending collection	$401,539.74

[1] Administrative Reimbursements can no longer be tracked for fraud collections as county staff is collecting non-fraud as well as fraud overissuances through this process.

Office of Inspector General—Kent County—Calendar Year 1982

December 31, 1982—Fraud referrals Assigned and Pending investigation	443
Production:	
Cases closed as "no fraud"	307
Cases referred to Kent County Prosecutor	117
Total	424
Number of new warrants issued	70

Cases pending decision—Kent County prosecutor	4
Number of convictions	26
Dollar value of new reimbursement agreements	$72,347.17
Dollar value of 68 cases currently pending trial	$115,693.39
Collections:	
Kent County DSS Business Office	$29,535.36
Administrative reimbursements	[1] $51,555.00
Total	$81,090.36

[1] Reflects combined DSS-OIG collections.●

HOUSE OF REPRESENTATIVES—*Wednesday, June 8, 1983*

The House met at 10 o'clock a.m.

Rev. Charles A. Mallon, permanent deacon, Holy Family Church, Mitchellville, Md., offered the following prayer:

Bless the Lord, O my soul; and all that is within me, bless His holy name!—Psalm 103: 1.

Father, accept this prayer in witness to this body's continued recognition of You as Lord. Each morning the first order of business is to turn to You and speak well of You. Grant that we never lose this friendship or turn from You. Father, it appears that love of the Lord is restored through fear of the Lord. We ask You to spare us this fearful relationship and give us peace, prosperity, and friendship.

We ask this through Christ our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Saunders, one of his secretaries.

APPOINTMENT OF CONFEREES ON HOUSE CONCURRENT RESOLUTION 91, FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1984

Mr. JONES of Oklahoma. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the concurrent resolution (H. Con. Res. 91) revising the congressional budget for the U.S. Government for the fiscal year 1983 and setting forth the congressional budget for the U.S. Government for the fiscal years 1984, 1985, and 1986, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. WALKER. Mr. Speaker, reserving the right to object, I do so to ask the gentleman from Oklahoma whether or not this request has been cleared with the gentleman from Ohio or with the minority leadership. I do not see anyone on the floor at the present time from the minority leadership or the gentleman from Ohio.

Mr. JONES of Oklahoma. If the gentleman will yield, I have discussed this with the gentleman from Ohio (Mr. LATTA). We are in agreement. We intend to go to conference at 10:30.

Mr. WALKER. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma? The Chair hears none, and appoints the following conferees: Messrs. JONES of Oklahoma, WRIGHT, SOLARZ, WIRTH, PANETTA, GEPHARDT, NELSON of Florida, ASPIN, LOWRY of Washington, GRAY, LATTA, SHUSTER, FRENZEL, KEMP, and BETHUNE.

THE LATE HONORABLE TOM STEED

(Mr. JONES of Oklahoma asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONES of Oklahoma. Mr. Speaker, I take this time to inform my colleagues in the House of some sad news, that one of our former colleagues, the former dean of the Oklahoma delegation, Tom Steed, passed away last night. He had cancer, which was discovered just a couple of weeks ago, and he passed away last night. He was a very dear personal friend of mine who gave this advice to me when I came here, and to most young Members of Congress. He said:

> Around here, knowledge is power. In other words, do your homework thoroughly and dispense that information honestly, and you can make important contributions to public policy.

We will all miss Tom Steed greatly. The arrangements have not been announced yet. I will announce them when they are known.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT TODAY DURING 5-MINUTE RULE

Mr. McNULTY. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be permitted to sit during the 5-minute rule in the House of Representatives on Wednesday, June 8, 1983.

The SPEAKER pro tempore (Mr. MOAKLEY). Is there objection to the request of the gentleman from Arizona?

There was no objection.

SOCIAL SECURITY DISABILITY BENEFITS

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, yesterday the Health and Human Services Secretary, Margaret Heckler, announced changes in the way social security disability benefits would be terminated.

I am glad the administration is finally admitting the unjustifiable purging that has occurred. Yet we must recognize what the Secretary did not say.

She did not say that the persons already removed from social security disability, many of whom were too disabled to appeal their cutoff, would have their cases reviewed. They have fallen through the cracks, apparently. Nothing was said about social security doctors conducting assembly line exams. No real standards have been established for terminating the mentally disabled. HHS did not say they would open up the internal guidelines for termination for public comment. And the Secretary's suggestion to pay benefits through the first stage of consideration is less than what is already being done.

The hundreds of thousands of disabled Americans are not fooled by this, Mr. Speaker. I hope Congress is not either, and that we recognize that legislation is needed to solve this problem once and for all.

HEALTH CARE COST CONTROL ACT OF 1983

(Mr. SHANNON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHANNON. Mr. Speaker, the enormous increases in health care costs in the last few years have meant that quality health care has been denied to millions of Americans.

It is a tragedy that so many of our people simply cannot afford the kind of health care they need.

And meanwhile, health care inflation is also bankrupting businesses and crippling our Federal, State, and local budgets.

Over 10 cents of every $1 produced by the American economy now goes to cover health expenses.

Today I am introducing the Health Care Cost Control Act of 1983. Identical legislation has been introduced in the Senate by Senator KENNEDY. This bill takes a long-overdue step toward

holding down the frightening inflation in this country's health care sector.

We cannot slice away at medicare and medicaid, as the administration would have us do.

But we can pursue fundamental reforms that will bring all health costs under control.

We still have a long way to go to insure that all Americans have access to quality health care. Reforming the health care system to bring costs under control should be the first step.

CIVILITY IN POLITICS

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, yesterday, as the Foreign Affairs Committee debated U.S. covert action in Nicaragua, echoes of the McCarthy era were heard in the Halls of Congress.

This morning's New York Times reports:

> Committee Republicans accused Democrats of aiding the Kremlin, selling out the United States and helping the spread of communism.

Mr. Speaker, this brand of name calling is unworthy of a constitutional democracy.

Not one among us on either side of the aisle would aid the Kremlin; not one among us would sell out the United States; not one among us would support the spread of communism.

I would suggest that as we debate U.S. policy in Central America, we avoid a return to the dark days of red baiting in this country. Let us disagree with reason rather than invective. Let us debate with civility rather than cynicism. Let us question policies rather than patriotism.

The issue is how we serve our interests and values in Central America.

I do not support the policy of apparent military escalation by this administration. Others disagree, and I question neither their motivation nor their patriotism.

I would hope that we would attempt to win a peace, rather than blame each other for losing a war in Central America.

CRUDE LIES AND CRUEL REALITIES

(Mr. LANTOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANTOS. Mr. Speaker, the Soviet leadership under Yuriy Andropov has virtually choked off all emigration from the Soviet Union. It has intensified a vicious and officially orchestrated campaign of anti-Semitism. It has now concocted a phony front organization with the dual goal of disgracefully falsifying the past and deceitfully denying the present.

The newly created Soviet Anti-Zionist Committee charges Zionist collusion with the S.S. and the Gestapo during World War II. Hitler's propaganda chief, Goebbels, could not have outdone this "Big Lie."

But the Soviet Anti-Zionist Committee also claims that Jewish emigration from the Soviet Union has stopped since no more Jews wish to leave the Soviet Union. As chairman of the last bipartisan U.S. congressional delegation that visited the Soviet Union earlier this year, I can categorically state that the Soviet claim is an unadulterated lie. There are tens of thousands eager to leave the Soviet Union. Our best estimates run to over 300,000.

I challenge Yuriy Andropov to open the gates and let the world see whether emigration from the Soviet Union has stopped because the Russian Government stopped it or because Soviet Jews no longer wish to leave Andropov's empire.

POLITICAL SLAUGHTER IN SOUTH AFRICA

(Mr. DOWNEY of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOWNEY of New York. Mr. Speaker, the South African Government is going to kill three young South Africans tomorrow morning.

Why are they going to do this? Because these men—Marcus Motaung, Simon Mogoerane, and Jerry Mosololi—believe that South Africa's blacks should have the right to vote, to live and work where they want, to be educated, and to live free of the fear of political imprisonment and death. Their "crime" is that of belonging to the African National Congress, a political organization which has as its goal the demise of apartheid. It is also alleged that they were involved in an incident in which four policemen were killed.

The South African Government believes that by killing these men, it will send a warning signal to other South Africans who are seeking the same rights for blacks. More importantly, they will die tomorrow because the South African Government believes it can get away with it.

Like others, I regret that the ANC is using violent tactics. But that is not the question that must be considered. This is a political slaughter: These men are being killed for their political beliefs, and the accusation of murder is a camouflage. Carrying out the death sentences will only further polarize relations between the races in that country. The appalling violence of the last few weeks indicates what a volcano South Africa has become. Executing these men now will only increase the desperation and anger of the blacks and spark more spontaneous violence.

The administration could stop this slaughter by asking Prime Minister Botha to commute the sentences, but it has so far refused to do so. Yesterday, I joined 52 of my colleagues on a cable to George Shultz urging the administration to intervene. I now urge the rest of my colleagues to do the same.

If these men die tomorrow, it will be because the South African Government believed no one cared enough to try to stop it.

CONGRESSIONAL REFORM WAIVED ON TREASURY-POSTAL SERVICE APPROPRIATIONS BILL

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I regret to have to inform my colleagues what I think is going to happen today. If you all remember, at the beginning of the year we introduced a new reform. That reform was to give the House a method to stop this legislation on appropriation bills. We supported the reform because allowing legislation on appropriation bills had really made a sham of the whole process.

Unfortunately, yesterday the Rules Committee waived the new reform in regard to the Treasury-Postal bill. They granted a rule permitting an amendment that will say that Federal employees cannot get health insurance that covers abortion. Further, they will not allow the privileged amendment to be amended so health of the mother, rape, or incest could be covered.

I think that this is shocking, and I think it is really regretful that the only time the new reform has been used so far this year has been against environmentalists.

I think it is sad that we are saying, "Well, it is just a women's issue," or "It is just Federal employees, so therefore we will let them go ahead and play with it," and I hope everybody pays attention when the rule on Treasury-Postal comes up and when the bill itself comes up. Hopefully, we can stop it.

THE ULTIMATE JOBS BILL

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, I think it is time for Congress to address the problem of huge and ever growing

deficits, not just for fiscal year 1984, but for the years beyond.

Deficits of this size during the period when the economy is trying to revive will lead to rising interest rates, a halt in economic growth and a Nation weakened from within.

It is my fear that unless we propose and pass a clear and credible program for deficit reduction, interest rates will go up and those whom we want most to protect, the least well off among us, will be the most hurt.

When the new round of interest rate increases comes, as surely it will, we will not have the Federal Reserve system and Paul Volcker to blame. The new round will be our fault, those who wanted military spending without reforms, those who insisted on social welfare growth without restraint, and those who adhered to tax reduction, blind to the real cost of government.

Let us freeze fiscal year 1984 spending at near the 1983 levels; let us reform the military establishment, and let us cap the 1983 tax benefits. It will be a good beginning. It is the ultimate jobs bill.

JEANE KIRKPATRICK TO SPEAK ON CENTRAL AMERICA

(Mr. COLEMAN of Missouri asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN of Missouri. Mr. Speaker, I want to remind my colleagues of the bipartisan dialog with Secretary Jeane Kirkpatrick this afternoon at 2:30. This is a bipartisan effort by 12 of your colleagues, 6 Democrats and 6 Republicans, who sent you a dear colleague letter announcing this meeting, in the hopes that we can come to some consensus on Central America, this very important area of the world. The meeting will be held at 2:30 in room 2105 of the Rayburn Building. I do hope that as many of my colleagues as possible can come and hear Mrs. Kirkpatrick talk about Central America in general and El Salvador and Nicaragua in particular.

□ 1015

THREAT IN CENTRAL AMERICA

(Mr. BEREUTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEREUTER. Mr. Speaker, here the Congress sits legislatively strumming its lute like Nero while wildfire conditions exist in the Caribbean and Central America.

Where is the CBI which the other body could not find time for during the last Congress? And for that matter, although it is no solution to our Central American problems—only a protective measure, where in this leisurely paced Congress is the Simpson-Mazzoli immigration reform bill that this House did not have the will to address during the 97th Congress?

The leadership of previous Congresses and Ronald Reagan's predecessors in the White House have practiced a see-nothing, do-nothing policy with respect to the Caribbean, Central America, and for that matter with respect to all of Latin America, Cuba, and Nicaragua, nutured by the Soviet Union, are two cancerous organs in this hemisphere that are aggressively spreading their malignancy. Our past neglect of the economic, social, and political conditions in our hemisphere neighbors to the south have provided fertile fields waiting for the seeds of revolution.

Now we are faced with a crisis—the single most serious threat to American national interests in the latter half of the 20th century. If members of this House want to stop covert assistance to Nicaragua guerrillas then they have a responsibility to provide adequate economic and military assistance to nations surrounding Nicaragua. Yes, keep U.S. troops out of the nations of Central America. It must be their fight, but give them the financial assistance and equipment necessary. Critics of covert assistance in the Congress are generally unwilling to do that. They can't have it both ways and escape accountability for their actions. History will hold members of this Congress responsible for its actions and inaction in addressing the threat to our national interest posed by Nicaragua and Cuba. And the American voters will eventually hold them responsible too.

TOM STEED—A GOOD MAN

(Mr. EDWARDS of Oklahoma asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS of Oklahoma. Mr. Speaker, a few minutes ago the dean of the Oklahoma delegation, JIM JONES, announced the death of our former colleague, Tom Steed.

When I came to Congress nearly 7 years ago, Tom Steed was the dean of the Oklahoma delegation. Tom was an avid, committed, and highly partisan Democrat, as everybody who knew him knows, and he wanted very much to remove me as a Republican from the Congress. But outside the political arena we were friends. He would drop by my office to give advice and swap stories and tell jokes.

Tom Steed was a conscientious, good public servant, a good Congressman, but above all, he was a good man, and all of us in the Oklahoma delegation and all of us in the Congress are going to miss Tom.

JEWISH EMIGRATION FROM THE SOVIET UNION HAS NOT STOPPED

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, yesterday the Soviet Union asserted that Jewish emigration from that country had effectively stopped because most Soviet Jews who wanted to leave have already gone.

This statement, made by the leader of an official Soviet anti-Zionist committee, is not only an outright lie, but makes a mockery of the hardship and suffering that thousands upon thousands of Soviet Jews have experienced who have made known their desire to leave.

Last September I visited the Soviet Union and in 1 week personally met with over 50 families who had applied for exit visas and were refused, most repeatedly over periods as long as 13 years. I saw with my own eyes the harrassment, ostracism, indignities, and economic penalties suffered by people whose only crime was a desire to leave the land of their oppressors.

They told me of how when their first application was filed, they were fired from responsible jobs and were forced to take menial ones; how they were constantly under surveillance and harassment by the KGB; how their mail and telephone service were cut off; how trumped up charges were brought against them resulting in internal exile or imprisonment; how confinement in a mental hospital was often used to discourage the desire to emigrate.

The truth is that not less than 750,000 Soviet Jews have asked relatives abroad to send invitations to emigrate, a part of the exit process the Soviets require. Since 1979 Soviet authorities have refused to allow Jews to receive such invitations presumably because the number received would be so embarrassingly high.

The truth is that the Soviet Union uses human beings who want to leave their repressive society as political hostages in its dealings with the United States. When détente was in flower and America overlooked Soviet adventurism, emigration was at its peak. But when the Soviets invaded Afghanistan and forced repression of free labor in Poland, and America reacted, the outflow was slowed and all but stopped.

And yet not 1 of the 50 families I talked with urged us to overlook Soviet transgressions so that their chances to emigrate might improve. On the contrary, unanimously they urged the United States to remain strong and steadfast in its commitment to human rights for all the world's people.

The truth is that no matter how many lies are told, the voices of human beings longing for freedom from tyranny and persecution will always be louder.

We in the Congress assure those hundreds of thousands who have sacrificed and suffered so much that we will not forget them and will continue to fight so that they might go free and so the world might know the nature of the society which continues to imprison them.

A WELCOME TO CABLE TV VIEWERS IN ANN ARBOR, MICH.

(Mr. PURSELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PURSELL. Mr. Speaker, I would like to welcome cable television viewers in the Ann Arbor, Mich., area to our sessions. Ann Arbor Cablevision is now broadcasting House sessions via the C-Span cable network.

I have strongly supported broadcasting of our House sessions. I believe that the more people understand and participate in their Government, the stronger our country becomes.

Ann Arbor, home of the University of Michigan, has always had a keen interest in congressional actions. I, therefore, commend Ann Arbor Cablevision and C-Span, for making available this extensive coverage.

I hope many in Michigan's Second Congressional District will take advantage of this opportunity to be better informed about congressional decisions.

TOM STEED—A GOOD FRIEND AND A GREAT AMERICAN

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, I was shocked to learn about the death of my good friend, Tom Steed. Tom and I served together in the House for 24 years, on the Committee on Appropriations for 22 years, and on the Treasury Subcommittee for 12 years. There was not a day that went by in those 24 years that Tom Steed would not come by with a little story, a little cheer. He is one of the nicest, most beautiful men that I have ever met in my life.

Tom came to my district, and I went to Oklahoma and to Tom's district. He was a good friend, he was a great American, and we are going to miss him greatly. My deepest sympathy goes out to his lovely wife, Hazel, and his family.

TOM STEED—PARTISAN BUT FAIR

(Mr. MYERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MYERS. Mr. Speaker, I, too, join my colleagues in offering my prayers and condolences to Hazel and all of the many friends that Tom Steed has left both here and back in Oklahoma.

Tom Steed was a dear friend to anyone who ever had the opportunity and privilege of knowing him. When I first went on the Committee on Appropriations, I had the honor of being assigned to the committee of which he was chairman. He was always most cooperative and understanding of the minority side and was always willing to help, regardless of politics.

As some have said, he was a very partisan individual, but he did not let that interfere with his strict adherence to fairness. Tom was a great asset to this House and to our country. When he retired from Congress, he was missed, and he will be missed now by all who knew him. We offer our prayers to his wife and family.

TOM STEED DESERVES SPECIAL RECOGNITION

(Mr. WATKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WATKINS. Mr. Speaker, I rise to express my deep and stunned shock this morning when I called to ask Hazel Steed to give my best to her husband Tom Steed. I thought that Tom was in the hospital, but learned instead that Tom Steed had passed away only an hour earlier.

I would like to say Tom Steed was indeed a friend, a true statesman for Oklahoma and the Nation. Tom Steed and former Speaker Carl Albert both are constituents of mine, and I have had the privilege of being able to go to them and seek their wise counsel, their experience, and seek their know-how from many years of experience. Tom was always an individual who would take time to be helpful, in my trying to be a better person and a better Congressman.

I would like to add Tom Steed was probably the most unselfish person that I have ever met. He was always seeking to improve the lives of his fellow human beings. I hope that in some way the people of Oklahoma and this country will fully acknowledge and pay special recognition for the great contributions that Tom Steed has made to make this a greater country to live, work and raise our families.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. WATKINS. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, I join with my friends in expressing my sorrow at the untimely passing of my good friend, Tom Steed.

It was my privilege to serve with Tom Steed for 24 years on the Committee on Appropriations. In my experience here, I have never known a more courageous person or a man whose word was better or a man who stood by his convictions any better than Tom Steed. You could count on many of us many times, but you could count on Tom every time.

Tom headed one of the major subcommittees of the Committee on Appropriations, and throughout the years did a magnificent job. Among other things, he loved this institution and he loved Washington.

He knew everything about the Capitol. When we talk about professional guides showing people around here, if you ever had a chance to walk around as I did, with Tom, he knew more about the history of the Capitol and about the Capitol itself than anyone.

I know, as sad as we all are at his passing, he leaves many monuments to the wonderful service that he rendered to his country, all of which will last forever.

May I say, too, that we express our sorrow to his lovely wife, because she was very close and a very great help to Tom. We miss him, and we hate to see his passing. We are thankful for what he left us.

Mr. WATKINS. I would just say "Amen" to that.

MX CONTRADICTS ARMS CONTROL INITIATIVE

(Mr. VENTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VENTO. Mr. Speaker, in the morning news we read, and I might commend, the administration for a new arms control approach that is counting warheads as opposed to missiles and types of missiles. But at the same time, within this concession is a great irony, and that is the irony that at the same time we are going to begin to count warheads, we are moving ahead to full production of the MX, the multiple warhead missile with a rather questionable basing mode.

So it really is a very glaring contradiction that we are going to begin to count warheads and yet we are in essence embracing and moving toward the production of a multiple warhead system, the MX. I think it points up the inconsistency in the Scowcroft Commission report. I think it points up the fact that the MX is more a political tool and bargaining chip than a practical weapon.

So I hope that as we go forward, we might address this inconsistency. The

very real aspect of the MX, of course, is the fact that $20 billion is going to be spent, and that is a cold reality that is pushing and bloating the U.S. deficit. Reality dictates that Congress must address this serious deficit problem.

If not through this MX weapon system than when and how.

I hope the House will eliminate this MX contradiction and return our weapons systems programs back to reality and move away from permitting this Congress being used for such a blatant political purpose.

TOM STEED—A CONGRESSMAN'S CONGRESSMAN

(Mr. LONG of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LONG of Maryland. Mr. Speaker, as were my colleagues, I was shocked and saddened by the death of Tom Steed.

There is an old saying that your colleagues' opinions can be harsh, but they are fair. Tom Steed was a Congressman's Congressman. There is no finer thing that can be said about him.

WAIVING POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 3223, AGRICULTURE, RURAL DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS, 1984

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 220 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 220

Resolved, That all points of order against consideration of the bill (H.R. 3223) making appropriations for Agriculture, Rural Development, and Related Agencies programs for the fiscal year ending September 30, 1984, and for other purposes, for failure to comply with the provisions of section 303(a)(1) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived.

The SPEAKER pro tempore. The gentleman from South Carolina (Mr. DERRICK) is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, I yield the customary 30 minutes, for purposes of debate only, to the gentleman from Ohio (Mr. LATTA), and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 220 is a very simple rule. It only waives points of order against consideration of H.R. 3223, making appropriations for agriculture, rural development, and related agencies for fiscal year 1984, for failure to comply with section 303(a)(1) of the Congressional Budget Act of 1974. No waivers of other rules are granted and no limitations are placed on amendments which are not otherwise prohibited by the rules of the House. Consideration of H.R. 3223 will proceed exactly as provided by the rules of the House for any general appropriations bill.

Section 303(a)(1) of the Congressional Budget Act of 1974 prohibits consideration of any measure which provides new budget authority for a fiscal year prior to the adoption of the first concurrent resolution on the budget for that fiscal year.

As we are all aware, Congress has not yet reached agreement on a first budget resolution for fiscal year 1984. In order for the House to move ahead in fulfilling its duty to enact appropriations in a timely fashion, it is necessary to waive points of order under section 303(a)(1) and allow immediate consideration of H.R. 3223.

Mr. Speaker, H.R. 3223 provides more than $34 billion for agriculture, rural development, and related agencies for fiscal year 1984. This bill includes crucial funds to aid the farmers of this Nation who are suffering their worst financial crisis since the 1930's, to assist rural development and conservation efforts, to provide adequate nutrition for the needy of the United States through the food stamp and other food programs, and to pay for the operation of agencies such as the Food and Drug Administration. This is vitally important legislation that deserves the prompt attention and support of the Members of this body.

Mr. Speaker, I urge adoption of House Resolution 220, to allow consideration of H.R. 3223.

□ 1030

Mr. ALEXANDER. Mr. Speaker, will the gentleman yield?

Mr. DERRICK. I yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of this rule and of this bill before us which provides funding for programs for American farmers, citizens in rural communities and small towns, and hungry people throughout our Nation.

Our chairman, the gentleman from Mississippi (Mr. WHITTEN), our colleagues from both sides of the aisle, and our staff at the Subcommittee on Agriculture, Rural Development and Related Agencies have worked long hours to bring this bill before you for consideration. Our subcommittee's tradition of careful, hard work and cooperation has been maintained, and I want to express my appreciation to all those who have had a part in the effort.

Although the total recommendations contained in our bill are below both the tentative budget resolution allocation and the President's budget requests, it is a good bill. This is a bill formulated to provide a constructive, productive response to the proposals and problems we heard discussed in more than 2 months of hearings.

It is traditional to call this bill the agriculture money bill. I am glad that this is so. It puts the work of our farmers across the Nation in the spotlight. It gives those of us who are concerned about their future a forum to raise the American awareness of the vitally important place our farmers have in the life of the Nation, the lives of all our people, the very foundation on which our economy stands.

But, while the programs in the agriculture title of this bill encompass nearly 50 percent of the funding we are recommending, another 37 percent is allocated to the domestic food programs for the hungry among our people. Without the willingness of our farmers to work from before dawn until after nightfall, frequently 7 days a week, for slim reward, those food programs for our hungry people would be threatened. And, our people would no longer be able to buy the food they need by spending a smaller share of their income than any other nation of people.

The trade dollars entering our Nation through export sales are vital to the strength of our economy. Despite the fact that the policies of the last 2 years have eroded away 15 percent of our farmers' share of the overseas agriculture market, it is their products which still constitute the single largest share of our international trade.

Our farmers are in desperate economic straits. Far too many of them are being forced off their farms by bankruptcies brought on by unconscionably high interest rates, the administration's harsh credit policies, the depressed economic conditions here and abroad, and the unfair use of trade policies by our own Government and those or other nations which damage our farmers' opportunities for overseas sales.

In view of the importance of our farmers to the lives of all Americans, I believe that the $12.1 billion in funding we have recommended in the agriculture title of our people is more than justified. It is less than many of us would like to provide. But, the budget constraints we are faced with have hamstrung us.

In addition, in the rural development title of our bill we have recommended a $400 million increase in the Farmers Home Administration farmer operating loan program funding. And, we have, as in past years, directed the Administration to use whatever funding is necessary to help our farmers overcome losses due to natural disasters such as storms, floods, and droughts.

In response to the needs expressed to us by our people in countryside

communities and towns, we have recommended $375 million for water and sewer loans and $125 million for water and sewer grants. Both these funding levels are above the budget requests of the President, as is the $130 million we are proposing for community facility loans.

Further, our recommendations include instructions to the Administration to stop penalizing our people in rural areas for having low incomes, as they have proposed to do through changes in the water and sewer grant program. This is the same position that our subcommittee has taken in the jobs and 1983 supplemental funding bills this House has already approved.

The administration has proposed to radically change the housing program for the people of countryside America, against the interests of our people on farms, in countryside towns and small cities. They have proposed to turn the rural housing program into a block grant and turn it over to the States to administer. This is not in the best interest of our people. It is not what Congress has authorized. And, it is not what this bill recommends funding.

Instead of proposing to reduce the rural housing credit program from $3.4 billion to $300 million, as the administration does, we propose that the Congress provide for a $3.5 billion loan program. And, we propose that these loan funds be distributed under the housing loan programs that have worked successfully for our people in the past.

There are many other aspects to the bill before us today. But, in the interest of time and of giving others of my colleagues an opportunity to speak in support of the programs we are recommending, I will limit my comments to those I have already made.

We have brought you a good, balanced and reasonable bill for your consideration. I urge that the House move expeditiously and vote passage of our recommendations.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, yesterday in the Committee on Rules there were no particular problems with this rule, but there were a lot of questions about the bill itself. With regard to the rule, the waiver of section 303(a) of the Budget Act is necessary because the first budget resolution has not been completed. If there were no waiver, we could not consider this bill today.

However, the bill made in order by this rule, Mr. Speaker, is certainly a budget buster, and it is tagged for veto unless it is reduced. In the Rules Committee we were advised by the Committee on Appropriations that this bill is $53.8 million less than the President's budget and $6.2 billion less than the amount appropriated for fiscal year 1983.

Now, this all sounds great until we begin to look more closely at the figures on which that claim is based.

Though technically within the budget authority request of the administration, the bill, when scored on a full year funding basis, provides some $1.9 billion more than the administration requested.

There are three main areas of concern in the bill, with the following effects on spending. First, the bill fails to provide full-year funding for some programs. The bill has funded food stamps, child nutrition, and the WIC program at less—let me emphasize that—at less than 12 months in order to fall within the administration's request. Now, we could not find out yesterday what they are going to do about the other months that were not provided for, whether they are going to terminate these programs, but everyone in the House knows they are going to be back asking for more money. The administration requested more than $1 billion in reforms in these three programs, which Congress has refused to consider. Notwithstanding this fact, the committee has taken these into account in adjusting its figures. The committee itself estimates that an additional $1.3 billion would be required to carry out these programs for the full year, thereby adding to the estimates for the bill.

The committee has provided $500 million less than the request for reimbursements for losses to the CCC. Should these estimates prove incorrect, the additional $500 million will be needed. If they are correct, we can lower the administration's request by that amount.

The committee has underfunded the Federal crop insurance program by $90 million, based on estimates of lower participation rates. Again the bill must be adjusted by that amount to compare it to the President's.

Finally, the bill increases spending for rural rental assistance by $49 million, while attempting to hide $62 million in additional spending which is financed other than through appropriations. The total of $111 million compares to the $62 million request.

Mr. Speaker, in credit programs, it is even worse. The committee does not address one of the major concerns expressed by the administration, and that is the need to restrain lending. The bill exceeds the administration's request for direct loans by $7.6 billion, while increasing loan guarantee commitments by $2 billion above the President's request. These commitments will result in many billions of dollars in outlays, while further creating an artificial restraint on the credit markets. The bill in some instances even exceeds the swollen levels included in the House passed budget resolution.

When the bill is compared to the President's budget on an equal basis and when proper mandatory spending levels are assumed for the nutrition programs, H.R. 3323 is increased by over $1.9 billion in budget authority and almost an equivalent amount in outlays, putting it $1.9 billion over the President's request.

More specifically, H.R. 3323, as reported, calls for $34.4 billion, and the full-year funding for nutrition program adds another $1.3 billion, and proper scoring for CCC and FCIC and rural housing adds another $700 million, so we have a total in the bill of $36.4 billion. The administration's request is for $34.5 billion.

In addition, Mr. Speaker, the bill exceeds the administration's request for credit programs by $9.6 billion for direct loans and loan guarantees, resulting in multibillion-dollar outlays in 1984 and future years.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I am happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, did I understand the gentleman to say that in the case of the food stamp program, for example, this bill does not fund the program for the entire year?

Mr. LATTA. Mr. Speaker, the gentleman is correct. It does not take the full 12 months into account. It takes credit for making adjustments in the program to save over a billion dollars, as the administration requested. But this Congress has failed to change the authorization bill, so we can expect the billion dollars to be spent.

Mr. WALKER. Mr. Speaker, will the gentleman yield further?

Mr. LATTA. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, if I understand it correctly, then, since we know these are programs on which, when the funding runs out, Congress is going to have a demand to increase the funding in the supplemental appropriation, in fact what we are doing in the appropriation bill that will be before us is mandating additional spending later on in the year, which is exactly the kind of thing which has taken us from the budget resolution of last year and moved us to about $40 billion worth of additional spending this year, with all the supplementals we have added on.

So, therefore, we have an appropriation bill that is demanding supplementals at some point in the next fiscal year. Is that a reasonable assumption?

Mr. LATTA. We are going to have to have a supplemental to fill out these three programs the gentleman mentioned in the next 12 months.

Mr. WALKER. Within the next 12 months?

Mr. LATTA. Yes.

Mr. WALKER. Mr. Speaker, I thank the gentleman.

So in fact the waiver of the Budget Act which intends to impose some kind of discipline on that whole process is a rather important waiver in this bill, because when we have is an appropriation bill coming before us which not only does not effect discipline in terms of the bill but is going to eliminate all discipline further down the pike during the fiscal year; is that correct?

Mr. LATTA. Mr. Speaker, If the gentleman will permit me to say this, we have to have a waiver of the Budget Act; otherwise we could not bring this bill or any of the other appropriation bills up, and since we have not agreed on a budget resolution, this is the only way we can operate.

I have no particular complaint about that. My complaint is that the bill is over the amount requested, and I am just pointing out some of the problems we are going to have down the road.

Mr. WALKER. Mr. Speaker, will the gentleman yield further?

Mr. LATTA. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, let me state what my problem is. I understand the points the gentleman makes, and the gentleman makes them in a very practical sense, but one of the reasons why we do not get budget bills around here, at least responsible budget bills, is because we do not impose discipline on ourselves. We know we will simply go through the process and waive the Budget Act if it is not applicable when we have to come to the business of actually spending the money.

That is one of the problems I see developing, particularly when we get to the point of the appropriations that we have coming before us. Actually they are not only mandating the spending that is in them, but we are going to have to have mandated spending later on in the year through the supplemental process.

Mr. Speaker, I thank the gentleman for yielding.

Mr. LATTA. Mr. Speaker, I thank the gentleman for his comments.

Mr. Speaker, I have no further requests for time.

Mr. DERRICK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CONTE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device and there were—yeas 339, nays 66, not voting 27, as follows:

[Roll No. 174]

YEAS—339

Ackerman	Ferraro	Lowry (WA)
Addabbo	Fish	Lujan
Akaka	Flippo	Luken
Albosta	Florio	Lundine
Alexander	Foglietta	MacKay
Anderson	Ford (MI)	Madigan
Andrews (NC)	Ford (TN)	Markey
Andrews (TX)	Fowler	Marlenee
Annunzio	Frank	Marriott
Anthony	Franklin	Martin (NY)
Applegate	Frost	Matsui
Aspin	Fuqua	Mavroules
AuCoin	Garcia	Mazzoli
Barnard	Gaydos	McCain
Barnes	Gejdenson	McCandless
Bateman	Gephardt	McCloskey
Bates	Gibbons	McCurdy
Bedell	Gilman	McDade
Beilenson	Gingrich	McKinney
Bennett	Glickman	McNulty
Bereuter	Gonzalez	Mica
Berman	Goodling	Mikulski
Bethune	Gore	Miller (OH)
Bevill	Gradison	Mineta
Biaggi	Gray	Minish
Billey	Green	Mitchell
Boehlert	Guarini	Moakley
Boland	Gunderson	Molinari
Boner	Hall (IN)	Mollohan
Bonior	Hall (OH)	Montgomery
Bonker	Hall, Ralph	Moody
Borski	Hall, Sam	Moore
Bosco	Hamilton	Mrazek
Boucher	Hammerschmidt	Murphy
Boxer	Hance	Murtha
Breaux	Harkin	Myers
Britt	Harrison	Natcher
Brooks	Hatcher	Neal
Brown (CA)	Hawkins	Nelson
Bryant	Hefner	Nichols
Byron	Hertel	Nowak
Campbell	Hightower	O'Brien
Carper	Hillis	Oakar
Carr	Hopkins	Oberstar
Chandler	Horton	Obey
Chappell	Howard	Olin
Chappie	Hoyer	Ortiz
Clarke	Huckaby	Oxley
Clay	Hughes	Panetta
Clinger	Hunter	Parris
Coelho	Hutto	Pashayan
Coleman (MO)	Hyde	Patman
Coleman (TX)	Ireland	Patterson
Collins	Jacobs	Pease
Conte	Jeffords	Penny
Cooper	Jenkins	Pepper
Coyne	Johnson	Perkins
Crockett	Jones (NC)	Pickle
D'Amours	Jones (OK)	Pritchard
Daniel	Jones (TN)	Pursell
Daschle	Kaptur	Quillen
Daub	Kasich	Rahall
Davis	Kastenmeier	Rangel
Dellums	Kazen	Ratchford
Derrick	Kennelly	Ray
Dicks	Kildee	Regula
Dingell	Kindness	Richardson
Donnelly	Kogovsek	Ridge
Dorgan	LaFalce	Rinaldo
Dowdy	Lantos	Ritter
Downey	Latta	Roberts
Durbin	Leach	Robinson
Dwyer	Leath	Rodino
Dymally	Lehman (CA)	Roe
Dyson	Lehman (FL)	Roemer
Early	Leland	Rogers
Eckart	Lent	Rose
Edwards (AL)	Levin	Rostenkowski
Edwards (CA)	Levine	Roukema
Edwards (OK)	Levitas	Rowland
Emerson	Lewis (FL)	Roybal
English	Lipinski	Rudd
Erdreich	Livingston	Sabo
Evans (IA)	Lloyd	Savage
Evans (IL)	Loeffler	Sawyer
Fascell	Long (LA)	Scheuer
Fazio	Long (MD)	Schneider
Feighan	Lowery (CA)	Schroeder
Schumer	Stangeland	Walgren
Seiberling	Stark	Watkins
Shannon	Stenholm	Waxman
Sharp	Stokes	Weber
Shaw	Stratton	Weiss
Shelby	Studds	Wheat
Sikorski	Stump	Whitehurst
Siljander	Sundquist	Whitley
Simon	Swift	Whittaker
Sisisky	Synar	Whitten
Skelton	Tallon	Williams (MT)
Slattery	Tauke	Williams (OH)
Smith (FL)	Tauzin	Wilson
Smith (IA)	Taylor	Winn
Smith (NE)	Thomas (GA)	Wirth
Smith (NJ)	Torres	Wise
Smith, Robert	Torricelli	Wolf
Snowe	Towns	Wolpe
Snyder	Traxler	Wright
Solarz	Udall	Wyden
Solomon	Valentine	Yates
Spence	Vander Jagt	Yatron
Spratt	Vandergriff	Young (AK)
St Germain	Vento	Young (FL)
Staggers	Volkmer	Young (MO)

NAYS—66

Archer	Forsythe	Nielson
Bartlett	Gekas	Ottinger
Bilirakis	Gramm	Packard
Brown (CO)	Gregg	Paul
Broyhill	Hansen (UT)	Petri
Burton	Hartnett	Porter
Cheney	Hiler	Reid
Coats	Holt	Roth
Conable	Kramer	Russo
Corcoran	Lagomarsino	Schaefer
Coughlin	Lungren	Schulze
Courter	Mack	Sensenbrenner
Craig	Martin (IL)	Shumway
Crane, Daniel	Martin (NC)	Shuster
Crane, Philip	McCollum	Skeen
Dannemeyer	McDonald	Smith, Denny
DeWine	McEwen	Thomas (CA)
Dreier	McGrath	Vucanovich
Edgar	McKernan	Walker
Erlenborn	Miller (CA)	Weaver
Fiedler	Moorhead	Wortley
Fields	Morrison (WA)	Zschau

NOT VOTING—27

Badham	Foley	Lott
Boggs	Frenzel	Martinez
Broomfield	Hansen (ID)	McHugh
Carney	Heftel	Michel
Conyers	Hubbard	Morrison (CT)
de la Garza	Kemp	Owens
Dickinson	Kolter	Price
Dixon	Kostmayer	Wylie
Duncan	Lewis (CA)	Zablocki

□ 1045

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

WITHDRAWAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 959

Mr. DONNELLY. Mr. Speaker, I ask unanimous consent that the name of the gentleman from Texas (Mr. STENHOLM) be withdrawn as a cosponsor of H.R. 959.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

RESIGNATION AS MEMBER OF COMMITTEE ON HOUSE ADMINISTRATION

The SPEAKER pro tempore laid before the House the following resig-

nation as a member of the Committee on House Administration:

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 6, 1983.

Hon. THOMAS P. O'NEILL,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Due to my appointment to the House Public Works and Transportation Committee, I am respectfully resigning my position on the House Administration Committee.

Sincerely,

LYNN MARTIN,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

ELECTION AS MEMBERS OF STANDING COMMITTEES

Mr. CHENEY. Mr. Speaker, by direction of the Republican conference, I offer a privileged resolution (H. Res. 223) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 223

Resolved, That the following named Members be, and they are hereby, elected to the following standing committees of the House of Representatives:

Committee on Education and Labor: Rod Chandler of Washington.

Committee on House Administration: Barbara Vucanovich of Nevada.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 100

Mrs. HOLT. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 100, the Nondiscrimination in Insurance Act.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

ANNUAL REPORT OF CORPORATION FOR PUBLIC BROADCASTING—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read, and together with the accompanying papers, without objection, referred to the Committee on Energy and Commerce.

(For message, see proceedings of the Senate of today, Wednesday, June 8, 1983.)

□ 1100

ANNUAL REPORT OF NATIONAL SCIENCE FOUNDATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read, and together with the accompanying papers, without objection, referred to the Committee on Science and Technology.

(For message, see proceedings of the Senate of today, Wednesday, June 8, 1983.)

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on consideration of the bill, H.R. 3223, which will be considered today, and that I be permitted to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

AGRICULTURE, RURAL DEVELOPMENT, AND RELATED AGENCIES APPROPRIATION BILL, FISCAL YEAR 1984

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3223) making appropriations for agriculture, rural development, and related agencies programs for the fiscal year ending September 30, 1984, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 2 hours, the time to be equally divided and controlled by the gentlewoman from Nebraska (Mrs. SMITH) and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for consideration of the bill, H.R. 3223, with Mr. FOWLER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement the gentleman from Mississippi (Mr. WHITTEN) will be recognized for 1 hour, and the gentlewoman from Nebraska (Mrs. SMITH) will be recognized for 1 hour.

The Chair recognizes the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, as you know, in the position of chairman of the Appropriations Committee that you honor me with, I deal with many subjects. What we bring up today, I would insist, is vital to everything else that we do, for agriculture is basic.

We live in a nation where less than 4 percent of our people provide food and clothing for the rest of us, so the rest of us can do all of the things that make up our high standard of living.

Unfortunately, many of that 4 percent of our population face bankruptcy today for a variety of reasons.

BILL UNDER BUDGET

Insofar as the bill before you, we provide $34 billion in total obligational authority. That is $6.2 billion less than 1983. I do not wish to mislead you on that. That is primarily because it was not necessary to restore as much money to the Commodity Credit Corporation as we did last year. The bill is $53.8 million less than the budget request.

Now may I say to you, your subcommittee and your committee has brought to you a bill in which we cut the budget request by $628.8 million. Remember that. We have cut the budget request by $628.8 million. We restored only $533 million, and added an amount of $42 million, primarily in the area of research.

So we are below the ceiling assumed in the budget resolution passed by and adopted by the House. We are below the budget recommendations.

In the doing of this we have tried to take care of those programs on projects which have been drastically reduced.

The net result is that we bring you a bill where we have restored the money for this year's essential operating costs. While there are a lot of statements about what we added, what we added back has been those on-going things such as soil conservation and farmers home loans that they proposed that we cut out.

We have restored the farmers home loan program to last year's levels; to do that we had to restore $3.9 billion in direct loans and $350 million in guaranteed loans.

We have also restored the REA programs to last year's level.

I would point out that we are going to have to come back with a supplemental. May I say to you that that comes about because while the law requires that they are entitled to it, such as school lunches, the budget recommendation is less than they acknowl-

edge the law requires. What we have done, is where they have recommended less than they themselves know is required, we have limited it to where it goes as far as it will under present law.

So there are reasons for many of these things.

Now I come to you at a time when the farmer is facing very difficult times.

AGRICULTURE—FOUNDATION OF ECONOMY

Those engaged in agriculture, whether large or small operators, face the most serious financial situation since the Great Depression. And the real trouble, unfortunately, appears to be right here at home; a culmination of years of individual failure by our Government to see that those engaged in agriculture receive a fair return for their production. The farmer must be able to meet cost plus a reasonable profit if he is to stay in business.

Last week, the Secretary of Agriculture requested the Committee on Agriculture to freeze target prices (farm income) for 1984 and 1985 at a level that has proven to be less than cost of production.

Since 1945, after World War II, the farmer's share of the consumer dollar has dropped from 51 percent to 31 percent last year—while of course, labor and industry's share has increased from 49 to 69 percent for the same period.

The farmer's cost, since he buys from industry and labor, has gone up almost 1,100 percent since 1945, his investment has increased almost 1,200 percent, but his price is only up 300 percent.

We forget that agriculture, as an industry, is bigger than the auto, steel, and housing industries combined. Agriculture is the biggest industry and employer in our country, and our biggest dollar earner in foreign trade.

Our whole economy is dependent upon a financially sound agriculture; it is the base—the foundation—for all else.

NEED TO REORDER PRIORITIES

The Office of Management and Budget allocates only so much money to agriculture, after it has taken care of everything else. The Secretary of Agriculture follows that, so he must set price without regard to cost.

Agriculture is the backbone of our economy, but the Office of Management and Budget blocks any attempt to raise farm prices, regardless of the consequences.

The farmer's production is held off world markets—often as a result of international pressure on the State Department.

In February, the Secretary of State criticized what he considered trade practices which "advance one nation's interest at the expense of the international trading rules and system." A Washington Post article dated February 16, 1983, reported the Secretary of State specifically criticized what he termed as a "subsidized" sale of wheat flour to Egypt "in order to take that large agricultural market from the French."

Many do not realize that the Egyptian flour market was taken from the U.S. farmer by the French several years ago by the use of heavily subsidized sales.

The Secretary of Agriculture has held dairy products off world markets—building up supplies which we are finally getting distributed.

He did sell a quantity of butter to New Zealand—with the agreement that they convert it to butteroil before selling to Russia. We gave New Zealand the profit on the sale because our Government didn't want to deal with Russia. And as part of this deal, the Secretary agreed we would sell no more dairy products for 1 year without New Zealand's consent.

PIK PROGRAM

The farmer has been offered the payment-in-kind program—which he had to accept because of the desperate financial fix he is in. Under this program he cuts back on his acreage in production and the Government gives him commodities to make up for lost production—commodities which the Government must buy or take from inventory.

American farmers produce for the world market. The production of 2 acres out of every 5 must be exported for a healthy U.S. agriculture here at home. When we cut back our acreage, our foreign competitors expand theirs, in order to capture markets that once were ours.

In January 1980, shipments of grain and other commodities to the Soviet Union were embargoed. As a result of that action, markets weakened, prices fell, and net farm income dropped from around $32 billion in 1979 to $20 billion in 1980, falling further to $19.5 billion in 1982. The U.S. share of Soviet grain imports fell from around 70 percent in the late 1970's to 17 percent after the 1980 embargo. The level has returned to about 30 percent, but only our farmers paid the cost of our foreign policy. Our agricultural competitors in Canada, Western Europe, Australia, Argentina, New Zealand, and elsewhere expanded production and filled the void.

FARMERS IN TROUBLE

The American farmer is experiencing the worst financial crisis he has faced since the 1930's. Farm prices continue to be too low to cover costs of production. U.S. exports have dropped from $43.3 billion in 1981 to $36.7 billion in 1982, a 15-percent drop.

Net farm income dropped by $5.6 billion in 1982, about 22 percent below the previous year. Farm production expenses continued to rise faster than farm income, due primarily to heavy interest expenses.

Farm debt is at record levels. It reached $215 billion on January 1, 1983, an increase of 10 percent over the previous year. Many farmers are unable to carry their heavy debt load. Many are faced with the loss of further credit, without which they will be unable to plant future crops.

The number of foreclosures in some agricultural areas has reached a very high level. Not only does this weaken the economic fabric of the Nation, it also reduces the agricultural establishment with the many economic and social inplications involved.

LESSONS OF HISTORY

In the early 1950's, commodities held by the Commodity Credit Corporation reached a total of more than $8 billion. This was the result of the failure of the then-Secretary of Agriculture to offer U.S. commodities on world markets on a consistent basis and at competitive prices. Not only did this country lose markets to foreign competitors, but even worse, the large accumulation of commodities was used to curtail farm support programs. As a result, many families were thrown off their farms.

This committee finally prevailed upon the Secretary to offer those large CCC stocks for sale in world markets at competitive prices. To his surprise, he sold them in a few months. However, in the meantime many of our traditional markets had been lost.

The committee believes that the Secretary of State, the Secretary of Agriculture and the Director of the Office of Management and Budget should read the history of this period.

For those who believe it would not hurt if farmers go broke, they should read history. For farmers who believe they would not feel it if their neighbors go broke, they, too, should read history.

When setting national priorities we must bear in mind that agriculture is the foundation of our economy. If the foundation goes, everything goes.

It must be remembered, there is no substitute for offering our commodities for sale in world trade at competitive prices. The farmer benefits, the country benefits, and the people of the world benefit.

FARMER'S PURCHASING POWER

So I say to you that we bring you a bill here where we try to keep folks in business. Where we are having bankruptcy after bankruptcy, where farm equipment is being auctioned off at far below its value; we had better realize that the actions that have been taken in connection with agriculture are such as to destroy the purchasing power of agriculture. When the purchasing power of agriculture is destroyed, the rest of us are going to feel it because agriculture is the biggest business in this country.

You saw last week where the Secretary of Agriculture went before our legislative committee and he wanted to freeze target prices at the present year level, which is below cost of production, even though he has the authority to raise prices.

NEED TO SELL

But can you imagine us refusing to sell competitively what the people of the world need? If you do not make your price competitive it is a virtual embargo because you are certainly not going to sell it if you ask more for it than they can get it for somewhere else.

COMMITTEE RECOMMENDATION

May I say that we provide funding for programs at last year's level with the same assumptions used in the House-passed budget resolution. The committee's bill is based on the funds required to carry out current law. Their President's budget is based on proposed legislation that has not even been reported. What they have done is that they have counted, in their budget, legislation that is not the law. Their request is based on legislation that they hoped for but did not get. We, however, must appropriate money based on existing law.

Over the years I have seen that done by several administrations. I have seen it when they would base the budget on legislation they could not even get anybody to introduce in either the House or the Senate.

□ 1115

So what can we do? The very best that we know how. We are presenting you a bill that is below this year's appropriation and below the budget.

Again, let me say that our committee action in total has cut the budget, cut from items in the budget $628.8 million, we have restored only $533.5 million. We restored the Farmers Home Administration loans to last year's level and restored REA programs to last year's level. For REA that amounts to $525 million in direct loans, and $1,385 million in guaranteed loans. May I say no organization in the history of the world I believe has had a better repayment that the REA, which has made rural areas like our cities. Yet the budget proposed to cut out most of the REA loan program.

BUDGET UNDERSTATED

We have another problem here and some point may be made of it by some of our colleagues. The Budget Director issued a statement which is partially accurate but very misleading. He says we will have to come to you with a recommendation for supplementals. We will. Why? Because in the food stamp program and in the school lunch program the law provides for entitlements. The Budget Director acknowledges they need the money but he sent us a budget recommendation for only a part of it.

So, instead of us taking the load of cutting what is required by law, we give them the same money at the same rates for as long as it will last. All they have to do is send us a budget request for the money, and we would go along with them just like that. We have had to do that for the last 3 years. So, we took the money they did recommend and provided it for as long as it will last. We will be back. Why? Because they will not send us a budget estimate. Heretofore we have worked it out and eventually they came up with the official budget request.

I am going to take a few minutes now on another subject because I think this is worth reading to you. I hope others are listening in their offices and elesewhere. Around 1770, Benjamin Franklin, then living in England, had this to say in an article he wrote which I would like to read to the Members:

ON THE PRICE OF CORN

TO THE PUBLIC

I am one of that class of people, that feeds you all, and at present is abused by you all; in short I am a *farmer*.

By your newspapers we are told, that God had sent a very short harvest to some other countries of Europe. I thought this might be in favour of Old England; and that now we should get a good price for our grain, which would bring millions among us, and make us flow in money; that to be sure is scarce enough.

But the wisdom of government forbade the exportation.

"Well," says I, "then we must be content with the market price at home."

"No;" say my lords the mob, "you sha'nt have that. Bring your corn to market if you dare; we'll sell it for you for less money, or take it for nothing."

Being thus attacked by both ends *of the constitution*, the head and tail of government, what am I to do?

Must I keep my corn in the barn, to feed and increase the breed of rats? Be it so; they cannot be less thankful than those I have been used to feed.

Are we farmers the only people to be grudged the profits of our honest labour? And why? One of the late scribbers against us gives a bill of fare of the provisions at my daughter's wedding, and proclaims to all the world, that we had the insolence to eat beef and pudding! Has he not read the precept in the good Book, *Thou shalt not muzzle the mouth of the ox that tredeth out the corn;* or does he think us less worthy of good living than our oxen?

"O, but the manufacturers! the manufacturers! they are to be favoured, and they must have bread at a cheap rate!"

Hark ye, Mr. Oaf, the farmers live splendidly, you say. And pray, would you have them hoard the money they get? Their fine clothes and furniture, do they make them themselves, or for one another, and so keep the money among them? Or do they employ these your darling manufacturers, and so scatter it again all over the nation?

The wool would produce me a better price, if it were suffered to go to foreign markets; but that, Messieurs the Public, your laws will not permit. It must be kept all at home, that our *dear* manufacturers may have it the cheaper. And then, having yourselves thus lessened our encouragement for raising sheep, you curse us for the scarcity of mutton!

I have heard my grandfather say, that the farmers submitted to the prohibition on the exportation of wool, being made to expect and believe, that, when the manufacturer bought his wool cheaper, they should also have their cloth cheaper. But the deuce a bit. It has been growing dearer and dearer from that day to this. How so? Why, truly, the cloth is exported; and that keeps up the price.

Now, if it be a good principle, that the exportation of a commodity is to be restrained, that so our people at home may have it the cheaper, stick to the principle, and go thorough-stich with it. Prohibit the exportation of your cloth, your leather, and shoes, your iron ware, and your manufactures of all sorts, to make them all cheaper at home. And cheap enough they will be, I will warrant you; till people leave off making them.

Some folks seem to think they ought never to be easy till England becomes another Lubberland, where it is fancied that streets are paved with penny-rolls, the houses tiled with pancakes, and chickens, ready roasted, cry, "Come eat me."

I say, when you are sure you have got a good principle, stick to it, and carry it through. I hear it is said, that though it was *necessary and right* for the ministry to advise a prohibition of the exportation of corn, yet it was *contrary to law;* and also, that though it was *contrary to law* for the mob to obstruct wagons, yet it was *necessary and right.* Just the same thing to a little. Now they tell me, an act of indemnity ought to pass in favour of the ministry, to secure them from the consequences of having acted illegally. If so, pass another in favour of the mob. Others say, some of the mob ought to be hanged, by way of example. If so,—but I say no more than I have said before, *when you are sure that you have a good principle, go through with it.*

You say, poor labourers cannot afford to buy bread at a high price, unless they had higher wages. Possibly. But how shall we farmers be able to afford our labourers higher wages, if you will not allow us to get, when we might have it, a higher price for our corn?

By all that I can learn, we should at least have had a guinea a quarter more, if the exportation had been allowed. And this money England would have got from foreigners.

But, it seems, we farmers must take so much less, that the poor may have it so much cheaper.

This operates, then, as a tax for the maintenance of the poor. A very good thing you will say. But I ask, Why a partial tax? why laid on us farmers only? If it be a good thing, pray, Messieurs the Public, take your share of it, by indemnifying us a little out of your public treasury. In doing a good thing, there is both honour and pleasure; you are welcome to your share of both.

And so it goes. In England in 1770, they did what we are doing here today, holding the farmers' commodities off the world market at competitive prices, making him work for less than the cost of production. Surely we should have learned something since and from 1770.

Your committee did the very best we could to keep this present policy from wrecking us before we could get it changed. May I say again this is not

the first time commodities have been held off world markets, it has happened throughout the years, where other interests in our country in their shortsightedness have prevailed.

CONSERVATION FUNDS ESSENTIAL

Now, you have read of all the floods in my area, in California, and all over the country. But they recommend that we do away with watershed protection and flood prevention. They would cut those funds out. We restore them.

May I say the farmers are expected to take care of the land for our children and your children, they are expected to look after everything themselves at a time when they are not even breaking even.

I ask you to back this committee, because we have done the very best we know how. Again, we have held the money in line with the budget, we have held it in line with the budget ceiling imposed by the House, we are well below that. We have put the money back where it ought to be. We have prohibited the cuts in essential programs—programs that are required by law.

Please stand with us.

The CHAIRMAN. The gentleman from Mississippi has consumed 20 minutes.

Mrs. SMITH of Nebraska. Mr. Chairman, I yield myself such time as I may consume and reserve the balance of my time.

Mr. Chairman, I rise in support of H.R. 3223, making appropriations for Agriculture, Rural Development, and Related Agencies programs for the fiscal year ending September 30, 1984.

I would also like to thank our distinguished chairman, the gentleman from Mississippi (Mr. WHITTEN) for his able leadership. It is an honor to serve with the Dean of the House and the institutional memory of agriculture. Mr. WHITTEN has proven many times what a great friend and powerful ally agriculture has in his chairmanship of the subcommittee and the full committee who have been so good to work with and who have tried their best to bring you a good bill.

The chairman has described the terrible conditions faced by American agricultural producers. I urge the Members of the House to read the opening portion of our agricultural report that fully describes how our Nation's most important industry has fared over the past few years.

Although the minority does not agree with every point contained in the measure, we are in agreement that this bill—on the whole—represents a reasonable and supportable approach to our agricultural programs as well as the food and nutrition programs.

I would like to point out to the House that although this bill is commonly refered to as the agricultural appropriations bill, almost one-half of the bills total goes for programs such as food stamps, child nutrition, women, infants, and children (WIC), and elderly feeding.

Very little of the $34 billion contained in this measure will go to farmers directly. We provide for such activities as agricultural research, animal and plant health protection, food safety, soil conservation, housing and farm loan programs, export promotion, food for peace, the Food and Drug Administration. All vital for the well being of the entire Nation.

I would like to state for the record that although this subcommittee provides funds for agricultural programs—we do not formulate policy whereby such programs as payment-in-kind are operated. Some members of the committee, including the chairman, have expressed concern about the PIK program. However, I believe all of us would agree that something needed to be done and it needed to be done fast. PIK provides some of the short term relief agriculture needs—but nobody, including the Secretary, believes that it is a long-term answer.

We must work together to formulate a long-term policy so that U.S. agriculture can again become the vibrant economic model it is so noted for.

Being larger than the auto, steel, and housing industry combined, and with more workers than any other industry, agriculture has a very large impact on the general economy.

A recent study completed by Chase Econometrics shows that full recovery can not be achieved without recovery in the agricultural sector. The study shows that depressed farm prices are causing a national loss of $2.2 billion in gross national product, $4 billion in disposable personal income, and $2.8 billion in net farm exports.

Contrary to other industries agriculture is not undercapitalized or suffering from a decline in productivity, rather it is a victim of its own success. Our food production capacity is the envy of the world. It provides the basis for American consumers to spend less of their disposable income on food than any other group of people in the world. However, when our production is greater than demand and surpluses pile up, it means bad times on the farm and ranch.

One note about our overproduction and that is to say that supply is only large relative to demand. Anyone who is knowledgeable about our international market will agree that this industry's marketing base has been ruined by embargo after embargo and the food weapon has been used at considerable detriment to our demand side of the marketing equation.

The small amount of funds provided in this bill for agricultural programs are needed to help repair the market damage and protect our most important natural resource—that being the food producing capacity of American agriculture.

The committee provides $1.077 billion for agriculture research and extension activities. This is $33 million more than last year and demonstrates our commitment to maintaining the critical scientific work that has been probably the most important factor in expanding our production and efficiency. Science must now play a leading role in finding new uses for our products, pioneering less expensive methods of production, developing systems that do a better job of preserving our soil and water resources, and delivering that know-how to the producers through our Cooperative Research Service.

For protection of plants and animals from pests and disease the committee has provided $279 million—up $0.9 million from last year—at adequate levels to continue the battle against disease and pests.

The committee has decided to restore funding for such infestation control programs as golden nematode, grasshopper, gypsy moth, imported fire ant, witchweed, and several other important programs that have proven effective over the years.

Rural development through the activities of the Farmers Home Administration is funded at levels that will allow the Department to maintain or in some cases increase its participation levels. We have provided the request for higher FmHA operating loan levels in order to see that producers have more adequate access to last resort lending during these hard times.

The Rural Electrification Administration is continued at virtually the same levels as last year. REA has provided a critical link in facilitating the modern and efficient agriculture we see today. It has also improved the living standard of our rural population. If it were not for past rural electrification programs, our rural people would not enjoy the conveniences of modern day living.

In an effort to halt our very serious land and water erosion problem your committee has restored, as we are forced to every year, the funds for conservation and forestry efforts. Almost every major publication in this country has run stories on our critical erosion situation. Our intensive farming practices and push for volume to make up for low prices has aggravated the loss of our farmland.

Producers cannot bear the expensive erosion control measures by themselves. It is to society's benefit that everyone join in the effort to preserve our natural resource base. As my chairman has said so many times—all real wealth is linked to the soil and if we destroy that resource we are destroying our foundation.

As I mentioned earlier the food and nutrition programs that provide the needed assistance for low-income Americans are also funded in this bill. The committee has only provided the President's orignal request for the food stamp, child nutrition and women, infants and children's programs.

H.R. 3223 also funds the international agricultural programs. The Foreign Agriculture Service will be receiving $92 million more in 1984 than in 1983. The primary function of this organization is to help American agriculture in maintaining and expanding foreign markets for agricultural products so vital to the economic well-being of the Nation.

I and the entire committee remain very concerned about our lack of an effective way to combat the loss of our overseas markets. Other exporting countries are using every means available to export their surplus, eating away at our markets, and eroding the earning potential of our own producers.

One of the reasons our producers were able to take advantage of increased demand for grain during the 1970's was the fact that we had been operating a strong Public Law 430 concessional sales and food donation program. In addition, USDA operated a very successful direct loan program for financing export sales. These programs were used for market development and gave us the leading edge that allowed the United States to capture most of the world grain and vegetable oil market.

For this reason, the committee is approving the President's request to increase the Public Law 480 credit sales by $24 million.

Again, I urge the House to adopt this bill in the interests of agriculture and the needy and as a reasonable plan that may have some faults, but on the whole can be supported.

The CHAIRMAN. The gentlewoman from Nebraska (Mrs. SMITH) has consumed 3 minutes.

The Chair recognizes the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Chairman, I yield myself 1 minute.

I neglected to mention this earlier, but I wish to say how fine it is for this country to have the members of the subcommittee dealing with agriculture that we have. The gentlewoman from Nebraska is our ranking Republican, she has done a marvelous job. We could not have a bill that we have except we have a bipartisan, nonpartisan subcommittee. Our other Republican members include Mr. ROBINSON, of Virginia, Mr. MYERS, of Indiana, Mr. ROGERS, of Kentucky, with Mrs. SMITH as ranking. I would also like to thank my good friend from Massachusetts, SILVIO CONTE, the ranking Republican on the full committee, with whom we have worked closely.

On the Democratic side we have my good friend BILL NATCHER. We have worked together closely throughout the years. Mr. TRAXLER, of Michigan, Mr. MCHUGH, of New York, Mr. AKAKA, of Hawaii, Mr. WATKINS, of Oklahoma, Mr. HIGHTOWER, of Texas, Mr. SMITH, of Iowa, and Mr. ALEXANDER, of Arkansas.

This is a very fine committee and they do a marvelous job and I want to pay tribute to them here, particularly Mrs. SMITH, with whom it is a real pleasure to work. The entire country, all the segments of the country, including industry and labor, is dependent on agriculture, which is the biggest business in the country and the foundation of our economy.

Mr. Chairman, I yield such time as he may require to the gentleman from Michigan (Mr. TRAXLER).

Mr. TRAXLER. Mr. Chairman, I commend the chairman of the full committee, the gentleman from Mississippi (Mr. WHITTEN), for his leadership of this subcommittee.

Mr. Chairman, I rise in complete support of H.R. 3223, the agriculture, rural development, and related agencies appropriations bill for fiscal 1984.

I want to commend our subcommittee and full committee chairman, Mr. WHITTEN, for his continuously excellent leadership on behalf of the interest of the American farmer, and the gentleman from Nebraska, our ranking minority member, Mrs. SMITH, for her cooperation in making this bill a truly bipartisan measure. While no individual Member will always agree with each and every component of any bill, this measure before us today represents a combined effort on behalf of agriculture so as to try to meet the critical needs that the farmer is facing today.

The agriculture appropriations bill is a responsible effort which is, in total, under the President's request for fiscal 1984 by nearly $54 million based upon current law. We are $6.2 billion below the amount provided in fiscal 1983, including supplements, so no one can say that we are not doing our part to hold down Federal spending.

But more importantly, this bill is based upon current law. The President has again requested as part of his appropriations message that we make several changes in authorizing legislation beyond the scope of the Appropriations Committee. In fact, many of his budget requests assume the passage of such legislation. Noting that the Appropriations Committee cannot comply with requests outside of its authority, we have provided funding based upon the law as it exists today. In the event the President is successful in obtaining many of the changes he has proposed through the legislative committees, then we would reasonably expect funds provided in this bill to be spent in conformity with revised law. To the extent that we have provided any limitations which are no longer necessary in light of changing laws, we would certainly then consider removing these limitations upon proper request from the administration.

Mr. Chairman, we told you last year and we continue to tell you this year that the American farmer is hurting. He cannot be expected to continue to produce year after year when the market price falls below the cost of production. It is this very market force which leads us to provide substantial funds for price-support programs over the past few years, and which led the Secretary of Agriculture to implement the payment-in-kind (PIK) program earlier this year at a time when Congress was not in session, and at a time when many farmers signed up for the only game in town before we had a chance to allow the legislative committees to take further steps to insure the fairness and adequacy of the PIK program.

I hope PIK works, and I know many of my colleagues share my view. But I agree with our committee's report when in States that the real problem that the farmer faces is not simply a supply greater than domestic demand, but a Department of Agriculture that consistently refuses to use all of the tools at its disposal to sell this agricultural bounty in world trade to those nations that need it in a manner that would not in any way disrupt our domestic markets or our foreign sales.

I want to take some time to highlight certain portions of this spending measure which are of particular interest to many of the people I represent in Michigan, as well as to American agriculture generally.

Title I provides funding for our basic agricultural programs, including research, extension, price-support operations, inspection, grading, marketing, and a number of other functions. It is a title which means a great deal to today's production and to our ability to continue to provide bountiful harvests in the future. It also provides funding for the Government to maintain contact with farmers and consumers through the publications of USDA.

In fact, under the Office of Governmental and Public Affairs, our report requires USDA to continue to make available information about how the public can acquire USDA publications, particularly in light of the discontinuance of the Department's making them available through the Consumer Information Center. I am truly sorry that we were unable to restore the availability of publications through CIC in this measure, and I would like to work toward restoring such availability in the future. But in the spirit

of cooperation and limited resources, the committee decided to make sure that people received publications through USDA at the very least, rather than be concerned merely about the vehicle for their availability.

The committee has provided funding for the Agricultural Research Service that is $18 million above the amount provided in fiscal 1983. We have done so with the knowledge that agricultural research continues to be our main hope for the future. We need to constantly find new varieties of commodities if we are to continue as the world's food supplier, and we need to also continue research to help bring down a farmer's cost of production at the same time as we try to obtain a more realistic price from the marketplace.

One problem that came to our attention during the hearings this year is the very sad fact that we are losing many of our eminent agricultural research scientists, and there is a shortage of new personnel coming to USDA. In fact, our hearings demonstrated demand for college graduates in the food and agricultural sciences exceeds supply by almost 15 percent. Demand for manufacturing and processing scientists and engineers exceeds supply by 18 percent; demand for agricultural administrators, managers, and financial advisers exceeds the supply by 30 percent. In fact, ARS tells us that there is an especially short supply of individuals with masters and doctoral degrees expected throughout the decade. All of this is happening at a time when more than 30 percent of the graduates with advanced degrees in the food and agricultural sciences are foreign nationals on temporary visas. In short, we have a new crisis on the agricultural frontier that is crying for immediate attention.

In light of these facts, we have approved the Department's request for $1,070,000 for post-doctoral fellowships, and we have also directed the Department to use existing funds to the maximum extent possible to hire predoctoral students as part time and summer employees.

I am pleased that my colleagues supported me in my efforts to provide $200,000 for a special research project on an assessment of dioxins in the Great Lakes food chain. We have had a terrible problem with dioxin in Michigan recently, and we need to take every prudent step possible to resolve any questions about the safety of our food supplies while making a comprehensive effort to understand the route of toxic substances in our food chain. This funding goes along with funds already provided in the HUD-independent agencies appropriations bill for fiscal 1984, which provides $5 million to the Environmental Protection Agency to work on greater assessments of and solutions to our dioxin problems. The action is completed by some report directives in this bill to the Food and Drug Administration to speed up its assessment work on dioxin concentrations. I will discuss this element more thoroughly later in my statement.

I am also sure that one of the elements of our report that may be a disappointment to the Agricultural Research Service is a directive to ARS to not implement its 6-year plan until research results are demonstrated, and that increases are requested in later budgets, rather than the apparent shift from ongoing efforts to new ones. I believe that ARS is to be commended for its efforts in developing the 6-year plan. I want to work with the Agency to move in this direction because it is essential that we have a comprehensive long-term plan for our agricultural research. But there are enough questions about the current plan at the present time that it appears to be prudent that the committee make the directive that it has. I would hope that ARS authorities would make a conscientious effort to advise the committee and its members of its plan for the future, and work with all affected groups and facilities to create a better consensus about this 6-year plan.

The budget of the Cooperative State Research Service is also very important. It provides the working bridge between State and Federal efforts, while recognizing the regional problems that agriculture faces. We provide a 2-percent increase—nearly $3 million—in Hatch Act funds for formula research grants. This very modest amount is certainly not enough to compensate for the higher costs of research, but our report notes that we expect States to provide a similar increase so that we can move toward providing the funds necessary in fiscal 1984.

We have also provided several specific special research grants which are intended to address immediate problems faced by agriculture which have a national impact, but a particular regional importance. We have again restored $97,000 for the bean and beet research farm in Saginaw, Mich. This facility continues to be one of the preeminent research stations in the Nation for these two very important commodities. In fact, the role of the facility in sugar beet research is expected to grow in future years, particularly in light of USDA's plans to soon terminate sugarbeet research at the ARS station at Beltsville, Md. The station's importance for dry bean research is without question. The facility continues to be the chief site for many important projects affecting the dry bean industry, and this is due, in large part, to the very cooperative working relationship between USDA, the State of Michigan through Michigan State University, and the bean industry itself, including both growers and processors.

We have restored funds for dairy photoperiod research, and we anticipate that some of this $35,000 will also be used on some beef photoperiod work in the future so that the techniques and information garnered from dairy photoperiod can be applied to other livestock.

While we continue funding for beanflour research in fiscal 1984, we are reducing this support to $80,000 in response to reports from the researchers that this project is near conclusion. We anticipate that this funding will be geared most heavily toward product development and testing, as the work on the milling process has reached a stage where reduced support is warranted. This reduction is a demonstration of the fact that these project are very responsible and that funding will be reduced and terminated as conditions warrant.

We have also restored $96,000 for blueberry shoestring virus research. This important project has meant a great deal for blueberry growers, especially in reducing the losses associated with a disease which could have severely crippled this sector of agriculture were it not for these cooperative funds.

In fiscal 1984, we will initiate funding for an asparagus yield decline research project in Michigan, dealing most directly with the problem of fusarium root rot. The asparagus industry is much more important in this Nation than many people might really know, and this funding is provided in direct response to an urgent plea from the Asparagus Research Committee which has carefully detailed the problem in Michigan, and has worked closely with researchers at Michigan State University to resolve this difficulty in a prudent fashion.

We have once again reduced funding for competitive research grants to $10 million. This reduction is not harmful to the program in that while it does reduce the maximum amount of research that could be conducted, it does not reduce any ongoing research which has yet to be completed. In a period of tight budget constaints, it is a wiser policy, in my opinion, to reduce new initiatives than to terminate ongoing ones which are about to provide us with the answers to questions that have perplexed us for some time.

The Cooperative Extension Service was once again the victim of the budget-cutter's ax in the administration's request. Highly important and successful programs were either eliminated or substantially mutilated in the name of fiscal responsibility. I am very pleased that our committee restored these programs to their fiscal 1983 levels, which while not being as much as some of us would like, still main-

tains the integrity of important programs.

We provide a 2-percent increase in Smith-Lever funds—$4.6 million—to help reduce the impact of the higher costs of operation. We again expect the States to provide a similar increase. While this amount does not meet the need for extension services, it does at least reduce the carnage that one might have otherwise witnessed. Extension is one agency that has extremely close contact with the farmer. It is the agency that is supposed to disseminate much of the information about new techniques in agriculture. To not provide any increase in this program is to say that we are unwilling to provide the resources necessary to take advantage of all that we have learned from both experience and from the accomplishments of agricultural research.

Let me make one point clear: The people at the Cooperative Extension Service are some of the hardest working Federal employees I know. I am sure that this budget does not reflect their views of extension programs, but is one that has been imposed upon them by some who have not taken the time to understand the essential nature of these programs.

For example, the President proposed a $25 million reduction in the expanded food and nutrition education program (EFNEP). This program has been extremely successful in getting the unemployed and the poor the assistance they need in stretching their food dollars in a prudent fashion. In fact, this program has also been very instrumental in trying to help people on food stamps understand the importance of being a careful shopper so as to stretch very limited food stamp benefits as far as possible. But even more importantly, this program has emphasized a sense of community—a sense of helping one's neighbors and returning the favor by former EFNEP clients becoming EFNEP instructors in their own neighborhoods. The proposed cut was particularly destructive in that USDA admits that States match EFNEP dollars with their own resources, and that a cut by the Federal Government would almost certainly mean a similar cut in support by States, contrary to those who say: "Let the States pick up the difference."

We have again restored programs like farm safety, urban gardening, the pest-management program, and the pesticide-impact-assessment program because all of these efforts are important ones and should not be terminated as the budget proposed.

One factor that I am truly disappointed about in this section of the bill is our not providing funds for the renewable resources extension program. I do support this effort, and would like to see it continue, but based upon budgetary limitations that we are trying to follow, it is the consensus of the committee that we defer funding for this program until a later date when we might see the availability of more funds for this and other programs.

Under the Animal and Plant Health Inspection Service, we have again restored several programs which would have been reduced or eliminated in the President's budget. Two of particular concern to me are funding for brucellosis eradication and for activities under the Animal Welfare Act.

We have restored $30.8 million for brucellosis eradication work. A similar reduction was propsoed by the President last year and rejected by Congress. I believe that this reduction proposal was shortsighted as demonstrated by our hearings which again showed that if this funding were reduced, there was a clear danger that individual States could adopt restrictive measures to maintain the brucellosis-free character, and that while we save money now, brucellosis could flare up at a more damaging level later. The real answer, of course, is to continue research on brucellosis eradication techniques. We do that in this bill, so we provide you with a complete package.

We again restored funding for Animal Welfare Act activities. The Department's plan to turn responsibilities over to the States and private humane societies is totally unworkable in that these groups do not have the authority to enforce the provisions of the Animal Welfare Act; because not all States have laws that are like the Animal Welfare Act; and, those who would be subject to the act's inspections would not have to submit to any of these alternative groups unless they were willing to do so. The conclusion, going from testimony this year and last year, is that failure to restore these funds has the clear and likely danger of increased violations of the Animal Welfare Act with a lesser chance of penalties against the violators.

We must remember that animal producers and researchers are very responsible individuals. It is always the few who violate the laws that get the attention of the media, and give a bad name to all others in their field. Only with adequate enforcement of laws against the violators can we be assured of limiting the damage to the credibility of the industry as a whole.

I was pleased to support funding for the pseudorabies pilot projects which are an effort toward proving the feasibility of eradicating this terrible disease.

We restored funding for the Agricultural Cooperative Service in this bill. If we are to improve farm prices, we have to increase markets. Cooperatives have historically been instrumental in this effort, and for this reason we must do what we can to continue to encourage the development of cooperatives both for domestic and international sales.

We provided $9.6 billion for reimbursement for net realized losses of the Commodity Credit Corporation. These funds are the heart of our farm-price-support programs which are so essential toward helping farmers maintain a standard level of income. There have been many changes proposed in several farm-price-support programs this year: freezing target prices, possibly reducing some loan rates, changing the dairy program. All of these can have a substantial impact on the final level of funding needed to reimburse CCC.

But one thing is clear: the PIK program could wind up costing CCC anywhere between $8 and $12 billion for this year alone, and this cost may not show up in this account until several years from now. If someone thinks that changing title to grain reduces the cost of farm-price-support programs, then they have not fully understood the cost implications of PIK. It may be that reduced plantings may reduce the demand and need for price-support programs in the future, but we may not see this effect for up to 5 years, at a time when those currently in power could say it is not their problem. Let me again emphasize my sincere wish that PIK is successful for the American farmer, but we cannot delude ourselves into thinking that this is a no-cost program.

Title II provides funding for the various rural development programs of the Farmers Home Administration and the Rural Electrification Administration. These housing, facility, and rural community programs are essential for maintaining and improving the quality of life in rural America. They were started because the more traditional programs offered by HUD and other agencies just do not provide the support necessary in rural areas.

Farm credit is an extremely difficult issue. While I am pleased that we have been successful in restoring funds for many programs, for the President's budget suggests the termination of many housing programs in favor of a block grant that many rural community leaders tell me could not work successfully, and this same budget continues to deny the critical problems faced by farmers by not requesting funds for the economic emergency loan program, I am still concerned that the funds provided could still be frustrated by administrative actions which delay the processing of applications, and make it more difficult for farmers to get the loans they need.

It is no secret that there are those in the administration who would prefer to end all credit programs. But the fact of the matter is that if the Gov-

ernment does not take steps to insure the availability of credit, many farmers and rural communities would never find the support they need.

As an example and a point of particular significance, just as we did in the jobs bill, we direct FmHA to use the 1981 regulations for all water and sewer funds in fiscal years 1983 and 1984 because failure to do so would mean that many communities that need these facilities simply could not obtain financing because their economic base would not justify the level of loan necessary in light of a reduced grant. I know this is the case in Michigan where many communities need water and sewer facilities, and the economy is simply so bad that they would be unable to obtain new systems that are often mandated by other laws. The result of failing to take this action would be that States like Michigan would be unable to utilize their funding allocation under this program, and opportunities to provide jobs in areas of high unemployemt would be lost.

Similar problems exist for the Rural Electrification Administration. The President does not want minimum funding levels required for REA loans, despite several years precedent for this minimum. The effect of not including a minimum is to allow the agency to not fully move forward with the program, and create, in fact a budget cut. Many of our rural electric systems are approaching 50 years of age. They need to be modernized and expanded, and it is for this reason that we have taken the action on REA that we have.

But one fact that I want to clearly point out to my colleagues is that the critical problem in these credit programs is administration policy that makes the issuance of loans to new borrowers the lowest priority, while need continues to exist. There have been instances in which money has been returned to FmHA simply because applications have not been processed, and we do not want to see this continue to happen.

Title III provides funding for all of USDA's feeding programs. As a general matter of policy, we have provided funding for only a portion of the fiscal year because the President's request is inadequate to meet the projected demands for these programs. In fact, much of the request is predicated on legislative modifications beyond the scope of the appropriations committee.

We provide funding for child nutrition programs only until August 15, 1984. Our report specifies annual spending rates for the various child nutrition programs, and we expect the President to submit a supplemental request to provide full-year funding in a timely fashion when the President sees that his proposed modifications in child nutrition programs will not be adopted for fiscal 1984.

We provide funding for the WIC program only until July 10, 1984. This funding level of $1.06 billion is predicated upon an annual rate of $1.36 billion, and we expect this funding to be used to continue to support the fiscal year 1983 yearend caseload. By yearend caseload, we mean the caseload that is supported at the end of September 1983. We do not mean some earlier month caseload that is reported at the end of September, but the number of people actually being served at the end of September.

The WIC program is highly successful, and it is a shame that the administration persists in not providing adequate funds in its budget request for this program. We do not want funds spread out all through the fiscal year, because that is contrary to our clear intent to make the money available only until July 10, 1984. States have a need to know with certainty what their funding levels are, and I would expect the Department to note the limited availability of funds in the event that this limited date funding is the amount ultimately signed into law.

We provide $40.2 million for the commodity supplemental feeding program in this title. This is an increase of nearly $7.6 million over the President's request. This increase is predicated upon replacing the $3.1 million in carryover funds that existed at the start of fiscal 1983, and is not anticipated at the start of fiscal 1984; it provides an additional $450,000 for the third pilot senior citizen project, since the President's request is predicated on an amount sufficient for only two sights; and it provides a $4 million increase to annualize the increase we provided in the supplemental appropriations bill which is geared towards a caseload increase of 15,000 which has been requested by Focus: HOPE of Detroit, Mich., which would allow the program to expand into Pontiac.

Mr. Chairman, CSFP has been the lowest cost feeding program in USDA's arsenal. It provides wholesome foods—not junk foods—to the needy as a supplement, not necessarily as their whole diet. Foods are selected for the nutritional composition, and salt and sugar content is carefully monitored to meet the nutritional requirements of each CSFP participant, including the senior citizens participating in the pilot projects in Detroit, New Orleans, and Des Moines. Testimony before our committee has substantiated this fact, and I would tell those who argue that commodities are surplus junk foods that are too high in fat and salt that they simply do not know what the facts are with respect to the CSFP food package, nor do they understand the importance of this program to the 130,000 people around the country who utilize the program.

Our report again tells USDA that it should be reallocating administrative funds in a fashion that recognizes change caseload levels at CSFP sights. All other USDA agencies require recalculation of assistance at different times of the year, and there is no reason for the Food and Nutrition Service to be exempt. I am amazed at how Department officials say they cannot redistribute administrative funds because what they have given out has been spent. To me this means that the Department is not monitoring the program adequately, and that some programs are getting more than they need at the expense of other programs who are getting less than they need.

I sincerely hope that FNS can provide us with a more comprehensive answer at next year's hearings, and can demonstrate that the have complied with report language which is a direction as to how to use funds provided by this bill. It is not merely report language, and we do consider it binding on the Department.

The senior citizen projects are progressing with great success in each of the three cities, I am pleased to say. I expect that we will need to examine them more closely during the course of the next year so that we can make permanent the provision of these commodities to senior citizens. It should be noted that nothing in the law restricts the existing CSFP to mothers, infants and children. Rather, that has been a limitation of history which could be changed by the provision of adequate funding and a modification in the regulations.

I also want to advise my colleagues that it may be necessary to modify CSFP appropriations in the future to take into account efforts to correct a legislative difficulty which has meant that administrative funds are not provided for donated commodities which are bonus; that is, provided without charge against the appropriation for this specific program. We corrected this matter for fiscal 1982 and 1983 through a transfer from CCC in the jobs bill and in the fiscal year 1983 supplemental. We hope to resolve the matter legislatively in the course of the next several weeks. But in the event we are not successful in our efforts before the start of the fiscal year, I would point out that the Secretary has the authority under the charter of the Commodity Credit Corporation to use his discretion to continue to provide a transfer from CCC to supplement CSFP administrative funds in the way that we mandated in the earlier referenced funding measures. I would encourage the Secretary to operate in a cooperative fashion.

We limited funding for food stamps until September 6, 1984, based on the same problem with the President's re-

quest: not requesting enough funds to meet the projected need. We expect benefits to remain at current levels unless changed by law, and we would hope that the President will promptly submit a budget amendment to provide full-year funding.

We have refused the transfer of commodity purchasing for the elderly feeding program from USDA to HHS, and we have provided a $16 million increase to meet the higher costs of this program. This is an effort to maintain successful support for an important program, and I support this action.

Before leaving title III, I do want to point out that our report contains language on the pilot school lunch cash-in-lieu or letter of credit-in-lieu projects, which again demonstrates that despite claims from the other body, this project is a matter of concern to the Appropriations Committee, and will continue as such a matter.

Title IV provides fundings for our international agricultural programs, including the Foreign Agricultural Service and Public Law 480. I would like to see greater funding provided for these programs which are essential if we are to help to continue the sale of U.S. commodities overseas. Farmers need export markets, and these programs help us attain and hopefully retain these.

In an effort to be truly responsible with our use of international credit programs, our report directs the Foreign Agricultural Service to provide us with a report regarding how foreign nations move from one credit program to another. Some of our best customers started on Public Law 480, and they have progressed to other sources of credit. We want to be sure that this graduation is being imposed on customers the same way FmHA is imposing it on our farmers. We do not mean that we want to end credit programs, but we do mean that we expect them to be effectively administered so that all worthy applicants might find available credit which will help us to move U.S. agricultural products in world commerce.

Finally, Mr. Chairman, title V provides funding for the Food and Drug Administration. This agency is an important regulatory body which deserves our support. Experiences with drugs and other chemical substances over the past year demonstrates how important FDA is, and how worthy it is of our support.

One item of significance in our report is a directive to FDA to be sure to speed up its processing of samples taken from waters surrounding Michigan to help make a greater assessment of dioxin contamination. Along with the research and assessment we mandate of EPA and ARS this year, FDA must do all that it can to provide technical monitoring assistance to more accurately reflect the scope of dioxin contamination and the problems that such contamination might create.

Mr. Chairman, this bill is under the President's budget request. It is not our fault that he did not ask for all of the funds necessary for a full fiscal year, nor is it our fault that he assumes that the inclusion of legislative provisions in his budget request can change the legislative process. Some of what he wants is simply beyond the scope of the Appropriations Committee.

The fact is, Mr. Chairman, that we bring you a responsible bill that is supported on both sides of the aisle. It attempts to meet critical needs facing the American farmer, while providing adequate assistance to rural communities and those who depend upon nutrition assistance from USDA. It is a bill worthy of the support of every Member of this body, and I urge its adoption.

Mrs. SMITH of Nebraska. Mr. Chairman, I yield 4 minutes to the gentleman from Missouri, Mr. COLEMAN.

Mr. COLEMAN of Missouri. Mr. Chairman, I rise in support of the bill before us. Certainly while the economy in general continues to show more strength each month, unfortunately the farm economy is not responding as well or as rapidly.

A recent survey of the banks in the 10th Federal Reserve District covering my State of Missouri and six other predominantly agricultural States, continues to show an increase in the number of bankruptcies and forced sales of farms. Farmer are still unfortunately leaving the farms. That is why I am supporting this agricultural bill because I think it addresses many of the problems that farmers face and responds to those problems as well.

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For instance, the Farmers Home administration emergency disaster lending authority is recommended at such sums as may be necessary. And frankly, from what I see on the news every night and read in the newspapers about weather conditions around the country, farmers probably are going to need a lot of that emergency money, the loan money, come this year.

I do not think that capping the lending program that the administration proposed at $1.5 billion is necessarily the answer. Farmers have not responded also to the Federal crop insurance program, and as a result, a number of farmers, certainly in my State, basically have shunned the program and would not have any protection at all unless we provide some sort of disaster assistance on the appropriations bill.

The bill also recommends $600 million for emergency economic lending authority for Farmers Home. Of course, just recently we passed H.R. 1190 here in the House which provides for that authorization and now we are going to provide for these emergency loans.

The bill generally responds to the Agriculture Committee's recommendations on the APHIS programs to eradicate and control brucellosis and pseudorabies. The bill recommends spending levels at the 1983 level for brucellosis and getting those pilot projects off the ground for pseudorabies will cost $1.5 million. We recognize that the $1.5 million program falls short of what we on the Agriculture Committee would like to have seen for the pseudorabies program, but we also recognize it is important to get this project under way.

One other item. Mr. Chairman, I wish to address is to bring to the attention of the body that perhaps the needs of the Commodity Futures Trading Commission, that regulatory body which is charged with overseeing the commodity futures markets which are vital to agriculture, were mandated last year in the reauthorization act to come up with several studies.

In that Futures Trading Act of 1982 we in the Congress mandated this agency to determine and to study the largest hedgers in the market, to come back and report to the Congress, to also, along with the Federal Reserve and the SEC, to study options trading, futures contracts. We also have mandated a study from this agency for studying the National Futures Association. All of these studies are required by law for this agency to perform and while I do not think that this money is in here, I would like to at least raise that issue and perhaps address a question to the chairman or the subcommittee chairman or somebody on the committee who might want to respond to why these funds are not in the bill that we have mandated to study.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. I thank the gentleman for yielding.

I cannot fully respond. Only the chairman of the subcommittee can respond, but I can say this. I am terribly interested in these same items. And I have talked to members at the Commission and they are going ahead with these studies. And it is my understanding and I think the chairman will confirm this, that one way or another there is going to be the support necessary to do it, because I am terribly interested in the same things.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I thank the gentleman for yielding.

Mr. Chairman, I appreciate the gentleman's service here in agriculture and appreciate the point that he makes.

Our problem is the Commission has been unable to get the Office of Management and Budget to recommend any funds. Eventually, we will just have to go ahead and take care of it one way or the other, because it is essential. We will have to give thought to see that it is done, whether we can get a budget request or not.

Mr. COLEMAN of Missouri. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Missouri (Mr. COLEMAN) has expired.

Mrs. SMITH of Nebraska. Mr. Chairman, I yield 1 additional minute to the gentleman from Missouri.

Mr. COLEMAN of Missouri. I am glad the chairman made that statement.

As I understand it, either the studies are going to be done one way or another, if not without the funds appropriated in this bill then in the future we are going to make sure that the appropriate amount of funds are available to perform these tasks that we mandated under that act.

Mr. WHITTEN. We will certainly do that.

Mr. COLEMAN of Missouri. I thank the gentleman.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may consume to the gentleman from Kentucky (Mr. NATCHER), a long-time member of the subcommittee, and also chairman of the Subcommittee on Labor and Health and Human Services. There is no more vital Member of Congress when it comes to agriculture than the gentleman from Kentucky.

Mr. NATCHER. Mr. Chairman, for total obligational authority this bill provides for the sum of $34,029,527,000. This is $6,196,699,000 less than the new budget obligational authority for fiscal year 1983.

The total amount contained in this bill is $53,772,000 under the budget estimate submitted to our subcommittee.

Mr. Chairman, I think that the members of the committee and the Members of the House should keep in mind that in this bill we have $10,916,705,000 for food stamps. The members of this committee know that this item could be just as well in the appropriation bill that provides for the funds for the Department of Health and Human Services.

The committee that I am chairman of, the subcommittee that makes the recommendations for the Department of Labor, the Department of Health and Human Services and the Department of Education could very well contain food stamp amount of $10,916,705,000 and not have it charged to the American farmer.

In addition to that, in this bill, Mr. Chairman, we have a total of $13,813,671,000 in the domestic food programs, all of the domestic food programs, milk, food stamps, and food donations.

Mr. Chairman, as far as the American farmer is concerned, we all know that the American farmer is entitled to a fair share of our Nation's income. Today the farmer does not receive enough money for his commodities.

The cost of production is increasing annually and it is imperative that we have a price support level that more accurately reflects cost of production, plus a reasonable profit. This is the only industry that I know of where the seller must accept the price offered, or else return home with his commodity.

Our farmer knows how to produce and today our country is the world's largest exporter of food to the other nations of the world. The assets invested in agriculture today exceed those of any of the next 10 largest industries.

Agriculture employs more workers than any of the other major industries and employs 23 times the number of people employed in the coal and oil industry and 5 times more than the number employed in the automobile industry. Agriculture is one of the major markets for the products of labor and industry. Agriculture spends more for equipment than any of the large industries. It uses more steel in a year than is used for a year's output of passenger automobiles.

In the calendar year of 1981, U.S. agriculture exports totaled $44 billion. Last year, the amount was several billion dollars lower. The farm debt has doubled in this country in the last 5 years and today, the farmer owes $200 billion.

Food is all-important in this world today. It has been said that the world is never more than 1 year ahead of starvation. The population of the world continues to grow. It reached the first billion by the year 1830 and only 100 years later, in 1930, it reached 2 billion. In 1960, only 30 years later, it reached 3 billion. By the year 2000, at the present rate of increase, it will double again to over 6 billion.

In addition to more money for his commodities, help can be given the farmer at this time by increasing foreign markets for U.S. farm commodities. This will do much to improve farm prices and increase farm income needed to meet inflated production costs on domestic farms.

Mr. Chairman, this bill contains $332,340,000 for our Extension Service. The 1983 appropriation totaled $328,672,000. The request presented to our committee called for $287,082,000. Extension is one of the most important programs operated by the Department of Agriculture and certainly this is not the time to make reductions in a program that produces many benefits for the American farmer and for the boys and girls who reside on the farms in this country.

If we leave to future generations a fertile land and a land sufficient to produce food for our people, we must conserve our soil and water. We must reforest our lands and protect our watersheds. We recommend the sum of $601,958,000 for the Soil Conservation Service. $107.5 million was provided for this service in Public Law 98-8.

Mr. Chairman, for Agriculture Research and Extension, we recommend in this bill a total of $1,077,883,000. For Animal and Plant Health Inspection Service, we recommend $279,938,000. For Agriculture Marketing Service, we recommend $34,352,000. For the Rural Electrification Administration, we recommend for guaranteed loans the total amount of $4,745,000,000. For domestic food programs, we recommend a total of $13,813,671,000. For the Food and Drug Administration, we recommend $387,637,000.

Mr. Chairman, for total obligational authority, this bill provides for the sum of $34,029,527,000. This is $6,196,699,000 less than the new budget obligational authority for fiscal year 1983. The amount contained in this bill is $53,772,000 under the budget estimate submitted to our subcommittee.

Mr. Chairman, this is a good bill and our Committee on Appropriations recommends it to the Members of the House. We should keep in mind that if our country is to survive and prosper, certainly we must continue to be interested in and to assist when necessary, the custodians of the natural resources of our country.

□ 1140

Mrs. SMITH of Nebraska. Mr. Chairman, I yield 8 minutes to the distinguished gentleman from Indiana (Mr. MYERS), a long-time valuable member of the committee and another Member with whom it is great to work.

Mr. MYERS. I thank the gentlewoman from Nebraska, the leader on our side of the aisle, for yielding this time. It is a pleasure to serve with her as our able leader on the Republican side. I share the feeling that the gentlewoman expressed a few moments ago about the privilege of serving on this subcommittee under the able leadership of our subcommittee chairman, Mr. House of Representatives himself, the dean of the House, the gentleman from Mississippi (Mr. WHITTEN). As everyone knows, he certainly is a spokesman for agriculture and a very able one and one that everyone who is associated with agriculture throughout the country can ap-

preciate his service through the years and his continued service.

Mr. Chairman, I rise in support of this bill, recognizing that, yes, it is a lot of money. It is more money than any of us would like to have to appropriate. But as Chairman WHITTEN has expressed in the first 12½ pages—and it is the chairman's writing with the concurrence of the members of the subcommittee—this first 12½ pages of this report—and if you are not a farmer or if you have not read it and are a farmer, it is good reading, because it pretty much expresses the position of agriculture in America today.

I do not completely agree. I think maybe we went just a little further here, in stating the plight of farmers. There are some farmers who are still prospering in the country, but not many. The great majority of farmers, if they are not hurting financially, they are not making any money, at the least.

But, in any event, it does come very heavily down on the Secretary of Agriculture and the Department of Agriculture. It is not critical of the person of our Secretary, Jack Block. We all know that he is a very capable, honest, and sincere Secretary, trying to do a good job. He, as Chairman WHITTEN has expressed, does have his hands tied somewhat, and we are trying to help him with the language in this report, because we know he can help rural America, and rural America will help restore the economy of our country that we do feel has turned around. But it has not quite turned around for agriculture yet.

There are going to be some objections expressed here today from various segments, from the administration, and some on the floor, about the content of this bill. As it has been said, it is less than last year, but it is a lot of money, and there are going to be areas in which there is going to be disagreement.

I speak particularly of what our friend down at OMB has written to each of us, Dave Stockman. I have some disagreements with Director Stockman. Score keeping, as an example. He is accusing this subcommittee of using gimmicks in score keeping. He says we have assumed unrealistic savings, the fact that we have not fully funded the Commodity Credit Corporation, that we are $500 million below the administration. And this is true, we are below the administration on this request, but no one can accurately at this point forecast just how much the Commodity Credit Corporation is going to go into the red because of PIK and some of the other programs.

We think this is realistic at this time. They may have to come back. However, there may not be the loss that some have expressed that PIK is going to cost us.

The next one is the Federal crop insurance program. Yes, it is underfunded, from what the administration predicted that we would have to spend on Federal crop insurance, but I sincerely believe we are pretty close to the ballpark figure here because PIK is going to take some of the risk out of agriculture, that there is going to be more acreage retired this year and not put into crops, that there will not be the liability, the exposure, that will be required to be covered by the Federal crop insurance. So we came in with an honest figure here. We think we are pretty close. I think it is an honest difference.

In the budget authority increases that OMB is expressing here, yes, we did put more money in Soil Conservation Service, as every Congress has in recent years, because we have found, in the hour upon hour of testimony and the thousands of witnesses who appeared before our subcommittee, that Soil Conservation Service is one of the best programs that your Federal Government is involved in. It returns many-fold the small amount of investment that we make in restoring and maintaining the value of the land and the productivity of our land.

Criticism goes on that 25 new watersheds and flood prevention construction starts are in this bill. Here again, of all of the programs, this is one of the best ones, the water projects, the watershed programs. It involves local communities. Local participants have to put up a large share of the money for watersheds. Just the day before yesterday we had a bill on the floor that some of the criticism was that we did not need large storage of water in reservoirs throughout the country, we needed more small watersheds. Now, you cannot have it both ways. If we are not going to build large containment reservoirs of thousands upon thousands of acres of storage of water to prevent and to slow down water flow and to help save some of the country from flood, then we need a series of small watersheds. But as far as the Federal Government's investment in watersheds, it is small in comparison to the return and for the benefit that we all share, whether we are farmers or whether we live downstream on a large stream.

There was criticism that we have increased in the Agricultural Stabilization Conservation Service, ASCS, by $155 million. We did increase this, of course, and we did not restrict these funds for particularly any priority items, but we left that to the discretion of the Department of Agriculture who has done a good job in administering this program. The committee did not feel that it was necessary that we should have to earmark these. We think the Department of Agriculture can identify and did identify when they appeared before our committee the areas that need these programs.

Again, PIK is going to require from ASCS some additional workload. They have to measure the acreage that farmers are now applying to retire. That acreage has to be measured. It is an expensive item. So this is part of the $155 million, to administer PIK, which, hopefully, is going to help restore agriculture prosperity.

The bill goes on, concerning a great many items. Now, the one large area that I take strong exception with OMB is in the area of off-budget items for the various loans, both guaranteed and direct loans. These are loans. They are off-budget because they are not appropriated funds. We give the authority to these agencies, the largest of which, of course, is Rural Electric, to borrow money. They borrow on the open market, they borrow money, and the borrower has to pay the going interest rates, and there is a small service charge for handling those loans. But, as everyone has said this morning, rural America is in trouble. It is going to take a lot of money this year to finance our farmers. And, certainly, these are programs that through experience, we have found to be among the best programs in rural America, to help restore and to keep farmers on the farm. We want to keep farmers on the farm. These are not direct obligations of the Federal Government. They are guarantees. They are indirect obligations. They are not budget items. They are not money we are going to have to appropriate and borrow. It means somebody is going to have to borrow it. It certainly does have an impact on inflation. I would not disagree with that. However, it is not a direct item. And of all of the money that is going to be borrowed next year, will be repaid with interest. They play an important role in rural America.

Mr. Chairman, yes, it is a large bill, but it is a bill that can be defended and it will be defended today. I hope that, by the time we come back with a bill with the other body, we will have a bill that the President can agree on. And I think when the President understands what is in this bill more thoroughly, he too will join us and not express an interest in vetoing this bill. It is a very vital and important bill to our country and, most particularly, in restoring rural America.

I strongly support the bill.

Mr. WHITTEN. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. MCHUGH), a very valuable member of the subcommittee.

Mr. MCHUGH. I thank the chairman for yielding and for his leadership of our Agriculture Appropriations subcommittee. It is a real pleasure for me to work with our chairman, the gentleman from Mississippi (Mr.

WHITTEN), the gentlewoman from Nebraska (Mrs. SMITH), and the other members of our subcommittee.

Mr. Chairman, I strongly support this appropriations bill, and I urge my colleagues to vote for it. In my judgment, it is a responsible and balanced bill which protects the legitimate interests of both producers and consumers. It recognizes the responsibility Congress has to foster a sound economy in our rural communities. Among other things, this bill would help to preserve our natural resources for future generations, support research so as to assure adequate supplies of food and fiber, encourage exports of American agricultural products, and provide nutrition and housing assistance to those of our people who are most in need.

This is not an extravagant bill. As the chairman has said, it would appropriate less funds than both the President's budget request for fiscal year 1984 and the fiscal year 1983 appropriations bill. I believe it deserves our support.

□ 1150

I am particularly pleased that the bill continues to provide sufficient funds for our major nutrition programs. These programs are designed to provide a nutritionally adequate diet for many of our most vulnerable people, including the elderly and low-income families and children. Without this special help, these people would be most susceptible to illness, the treatment of which often results in much greater public expense under programs such as medicaid.

Fortunately, we have already made great strides in alleviating hunger and malnutrition in our country. It has been accomplished because of such programs as the food stamp program, the special supplemental program for women, infants, and children (WIC), and the school lunch program. In times of economic distress like these, it is particularly critical that Congress continue its commitment to meeting the minimum nutritional needs of our people.

Members should note that our committee has once again provided funds for WIC at a level that will avoid any reduction in the program's fiscal year 1983 year-end caseload. As we all know, WIC is one of the most cost effective Federal programs. It has a cost benefit ratio of about 3 to 1, and for this reason it has enjoyed overwhelming bipartisan support. In the past year, three major new studies have provided further evidence of the dramatic impact WIC has had in improving the health of women and children at nutritional risk.

This bill appropriates $1.060 billion for WIC, which is the amount requested by the administration. However, the bill requires that these funds be made available and utilized during the first 9⅓ months of the fiscal year, that is from October 1, 1983 to July 10, 1984. The committee expects the administration to submit a supplemental appropriations request to cover the balance of the year, and a direction of this effect is contained in the report which accompanies the bill.

By providing the $1.060 billion for 9⅓ months, the committee is essentially funding WIC at an annual rate of $1.360 billion. This is the level that CBO has estimated is necessary to maintain the fiscal year 1983 year-end caseload, that is the September 1983 caseload, throughout fiscal year 1984. The $1.360 billion level is also the level assumed for WIC in the House budget resolution.

Under the bill, USDA would be required to allocate $340.7 million to the States on October 1, 1983 for use during the first quarter of the fiscal year, another $340.7 million on January 1, 1984, and another $340.7 million on April 1, 1984. On July 1, 1984, USDA would be required to allocate $37.9 million to cover the 10-day period through July 10, 1984. Of course, we fully expect that a supplemental appropriation will have been enacted before then so that a full quarterly allocation should be made on July 1, 1984.

The committee adopted this funding level to maintain the September 1983 participation level throughout fiscal year 1984, without any reduction in the number of persons served. Consequently, the requirement that all $1.060 billion be expended during the period October 1, 1983 through July 10, 1984 is firm and explicit. Any action by USDA of OMB to spread these funds over a longer period or to push States to reduce their WIC programs because only $1.060 billion has been appropriated for the year would be a violation of this bill's clear direction and intent. Similarily, any action by States to reduce participation on the grounds that the $1.060 billion must be spread over more than a 9⅓-month period would be in conflict with the bill's direction and intent.

In addition to the $1.060 billion appropriated in this bill, USDA would be required to allocate any unspent funds carried over from fiscal year 1983. The carryover funds should be allocated to States as quickly as they can be recovered and redistributed. The committee has also directed USDA to periodically reallocate fiscal year 1984 WIC funds during that fiscal year, so that the funds provided in this bill can be fully utilized during fiscal year 1984. This continues our current policy of requiring the Department to reallocate such funds.

The committee has also funded the food stamp program at the level requested by the administration, $10.9 billion. Here also, the committee has specified that these funds be available for a period of less than the full year. More specifically, the food stamp appropriations are for the period October 1, 1983 to September 6, 1984. This is to assure full funding of the program and to preclude reductions in benefits on the grounds that insufficient funds have been provided. The committee report explicitly states that USDA is to run the program at the current levels, that is, without any benefit reductions for the period October 1, 1983 through September 6, 1984. The administration is expected to submit a supplemental appropriations request for the remaining amount needed to fully fund the program through September 30. Any action to reduce benefits on the grounds that the $10.9 billion is insufficient for all of fiscal year 1984 would be in conflict with the intent of this legislation.

Mr. Chairman, I want to emphasize that these nutrition programs are funded at levels that will simply maintain the current programs. The administration's budget requests are based on legislative changes that are clearly not going to be approved by the authorizing committees. Therefore, our committee has funded the programs at levels that are consistent with the fiscal year 1983 caseloads and benefit levels. No new benefits are going to be provided, and no new groups are going to be served by these programs at the levels set forth in this bill.

This is also true in other areas where restorations have been made by the committee. In many cases, legislative changes were proposed by the administration and rejected by the authorizing committees. Our committee has simply acted to continue the existing programs in accordance with existing law. For example, the Farmers Home Administration housing programs are funded at levels well above the administration's budget request. However, these programs are simply continued at the fiscal year 1983 levels. In this way, safe and adequate housing can continue to be made available to low-income rural citizens. These housing programs are often the only ones that serve the low- and middle-income elderly and the handicapped population in our rural communities.

Once again, Mr. Chairman, I urge my colleagues to support this legislation and these programs which are so important to people in both our urban and rural areas. It is a carefully balanced bill, and it is worthy of our support.

Mrs. SMITH of Nebraska. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky (Mr. ROGERS), another valuable member of the subcommittee.

Mr. ROGERS. Mr. Chairman, I rise in strong support of this bill and wish

to commend the chairman. It is a pleasure to work on the subcommittee, because of the ability our great chairman and our distinguished colleague, the gentlewoman from the great State of Nebraska, and to congratulate the other members of the subcommittee for a long, laborious task in preparing this bill.

The American farmer today faces some severe problems, problems that have become more acute even in the last 3 years. I would like to talk about four of those.

First, farm prices continue to be too low to cover the cost of production.

Second, U.S. exports have dropped from $43.3 billion in 1981 to $36.7 billion in 1982, a 15-percent drop in one year.

Third, net farm income dropped by $5.6 billion in 1982, about 22 percent below the year before.

And fourth, farm debt remains at record levels.

This bill that is proposed today offers, in my opinion, a very balanced approach to meeting the needs of American farmers. I would like to highlight a few areas.

Rural development, a cause of many in this body, including this member—rural development—the need for water in rural areas of this country. We have communities where there is no water, where schoolchildren cannot flush the water in their toilets because there is not enough water there with which to do that, where businesses will not move into an area because they cannot get fire insurance, since the insurance companies will not cover them in a town where there is no water.

In my own State, in my own district, there are millions of dollars worth of applications pending above and beyond the funds we have allocated even in this bill.

This bill provides a needed level of $125 million in grants and $375 million in loans to help get water into our rural areas. It provides $130 million for community facility loans. It provides $1.9 billion for operating loans so we can avoid the problems we faced last year of the FmHA running out of money.

So for rural development, I think this bill is balanced and does what needs to be done in the rural areas of this country.

Second, Extension Service. This bill provides an increase of $3.6 million over fiscal year 1983 for Extension operations. I need not repeat here to every Member of this body the importance of the Extension agents in bringing new and improved methods of farming to the farmers of our country.

Third, and perhaps most importantly, this bill attempts to deal with America's declining dollars of agricultural exports. I am especially pleased that this bill includes a $9.2 million increase—yes, an increase—to deal with declining exports. We have to devote every effort to increasing the exports of our American agricultural products. One sure way of getting rid of the huge surpluses we have, even more helpful than the PIK program, is to sell those products to our friends around the world and get rid of the surplus and bring in the dollars that are so desperately needed in the balance-of-payments problem our country continues to have.

Everyone in this body has a stake in these exports. For every $1 billion in additional agricultural trade, it is estimated we create 35,000 jobs in America. That is because agriculture consumes 40 percent of the country's industrial production. Increased trade can keep America's economic recovery on the mend, and we can stay the course.

Both our rural and our urban populations benefit from agricultural exports. A half million American farmers produce commodities which go into export markets. Even a larger number of urban dwellers earn their living from transporting, processing, and marketing U.S. farm products sold overseas.

We need an aggressive export policy for American agricultural products, and this bill increases the money for the Foreign Agricultural Service by $9.2 million to help sell American agriculture products overseas.

I urge my colleagues to support the passage of this bill.

Mr. WHITTEN. Mr. Chairman, I yield 2 minutes to the gentleman from Hawaii (Mr. AKAKA), a member of the committee.

Mr. AKAKA. Mr. Chairman, I rise in strong support of this bill and urge its adoption by the House.

First, I would like to commend the chairman, Mr. JAMIE WHITTEN, the members of the subcommittee, and our staff for a job well done. Both the chairman and with our ranking member, Mrs. SMITH, have worked long and hard to bring a bill to the floor which addresses the fundamental needs of rural America and the farm community. In my judgment, the subcommittee has been successful in achieving this goal. The fiscal year 1984 appropriations bill is a first-class effort, and deserves every Member's support.

The bill is below the administration's budget request to Congress, just as it has been in past years. It does not contain the shopping list of legislative changes that the administration has proposed. However, the administration requested that our subcommittee make a number of legislative changes in the domestic feeding and other programs. These are changes that cannot be made by the Appropriations Committee because they fall into the jurisdiction of the House Agriculture Committee.

To date, much of this legislation has not been considered by the authorizing committee either because it has not yet been sent to Congress, or because the administration has not found anyone willing to introduce the legislation. This is a situation which our committee cannot change. We only appropriate the amounts necessary for these entitlement programs based upon the current authorization. Furthermore, we cannot assume that the legislative changes requested by the administration will be enacted because many of the changes have been rejected in past years. This year is no different.

We have provided funds to combat infestation of insects and other pests that destroy farmer's crops and sicken or kill his animals. Many of these pests pose a threat to humans also. Without this essential funding for the programs of the Animal and Plant Health Inspection Service, the Nation's farm situation would be worsened. We have money to fight pests such as the gypsy moth, witchweed, brucellosis, the fire ant, grasshoppers, and other noxious pests that add to the costs on the farm and in the marketplace.

I am also happy to see the strong support the committee has given to funding for the Agriculture Cooperative Service (ACS). ACS is overwhelmed with request for technical assistance. This is directly related to the current farm crisis. To provide anything less than full funding for the important technical assistance programs of the ACS, would only cause greater hardship for the American farmer.

In addition, I am grateful that the Committee has instructed the Department to assemble a task force on methods of treating fruits and vegetables so that quarantine restrictions can be avoided. This is outlined in the report accompanying the bill. The Department has recognized that infestation by plant pests is a major cause of postharvest food loss. It may also be the greatest limitation on domestic and foreign market development.

The task force is to be comprised of representatives of the agencies which are funded in this bill—Animal and Plant Health Inspection Service, the Agricultural Research Service, the Cooperative State Research Service, and the Food and Drug Administration. These agencies are to be joined by other agencies of the Federal Government having some regulatory or administrative role or other interest in developing new postharvest plant infestation treatments. The participation by other agencies of the Federal Government is to be as broad as possible so that the most informed judgments can be made on technologies considered to be promising.

The task force is designed to address a serious and pressing need. The technology now in use to destroy insect infestation is fumigation with ethylene dibromide, commonly known as EDB. The use of this fumigant is rapidly becoming unacceptable due to health and safety risks. However, no alternative technology has been developed to replace EDB. Without a reliable low-cost alternative, producers who face quarantine restrictions will be unable to market their crops. Such a situation would be devastating to many local communities in rural agricultural areas.

The task force should also consult regularly with all interested groups or individuals from the science, agriculture, and industry communities. The views of these groups are especially important to the success of this initiative, because it is the private sector that will ultimately be affected by any new technologies that evolve from the work of the task force.

Mr. Chairman, I am also grateful for the continued support that the Committee has shown for researching tropical and subtropical agriculture. This is the only research of its kind. It provides significant benefits to small farms in many tropical and subtropical areas.

Prior to fiscal year 1983, this program was administered by ARS. In fiscal year 1983, CSRS began to administer this important research. In managing the section 406 program, CSRS is to continue the past practices of ARS in administering this program.

Mr. Chairman, perhaps the most important part of this bill is the funding for domestic feeding programs. Our bill contains money for such important feeding programs as food stamps, child nutrition, WIC, the special milk program, the special supplemental food program, and the school lunch program. The demand for many of these directives has only increased in the past year due to the effects of the high level of unemployment. This burden has placed a tremendous strain on these programs.

The administration's fiscal year 1984 budget proposed a number of cuts in these domestic feeding programs which, if approved, would only add to the hardship of the low-income and unemployed. The Committee has restored funding for these programs, while still keeping below the President's budget request for our bill.

In short, Mr. Chairman, this is a good bill; as such it deserves every support.

□ 1200

Mrs. SMITH of Nebraska. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Missouri, Mr. EMERSON.

Mr. EMERSON. Mr. Chairman, I wish particularly to commend the chairman of the committee and the ranking minority member, the gentlewoman from Nebraska, Mrs. SMITH, for their diligent attention to this bill.

I wish to associate myself with the remarks of the gentleman from Kentucky, Mr. ROGERS. He has spoken to many of the points that are of great concern to me—rural development, certainly the PIK program, research, and export opportunities for our farmers. So I will not be redundant. I would just like to associate myself with his remarks. I do not think they can be improved upon.

Mr. Chairman, I yield back the balance of my time.

Mr. WHITTEN. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma, Mr. WATKINS.

Mr. WATKINS. Mr. Chairman, first I would like to thank the chairman of the committee, the gentleman from Mississippi (Mr. WHITTEN), the tremendous job he has done. I also thank the other members of the committee, including the ranking minority member, the gentlewoman from Nebraska (Mrs. SMITH), and the Members on that side of the aisle. I think all the Members worked to try to find a solution to some of the most difficult problems we have ever faced in our lives in the area of agriculture.

I think the jury is still out on PIK. I do not think we will know until next year, when we see the jury come in, what the total price tag of the PIK program will cost. That will be next year when we will understand the effects of that particular program and also when we see how many markets we may have lost overseas.

When the Secretary of Agriculture invited a number of us down to his office and told us about the PIK program, I inquired of the Secretary of Agriculture and stated that it looked like PIK would turn American agriculture inward and becoming more isolated in trying to solve our problems in agriculture.

I would like to encourage us to try to expand our agricultural markets, because 8 out of 10 of our top importers of American agriculture were at one time food for peace recipients. I think that tells the story that when people start utilizing and consuming our agricultural products, they became agricultural importers with our Nation, and we need to be trying to build those markets.

I would like to commend this committee, and especially the chairman of the committee, for providing the leadership, to meet the needs concerning the problems we have at this time with farm credit. The farmers are confronted with a loss of equity. They do not have the refinancing capability that they had at one time because of the tremendous amount of credit burdens they have over them.

I would also like to commend the chairman and the other members for trying to address and solves some of the problems in rural America relating to rural development need. One-half of the dilapidated housing in America happens to be in rural America, even though we have less than one-third of our people in communities of less than 50,000. Also over 1 million homes in this country still do not have running water, and those homes are in rural America. I think that speaks to the fact that we have not had someone accepting the responsibility in this administration—not only in this administration but in past administrations—of saying that we are willing to accept and address the problems in rural America to allow our citizens to live as first class citizens.

The CHAIRMAN. The time of the gentleman from Oklahoma, Mr. WATKINS, has expired.

Mrs. SMITH of Nebraska. Mr. Chairman, I yield 5 minutes to the gentleman from New Hampshire, Mr. GREGG.

Mr. GREGG. Mr. Chairman, I thank the gentlewoman from Nebraska for yielding this time to me.

Mr. Chairman, I realize that no one has yet risen in opposition to this bill. Thus, I do so with a fair amount of trepidation. I enjoy food as much as anyone else, and as soon as I finish speaking I will go and have lunch.

But this bill is clearly overstuffed. It is excessive. It understates the areas where we know we are going to have to come in with supplementals, and then it fills up those areas where requests by the administration and by others, even those in the farm community, were not that high.

I am not a specialist in the area of farming, I am not a specialist on the agricultural community, but I know that when we fund food stamps for 9 months at $10 billion, a figure which is only $100 million over last year's funding, we are asking for a supplemental. They are at least $3 billion under because we have at least 3 months still to go.

I think I recognize and I think anybody would recognize from reading the numbers that funding food and nutrition at a level which is lower than last year's, without the legislative changes, as was pointed out by the gentleman from New York, simply is not going to come about, and that again they are understating the figures.

Now, it seems to me that they are not playing the game on a level field when they take the President's figures, but do not take the President's changes to arrive at the figures. If we are not going to accept the President's changes, let us not use the President's figures; let us use the correct figures, and let us not understate this bill in the manner in which it has been understated.

The PIK program again is another example. Nobody knows where the PIK program is going in funding, but it sure as heck is not going to be $6 billion under what it was this year, if these figures in the report are accurate.

This bill is a bill which has been expanding in geometric proportions over the last 3 years. In the dairy business, the dairy subsidies have gone up. I think in 1979 they were about $150 million or somewhere in that range, and they have gone up to over a projected $2 billion.

We have seen a tremendous expansion in the food stamp program. We are seeing expansion throughout this bill. Yet it is brought to us with the euphemistic language it is under the administration's level of funding. That is just not being straightforward.

This bill is an explosively expensive piece of legislation. It is brought out because of the massive coalitions which this House is able to develop around agricultural interest which we all know exist. Every region has its own agricultural interest, and in the history of the way this House works regions have managed to pull together to pass legislation which benefits themselves and all the other regions combined. It is a sum of the parts that adds up to a great big whole which dominates agricultural appropriation in this House.

I believe that as a Congress we should take a second look at this bill. I believe that we should defeat it, and we should have the courage to recognize that, yes, it will affect those Members who have constituencies which are agriculturally oriented, but if we allow legislation like this to pass which adds exceptionally high additional burdens to our spending in this Congress, then we will only be aggravating the deficit and dramatically aggravating the chances of the farm community to get the type of interest rates it needs in the outyears in order to expand and have a competitive market versus one which is artificially underwritten by this Government.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. GREGG. I am happy to yield to the gentleman from Indiana.

Mr. MYERS. Mr. Chairman, I know that the gentleman means well, but if he would examine page 122 of the report, he would find, in the nutrition areas that he says this committee understated, it shows in the second column: "Budget estimates." Those are the President's recommendations or the administration's recommendations. Then the next column is what is in the bill.

With two exceptions, we have put in exactly what the President requested. The two were these: Special milk, which was increased, not cut, as the gentleman referred to it, and the other is the commodity supplemental food program, and that was increased by the committee.

So we have put in exactly what the administration recommended or more.

Mr. GREGG. Mr. Chairman, if I may reclaim my time, that was my point. It is put in in conformity with what the President recommended, but they did not put in amendments to the law so that those levels of funding would be maintained. My point is that if we are not going to accept the changes in the law, we should not be accepting the language. The committee is trying to have it both ways.

Second, the food stamp appropriation in here is a meaningless figure.

Mr. MYERS. Mr. Chairman, if the gentleman will yield further, this is the Committee on Appropriations, and as to the legislation the gentleman is suggesting, the legislation has to come from the authoring committee. We do not have the authority to rewrite law; we only fund it.

The CHAIRMAN. The time of the gentleman from New Hampshire (Mr. GREGG) has expired.

Mrs. SMITH of Nebraska. Mr. Chairman, I yield 2 additional minutes to the gentleman from New Hampshire (Mr. GREGG).

□ 1210

Mr. GREGG. I certainly recognize that the Appropriations Committee would never write legislation in an appropriations bill; but I would also point out that the legislation which is on the books must be referred to. If you are referring to legislation on the books on these issues of entitlements, then you cannot use the President's figures, because he is assuming changes in legislative language. You are trying to have it both ways in this committee.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. GREGG. I am happy to yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I thank the gentleman for yielding.

I think the gentleman has made a valid point. There are lots of shells in this bill, and it is very hard to find under which shell the pea lies.

The gentleman has shown us that the committee takes the administration figures, but not the administration's programs.

The gentleman has shown us that the committee funds entitlements, but only to a level insufficient to last through the fiscal year. At the same time, the committee fattens up discretionary spending to avoid the budget's strictures.

At the moment, I share the gentleman's opinion and I think the gentleman has stated it very well. There are too many things we do not know about this bill.

For instance, without adopting a budget resolution, we cannot compare the discretionary spending to the mandatory, nor can we compare them to the budget.

I thank the gentleman for yielding.

Mr. GREGG. Mr. Chairman, I thank the gentleman.

Mr. WHITTEN. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa (Mr. SMITH), a very valuable member of the Appropriations Committee.

Mr. SMITH of Iowa. Mr. Chairman, it is a great pleasure to serve on this subcommittee with the chairman of the subcommittee and with the ranking member, the gentlewoman from Nebraska (Mrs. SMITH) and the other members. It is a very conscientious subcommittee; but also I think it produces one of the most important bills that we work on.

This bill, involves food, one of the three basic commodities that every individual needs to live; food, shelter, and clothing. It not only involves food, it involves health. A lot of research with regard to animals is used with regard to human health and, of course, food and nutrition involves health, too.

In addition to that, there is the land and the soil involved here, soil conservation. Without soil conservation and without the improvement of the land, future generations cannot have the new wealth and the food and fiber that they need.

This bill involves the nationwide economy, as two or three other members mentioned. I will not repeat the statistics that they mentioned.

This bill involves protecting consumers with wholesome food and it involves promoting exports and that affects inflation and interest rates because without the earnings from agriculture to offset the cost of imported oil, inflation and interest rates would be a lot worse than they are at the present time.

I think this is one of the most important bills and I commend the chairman and the ranking member and other members of the subcommittee for the hard work that has been done on this bill.

I endorse and support the bill.

Mrs. SMITH of Nebraska. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. WHITTEN. Mr. Chairman, I yield 2 minutes to the Delegate from Puerto Rico (Mr. CORRADA).

Mr. CORRADA. Mr. Chairman, I rise in support of H.R. 3223, appropriations for the Department of Agriculture and its programs, rural development, and related agencies.

As the appropriations process begins to meet its obligations in reporting the various funding measures necessary for governmental operation, I believe

the House owes a debt of gratitude to our distinguished Appropriation's chairman, Congressman JAMIE WHITTEN, for his continuing diligence and responsible leadership in reporting the various appropriations bills to the House floor.

H.R. 3223 is a fundamentally sensible measure, and it recognizes the continuing importance of the role of agriculture, and the support we must lend to the Nation's farmers in the current financial situation.

The legislation before us today will provide the resources for the Federal Government, and the U.S. Department of Agriculture, which will allow them to sustain a viable farm economy, to protect crops and animals from infectious diseases and pests, to conserve the soil and to help our rural areas provide services to their citizens throughout the Nation and in Puerto Rico.

Title II of this appropriations bill funds programs for rural development, principally those of the Farmers Home Administration and the Rural Electrification Administration, agencies which lend support for rural development through a variety of programs that provide decent housing for residents of rural areas, and loans and guarantees, as well as water and sewer loans and grants.

These are programs essential to the development of rural infrastructure in Puerto Rico.

The quality of life in rural areas is recognized by the committee's provisions to sustain the principal programs of housing and community development for rural areas.

In the case of Puerto Rico, the Farmers Home Administration, over the years, has helped rural housing, both through loans to farmers, and for rural rental housing provided by individuals, corporations, and associations.

The committee's increase of the total budget for rural development programs, by $386.3 million, will help FmHA, the Soil Conservation Service, the Agriculture Stabilization and Conservation Service, and the Rural Electrification Administration meet increased demands for their programs and services.

I am hopeful that the House Agriculture Committee's action in passing an emergency farm credit measure will, if it becomes public law, help ease the problems of many small farmers who are confronted by high lending rates, and the possibility of foreclosure. In the interim, however, the Appropriations Committee has moved to keep the present critical programs of the Farmers Home Administration in place and operable for the benefit of rural citizens.

The domestic food programs of the Department of Agriculture have been instrumental in helping alleviate hunger and malnutrition in the United States through such worthwhile endeavors as the school lunch programs and nonschool food programs, the food stamp program, and feeding programs for women, infants, and children.

All of these programs have, over the years, provided assistance to school children, women and infants in need of nutritional sustainment, and to families in need of an adequate nutritional diet.

As Members are aware, Puerto Rico was taken out of the food stamp program by the Omnibus Budget Reconciliation Act of 1981, Public Law 97-35, and given a block grant for nutritional assistance which is now in place.

As the committee report notes, this block grant for nutritional assistance is particularly tailored to low-income households. While I strongly opposed the reduction in attendant benefit for the U.S. citizens of Puerto Rico and a capped grant of $825 million for each of 3 consecutive years with no provision for cost-of-living increases or to meet the demands and needs of the unemployed, I am pleased to note that the committee language in H.R. 3223 continues the program without any further reduction in total funding.

The committee makes specific reference on page 93 of the report to the need of maintaining the present level of assistance for fiscal year 1984. In addition, the report indicates that the Committee on Appropriations expects the Department of Agriculture to continue an indepth evaluation of our present cash nutritional assistance program.

We welcome this evaluation, not only for the attention the U.S. Department of Agriculture has given to our experiment with the present cash out of food stamp benefits, but for the corollary study it orders on the impact of our program on Puerto Rican agriculture development.

Our island is presently using a portion of the nutritional assistance block grant for a variety of experimental and highly creative agriculture ventures, most of them being set up by the establishment of a revolving loan fund which will continue to replenish its funds and allow creation of new and additional projects over and above the ones now being organized.

In short, Mr. Chairman, the Appropriations Committee on this measure has moved responsibly in the area of rural development, and in helping sustain a quality of life in our rural areas, and for the families, children, and individuals covered under the various nutritional programs.

I further believe the House owes a debt of gratitude, as does rural America, for the leadership our chairman, JAMIE WHITTEN, continues to provide in maintaining our international leadership in helping feed our citizens and export our agricultural abundance abroad.

Mrs. SMITH of Nebraska. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Mississippi (Mr. LOTT).

Mr. LOTT. Mr. Chairman, I would like to say first that I appreciate the very tough job and the very capable job done by our members on the Appropriations Committee on both sides of the aisle.

I have been particularly impressed over the past week with the job that was done by the members of the Subcommittees on Energy and Water and on HUD in trying to hold down the level of the appropriations bills to within a marginally or materially acceptable level.

Also, I have to say, agriculture is something that is very important to my State of Mississippi. I think my record of votes over the years when it comes to agriculture issues is very close to that of the distinguished chairman of the full Committee on Appropriations; but I also have to say that there has got to be a limit. We must find a way to hold each of these appropriations bills to within budget limits that do not go several millions of dollars over a reasonable amount in a number of categories.

This particular bill, in the condition it is in now and despite an admirable effort by the subcommittee, is clearly in line for a veto but not because we do not need more expenditures for agriculture. However, when you add it all up, the on-budget and the off-budget spending, there are increases in a number of areas. I have got a list right here before me of 11 areas where there are significant increases, 1 to the tune of $656 million; 1 of $1.7 billion; 1 of $87 million. These are very good programs, at least half of which I support very avidly; but the aggregate increase to the President's request for annually funded discretionary programs in BA is $931 million.

The USDA lending program loan limit increases amount to $6.656 billion.

The total 1984 outlay and deficit increase due to budget authority and lending increases is $3.784 billion.

This bill needs some more work in holding down the level of expenditures and in its present form I feel compelled to oppose it. I would urge my colleagues to do so also.

Mr. WHITTEN. Mr. Chairman, I yield 4 minutes to the gentleman from California (Mr. BROWN).

Mr. BROWN of California. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in very strong support of this legislation, as so many of our colleagues have, and I want to commend the chairman of the full

committee and the subcommittee and the ranking minority members.

I noted with interest the remarks of the gentleman from New Hampshire earlier about a massive coalition of agricultural interests here in the House, which I guess the gentleman was assuming had steamroller characteristics now. I am proud to be a part of that massive coalition.

I have learned to respect and admire the work of the chairman of the committee. This is not to say that I have a 100-percent agreement with all the priorities which he has, and I will touch on some of our differences from time to time; but overall, I feel that there is no one better able to set the parameters for agricultural policy and agricultural expenditures for this Government than the gentleman from Mississippi. I want to acknowledge my great respect and indebtedness to him.

My own particular interests in the Agriculture Committee, as the gentleman knows, tend to fall in the area of agricultural research, agricultural trade, and foreign agriculture. In practically every instance, the Appropriations Committee has done very well by these programs.

I note that the Appropriations Committee is directing its own review of activities in the agricultural research service. This fits in very well with the plans of my subcommittee to spend the next year in oversight on agricultural research and I look forward to working closely with the gentleman in a joint effort to improve the research conducted by the Department of Agriculture.

□ 1220

In this area we continue to have a slight difference in emphasis with regard to the field of competitive grants. I feel that the competitive grants program is a very valuable initiative which need take nothing away from the existing institutional structure of agricultural research but will allow agriculture to maintain an entree to the very best innovative research going on in the country in a way that they could not otherwise accomplish.

I will continue to press upon the chairman the significance of this particular program.

Just one additional thing that I would like to mention. The chairman and I over the years have discussed the program of urban gardening which continues to flourish and to perform many valuable functions around the country.

I have with me here one product of the program in California prepared by the Cooperative Extension Service. It is a manual on gardening for young people. I would like to read the dedication from this manual, which I want to commend to all of the Members of the Congress.

This manual, which is entitled "A Field Guide for Teachers, Parents, and Volunteers" is dedicated as follows:

We dedicate to Congressman Jamie L. Whitten, Chairman of the House Appropriations Committee and Subcommittee on Agriculture, Rural Development and Related Agencies, whose support for urban gardening at the national level makes the Common Ground Garden Program possible. Without his leadership the hard work that produced this could not have taken place. It is our hope that the book will help build better understanding on the part of urban young people for the cooperation between man and nature that keeps America's harvest bountiful. Perhaps some of these children will want to be the future farmers of our land.

I think this is an excellent expression of the vast contribution the gentleman from Mississippi, Mr. WHITTEN, has made. On behalf of California Cooperative Extension I would like to present this copy of the book to Mr. WHITTEN at this point and I thank him very much for his continued service to agriculture and his continued willingness to participate in a dialog, even with those who may occasionally disagree with him.

Mr. Chairman, as in years past, I would like to briefly touch upon some of what I see as the major points of the bill. Of course, my colleagues must realize that, as chairman of the House Agriculture Subcommittee on Department Operations, Research, and Foreign Agriculture, my view is somewhat narrower than the scope of this bill.

Of major concern to me are the vital agriculture research, extension, and teaching functions. With surpluses and commodity support programs at record levels, one might question why we need more research. My feeling, one which the Appropriations Committee shares, is that now is the time to place increased emphasis on these functions to help deal with our farm problems. Research and extension programs directed at protecting our production base, finding new uses and new markets for our agricultural bounty, reducing farming operating costs, and work in other promising areas can insure the continued well-being of our farmers, ranchers, and consumers.

The committee has seen fit to increase the Agricultural Research Service funding for next year. Included in this increase is funding for a number of needed programs. A $500,000 increase in food and agricultural fellowships will allow new scientists a chance to contribute to the system. The increase in human nutrition research is vital to obtaining a more complete understanding of the nutritional needs and functions of the human body.

Also included in this figure is funding for research on guayule, a native, semiarid shrub which produces natural rubber. Mr. WHITTEN has been a longstanding supporter of this program, designed to create a new industry in the United States which can free us from dependence upon imported natural rubber. Combined with research funding contained in the Cooperative State Research Service (CSRS) budget, we are making a modest effort toward that goal. The House recently overwhelmingly passed a reauthorization of this research program with an expanded funding schedule which I hope will be reflected in the fiscal year 1985 appropriations.

In the CSRS budget, we see a corresponding increase in agricultural research funding. Funds under the Hatch Act are increased, allowing the continuation of many key programs such as the STEEP soil erosion research in the Northwestern United States. The vital research and extension programs carried out at our land-grant institutions are the backbone of our agricultural system.

Our agricultural research system has performed well for over a century. However, funding restrictions and mounting problems in the farm sector are forcing the system to perform at record levels of efficiency. Later this month, our subcommittee will begin a lengthy oversight on the agricultural research system to help it cope with the increased demands. I hope that the information developed in this series of hearings will be of use to the Congress in future deliberations on agricultural research programs.

In the Cooperative Extension Service (CES) there is also a needed increase, in both the Smith-Lever formula funding and in the special 3(d) programs. I am pleased that the committee has seen fit to restore funding for the urban gardening program, a program which helps get the farmer's message into our urban areas.

I am pleased to see the pest management program restored to last year's funding level and I am very pleased to see the restoration of funds for the expanded food and nutrition education program (EFNEP). We cannot undervalue the contribution that these nutrition education programs make to combating hunger and malnutrition.

Our subcommittee is also conducting oversight hearings on the Extension Service, an effort which will continue through this Congress. I want to commend the Extension Service for the work contained in the recently completed report, "Extension in the 80's." This report will be the subject of hearings later this month and represents extension's effort to begin charting a course which will take them into the next century.

I must mention the increase for the National Agricultural Library (NAL), since I recently took a tour of the facility. I was impressed with the vast information resources that the NAL has. It is a major, global information

center that has an expanding role to play. I do not think that the total potential of the use of information and communication sciences has been fully realized by USDA, and I urge them to devote more effort to this topic.

In the international arena, I was pleased to see an expansion of our Public Law 480 program. We have a need to move our surpluses and the world has a need to feed their hungry. The Public Law 480 program is a proven tool to meet both of these demands. There are many new approaches being offered to expand agricultural exports, but the food for peace program remains our best bet.

As in my past abbreviated reviews of program funding, I am compelled to diverge from the committee recommendations in a few areas. The committee disagrees with the proposed 6-year plan for ARS. I must take exception to that. Like many of us, I cannot support every item in the plan. But I feel that it is a major attempt to put ARS in a position to handle the problems facing American agriculture and to exploit the promise of new research breakthroughs. We are all affected by the changes proposed in this plan, but we should rise above this and give the effort a chance to work. I hope that my colleagues on the Appropriations Committee will come to this same point of view.

I am again forced to note the lower priority given to the competitive research grants prgram. This program is an effective tool for fine tuning research done under formula funds, at other public insititutions, or by other Federal agencies, to fit specific needs of the food and agriculture sector. Nearly every review of our agriculture research system supports an expansion of this program. Again, I hope that this research effort can be allowed to expand to its full potential.

As I stated earlier, I feel that this bill is a meritorious effort to serve the needs of both producers and consumers. I again compliment those who have worked to bring this legislation before us and urge my colleagues to lend it their support.

Mrs. SMITH of Nebraska. Mr. Chairman, I have no more requests for time, and I yield back the balance of my time.

Mr. WHITTEN. Mr. Chairman, I yield myself 1 minute so that I may thank my colleague from California, Mr. BROWN.

May I say on this committee I think I have been able to look at it objectively, and if I was unable to I have had colleagues who would see that I did.

But among the things that I am most proud of in my service is that we have worked hard to save our country for future generations. Farming is a tough job that makes not very much money, but we have to look to the future. We have put 4-H type work into our cities. The biggest 4-H Club a few years ago, and I think maybe today, is in Indianapolis, Ind. This city gardening program is one of which I am very proud.

Not only does this program give an understanding but it also gives us their support and it pulls us together.

This year we have asked the Department to develop plans for expanding the program to 25 cities.

So throughout the years our committee has been for every section of the United States, throughout the period that I have served on there. I want my colleague from California to know that I deeply appreciate this recognition and it is one that I shall always treasure. I hope my good friend from California will express my thanks to the authors of the book "Children's Gardens." I also wish to commend the University of California Cooperative Extension for its excellent work in the common ground garden program.

I thank you very much, George, for your recognition. You were not only the first to propose a city gardening program but the most consistent and effective supporter.

Mr. Chairman, I yield 4 minutes to the gentleman from Iowa (Mr. BEDELL).

Mr. BEDELL. I thank the chairman for yielding. I would like to commend the members of the committee for their work and say it has certainly been a pleasure to work with them.

I would hope that my remarks would in no way be taken as any criticism of any of the members of the committee, but I do have a problem with some of the structure that exists around here. I think it needs to be pointed out to the committee and to others.

One of the practices I have is to make unannounced visits to the executive branch of the Government. I simply select an agency at random, open a door, walk in, and start asking questions of the people who work in that office.

One of the agencies I visited was the Agricultural Cooperative Service. As I sat there and talked to individual people who are working there, I became more and more concerned about what they were doing with the time that they had. I actually went back 2 more days to visit that department because of the fact that it appeared to me that they had significantly more people than they needed to do their work.

Last year the executive branch, the President, recommended a 25-percent cut in the budget for that particular agency. As we met in the Agriculture Committee, we agreed that that should be done in terms of the personnel costs there.

Our recommendation went to the Appropriations Committee. The Appropriations Committee, indeed, made a cut in the money available.

The other body increased the amount. As they went to conference committee the funding level was compromised to where money was provided at exactly the previous year's level.

This year the Agricultural Committee again recommended we approve the President's proposal which was again a cutback in the total amount of money. However, the Appropriations Committee did not approve the cutback and recommended that we keep the funding at its present level.

I agree completely with the chairman of the committee when he says that the committee cannot know everything. I agree, they cannot know everything.

But I would hope that we would recognize from this experience the institutional problem we have, relating to how Congress works, and how this problem thwarts our efforts to get the bureaucracy under control.

When one Member of Congress takes the time to go down and sit individually with the officials of a department and ask them what it is they do, what they did in the last year, and carefully looks at all of that, I believe his findings should carry some weight with the committee. I understand completely that the committee does not have the time to do this type of investigation, and I understand its members are doing the best they can with their knowledge of the situation. But when an individual Member does take considerable time to investigate the workings of an agency, and the Agriculture Committee agrees that a reduction is warranted, and then we continue to provide full funding anyway, I think we have a terrible problem with the way our Government operates.

I make no criticism against any individual but I think we had better look at the way our Government operates, and I think we had better be concerned and work to improve it.

The gentleman from Iowa believes the thing to do would be to offer an amendment to bring this back to the President's request. Then as the committee goes to conference it can determine what is the proper thing to do.

The gentleman from Iowa is a strong supporter of cooperatives. I have no desire or any intent whatsoever to cut back on the essential services provided.

But for us to provide the agency with money which I believe, upon thorough investigation, it does not need, is not the way which I think the American people want their Government to operate.

I wonder if the chairman would care to respond to that in any way. I do not want to put him on the spot but I hope he understands.

Mr. WHITTEN. Mr. Chairman, I yield myself 1 minute.

May I say the gentleman is a valuable Member of the Congress and of the Committee on Agriculture. On his visit I am sure that he saw just what he says and that his words are accepted.

We on the committee deal with a situation where we have a whole lot of employees all over the United States. But the cooperative movement throughout the years has been the one way that farmers have been able to group together for the purpose of protecting themselves to a degree.

The gentleman comes from a State where there are many cooperatives. I do, too. It is offered as one of the most helpful means whereby those engaged in agriculture, working together, might in some cases lower their costs. In other cases because they join together they can thereby get better prices.

I would point out to the gentleman that we have had hundreds and hundreds of witnesses from areas where they work with this. They are not limited, as the gentleman and I are, to a brief visit, and they all support this.

□ 1230

And that being true, with all the problems that the farmers have today with costs and all the problems they have with sales, we are hesitant to try to work this out by killing the program. The answer, as I see it, is for us to see that they do the job, because the job is certainly there to be done. The farmer is not getting anything like the price that in turn pays his cost. We are not holding the cost of production down such as we could.

So, the answer is not to cut out the service or cut it down, but to supervise it so we can get results. And I hope we can put folks in the field and investigate so we can get results. So, I value the gentleman's opinion, from one or two visits. But we heard a whole lot of witnesses and I differ with him about the way to correct what he is talking about.

The CHAIRMAN pro tempore (Mr. BROWN of California). The time of the gentleman has expired.

Mr. WHITTEN. Mr. Chairman, I yield 1 additional minute to the gentleman from Iowa.

Mr. BEDELL. The gentleman from Iowa does not disagree with the gentleman from Mississippi.

Mr. WHITTEN. I expressed the fact that we differ but we are both honest about it.

Mr. BEDELL. The gentleman from Iowa does not differ with the gentleman from Mississippi. The gentleman from Iowa agrees that these services are important; if there is a difference, the difference comes from the fact that the gentleman from Iowa has been down there to see what is happening in the situation in Washington, D.C. The people who testified before the committee I assume testified about the importance of what they are doing. The gentleman from Iowa has no disagreement with that.

The argument the gentleman from Iowa would make is that he has gone to the trouble to go down and sit down with the people and see what they are doing and the gentleman from Iowa can testify clearly that they can do all they are doing and do more without having to have so many people and by our saying they are not to cut down, seems to me to say there is no way we can bring the bureaucracy under control. We are not arguing about what should be done. The gentleman from Iowa supports that.

Mr. WHITTEN. When a Congressman visits and somebody does not quit work to talk to him it would be unusual.

Mr. BEDELL. Yes, the gentleman from Iowa is not talking about that, the gentleman from Iowa asked how long does it take you to do this job? They told me. Then I said how many times have you done it in the last year? What else have you done? And it was clear to the gentleman from Iowa that we simply have more people than are needed.

Mr. WHITTEN. I hope the gentleman joins with me in seeing we can get more work out of them. But I do not think firing them or getting rid of them in an area where we need help is the answer.

Mr. BEDELL. And the President has indicated that he does not need that many people in order to do the job. The gentleman from Iowa, who visited, has seen that. Just so we know how Congress operates, the way it operates is we say, "You still have to spend the money whether or not somebody comes and looks at it to see if it is needed."

Mr. TRAXLER. Would the gentleman yield?

Mr. BEDELL. I yield to the gentleman.

Mr. TRAXLER. I know the gentleman would be interested in knowing in 1982 the number of personnel in ACS was 88, in 1983 it is 70, a cut of 18. Would that satisfy the gentleman?

Mr. BEDELL. If the cut would be comparable to what the administration recommended, then we would not need to increase the amount of money, it would seem to the gentleman.

The CHAIRMAN pro tempore. The time of the gentleman has again expired.

Mr. WHITTEN. I yield 1 additional minute to the gentleman from Iowa.

Mr. BEDELL. I yield to the gentleman (Mr. TRAXLER).

Mr. TRAXLER. I want to say to the gentleman, there is a shift in the funding moving over into contract services and the cut of 18 man-year personnel reflects that. Their budget request, the amount appropriated does not reflect that because more money is being used in contracts.

For instance, Iowa, I believe the Iowa State University received $42,000 under a contract with ACS, in 1982. I am sure we could find other illustrations of this shift. I think the gentleman has made his point. I think he has done good work. The committee must have heard you because there are 18 fewer man-years there.

Mr. BEDELL. Does the legislation, therefore, provide that there will be a reduction of 18 people in the Agricultural Cooperative Service?

Mr. WHITTEN. That reduction was made, I am advised by the staff.

Mr. TRAXLER. It was done in the 1983 budget.

Mr. BEDELL. Is it recommended that there will be a reduction in 1984 in the staff of the Agricultural Cooperative Service?

Mr. TRAXLER. Same levels of personnel will continue, under this proposal in 1984 as in 1983.

● Mr. JONES of Tennessee. Mr. Chairman, I want to congratulate the Appropriations Committee, especially Chairman WHITTEN and Congresswoman SMITH, on an excellent bill.

I spent last week meeting with farmers in my western Tennessee district and let me assure my colleagues the situation is desperate. Agriculture is in its weakest period since the Great Depression. Added to this burden, my district has suffered serious flooding and weather which is likely to damage this year's cotton crop.

The PIK program is now uniformly criticized as an administrative nightmare while it is outrageously expensive and likely to be of limited effectiveness due to the substantial loopholes left in the production controls. I remind my colleagues that Congress had almost no input into this program and this lack of scrutiny is showing. I fear that in future years both the Agriculture Committee and the Appropriations Committee will be called upon to straighten out a real mess which was created solely by the administration.

However the bill before us today reflects a well-thought-out approach which we have all grown to expect of the Appropriations Committee.

For those agencies under the legislative jurisdiction of my subcommittee I have a few more specific comments.

The soil conservation budget of course is never funded as highly as some of us would like but in this period of drastic budget reductions we are appreciative for maintaining the budget at about last year's level. Later this year, the subcommittee will probably take up legislation aimed at establishing low-cost conservation incentives.

I want to congratulate this committee on the Farmers Home Adminstration budget especially for providing funds for the economic emergency loan and for doubling the amount earmarked for guaranteed loans. As many of you know the administration is currently opposing the Emergency Agricultural Credit Act which passed the House by a vote of 378 to 35. It is now stalled in the Senate while many of our farmers are in dire need of financial assistance.

Mr. Chairman, it has come to my attention that about $2 million in additional funding will be needed by the Commodity Futures Trading Commission to carry out certain responsibilities required by the Futures Trading Act of 1982 and for an enhanced computer capability. I would like to reserve the right to speak further with the chairman about this when the bill goes to conference or in relation to a supplemental bill next year.

I am proud to see the strong support in the House for this bill. This favorable reaction is a credit to the talent of the Appropriations Committee and its chairman.

Thank you.●

● Mr. EVANS of Illinois. Mr. Chairman, I am proud that soil and water conservation activities have become an important priority in my home State of Illinois, and in its 17th Congressional District that I represent. During fiscal year 1982, the number of Illinois land users who voluntarily applied conservation measures rose to over 72,000; the USDA's Soil Conservation Service (SCS) provided technical assistance to 18,657 individuals and groups interested in conservation practices. SCS conservation-planning assistance now benefits over 8.6 million acres of Illinois land. To help promote conservation work in Illinois, State, local, and private contributions amounted to $8,623,000 during fiscal 1982, reflecting a strong local commitment to conservation activities.

In my own 17th Congressional District, which is experiencing severe economic problems resulting largely from our national farm crisis, the Henry County Board allotted $5,000 in precious county funds to enable a part-time employee to accelerate erosion control activities. Henry County has also implemented the land evaluation and site assessment system for use in making better decisions on lands that should be retained for agriculture. Rock Island County in my district is in the process of adopting that system. Henry, Rock Island, Mercer, Bureau, Peoria, and Knox Counties have all completed district soil surveys, or have them underway.

It is clear that farmers and the State agriculture offices that advise them in my State and district are responding in good faith to the urgent need for expanded soil and water conservation efforts. Their local activities deserve strong Federal support.

But this administration, in its soil and water conservation budget request for fiscal year 1984, is betraying that conservation effort. If adopted, the administration's request will reduce our national soil and water conservation budget by $300 million from the fiscal 1983 level. The House Appropriations Committee has widely recommended a national soil and water conservation budget at or near last year's level.

Farmers and local governments in my State and district are doing their share to support soil and water conservation efforts vital to the long-term productivity of our croplands. They deserve our encouragement and support. I urge my colleagues to vote for an adequate soil and water conservation budget, and against the administration's ill-advised and shortsighted cuts.●

● Mr. DORGAN. Mr. Chairman hunger is a silent killer. Rarely does it catch our attention, since many who struggle against hunger live in such remote places as Chad, India, and Honduras.

But hunger is not distant to the people of these and other poor lands; it is as near as today. Each day, 40,000 children die from malnutrition and disease. In 1982, UNICEF calculates that 17 million infants died. One-fourth of the world population dies before the age of 40.

Yet few of us confront the reality of these almost invisible facts. They remain hidden, like the submerged part of an iceberg, until we smack into them. Well, we have run aground again in Africa where famine may reap the same grim reward as it did during the early 1970's drought when over 200,000 died.

So hunger has moved to the front page of the New York Times. Mr. Bernard Weintraub wrote a chilling article in yesterday's edition, which I will insert after my remarks, that painted a perilous picture of potentially widespread famine in some 18 African nations. Interviews by Weintraub with State Department and World Bank officials point to the prospect of the worst drought in Africa since 1972-73. But unlike that time, hunger may extend far beyond the sub-Sahara region to parts of the entire continent. And also unlike that earlier tragedy, we ought to act to prevent a new one.

The Food and Agricultural Organization of the United Nations has sent out an urgent appeal to Western Nations for emergency food aid. State Department officials expect the United States to send some $20 million more of emergency food to Africa, bringing this year's total help to just under last year's $266 million. Indeed, the United States should respond in Africa, at home, or wherever hunger stalks the land. Sound food aid not only saves lives, it also wins friends and cements stronger trade partnerships.

The urgent needs in Africa again point out the value of, and demand for, the food for peace—Public Law 480—program. As we consider the fiscal year 1984 agriculture appropriations bill, which only retains the current $1 billion level for food for peace, I remind my colleagues that hunger and malnutrition are not invisible, they are only deadly. So we must ready ourselves to increase food for peace funding, a sound investment in human dignity and in our own national security.

The article by Bernard Weintraub follows:

[From the New York Times, June 7, 1983]

FAMINE IN AFRICA IS CALLED WORST IN A DECADE

(By Bernard Weintraub)

WASHINGTON, June 6.—A drought affecting 18 countries in Africa is causing increasing concern among United States and international relief officials, who say that the region faces the worst food shortages since the early 1970's when at least 200,000 to 300,000 people starved to death.

Donald C. Kimmel, director of the Food and Agricultural Organization's office here, said that reports reaching the organization made it clear that "we are coming into something far worse than what we had in 1972-73." The organization itself has termed the situation in Africa "extremely serious."

State Department officials, who are pressing for an increase in the United States' $244 million food aid program for Africa, said that border and internal unrest in nations such as Ethiopia, Chad, Mozambique and Angola had seriously compounded the food shortages. Roads have been shut, stranding trucks carrying food supplies, and thousands of farmers have fled to urban and border regions, the officials said.

With many African nations suffering their second year of drought—and with an estimated five million refugees within Africa—the food shortages present "a forbidding picture," said a World Bank official. What makes the situation ominous, he said, is that the drought and food shortages are not limited to one area, as in the early 1970's, but are afflicting nations all through the continent south of the Sahara.

In recent days a private F.A.O. report received here has painted an especially bleak portrait of nations such as Chad, where "starvation deaths are reported," Ethiopia, the Central African Republic, Mozambique, Tanzania, Botswana, Lesotho and Swaziland.

Food experts noted that nations outside Africa, such as Cambodia, Indonesia, Nepal and the Phillipines, have also been severely affected by drought. But, officials said, the situation in Africa is especially serious because this is the second year in a row that nations there have suffered drought.

Beyond this, officials said, inept bureaucracies and a lack of government machinery to deal with food emergencies have left some African nations almost powerless to deal with the crisis. "Look at Chad," said one United States official. "Every few months you get a new government and a new agricultural minister. There are 50 miles of paved roads in the country. You go to the

Agriculture Ministry and they don't even have pens and pencils."

Underlying the overall problem is the crucial issue of Africa's birth rate and food production. In the last few years the birth rate has risen at a rate of about 3 percent annually, which is double the increase in the continent's food production.

United States, Food and Agriculture Organization and World Bank officials decline to estimate how many Africans have starved to death in recent months. Officials said, essentially, that it was impossible to determine how many children and adults have died of dehydration and illnesses related to hunger.

SIX NATIONS AFFLICTED IN 1970'S

Officials recalled that in a belt of six countries south of the Sahara, perhaps 300,000 Africans, and possibly far more, were believed to have died of starvation in the early 1970's, largely because of drought. The countries—some of them affected by the current drought—were Mauritania, Senegal, Mali, Upper Volta, Niger and Chad.

F.A.O. officials said that 18 countries had been especially hard hit by the current drought. They are Botswana, Cameroon, Cape Verde, Chad, Ethopia, Ghana, Djibouti, Lesotho, Mali, Mauritania, Morocco, Mozambique, South Africa, Swaziland, Tanzania, Togo, Zambia and Zimbabawe. Three of these—Morocco, South Africa and Zimbabwe—are suffering drought but not experiencing serious food shortages, F.A.O. officials said.

In recent weeks, Edouard Saouma, director general of the F.A.O. in Rome, has sent telegrams to 27 nations, including the United States, seeking urgent assistance in "helping African countries bilaterally and multilaterally" in buying food and protecting livestock production.

United States officials indicated that the State Department would probably seek an additional $18 million in emergency food aid for stricken African nations, bringing the overall total of food assistance to the continent for this year to $262 million. Last year Africa received $266.2 million in food aid.

AFRICAN EXPORTS LAGGING

Mr. Kimmel, the F.A.O. representative here, said that the food situation in Africa seemed worse than the situation a decade ago partly because many African countries had found themselves unable to earn foreign exchange from traditional export products such as cocoa, rubber and coffee, whose prices are depressed on the world market. At the same time, he noted, industrial nations have sought to reduce their imports because of economic restraints.

"In times of bumper harvests, major exporting nations are less willing to step up food aid because of the costs," Mr. Kimmel said. "Someone has to pay for it. Someone has to pay to ship it."

Although World Bank and United States officials emphasized the seriousness of the immediate African situation, their concern also focused on the long-term impact of the drought on Africa's food needs. In southern Africa, for example, river levels are at 50-year lows, leading to "salt water intrusion on the land that kills everything you want to grow," said one State Department official.

Moreover, officials pointed out, a "vicious cycle" exists in many African nations in which population pressures force families to eke out livelihoods on barely arable lands, thus exploiting and exhausting the land and preventing it from recovering fertility. At the same time land is increasingly being used for livestock and many areas are deprived of forest cover because trees are cut for fuel.●

● Mr. RUDD. Mr. Chairman, I rise in strong opposition to the domestic food programs portion of this $34.03 billion agriculture appropriations measure, H.R. 3233.

Under title III of this bill, a total of $13.8 billion is earmarked for domestic food programs—food stamps, child nutrition programs, WIC (women, infants and children), special milk programs, and cash nutrition assistance to Puerto Rico. According to the committee report, this $13.8 billion represents only a very slight increase over the President's request for fiscal year 1984.

Unfortunately, the $13.8 billion is a complete distortion of the true costs of the domestic food programs under this bill. Almost all of the President's recommendations for reforming the estimated $1 billion in food stamp overpayments discovered every year have not been acted upon. Worse yet, the committee set appropriations for these programs at less than 12-month levels—as it did last year—so that Congress will be forced to return later in the year with well over $1 billion in supplemental funds.

Food stamp funding under this bill is set to run out on September 6 of the fiscal year; child nutrition programs will be cut short on August 15 next year; and WIC programs will expire on July 10—months before the end of the fiscal year ends.

The net result of these understatements is that one of our Government's fastest growing welfare programs will continue to expand without controls by Congress and that the American taxpayer will be forced to foot the bill for potentially billions of dollars of fraudulent food stamp issuances and mismanagement that have been cited time and time again by congressional inquiries, the General Accounting Office (GAO), and the administration.

Perhaps the most disturbing trend of this bill is its fiscally tight appearance, in terms of overall budget figures, when in fact it is as irresponsible and as overbudget as any other measure this body has debated this session.

The exponential growth of the food stamp program since its inception in 1965 has been brought to the attention of every administration during the last two decades.

The nutritional assistance program which was originally authorized at a level of $34 million serving 435,000 now costs in excess of $11 billion a year and subsidizes the food budgets of more than 22 million Americans. Food stamp eligibility has been continually expanded over this period, and despite some strides at reforming this program, no fundamental reforms have been made by Congress which address the severe waste and duplication which still remains to be dealt with.

What the administration asked Congress to consider in the way of reform this session is really quite modest. The President's proposals were designed to reduce the 10-percent error rate in food stamp issuances. Correcting fraud and mismanagement is not taking away from the needy, as some have inferred in this body, but nonetheless Congress has not yet seen fit to correct blatant administrative problems in a program that has grown at a rate of 1,350 percent since 1970.

The administration's reform included these key elements, which were not adopted:

Revising the benefit allotment procedures by requiring all individuals living in a household to file for benefits as a single unit, thereby easing the administrative burden and problems of multiple exceptions within a household.

Holding States, which are responsible for issuing food stamps and AFDC benefits, liable for payment errors exceeding 3 percent of benefits. This would equal the standards already used in other Federal programs.

Requiring States to establish workfare, to encourage all able-bodied recipients to find work in the private sector, or help with community public service functions.

The administration also requested other changes in the administrative processing of this program simplifying the calculation of benefits and making it easier for States to account for their issuances, now an administrative nightmare.

I believe there are many other significant reforms Congress should adopt to keep the food stamp program under control, and within its original purpose, to provide aid to only those who truly need it. For instance, I believe we should reestablish the partial purchase requirement which was dropped from the food stamp program in 1977. That restoration would recognize the simple fact that when people have to put forth some money in order to participate in a matching Federal program, they are less apt to do so when real need does not exist.

There are other reforms to be looked at—amending the gross income limit to equal the federally established poverty level, allowing States access to further income date in order to recoup benefit overissuances, and cutting the overlap with other food programs—and I strongly urge the authorizing committee to hold hearings of these proposals, and adopt effective reforms to strengthen the integrity of a program that is fraught with abuses.

The appropriations measure before us today does not attempt true fiscal reform in the domestic food areas, and without the recommended changes the

food stamp program will remain the primary scar on this body's inability to control Federal spending in the social-welfare portion of our Federal budget.●

● Ms. KAPTUR. Mr. Chairman, I rise in support of the agriculture appropriations for fiscal year 1984.

Despite the abundance of America's natural resources, our agricultural economy is weak, with many farmers facing severe economic problems. My home State of Ohio is particularly affected, for although we rank 35th in size, we rank 7th in overall agricultural production and 3rd in overall agricultural exports. The agriculture appropriations for fiscal year 1984 will help us in our effort to develop a more efficient and effective agriculture system in Ohio, and in the rest of our Nation.

In particular, I am pleased that this bill provides $601.9 million for the Soil Conservation Service, which is $177.6 million more than the Reagan administration's request. The bulk of the difference is accounted for by the large increase in funding for watershed and flood prevention operations, which is necessary if we are to bolster our resource base. In my own district of Greater Toledo, Ohio, if we assumed that topsoil covered the whole district, we would lose more then 7.5 inches of soil per year. Increased funding for this program should help mitigate this problem.

The farmers in my district are also supportive of the loan levels for the rural housing insurance fund, which are $3.1 billion more than the Reagan administration's request. Substantial funding for this fund is crucial now, when farmers are in troubled economic times, and when the predictions for the near future are not favorable. We must try to relieve the farmers of some of their fixed costs, and this is a perfect way to begin.

I am pleased by the emphasis placed on strengthening the rural development insurance fund. I agree that we must increase funding levels for the water and sewer facility loans and for the guaranteed industrial development loans.

Finally, I am pleased by the funding for the Extension Service. Considering the importance of this program, I wholeheartedly agree with the committee's recommendation of $45.3 million more than the administration's request.

I urge my colleagues to join with me in support of America's farmers. We must show our farmers that Congress realizes their plight, and is working to insure a better future.●

● Mr. BEREUTER. Mr. Chairman, this Member thinks that each of us is aware of the current serious economic condition of the agricultural sector of this country and the difficulties that the Nation's farmers are facing. With farm income declining to its lowest levels since the Depression, we must keep in mind the importance of this sector of the entire U.S. economy and the need to restore a healthy farm economy. Unfortunately, like many other industries, the agricultural sector has been plagued by numerous difficulties such as embargoes, foreign trade subsidies, and high interest rates. The effects of these adverse factors necessitate a postive role by the Federal Government in order to put agriculture back on its feet. H.R. 3223 has been successful in addressing sme of the key areas of urgency, such as emergency credit and agricultural research, while at the same time it falls short in areas such as price stabilization, marketing, and stimulation of agricultural exports.

At the heart of agriculture's problem is the same problem that we face here today—money—how much is available and how much it costs to borrow. Credit has become one of the farmer's biggest expenses. Most consumers can find some refuge from high interest rates by postponing large purchases like houses or cars. Farmers have no choice. In 1979, for example, farmers paid $12 billion in interest costs while earning $32 billion; last year they paid $22 billion in interest costs while earning only $20 billion.

While high interest rates have increased farm expenses, they have also undermined the export marekt farmers have traditionally relied upon. Our strong dollar has increased the price of farm exports by a full 25 percent, inflicting upon potential foreign customers a 25 percent surcharge for American farm products. It is no surprise that agricultural exports have declined for the first time in 12 years. Despite high interest rates, agriculture has still contributed more than $40 billion in export sales in 1982, helping to defray the cost of our expanding trade deficit. In the face of record Federal deficit, it would be to our disadvantage to overlook the importance of adequate funding for this vital sector of our econmy. This is not the time to pull the rug out from under agriculture. I am hopeful that an expanded export market and increased commodity prices will improve the economic condition of agriculture, so that it will become less reliant on Government programs. Until that time, we will continue to require an adequate level of funding for the agricultural program contained in this bill.●

● Mr. ANTHONY. Mr. Chairman, I rise in support of H.R. 3223, a bill to fund programs of agriculture and rural development for fiscal 1984. This bill provides a critical lifeline to agriculture and rural America at a time when the farm sector is in danger of sinking into massive bankruptcy. I commend the distinguished chairman of the committee, Mr. WHITTEN, for his excellent work on this bill. Everyone involved in agriculture is aware of his great contribution over many years in preserving and protecting this vital sector.

My constituents in Arkansas are highly dependent on agriculture but the depression in the farm sector has now gone on for 3 years. The result is a very precarious situation with grave implications for the entire Nation. It is the responsibility of the administration to use its existing authority to tailor farm programs to the changing realities of world supply and demand in order to avoid the collapse in farm prices. Unfortunately, they did not do so in 1981 and 1982 and the result is that an emergency measure, the payments-in-kind program, has been necessary in 1983. I have no objection to the PIK program although our colleague, GLENN ENGLISH, chairman of the Subcommittee on Government Information, Justice, and Agriculture, has raised the question of whether alternatives were adequately considered. Even with the PIK program, other basic programs funded by H.R. 3223 are necessary for the recovery of the farm sector.

Many of the programs in H.R. 3223 are now so critical to the survival of farm families across the Nation that the kind of systematic and long-term planning needed for revitalization of rural America is impossible. In particular, the programs and priorities of the Farmers Home Administration have had to be abruptly altered in a crisis atmosphere from those of rural development to virtual salvage operations. Had greater care been taken to see that production was brought into line with known demand, this could have been avoided.

High production costs, low income, and mounting debts have placed heavy strain on farmers and have dramatically increased the need for USDA programs. For instance, multiple goals of FmHA including the water and waste disposal program have been subordinated to the overriding objective of keeping farmers in business. Earlier this year, FmHA ran out of farm operating funds in 17 States. It was necessary to transfer $400 million from those other FmHA programs in order to continue to make farm operating loans.

In view of the critical situation all around the country. I believe it is particularly appropriate to echo Chairman WHITTEN's observation that agriculture is the foundation of the economy. Economic recovery cannot be sustained without a prosperous agriculture. For that reason, the amounts we appropriate for programs in rural America constitute an investment in maintaining the most marvelous food production system in the world. The dividends are received by all Ameri-

cans in terms of the lowest per capita expenditures on food as a percentage of income of any place on Earth.

This bargain cannot continue for the consumer unless its benefits are shared by those who produce this great harvest and help to feed the world. For that reason, I am pleased to support H.R. 3223. The bill is a modest response to the farm crisis that funds essential programs but takes into account the fiscal constraints of the time.

The bill provides $31.7 billion in new budget authority for fiscal 1984 which is $53.7 million below the amount requested in President Reagan's budget. It is $6.2 billion less than the amounts provided in fiscal year 1983. It is a responsible piece of legislation necessary to continue vital programs during these difficult times. I urge my colleagues to support it.●

● Mr. FRENZEL. Mr. Chairman, the Agriculture Appropriation bill, H.R. 3223, appears to be under the House-passed budget, the Senate-passed budget, and the President's request. But, things are not what they seem.

An appearance of being within budget is not sufficient. Especially when the Senate-passed budget fails to provide sufficient restrictions on Federal spending, and the House-passed budget completely opens up the Federal purse.

This bill only fits within the President's budget request because of its dependence on supplementals. In other words, it underappropriates mandatory entitlement spending. Examining the bill closely, one discovers that the WIC program is only funded through July 10, 1984. The child nutrition program is funded only through August of 1984, and Food Stamps are funded only until September 6, 1984.

Supplemental appropriations will undoubtedly be needed to complete the funding needs of these programs. Budgeting by supplemental is a great way to fatten Federal spending, but, an extremely lousy way to run a government. It is the same old shell game that is typical of this bill each year.

Also there is confusion as comparisons of discretionary and mandatory spending to various budget ceilings. There is no good way to analyze the spending in this bill carefully.

H.R. 3223 is not necessarily a bad bill. It seems to me to be a bit sneaky, as noted above, and premature as well. I would much prefer to wait until the budget resolution is approved so that Members will have a chance to look under the committee's shells.

I know we have the obligation to fund needed and obligatory programs, but, I will not vote for this bill until I know how it fits a real budget resolution.●

● Mrs. SCHNEIDER. Mr. Chairman, today, this body will be voting on the agriculture appropriations for fiscal year 1984. Although I have not played an active role in the issue of dairy price supports in the past, the potential for economic disaster has moved me to act—as I believe our Nation must act—today. I can no longer sit by while economic havoc is reeked upon our marketplace and the American consumer. We are spending much too much for a program that is giving the American taxpaying public far too little.

According to estimates, outlays for the milk price support program of the Commodity Credit Corporation for fiscal year 1983 will exceed $2 billion, far in excess of the CBO's estimates of $900 million. Projections for the next several years indicate that this cost could approach and even exceed $3 billion a year if nothing is done to curtail production and increase consumption of dairy products.

The assessment program we authorized last year in the Budget Reconciliation Act has not been implemented, and obviously the budget savings anticipated from this program for the first quarter of fiscal year 1983 have not been realized. USDA now plans to implement the 50-cent assessment on April 16. From my dairy farmer colleagues, I hear this tax will be bitterly opposed. Should it be eliminated, dairy farmers will receive yet another false signal from Congress—that it is OK to produce as much as you like—the Government will purchase your surplus at the right price.

Please do not misconstrue my sentiments. I wholeheartedly support the maintenance of a viable dairy industry necessary to supply this Nation with an adequate supply of fresh, wholesome milk and milk products. I endorse the milk support program, but encourage my colleagues to initiate action that will restore a balance to supply and demand conditions.

We must have a reduction in the price support level of milk. Congress raised the support level in 1977, which initiated the tremendous surplus situation we are experiencing today. If the increase in the minimum price level led to such a large amount of Government purchases of dairy products, would not logic dictate that it would take a reduction in the price to curtail production and reverse this trend?

I have been informed from reliable sources that it would take a price reduction of at least $1.50 per hundredweight to get the program within reason. I therefore encourage you and your subcommittee to give serious consideration to this amount of a reduction. Such a reduction will reduce the price of fluid milk to the consumer by 13 cents per gallon. This in turn should increase the consumption of milk substantially. With such a price reduction I am told milk consumption would probably increase 2.5 to 3 percent next year. This would not only help eliminate the surplus, but would put the milk to good use, that is, being consumed instead of stored.

I endorse reducing the support price of milk because the consumer will benefit twice. First, because of lower prices at the stores for dairy products which are important to nutritious health, and a well balanced diet. Second, because a lower price will increase demand for milk and milk products, thereby reducing Government dairy stockpiles—and a step in the right direction toward reducing the ever growing Federal deficit.

We have asked virtually every sector of the American public to cut back today for the sake of an economically strong America tomorrow. Is it not appropriate to ask the dairy farmers to help us in our efforts to rejuvenate the American economy?●

● Mr. DANIEL B. CRANE. Mr. Chairman, I want to again go on record in supporting a strong, viable agricultural economy, America's No. 1 industry.

Agriculture is our most important industry for many reasons. For many years, agricultural exports have been responsible for making our balance of trade a favorable equation. This is because American farmers are the most productive in the world. This productivity arises out of the opportunity given by our free enterprise system to risk today for a better tomorrow.

We must recognize America's great resource—free enterprise. When free enterprise is stifled by Government, nobody wins—we all lose in the marketplace. Agriculture could be an active participant in this system if we would get Government's dead hand off of the agricultural economy.

Spending over 30 billion of the taxpayers' dollars in fiscal year 1984 on Government programs which are mislabeled "agriculture" budget goes for bureaucracies and welfare programs that have absolutely nothing to do with the American farmer.

Thus, H.R. 3223 is manifestly not an agriculture appropriations bill. It is simply another welfare program. Do not be fooled by the title "Agriculture Appropriations for Fiscal Year 1984," because the largest single part of that appropriation is for welfare. This does a tremendous disservice to the American farmer.

I do not believe for one moment that the farmers of my district, or throughout America, are asking for welfare. In a recent poll of my district, which has more land under cultivation than any congressional district in the Nation, 80 percent of those responding wanted an end to Federal agriculture programs.

There are some fine things the Federal Government does in agriculture, particularly in research and extension programs. But these functions are a miniscule part of today's welfare-oriented agriculture budget.

I ask my colleagues to make their decision on this today with one fact in mind—the reason American agriculture is our showpiece to the world and the envy of nations is our free enterprise history, not welfare. The American farmer deserves much better than this.●

Mr. WHITTEN. I have no further requests for time, Mr. Chairman.

The CHAIRMAN pro tempore. The Clerk will read.

The Clerk proceeded to read title I of the bill.

Mr. WHITTEN (during the reading). Mr. Chairman, I ask unanimous consent that title I be considered as read and open to amendment at any point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN pro tempore. Are there any points of order against title I? If not, are there any amendments to title I?

The Clerk will read.

The Clerk proceeded to read title II of the bill.

Mr. WHITTEN (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read and open to amendment as any point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN pro tempore. Are there any points of order against title II? If not, are there any amendments to title II? If not, the Clerk will read.

The Clerk proceeded to read title III of the bill.

Mr. WHITTEN (during the reading). Mr. Chairman, I ask unanimous consent that title II, be considered as read and open to amendment at any point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN pro tempore. Are there any points of order against title III? Are there any amendments to title III?

The portion of the bill to which the ensuing pro forma amendment relates is as follows:

TITLE III—DOMESTIC FOOD PROGRAMS

FOOD AND NUTRITION SERVICE

Mr. MYERS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the subcommittee has come under some criticism this morning, not uncommon of course, but particularly for title III that we have understated the need.

That may be true, but it was not the intention of this subcommittee, nor has it been in the past, to do this. We have no other choice, if we are going to comply with the existing law but to either increase the appropriation for which we have been criticized, beyond what the President recommended or do what we did. What we have done is use exactly the President's figure in most instances and having a little bit above his figure where it was obvious the figure was not high enough.

For food stamps, we provided money through September 6, 1984, which leaves 24 days if no enactment of laws reduces the obligation. The gentleman from New Hampshire and the gentleman from Minnesota as well as the Republican whip from Mississippi, have stated there might be a shortfall, and we might have to come back with a supplement.

In the bill, there is $611 million held in reserve, not to be spent between now and September 6, 1984.

If the economy continues to recover, which we all hope and believe it will, conditions will not require a supplemental but in a supplemental we will only need a language change to effect the change of dates. If the corrective legislation does not become law or the economy does not improve, $64 million will be available.

The other is in the WIC program, on which money is provided through July 10. Again projecting out at present rates, funds would run out at that time. But if the economy recovers it would not require a supplemental. But I think it is an unfair criticism, a rap this subcommittee is taking that we have somehow distorted the picture and have not complied with law. We have gone exactly corresponding to law, exactly what we are obligated to do under the rules of this House and the Deficiency Act that we must abide by and the administration must abide by and I think we have done exactly what needs to be done. We have not tried to distort it.

I am going to guess that we will not need a supplemental for food stamps because the economy is going to recover to the point where we will not issue as many food stamps. I think the $611 million reserve will take care of it.

I do think it is a little bit unfair to every year be criticized because we have complied with the existing law and we do not have the authority to change it. If we had added the money that the President recommended for the nutrition programs, we would prejudice or lease the impression that no changes are needed in existing laws. The committee has not intended to distort this or misrepresent to anyone.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

Are there any additional amendments to this title? If not, the Clerk will read.

The Clerk proceeded to read title IV of the bill.

□ 1240

Mr. WHITTEN (during the reading). Mr. Chairman, I ask unanimous consent that title IV be considered as read and open to amendment at any point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN pro tempore. Are there any points of order against title IV?

Are there any amendments to title IV? If not, the Clerk will read title V.

The Clerk proceeded to read title V of the bill.

Mr. WHITTEN (during the reading). Mr. Chairman, I ask unanimous consent that title V be considered as read and open to amendment at any point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN pro tempore. Are there any points of order against title V?

Are there any amendments to title V? If not, the Clerk will read title VI.

The Clerk proceeded to read title VI of the bill.

Mr. WHITTEN (during the reading). Mr. Chairman, I ask unanimous consent that title VI be considered as read and open to amendment at any point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN pro tempore. Are there any points of order against title VI?

Are there any amendments to title VI?

Mr. SKELTON. Mr. Chairman, I rise in support of H.R. 3223, the agriculture appropriations bill for fiscal year 1984, and I particularly want to commend the committee for its strong support of several programs which are critical to agriculture in the State of Missouri, and in the congressional district which I represent.

First, I want to endorse the committee's position in favor of increased agricultural exports. If we are going to have a strong and prosperous economy in this economy, we must regain and retain our share of international agricultural trade. Increased agricultural exports is the best long-term solution to the present financial problem facing American farmers. In addition, our nonfarm population benefits from agricultural exports, as many Americans earn their living from transporting, processing and marketing U.S. farm products sold overseas. As the committee recommends, we need to undertake new and more aggressive efforts to protect U.S. markets abroad and to compete more vigorously to develop new markets for U.S. farm products.

Second, I want to again this year commend the committee for its action in restoring funds for the brucellosis

control program. The ill-advised cuts recommended by the administration would ruin the excellent program established in Missouri, and would undermine the progress that has taken place in this area in recent years. In restoring $31 million for this program, and an additional $500,000 for brucellosis research, this valuable cooperative effort of market owners, veterinarians, producers, and regulators can continue and we can maintain our progress in reducing the incidence of this costly and damaging livestock disease.

A third area where the committee bill has its priorities in order is soil conservation. Our soil conservation programs represent an extremely valuable investment in the Nation's future. We cannot afford to abandon or even reduce the funding for these programs. The real wealth of our Nation is its soil, water, and other resources. The preservation of these irreplaceable resources must be the highest national priority. Moreover, the burden of preserving and protecting our land, water and other resources must be shared by all the people of the Nation since everyone enjoys the products of the land. I strongly endorse the committee's recommendation to once again restore funding to the highly effective agricultural conservation program, which has proven over the years to be our best means of meeting local conservation needs in all areas of the country, and the committee's recommendation to increase funding for the Soil Conservation Service.

Mr. WHITTEN. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker, having resumed the chair, Mr. BROWN of California, Chairman pro tempore of the Committee of the Whole House on the State of the Union reported that that Committee, having had under consideration the bill (H.R. 3223), making appropriations for agriculture, rural development, and related agencies programs for the fiscal year ending September 30, 1984, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 297, nays 115, not voting 20, as follows:

[Roll No. 175]

YEAS—297

Ackerman	Edwards (CA)	Lipinski
Addabbo	Edwards (OK)	Lloyd
Akaka	Emerson	Long (LA)
Albosta	English	Long (MD)
Alexander	Erdreich	Lowry (WA)
Andrews (NC)	Evans (IL)	Lundine
Andrews (TX)	Fascell	MacKay
Annunzio	Fazio	Markey
Anthony	Feighan	Marlenee
Applegate	Ferraro	Marriott
Aspin	Fish	Martin (NY)
Barnard	Flippo	Matsui
Barnes	Florio	Mavroules
Bateman	Foglietta	Mazzoli
Bates	Foley	McCloskey
Bedell	Ford (MI)	McCurdy
Beilenson	Ford (TN)	McDade
Bereuter	Fowler	McEwen
Bevill	Franklin	McHugh
Biaggi	Frost	McKernan
Bilirakis	Fuqua	McNulty
Boehlert	Garcia	Mica
Boggs	Gaydos	Mikulski
Boland	Gejdenson	Mineta
Boner	Gilman	Minish
Bonior	Glickman	Mitchell
Bonker	Gonzalez	Moakley
Borski	Gore	Mollohan
Bosco	Gray	Montgomery
Boxer	Guarini	Moody
Breaux	Gunderson	Morrison (CT)
Britt	Hall (IN)	Morrison (WA)
Brooks	Hall, Ralph	Mrazek
Brown (CA)	Hall, Sam	Murphy
Bryant	Hamilton	Murtha
Byron	Hammerschmidt	Myers
Campbell	Hance	Natcher
Carper	Harkin	Neal
Carr	Harrison	Nelson
Chandler	Hatcher	Nichols
Chappell	Hawkins	Nowak
Chappie	Hefner	Oakar
Clarke	Hertel	Oberstar
Clay	Hightower	Obey
Clinger	Hillis	Olin
Coelho	Horton	Ortiz
Coleman (MO)	Howard	Panetta
Coleman (TX)	Hoyer	Parris
Collins	Huckaby	Patman
Conte	Hutto	Patterson
Cooper	Jeffords	Pease
Coyne	Jenkins	Penny
Crockett	Johnson	Pepper
Daniel	Jones (NC)	Perkins
Daschle	Jones (TN)	Petri
Daub	Kaptur	Pickle
Davis	Kastenmeier	Price
Dellums	Kazen	Pursell
Derrick	Kennelly	Quillen
Dickinson	Kildee	Rahall
Dicks	Kindness	Rangel
Dingell	Kogovsek	Ratchford
Donnelly	LaFalce	Ray
Dorgan	Lantos	Regula
Dowdy	Leach	Reid
Downey	Lehman (CA)	Richardson
Durbin	Lehman (FL)	Ridge
Dwyer	Leland	Rinaldo
Dymally	Lent	Robinson
Dyson	Levin	Rodino
Early	Levine	Roe
Eckart	Levitas	Rogers
Edgar	Lewis (FL)	Rose
Rostenkowski	Solarz	Vento
Roth	Solomon	Volkmer
Rowland	Spence	Watkins
Roybal	Spratt	Waxman
Sabo	St Germain	Weber
Savage	Staggers	Weiss
Sawyer	Stangeland	Wheat
Scheuer	Stark	Whitley
Schneider	Stokes	Whittaker
Schulze	Stratton	Whitten
Seiberling	Studds	Williams (MT)
Shannon	Sundquist	Williams (OH)
Sharp	Swift	Wilson
Shelby	Synar	Winn
Sikorski	Tallon	Wirth
Siljander	Taylor	Wise
Simon	Thomas (CA)	Wolf
Sisisky	Thomas (GA)	Wolpe
Skeen	Torres	Wortley
Skelton	Torricelli	Wright
Slattery	Towns	Wyden
Smith (FL)	Traxler	Yates
Smith (IA)	Udall	Yatron
Smith (NE)	Valentine	Young (AK)
Smith (NJ)	Vander Jagt	Young (MO)
Snowe	Vandergriff	Zablocki

NAYS—115

Anderson	Gregg	Molinari
Archer	Hall (OH)	Moore
AuCoin	Hansen (ID)	Moorhead
Bartlett	Hansen (UT)	Nielson
Bennett	Hartnett	O'Brien
Bethune	Hiler	Ottinger
Bliley	Holt	Oxley
Broomfield	Hopkins	Packard
Brown (CO)	Hughes	Paul
Broyhill	Hunter	Porter
Burton	Hyde	Pritchard
Cheney	Ireland	Ritter
Coats	Jacobs	Roberts
Conable	Jones (OK)	Roemer
Corcoran	Kasich	Roukema
Coughlin	Kemp	Rudd
Courter	Kramer	Russo
Craig	Lagomarsino	Schaefer
Crane, Daniel	Latta	Schroeder
Crane, Philip	Leath	Schumer
D'Amours	Livingston	Sensenbrenner
Dannemeyer	Loeffler	Shaw
DeWine	Lott	Shumway
Dreier	Lowery (CA)	Shuster
Edwards (AL)	Lujan	Smith, Denny
Erlenborn	Luken	Smith, Robert
Evans (IA)	Lungren	Snyder
Fiedler	Mack	Stenholm
Fields	Madigan	Stump
Forsythe	Martin (IL)	Tauke
Frank	Martin (NC)	Tauzin
Frenzel	McCain	Vucanovich
Gekas	McCandless	Walker
Gibbons	McCollum	Weaver
Gingrich	McDonald	Whitehurst
Goodling	McGrath	Wylie
Gradison	Michel	Young (FL)
Gramm	Miller (CA)	
Green	Miller (OH)	

NOT VOTING—20

Badham	Duncan	Martinez
Berman	Gephardt	McKinney
Boucher	Heftel	Owens
Carney	Hubbard	Pashayan
Conyers	Kolter	Walgren
de la Garza	Kostmayer	Zschau
Dixon	Lewis (CA)	

□ 1300

Mr. WORTLEY and Mr. DICKS changed their votes from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATION BILL, 1984

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 222 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 222

Resolved, That all points of order against the consideration of the bill (H.R. 3191) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President and certain Independent Agencies, for the fiscal year ending September 30, 1984, and for other purposes, for failure to comply with the provisions of section 303(a)(1) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. During consideration of the bill, all points of order against the provisions of the bill on page 11, lines 5 through 16 for failure to comply with the provisions of clause 2, rule XXI, are hereby waived. It shall be in order to consider the amendment printed in the Congressional Record on June 7, 1983, by, and if offered by, Representative Edwards of Oklahoma, and all points of order against said amendment are hereby waived. It shall be in order to consider an amendment printed in the Congressional Record of June 7, 1983, by, and if offered by, Representative Smith of New Jersey, all points of order against said amendment for failure to comply with the provisions of clause 2, rule XXI are hereby waived, and said amendment shall not be subject to amendment but shall be debatable for not to exceed one hour to be equally divided and controlled by Representative Smith of New Jersey and a Member opposed thereto.

The SPEAKER pro tempore (Mr. ANNUNZIO). The gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Tennessee (Mr. QUILLEN) and pending that, I yield myself such time as I may consume.

Mr. Speaker, the rule (H. Res. 222) waives certain points of order against consideration of the bill (H.R. 3191) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1984, and for other purposes.

The resolution waives points of order under section 303(a)(1) of the Congressional Budget Act of 1974, which prohibits action on appropriation matters pending adoption of the first concurrent resolution on the budget for the fiscal year.

Under the terms of the act, the first concurrent resolution on the budget is supposed to be reported from the committees on the budget of each House by April 15 and action on a conference report completed by May 15. The House committee actually beat its deadline by 3 weeks.

The other body, however, was unable to pass a resolution until 4 days after the date by which a conference report is supposed to be acted on.

The resolution went to conference this morning. However, the Committee on Appropriations faces a schedule which requires final action on their bills within a period in which Congress will meet for only 10 weeks.

There is no hope of meeting that schedule if action is deferred on appropriation bills until a conference agreement on the budget is in place. The Committee on the Budget supports this schedule and recommended that this waiver be granted.

The Committee on Appropriations, therefore, has asked the Committee on Rules to provide a method by which action can begin on the appropriations cycle. The committee has selected for earliest action those appropriations bills which present the least controversy with respect to issues in the budget conference.

Mr. Speaker, under the terms of the Congressional Budget Act of 1974, points of order under section 303(a)(1) lie against both the bill and any amendments which would add new budget authority. In some cases, consideration of appropriation bills prior to adoption of the budget resolution would cause that point of order to operate somewhat like a modified closed rule.

In the present case, however, that presents no controversy. The committee has been generous in trying to protect Members who indicated that they would have problems under that rule and no requests were made for waivers of section 303(a)(1). Any germane limitation or any amendment to reduce funding is in order, in the customary manner, without any special provision in the rule.

In its original request, the Committee on Appropriations sought no protection for any unauthorized appropriations or legislative language. However, during Rules Committee consideration several requests for waivers of clause 2 of rule XXI were requested.

The Committee on Post Office and Civil Service requested a waiver to protect unauthorized appropriations needed to maintain the postal rates of nonprofit mailers. The representatives of the Appropriations Committee supported that waiver and it is included in the rule.

The gentleman from New Jersey (Mr. SMITH) appeared to request a waiver to permit him to offer an amendment which is legislative in character and would limit the use of Federal employee health plans to pay for abortion. The amendment does nothing to prohibit abortion but it does prohibit the use of tax dollars to finance such procedures.

That waiver was opposed by the majority representative of the Appropriations Committee and supported by the ranking minority member. During committee consideration, the rule was amended to provide the waiver. The rule also provides special provisions which allocate 1 hour of debate, equally divided in support and opposition, and which prohibit amendments to the amendment.

The gentleman from Oklahoma (Mr. EDWARDS) appeared to request a waiver to permit him to offer an amendment which is legislative in character and would limit the use of appropriate funds to enforce provisions of the Tax Equity and Fiscal Responsibility Tax Act of 1982 (Public Law 97-248) with respect to withholding on interest and dividends. The rule provides the necessary waiver of points of order with respect to that amendment.

Mr. Speaker, the gentleman from California (Mr. ROYBAL) and his able ranking minority member, the gentleman from Ohio (Mr. MILLER) have consistently managed this bill in cooperation with the administration and the authorizing committees and are to be commended for the prompt and fair manner in which this bill has been prepared.

Mr. Speaker, we are operating under far from ideal circumstances. But given the difficult situation, I think the committees have discharged their responsibilities in the fairest manner possible. I urge the adoption of the rule to permit the House to act on this vital measure.

□ 1310

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, the able gentleman from Massachusetts (Mr. MOAKLEY) has described the provisions of the rule and the amendments made in order.

When the gentleman from Oklahoma (Mr. EDWARDS) came before the committee requesting his amendment to prohibit the use of any funds from Treasury to be used for the withholding of interest and dividends, I offered a motion before the Rules Committee to make that amendment in order. It passed on a bipartisan basis by a vote of 9 to 3.

As the House will recall, on May 17 this body voted to repeal the withholding requirement on interest and dividends by a vote of 382 to 41. The House has spoken. The Senate, prior to that, passed a measure postponing the enforcement of the withholding for 4 years. The measure is tied up now in the Senate. The amendment made in order is a backup to help in the event it is passed in finality by July 1. Although this amendment provides that no funds be made available for withholding, it is for fiscal year 1984, taking effect October 1.

I commend this amendment to each Member of the House because the

American people are against withholding. I have received more mail in this instance than I have since the prayer issue after the Supreme Court ruling. We know and feel that it will be worked out, but we need the protection of this amendment in the event there is a continued tieup on the withholding repeal legislation between the House and the Senate.

Mr. Speaker, this appropriation bill in the eyes of some is considerably over the President's request. For instance, on the appropriation for the Postal Service, even though the Postal Service advertises glowingly that it is in the black and has a surplus, the committee allowed the Postal Service funds for free and reduced mailing, including mailing for the blind, fraternal organizations, and all of the nonprofit organizations. The committee allowed even $100 million more than the Postmaster General himself requested.

We all know that this reduced mailing and free mailing is absolutely necessary, and I hope the committee is right in its recommendation that it will take that amount in order to carry out the program.

Mr. Speaker, I support the rule, and I support the amendment which was made in order in the Rules Committee yesterday. I hope that this body will get down to the business of passing this appropriation measure and the remaining appropriation bills for the various agencies of this Government.

Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. DANNEMEYER).

Mr. DANNEMEYER. Mr. Speaker, I thank the gentleman from Tennessee (Mr. QUILLEN) for yielding me this time.

Mr. Speaker, my main objection to the bill, at least on the rule, is that it does not make in order an amendment which I would support.

In March of this year the Office of Personnel Management offered certain regulations that would place the Federal work force on a work performance basis. The existing law, the Civil Service Reform Act of 1978, authorized the OPM to make these regulations. About 10 days ago the House considered this issue in a supplemental appropriation bill for 1983, when the matter was at least discussed in part.

But here again, in this appropriation bill for this agency for 1984, there is language in this bill which will preclude these regulations from coming into existence

The gentleman from Ohio (Mr. MILLER) offered an amendment yesterday before the Rules Committee which was rejected, and I would like to read what that amendment says because I think it is reasonable, and I am just sad to say that the rule we are now considering did not make this amendment in order because this amendment, had it been made in order, speaks to those objections that have been, I think, legitimately raised to the proposed regulations that were issued by OPM with respect to implementing a work performance standard for the Federal work force.

This is the amendment offered:

None of the funds appropriated under this Act shall be obligated or expended to implement, administer, or enforce any regulations proposed by the Office of Personnel Management in the March 30, 1983, Federal Register, which: alter the preference of veterans in the Federal personnel system;

Which I think belongs there, making it clear that veterans, as a result of those regulations, would not be adversely affected. I think that is an important point—

fail to take account of employees past performance in new ratings or reduction-in-force regulations;

The argument was made that the performance standard would be based only on the last quarter. This element makes it clear that we take into account previous performance in analyzing what the performance standard would be—

result in the Office of Personnel Management allocating ratings in any new performance system; undermine the authority of the Federal Labor Relations Authority; or result in an additional cost in the federal budget.

The language in this proposed amendment, I think, is reflecting essential changes that should be made in the OPM proposed regulations, and I am just sorry to see that the rule that has been proposed did not make it in order. This is the objection that I have to the rule.

Therefore, I would ask my colleagues to consider voting against this rule on the basis of that objection.

With respect to the funding, it may be said that while this proposed level of spending is $400 million under the budget resolution which this House adopted, we should pat ourselves on the chest and say, "Isn't that commendable for the sake of frugality in our spending?" But then we note that it is $532 million in budget authority and $700 million in outlays over the administration's request for 1984. The outlays in this bill are $700 million over what the administration has asked for. That is quite a little difference.

But, Mr. Speaker, that gets into the merits, of course, and perhaps that better belongs in the debate under the bill itself, not on the rule. I thought I would mention that, However, to my colleagues to point out that there is a substantial variance in this bill between what the administration asks for and what we in Congress intend to appropriate. I mention it because it illustrates the point again and again. Presidents propose and Congresses dispose. We are responsible for the irresponsible spending in this country; it is not the President of the United States.

Mr. Speaker, I yield back the balance of my time.

□ 1320

Mr. MOAKLEY. Mr. Speaker, I yield 5 minutes to the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Mr. Speaker, I thank the gentleman from Massachusetts for yielding.

I really hope everyone in this Chamber will vote against this rule. I think there are a number of reasons for voting against the rule, whether it is the waiving of the Budget Act or whether it is a zillion other things. One of the major issues that I am very concerned about is the waiver in this rule of the new reform that was passed. We all know what has been going on in this place. For a long time we have almost made the authorization bills not needed. In fact, think how many appropriation bills we are taking up without authorization. We have almost made the authorization bills pro forma, because we are allowing legislation on an appropriation bill; so we are doubling the shot and we are tying ourselves down.

At the beginning of this session we decided no more. We had enough of it and that we would draw the bright line that was supposed to be there between authorization and appropriation. The idea was that if legislation was offered on an appropriation bill, there was the right of the Committee to rise and then the whole House could decide whether or not they were going to allow it, because clearly there are some areas where maybe the authorization bill had gone by or circumstances had changed where you wanted to allow it or not. At least we had a mechanism of shutting it off if the House decided to.

Well, that reform in its first test in this bill has been waived. That shows you how well we stand up to heat.

Not only has that reform in its first test been waived, we are not even allowed to amend the amendment that is coming out, which I think is absolutely unheard of.

Now, what is it I am talking about? I am talking about the provision that the Rules Committee made that an amendment can be offered that will prohibit Federal employees from having health insurance that would cover abortion and it is so restrictive that we cannot even amend that amendment to include rape or incest or health of the mother or any other thing.

Now, I think this is a shocking message to Federal employees. It is a shocking message to women and it should be a shocking message to anybody concerned about individual rights.

Why do I say that? First of all, when a person is working, and we are all working for the Federal Government, I think we consider health insurance one of our benefits that we pay for, that we supposedly have something to do with as individuals and should pick and choose what we want, rather than having the Congress or someone else pick and choose and impose upon us what we are going to get.

So I think as individuals we would be really incensed if somebody decided they were going to tell us what kind of coverage we could buy and what kind we could not buy.

I think it would be especially offensive if it just selected one segment of the population. Let us say they picked out certain things that males needed and the White House decided men could no longer buy health insurance for that kind of need. It might make some of you guys mad.

Well, I think that the same thing is going to happen to both men and women in the Federal service when they find out that this Congress, in its wisdom, has decided that we are going to tell them there are certain things they cannot buy coverage for even though constitutionally they are entitled to it. And, we cannot even offer amendments to try to make it more palatable.

Now, again I point out one more time, this is not a direct government payment. This is not direct government payment to a program. This is people making salary contributions to buy health insurance. I think that is a very big difference and anybody concerned about individual rights ought to be terribly interested in that and not wanting to see that line blurred.

I think it is also a message to Federal employees. I chair the House Civil Service Subcommittee. It is no secret that it has been open season on Federal employees, the idea being, hey, if it is Federal employees, why not? Let us see if we cannot make them tap dance, stand on their heads or do anything we want them to do. We all know Federal employees' morale is the lowest of the low and I think this is one more message: This Congress marched in here at the beginning of the season and said we are going to draw that line between legislative and appropriation bills. We are going to clean up our act. When the first test comes it is, oh, well, it is Federal employees. Why not? Why bother? Why put the reform in there? We do not care about them.

This is a message to them that we consider them second-class citizens and I think they are going to interpret it that way and interpret it that way properly.

Can you imagine us passing bills saying that the medical association or any other group could not deduct their health care insurance if they covered certain things? They would be screaming individual liberty right up as loud as you could possibly hear it, so loud the dome would rise.

I urge people to vote against the rule.

Mr. MOAKLEY. Mr. Speaker, I yield 5 minutes to the distinguished chairman of the subcommittee, the gentleman from California (Mr. ROYBAL).

Mr. ROYBAL. Mr. Speaker, I suppose it is somewhat unusual for the committee chairman to oppose a rule before the House if that governs the conduct of his bill. I do so somewhat reluctantly, but nevertheless, do so because I find it most necessary that it be done at this time.

I sincerely believe that the rule before us is unfair and dictatorial, that it is agreed that it does not meet with the provisions of clause 2 and rule XII which are waived insofar as the rule is concerned. It makes in order an amendment on abortion that reads as follows:

> No funds appropriated by this Act shall be available to pay for an abortion, except where the life of the mother would be endangered if the fetus were carried to term, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions, except where the life of the mother would be endangered if the fetus were carried to term, under such negotiated plans after the last day of the contracts currently in force.

That language includes all Federal agencies and civil service employees. The rule up to that point can perhaps be acceptable, but what the Committee on Rules has done is to go far beyond that. What it says is this:

> It shall be in order to consider an amendment printed in the Congressional Record of June 7, 1983, by, and if offered by, Representative Smith of New Jersey, all points of order against said amendment for failure to comply with the provisions of clause 2, rule XXI, are hereby waived.

Now, if the Rules Committee had stopped just there, I would not be taking the floor against this rule; but they went beyond that and added "and said amendment shall not be subject to amendment."

The reason given the Rules Committee by the gentleman who proposed the exemption was that the House should do its will. I believe that the House should do its will. I used that same argument when this matter was before the full committee, but under this rule one cannot add incest and rape.

The House should know that the entire matter was debated in 1982 and the language was in the bill; but when it got to the other body, the language was taken out. In the markup this year, the language, of course, was not in the bill, but an attempt was made to place it in the bill with an amendment that was made by a member of the subcommittee. That was not agreed to.

The same amendment was proposed in the full committee and that was not agreed to.

Then a request was made of the Rules Committee to change the entire situation. They went to the experts on abortion in the House of Representatives and it was the experts who have concluded that this amendment be in order in its present form with no amendment permitted to the amendment itself.

I believe that this is unfair and dictatorial. This is the reason why I am opposing this rule.

I agree with the committee's intention that it should be debated for 1 hour. We have debated this for many hours in the past and 1 hour would be sufficient; but I also feel that if the House is to do its will, that this provision should be opened to one amendment as a substitute amendment or one amendment to the amendment. No one can deny that this amendment is both unfair and dictatorial.

□ 1330

Mr. QUILLEN. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois (Mr. HYDE).

Mr. HYDE. Mr. Speaker, I was most interested in the remarks of my distinguished friend from California who preceded me in the well talking about wanting to add substitute amendments to the amendment on abortion. The gentleman certainly is an expert in that field, having offered about 100 amendments to the immigration bill. So it would be interesting to listen to the free flow of amendments to amendments to amendments that I am sure the gentleman would produce, but that is not the issue.

The issue here is whether or not a very important concern of many people in this body shall receive an up or down vote. We maintain that there is a public policy established by Congress not to use taxpayers' money to pay for abortions.

Let us get a vote on that one way or the other.

We do not need 100 amendments to that. We need a yes or no, up or down.

Second, the distinguished gentlewoman from Colorado, a woman for whom I have limitless admiration and respect, was in the well and said the issue is whether or not a poor Federal employee can have insurance to pay for abortions. That is not the issue.

I suggest that any Federal employee who wants abortion insurance just pay his or her—have to be her, I suppose, but maybe his—money for a rider to cover abortions.

The question is should the taxpayers' money go to pay for insurance for that abortion. That is all. No one is precluding a rider on insurance coverage to cover abortions.

What we seek to preclude is the use of taxpayers' money to pay for abortions and that ought to be subject to an up or down vote.

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I now yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. I thank the gentleman for yielding. One of the amendments that we would like to offer is to make that very clear, that what you are talking about is taxpayers' money and not the individual's money that they are allocating from their salary. But, we have been precluded from offering that amendment. Therefore, it is a blanket restriction because of the language of the amendment as it is written, and we cannot touch it through amendment.

Mr. HYDE. I would suggest that in the colloquy on the floor it should be well established that a person can do whatsoever they want with their own money for any purpose that is legal. So the point is that no Federal money should be used to pay for abortion coverage.

As I understand it, 60 percent of the money for this insurance is from the Government and 40 percent is from the employee. It would seem to me a rider could be provided whereby the employee pays for coverage of this service but taxpayer funds not cover this service.

There is a public policy that we feel has been established and we want to keep it established and keep it reinforced that taxpayers' money not pay for terminating pregnancies or killing unborn children.

Mrs. SCHROEDER. Will the gentleman yield further?

Mr. HYDE. I do yield.

Mrs. SCHROEDER. The problem is that the money that is allocated for health benefits is really part of the reason that the person is working. That is part of their pay. That is part of these fringe benefits. I think even the 60 percent is considered part of their fringe benefits. The only reason that 60 percent is allocated is because the person is working.

So the problem is we cannot get to it to make that clear by offering an amendment. The way the amendment is written, it cuts off administrative costs. Administrative costs are the costs of putting the thing in place. So, under this amendment no more humane policy could be put in place administratively that would allow the employee to use his own contribution or would allow abortion in cases of rape, incest, health of the mother, a lot of those issues. We think it is much too restrictive.

So those of us who are trying to make it better, including the distinguished chairman, the gentleman from California (Mr. ROYBAL) have been shut off by this ridiculous rule. I think people here should be aware of that and vote down the rule, and we should come up with something that really is much more compassionate and makes much more sense.

Mr. HYDE. Of course, I really do not think this is the time or the place. We will come shortly to debate the merits of it. But I think the rule is eminently fair.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. EDWARDS).

Mr. EDWARDS of California. I thank the gentleman from Massachusetts for yielding the time. I believe the gentlewoman from Colorado (Mrs. SCHROEDER) said about everything, together with the remarks of the gentleman from California (Mr. ROYBAL).

It was in the last Congress, in the 97th Congress, that we adopted this rule, rule XXI(2)(d), which was designed to provide some limitation on legislating on appropriation bills. That rule was adopted by the House of Representatives precisely to avoid the situation that we face today.

It was not adopted to foreclose debate on legitimate issues of concern, but rather to assure that proper House procedures were not abused by those desiring to circumvent the regular committee procedures.

Apparently the Rules Committee has determined that rule XXI was designed only for certain people on certain issues and apparently when the Rules Committee likes the substance of an issue or its sponsor, it is willing to circumvent this rule.

That is the reason that I strongly urge the Members of this House of Representatives to vote against the rule. This is contrary to the intent of rule XXI(2)(d) and for that reason the rule should be defeated.

Mrs. ROUKEMA. Mr. Speaker, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. I would like to commend the gentleman for his statement. Within the past 2 weeks we have been subjected to exactly that kind of discriminatory application or disregard of the rule in question, and there has been too much disregard, in my opinion, of the particular waiver rule. Therefore I think this rule should be defeated.

Mr. EDWARDS of California. I thank the gentlewoman.

Mr. HYDE. Mr. Speaker, will my friend yield to me?

Mr. EDWARDS of California. I yield to my friend from Illinois.

Mr. HYDE. I just want to express my chagrin at the term "circumvent" the rule. As I understand it, the word is "waiver" and that waiving rules around here is a way of life, especially when it comes to budgetary matters.

Mr. EDWARDS of California. I thank the gentleman for his observation. But again I point out that in the last Congress we went out of our way on both sides of the aisle to change the rule so that this kind of legislating on appropriation bills would not be approved.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

I would hope the debate on abortion does not scuttle this rule. It is a good rule.

The abortion amendment was made in order by a bipartisan vote of 7 to 5. The Rules Committee, in my opinion, did a tremendous job on limiting debate instead of opening it up, like the bill that was presented on immigration when the gentleman from California (Mr. ROYBAL), had over 100 amendments in his pocket.

This House has debated this abortion issue over and over many times in the past.

I commend the rule to you.

Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Speaker, I rise in support of the rule. I will be brief because I am sure there will be a relatively long debate later on. But I just want to remind my colleagues that the language contained within this amendment is identical to that which passed this body last year. It was included in the continuing resolution which was the law of the land.

I did appear before the Rules Committee yesterday and no one else, not any Member of this body, offered an amendment different than mine or the committee's. Certainly nothing precluded any Member of this body from offering their own amendment.

I would also point out that there have been three previous recorded votes on this particular issue and each time the House has overwhelmingly approved this kind of amendment.

Again, this is identical to that which was offered by the late John Ashbrook on July 30, 1981. I urge support for the rule.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. FAZIO).

□ 1340

Mr. FAZIO. Mr. Chairman, I think it is very important that we sustain the arguments of the gentlewoman from Colorado and my delegation chairman from California (Mr. EDWARDS).

This is the wrong way to do business and I think this rule must be defeated and sent back to committee for revision. I think it is important to point out the Appropriations Committee considered this very amendment in full committee and rejected it. There have been no hearings on this amendment. We are constantly debating as we have already been this morning over what it really means. It is very

complicated, there are many interpretations, yet we are voting on it without possibility of amendment and without real understanding of what it does. We ought to be aware of the fact that it affects 9.2 million people, not just women. It affects our employees, their dependents and our retirees, men and women, men who are obviously concerned about those that they have sired, those that they have married, and women who serve in the Federal work force.

Let us take a look at who they are, because it has been said rather cavalierly that they can go out and get a rider on their insurance policy. I wonder if the Members know that one-third of all Federal workers make $15,000 or less. It just so happens that of all the women who work for the Federal Government, fully half of them are in the $15,000 or less income category. Women in the Federal work force are not well off financially. They are not in a position to simply go out and pay an additional cost and put a rider on a policy that they are already contributing to as part of their total compensation. When we calculate on the average what source of funds make up the health benefit plans that most Federal workers belong to we find that 40 percent of their own income matched with a 60 percent Government contribution is the norm. Of the 120 plans that exist, 25 of them do not have any abortion coverage. There is no coercion here, if you do not want it, you can choose a plan that does not have abortion coverage. But for the rest of the Federal work force, it is there and they ought to be like every other citizen in this land, able to exercise their constitutional rights.

Now, we have in recent years singled out District of Columbia residents, singled out people in the military for unfair treatment under our Constitution.

I think the gentlewoman makes an awfully good point, that Federal workers and the last group we ought to be preying on at this time. Their problems, their low state of morale should not be exacerbated by this kind of frivolous amendment which I think should be quickly dispensed with by the Rules Committee using the process that we established through changes in the rules of the House that we adopted earlier in the year.

I yield to the gentleman from Ohio.

Mr. SEIBERLING. Of course the suggestion that someone can just go get a rider to allow abortions to be covered by medical coverage is absurd on its face. Nobody plans in advance to have abortions. They have an abortion perhaps because they did not plan properly but they certainly do not plan to in advance. It is absurd to think they are going to say maybe, "Down the road I will have some abortions so I had better go out and get insurance." That is ridiculous.

Furthermore, putting a woman in a position where, to receive medical insurance coverage for abortion, she must, by the very act of asking for such coverage, concede that she may someday want an abortion, constitutes a clear invasion of her privacy as well as an impairment of her personal freedom.

Mr. FAZIO. The gentleman's point is well taken. It is also important to point out that if the coverage is not there as the standard operating procedure in health plans, the tendency is to defer this procedure and that adds greatly to the costs involved as the pregnancy proceeds.

Let us stand by the subcommittee decision, support the gentleman from California (Mr. ROYBAL), and defeat this rule.

Mr. MOAKLEY. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. MATSUI).

Mr. MATSUI. I thank the gentleman.

I thank the member of the Rules Committee for granting me this time. I would like to speak out as a member of the Ways and Means Committee against this rule. I hope that the members of the committee and others will vote against this rule, not only for the reasons Mr. FAZIO and Mrs. SCHROEDER and others have raised but because we feel very strongly on the Ways and Means Committee there should not be an amendment allowed which basically waives rule XXI, that allows Mr. EDWARDS to make an amendment to require that the Internal Revenue Service not implement the repeal of interest and dividends withholding.

Let me explain that. I know that the Members of the House certainly would like to see the repeal of withholding from the vote we had over 2 weeks ago. But there are basically three reasons why we should not do it by the appropriations process.

One, I think we all realistically realize that with respect to the appropriations bill it will not be on the President's desk before July 1 of this year. So, all it would do is add more confusion if in fact the amendment offered by Mr. EDWARDS is successful.

Second, the legislation that was passed last year provides for penalties and liabilities on the part of the banks if in fact they do not withhold. Mr. EDWARDS' amendment will not deal with that issue. So the banks still will be in a position of not knowing exactly whether they should withhold or not withhold even if the amendment should pass.

Third and I think most importantly for those of you who would like to see repeal, we want to keep pressure on the Senate. As you know, on the Senate Finance Committee, they added three different amendments to the repeal of withholding on interest and dividends. If we keep the pressure on them, that way they will come back with the bill so we can go to conference and resolve the matter for those constituents who have complained. For that reason, I think we should vote against this rule, let the Rules Committee take another look at this and let the legislative process work its will.

Mr. SHANNON. Will the gentleman yield?

Mr. MATSUI. I yield to the gentleman from Massachusetts.

Mr. SHANNON. I commend the gentleman for his statement. I do want to emphasize what the gentleman has just said. That is repeal of withholding on interest and dividends is going to take place. Nobody is trying to stop that at this point. But I think that what is being proposed would be the worst message in the world to taxpayers. We already have a compliance problem and to say that we are going to allow any tax laws to exist and not give the IRS the tools to enforce them would be a terrible message to the taxpayers. Repeal is going to take place; everybody knows that; I think we are reconciled to that. Nobody on the Ways and Means Committee is going to try to stop that at this point. What we do not like to see is any effort being made to deny the IRS the tools to enforce whatever tax laws might be in place in the future.

I want to commend the gentleman for his statement. I think this is a very badly flawed rule on many counts and suggest it be rewritten before this bill is brought to the floor.

Mr. MATSUI. Mr. Speaker, I yield back the balance of my time.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

I listened to the gentleman from California and his colloquy on the withholding amendment. We all know that the measure the House passed is contrary to what happened in the Senate. And the withholding is scheduled to take effect July 1. There must be a message sent to the Treasury Department, to the IRS, not to withhold. Even though this amendment does not become effective until October 1, the message is crystal clear. The House has spoken, 382 to 41. And the Ways and Means Committee did not report out a repeal of the withholding until a majority of signatures had been obtained on the discharge petition. The Ways and Means Committee has dragged its feet. And I do not see why all the opposition to withholding repeal now. I think some are using this as a political football. And I would recommend to the Members of this House that the rule be adopted and the amendment passed to provide the prohibition of any funds being used in the next fiscal year for withholding.

Mr. MATSUI. Mr. Speaker, will the gentleman yield?

Mr. QUILLEN. I will be happy to yield.

Mr. MATSUI. I thank the gentleman.

Mr. Speaker, if in fact this rule passes and if in fact the appropriation bill passes with Mr. EDWARDS' amendment on it, would the gentleman feel comfortable advising his banks tomorrow that they do not have to withhold any more? I wonder if the gentleman would be willing to take the chance?

Mr. QUILLEN. I certainly would feel comfortable, because in the first place there would be no withholding; the Treasury Department would not try, knowing they would not have the funds. The Secretary of the Treasury said it would take a great deal of money——

Mr. MATSUI. The Senate has not acted yet.

Mr. QUILLEN. In order to beef up their organization, in order to collect the tax even though the institution collecting the tax has to send a form into the Treasury Department.

What we should be doing is to insist that the IRS enforcement procedures be increased rather than putting the burden on the American people and the savings institutions of this Nation.

Mr. MATSUI. If the gentleman will yield further, I will not argue the merits of the case. I think we have already done that; that is all over with. What I am saying is: When does the gentleman think this appropriation bill will eventually reach the President's desk? Before July 1? Of course not.

Mr. QUILLEN. May I reclaim my time and ask the gentleman, why did the Ways and Means Committee dilly-dally so long and not report the measure until 218 signatures had been received on the discharge petition?

Mr. MATSUI. Well, if the gentleman will yield further, I will only say that the bill has been passed out of the House by a rather significant margin. We are waiting on the Senate to act. Perhaps you should ask Mr. DOLE why he has not been able to get the bill back into conference so we can send it to the President.

□ 1350

It certainly is not the problem of the Ways and Means Committee any longer.

Mr. QUILLEN. If the House and Senate pass a repeal or postponement for 4 years, then this amendment is not necessary, but July 1 will come very swiftly, because this is already June 8.

Mr. MATSUI. I would think that the gentleman would like to keep pressure on the Senate right now.

Mr. QUILLEN. And the banks and savings institutions are being geared up. We need another message and a backup. I appreciate the gentleman's statement. I know he is sincere, but I do not feel that this House should dilly-dally any longer making an excuse because one committee failed to report the measure in time to see that it does not go into effect.

Mr. Speaker, I yield 1 minute to the gentleman from Washington (Mr. PRITCHARD).

Mr. PRITCHARD. Mr. Speaker, I hate to speak for dilly-dallying here, but it seems to me that this is a flawed rule, whether it deals with the subject of withholding or whether it deals with the approach of Federal workers' choice on the subject of abortion. This is not addressing either one of those subjects in a proper way and I think most of us realize this is a flawed rule and I hope the Members will vote it down.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri (Mr. VOLKMER).

Mr. McHUGH. Mr. Speaker, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from New York.

Mr. McHUGH. I thank the gentleman for yielding, Mr. Speaker, particularly since he knows that I disagree with him on the rule.

I would urge my colleagues to vote down this rule, not because of the substance of the particular amendments that are sought to be offered to the bill. Indeed, if the restrictive amendment on abortion funding is offered, I will support it. However, this rule should be rejected because we do have a new House rule (rule XXI) which is very important if the House is to conduct business in an orderly way. The new rule would preclude most restrictive amendments which, as the Members know, raise issues of legislative policy. These are issues which are not generally appropriate for consideration on appropriation bills.

The new rule recognizes that a majority of the House may nonetheless wish to consider a restrictive amendment. If the House wants to consider a restrictive amendment on abortion, on withholding, or on any other issue, it can do so by voting down the motion to rise when it is offered. That is a good escape valve on any substantive issue, and I would urge the Members of the House to reject the rule now under consideration, a rule which does not keep faith with the new House procedure which we have recently adopted.

Mr. VOLKMER. Mr. Speaker, I would like to be one on this side of the aisle to speak in favor of the rule. And I feel that, in opposition to the gentleman from California and the gentleman from New York who just spoke, that we have had waivers in the past in legislative history here permitting matters to be in order and that this is another one instance where that is the will of the Rules Committee, and soon we will determine whether it will be the will of the House.

I do not believe it should be necessary that we wait for a motion to rise to have the amendments in order, since they were in order in previous years before the rule was changed. That was the history.

Therefore, I feel that the amendments should be in order. As to the abortion amendment, I would just like to say that the Ashbrook language has been debated fully on this floor more than once. The statements that were made that the opposition would like to amend it or offer amendments to it had not been offered in the past when it was debated and voted upon. And it is just a question of a straight up or down vote on whether we are ready to use or willing to use taxpayers' money to fund abortion. That is the whole question on the amendment that will be offered by the gentleman from New Jersey (Mr. SMITH).

I would like to say to everyone that we should vote "aye" on the rule and get on with the business at hand.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. EDWARDS of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 229, nays 183, not voting 20, as follows:

[Roll No. 176]

YEAS—229

Addabbo	Chappie	Erdreich
Albosta	Cheney	Evans (IA)
Alexander	Clinger	Fields
Annunzio	Coats	Fish
Applegate	Coleman (MO)	Florio
Archer	Conte	Franklin
Aspin	Corcoran	Frost
Barnard	Courter	Fuqua
Bartlett	Craig	Gaydos
Bateman	Crane, Daniel	Gibbons
Bereuter	Crane, Philip	Gingrich
Bethune	D'Amours	Goodling
Bevill	Daniel	Gore
Biaggi	Daub	Gradison
Bilirakis	Davis	Gramm
Bliley	Derrick	Gregg
Boggs	DeWine	Gunderson
Bonior	Dickinson	Hall (OH)
Bonker	Dingell	Hall, Ralph
Borski	Donnelly	Hall, Sam
Breaux	Dreier	Hamilton
Broomfield	Duncan	Hammerschmidt
Broyhill	Durbin	Hansen (ID)
Burton	Eckart	Hansen (UT)
Byron	Edwards (OK)	Harrison
Campbell	Emerson	Hartnett
Chappell	English	Hertel

Hightower	Mica	Sensenbrenner
Hiler	Michel	Shaw
Hillis	Miller (OH)	Shelby
Holt	Moakley	Shumway
Hopkins	Molinari	Shuster
Horton	Mollohan	Sikorski
Huckaby	Montgomery	Siljander
Hunter	Moore	Skeen
Hutto	Moorhead	Skelton
Hyde	Murphy	Smith (NE)
Ireland	Murtha	Smith (NJ)
Jacobs	Myers	Smith, Denny
Kasich	Natcher	Smith, Robert
Kazen	Nelson	Snyder
Kemp	Nichols	Solomon
Kildee	Nielson	Spence
Kindness	Nowak	St Germain
Kramer	O'Brien	Staggers
Lagomarsino	Oakar	Stangeland
Latta	Oberstar	Stenholm
Leach	Olin	Stratton
Leath	Ortiz	Stump
Lent	Oxley	Sundquist
Lewis (FL)	Packard	Tallon
Lipinski	Pashayan	Tauke
Livingston	Patman	Tauzin
Lloyd	Paul	Taylor
Loeffler	Penny	Traxler
Long (LA)	Pepper	Vander Jagt
Lott	Perkins	Volkmer
Lowery (CA)	Petri	Vucanovich
Lujan	Porter	Walker
Luken	Price	Watkins
Lungren	Quillen	Weber
Mack	Ray	Whittaker
Madigan	Regula	Whitten
Marlenee	Reid	Williams (OH)
Marriott	Rinaldo	Wilson
Martin (NY)	Ritter	Winn
Mavroules	Roberts	Wolf
Mazzoli	Robinson	Wortley
McCain	Rodino	Wright
McCandless	Roe	Wylie
McCollum	Roemer	Yatron
McCurdy	Rogers	Young (AK)
McDade	Roth	Young (FL)
McDonald	Rudd	Young (MO)
McEwen	Russo	Zablocki
McGrath	Schaefer	
McNulty	Schulze	

NAYS—183

Ackerman	Dymally	Jones (NC)
Akaka	Early	Jones (OK)
Anderson	Edgar	Jones (TN)
Andrews (NC)	Edwards (AL)	Kaptur
Andrews (TX)	Edwards (CA)	Kastenmeier
Anthony	Erlenborn	Kennelly
AuCoin	Evans (IL)	Kogovsek
Barnes	Fascell	LaFalce
Bates	Fazio	Lantos
Bedell	Feighan	Lehman (CA)
Beilenson	Ferraro	Lehman (FL)
Bennett	Fiedler	Leland
Berman	Flippo	Levin
Boehlert	Foglietta	Levine
Boland	Foley	Levitas
Boner	Ford (MI)	Long (MD)
Bosco	Ford (TN)	Lowry (WA)
Boxer	Forsythe	Lundine
Britt	Fowler	MacKay
Brooks	Frank	Markey
Brown (CO)	Frenzel	Martin (IL)
Bryant	Garcia	Martin (NC)
Carper	Gejdenson	Matsui
Carr	Gekas	McCloskey
Chandler	Gephardt	McHugh
Clarke	Gilman	McKernan
Clay	Glickman	McKinney
Coelho	Gonzalez	Mikulski
Coleman (TX)	Gray	Miller (CA)
Collins	Green	Mineta
Conable	Guarini	Minish
Cooper	Hall (IN)	Mitchell
Coughlin	Hance	Moody
Coyne	Harkin	Morrison (CT)
Crockett	Hatcher	Morrison (WA)
Dannemeyer	Hawkins	Mrazek
Daschle	Hefner	Neal
Dellums	Howard	Obey
Dicks	Hoyer	Ottinger
Dorgan	Hughes	Panetta
Dowdy	Jeffords	Patterson
Downey	Jenkins	Pease
Dwyer	Johnson	Pickle
Pritchard	Schumer	Torres
Pursell	Seiberling	Torricelli
Rahall	Shannon	Towns
Rangel	Sharp	Udall
Ratchford	Sisisky	Valentine
Richardson	Slattery	Vandergriff
Ridge	Smith (FL)	Vento
Rose	Smith (IA)	Waxman
Rostenkowski	Snowe	Weaver
Roukema	Solarz	Weiss
Rowland	Spratt	Wheat
Roybal	Stark	Whitley
Sabo	Stokes	Wirth
Savage	Studds	Wise
Sawyer	Swift	Wolpe
Scheuer	Synar	Wyden
Schneider	Thomas (CA)	Yates
Schroeder	Thomas (GA)	Zschau

NOT VOTING—20

Badham	Dyson	Owens
Boucher	Heftel	Parris
Brown (CA)	Hubbard	Simon
Carney	Kolter	Walgren
Conyers	Kostmayer	Whitehurst
de la Garza	Lewis (CA)	Williams (MT)
Dixon	Martinez	

□ 1410

Messrs. LONG of Maryland, CLARKE, ROWLAND, and FRENZEL, Ms. SNOWE, Ms. FIEDLER, Mr. SMITH of Florida, and Mr. MRAZEK changed their votes from "yea" to "nay."

Messrs. PAUL, PRICE, FUQUA, DUNCAN, and MADIGAN and Mrs. VUCANOVICH changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. ROYBAL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3191) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1984, and for other purposes, and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, and that the time be equally divided and controlled by the gentleman from Ohio (Mr. MILLER) and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ROYBAL).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3191, with Mr. STUDDS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from California (Mr. ROYBAL) will be recognized for 30 minutes, and the gentleman from Ohio (Mr. MILLER) will be recognized for 30 minutes.

The Chair recognizes the gentleman from California (Mr. ROYBAL).

Mr. ROYBAL. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, the Appropriations Subcommittee on Treasury, Postal Service, and General Government presents a bill that provides $12 billion in recommended appropriations for 1984, which is an increase of $411 million over the budget and $981 million over 1983.

The breakdown for the various departments is rather interesting. For the Treasury Department, we appropriate $4.9 billion, which is an increase of $45 million over the budget and $468.2 million over the year 1983.

For the Postal Service, the appropriation is $879 million, which is an increase of $479 million over the budget and $90 million over 1983. The reason for that increase of $479 million over the budget, or over the President's request, is that the committee has added the full amount of $879 million for revenue foregone.

□ 1420

Mr. Chairman, for the Executive Office of the President, $97.1 million is made available, which is a reduction of $1.4 below the budget, but it is an increase of $11.3 million over the 1983 budget.

For the independent agencies covered by this bill, agencies such as the General Services Administration, the Office of Personnel Management, the tax courts, and other important agencies, $6 billion is appropriated, which is a reduction of $114 million below the budget and $409 million over the budget for 1983.

In the Customs Service, the committee restored 1,775 personnel recommended in the budget to be fired. The committee added to that 650 positions, with instructions to increase law enforcement efforts against drugs. This required an appropriation of $77.6 million over the budget.

Now, the reason that this was done was because the committee finds that there is a tremendous problem with regard to narcotics addiction in this country. All that junk seems to be coming through the various ports of entry, and it is Customs which actually does the work of interdicting the narcotics that does come in.

The recommended reduction in personnel of 1,775 members of the department that were to be fired did not meet with the approval of the committee because we find it most important that the full personnel be in place to take care of the narcotics problems in

this Nation. It is the committee's information that we find narcotics, cocaine, marihuana, and other substances—and you can name it—in almost every high school in the country, and that this stuff seems to be coming in without too much of a problem.

If we reduce the personnel, then all this narcotics will no doubt even be appearing in some of our churches throughout this entire Nation. The committee has therefore insisted that the personnel be restored.

Mr. Chairman, in the Internal Revenue Service, the committee reduced the $100 million request in the budget for modernization initiatives to $25 million. We feel we must have modernization, but the committee also felt that the full amount of $100 million could not be spent this year. Therefore, we have reduced it to $25 million, and we will continue to look at this matter over and over again and make the necessary appropriations when the need arises.

In the Postal Service, the committee provided the full amount in the House-passed budget resolution—and that is $879 million—in order to keep the postage rates for nonprofit mailers at the present level for fiscal year 1984. This is an increase, of course, of $479 million over the budget. But at the same time, the committee also directed the Postal Service to continue 6-day delivery, including rural mail delivery.

The committee denied funding for the Property Review Board in the amount of $415,000 because of the lack of authorization.

The committee recommended continuation of the Hoyer amendment delaying implementation of OPM personnel reforms which was adopted by the House in the recent supplemental bill.

Mr. Chairman, in the National Archives and Records Service, the committee added $6 million over the budget. Three million dollars was made available for grants for historical publications and records, and an additional $3 million for the preservation of important historical documents that are now in danger of deteriorating beyond reclamation. We felt that these documents are so important to the history of this Nation that they should be preserved, and that everything possible should be done to insure that they be made available to the people of this Nation for generations to come.

For allowances for former Presidents, the committee recommends the full amount requested in the budget.

In the General Services Administration, the committee has attempted to reach a compromise in connection with rent increases, and that is the standard level user charge, which we refer to as SLUC. This was requested by GSA.

The Members will recall that the committee did not allow any rent increases last year. This had the effect of reducing the funds in the SLUC revolving fund by $342 million.

As the Members know, the Public Buildings Amendments of 1972 directs GSA to charge "commercial equivalent" rates for all space occupied, including space in Government-owned buildings. The funds so accumulated are used by GSA to construct new buildings, to repair and rehabilitate buildings, to pay commercial rent, to maintain buildings, and to provide heating, cooling, lighting, and protection in general for the occupants of those buildings.

The committee recommends in the accompanying bill that the agencies not pay what was requested by GSA. GSA requested a 23-percent increase, but what the committee finally agreed on and compromised on was that there be an increase of 14 percent, which actually amounts to an annual increase, based on the 1982 level, of 7 percent. That is 7 percent per year. That would have been the amount that would be applied for 1983, and there is an additional 7 percent for 1984. In this instance, the full 14 percent is the recommended increase that is being made by the committee.

The committee feels it is necessary to permit this increase in order to provide more funds in the revolving fund for new construction, necessary repairs, alterations, and general maintainance of the many Government buildings that are under the jurisdiction of the General Services Administration.

Mr. Chairman, we believe that this is a good bill. It is a bill that, of course, went through the usual controversy that one finds in any markup of any bill that is before a legislative body. But it is a bill that I believe clearly reflects the majority opinion of the members of the subcommittee as well as the full committee. The rule that we have before us was not anticipated, but nevertheless we must operate under that rule.

Mr. Chairman, I recommend that the Members of the House vote favorably on this bill that makes available appropriations to some of the most important agencies in the Government of the United States.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I commend the chairman of the subcommittee, Mr. ROYBAL, the ranking minority member, Mr. MILLER of Ohio, for bringing this bill to the floor, and I want to say that it is just and fitting that this bill be brought before us today on the day of the death of the former great chairman of our subcommittee, Tom Steed. It would be a fitting tribute to him to pass this bill unanimously. Our colleague Tom Steed loved the work of this subcommittee and framed so much of what it does. He always prided himself and the committee for bringing forth a bill before the start of the fiscal year. Our prayers are with Tom and his.

Mr. Chairman, I join the gentleman in supporting this legislation

Mr. ROYBAL. Mr. Chairman, I thank the gentleman from New York (Mr. ADDABBO).

Mr. MILLER of Ohio. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the able and distinguished chairman of our subcommittee has summarized for the Members the main features of our bill, and I will not take the time of my colleagues to duplicate his effort.

I do want to take the opportunity, though, to say that it is a pleasure to work with the gentleman from California (Mr. ROYBAL) who is the chairman of our subcommittee. He is a conscientious, hard-working, and fair chairman. The other members of our subcommittee have also taken their responsibility seriously and have worked on this bill diligently.

Lastly, I want to express my thanks and appreciation to our subcommittee staff people—Tex Gunnels, Bill Smith, and, on our side of the aisle, Doug Bobbitt—for their assistance and hard work.

As the subcommittee chairman has already stated, our bill appropriates just under $12 billion in new obligational authority. This is the amount provided in accounts which come under annual consideration in the appropriations process.

□ 1430

Members should be aware, however, that a much greater amount is provided for in this bill under permanent new budget authority. Under the permanent authority, certain Federal and trust funds become available automatically under earlier or "permanent" law without further annual action by the Congress.

The single largest item in this category of permanent authority is the interest on the national debt, which is estimated to be $144.5 billion for fiscal year 1984. It has been pointed out before, but is worth mentioning again, that this amount for interest on the national debt exceeds the amount of the entire Federal budget for fiscal year 1966. Budget outlays in that year were $134.7 billion. Now our interest cost alone on the national debt is anticipated to be over $144 billion in fiscal year 1984, and that is provided

for under permanent authority in this bill.

In total, the permanent budget authority made available under this bill—and I would like to bring this to the Members' attention—the total permanent budget authority made available under this bill is $195,826,666,000—many times more than the $11.99 billion under consideration by the House today. The combined total for direct appropriations and permanent authority is $207,812,350,000.

While we are speaking about the level of our national debt, Members should also be aware of another large liability that is hanging over the heads of the American taxpayers.

One of the items for which we appropriate in this bill is the payment to the civil service retirement and disability fund.

It is generally known that the national debt has topped the trillion dollar mark, and in fact, the debt ceiling was recently increased to $1.389 trillion. What is not so generally known is that the unfunded liability of the civil service retirement system is now over $500 billion. This is a separate liability completely, totally apart from that trillion dollar national debt, and that is not the end of the bad news. The unfunded liability for military retirement is also close to $500 billion. So in addition to that trillion dollar national debt, we have around another trillion dollars of unfunded liability for these retirement programs.

Now, with regard to the total funding level in the bill, the bill does exceed the President's budget request. The subcommittee and OMB are agreed on that, although they disagree on the exact amount. OMB says the bill is $411 million over the President's request for annually funded discretionary programs; but in addition, OMB makes a "scorekeeping adjustment" of $120 million with regard to the national defense stockpile transaction fund. This issue first arose last year when the committee converted the fund into a revolving fund, providing a limitation on obligational authority, rather than a direct appropriation.

OMB calls this a "phony" saving and adds the $120 million to the $411 million, coming up with a total figure of $531 million over the President's budget request.

Apart from the funding levels, there are also a number of other items to which the administration objects, and these include: The 14-percent limit on increases in the standard level user charge; another is the deletion of funds for the Property Review Board; and another is the administrative provision that delays for fiscal year 1984 the implementation of regulations proposed by the Office of Personnel Management.

I want to say just a few words about this last issue. I think it is unfortunate that this restriction is in this bill. I think that what the Office of Personnel Management is trying to do has been widely misunderstood. Like every Member of Congress, I want a civil service system that is fair to our civil service employees. Like my colleagues, I want to preserve the veterans' preference in the Federal personnel system. In other words, I share the concerns of my colleagues with regard to civil service personnel practices.

Where I perhaps differ with some of my colleagues is in my assessment of the impact of OPM's proposed changes. I do not think these changes would have the adverse practical impact that many fear.

I think the intent of the proposed regulations is to encourage and reward initiative, ability, and hard work in the civil service system. Surely, this is in the interest of the civil service employees themselves.

Many Members of Congress agree in principle with the goal of establishing a civil service system in which merit and effort are rewarded. In fact, this was the intent of the Civil Service Reform Act of 1978, and OPM says they are simply attempting to fully implement this congressional intent.

Nevertheless, the proposals became very controversial and many of my colleagues continued to express misgivings about the way these changes might work out in practice.

In an effort to achieve a compromise and address the concerns of my colleagues, I went before the Rules Committee to seek a waiver of points of order against substitute language which I intended to offer.

My substitute would have addressed concerns in the area of veterans' preference, consideration of past performance, ratings determinations, and the authority of the Federal Labor Relations Authority. However, the rule granted on this bill did not provide for the waiver that I requested. I will not, therefore, be offering an amendment with regard to the restrictive language currently in the bill.

As I stated earlier, I think there are serious misunderstandings about what OPM is trying to do; but as long as those misunderstandings exist, it is probably counterproductive to offer a simple amendment to strike the existing language in the bill.

I do think it is in the interests of all parties—and by all parties I mean Congress, the executive branch, the civil service employees, and the American people—to come to some agreement about ways to provide better merit rewards and performance incentives in the civil service system.

It is my understanding that efforts are currently under way in the other body to reach a compromise with OPM on this matter. I laud this approach and believe that if we can lay aside the misunderstandings that have developed, a compromise satisfactory to all parties can be achieved.

I mentioned in the beginning about the fact that OMB Director Dave Stockman had sent a letter, and this came up at the time of full committee consideration of the bill, saying that because of funding levels, as well as other provisions to which the administration objects, he could not recommend that the President sign the bill. So we may have some amendments that will reduce the total amount in the bill and, therefore, make it more likely the President would sign it.

□ 1440

Mr. ROYBAL. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. ADDABBO).

Mr. ADDABBO. Mr. Chairman, I rise to support H.R. 3191, the Treasury, Postal Service, and general government appropriations bill for fiscal year 1984. I extend my personal respects and full support to our distinguished chairman, ED ROYBAL of California. The ranking minority member, CLARENCE MILLER of Ohio, and each of my fellow members on the subcommittee have worked hard to bring to the floor a bill that merits the support of this House. Our fine staff, Tex Gunnels, Bill Smith, and Lee Brady, have done an excellent job and I salute them.

This bill would provide nearly $12 billion in new obligational authority, an increase of $411 million over the budget request for 1984. The reason for this increase will be apparent to those who have read the bill and the report. The level of funding proposed by the administration would have decimated some essential programs and terminated others. These are programs that have received strong support in the House. In fact, I wonder, as might other members, whether some of these reductions were proposed as an odds-on gamble that they would be restored by the Congress.

As a Representative from New York, I would now like to highlight some of the items in this bill that are of particular interest to the people of my city and my State.

The people of our great port city of New York are fully aware of the importance of the Customs Service. Many of them work for it, or do business with it. In a variety of ways, the Customs Service impacts their lives. I hear from them. They are concerned about drugs coming into the country. They know that passengers and goods moving in and out of the country must be handled expeditiously, with fairness and courtesy, and in accordance with the hundreds of laws and regulations administered by the Service.

The administration proposed to eliminate 2,000 customs positions in 1984. I proposed, and the committee adopted, the restoration of $52.6 million to keep those 2,000 plus $25 million to fund an additional 650 positions.

Also funded in title I of this bill is the Bureau of Alcohol, Tobacco and Firearms. Among the significant missions of the Bureau is the enforcement of Public Law 95-575, the Federal contraband cigarette law. The administration proposed to terminate the program. Testimony revealed that my State of New York and others are battling against organized crime and other bootlegging entrepreneurs who circumvent State cigarette taxes. BATF has estimated that the revenue loss to New York State alone amounts to $27 million. On a national level, the losses run to several hundreds of millions of dollars a year. This is an interstate problem that cannot be controlled by any one State acting alone. One way or another, this lost revenue comes out of the pockets of our people. I therefore proposed the restoration of $4.2 million and 68 positions to continue the BATF program of assistance to the States.

The budget request proposed to slash funding for the taxpayer assistance programs of the Internal Revenue Service. The bill includes an additional $25 million to maintain this service at last year's level of operations. Volunteers in tax assistance and tax counseling for the elderly will also be maintained at current levels.

The bill before us includes $15 million for reimbursement to cities for specified and approved expenses for diplomatic protection. This service is performed by city police in behalf of the Federal Government. Last year the Congress endorsed the need to increase authorization for this program and to address the backlog of approved but unpaid claims submitted by the cities. Approximately half of the $15 million provided in the bill will apply to the backlog. The total amount requested by the administration was $1 million.

Title II provides $879 million for the revenue foregone program of the Postal Service, an increase of $479 million over the budget request. The amount recommended in the bill will maintain the current rates for preferred rate mailers. Our nonprofit and charitable groups are straining to meet the challenging needs of today's society. I strongly support their efforts which would be severely hampered by further increases in their postal rates.

Title III generally provides the amount requested by the administration for the Executive Office of the President. Funding is not provided for the property review board because none in authorized, and the additional positions requested by the Office of Management and Budget have been denied. I cannot but feel that if the OMB supported a reduction of 2,000 positions in the Customs Service, then they cannot in conscience expect an increase in their own staffing.

A number of independent agencies are funded under title IV. The largest among them is the General Service Administration. The committee has addressed some difficult issues in GSA—the continual muddlesome reorganizations and the need for a more effective way of controlling Federal space. Funding for the National Archives was increased by $6 million, $3 million of which is for the National Historical Publications and Records Commission.

I am pleased to report that construction of the Jamaica, N.Y., Federal Building will shortly get underway. In this connection, language has been included in the report urging the contracting officer to provide the maximum practicable opportunity for local participation of minority contractors in the performance of subcontracting work for this project.

Funding for the Office of Personnel Management is also included in title IV. Section 508, however, prohibits use of these funds to implement the recently proposed regulations that would make sweeping changes affecting civil service personnel.

In addition to the $12 billion in new obligational authority, approximately $196 billion will be made available to these same agencies under permanent authority. Included among these items is payment of interest on the national debt which is anticipated to reach $144.5 billion—if not more—in fiscal year 1984.

There are many other important programs in this bill. I have mentioned just a few. The committee report is exceptionally clear and detailed, and I urge the adoption of the bill by the House.

Mr. MILLER of Ohio. Mr. Chairman, I yield 4 minutes to the gentleman from Arizona, Mr. RUDD.

Mr. RUDD. Mr. Chairman, I would like to take a moment to recognize and thank the distinguished chairman of the subcommittee, the gentleman from California (Mr. ROYBAL) as well as the ranking member of the committee, the gentleman from Ohio (Mr. MILLER) for the attention and diligence and dedication and effort that they have put into this bill. I want to thank my fellow members of the committee in the same way.

I would also like to express my appreciation to the staff who have worked so long and hard to put this bill together so that we could bring it to the floor.

I have to say, Mr. Chairman, that this bill, H.R. 3191, the Treasury, Postal Service, and general government appropriations bill is, generally speaking, the result of a lot of hard work. But I am compelled to register a protest against one section of the bill. That section is 508 under title V of the bill which was touched on by the gentleman from Ohio (Mr. MILLER) the ranking member of the committee.

The section specifically prohibits the Office of Personnel Management from pursuing any kind of reform or improvement for the Federal personnel system. The basis for this action are the proposed regulations which were published on March 31, of this year in the Federal Register. These regulations were designed to put more emphasis on performance in evaluation of Federal employees, to bring a measure of efficiency and dollar savings to the government operations.

The first regulation would have restructured the within grade pay raises to be increases more closely tied to performance ratings. Currently within grade pay increases are virtually automatic for at least 99.9 percent of the Federal employee population.

The second regulation would reorder the priority for decisions for reduction in force action so that more attention is paid to performance evaluations in deciding who is going to be let go. Currently when RIF's occur more often than not the most productive employees are let go.

Not only that, but women and minorities are hit hardest under the current system.

The third regulation would reduce the grade level at which mandatory overtime payments are required for Federal workers. Currently the level at which the Federal workers receive mandatory time and a half pay is roughly twice that of the private sector. So this regulation would have reduced that level to somewhat closer to the private sector level, while still being substantially higher.

The fourth regulation was a special notice which clarified points of negotiation with Federal labor unions. Today there are too many work hours and days spent in negotiations over pickish details such as movement of a desk in one office to another, or within that office itself. This is counterproductive and simply a waste of taxpayers' money and the time of the employee.

Mr. Chairman, at issue here is not the substance of the regulations. Of course, they are not perfect regulations, but Dr. Devine, the head of the Office of Personnel Management, himself has indicated that he will work with all parties concerned to implement effective and fair regulations. So this section of the bill, section 508, would kill these regulations before they even get a proper review.

So this section, which was devised and put into the bill in a very partisan

manner, would strip the President of his ability to carry out what the American people understood that he wanted to do, and what they wanted him to do, which was create a more efficient and more effective government.

Mr. Chairman, this section of the bill is against good government. It represents an orientation that cares little for the desires of the American people for effective, efficient, and responsive government.

Mr. Chairman, this section of the bill is not in the best interests of the American taxpayer.

I yield back the balance of my time.

Mr. ROYBAL. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan (Mr. TRAXLER).

Mr. TRAXLER. Mr. Chairman, I take this time to engage the gentleman in a colloquy concerning the Federal Building in Saginaw, Mich.

As the Chairman knows, the General Services Administration has recently eliminated the only Federal protective officer from the Saginaw, Mich., Federal Building.

There is no alternative security available in Saginaw, despite GSA claims of a move toward "electronic surveillance equipment." In fact, last week—the first week that no protective officer was present—an individual was assaulted in the building.

This facility is the buffer between the Saginaw business community and the ghetto. It is frequented by many homeless who use the building as a community washroom. Workers in the building are seriously concerned about their personal safety throughout the day, and last week's incident leaves these individuals with justified cause for their fears.

I want to thank the subcommittee chairman for the attention he has paid to this matter in the past several days, and would like to ask him if it is his intention to continue to work toward GSA restoring the security guard at Saginaw so that this facility can once again be secure?

Mr. ROYBAL. Will the gentleman yield.

Mr. TRAXLER. I yield to the gentleman.

Mr. ROYBAL. The gentleman from Michigan is correct. We will work toward restoring the guard at Saginaw.

Mr. TRAXLER. I understand that my colleague in the Senate intends to seek similar assurances from the Senate subcommittee chairman during debate on the supplemental appropriations bill. Can the subcommittee chairman tell me if this effort will enable him to move for the placement of some report language on this matter in the statement of managers on the conference report to accompany the fiscal 1983 supplemental appropriation? I want to be sure that GSA understands we want them to act now.

Mr. ROYBAL. The gentleman has my assurance that this effort will bring the matter within the scope of conference, and we will strive to obtain this report language that will require GSA to act during fiscal 1983.

Mr. TRAXLER. I thank the gentleman. I am most appreciative for his interest in this matter. He has a fine bill.

Mr. MILLER of Ohio. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania, (Mr. GEKAS).

Mr. GEKAS. I thank the ranking member for yielding this particular time to me and ask if he would not mind engaging in a small colloquy with me concerning some of the statistics he gave in his opening statement which are very interesting to me.

One of them was to the effect that there exists now or is about to exist a $500 billion deficit, so to speak, in the civil service retirement fund. Is that the correct figure as was stated by the gentleman?

Mr. MILLER of Ohio. Will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Ohio.

Mr. MILLER of Ohio. I would say to the gentleman from Pennsylvania that is the correct figure that I stated.

Mr. GEKAS. That to me is a flash point of danger that ought to be addressed by this House as soon as practicable under the circumstances.

But what I wanted to know specifically from the gentleman from Ohio is this: Does this bill in any way address that particular subject? I noted that the administration in this particular matter opposes this bill's provision to delay the recommendations of the OPM with regard to certain matters under its jurisdiction. If indeed we pass the bill as is now proposed, would it help in the dissolution of that $500 billion deficit or not?

□ 1450

Mr. MILLER of Ohio. I would say to the gentleman that it would only keep us current. It would not help in the unfunded liability problem. It will be there next year and next year unless something is done and some action is taken to correct this.

And I might mention how this comes about.

The Government, through the Office of Personnel Management, is obligated to pay to the present and future Federal retirees certain retirement and disability benefits that are statutorily required by legislation passed by this House. Yet what is being provided to those retirees, present and in the future, is not being covered by the amount paid into the fund by the individuals today, which is 7 percent, and the agency paying 7 percent. So, we come up with a 14-percent figure, but OPM through their studies say that as of 1982 the normal cost was 36 percent of pay. So we have a serious problem here. It certainly will have to be taken into consideration by the proper committee. This committee does not handle that business. This committee makes up only the shortfall.

Mr. GEKAS. It is fair to say then that the overall magnitude of the problem that you have articulated is not helped in any way by this particular bill as it is now provided, is that correct?

Mr. MILLER of Ohio. That is correct. All we are doing is keeping the problem from getting worse.

Mr. GEKAS. Conversely, may I ask, if we adhere to the administration's position.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MILLER of Ohio. I yield 2 additional minutes to the gentleman (Mr. GEKAS).

Mr. GEKAS. I thank the gentleman.

Conversely, I might ask, if in adopting this bill we are prohibiting the administration's view from obtaining, namely to adopt the OPM recommendations, are we helping or hurting this $500 billion deficit?

Mr. MILLER of Ohio. To some degree we are talking about oranges and apples, if the gentleman is referring to the regulations.

Mr. GEKAS. That is what I want to hear about.

Mr. MILLER of Ohio. They would do different things. They do not relate to the retirement fund. They are concerned with personnel practices such as greater emphasis on merit when it comes to making RIF decisions, when it comes to pay increases. That is the type of regulation that would be blocked right now by the language of the bill.

Mr. GEKAS. The gentleman is saying only indirectly if at all or tangentially would that address the problem of the overall deficit.

Mr. MILLER of Ohio. That is correct, the gentleman from Pennsylvania is absolutely correct. They are two separate issues. The fact that we are having this colloquy I think is good because it can attract attention to the unfunded liability problem and the proper committees of the House and the Senate, holding hearings, looking into the problem, can help resolve it, because I am afraid that what we are doing right now is sweeping it under the rug year after year.

Mr. GEKAS. I thank the gentleman. That is exactly my point. I really feel that what has been brought to light here or reemphasized commands that the Congress undertake immediately a kind of social security reform commission mandate for the Civil Service Retirement System as preceded the social security reform bill .

I have said this before and now I am buttressed by the additional damaging statistics that the gentleman from Ohio so eloquently brought forth. I thank the chairman and the gentleman from Ohio.

Mr. ROYBAL. Mr. Chairman, I yield 3 minutes to the gentleman from Washington, Mr. SWIFT.

Mr. SWIFT. I thank the chairman.

I have always been very supportive of appropriations for the Customs Service. I think when we talk about reducing domestic spending, we sometimes think only in terms of the high profile, relatively unpopular programs like foreign aid, food stamps, and do not realize what also gets cut is Customs, Immigration, Coast Guard, soil conservation programs, and a lot of other programs that are broadly popular with the American public. I, however, like to bring to the attention of the chairman one specific problem in which perhaps the Customs Service in the frustration of trying to cover a bed with a sheet that is too short because of appropriations cuts has taken some action precipitously that I think is unnecessary, inconveniencing, and even endangering some people in my district.

In Point Roberts, a tiny little piece of American territory that hangs down from Canada, you can only reach it on land by going through Canada, there has been a Customs and Immigration Service provided there for many years.

Recently, abruptly, without any consultation with the Immigration Service or any warning to the people of Point Roberts the Customs Service reduced its staff there by 85 percent. They eliminated six out of seven customs officials.

This has not given Immigration any opportunity to take any action, it has not permitted the community any opportunity to respond, it has not given the post office any opportunity to work and that is important because being isolated much of the mail has to go through Customs in a way that it does not on the mainland. There has simply been no opportunity for response. In addition to which, Mr. Chairman, there appears to be a bit of classic turf battle here. I do not think the constituents in Point Roberts should have to be the things that fall through the cracks because of a little bit of turf battle going on between Customs and Immigration. I wanted to call this to your attention and to the committee's attention, Mr. Chairman, in the hopes that they would be willing to help us in urging the Customs Service to at least delay implementation of this policy for 60 days and to work with the Immigration Service and to work with the people in Point Roberts to work out whatever legitimate concerns they have there in a way that will not inconvenience the people who live in this unique part of the United States.

Mr. ROYBAL. Will the gentleman yield?

May I respond to the gentleman by assuring him that we will do everything possible to get something accomplished there with regard to the reductions that the gentleman has described. The committee knows of the situation.

I believe that perhaps a letter from me and if you will be so kind as to sign it with me, that that would be the proper first step. If more than 60 days is needed to resolve the situation, we will also make a request for that. I think it is most important that the committee know beforehand when reductions of this kind are made any place in the United States. I join with the gentleman in his concern for this reduction and will do everything possibly to better the situation.

Mr. SWIFT. I thank the chairman for his timely and generous and cooperative response.

Mr. MILLER of Ohio. Mr. Chairman, I yield 7 minutes to the gentleman from Kentucky, Mr. ROGERS.

Mr. ROGERS. I thank the chairman.

I wish to commend first of all the chairman of our subcommittee and our ranking minority member from Ohio for their leadership in crafting this legislation covering a broad range of services of our Government. I rise in support of this bill, but with the hope that some portions will be revised as the debate continues today.

I would like to highlight some portions of the bill for our colleagues.

First of all as to the U.S. Customs Service that has been referred to, the bill adds 2,650 employees for the Customs Service with the expectation that many of them will be used for fighting the drug traffic that concerns us all. It is an issue which touches on the lives of millions of families and thousands of communities across this country.

I commend the Customs Service for their efforts during fiscal 1982 when they seized $6.9 billion worth of drugs in this country. The foreign producers and smugglers have not let up on their efforts to bring drugs into our country and now a lucrative $100 billion illegal industry in this country. On behalf of parents across our country, I would like to call on the Customs Service to use these additional funds which would be given to them by this bill, and added personnel added by the committee, to help continue the effort to stem the tide of drugs coming across our borders.

□ 1500

In relation to the Internal Revenue Service, I would like to point out to my colleagues the funding in this bill for the taxpayer assistance programs. These programs are especially important to our older people, our senior citizens. While all different types of taxpayers use the assistance, it is essentially important to our senior citizens. They comprise only 9.9 percent of our taxpayers, but they comprise 14.4 percent of the users of telephone assistance of the IRA, 24.5 percent of the users of walk-in assistance, and 18.1 percent of the users of the correspondence assistance.

So this money will be especially helpful to our senior citizens.

I would like to voice a little concern about certain aspects of the bill.

I am concerned about an amendment adopted in our subcommittee which zeros out the Property Review Board. As the committee report states, this action was taken pending passage of authorizing legislation. While I do believe that the administration did have adequate authorization, I am even more concerned about the signal this action could send.

We have literally billions upon billions of dollars worth of surplus property that is of no use to the U.S. Government or anyone else, as it is now, and I believe that the efforts of this board will be vital in allowing the orderly disposal of this property to be applied to the debts of this country. And yet the Board was zeroed out in subcommittee. I would hope we could restore the very limited small funding for that very important function.

With respect to the Office of Personnel Management which has been referred to briefly in the debate so far, I think we have got to face up to a reality of our times. The American public, according to polls, has lost a good deal of confidence in their civil servants and that is a problem for all of us, especially a problem for us here in this body who must address that difficult problem.

Recent studies have found that more than two-thirds of the American people believe that our Government employees do not work as hard as other Americans, that the Government is over-staffed and bloated, that most tax money is wasted by Government employees.

Now, right or wrong, that is the perception in these polls. We have either a perception problem or we have a real problem and I think we must address it and look at it.

And since the American taxpayers are paying the bill, they certainly have the right to have us address that problem for them.

The administration proposed some needed recommendations on ways to improve the Federal personnel system. Unfortunately, this committee adopted an amendment to prohibit them from going into effect, even though they would not have gone into effect until next year.

I hope that in the months ahead the administration will work with the appropriating and the authorizing committees to develop a mutually acceptable solution to a problem that the American people very strongly perceive exists in their Federal Government.

Finally, Mr. Chairman, I would like to draw my colleagues' attention to an extremely important aspect of this bill, revenue foregone. The committee bill recommends sufficient funds to prevent any rate increases for nonprofit organizations and rural newspapers.

I regret the cost of the provision. I applaud the committee's provision though, as offering money well spent for a necessary program in a part of the country where we are asking a good portion of this volunteer community to take up many of the aspects that Government has done in the past.

I would hope that the bill would be passed intact with that provision in it.

Again, Mr. Chairman, I applaud our chairman, our ranking member and all members of our subcommittee for many hours of work on a very difficult bill.

I urge our colleagues to support the bill.

Mr. ROYBAL. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Chairman, I want to commend the chairman. This is my first term on the gentleman's subcommittee and he has done a magnificient job in crafting an excellent piece of legislation. Clearly, as the ranking minority member has pointed out, there are differences of opinion. But I felt constrained to rise because my colleague, the gentleman from Kentucky, who is, like me, new to the committee, said something about the perception and the reality of performance of Federal employees.

I thought it important to bring to the attention of my colleagues and to all Members of the Congress a quote by the present Director of the Office of Personnel Management in testimony before the Committee on Post Office and Civil Service. He said this:

"The worldwide desire for increased efficiency in government operations often results in criticism of the Federal work force. This is an understandable reaction on the part of the public. But it is wrong," says Dr. Devine.

"I can state," Dr. Devine goes on, "without reservation, based upon both my formal study and my direct personal experiences as the chief personnel officer of the United States Government, that we have an excellent workforce. There are few concentrations of talent, ability or technical expertise that can compare with it. We have hardworking, skilled, well educated, and dedicated civil servants. The problem with Federal Government effectiveness is not * * *," quotes Dr. Devine, "its employees."

I served in State government for 12 years as a member of the Maryland State Senate and I heard the same complaint about State employees for those 12 years as has been referred to by Mr. ROGERS.

There is such a general perception in the public. But as Dr. Devine pointed out, it is wrong. I would suggest to the gentleman that he knows the statistics on the public's perception of the effectiveness of Members of Congress. It is undoubtedly less than the one-third confidence rating said to be accorded to Federal employee performance.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. HOYER) has expired.

Mr. ROYBAL. Mr. Chairman, I yield 2 additional minutes to the gentleman from Maryland.

Mr. HOYER. I disagree with that. The Members of this body are hardworking, conscientious individuals. And the same is equally true of our Federal employees.

Let me now address just briefly section 508 of this bill, which has been referred to by the distinguished ranking minority member. Dr. Devine, when asked the question as to what these rules and regulations did, responded in the following manner:

"Our changes are very minimal to the present system. Slightly over 50 percent of the present system is exactly the kind of system we have proposed. Another 40 percent is very close to it. About 90 percent, therefore, will have very, very minimal changes to the performance appraisal system. About 10 percent will have more changes. Even there we don't expect that to be very difficult because the basic process of the performance appraisal, in instituting the amount of funds, and the effect and the expertise and the training and so forth, were put * * *" into effect already.

Now the reason for stating that is to say that the preclusion of these regulations going into effect will only have the effect of giving the Congress of the United States, both Houses thereof, as specifically requested by the Committee on Post Office and Civil Service by a vote of 17 to 4, to look at the substance of these regulations to see what their ramifications will be and this language will insure us the opportunity to do that.

I thank the chairman for yielding the time. I thank the ranking minority member for calling this important question to the attention of the Members.

In closing, let me speak briefly to support what the ranking minority member has said that these rules and regulations have absolutely no effect on any questions regarding unfunded liability. The gentleman is correct and that concern should have no bearing on section 508 of this bill.

□ 1510

Mr. ROYBAL. Mr. Chairman, before I yield back the balance of my time, I will yield myself 1 minute, and perhaps even less, to thank the members of my committee for the long hours of work, for the dedication to the committee process and for the help that they gave the chairman and the staff.

I think the gentleman from Ohio (Mr. MILLER), the gentleman from Kentucky (Mr. ROGERS), and others on the committee deserve a great deal of credit for these long hours that we spent and for the work that was done. I am most fortunate, Mr. Chairman, to have as members of my committee individuals who really care, who attend meetings and who participate fully in the process of both the subcommittee and of the full committee.

Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. MILLER of Ohio. Mr. Chairman, I yield such time as he may require to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Chairman, I rise in support of this bill, and I want to take this opportunity to congratulate my good friend, the gentleman from California (Mr. ROYBAL), who did such a fine job in taking over this committee from a man who just passed away today, my good friend, Tom Steed, one of the finest individuals it's been my privilege to know. I also compliment my good friend, the gentleman from Ohio (Mr. MILLER), who I had the privilege and the honor of placing in that minority position in which I served many years ago. This is a very difficult bill to handle, but one of the most interesting bills, I believe, that comes to the floor of the House from the Appropriations Committee. I want to commend both these gentlemen for their fine work.

Mr. Chairman, I rise in support of this bill making appropriations to the Treasury Department, the Postal Service, and various independent agencies of the Federal Government. I would like to say at the outset however, that even though I support this bill, I do have a couple of reservations about it which I will address shortly.

As has been noted, the bill provides $11.9 billion in new obligational authority for requests which have been reviewed by the Treasury/Postal Service Subcommittee. In addition, authority is provided for various items which are under permanent, indefinite authorizations such as payment to the civil service retirement and disability fund, and the interest on the national debt.

I might say here Mr. Chairman, that the current estimate for interest on

the national debt for fiscal year 1984 is $144.5 billion. This figure should tell us that we need to continue to direct our attention toward efforts to reduce the deficit. A sustained reduction will be the ultimate catalyst which brings down real interest rates.

In title I of the bill, the committee has provided $651 million for the Customs Service, a figure which includes a restoration of nearly 2,000 positions proposed for elimination by the Office of Management and Budget. We have also provided for an additional 650 law enforcement positions.

As the Members know, the Customs Service has frequently been the target for various reductions in the last few years despite additional responsibilities which continue to be assigned to it.

For example, the relatively new Operation Exodus program tasked Customs with stemming the illegal flow of high technology out of this country. In order to make that worthwhile initiative work, it must be adequately funded to provide personnel levels sufficient to carry out its goal, and to provide for necessary training needs and program support. The figure for Customs in the bill will provide the necessary resources for Exodus.

Another example where adequate funds are needed is the special narcotics task force. Year after year, we talk on this floor about the need to do something to combat the illegal flow of drugs into this country. Finally we have a program which is showing some signs of making inroads into the problem.

If we want to continue our progress, we need to provide funding to sustain our efforts, and maybe expand them. In this bill, we have provided those resources.

I might say here that the committee does expect the Customs Service to make efforts to reduce the excess administrative weight it presently carries, and concentrate the resources we have provided in the enforcement operations areas.

The committee has also provided sufficient funds to the Internal Revenue Service to allow that agency to support the necessary personnel levels to carry out the provisions of the Tax Equity and Fiscal Responsibility Act of 1982, and to continue its data processing modernization efforts.

A large portion of the allowed personnel increase over last year's level reflects a restoration of positions for taxpayer service, including toll-free telephone assistance.

In the markup, I added a provision which stipulates that taxpayer service activities remain at the fiscal year 1983 levels, and that positions allocated to those activities not be reduced below the fiscal year 1983 levels.

In the data systems modernization category, the committee reduced by $75 million, a request by the IRS for a $100 million open-ended appropriation. The committee agrees with the need to modernize data systems, but feels the $100 million request is more than can be spent in 1 year. Thus, $25 million is provided for this purpose.

Elsewhere in title I, the committee has provided $160.2 million for the Bureau of Alcohol, Tobacco, and Firearms, and has restored $4.2 million and 68 positions for continued enforcement of the cigarette smuggling program in 1984, in an effort to curb racketeering in the sale and distribution of cigarettes.

Title II of this bill contains the revenue foregone appropriation for the Postal Service in the amount of $879 million for fiscal year 1984. This appropriation funds the costs to the Postal Service that it foregoes in providing reduced rate service to nonprofit charities, publishers who mail to school libraries, smalltown newspapers and veterans magazines.

In this category the committee has sought to maintain, in so far as is possible, the current level of support for this program, given the financial postures of the nonprofit organizations at this time, and the consequences their services would suffer if mailing costs escalated substantially.

Title III of the bill provides $97.1 million for funding of the Executive Office of the President. Funds are included here for those entities which provide staff, logistics and administrative support to the policymaking apparatus of the executive branch. The committee figure is $1.4 million below the administration request, reflecting reductions of $1 million for the Office of Management and Budget and $415,000 for the Property Review Board.

In the early part of my statement, I mentioned that I had some reservations about this bill. One of those reservations is in title III—the lack of funding for the Property Review Board. On page 82 of the committee report, I have some additional views of this matter, but I will address it briefly here.

The Property Review Board was created by Executive order in February of 1982 to assist the President in reviewing Federal Policies involving real property acquisitions, utilizations and disposals, and to insure that properties no longer essential to the Federal Governement be identified and released for disposal.

There are those who say there is no specific authorization for this entity—and they are right insofar as there is no piece of paper with a specific authorization on it.

However, the Federal Property and Administrative Services Act of 1949, in the portion pertaining to management and disposal of Government properties, gives the President authority to prescribe such policies and directives as he shall deem necessary to effect the provisions of the act—directives means Executive orders.

The law also provides authorization for "such sums as may be necessary to carry out the provisions" of the Federal Property and Administrative Services Act.

This is sufficient authority to fund this entity and those who proposed its deletion know it. If we search the history of appropriations through the years, I am sure we would find funding for other entities created by Executive order.

Lack of authority is an excuse to hide behind in this instance. The real reason for proposing to delete this board is that it is moving to dispose of properties which some Members would rather not see disposed.

The sad aspect of this situation is that the Federal property disposal process has been inefficient for sometime. In response to that inefficiency, the President has created this Board to remove those obstacles hindering the property disposal process, and make it function as Congress intended in the laws governing property disposal management.

In the process of moving toward a more efficient system, we can bring some needed revenues into the Treasury—maybe up to $2 billion in 2 years.

I think the creation of this board was a wise move, and to those who want to zero it out for personal reasons, do not complain about the inefficiencies of the property disposal system in the future because you have helped block a solution to the problem.

Mr. Chairman, title IV of the bill contains, among other things, funding for two major independent agencies—the General Services Administration and the Office of Personnel Management.

Within the GSA portion, the major activity is the Federal buildings fund, which carries for fiscal year 1984, a limitation on expenditures of $2.023 billion. This is the fund into which collections flow from charges levied on Government agencies by GSA for rent.

These standard level user charges—or SLUC charges—are expended for construction, building alterations and repairs, building security and other housekeeping activities of the Federal Government, within the confines of set limitations.

For SLUC charges for fiscal year 1984, the committee has, in title VI of the general provisions, placed a 14-percent limitation on any increases, and has urged the appropriate legislative committees to review the law governing these charges in order that some reasonable and consistent method of assessing Government rental costs may be attained.

Also under the GSA portion is $3 million for the National Historical Publications and Records Commission to allow that Commission to continue to provide technical assistance grants to organizations engaged in preserving documents of historical value.

I have sought funding for these technical grants in each of the last 3 years, Mr. Chairman, because I think the preservation of historical documents is vital to the understanding of our development as a nation.

For the Office of Personnel Management, Mr. Chairman, the committee has provided $3.9 billion in funding for the Government's payment to the civil service retirement and disability fund under a permanent indefinite authorization, and $1.5 billion for funding for Government annuitants health benefits.

These two appropriations meet the requested levels, and are important because they assure that the Government keeps up its share of maintaining the retirement and health benefits system as promised to present and past Federal workers.

In title V of the bill, Mr. Chairman, there are various general provisions applicable to this act. One of those provisions, section 508, contains language with which I disagree—that being a funding prohibition keeping the Office of Personnel Management from going forward with certain personnel management regulations it proposed earlier this year.

I think this provision is wrong and ill advised, and an improper way of moving toward the type of Government personnel system we all profess to want. I hope the appropriate legislative committees examine this question, and move more toward the intent of the Civil Service Reform Act.

Again, I say to the membership, I support this bill overall, and urge the Members to do the same. I congratulate the chairman of the Treasury-Postal Service Subcommittee, Mr. ROYBAL, along with the other members of that subcommittee for bringing forth a bill which addresses the needs of the agencies under its jurisdiction under some difficult and controversial circumstances.

Mr. ALBOSTA. Mr. Chairman, I rise in support of the Treasury/Postal Appropriations bill for fiscal year 1984. I want to commend the Appropriations Committee and the gentleman from California for including the full amount recommended by the Post Office and Civil Service Committee, and included in the House passed budget resolution, for revenue forgone.

The revenue forgone subsidy represents a promise to the American people. Continued funding of the revenue forgone subsidy is keeping the promise that we would not allow postal rates for rural newspapers, churches, and charitable organizations and veterans groups to go up any faster than these groups had planned. In recent years, since the Postal Reorganization Act, some clases of mail have been on a schedule of rising rates and declining subsidies. This allowed these groups to budget and adjust to a day when their rates would no longer be heavily subsidized.

I believe that a certain amount of support for groups and publications that rely on the mail to perform vital public services is a good thing, I think it is good public policy. One reason for this is that a little support through the Postal Service helps volunteer groups and organizations with very small staffs to reach out to far more people than they could otherwise. Without the aid and support and assistance that churches and volunteer groups provide there would be a much greater burden on local governments and the Federal budget to step in and fill the gap. Without the information and services provided by rural newspapers, rural economies would be even worse off than they are today. That would also put a greater strain on the budget. So to cut this support, as the administration requested that we do, would be penny-wise and pound-foolish.

There may be some who do not agree that we should provide this support at all. They may want to raise the rates, as the administration does for these kinds of mail that have already had large increases in the past 2 years.

Let me give a few examples of what the President's proposal for the revenue foregone funding would do to rates:

For a typical rural, in-county weekly newspaper there would be a 98-percent increase in postal rates. The cost of delivery is such an important part of the operating budget for these small papers that they all would have been crippled by such a sharp increase.

Veterans' magazines would have to pay a third more than they do now and library books would cost 50 percent more to mail than they do now. Other nonprofit mail would increase between one-third to almost 100 percent, depending on the type of mail. And finally, classroom publication rates would increase over 100 percent.

Whether or not we agree that support through a postal subsidy is a good idea, it seems to me we should recognize that this Government made a commitment not to speed up rate increases when it established the 16-year schedule of declining subsidies. That commitment has been ignored in the administration's budget requests. Therefore, the rates were raised much faster than anyone had expected. This year, the House approved a budget that did not ignore that commitment. This appropriation meets that budget target.

I urge my colleagues, whether they support Postal Service assistance for charitable groups, churches, school publications, rural newspapers, and veterans' organizations or not, to keep the word of the Government and support the appropriation for revenue foregone and this Treasury/postal appropriations bill.

● Mr. BROWN of California. Mr. Chairman, I would like to commend the Appropriations Committee, and particularly the Subcommittee on Treasury—Postal Service—General Government, for their good work on this fiscal year 1984 appropriations bill. Of particular note is the restoration of $52,600,000 and 2,000 positions for Customs personnel, which the administration proposed to eliminate in 1984.

As a representative from the Los Angeles basin, I realize the congestion and problems that would be caused by any reductions in our Customs services. The high level of drug abuse and related crime in this country requires a strong law enforcement effort to stem the tide of illicit drugs coming into the United States. The proposed reduction would also slow down the processing of visitors to this country, particularly trying with the additional influx of visitors to the 1984 Olympics in southern California, as well as the processing of our own citizens returning from abroad.

In addition, reductions in personnel would adversely affect the processing of the entry of commercial and industrial goods being imported into the United States. More important, this reduction would jeopardize the Government's ability to interdict the flow of illegal drugs and other contraband into the country.

As the committee so wisely determined, now is not the time to reduce our Customs personnel. The committee has, instead, added an additional $25,000,000 to fund an additional 650 positions. Because of the importance of southern California as a port of entry, I urge the Customs Service to carefully consider how best to allocate these positions, taking into consideration future, as well as present, needs.

Over the next decade, the Ontario International Airport will expand its service from nearly 2 million passengers per year to over 10 million. The L.A. Department of Airports, which operates Los Angeles Airport and Ontario Airport among others, has indicated that the entire region will only be able to absorb another 16 million passengers per year by the end of the century, and Ontario is likely to be serving 10 million of those 16 million people. The expanded east Los Angeles basin is already finding the Ontario Airport far more convenient, particularly with its improved flights and services. I encourage the Customs

Service to seriously consider the advantages of a facility at this strategically growing airport.

Again, I commend my colleagues on the Appropriations Committee for their diligent work in this area.●

● Mrs. SCHROEDER. Mr. Chairman, Chairman ROYBAL and Congressman HOYER deserve the highest praise for having added section 508 to this bill. Section 508 reads:

None of the funds appropriated under this Act shall be obligated or expended to implement, administer or enforce the proposed Office of Personnel Management regulations published in the Federal Register on March 30, 1983, at pages 13341 through 13381.

Simply stated, this language states congressional disapproval of these regulatory proposals.

Let me recount a little of the history of this provision. About a year ago, Office of Personnel Management (OPM) Director Donald J. Devine floated an idea for changing the rules governing reductions-in-force (RIF's) in the Federal Government. Devine's trial balloon was riddled with gunfire from all directions. The White House became concerned that it would hurt Republican Members of Congress seeking reelection if Devine were permitted to go forward with his RIF proposal and so they ordered him to hold off until after the election. It took until the end of March before this package of proposals finally cleared the White House and were put out for comment. By this time, the package had grown to include not only RIF proposals, but also proposals to eliminate automatic within grade pay increases, to reduce eligibility for overtime pay under Fair Labor Standards Act provisions, and to specify in extravagant and inaccurate detail the scope of bargaining between Federal employee unions and agencies.

Because of the unprecedented scope and far-reaching impact of these proposals, I immediately wrote Dr. Devine to urge him to withdraw the regulations and seek legislative change instead. On April 7, I introduced legislation to block the four proposed regulations. This measure, H.R. 2449, now has over 125 cosponsors with more joining daily. On May 25, the House formally declared its opposition to the regulations by approving the supplemental appropriations for fiscal year 1983 with its provision to prohibit the expenditure of appropriated funds to implement the OPM proposals unless and until the Comptroller General reviews them. Comptroller General Bowsher has, in fact, determined that the proposal to set two different standards for within grade Federal pay raises depending on step can only be accomplished through legislation—to attempt to regulate this significant a change would be illegal.

After the House passage of the supplemental appropriations bill and its prohibition on the implementation of the regulations, OPM Director Devine met with the leader in this area from the other body to work out a deal. The arrangement was that the other body would not attach similar prohibitory language in the appropriations bill if OPM would hold off on promulgation of final regulations until Congress had an opportunity to pass legislation dealing with the issue. An elaborate set of changes were disclosed which allegedly would be the basis of his legislative action. Once word got out about this deal, however, Dr. Devine reacted by sending a letter to agency heads saying that he would only hold off until August 1. This places us in the House in the absurd position of pushing through the proposal floated in the other body with little debate or consideration, or being stuck with the devastating OPM regulations. We cannot and must not be forced into making this type of Hobson's choice.

In late April, the Committee on Post Office and Civil Service held hearings on the regulatory proposals. OPM Director Devine failed to justify the need for these proposals. Indeed, the committee voted, subsequent to these hearings, to send strong negative comments on the regulations to OPM. These 55-page-long comments find that the performance based incentive system regulations "would have the effect of reducing the motivation of employees, detracting from what little credibility the current performance appraisal has, and stripping managers of use of the performance appraisal system as a management tool." The proposed RIF regulations would "encourage manipulation of the work force based on politics and favoritism; discriminate against older and senior level employees; eliminate even the potential for a successful placement system for displaced employees; and significantly reduce existing protections for veterans." The committee said that OPM was "clearly without authority" in issuing labor-management guidance and that the guidance "seriously misstates the law and conflicts with numerous decisions of the Federal Labor Relations Authority and the U.S. Courts of Appeals." Further, the committee voted 17 to 4 to send a letter to the Appropriations Committee asking for inclusion of the prohibitory language which is in the bill. Section 508 is exactly what the committee on Post Office and Civil Service asked to be included in the bill.

Congress has established, through legislation, the basic rules governing the Federal work force. The authority it has conferred on the Office of Personnel Management to regulate in this area has been purposefully circumscribed. To allow the implementation of regulations, such as these, which make massive changes in the nature of the Federal workplace, is to allow an intrusion on the separation of powers between the legislative and executive branches of Government.

We should block OPM's regulations because we will not be performing our constitutional duty unless we do so. We should block these regulations because, if we fail to do so, we will be inflicting severe and permanent damage on the quality of the Federal work force. We should block these regulations so that a system truly tying pay to performance can be created. We should block these regulations to protect veterans from having their retention in force rights diluted. We should block these regulations so as not to disrupt the healthy, cooperative labor-management relations which exist in many parts of the Federal service. We should block these regulations to permit Congress the opportunity to work its will. We should block these regulations because the Reagan administration has already done too much to hurt Federal workers. Enough is enough.●

Mr. MILLER of Ohio. Mr. Chairman, I have no additional requests for time, and I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

BUREAU OF GOVERNMENT FINANCIAL OPERATIONS

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Government Financial Operations; $242,995,000 of which $6,904,000 shall remain available until expended for systems modernization initiatives.

AMENDMENT OFFERED BY MR. MILLER OF OHIO

Mr. MILLER of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Ohio: On page 3, line 15: strike out "$242,995,000" and insert in lieu thereof, "$239,995,000".

Mr. MILLER of Ohio. Mr. Chairman, this amendment will simply reduce the funding level for the Bureau of Government Financial Operations by $3 million, from $242,995,000 to $239,995,000. We understand from the Secretary of the Treasury that, since the January budget submission for the Bureau, the Treasury Department has recalculated the costs associated with postage needs and certain other projects, and the Department advises that these savings are possible without any effect on the Bureau's mission or responsibilities and without any effect on its current plans to review Government accounting procedures to attain further savings in its cash management operations.

In other words, Mr. Chairman, we are always looking for a place to save, and here we can save $3 million.

Mr. ROYBAL. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Ohio. I yield to the gentleman from California.

Mr. ROYBAL. Mr Chairman, may I say that I do not really understand why the reduction is recommended, particularly in view of the fact that the amount in the bill is exactly the amount requested by the administration, an amount that came to the committee. We accepted the administration's request. And to reduce it further I believe would not be acceptable insofar as the administration is concerned, and I do not think it is acceptable to the committee as a whole at this time.

Mr. MILLER of Ohio. Mr. Chairman, I am a little surprised. It is true that it is the amount the administration requested. But after we marked up, the chairman of the committee, the gentleman from California, and myself sat down with the Secretary of the Treasury, and he conveyed a message. This is one of the four points that he made, that they could reduce $3 million in this area without creating a problem. And I thought we should take them at their word.

Mr. ROYBAL. Mr. Chairman, if the gentleman will yield further, I do not remember that conversation. However, I am sure that it took place.

The truth of the matter is that there is a reduction already, below the previous year, of $5 million. So there is a reduction in the recommended amount by the White House. The reduction is still in place. It is lower by $5 million than 1983.

Now, the gentleman's amendment would reduce it even further by how much?

Mr. MILLER of Ohio. To reduce it $3 million more, on the recommendation of the Secretary of the Treasury.

Mr. ROYBAL. Mr. Chairman, if this were the recommendation of the Treasurer, it seems to me that the letter of communication should have been sent to the committee.

Mr. MILLER of Ohio. Well, we have a letter to that effect. It may take a little time. I was not anticipating this. But I am sure that the gentleman has a letter also from the Secretary that would point out this as being one of the four points made in our meeting. When we find one of the Secretaries saying, "We could live without this," and we have a $200 billion deficit coming up, I would say we better grab everything we can, in this case, reduce it $3 million.

Mr. ROYBAL. If the gentleman will yield further, I do not dispute the fact that the gentleman has the information that he has cited. What I am saying is that the committee as a whole has not received a letter from OMB or from anyone else requesting a further reduction in this item.

In view of that fact, I cannot at this point agree that a reduction should take place.

Now, it is possible, as has happened on many occasions, that we do not get information on time. It could be on its way. But anything that is on its way is something that we cannot show as evidence of the fact that it does exist. I can only take the gentleman's word for it that he has received that information.

I still hope that the gentleman can withdraw his amendment. Perhaps I would put it in on the Senate, and then we could agree to it, if it was necessary, in conference.

Mr. MILLER of Ohio. Well, I hate to give up the opportunity to save $3 million after all of the times I have been on the floor in order to offer a 2-percent reduction in spending.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. MILLER) has expired.

(On request of Mr. ADDABBO and by unanimous consent, Mr. MILLER of Ohio was allowed to proceed for 2 additional minutes.)

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Ohio. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Chairman, I would have to agree with my chairman, the gentleman from California (Mr. ROYBAL), and I would respectfully request that the gentleman withdraw his amendment.

Mr. Chairman, as we look at the report, it is for financial operations, which includes processing claims on lost, stolen and forged checks. Many of us know the long time it takes for many of our constituents to be reimbursed on a forged check or on a stolen instrument. So many of the agencies so often come to us and tell us they can save money, but they do not tell us where they are going to save money or how they are going to save money.

So I would agree with my chairman. If they can save this money—we are all for reductions—let them make their case with the Senate, and when we go to conference, if they have made their case I would be the first, along with my chairman, to accept that reduction. But until and unless we know where that reduction is going to be made or how it is going to affect these various operations, I think we should withhold judgment.

□ 1520

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to point out to the chairman of the subcommittee, Mr. ROYBAL, and say that as I understand it, this all resulted from the amendment I offered in the subcommittee, as the gentleman will recall, to reduce funds available for the data systems modernization program in the IRS.

Since that time, Treasury has come up and said that they need part of that money. I understand that there were a series of amendments that Treasury wanted to have offered to effect reductions in some accounts, so that money could be restored to the IRS data systems modernization program.

I have now talked with the ranking Republican, the gentleman from Ohio, Mr. MILLER, and he is not going to offer that series of amendments. He will just offer this one, and I hope that we can accept it. It is $3 million. This letter from the Treasury says:

> This reduction reflects a reestimate of mailing costs based on volumes through the first half of fiscal year 1983 and slight changes to certain improvement projects planned through fiscal year 1984.

So I think we should accept this amendment so as to effect an additional measure of savings within the Treasury budget.

Mr. ROYBAL. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I will be glad to yield to my good friend, the gentleman from California.

Mr. ROYBAL. I thank the gentleman for yielding.

The point in question is the fact that the committee has not received a request for this reduction. We have not received it from OMB through the normal budget amendment process.

However, out of great respect for both the gentleman from Massachusetts (Mr. CONTE) and the gentleman from Ohio (Mr. MILLER), the committee will accept this amendment.

Mr. CONTE. I thank the gentleman.

Mr. MILLER of Ohio. If the gentleman would yield, I would like to clear up that point: that I have the letter not from OMB, Dave Stockman, but from the Secretary of the Treasury, and I think the gentleman has a copy of that letter. It is a followup to the meeting that the gentleman and I had with the Secretary in the gentleman's office. So this is the No. 3 item of the recommendations. Now, it is true that I do not have it from the Director of the Office of Management and Budget.

Mr. CONTE. Mr. Chairman, this amendment comes about as a result of the meeting attended by the Secretary and the chairman and ranking minority member of the subcommittee. I appreciate the chairman's acceptance of this amendment. I thank the gentleman very much.

Mr. MILLER of Ohio. If the gentleman will yield further, I do not want to make an incorrect statement on the floor, and it may well be the case that

you do not have a copy of the letter, but it was my understanding as we left the gentleman's office that we would have this in written form passed back to both of us.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. MILLER).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Customs Service, including purchase of two hundred motor vehicles for replacement only, including one hundred and ninety for police-type use; hire of passenger vehicles and aircraft; acquisition (purchase of 3), operation and maintenance of aircraft; transfer of additional aircraft and/or equipment from the Department of Defense as the appropriate Secretaries may agree; and awards of compensation to informers, as authorized by the Act of August 13, 1954 (22 U.S.C. 401); $651,152,000 of which not to exceed $150,000 shall be available for payment for rental space in connection with preclearance operations and not to exceed $1,000,000, to remain available until expended, for research: *Provided*, That none of the funds made available by this Act shall be available for administrative expenses to pay any employee overtime pay in an amount in excess of $25,000: *Provided further*, That the Commissioner or his designee may waive this limitation in individual cases in order to prevent exceessive costs or to meet emergency requirements of the Service.

AMENDMENT OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FRENZEL: On page 5, line 4, strike "$651,152,000" and insert in lieu thereof the following: "$627,759,000".

Mr. FRENZEL. Mr. Chairman, this amendment would bring the appropriation into conformance with the authorization bill which this House passed by a tremendous majority not too long ago.

The administration asked for some $578 million. The authorizing committee upped that amount by nearly $50 million to the amount contained in my amendment. The Committee on Appropriations added a little bit more, and the intention of my amendment is to take it back to the authorizing level.

Mr. Chairman, in our authorizing committee we were nervous that the administration was not asking for enough money so we made some add-ons, not only to protect current employees who would have been reduced had the administration's request been authorized, but in addition, we provided for an increase of 650 new positions, including 450 Customs Inspectors, 150 Import Specialists, and 50 Patrol Officers.

As a matter of fact, this is about a 14-percent increase, of course, far beyond the cost of living, over the amount at which Customs is now authorized. We believe that this will fully fund all current customs duties, and will provide, under the Pay Comparability Act, for all pay raises necessary for the 1984 fiscal year. What is really being cut here are some extra funds for Operations Exodus which two committees in this Congress have already found is already well funded at the level contemplated in my amendment.

Mr. Chairman, I have discussed this amendment with the subcommittee chairman of the Committee on Foreign Affairs, the gentleman from Washington (Mr. BONKER) and I would now yield to him for such comment as he would like to make.

Mr. BONKER. I thank the gentleman for yielding, and would like to commend him for offering this amendment.

Mr. Chairman, Operation Exodus, insofar as I know, has no authorizing basis for its existence. The gentleman is on a committee that has that jurisdiction, and my subcommittee has taken up the Export Administration Act which deals primarily with national security controls.

This started out as a very modest program a few years ago. Last year it was funded by the Department of Defense, and how it has gone to almost $35 million, which is the request before the Committee on Appropriations. The fact is that the Department of Commerce has the enforcement authority for the Export Administration Act and has not been well funded in the past. I think last year Customs spent about $30 million on its Operations Exodus program. The Department of Commerce only spent $3.5 million.

So the Subcommittee on International Economic Policy and Trade has acted concurrently with the Committee on Ways and Means' Subcommittee on Trade to reduce that amount to $14 million. That will allow Customs to maintain its traditional enforcement role in seizures and other activities, but we will not have a situation where Customs and the Department of Commerce are competing for enforcement authority on the same program. The net result is to place an undue burden upon the business community, particularly those who are involved in the high technology industry.

In conclusion, I would like to state that Operation Exodus in the Portland-Seattle region, from June to December last year, in its random inspections had 53 detentions at these ports. Of those, 14 shipments were seized and none of the violations were serious enough to warrant criminal prosecution. Operation Exodus has spent about $450,000 for that activity and there are no serious violations.

So I think it is a wasted expenditure of Federal tax dollars, and at the same time it is placing unnecessary burdens upon the business community. We find now that the Department of Commerce will have sufficient authority to carry out this responsibility in the future.

Mr. FRENZEL. I thank the gentleman for his contribution.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the distinguished gentleman from New York.

□ 1530

Mr. ADDABBO. If the Department of Commerce has the jurisdiction, does it have the manpower to enforce it? In other words, we have it within the Customs, the manpower and the authority.

Does the Department of Commerce have the manpower to enforce it?

Mr. BONKER. Mr. Chairman, if the gentleman will yield, the Committee on Foreign Affairs just 2 weeks ago marked up the authorizing legislation and greatly increased the Department of Commerce's enforcement staff; not only that, but we broadened its enforcement authority so that in the future it would not only have the authority but would have the resources to do an effective job. So we would not have two agencies involved.

The CHAIRMAN. The time of the gentleman from Minnesota (Mr. FRENZEL) has expired.

(By unanimous consent, Mr. FRENZEL was allowed to proceed for 2 additional minutes.)

Mr. ADDABBO. Mr. Chairman, will the gentleman yield further?

Mr. FRENZEL. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Chairman, for the purpose of legislative history, if this reduction is approved by the committee or by the House, do we have legislative history that this reduction will only be applied to Operation Exodus, and that this reduction will not be applied in other areas?

Mr. FRENZEL. Mr. Chairman, I say to the gentleman that that is my intent.

Mr. Chairman, I have discussed this amendment with committee leaders on both sides, and I hope they will find it acceptable. I would be pleased to yield to the gentleman from California (Mr. ROYBAL), if he would care to make a statement.

Mr. ROYBAL. Mr. Chairman, I thank the gentleman for yielding, and I would like to ask the gentleman a question with regard to the specific amount that is going to be earmarked for Operation Exodus.

How many dollars are we talking about?

Mr. FRENZEL. We are talking about $14 million, Mr. Chairman.

Mr. ROYBAL. So it would be, then, a reduction of approximately $14 million?

Mr. FRENZEL. No, it is not a reduction. It is a total use of funds of $14 million.

Mr. ROYBAL. The gentleman is correct. It is a total use of funds of approximately $14 million.

Mr. Chairman, based on the information that the committee has received up to this time, I would agree with the gentleman and accept the amendment.

Mr. FRENZEL. Mr. Chairman, I thank the gentleman from California (Mr. ROYBAL).

Mr. MILLER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Ohio.

Mr. MILLER of Ohio. Mr. Chairman, the minority accepts the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. FRENZEL).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROYBAL: On page 5, line 13, after the word "Service", insert the following: ": *Provided further*, That none of the funds made available by this Act may be used for administrative expenses in connection with the proposed redirection of the Equal Employment Opportunity Program: *Provided further*, That none of the funds made available by this Act shall be available for administrative expenses to reduce the number of Customs Service regions below seven during fiscal year 1984.".

Mr. ROYBAL. Mr. Chairman, this amendment is in two parts. In the first part I recommend language that was proposed in last year's bill, and actually in the bill as it passed the House. I recently received information that indicates it would be appropriate to carry the same language in this bill.

The language has to do with the equal employment opportunity program. Since a couple of years ago an internal reorganization of the Customs Service which would reduce the emphasis on equal opportunity employment was proposed, I think it would be a good idea to insert a provision in this bill prohibiting the Service from taking any action which would reduce the level of effort in this program. I believe that the proposed action by the Service represents a reduction of the emphasis on insuring equal employment opportunities for all individuals within the Service. The language directs the Service to maintain the same organizational structure as in prior years.

In the second part of this amendment, the amendment prohibits the Customs Service from consolidating the Customs regional structure. I might mention also that the committee is concerned that the proposed consolidation of Customs import specialist personnel might result in reduced service to the public.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. ROYBAL).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

BUREAU OF THE MINT

SALARIES AND EXPENSES

For necessary expenses of the Bureau of the Mint; $49,558,000.

POINT OF ORDER

Mr. ANNUNZIO. Mr. Chairman, I make a point of order that the appropriations for the Bureau of the Mint, salaries and expenses, contained in title I are not authorized by law.

The CHAIRMAN. Does the gentleman from California (Mr. ROYBAL) wish to be heard on the point of order?

Mr. ROYBAL. Yes, Mr. Chairman, I wish to be heard on the point of order.

The Bureau of the Mint has been operating under one form or another since this country was first founded. The mint has been minting and issuing coins pursuant to authority found in title 31 of the United States Code. Section 251 of title 31 establishes the Bureau and I would just like to read to the Chairman the first part of section 251. It reads as follows:

There shall be established in the Treasury Department a Bureau of the Mint embracing as an organization and under its control all mints for the manufacture of coin and all assay offices for the stamping of bars which has been or which may be authorized by law.

Section 253 states:

The Director of the Mint shall have the general supervision of all mints and assay offices and shall make an annual report to the Secretary of the Treasury of their operations at the close of each fiscal year, and from time to time such additional reports setting forth the operational conditions of such institutions as the Secretary shall require, and shall lay before him the annual estimates for their support; and the Secretary of the Treasury shall appoint the number of clerks classified according to law necessary to discharge the duties of said Bureau.

Mr. Chairman, I would like to point out that in addition to the sections I have just read, sections 261 through 463 of title 31 set forth in detail the duties of the Bureau of the Mint, and those sections are replete with requirements that the mint must accomplish certain acts.

I would like to cite Deschler's and Brown's Procedure of the House, chapter 25, section 5.7, which states in part, as follows. Section 5.7 reads as follows:

The failure of Congress to enact into law separate legislation specifically authorizing appropriations for existing programs does not necessarily render appropriations for those programs subject to a point of order, where more general existing law authorizes appropriations for such programs. Thus, a paragraph in a general appropriation bill purportedly containing some funds not yet specifically authorized by separate legislation was held not to violate Rule XXI clause 2, where it was shown that all of the funds in the paragraph where authorized by more general provisions of law currently applicable to the programs in question.

It is my opinion, Mr. Chairman, that the general existing law which I have just cited authorizes the appropiration. The United States Code specifically establishes the Bureau of the Mint, and because the Code requires the mint to accomplish certain functions, there is implicit in law the authority for the Congress to appropriate funds to accomplish those objectives which Congress set forth in law.

Mr. Chairman, I ask that the point of order be overruled.

Mr. ANNUNZIO. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will recognize the gentleman from Illinois (Mr. ANNUNZIO) but the Chair would ask him to address himself to the necessity, as he claims in his point of order, for an annual authorization for these funds.

Mr. ANNUNZIO. Mr. Chairman, I listened closely to the explanation of the distinguished chairman of the subcommittee of the Committee on Appropriations.

If the Chair were to sustain the point of order, there would not be any need for authorizing committees to present their authorizations. The Appropriations Committee would be doing the job.

I would also like to cite that in clause 2, rule XXI of the rules of the House, it states that funds cannot be appropriated with an authorization.

The CHAIRMAN. Does the gentleman from Massachusetts (Mr. CONTE) wish to be heard on the point of order?

□ 1540

Mr. CONTE. Mr. Chairman, I rise in opposition to the point of order.

The chairman of the subcommittee has cited a number of general authorizations, which taken together constitute authorization within the meaning and the application of rule XXI, clause 2.

The CHAIRMAN (Mr. STUDDS). The Chair is prepared to rule.

The gentleman from Illinois makes the point of order that there is no authorization for the expenses contained in the line in question.

The gentleman from California cites an organic statute creating the office in question, namely, the Bureau of the Mint.

The Chair is aware of the bill, H.R. 2628, passed by the House earlier this

year, but not yet law. That bill, if and when it becomes law, will authorize some Bureau of Mint appropriations for fiscal 1984 and provide other permanent authorizations for salaries and expenses. Absent citation to such a statute requiring annual authorization, however, the Chair believes that the gentleman from California may rely on an organic act creating the office and authorizing it as a standing authorization in law for the purposes of the Bureau and, therefore, overrules the point of order.

The Clerk will read.

The Clerk read as follows:

EXPANSION AND IMPROVEMENTS

For expansion of and improvements to existing Mint facilities and for renovation of surplus Federal properties to be acquired by lease or purchase; $3,070,000, to remain available until expended.

POINT OF ORDER

Mr. ANNUNZIO. I have a point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. ANNUNZIO. Again I make the point of order that the funds appropriated by this paragraph are not authorized by law.

The CHAIRMAN. Does the gentleman from California wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained, and the Clerk will read.

The Clerk proceeded to read page 6 of the bill.

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that page 6 be considered as read and open to amendment.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that page 6 be considered as read and open to amendment.

Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. Are there any points of order on page 6?

Does the gentleman's request cover——

Mr. CONTE. Mr. Chairman, I ask unanimous consent that the remainder of title I be considered as read and open to amendment.

The CHAIRMAN. The gentleman will withhold. Did the gentleman's initial request extend through the final paragraph on the bottom of page 6?

Mr. CONTE. Right up to the final paragraph on the top of page 7, Mr. Chairman.

The CHAIRMAN. Through line 3 on page 7?

Mr. CONTE. Yes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. Are there any points of order to that page, page 6 and the first three lines on page 7?

Are there any amendments to that page and those lines?

If not, the Clerk will read.

The Clerk proceeded to read page 7 of the bill.

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of title I be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. JACOBS. Mr. Chairman, reserving the right to object, I did not hear the gentleman's request.

The CHAIRMAN. Did the gentleman reserve the right to object?

Mr. JACOBS. I did not hear the gentleman's request, Mr. Chairman. I wonder if I could hear it again.

Mr. CONTE. Mr. Chairman, I asked unanimous consent that the remainder of title I, which is the next several pages, be considered as read and open to amendment at any point.

Mr. JACOBS. That will be up to page——

Mr. CONTE. That would end on page 11, the first paragraph, line 4.

Mr. JACOBS. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. Are there points of order to the remainder of title I?

Are there amendments to title I?

AMENDMENT OFFERED BY MR. EDWARDS OF OKLAHOMA

Mr. EDWARDS of Oklahoma. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDWARDS of Oklahoma: On page 11, after line 4, add the following new section:

"SEC. 105. None of the funds appropriated under this Act shall be obligated or expended to implement, administer or enforce the provisions of Title III, Subtitle A of the Tax Equity and Fiscal Responsibility Act of 1982 (P.L. 97-248).".

Mr. ROYBAL. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Oklahoma. I will, if the gentleman will hold on one second. I would like to yield first to the gentleman from California (Mr. MATSUI).

Mr. MATSUI. Mr. Chairman, I thank the gentleman from Oklahoma for yielding.

Mr. Chairman, I would only like to say that, of course, I would oppose the amendment, but I understand there will be an acceptance of the amendment; so for that reason I will leave my remarks very briefly; but as I said earlier during the discussion of the rule, this matter is under consideration in the Senate at this time.

I think, frankly, we could have on the Ways and Means Committee and in the Senate Finance Committee handled this matter in an expeditious fashion so that the banks and S&L's and other institutions involved would not have suffered the kind of delays that the gentleman from Oklahoma is concerned about, but at the same time I realize this matter is going forward at this time and for that reason I will not, obviously, ask for a rollcall or any recorded vote.

I have no delusions about the outcome of this amendment, offered by Mr. EDWARDS of Oklahoma, to prohibit the use of funds in this bill to implement, administer or enforce the provisions imposing withholding on interest and dividend income, adopted in the Tax Equity and Fiscal Responsibility Act of 1982. However, as a member of the Committee on Ways and Means, I feel I have a responsibility to explain the effect of the amendment to Members of the House so that there is no misunderstanding about its true nature.

The amendment cannot achieve its author's purpose. Mr. EDWARDS has explained that he is offering the amendment in the event the House bill repealing the withholding provisions has not been enacted by October 1, 1983. Since the IRS could not enforce the law, Mr. EDWARDS seems to believe withholding would stop on that date. Why Mr. EDWARDS believes this appropriations bill will reach the President before the repeal bill does is unclear to me. But more pertinent is the fact that this amendment does not and cannot change the law. If withholding on interest and dividends has not been repealed by October 1, 1983, it will have been implemented, effective July 1, and payors of interest and dividends will be under a legal obligation to withhold the tax. Payors will also be subject to penalties under the law for any failure to withhold; the basic penalty in all withholding laws is a liability for the tax that should have been withheld. The amendment does not affect these liabilities or penalties. To suggest that payors will not comply with the law because the IRS cannot enforce it for fiscal year 1984 is tantamount to suggesting that the corporations and financial institutions of America are prepared to flaunt the law.

What this amendment does is to prevent the IRS from administering the law. The absence of the IRS from the withholding process is most likely to work to the detriment of taxpayers and the payor financial institutions and corporations. It may mean that IRS cannot use funds to process exemption certificates for individuals and other exempt recipients like corporations and tax-exempt organizations or to process hardship exceptions

from withholding for qualifying payors. Could IRS even spend money to revise the 1040 forms to include a credit for the sums withheld against tax due? Surely IRS would not be allowed to process the forms submitted by payors in order to reconcile amounts withheld or to credit the amounts withheld against taxpayer accounts.

It is difficult for me to see any positive benefits to American taxpayers or to the institutions affected by withholding as a result of this amendment. The Congress should repeal withholding, if that is its wish. The House has already done so. Adopting amendments such as this one can only increase disrespect for Congress, and indeed all the institutions of government, once its real effects are felt by the populace.

Mr. ROYBAL. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Oklahoma. I yield to the chairman of the subcommittee.

Mr. ROYBAL. Mr. Chairman, I thank the gentleman for yielding.

The gentleman knows that the House took an overwhelming position on the subject matter before us and due to that fact, I am glad to accept the gentleman's amendment.

Mr. EDWARDS of Oklahoma. Mr. Chairman, I thank the gentleman.

I yield to the gentleman from Ohio.

Mr. MILLER of Ohio. Mr. Chairman, the minority accepts the amendment.

Mr. WINN. Mr. Chairman, I rise in support of this amendment, and wish to commend my colleague from Oklahoma for having the foresight to seek the prevention of U.S. Treasury funds for the administration of the 10-percent withholding tax on interest and dividend income.

As everyone in this body is almost painfully aware, we have received thousands upon thousands of letters asking that the 10-percent withholding provision be stricken from last year's tax bill. We have been discussing this particular matter now for over 6 months. After numerous debates, we did vote to repeal withholding 6 weeks ago by a very large margin.

And yet, Mr. Chairman, even now the repeal measure remains bottled up in the other body, and is still awaiting action. Furthermore, in a little over 2 weeks, on July 1, 10-percent withholding will go into effect. Financial institutions are continuing to abide by the withholding provisions of the tax law, and I think it is terribly unfortunate that these institutions must continue to incur enormous compliance expenses even though the intent of Congress would appear absolutely crystal clear.

I also find it unfortunate that we should even have to address this issue once again when both the House and the Senate have indicated support for either repeal or postponement. However, it is very important that we do so through this amendment so that we can insure that funds will not be available for withholding even if the House and the Senate fail to reach an agreement on direct repeal.

I urge my colleagues to vote as they did 6 weeks ago when we considered 10-percent withholding, and support the Edwards amendment.

Mr. PATMAN. Mr. Chairman, I strongly support the amendment offered by the gentleman from Oklahoma (Mr. EDWARDS) to block funding for the withholding of income taxes on interest and dividends.

On May 17, the House resoundingly rejected the idea of withholding of interest and dividends. In adopting H.R. 2973 by a 9-to-1 margin, the House signaled its willingness to listen to the hundreds of thousands of small savers and investors who would be hurt by the proposal and who took the time to write their Congressmen. Relief from the onerous new withholding tax law seemed within our grasp.

Yet today, 3 long weeks later, our efforts to repeal withholding have been once again bogged down in the Senate Finance Committee. Every day of delay brings the Jule 1 deadline for congressional action to repeal withholding closer.

The amendment offered by the gentleman from Oklahoma (Mr. EDWARDS) will, if adopted, reiterate the strong opposition of Members of the House and the constituents they represent to the unfair withholding law. We need final congressional action on repeal of the new withholding law, and this amendment will help us reach that goal.

Withholding on interest and dividend income was originally justified by its sponsors as necessary to help catch income tax cheaters—to collect taxes that were not being paid.

However, my information is that approximately 95 percent of these taxes are being paid and such drastic measures will cost savings institutions hundreds of millions of dollars to set up new reporting and payment mechanisms that are unnecessary. Lending institutions already provide the IRS form 1099 which reports interest and dividends earnings of taxpayers. That should be enough information for the IRS to go after the few cheaters who do not pay.

Withholding entails far more than deducting 10 percent of the annual payment and would be increasingly burdensome to everyone. Depositors and shareholders would have to be notified of the grounds for exemption and given a certificate of application to return before they would qualify for special treatment. Many individuals would need assistance in understanding whether they qualify or in filling out the forms. Computing and accounting systems would have to be modified to deduct 10 percent of each payment—daily, monthly, or quarterly—only from accounts of individuals who have not filed certificates and who are expected to receive over $100 annually.

Most of those who save and invest would, in effect, be extending the Federal Government an interest-free loan until they received a refund at the end of the year. Savers would lose part of the advantage of automatic compounding of interest since a portion of earnings would be removed from their accounts with each payment. The administrative cost imposed on financial institutions would ultimately be passed on to savers through increased service charges, lower interest rates, or reductions in service.

Finally, it has been estimated that 2 million investors automatically reinvest their interest and dividends. The imposition of withholding would remove about $3 billion from the Nation's pool of savings—most of which would never be returned.

Adoption of the amendment offered by the gentleman from Oklahoma (Mr. EDWARDS) gives us another chance to express our opposition to the onerous new withholding tax law. I strongly urge my colleagues to join me in supporting this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma (Mr. EDWARDS).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk proceeded to read title II of the bill.

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that title II on page 11 be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. WYDEN. Mr. Chairman, reserving the right to object, I had an amendment to title I.

The CHAIRMAN. The Chair will inform the gentleman that the Clerk has begun reading title II, and that an amendment to title I would not be in order, except by unanimous consent.

Mr. WYDEN. I would ask such unanimous consent, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. CONTE. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Is there objection to the request of the gentleman from Massachusetts that title II be considered as read and open to amendment at any point?

There was no objection.

The CHAIRMAN. Are there any points of order to title II?

Are there any amendments to title II?

AMENDMENT OFFERED BY MR. GREGG

Mr. GREGG. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

TITLE II—POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

For payment to the Postal Service Fund for revenue forgone on free and reduced rate mail, pursuant to 39 U.S.C. 2401 (b) and (c) and section 1723 of the Omnibus Budget Reconciliation Act of 1981, $879,000,000. Notwithstanding any other provision of this Act, the Postal Service shall continue six day delivery of mail, and rural delivery of mail shall continue at the 1983 level.

The Clerk read as follows:

Amendment offered by Mr. GREGG: in title II on page 11, line 11 delete the sum of "879,000,000" and insert in lieu thereof "400,000,000".

Mr. GREGG. Mr. Chairman, the purpose of this amendment is to bring this bill into some realm of conformance with the budget as proposed by the President and also to try to get under control the spending policies of this Government in general.

It is a reduction of $479 million in the funds used by the Post Office for offsetting the expenditures which are incurred as underwriting, basically, of nonprofit activities.

The funds which are referred to as the Postal Service Fund involve moneys which are used by the Postal Service as a subsidy.

Now, the Postal Service over the last year has spent a considerable amount of time telling us how they are running in the black; however, it is impossible for them to claim that they are running in the black when they ask for an $879 million subsidy. The request which I have made would reduce that subsidy down to $400 million. It would mean that we as a body would have to make the difficult decision of saying to many of the nonprofits and many of those who use the third class and bulk mail rate that they are going to have to pay a bigger share of the cost of the delivery of their postage; but is it not time that we do that? Is it not time that we faced up to the difficult decision, obviously, that we have to make, that is, that we cannot subsidize across the board and fairly arbitrarily all those people who are using these subsidized rates, these nonprofit rates, at a tremendous benefit to them, but at a significant cost to the rest of the taxpayers.

□ 1550

Here we have the first-class rate which has gone up and up and up and over which there seems to be very little control in keeping it down being continually raised. Yet with the nonprofit rate we continue to underwrite it and we continue to fund it through these very high and significantly increased subsidies.

I would refer Members to the committee report for a table which will show exactly how much, this amendment would mean in costs to nonprofits. We are not just talking about nonprofits. We are also talking about rural newspapers. You will see the type of increases we are talking about.

The increase would go, for example, for newspapers where we have newspapers with a weekly frequency from a 7.2-cent cost to an 8.7-cent cost. For third-class nonprofits the increase would go from 3.3 cents to 6.4 cents. The increase for second-class nonprofit would be from 3.6 cents to 7.1 cents.

That is still a significantly subsidized rate of delivery when you realize that the first-class mail is going out at 20 cents and is being projected to go to 25 cents. The fact that these deliveries can occur in the single digit figures is still a significantly subsidized rate.

Why should we not as a Congress recognize that subsidy, but also recognize that we cannot maintain these high levels of subsidies but, rather, we need to have more reasonable rates of subsidy?

Therefore, I have introduced this amendment which would bring back to the President's budget level of $400 million in this area rather than an increase to $879 million.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. GREGG. I am happy to yield to the gentleman from New York.

Mr. ADDABBO. I thank the gentleman for yielding. Actually the figure, $400 million, would be a reduction of $360 million below the authorized level and a reduction of $479 million below the level proposed in the House-passed budget resolution.

But did I hear the gentleman correctly when he stated that the profitmaking organizations are subsidized, profitmaking organizations such as the Heart Fund, the Cancer Fund, the Salvation Army, just to name a few? Are those profitmaking organizations?

Mr. GREGG. Obviously the gentleman did hear incorrectly. I have stressed that it is the nonprofit organizations which are subsidized.

Mr. ADDABBO. The gentleman is saying profit organizations are being subsidized. These are nonprofit organizations.

Mr. GREGG. If I may reclaim my time, that is exactly what I said, the nonprofit organizations. The gentleman did hear incorrectly.

Mr. ADDABBO. But also the nonprofit organizations, including veteran groups, and schools would they not be hurt by the gentleman's reduction? Would they not be hurt in their solicitations, in their volunteerism in accord with the present direction of the present administration?

The CHAIRMAN. The time of the gentleman from New Hampshire (Mr. GREGG) has expired.

(On request of Mr. ADDABBO and by unanimous consent, Mr. GREGG was allowed to proceed for 2 additional minutes.)

Mr. GREGG. I would reclaim my time and say absolutely. There is no question but that the nonprofits who might benefit from this significant subsidy would have to pay a higher percentage for the solicitation of their funds.

But let us remember that they are using the mails to solicit funds and they are using them at a rate as low as 3.8 cents per piece.

I am saying, if the gentleman will allow me to finish, it does seem to me that when the private citizenry is making a choice as to how they are going to allocate the dollars that they spend, they do not have the choice of having a subsidized postal rate. It would be fairer if we had the nonprofits pay a little higher percentage, 7.1 cents per item, than have to have the private sector pick it all up through the subsidy of the 3.7 cents.

Mr. ADDABBO. But if we cause the nonprofits to pay this additional cost, will not those funds come out of the money that they use for heart research, cancer research, as do all of the other volunteer organizations that contribute so much to the good and welfare of the people?

So what we are asking is that all of the taxpayers of this country to contribute a little in our fight against cancer, heart disease, charitable work, and yet the gentleman would say let them pay this extra money, let the people suffer. Yet the administration says let there be more voluntarism.

The only major method they have of solicitation, to raise money to seek cures is through the mail. It is the only way that they can really raise substantial funds, the funds they raise in order to seek to cure these ills and carry on needed charitable work.

The gentleman says let them pay it out of their pockets.

Mr. GREGG. If I may reclaim my time, do we not as a body also have an obligation to be committed to trying to reduce a deficit which is over $200 billion and which is growing, and to put back on these organizations, whether they are nonprofit or not, who are benefitting from this high subsidy some of the burden of reducing that deficit.

The CHAIRMAN. The time of the gentleman from New Hampshire (Mr. GREGG) has again expired.

(On request of Mr. ADDABBO and by unanimous consent, Mr. GREGG was allowed to proceed for 2 additional minutes.)

Mr. GREGG. Second, let us remember we are not talking just nonprofits.

We are talking newspapers. We are talking various forms of agricultural science activities.

Mr. FRENZEL. Will the gentleman yield?

Mr. GREGG. I yield to the gentleman.

Mr. FRENZEL. If the gentleman will yield, there are such activities, such nonprofits as the Republican Party and the Democratic Party and the AFL-CIO.

Mr. ADDABBO. The people get some services.

Mr. FRENZEL. And others who are using this subsidy.

Mr. ADDABBO. So what the gentleman is saying is to throw out the baby with the dirty water. If there are those who are not entitled, let us correct it. But let us not try and correct a deficit on the backs of those people who can least pay for it and are doing so much. This is a small amount that we can give to relieve and alleviate these problems and I would ask that this amendment be resoundingly defeated.

Mr. ROYBAL. Mr. Chairman, I rise in opposition to the amendment.

I firmly believe the gentleman from New York (Mr. ADDABBO), has already fully explained the reason why this amendment should be defeated. But I would like to reiterate the fact that those that would be affected are the nonprofit organizations, organizations like the United Way, the Red Cross, the veterans' organizations, and many, many more that will take too long to mention.

It is true that there are some organizations that perhaps should not be included. But the truth of the matter is that the vast majority of those that are included would suffer greatly if this amendment prevailed. I therefore recommend that the amendment not be adopted and that the committee's recommendation prevail in this instance.

I yield back the balance of my time.

Mr. ROGERS. Mr. Chairman, I move to strike the requisite number of words and rise to speak against the amendment.

Mr. Chairman, I rise in strong opposition to this amendment for many of the reasons already stated, because as we return to our communities and return to the people of our country the responsibilities for doing many of the things the Federal Government has been asked to do in the recent years, we are asking volunteers to take on more responsibility for helping our brethren and our sisters. Why should we shoot ourselves in the foot now and say but you cannot raise moneys to do those things as a nonproft organization under our Federal statutes because we are going to cut your funding.

I really think that is the essential point that needs to be made here.

Second, the amendment would practically double the cost for an older person to be able to subscribe to a rural newspaper. Bear in mind now that this only applies to newspapers with a 5,000 circulation or less. These are basically weekly rural newspapers who serve people in our rural communities who have no other way to get information about who is dead, whose funeral is when, and the types of things that hold our communities together.

So we are talking about an increase in the rates of those newspapers by 98 percent if this amendment is adopted. We are talking about increasing the costs of veterans' magazines 32 percent and classroom publications 131 percent, newspapers 21 percent, small rural newspapers.

So I would hope that we would reject this amendment and encourage our volunteers and our nonprofit organizations, the United Way, the Boy Scouts, the Cancer Crusade, the Heart Fund, and all of the others, encourage them by continuing to help them in this small way really by helping with the cheaper postage that allows them to operate in raising their funds.

Second, our rural newspapers, if this amendment is adopted, many of them in my district, and I suspect around the country, will go belly up because they are barely marginal operations now, operating on a shoestring of two or three people. If you add that additional postage on to that organization that is barely living, then it is either going to die because of lack of revenues, or the subscribers will not be able to afford the double, in many cases, the double subscription price.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I will be happy to yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. I thank the gentleman for yielding. I want to associate myself with the gentleman's remarks.

I think particularly on the gentleman's first point he makes a very telling point. The nonprofit, religious organizations and health organizations have been asked in the last 2 years to take up a significant burden in looking after the disabled, the poor, and carrying on a great burden that was formerly performed by the Government.

□ 1600

These organizations rely on this mailing, this subsidy to mail, to raise funds and to keep their activities going. If this amendment were to be adopted, the cost of postage would about double for religious organizations, for others in this nonprofit mailing category. You have already pointed out the tripling or quadrupling almost of costs for county newspapers. But I am particularly concerned about those agencies and religious organizations that have been asked to pick up the load of social services that was left by the cuts in Government programs.

It seems to me this would be cruel and unfortunate if we were to adopt this amendment. I would also point out that we considered this when we adopted the budget resolution in the House and we deliberately added this money back in in our budget and that is the budget under which we are operating on those appropriations bills.

So, there is no budget problem with this. From an equity standpoint clearly this amendment should not be adopted and I thank the gentleman for his remarks on this.

Mr. ROGERS. I thank the distinguished chairman of the Budget Committee.

Mr. GREGG. Will the gentleman yield?

Mr. ROGERS. I yield to the gentleman.

Mr. GREGG. I thank the gentleman for yielding.

I realize this gives everyone a chance to raise the issue of motherhood but let us not forget that every one of these weekly newspapers we are subsidizing is a for-profit newspaper. If they go out of business because we raise their rates—we do not triple it or quadruple it as was suggested by the chairman of the Budget Committee—we would raise them from 3.6 to 7.1, which would still put them significantly below what the rest of the so-called for-profit industry in this country is paying to mail things.

Mr. ROGERS. Reclaiming my time, we are talking about a weekly newspaper with two or three employees who is barely able to pay for groceries now and you are either talking about driving that business out of business or making those people pay double.

(On request of Mr. GREGG and by unanimous consent, Mr. ROGERS was allowed to proceed for 3 additional minutes.)

Mr. ROGERS. Mr. Chairman, I yield to the gentleman from New Hampshire (Mr. GREGG).

Mr. GREGG. If I can continue my response which I hope the gentleman will allow me to do, the point is that they are for-profit, that their purpose is to make money and we are subsidizing under these rates to a significant amount of money. This is not the nonprofit or Heart Association.

Second, we are talking here about $497 million out of $897 million total budget. We are leaving $400 million in the budget for the purpose of these subsidies. We are not talking about rates that will be set in the single digit figures for all of these nonprofit businesses and the for-profit and nonprofit weekly magazines and weekly newspapers.

So, we are not creating devastating harm to these organizations. What we are trying to do is be a little more responsible on the Federal level relative to the fact that this money is being borrowed from the taxpayer to subsidize the weekly which is a for-profit weekly, whether it has two or three people making money on it and the various Republican and national committees which may be benefiting from this and also the nonprofit Heart Association.

Mr. ROGERS. Reclaiming my time, I would point out that rural newspapers have already absorbed a 10-percent rate increase this year and if this proposal is passed, they would shoulder an additional 14-percent increase. That is a 24-percent increase in 1 year. I further point out that in the 1970 Postal Service Reorganization Act, the Congress scheduled doing away with the subsidy over a period of years. We are already at stage 11, three stages ahead of schedule. If you adopt this amendment you are driving those people over the precipice into the abyss below.

Mr. ALBOSTA. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the Committee on Appropriation matches the level recommended by the Post Office and Civil Service Committee and approved in the first budget resolution passed earlier this year by the House.

This level of funding will keep postal rates at current levels for rural newspapers, for charitable groups, for churches, and for libraries, and for veterans groups and others.

Their rates have been increased in recent years so fast that many of these organizations have been severely hurt. The Congress made a commitment years ago to establish postal rate schedules that these groups could depend on. In recent years this administration has requested cuts that have forced their rates to rise much faster than they had planned for.

This bill returns a measure of fairness to the process and holds those rates in place for fiscal year 1984. I urge that we approve the revenue foregone appropriation that is contained in the committee bill.

Mr. Chairman, I yield back the balance of my time.

Mr. HOYER. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

I thank the chairman. I will not use the full time.

Mr. Chairman, I want to associate myself with the remarks of the gentleman from New York, the chairman of our subcommittee, and the gentleman from Kentucky. I think the issue here really is that we had a schedule, we had a plan as to how we would phase out this revenue foregone which has been historically a policy of the United States to assist voluntary organizations, as well as small rural communication processes, whatever they might be. That judgment was made because it was deemed to be in the best interests of the United States and of a free democracy.

Last year, an approximately $161 million mistake was made and the system was underfunded. As the gentleman from Kentucky pointed out we are not three stages ahead of the phase-out that was adopted in 1970.

As a result, if we further accelerate this we are going to exacerbate the already difficult situation of charitable and nonprofit organizations, as well as these small theoretically for-profit newspapers.

I think it would be very bad public policy if we did not adopt the committee's position and reject this amendment and I urge the Members to vote overwhelmingly against the amendment.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman.

Mr. FRENZEL. I thank the gentleman. I would ask: Under your master plan when do these subsidies phase out, if ever?

Mr. HOYER. When you say "If ever" they do. I do not know the exact year. I do not have the specific year.

Mr. FRENZEL. Perhaps the gentleman can tell me privately later on. I thank the gentleman.

Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have had a lot of fun defending our favorite charities, newspapers, and the blind. I think most of us do want to protect charities, and the blind, and handicapped in their work.

But I think the gentleman from New Hampshire is making a heroic, if fruitless, attempt to point out that there still exist, and there are being paid by the taxpayers of the United States, massive subsidies to organizations which are not charitable and to certain organizations which are, or would like to be, profitmaking.

We have heard a great deal of argumentation here that we must support these operations. Frankly, and admittedly, they are subsidies. It is my hope that when this amendment fails, as it inevitably has to fail, that the Appropriations Committee will go forward with whatever plan exists, in conformance with direction from the Committee on Post Office and Civil Service, to phase out subsidies.

Quite clearly we are spending the taxpayer's money on subsidies which may be deserving but are very hard to justify at the time of a $200 billion deficit. I do separate the real charities, the blind and the handicapped. I do not advocate reduction in postal subsidies for them.

I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Hampshire, Mr. GREGG.

The amendment was rejected.

Mr. WYDEN. Mr. Chairman, I ask unanimous consent to return very, very briefly to title I.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. MILLER of Ohio. Mr. Chairman, reserving the right to object and I do not intend to object, I wanted to make sure why we would revert back. It it just for the purpose of the one amendment of the gentleman from Oregon?

□ 1610

Mr. WYDEN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Ohio. I yield to the gentleman from Oregon.

Mr. WYDEN. The gentleman is absolutely right.

Mr. MILLER of Ohio. One amendment.

Mr. FRENZEL. Mr. Chairman, reserving the right to object, I do so until I know what the amendment contemplated is.

Mr. WYDEN. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Oregon.

Mr. WYDEN. I thank the gentleman for yielding.

Mr. Chairman, this is a very brief and noncontroversial amendment that I have gone over with the ranking majority member as well as the ranking minority member.

My amendment deals with the 70 offices of the Customs Service that have full-service duty assessment and appraisement divisions. The Customs Service is considering plans to eliminate the appraisement functions at as many as 30 of these 70 offices.

My amendment would bar the downgrading of the duty assessment and appraisement functions at these offices.

Mr. Chairman, I do not feel that the Congress should be stepping in and managing agencies. My amendment does not write any blanket prohibitions. It deals only with one very small aspect of the Customs Service. The ranking majority member and ranking minority member both have discussed this with me at some length.

Mr. FRENZEL. Mr. Chairman, further reserving the right to object, I regret to tell the gentleman that it will be my intention to object to such an amendment. Not only is it out of order now because we have passed the section, but when it is raised, it is, of course, subject to another point of order, which I would intend to raise.

Therefore, Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

PARLIAMENTARY INQUIRY

Mr. KAZEN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. KAZEN. Mr. Chairman, I intend to have a colloquy with the distinguished chairman of the subcommittee on a matter that was contained in title I. I do not have an amendment to offer. I just want to clarify some of the language in the report.

Do I have to ask unanimous consent to go back to title I or am I privileged under my privilege to strike the last word? May I enter into that colloquy without asking for unanimous consent?

The CHAIRMAN. The Chair will advise the gentleman he may move to strike the last word and then ask unanimous consent to speak out of order if challenged.

(By unanimous consent, Mr. KAZEN was allowed to speak out of order.)

Mr. KAZEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would appreciate it if the gentleman from California would clarify some of the language in the report for me at the bottom of page 11 and the top of page 12 where the committee has restored $52,600,000 and 2,000 positions that the administration proposed to eliminate in the customs personnel for 1984.

The chairman will recall that last year this gentleman from Texas offered an amendment on the floor which appropriated $5 million for some additional personnel earmarked for the border, the Mexican border. That bill passed, the amendment passed with it. However, Mr. Chairman, the customs people did not put any permanent employees on.

My understanding is that the employees that they hired pursuant to that provision were given temporary status and I am afraid, Mr. Chairman, that once that money has given out, they will not rehire those people.

I am encouraged though by the fact that the committee has added an additional $25 million to fund an additional 650 positions and that priority in the allocation of these additional personnel and funds shall go to law enforcement activities or personnel dealing in law enforcement.

Is it the chairman's understanding that customs inspectors on international bridges are classified as law enforcement officers?

Mr. ROYBAL. Mr. Chairman, will the gentleman yield?

Mr. KAZEN. I yield to the gentleman from California.

Mr. ROYBAL. I thank the gentleman for yielding.

I would like to give the gentleman just a brief background of what took place with regard to Customs. They recommended to the committee that there be a reduction of 1,776 employees. In fact, when we looked at the matter it was closer to 2,000 than 1,776.

The committee restored and disagreed with Customs, restoring the 1,776 that were going to be RIF'd or fired. Those individuals, in the opinion of the committee, were men and women who were to be serving as law enforcement officers, many of them placed at the border and other points of entry. These men and women who serve in that capacity are in fact law enforcement officers. Those who serve at the border are classified as such.

It is the intention of the committee that Customs abide by the mandate or recommendation of the committee and place back those individuals that they had intended to RIF, but to also add an additional 650 employees that would be used in law enforcement category.

Mr. KAZEN. I am glad that the chairman has clarified this position because I know that he is aware of our situation along the border with Mexico. The tremendous devaluation of the Mexican currency has caused an influx of American people into Mexico and therefore an additional burden on our border stations for people coming back into the country. We must have this additional personnel to keep those bridges open and, at the same time, to be vigilant against the introduction of contraband, be it commercial, illicit drugs, or what have you, and this gentleman's concern is that we may not have enough customs inspectors to continue the orderly flow of persons and goods into and out of the United States.

I am hoping that the people downtown, that the Customs Service, will heed the request of the committee that they hire additional personnel to make sure that we are not shorthanded at any of the ports of entry of this country.

Mr. ROYBAL. I would like to add to my comment that the passage of this bill will definitely be a mandate that Customs place these individuals in law enforcement positions. Not all of customs personnel are law enforcement, but as I am as interested as the gentleman from Texas in the situation at the border and other points of entry.

The CHAIRMAN. The time of the gentleman from Texas (Mr. KAZEN) has expired.

(By unanimous consent, Mr. KAZEN was allowed to proceed for 1 additional minute.)

Mr. ROYBAL. We will do everything we possibly can to see to it that we have sufficient oversight capability over the Bureau of Customs and see to it that the job mandated by the Congress of the United States is done.

Mr. KAZEN. I want to thank the gentleman from California for his understanding, for his sympathy, and also for his tenaciousness in seeing to it that the mandates of the committee are carried out.

I just hope that I will not have to be standing here on another occasion addressing the gentleman from California requesting the additional personnel that the Customs Service did not give us. I hope that this does not occur and that they do abide by the direction of the committee. I thank the gentleman.

The CHAIRMAN. The Clerk will read.

The Clerk proceeded to read title III of the bill.

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. JACOBS. Mr. Chairman, reserving the right to object, could the gentleman tell me what page is title III?

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I thank the gentleman for yielding.

Title III begins on line 18 on page 11 and goes to page 15, line 13, and the title will be open for amendment at any point.

□ 1620

Mr. JACOBS. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. Are there any points of order to the remainder of title III?

Are there any amendments to the remainder of title III?

If not, the Clerk will read.

The Clerk proceeded to read title IV of the bill.

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that title IV be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. JACOBS. Mr. Chairman, reserving the right to object, I will ask the gentleman from Massachusetts the same question: What page does that take us up to?

Mr. CONTE. Mr. Chairman, it begins on page 15, at line 13, and it ends on page 33, line 17.

Mr. JACOBS. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. Are there any points of order against title IV?

POINT OF ORDER

Mr. YOUNG of Missouri. Mr. Chairman, I rise to make a point of order against four provisions found in title IV in which the paragraph is entitled "General Services Administration, Federal Buildings Fund, Limitations on Availability of Revenue."

The CHAIRMAN. The gentleman from Missouri (Mr. YOUNG) is recognized on his point of order.

The portion of the bill to which the point of order relates is as follows:

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

The revenues and collections deposited into the fund pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f), shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased building; rental of buildings in the District of Columbia; restoration of leased premises; moving Government agencies (including space adjustments) in connection with the assignment, allocation and transfer of space; contractual services incident to cleaning or servicing buildings and moving; repair and alteration of federally owned buildings, including grounds, approaches and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, taxes, and any other obligations for public buildings acquired by purchase contract, in the aggregate amount of $2,023,143,000 of which (1) not to exceed $132,510,000 shall remain available until expended for construction of additional projects as authorized by law at locations and at maximum construction improvement costs (including funds for sites and expenses) as follows:

New Construction:

California: Los Angeles, Warehouse, Demolition $599,000.

Massachusetts: Waltham, Federal Archives and Records Center extension, $1,621,000.

Oregon: Portland, Bonneville Power Administration Federal Building, $67,475,000.

Tennessee: Knoxville, Federal Building, $14,990,000.

Washington: Seattle, Federal Archives and Records Center Extension, $3,525,000.

Construction Projects, less than $500,000, $1,000,000 Purchase:

Acquisition and Improvements of United States Postal Service Properties, $23,300,000.

Other Selected Purchases including options to purchase, $20,000,000:

Provided, That the immediately foregoing limits of costs may be exceeded to the extent that savings are effected in other such projects, but by not to exceed 10 per centum: *Provided further*, That all funds for direct construction projects shall expire on September 30, 1985, and remain in the Federal Buildings Fund except funds for projects as to which funds have been obligated in whole or in part prior to such date: *Provided further*, That claims against the Government of less than $10,000 arising from direct construction projects, acquisitions of buildings and purchase contract projects pursuant to Public Law 92-313, be liquidated with prior notification of the Committees on Appropriations of the House and Senate to the extent savings are affected in other such projects; (2) not to exceed $74,662,000, which shall remain available until expended, for repairs and alterations: *Provided further*, That funds in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the amount by project as follows, except each project may be increased by an amount not to exceed 10 per centum unless advance approval is obtained from the Committees on Appropriations of the House and Senate for a greater amount:

Arkansas: Little Rock, Post Office, Courthouse, $4,269,000.

District of Columbia: Liberty Loan Building, $2,757,000; Steam Distribution System, $886,000.

Louisiana: New Orleans, F. Edward Hebert Federal Building, $611,000.

Maryland: Middle River, Federal Depot, $1,892,000; Suitland, Naval Intelligence Command, Building No. 1, $643,000.

Michigan: Detroit, Federal Building, Courthouse, $4,957,000.

New York: New York, Federal Office Building, 252 Seventh Avenue, $579,000.

Ohio: Cincinnati, Post Office, Courthouse, $1,138,000.

Pennsylvania: Pittsburgh, Post Office, $8,974,000.

Utah: Ogden, Internal Revenue Service, $3,036,000.

Washington: Yakima, William O. Douglas Federal Building, Courthouse, $1,025,000:

Provided further, That additional projects for which prospectuses have been fully approved may be funded under this category only if advance approval is obtained from the Committees on Appropriations of the House and Senate: *Provided further*, That all funds for repairs and alterations prospectus projects shall expire on September 30, 1985, and remain in the Federal Buildings Fund except funds for projects as to which funds have been obligated in whole or in part prior to such date; (3) not to exceed $145,500,000 for payment on purchase contracts entered into prior to July 1, 1975; (4) not to exceed $880,500,000 for rental of space; (5) not to exceed $686,500,000 for real property operations; and (6) not to exceed $103,471,000 for program direction and centralized services: *Provided*, That for the purposes of this authorization, buildings constructed pursuant to the Public Buildings Purchase Contract Act of 1954 (40 U.S.C. 356), the Public Buildings Amendments of 1972 (40 U.S.C. 490), and buildings under the control of another department or agency where alterations of such buildings are required in connection with the moving of such other department or agency from buildings then, or thereafter to be, under the control of General Services Administration shall be considered to be federally owned buildings: *Provided further*, That none of the funds available to the General Services Administration shall be available for expenses in connection with any construction, repair, alteration, and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, as amended, has not been approved, except that necessary funds may be expended for each project for required expenses in connection with the development of a proposed prospectus: *Provided further*, That amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)(6)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056 as amended, shall be available from such revenues and collections: *Provided further*, That revenues and collections and any other sums accruing to this fund during fiscal year 1984, excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)) in excess of $2,023,143,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriation Acts.

Mr. YOUNG of Missouri. Mr. Chairman, specifically, on page 18, lines 13 through 17 of the bill, H.R. 3191, under consideration, there appears an appropriation in the amount of $67,475,000 for the construction of the Bonneville Power Administration Federal Building in Portland, Oreg., and $14,990,000 for the construction of a Federal building in Knoxville, Tenn.

In addition, on page 20, lines 18 and 19, there appears an appropriation in the amount of $579,000 for renovation of the Federal Office Building at 252 Seventh Avenue in New York, N.Y.; as well as on page 20, lines 23 and 24, there appears an appropriation in the amount of $8,974,000 for the repair and alteration of the post office in Pittsburgh, Pa.

These four appropriations appear to be in violation of rule XXI, clause 2, of the rules of the House of Representatives, which state:

No appropriation shall be reported in any general appropriation bill, or be in order as an amendment thereto, for any expenditure not previously authorized by law, unless in continuation of appropriations for such public works and objects as are already in progress.

Mr. Chairman, section 7(a) of the Public Buildings Act of 1959, as amended, 40 U.S.C. 606, states:

In order to insure the equitable distribution of public buildings throughout the United States with due regard for the comparative urgency of need for such buildings, except as provided in Section 4, no appropriation shall be made to construct, alter, purchase, or to acquire any building to be used as a public building which involves a total expenditure in excess of $500,000 if such construction, alteration, purchase, or acquisition has not been approved by resolu-

tions adopted by the Committee on Public Works of the Senate and House of Representatives, respectively.

Mr. Chairman, the law is clear that prior to the appropriation of funds for the construction or alteration of a public building which cost shall exceed $500,000, a resolution must be reported by your House Committee on Public Works and Transportation approving such authorization. This action has not occurred to date.

The CHAIRMAN. Does the gentleman from California (Mr. ROYBAL) desire to be heard on the point of order?

Mr. ROYBAL. I do, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from California.

Mr. ROYBAL. Mr. Chairman, may I take the time to ask the gentleman some questions?

It is my understanding that the prospectuses for the construction that is in the bill have not been approved; is that correct?

Mr. YOUNG of Missouri. Mr. Chairman, they have not been approved by our subcommittee nor by the full committee.

Mr. ROYBAL. Since they have not been approved by any of the committees, I will concede the point of order, Mr. Chairman.

Mr. YOUNG of Missouri. Mr. Chairman, I thank the gentleman, and I appreciate his remarks.

The CHAIRMAN. The point of order is conceded and sustained.

Are there any amendments to title IV?

AMENDMENT OFFERED BY MR. JACOBS

Mr. JACOBS. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), and Public Law 95-138, $1,171,000: *Provided*, That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of such Acts.

The Clerk read as follows:

Amendment offered by Mr. JACOBS: page 27, line 22, strike out "$1,171,000" and insert in lieu thereof "$260,300".

(By unanimous consent, Mr. JACOBS was allowed to proceed for 5 additional minutes.)

Mr. JACOBS. Mr. Chairman, I offer this amendment because I believe the taxpayers are entitled to have it on the record, to see what the will of the committee is and also what ultimately the will of the House of Representatives is with respect to this item. It involves former Presidents of the United States, of whom there are three at present. Each of these former Presidents, by law, is given about $80,000 as a pension, regardless of whether he is retired or not, and "not" fits the slot. None of these Presidents is retired. Each of them, I believe, has earned income. So they have $80,000 in pension and they do not have to retire to get it. That is untrue of almost every other American citizen who retires under social security and must meet a retirement test; they must in fact be retired.

Beyond that, the former Presidents are given Secret Service protection. Historians tell us that in the entire history of the United States, one former President met violence, and that was when he in fact decided to run for President again—Teddy Roosevelt. With that exception, I can find no record of any former President ever being attacked physically. Nonetheless, this amendment leaves in place their $80,000 pensions, it leaves in place their Secret Service protection, but all the rest of the freebies and emoluments would go out in consequence of this amendment.

Now, roughly, that means about $910,000 is provided for offices and for staffs and for plant watering services and for magazines and a whole cornucopia of freebies that other private citizens, especially private citizens who never had the privilege of serving in the Presidency, do not have available to them at Government expense.

Historians tell us that President Grant, after he left office, in a pitifully horrible condition physically, wrote his memoirs with arthritic fingers and died, I believe, before they were finished.

Harry Truman left office in 1953, and there was no pension for a President in those days. The President even drove his old Chrysler once from Independence, Mo., over to Washington, D.C., for a meeting. I believe he was stopped for speeding on the Pennsylvania Turnpike. He was a private citizen. And Jefferson said it. When he left office, he said: "I go forth to accept a promotion from servant to master."

In our scheme of things, there is nothing terribly special about a private citizen who was once given the privilege of being a public servant except as that private citizen, while serving in public office, earned the respect—not the tax dollars, but the respect—of his or her fellow citizens.

Now, this quarter of a million dollars, or so, that each of these former Presidents is given for just about whatever expenses the GSA decides are appropriate to their care and maintenance, each of these former Presidents can make requests, and sometimes the GSA turns them down on their requests, especially lately, with all of the publicity about it and with the shower of mail coming from taxpayers all over the country, demanding an end to this outrage.

Now, enough is enough.

President Grant was not treated quite right, in my judgment, in his retirement. There was no retirement pension at all. But it seems that when the correction was made in the late 1950's, it started an escalation of expenditures which have cascaded now—that is kind of a mixed metaphor; I was going up for a minute, and now I am going down—it started an increase in expenditures which, as I say, culminates now in about $250,000 apiece, maybe not to buy bubble gum, but to buy almost everything but, if in the opinion of GSA it is justified.

□ 1630

Now, who runs the GSA? Who is in charge of the GSA? You guessed it; the President. What is the President going to be one of these days? Probably an ex-President, sooner from the point of view of this side of the aisle, or later from that view of that side of the aisle.

But here is the President, Mr. Reagan, as I understand it, I read in the paper he is the most frugal President in the history of the United States. Why is he recommending $250,000 in freebies for these private citizens who once served as President of the United States? Would he object if we deleted it now that it has been called to his attention?

What does a former President get on the hoof these days for making a talk somewhere? The newspapers tell us they get somewhere between $15,000 and $20,000 a speech. Now, with all due respect to our former Presidents, and without naming them by name, I am not sure that any one of them would get $15,000 or $20,000, the price of a new Cadillac, for a speech had he not been given the privilege of serving as President. So why do they get that kind of money for going out and making a talk someplace? Obviously, because they can serve as ornaments for some organization that wants to put on the dog a little bit and have a former President walk in there.

Well, that is fine. They make all that money. But do the taxpayers have to pay the overhead for the booking offices, that is, the staffs in the offices that take the phone calls and schedule and arrange where they are going to go and pick up this $15,000 or $20,000?

My answer to that is no. I hope this committee's answer to that is no, as well. I do not have anything else to say about it. I think the magazines have said enough about it. I think the newspapers have said enough about it. If we believe these private citizens are entitled to that kind of leeching on the taxpayers, these private citizens who used to be Presidents who lectured the Congress about wasting money, all right. If we do not, I hope

my colleagues will support the amendment.

Mr. ROYBAL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, may I first say that the arguments made by the gentleman from Indiana are most persuasive. They make a lot of sense. But it seems to me that this is not the place to remedy a bad situation if, indeed, it is a bad situation.

The truth of the matter is that this appropriation is clearly authorized by law in title III, United States Code, section 102. We have included funds for former Presidents in this bill for years. It has been the general policy of Congress to do so, and we have held down increases in the appropriation to allow for only inflation.

We have also inserted language, as the gentleman from Indiana has indicated, that GSA continue to carefully monitor expenditures made under this account and to disallow all expenditures which are not consistent with the purpose of the appropriation. I seem to have a little bit more confidence in what GSA does than perhaps most because we deal directly with that Department. I think that the Department can and is doing a good job in this regard.

If there are any changes to be made in allowing these funds to exist as they now do, I think that the entire matter should be subject to long hearings in which the entire subject matter is discussed and then debated by an authorizing committee that can recommend to Congress the proper authorization and the proper procedure to take. In the absence of that, Mr. Chairman, I have no recourse but to disagree with the gentleman from Indiana and oppose the amendment at this time and ask that perhaps it would be a good idea if this subject matter were pursued at the proper level. I would like to be present at such a discussion. I would like to hear the reasons why, for example, there is x amount of dollars, perhaps excessive, in telephone calls. There perhaps may be some items that can be corrected, but I would like to know the reason why, and it seems to me that an authorizing committee can perform that function and bring the proper recommendation that can be followed by the Committee on Appropriations.

Mr. JACOBS. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Indiana.

Mr. JACOBS. I thank my admired colleague for yielding.

Mr. Chairman, first of all I point out to the Chairman that the GSA that has been so scrupulous in its monitoring of these expenditures did allow an item to pay for somebody to water plants for one of the former Presidents, and that is only one example. There are a lot of silly things. Nothing has been terribly reformed there.

The second point I would make to my colleague is that it is that old story: "You cannot get there from here." Everybody knows that if you just file a bill to do something about that, it gets lost in the shuffle.

It is not very complicated. The question is whether these people who are private citizens who have no obligation to the Government whatsoever, whether the taxpayers are going to have to continue to put up a quarter of a million dollars apiece each year to let them have these staffs and these personal expenses in many cases, and the American people understand it if nobody else does, because I have not seen any mail around here yet that encourages it. All the mail I have seen says, "Cut it out. Enough is enough."

Mr. CONTE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise very reluctantly to oppose my good friend, the gentleman from Indiana, and I say that sincerely. He is my good friend.

The gentleman has the ability to go at the jugular vein when there are some weaknesses. I have had to do this time and time again, to get up and defend this particular item in the budget.

I agree with the gentleman for California that this is not the proper place. There is a law out there that sets down the rules, that sets down the perimeters of what we can spend for these ex-Presidents, and then we in the Committee on Appropriations appropriate the funds.

If anyone who is concerned and I believe there are many who have concern, they should file a bill and they should have hearings before the proper committee and discuss this matter. This is not the first time that we have had this debate; we have had it many, many times. But it goes even further than Presidents. There is a fund for former Speakers of the House of Representatives. They have an office and they have secretaries, they have mailing privileges, and they have a lot of these perks that we are debating here now, and maybe rightfully so within certain limits.

The gentleman from Indiana speaks of a former President. When John Adams left the Presidency he went back to Quincy and he lived in a clapboard, wooden house, a cold house up there in Quincy, and then came back and ran for Congress and became a Member of this body. Certainly there are no kings who leave the White House.

I could not agree with him more, but I do not feel this is the proper place to do this. We have set up the rules, we have set up the laws, we have set up the perimeters, and now to yank the rug at this juncture I think is wrong.

Mr. Chairman, I hope that this amendment will be defeated.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend, the gentleman from Indiana.

Mr. MYERS. I thank the gentleman for yielding.

Mr. Chairman, I can recall back several years ago when I served on this committee that it always disturbed me about some of the spending that goes on within this account, but we always had extensive hearings and I am sure this subcommittee had extensive hearings this year.

What my friend, the gentleman from Indiana, cites here as magazine articles I think is referring to some of the articles citing extravagance by the former Presidents in buying very, very expensive desks, rental, and so forth.

Did the committee find any evidence that there is extravagance in this respect, and if so, I think we in the Congress should put a foot on this and stop some of this extravagance. But I do not think my friend, the gentleman from Indiana, wants to suggest that we not provide protection to our former Presidents and afford them a simple office to answer the mail that they obviously do receive. I know my friend is not unreasonable in this respect.

Mr. JACOBS. Mr. Chairman, will the gentleman from Massachusetts yield?

Mr. CONTE. I yield to the gentleman from Indiana.

Mr. JACOBS. I thank the gentleman for yielding.

Mr. Chairman, the gentleman is exactly half right. This amendment would have no effect on the Secret Service.

□ 1640

No, I do not think they ought to be given an office unless they are also given a job to do for the taxpayers.

Mr. MYERS. Mr. Chairman, if the gentleman will continue to yield, let me say this.

Mr. CONTE. I yield to the gentleman from Indiana.

Mr. MYERS. Mr. Chairman, I have never been a former President, and never expect to be, but someday I may be a former Congressman, and as former Congressmen, we will have to answer our own mail for ourselves. But the volume of mail that a former President must receive would be considerably more than what we will receive. There would be more demand.

One thing I do think is this: I do not know what happens about the Secret Service travel when a former President does make one of these speeches that my friend, the gentleman from Indiana, cited, a $20,000 speech. Do the taxpayers have to pay for the

Secret Service that travels around with him?

I would think that the former President who gets paid for this should pay out of his own funds that he receives the expense for protective services. What is the practice now?

Mr. ROYBAL. Mr. Chairman, if the gentleman will yield, the answer to the question is yes. Under the law the Secret Service is assigned to the President at all times. Regardless of where the ex-President has to go, the Secret Service is with him on a 24-hour basis. So the answer to that is, yes, the taxpayers do pay for the services provided by the Secret Service of the United States.

Mr. MYERS. Mr. Chairman, if my friend, the gentleman from Massachusetts, will continue to yield, that is statutory now, and I think that needs to be changed, but we cannot change it here in this appropriations bill.

I do trust that our subcommittee is holding the spending down, and the gentleman from Indiana (Mr. JACOBS) does a very good service to the taxpayers of the United States in bringing this matter to our attention.

Mr. DORGAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman from Indiana (Mr. JACOBS) has raised this issue in previous sessions, and I was a cosponsor of his measure in the last session of Congress. I think he raises an important point.

Now, first of all, it is difficult, I think, for anyone to get up and suggest that we should not treat our ex-Presidents properly. Certainly they should have adequate security protection. Most certainly we should not be less than reasonably generous, and we should not be uncaring about what kind of lives they lead when they leave the Presidency.

But the problem is that these burrs under the American saddle out there are real. The fact that an ex-President goes someplace to give a speech and gets paid $15,000 for it and puts it in his own bank account while the taxpayers have to pay a contingent of 17 to 18 Secret Service people, costing the taxpayers $16,000 to make the trip, raises some important questions.

I get a lot of mail about this issue. I suspect a part of it is because the gentleman from Indiana has had some national publicity on his legislation over the last several years, and the American people are beginning to discover what we are paying for it. When we pay $1 million for moving expenses when the President or Vice President vacates a city, maybe we ought to question that, $1 million is a lot of money and maybe we ought to talk about that.

We spend $14 million for the annual upkeep of Presidential libraries. I support Presidential libraries. But we add all these things together and we come up with a picture of a tremendous security nest for ex-Presidents.

This country shed itself of royalty a couple of hundred years ago, and we do not have any royalty left. We have ex-Presidents, and we have every obligation to treat them with respect and with reasonable generosity. But I think the gentleman from Indiana has raised some very legitimate questions about the emoluments and the benefits that are received by ex-Presidents, and I think that this ought to be the subject of either a successful amendment here or in some future in-depth committee hearings.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. DORGAN. I am happy to yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, as I said and as I repeat, I think there is a need for changes. There is a need for change, but this is not the place to do it. I think we ought to go before the authorizing committee.

First of all, on the question of the moving expense, I do not know which President or ex-President, I should say, charged the Government $1 million to move, but I would certainly feel that his moving expenses should be taken care of. If changes were to be made, I do not want him to have to go down to the U-Haul place and rent a car or a U-Haul trailer and attach it on. He is liable to hurt himself. I would just as soon let him go out and get a moving truck and let someone else do it.

But there are other abuses. Take these Presidential candidates. We have a baseball team running out there on the Democratic side; you have nine of them, I believe. Every one of them is entitled to Secret Service protection. Who the heck wants to hurt one of those guys? Most of them they do not even know.

Mr. DORGAN. Mr. Chairman, if I might reclaim my time, I think that is off the subject.

Mr. CONTE. Yes, but that should be corrected also. That costs a lot of money.

Mr. DORGAN. Mr. Chairman, I am certainly willing to correct what needs to be corrected here in the House of Representatives.

My problem is, as the gentleman suggests, that there is another time and another place and another way to make this correction. If that is so, why do we not do it? This amendment that the gentleman from Indiana (Mr. JACOBS) has proposed is not being discussed for the first time. We have had "Dear Colleagues" on it, and we have had letters from our constituents. Let us take care of these problems.

The fact is that it is an irritant to the people of this country to see this. We suggest that someone is going to exercise reasonable caution on the kinds of bills and invoices they approve on behalf of these ex-Presidents. But when we see the stories on the actual charges that have been made to the public Treasury, the American taxpayers do not like it.

Let me point out again that the accompaniment of a son or daughter of an ex-President with 19 Secret Service people who fly to the British Isles for a vacation seems to be a cost that is excessive. We see these stories over and over again. I am just saying that we have the capacity to do something about it.

The gentleman from Massachusetts has a reputation on the floor of this House for attacking boondoggles. In fact, he has almost coined the word, "boondoggle." When we are spending excess money that we should not spend in expenses and emoluments to ex-Presidents, let us call it a boondoggle, and let us have the gentleman and I join together and see if we can save the taxpayers a few dollars. Let us not be cheap about it. Let us just be reasonable. We have a $209 billion Federal deficit, and I am just saying, let us take care of the problem. Let us not keep saying that there is another time and another place and another way.

The CHAIRMAN. The time of the gentleman from North Dakota (Mr. DORGAN) has expired.

(On request of Mr. MYERS and by unanimous consent, Mr. DORGAN was allowed to proceed for 2 additional minutes.)

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. DORGAN. I yield to the gentleman from Indiana.

Mr. MYERS. Mr. Chairman, I think the gentleman from North Dakota certainly cites something that needs to be done but in a different way. I think he would agree that this accomplishes something because at least we have identified something that needs to have special attention.

Here is something that concerns me. I remember when I first went on this committee, we just had a widow of a former President remarry an extremely rich man of the world. Yet we were appropriating funds to take care of those children. My first inclination was to vote against that because this rich family that married into another rich family could well afford it.

However, those children had not been asked to come into the world, or to be born to a former President, or to a President who then was a former President.

I think we have to do certain things. That is the price we pay for having a system where we do replace Presidents frequently, some say in a too frequent fashion.

Mr. Chairman, I quite agree with the gentleman. I think there is extravagance here and there always has

been. I think we need to turn it down. I think we need to start making some turndowns. I think we need to exercise some frugality here.

But possibly this is not the right vehicle, and I think we should all join our friend, the gentleman from Indiana, on getting a commission to make a study of this and find out what is reasonable and what is not reasonable for the taxpayers to pick up for our former Presidents. Again it is the price that we pay in our society. I think this is not a proper time to do it, but let us make it a point to make sure that there is a proper time in the future.

Mr. Chairman, I thank the gentleman for yielding.

Mr. JACOBS. Mr. Chairman, will the gentleman yield?

Mr. DORGAN. I yield to the gentleman from Indiana.

Mr. JACOBS. Mr. Chairman, I think the American taxpayers would agree with me that it is not reasonable to pay a commission to go out and study what we already know, and that is that these fellows are getting $80,000 a year, a genteel, sufficient amount to live on for most people, plus all the Secret Service protection. So let us take care of the commission's work right now and save the taxpayers another $200,000 or $300,000.

Mr. DORGAN. Mr. Chairman, I think the point to make here is that we do not want to be less than reasonably generous.

I am just saying that if the GSA is not making reasonable decisions, maybe we ought to give them some guidelines in the statutes.

The CHAIRMAN. The time of the gentleman from North Dakota, Mr. DORGAN, has expired.

Mr. MOLINARI. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, we are talking about three ex-Presidents of the country, people who have served the country, people who have a wealth of knowledge, and people who, we could reasonably expect, after termination of their service, would be asked time and time again to render service, to give advice, and to answer correspondence. It seems to me that that is a rich resource that we should recognize and respect. Although they may be ex-Presidents, they still have a tradition of continuing to serve their country when called upon and we should appropriate reasonable funds for them to do so.

Now, because they receive a pension of $80,000 a year, are we saying that their $80,000 pension should be used to rent offices and hire secretaries so that they can answer correspondence that is addressed to them as ex-Presidents? Are we giving them this money so they can put a telephone in their offices and so they can hire secretaries? I think that is unreasonable and unrealistic. This amendment may look good in press releases but I really do not believe the public will be fooled.

□ 1650

I shared space in a building with an ex-President and I know the number of calls that were made upon that man on a daily basis. I think we are playing with nickels and dimes here in not recognizing that, indeed, the country needs their input and we can reasonably expect that the taxpayers should pay that sum of money.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. JACOBS).

The question was taken; and the chairman announced that the noes appeared to have it.

Mr. JACOBS. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

□ 1700

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Indiana (Mr. JACOBS) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 244, noes 169, not voting 19, as follows:

[Roll No. 177]

AYES—244

Albosta	Bosco	Crane, Daniel
Anderson	Boucher	Crane, Philip
Andrews (NC)	Boxer	Crockett
Andrews (TX)	Britt	D'Amours
Anthony	Brown (CO)	Dannemeyer
Applegate	Bryant	Daschle
Archer	Burton	Daub
Aspin	Byron	Davis
AuCoin	Carper	Dellums
Bartlett	Carr	Derrick
Bates	Chappie	Dickinson
Bedell	Clarke	Dicks
Bennett	Clay	Dingell
Bereuter	Coats	Donnelly
Berman	Coelho	Dorgan
Bethune	Coleman (TX)	Dowdy
Bevill	Collins	Dreier
Billrakis	Conable	Duncan
Bliley	Cooper	Durbin
Bonker	Corcoran	Dymally
Borski	Craig	Dyson
Eckart	Levine	Savage
Edgar	Lloyd	Schaefer
Edwards (OK)	Long (LA)	Scheuer
Emerson	Lowry (WA)	Schneider
English	Lujan	Schroeder
Erdreich	Mack	Seiberling
Evans (IA)	MacKay	Sensenbrenner
Evans (IL)	Markey	Shannon
Feighan	Marriott	Sharp
Fields	Martin (IL)	Shelby
Flippo	Martin (NY)	Shumway
Foglietta	Matsui	Shuster
Fowler	Mavroules	Sikorski
Frank	McCandless	Siljander
Fuqua	McCloskey	Sisisky
Gaydos	McCollum	Skelton
Gekas	McCurdy	Slattery
Gephardt	McDonald	Smith (FL)
Gibbons	McEwen	Smith (NE)
Gingrich	McGrath	Smith (NJ)
Glickman	McNulty	Smith, Denny
Gramm	Mica	Smith, Robert
Gregg	Mikulski	Snyder
Guarini	Miller (CA)	Solomon
Hall (OH)	Mitchell	Staggers
Hall, Ralph	Mollohan	Stangeland
Hall, Sam	Montgomery	Stenholm
Hamilton	Moody	Stokes
Hammerschmidt	Moorhead	Stratton
Hance	Morrison (CT)	Studds
Hansen (ID)	Mrazek	Stump
Hansen (UT)	Murphy	Synar
Hartnett	Neal	Tallon
Hawkins	Nichols	Tauzin
Hefner	Nielson	Torricelli
Hightower	Nowak	Towns
Hiler	O'Brien	Traxler
Hillis	Oakar	Udall
Hopkins	Obey	Valentine
Horton	Ottinger	Vento
Huckaby	Packard	Volkmer
Hughes	Panetta	Walker
Hutto	Patman	Watkins
Ireland	Patterson	Weaver
Jacobs	Paul	Weber
Jenkins	Pease	Whitehurst
Jones (NC)	Penny	Whitley
Jones (TN)	Petri	Whittaker
Kaptur	Price	Williams (MT)
Kasich	Pursell	Williams (OH)
Kazen	Rahall	Winn
Kennelly	Ratchford	Wirth
Kildee	Reid	Wise
Kogovsek	Richardson	Wolpe
Kramer	Rinaldo	Wortley
Leach	Ritter	Wyden
Leath	Roberts	Yates
Lehman (CA)	Roemer	Yatron
Lehman (FL)	Rose	Zschau
Leland	Roth	
Levin	Rudd	

NOES—169

Ackerman	Dwyer	Howard
Addabbo	Early	Hoyer
Akaka	Edwards (AL)	Hunter
Alexander	Edwards (CA)	Hyde
Annunzio	Erlenborn	Jeffords
Barnard	Fascell	Johnson
Barnes	Fazio	Jones (OK)
Bateman	Ferraro	Kastenmeier
Biaggi	Fiedler	Kemp
Boehlert	Fish	Kindness
Boggs	Florio	Kostmayer
Boland	Foley	LaFalce
Boner	Ford (MI)	Lagomarsino
Bonior	Ford (TN)	Lantos
Breaux	Forsythe	Latta
Brooks	Franklin	Lent
Broomfield	Frenzel	Levitas
Brown (CA)	Frost	Lewis (FL)
Broyhill	Garcia	Lipinski
Campbell	Gejdenson	Livingston
Chandler	Gilman	Loeffler
Chappell	Gonzalez	Long (MD)
Cheney	Gore	Lott
Clinger	Gradison	Lowery (CA)
Coleman (MO)	Gray	Luken
Conte	Green	Lundine
Coughlin	Gunderson	Lungren
Courter	Hall (IN)	Madigan
Coyne	Harrison	Marlenee
Daniel	Hatcher	Martin (NC)
DeWine	Hertel	Mazzoli
Downey	Holt	McCain

McDade	Pritchard	Spence
McHugh	Quillen	Spratt
McKernan	Rangel	St Germain
McKinney	Ray	Sundquist
Michel	Regula	Tauke
Miller (OH)	Ridge	Taylor
Mineta	Robinson	Thomas (CA)
Minish	Rodino	Thomas (GA)
Moakley	Roe	Torres
Molinari	Rogers	Vander Jagt
Moore	Rostenkowski	Vandergriff
Morrison (WA)	Roukema	Vucanovich
Murtha	Rowland	Waxman
Myers	Roybal	Weiss
Natcher	Russo	Wheat
Nelson	Sabo	Whitten
Oberstar	Sawyer	Wolf
Olin	Schulze	Wright
Ortiz	Schumer	Wylie
Oxley	Shaw	Young (AK)
Pashayan	Simon	Young (FL)
Pepper	Skeen	Young (MO)
Perkins	Smith (IA)	Zablocki
Pickle	Snowe	
Porter	Solarz	

NOT VOTING—19

Badham	Harkin	Parris
Bellenson	Heftel	Stark
Carney	Hubbard	Swift
Conyers	Kolter	Walgren
de la Garza	Lewis (CA)	Wilson
Dixon	Martinez	
Goodling	Owens	

□ 1720

Mr. LONG of Maryland changed his vote from "aye" to "no."

Messrs. WHITLEY, BEDELL, DUNCAN, MARRIOTT, RUDD, and PACKARD, Mrs. COLLINS, and Mr. HAMMERSCHMIDT changed their votes from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. FRENZEL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, on page 16, lines 18 through 22 is an appropriation for the Federal Election Commission. It has not been authorized yet. However, because the Appropriations Committee has done a good job on that particular item, appropriating about what the Commission asked for and slightly less than the House authorizing committee and the House voted for, it is not necessary to make a point of order.

However, I must admit to having great temptation to do so because of actions of the Federal Election Commission in their auditing procedures. In recent hearings the Commission refused to divulge to its oversight committee the thresholds which would govern its audit of committees under its purview. It has recently begun audits of a number of committees, including those of a number of candidates and of some seated Members of this House. The problem is that the audits seem to go well beyond what is necessary in the auditor's call for information and documentation.

The Federal Election Commission has not been responsive to complaints in this regard.

For the time being, I think we should let the appropriation go forward, but it is quite apparent that at least in the FEC's Auditing Division, there seems to be more money than is needed. The Commission is apparently able to engage in frivolities. I will be following up the Commission and its work and will be reporting on this at a later time.

The CHAIRMAN. Are there additional amendments to title IV? If not, the Clerk will read.

The Clerk proceeded to read title V of the bill.

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that title V be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. Are there any points of order to title V?

□ 1730

POINTS OF ORDER

Mr. GIBBONS. Mr. Chairman, I make a point of order against section 507 on page 36 of the bill.

The portion of the bill to which the point of order relates is as follows:

SEC. 507. No part of any appropriation contained in this Act shall be available for the procurement of, or for the payment of, the salary of any person engaged in the procurement of stainless steel flatware not produced in the United States or its possessions, except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of stainless steel flatware produced in the United States or its possessions, cannot be procured as and when needed from sources in the United States or its possessions, or except in accordance with procedures provided by section 6-104.4(b) of Armed Services Procurement Regulations, dated January 1, 1969. This section shall be applicable to all solicitations for bids issued after its enactment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. GIBBONS. Mr. Chairman, section 507 constitutes legislation on an appropriation bill and, therefore, it is in violation of rule XXI, clause 2.

I will be glad to recite that rule to the Chair, but I am sure the Chair is very familiar with it.

Section 507 places a limitation upon the use of appropriated funds and establishes a new procedure not existing under current law, a new requirement, procurement procedure not existing under current law. It specifically imposes additional duties on Federal officials to make determinations not presently required by law.

The CHAIRMAN. Does the gentleman from California (Mr. ROYBAL) desire to be heard on the point of order?

Mr. ROYBAL. I do, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from California.

Mr. ROYBAL. Mr. Chairman, I take this time to inform the Chair that I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained.

Are there additional points of order?

Mr. FRENZEL. Mr. Chairman, I make a similar point of order against section 506, line 11, on page 35, and all following thereafter through line 3 on page 36.

The portion of the bill to which the point of order relates is as follows:

SEC. 506. No part of any appropriation contained in this Act shall be available for the procurement of or for the payment of the salary of any person engaged in the procurement of any hand or measuring tool(s) not produced in the United States or its possessions except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of hand or measuring tools produced in the United States or its possessions cannot be procured as and when needed from sources in the United States and its possessions, or except in accordance with procedures prescribed by section 6-104.4(b) of Armed Services Procurement Regulation dated January 1, 1969, as such regulation existed on June 15, 1970: *Provided*, That a factor of 75 per centum in lieu of 50 per centum shall be used for evaluating foreign source end products against a domestic source end product. This section shall be aplicable to all solicitations for bids opened after its enactment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. FRENZEL. Mr. Chairman, the foregoing is a violation of clause 2, rule XXI and, therefore, should be stricken from the bill.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained.

Are there additional points of order to title V?

For what purpose does the gentleman from Massachusetts (Mr. CONTE) rise?

Mr. CONTE. Mr. Chairman, I rise to seek a clarification.

The first point of order was on the flatwear section, offered by the gentleman from Florida, section 507.

It is my understanding that the gentleman from Minnesota (Mr. FRENZEL) has no intention to offer a point of order on section 506.

Mr. FRENZEL. Mr. Chairman, the gentleman from Massachusetts (Mr. CONTE) is correct. I did make an error, and I would ask the indulgence of the committee if I might have unanimous consent to withdraw the point of order.

The CHAIRMAN. Under the circumstances, without objection, the proceedings are vacated and section 506 remains in the bill.

There was no objection.

The CHAIRMAN. Are there additional points of order to title V?

Mr. GIBBONS. Mr. Chairman, I offer a point of order against section 506 on page 35 for the same reasons I stated in the other argument.

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained.

Are there additional points of order to title V?

If not, are there amendments to title V?

If not, the Clerk will read.

The Clerk proceeded to read title VI.

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that title VI be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Are there any points of order to title VI?

If not, are there any amendments to title VI?

Mr. CONTE. Mr. Chairman, I am deeply disappointed in the gentleman from Florida for raising this point of order, particularly after his fellow committee member withdrew an identical point of order. This provision was added to the bill with good cause. For a good many years now, foreign competition has devastated the basic handtool industry to a point where some manufacturers have not just scaled back operations, but ceased them altogether.

In my own congressional district, part of which is a typical old industrial area, many jobs have been lost to foreign competition which has successfully circumvented the few minor restrictions which have been placed on handtool imports.

Many jobs lost in my district is not a lone occurrence. When that gets multiplied out across the Nation, a lot of jobs are lost, particularly in small towns, and those losses take a heavy toll on the local economies.

This buy American provision is not one of the sweeping, protectionist measures we hear so much about these days.

It is a comparitively minor restriction to head off attempts to circumvent existing restrictions.

It has been carefully drafted to deal with a serious problem—the disintegration of a whole industry. At the same time, it has been drafted to provide sufficient flexibility so that no undue hardships would result.

The reason for the change in the differential percentage from 50 to 75 percent is that heavy subsidization by foreign governments has rendered almost meaningless, the past 50 percent buy American language which Congress intended to offset foreign subsidies. In fact, I wish now I would have changed the 50 to 75 percent 2 or 3 years ago.

Earlier this year, I asked GSA, during property supply appropriations hearings, the following question: "If congress decided to raise the percentage requirement for price differentials applied under the buy American regulations, how would it affect your procurement efforts with respect to say, hand tools?"

The GSA replied that an increase in price differentials applied under the buy American regulations would have significant positive impact on domestic sources of supply. Moreover, they said that in fiscal year 1982, a differential increase from 50 to 75 percent would have resulted in domestic awards of $5.7 million.

GSA also replied, in response to that question, that the presence of a higher differential would have served as a signal of encouragement for additional competitive participation by more members of the domestic industry.

Again, I say, we are not talking about big numbers which have severe impacts on our trade relations—but we are talking about numbers with enough of an impact domestically to hurt small, local economies.

I personally think this provision will breathe some fresh life into the handtool industry and give it a necessary boost at a time when we keep talking about a need for some measure of domestic reindustrialization. This is the kind of help we can give industry in this country—small targeted measures as opposed to broad, scatter-gunned trade barriers.

In closing, I would like to say that part of the reason this problem exists is because the committee on which the gentleman from Florida serves has been unwilling to solve it through the regular legislative process. In that sense, it is not clear to me why the gentleman would deny the Members of the House the opportunity to deal with the problem in the most reasonable way possible.

I would also say that I am amazed at the time and attention that the gentleman is giving to this point of order. If he would spend as much time in thought on this subject in his own committee, working on legislation to solve the problem my section seeks to remedy, we would not have to put provisions like this on appropriations bills in the first place.

I hope the other body sees fit to include this provision in its version of this bill because the need for it now is more critical than ever.

AMENDMENT OFFERED BY MR. SMITH OF NEW JERSEY

Mr. SMITH of New Jersey. Mr. Chairman, I offer an amendment.

Amendment offered by Mr. SMITH of New Jersey: On page 48, after line 4, insert the following new section:

SEC. 617. No funds appropriated by this Act shall be available to pay for an abortion, except where the life of the mother would be endangered if the fetus were carried to term, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions, except where the life of the mother would be endangered if the fetus were carried to term, under such negotiated plans after the last day of the contracts currently in force.

The CHAIRMAN. The Chair will inquire of the gentleman from New Jersey (Mr. SMITH) if this is the amendment printed in the CONGRESSIONAL RECORD of June 7, made in order under the rule.

Mr. SMITH of New Jersey. Yes, it is, Mr. Chairman.

The CHAIRMAN. Pursuant to House Resolution 222, this amendment is not subject to amendment.

The gentleman from New Jersey (Mr. SMITH) will be recognized for 30 minutes, and a Member opposed to said amendment will be recognized for 30 minutes.

The Chair will entertain the designation by the chairman of the subcommittee for that Member in opposition.

The Chair recognizes the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise this afternoon to offer an amendment to the Treasury-Postal Service appropriations bill to prohibit funding for abortion except in those cases where the mother's life must be saved under the Federal employees health benefits program.

Mr. Chairman, this is not a new amendment. On three separate occasions this body has overwhelmingly voted to proscribe taxpayer-financed abortions in this particular area of law. The late John Ashbrook of Ohio first offered a funding restriction to the Treasury-Postal Service appropriations bill on August 20, 1980, which passed 228 to 170. Mr. Ashbrook again offered it to a supplemental appropriations bill in May 1981, and again this body supported his efforts 242 to 155. He offered it a third time. In this instance, it went on to be included in the first continuing resolution for fiscal year 1983, and the vote there was 253 to 167.

Having been approved by Congress and signed by the President, it became a part of Public Law 97-276, which expired on December 17, 1982.

Allow me to stress, Mr. Chairman, that my amendment is identical to that which was included in the continuing resolution. It is, therefore, an amendment that many Members, I suggest, are familiar with.

Mr. Chairman, the Federal Government currently contributes approximately 60 percent of the moneys toward the purchase of health insurance for its employees. The remaining 40 percent of the cost is borne by the Federal employee himself or herself. So it should be obvious and abundantly clear, then, that the Federal Gov-

ernment does provide a substantial sum of money, a majority of the funds, toward the purchase of health insurance for its work force.

According to the Office of Personnel Management, in calendar year 1980, 17,000 elective abortions were provided under the auspices of the Federal employees health benefits program at an estimated cost of $9 million. Although some carriers dropped abortion coverage while Public Law 97-276 was in effect, today there are 8 employee organization plans and 67 comprehensive carriers that provide payment for elective abortions.

Mr. Chairman, I am pleased that the Reagan administration has again endorsed this amendment.

I am including at this point in the RECORD a letter from Mr. Kenneth Duberstein, Assistant to the President:

THE WHITE HOUSE,
Washington, June 7, 1983.

Hon. CHRISTOPHER H. SMITH,
House of Representatives,
Washington, D.C.

DEAR CHRIS: The President has asked me to thank you for your letter to him of June 6, 1983, in which you indicated your intention to offer an amendment to prohibit the use of Federal Employees Health Benefit plan funds to pay for nonlifesaving abortions.

I welcome this opportunity to reaffirm the Administration's strong support for such an amendment. As you know, the Administration has strongly endorsed similar amendments which were previously sponsored by the late Congressman John Ashbrook of Ohio.

With best wishes,

Sincerely,

KENNETH M. DUBERSTEIN,
Assistant to the President.

Mr. SMITH of New Jersey. I also include in the RECORD at this point a letter from OPM general counsel, Joseph A. Morris, setting forth OPM's position:

OFFICE OF PERSONNEL MANAGEMENT,
Washington, D.C., June 6, 1983.

Hon. CHRISTOPHER H. SMITH,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. SMITH: This is in response to your request for information concerning the use of Federal funds for elective abortions in the Federal Employees Health Benefits (FEHB) Program.

The Government, through the Office of Personnel Management (OPM), contracts each year with about 130 insurance plans (some sponsored by Federal employee unions) for the provision of health benefits to the Federal workforce. Employees choose the plans in which they wish to enroll; the Government then pays an average of 60 percent of the premiums for each plan and the enrollee pays the balance, usually through payroll deductions. Federal retirees, current Federal workers, and their eligible dependents all participate. Roughly 8 million people are covered by the FEHB Program, at an annual cost to the taxpayers that approximates $2 billion.

We estimate that, in calendar year 1980, 17,000 elective abortions were performed through the FEHB Program at an estimated cost of $9 million.

During the insurance contract negotiations for 1982, that occurred in the fall of 1981, OPM announced its finding, under 5 U.S.C. § 8902(d), that elective abortion coverage in FEHB plans was not "necessary or desirable." OPM therefore declined to contract for such coverage. Most carriers complied, and still comply.

In October, 1981, however, one FEHB plan—that sponsored by the American Federation of Government Employees (AFGE)—brought suit in the United States District Court for the District of Columbia, asserting that OPM had exceeded its authority in declining to contract for elective abortion coverage. The court found that OPM's refusal to contract was based neither on a Presidential directive nor on an Act of Congress; it held that Public Law 97-51, a continuing resolution for Fiscal Year 1982, contained an unsuccessful attempt to enact the Ashbrook Amendment (which would prohibit the use of Federal funds to pay the premiums and administrative expenses of FEHB plans that provide elective abortions). Absent Presidential or Congressional direction, the court held, OPM acted beyond its authority in refusing to contract for elective abortion coverage. OPM was thereupon ordered to contract with the AFGE plan for the provision of elective abortion coverage in 1982. Similar lawsuits were soon brought by other FEHB plans relating to the 1982 contract year, and were concluded along lines similar to the result in the action brought by AFGE. Ultimately, eight employee organization plans and several local comprehensive plans offered elective abortion coverage in 1982. Neither the Government-wide service benefit plan nor the Government-wide indemnity plan, however, provided elective abortions. This has essentially remained the status quo in 1983.

In September, 1982, the Ashbrook Amendment was reported out of committee in both chambers of Congress, and was enacted by reference in P.L. 97-276, the First Continuing Resolution for Fiscal Year 1983. That continuing resolution bore an expiration date of December 17, 1982. Thus, the Ashbrook Amendment, applicable to contract year 1983, was in force during the 1983 contracting season in the fall of 1982. OPM notified carriers of enactment of the Ashbrook Amendment, and of its possible application in 1983. OPM required the brochures of plans proposing to offer elective abortion coverage in 1983 either to be silent on the point or to state that Congress had imposed restrictions that might exclude elective abortion coverage in that year.

Once again, AFGE brought suit in the United States District Court for the District of Columbia. This time, however, the court upheld OPM and refused to issue injunctive relief. The court held that, in this instance, there was a legislative act to which deference had to be given, even though, pursuant to its own terms, the statute would expire on December 17, 1982.

Subsequently, Congress failed to re-enact the Ashbrook Amendment for calendar year 1983. Thus, the facts relating to the provision of elective abortions through the FEHB Program in 1983 remain essentially as they were in 1982. Eight employee organization plans and 67 comprehensive carriers presently provide or cover elective abortions. Nine employee organization plans, 45 comprehensive carriers, and the two Government-wide plans comply with OPM's request and do not cover elective abortions.

You have also asked me if there is any connection between the provision of elective abortion coverage through the FEHB Program and labor-management negotiations in the Federal sector. The answer is no.

The law simply does not permit the Federal Government to engage in negotiations with employee representatives regarding health benefits. Federal employees have certain rights to engage in collective bargaining with respect to conditions of employment, but health insurance is not among them.

While it is true that OPM contracts with certain employee organization plans for the provision of health benefits, the plans participate in those contracts as insurance carriers or plan sponsors, and not as labor unions. OPM is, by law, the sole representative of Federal employees in all negotiations for health benefits.

A quick review of the controlling legislation makes this clear. The Federal Service Labor-Management Relations Statute (FSLMR Statute) at 5 U.S.C. § 7102, accords to Federal employees the right "to engage in collective bargaining with respect to conditions of employment." The FSLMR Statute further defines "conditions of employment" such that the term excludes "matters . . . specifically provided for by Federal Statute." 5 U.S.C. § 7103(a)(14)(C). Congress, at 5 U.S.C. Chapter 89, specifically provided for health insurance. Thus, it is plain that collective bargaining over health benefits is not permitted in the Federal sector. This is confirmed by the legislative history of the Civil Service Reform Act (which includes the FSLMR Statute). See Legislative History of the Federal Service Labor-Management Relations Statute, Title VII of the Civil Service Reform Act of 1978, at 681 and 923 (1979). For example, as Congressman Udall, a principal sponsor of the CSRA, emphasized at 923:

There is not really any argument in this bill or in this title about Federal collective bargaining for wages and fringe benefits and retirement—the kinds of things that are giving us difficulty in the Postal Service today. All these major regulations about wages and hours and retirement and benefits will continue to be established by law through congressional action. (Emphasis added).

Indeed, the law, at 5 U.S.C. § 8902(d), expressly provides that "each [health insurance] contract . . . shall include such maximums, limitations, exclusions, and other definitions of benefits as the Office of Personnel Management considers necessary or desirable . . .," and makes no provisions for the negotiations of benefits with any employee representatives.

In addition, the FSLMR Statute at 5 U.S.C. § 7121(c)(2), expressly excludes "retirement, life insurance, or health insurance" from consideration in grievance procedures negotiated with employee representatives and unions.

Sincerely yours,

JOSEPH A. MORRIS,
General Counsel.

Mr. SMITH of New Jersey. Mr. Chairman, the issue today is simply whether or not the taxpayer will continue to fund Federal employees' abortions. At issue today, also, Mr. Chairman, is whether or not we will bring the Federal employees health benefits plan in line with other abortion restrictions enforced today, most notably, the Hyde medicaid amendment.

Mr. Chairman, I know there are many Members in this Chamber who have agonized over this issue. I know there are many well-meaning individuals who sincerely support abortion funding and plan to vote that way today. I also know many Members of both sides of the aisle who are asking and demanding honest, logical answers to their questions. In that spirit, Mr. Chairman, I have one question that I will pose to whoever takes the debate on the other side, presumably the subcommittee chairman, the gentleman from California (Mr. ROYBAL), the leader of the opposition.

Before I get to that question, however, I would like to make a few points.

First, I have noticed, in my 3 years as a Member of this body, that when the abortion issue is raised in this Chamber, we often fail to dispassionately define what we are talking about. This is, in my opinion, very unfortunate. I, frankly, do not think it can be taken for granted that the membership knows exactly what is entailed in an abortion.

We often talk about many issues in this way. Often the definitions elude us.

The purpose of debate, in my opinion, is to enlighten. During the recent debate on the nuclear freeze resolution, for instance, I thought the gentleman from Illinois (Mr. SIMON) made a very valuable contribution to the membership, his understanding of one of the terms in that debate, the megatonnage term. The gentleman from Illinois (Mr. SIMON) said at that time that a megaton in TNT equivalency is a railroad freight train 300 miles long loaded with TNT. For me, that clear description helped put the issue of megatonnage in clear perspective.

I think the same can be said for the abortion debate.

□ 1740

We often talk about abortion as if it were on a par with a tonsillectomy or some other types of surgery. We often talk about the issue and around the issue, but we seldom face the issue. Even the Supreme Court in 1980 in its decision in upholding the Hyde amendment recognized the very special character of abortions, and it said at that time, and I quote:

Abortion is inherently different from other medical procedures because no other procedure involves the purposeful termination of a potential life.

In the spirit of shedding some light on an issue of which much misinformation abounds, I would like to briefly describe some of the more common methods of abortion. I think the membership should be advised that all of these methods are covered by portions of the Federal employees health benefits plan, making this description particularly relevant.

I was disturbed a little bit earlier in the day in the debate on the rule when the gentleman from California (Mr. FAZIO) suggested that my amendment was frivolous. Frivolous? The two most common methods of abortion are the D&C abortion and the suction abortion. Both procedures are usually performed during the first 12 weeks of a pregnancy. Both types require the abortionist to literally cut and to dismember the growing child. While a D&C abortion requires the abortionist to remove the child manually, the suction method utilizes a powerful vacuum device to remove the infant.

My colleagues should remember that at 12 weeks, all of the body systems of the unborn child are formed and working. The heart has been beating since the 17th day. Brain waves can be recorded as early as 6 weeks. The child wakes and sleeps and exhibits a great deal of energy and movement.

Frivolous, my friend from California says.

In a saline abortion, usually done in the second trimester, a highly concentrated salt solution or poison is injected into the baby's amniotic sac. The child breathes the fluid, swallows it, and dies a very slow and a very painful death. It takes about 2 hours for the poison to complete its assignment. The mother then usually delivers a dead, stillborn baby, although there are many examples where the child was born alive.

Still another late-term procedure is the prostaglandin abortion. There are several variations of this type, but most involved injection of a prostaglandin substance that simply induces labor. As a result of this procedure, some infants are born stillborn, while others survive.

Still another type, the final type I will mention, is known as a hysterotomy abortion, a method that is clearly identical to a caesarean section. The big difference is that in a C-section, the intent is to assist both mother and baby; however, in a hysterotomy abortion, after the child has been born, he or she is usually discarded like a cancerous tumor.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of New Jersey. When I am finished with my statement, I will be happy to yield to the gentlewoman.

Mr. Chairman, this, then, is the reality of abortion, stripped of the euphemisms that so cleverly conceal and cloak it. This is the reality that this body must face. It is hardly a frivolous matter.

I think my colleagues will be shocked to learn that according to the Center for Disease Control in Atlanta, the CDC, approximately 500 babies survive the abortion process per year, and they are the ones we know about. Recently the Philadelphia Inquirer did a cover story on this news, and reflected on this unsettling information and referred to it as the dreaded complication. The lengthy article is filled with one story after another of children, real live case histories, who survived the abortion process.

I would like to share the opening paragraphs of this article with my colleagues to underscore this point.

[From the Philadelphia Inquirer, Aug. 2, 1981]

ABORTION—THE DREADED COMPLICATION

(By Liz Jeffries and Rick Edmonds)

A woman's scream broke the late-night quiet and brought two young obstetrical nurses rushing to Room 4456 of the University of Nebraska Medical Center. The patient, admitted for an abortion, had been injected 30 hours earlier with a salt solution, which normally kills the fetus.

This time, though, something had gone wrong. When nurse Marilyn Wilson flicked on the lights and pulled back the covers, she found, instead of the stillborn fetus she'd expected, a live 2½-pound baby boy, crying and moving his arms and legs there on the bed.

Dismayed, the second nurse, Joanie Fuchs, gathered the squirming infant in loose bedcovers, dashed down the corridor and called to the other nurses for help. She did not take the baby to an intensive care nursery, but deposited it instead on the stainless steel drainboard of a sink in the maternity unit's Dirty Utility Room—a large closet where bedpans are emptied and dirty linens stored. Other nurses and a resident doctor gathered and gaped.

Finally, a head nurse telephoned the patient's physician, Dr. C. J. LaBenz, at home, apparently waking him.

"He told me to leave it where it was," the head nurse testified later, "just to watch it for a few minutes, that it would probably die in a few minutes."

This was in Omaha, in September 1979. It was nothing new. Hundreds of times a year in the United States, an aborted fetus emerges from the womb kicking and alive. Some survive. A baby girl in Florida, rescued by nurses who found her lying in a bedpan, is 5 years old now and doing well. Most die. The Omaha baby lasted barely 2½ hours after he was put in the closet with the dirty linen.

Always, their arrival is met with shock, dismay and confusion.

When such a baby is allowed to die and the incident becomes known, the authorities often try to prosecute the doctor. This has happened several dozen times in the past eight years, most recently in the case of Dr. LaBenz, who is to go on trial in Omaha this fall on two counts of criminal abortion. But interviews with nurses, some of them visibly anguished, uncovered dozens of similar cases that never reached public attention.

In fact, for every case that does become known, a hundred probably go unreported. Dr. Willard Cates, an expert on medical statistics who is chief of abortion surveillance for the Center for Disease Control in Atlanta, estimates that 400 to 500 abortion live births occur every year in the United States.

Finally, Mr. Chairman, I would like to point out to my prochoice colleagues who may have some lingering pangs of conscience, who may have some doubts about their positions, I

think you might find the story of Dr. Bernard Nathanson to be instructive.

Dr. Nathanson was cofounder of the National Abortion Rights Action League, NARAL, one of the leading abortion advocacy groups in the Nation. Dr. Nathanson performed abortions, thousands of them. He was director of the largest abortion clinic in the world, the Center for Reproductive and Sexual Health, in New York. He quit that position, and in an article that appeared in the New England Journal of Medicine, he wrote, "I am deeply troubled by my own increasing certainty that I presided over 60,000 deaths." He then went on to say, quite matter of factly, that "we are indeed taking life."

Dr. Nathanson has since written a book, "Aborting America," in which he clearly states that there is no question that the unborn are every bit as human as you or I but simply less mature. He also says that the recent exciting advances in the science of fetology and in the diagnosis and treatment of the unborn child from intrauterine blood transfusions to ultrasound must necessarily cause us to update our thinking about the child in the womb.

Mr. Chairman, I am sure that those who oppose this amendment do not believe that abortion is essentially homicidal; that is, they do not believe that abortion kills the child. So to better understand their position, I would like to ask the distinguished gentleman from California, Mr. ROYBAL, or anyone else on that side, if they would answer one simple, straightforward question:

In light of some of my comments today, as a result of your own research, in light of my belief that those who would terminate that which exists prior to birth, they should be able to clearly explain precisely what it is that they feel justified in terminating, I ask the chairman, for whom I have a great deal of respect, to assure this body, to prove to this body, that abortion does not kill a human being. If he cannot, if no one on the other side can prove it, I hardly think that my amendment is frivolous in attempting to try to stop Federal funding for abortion.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. SMITH of New Jersey. I would be happy to yield to the gentleman form California.

Mr. FAZIO. I thank the gentleman for yielding.

Mr. Chairman, first of all, I would never imply that abortion or any of the emotions involved in it are frivolous.

Second, from my standpoint, the issue of whether this amendment is frivolous goes to the coverage of this particular class of people who were selected out simply because they fall within the purview of the Federal budget. I would like the record to be clear on that point.

I do not denigrate in any way the gentleman's sincerity or his general interest and keep concern for this problem, and I would hope that he would not imply that anyone else lacked it as well.

Mr. SMITH of New Jersey. I thank the gentleman for his contribution.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of New Jersey. In one second I will yield to the gentlewoman from Colorado.

I just want to say that we are trying to bring this amendment in conformity with that which exists throughout Federal law, like the Hyde amendment in the medicaid area. So we are not just focusing on Federal employees, but all sectors where Federal moneys can be used and are being used to pay for abortions.

I now yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. I thank the gentleman for yielding.

Mr. Chairman, I have some questions about his amendment that I would appreciate his responding to.

I think the gentleman points out that this whole issue is terribly serious, and I think every one of us on this House floor understands that. One of the very difficult issues here is that the gentleman is talking about not just one life, which the gentleman addressed, but he is talking about two. I notice that in the gentleman's amendment he talks about the life of the mother. I am very puzzled as to what that means. What does the gentleman mean by "the life of the mother"? Does that mean that the mother will die in birth otherwise, and what kind of certainty do you have to have about that before it could be implemented?

I see that as very questionable language.

Mr. SMITH of New Jersey. Well, the language has been through the courts in terms of the life of the mother exception, and there is a relatively clear medical definition. If there is the possibility that the woman might die, it is left up to the doctor to decide in those cases.

Mrs. SCHROEDER. I would like to pursue that a little further.

Mr. SMITH of New Jersey. The gentlewoman, I understand, has a full half-hour, and I will gladly yield to any question on their time.

Mr. Chairman, I yield 2 minutes to the gentleman from California, Mr. HUNTER.

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the amendment offered by my distinguished colleague from New Jersey.

The central question of this debate is simply: Should the U.S. taxpayer be forced to finance elective abortions by Federal employees. In my judgment, the answer is a resounding no. There is 60 percent of the cost of the Federal employees health benefits (FEHB) program is borne by the taxpaying public. These people, the majority of whom regard abortion as the taking of innocent human life, should not be coerced into funding abortion on demand for Federal employees, congressional staff, and dependents. This Congress, through the enactment of the Hyde amendment, came to the very sound conclusion that the hard-earned dollars of working Americans should not be used to finance medicaid abortions, except when necessary to protect the life of the mother. These same dollars should not be allowed to finance elective abortions through Federal health plans. Last year 17,000 abortions were performed under the FEHB program with the Federal Government underwriting the majority share of the cost of this program. It is time to bring consistency to Federal policy regarding public financing of abortions. No American taxpayer should be required to be made an accomplice in the death of an unborn child through the use of his tax dollars, whether through direct medicaid payments or through the subsidization of health plans which allow for elective abortions. I would urge my colleagues to vote for the Smith amendment.

□ 1750

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. ROYBAL).

Mr. ROYBAL. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, as I rise to oppose the amendment, I would like to call the attention of the House that the issue is not whether or not it is morally or legally right to accept an abortion procedure. The issue before us is whether or not insurance benefits can be used for abortion. The premiums are paid by both the employee and employer, but the cost of medical care is paid by the insurer, and not the Federal Government.

What has taken place up to this point is that the subcommittee and the full committee did not include this abortion language in their recommendation to the House, because after it passed the House it was deleted by the other body. It was necessary for a Member of the House to go to the experts on abortion, the Committee on Rules and request that this amendment be made in order.

I would like to point out that the committee does not have a single woman sitting on that committee as a member and, that it was a committee

of men who made a decision that this amendment be made in order.

I would like to hear from the women in the House of Representatives. I would like to know whether or not they agree with me that this is just an attempt to dictate to individuals what they can or cannot do. I think that it violates individual rights and that it violates also the right of free choice.

I firmly believe that it is not the man, but the woman, that should make that choice.

As I read the language of the amendment, it affects every woman in the Federal Government; but let us take, for example, a case that has happened in other sections of the country and may not be unfamiliar to you, and that is that in the process of a rape, the rapist has been hurt and if the same thing were to happen under this amendment, the woman who was pregnant as the result of that rape could not use these benefits, but the rapist, who may require some kind of medical attention, can use the same funds. Both of them working for the same agency for the same government, one the rapist, the other the victim, but under this amendment only the rapist would be protected.

Now, I say to you, is that fair? You know very well, that it is not.

I think that we should do everything we possibly can to bring some fairness into play. I think that we should ask those individuals that are mostly concerned with this problem.

It is my understanding that we will hear from the female Members of the House of Representatives.

I sincerely hope that as this debate goes on that we will not once again go through all the arguments and all the sad commentaries that were made in the past, but confine ourselves to the issue at hand, and that is whether or not these funds paid by the insurance company for which an employee pays a monthly fee can be used for that purpose. The individuals in question have made a contribution of funds for what is considered to be an entitlement, just the same as other entitlements that can be received by any employee of the Federal Government.

Mr. MITCHELL. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Maryland.

Mr. MITCHELL. Mr. Chairman, I thank the gentleman for yielding, and I strongly associate myself with the gentleman's remarks.

I just wanted the gentleman to yield because this thing is beginning to assume a sort of ominous dimension. There is a feeling on the part of those who oppose abortions that no Federal dollars shall ever be used for abortions.

Well, if you take that to its extreme, then the wife of a serviceman who receives an allotment cannot use that money for an abortion if she so desires, and that moves us awfully dangerously close to a kind of control process that I think is alien to the American way of doing things.

I thank the gentleman for yielding and I strongly associate myself with the gentleman's remarks.

Ms. FERRARO. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentlewoman from New York.

Ms. FERRARO. I want to congratulate the gentleman for his very, very fine remarks.

I must say, I know personally how difficult it is for the gentleman in the well, as it is for me, to speak out on this issue of abortion, because politically it has not been a choice position for me to take in my district; but I must say, after being down here for the length of time that I have, it becomes very, very difficult for me to hear that this is not a new amendment; not only that, but every time it passes, it passes by a large majority. That does not make it right.

I feel very strongly about my religion and I also feel very, very strongly that if I ever become pregnant, I would be a middle-aged crazy woman, but I would have the baby; except that I do not know if I would be so self-righteous, if I were to walk out of here tonight after the session ended and were raped and become pregnant, I honestly do not know if I would not seek to have an abortion; but I do know that if this amendment passes, that I would not be able to have it covered under my health plan.

Now, I think that it is wrong to impose one's religious views on another.

I further think in this instance that what we are doing is we are supporting the collective-bargaining process that has been in place in this Government and that we are, in effect, treading on people's private rights to negotiate their benefits.

I, therefore, support the gentleman's statement and I certainly would hope that this House would finally see the light and reject this amendment.

Mr. ROYBAL. I thank the gentlewoman for her support.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from New York.

Mr. GREEN. Mr. Chairman, I want to thank the distinguished subcommittee chairman for yielding and to support the position he is taking.

Now, I know that this is a matter on which Members feel very deeply one way or the other, because this does involve religious views and, therefore, it goes to the very heart of how people think about life and the human condition.

I can, therefore, understand the position that people take who offer this kind of amendment in general. I only wish that they had the same feeling for those of us who oppose it.

I would like to point out some facts which I think make this a little different from the other amendments where we deal with the abortion question. Those facts are that under the Federal house plans, a large percentage of the money is not really Federal money. They are contributory plans and in essence the money is withheld from the employees' salaries. That varies from plan to plan, but I am told that in fiscal year 1982, and the Office of Personnel Management provided this data, that roughly 45 percent of all the expenses of the Federal health plans in essence were contributed by the employees, because these are contributory plans. That amounts to something over $2 billion.

The amount they tell me that was actually spent on abortions that were paid for under the Federal health plan was only $2 million, so it is plain that the amount that the Federal employee contributes far, many many times over, covers the expenses of the abortions that are funded under the Federal employee health systems. It seems to me that that distinguishes this case from the other kinds of cases where I think wrongly we have adopted anti-choice amendments and makes this a case where we are really saying to the Federal employee, "You cannot use the money that you are contributing to your health plan in the way that you want and the way that your union bargained for." That seems to me to distinguish this case from the other cases.

I would hope that some of those who have in the past supported amendments which deny choice where it was purely Federal dollars involved would pause a moment before they cast their vote on this amendment and realize that in this case you are denying the Federal employee the right to decide on the money that she or he has contributed, because we are talking about male employees' wives and perhaps children, and you are denying the Federal employee the right to say how the money that he or she is contributing to their health care is going to be used, and that strikes me as terribly wrong.

I thank the gentleman for yielding.

□ 1800

Mr. ROYBAL. I thank the gentleman for his contributions and yield back the balance of my time.

The CHAIRMAN. The Chair assumes that the gentleman reserves the balance of his time.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 4 minutes to the gentleman from Arizona (Mr. RUDD).

Mr. RUDD. Mr. Chairman, I have the greatest respect for my chairman

and for his position, and for the right of those Members who hold opinions contrarywise to other Members of Congress.

In the past this has been a very emotional issue and it is going to be an emotional issue, but I hope we do not get overly emotional about it here.

Let us consider the argument with regard to the fact that the amendment unfairly restricts Federal workers from their choice of health plans. This amendment has nothing to do with saying that employees cannot have abortions. It merely says that it is a matter of public policy that taxpayer money will not be spent on abortions for Federal workers.

And we have heard, and will hear again, that the amendment restricts the ability of the Federal worker to spend his compensation, as we just stated, and that the health benefits provided are a part of the overall compensation package of a Federal employee. But nothing could be further from the truth. There are many, many, many health plans available for Federal employees to choose from that will suit their own particular health needs.

There is no private sector employer who offers the vast range and substance of benefits offered by the Federal Government to its employees, including health plans.

We have also heard that a decision by this body to restrict funding for abortions violates the bargaining rights of the Federal employees. That is another argument, and that simply is not so because the Office of Personnel Management is the sole bargainer when health plan funding is negotiated with the various care vendors. This is not part of a collective bargaining agreement between the Office of Personnel Management and the individual employee.

Finally, we hear that action by this body prohibiting Federal funding for abortions is an intrusion by the Congress of the United States into the rights of the Federal workers and, therefore, should not be considered on the floor of this House or in this bill. But the Federal funding for abortions or anything else is a public issue. Notwithstanding the large moral and ethical significance that this issue has brought to the floor, it is a simple fact that abortions for Federal employees would be paid for with taxpayer money no matter whether it is commingled or not commingled, and that necessitates a public stand by this body.

We not only have the right to review this decision, but I think it is our responsibility as elected Representatives to the Federal Government, as Representatives of the people, to mandate a review and to take a stand on the issue.

I urge support for the amendment and I yield back the balance of my time.

Mr. SMITH of New Jersey. Mr. Chairman, how much time remains?

The CHAIRMAN. The gentleman from New Jersey (Mr. SMITH) has 12 minutes remaining, and the gentleman from California (Mr. ROYBAL) has 19 minutes remaining.

Mr. SMITH of New Jersey. It is my understanding the gentleman from California (Mr. ROYBAL) yielded back his time.

The CHAIRMAN. The gentleman intended to reserve his time. The Chair has so stated.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 30 seconds to the gentlewoman from Nevada, Mrs. VUCANOVICH.

Mrs. VUCANOVICH. Mr. Chairman, I would like to speak in support of the Smith amendment and I urge my colleagues to do the same.

I yield back my time.

Mr. SMITH of New Jersey. Mr. Chairman, I reserve the balance of my time.

Mr. ROYBAL. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan, Mr. FORD.

Mr. FORD of Michigan. Mr. Chairman, I rise to oppose the amendment of the gentleman from New Jersey to the Treasury, Postal Service and general government appropriations bill that would prohibit the use of appropriated funds to pay the administrative costs of any Federal employee health benefit plan that provides abortion coverage.

The amendment says that none of the funds appropriated hereunder shall be used for any administrative expenses in connection with any health plan.

Federal employees belong to more than 128 different health benefit health plans not including the military.

What this amendment really does is give OPM Director Donald Devine unilateral authority to prohibit abortions in Federal health plans.

Now when you strip everything else away it ends up letting Devine decide what he will put in the Federal health benefit negotiations next time. The money that gets paid to hospitals and doctors is paid by insurance companies on the basis of contractual arrangements between the employer and the employee as a part of a group arrangement with those carriers.

This amendment is patently ridiculous. It is unworkable and it will cost the Federal Government more to try to implement it than you could conceivably save and would not stop a single abortion.

Mr. Chairman, I would like the record to show unequivocally that my opposition is not predicated on philosophical grounds. My concern here is not with any moral question but rather the practical implications of this proposed amendment.

It would do untold damage to a health benefits system that already is laboring under stress as a result of measures by the present administration.

We are faced here with the fact that at the present time we have more than 100 negotiated contracts with various health benefit carriers which are available to the employees of the Federal Government.

It would be a terrible mistake to clutter up these contractual obligations with this kind of extraneous matter.

I would like to point out the most glaring problems.

The Federal employees health benefits program (FEHBP) provides health insurance coverage for Federal employees and postal workers. Employees, generally, pay 40 percent of the cost of the program; the Government, as employer, pays the rest. Health insurance coverage is a fringe benefit used to attract and retain qualified employees. Any reduction of the benefit level would make the FEHBP, which currently lags private sector health benefits programs, even less attractive.

Under the Federal employees health benefits program, employee organizations may provide their own health plans to organization members. Employee organizations cannot require any employee to join or pay organization dues. The ability to offer health plans, however, is one way to encourage membership. The head of almost every major employee organization has expressed displeasure that Congress may interfere with this organizational tool.

The amendment would make Federal employees and postal workers the only employees who are precluded, by law, from having abortion coverage included in their health benefit plans. No similar provision applies in the private sector.

As a result of actions by this administration, Federal employees have been forced to pay higher health insurance premiums for lower benefits.

This proposal would further dilute their coverage and place them at even a greater disadvantage compared to workers in the private sector.

Mr. ROYBAL. Mr. Chairman, I yield 3 minutes to the gentlewoman from California, Mrs. BOXER.

Mrs. BOXER. I thank the gentleman for yielding.

I urge a no vote on this amendment.

I am not going to stand here and argue the issue of abortion because that is really not what this vote is about. This issue is one of fairness to our Federal employees.

How can we tell our Federal employees that anyone else in this country can use their health plan for abortions but they cannot?

How can we tell our Federal employees that if they are victims of rape they cannot count on their health plan to help put that violent act behind them?

How can we tell Federal employees that if they are victims of incest that they cannot count on their health plan to put that violent act behind them?

How can we tell our Federal employees that we will dictate their code of behavior? Do Members of Congress, Mr. Chairman, feel that they have the right to do this? Do Members of Congress think that their code or morality is better than our employees?

I do not think we have that right. I think our Federal employees should have the right to decide for themselves on this issue and have the same rights as everyone else in this country to use their health plan for whatever they need it for.

What are we going to tell our Federal employees next? What doctor to choose? What stores to patronize? What friends to invite to dinner?

Mr. Chairman, this is a vote against individual rights for our Federal employees and I urge a strong no vote and yield back the balance of my time to the gentleman from California (Mr. ROYBAL).

The CHAIRMAN. The gentlewoman yields back 1 minute.

□ 1810

Mr. ROYBAL. Mr. Chairman, I yield 3 minutes to the gentlewoman from California (Ms. FIEDLER).

Ms. FIEDLER. Thank you very much.

Mr. Chairman, I feel compelled to rise on this issue because I feel very strongly that this amendment is not fair and it is not equitable. It is not just that I personally believe that a woman should have the right to make the choice that is appropriate for her. But, I see this as a real situation of double standard and I know that my colleague would not want to do that, nor is that his intention. I certainly respect his point of view. But I must say that there are many ways in which medical care can interfere with procreation. It can interfere by the use of a vasectomy, it can be interfered with by the use of a hysterectomy. It seems to me to direct this so pointedly only at the female gender and only in this specific way is not only unfair and unwise but inappropriate for a Government agency.

So, I wanted to raise this issue to my colleagues. I know that is a personal, religious conviction that often determines whether or not a Member supports or opposes the amendment. But I do think that they should think beyond just this issue here, but broader, in a broader sense, to whether or not we really want to get involved in determining if a woman is going to have a hysterectomy, whether it is as a result of a desire to limit production or whether it is for some other medical purpose; whether you as a male might decide to have a vasectomy; whether it is simply for medical purposes or because of some desire to limit procreation.

I would like you to look at this from a fairness issue and take into consideration not only whether or not we ought to be voting on this; it is before us and we have to make a decision; but from my personal perspective I think this is wholly unfair.

Mr. ROYBAL. Mr. Chairman, I yield 6 minutes to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. I thank the gentleman for yielding.

I would like to associate myself with the remarks of the chairman of the Post Office and Civil Service Committee and the gentlewoman from California and others who have spoken on this proposed amendment. I think it is very important to look at the amendment and determine what it is and what it is not.

There are clearly, in this country, literally millions of people who feel that an abortion should be illegal, that it is the taking of a life, that it ought to be and is immoral.

That, however, is not the issue. The amendment confronting the House of Representatives is not that Americans, because this is an illegal, immoral procedure, should be precluded from contracting with health insurers for this particular procedure. That is not what it is. And so it would be, it seems to me, a misconception by the American people that this issue deals with the question of whether individuals are going to receive abortions or whether they are not. The issue is: Are Federal employees going to be treated differently than other people of this Nation?

The President of the United States has proposed that health insurance premiums be considered income and be taxed as such.

Now, if that premise is valid, as the President says it is, then clearly this is compensation.

Mr. SMITH of New Jersey. Would the gentleman yield?

Mr. HOYER. I yield to the gentleman.

Mr. SMITH of New Jersey. I thank the gentleman.

Does the gentleman feel it is compensation, as the President would suggest? Is that the gentleman's position, also?

Mr. HOYER. I think, in terms of the benefit received, it is. Now, if you are asking me the question of whether it ought to be taxed, that is a different question.

Mr. SMITH of New Jersey. The gentleman would be supporting the President then?

Mr. HOYER. I think this is too serious to, frankly, go back and forth on the nuances. The point is that clearly it is perceived as compensation.

If it is compensation, then the issue is: Is a Federal employee going to be able to apply that compensation to the objects that are legal in this Nation right now? Or are they going to be singled out, particularized and discriminated against? I suggest to you that that is the issue.

Furthermore, Mr. Chairman, Dr. Devine does not believe that we ought to be able to contract for medical services dealing with alcoholism; Dr. Devine believes that we ought to cut back significantly on mental health benefits for Federal employees.

Now, Mr. Chairman, I suggest that that clarifies the issue, the issue being: To what extent we are going to allow our employees, as the chairman of the Post Office and Civil Service Committee so clearly pointed out, to contract.

We also pointed out that the language of this amendment says, "administration."

The distinguished gentleman from Illinois, recognizing the paradox that was raised in the debate on the rule, stated that a Federal employee is not precluded from getting this particular medical procedure, because they can contract for a rider.

I suggest to the gentleman from Illinois he is incorrect, because if administration of the health benefits program is considered to be any expenditure dealing with the setting forth of procedures in which Federal employees can contract for Federal health services, then even that instance would be precluded by this amendment.

So, Mr. Chairman, I would ask the member of the committee respectfully to very carefully consider this amendment and its ramifications with respect to the Federal employees and their ability as citizens of the United States to contract as every other citizen of the United States can contract, and to show the political courage, to trust the wisdom of your constituents, to know the difference between according the same rights to your employees as are accorded to every other individual in the Nation.

It will take courage.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from California.

Mr. FAZIO. I thank the gentleman.

Mr. Chairman, let me congratulate the gentleman on going to the essence of this issue. The gentleman well knows, because of his position on the

gentleman from Michigan's committee, that there has been a strong effort on the behalf of this administration, OPM and Mr. Devine to insure that we look at total compensation for our Federal employees, to count in all of the benefits as well as their direct payments and income when we consider how they are to be compared to people in the private sector.

It seems totally at odds for them to be here today urging that we limit or proscribe how that income can be expended.

I think the gentleman is right on target. I hope all people, regardless of their views on the overall issue of abortion, will follow his logic and support his position.

Mr. HOYER. I thank the gentleman, and I am pleased to yield to the gentleman from Michigan (Mr. FORD).

Mr. FORD of Michigan. I thank the gentleman for yielding and compliment him for his remarks and his effort on trying to keep us focused on what it is and what it is not.

But the gentleman is aware, I am sure, that the administration has proposed a plan whereby we would replace the existing Federal health benefits plans with a voucher system. Under the voucher system rather than having any group health insurance plans to which we would contribute part of the premium, we would cap the amount of money the Government pays in total on behalf of its employees now and then issue employees a voucher which they then put with their own money and go wherever they want and buy insurance at which point this kind of an amendment would be nothing.

Mr. HOYER. I thank the gentleman for his comments.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. HYDE).

Mr. HYDE. I would just commend my friend from New Jersey for his initiative and leadership on this delicate, difficult, emotional but very important civil rights issue, the right of life. The law, it seems to me, is to protect the weak from the strong; that is what it is for and there is nothing weaker, there is nothing more defenseless than an unborn child, the innocently inconvenient.

Now, there are surgical procedures which insurance policies do not cover. I can think of several and so can you. A sex change, a nose job, if you have a nose you want to make more beautiful. There are several surgical procedures that just are not covered by insurance policies.

Now, it seems to me a surgical procedure that results in the death of an innocently inconvenient child is very appropriate to eliminate from taxpayer support.

Now, as far as women are concerned, I suggest that statistically over half of the abortions are done to little female preborn children. So, I think that is important.

As far as imposing one's religion on someone else, one of the strongest prolife people is an atheist, Dr. Bernard Nathanson in New York.

□ 1820

And the Supreme Court has rejected that argument.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Missouri.

Mr. VOLKMER. I thank the gentleman for yielding.

Mr. Chairman, I just wish to commend the gentleman from Illinois and also the gentleman from New Jersey for their efforts on this behalf and wish to speak in favor of the amendment.

Mr. HYDE. I thank the gentleman for his contribution.

And you will find women in this Chamber voting for the Smith amendment. This is not a male-female issue. There are women who agree and who disagree. So I do not think that appeal to gender is very helpful.

As far as fairness is concerned, I suggest we are fairer to snail darter and to whales and to iguanas than we are to unborn children.

Now either they are nothing and expendable or they are an example of defenseless human life.

Those of my colleagues who think that an unborn child is expendable, fine, then you continue to support abortion. Those of us who feel that it is a human life to be protected oppose your view.

So that is what this vote will be on. I commend again the gentleman from New Jersey for his initiative.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Maryland.

Mr. HOYER. I thank the gentleman for yielding.

Mr. Chairman, I understand the gentleman's strong feeling and I think he understands the fact that I for one and many of my colleagues do not believe this is an issue on point.

May I ask the gentleman: If say the President and a majority of this Congress were Christian Scientists would the gentleman believe it fair for us to say that no Federal employee ought to have Federal health benefits because we did not believe in medical services?

Mr. HYDE. Oh, no, sir. I do not think one should impose one's religious beliefs on anyone. I do not think that is being done here.

As I said, the law is to protect the weak, the preborn from the strong.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Mr. SILJANDER).

Mr. SILJANDER. Mr. Chairman, we have heard the same old arguments on this floor time and time again, the self-centered arguments of choice, choice for one person. We have heard the pious view of forcing the religion on other people, but it is all right to religiously snap out and wipe out life. We have heard the issue of rape and it is all right to rape the wombs of millions and millions of women throughout the country. We have heard the discussion of cost. What about the cost of 25,000 abortions in 1980 paid for by employee health plans? At a rate of $625 per abortion, that is a $16 million savings for all of us who are so concerned about budgetary items.

We hear about public opinion. It is clear by every poll taken the taxpayer financed abortion is opposed, opposed clearly by the American people.

Is it legality? We have heard the Supreme Court rule that we as a Congress have the right to determine whether or not we can pay or not pay for abortions.

Is it historic precedent? We have voted time and time again for the Hyde amendment to cut off Federal funded abortions.

These are not new arguments. It is the same old thing.

I urge my colleagues in the House to support the Smith amendment.

Mr. SMITH of New Jersey. Mr. Chairman, I reserve the balance of my time.

Mr. ROYBAL. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. GARCIA).

Mr. GARCIA. Mr. Chairman, I believe it is important that we understand that there is not one person in this Chamber who favors abortions. I for one pity the poor unfortunate women faced with this decision. There is not one person here who would not agree with me.

I really take offense when people say that those of us who believe that women should not have their rights violated and, it is their moral decision, and their's only. Those of us who support that decision are classified as persons who are willing to kill the unborn. That is hypocrisy. Only women can make the decisions.

Mr. SMITH of New Jersey. Mr. Chairman, I reserve the balance of my time.

Mr. ROYBAL. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. WEISS).

Mr. WEISS. Mr. Chairman, I happen to agree fully with the argument of the gentleman from Maryland that the issue we are discussing at this moment is not really either Federal funding of abortions or abortions themselves. It has to do with equal treatment of Federal employees and other employees.

The people on the other side really are talking about the right to abortion and the right of Federal employees and Federal moneys to be used for those abortions. So I want to address that issue just a moment.

To listen to the gentleman from Illinois and the gentleman from New Jersey you would have to believe that the only reason that people get abortions is because there are Federal moneys available or there is Federal insurance available.

Long before the Supreme Court ruled the way it did as to the right of a woman to choose an abortion, there were a million abortions in this country a year illegally. What happened though was that instead of people being able to go to doctors and clinics and hospitals, they had to have their lives subjected to the worst of the butchers that you could possibly find. And you had people being killed and maimed because of the philosophy and the thinking of people such as the gentleman from New Jersey and the gentleman from Illinois.

What we are trying to do is to maintain decent, proper standards for people who are in fact going to undergo that procedure in any event. And the fact is that although today the gentleman is talking about Federal taxpayer's money, we know that in all honesty he is not just opposed to the use of Federal taxpayers' money, he is opposed to the Supreme Court decision on abortions. And we ought to have that very, very clear.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. MILLER).

Mr. MILLER of Ohio. Mr. Chairman, I support this amendment and this language would not prevent a Federal employee from having an abortion. It would simply mean that Federal employees to obtain abortions would have to pay for them out of private funds and could not have their abortions subsidized by the taxpayers.

When this amendment was offered on the floor in 1981 it passed overwhelmingly, 253 to 167. The will of the House was clear on this matter at that time, and I believe the majority of my colleagues still believe we should include this language in the bill. I have a copy of the RECORD of July 30, 1981, where Mr. Ashbrook was speaking on the floor, and at that time that language that he offered is identical to the language being offered by the gentleman from New Jersey (Mr. SMITH), word for word. And it was approved here on the House floor. It was included in our House bill, H.R. 7158, for the 97th Congress, 2d session. It is in the bill word for word and we should include it again in the bill that we are considering today.

Mr. RUDD. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Ohio. I yield to the gentleman from Arizona.

Mr. RUDD. I thank the gentleman for yielding.

This is for a question only. How long has it been since this language has been in this particular bill on our subcommittee? Has it been 3 years, until this year, that it has been a part of the bill?

Mr. MILLER of Ohio. If I am not mistaken it was first put in this appropriation bill in 1980. I think there have been at least three recorded floor votes on it. I do not have that record right before me.

Mr. RUDD. But this year a motion that was offered during markup on the bill that sought to include this language failed to pass; is that correct?

Mr. MILLER of Ohio. That is correct.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. MOLINARI).

Mr. MOLINARI. Mr. Chairman, it has been said that today all the debate is the same and the arguments raised today are the same, but I perceive that there is one major difference, particularly from the other side of the aisle in that for some reason they are trying to walk away from the abortion issue.

This is not a vote on abortion we are told, but really a vote on the budget process.

What is the matter, are we losing our courage to stand up and vote for what we stand for?

Mr. SMITH of New Jersey. Mr. Chairman, I reserve the balance of my time.

□ 1830

Mr. Chairman, the hour is getting late. In the interest of time, to expedite, I will just make a few closing remarks, and I yield myself such time as I may consume for that purpose.

At the beginning of the debate, I pointed out there was a question I was asking those opposed to this amendment to answer, and that is whether or not an abortion indeed kills a human being. Unfortunately, I have been greatly disappointed that the opponents have not faced that issue, have not even attempted to try to answer that question. Indeed, as I have said before, if they are correct and it is not the killing of an unborn child, I would walk away and I would not offer this amendment. But because I believe the data and the facts speak to a conclusion that the unborn are indeed every bit as human as you or I, feel that this amendment is very worthwhile. I do not think that the Federal Government has any real business—and we do provide 60 percent of those payments to buy those insurance policies—to then turn around and buy those abortions. Those moneys, the 40 percent from the Federal employees and the 60 percent from the Federal Government, are comingled. There is no way to differentiate between the two. So I would say that this is indeed a vote on abortion, and I urge support for and passage of this amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. ROYBAL. Mr. Chairman, I yield 3 minutes to the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Mr. Chairman, the person I really salute in this chamber is the gentleman from California (Mr. ROYBAL), because he sits here and he will take all sorts of political flak for what he has done. The easy thing for him to do would be to cave and pretend that he cannot read. But the gentleman from California can read, and he understands what is in this amendment and he has the courage to come to this floor and say, "Wait a minute, let us go through this."

Now, why in the world is he taking this position? And why are many of the rest of us talking about this?

No. 1, there may be polls—and I am sure there are polls—showing taxpayers do not want their money spent for abortion.

But guess what. The taxpayers are not spending their money for abortion in here.

This is compensation to the people who are in the Federal Government. It is not taxpayer money. It is benefits for them working for the Federal Government. It is not a handout. It is compensation. It is negotiated.

No. 2, he knows this is not abortion on demand. It has nothing to do with that. This is a health plan. This is what I was trying to point out earlier when I was asking about the questions about the life of a mother. This is a health plan. This is a health plan where you are balancing two lives. Certainly the life of the child we are terribly concerned about, and we should also be equally concerned about the life of the mother in the health plan.

And the problem with this amendment as it is written—and we are not allowed to amend it to clean it up—is that real tough questions are not answered.

What do you mean by life of the mother? If you are just going to shorten it by 10 years, is that not significant? If you are going to paralyze the mother? If it is her mental health? There are a zillion questions that you can ask; if she is diabetic, and it means that she is really in a life threatening position. How life threatening does it have to be?

Those are all of the tough questions that have to be asked by the doctors and the nurses and the hospitals and

the religious folks and everyone else dealing with this health plan.

I think it is despicable that people would compare this to cosmetic surgery. Of course, that is not covered. Cosmetic surgery would not be covered under a health plan. And that is what this is.

So the gentleman from California understands that there is no taxpayers' money involved, that this is a health plan, with all of the checks and balances that a health plan in the medical profession would have, and he understands the very severe difficulty that any of us would have in balancing two lives.

I do not think any of us ever want to be in that position, and I hope none of us are. But I do not think as a legislative body we want to mandate Federal employees must do thus and so.

I think the gentlewoman from New York hit it very well when she said that she personally—and I am sure the gentleman from California, myself, all of us—cannot think that we would ever want an abortion and, yet, as she said, at her age, if she were raped, who knows, she might change her mind.

Please reject this amendment.

Again, I salute the gentleman from California.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. SMITH).

The question was taken; and on a division (demanded by Mr. VOLKMER) there were—ayes 25, noes 33.

RECORDED VOTE

Mr. SMITH of New Jersey. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 226, noes 182, not voting 24, as follows:

[Roll No. 178]

AYES—226

Albosta	Craig	Gibbons
Annunzio	Crane, Daniel	Gingrich
Applegate	Crane, Philip	Goodling
Archer	D'Amours	Gradison
Barnard	Daniel	Gramm
Bartlett	Dannemeyer	Gregg
Bateman	Daub	Gunderson
Bedell	Davis	Hall (OH)
Bennett	DeWine	Hall, Ralph
Bereuter	Donnelly	Hall, Sam
Bethune	Dorgan	Hamilton
Bevill	Dowdy	Hammerschmidt
Bilirakis	Dreier	Hansen (ID)
Bliley	Duncan	Hansen (UT)
Boggs	Durbin	Harrison
Boland	Dwyer	Hertel
Boner	Dyson	Hightower
Bonior	Early	Hiler
Borski	Edwards (OK)	Hillis
Breaux	Emerson	Holt
Broomfield	English	Hopkins
Burton	Erdreich	Hunter
Byron	Erlenborn	Hutto
Campbell	Evans (IA)	Hyde
Chappell	Fields	Ireland
Cheney	Fish	Jenkins
Clinger	Flippo	Jones (OK)
Coats	Florio	Jones (TN)
Coleman (MO)	Foglietta	Kaptur
Conte	Franklin	Kasich
Corcoran	Fuqua	Kazen
Coughlin	Gaydos	Kemp
Courter	Gephardt	Kildee
Kindness	Nelson	Sikorski
Kramer	Nichols	Siljander
LaFalce	Nielson	Skeen
Lagomarsino	Nowak	Skelton
Latta	O'Brien	Slattery
Leach	Oakar	Smith (NE)
Leath	Oberstar	Smith (NJ)
Lent	Ortiz	Smith, Denny
Lipinski	Oxley	Smith, Robert
Livingston	Packard	Snyder
Lloyd	Pashayan	Solomon
Loeffler	Patman	Spence
Long (LA)	Paul	St Germain
Lott	Penny	Stangeland
Lowery (CA)	Perkins	Stenholm
Lujan	Petri	Stratton
Luken	Porter	Stump
Lungren	Quillen	Sundquist
Mack	Rahall	Tauke
Marriott	Ray	Tauzin
Martin (NY)	Regula	Taylor
Mavroules	Reid	Thomas (GA)
Mazzoli	Ridge	Traxler
McCain	Rinaldo	Vander Jagt
McCollum	Ritter	Volkmer
McDade	Roberts	Vucanovich
McDonald	Robinson	Walker
McEwen	Roe	Watkins
McGrath	Roemer	Weber
McHugh	Rogers	Whitehurst
Michel	Rostenkowski	Whitten
Miller (OH)	Roth	Williams (OH)
Minish	Rudd	Winn
Moakley	Russo	Wolf
Molinari	Sawyer	Wortley
Mollohan	Schaefer	Wylie
Montgomery	Schulze	Yatron
Moore	Sensenbrenner	Young (AK)
Moorhead	Sharp	Young (FL)
Murphy	Shaw	Young (MO)
Murtha	Shelby	Zablocki
Myers	Shumway	
Natcher	Shuster	

NOES—182

Ackerman	Fazio	Madigan
Addabbo	Feighan	Marlenee
Akaka	Ferraro	Martin (IL)
Alexander	Fiedler	Martin (NC)
Anderson	Foley	Matsui
Andrews (NC)	Ford (MI)	McCandless
Andrews (TX)	Ford (TN)	McCloskey
Anthony	Forsythe	McCurdy
Barnes	Fowler	McKernan
Bates	Frank	McKinney
Berman	Frenzel	McNulty
Biaggi	Frost	Mica
Boehlert	Garcia	Mikulski
Bonker	Gejdenson	Miller (CA)
Bosco	Gekas	Mineta
Boucher	Gilman	Mitchell
Boxer	Glickman	Moody
Britt	Gonzalez	Morrison (CT)
Brooks	Gray	Morrison (WA)
Brown (CA)	Green	Mrazek
Brown (CO)	Guarini	Neal
Broyhill	Hall (IN)	Obey
Bryant	Hance	Olin
Carper	Hatcher	Ottinger
Carr	Hawkins	Panetta
Chandler	Hefner	Patterson
Chappie	Horton	Pease
Clarke	Howard	Pepper
Clay	Hoyer	Pickle
Coelho	Huckaby	Price
Coleman (TX)	Hughes	Pritchard
Collins	Jacobs	Pursell
Conable	Johnson	Rangel
Cooper	Jones (NC)	Ratchford
Coyne	Kastenmeier	Richardson
Crockett	Kennelly	Rodino
Daschle	Kogovsek	Rose
Dellums	Kostmayer	Roukema
Derrick	Lantos	Rowland
Dickinson	Lehman (CA)	Roybal
Dicks	Lehman (FL)	Sabo
Dingell	Leland	Savage
Downey	Levin	Schneider
Dymally	Levine	Schroeder
Eckart	Levitas	Schumer
Edgar	Lewis (FL)	Seiberling
Edwards (AL)	Long (MD)	Shannon
Edwards (CA)	Lowry (WA)	Simon
Evans (IL)	Lundine	Sisisky
Fascell	MacKay	Smith (FL)
Smith (IA)	Torres	Whitley
Snowe	Torricelli	Whittaker
Solarz	Towns	Williams (MT)
Spratt	Udall	Wirth
Staggers	Valentine	Wise
Stokes	Vandergriff	Wolpe
Studds	Vento	Wright
Swift	Waxman	Wyden
Synar	Weaver	Yates
Tallon	Weiss	Zschau
Thomas (CA)	Wheat	

NOT VOTING—24

Aspin	Gore	Markey
AuCoin	Harkin	Martinez
Badham	Hartnett	Owens
Beilenson	Heftel	Parris
Carney	Hubbard	Scheuer
Conyers	Jeffords	Stark
de la Garza	Kolter	Walgren
Dixon	Lewis (CA)	Wilson

□ 1850

The Clerk announced the following pair:

On this vote:

Mr. Carney for, with Mr. AuCoin against.

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. ROYBAL. Mr. Chairman, I ask that the Chair return to page 5, lines 14 through 17, only for the purpose of hearing further arguments on the point of order raised by the gentleman from Illinois (Mr. ANNUNZIO).

The CHAIRMAN. The Chair will hear the gentleman.

Mr. FRENZEL. Reserving the right to object, Mr. Chairman——

The CHAIRMAN. The gentleman did not propound a unanimous consent request.

Mr. FRENZEL. A point of information, Mr. Chairman. Can the Chair restate what the gentleman from California propounded?

The CHAIRMAN. The gentleman from California requested the Chair to entertain a return to a point of order earlier overruled.

The Chair in rare circumstances may agree to such a request and has recognized the gentleman to be heard.

Mr. FRENZEL. Can the Chair tell us what position in the bill the point of order occurs?

The CHAIRMAN. The Chair will hear the gentleman from California and will recognize him for that purpose, and the gentleman will point that out.

Mr. ROYBAL. Mr. Chairman, I yield to the gentleman from Illinois (Mr. ANNUNZIO).

Mr. ANNUNZIO. Mr. Chairman, for the benefit of my distinguished colleague, the gentleman from Minnesota, I am renewing my point of order that the appropriation violates clause 2 of rule XXI, on page 5, line 14, of the rules of the House, in that they appropriate funds without an authorization.

A misunderstanding concerning the point of order has occurred because of a change in the law that took place in 1981, the Omnibus Reconciliation Act. Prior to the passage of the act, the

mint operated under a permanent authorization and needed only to come before the Appropriations Committee to obtain its funds.

In 1981, however, the Congress changed that law so that the mint had to first obtain a yearly authorization before obtaining an appropriation.

The report of the House Banking Committee on this legislation makes that point very clear, that each year a new authorization is needed. The report in part says:

It is the intent of the Committee to repeal the permanent authorization of the salaries and expenses of the Bureau of the Mint.

Further, the statement of the managers in the conference report of the committee on the legislation makes the point even more clear, that it is to be a yearly authorization. In part the report states:

The House bill terminated the permanent authorization for appropriations for salaries and expenses for the Bureau of the Mint. The Senate receded to the House.

The CHAIRMAN. The Chair desires to make a statement. The Chair apologizes in advance to the Members for the length of the statement.

Earlier, during consideration of the bill in the Committee of the Whole, the Chair overruled a point of order against the paragraph appropriating funds for the Bureau of the Mint, salaries and expenses, on page 5, lines 14 through 17. In argument on the point of order, the manager of the bill cited provisions of law establishing and delegating functions to the Bureau of the Mint, as sufficient authority to authorize appropriations for annual expenses and salaries. The Chair has since become aware that those provisions of law have been repealed, and that the statutes relating to the mint have been amended, first by the Omnibus Reconciliation Act of 1981, then by the Omnibus Reconciliation Act of 1982, and then by a complete recodification of title 31 of the United States Code. No specific authorization of appropriations for fiscal year 1984 has yet been enacted, but one has passed the House (H.R. 2628).

The Omnibus Reconciliation Act of 1981, Public Law 97-35, provided in section 382 that the sentence in the Code (31 U.S.C. 369) which had been construed to provide a permanent authorization of appropriations for the Bureau of the Mint be repealed, and replaced that language with an authorization of appropriations for fiscal year 1982 only. The report on that measure in the House stated, on page 129, that by repealing the existing statutory provision and by limiting the authorization to fiscal year 1982 only, it is the intent of the committee to repeal the permanent authorization for the salaries and expenses of the Bureau of the Mint. The joint explanatory statement of the conferees on the Reconciliation Act reiterated that the House bill terminated the permanent authorization for appropriations for salaries and expenses of the Bureau of the Mint (page 717). The Omnibus Reconciliation Act of 1982, Public Law 97-253, in section 202, changed the 1982 authorization into a fiscal year 1983 authorization. Public Law 97-258 codified in its entirety title 31 of the United States Code, and carried the 1982 authorization in section 5132 of title 31; all the old provisions of title 31 dealing with the mint, previously cited in argument on the point of order, have been repealed. Public Law 97-452 modified the codification to reflect the 1983 authorization carried in the 1982 Reconciliation Act. There remains no statutory language relating to the mint which may be construed as a permanent authorization.

The Chair recognizes that it is unusual for the Chair to reverse a decision or ruling previously made, and it is the opinion of the Chair that he should undertake such a course of action only where new and substantial facts or circumstances, which were not evident or stated in argument on a point of order, are subsequently brought to his attention.

In rare instances, the Chair has reversed a decision on his own initiative; for example, the Chairman of the Committee of the Whole in 1927, as cited in volume 8 of Cannon's Precedents section 3435, held that a provision in a general appropriation bill constituted legislation after reviewing a statute he was not previously aware of when he had rendered a contrary decision.

For the reasons stated, and in view of the unique and compelling circumstances, the Chair holds that the language in the bill on page 5, lines 14 through 17, appropriating funds for the Bureau of the Mint, is unauthorized and, therefore, rules the paragraph out of order.

□ 1900

For what purpose does the gentleman from Oregon (Mr. WYDEN) rise?

Mr. WYDEN. Mr. Chairman, I rise for purposes of offering an amendment.

The CHAIRMAN. Does the gentleman from California (Mr. ROYBAL) also seek recognition?

Mr. ROYBAL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. STUDDS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3191) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1984, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was not objection.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. DANNEMEYER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 149, nays 259, not voting 24, as follows:

[Roll No. 179]

YEAS—149

Addabbo	Gaydos	Murphy
Akaka	Gephardt	Murtha
Albosta	Gibbons	Myers
Alexander	Gilman	Natcher
Annunzio	Gonzalez	Nelson
Barnes	Guarini	Nowak
Bedell	Gunderson	O'Brien
Bevill	Hall (OH)	Oberstar
Biaggi	Hance	Ortiz
Boggs	Hatcher	Patman
Boland	Hefner	Pease
Boner	Hertel	Pepper
Bonior	Hightower	Perkins
Bonker	Hopkins	Pickle
Borski	Horton	Price
Bosco	Howard	Quillen
Boucher	Hoyer	Rahall
Brown (CA)	Hunter	Ratchford
Carr	Hyde	Regula
Chappell	Jones (NC)	Richardson
Clarke	Jones (TN)	Ridge
Coleman (TX)	Kastenmeier	Rinaldo
Collins	Kazen	Robinson
Conte	Kennelly	Rodino
Cooper	Kildee	Roe
Coyne	LaFalce	Rogers
Crockett	Lantos	Rose
Davis	Lehman (CA)	Rowland
DeWine	Lehman (FL)	Roybal
Dingell	Lipinski	Rudd
Donnelly	Long (LA)	Sabo
Dorgan	Long (MD)	Shaw
Dowdy	Luken	Sikorski
Duncan	Markey	Simon
Dwyer	Mavroules	Skelton
Early	Mazzoli	Smith (IA)
Edwards (OK)	McDade	Smith (NE)
Erdreich	McHugh	Smith (NJ)
Fascell	Mica	St Germain
Fazio	Mikulski	Staggers
Fish	Miller (OH)	Stratton
Florio	Minish	Swift
Foglietta	Mitchell	Traxler
Ford (MI)	Moakley	Udall
Fuqua	Molinari	Vento
Garcia	Mollohan	Volkmer

Watkins	Wright	Young (FL)
Whitten	Yates	Young (MO)
Wolf	Yatron	Zablocki
Wortley	Young (AK)	

NAYS—259

Ackerman	Gramm	Packard
Anderson	Gray	Panetta
Andrews (NC)	Green	Pashayan
Andrews (TX)	Gregg	Patterson
Anthony	Hall (IN)	Paul
Applegate	Hall, Ralph	Penny
Archer	Hall, Sam	Petri
Barnard	Hamilton	Porter
Bartlett	Hammerschmidt	Pritchard
Bateman	Hansen (ID)	Pursell
Bates	Hansen (UT)	Rangel
Bennett	Harrison	Ray
Bereuter	Hawkins	Reid
Berman	Hiler	Ritter
Bethune	Hillis	Roberts
Bilirakis	Holt	Roemer
Bliley	Huckaby	Rostenkowski
Boehlert	Hughes	Roth
Boxer	Hutto	Roukema
Breaux	Ireland	Russo
Britt	Jacobs	Savage
Brooks	Jenkins	Sawyer
Broomfield	Johnson	Schaefer
Brown (CO)	Jones (OK)	Schneider
Broyhill	Kaptur	Schroeder
Bryant	Kasich	Schulze
Burton	Kindness	Schumer
Byron	Kogovsek	Seiberling
Campbell	Kostmayer	Sensenbrenner
Carper	Kramer	Shannon
Chandler	Lagomarsino	Sharp
Chappie	Latta	Shelby
Cheney	Leach	Shumway
Clay	Leath	Shuster
Clinger	Leland	Siljander
Coats	Lent	Sisisky
Coelho	Levin	Skeen
Coleman (MO)	Levine	Slattery
Conable	Levitas	Smith (FL)
Corcoran	Lewis (FL)	Smith, Denny
Coughlin	Livingston	Smith, Robert
Courter	Lloyd	Snowe
Craig	Loeffler	Snyder
Crane, Daniel	Lott	Solarz
Crane, Philip	Lowery (CA)	Solomon
D'Amours	Lowry (WA)	Spence
Daniel	Lujan	Spratt
Dannemeyer	Lundine	Stangeland
Daschle	Lungren	Stenholm
Daub	Mack	Stokes
Dellums	MacKay	Studds
Derrick	Madigan	Stump
Dickinson	Marlenee	Sundquist
Dicks	Marriott	Synar
Downey	Martin (IL)	Tallon
Dreier	Martin (NC)	Tauke
Durbin	Martin (NY)	Tauzin
Dymally	Matsui	Taylor
Dyson	McCain	Thomas (CA)
Eckart	McCandless	Thomas (GA)
Edgar	McCloskey	Torres
Edwards (AL)	McCollum	Torricelli
Edwards (CA)	McCurdy	Towns
Emerson	McDonald	Valentine
English	McEwen	Vander Jagt
Erlenborn	McGrath	Vandergriff
Evans (IA)	McKernan	Vucanovich
Evans (IL)	McKinney	Walker
Feighan	McNulty	Waxman
Ferraro	Michel	Weaver
Fiedler	Miller (CA)	Weber
Fields	Mineta	Weiss
Flippo	Montgomery	Wheat
Foley	Moody	Whitehurst
Ford (TN)	Moore	Whitley
Forsythe	Moorhead	Whittaker
Fowler	Morrison (CT)	Williams (MT)
Frank	Morrison (WA)	Williams (OH)
Franklin	Mrazek	Winn
Frenzel	Neal	Wirth
Frost	Nichols	Wise
Gejdenson	Nielson	Wolpe
Gekas	Oakar	Wyden
Gingrich	Obey	Wylie
Glickman	Olin	Zschau
Goodling	Ottinger	
Gradison	Oxley	

NOT VOTING—24

Aspin	Gore	Lewis (CA)
AuCoin	Harkin	Martinez
Badham	Hartnett	Owens
Beilenson	Heftel	Parris
Carney	Hubbard	Scheuer
Conyers	Jeffords	Stark
de la Garza	Kemp	Walgren
Dixon	Kolter	Wilson

□ 1910

The Clerk announced the following pair:

On this vote:

Mr. Parris for, with Mr. AuCoin against.

Messrs. REID, PACKARD, and SPRATT changed their votes from "yea" to "nay."

Mr. GARCIA changed his vote from "nay" to "yea."

So the bill was not passed.

The result of the vote was announced as above recorded.

REQUEST FOR CONSIDERATION OF HOUSE RESOLUTION 225, OBJECTING TO SCHEDULED HANGINGS IN SOUTH AFRICA

Mr. SAVAGE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (H. Res. 225), objecting to the scheduled hangings in South Africa on June 9, 1983, of Thelle Simon Mogoerane, Jerry Semano Mosololi, and Marcus Thabo Motaung.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. WALKER. Mr. Speaker, reserving the right to object, will the gentleman from Illinois tell me whether this resolution has been considered by any committee of the Congress?

Mr. SAVAGE. Mr. Speaker, if the gentleman will yield, no, it has not.

Mr. WALKER. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

□ 1920

OBJECTING TO SCHEDULED HANGINGS IN SOUTH AFRICA

(Mr. SAVAGE asked and was given permission to address the House for 1 minute.)

Mr. SAVAGE. Mr. Speaker, this resolution is an emergency resolution because at 10 p.m., our time tonight, the three South African natives involved in this resolution are scheduled to be hanged. That is why it has not been considered by any committee. Hanged despite the unanimous adoption by the United Nations Security Council of a resolution asking for their clemency just yesterday. A resolution incidently supported by the U.S. Government.

And all this resolution was to do was to ask the President to in the strongest terms try to influence the South African racist, Fascist regime not to hang those three young men tonight, in light of the American support of the U.N. resolution, and also allow the fact that this very night, between 9:30 and 10:30, the period during which these young men are to be hanged, there will be many Members of this body standing on the east steps of the Capitol in a silent prayer vigil.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Nevada (Mrs. VUCANOVICH) is recognized for 5 minutes.

● Mrs. VUCANOVICH. Mr. Speaker, because of a personal commitment, I was not able to be present for votes taken on June 7, 1983. If I were present, I would have voted as follows:

Rollcall No. 165, "yea."
Rollcall No. 166, "no."
Rollcall No. 167, "yea."
Rollcall No. 168, "no."
Rollcall No. 169, "yea."
Rollcall No. 170, "no."
Rollcall No. 171, "no."
Rollcall No. 172, "no."
Rollcall No. 173, "no."●

ALLOWING SPECIAL COMMUTING EXPENSE DEDUCTIONS TO HANDICAPPED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. MCDADE) is recognized for 5 minutes.

● Mr. MCDADE. Mr. Speaker, in a time when we ought to be doing everything we can to provide jobs for our people and to encourage charity work, one specific provision of our Tax Code is actually discouraging certain citizens from leading active, productive lives. These individuals are the handicapped who must depend on extraordinary means to get to their jobs and their charitable activities. Yet in a tax code, the pages of which spill over with deductions, there is nothing to allow these individuals to deduct their special commuting expenses.

I learned of this situation through a constituent—a victim of muscular dystrophy who is bound to a wheelchair, but able to be employed and a taxpayer all of his adult life, because his parents have seen to it that he gets to and from work, as well as to his many charity activities. When family illness threatened to put him in the position of so many other developmentally disabled citizens—victims of mental and physical retardation, cerebral palsy, and nervous disorders such as turret's syndrome—who cannot depend on the efforts of family and friends, he asked the Internal Revenue Service if his necessary commuting expenses would be considered tax deductible. No, said

the IRS, not without congressional authorization.

H.R. 2128 would provide the change that the Internal Revenue Service says it needs to allow such deductions. My bill would allow the developmentally disabled to deduct all "extraordinary commuting expenses" for travel to and from work and charity activities. The bill contains a tight definition of the developmentally disabled and—in my estimation, a key feature of the bill—a prohibition on this deduction if public or private charity transport systems are at the disposal of handicapped individuals. We must do nothing to imperil these vital services.

Unfortunately, the absence of such an allowable deduction for these costly expenses inhibits, and even prohibits, many of our developmentally disabled citizens from becoming productive workers, paying taxpayers, and community servants. We must become more sensitive to the special needs of this population. We cannot accept a Tax Code that forces otherwise able and ambitious citizens to become vocational or avocational shut-ins. We must allow our productive citizens to be productive. H.R. 2128 will help do this, and I urge my colleagues to support it.●

THE AGRICULTURAL APPROPRIATIONS BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. HIGHTOWER) is recognized for 5 minutes.

Mr. HIGHTOWER. Mr. Speaker, during the debate on the agricultural appropriations bill earlier today, it was necessary for me to be present in the Defense Subcommittee and I missed the opportunity to speak during the general debate on the bill.

Today we debated and passed an appropriations bill which is vitally needed by the agricultural industry of our country. Many of my colleagues have also expressed their concern about the current condition of agriculture in the United States, and I join with them to support H.R. 3223.

As a member of the subcommittee, I have listened to numerous hours of testimony from individuals and organizations which play a major role in the agencies which this bill will directly affect. This bill provides $31.7 billion in new budget authority for fiscal year 1984 for the Agriculture Department and related agencies. The request is $51.4 million less than the administration's request and $6.2 billion less than the fiscal year 1983 appropriation. The committee has spent a great deal of time looking at alternatives and has recommended what it feels will best serve the agricultural industry and preserve the food producing capability of our country. H.R. 3223 will provide funding for many essential programs which serve the farmer, the agricultural industry, and the consumer. The many research programs which are funded by this bill play a vital role in continuing the efficiency and productivity of our farmers. They are recognized as the best in the world and provide the consumers of this country with a plentiful and economical supply of food.

The farmers and ranchers of this country, and the many varied industries which serve them, are in serious financial trouble. A 1-hour documentary by CBS news which aired on Sunday, June 5, very vividly portrayed the plight of the American farmer. Many people are misled by those who would have them believe that the current financial plight of our farmers is limited to only the small, inefficient farmer. Nothing could be farther from the truth. The documentary revealed how a very large and efficient farmer who owns and operates 12,000 acres of farmland is having a very difficult time keeping his operation solvent and generating enough cash to pay his expenses. This is only one example, but there are countless others who go unmentioned.

The price support programs which this bill provides funding for are desparately needed in light of today's depressed prices for agricultural commodities. The PIK program is a step in the right direction and has provided a measure of hope for many of our farmers, but much more effective programs are needed. I can say without any hesitation whatsoever, that our farmers would much rather receive all of their income from the marketplace, rather than having to receive a portion of it in the form of Government payments which are necessitated by the surpluses that now depress prices. The Government must certainly shoulder a portion of the responsibility for these surpluses since they have been partially created by past embargoes and a lack of effective farm programs.

The appropriations which are recommended for rural development programs are made in an effort to assure that the rural areas of the country receive treatment from the Federal Government similar and also equal to that received by our urban areas. The Rural Electrification Administration provides a great deal of very important service to our rural areas. The REA has a very good history of providing much needed electrical and telephone service to rural America.

The Farmers Home Administration is another agency which provides much needed service, not only to farmers, but also to many homeowners. The FmHA is currently playing an important role in providing financial assistance to those farmers who have been adversely affected by the depressed times in agriculture.

The Department of Agriculture also plays a very important role in the export of our agricultural commodities by maintaining and expanding foreign markets. These programs must be maintained and supported with sufficient funding so that the United States might reverse the very costly decline in exports which has occurred in the past few years. U.S. exports have dropped from $43.3 billion in 1981 to $36.7 billion in 1982, a 15-percent decline.

I am glad that my colleagues realized the necessity for the funding which the committee has recommended and supported the bill.

□ 1930

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. HUTTO) is recognized for 5 minutes.

● HUTTO. Mr. Speaker, as a member of the House Armed Services Committee, I felt the necessity of visiting Central America, particularly El Salvador and Nicaraugua. I made this trip June 2–5. At the time the trip was scheduled, it was our understanding that there would be no votes on Friday, June 3. However, since there were recorded votes late Thursday evening, June 2, and on Friday, June 3, I would like to submit how I would have voted on these matters for the record.

Rollcall No. 152, "yea".
Rollcall No. 153, "yea".
Rollcall No. 156, "yea".
Rollcall No. 157, "yea".
Rollcall No. 158, "yea".
Rollcall No. 159, "yea".
Rollcall No. 160, "yea".●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. PANETTA) is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, while I was attending a seminar on relations between our country and our NATO allies, I unfortunately was forced to be absent for several rollcall votes that took place on June 2 and June 3. I would like to list those rollcall votes by number and state how I would have voted had I been present.

JUNE 2

Rollcall No. 146, "yea."
Rollcall No. 147, "aye."
Rollcall No. 148, "no."
Rollcall No. 149, "aye."
Rollcall No. 150, "aye."
Rollcall No. 151, "yea."
Rollcall No. 152, "aye."
Rollcall No. 153, "yea."

JUNE 3

Rollcall No. 154, "yea."
Rollcall No. 155, "yea."
Rollcall No. 156, "aye."
Rollcall No. 157, "aye."
Rollcall No. 158, "aye."
Rollcall No. 159, "no."
Rollcall No. 160, "no."
Rollcall No. 161, "nay."
Thank you, Mr. Speaker.●

INTRODUCING LEGISLATION TO GIVE A FEDERAL CHARTER TO THE NATIONAL ACADEMY OF PUBLIC ADMINISTRATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. BROOKS) is recognized for 5 minutes.

● Mr. BROOKS. Mr. Speaker, today I am introducing legislation to grant a Federal charter to the National Academy of Public Administration. NAPA, established in 1967, has played a vital role in improving the ability of governmental bodies at the Federal, State, and local level to function effectively.

NAPA is an elected association of nearly 300 public administrators, academic figures, and others who are recognized for their contributions to the field of public administration and their dedication to improved government operations and public service. In addition to providing a forum for discussion of important issues of public administration, the Academy has undertaken a wide range of studies in this area. The titles of some of these projects suggest the diversity of their subject matter: "The Federal System and Energy Facility Siting," "A System To Develop Defense Executives," and "Appraisal of Performance Under the Civil Service Reform Act of 1978."

Mr. Speaker, granting a charter to the National Academy of Public Administration would be recognition of the valuable contribution this organization makes to the operation of our National Government and the improvement in the quality of our public entities. I hope that this legislation will receive prompt and favorable consideration.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. LEVINE) is recognized for 5 minutes.

● Mr. LEVINE of California. Mr. Speaker, because of longstanding commitments in my congressional district, I was unable to cast votes on June 2 and 3, 1983. Had I been present, I would have cast "aye" votes on the following: vote No. 146, the Wirth amendment adding funding to EPA; No. 149, the Dannemeyer/Waxman amendment on clean air sanctions; No. 151, final passage of HUD/Independent Agency appropriations; No. 153, the emergency assistance to Lebanon suspension; and No. 161, final passage of legislative appropriations.●

INTRODUCING LEGISLATION TO CONVENE A NATIONAL SUMMIT ON CONFERENCE ON EDUCATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Montana (Mr. WILLIAMS) is recognized for 5 minutes.

Mr. WILLIAMS of Montana. Mr. Speaker, as has so often happened before in our history, Americans are questioning the quality of our system of education. A series of education reports have focused America's attention on the quality of our schools and the need for educational reform.

Our people are concerned: Is our system of education no longer No. 1? Are our teachers ill-prepared? Have our schools been over- or underfunded? Are our children being adequately educated to meet tomorrow's challenges?

These and other questions like them are not new. But they are relevant and they must be answered. Americans will not permit second-rate schooling. Everything in our history and tradition demands that our people receive the best education possible. This Nation has always understood Jefferson's admonition about the impossibility of remaining both free and ignorant. Our people have consistently demonstrated willingness to both support and pay for excellence in education.

Today I am joining with Senator EDWARD M. KENNEDY in introducing legislation calling for a National Summit Conference on Education. The legislation provides for a $500,000 appropriation for a National Summit Conference that will be held within 90 days after the date of enactment. The conference will consist of not less than 200 individuals with a broad range of interest and backgrounds, including teachers, parents, school administrators, college professors and administrators, school board members, State education officials, State legislators, Governors, students, business and labor leaders, and local, State, and Federal decisionmakers. Participants will be appointed by the President, Governors of the States, the Speaker of the House of Representatives and the Senate majority leader.

I am hoping along with Senator KENNEDY, for immediate congressional action on our legislation. The commission would be of major assistance in informing the American people and the Congress of the elements necessary to assure each American of a quality education.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CARNEY (at the request of Mr. MICHEL), for today, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. JOHNSON) to revise and extend their remarks and include extraneous material:)

Mr. GINGRICH, for 60 minutes, today.
Mr. GINGRICH, for 60 minutes, on June 9.
Mrs. VUCANOVICH, for 5 minutes, today.
Mr. MCDADE, for 5 minutes, today.

(The following Members (at the request of Mr. ANDREWS of Texas) and to include extraneous matter:)

Mr. HIGHTOWER, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 30 minutes, today.
Mr. HUTTO, for 5 minutes, today.
Ms. OAKAR, for 15 minutes, today.
Mr. PANETTA, for 5 minutes, today.
Mr. EDGAR, for 5 minutes, today.
Mr. KASTENMEIER, for 10 minutes, today.
Mr. COYNE, for 5 minutes, today.
Mr. BROOKS, for 5 minutes, today.
Mr. LEVINE of California, for 5 minutes, today.
Mr. MCCURDY, for 60 minutes, June 14.
Mr. WILLIAMS of Montana, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. SKELTON, on H.R. 3223 just prior to the vote today.
Mr. ALBOSTA, in general debate on H.R. 3191 today.
Mr. WINN, prior to the vote on Edwards of Oklahoma amendment to H.R. 3191 in the Committee of the Whole today.
Mr. PATMAN on the Edwards of Oklahoma amendment to H.R. 3191 today.

(The following Members (at the request of Mrs. JOHNSON) and to include extraneous matter:)

Mr. GILMAN.
Mr. FIELDS.
Mr. KEMP in five instances.
Mr. MCGRATH.
Mr. BROWN of Colorado.
Mr. LAGOMARSINO.
Mr. BEREUTER in two instances.
Mr. PORTER.
Mrs. MARTIN of Illinois.
Mr. LOWERY of California.

Mr. PHILIP M. CRANE.
Mr. WOLF in two instances.
Mr. BROOMFIELD.
Mr. GREEN in two instances.
Mr. GINGRICH.
Mr. DUNCAN.
(The following Members (at the request of Mr. ANDREWS of Texas) and to include extraneous matter:)
Mr. DONNELLY.
Mr. ROE.
Mr. DOWNEY of New York in two instances.
Mr. MINISH.
Mr. KASTENMEIER.
Mr. MAZZOLI.
Mr. EDGAR in two instances.
Mr. ENGLISH.
Mr. PEASE.
Mr. SYNAR.
Ms. FERRARO in two instances.
Mr. MCDONALD.
Mr. ACKERMAN in two instances.
Mr. FLORIO.
Mr. LANTOS.
Ms. KAPTUR in two instances.
Mr. SCHUMER.
Mrs. SCHROEDER.
Mr. HEFTEL of Hawaii.
Mr. COELHO.
Mr. GORE.
Mr. FRANK.
Mr. BERMAN.
Mr. TRAXLER.
Mrs. KENNELLY.
Mr. HAMILTON.
Mr. JONES of Tennessee.
Mr. MILLER of California.
Mr. BONKER.
Mr. WIRTH.
Mr. BOUCHER.
Mr. WILLIAMS of Montana.

ADJOURNMENT

Mr. LELAND. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 35 minutes p.m.), the House adjourned until tomorrow, Thursday, June 9, 1983, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1319. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Army's proposed sale of certain defense equipment to Greece (Transmittal No. 83-38), pursuant to section 133b of title 10, United States Code; to the Committee on Armed Services.

1320. A letter from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting notice of the proposed conversion to contractor performance of the shelf stocking function at the commissary store, Naval Air Station, Alameda, Calif., pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

1321. A letter from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting notice of the proposed conversion to contractor performance of the shelf stocking function at the commissary store, Naval Station, Seattle, Wash., pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

1322. A letter from the Chairman, Board of Directors, Washington Metropolitan Area Transit Authority, transmitting the 16th annual report of the Authority, pursuant to section 6(b) of Public Law 89-774; to the Committee on the District of Columbia.

1323. A letter from the Director, ACTION, transmitting the views of ACTION in opposition to H.R. 1264 (Select Commission on Volunteer Service Opportunities Act of 1983); to the Committee on Education and Labor.

1324. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to offer to sell certain defense equipment and services to Greece (Transmittal No. 83-38), pursuant to section 36(b) of the Arms Export Control Act, together with certification that the sale is consistent with the principles contained in section 620C(d) of the Foreign Assistance Act of 1961, pursuant to section 620C(b) of the act; to the Committee on Foreign Affairs.

1325. A letter from the Acting Administrator, General Services Administration, transmitting a report on the results of investigations of the cost of travel and the operation of privately owned vehicles to Federal employees while engaged in official business and the annual determination of the average actual cost per mile for the use of privately owned vehicles, pursuant to 5 U.S.C. 5707 (b)(1) and (b)(2); to the Committee on Government Operations.

1326. A letter from the Assistant Secretary of Interior for Territorial and International Affairs, transmitting a copy of the deficit elimination plan for the Territory of the Virgin Islands, pursuant to section 601 of Public Law 97-357; to the Committee on Interior and Insular Affairs.

1327. A letter from the Secretary of Health and Human Services, transmitting the annual report of the Social Security Administration, pursuant to 42 U.S.C. 904; to the Committee on Ways and Means.

1328. A letter from the Secretary of Energy, transmitting the 11th quarterly report on biomass energy and alcohol fuels, pursuant to section 218(a) of Public Law 96-294; jointly, to the Committees on Agriculture, Energy and Commerce, and Science and Technology.

1329. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend title 10, United States Code, to increase the number of Assistant Secretaries in the Department of Defense, and for other purposes; jointly, to the Committees on Armed Services and Post Office and Civil Service.

1330. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to amend the Immigration and Nationality Act and for other purposes; jointly, to the Committees on the Judiciary and Education and Labor.

1331. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize the Secretary of Transportation to administer medical and dental care programs for the Coast Guard when it is not operating as a service in the Navy, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Armed Services.

1332. A letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to provide for the exclusion of residents and interns from coverage under the Federal Labor-Management Relations Statute; jointly, to the Committees on Veterans' Affairs and Post Office and Civil Service.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BIAGGI:

H.R. 3247. A bill to appropriate funds for basic scientific and medical research on acquired immune disorders and related opportunistic infections; to the Committee on Appropriations.

H.R. 3248. A bill to appropriate funds for epidemiological and medical research on acquired immune disorders and related opportunistic infections; to the Committee on Appropriations.

By Mr. BROOKS:

H.R. 3249. A bill to charter the National Academy of Public Administration; to the Committee on the Judiciary.

By Mr. COELHO:

H.R. 3250 A bill to amend title 23, United States Code, to establish national child passenger restraint requirements; to the Committee on Public Works and Transportation.

By Mr. D'AMOURS (for himself, Mr. MITCHELL, Mr. EDGAR, Mr. LOWRY of Washington, and Mrs. BOXER):

H.R. 3251. A bill to amend the Clean Air Act to control acid precipitation, and for other purposes; to the Committee on Energy and Commerce.

By Mr. GIBBONS:

H.R. 3252. A bill to amend the Internal Revenue Code of 1954 with respect to amendments of certain transfers for charitable purposes, and for other purposes; to the Committee on Ways and Means.

By Mr. HANCE (for himself, Mr. LOEFFLER, Mr. HIGHTOWER, Mr. STENHOLM, Mr. SAM B. HALL, Jr., Mr. PICKLE, Mr. RALPH M. HALL, Mr. FROST, Mr. VANDERGRIFF, Mr. JONES of Oklahoma, Mr. ENGLISH, Mr. WATKINS, Mr. ANDREWS of Texas, Mr. RICHARDSON, Mr. DOWDY of Mississippi, Mr. PATMAN, Mr. SYNAR, Mr. COLEMAN of Texas, Mr. KAZEN, Mr. BROOKS, and Mr. BRYANT):

H.R. 3253 to repeal the crude oil windfall profit tax; to the Committee on Ways and Means.

By Mr. HEFTEL of Hawaii (for himself and Mr. BARNES):

H.R. 3254. A bill to protect the American public from consuming potentially unsafe pesticide residues on imported foodstuffs; to foster prudent and equitable regulatory requirements and standards for U.S. producers of agricultural commodities competing with producers in other countries in international and domestic markets; and to improve the international exchange of scientific information on the properties, safety, benefits, and risks of pesticide use; to the Committee on Agriculture.

By Mr. JONES of North Carolina (for himself, Mr. DE LA GARZA, Mr. FORSYTHE, and Mr. BREAUX):

H.R. 3255. A bill to extend the export authority of the Secretary of Agriculture and the Commodity Credit Corporation to include fish and fish products, without regard to whether such fish are harvested in aquacultural operations, and for other purposes; jointly, to the Committee on Agriculture and Foreign Affairs.

By Mr. KASTENMEIER:

H.R. 3256. A bill to permit courts of the United States to establish the order of hearing for certain civil matters, and for other purposes; to the Committee on the Judiciary.

By Mr. KINDNESS (for himself, Mr. KASTENMEIER, Mr. SAM B. HALL, Jr., Mr. LOTT, Mr. MCCOLLUM, and Mr. SENSENBRENNER):

H.R. 3257. A bill to reorganize the Federal court system for cases and proceedings under the bankruptcy laws, and for other purposes; to the Committee on the Judiciary.

By Mr. MONTGOMERY (by request):

H.R. 3258. A bill to amend section 8332 of title 5, United States Code, to permit any disabled veteran who has completed a program of vocational rehabilitation under chapter 31 of title 38, United States Code, and who commences service as a Federal civilian employee within 3 years after completion of such program, to elect to deposit with interest an amount equal to retirement deductions for the period of participation in the program (based on the rate of basic pay payable to the veteran when such election is made) and to recieve full retirement credit under chapter 83 of title 5, United States Code, for such period; to the Committee on Post Office and Civil Service.

By Mr. RICHARDSON:

H.R. 3259. A bill to declare that the United States holds certain lands in trust for the Pueblo de Cochiti; to the Committee on Interior and Insular Affairs.

By Mr. ROE (for himself, Mr. SEIBERLING, and Mr. SHUSTER):

H.R. 3260. A bill entitled: the "Single-line Prohibition Extension Amendment—Motor Carriers of Property"; to the Committee on Public Works and Transportation.

By Mr. SHANNON (for himself and Ms. MIKULSKI):

H.R. 3261. A bill to provide for control of health's escalating costs, and for other purposes; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. SYNAR (for himself and Mr. ANTHONY):

H.R. 3262. A bill to amend the Federal Election Campaign Act of 1971 to change certain contribution limits for congressional elections; to the Committee on House Administration.

By Mr. GREEN (for himself, Mr. ADDABBO, Mr. ARCHER, Mr. AUCOIN, Mr. BARNES, Mr. BEILENSON, Mr. BIAGGI, Mr. BONIOR of Michigan, Mrs. BOXER, Mr. BRITT, Mr. CARPER, Mr. CORCORAN, Mr. CORRADA, Mr. DANIEL B. CRANE, Mr. DOWNEY of New York, Mr. DWYER of New Jersey, Mr. EDGAR, Mr. EDWARDS of California, Mr. FAUNTROY, Mr. FAZIO, Mr. FORD of Michigan, Mr. FORD of Tennessee, Mr. FRANK, Mr. FRENZEL, Mr. FROST, Mr. GILMAN, Mr. HORTON, Mr. HOWARD, Mr. KEMP, Mr. KILDEE, Mr. KOSTMAYER, Mr. KRAMER, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. LELAND, Mr. LENT, Mr. LEVIN of Michigan, Mr. LONG of Maryland, Mr. LOWERY of California, Mr. MCCAIN, Mr. MCGRATH, Mr. MCHUGH, Mr. MCKINNEY, Mr. MARKEY, Mrs. MARTIN of Illinois, Ms. MIKULSKI, Mr. MINETA, Mr. MOORE, Mr. OBERSTAR, Mr. O'BRIEN, Mr. OTTINGER, Mr. PEPPER, Mr. RANGEL, Mr. RICHARDSON, Mr. RITTER, Mr. ROE, Mr. SCHEUER, Mrs. SCHROEDER, Mr. SCHUMER, Mr. SIMON, Mr. SMITH of New Jersey, Mr. SMITH of Florida, Mr. SOLARZ, Mr. STOKES, Mr. SYNAR, Mr. TORRICELLI, Mr. VANDERGRIFF, Mr. WALGREN, Mr. WEISS, Mr. WAXMAN, Mr. WIRTH, Mr. WORTLEY, Mr. YATES, and Mr. FISH):

H.J. Res. 291. Joint resolution imploring the Union of Soviet Socialist Republics to allow Dr. Semyon Gluzman and his family to emigrate to Israel; to the Committee on Foreign Affairs.

By Mr. GREEN:

H.J. Res. 292. Joint resolution designating "National Theatre Week"; to the Committee on Post Office and Civil Service.

By Mr. TAYLOR:

H.J. Res. 293. Joint resolution to commemorate the 40th anniversary of the establishment of the George Washington Carver National Monument in Diamond, Mo., to the Committee on Post Office and Civil Service.

By Mr. MICHEL:

H. Res. 223. Resolution electing Representative Chandler of Washington to the Committee on Education and Labor, and Representative Vucanovich of Nevada to the Committee on House Administration; considered and agreed to.

By Mr. SAVAGE:

H. Res. 224. Resolution objecting to the scheduled hangings in South Africa on June 9, 1983, of Thelle Simon Mogoerane, Jerry Semano Mosololi, and Marcus Thabo Motaung; to the Committee on Foreign Affairs.

H. Res. 225. Resolution objecting to the scheduled hangings in South Africa on June 9, 1983, of Thelle Simon Mogoerane, Jerry Semano Mosololi, and Marcus Thabo Motaung; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

176. By the SPEAKER: Memorial of the Legislature of the State of Nevada, relative to safety standards for imported foreign goods; to the Committee on Energy and Commerce.

177. Also, memorial of the Legislature of the State of Nevada, relative to classifying the city-county relief tax; to the Committee on Government Operations.

178. Also, memorial of the Legislature of the State of Nevada, relative to a grant of additional acres of public land; to the Committee on Interior and Insular Affairs.

179. Also, memorial of the Legislature of the State of Nevada, relative to the California-Nevada interstate compact; to the Committee on Interior and Insular Affairs.

180. Also, memorial of the Legislature of the State of Nevada, relative to the conveyance of certain land; to the Committee on Interior and Insular Affairs.

181. Also, memorial of the Legislature of the State of Nevada, relative to the sale of certain public land; to the Committee on Interior and Insular Affairs.

182. Also, memorial of the Legislature of the State of Nevada, relative to health care for veterans; to the Committee on Veterans' Affairs.

183. Also, memorial of the Legislature of the State of Nevada, relative to accepting land in payment of remaining taxes; to the Committee on Ways and Means.

184. Also, memorial of the Legislature of the State of Nevada, relative to the designation of certain areas as wilderness; jointly, to the Committees on Agricuture and Interior and Insular Affairs.

185. Also, memorial of the Legislature of the State of Nevada, relative to legislation providing for the waiver of visas; jointly, to the Committees on Energy and Commerce and the Judiciary.

186. Also, memorial of the Legislature of the State of Nevada, relative to the control of wild horses and burros on public lands; jointly; to the Committees on Merchant Marine and Fisheries and Interior and Insular Affairs.

187. Also, memorial of the Legislature of the State of Washington, relative to the establishment of a permanent Civilian Conservation Corps; jointly, to the Committees on Education and Labor and Interior and Insular Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 29: Ms. FERRARO, Mr. HORTON, and Mr. RINALDO.

H.R. 132: Mrs. KENNELLY, Mr. SOLOMON, Mr. MRAZEK, and Mr. WEISS.

H.R. 555: Mr. STUDDS, Mr. BARNARD, Mr. BOUCHER, Mr. OLIN, Ms. FERRARO, Mr. HANCE, Mr. BONKER, Mr. MCHUGH, Mr. OWENS, Mr. SKELTON, Mr. DANIEL, Mr. TRAXLER, and Mr. CARPER.

H.R. 959: Mr. TRAXLER, Mr. NOWAK, Mr. YATRON, Mr. MINETA, Mr. GUNDERSON, and Mr. LAFALCE.

H.R. 960: Mr. TRAXLER, Mr. NOWAK, Mr. YATRON, Mr. DANIEL B. CRANE, Mr. KASICH, Mr. SIMON, Mr. MINETA, and Mr. LAFALCE.

H.R. 1084: Mr. NICHOLS, Mr. MOLLOHAN, and Mr. BEVILL.

H.R. 1146: Mr. SKELTON.

H.R. 1183: Mr. MOODY, Mr. DWYER of New Jersey, Mr. DURBIN, Mr. LAFALCE, and Mr. SABO.

H.R. 1373: Mr. MINISH.

H.R. 1415: Mr. FORD of Michigan.

H.R. 1417: Mr. KASTENMEIER, Mr. DIXON, Mr. WALGREN, Mr. FRANK, Mr. SMITH of Florida, Ms. MIKULSKI, Mr. CROCKETT, Mr. MORRISON of Connecticut, Mr. LEVINE of California, Mr. BONIOR of Michigan, Mr. COURTER, Mr. ECKART, Mr. HOWARD, Mr. SIMON, Mrs. COLLINS, Mr. FEIGHAN, Mr. FAUNTROY, Mr. STUDDS, Ms. FERRARO, Mr. KILDEE, Mr. WYDEN, Mr. EVANS of Illinois, Mr. EDWARDS of California, Ms. KAPTUR, Mr. BEILENSON, Mr. VENTO, Mr. TORRICELLI, Mr. ACKERMAN, Mr. HUGHES, Mr. LEHMAN of Florida, Mr. MOODY, Mr. MITCHELL, Mr. JEFFORDS, and Mr. FAZIO.

H.R. 1550: Mr. FOWLER, Mr. MCDONALD, Mr. ROWLAND, Mr. BARNARD, Mr. HATCHER, Mr. GINGRICH, Mr. RAY, Mr. LEVITAS, Mr. JENKINS, Mr. HUTTO, Mr. FOGLIETTA, Mr. JONES of North Carolina, Mr. FORSYTHE, Mr. HUBBARD, Mr. DYSON, Mr. HUGHES, Mr. BIAGGI, Mr. BREAUX, Mr. SAM B. HALL, Jr., and Mr. HEFNER.

H.R. 1693: Ms. OAKAR.

H.R. 1729: Mr. SIMON.

H.R. 1800: Mr. BONIOR of Michigan, Mr. MAZZOLI, Mr. SAM B. HALL, Jr., Mr. MCHUGH, Mr. GORE, Mr. WYDEN, Mr. KOGOVSEK, Mr. LOWRY of Washington, Mr. STARK, Mr.

COELHO, Mr. WILSON, Mr. SHELBY, Mr. WATKINS, Mr. ROSE, Mr. RAHALL, Mr. MONTGOMERY, Mr. VOLKMER, Mr. ANTHONY, Mr. ENGLISH, Mr. CARPER, Mr. LEATH of Texas, Mr. DOWDY of Mississippi, Mr. MURPHY, Mr. HEFNER, Mr. AUCOIN, Mr. MCCURDY, Mr. HUBBARD, Mr. SPENCE, Mr. PENNY, Mr. RALPH M. HALL, Mr. FLIPPO, Mr. ANDREWS of North Carolina, Mr. JONES of North Carolina, Mr. FUQUA, Mr. TAUZIN, Mr. BATES, Mr. WILLIAMS of Montana, Mr. REID, Mr. DANIEL, Mr. CHAPPELL, Mr. HANCE, Mr. TALLON, Mr. NEAL, Mr. SPRATT, Mr. BEVILL, Mr. BARNARD, Mr. ROE, Mr. WOLF, Mrs. VUCANOVICH, Mr. SKEEN, Mr. CORCORAN, Mrs. MARTIN of Illinois, Mr. FRANKLIN, Mrs. ROUKEMA, Mr. LEWIS of California, Mr. LUNGREN, Mr. CRAIG, Mr. KASICH, Mr. DREIER of California, Mr. STANGELAND, Mr. FRENZEL, Mr. BROWN of Colorado, Mr. WINN, Mr. MARRIOTT, Mr. BOEHLERT, Mr. OLIN, Mr. DASCHLE, Mr. VANDERGRIFF, Mr. HIGHTOWER, Mr. DORGAN, Mr. STENHOLM, Mr. PATTERSON, Mr. WHITTEN, Mrs. BYRON, Mr. WHITLEY, Mrs. QUILLEN, Mr. HYDE, Mr. SENSENBRENNER, Mr. VANDER JAGT, Mr. BROYHILL, Mr. CONTE, Mr. KEMP, Mr. CONABLE, Mr. TAUKE, Mr. LOEFFLER, Mr. RUDD, Mr. MILLER of Ohio, Mr. BEREUTER, Mr. MARLENEE, Mr. DANIEL B. CRANE, Mr. NIELSON of Utah, Mr. BLILEY, Mr. MORRISON of Washington, Mr. HARTNETT, Mr. PRITCHARD, Mr. HOPKINS, Mr. FORSYTHE, Mr. STUMP, Mr. CHANDLER, Mr. DUNCAN, Mr. DENNY SMITH, Mr. WHITTAKER, Mr. ROBERTS, Mr. HANSEN of Idaho, Mr. ROBINSON, Mr. CAMPBELL, Mr. ARCHER, Mr. LOWERY of California, Mr. RIDGE, Mr. WORTLEY, Mr. SUNDQUIST, Mr. BADHAM, Mr. WHITEHURST, Mr. HILLIS, Mr. PARRIS, Mr. ROGERS, Mrs. HOLT, Mr. HANSEN of Utah, Mr. HILER, Mr. MARTIN of North Carolina, Mr. ROBERT F. SMITH, Mr. MCEWEN, Mr. COURTER, Mr. SHAW, Mr. YOUNG of Florida, Mr. WYLIE, Mr. MCGRATH, Mr. YOUNG of Alaska, Mr. RITTER, Mr. SNYDER, Mr. KINDNESS, Mr. DAVIS, Mr. BARTLETT, Mr. TAYLOR, and Mr. LEACH of Iowa.

H.R. 1918: Mr. RINALDO and Mr. HARKIN.

H.R. 1955: Mr. DANNEMEYER, Mr. FRANKLIN, Mr. JEFFORDS, Mr. MCCANDLESS, Mr. MARRIOTT, and Mr. HANSEN of Utah.

H.R. 1991: Mr. NEAL and Mr. PATTERSON.

H.R. 2053: Mr. PORTER.

H.R. 2193: Mr. RINALDO.

H.R. 2449: Mr. KASTENMEIER, Mr. ALBOSTA, Mr. HARRISON, Mr. LANTOS, Mr. TORRES, Mr. RANGEL, Mr. WHITEHURST, Mr. HERTEL of Michigan, Mr. BERMAN, and Mr. DYMALLY.

H.R. 2453: Mr. YOUNG of Florida.

H.R. 2847: Mr. WOLPE, Mr. DINGELL, and Mr. SAVAGE.

H.R. 2926: Mr. HANCE.

H.R. 2956: Mr. SIKORSKI.

H.R. 2965: Mr. FAZIO.

H.R. 3015: Mr. OXLEY, Mr. DANIEL, Mr. NICHOLS, and Mr. MCCAIN.

H.R. 3043: Mr. ARCHER, Mr. BROOMFIELD, Mr. DAVIS, Mr. DOWNEY of New York, Mr. DUNCAN, Mr. SILJANDER, Mr. THOMAS of California, and Mr. VANDER JAGT.

H.R. 3106: Mr. WHITEHURST and Mr. TORRICELLI.

H.J. Res. 73: Mr. BARTLETT.

H.J. Res. 168: Mr. RINALDO and Mr. FEIGHAN.

H.J. Res. 176: Mr. PETRI, Mr. BILIRAKIS, Mr. SABO, Mr. FORD of Tennessee, and Mr. YATES.

H.J. Res. 179: Mr. TORRICELLI, Mr. DAUB, and Mr. PACKARD.

H.J. Res. 225: Mr. COATS, Mr. CONTE, Mr. DASCHLE, Mr. DURBIN, Mr. DYSON, Mr. EMERSON, Mr. EVANS of Iowa, Mr. FUQUA, Mr. GRAY, Mr. HIGHTOWER, Mr. KASICH, Mr. LEVINE of California, Mr. MCCAIN, Mr. MCDADE, and Mr. MONTGOMERY.

H.J. Res. 258: Mr. JENKINS, Mr. LEHMAN of California, Mr. COUGHLIN, Mr. LONG of Louisiana, Mr. LEWIS of California, Mr. WOLF, Mr. RUSSO, Mr. GILMAN, Mr. MAZZOLI, Mr. WORTLEY, Mr. RUDD, Mr. FLORIO, Mr. WALKER, Mr. WAXMAN, Mrs. JOHNSON, Mr. EMERSON, Mr. FROST, Mr. REGULA, Mr. CHENEY, Mr. JEFFORDS, Mr. ROBINSON, Mrs. COLLINS, Mr. BLILEY, Mr. ROTH, and Mr. FOGLIETTA.

H.J. Res. 273: Mr. SIMON, Mr. FRANK, Mr. TORRICELLI, Mr. ADDABBO, Mr. BERMAN, Ms. OAKAR, Mr. SMITH of Florida, Mr. STOKES, Mr. FORSYTHE, Ms. MIKULSKI, Mr. SCHEUER, Mr. FORD of Tennessee, Mr. HUTTO, Mr. ACKERMAN, Mr. DWYER of New Jersey, Mr. TALLON, and Mr. KEMP.

H. Con. Res. 40: Mr. BEDELL.

H. Con. Res. 42: Mrs. SCHROEDER.

H. Con. Res. 63: Mr. BURTON of Indiana, Mr. DEWINE, Mr. FOWLER, Mr. GORE, Mr. LEACH of Iowa, Mr. SIKORSKI.

H. Con. Res. 107: Mr. DONNELLY and Mr. RINALDO.

H. Con. Res. 129: Mr. FAZIO, Mr. AUCOIN, and Mr. COYNE.

H. Con. Res. 132: Mr. ARCHER, Mr. BILIRAKIS, Mrs. BOXER, Mr. DANIEL B. CRANE, Mr. ERDREICH, Mr. FISH, Mr. HAMMERSCHMIDT, Mr. LOEFFLER, Mr. MCGRATH, Mr. MCKERNAN, Mr. OTTINGER, Mr. PORTER, Mr. TORRICELLI, and Mr. WOLPE.

H. Res. 52: Mr. WOLPE.

H. Res. 175: Mr. RITTER, Mr. AKAKA, Mr. RUSSO, Ms. FIEDLER, Mr. ANDERSON, Mr. MCHUGH, Mr. LUNGREN, Mr. STANGELAND, Mr. ADDABBO, Mr. ROE, Mr. CHAPPELL, and Mr. DASCHLE.

H. Res. 191: Mr. DYSON, Mr. SMITH of Florida, Mr. FAZIO, Mr. FROST, Mr. SOLARZ, Mr. RUSSO, Mr. BEVILL, Mr. TORRICELLI, Mr. SCHUMER, Mr. DE LA GARZA, and Mr. SWIFT.

H. Res. 216: Mr. DAVIS, Mr. GOODLING, Mr. HUBBARD, Mr. HIGHTOWER, Mr. BARNARD, Mr. ENGLISH, Mr. SAM B. HALL, Jr., Mr. DANNEMEYER, Mr. GINGRICH, Mr. PATMAN, Mr. RUDD, Mr. PARRIS, Mr. DANIEL B. CRANE, Mr. ROTH, Mr. PASHAYAN, and Mr. FISH.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 100: Mrs. HOLT.

H.R. 959: Mr. STENHOLM.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

117. By the SPEAKER: Petition of Mrs. Cathy Ubels, Member of the Dutch Parliament, the Netherlands, relative to the basing of Pershing and cruise missiles; which was referred to the Committee on Foreign Affairs.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2969

By Mr. SEIBERLING:

—Page 14, after line 10, insert the following new subsection:

(c) None of the amount appropriated pursuant to the authorization in section 201 for the Air Force may be used for flight testing of an antisatellite weapon until such testing is specifically authorized by law after the date of the enactment of this Act.

H.R. 3134

By Mr. SENSENBRENNER:

—On page 29, strike line 12, and all that follows through page 30, line 2.

SENATE—*Wednesday, June 8, 1983*

(Legislative day of Monday, June 6, 1983)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Gracious Father in Heaven, we pray today for the Senate Press Corps. Thank Thee for men and women devoted to the business of news. Thank Thee for their faithful exercise of tremendous responsibility to the people. Recognizing the adversarial relationship between them and those in public life, we pray that that relationship will not be allowed to degenerate so that they become enemies rather than adversaries.

We thank Thee, dear Lord, for their hard work, often under difficult and sometimes oppressive circumstances. Give them special grace when they face resistance or antagonism while they are simply doing their duty. Strengthen them against carping criticism so common to our culture. When they are blamed undeservedly, give them grace to forgive their detractors. Help them to be objective and fair and deliver them from destructive motivation as they struggle with the delicate balance between fact and opinions. Help them always to remember how totally destructive and irretrievable words can be once they are spoken or printed. Bless them, we pray, in the name of Him who was the Word made Flesh. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

SENATE SCHEDULE

Mr. BAKER. Mr. President, after the time of the two leaders under the standing order, we shall have a fairly generous period for the transaction of routine morning business today, extending from that moment until the hour of 1:30 p.m., at which time, the Senate will resume consideration of S. 695, the IMF bill. At that time, a vote will occur on the Heinz motion to table the Humphrey amendment.

Mr. President, based on the preliminary information I have about the number of amendments that are still to be offered, it is not unrealistic to hope that we can finish the IMF bill today. Yesterday and the day before, I asked the Senate to take notice of the fact that Wednesday as well as Thursday may be late days. The reason for that is to try to finish IMF and get to the supplemental appropriations bill. I feel we must do both of those measures this week in order to clear the decks for consideration of matters already scheduled, and most especially for the first two of the regular appropriations bills, which have now reached us from the House of Representatives and which have been referred to the appropriate jurisdictional committees.

So, Mr. President, I hope we finish IMF fairly soon. I hope we can get the supplemental appropriations bill this afternoon or at least this evening in time for opening statements. I hope, Mr. President, we can finish the supplemental appropriations bill tomorrow and avoid a session on Friday or perhaps avoid votes on Friday. I shall explore that further with the minority leader and other Members as the day wears on.

FRANK LLOYD WRIGHT—MORE THAN AN ARCHITECT

Mr. BAKER. Mr. President, he was born on this day in 1869, and the genius of his creativity dramatically altered the way in which shape and form and design are perceived. Indeed, Frank Lloyd Wright was more than an architect—he was a visionary whose craft has endured throughout this century and will no doubt continue to do so.

Although he was the father of buildings around the world, including the famous Imperial Hotel in Tokyo, Wright "devoted himself," as Sigfried Giedion once said, "to the problem which was to be his life interest—the house as a shelter."

Writing in his autobiography in 1932, Wright provided an insight into his love for the home, one which is emblematic of the caring, warmth, and energy that he put into his work.

"No house," he wrote, "should ever be on any hill or on anything. It should be of the hill, belonging to it, so hill and house could live together, each the happier for the other."

PROJECT ORBIS

Mr. BAKER. Mr. President, last week, a DC-8 plane of a different sort landed at National Airport, and I rise to salute this most unique journey. The plane carried Project Orbis, a nonprofit eye clinic, that has been circling the globe in the name of better eye care for millions of human beings.

Project Orbis' stop in Washington was sponsored and encouraged by Ann Bradford Mathias who helped to organize a series of events that spread the good news about Orbis. As a result of Mrs. Mathias' efforts many people visited Orbis including Mrs. George Bush, Assistant Secretary of State for Africa, Chester Crocker, many diplomats posted in Washington, journalists and others.

One thoughtful observer who came to look at Project Orbis was syndicated columnist Colman McCarthy who called it a winged blessing. His subsequent column speaks for itself.

I ask unanimous consent that Colman McCarthy's column—Winged Blessing—be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 4, 1983]

WINGED BLESSING

(By Colman McCarthy)

They are men and women justifiably proud of their wonderful flying machine. Their unique airplane is the world's only flying, teaching eye hospital. The doctors, nurses and flight crew of Project Orbis flew their refitted DC8 jetliner into the capital last week.

Between a hangar and a runway at the north end of National Airport, Orbis was inspected by a gathering of 200 people that included the Surgeon General, a senator, a White House official and an assistant secretary of state. Officialdom's flyby was public confirmation of what has been known privately in the 15 months that the hospital has been traveling to all parts of the world: in the fight against blindness and eye diseases, Orbis has been a winged blessing.

Inside the plane, part of the story is told by the array of modern medical equipment. An ophthalmological operating suite in which 800 surgeries and 400 laser procedures have been performed is the centerpiece. A few feet away is a treatment room for corneal transplants and advanced technologies like ocutone. A scrub area, a conference room, ophthalmological cameras and lamps, a sterilizer, refrigeration, a recovery area and a library are some of the other facilities.

The medical team of Orbis went to 15 cities in 10 countries in its first eight months. These included Ecuador, Jamaica, Colombia, Peru, Indonesia, Malaysia, Thailand and Pakistan. It recently returned from Jordan, Tunisia and Morocco, and leaves in a few days for several Latin American countries.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Organizationally, the nonprofit Orbis is similar to the Hope ship and the Peace Corps. It treats the immediate needs of patients on the plane, as well as inviting in host-country doctors for on-board training to learn more about the art. When the plane leaves, the expertise stays.

One flying eye hospital is on more than a small beginning when compared with the immensity of the suffering. Doctors working on Orbis report that globally 42 million people are blind. A half-billion people have eye diseases and disorders that, if untreated, can lead to blindness. The rate of illness is increasing faster than that of population growth.

Until a hundred eye hospitals are airborne, Orbis doctors talk about "the multiplier effect" of the project's teaching. In a year's time, about 1,000 host-country doctors come to the plane for its surgical programs and to observe the operations. If those doctors in turn help only one new patient a day for 250 working days a year, in 10 years nearly 14 million patients will be helped.

Much of America's other relations with the world's sick and poor appear to be either permanently grounded or about to crash-land. In 1970, according to the House Foreign Relations Committee, 0.32 percent of our gross national product went to developmental assistance. In 1982, it was down to 0.2 percent. That ranks us 16th among 17 major Western countries. Only Italy is behind the United States, and that may be changing. Italy is increasing its contributions.

In a few years, America, the Earth's richest and most comfort-laden nation, is likely to be the stingiest Western country.

At the same time that we are pulling back economic aid, one of the most rapidly growing parts of the federal budget is military assistance. Moral blindness, unlike corneal blindness, isn't treatable by surgery.

Among those at National Airport were L. F. McCollum, the former chief of Continental Oil, who in the 1950s served as the chairman of Project Hope. Going from a ship to a jet, McCollum is now chairman of Orbis. He is a link to the corporations and foundations that donate equipment and money to the project. Financially, Orbis, with headquarters at 330 West 42nd St., New York 10016, is about as cost-effective as any health-care facility in America. The low overhead in its $3.5 million budget means that eye operations, which might cost between $2,000 and $3,000 in the United States, are done at an average cost of $10 in the plane. To date, more than 60 American ophthalmologists have donated their time and expenses to work on the plane in all parts of the world.

In Washington, the strongest political supporter of Orbis is Sen. Charles Mathias (R-Md.). While showing his wife through the plane last week, he voiced sentiments similar to those he expressed last December in Congress about Orbis: "Amid all the bad news these days, it is a joy to have something pleasant to contemplate." And take off with.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I have no further need for my time under the standing order. I offer it to the acting minority leader if he wishes.

Mr. BURDICK. I have nothing, Mr. President.

Mr. BAKER. Mr. President, I yield back my time remaining under the standing order.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDING OFFICER (Mr. KASTEN). The acting minority leader is recognized.

Mr. BURDICK. Mr. President, I would like to reserve the time of the minority leader in case he has a further statement later on today.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to exceed beyond the hour of 1:30 p.m., with statements therein limited to 10 minutes each.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BRADLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FAIR TAX ACT OF 1983

Mr. BRADLEY. Mr. President, I am today introducing the Fair Tax Act of 1983, along with a number of cosponsors in the U.S. Senate. I will send the bill to the desk shortly and will ask that it be referred to the appropriate committee.

The Fair Tax Act aims to produce a tax code that is fairer and simpler, and that will produce more jobs and economic growth than the current system.

Mr. President, if we look back at the origin of our country's income tax system around 1915, we find that the purpose of the income tax was to raise revenue for legitimate Government expenditures.

Over the years, as we needed revenues to fight wars and get out of depressions, we raised the tax rates, and with these increases, we ended up with a tax system with such high marginal rates they discouraged work, savings, and investment.

As the rates went up though, some individuals and corporations came to Congress to seek relief. And all too often, they succeeded in getting provisions enacted that made their effective tax rate much lower than the highest marginal rate.

Over the years our Tax Code became a jumble of credits, exclusions and deductions that lowered effective tax rates for some people but forced a majority of the American public to pay very high tax rates.

If we look back at the original system there was a fundamental principle that it upheld, a principle that American tax policy since its inception continues to uphold, and that is the principle of progressivity. That original tax system had a basic tax rate and a progressive surtax. Progressivity means that if you manage to do well in this society and to benefit economically, then you should pay a somewhat higher tax rate than those individuals who find themselves struggling from paycheck to paycheck.

With these principles in mind: progressivity, which is fundamental to fairness, simplicity, and economic efficiency, and with the help of many, many individuals across this country, experts in the field, working people, business people, academics and tax specialists, I have worked for the last 3 years to develop the Fair Tax Act of 1983 which we introduce today.

Specifically this bill does three major things: first, it drops the top tax rate from the current 50 percent to 30 percent. Under the Fair Tax Act, 80 percent of the taxpayers in this country today would have a top rate of only 14 percent.

The second thing we do is to raise the amount of income that an individual or a family can earn before they have to pay any tax. Under this bill a family with two children would have to earn over $11,200 before they got their first dollar of taxable income. This means that unlike the current system, the Fair Tax Act would not impose any tax on people with incomes below the poverty level. This is not only fair to the least fortunate members of our society but it also provides them with a genuine incentive to work.

The third thing we do is to repeal the bulk of loopholes that have been used by some Americans to avoid paying taxes. However, we keep the provisions that are of most benefit to middle-income people such as the deductions for home mortgage interest, charitable contributions, State and local income and property taxes and some medical and business expenses. We retain the exclusions for veterans' benefits and social security benefits and the exemption for interest on general obligation bonds. We also allow deductions for IRA's and Keogh's. And we continue the deferral of tax on pension buildups. The rest of the tax preferences we pretty much eliminate.

Now, with this system that lowers tax rates to a range of 14 to 30 percent, that increases the amount of income that someone can earn before they have to pay any taxes, and that eliminates the bulk of the loopholes, we raise the same amount of revenue

as we will under current law in 1985, except we do it in a much fairer way. Under our proposal, people with equal incomes will pay about equal taxes. We also do it in a much simpler way by eliminating many of the complicating exclusions, deductions, and credits in the present code, and we do it in a way that I think will promote economic efficiency.

What do I mean by economic efficiency? We live in an international economy; we live in an economy in which we are competing daily with companies and countries around the world. If we are going to compete effectively, which in turn will create jobs and spur growth, our Nation must allocate its vast resources as efficiently as possible.

Mr. President, that means we have to decide who is the most effective allocator of capital. Is it the marketplace or is it the Senate Finance Committee, the House Ways and Means Committee and the Internal Revenue Service? In deciding, we should remember what has happened to the income tax system over the last few decades: high marginal rates caused people with political influence or with their own social agendas to come to the Finance and Ways and Means Committees and say "Give us relief from these high rates of tax if we do x, y, z" and you can list the whole complex melange of credits, exclusions and deductions that clutter up the code today and indeed those individuals do pay less tax than they would otherwise pay if they weren't eligible for preferential treatment.

The result, however, is not only to increase the complexity and the unfairness of the code but also to distort the investment decision.

What should the basis for the investment decision be? In my view, if you have a hundred dollars, a hundred thousand dollars or a million dollars, you should be asking yourself where you can put your money so as to earn the best possible return. In other words, you should be looking for an investment that has real value in the marketplace. What company is producing a product that people want? What company has the management skill to market that product and to finance it over the long term? Which company has the research and development team to be on the cutting edge of new medicines, new energy sources, new computer technology? That is where I would put my money. That is the investment decision as it should be with the marketplace determining which investment will be the winner.

Over the years, of course, with all these credits, exclusions and deductions, the Tax Code has jumped between the investor and the ultimate investment. It has skewed rates of return so that the Tax Code tells you to invest in avocado groves in northern California or in racehorses or whatever as opposed to the company that is producing the new energy source, the new medicine, the new breakthrough in computer technology.

So what this bill says is that the most effective stimulant to investment is the lowest possible rate of taxation for all businesses and investments, not just for those who happen to have the best access to the political process.

I believe that most of those preferences we have put in the Tax Code over the years are not well designed to promote economic growth or create new jobs. On the contrary, they have made the tax system a hurdle that the private sector has to get over in order to be able to create those jobs and fuel economic growth. So what we in the Congress should do is to design a tax system that has the lowest possible rate, the lowest possible hurdle that the private sector can get over easily to produce jobs. That is what we have done with this bill. We have lowered the rates on the individual side to a range of 14 to 30 percent, and 80 percent of the American people pay no more than 14 percent.

On the corporate side, we have lowered the rate from 46 percent to a single rate of 30 percent. And with this system, we are sending a message that those companies that can produce the goods with real value in the marketplace, that generate the profits a strong America needs, those companies should benefit and pay the lowest rate of tax possible.

So, Mr. President, I would argue that this bill is clearly improving our economy's resource allocation. It is also clearly much fairer and it is clearly much, much simpler.

Mr. President, I would argue that we are at a time when we are turning from the tax policy of the past where the debate has always been over closing loopholes for reasons only of fairness, to a time where we can link questions of fairness with questions of economic growth, job creation, and productivity. We can do both simultaneously. We can drop tax rates and close loopholes. We can send the right incentive to people to invest and to save and to work. And we can send the right message to the American public that the tax system treats all taxpayers fairly; that it does not give some taxpayers a benefit while penalizing others.

Mr. President, this is a tax bill that says that the response to the challenges in our economy over the next decade should be one expanding economic growth while at the same time increasing the fairness of our tax system.

You know, last year, Lou Harris did a poll about taxes in the country. He asked the American people a lot of questions. One of them was would they favor this tax bill, and he described it. Fifty-eight percent of the American people said, yes; 32 percent said, no. Fifty-eight to thirty-two, the American public favored this bill. He probed and asked why. And he found there were two reasons. First, they wanted lower tax rates for all Americans. Second, they perceived the present system as highly unfair and they were willing to take a bold stroke and go to a new system with a lower rate and a broader base.

Mr. President, I think that this is an important message for all of us to ponder. I hope that this bill would not simply be a Democratic initiative. I hope it would be a bipartisan initiative, because I do not believe that we have a Republican or a Democratic economy but an American economy that would benefit from lower rates of tax and fewer loopholes.

Mr. President, that is ultimately the reason that I have introduced this bill. It says in very specific terms, with a very specific program, that the Congress of the United States should be taking actions that benefit the general interest, that benefit the broadest base of the American public, and that it should refrain from taking those actions that benefit only a narrow group in our society.

Now, I do not have anything against those individuals who over the years have sought to get their little provisions in the code that lowered their effective tax rate. I only want to say that all Americans, all corporations, would be better off with lower rates and fewer loopholes and that, unlike past efforts to close those loopholes what we are doing is giving the carrot of lower rates to accomplish the objective of closing those loopholes.

Mr. President, I hope that this issue would be seriously debated, that we could get a vote on it at some time in the near term, and that indeed the American public generally could face up to the proposition that lower rates and fewer loopholes are in the interest of all of us. Also, to those with knowing smiles around the city of Washington who have seen tax bills before, let me reassure them that this is not going to be an amendment on an obscure tariff bill sometime late at night in the closing hours of the session. This is going to be out front and it is going to be thoroughly debated. Those people who are afraid of it will have a chance to engage in debate. Those people who are proponents will have a chance over time to make the case as to why this is in the interest of all American citizens.

Mr. President, I hope over time those who have a reflex action against this bill will be brought into the fold. And I hope that they will come to realize that the American public is fed up with this tax system and that there is a lot of popular support for the new

direction in tax policy that the Fair Tax Act embodies.

Mr. President, for myself and Mr. BAUCUS, Mr. BIDEN, Mr. BINGAMAN, Mr. DODD, Mr. HART, Mr. KENNEDY, and Mr. LAUTENBERG, I send the bill to the desk and ask that it be referred to the appropriate committee.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

Mr. BRADLEY. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 1421

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the "Fair Tax Act of 1983".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—The Secretary of the Treasury or his delegate, not later than 90 days after the date of the enactment of this Act, shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate a draft of any technical and conforming amendment to the Internal Revenue Code of 1954 which are necessary to reflect the substantive amendments made by this Act.

TITLE I—REDUCTION OF INDIVIDUAL AND CORPORATE TAX RATES

Subtitle A—Reduction of Rates

SEC. 101. INDIVIDUAL INCOME TAX RATES.

Section 1 (relating to tax imposed on individuals) is amended to read as follows:

"SECTION 1. TAX IMPOSED.

"(a) GENERAL RULE.—There is hereby imposed on the income of every individual for each taxable year a tax equal to the sum of—

"(1) a normal tax determined under subsection (b), and

"(2) a surtax determined under subsection (c).

"(b) NORMAL TAX.—For purposes of subsection (a), the normal tax for any taxable year is 14 percent of the taxable income for such taxable year.

"(c) SURTAX.—For purposes of subsection (a), the surtax for any taxable year is the sum of—

"(1) 12 percent of so much of the adjusted gross income as exceeds AGI level I but does not exceed AGI level II, and

"(2) 16 percent of so much of the adjusted gross income as exceeds AGI level II.

"(d) AGI LEVELS.—

"(1) IN GENERAL.—For purposes of subsection (c), the AGI levels are as follows:

"In the case of:	AGI level I is:	AGI level II is:
An individual who is not married	$25,000	$37,500
A joint return	40,000	65,000
A separate return by a married individual	20,000	32,500

"(2) SPECIAL RULE FOR SURVIVING SPOUSES.—In the case of any individual who is a surviving spouse for the taxable year, the AGI levels applicable to a joint return shall apply to such individual for the taxable year.

"(3) MARITAL STATUS.—For purposes of this subsection, marital status shall be determined under section 143.

"(e) SPECIAL RULE FOR ESTATES AND TRUSTS.—In the case of every estate and trust taxable under this subsection—

"(1) the normal tax shall be 30 percent of the taxable income, and

"(2) the surtax shall not apply.".

SEC. 102. CORPORATE TAX RATES.

Section 11 is amended by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"(a) IN GENERAL.—A 30 percent tax is hereby imposed for each taxable year on the taxable income of every corporation.".

Subtitle B—Increase in Personal Exemption for Taxpayer and Standard Deduction

SEC. 111. INCREASE IN PERSONAL EXEMPTION FOR TAXPAYERS.

Subsection (b) of section 151 (relating to allowance of deductions for personal exemptions) is amended to read as follows:

"(b) TAXPAYER AND SPOUSE.—

"(1) IN GENERAL.—An exemption of $1,600 for the taxpayer.

"(2) ADDITIONAL EXEMPTION FOR SPOUSE IN CERTAIN CASES.—An additional exemption of $1,600 for the spouse of the taxpayers if—

"(A) a joint return is not made by the taxpayer and his spouse, and

"(B) the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

"(3) EXEMPTION FOR HEAD OF HOUSEHOLD.—In the case of an individual who is a head of a household (as defined in section 2(b) for the taxable year, the exemption under paragraph (1) shall be $1,800 in lieu of $1,600.".

SEC. 112. INCREASE IN STANDARD DEDUCTION.

Section 63 (defining taxable income) is amended to read as follows:

"SEC. 63. TAXABLE INCOME DEFINED.

"(a) IN GENERAL.—Except as provided in subsection (b), for purposes of this subtitle, the term 'taxable income' means gross income minus the deductions allowed by this chapter (other than the standard deduction).

"(b) INDIVIDUALS WHO DO NOT ITEMIZE THEIR DEDUCTIONS.—In the case of an individual who does not elect to itemize his deductions for the taxable year, for purposes of this subtitle, the term 'taxable income' means adjusted gross income, minus—

"(1) the standard deduction,

"(2) the deduction for personal exemptions provided in section 151,

"(3) the direct charitable deduction, and

"(4) the deduction allowed by section 220 (relating to deduction for expenses for household and dependent care services necessary for gainful employment).

"(c) STANDARD DEDUCTION.—For purposes of this subtitle—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, the term 'standard deduction' means—

"(A) $6,000 in the case of—

"(i) a joint return, or

"(ii) a surviving spouse (as defined in section 2(a)), or

"(B) $3,000 in the case of—

"(i) an individual who is not married and who is not a surviving spouse (as defined in section 2(a)), or

"(ii) a married individual filing a separate return.

"(2) LIMITATION ON STANDARD DEDUCTION IN THE CASE OF CERTAIN DEPENDENTS.—In the case of an individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which the individual's taxable year begins, the standard deduction applicable to such individual for such individual's taxable year shall not exceed such individual's earned income.

"(3) CERTAIN INDIVIDUALS NOT ELIGIBLE FOR STANDARD DEDUCTION.—In the case of—

"(A) a married individual filing a separate return where either spouse itemizes deductions,

"(B) a nonresident alien individual,

"(C) an individual making a return under section 443(a)(1) for a period of less than 12 months on account of a change in his annual accounting period, or

"(D) an estate or trust, common trust fund, or partnership,

the standard deduction shall be zero.

"(d) ITEMIZED DEDUCTIONS.—For purposes of this subtitle, the term 'itemized deductions' means the deductions allowable by this chapter other than—

"(1) the deductions allowable in arriving at adjusted gross income,

"(2) the deductions for personal exemptions provided by section 151,

"(3) the direct charitable deduction, and

"(4) the deduction allowed by section 220 (relating to deduction for expenses for household and dependent care services necessary for gainful employment).

"(e) ELECTION TO ITEMIZE.—

"(1) IN GENERAL.—Unless an individual makes an election under this subsection for the taxable year, no itemized deduction shall be allowed for the taxable year. For purposes of this subtitle, the determination of whether a deduction is allowable under this chapter shall be made without regard to the preceding sentence.

"(2) TIME AND MANNER OF ELECTION.—Any election under this subsection shall be made on the taxpayer's return, and the Secretary shall prescribe the manner of signifying such election on the return.

"(3) CHANGE OF TREATMENT.—Under regulations prescribed by the Secretary, a change of treatment with respect to the standard deduction and itemized deductions for any taxable year may be made after the filing of the return for such year. If the spouse of the taxpayer filed a separate return for any taxable year corresponding to the taxable year of the taxpayer, the change shall not be allowed unless, in accordance with such regulations—

"(A) the spouse makes a change of treatment with respect to the standard deduction and itemized deductions, for the taxable year covered in such separate return, consistent with the change of treatment sought by the taxpayer, and

"(B) the taxpayer and his spouse consent in writing to the assessment, within such period as may be agreed on with the Secretary, of any deficiency, to the extent attributable to such change of treatment, even though at the time of the filing of such consent the assessment of such deficiency would otherwise be prevented by the operation of any law or rule of law.

This paragraph shall not apply if the tax liability of the taxpayer's spouse, for the taxable year corresponding to the taxable year of the taxpayer, has been compromised under section 7122.

"(f) MARITAL STATUS.—For purposes of this section, marital status shall be determined under section 143.".

SUBTITLE C—REPEALS RELATED TO REDUCTION IN RATES

SEC. 121. REPEALS.

(a) GENERAL RULE.—The following provisions are hereby repealed:

(1) Section 3 (relating to tax tables for individuals).

(2) Part VI of subchapter A of chapter 1 (section 55 and following, relating to minimum tax for tax preferences).

(3) Section 269A (relating to personal service corporations formed or availed of to avoid or evade income tax).

(4) Paragraphs (1), (2), and (3) of section 402(e) (relating to special averaging rules for lump-sum distributions).

(5) Part I of subchapter G of chapter 1 (section 531 and following, relating to corporations improperly accumulating surplus).

(6) Part II of subchapter G of chapter 1 (section 541 and following, relating to personal holding companies).

(7) Part I of subchapter Q of chapter 1 (section 1301 and following, relating to income averaging).

(8) Section 1551 (relating to graduated corporate tax rates).

(b) REPEAL OF INDEXING.—Section 104 of the Economic Recovery Tax Act of 1981 is hereby repealed, and the Internal Revenue Code of 1954 shall be applied as if such section (and the amendments made by such section) had not been enacted.

(c) TRUST THROWBACK RULES APPLY ONLY TO FOREIGN TRUST.—Subpart D of part I of subchapter J of chapter 1 (relating to treatment of excess distribution by trust) is amended by adding at the end thereof the following new section:

"SEC. 669. SUBPART TO APPLY ONLY TO FOREIGN TRUSTS.

"This subpart shall apply only with respect to amounts distributed from a foreign trust.".

TITLE II—BASE BROADENING

SUBTITLE A—CREDITS

SEC. 201. REPEALS.

The following provisions are hereby repealed:

(1) Section 37 (relating to credit for the elderly and the permanently and totally disabled).

(2) Section 38 and subpart B of part IV of subchapter A of chapter 1 (relating to credit for investment in certain depreciable property).

(3) Section 41 (relating to contributions to candidates for public office).

(4) Section 42 (relating to general tax credit).

(5) Section 44 (relating to credits for home purchases).

(6) Section 44C (relation to residential energy credit).

(7) Section 44D (relating to credit for producing fuel from a nonconventional source).

(8) Sections 44E and 87 (relating to alcohol used as fuel).

(9) Section 44F (relating to credit for increasing research activities).

(10) Section 44G (relating to employee stock ownership credit).

(11) Section 44H (relating to clinical testing expenses for certain drugs for rare diseases and conditions).

(12) Sections 936, 934(b), and 33(b) (relating to possessions tax credit).

SEC. 202. CREDIT FOR EXPENSES FOR HOUSEHOLD AND DEPENDENT CARE SERVICES NECESSARY FOR GAINFUL EMPLOYMENT CHANGED TO DEDUCTION.

(a) Section 44A (relating to credit for expenses for household and dependent care services necessary for gainful employment) is hereby—

(1) transferred to part VII of subchapter B of chapter 1 and inserted after section 219, and

(2) redesignated as section 220.

(b) Subsection (a) of section 220 (as redesignated by paragraph (1)) is amended to read as follows:

"(a) ALLOWANCE OF DEDUCTION.—In the case of an individual who maintains a household which includes as a member 1 or more qualifying individuaals, there shall be allowed as a deduction an amount equal to the employment-related expenses paid by such individual during the taxable year."

(c) Section 220 (as so redesignated) is amended—

(1) by striking out subsection (b),

(2) by striking out "AMOUNT CREDITABLE" in the heading of subsection (d) and inserting in lieu thereof "AMOUNT DEDUCTIBLE",

(3) by striking out "the credit" in subsection (f)(2) and inserting in lieu thereof "a deduction", and

(4) by striking out "No credit" in subsection (f)(6) and inserting in lieu thereof "No deduction".

Subtitle B—Exclusions

PART I—REPEALS

SEC. 211. REPEALS.

The following sections are hereby repealed:

(1) Section 116 (relating to partial exclusion of dividends received by individuals).

(2) Section 124 (relating to qualified transportation furnished by employer).

(3) Section 125 (relating to cafeteria plans).

(4) Section 128 (relating to partial exclusion of interest) as in effect for taxable years beginning after December 31, 1984.

(5) Section 129 (relating to dependent care assistance programs).

(6) Section 305(e) (relating to dividend reinvestment in public utilities).

(7) Section 621 (relating to payments to encourage exploration, development, and mining for defense purposes).

(8) Section 911 (relating to earned income of citizens or residents living abroad).

(9) Section 912 (relating to exemption for certain allowances).

(10) Section 931 (relating to income from sources within possessions of the United States).

(11) Section 933 (relating to income from sources within Puerto Rico).

PART II—OTHER CHANGES

SEC. 212. TAXATION OF TIER 2 RAILROAD RETIREMENT BENEFITS.

Section 72 (relating to annuities; certain proceeds of endowment and life insurance contracts) is amended by redesignating subsection (r) as subsection (s) and by inserting after subsection (q) the following new subsection:

"(r) TAXATION OF TIER 2 RAILROAD RETIREMENT BENEFITS—

"(1) IN GENERAL.—Notwithstanding any other provision of law, any tier 2 railroad retirement benefit shall be treated for purposes of this title as a benefit paid under an employer plan.

"(2) TIER 2 RAILROAD RETIREMENT BENEFIT.—For purposes of paragraph (1), the term 'tier 2 railroad retirement benefit' means any benefit paid under the Railroad Retirement Act of 1974 other than a tier 1 railroad retirement benefit (within the meaning of section 86(d)(4)).

"(3) NON-FICA PORTION OF TAXES TREATED AS CONTRIBUTIONS.—For purposes of applying paragraph (1)—

"(A) IN GENERAL.—The taxes imposed by sections 3201, 3211, and 3221 shall be treated as contributions made by the employee, employee-representative, and the employer, respectively, to the extent the amount of tax imposed exceeds the amount of tax which would have been imposed had only the rates of the comparable taxes imposed by chapter 21 applied under each such section.

"(B) CONTRIBUTIONS NOT ALLOCABLE TO SUPPLEMENTAL ANNUITY OR WINDFALL BENEFITS.—No amount treated as a contribution under this paragraph shall be allocated to—

"(i) any supplemental annuity paid under section 2(b) of the Railroad Retirement Act of 1974, or

"(ii) any benefit paid under section 3(h), 4(e), or 4(h) of such Act.".

SEC. 213. GROUP-TERM LIFE INSURANCE PURCHASED FOR EMPLOYEES.

(a) IN GENERAL.—Subsection (a) of section 79 (relating to group-term life insurance purchased for employees) is amended to read as follows:

"(a) IN GENERAL.—There shall be included in the gross income of an employee for the taxable year an amount equal to the cost of group-term life insurance on his life provided for part or all of such year under a policy (or policies) carried directly or indirectly by his employer (or employers); but only to the extent that such cost exceeds the amount, if any, paid by the employee toward the purchase of such insurance.".

(b) EXCEPTIONS.—Subsection (b) of section 79 (relating to exceptions) is amended by striking out paragraph (1) and redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(c) CONFORMING AMENDMENT.—Subsection (d) of section 79 is hereby repealed.

SEC. 214. TAXATION OF UNEMPLOYMENT COMPENSATION.

(a) IN GENERAL.—Subsection (a) of section 85 (relating to unemployment compensation) is amended to read as follows:

"(a) IN GENERAL.—Gross income includes any unemployment compensation received by the taxpayer during the taxable year.".

(b) CONFORMING AMENDMENT.—Section 85 is amended by striking out subsection (b) and redesignating subsection (c) as subsection (b)

SEC. 215. TAXATION OF ANNUAL INCREASE IN CASH SURRENDER VALUE OF LIFE INSURANCE POLICIES.

Part II of subchapter B of chapter 1 (relating to amounts specifically included in gross income) is amended by adding at the end thereof the following new section:

"SEC. 88. INCOME ATTRIBUTABLE TO LIFE INSURANCE, ANNUITY, OR ENDOWMENT CONTRACTS.

"(a) IN GENERAL.—There shall be included in the gross income for the taxable year of the owner of any annuity, life insurance, or endowment contract an amount equal to the excess of—

"(1) the sum of—

"(A) any change in the cash surrender value of such contract during the policy year ending with or within such taxable year,

"(B) any withdrawals during such policy year under such contract,

"(C) the cost of insurance provided during such policy year under such contract, and

"(D) any policyholder dividends paid during such policy year under such contract, over

"(2) the amount of premiums paid during such policy year under such contract.

"(b) CARRYOVER.—If the amount described in paragraph (2) of subsection (a) exceeds the amount determined under paragraph (1) of subsection (a) for any policy year, the amount of such excess shall be treated as a premium paid during the following policy year under the contract.

"(c) INSURANCE COMPANIES TO REPORT TO POLICYHOLDER AND TO THE SECRETARY.—The insurance company (or other payor) under any annuity, life insurance, or endowment contract shall, after the close of each policy year, report to the owner of the contract, and to the Secretary, such information as may be necessary for purposes of this section.

"(d) COORDINATION WITH SECTION 72.—For purposes of section 72, any amount included in gross income under this section with respect to any annuity, life insurance, or endowment contract shall be treated as consideration paid for such contract.

"(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary for purposes of this section.".

SEC. 216. LIMITATION ON PRIVATE-PURPOSE TAX-EXEMPT BONDS.

(a) REPEAL OF TAX EXEMPTION FOR INDUSTRIAL DEVELOPMENT BONDS.—Paragraphs (4), (5), (6), (7), (8), (9), (10), (11), (12), (13), and (14) of section 103(b) (relating to industrial development bonds) are hereby repealed.

(b) REPEAL OF TAX EXEMPTION FOR MORTGAGE SUBSIDY BONDS.—Section 103A is amended to read as follows:

"SEC. 103A. MORTGAGE SUBSIDY BONDS.

"(a) GENERAL RULE.—Any mortgage subsidy bond shall be treated as an obligation not described in subsection (a) of section 103.

"(b) MORTGAGE SUBSIDY BOND DEFINED.—For purposes of this title, the term 'mortgage subsidy bond' means any obligation which is issued as part of an issue a significant part of the proceeds of which is to be used directly or indirectly for mortgages (or other owner financing) on owner-occupied residences.".

(c) REPEAL OF TAX EXEMPTION FOR CERTAIN PRIVATE PURPOSE BONDS.—

(1) IN GENERAL.—

(A) Subsection (a) of section 103 is amended to read as follows:

"(a) GENERAL RULE.—Gross income does not include interest on the obligations of a State, a Territory, or a possession of the United States, or any political subdivision of any of the foregoing, or of the District of Columbia.".

(B) Subsection (e) of section 103 is amended to read as follows:

"(e) CERTAIN PRIVATE PURPOSE BONDS.—Any obligation which is issued as part of any issue all or a major portion of the proceeds of which are to be used (directly or indirectly)—

"(1) to finance loans to individuals for educational expenses, or

"(2) by an organization described in section 501(c)(3) which is exempt from taxation under section 501(a),

shall be treated as an obligation not described in subsection (a).".

(2) CONFORMING AMENDMENTS.—

(A) Subsections (b)(1) and (c)(1) of section 103 are each amended by striking out "subsection (a)(1) or (2)" each place it appears and inserting in lieu thereof "subsection (a)".

(B) Paragraph (3) of section 103(b) (defining exempt person) is amended to read as follows:

"(3) EXEMPT PERSONS.—For purposes of paragraph (2)(A), the term 'exempt person' means a governmental unit.".

(C) Subsections (d), (g), (h), (k), and (l) of section 103 are hereby repealed.

SEC. 217. TAXATION OF EMPLOYER CONTRIBUTIONS TO ACCIDENT AND HEALTH PLANS.

(a) GENERAL RULE.—Section 106 (relating to contribution by employer to accident and health plans) is amended by adding at the end thereof the following new sentence: "This section shall apply only to contributions attributable to the providing of wages, or payments in lieu of wages, for periods during which the employee is absent from work on account of sickness or disability."

(b) SELF-INSURED PLANS.—Subsections (b) and (h) of section 105 are hereby repealed.

(c) CONFORMING AMENDMENTS TO EMPLOYMENT TAXES.—

(1) Paragraph (2) of section 3121(a) (defining wages) is amended by striking out "on account of" and all that follows down through the end of such paragraph and inserting in lieu thereof "on account of sickness or accident disability (but, in the case of payments made to an employee or any of his dependents, this paragraph shall exclude from the term 'wages' only payments which are received under a workmen's compensation law);".

(2) Paragraph (2) of section 3306(b) (defining wages) is amended by striking out "on account of" and all that follows down through the end of such paragraph and inserting in lieu thereof "on account of sickness or accident disability (but, in the case of payments made to an employee or any of his dependents, this paragraph shall exclude from the term 'wages' only payments which are received under a workmen's compensation law);".

SEC. 218. REPEAL OF STOCK FOR DEBT EXCEPTION FOR PURPOSES OF DETERMINING INCOME FROM DISCHARGE OF INDEBTEDNESS.

Subsection (e) of section 108 (relating to income from discharge of indebtedness) is amended by adding at the end thereof the following new paragraph:

"(10) INDEBTEDNESS SATISFIED BY CORPORATION'S STOCK.—For purposes of determining income of the debtor from discharge of indebtedness, if a debtor corporation transfers its stock to a creditor in satisfaction of its indebtedness, such corporation shall be treated as having satisfied the indebtedness with an amount of money equal to the fair market value of the stock. In the case of a debtor in a title 11 case or when the debtor is insolvent, paragraph (3) (and not this paragraph) shall apply.".

SEC. 219. SCHOLARSHIP AND FELLOWSHIP EXCLUSION LIMITED TO TUITION AND RELATED EXPENSES.

(a) GENERAL RULE.—Subsections (a) and (b) of section 117 (relating to scholarships and fellowships) are amended to read as follows:

"(a) IN GENERAL.—In the case of an individual who is a candidate for a degree at an educational organization described in section 170(b)(1)(A)(ii), gross income does not include any amount received as—

"(1) a scholarship, or

"(2) a fellowship grant,

to the extent such amount is used for qualified tuition and related expenses (within the meaning of subsection (c)(2)).

"(b) PAYMENT FOR TEACHING, RESEARCH, ETC.—Subsection (a) shall not apply to that portion of any amount received which represents payment for teaching, research, or other services in the nature of part-time employment required as a condition to receiving the scholarship or the fellowship grant. If teaching, research, or other services are required of all candidates (whether or not recipients of scholarships or fellowship grants) for a particular degree as a condition to receiving such degree, such teaching, research, or other services shall not be regarded as part-time employment within the meaning of this subsection.".

(b) CLARIFICATION OF DEFINITION OF QUALIFIED TUITION AND RELATED EXPENSES.—

(1) Clause (i) of section 117(c)(2)(A) is amended by striking out "at an institution of higher education" and inserting in lieu thereof "at an educational organization described in section 170(b)(1)(A)(ii)".

(2) Subparagraph (B) of section 117(c)(1) is amended by inserting "at an institution of higher education" after "qualified tuition and related expenses".

SEC. 220. EXCLUSION OF GAIN FROM SALE OF PRINCIPAL RESIDENCE APPLIES ONLY FOR PURPOSES OF COMPUTING NORMAL TAX.

Section 121 (relating to 1-time exclusion of gain from sale of principal residence by individual who has attained age 55) is amended by adding at the end thereof the following new subsection:

"(e) SECTION NOT TO APPLY FOR PURPOSES OF COMPUTING SURTAX.—This section shall not apply for purposes of computing the amount of the surtax imposed by section 1.".

SEC. 221. TERMINATION OF TAX EXEMPTION FOR DEPOSITS INTO, AND WITHDRAWALS FROM, THE CAPITAL CONSTRUCTION FUND UNDER SECTION 607 OF THE MERCHANT MARINE ACT, 1936.

(a) TAXATION OF DEPOSITS.—Subsection (d) of section 607 of the Merchant Marine Act, 1936 (relating to nontaxability for deposits) is hereby repealed.

(b) ALL WITHDRAWALS TREATED AS NONQUALIFIED.—Subsection (f) of such section 607 is amended by adding at the end thereof the following new paragraph:

"(3) No withdrawal after December 31, 1984, shall be treated as a qualified withdrawal.".

Subtitle C—Deductions

PART I—REPEALS

SEC. 231. REPEALS.

The following provisions are hereby repealed:

(1) Section 221 (relating to deduction for 2-earner married couples).

(2) Section 222 (relating to deduction for adoption expenses).

PART II—OTHER CHANGES

SEC. 232. LIMITATION ON INTEREST DEDUCTION.

Subsection (d) of section 163 (relating to limitation on interest on investment indebtedness) is amended to read as follows:

"(d) LIMITATION ON INTEREST DEDUCTIONS OF INDIVIDUALS.—

"(1) IN GENERAL.—In the case of a taxpayer other than a corporation, the amount allowed as deduction under this chapter for nonbusiness interest shall not exceed the sum of—

"(A) any qualified housing interest, and

"(B) the amount otherwise allowable as a deduction for nonbusiness interest (other than qualified housing interest) to the extent such amount does not exceed the qualified net investment income of the taxpayer for the taxable year.

"(2) NONBUSINESS INTEREST NOT IN EXCESS OF QUALIFIED NET INVESTMENT INCOME ALLOWABLE IN COMPUTING ADJUSTED GROSS INCOME FOR SURTAX.—For purposes of determining the amount of the surtax imposed by section 1, any amount allowable as a deduction under this chapter for nonbusiness interest shall be treated as a deduction allowable in computing adjusted gross income to the extent that the amount of such interest does not exceed the qualified net investment income of the taxpayer for the taxable year.

"(3) NONBUSINESS INTEREST.—The term 'nonbusiness interest' means any interest allowable as a deduction under this chapter (determined without regard to paragraph (1)) other than interest allowable as a deduction in computing adjusted gross income (determined without regard to paragraph (2) but with regard to paragraph (5)).

"(4) OTHER DEFINITIONS.—For purposes of this subsection—

"(A) QUALIFIED HOUSING INTEREST.—The term 'qualified housing interest' means interest which is paid or accrued during the taxable year on indebtedness which is incurred in acquiring, constructing, or substantially rehabilitating any property which—

"(i) is the principal residence (within the meaning of section 1034) of the taxpayer at the time such interest accrues or is paid, or

"(ii) is a qualified dwelling used by the taxpayer (or any member of his family within the meaning of section 267(c)(4)) during the taxable year.

"(B) QUALIFIED DWELLING.—The term 'qualified dwelling' means any—

"(i) house,

"(ii) apartment,

"(iii) condominium, or

"(iv) mobile home not used on a transient basis,

including all structures or other property appurtenant thereto.

"(C) QUALIFIED NET INVESTMENT INCOME.—The term 'qualified net investment income' means the excess of—

"(i) qualified investment income, over

"(ii) qualified investment expenses.

"(D) QUALIFIED INVESTMENT INCOME.—The term 'qualified investment income' means the sum of—

"(i) the gross income from interest, dividends, rents, and royalties, but only to the extent such income is not derived from the active conduct of a trade or business, and

"(ii) the net gain attributable to the disposition of property held for investment.

"(E) QUALIFIED INVESTMENT EXPENSES.—The term 'qualified investment expenses' means the deductions directly connected with the production of qualified investment income to the extent that such deductions are allowable in computing adjusted gross income.

"(5) TREATMENT OF INTERESTS IN LIMITED PARTNERSHIPS AND SUBCHAPTER S CORPORATIONS; PROPERTY SUBJECT TO NET LEASE.—

"(A) CERTAIN INTEREST NOT ALLOWABLE IN COMPUTING ADJUSTED GROSS INCOME.—Any amount allowable as a deduction for interest on indebedness incurred or continued to purchase or carry a limited business interest shall not (except as provided in paragraph (2)) be allowable in computing adjusted gross income.

"(B) INCOME TREATED AS QUALIFIED INVESTMENT INCOME.—For purposes of this subsection, any income derived from a limited business interest shall be treated as qualified investment income.

"(C) LIMITED BUSINESS INTEREST.—For purposes of this paragraph, the term 'limited business interest' means an interest—

"(i) As a limited partner in a partnership, or

"(ii) as a shareholder in an S corporation if the taxpayer does not actively participate in the management of such corporation.

"(D) PROPERTY SUBJECT TO NET LEASE TREATED AS LIMITED BUSINESS INTEREST.—For purposes of this paragraph, the interest of the lessor in property subject to a lease shall be treated as a limited business interest if—

"(i) for the taxable year the sum of the deductions of the lessor with respect to such property which are allowable solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is less than 15 percent of the rental income produced by such property, or

"(ii) the lessor is either guaranteed a specified return or is guaranteed in whole or in part against loss of income.".

SEC. 233. REPEAL OF DEDUCTION FOR STATE AND LOCAL PERSONAL PROPERTY AND SALES TAXES.

(a) GENERAL RULE.—Subsection (a) of section 164 (relating to deduction for taxes) is amended—

(1) by striking out paragraphs (2) and (4) and by redesignating paragraphs (3) and (5) as paragraphs (2) and (3), respectively, and

(2) by adding at the end thereof the following new sentence: "Notwithstanding the preceding sentence, any tax (not described in the first sentence of this subsection) which is paid or accrued by the taxpayer in connection with an acquisition or disposition of property shall be treated as part of the cost of the acquired property or, in the case of a disposition, as a reduction in the amount realized on the disposition.".

(b) CONFORMING AMENDMENT.—Subsection (b) of section 164 is amended by striking out paragraphs (2) and (5).

SEC. 234. LIMITATION ON CHARITABLE DEDUCTION IN THE CASE OF CORPORATIONS.

Paragraph (1) of section 170(a) (relating to charitable, etc., contributions and gifts) is amended to read as follows:

"(1) GENERAL RULE.—There shall be allowed as a deduction—

"(A) except as provided in subparagraph (B), an amount equal to the amount of the charitable contributions paid during the taxable year, or

"(B) in the case of a corporation (other than an S corporation), an amount equal to 50 percent of the charitable contributions paid during the taxable year.

A charitable contribution shall be taken into account under the preceding sentence only if verified under regulations prescribed by the Secretary.".

SEC. 235. INCREASE IN FLOOR ON MEDICAL DEDUCTION.

Subsection (a) of section 213 (relating to medical, dental, etc., expenses) is amended by striking out "5 percent" and inserting in lieu thereof "10 percent".

Subtitle D—Repeal of Special Capital Gains Treatment

SEC. 241. REPEAL OF SPECIAL CAPITAL GAINS TREATMENT.

(a) GENERAL RULE.—The following sections are hereby repealed:

(1) Section 1201 (relating to alternative tax for corporations).

(2) Section 1202 (relating to deduction for individuals for capital gains).

(b) LIMITATION ON CAPITAL LOSSES APPLIED WITHOUT REGARD TO DISTINCTIONS BETWEEN SHORT-TERM AND LONG-TERM.—

(1) Subsection (B) of Section 1211 (relating to limitation on capital losses in the case of taxpayers, other than corporations) is amended to read as follows:

"(b) OTHER TAXPAYERS.—

"(1) IN GENERAL.—In the case of a taxpayer other than a corporation, losses from sales or exchanges of capital assets shall be allowed only to the extent of gains from such sales or exchanges plus (if such losses exceed such gains) whichever is the smallest:

"(A) the taxable income for the taxable year,

"(B) $3,000 ($1,500 in the case of a separate return by a husband or wife), or

"(C) the net capital loss.

"(2) COMPUTATION OF TAXABLE INCOME.—For purposes of paragraph (1), taxable income shall be computed without regard to gains or losses from sales or exchanges of capital assets and without regard to the deductions provided in section 151 (relating to personal exemptions) or any deduction in lieu thereof.".

(2) Subsection (b) of section 1212 (relating to carryovers for taxpayers other than corporations) is amended to read as follows:

"(b) OTHER TAXPAYERS.—If a taxpayer other than a corporation has a net capital loss for any taxable year, the excess (if any) of—

"(1) the amount of such loss, over

"(2) the amount allowed for the taxable year under subparagraph (A), (B), or (C) of section 1211(b)(1),

shall be treated as a capital loss in the succeeding taxable year.".

(c) ELIMINATION OF DISTINCTIONS BETWEEN SHORT-TERM AND LONG-TERM GAINS AND LOSSES BASED ON HOLDING PERIOD.—Section 1222 is amended to read as follows:

"SEC. 1222. OTHER TERMS RELATING TO CAPITAL GAINS AND LOSSES.

"For purposes of this subtitle—

"(1) CAPITAL GAIN.—The term 'capital gain' means gain from the sale or exchange of a capital asset if, and to the extent that, such gain is taken into account in computing gross income.

"(2) CAPITAL LOSS.—The term 'capital loss' means loss from the sale or exchange of a capital asset if, and to the extent that, such loss is taken into account in computing taxable income.

"(3) NET CAPITAL LOSS.—The term 'net capital loss' means the excess of the losses from the sales or exchanges of capital assets over the gains from such sales or exchanges.

"(4) NET CAPITAL GAIN.—The term 'net capital gain' means the excess of the gains from the sales or exchanges of capital assets over the losses from the sales or exchanges of capital assets.".

(d) REPEAL OF RELATED PROVISIONS.—The following provisions are hereby repealed:

(1) Section 268 (relating to sale of land with unharvested crop).

(2) Section 272 (relating to disposal of coal or domestic iron ore).

(3) Section 341 (relating to collapsible corporations).

(4) Section 631 (relating to gain or loss in the case of timber, coal, or domestic iron ore).

(5) Section 735 (relating to distributions of property).

(6) Section 751 (relating to collapsible partnerships).

(7) Section 1231 (relating to property used in the trade or business and involuntary conversions).

(8) Section 1235 (relating to sale or exchange of patents).

(9) Section 1238 (relating to amortization in excess of depreciation).

(10) Section 1239 (relating to gain from sale of depreciable property between certain related taxpayers).

(11) Section 1245 (relating to gain from dispositions of certain depreciable property).

(12) Section 1246 (relating to gain on foreign investment company stock.

(13) Section 1247 (relating to election by foreign investment companies to distribute income currently).

(14) Section 1248 (relating to gain from certain sales or exchanges of stock in certain foreign corporations).

(15) Section 1249 (relating to gain from certain sales or exchanges of patents, etc., to foreign corporations).

(16) Section 1250 (relating to gain from disposition of certain depreciable realty).

(17) Section 1251 (relating to gain from disposition of property used in farming where farm losses offset nonfarm income).

(18) Section 1252 (relating to gain from disposition of farm land).

(19) Section 1254 (relating to gain from disposition of interest in oil, gas, or geothermal property).

(20) Section 1255 (relating to gain from disposition of section 126 property).

(21) Section 1374 (relating to capital gain of subchapter S corporations).

TITLE III—CAPITAL COST RECOVERY

Subtitle A—Simplified Cost Recovery Systems

SEC. 301. SIMPLIFIED COST RECOVERY FOR DEPRECIABLE PROPERTY; REPEAL OF ACCELERATED COST RECOVERY SYSTEM AND SPECIAL LEASING RULES.

Section 168 (relating to accelerated cost recovery system) is amended to read as follows:

"SEC. 168. SIMPLIFIED COST RECOVERY FOR DEPRECIABLE PROPERTY.

"(a) ALLOWANCE OF DEDUCTION.—In the case of recovery property, there shall be allowed the recovery deduction provided by this section.

"(b) AMOUNT OF DEDUCTION.—The amount of the deduction allowable by subsection (a) for any taxable year shall be the aggregate amount determined by applying—

"(1) the recovery percentage for each class of property, to

"(2) the balance in the recovery account for such class at the end of such year.

"(c) CLASS AND CLASS LIFE.—

"(1) TABLE.—All recovery property—

"(A) shall be placed in 1 of the classes set forth in the following table, and

"(B) shall have the class life set forth for such class in the following table:

"Class and Class Life Table

"Class	Class life (in years)
1	4
2	6
3	10
4	18
5	28
6	40

"(2) ASSIGNMENT TO CLASSES.—For purposes of paragraph (1)—

"(A) IN GENERAL.—Except as provided in subparagraph (B), recovery property shall be assigned to classes in accordance with the following table:

"If the present class life of the property (in years):	The property shall be assigned to (class):
Is less than 5	1
Equals or exceeds 5.0 but is less than 8.5	2
Equals or exceeds 8.5 but is less than 14.5	3
Equals or exceeds 14.5 but is less than 24	4
Equals or exceeds 24 but is less than 35	5
Equals or exceeds 35	6

"(B) BUILDINGS AND STRUCTURES ASSIGNED TO CLASS 6.—All class 6 real property shall be assigned to class 6.

"(3) CLASS 6 REAL PROPERTY.—For purposes of paragraph (2), the term 'class 6 real property' means any recovery property which is real property except that such term shall not include—

"(A) property (not including a building or its structural components) for a period in which such property—

"(i) was used as an integral part of manufacturing, production, or extraction or of furnishing transportation, communications, electrical energy, gas, water, or sewage disposal services,

"(ii) constituted a research facility used in connection with any of the activities referred to in clause (i), or

"(iii) constituted a facility used in connection with any of the activities referred to in clause (i) for the bulk storage of fungible commodities (including commodities in a liquid or gaseous state),

"(B) a storage facility (not including a building or its structural components) used in connection with the distribution of petroleum or any primary product of petroleum, or

"(C) any real property with a present class life of 12.5 years or less.

"(d) RECOVERY PERCENTAGE.—For purposes of this section, the term 'recovery percentage' means, with respect to any class of property for any taxable year—

"(1) 250 percent, divided by

"(2) the number of years in the class life.

"(e) RECOVERY PROPERTY DEFINED.—For purposes of this title, the term 'recovery property' means property of a character subject to the allowance for depreciation—

"(1) used in a trade or business, or

"(2) held for the production of income,

which is placed in service by the taxpayer after December 31, 1984.

"(f) RECOVERY ACCOUNT.—

"(1) IN GENERAL.—The taxpayer shall establish a recovery account for each class of recovery property.

"(2) ADDITIONS TO ACCOUNT.—The recovery account for any class of recovery property shall be increased by an amount equal to the sum of—

"(A) one-half of the basis of each recovery property in such class which is placed in service by the taxpayer during the taxable year, plus

"(B) one-half of the basis of each recovery property in such class which was placed in service by the taxpayer during the preceding taxable year.

"(3) REDUCTIONS IN ACCOUNT.—

"(A) PROPERTY DISPOSED OF DURING YEAR.—The recovery account for any class of recovery property shall be reduced by an amount equal to the amount realized on each recovery property of such class disposed of by the taxpayer during the taxable year.

"(B) AMOUNT ALLOWED UNDER THIS SECTION.—The recovery account for any class of recovery property shall be reduced by an amount equal to the amount of the deduction allowed under subsection (a) with respect to such class (but not less than the amount allowable).

"(4) TIME FOR MAKING ADJUSTMENTS.—

"(A) IN GENERAL.—Any adjustment under paragraph (2) or (3)(A) shall be made as of the close of the taxable year but before the determination of the amount allowable as a deduction under subsection (a) for such taxable year.

"(B) REDUCTION FOR DEDUCTION.—Any reduction under paragraph (3)(B) shall be made as of the beginning of the taxable year following the taxable year for which the amount was allowed (or allowable) as a deduction under subsection (a).

"(5) COORDINATION WITH OTHER PROVISIONS.—

"(A) DISPOSITIONS NOT TREATED AS DISPOSITION FOR CERTAIN PURPOSES.—For purposes of this title (other than this section), the disposition of any property in a recovery account shall be treated as if it were not a disposition.

"(B) NEGATIVE BALANCE.—If, as of the close of any taxable year (after the adjustments under paragraphs (2) and (3)(A)), there is a negative balance in any recovery account then, notwithstanding any other provision of this subtitle—

"(i) an amount equal to the amount by which—

"(I) such negative balance (expressed as a positive number), exceeds

"(II) one-half of the basis of all recovery property in the class of recovery property for which such account is established which was placed in service by the taxpayer during the taxable year

shall be included in gross income for such taxable year as ordinary income, and

"(ii) the balance in the account shall be adjusted (as of the beginning of the following taxable year) by adding to the account an amount equal to the amount included in gross income under clause (i).

"(6) RATABLE RULE FOR CLASS 6 REAL PROPERTY.—In the case of any class 6 real property placed in service in the taxable year—

"(A) paragraph (2)(A) shall be applied by substituting for 'one-half' a fraction—

"(i) the numerator of which is the number of months in the taxable year beginning before the property was placed in service, and

"(ii) the denominator of which is 12, and

"(B) paragraphs (2)(B) and (5)(B)(i)(I) shall be applied by substituting for 'one-half' a fraction equal to 1 minus the fraction determined under subparagraph (A).

"(g) SPECIAL RULES.—

"(1) PRESENT CLASS LIFE.—The term 'present class life' means the class life (if any) which would be applicable with respect to any property under subsection (m) of section 167 (determined without regard to paragraph (4) thereof and as if the taxpayer had made an election under such subsection).

"(2) NO ADJUSTMENT WHERE PROPERTY DISPOSED OF BEFORE CLOSE OF TAXABLE YEAR IN WHICH PLACED IN SERVICE.—No adjustment shall be made under paragraphs (2) and (3)(A) of subsection (f) in respect of any property which is disposed of by the taxpayer before the close of the taxable year in which placed in service by the taxpayer.

"(3) TRANSFERS AT DEATH.—No reduction shall be made under paragraph (3)(A) of

subsection (f) by reason of any transfer at death.

"(4) PROPERTY CEASING TO BE RECOVERY PROPERTY.—If any property taken into account under subsection (f) ceases to be recovery property during any taxable year—

"(A) such property shall be treated as disposed of by the taxpayer during such taxable year, and

"(B) the basis of such property in the hands of the taxpayer after such cessation shall be treated as equal to its fair market value.

"(5) DISPOSITIONS OTHER THAN SALE OR EXCHANGE.—If any recovery property is disposed of in a disposition which is not a sale, exchange, or involuntary conversion and which is not described in paragraph (6) or (7), the reduction under paragraph (3)(A) of subsection (f) for such disposition shall be the fair market value of the property. In the case of a disposition of property by abandonment, the fair market value thereof shall be treated as if it were zero.

"(6) TRANSFERS WHERE BASIS GOES OVER.—

"(A) IN GENERAL.—If any recovery property is transferred and the transferee's basis of such property is determined in whole or in part by reference to the adjusted basis of the transferor, then, under regulations prescribed by the Secretary—

"(i) the transferor's recovery account for the class of property in which the recovery property falls shall be reduced by the transferred amount, and

"(ii) for purposes of determining the transferee's basis in such property, the adjusted basis of such property in the hands of the transferor shall be treated as equal to the transferred amount.

"(B) TRANSFERRED AMOUNT.—For purposes of subparagraph (A), the transferred amount shall be the amount which bears the same relation to—

"(i) the total amount in the transferor's recovery account immediately before the transfer, as

"(ii) the fair market value of the transferred property bears to the fair market value of all property in such account immediately before the transfer.

"(C) AUTHORITY TO PRESCRIBE ALTERNATE METHODS OF ALLOCATION.—The Secretary may by regulations prescribe alternate methods for allocating the balance in any recovery account for purposes of determining the transferred amount of any property.

"(7) LIKE KIND EXCHANGES; INVOLUNTARY CONVERSIONS.—Under regulations prescribed by the Secretary, in the case of any exchange described in section 1031 or 1033—

"(A) if the properties fall in the same class, changes shall be made in the taxpayer's recovery account for such class only to the extent necessary to reflect the money or other property (within the meaning of section 1031) or property not similar or related in service or use (within the meaning of section 1033) paid, exchanged, or received, as the case may be, and

"(B) if the properties fall in different classes, proper adjustments in the recovery accounts for both classes shall be made to carry out the nonrecognition provided for in such sections.

"(8) SHORT TAXABLE YEARS.—The application of this section to taxable years of less than 12 months shall be in accordance with regulations prescribed by the Secretary.

"(9) TRANSITIONAL RULE.—

"(A) IN GENERAL.—For any taxable year beginning after December 31, 1984, the taxpayer may elect to treat as recovery property any property which would be recovery property if it had been placed in service after December 31, 1984.

"(B) ELECTION MUST APPLY TO ALL CLASSES.—An election made under this paragraph for any taxable year shall apply with respect to all classes of property.

"(C) METHOD IN WHICH PROPERTY TAKEN INTO ACCOUNT.—Any property which is treated as recovery property by reason of an election under this paragraph for any taxable year—

"(i) shall be treated as placed in service during such taxable year, and

"(ii) shall be taken into account in an amount equal to the adjusted basis of such property as of the beginning of the taxable year.".

SEC. 302. SIMPLIFIED COST RECOVERY FOR DEPLETABLE PROPERTY.

(a) GENERAL RULE.—Part I of subchapter I of chapter 1 (relating to deduction for depletion) is amended by inserting after section 611 the following new section:

"SEC. 611A. SIMPLIFIED COST RECOVERY FOR DEPLETABLE PROPERTY.

"(a) ALLOWANCE OF DEDUCTION.—In the case of qualified depletable property, there shall be allowed the depletion deduction provided by this section.

"(b) AMOUNT OF DEDUCTION.—The deduction allowed by subsection (a) shall be the aggregate amount determined by applying—

"(1) the recovery percentage for each class of property, to

"(2) the balance in the recovery account for such class at the end of such year.

"(c) CLASS AND CLASS LIFE.—

"(1) TABLE.—All qualified depletable property—

"(A) shall be placed in 1 of the classes set forth in the following table, and

"(B) shall have the class life set forth for such class in the following table:

"Class and Class Life Table

"Class	Class life (in years)
1	4
2	6
3	10
4	18
5	28
6	40

"(2) ASSIGNMENT TO CLASSES.—For purposes of this section—

"(A) IN GENERAL.—Except as provided in subparagraph (B), all qualified depletable property shall be assigned to a class in accordance with the table set forth in section 168(c)(2)(A); except that the anticipated productive life of the property shall be taken into account in lieu of present class life.

"(B) 10-YEAR CLASS LIFE FOR OIL, GAS, AND GEOTHERMAL WELLS.—All qualified depletable property which is an oil or gas well or a well drilled for any geothermal deposit shall be placed in class 3.

"(d) QUALIFIED DEPLETABLE PROPERTY.—For purposes of this section, the term 'qualified depletable property' means any property—

"(1) which is of a character subject to the allowance for depletion provided in section 611, and

"(2) production from which first began after December 31, 1984.

"(e) CERTAIN RULES MADE APPLICABLE.—For purposes of this section, rules similar to the rules of subsections (d), (f), and (g) of section 168 shall apply; except that property shall not be treated as placed in service until production from the property begins.

"(f) SPECIAL RULE FOR NONPRODUCTIVE WELLS OR MINES.—This section shall not apply with respect to any nonproductive well or mine. Nothing in this section shall be construed to deny any deduction allowable for a loss sustained by reason of the abandonment of a nonproductive well or mine.".

(b) TECHNICAL AMENDMENTS.—

(1) Section 611 is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) COORDINATION WITH SECTION 611A.—In the case of any qualified depletable property, the deduction provided by section 611A shall be deemed to be the reasonable allowance for depletion provided by this section.".

(2) Subsection (a) of section 611 is amended by striking out "and timber,".

Subtitle B—Other Changes

PART I—REPEALS

SEC. 311. REPEALS.

The following provisions are hereby repealed:

(1) Section 263(c) (relating to intangible drilling and development costs in the case of oil and gas wells and geothermal wells).

(2) Section 167 (relating to depreciation).

(3) Section 169 (relating to amortization of pollution control facilities).

(4) Section 178 (relating to depreciation or amortization of improvements made by lessee on lessor's property).

(5) Section 179 (relating to election to expense certain depreciable business assets).

(6) Section 194 (relating to amortization of reforestation expenditures).

(7) Section 613, 613A, and 614 (relating to percentage depletion).

(8) Section 616 (relating to development expenditures).

(9) Section 617 (relating to deduction and recapture of certain mining exploration expenditures).

PART II—OTHER CHANGES

SEC. 316. 10-YEAR AMORTIZATION OF CONSTRUCTION PERIOD INTEREST AND TAXES.

(a) GENERAL RULE.—Subsection (b) of section 189 (relating to amortization of amounts charged to capital account) is amended to read as follows:

"(b) AMORTIZATION OF AMOUNTS CHARGED TO CAPITAL ACCOUNT.—Any amount paid or accrued which would (but for subsection (a)) be allowable as a deduction for the taxable year in which paid or accrued shall be allowed as a deduction ratably over the 10-year period beginning with such taxable year.".

(b) ELIMINATION OF CERTAIN EXCEPTIONS.—Subsection (d) of section 189 (relating to certain property excluded) is amended to read as follows:

"(d) CERTAIN PROPERTY EXCLUDED.—This section shall not apply to any real property acquired, constructed, or carried if such property is not, and cannot reasonably be expected to be, held in a trade or business or in an activity conducted for profit.".

SEC. 317. CIRCULATION EXPENDITURES.

Section 173 (relating to circulation expenditures) is amended to read as follows:

"SEC. 173. CIRCULATION EXPENDITURES.

"(a) GENERAL RULE.—Expenditures (other than expenditures for the purchase of land or depreciable property or for the acquisition of circulation through the purchase of any part of the business of another publisher of a newspaper, magazine, or other periodical) to establish, maintain, or increase the circulation of a newspaper, magazine, or other periodical shall be allowed as a deduc-

tion ratably over the 10-year period beginning with the taxable year in which such expenditure was made.

"(b) EXCEPTION.—Subsection (a) shall not apply with respect to any portion of the expenditure as (under regulations prescribed by the Secretary) is chargeable to capital account if the taxpayer elects, in accordance with such regulations, to treat such portion as so chargeable. Such election, if made, must be for the amount of such portion of the expenditure which is so chargeable to capital account, and shall be binding for all subsequent taxable years unless, upon application by the taxpayer, the Secretary permits a revocation of such election subject to such conditions as he deems necessary.".

SEC. 318. TERTIARY INJECTANTS.

Subsection (a) of section 193 (relating to tertiary injectants) is amended to read as follows:

"(a) ALLOWANCE OF DEDUCTION.—In the case of any qualified tertiary injectant expenses of the taxpayer for tertiary injectants injected during the taxable year—

"(1) 50 percent of such expenses shall be allowed as a deduction for the taxable year, and

"(2) 50 percent of such expenses shall be allowed as a deduction for the succeeding taxable year.".

TITLE IV—MISCELLANEOUS PROVISIONS

Subtitle A—Foreign Income

SEC. 401. ELIMINATION OF DEFERRAL OF INCOME OF CONTROLLED FOREIGN CORPORATIONS.

(a) GENERAL RULE.—Part III of subchapter N of chapter 1 (relating to income from sources without the United States) is amended by adding at the end thereof the following new subpart:

"Subpart J—Undistributed Profits of Controlled Foreign Corporations

"SEC. 987. AMOUNTS INCLUDED IN GROSS INCOME OF UNITED STATES SHAREHOLDERS.

"(a) AMOUNTS INCLUDED.—

"(1) IN GENERAL.—If a foreign corporation is a controlled foreign corporation (as defined in section 957) for an uninterrupted period of 30 days or more during any taxable year, every person who is a United States shareholder (as defined in section 951(b)) of such corporation who owns (within the meaning of section 958) stock in such corporation on the last day in such year on which such corporation is a controlled foreign corporation shall include in his gross income, for his taxable year in which or with which such taxable year of the corporation ends, his pro rata share of the corporation's earnings and profits for such year.

"(2) PRO RATA SHARE OF EARNINGS AND PROFITS.—A United States shareholder's pro rata share referred to in paragraph (1) is the amount—

"(A) which would have been distributed with respect to the stock which such shareholder owns (within the meaning of section 958) in such corporation if on the last day, in its taxable year, on which the corporation is a controlled foreign corporation it had distributed pro rata to its share-holders an amount (i) which bears the same ratio to its earnings and profits for the taxable year, as (ii) the part of such year during which the corporation is a controlled foreign corporation bears to the entire year, reduced by

"(B) an amount (i) which bears the same ratio to the earnings and profits of such corporation for the taxable year, as (ii) the part of such year described in subparagraph (A)(ii) during which such shareholder did not own (within the meaning of section 958) such stock bears to the entire year.

"(b) EARNINGS AND PROFITS.—For purposes of this subpart, under regulations prescribed by the Secretary, the earnings and profits of any foreign corporation, and the deficit in earnings and profits of any foreign corporation, for any taxable year—

"(1) except as provided in section 312(m)(3), shall be determined according to rules substantially similar to those applicable to domestic corporations.

"(2) shall be appropriately adjusted for deficits in earnings and profits of such corporations for any prior taxable year beginning after December 31, 1984, and

"(3) shall not include any item of income which is effectively connected with the conduct by such corporation of a trade or business within the United States unless such item is exempt from taxation (or is subject to a reduced rate of tax) pursuant to a treaty obligation of the United States.

"(c) COORDINATION WITH FOREIGN PERSONAL HOLDING COMPANY PROVISIONS.—In the case of a United States shareholder who, for his taxable year, is subject to tax under section 551(b) (relating to foreign personal holding company income included in gross income of United States shareholders) on income of a controlled foreign corporation, the amount required to be included in gross income by such shareholder under subsection (a) with respect to such company shall be reduced by the amount included in gross income by such shareholder under section 551(b).

"(d) ADJUSTMENTS AND FOREIGN TAX CREDITS.—Under regulations prescribed by the Secretary—

"(1) Adjustments to the basis of stock on account of earnings and profits taxed under subsection (a) shall be made in the manner provided in section 961 (relating to increases and reductions in basis on account of the income tax treatment of subpart F income);

"(2) Elimination of double taxation of previously taxed earnings and profits when distributed shall be made in the manner provided in section 959 (relating to exclusion from gross income of previously taxed subpart F income); and

"(3) Corporations shall be deemed to have paid income, war profits, and excess profits taxes paid (or deemed paid) by foreign corporations to a foreign country or possession of the United States in accordance with the special rules set forth in section 960.".

(b) TERMINATION OF SUBPART F.—Section 951 (relating to taxation of subpart F income) is amended by adding at the end thereof the following new subsection:

"(e) TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1984.—No amount shall be required to be included in the gross income of a United States shareholder under subsection (a) (other than paragraph (1)(A)(ii) of such subsection) with respect to a taxable year of a controlled foreign corporation beginning after December 31, 1984.".

SEC. 402. REPEAL OF DISC.

(a) Section 991 (relating to tax exemption of a DISC) is amended by adding at the end thereof the following: "This section shall not apply to any taxable year beginning after December 31, 1984.".

(b) Section 992(a) (defining DISC) is amended by adding at the end thereof the following new paragraph:

"(4) TERMINATION.—No corporation shall be treated as a DISC for any taxable year beginning after December 31, 1984.".

(c) Section 995(b)(2) (relating to deemed distributions upon DISC disqualification) is amended by adding at the end thereof the following new subparagraph:

"(C) A corporation which, by reason of the provisions of section 992(a)(4), is a former DISC, for its first taxable year beginning after December 31, 1984, shall be treated, for purposes of this paragraph, as having failed to satisfy the conditions of section 992(a)(1) for such taxable year.".

Subtitle B—Other Miscellaneous Provisions

SEC. 411. REPEAL OF TAX EXEMPTION FOR CREDIT UNIONS.

Paragraph (14) of section 501(c) (relating to list of exempt organizations) is hereby repealed.

SEC. 412. REDUCTION OF ANNUAL LIMITS FOR DEFINED BENEFIT AND DEFINED CONTRIBUTION PLANS.

(a) GENERAL RULE.—

(1) DEFINED BENEFIT PLANS.—

(A) IN GENERAL.—Paragraph (1) of section 415(b) (relating to limitation for defined benefit plans) is amended by striking out "$90,000" and inserting in lieu thereof "$60,000".

(B) CONFORMING AMENDMENTS.—

(i) Subparagraph (C) of section 415(b) is amended—

(I) by striking out "$90,000" each place it appears and inserting in lieu thereof "$60,000", and

(II) by striking out "$75,000" each place it appears and inserting in lieu thereof "$50,000".

(ii) Subparagraph (D) of section 415(b)(2) is amended by striking out "$90,000" each place it appears and inserting in lieu thereof "$60,000".

(2) DEFINED CONTRIBUTION PLANS.—Paragraph (1) of section 415(c) (relating to limitation for defined contribution plans) is amended by striking out "$30,000" and inserting in lieu thereof "$20,000".

(b) REPEAL OF COST-OF-LIVING ADJUSTMENTS.—

(1) GENERAL RULE.—Subsection (d) of section 415 (relating to cost-of-living adjustments) is hereby repealed.

(2) CONTINUATION OF ADJUSTMENT IN THE AMOUNT OF PARTICIPANT'S AVERAGE COMPENSATION FOR HIGH 3 YEARS.—Subsection (b) of section 415 (relating to limitation for defined benefit plans) is amended by adding at the end thereof the following new paragraph:

"(8) COST-OF-LIVING ADJUSTMENT.—

"(A) IN GENERAL.—In the case of a participant who is separated from service, the amount taken into account under paragraph (1)(B) shall be annually adjusted for increases in the cost-of-living in accordance with regulations prescribed by the Secretary. Such regulations shall provide for adjustment procedures which are similar to the procedures used to adjust primary insurance amounts under section 215(i)(2)(A) of the Social Security Act.

"(B) BASE PERIOD.—The base period taken into account for purposes of subparagraph (A) shall be the last calendar quarter of the calendar year before the calendar year in which the participant is separated from service.".

SEC. 413. METHOD OF ACCOUNTING FOR TAXPAYERS ENGAGED IN FARMING.

(a) GENERAL RULE.—The section heading and subsection (a) of section 447 (relating to method of accounting for corporations engaged in farming) are amended to read as follows:

"SEC. 447. METHOD OF ACCOUNTING FOR TAXPAYERS ENGAGED IN FARMING.

"(a) GENERAL RULE.—The taxable income from farming (including timber) shall be computed on an accrual method of accounting and with the capitalization of preproductive expenses described in subsection (b).".

(b) ACCRUAL METHOD NOT REQUIRED FOR TAXPAYERS HAVING GROSS RECEIPTS OF $1,000,000 OR LESS; REPEAL OF OTHER EXCEPTIONS.—Section 447 is amended by striking out subsections (c), (d), (e), (g), and (h) and by inserting after subsection (b) the following new subsection:

"(c) TAXPAYERS HAVING GROSS RECEIPTS OF $1,000,000 OR LESS.—

"(1) IN GENERAL.—This section shall not apply with respect to any taxpayer if for each prior taxable year of such taxpayer beginning after December 31, 1984 (December 31, 1975, in the case of a corporation), such taxpayer (and, in the case of a corporation, any predecessor) did not have gross receipts exceeding $1,000,000. For purposes of the preceding sentence, all taxpayers which are treated as a single employer under subsection (a) or (b) of section 52 (as in effect before its repeal) shall be treated as 1 taxpayer.

"(2) FARMING SYNDICATES SUBJECT TO ACCRUAL METHOD WITHOUT REGARD TO AMOUNT OF GROSS RECEIPTS.—Paragraph (1) shall not apply to any farming syndicate (as defined in section 464(c)).".

(c) CERTAIN EXPENSING DEDUCTIONS NOT ALLOWED TO TAXPAYERS TO WHOM SECTION 447 APPLIES.—Section 447 is amended by inserting after subsection (c) the following new subsection:

"(d) TAXPAYERS TO WHOM SECTION APPLIES NOT ALLOWED TO EXPENSE CERTAIN EXPENDITURES.—In the case of a taxpayer to whom this section applies, the following provisions shall not apply:

"(1) section 175 (relating to soil and water conservation expenditures),

"(2) section 180 (relating to expenditures by farmers for fertilizer, etc.) and

"(3) section 182 (relating to expenditures by farmers for clearing land).".

SEC. 414. ADJUSTMENTS TO COMPLETED CONTRACT METHOD.

(a) GENERAL RULE.—Section 229 of the Tax Equity and Fiscal Responsibility Act of 1982 (relating to modification of regulations on the completed contract method of accounting is amended by redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and by inserting after subsection (a) the following new subsection:

"(b) DEFERRAL OF INCOME OR LOSS TO BE TAKEN INTO ACCOUNT IN DETERMINING TAX LIABILITY UNDER COMPLETED CONTRACT METHOD OF ACCOUNTING.—

"(1) IN GENERAL.—The tax treatment of any long-term contract with respect to which the completed contract method of accounting is used shall take into account the fact that under such method there has been a deferral of income or loss for purposes of the Internal Revenue Code of 1954.

"(2) SECRETARY OF TREASURY TO PRESCRIBE REGULATIONS ESTABLISHING METHODS.—

"(A) IN GENERAL.—The Secretary of the Treasury (or his delegate) shall prescribe regulations establishing 2 methods which carry out the purposes of paragraph (1), the exact method and the simplified method.

"(B) ALLOCATION OF INCOME AND LOSS TO PROPER YEAR.—Each method described in subparagraph (A) shall be based on allocating to each taxable year in which activities relating to the long-term contract occur such taxable year's proper share of the net income or loss from the contract.

"(C) EXACT METHOD.—For purposes of this paragraph, the term 'exact method' means a method under which interest is computed under chapter 67 of the Internal Revenue Code of 1954 on the underpayments or overpayments for prior taxable years which would result solely from the application of subparagraph (B).

"(D) SIMPLIFIED METHOD.—For purposes of this paragraph, the term 'simplified method' means a method under which the taxpayer's income or loss for the current year is adjusted by an amount which represents interest on each amount which is allocated under subparagraph (B) to a taxable year before the current year. For purposes of the preceding sentence, interest shall be computed under subchapter C of chapter 67 of such Code but at 70 percent of the rates established by section 6621 of such Code.

"(E) $10,000 SMALL BUSINESS EXEMPTION.—

"(i) IN GENERAL.—For each current year, the first $10,000 of interest equivalent which (but for this subparagraph) would be owed by the taxpayer under subparagraph (C) or (D) shall not be taken into account.

"(ii) RELATED PERSONS RULE.—For purposes of clause (i)—

"(I) all trades or businesses (whether or not incorporated) which are under common control shall be treated as 1 taxpayer, and

"(II) all interest equivalents of the taxpayer (and related persons) shall be taken into account.

"(F) ELECTION.—The taxpayer may elect the exact method or the simplified method at such time and in such manner as may be prescribed by regulations. Such an election shall apply to all long-term contracts to which the completed method of accounting applies, and (once made) may be revoked only with the consent of the Secretary of the Treasury or his delegate.

"(G) CURRENT YEAR DEFINED.—For purposes of this paragraph, the term 'current year' means the taxable year in which the income or loss from the long-term contract is taken into account under the completed method of accounting.".

(b) ELIMINATION OF EXCEPTION FOR CONTRACTS COMPLETED WITHIN 3 YEARS.—Subparagraph (A) of section 229(c)(2) of the Tax Equity and Fiscal Responsibility Act of 1982 (as redesignated by subsection (a)) is amended to read as follows:

"(A) IN GENERAL.—The term 'extended period long-term contract' does not include any construction contract entered into by a taxpayer whose average annual gross receipts over the 3 taxable years preceding the taxable year in which such contract is entered into does not exceed $25,000,000.".

SEC. 415. HIGH INCOME TAXPAYERS REQUIRED TO MAKE ESTIMATED PAYMENTS EQUAL TO 90 PERCENT OF CURRENT YEAR TAX.

Section 6654 (relating to penalty for failure by individual to pay estimated tax) is amended by redesignating subsection (i) as subsection (j) and by inserting after subsection (h) the following new subsection:

"(i) HIGH INCOME TAXPAYERS REQUIRED TO PAY 90 PERCENT OF CURRENT YEAR TAX.—In the case of any individual whose adjusted gross income for the taxable year exceeds $100,000—

"(1) paragraphs (1), (3), and (4) of subsection (d) shall not apply, and

"(2) subsection (b) and paragraph (2) of subsection (d) shall be applied by substituting "90 percent" for each percentage contained therein.".

SEC. 416. RECOGNITION OF GAIN OR LOSS ON DISTRIBUTIONS OF PROPERTY BY CORPORATIONS.

(a) DISTRIBUTIONS.—Section 311 (relating to taxability of corporation on distribution) is amended to read as follows:

"SEC. 311. TAXABILITY OF CORPORATION ON DISTRIBUTION.

"(a) GENERAL RULE.—Except as provided in subsection (b), gain or loss shall be recognized to a corporation on the distribution of property with respect to its stock in the same manner as if the property distributed has been sold to the distributee as its fair market value.

"(b) EXCEPTION FOR DEBT OF CORPORATION.—Subsection (a) shall not apply with respect to any distribution of an obligation of the corporation.".

(b) DISTRIBUTIONS IN LIQUIDATION.—Section 336 (relating to distributions of property in liquidation) is amended to read as follows:

"SEC. 336. DISTRIBUTIONS OF PROPERTY IN LIQUIDATION.

"(a) GENERAL RULE.—Except as provided in subsection (b), gain or loss shall be recognized to a corporation on the distribution of property in complete liquidation in the same manner as if the property distributed had been sold to the distributee at its fair market value.

"(b) EXCEPTION WHERE BASIS DETERMINED UNDER SECTION 334(b).—Subsection (a) shall not apply to any liquidation under section 332 for which the basis of property received is determined under section 334(b).".

(c) REPEAL OF SECTION 337.—

(1) Section 337 (relating to gain or loss on sales or exchanges in connection with certain liquidations) is hereby repealed.

(2) ADUSTMENTS TO SECTION 338.—

(A) Paragraph (1) of section 338(a) (relating to certain stock purchases treated as asset acquisitions) is amended by striking out "to which section 337 applies".

(B) Subsection (c) of section 338 is hereby repealed.

SEC. 417. ELIMINATION OF SPECIAL BAD DEBT RESERVES OF FINANCIAL INSTITUTIONS.

(a) BANKS.—

(1) Paragraph (1) of section 585(b) (relating to addition to reserves for bad debts of banks) is amended to read as follows:

"(1) GENERAL RULE.—For purposes of section 166(c), the reasonable addition to the reserve for bad debts of any financial institution to which this section applies shall be an amount determined by the taxpayer which shall not exceed the addition to the reserve for losses on loans determined under the experience method as provided in paragraph (2).".

(2) Subsection (b) of section 585 is amended by striking out paragraphs (2) and (4) and by redesignating paragraph (3) as paragraph (2).

(b) OTHER FINANCIAL INSTITUTIONS.—Subsection (b) of section 593 (relating to addition to reserves for bad debts) is amended to read as follows:

"(b) ADDITION TO RESERVES FOR BAD DEBTS.—For purposes of section 166(c), the reasonable addition for the taxable year to the reserve for bad debts of any taxpayer described in subsection (a) shall be the amount determined to be a reasonable addition to the reserve to the extent such amount does not exceed an amount determined in the same manner as provided with respect to additions to the reserves for losses on loans of banks under section 585(b)(2).".

TITLE V—EFFECTIVE DATES

SEC. 501. EFFECTIVE DATES.

(a) GENERAL RULE.—Except as otherwise provided in this Act, the amendments made by this Act shall apply to taxable years beginning after December 31, 1984.

(b) TRUST THROWBACK RULES.—The amendment made by section 121(c) shall apply with respect to income accumulated during taxable years of trusts beginning after December 31, 1984.

(c) CREDITS.—

(1) INVESTMENT TAX CREDIT.—The repeals made be section 201(2) shall apply to—

(A) property (to which section 46(d) of the Internal Revenue Code of 1954 does not apply) placed in service after December 31, 1984, and

(B) property to which such section 46(d) applies to the extent of qualified progress expenditures made after December 31, 1984.

(2) PRESERVATION OF EXISTING CARRYOVERS.—The repeals made by section 201 shall not apply to any carryover of an excess credit from a taxable year beginning before January 1, 1985, to a taxable year beginning after December 31, 1984; except that any carryover to a taxable year beginning after December 31, 1984, shall be reduced to an amount equal to 30/46 of the amount which would have been such carryover but for this paragraph.

(d) INCREASE IN CASH SURRENDER VALUE OF LIFE INSURANCE CONTRACTS.—The amendment made by section 215 shall apply with respect to policy years beginning after December 31, 1984.

(e) TAX-EXEMPT BONDS.—The amendments made by section 216 shall apply to obligations issued after December 31, 1984.

(f) DEPRECIATION.—The amendment made by section 301 shall apply with respect to property placed in service after December 31, 1984, in taxable years ending after such date.

(g) ALTERNATIVE TO COST DEPLETION.—The amendments made by section 302 shall apply with respect to property from which production first begins after December 31, 1984.

(h) ELIMINATION OF DEFERRAL OF INCOME OF CONTROLLED FOREIGN CORPORATIONS.—The amendments made by section 401 shall apply to taxable years of foreign corporations beginning after December 31, 1984, and to taxable years of United States shareholders in which or with which such taxable years of the foreign corporation end.

(i) RECOGNITION OF GAIN OR LOSS ON DISTRIBUTIONS OF PROPERTIES.—

(1) The amendments made by subsections (a) and (b) of section 416 shall apply to distributions after December 31, 1984, in taxable years ending after such date.

(2) The amendments made by subsection (c) of section 416 shall apply to sales or exchanges after December 31, 1984, in taxable years ending after such date.

Mr. BRADLEY. Mr. President, I ask unanimous consent that a statement that I made at the National Press Club on April 14, 1983, be printed in the RECORD, along with a statement made on the same occasion by Congressman RICHARD GEPHARDT, together with the accompanying tables and explanations.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR BRADLEY

Once again, the annual ritual of paying income taxes is nearing an end. By midnight tomorrow, it will be over officially.

If the experts are right, the Internal Revenue Service will collect some $300 billion from about 96 million taxpayers. Corporations will pay about another $50 billion.

But our income tax isn't working well anymore. It's unfair. It's overly complex. And it's distorting investment decisions, reducing our capacity as a nation to grow in an increasingly competitive world economy.

We have to restructure our tax system, and the sooner the better.

We need a tax system in which all citizens with equal incomes are treated essentially the same way. We need a tax system simple enough for all citizens to have at least a basic understanding of how it works and how their own tax obligations are determined. We need a tax system which encourages people to make investments to make money—instead of making investments in which they lose money just to lower their tax liability.

It won't be easy to set a new direction. Much has changed since the federal income tax first took effect in 1913, requiring payments only by the wealthiest 1% of the population and producing a grand sum of $35 million. As the years passed and revenue needs increased, tax rates went up and more and more Americans had to start paying taxes. In time, repeated attempts to use the tax code as a vehicle for political favoritism and social engineering turned it into a crazyquilt of deductions, credits and exclusions. It has reached the point where the tax code now spans more than 2,000 pages! And it is estimated that slightly more than 100 major personal and business "loopholes" will be worth at least $250 billion this year.

With this increased complexity, many taxpayers have been forced to struggle with voluminous instructions and intimidating forms or go reluctantly to tax specialists for assistance. More than half of all tax returns are now filed with professional help. For taxpayers preparing their own returns, there are guidebooks promising legal tips to beat the system and suggesting that only a fool would ignore them.

For example, there is one guide with an introductory page that says: "Uncle Sam is your silent partner and the more silent you can keep him in regard to your income tax return, the better." Or how about the combination book and tape recording advertised under the headline, "Pay Zero Taxes." The ad explains that "to pay zero taxes, you need to know the insider procedures."

So it isn't surprising when public opinion surveys show that a lot of taxpayers are wondering whether other people are cutting corners and paying less than their fair share of the burden. Last year, for instance, a Louis Harris poll found that almost half the people questioned did not believe the tax system is fair. In addition, 86% of them said that they believed most higher income people get out of paying much of their taxes by using loopholes.

When so many people share such feelings, they are bound to lose respect for the integrity of the tax laws. No longer can we boast about voluntary compliance that used to be the envy of the industrial world. Instead, we have more and more under-reporting and genuine evasion. This year, the IRS estimates that about $100 billion in income taxes owed will not be paid.

Finally, the availability of so many special provisions in the tax code narrows the size of the tax base. That means tax rates must be high to raise sufficient revenues. But high tax rates only serve to limit incentives to work more, to save more and to invest more.

Cleaning up the tax code for individuals is not enough, however. The income tax for corporations also is laden with preferences and loopholes that are impeding economic efficiency.

Industries receiving preferential tax treatment attract investment that would be made more profitably elsewhere if the free market were allowed to work its will. This loss grows and compounds itself over time. Further misallocations of resources arise from the much-heralded depreciation system which the Reagan Administration proposed and Congress enacted in 1981. This system imposes widely varying tax burdens on investments in different forms of plant and equipment. It also senselessly favors some assets over others. As a result, investment is diverted from one industry to another, and from one type of asset to another within the same industry. The 1982 tax bill ended the worst of these distortions, but the bulk of the problem is still very much with us.

So while we profess to believe in the free market system, section after section of the tax code tells new investors what lines of business to enter, tells existing corporations how to go about their work, and puts a heavy tax on the profits of successful and productive corporations.

The whole system makes no economic sense.

We need a tax system that rewards attainment of the real goal—profit—by taxing it at the lowest possible rate. Under such a system, firms could not increase their after-tax income by collecting tax preferences for some tangential activities. Potential investors could maximize their returns by putting their capital where the market—not the tax law—tells them.

For all these reasons, Rep. Dick Gephardt and I are sponsoring "The Fair Tax Act of 1983," which proposes a simple progressive tax. This legislation would revamp the tax law for individuals and for corporations by the best means available: lower the tax rates and broaden the tax base through elimination of most existing tax loopholes.

For individuals, the simple progressive tax would have three rates—14%, 26% and 30%. Roughly four out of five taxpayers will pay only the bottom 14% rate. The only people paying the higher rates will be individuals with adjusted gross incomes above $25,000 and couples over the $40,000 mark.

Our bill makes another significant change which is directed primarily at low-income people, but flows through to the rest of the taxpayers as well. Putting it simply, we want to increase the amount of money that a person can earn before having to pay any taxes at all. So we are calling for a larger personal exemption of $1,600 for any taxpayers and spouses plus a bigger standard deduction of $3,000 for single returns and $6,000 for joint returns. Taken together, these provisions would allow a couple with two children to earn up to $11,200 before receiving their first dollar of taxable income.

To make this approach politically possible, we recognize that it is necessary to preserve certain deductions, credits and exclusions generally available for many years to most taxpayers. We thus propose to retain the $1,000 exemptions for dependents, the

elderly and the blind. We also want to permit deduction for home mortgage interest, charitable contributions, state and local income and real property taxes, payments to IRA's and Koegh plans, some medical expenses and employee business expenses. Lastly, we favor continued exclusion of veterans benefits, Social Security benefits for low and moderate income persons, and interest on general obligation bonds. These personal exemptions and itemized deductions would apply against the 14% rate.

For corporations, our legislation would establish a single tax rate of 30% and leave the level of corporate income tax revenues virtually unchanged. Our bill would do away with most of the tax preferences that now selectively reduce tax liability and distort investment decisions. The tax subsidies for capital investment would be made more uniform and neutral. The investment tax credit would be repealed and there would be a simple and more rational depreciation system. The new system would equalize the tax burdens on different kinds of assets, putting scarce capital to the most efficient use.

The depreciation system in this legislation provides each asset to be placed in one of six classes, according to the length of its expected useful life. Each firm maintains one depreciation account for each of the six life classes. The firm adds the cost of each asset it buys to the depreciation account of the appropriate life class, and each year writes off a fixed percentage of the undepreciated balance in each account. (The rates at which the balances are written off are highest for the shortest-lived assets, and the lowest for the longest-lived assets.) This system is simpler than the current law because the firm need not maintain separate accounting of the depreciation of each asset it buys; it need only know the remaining undepreciated balance in each of its six accounts.

The rates at which the balances in the accounts are depreciated have been chosen to mirror the rates at which the assets actually wear out—what has come to be called economic depreciation—at a discount rate of 10%. This allows for a modest, uniform subsidy for capital investment at current inflation rates. The overall subsidy is smaller, and its distribution among types of assets is far more neutral, than under current law. In fact, the dispersion of effective tax rates on different types of investment is virtually eliminated—as is, therefore, the resulting distortion of investment.

When ACRS, safe harbor leasing, and their companion corporate tax provisions were being sold to the Congress in 1981, they were billed as the beginning of a new era. They may well have been, but it was not the era that the administration had in mind. The Bradley-Gephardt proposal will not be launched with any such hyperbole. No tax sytstem is itself the sole generator of economic growth. Rather, any tax system is a hurdle that the economy must overcome; the goal of tax policy is to make that hurdle as small as possible. After the Bradley-Gephardt proposal is enacted, the challenge of economic growth will still be where it always is: in the private sector of our economy. The difference will be that the private sector will not have to fight the tax system in order to grow.

A few final points must be made. Because this legislation smoothes out the tax rate schedule for individuals, it sharply reduces the major current problems of "bracket creep" and the "marriage penalty."

Throughout this bill, the changes are designed to take effect in 1985 and to raise approximately the same revenues now expected that year under existing law. And all of this would be done without changing the tax burden for any income group. Transition questions will require that some tax preferences be phased out gradually rather than changed abruptly. However, to establish lower rates and fewer loopholes as a direction for tax policy, 1985 serves as the baseline for our analysis.

We also want to stress that this is a simple progressive tax system. It is not a flat tax system, which would shift the tax burden from upper income to middle and lower income Americans. We have taken the progressive route because we believe that someone who has benefitted substantially from our economic system should give back a little more than people who are struggling from paycheck to paycheck. That is a longstanding policy for income taxes in America, and continued public support for it is very evident in every opinion survey that we have seen.

Within each income group, there will be winners and losers. The biggest winners will be people who now take little or no advantage of tax breaks in the current law. Citizens claiming relatively few itemized deductions either will be better off under the new system, or, at worst, see their tax burden remain about the same. Those taxpayers who make the greatest use of existing preferences will experience the most significant increase in tax liabilities under the proposed system.

Approximately 70% of the taxpayers will be paying less tax with this simple progressive tax.

In conclusion, I want to make clear that we are well aware that recent years have seen Congress and Administration officials call attention to the need for tax simplification and then compound the problems. We have already heard many people say that our plan cannot succeed because all the special interest groups now enjoying benefits under the tax code will fight to save them.

But we believe that the nation cannot prosper as it should if the current tax system is not overhauled, and that members of Congress have come to understand that Americans at all income levels are fed up with the present system. If so, this may be a real opportunity to move in a new direction—on grounds that the general interest is best served by dropping tax rates dramatically, simplifying the tax system so that all can understand it, and making it fairer.

Remarks of Congressman Richard A. Gephardt

I would just like to make some comments about why we are doing this now. In the past few months, as we've worked to come up with the specifics of our plan, people have constantly asked why we were concentrating on this type of procedural or structural reform when our nation faced so many obvious, and seemingly more immediate, problems. My answer is simply that the current system defies defense and has become an impediment to solving other problems.

It is beginning to crumble under its own weight. When people ask us to address their problems by simply grafting on yet another new tax preference, they fail to recognize that they're actually worsening our general situation. Our efforts to create a level playing field for business in recent years are a case in point. First we tried to smooth out disparities among various profitable businesses. Then we went a step further by giving tax benefits to businesses that weren't profitable. It is an endless process. With this plan, we reverse course and simply begin with a flat field, instead of adding still more cumbersome mechanical devices to jack up sections of the field that are already hovering well off the ground.

Whenever I try to come up with a logical explanation of our current tax system, I find myself turning, not surprisingly, to a journalist, George Orwell, and his analysis of a system where all were equal, but some were a bit more equal than others. So it is with our tax system. All are equal in that we use the same forms and obey the same laws. But some are more equal because they have expert tax counsel, or capital gains, or new storm windows. I remember when I was a kid I used to marvel at reports about American automobile factories that could turn out more than a million different cars without duplication. Sometimes now I think we could line up a million Americans making the same wage and come out with a million unduplicated tax bills. That's impressive flexibility in an auto production line, but it is insanity in a tax system.

When I make this argument, I'm not just saying that I'm intellectually offended by the messiness of our system. I think the problem is deeper and more serious than that because our tax system says something very basic about where American society is headed. Many critics today say we've lost sight of the public interest as we all pursue our separate special interests. Some may say that the public interest is little more than the sum of all our special interests, but I think they are wrong.

Today's tax code is nothing more than a codification of special interests. We don't have a single code. Instead we have one for the banking industry and another for big oil. There's one set of rules for those who weatherstrip their windows and another for those who install solar heaters. And if solar heat deserves a boost, then surely gasohol and geothermal energy cannot be ignored.

I believe that the loss of faith in the tax system and the loss of confidence in our political system are linked and that you cannot restore one without the other. People think that our government reflects the special interests and that our tax system does likewise. It is hard to argue with them.

I've come to this depressing conclusion during the course of my work with many groups trying to revitalize the American economy. Our tax plan is an important part of that package for two reasons. First, there is the obvious technical reason that it encourages investors to make rational economic decisions rather than distorting them to game the tax code. That's a step forward.

But more important is the signal we are sending. This is a single tax system for all the people. If your neighbor earns about the same amount as you do, he'll pay approximately the same tax bill. You'll no longer have to worry about whether he's plugged into the latest tax avoidance scheme. A business earning millions in profits will pay about the same tax whether it makes crates, computers or cartoons.

This system will create public trust where virtually none now exists. And this trust will make it easier for us to solve other problems.

I preach greater cooperation among government, labor and business, but find that each group is wary of the others. To many the idea of doing something for the common

good sounds either silly or sappy. That attitude, more than the OPEC control of oil prices, is what's crippling our economy. If we cannot reverse it, we cannot progress. I think the tax system is a logical place to begin this process.

This orientation explains why we've structured the play the way we have and why we have purposely sidestepped several questions because of our interest in uniting rather than dividing. Our plan does nothing to change the tax obligations of various income groups. We don't say that the rich should pay more or that the poor should pay more. Similarly, the proportion of the tax burden that business is asked to pay remains constant. We don't disturb the existing relationship between business and personal taxes. We have tried instead to carefully define the issue to contain debate and forge a common position.

If we don't make things better, they will get worse. We can't retain the status quo, as imperfect as it is. If we don't move toward simplification, we will instead slip increasingly under the control of our special interest constituencies. If we continue to try to level the playing field by adding preferences rather than simply bulldozing the entire thing, we may be creating a situation where we will all be poor together.

I think there are several features of our plan that help achieve our goal—the creation of a shared public interest.

First, more than 80 percent of individual taxpayers will pay the same 14 percent tax rate. Virtually everyone will be in the same boat. At the same time, we've structured the Fair Tax so that deductions are worth the same to all taxpayers irrespective of their income levels. The government subsidy to those who are buying a house or supporting a charity will simply be 14 cents on the dollar. Under the current system the government subsidizes fully half the interest costs when a rich person buys a house, but only 12 percent when a poor person does. That's not good tax policy or good housing policy.

By taxing fringe benefits like employer-paid life or health insurance, we eliminate a distorted situation where fringe benefits are worth more than cash compensation.

Incidentally, since we are all now supply siders, I think it is worth mentioning that our plan also contains a very substantial work incentive. When you get a raise, the federal government will never take more than 30 percent of it, compared with a 50 percent top now. That's a 40 percent cut in the top marginal tax rate. Moreover, at every income level, our marginal tax rate is lower than the current rate.

We Democrats on the tax-writing committees have always been somewhat uncomfortable with special capital gains tax rates. On the one hand, we are not insensitive to working class questions about why money made by money is taxed at a lower rate than money earned by labor. On the other, we're sympathetic to the need for savings and investment. We don't think profit is a dirty word. It can be a strong motivation.

Here we've come up with a simple answer—low rates. A 30 percent top rate is low enough to encourage investment because it is just about where the capital gains tax was until recently. We've eliminated the false distinction between long and short term capital gains and we've responded to the complaints from those who receive all their income as wages. Elimination of the capital gains tax rate is a major step toward simplification.

But if what we've done on the individual side is logical, our plan on the corporate side is positively elegant. We start with a flat 30 percent tax. But the big change comes when we deal with depreciation. No issue in the corporate area has required more attention and added more complexity than capital recovery. Those of you who recall the extensive debate about the treatment of unitary hog-raising structures or how to depreciate a race horse will second my statement. Depreciation is a simple idea—that if you buy an asset with a limited life, you should be able to retain enough money to buy another one before it wears out and has to be junked.

The execution of this idea has proven incredibly difficult. First, we simply removed mining, forestry and oil drilling from the system and gave each their own set of rules.

Then we decided we should encourage more investment in industry so we sweetened the deal with an investment tax credit that allows investors to recover more than their cost as a subsidy to promote modernization. We decided that historic buildings should be preserved, so we gave developers a special benefit. Then we decided to simplify things by saying that everything had a life of either ten, five or three years. But making that change was too expensive for us, so we phased in the 10-5-3 scheme over a period of years.

This system is complex and distorted. It is also increasingly impossible to administer in a society where math competence is steadily dropping.

So we decided to go back to basics and simply let investors recover their costs—nothing more and nothing less. We put all assets into one of six pools, depending on how long we anticipate their lasting. We've erased many of the distinctions between manufacturing and mining or drilling. The investor is then simply allowed to deduct a portion of the value in each class annually.

I realize that's probably still a bit complex to fully explain in a speech devoid of diagrams. But take my word for it—it is quite a bit simpler than the current system that defies description even with sophisticated visual aids.

Finally, I'd like to anticipate one of your questions by predicting in a general way what the future holds for this proposal.

In a nutshell, I'd say that it is going to move and it is going to change. It is going to change because it is both political and imperfect. It isn't a purists' flat-rate scheme, but instead reflects our political judgment about what compromises must be made to create a viable plan. Inevitably our decisions in these areas will be challenged and some of these challenges will succeed. We can justify and defend all of our choices, but there's no immutable rule about which deductions shall live and which die.

The Fair Tax plan is going to move because it is already Democratic dogma. The Democratic midterm convention in Philadelphia last summer endorsed a series of principles of tax reforms. Ours is the only plan on the table that is consistent with these tenets. The Democratic State of the Union message in January included our specific plan as part of the Democratic economic recovery program. It is a good bet that this plan will become a plank in the 1984 Democratic platform.

The Republicans interested in tax reform tend toward more doctrinaire solutions. Some have a philosophical problem with progressivity. But many are moving in the same general direction as we are. As I said earlier, we're trying to do something in the national interest instead of continuing to cater to the special interests. Many of my Republican colleagues share this sentiment and believe that government action is needed to bring us together to a point where we can begin working together on other problems.

So as those of you in the audience fret about whether your 1982 tax form is correctly filled out and the procrastinators among you wonder whether you're missing a valuable loophole in your haste to meet the April 15 deadline, take heart. Help is on the way. We won't ever be able to make paying taxes fun, but we can make it fair. We don't promise you anything more. And I doubt that the American people will settle for anything less.

FACT SHEET ON THE BRADLEY-GEPHARDT "FAIR TAX ACT OF 1983"

This legislation will make the federal income tax system simpler and fairer and the economy more efficient. It will reduce tax rates and eliminate most existing deductions, credits and exclusions. It also will raise revenues approximately equal to those collected under existing law without changing the tax burden for any income group.

SUMMARY OF KEY POSITIONS

For individuals

A simple, progressive tax with three rates: 14%, 26% and 30%.

About 80% of all taxpayers will pay only the 14% rate. The 26% rate will apply only to individuals with adjusted gross incomes exceeding $25,000 and to couples with adjusted gross incomes exceeding $40,000. The top rate of 30% will apply only to individuals with adjusted gross incomes over $37,500 and couples with adjusted gross incomes over $65,000.

An increase of the personal exemption from $1,000 to $1,600 for taxpayers and spouses ($1,800 for a single head of household) and an increase in the standard deduction from $2,300 to $3,000 for single returns and from $3,400 to $6,000 for joint returns. A family of four could earn up to $11,200 before receiving their first dollar of taxable income.

Repeal of most itemized deductions, credits and exclusions except those generally available to most taxpayers. Retained will be the $1,000 exemptions for dependents, the elderly and the blind; deductions for home mortgage interest, charitable contributions, state and local income and real property taxes, payments to IRAs and Keogh plans and employee business expenses; exclusion of veterans benefits, Social Security benefits for low and moderate income persons and interest on general obligation bonds. The personal exemptions and itemized deductions will apply only against the 14% rate.

For corporations

A tax rate of 30%.

Repeal of most existing tax deductions, credits and exemptions that distort investment decisions.

A new depreciation system that doesn't favor one type of asset over another.

TECHNICAL EXPLANATION

The legislation significantly reduces tax rates and broadens the base of the individual and corporate income taxes by eliminating most tax preferences. It also smoothes out the rate schedule of the tax and sharply reduces "bracket creep" and the "marriage penalty". The changes are designed as if

they were to take effect in 1985 and they are approximately revenue and distribution neutral with respect to tax liability in that year. Transition questions will require that some tax preferences be phased out gradually rather than changed abruptly. However, to establish lower rates and a broader tax base as the direction for federal tax policy, 1985 serves as the baseline date for all the analysis.

Individual income tax structure

For about 80% of individuals, the income tax is a uniform 14% tax on taxable income (the base tax). Taxable income is net of personal exemptions and either the standard deduction or the allowable itemized deductions. The personal exemptions are $1,600 per taxpayer (i.e., $1,600 on a single return and $3,200 on a joint return) and $1,000 per dependent. Single heads of households receive an exemption of $1,800. The extra exemptions for the elderly and blind continue at $1,000. The zero bracket amount (standard deduction) increases to $3,000 for single returns and $6,000 for joint returns ($3,000 for separate returns of married persons).

For upper income taxpayers, the regular 14% income tax is supplemented by an additional progressive tax (surtax) of 12% and 16% on adjusted gross income in excess of $25,000 for single returns and $40,000 for joint returns. Only about 20% of all taxpayers are subject to this surtax. The combined effect of the 14% base tax and the surtax is a top marginal tax rate of 30%.

The personal exemptions and itemized deductions retained in the Fair Tax apply only against the 14% base tax. The rate schedule is as follows:

AGI	Surtax rate (percent)	Combined tax rate (percent)
Single returns:		
Below $25,000	(1)	14
$25,000 to $37,500	12	26
Over $37,500	16	30
Joint returns:		
Below $40,000	(1)	14
$40,000 to $65,000	12	26
Over $65,000	16	30

[1] No surtax.

For married persons filing separately, the tax brackets are half of the joint return tax brackets.

Corporate tax structure

The corporate income tax rate is set at a uniform 30 percent of taxable income thus eliminating graduation in corporate rates.

Base broadening measures

A. Changes affecting individuals and unincorporated businesses:

1. The exclusions for income earned abroad by U.S. citizens, residents or government employees (secs. 911 and 912) are repealed.

2. Seven year amortization for reforestation expenditures (sec. 194) is repealed.

3. Five year amortization for pollution control facilities (sec. 169) is repealed.

4. Expensing of tertiary injectants (sec. 193) is repealed. Instead, these costs will be written off over 2 years.

5. A new depreciation method is provided for equipment and structures. Under the proposal, equipment is divided into 6 classes based on its ADR midpoint. An open ended account will be established for each asset class and each class will be given a class life. Each year taxpayers write off a percentage of the balance in the account computed using the class life and the 250 percent declining balance method. Additions to each account will be made each year for purchases of assets in that class and subtractions will be made for dispositions of assets and for that year's depreciation deduction. Structures will be put into the sixth asset class. The asset classes and depreciation rates for equipment are as follows:

ADR midpoint:	*Class life*
Under 5	4
5.0 to 8.5	6
9.0 to 14.5	10
15 to 24	18
25 to 35	28
Over 35 and structures	40

For example, equipment with an ADR life of 10 years will be in the 10-year class. Thus, the first year's write-off will be 25% of the cost (2.5/10=.25), the second year's write-off will be 18.75% (25% of 75%) and so forth.

This plan is designed so that the present value of depreciation deductions is approximately equal to the present value of economic depreciation at a 10% discount rate.

6. Percentage depletion (secs. 613 and 613A) and expensing of intangible drilling costs for oil, gas and geothermal wells (sec. 263(d)) are repealed. Instead, there is a new system of capital cost recovery. Under this system, intangible drilling costs and those costs currently recovered through the depletion deduction will be written off under the same method applicable to equipment in the 10-year class. All cost incurred with respect to dry holes will be deducted when the well or property is abandoned.

7. Limits on qualified pension plans (sec. 415) are reduced from $30,000 on defined contribution plans and $90,000 on defined benefit plans to $20,000 and $60,000, respectively, and indexing of those limits is repealed.

8. The finance lease property rules (sec. 168(f)) are repealed and the pre-1981 law is restored.

9. The regular investment tax credit (sec. 46(a)(2)(B)) is repealed.

10. The research and development credit (sec. 44F) is repealed.

11. The credit for rehabilitation of buildings (sec. 46(a)(2)(F) is repealed.

12. The business energy tax credits (secs. 46(a)(2)(c), 44D and 44E) are repealed.

13. All individual farms with gross receipts of more than $1 million and all farm syndicates will be required to use accrual accounting and to capitalize pre-production period expenses and cannot use the expensing provisions for soil and water conservation expenditures (sec. 175), fertilizer (sec. 180), or land clearing (sec. 182).

14. Individuals with AGI above $100,000 would have to cover 90 percent of current year's tax liability with estimated or withheld tax payments.

15. Income averaging (sec. 1301) is repealed.

16. The child care credit (sec. 44A) is converted to a deduction for purposes of the base tax but not the surtax. The deduction is allowed to non-itemizers.

17. The political contribution tax credit (sec. 41) is repealed.

18. The exclusion of Tier II of Railroad Retirement benefits is repealed.

19. The exclusion for interest on cash value life insurance (sec. 804(a)) is repealed. Life insurance policyholders will include in gross income an amount equal to the increase in the cash surrender value of their policy during the year plus policyholder dividends received plus the "term insurance" value of insurance protection during the year minus the premiums paid. Insurance companies will provide policyholders with this information.

20. The exclusion for scholarship and fellowship income in excess of tuition (sec. 117) is repealed.

21. The deduction for second earners (sec. 221) is repealed because the new rate schedule sharply reduces the "marriage penalty".

22. The elderly tax credit (sec. 37) is repealed.

23. The general exclusions for interest and dividends (secs. 116 and 128) and the exclusion for reinvested public utility dividends (sec. 305(e)) are repealed.

24. Expensing of interest and taxes paid during the construction period of a building (sec. 189) is repealed and instead these costs are subject to a 10 year amortization.

25. The residential energy credit (sec. 44C) is repealed.

26. The deduction for 60% of net long-term capital gains (sec. 1202) is repealed and the distinction between short- and long-term capital gains is eliminated.

27. The individual minimum tax (sec. 55) is repealed. Since the legislation eliminates most of the preferences currently subject to the minimum tax, this provision is no longer needed.

28. The exclusion for unemployment compensation benefits (sec. 85) is repealed.

29. The exclusions for employer provided child care (sec. 129), education assistance (sec. 127) and group legal services (sec. 120) are repealed.

30. For purposes of computing the surtax (but not the base tax), a deduction would be allowed for all interest to the extent of investment income. For the base tax, itemized deductions would be allowed for all housing interest, and the itemized deduction for other interest would be limited to investment income.

31. The exclusion for employer provided premiums on group term life insurance (sec. 79) is repealed.

32. The tax exemption for industrial development or housing bonds issued after December 31, 1984 (secs. 103(b) and 103A) is repealed.

33. Rapid amortization of low-income housing rehabilitation (sec. 167)(k)) is repealed.

34. The itemized deduction for medical expenses (sec. 213) is limited to the excess over 10% of adjusted gross income.

35. The present exclusion for up to $125,000 of gain on the sale of a house by a person age 55 or over (sec. 121) is retained for the base tax but not the surtax.

36. The deduction for adoption expenses (sec. 222) is repealed.

37. The deduction for state and local income and real property taxes is retained but the deduction for all other state and local taxes (sec. 164) is repealed.

38. The exclusion for employer provided premiums on group health insurance (sec. 106) is repealed.

39. Indexing of the personal exemptions and the tax brackets (sec. 1(f)) is repealed because the new rate structure will greatly reduce the problem of "bracket creep."

40. Trusts and estates would be subject to a flat 30% tax on taxable income in excess of $100. As under present law, a deduction would be allowed for distributions.

B. Changes affecting corporations:

1. A new depreciation method is provided for equipment and structures. Under the proposal, equipment is divided into 6 classes based on its ADR midpoint. An open ended account will be established for each asset class and each class will be given a class life. Each year taxpayers write off a percentage of the balance in the account computed using the class life and the 250% declining balance method. Additions to each account will be made each year for purchases of assets in that class and subtractions will be made for dispositions of assets and for that year's depreciation deduction. Structures will be put into the sixth asset class. The asset classes and depreciation rates for equipment are as follows:

ADR midpoint:	*Class life*
Under 5	4
5.0 to 8.5	6
9.0 to 14.5	10
15 to 24	18
25 to 35	28
Over 35 and structures	40

For example, equipment with an ADR life of 10 years will be in the 10-year class. Thus, the first year's write-off will be 25% of the cost (2.5/10 = .25), the second year's write-off will be 18.75% (25% of 75%) and so forth.

This plan is designed so that the present value of depreciation deductions is approximately equal to the present value of economic depreciation at a 10% discount rate.

2. Percentage depletion for minerals (sec. 613) and expensing of mineral exploration and development costs (sec. 616 and 617) are repealed. Instead, there is a new system of capital cost recovery whereby exploration and development costs are deducted under an open account system based on 6 asset classes. These 6 classes are the same as those for equipment. Mines will be assigned to one of the 6 asset classes based on the expected useful life of the mine (using the same system that assigns equipment to each class based on its asset depreciation range (ADR) midpoint).

3. Percentage depletion (secs. 613 and 613A) and expensing of intangible drilling costs for oil, gas and geothermal wells (sec. 263(d)) are repealed. Instead, there is a new system of capital cost recovery. Under this system, intangible drilling costs and those costs currently recovered through the depletion deduction will be written off under the same method applicable to equipment in the 10-year class. All costs incurred with respect to dry holes will be deducted when the well or property is abandoned.

4. The income of controlled foreign subsidiaries of U.S. corporations is subject to tax.

5. The preferential taxation of Domestic International Sales Corporations (DISC) (sec. 991) is repealed and previously deferred DISC income is recaptured over a 10 year period.

6. The deduction for bad debt reserves of financial institutions in excess of their actual experience (secs. 585 and 593) is repealed.

7. The exclusion for contributions to a maritime construction fund is repealed.

8. The finance lease property rules (sec. 168(f)) are repealed and the pre-1981 law is restored.

9. The regular investment tax credit (sec. 46(a)(2)(B)) is repealed.

10. The credit for possessions corporations (sec. 936) is repealed.

11. The research and development credit (sec. 44F) is repealed.

12. The credit for rehabilitation of buildings (sec. 46(a)(2)(F)) is repealed.

13. The business energy tax credits (secs. 46(a)(2)(c), 44D and 44E) are repealed.

14. The employer stock ownership credit (sec. 44G) is repealed.

15. For corporations, the deduction for charitable contributions is limited to one-half of such contributions. Thus they will receive a 15% tax benefit for charitable giving.

16. All corporate farms with gross receipts of more than $1 million and all farm syndicates will be required to use accrual accounting and to capitalize pre-production period expenses and cannot use the expensing provisions for soil and water conservation expenditures (sec. 175), fertilizer (sec. 180), or land clearing (sec. 182).

17. For taxpayers using the completed contract method, the 3-year exception is deleted and a "look-back" method, imposing interest charges on deferred tax liability, is implemented.

18. The alternative capital gains rate for corporations (sec. 1201) is repealed.

19. The exemption for credit unions (sec. 501(c)(14)) is repealed.

20. Expensing of magazine circulation expenditures (sec. 173) is repealed. Instead, these costs will be amortized over 10 years.

21. Expensing of tertiary injectants (sec. 193) is repealed. Instead, these costs will be written off over 2 years.

22. The exclusion of income attributable to a stock-for-debt swap (sec. 108) is repealed.

23. Upon liquidation, a corporation will recognize gain on all appreciated assets (secs. 336 and 337).

24. 7 year amortization for reforestation expenditures (sec. 194) is repealed.

25. 5 year amortization for pollution control facilities (sec. 169) is repealed.

26. Expensing of interest and taxes paid during the construction period of a building (sec. 189) is repealed and instead these costs are subject to a 10 year amortization.

27. The corporate minimum tax (sec. 56) is repealed. Since the legislation eliminates most of the preferences currently subject to the minimum tax this provision is no longer needed.

28. The tax exemption for industrial development or housing bonds issued after December 31, 1984 (secs. 103(b) and 103A) is repealed.

29. Rapid amortization of low-income housing rehabilitation (sec. 167(k)) is repealed.

SINGLE TAXPAYER NO. 1

	1984 law	Proposal
Income: Salary	$15,000	$15,000
Plus:		
Employer paid health		1,200
Employer paid life		150
Equals: Adjusted gross income	15,000	16,300
Less: Exemption	1,000	1,600
Equals: Taxable income	14,000	14,750
Tax	[1] 1,801	[2] 1,645
Marginal tax rate (percent)	20	14

[1] From 1984 law tax rate tables.
[2] Taxable income less $3,000 zero bracket amount times 14-percent tax rate.

MARRIED TAXPAYER NO. 1

	1984 law	Proposal
Income: Salary	*$15,000	$15,000
Less: 2-earner deduction	500	
Plus:		
Employer paid life insurance		1,200
Employer paid health insurance		150
Equals: Adjusted gross income	14,500	16,350
Less: Exemptions	4,000	5,200
Equals: Taxable income	10,500	11,150
Tax	[2] 889	[3] 721
Marginal tax rate (percent)	14	14

[1] Assumed $10,000 earned by 1 spouse, $5,000 by other.
[2] From 1984 law rate tables.
[3] Taxable income less $6,000 zero bracket amount times 14-percent tax rate.

SINGLE TAXPAYER NO. 2

	1984 law	Proposal
Income: Salary	$30,000	$30,000
Plus:		
Employer paid health insurance		1,200
Employer paid life insurance		300
Equals: Adjusted gross income	30,000	31,500
Less: Exemption	1,000	1,600
Equals: Taxable income	29,000	29,900
Tax	[1] 5,773	[2] 4,546
Marginal tax rate (percent)	34	26

[1] From 1984 law rate tables.
[2] Taxable income less $3,000 zero bracket amount times 14-percent rate, plus surtax (12 percent of AGI over $25,000).

MARRIED TAXPAYER NO. 2

	1984 law	Proposal
Income: Salary	[1] $30,000	[1] $30,000
Less: 2-earner deduction	1,000	
Plus:		
Employer paid health insurance		1,200
Employer paid life insurance		300
Equals: Adjusted gross income	29,000	31,500
Less:		
Exemptions	4,000	5,200
Child care deduction		2,000
Equals: Taxable income	25,000	24,300
Tax before credit	[2] 3,565	[2] 2,562
Less: Child care credit	400	
Equals: Tax after credit	3,165	2,562
Marginal tax rate (percent)	25	14

[1] Assumed $20,000 earned by 1 spouse, $10,000 by the other.
[2] From 1984 law rate tables.
[3] Taxable income less $6,000 zero bracket amount times 14-percent tax rate.

SINGLE TAXPAYER NO. 3

	1984 law	Proposal
Income: Salary	$30,000	$30,000
Plus:		
Employer paid health insurance		1,200
Employer paid life insurance		300
Equals: Adjusted gross income	30,000	31,500
Itemized deductions:		
Mortgage interest	3,000	3,000
Property taxes	1,000	1,000
Sales taxes	250	
Income taxes	1,200	1,200
Charitable contributions	500	500
Total	5,950	5,700
Less: Zero bracket amount	2,300	3,000
Equals: Excess itemized deductions	3,650	2,700
AGI	30,000	31,500
Less:		
Exemptions	1,000	1,600
Excess itemized deductions	3,650	2,700
Equals: Taxable income	25,350	27,200
Tax	[1] 4,670	[2] 4,168
Marginal tax rate (percent)	30	26

[1] From 1984 law rate tables.
[2] Taxable income less $3,000 zero bracket amount times 14-percent tax rate, plus surtax (12 percent of AGI over $25,000).

MARRIED TAXPAYER NO. 3

	1984 law	Proposal
Income: Salary	[1] $30,000	[2] $30,000
Less: 2-earner deduction	1,000	
Plus:		
Employer paid health insurance		1,200
Employer paid life insurance		300
Equals: Adjusted gross income	29,000	31,500
Itemized deductions:		
Mortgage interest	3,000	3,000
Property taxes	1,000	1,000
Sales taxes	400	
Income taxes	1,000	1,000
Charity	500	500
Total	5,900	5,500
Less: Zero bracket amount	3,400	6,000
Equals: Excess itemized deductions	2,500	0
AGI	29,000	31,500
Less:		
Exemptions	4,000	5,200
Excess itemized deductions	2,500	0
Child care deduction		2,000
Equals: Taxable income	22,500	24,300
Tax before credit	[2] 3,003	[3] 2,562
Less: Child care credit	400	
Equals: Tax after credit	2,603	2,562
Marginal tax rate (percent)	22	14

[1] Assumed $20,000 earned by 1 spouse, $10,000 by the other.
[2] From 1984 law rate tables.
[3] Taxable income less $6,000 zero bracket amount times 14-percent tax rate.

SINGLE TAXPAYER NO. 4

	1984 law	Proposal
Income:		
Salary	$60,000	$60,000
Dividends	100	100
Less: Dividend exclusion	100	
Plus:		
Employer paid health insurance		1,200
Employer paid life insurance		600
Equals: Adjusted gross income	60,000	61,900
Itemized deductions:		
Mortgage interest	4,800	4,800
Property taxes	2,000	2,000
Sales taxes	700	
Income taxes	3,000	3,000
Charitable contributions	1,500	1,500
Total	12,000	11,300
Less: Zero bracket amount	2,300	3,000
Equals: Excess itemized deductions	9,700	8,300
AGI	60,000	61,900
Less:		
Exemption	1,000	1,600
Excess itemized deductions	9,700	8,300
Equals: Taxable income	49,300	52,000
Tax	[1] 13,595	[2] 12,264
Marginal tax rate (percent)	45	30

[1] From 1984 law rate tables.
[2] Taxable income less $3,000 zero bracket amount times 14 percent, plus surtax (12 percent of AGI from $25,000 to $37,500, and 16 percent of AGI in excess of $37,500).

MARRIED TAXPAYER NO. 4

	1984 law	Proposal
Income:		
Salary	$60,000	$60,000
Dividends	200	200
Less:		
Dividend exclusion	200	
2-earner couple deduction	2,000	
Plus:		
Employer paid health insurance		1,200
Employer paid life insurance		600
Equals: Adjusted gross income	58,000	62,000
Itemized deductions:		
Mortgage interest	4,800	4,800
Property taxes	2,000	2,000
Sales taxes	800	
Income taxes	2,400	2,400
Charitable contributions	1,500	1,500
Total	11,500	10,700
Less: Zero bracket amount	3,400	6,000
Equals: Excess itemized deductions	8,100	4,700
AGI	58,000	62,000
Less:		
Exemptions	4,000	5,200
Excess itemized deductions	8,100	4,700
Child care deduction		3,000
Equals: Taxable income	45,900	49,100
Tax before credit	[1] 9,810	[2] 8,674
Less: Child care credit	600	
Equals: Tax after credit	9,210	8,674
Marginal tax rate (percent)	38	26

[1] From 1984 law rate tables.
[2] Taxable income less $6,000 zero bracket amount times 14-percent tax rate, plus surtax (12 percent of AGI over $40,000).

SINGLE TAXPAYER NO. 5

	1984 law	Proposal
Income:		
Salary	$60,000	$60,000
Long term capital gains	40,000	40,000
Interest and dividends	20,000	20,000
Total	120,000	120,000
Less:		
Capital gain exclusion	24,000	
Dividend exclusion	100	
Net interest exclusion	450	
Plus:		
Employer paid health insurance		1,200
Employer paid life insurance		600
Equals: Adjusted gross income	95,450	121,800
Itemized deductions:		
Mortgage interest	5,000	5,000
Other interest	5,000	2,500
Property tax	3,000	3,000
Sales tax	1,000	
Income tax	7,500	7,500
Charity	5,000	5,000
Total	26,500	23,000
Less: Zero bracket amount	2,300	3,000
Equals: Excess itemized deductions	24,200	20,000
AGI	94,450	121,800
Less:		
Exemption	1,000	1,600
Excess itemized deductions	24,200	20,000
Equals: Taxable income	70,250	100,200
Tax	[1] 23,291	[2] 28,596
Marginal tax rate (percent):		
Ordinary income	48	30
Capital gains	19.2	30

[1] From 1984 law rate tables.
[2] Taxable income less $3,000 zero bracket amount times 14-percent tax rate, plus surtax (12 percent of AGI from $25,000 to $37,500, and 16 percent of AGI in excess of $37,500.

MARRIED TAXPAYER NO. 5

	1984 law	Proposal
Income:		
Salary	[1] $60,000	[1] $60,000
Long-term capital gains	40,000	40,000
Interest and dividends	20,000	20,000
Total	120,000	120,000
Less:		
Capital gain exclusion	24,000	
Dividend exclusion	200	
2-earner deduction	2,000	
Net interest exclusion	900	
Plus:		
Employer paid health insurance		1,200
Employer paid life insurance		600
Equals: Adjusted gross income	92,900	121,800
Itemized deductions:		
Mortgage interest	5,000	5,000
Other interest	5,000	2,500
Property tax	3,000	3,000
Sales tax	1,200	
Income tax	7,000	7,000
Charity	5,000	5,000
Total	26,200	22,500
Less: Zero bracket amount	3,400	6,000
Equals: Excess itemized deduction	22,800	16,500
AGI	92,900	121,800
Less: Exemptions	4,000	5,200
Excess itemized deductions	22,800	16,500
Child care deduction		4,000
Equals: Taxable income	66,100	96,100
Tax before credit	[2] 17,730	[3] 24,702
Child care credit	800	
Tax	16,930	24,702
Marginal tax rate (percent):		
Ordinary income	42	30
Capital gains	16.8	30

[1] Assumed $40,000 earned by 1 spouse, $20,000 by the other.
[2] From 1984 law rate tables.
[3] Taxable income less $6,000 zero bracket amount times 14-percent tax rate, plus surtax (12 percent of AGI from $40,000 to $65,000, and 16 percent of AGI in excess of $65,000).

SINGLE TAXPAYER NO. 6

	1984 law	Proposal
Income:		
Salary	$60,000	$60,000
Interest and dividends	60,000	60,000
Total	120,000	120,000
Less:		
Dividend exclusion	100	
Net interest exclusion	450	
Plus:		
Employer paid health insurance		1,200
Employer paid life insurance		600
Equals: Adjusted gross income	119,450	121,800
Itemized deductions:		
Mortgage interest	5,000	5,000
Other interest	5,000	2,500
Property tax	3,000	3,000
Sales tax	1,000	
Income tax	7,500	7,500
Charity	5,000	5,000
Total	26,500	23,000
Less: Zero bracket amount	2,300	3,000
Equals: Excess itemized deductions	24,200	20,000
AGI	119,450	121,800
Less:		
Exemption	1,000	1,600
Excess itemized deductions	24,200	20,000
Equals: Taxable income	94,250	100,200
Tax	[1] 35,060	[2] 28,596
Marginal tax rate (percent):		
Ordinary income	50	30
Capital gains	20	30

[1] From 1984 law rate tables.
[2] Taxable income less $3,000 zero bracket amount times 14-percent tax rate, plus surtax (12 percent of AGI from $25,000 to $37,500 and 16 percent of AGI in excess of $37,500).

MARRIED TAXPAYER NO. 6

	1984 law	Proposal
Income:		
Salary	[1] $60,000	[1] $60,000
Interest and dividends	60,000	60,000
Total	120,000	120,000
Less:		
Dividend exclusion	200	
2-earner deduction	2,000	
Net interest exclusion	900	
Plus:		
Employer paid health insurance		1,200
Employer paid life insurance		600
Equals: Adjusted gross income	116,900	121,800
Itemized deductions:		
Mortgage interest	5,000	5,000
Other interest	5,000	2,500
Property tax	3,000	3,000
Sales tax	1,200	
Income tax	7,000	7,000
Charity	5,000	5,000
Total	26,200	22,500
Less: Zero bracket amount	3,400	6,000
Equals: Excess itemized deduction	22,800	16,500

MARRIED TAXPAYER NO. 6—Continued

	1984 law	Proposal
AGI	116,900	121,800
Less:		
Exemptions	4,000	5,200
Excess itemized deductions	22,800	16,500
Child care deduction		4,000
Equals: Taxable income	90,100	96,100
Tax before credit	[2]27,945	[3]24,702
Child care credit	800	
Tax	27,145	24,702
Marginal tax rate (percent):		
Ordinary income	45	28
Capital gains	18	28

[1] Assumed $40,000 earned by 1 spouse, $20,000 by the other.
[2] From 1984 law rate tables.
[3] Taxable income less $6,000 zero bracket amount times 14-percent tax rate, plus surtax (12 percent of AGI from $40,000 to $65,000, and 16 percent of AGI in excess of $65,000).

MARRIED TAXPAYER NO. 7

	1984 law	Proposal
Income:		
Salary	[1] $200,000	[1] $200,000
Long-term capital gain	400,000	400,000
Interest and dividends	400,000	400,000
Total	1,000,000	1,000,000
Less:		
Capital Gain exclusion	240,000	
Dividend exclusion	200	
2-earner deduction	3,000	
Net interest exclusion	900	
Pluis:		
Employer paid health insurance		1,200
Employer paid life insurance		2,000
Equals: Adjusted gross income	755,900	1,003,200
Itemized deductions:		
Mortgage interest	10,000	10,000
Other interest	100,000	50,000
Property tax	10,000	10,000
Sales tax	4,000	
Income tax	100,000	100,000
Charity	50,000	50,000
Total	276,000	220,000
Less: Zero bracket amount	3,400	6,000
Equals: Excess itemized deductions	270,600	214,000
AGI	755,900	1,003,200
Less:		
Exemptions	4,000	5,200
Excess itemized deductions	270,600	214,000
Child care deduction		4,800
Equals: Taxable income	481,300	779,200
Tax before credit	[2] 222,050	[3] 261,360
Child care credit	960	
Tax after credit	221,090	261,360
Marginal tax rate (percent):		
Ordinary income	50	30
Capital gains	20	30

[1] Assumed at least $30,000 earned by lesser earning spouse.
[2] From 1984 law rate tables.
[3] Taxable income less $6,000 zero bracket amount times 14-percent tax rate, plus surtax (12 percent of AGI from $40,000 to $65,000, and 16 percent of AGI in excess of $65,000).

MARRIED TAXPAYER NO. 8

	1984 law	Proposal
Income:		
Salary	[1] $200,000	[1] $200,000
Interest and dividends	800,000	800,000
Total	1,000,000	1,000,000
Less:		
Dividend exclusion	200	
2-earner deduction	3,000	
Net interest exclusion	900	
Plus:		
Employer paid health insurance		1,200
Employer paid life insurance		2,000
Equals: Adjusted gross income	995,900	1,003,200
Itemized deductions:		
Mortgage interest	10,000	10,000
Other interest	100,000	50,000
Property taxes	10,000	10,000
Sales taxes	4,000	
Income taxes	100,000	100,000
Charitable contributions	50,000	50,000
Total	274,150	220,000

MARRIED TAXPAYER NO. 8—Continued

	1984 law	Proposal
Less: Zero bracket amount	3,400	6,000
Equals: Excess itemized deductions	270,600	214,000
AGI	995,900	1,003,200
Less:		
Exemptions	4,000	5,200
Excess itemized deductions	270,600	214,000
Child care deduction		4,800
Equals: Taxable income	721,300	779,200
Tax before credit	[2] 342,050	[3] 261,360
Child care credit	960	
Tax after credit	341,090	261,360
Marginal tax rate percent:		
Ordinary income	50	30
Capital gains	20	30

[1] Assumed at least $30,000 earned by lesser earning spouse.
[2] From 1984 law rate tables.
[3] Taxable income less $6,000 zero bracket amount times 14-percent tax rate, plus surtax (12 percent of AGI from $40,000 to $65,000 and 16 percent of AGI in excess of $65,000).

MARRIED TAXPAYER NO. 9

	1984 law	Proposal
Income:		
Salary	[1] $200,000	[1] $200,000
Interest and dividends	800,000	800,000
Oil and gas partnership revenues	100,000	100,000
Less:		
Intangible drilling costs	1,000,000	142,857
Depletion	65,000	14,286
Total	35,000	942,857
Less:		
Dividend exclusion	200	
2-earner deduction	3,000	
Net interest exclusion	900	
Plus:		
Employer paid health insurance		1,200
Employer paid life insurance		2,000
Equals: Adjusted gross income	30,900	946,057
Itemized deductions:		
Mortgage interest	10,000	10,000
Other interest	100,000	50,000
Property taxes	10,000	10,000
Sales taxes	4,000	
Income taxes	100,000	100,000
Charitable contributions	50,000	50,000
Total	274,000	220,000
Less: Zero bracket amount	3,400	6,000
Equals: Excess itemized deductions	270,600	214,000
AGI	30,900	946,057
Less:		
Exemptions	4,000	5,200
Excess itemized deductions	270,600	214,000
Child care deduction		4,800
Equals: Taxable income	0	722,057
Tax before credit	[2] 0	[3] 244,217
Child care credit	960	
Tax after credit	0	244,217
Minimum tax	158,000	
Total tax	158,000	244,217
Marginal tax rate	20	30

[1] Assumes at least $30,000 earned by lesser earning spouse.
[2] From 1984 law rate tables.
[3] Taxable income less $6,000 zero bracket amount times 14-percent tax rate, plus surtax (12 percent of AGI from $40,000 to $65,000 and 16 percent of AGI in excess of $65,000).

MARRIED TAXPAYER NO. 10

	1984 law	Proposal
Income: Salary	[1] $30,000	[1] $30,000
Less: 2-earner deduction	1,000	
Plus:		
Employer paid health insurance		1,200
Employer paid life insurance		300
Equals: Adjusted gross income	29,000	31,500
Itemized deductions:		
Mortgage interest	5,000	5,000
Property taxes	1,500	1,500
Sales taxes	400	

MARRIED TAXPAYER NO. 10—Continued

	1984 law	Proposal
Income taxes	1,000	1,000
Charitable contributions	500	500
Total	8,400	8,000
Less: Zero bracket amount	3,400	6,000
Equals: Excess itemized deductions	5,000	2,000
AGI	29,000	30,700
Less:		
Exemptions	4,000	5,000
Excess itemized deduction	5,000	2,000
Child care deduction		2,000
Equals: Taxable income	20,000	22,300
Tax before credit	[2] 2,461	[3] 2,282
Less: Child care credit	400	
Equals: Tax after credit	2,061	2,282
Marginal tax rate (percent)	18	14

[1] Assumed $20,000 earned by 1 spouse, $10,000 by the other.
[2] From 1984 law rate tables.
[3] Taxable income less $6,000 zero bracket amount times 14-percent tax rate.

Mr. BRADLEY. Mr. President, one of the cosponsors of the bill, the Senator from Delaware (Mr. BIDEN), is on the floor at this time. I yield to him for his comments in cosponsorship of the Fair Tax Act of 1983.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, let me begin by complimenting the Senator from New Jersey. In 1973, when I arrived in the U.S. Senate, I favored a much less sophisticated piece of legislation than the Senator has now, but a proposal that was called the modified gross income tax. It had many similarities to the proposal today introduced by the Senator from New Jersey and cosponsored by the Senator from Delaware.

The rationale I had at that time was one that brings me to support strongly the tremendous effort made by the Senator from New Jersey. That is, I start from the same premise I did then—and which I believe the Senator from New Jersey starts from. Put simply, it is that the tax system is not fair. Simple, straightforward, plain—it just is not fair. It particularly is not fair to middle-income taxpayers.

The fact is that middle-income Americans carry the brunt of the tax burden in this country, a disproportionate share of the burden of keeping this great country going. There are certain people within our society who pay little or nothing and who should be paying a great deal more.

It is a joke to suggest that we have a progressive tax system in America. In fact, it is not really progressive. If you are middle class, with several kids and are trying to send them to school and, God forbid, to college, and you are making what you thought was a decent income, you may wonder how someone making a great deal less than you seems to be doing equally as well, or how someone making a great deal more than you is not paying what you are paying in taxes. It is not fair.

It is somewhat similar to one point in the movie "Network." It was unrelated to the tax structure. I will not quote from the script, but the somewhat deranged television commentator says on a television program, "You are being manipulated. You are being manipulated every day. You are being manipulated in everything you do."

He goes on in his final broadcast, and in the control booth they are trying to figure out how to cut him off. Before they do, he says: "At 7 o'clock tomorrow night, I want everyone in American to open up their windows and yell out 'I've had enough! I'll take no more!' "

In the movie, at 7 o'clock, you see all these people, tens of millions of people in America, simultaneously opening their windows and yelling, "I've had enough! I'll take no more!"

I am being somewhat humorous and slightly facetious, but the fact is that the American people are about ready to open their windows; but they are not going to yell, "I've had enough! I'll take no more." They are going to start throwing some people out of those windows, figuratively speaking.

There are people in this body and the White House and in local and State governments who in fact are perpetuating a tax system they know is not fair.

Mr. President, as I said, I am very pleased to join the Senator from New Jersey, who is the most knowledgeable Member of the Senate on this subject, in cosponsoring and introducing the Fair Tax Act of 1983.

This measure, very briefly, will restructure the individual and corporate income tax in America. It will greatly simplify the Income Tax Code, while at the same time raising more equitably the revenue needed for essential Federal services. It will encourage economic growth by removing current roadblocks to savings and investment.

I once supported a bill with the great former Senator from Montana, the majority leader at that time, Senator Mansfield. Every time we got on the floor to try to eliminate the unfair tax loopholes, we found that the interest groups swarmed all over the Senate; and by the time we finished reforming, we ended up in worse shape than when we started.

The Senator from Montana and I came up with the idea that there are so many major loopholes, that we wanted to take one-third of them, every 2 years and eliminate them wholesale; and then, if they were still needed, we would vote them back into existence. It was like sunsetting. That did not work.

Then, beginning in 1975, in frustration, I tried a new approach. I believe I was the first Member of the Senate to do this. I introduced the first in a series of sunset measures. That was the name the press gave it, and it turned out to be one that everyone understood. It meant that every program, and later every tax expenditure, would automatically go out of existence periodically.

And the reason for it is that, although in the beginning some provisions of the Tax Code had great social purpose and significant productive incentive, 5, 10 years later, as the economy changed, they are drags on the economy instead of benefits to the economy. Yet once we put into the law an exemption, a break in the Tax Code, try as we may to get it out, it is tough to do.

For example, take something that affects my own State of Delaware among many others, DISC.

Now you go around and if you vote against DISC everyone who benefits from DISC, the corporations, will never forget it. They will always remember, but it is not something you can affirmatively go out and knock on the doors and say, "Vote for me because I voted against DISC." People look at you. "Why? Did you have a bad back or something wrong with it?"

So the whole point I am trying to make is the great, great, great impetus in this body is to keep in place unfair, unjust, and unneeded exemptions in the law because there is no constituency to take them out individually and there are great constituencies to keep them in.

The beauty of the bill which Senator BRADLEY has come up with and that I am cosponsoring today is that it simplifies all of that.

Briefly stated, as the Senator will do more elaborately, this bill would lower Federal income tax rates and would broaden and simplify the tax base by repealing most existing tax loopholes. For individuals, this new progressive tax system would have three rates: 14, 26, and 30 percent. Most individuals—80 percent of them—would use the lowest rate of 14 percent. Only those individuals with adjusted gross incomes of over $25,000, or couples with adjusted gross incomes over $40,000, would pay any more than that 14 percent.

Would you all not be ready to trade in your present tax rate for 14 percent? The reason why you are paying more now is that you are paying for the big guy. That is why you are paying more.

To increase the money that individuals can earn and keep, this proposal increases the personal exemption to $1,600 for each taxpayer. The standard deduction is increased to $3,000 for an individual and $6,000 for a couple.

This proposal includes some deductions, credits, and exclusions that have stood the test of time and demonstrated their value, including deductions for such basic essential expenses that we have come to understand are important, particularly to middle-income people. Among these are the $1,000 exemption for dependents, the elderly, and the blind. Also permitted would be deductions for home mortgatge interest, charitable contributions, some State and local taxes, contributions to an IRA or Keogh plan, major medical expenses and employee business expenses. Finally, there would be continued exclusion of social security benefits for low and moderate income people, veterans benefits, and interest on general obligation bonds.

Mr. President, among our many problems that call for attention today—the economy, interest rates, unemployment, deficits, and international trade and finance—there is one issue that relates to them all. Real progress on that issue could help to bring about progress on all of them. That critical issue is our tax system and the need to restructure it.

Why is this such a central and important issue? Just the mention of a few of the impacts that a restructuring of our tax system from the ground up could have, shows clearly the benefits that might flow from such a complete overhaul.

The structure of our tax system determines how much money people have to spend—and thus affects both their personal well-being and the health of the economy.

Our tax laws affect the allocation of private financial resources which in turn affects the condition of the economy; the outlook for investment and employment; and all the other things for which we look primarily to the private sector.

The way in which our citizens perceive the fairness of our tax system has much to do with their perception of our whole system of Government. Right now they do not think highly of the equity and fairness of the system.

Thus, tax restructuring can have an important effect on Federal revenues and on the present staggering level of Federal deficits.

Because the tax system has been used to achieve many economic and social objectives, changes in its structure can be used to influence priorities that the Nation seeks to achieve.

Over the years our tax system has grown in haphazard ways. Some originally well-intended provisions of the Tax Code achieve no real public purpose. The jerry-built structure of business taxation probably impedes rational business decisions and thus slows our economy, and fosters inflation, and provides unintended and economically unproductive tax breaks to others. While some individuals have been able to turn the tax laws to their advantage to escape taxation, the vast majority of our citizens find themselves overburdened with taxes.

We need a tax plan that will do the following: First, raise the revenue nec-

essary to run our Government; second, distribute the tax burden equitably on the basis of ability to pay under similar economic circumstances; third, make allowance for the special circumstances and financial burdens that confront us all from time to time which can be mitigated through the tax system; fourth, promotes sound growth and rational decisionmaking by private enterprise; and, consistent with these other goals, is simpler and more comprehensible than our present system.

Mr. President, I believe the Fair Tax Act of 1983 meets those tests. Virtually all income, individual and corporate, will be subject to taxation—but at lower rates than today's. Special privilege will be removed from the Tax Code—where it has no proper place. Most individuals should be able to prepare their own income tax forms. And they can be sure their friends and neighbors are guided by the same basic set of rules. Private decisions, corporate and individual, need no longer be made with one eye on the Tax Code. Such decisions can be made on sound economic grounds. The results should be beneficial to individuals, to business, and to the Government.

Mr. President, I would like to look briefly at one most important impact that our Tax Code has had recently—the growth of Federal deficits. Our consideration of the budget problems here in the Chamber in the past 2 years has brought the problems created by our Tax Code into sharp focus. While many factors, including the level of Government spending, have had an impact of the level of Federal deficits. Taxation is clearly at the heart of our budget problems. Why is this so? Because we have literally been wasting money through useless, ineffective, outdated tax breaks contained in the Tax Code. Not everything in the Tax Code meets such a description. But much does and we need to start over.

Before I came to the Senate, I was a strong supporter of the modified gross income tax. After my election, I continued my support for such a system. When it became apparent that the time was not ripe for such a major change, I supported tax-reform efforts on many occasions. But the climate was not right for that either.

In 1973, the revenue loss due to deductions, credits, and exclusions amounted to $65 billion. In 1982, that revenue loss had grown to $254 billion. An increase of nearly 300 percent. This did not represent tax reductions for most taxpayers. This represented special relief for limited groups of taxpayers which actually forced upward the relative share of taxation for the average taxpayer. But such a loss obviously was a major factor in the escalating deficits we are experiencing now. It seems likely that had the Tax Code not been so thoroughly riddled with special benefits, the budget might well be close to balanced today.

Despite growing concerns about Federal deficits, the growth of tax loopholes continues unabated. By fiscal year 1984 it is estimated that revenue losses will exceed $327 billion. Of that amount, over $30 billion has been added in the two major tax bills adopted in 1981 and 1982. This is truly a revenue hemorrhage which has contributed significantly to budget deficits, but helped the average taxpayer little.

Mr. President, if for no other reason than the fiscal solvency of the United States, this proposal makes good sense. We cannot continue to permit massive losses of revenue that perpetuate deficits, but benefit only relatively few taxpayers. It is sound fiscal policy to adopt this proposal. When we can do this while, at the same time, bringing fairness, and simplicity, and economic sanity to the Tax Code, then it is too good a bargain to pass up. I hope that the Finance Committee will proceed expeditiously to review this whole matter so that the Senate can act on it. After 10 years of struggle, I am convinced that the time is now ripe to restructure our tax system.

Mr. President, this proposal being introduced today is a comprehensive revision of our corporate and individual tax system. It should not be confused with piecemeal tax reform. Indeed, some of the changes proposed I could not support on an individual basis. But I can support them if they are part of a comprehensive package to restore fairness, simplicity, and economic sense to our taxing system. To illustrate the extent of the proposed change—and its beneficial effects—I ask unanimous consent that a fact-sheet on the Fair Tax Act of 1983 be printed at this point in the RECORD.

There being no objection, the fact-sheet was ordered to be printed in the RECORD, as follows:

FACT SHEET ON THE "FAIR TAX ACT OF 1983"

This legislation will make the federal income tax system simpler and fairer and the economy more efficient. It will reduce tax rates and eliminate most existing deductions, credits and exclusions. It also will raise revenues approximately equal to those collected under existing law without changing the tax burden for any income group.

SUMMARY OF KEY POSITIONS

For individuals

A simple, progressive tax with three rates: 14%, 26% and 30%.

About 80% of all taxpayers will pay only the 14% rate. The 26% rate will apply only to individuals with adjusted gross incomes exceeding $25,000 and to couples with adjusted gross incomes exceeding $40,000. The top rate of 30% will apply only to individuals with adjusted gross incomes over $37,500 and couples with adjusted gross incomes over $65,000.

An increase of the personal exemption from $1,000 to $1,600 for taxpayers and spouses ($1,800 for a single head of household) and an increase in the standard deduction from $2,300 to $3,000 for single returns and from $3,400 to $6,000 for joint returns. A family of four could earn up to $11,200 before receiving their first dollar of taxable income.

Repeal of most itemized deductions, credits and exclusions except those generally available to most taxpayers. Retained will be the $1,000 exemptions for dependents, the elderly and the blind; deductions for home mortgage interest, charitable contributions, state and local income and real property taxes, payments to IRAs and Keogh plans and employee business expenses; exclusion of veterans benefits, Social Security benefits for low and moderate income persons and interest on general obligation bonds. The personal exemptions and itemized deductions will apply only against the 14% rate.

For corporations

A tax rate of 30%.

Repeal of most existing tax deductions, credits and exemptions that distort investment decisions.

A new depreciation system that doesn't favor one type of asset over another.

TECHNICAL EXPLANATION

The legislation significantly reduces tax rates and broadens the base of the individual and corporate income taxes by eliminating most tax preferences. It also smoothes out the rate schedule of the tax and sharply reduces "bracket creep" and the "marriage penalty". The changes are designed as if they were to take effect in 1985 and they are approximately revenue and distribution neutral with respect to tax liability in that year. Transition questions will require that some tax preferences be phased out gradually rather than changed abruptly. However, to establish lower rates and a broader tax base as the direction for federal tax policy, 1985 serves as the baseline date for all the analysis.

Individual income tax structure

For about 80 percent of individuals, the income tax is a uniform 14 percent tax on taxable income (the base tax). Taxable income is net of personal exemptions and either the standard deduction or the allowable itemized deductions. The personal exemptions are $1,600 per taxpayer (i.e., $1,600 on a single return and $3,200 on a joint return) and $1,000 per dependent. Single heads of households receive an exemption of $1,800. The extra exemptions for the elderly and blind continue at $1,000. The zero bracket amount (standard deduction) increases to $3,000 for single returns and $6,000 for joint returns ($3,000 for separate returns of married persons).

For upper income taxpayers, the regular 14 percent income tax is supplemented by an additional progressive tax (surtax) of 12 percent and 16 percent on adjusted gross income in excess of $25,000 for single returns and $40,000 for joint returns. Only about 20 percent of all taxpayers are subject to this surtax. The combined effect of the 14 percent base tax and the surtax is a top marginal tax rate of 30 percent.

The personal exemptions and itemized deductions retained in the Fair Tax apply only against the 14 percent base tax. The rate schedule is as follows:

AGI	Surtax rate (percent)	Combined tax rate (percent)
Single returns:		
Below $25,000	(1)	14
$25,000 to $37,500	12	26
Over $37,500	16	30
Joint returns:		
Below $40,000	(1)	14
$40,000 to $65,000	12	26
Over $65,000	16	30

[1] No surtax.

For married persons filing separately, the tax brackets are half of the joint return tax brackets.

Corporate tax structure

The corporate income tax rate is set at a uniform 30% of taxable income thus eliminating graduation in corporate rates.

Base broadening measures

A. Changes affecting individuals and unincorporated businesses:

1. The exclusions for income earned abroad by U.S. citizens, residents of government employees (secs. 911 and 912) are repealed.

2. 7 year amortization for reforestation expenditures (sec. 194) is repealed.

3. 5 year amortization for pollution control facilities (sec. 169) is repealed.

4. Expensing of tertiary injectants (sec. 193) is repealed. Instead, these costs will be written off over 2 years.

5. A new depreciation method is provided for equipment and structures. Under the proposal, equipment is divided into 6 classes based on its ADR midpoint. An open ended account will be established for each asset class and each class will be given a class life. Each year taxpayers write off a percentage of the balance in the account computed using the class life and the 250% declining balance method. Additions to each account will be made each year for purchases of assets in that class and subtractions will be made for dispositions of assets and for that year's depreciation deduction. Structures will be put into the sixth asset class. The asset classes and depreciation rates for equipment are as follows:

ADR midpoint:	*Class life*
Under 5	4
5.0 to 8.5	6
9.0 to 14.5	10
15 to 24	18
25 to 35	28
Over 35 and structures	40

For example, equipment with an ADR life of 10 years will be in the 10-year class. Thus, the first year's write-off will be 25% of the cost (2.5/10=.25), the second year's write-off will be 18.75% (25% of 75%) and so forth.

This plan is designed so that the present value of depreciation deductions is approximately equal to the present value of economic depreciation at a 10% discount rate.

6. Percentage depletion (secs. 613 and 613A) and expensing of intangible drilling costs for oil, gas and geothermal wells (sec. 263(d)) are repealed. Instead, there is a new system of capital cost recovery. Under this system, intangible drilling costs and those costs currently recovered through the depletion deduction will be written off under the same method applicable to equipment in the 10-year class. All costs incurred with respect to dry holes will be deducted when the well or property is abandoned.

7. Limits on qualified pension plans (sec. 415) are reduced from $30,000 on defined contribution plans and $90,000 on defined benefit plans to $20,000 and $60,000, respectively, and indexing of those limits is repealed.

8. The finance lease property rules (sec. 168(f)) are repealed and the pre-1981 law is restored.

9. The regular investment tax credit (sec. 46(a)(2)(B)) is repealed.

10. The research and development credit (sec. 44F) is repealed.

11. The credit for rehabilitation of buildings (sec. 46(a)(2)(F)) is repealed.

12. The business energy tax credits (secs. 46(a)(2)(c), 44D and 44E) are repealed.

13. All individual farms with gross receipts of more than $1 million and all farm syndicates will be required to use accrual accounting and to capitalize pre-production period expenses and cannot use the expensing provisions for soil and water conservation expenditures (sec. 175), fertilizer (sec. 180), or land clearing (sec. 182).

14. Individuals with AGI above $100,000 would have to cover 90 percent of current year's tax liability with estimated or withheld tax payments.

15. Income averaging (sec. 1301) is repealed.

16. The child care credit (sec. 44A) is converted to a deduction for purposes of the base tax but not the surtax. The deduction is allowed to non-itemizers.

17. The political contribution tax credit (sec. 41) is repealed.

18. The exclusion of Tier II of Railroad Retirement benefits is repealed.

19. The exclusion for interest on cash value life insurance (sec. 804(a)) is repealed. Life insurance policyholders will include in gross income an amount equal to the increase in the cash surrender value of their policy during the year plus policyholder dividends received plus the "term insurance" value of insurance protection during the year minus the premiums paid. Insurance companies will provide policyholders with this information.

20. The exclusion for scholarship and fellowship income in excess of tuition (sec. 117) is repealed.

21. The deduction for second earners (sec. 221) is repealed because the new rate schedule sharply reduces the "marriage penalty".

22. The elderly tax credit (sec. 37) is repealed.

23. The general exclusions for interest and dividends (secs. 116 and 128) and the exclusion for reinvested public utility dividends (sec. 305(e)) are repealed.

24. Expensing of interest and taxes paid during the construction period of a building (sec. 189) is repealed and instead these costs are subject to a 10 year amortization.

25. The residential energy credit (sec. 44C) is repealed.

26. The deduction for 60 percent of net long-term capital gains (sec. 1202) is repealed and the distinction between short- and long-term capital gains is eliminated.

27. The individual minimum tax (sec. 55) is repealed. Since the legislation eliminates most of the preferences currently subject to the minimum tax, this provision is no longer needed.

28. The exclusion for unemeployment compensation benefits (sec. 85) is repealed.

29. The exclusions for employer provided child care (sec. 129), education assistance (sec. 127) and group legal services (sec. 120) are repealed.

30. For purposes of computing the surtax (but not the base tax), a deduction would be allowed for all interest to the extent of investment income. For the base tax, itemized deductions would be allowed for all housing interest, and the itemized deduction for other interest would be limited to investment income.

31. The exclusion for employer provided premiums on group term life insurance (sec. 79) is repealed.

32. The tax exemption for industrial development or housing bonds issued after December 31, 1984 (secs. 103(b) and 103A) is repealed.

33. Rapid amortization of low-income housing rehabilitation (sec. 167(k)) is repealed.

34. The itemized deduction for medical expenses (sec. 213) is limited to the excess over 10 percent of adjusted gross income.

35. The present exclusion for up to $125,000 of gain on the sale of a house by a person age 55 or over (sec. 121) is retained for the base tax but not the surtax.

36. The deduction for adoption expenses (sec. 222) is repealed.

37. The deduction for state and local income and real property taxes is retained but the deduction for all other state and local taxes (sec. 164) is repealed.

38. The exclusion for employer provided premiums on group health insurance (sec. 106) is repealed.

39. Indexing of the personal exemptions and the tax brackets (sec. 1(f)) is repealed because the new rate structure will greatly reduce the problem of "bracket creep."

40. Trusts and estates would be subject to a flat 30% tax on taxable income in excess of $100. As under present law, a deduction would be allowed for distributions.

B. Changes affecting corporations:

1. A new depreciation method is provided for equipment and structures. Under the proposal, equipment is divided into 6 classes based on its ADR midpoint. An open ended account will be established for each asset class and each class will be given a class life. Each year taxpayers write off a percentage of the balance in the account computed using the class life and the 250% declining balance method. Additions to each account will be made each year for purchases of assets in that class and subtractions will be made for dispositions of assets and for that year's depreciation deduction. Structures will be put into the sixth asset class. The asset classes and depreciation rates for equipment are as follows:

ADR midpoint:	*Class life*
Under 5	4
5.0 to 8.5	6
9.0 to 14.5	10
15 to 24	18
25 to 35	28
Over 35 and structures	40

For example, equipment with an ADR life of 10 years will be in the 10-year class. Thus, the first year's write-off will be 25% of the cost (2.5/10=.25), the second year's write-off will be 18.75% (25% of 75%) and so forth.

This plan is designed so that the present value of depreciation deductions is approximately equal to the present value of economic depreciation at a 10% discount rate.

2. Percentage depletion for minerals (sec. 613) and expensing of mineral exploration and development costs (secs. 616 and 617) are repealed. Instead, there is a new system of capital cost recovery whereby exploration and development costs are deducted under an open account system based on 6 asset classes. These 6 classes are the same as those for equipment. Mines will be assigned

to one of the 6 asset classes based on the expected useful life of the mine (using the same system that assigns equipment to each class based on its asset depreciation range (ADR) midpoint).

3. Percentage depletion (secs. 613 and 613A) and expensing of intangible drilling costs for oil, gas and geothermal wells (sec. 263(d)) are repealed. Instead, there is a new system of capital cost recovery. Under this system, intangible drilling costs and those costs currently recovered through the depletion deduction will be written off under the same method applicable to equipment in the 10-year class. All costs incurred with respect to dry holes will be deducted when the well or property is abandoned.

4. The income of controlled foreign subsidiaries of U.S. corporations is subject to tax.

5. The preferential taxation of Domestic International Sales Corporations (DISC) (sec. 991) is repealed and previously deferred DISC income is recaptured over a 10 year period.

6. The deduction for bad debt reserves of financial institutions in excess of their actual experience (secs. 585 and 593) is repealed.

7. The exclusion for contributions to a maritime construction fund is repealed.

8. The finance lease property rules (sec. 168(f)) are repealed and the pre-1981 law is restored.

9. The regular investment tax credit (sec. 46(a)(2)(B)) is repealed.

10. The credit for possessions corporations (sec. 936) is repealed.

11. The research and development credit (sec. 44F) is repealed.

12. The credit for rehabilitation of buildings (sec. 46(a)(2)(F)) is repealed.

13. The business energy tax credits (secs. 46(a)(2)(c), 44D and 44E) are repealed.

14. The employer stock ownership credit (sec. 44G) is repealed.

15. For corporations, the deduction for charitable contributions is limited to one-half of such contributions. Thus they will receive a 15% tax benefit for charitable giving.

16. All corporate farms with gross receipts of more than $1 million and all farm syndicates will be required to use accrual accounting and to capitalize pre-production period expenses and cannot use the expensing provisions for soil and water conservation expenditures (sec. 175), fertilizer (sec. 180), or land clearing (sec. 182).

17. For taxpayers using the completed contract method, the 3-year exception is deleted and a "look-back" method, imposing interest charges on deferred tax liability, is implemented.

18. The alternative capital gains rate for corporations (sec. 1201) is repealed.

19. The exemption for credit unions (sec. 501(c)(14)) is repealed.

20. Expensing of magazine circulation expenditures (sec. 173) is repealed. Instead, these costs will be amortized over 10 years.

21. Expensing of tertiary injectants (sec. 193) is repealed. Instead, these costs will be written off over 2 years.

22. The exclusion of income attributable to a stock-for-debt swap (sec. 108) is repealed.

23. Upon liquidation, a corporation will recognize gain on all appreciate assets (secs. 336 and 337).

24. 7 year amortization for reforestation expenditures (sec. 194) is repealed.

25. 5 year amortization for pollution control facilities (sec. 169) is repealed.

26. Expensing of interest and taxes paid during the construction period of a building (sec. 189) is repealed and instead these costs are subject to a 10 year amortization.

27. The corporate minimum tax (sec. 56) is repealed. Since the legislation eliminates most of the preferences currently subject to the minimum tax this provision is no longer needed.

28. The tax exemption for industrial development or housing bonds issued after December 31, 1984 (secs. 103(b) and 103A) is repealed.

29. Rapid amortization of low-income housing rehabilitation (sec. 167(k)) is repealed.

Mr. BIDEN. Mr. President, I conclude by saying I truly believe there is not a single legislative matter we could address in this body that would have more profound impact upon the well-being of average Americans and the health of this economy that the tax structure.

With all due respect to my colleagues who authored the tax-cut proposal, the so-called Kemp-Roth or, in Delaware, where I come from, it is Roth-Kemp, or to the President's economic recovery plan, they were not tax reform. They did not reform the system.

What they did in my view was lay upon an already unfair system an unfair allocation of the tax cut.

Everyone wants a tax cut, and I am happy to be given one and I hope everyone is able to enjoy his tax cut, but I want to enjoy it more equitably.

The way I would describe it is the way I described it in my first campaign. I would go around to people and they would say: "Why, Biden, what does this modified gross income tax thing mean and why would it be fair?"

I pointed out, and I said:

You know the way we handle our exemptions and deductions within the tax code are very misleading. We tell the middle income people "You can deduct interest on your mortgage." They feel real good about it, feel real great. What they do not know are all the other provisions in the tax code, tens of billions of dollars, that they do not get to take advantage of, that put them at a disadvantage. The net total is if you have to raise the billion of dollars which we should be raising, in order to finance what we are spending, if they do not pay it, you pay it.

I give an analogy. I say:

It is a little bit like my two sons.

If I come home and my son Hunter comes running down the steps and I give him a 5-cent—then it was 2-cent—Tootsie Pop.

You know, those Tootsie Roll lollipops with Tootsie Roll in the middle. They cost 2 cents then.

I hand him that 2-cent Tootsie Roll Pop and he is happy as can be. He got something he did not expect and he is happy his Dad gave it to him.

Then if he goes back upstairs and I walk around the corner and give my oldest son, who is sitting in the kitchen, a double-dip ice cream cone, he is real happy, too.

But when my son Hunter finds out he got a Tootsie Pop and my other son got a double-dip ice cream cone, things get a little rough in my house.

The middle-income folks have been getting Tootsie Pops and the wealthy folks in America have been getting double dip ice cream cones.

I do not want them not to be able to have ice cream cones. I do not want them not to be able to make a million bucks. That is the whole essence of the free enterprise system. I hope my sons grow up to be able to make $1 million. I do not want to inhibit that.

But I sure tell you what I want. I want them paying their fair share, no more, no less—fair share.

That is why the Bradley Fair Tax Act is just that and a very simple, very simple description of the proposal is the word "fair." That is what it is.

I compliment the Senator from New Jersey for his herculean efforts on this, and knowing his tenacity, even if we do not pass it this year, this will be on the agenda until it gets passed, if I know the Senator from New Jersey.

My compliments to him, and I thank him for letting me be a cosponsor.

Mr. BRADLEY. Mr. President, I thank the Senator from Delaware for his comments and for his cosponsorship. I find him, as always, an eloquent and persuasive advocate for the position that he chooses to espouse, and this one luckily is the Fair Tax Act of 1983.

A FAIR TAX SYSTEM

● Mr. BAUCUS. Mr. President, I am pleased to join as a cosponsor of the "Fair Tax Act of 1983," introduced today by my distinguished colleague from New Jersey, Senator BRADLEY.

Senator BRADLEY's proposal is a much needed comprehensive revision of the Tax Code. It is the product of many months of arduous work, thoughtful reflection, and countless discussions with tax experts of every political persuasion. In developing his proposal, Senator BRADLEY has performed a valuable service, and I commend him highly for his initiative. The Fair Tax Act of 1983 is a giant step toward restoring simplicity, fairness and economic efficiency to the tax system.

THE PRESENT TAX SYSTEM

Mr. President, taxpayers are disgusted. To an overwhelming majority of Americans, the Tax Code is too complex. It is impossible to understand. It is unfair. And it is inefficient.

It is not surprising that Americans have become disgusted with the present tax system. Such disgust is genuine and justified.

The facts speak for themselves.

Talk about complexity.

The Office of Management and Budget (OMB) estimates that nearly half of all Government-generated paperwork stems from tax forms, to the tune of about 650 million hours per year. According to the Internal Revenue Service (IRS), two-fifths, or 40 percent, of all individual returns are

prepared by professional accountants or tax services.

Last year the IRS received a letter from a resident of Dallas, Tex., who expressed his frustration:

I can't figure out the tax form. It's too complicated. Just send me a letter telling me how much you would like, and I'll think it over.

More and more Americans, I am sure, are thinking about sending similar letters.

The Tax Code is littered with a hodgepodge of subsidies, loopholes, credits, and misguided trickle-down economics. Tax loopholes—or tax expenditures, as they are sometimes called—have grown from 50 in 1967 to 99 now. Tax loopholes now cost $270 billion per year—an increase of 750 percent since 1967.

Left untouched, these tax loopholes are estimated by the Joint Tax Committee to cost some $450 billion in 1987. To put it differently, for every $1 the Government collects in 1987 in individual income taxes, it will forego $0.86 because of tax loopholes. For corporate taxpayers, the data are even more extreme: For every $1 collected in 1987, the Government will forego $1.88.

Who benefits from these loopholes or tax expenditures?

In fiscal year 1982, tax expenditures to corporations and individual taxpayers totaled about $270 billion. Corporations—primarily very large corporations—received about one-third, or $90 billion, of the tax expenditure pie. The remainder, about $180 billion, was split among the one-third of individual taxpayers who itemize.

Fully 70 percent of Americans were not able to partake of this largesse.

Even if all taxpayers could enter the tax expenditure sweepstakes, not all taxpayers would benefit equally. The value of tax expenditures increases in proportion to a taxpayer's marginal tax rate, the rate on the last increment of income. In tax jargon, it is called the upside down effect.

Take two couples, the first has an income of $100,000, while the second earns $25,000. The marginal rate for the first couple is 50 percent, while for the second couple it is 25 percent. For every $1 in tax expenditures, the first couple saves $.0.50, while the second couple saves. $0.25.

I do not fault those who try to reduce their tax liability by taking advantage of the numerous tax expenditures that dot the landscape of the Tax Code. Congress enacted them. Many of them are in response to the legitimate needs of the diverse groups that make up America. Many of them are, no doubt, worthy. In short, Mr. President, we live in a complex society and the tax system, with its myriad of provisions, reflects that complexity.

But the fact remains that, however worthy many tax expenditures may be, they have produced a topheavy tax system that is becoming its own worst enemy.

Increasingly, people perceive that—and justifiably so, in my opinion—the Tax Code is a system to be used by, for, and of special interests.

Robert J. Samuelson of the National Journal observed that people see the Tax Code as:

A vehicle for social engineering and political favoritism. It is tinkered with and twisted to satisfy the gripes and self-pleading of any group that can hire a clever tax attorney and publicist to make its case.

The destructive logic of the tax expenditure process is clear. As Mr. Samuelson notes,

Every special provision means that general tax rates go higher and that more groups, seeing others with tax breaks, are encouraged to seek similar treatment.

People believe that everyone uses the Tax Code to advantage but them. They think the rich are using it to get richer, while the average taxpayer gets poorer. They believe the tax system is unfair because it is unfair.

There is perhaps no better testament to the perception that the tax system is unfair than the astronomical rise in the underground economy. According to the IRS, the tax compliance gap—taxes legally owed but not paid—rose from an estimated $23 billion in 1973 to $90 billion in 1980. Tax cheating is on the rise.

Moreover, I do not need to remind my colleagues what the $90 billion in lost revenues or the $270 billion in tax expenditures mean to the economy—and to the general welfare of the Nation. Were those revenues in hand, the budget deficits would be eliminated, interest rates would surely subside, and much would remain to provide a real tax cut for all Americans.

Mr. President, this brings me to my last point about the tax system. Not only is it complicated and unfair and inequitable, it is also notoriously inefficient.

The tax structure distorts investment decisions and misallocates scarce capital resources. It has contributed to an economy in which investment decisions are more often based on tax considerations than on economic merits.

A 1981 Federal Reserve Board Study, "Public Policy and Capital Formation," confirms this fact. It concluded that:

The existing capital stock is misallocated, probably seriously, among sectors of the economy and types of capital, primarily because of distortion caused by inflation and U.S. tax laws * * *. As a result, capital is not applied to its most efficient uses * * *. The cost to the nation has been lessened productivity growth and reduced business output.

President Reagan's own Council of Economic Advisers, in their 1982 "Economic Report to the President," clearly state the harm to the economy of the present Tax Code, including the administration's own accelerated cost recovery system (ACRS).

The "Economic Report" states:

Federal subsidies to particular industries permit them to gain more access to productive inputs than is economically efficient, and differential tax treatment of productive inputs can also result in economic inefficiency.

PRINCIPLES OF TAXATION

What do we want our tax system to do?

What criteria should guide us in developing a better tax structure?

Most tax experts would agree that there are several principles or goals that any tax system in a democracy should strive to achieve. These are:

First, taxes should be clear and visible to voters, so that the cost of Government and who pays it is known. Concurrently, taxes should be fair and equitable to insure that everyone pays a fair share and so that taxpayers perceive that the system is just;

Second, revenues should be adequate to support an appropriate level of public service;

Third, tax burden should be distributed in line with ability to pay. That is, the tax structure should be progressive;

Fourth, ability to pay is best measured by a broadly defined income base. That is, taxpayers making the same amount of income, whatever its source, should be taxed equally; and

Fifth, the tax system should be neutral regarding investment decisions. That is, investment decisions should be based upon economic considerations, not whether the tax systems favors one type of investment over another.

Obviously, by these criterion, the present tax system is a mess. We have lost sight of the tax principles that were once the hallmark of our tax structure.

MAJOR FEATURES OF THE FAIR TAX ACT

Now, what if we could return to those tax principles of yesterday?

What if we could make personal economic decisions without first looking to see—with the help of an accountant or lawyer—whether the Tax Code will harm or encourage that decision?

Sounds like pie-in-the-sky, does it not?

Sounds like another simple, but wrong, quick-fix solution to a complex problem.

But it is not.

The Fair Tax Act would vastly simplify the Tax Code, restore fairness and equity to the tax structure, and create tax laws that are neutral with respect to individual judgments about the merits of economic investments.

Briefly, the act would:

First. Establish just three tax rates: 14 percent, 26 percent, and 30 percent. The 14-percent rate would apply to individuals earning up to $25,000 and

couples earning up to $40,000. The 26-percent rate would apply to individuals earning between $25,000 and $37,500 and to couples earning between $40,000 and $65,000. And the 30-percent rate would apply to individuals earning more than $37,500 and to couples earning more than $65,000.

Second. Retain several especially important tax expenditures: namely the exemption for dependents, the elderly, and the blind; the deductions for employee business expenses, home mortgage interest, charitable contributions, State and local income and real property taxes, and contributions to IRA and Keogh plans; the exclusions for social security and veterans' benefits; and the exemption for interest on general obligation bonds.

Third. Eliminate most other tax expenditures.

Fourth. Increase the standard deduction.

Fifth. Increase the taxpayer exemption

Sixth. Establish a single 30-percent corporate tax rate and eliminate most of the corporate tax preferences that distort investment decisions.

What are the act's practical effects? They are substantial.

The act would:

First. Make tax computation easier for all taxpayers, especially those in the low and middle income brackets;

Second. Decrease marginal tax rates for nearly all taxpayers. Indeed, approximately 70 percent of all taxpayers would receive a tax cut when the act goes into effect;

Third. Substantially simplify the tax forms and instruction by repealing most of the special tax loophole provisions;

Fourth. Virtually eliminate bracket creep due to inflation by drastically reducing the number of tax rates. For the same reason, the marriage penalty would be substantially cut; and

Fifth. Retain the progressive nature of the tax system.

Mr. President, let us make no mistake. This bill is not a panacea. It will not cure in one fell swoop the serious economic ills that confront us.

Nor will it balance the budget. It is not designed to do so. The proposal is designed to collect as much revenue as would otherwise be collected under the law. To balance the budget, Congress must continue to look at the hard choices in domestic spending programs and in the defense budget.

Finally, this proposal is not a so-called flat tax. It preserves the progressive nature of the present tax system. Progressivity is at the heart of tax fairness and equity.

This proposal, however, would go a long way toward restoring public confidence in the tax system and, hence, in Government itself.

CONCLUSION: THE STAKES

Mr. President, the Fair Tax Act will not be easy to enact. To dismantle the network of tax credits, exclusions, and deductions is a difficult task. Nevertheless, I, for one, am encouraged by the proposal set forth today. I believe that it sets us clearly on the path of substantial and meaningful tax reform.

Mr. President, in the coming weeks and months, as this and other tax reform measures are considered, I intend to elaborate on the points I have made today. In the meantime, I again applaud Senator BRADLEY for his thoughtful leadership, and I respectfully urge our colleagues to join the effort to restore simplicity, fairness, and efficiency to our Tax Code.●

COAL PIPELINES AND NATIONAL SECURITY

Mr. JACKSON. Mr. President, the Senate will soon consider legislation to authorize the right of Federal eminent domain for coal pipelines. The legislation has already been reported by the Energy Committee, as it was last year, by a wide margin.

It has been almost 10 years since the Senate passed comparable legislation which I sponsored. In the early 1970's, interest in coal pipelines was limited to a few companies. The debate over coal pipelines was viewed as a parochial controversy between coal pipelines and railroads. This is no longer true.

Today, what is at stake in the fight over coal pipelines is far more important than it was 10 years ago. What is really involved now is our ability to develop our great coal resources and use them effectively at home and abroad—in international trade and as an instrument of foreign policy.

A recent memorandum prepared by the Departments of State and Commerce on the trade and security implications of coal pipelines puts the role of coal pipelines in a new perspective. It points out that for "our allies and trading partners, U.S. coal is a means to lessen their dependence on insecure supplies of energy." It cites foreign concerns about rapidly increasing coal transportation costs and notes that "Europeans in particular view construction of coal slurry pipelines as an indication of U.S. commitment to become a long-term, stable and reliable supplier of coal."

I ask unanimous consent that the full text of this memorandum appear in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit No. 1.)

Mr. JACKSON. Mr. President, two major factors underlie the increased significance of coal pipelines. One is the dramatic rise of an international coal trade, spurred by the development of coal in countries on six continents. The other is the relentless increase in inland rail coal transportation costs.

The truth is we are already competing in an international coal market not only for sales in foreign countries but for sales in this country as well. Our use of modern coal pipeline technology for coal transport could be a decisive factor in our ability to prevent foreign coal from invading domestic markets and build foreign reliance on U.S. coal resources.

It is worth noting, Mr. President, that coal pipelines either are planned or are under construction in both China and Russia. Indeed, American firms have been asked to help plan and design some of these pipelines. It would be ironic, to say the least, if European and Far Eastern coal markets were lost to foreign countries using coal pipelines built with our technology when we cannot use this proven technology here.

Obviously, the use of coal pipelines overseas will develop over a period of time and the competitive advantage offered by pipelines is not an immediate threat to domestic markets. But our coal export trade is already threatened by escalating costs of rail transport. Even now it costs $24 a ton to move coal by rail from Colorado to Los Angeles for export—which is more than much of this coal costs at the mine mouth.

A recent report from the International Energy Agency concludes that the United States may not profit greatly from any growth in world coal trade because our coal is too costly. Transportation is the greatest single factor in rising coal costs. Railroad rates for coal haulage increased 50 percent from 1979 to 1982. As a result of recent ICC decisions, railroads now have authority to raise rates even higher—as much as 15 percent a year after inflation.

Small wonder that the Europeans and Japanese are concerned about accelerating transportation costs for U.S. coal. They have made clear that they will not buy our coal if it is not competitive. The Europeans and Japanese are also well aware that coal pipelines will not be built without the grant of Federal eminent domain authority. They simply do not understand our unwillingness to introduce a proven, cost-effective technology to reduce coal export costs.

Mr. President, it was the controversy over the Soviet gas pipeline to Western Europe that focused attention on the potential of coal pipelines for enhancing our coal export capabilities. We should have learned from our futile efforts to stop the Soviet pipeline that you cannot beat something with nothing. In objecting to the reliance of European countries on Soviet gas, the United States was in a diffi-

cult position from the outset because we had little to offer in return. Coal represents our only realistic long-term alternative to those who will otherwise become dependent on Soviet energy. A strong U.S. commitment to building the infrastructure for a major coal export trade—including coal pipelines—will be taken as a signal that we are serious about providing that alternative.

[EXHIBIT 1]

U.S. DEPARTMENT OF COMMERCE,
INTERNATIONAL TRADE ADMINISTRATION,
Washington, D.C.

MEMORANDUM FOR DAVID LUKEN

From: W. H. Morris, Jr.; John Ferriter.

Subject: Joint Comments of the Departments of Commerce and State on International Trade and National Security Implications of Coal Slurry Pipelines.

Energy security is vital to the economic health and growth of the United States and its trading partners. While complete energy self-sufficiency for Western nations is not possible, U.S. policy is to encourage reliance on secure energy sources, such as coal, rather than unstable supplies of Middle Eastern oil or Soviet natural gas.

For our allies and trading partners, U.S. coal is a means to lessen their dependence on insecure supplies of energy. Competitive pricing of our coal is essential for it to achieve its role as a stable and reliable source of energy.

Transportation costs are the most expensive component in the price of U.S. coal delivered to overseas markets. The inland transportation cost generally exceeds the ocean shipping costs by a factor of two. The cost of the inland transportation of export coal ranges from ⅓ (in the Eastern United States) to ¾ (in the Western United States) of the F.O.B. (U.S. port) price.

Coal buyers, as well as the governments of major coal importing countries, have repeatedly expressed concern over the rapidly increasing U.S. inland transportation costs:

The European Community and the Japanese have specifically stated that the high cost of inland transportation is a major deterrent to increased purchases of U.S. coal.

Japanese and European firms have filed comments before the ICC expressing concern about the lack of competition for railroads in the inland coal transportation system.

Representatives from Denmark, France, Finland, and the EEC have testified before Congress that even in soft ocean freight markets, the high inland transportation cost of U.S. coal remains a deterrent.

Overseas purchasers of coal have expressed reluctance to enter into long-term contracts with U.S. coal producers due to the escalating costs for inland transportation moving coal to the ports.

Coal slurry pipelines are an alternative transportation system for moving coal to the ports. Integrated slurry transport and handling systems have the potential for inland transportation of coal in an efficient and evironmentally acceptable manner.

Coal slurry pipelines competing in U.S. inland transportation markets would be consistent with our international energy policy, which provides for maximum freedom for market forces to determine energy prices. The assurance that U.S. coal transportation costs, as well as production costs, will be governed by market forces would make our coal more attractive to our trading partners. Moreover, the Europeans in particular view construction of coal slurry pipelines as an indication of U.S. commitment to become a long-term, stable and reliable supplier of coal.

Enactment of coal pipeline legislation granting access to the federal eminent domain process would send a strong signal to U.S. trading partners that the United States is indeed committed to facilitating increased coal exports by encouraging competition in the inland transportation of that coal, and may provide an increased incentive for them to purchase U.S. coal.

Coal exports in 1982 contributed nearly $6 billion to our balance of trade and provided over 50,000 jobs in the coal mining industry. The U.S. market share in the growing international steam coal trade may be jeopardized without a competitive inland transportation system. Coal pipelines are one such alternative system available to coal exports.

NUCLEAR MISSILE WARNING SYSTEM—ONE MISTAKE AND KISS THIS WORLD GOODBYE

Mr. PROXMIRE. Mr. President, yesterday I spoke on the floor of the Senate about the immense dependence all Americans have on the warning system we have put into place to alert our President to a nuclear attack on this country by the Soviets. The best evidence indicates that the President is more and more dependent on the interception by our satellites of a firing from a Soviet launcher. The President would have only a few minutes to act. He might very possibly have to decide whether or not to press that nuclear button based on reliance on a warning system that could be in error.

On Sunday, May 29, the New York Times carried a remarkable story by Richard Halloran detailing pecisely how and where our military would react to a Soviet nuclear attack. Mr. Halloran explains the workings of the elaborate system that protects this country and the checks and double-checks to prevent the tragic possibility that a nuclear war could flow from a mistake or a series of mistakes.

Mr. President, any thoughtful Member of the Congress reading this detailed description of the elaborate, complex machinery that provides the President with the information he needs to decide whether or not to make the fatal decision to put our immense nuclear deterrent into action must be struck with the myriad ways in which a series of mistakes that could occur today, tomorrow, next year or 20 years from now could push this world over the cliff.

I wish every Member could read this story and think about its implications. My personal reaction is that we live in a far more dangerous world than most of us have realized, that it is becoming more dangerous with every month that passes, and that the prospect for our children and grandchildren to live their lives and not suffer extermination in a nuclear war has become distinctly dimmer. And this certainly reinforces my determination to do all I can to persuade my Senate colleagues to pass the nuclear freeze resolution that passed the House and then to press on to achieve a reduction in this appalling destructive power.

Mr. President, I ask unanimous consent that the article to which I have referred, from the May 29 New York Times by Richard Halloran, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NUCLEAR MISSILES: WARNING SYSTEM AND THE QUESTION OF WHEN TO FIRE; CONFIDENCE HIGH AT NORAD

(By Richard Halloran)

CHEYENNE MOUNTAIN, COLO.—If the Soviet Union ever fired nuclear missiles at the United States, seconds after the rocket engines ignited bells would ring and lights would flash in warning centers deep inside this mountain.

This is where America would first learn of that nuclear attack, the North American Aerospace Defense Command says. Around the clock, information is collected here from sensors aboard satellites and radar stations around the world to make an immediate assessment of any possible incoming threat.

Within minutes, the assessment would be passed to Washington and to the President for his decision on when and how to order retaliatory strikes.

But operations at Cheyenne Mountain have become the subject of increasing concern as the United States and the Soviet Union talk more frequently about the possibility of launching nuclear missiles on warnings that might be miscalculated.

Skeptics of the nation's nuclear policy worry that mistakes made here by man or machine could make a false alarm look like an attack. That might lead, they fear, to an erroneous assessment reported to Washington, and could contribute to a Presidential decision to fire United States missiles in retaliation, thus possibly starting a nuclear war by accident.

But the commanding general of the Norad warning complex here asserts that such a series of errors cannot happen, that false alarms could not lead to a judgment that an attack had been launched.

Decisions made inside this mountain, just outside Colorado Springs, must be measured in minutes and seconds. In the case of Soviet land-based missiles, the trajectory to the United States takes 30 to 35 minutes; for submarine-launched missiles, the estimated time is 8 to 15 minutes.

Under those circumstances, said Gen. James V. Hartinger of the Air Force, "There's no question about the validity of the commander's assessment."

The general said in an interview that his primary responsibility is to provide Washington with what he calls "timely, unambiguous, reliable warning" that a raid on North America has begun. He must personally assess each of about 500 missile and satellite launchings by the Soviet Union, the United States and other nations in a year. "I have confidence in the integrity of our sensor systems, our computers, our people, our operational procedures and consequently am 100 percent confident in my assessments," he said.

RECENT RECORD IS CITED

Regarding false alarms in the past, General Hartinger said each had been quickly judged to have been just that. He said there was "not a chance in a million" that a false alarm could lead to an assessment that an attack had begun.

Since false alarms in 1979 and 1980, he said, 140 million computerized messages, or an average of 6,700 an hour, have been sent without an error. "That's the type of performance the world should expect from us," General Hartinger said.

Critics, however, have long expressed anxiety that mistakes here could lead to an inadvertent nuclear war, especially with the deployment of more modern arms. Herbert Scoville, a former director of the Arms Control and Disarmament Agency, has repeatedly criticized President Reagan's decision to deploy MX nuclear missiles, on the ground that fear of a Soviet preemptive strike against them might possibly encourage false readings of the warning system and perhaps lead to nuclear war by accident.

Arthur Macy Cox, a specialist on arms control, recently asserted that the system often generated false alarms. He contended that the possibilities of an accident would increase "in the hair trigger atmosphere of an international crisis."

But a report issued by Senator Barry Goldwater, Republican of Arizona, and Senator Gary Hart, Democrat of Colorado, after the false alarms in 1980 said:

"In no way can it be said that the United States was close to unleashing nuclear war as a result of the June 3 and 6 incidents. In a real sense, the total system worked properly in that, even though the mechanical electronic part produced erroneous information, the human part correctly evaluated it and prevented any irrevocable action."

Generally speaking, skeptics of the warning system have come from among the ranks of those who have opposed President Reagan's military spending plans, his proposals to revitalize the nuclear deterrent, and the much disputed MX missile program. They have had little influence in the Administration and only marginal influence on Congress, which has approved the start of a $20 billion program for improvements in the warning and communications system, such as state-of-the-art computers.

WORKINGS OF THE SYSTEM

Officers explaining the warning system said that seconds after Soviet missiles lifted out of silos in Siberia and their rocket engines ignited, green-screened consoles would spring to life here, high-speed teleprinters would chatter, and battle staffs would swiftly come to full alert in a missile warning center, a space computation center, and the Norad command post. At the same time, that information would alert duty officers in Washington, the Strategic Air Command in Omaha, and other command posts around the world.

From his seat on the second deck of the three-story command post, the commanding general would see the track of the missiles displayed on one of two huge wall screens. The flight of the missiles would be traced minute by minute as they passed through their 30- to 35-minute trajectory to the United States.

On the other screen, data from 87 computers here could flash positions of Soviet submarines in the Atlantic and Pacific or show the orbits of Soviet reconnaissance satellites. That screen could also display data from sensors that would begin tracking submarine-launched missiles as soon as they broke water and would trace them through their 8- to 15-minute flights.

Above the screens, a flow of data on attacking missiles would be displayed on two panels that look like a series of digital clocks. One would tell when the first missile was fired; another, how many missiles were on the way; a third, the general direction in which they were heading. One panel is dedicated to watching missiles coming from the Eastern Hemisphere, the other, those from the Western Hemisphere.

Three more counters on each panel are marked NYI, IMPTD, AND TTG, meaning Not Yet Impacted, Impacted, and Time To Go. The first would tell how many in a slavo were still on the way; the second, how many had hit and exploded, and the third, the time in minutes until the next explosion.

As the situation unfolded before the general and his battle staff seated with consoles like television sets on either side and behind him, he would pick up a beige telephone to check with operating officers in the centers feeding information to the command post or to sensor sites around the world.

The general would also confer with other senior military commanders in what is known as a threat assessment conference and would give his own assessments to the National Military Command Center in the Pentagon for relay to the President, wherever he might be. If those officers thought it warranted, they would summon a missile attack conference that would include the President. Such a conference has never been held.

General Hartinger said his responsibility was to furnish information and assessments, not recommendations, to Washington. "We at Norad provide flexible nuclear response options," he said.

It would then be up to the President to choose and to send out an emergency action message to order retaliatory fire. That order would go to the Strategic Air Command, which controls the intercontinental ballistic missiles, the long-range bombers and the missile-firing submarines.

One possible order, if national policy is changed and communications systems improved, could be "launch on warning," or, as it is sometimes known, "launch under attack." That means the President would order a retaliatory strike before the first Soviet missile hit the United States.

CHECKS AND DOUBLE-CHECKS

If a policy of launching under attack was adopted, Norad's assessment of the warning information would be critical in preventing an inadvertent nuclear war. Officers here said their confidence in giving a correct assessment was based on an array of strategic intelligence, tactical warning provided by sensors with data interpreted in missile warning and space computation centers, and double-checks provided by solar weather analysts and specialists constantly checking on the health of the sensors, communications, and computers.

Assessments of data from the sensors would be made in the context of strategic intelligence, the officers said. Intelligence units here maintain a 24-hour watch and brief senior officers daily on political or military developments. The chances that the Soviet Union would strike with a "bolt out of the blue" are slim, they said.

They also suggested that the Soviet Union would be unlikely to launch only a single missile or a few missiles. That would cause relatively little damage to United States missiles and thus the President could afford to confirm the attack before responding. What was far more likely, they said, was a salvo of several hundred missiles that would be unmistakable on the screens here.

More than sensors and computers, said an operations officer, "people are the key." He added: "The entire system relies on people and the people who are here are trained to be suspicious. They are discriminators." Three shifts of 250 people each work inside the mountain base around the clock, with an additional 650 providing support.

PROTECTION AGAINST SABOTAGE

To protect the Norad complex from saboteurs, security checks are everywhere. Each person entering the mountain is checked through a heavily guarded post outside the tunnel leading into the complex, then again as he or she enters the complex itself. Especially sensitive areas are marked with warning signs: "Use of Deadly Force Authorized." In addition, officers said, everyone assigned to duty here is screened psychologically and is periodically retested.

Sabotage from the outside would be difficult because the complex within the mountain is largely self-contained. It has its own electric power supply from six diesel generators, its own water reservior and food and supplies to last for 30 days. The air intakes have been constructed to filter out radioactivity. Vital information feeding into the command post comes from the missile warning center and the space computation center. Both are close to the command post in buildings that sit atop large springs intended to absorb the shock of a nuclear explosion outside.

Raw data flowing into the missile warning center, a dimly lighted room the size of an ordinary living room but crammed with equipment, comes from 24 sensors around the world, including three satellites that can see everywhere in the Northern Hemisphere.

MISSILES ENTER RADAR RANGE

Those satellites, with their infrared sensors, are the first to note the launching of a Soviet missile or satellite, picking up the heat from the rocket engines at liftoff on a clear day or as soon as the rocket breaks through clouds. The satellites today are out of reach of Soviet antisatellite weapons but may become vulnerable in the future with advancing antisatellite technology.

Information from the satellites is transmitted through communications satellites and ground stations in Australia and the United States to Cheyenne Mountain. Seconds later, powerful radar stations, pick up the trail as the missiles cut through radar fans beamed out from Clear, Alaska; Thule, Greenland, and Fylingdales, England. About 10 minutes into flight the nuclear warheads aboard the missiles would separate and be tracked by radar individually.

As the warheads got closer to the United States, they would be seen by a radar station at Concrete, N.D. A radar station on Cape Cod watches the Atlantic; one in California watches the Pacific, and a third in Florida, the Caribbean. Three Navy surveillance radars also look to the south and feed more data to Cheyenne Mountain.

The combination of sensors is perhaps the most critical double check in the system. No single sensor is ever trusted. Rather, every reading must be confirmed by data from at least two sensors that are of different types. In the jargon here, that is called "dual phenomenology."

A Soviet missile test-fired from the Urals, for instance, would most probably be seen

by two infrared satellites, by a radar station in Pirinclik, Turkey, right after launching, by a second radar in the Philippines, and by a third at Shemya, an Aleutian island off Alaska, from mid-flight to the target area around the Kamchatka Peninsula.

The radar station at Shemya can track an object the size of a baseball from 2,000 miles away and can keep tabs on 200 missiles or satellites at a time. That station has what is known as a phased array radar able to scan a large expanse of space in less than a second.

Data from all those sensors would flow into the missile warning center, where the officer in charge would give operators at each sensor site one minute to confirm that his sensor was working properly in what is called a missile display conference. It is the first and most routine of the conferences and can take place several times a day.

In another 30 seconds, the officer in charge here would be on the beige telephone to General Hartinger, or one of two other generals, with the data on what is called here "the event." The general decides whether an attack has been launched and transmits that assessment to Washington and 100 other command posts around the world.

The information and the commander's assessment also go to Ottawa because Norad is a joint command of the United States and Canada. The deputy commander, who stands in for General Hartinger when he is away, is always a Canadian, and other Canadian officers serve here.

A WATCH ON SPACE

An operations officers said the system generated about five false alarms a year. A false alarm could be caused by a forest fire in Siberia detected by heat-sensing satellites. But the officer said "a forest fire doesn't even look like a rocket engine" when displayed on a console here. Moreover, because there was no missile, the report from the satellite sensor would not pass the next step in the confirmation process, verification of a missile track cutting through a radar beam.

Conversely, the track of space debris falling back into the earth's atmosphere produces a trace that does look like an incoming warhead. But there would be no report from a satellite to confirm a firing, and most space debris burns up and disappears from the scope.

In addition, the space computation center here would have been tracking the piece of debris from its beginning. The center, drawing on the sensors around the world, maintains a catalogue of most man-made objects in space.

One day recently the space watchers had 14,070 items entered in that catalogue, beginning with the Russian satellite Sputnik in 1957 and including the first American satellite, Vanguard 1, which went up a year later and is still there. It is No. 5 in the catalogue.

Of those space objects, 4,899 were still in orbit on that day but six were known to be decaying and were predicted to drop out of orbit within days.

While data on each space object constantly flow into the computers, the space watchers keep a particular eye on Soviet reconnaissance and other intelligence satellites. They tracked, for instance, about 15 satellites the Soviet Union positioned above the South Atlantic in the course of Britain's war with Argentina over the Falkland Islands.

In addition to radar, the space detection center, which makes 30,000 observations a day, draws on data from telescopic cameras 10 feet tall and weighing three tons that can photograph at night a lighted object the size of a basketball 20,000 miles in space. Those cameras operate at bases in South Korea, New Zealand, Italy and California and at a Canadian base in New Brunswick.

A new electro-optical system of telescopes, video cameras and computers designed to detect and track objects that are 25,000 miles deep into space is being developed, with the first three scheduled to be operational this year in New Mexico, Hawaii and South Korea. Although limited to night operations, they will be electronically linked to Cheyenne Mountain for swift transmission of data.

Because the aurora borealis, or northern lights, and solar flares and other weather conditions in space can affect missiles, satellites, and the detection systems, another center in Cheyenne Mountain monitors those conditions continously and feeds information to the command post.

Similarly, another group monitors the communications, computers and other equipment here in an effort to prevent faulty machinery from setting off false alarms.

Several steps have been taken, officers said, to prevent false alarms like those of 1979 and 1980. In November 1979 a technician fed a training tape simulating a mass attack into part of the system to test it. By mistake, the data went out live and set off the alarms.

Today testing of that sort is done outside Cheyenne Mountain.

In June 1980 a 46-cent computer chip twice went haywire and sent out false missile warnings. Those messages were immediately suspect, however, because all of the indicators were combinations of 2's

Officers here said the logic of that computer had been redone, that a new code had been added to verify messages and that a filter had been added to check outgoing messages. More important, each time a message with missile warning data goes out, a Klaxon sounds, a yellow light flashes and the message is printed out in the command post. The command director on duty must then verify that the message is correct.

In October 1981, President Reagan announced a $180 billion plan to revitalize the nation's nuclear deterrent, of which $20 billion was to be spent on communications and control while the rest was to pay for weapons.

According to studies then by the Defense Department, the Congressional Budget Office and the General Accounting Office, the communications network was highly susceptible to those electro-magnetic pulses, known as EMP. They are bursts of intense energy from high-altitude nuclear explosions that induce disruptive, even destructive, currents into electronic equipment. A few such explosions could make the system "go blind."

Officers here said a start had been made to correct that. In General Hartinger's office, for instance, one of a bank of telephones is marked "EMP Hardened." It connects his office with the command post and other nearby centers. But it will take several years before long-distance communications are invulnerable.

The Cheyenne Mountain complex was originally intended to direct defense against Soviet bombers and was built to survive nuclear bombing.

But the accuracy and explosive power of missiles have made it vulnerable. General Hartinger said: "Cheyenne Mountain is no longer invulnerable due to the accuracy and megatonnage of ICBM's. But our system would have detected them and we would have performed our main mission."

PERSECUTION OF THE BAHA'IS IN IRAN

Mr. PROXMIRE. Mr. President, on May 22 President Reagan issued a statement expressing the administration's dismay over reports than an Islamic revolutionary court in Shiraz, Iran has sentenced 22 Iranian Baha'is to death. The President's message marked the first official White House condemnation of the Khomeini regime's deliberate mistreatment of the Baha'is.

Beginning with the arrest and disappearance 3 years ago of all nine members of the Baha'i faith's ruling National Spiritual Assembly, the Khomeini government has carried out the systematic persecution of the Baha'i community in Iran.

A U.N. subcommission resolution, supported by the United States, has labeled the Iranian Government's suppression of the Baha'is as: "Motivated by religious intolerance and a desire to eliminate the Baha'i faith from the land of its birth."

Fearful that the deteriorating situation in Iran is reaching genocidal proportions, the President's message signaled our continuing effort to bring international pressure to bear on the Iranian Government.

The United States has actively supported resolutions, passed by the U.N. Human Rights Commission, which express the Commission's mounting concern over the grave violations of human rights in Iran. A March 1982 resolution requested:

The Secretary General to establish direct contacts with the Iranian authorities, to continue his efforts to insure that the Baha'is are granted full enjoyment of their human rights and fundamental freedoms.

Mr. President, I applaud our role in condemning the Iranian Government, but I believe our diplomats should be provided with more effective means to protest human rights violations around the globe. Senate ratification will provide our diplomats with the tools they need.

Too often in the past U.S. diplomats have been hamstrung in their attempts to condemn human right violators. Opponents point to our reluctance to become a signatory to the Genocide Convention as proof that we tacitly support genocide. Senate ratification of the convention would counter this specious, but nonetheless effective argument.

I urge my colleagues to give their advise and consent to the Genocide Convention and indicate their commit-

ment to the most basic of all human rights—the right to live.

TRIBUTE TO THE 76'ERS

Mr. SPECTER. Mr. President, I would like to take this opportunity to recognize the outstanding accomplishment of the World Champion Philadelphia 76'ers and congratulate them on their championship season—their first in 16 years. Certainly it is one that is well deserved.

The Sixers had earned the right to play in the championship finals three of the last six seasons, only to fall short each time. Though they tried their best, the Philadelphia fans and the players themselves still longed for this coveted title.

The 76'ers were led to the finals in 1977 by Julius Erving, affectionately known as "Doctor J." Having gained a two-games-to-none advantage over the Portland Trailblazers, the Sixers lost four games in a row. They returned in 1980 and 1982 against a formidable opponent, the Los Angeles Lakers—but again, they were defeated each time, four games to two.

But this year they were not to be denied. With the advent of Moses Malone, the "Chairman of the Boards," the ageless talent of the Doctor, the high scoring of Andrew Toney, the playmaking of Maurice Cheeks, the strong defense of Marc Iavaroni, the consistently classic play of Bobby Jones, and the depth of the bench exemplified by the fine performance of Clint Richardson, the Philadelphia 76'ers streaked through their season with the best record in the league. This winning spirit carried them through the playoffs, where the Sixers compiled 12 wins to only 1 loss, the highest playoff winning percentage in the National Basketball Association's history.

This victory is not only a tribute to their owner, Harold Katz, the coaching staff, led by Billy Cunningham, and the 12 men who make up the 76'ers, but to their team captain Julius Erving, a champion both on and off the court. Julius is an exemplary athlete and it is only fitting that this honor be achieved by one of the classiest individuals in professional sports. Basketball fans in Philadelphia, especially the 1.7 million who greeted them, will also savor this victory. They stayed with their Sixers through the trying times as well as through the jubilant moments such as this 1982-83 championship season. It is a great honor for Philadelphia and the entire State can take pride in its team.

Today, the 76'ers will gather at the White House for a ceremony with President Reagan in the Rose Garden, and at half past noon, they will be the guests of honor at a luncheon hosted by Senator HEINZ, Washington attorney Martin Hamberger and myself. I urge my colleagues to join me this afternoon to come out and meet the players. Again, I congratulate the Philadelphia 76'ers on their championship season and look forward to their continued success.

Mr. NICKLES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

INTERNATIONAL MONETARY FUND AUTHORIZATIONS

The PRESIDING OFFICER. The clerk will report the pending business.

The bill clerk read as follows:

A bill (S. 695) to amend the Bretton Woods Agreements Act to authorize consent to and authorize appropriations for an increase in the United States quota in the International Monetary Fund and to authorize appropriations for increased United States participation in the IMF's General Agreements to Borrow.

The Senate resumed consideration of the bill.

AMENDMENT NO. 1309

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 1309, sometimes known as the Humphrey amendment.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. BYRD. I announce that the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Connecticut (Mr. DODD), the Senator from Missouri (Mr. EAGLETON), the Senator from Colorado (Mr. HART), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Ohio (Mr. METZENBAUM) are necessarily absent.

The PRESIDING OFFICER (Mr. HUMPHREY). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 60, nays 32, as follows:

[Rollcall Vote No. 119 Leg.]

YEAS—60

Andrews	Bentsen	Boren
Baker	Biden	Boschwitz
Baucus	Bingaman	Bradley
Bumpers	Jackson	Pell
Burdick	Johnston	Percy
Chafee	Kassebaum	Proxmire
Chiles	Kennedy	Pryor
D'Amato	Lautenberg	Quayle
Danforth	Leahy	Riegle
Dixon	Levin	Roth
Domenici	Long	Sarbanes
Durenberger	Lugar	Sasser
Exon	Mathias	Specter
Garn	Matsunaga	Stafford
Glenn	Melcher	Stennis
Gorton	Mitchell	Stevens
Hatfield	Moynihan	Tower
Hecht	Murkowski	Tsongas
Heinz	Nunn	Weicker
Inouye	Packwood	Zorinsky

NAYS—32

Abdnor	Hawkins	Pressler
Armstrong	Heflin	Randolph
Byrd	Helms	Rudman
Cochran	Huddleston	Simpson
Cohen	Humphrey	Symms
Denton	Jepsen	Thurmond
Dole	Kasten	Trible
East	Laxalt	Wallop
Ford	Mattingly	Warner
Grassley	McClure	Wilson
Hatch	Nickles	

NOT VOTING—8

Cranston	Eagleton	Hollings
DeConcini	Goldwater	Metzenbaum
Dodd	Hart	

So the motion to lay on the table Mr. HUMPHREY'S amendment (No. 1309) was agreed to.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MATHIAS. Mr. President, during recent months I have spoken several times on the subject of the International Monetary Fund both in this Chamber and in the Committee on Foreign Relations, so it is not necessary for me to burden the record today.

I do want, however, to add one thought to the points that have already been made in this debate.

The contribution that the United States would make to the Fund as a result of this authorization should be viewed in two lights. As a matter of high policy it is a discharge of our national responsibility to pay our share of the cost of managing the world economy. But as a matter of selfish, domestic interest we must recognize that American jobs are at risk and that failure to approve this measure will jeopardize the domestic financial stability as well as the international financial stability.

The world financial system is in a state of delicate balance. To keep it in balance we must make the governmental contributions that have been negotiated and which are represented by this bill. But it is equally necessary that the banks should also maintain the existing credit and increase it at the rate of about 7 percent a year. About 65 percent of world debt is held by the private sector and so this is a

vital part of the program. Thus we are not bailing out the banks. On the contrary we are bailing in the banks.

Several Senators addressed the Chair.

amendment no. 1296 (as modified)

The PRESIDING OFFICER. The Senate will be in order.

Under the previous order, the Senate will now return to the consideration of the Helms amendment No. 1296, which the clerk will report.

The bill clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an amendment numbered 1296 (as modified).

Mr. DANFORTH. Mr. President, may we have order in the Senate, please?

The PRESIDING OFFICER. The Senate will come to order. The Senator from Missouri.

Mr. DANFORTH. Mr. President, the pending amendment is a killer amendment. The effect of the pending amendment is that the United States would, as a matter of certainty, withdraw from the International Monetary Fund on January 1, 1985.

Why is this so? The amendment provides in essence that the United States should go to the International Monetary Fund with the following nonnegotiable demand: First, the United States would demand that other countries which draw funds from the IMF over and above their reserves must desist from export subsidies.

Second, the amendment would provide that the United States itself should be free to use whatever export subsidies it wishes.

Mr. President, it is the judgment of this Senator that as a matter of absolute certainty if our Government were to go to the IMF and say that other countries must desist from using export subsidies for agriculture but that our country should be free to continue whatever subsidies it wants, that such a proposal would be so ludicrous on its face and so demeaning to the other countries that they would, as a matter of political pride, have to resist that proposal out of hand.

The amendment is carefully drawn to apply a double standard, a different standard, for the United States than is applied to other countries.

Yesterday I asked the Senator from North Carolina, the sponsor of this amendment, whether the amendment would preclude the United States from using DISC, the Domestic International Sales Corporation, in order to subsidize exports.

Right now the United States does use DISC to subsidize agricultural exports. The Senator from North Carolina's reply was, no, this would not apply to the United States. Why would it not apply to the United States? It would not apply to the United States for three reasons: First of all, as the Senator from North Carolina pointed out yesterday, the prohibition only applies to those countries which draw more than their own reserves from the IMF.

The United States does not draw more than its own reserves. Therefore, as a practical matter, it would not apply to the United States and it would not preclude export subsidies on our part.

Second, the amendment applies to subsidies which the Secretary of Agriculture determines have adverse impact on U.S. exports of agricultural commodities.

Now, that is the phrase that is used in the amendment itself. A subsidy which has adverse impact on the U.S. export of agricultural commodities is covered by this amendment. Clearly, a subsidy by the United States of its own agricultural exports does not have an adverse impact on U.S. agricultural commodities.

Third, under the definition in the amendment of predatory subsidies, the amendment provides that a predatory subsidy is one which lowers the price of sales to third countries below the price that is charged by the United States. Therefore, whatever the United States charges, whatever price the United States has on its exports, becomes the measure and therefore only those countries which sell below the U.S. price are covered under the kind of subsidies which would be precluded by this amendment.

So, therefore, Mr. President, this has not only been drawn carefully, it has been drawn redundantly to assure that export subsidies by the United States are perfectly all right, while, at the same time, export subsidies of other countries are precluded.

Now the question is: Well, does the United States have export subsidies? Are we really saving anything for ourselves? Does this positively affect us? And the answer to that question is, of course, yes, the United States not only is by far the largest exporter of agricultural commodities but the United States does in fact subsidize what it exports. How so? First, blended credit sales. That is a form of export subsidy. We use that, for example, with respect to our wheat flour sale to Egypt. DISC, the Domestic International Sales Corporation concept, is another form of export subsidy. There is a question of whether or not DISC is GATT-illegal. Maybe it is. Then our administration and our Congress will figure out some substitute for DISC which is not illegal.

The fact is, Mr. President, that some of these subsidies may arguably be GATT-illegal but most of them are not. And therein is the problem with the Helms amendment. It sets up a whole new definition of subsidy, a much tighter definition. These are covered subsidies which would be covered and caught under the Helms amendment but they would not be caught under the GATT.

Public Law 480, our great program of providing food to needy countries around the world not only to the benefit of American agriculture but to the benefit of trying to fed the needy, would be a direct subsidy.

Export PIK—this is the concept which is now in the legislative process; it is not a part of the law—clearly, it would be an export subsidy. The USDA co-operator program, by which our Federal Government pays part of the cost of marketing the U.S. agricultural abroad, would be a direct export subsidy. Not GATT-illegal, but clearly covered under the terms of this bill.

The CCC program, where surplus agricultural products are sold to U.S. millers and manufacturers for processing and then sale abroad, that is a direct export subsidy.

Then there are a variety of indirect export subsidies, not the least of which are various subsidies for inland waterways, for rail transportation, and the Federal highway program.

Therefore, Mr. President, the United States does subsidize agricultural exports.

I believe that if we presented to the International Monetary Fund a program under which our country would not be precluded from using subsidies, but other countries, particularly poorer countries, would be precluded, that proposal would simply be discharged, dismissed out of hand.

It is said that this amendment is intended to send a message to Europe. If it is a message to Europe, the message will be delivered to the wrong door, because of the fact that the European countries do not now draw beyond their own reserves from the International Monetary Fund and, therefore, they would not be covered by the terms of the amendment. So it would be a missent message.

Finally, Mr. President, the amendment would hurt American agriculture more than it would help it. In fiscal year 1982, the United States sold $82 billion to IMF borrowing countries and much of those sales were agricultural sales. If the International Monetary Fund is, in effect, destroyed by this amendment—and I do think it is a killer amendment—the effect is that it would hurt American agriculture more than it would help it.

Mr. HEINZ. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ANDREWS). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1311

(Purpose: To condition the receipt of financial assistance from the International Monetary Fund on the elimination of predatory export subsidy practices in connection with international trade in agricultural products)

Mr. HELMS. Mr. President, I have at the desk an amendment in the nature of a substitute to amendment No. 1296 and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes amendment numbered 1311 to amendment No. 1296, as modified.

Mr. HELMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the language proposed to be inserted by amendment number 1296, insert the following:

"SEC. 45. (a) In order to contribute to global economic stability through a cooperative framework for the conduct of a free and market oriented system of world trade in agricultural commodities and products thereof, the Secretary of the Treasury shall instruct the United States Executive Director to the Fund to propose and to vote for the adoption by the Fund of the following policies with respect to any purchases, drawings, or other use of Fund resources (including loans under the General Arrangements to Borrow), by members, except for purchases or drawings within a member's reserve tranche:

"(1) That prior to receiving Fund resources, a member must present to the Fund information describing all direct or indirect export subsidies, including among other things the use of special tax incentives and subsidized financing for exports, employed by such member in connection with the exporting of agricultural commodities and products thereof to foreign countries.

"(2) Prior to receiving Fund resources, if it is determined by the Fund that the export subsidies being employed by such member are predatory export subsidies and the U.S. Executive Director to the Fund has been advised by the Secretary of Agriculture, after consultation with the United States Trade Representative, that such subsidies have an adverse impact on United States exports of agricultural commodities and products thereof, such member must agree to a specific program of steps to eliminate expeditiously such predatory export subsidies over a period of time not to exceed three years.

"(b) For purposes of subsection (a) of this section, the term 'predatory export subsidies' means the provision by any country or organization of countries, or instrumentality thereof, of any financial assistance through loans, payments, or comparable means (including the use of special tax incentives or subsidized financing for exports) to any person in connection with the export sale to a third country of agricultural commodities and products thereof produced in such country or organization of countries, that has the effect of lowering the export price, directly or indirectly, of such commodities and products thereof to less than the highest comparable price that a like commodity or product thereof produced and processed in the United States could be exported to the same third country in the ordinary course of trade.

"(c) Not later than January 1, 1985, the President shall prepare and transmit a report to Congress setting forth his determination on whether the Fund has adopted and fully implemented the policies set forth in subsection (a) of this section.".

Mr. HELMS. Mr. President, this substitute amendment is substantially the same as the proposal discussed yesterday and suggested by the distinguished Senator from Pennsylvania (Mr. HEINZ). In short, the substitute eliminates from the last part of the amendment the reference to a suspension of U.S. participation in the Fund if desired policies are not adopted by the Fund prior to January 1, 1985.

Mr. President, let me be candid. I offer this substitute with more than a little reluctance, because, frankly, it removes much of the force behind my original amendment.

Now, our farmers have every right to expect and hope that our action will truly help them in the long run.

On the other hand, I have listened attentively to the arguments on this floor, and I have listened to the representatives of the administration who have expressed caution on this subject. I do not necessarily agree with any or all of the apprehensions expressed, but I feel that the Senate must act in the direction toward helping the farmers out of the greatest dilemma they have experienced in a half-century in this country.

I will put it this way, Mr. President: If this is as far as the Senate is prepared to go, then I am prepared to accept it. At the very minimum, it would sound a strong warning to those nations which are engaged in predatory subsidy practices.

I acknowledge this is a compromise, but I believe it is absolutely essential that the Senate speak out loudly on the subject of predatory subsidy practices by competitor nations. I hope that these nations will not mistake the message being sent by this Senate, because I reiterate that the American farmers deserve our help and our support and our concern.

For that reason, Mr. President, I believe there should be a record vote on the substitute amendment. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. I thank the Chair.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, I understand the distinguished Senator from North Carolina has offered an amendment as a substitute for his original amendment. Let me first congratulate him for his leadership on the issue of foreign agricultural export subsidies. As one of those who attended the GATT ministerial meeting in Geneva last November with the distinguished Senator from North Carolina, along with the Senator from Iowa (Mr. GRASSLEY), the Senator from Georgia (Mr. MATTINGLY), and the Senator from Missouri (Mr. DANFORTH), I can attest to Senator HELMS' deep commitment to finding a solution to this serious trade problem.

In my view, it is important to send a signal to the European Community and others involved in agricultural trade negotiations, and who will be involved in negotiations in future times, to indicate in the strongest possible way our concern and intention to be competitive. We have farmers and others to protect in our country from the attempt by others to export their problems to us. Certainly we want to work out these problems within the international community. None of us want to throw up protectionist barriers nor do we wish to engage in subsidy wars. But Senator HELMS' amendment will serve to demonstrate our resolve not to ignore the unfair acts of others.

I commend the distinguished Senator from North Carolina for his leadership in this area, as shown by his trip to Geneva, and for all the other things he has been doing in past years that make certain we protect the interests of American farmers. Farmers in North Carolina, those in the State of Kansas, and those all across the country are fortunate to have his energies directed to their concerns. I thank my distinguished colleague.

Mr. HEINZ. Mr. President, first, I commend the Senator from North Carolina for modifying his amendment. Because of the modifications that he has made, in line with discussions that he and I have had starting yesterday and continuing today, I am prepared to accept the amendment.

I am even prepared to support it, although I do not consider it a perfect amendment. I am prepared to support it because I do think its adoption by the body will send a message to the world agricultural community, particularly the European Community, that the United States is greatly troubled by the predatory subsidies, and therefore predatory pricing practices, that agricultural subsidies produce.

Notwithstanding the fact that those subsidies are massive, the Europeans and certain developing countries seem unwilling to respond in any meaningful way to our legitimate concerns and criticisms.

This is more, it seems to me, than just an issue of concern to farmers, even though the amendment really speaks only to agricultural subsidies. The issue of subsidies is one that af-

fects more than just agricultural product categories. To the extent that we are effective in speaking out against subsidies, be they on agriculture or any other area, we will be, if our voices are heard, creating a freer world market, bringing about a more efficient allocation of resources, reducing the interference of government in the marketplace, and making world trade in the process more secure.

Again I commend my colleague from North Carolina for the modifications to his amendment. I am prepared to accept it. I will support it with my vote. I hope that with the intent of the amendment, which is to get our European allies and certain developing nations to cease and desist from their egregous policy of agricultural subsidization, they will listen, they will learn, and they will act to reduce and ultimately eliminate those subsidies.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I am sure the Chair is observing the ecumenical spirit developing on this amendment, and I will say that there is an extension of that ecumenical spirit because waiting outside the Chamber is a fellow named Bob Jones, of the 76ers—one of North Carolina's contributions to the 76ers.

I thank the Senator from Pennsylvania for his comments. I believe that he, Senator DANFORTH, Senator MATTINGLY, Senator JEPSEN, Senator DOLE, Senator GRASSLEY, all of us, agree that if this proves not to be enough to send an appropriate signal, then the Senate of the United States will act further. This is a good step forward in the direction I had sought. If they do not get the message, then it is my impression, certainly among the members of the Senate Agricultural Committee, that we are prepared to report out whatever legislation may be necessary to take care of the situation. But I hope that this will be enough. It is not quite as much as I would have liked, it is not quite as much as I proposed. But I believe it is a good first step and I thank the Senator from Pennsylvania for his comments. I also want to pay my respects to the Senator from Kansas, the distinguished Senator DOLE, for the unfailing assistance he gives in matters of agriculture.

Were it not for the fact that he chose to be the chairman of the Committee on Finance, he, today, would be chairman of the Committee on Agriculture, which I now have the privilege of chairing.

I thank the Senators for their interest and their support.

Mr. MATTINGLY addressed the Chair.

Mr. MELCHER. Will the Senator from North Carolina yield?

The PRESIDING OFFICER. Does the Senator from North Carolina yield the floor?

Mr. HELMS. I do, Mr. President.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. HEINZ. Mr. President, will the Senator from Georgia yield for a unanimous-consent request?

Mr. MATTINGLY. Yes, Mr. President.

Mr. HEINZ. Mr. President, I ask unanimous consent that a letter jointly signed by the Deputy Secretary of the Treasury, Tim McNamar, on behalf of Secretary Regan, and by the U.S. Trade Representative, William Brock, in opposition to Senator HELMS' original amendment No. 1296, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SECRETARY OF THE TREASURY,
Washington, D.C., June 8, 1983.

Senator JAKE GARN,
U.S. Senate,
Washington, D.C.

DEAR JAKE: We are writing to express the opposition of the Administration to Amendment No. 1296 proposed by Senator Helms to S. 695.

As you know, this Administration places a very high priority on effectively opposing agricultural export subsidies that displace our agricultural exports from our traditional markets abroad. But Amendment No. 1296 is the wrong vehicle. The policy initiative it proposes would likely be ineffective; it is unlikely to be adopted by the IMF, and even if it were it would probably not lead to increased discipline on agricultural export subsidies. In fact, the most likely result of adoption of this Amendment would be to force the United States out of the International Monetary Fund, the World Bank and the institutions connected with the World Bank. As I hope you agree with us, such monetary and economic isolationism is not in the interests of the United States.

As you know, this Administration has been attacking the problem of subsidized agricultural exports in the GATT and in the GATT Subsidies Code, and in ongoing agricultural subsidies negotiations with the EC and other trading partners. We have pursued the interests of agricultural petitioners in investigations under Section 301 of the Trade Act of 1974, which already offers a stronger, more flexible and more effective remedy than Amendment No. 1296.

Amendment No. 1296 goes well beyond any of our international agreements. The GATT Subsidies Code only prohibits agricultural export subsidies if they result in the country that grants the subsidy gaining "more than an equitable share of world trade in the product concerned." The meaning of "more than an equitable share" is not an open and shut proposition; obviously, it depends on the product and the state of world markets.

Amendment No. 1296 would require us to propose to the IMF that it require that members borrowing from the Fund phase out their agricultural export subsidies in three years, if two conditions were met. The first condition would be that we would have to get the IMF to agree with us that a subsidy is a "predatory export subsidy"—defined as one that leads to undercutting the highest price for U.S. exports to the same market. Second, the Secretary of Agriculture would notify the U.S. Executive Director to the IMF that the subsidy adversely affects U.S. agricultural exports. And so, even if this policy were agreed to by the IMF, it would be ineffective in reducing agricultural export subsidies unless we could persuade the IMF on each case of price undercutting in third country markets.

It seems highly unlikely in any event that the IMF, a multilateral organization, would agree to a policy controlled by, and benefiting, only one of its members, and aimed conspicuously at others of its members. Passage of this amendment would commit the United States to an initiative with slim prospects. We would be forced to give up all of our other objectives in belonging to the IMF, and suspend membership in the Fund, for the sake of this one issue which is being pursued in other negotiations. Since membership in the IMF is legally required for membership in the World Bank, we would be forced to suspend US membership in the World Bank as well.

This Administration supports continued US participation in the IMF; the reasons are obvious. The countries that organized the IMF, including the United States, recognized that we need international monetary stability if we are to have trading partners to trade with. As exporters have testified on this bill, continued support of the IMF is essential to maintaining the health of the world trading system, and sustaining our exports—particularly our agricultural exports.

The Office of Management and Budget has advised that there is no objection to the submission of these views from the standpoint of the Administration's program.

Very truly yours,

DONALD T. REGAN,
Secretary of the Treasury.
WILLIAM E. BROCK,
U.S. Trade Representative.

Mr. MATTINGLY. Mr. President, I wish to offer my support and commendation to Senator HELMS for his amendment to S. 695 which I think eliminates the problem of predatory export subsidies on agricultural products.

Mr. President, on May 12 of this year, the ambassador from the European Community was in my office, Sir Roy Denmen. One of the comments he made was that subsidies are nonnegotiable. He asked me, as others have asked me, to quit holding the hammer over their heads because the subsidies would, somehow, go away by some miraculous means. Well, the miraculous means have to be legislated.

I think this amendment by Senator HELMS—and I commend him on the amendment—says to the European Community that we are not going to quietly sit by and watch our agricultural community injured unfairly by unfair subsidies by the European Community or anybody in any other country that wants to use economic subsidies such as have been used to the tune of almost $7 billion a year by the EEC.

Mr. President, I commend once again, as I said, the Senator from North Carolina. There will only be so many times that we can fire a shot across the bow to try to get the attention of people, to try to stop their using unfair tactics, ones that have

created a tilted playing field, so to speak, for people trying to compete in the international markets. All we want to do is take that tilted field and make it even and fair—for not only the agricultural community but everybody else in this country that wants to compete and for other countries that want to compete.

So I commend, as I said, the Senator from North Carolina for all people who are now beginning to understand not only what trade means to the United States—what it means is jobs, what it means is economic growth. It can be international economic growth. That growth can happen by reduction of barriers and by reduction of unfair subsidies. This amendment that Senator HELMS offered I agree with. I just wish we could pass one every day.

I thank the Chair.

Mr. JEPSEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. JEPSEN. Mr. President, I thank the Chair.

Mr. HELMS. Mr. President, will the Senator just let me thank the able Senator from Georgia for his gracious remarks?

Mr. JEPSEN. Certainly, Mr. President.

Mr. HELMS. I thank the Senator for yielding,

Mr. JEPSEN. Mr. President, I know there has been concern raised about the policies that are provided for in this amendment.

In general, the amendment will not directly impact a great number of nations, except that all nations will be clearly put on notice of the resolve of the United States to restore a free-market system for agricultural trade. More specifically, however, we are currently able to identify certain nations that are known to be using predatory export subsidies, such as Brazil and the nations of the European Common Market, and would expect the amendment to have a direct impact on them to the extent that any of these nations turn to the IMF for monetary aid. Other nations, such as Argentina, may likewise be subject to the IMF policies that have been proposed as a result of export subsidies that are being used on certain products. However, until more information is available on the extent of the use of export subsidies by all nations, I shall limit my discussion to the most obvious offenders.

BRAZIL

Brazil is known to employ massive export subsidies in connection with exports of poultry and soybean products, in particular. And, as we all know, Brazil has been a major borrower from the IMF during the last year—receiving about $1.7 billion of IMF aid since the beginning of the fourth quarter of 1982. To the extent that Brazil seeks additional IMF assistance in the future, which is certainly a likely possibility, this amendment would specifically require Brazil to undertake specific actions to bring about the elimination of the use of predatory export subsidies within a period of time not to exceed 3 years.

EEC COUNTRIES

As a whole, the EEC employs export subsidies on a major scale. For example, in 1982, the EEC countries exported about $30 billion worth of agricultural products to non-EEC nations supported by nearly $8 billion in direct export subsidies. These subsidies are primarily made in the form of cash payments to the exporters and are regularly used on such diverse products as: Beef and veal, pork, poultry, eggs, lard, wheat, and wheat flour, coarse grains, and various fruits and nuts.

With the exception of two of these categories, every single one affects my State of Iowa.

Within the EEC, France is the principal force behind this massive use of export subsidies. This is not to say that the other nations are not also responsible. However, I just want to make sure that the credit is given where it is due. The point I want to make here is that the adoption of this amendment may have a very direct impact on the extent to which the EEC continues to employ these export subsidies. This is because France's economy is in very bad condition and it is having serious balance-of-payments problems. I certainly cannot predict with any certainty what the French will do, but I do know that France has borrowed heavily in commercial markets recently to acquire currency to prop up the franc. According to reports in the Wall Street Journal, it borrowed about $4 billion from commericial banks last October and $4 billion more a few weeks later from Saudi Arabia. On June 1, the Journal reported that the EEC is currently trying to put together a $4 billion loan for—you guessed it—the purpose of channeling most of the money, $3.7 billion, through to France. All the while, there is considerable speculation that France will eventually be forced to turn to the IMF for additional assistance.

Mr. President, if this sounds unlikely to you, in the past, it has not been unusual for the developed industrial nations, including the United States as well as France, to use the IMF to help them through balance-of-payments problems. France has not used the IMF recently, at least since the mid-1970's, but did make IMF purchases—loans—totaling in the neighborhood of $2.5 billion between 1947 and 1976. In addition, if France did go to the IMF for additional help, its reserve position is now only about $868 million, so any amount of aid it received over that amount would subject it to the conditionality requirements contained in this amendment.

With these examples in mind, I trust that all Senators can appreciate the importance of adopting this amendment.

One never knows what nation will be the next one in line for an IMF loan, so it certainly makes a great deal of sense to require that this monetary aid be conditioned on the elimination of any use of unfair export subsidies that adversely affect U.S. farmers.

Mr. President, I commend the very distinguished Senator and chairman of the Senate Agriculture Committee, the Senator from North Carolina, for his vigilance and his creativity and his plain, up-front stick-to-itiveness in presenting this amendment. I am pleased to support it and recommend its adoption.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. DANFORTH. Mr. President, let me begin my brief comments by paying my compliments to Senator HELMS for two things: First of all, for attempting to work out a satisfactory compromise and to be forthcoming in that regard, and, second, in his recognition of the very difficult situation American agriculture is in with respect to export subsidies of other countries. Clearly, American agriculture is being hurt. It is being hurt by Brazil. It is being hurt by Argentina. It is being hurt by Europe—principally, I would say, by Europe. Senator HELMS has recognized that fact, and he has made his point very, very clearly. He made it very clearly last November at the GATT ministerial conference in Geneva in personal conversations that he had with various people who were present for that conference. He has made that point again on the floor of the Senate, and I do think that that is a point worth making.

The United States cannot be in a position where we are taking all the lumps. We cannot be in a position where we are being undersold in markets which had been competitive for the United States by other countries that are engaged in unfair trade practices.

Clearly, the United States is going to have to be tougher in its own operation of its affairs if we are going to have a fair opportunity to trade on agriculture markets. Clearly, the whole purpose of international trade is to make it possible for our people to make a profit—to profit, as we have generally in American agriculture, from the availability of other markets.

Senator HELMS is generally on the right track, and I do think that he has provided a real service for the Senate in offering this amendment and in his comments with respect to the amendment.

Mr. President, my principal concern about the previous version of the Helms amendment has been satisfied in that I no longer view this as a killer amendment. I no longer view this as an amendment which if it became the law would be January 1, 1985, terminate the U.S. participation in the IMF and for all practical purposes terminate the IMF itself. It is no longer such an amendment. Therefore, it is no longer what I would call a truly dangerous amendment.

It does serve the positive point, as I stated, of sending a message, but I just want to point out a couple of problems with it as an explanation for why I cannot vote for the amendment. I say that recognizing that I might be the only person voting against it. I think this amendment is going to be voted on favorably by a very heavy majority of the Members of the Senate, and I certainly am not going to fight it at all. I just want to put on the record my objections to it.

This amendment, so far as it does anything practical, does tend to undermine the subsidies code that was entered into in the multilateral trade negotiations, the so-called Tokyo Round, which were culminated in 1979. That subsidies code set out a definition of subsidies, including subsidies to third markets, and it provided a dispute resolution mechanism for subsidies.

Now, maybe it could be argued that that mechanism has not worked as well as it should, and I think that it is worth paying attention to that method of resolving disputes and to the effectiveness of the subsidies code. But I, for one, am not willing at this point to begin undercutting the subsidies code by trying to establish a second track, a second mechanism for dealing with the problem of subsidies.

Second, this amendment does provide a new definition for what are subsidies. In the subsidies code a lot of work went into trying to define what is a subsidy and what is not. The definition set forth in this amendment primarily is a definition relating to whether or not the subsidy hurts the United States and whether or not the practitioner of the subsidy is a country which draws beyond its own reserves on the International Monetary Fund. I do not think that redefining subsidy is a particulary good idea. Finally, if the purpose of the amendment is to send a message to Europe, I should simply point out that the amendment does not apply to Europe because Europe, as I understand it, is not now drawing on the IMF beyond its own reserves.

For those reasons, I am not going to vote for the amendment. I am going to vote against it. Again, I am not entrenched or embattled in voting against it. I simply wanted to put my reasons on the record. But I do again want to reiterate my compliments to the Senator from North Carolina for his concern about the problem of agricultural subsidies. We must as a country focus more attention on this serious problem. We must be tougher than we have been. The Senator from North Carolina has been the leader, the sponsor of the export PIK program which in my view is an effective way and would be an effective way for retaliating against subsidies by other countries. I do not think that this particular amendment does it, but I think the Senator from North Carolina has done an excellent job in focusing Senate attention on the problem.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. MELCHER. Mr. President, will the Senator from North Carolina yield for a question as to what this amendment does?

Mr. HELMS. Mr. President, I am delighted to try to respond to any questions that the able Senator has.

Mr. MELCHER. The amendment we were on yesterday, amendment No. 1296, had some language beginning on page 1, line 15, that as a condition of receiving Fund resources a member must present to the Fund information describing all direct or indirect export subsidies. Page 2 of the amendment, line 1, states that as a further condition of receiving Fund resources it must then be determined by the Fund whether an export subsidy is being employed—it goes on from there. It just seems, reading through the amendment as presented and reading now the modification of that amendment, that it is considerably watered down. Is that a fair assessment?

Mr. HELMS. The modification does not go as far as the Senator from North Carolina would prefer, I will say to my friend from Montana.

Mr. MELCHER. Is this amendment as modified and now before us principally for Third World countries or lesser developed countries? Does it have the effect of trying to set some terms only for these lesser developed countries?

Mr. HELMS. I say to the Senator that would depend on the drawings by certain countries that I am not able to predict with any certainty, but I am fairly confident that there will be an adjustment in the drawing practices of certain countries and that would take it out of the Third World category substantially.

Mr. MELCHER. Does the Senator from North Carolina, the author of this amendment, agree with the statement of the Senator from Missouri that it does not and will not affect the European Community?

Mr. HELMS. I say this to the Senator from Montana. No, I do not agree with my friend from Missouri on that point, but in the unlikely event that he proves to be correct and I prove to be incorrect there will be further legislation, that I can guarantee the Senator.

Mr. HEINZ. Will the Senator yield on that point?

Mr. MELCHER. I will yield to the Senator from Pennsylvania to comment on that point.

Mr. HEINZ. I thank the Senator from Montana.

There are three countries in Europe that have borrowed substantially from the IMF in the past—Great Britain, Italy, and France. All three, of course, are members today of the Common Market.

Mr. MELCHER. Might I inquire: Is the Senator stating that they borrowed below their reserve?

Mr. HEINZ. As of this moment, no.

Mr. MELCHER. Does the Senator from Pennsylvania interpret this amendment as meaning that it has anything to do with any country before it borrows below its reserve?

Mr. HEINZ. No, this Senator does not make that interpretation.

Mr. MELCHER. Does the Senator from Pennsylvania make the interpretation that the amendment does not come into effect until a country has borrowed below its reserve?

Mr. HEINZ. The point the Senator from Pennsylvania was trying to make in response to the Senator's question was that many of us anticipate at least one of the countries I named—to be tactful, it is not the United Kingdom and it is not Italy.

Mr. MELCHER. It is France.

Mr. HEINZ. Yes. It may very well have to take down more than its quota.

Mr. MELCHER. Does the Senator from Pennsylvania agree that if it goes along with this bill and meet its share, it will have to draw down about $4.5 billion?

Mr. HEINZ. The Senator from Pennsylvania does not have that kind of information available.

Mr. MELCHER. I will take the report and see if the Senator agrees with the report.

Mr. HEINZ. I do not have it in front of me.

I am not trying to contradict the Senator from Montana. All I am trying to say is that, as I understand the point of the Senator from Montana, he wants to know whether this amendment will have any effect on European Community agricultural policy. My answer to that is that if he believes, as I do, that there is going to be some European Community use of IMF resources at some point beyond what they have already contributed, the answer would be yes.

Mr. MELCHER. I inquire, then: Is France going along with this strategy and willing to put up another $1.5 billion as a contribution to this fund?

Mr. HEINZ. There is no prohibition, having contributed money, on borrowing it back.

Mr. MELCHER. The point of my question is this: Is France likely to put in another $1.5 billion, as the report indicates, making their total contribution about $4.5 billion?

Mr. HEINZ. The answer to that question is that they have agreed to do that.

Mr. MELCHER. All right. They would have $4.5 billion to borrow, including the $1.5 billion they just put in as a contribution to the Fund, before this amendment would have any effect. Is that correct?

Mr. HEINZ. As I understand the balances of France, yes, although I cannot predict what the French government, or any other government, might choose to do.

Mr. MELCHER. I thank the Senator.

I further ask the Senator from North Carolina, if he will yield. In light of what the Senator from Missouri has said and the Senator from Pennsylvania has said, does the Senator still dispute the judgment that France, which made the contribution of $1.5 billion and borrowed $4.5 billion, would probably be the only country in the European Community involved with this amendment?

Mr. HELMS. Mr. President, I would need a crystal ball to answer the Senator's question, because this amendment and the borrowing are prospective.

I think we will see drawings by some of those countries and when that occurs it will cause this amendment to be effective.

Mr. MELCHER. Does the Senator from North Carolina believe that the main purpose of the amendment before us is to correct some subsidies on agricultural products from the European Community?

Mr. HELMS. Let me put it another way. My purpose here today and yesterday, and as of the time this amendment is voted on, is to send an unmistakable message to the European Community nations and to all others—which I think the Senate will do in an overwhelming way—that the Senate has had enough.

I have the privilege of serving with the distinguished Senator from Montana on the Senate Committee on Agriculture, Nutrition, and Forestry, and I can guarantee him—and I know he will guarantee me—that if this signal is not heeded, there will be further legislation; and I believe we could roll it through the Senate without any difficulty.

Mr. MELCHER. I do not know whether the answer of the Senator from North Carolina, the chairman of the Agriculture Committee, is that his amendment seeks to end subsidies of agricultural products from the European Community that are hurting sales from the United States. I am still not sure what the Senator has said.

Mr. HELMS. The Senator must forgive me. The acoustics apparently have gone awry. I did not understand the Senator's question.

Mr. MELCHER. Is the purpose of the amendment to attempt to end predatory pricing or overt subsidies for those agricultural products from the European Community that interfere with nonsubsidized sales of agricultural products from the United States?

Mr. HELMS. I hope I will be answering the question asked by the Senator. This amendment—and I do not suggest or imply, nor should he infer, that it is any more than a step in the right direction—is about all I could get through the Senate at this time. But it will not solve the problem, if that is the Senator's question. He is exactly right.

I would have preferred, as I indicated earlier this afternoon, to have had my original amendment in totality. But my head count was that this would be impossible, and I wanted to go as far as I could in the right direction.

Mr. MELCHER. I thank the Senator for a very candid assessment of the amendment.

Mr. HELMS. It is a confession.

Mr. MELCHER. Mr. President, this amendment indeed is watered down and is far from being an amendment that would say to the European community, through the International Monetary Fund, that we hope we can establish the framework for restraint on predatory pricing and predatory export subsidies.

I do not know how we will ever get such restraint, because this amendment hinges on any country in the European Community utilizing the Fund in excess of the amount of credits that are already in the Fund. Countries such as make up the European Community have credits in the Fund that probably will not be exhausted on any amount they might borrow from the fund.

Furthermore, there is a test here, requiring a predatory export subsidy to be found by the Secretary of Agriculture and the Trade Representative of the United States and reported to the Executive Director of the Fund.

We can have imports that have been subsidized rather blatantly that are allowed to enter the country without contravening duties and that continue to come into the country year after year without any finding by the Trade Representative or the Secretary of Agriculture, either one, that there has been a violation of a law here in the United States.

Furthermore, once having gone through this series of findings and then reports and then consultation and advice, there is a period of time of 3 years where the country found to be violating this clause of "predatory export subsidy" will be allowed to get the loan and then make some adjustment. In most of these cases, over a period of 1 year or 2 circumstances change, the sales are different, there is a different crop year, a different production year, and the conditions are all different. So it is a new ball game.

As I read this amendment and as it is interpreted by the Senator from Missouri and the Senator from Pennsylvania, who have just addressed themselves on this matter, this really does not do much.

The Senator from North Carolina, the author of the amendment, is very candid and said it is the best that can be done. This is precious little if it is the best we can do about a problem that is aggravating not only to the agriculture section of the country, but also aggravating to the entire economy.

I believe that when we address these matters that are longstanding, that are damaging to the interests of the United States, we have the responsibility here in the Senate to try to make some corrections.

There is no better time to make corrections than when we are passing an authorization bill such as this one. There is no better time to make adjustments than at the present time.

I find it rather awkward to consider that if this system does not work, then we will make some corrections later on. I do not know when. The time is now. This is an authorization bill. We get these bills every time the International Monetary Fund sets conditions for another contribution.

If we have to wait until another contribution is made to make any corrections on the weakness of this amendment, we are not going to accomplish much in the amendment at all.

I very much regret that. I think the amendment as offered by the Senator from North Carolina yesterday had some merit in that it did something and it attempted to accomplish something by having some teeth in it. Now we find that the amendment is a pure "gummer," with no teeth, or anything left but an expression of an opinion.

I find that indeed sad.

Mr. President, I thank my colleague for allowing me this opportunity to comment.

Mr. PRESSLER. Mr. President, I rise in support of the amendment of the Senator from South Carolina calling for the International Monetary Fund to take certain actions against export subsidies on agricultural products. The European Economic Community and other nations are heavily subsidizing farm exports and unfairly competing with our farm products on

the world market. I have always fought these export policies and in 1981, I addressed the North Atlantic Assembly on this matter. It is essential that the United States continue to send strong messages to these nations and take a tough stand in opposition to such policies. Passage of the amendment would do this.

It is very hard for American farmers to compete with EEC wheat and barley, which are currently subsidized at between $1.75 and $2.00 per bushel. The same is true for subsidized meat exports from the EEC. These unfair trade practices have allowed these nations to replace the United States as a main supplier of farm products in many areas. Recently, the United States has taken some actions against these policies, such as the sale of wheat flour to Egypt, but we must continue to work to eliminate destructive and anticompetitive foreign export subsidies.

It is vary hard for American farms to idle cropland in the PIK program and diversion programs, while other nations are encouraging their farmers to expand production and simultaneously subsidize exports. The net result of such policies is lost export markets for American farmers. These predatory practices have created a decline in U.S. farm exports and have even displaced U.S. products here at home. We cannot afford to allow this to continue. We must aggressively work for an end to unfair trade policies and fight to maintain and expand our farm export markets.

Mr. President, for these reasons, I urge my colleagues to join me in support of this amendment.

● Mr. GRASSLEY. Mr. President, I would like to closely associate myself with the amendment offered by my good colleague from North Carolina. This amendment would seek a new policy within the IMF that would basically bar IMF borrowing countries from taking U.S. money to unfairly compete with U.S. farm export interests. This is an altogether reasonable suggestion, one that Congress should endorse.

It has become abundantly clear that our foreign competitors are using unfair, predatory practices to take export markets from our farmers. The Senate Agriculture Committee has reported out legislation that addresses this serious problem, legislation that I fully support. The administration, too, has recognized the seriousness of the predatory farm export policies of our competitors and has taken action to counter these policies. In short, the U.S. Government is making a large investment in both money and through negotiations to resolve this problem.

It seems absurd, therefore, to spend billions of dollars on the IMF if that money could in turn be utilized to encourage and broaden another problem, that is, unfair predatory of trade practices that we are investing millions to counter. It is not much to ask to maintian some consistency in purpose and direction in our Government-supported endeavors. We begin to look ridiculous when we throw money at opposing ends.

This amendment requiring, as a condition of receiving IMF assistance, the eliminaiton of predatory export subsidies harmful to the United States makes a lot of sense. The Senate would do well in accepting this needed provision.●

(By unanimous consent, the names of the following Senators were added as cosponsors of Amendment No. 1311: Mr. PRESSLER, Mr. JEPSEN, and Mr. ABDNOR.)

SEVERAL SENATORS. Vote.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from North Carolina.

On this question, the yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. BYRD. I announce that the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Colorado (Mr. HART), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Ohio (Mr. METZENBAUM) are necessarily absent.

The PRESIDING OFFICER (Mr. HECHT). Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 81, nays 13, as follows:

[Rollcall Vote No. 120 Leg.]

YEAS—81

Abdnor	Gorton	Nickles
Andrews	Grassley	Nunn
Armstrong	Hatch	Packwood
Baker	Hatfield	Pell
Baucus	Hawkins	Percy
Bentsen	Hecht	Pressler
Biden	Heflin	Pryor
Bingaman	Heinz	Quayle
Boren	Helms	Randolph
Boschwitz	Huddleston	Riegle
Bumpers	Humphrey	Roth
Burdick	Inouye	Rudman
Byrd	Jackson	Sarbanes
Chiles	Jepsen	Sasser
Cochran	Johnston	Simpson
Cohen	Kassebaum	Specter
D'Amato	Kasten	Stafford
Denton	Laxalt	Stennis
Dixon	Leahy	Stevens
Dole	Levin	Symms
Domenici	Long	Thurmond
Durenberger	Matsunaga	Tower
Eagleton	Mattingly	Trible
East	McClure	Wallop
Exon	Melcher	Warner
Ford	Mitchell	Wilson
Garn	Murkowski	Zorinsky

NAYS—13

Bradley	Kennedy	Proxmire
Chafee	Lautenberg	Tsongas
Danforth	Lugar	Weicker
Dodd	Mathias	
Glenn	Moynihan	

NOT VOTING—6

Cranston	Goldwater	Hollings
DeConcini	Hart	Metzenbaum

So Mr. HELMS' amendment (No. 1311) was agreed to.

Mr. HEINZ. Mr. President, my understanding of the parliamentary situation is that we have just adopted the substitute of the Senator from North Carolina to the underlying first-degree amendment originally offered by the Senator from North Carolina. It is my further understanding that the yeas and nays were ordered on that underlying amendment.

Inasmuch as we just had a vote on the substitute, it would seem, if the Senator from North Carolina would agree, unnecessary to have a second vote on what would be, in effect, the substance of his amendment all over again. If he is so minded, I ask unanimous consent that the yeas and nays be vitiated on his first-degree amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HEINZ. I thank all Senators.

The PRESIDING OFFICER. The question is on agreeing to the first-degree amendment, as amended, offered by the Senator from North Carolina (Mr. HELMS).

The amendment (No. 1296), as amended, was agreed to.

Mr. HELMS. I move to reconsider the vote by which the amendment was agreed to.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1312

(Purpose: To require U.S. Representatives' policy objectives to consider international commodity markets and individual industrial sectors in making foreign loans and in engaging in foreign, financial, exchange or monetary transactions to minimize adverse impacts and avoid government subsidization of production of international commodities)

Mr. DOMENICI. Mr. President, I send an amendment to the desk on behalf of myself and Senator MELCHER and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI), for himself and Mr. MELCHER, proposes amendment numbered 1312.

Mr. DOMENICI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 6, add a new subsection (a) and reletter all subsequent subsections accordingly:

SEC. 101. (a) Section 4(b) of the Bretton Woods Agreements Act (22 U.S.C. 286b) is amended—

(1) by amending subparagraph (5) to read as follows:

"(5)(A) The Council shall transmit to the President and to the Congress an annual report with respect to the participation of the United States in the Fund and in the Bank.

"(B) Beginning ninety days after the date of enactment of this Act, and at intervals of ninety days thereafter for the next three years, the Council shall prepare and transmit to the President and to the Congress a report listing all applications which have been filed during the preceding ninety days with the Fund and with the Bank for assistance which would establish or enhance the capacity of any country to produce a commodity for export, if—

"(i) such commodity is in surplus on world markets or is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative; and

"(ii) such assistance will cause substantial injury to United States producers of the same, similar or competing commodity.".

(2) by inserting a new subparagraph (8) to read as follows:

"(8) The general policy objectives for the guidance of representatives of the United States on the Fund and the Bank shall take into account the effect that country adjustment programs have upon individual industry sectors and international commodity markets (i) to minimize any projected adverse impacts; and (ii) to avoid wherever possible government subsidization of production and exports of international commodities without regard to economic conditions in the markets for such commodities.".

Mr. DOMENICI. Mr. President, I rise to offer an amendment to the legislation pending before this body. My amendment, which is cosponsored by the Senator from Montana (Mr. MELCHER), has been reviewed by the managers of this bill, and it is my hope that it will receive their support.

This amendment attempts to begin to grapple with a problem about which this Senator and other Senators are extremely concerned—that has to do with the subsidization by the International Monetary Fund and assistance from international development banks to foreign industries that are in direct competition with our domestic industry. It has to do with subsidization of industries that are often State controlled, and industries that are producing a commodity which is already in surplus on world markets at the time that assistance is provided.

Let me provide several specific instances of assistance which have been provided to copper industries in less developed countries (LDC's). Assistance has been provided in many instances by the multilateral development banks to copper industries in those countries to establish or expand capacity. Furthermore, the International Monetary Fund has provided credit to LDC's to cover operating losses of State-owned copper mines. Nationalized copper production has put over 40 percent of free world copper production under the control of LDC's: Chile, 17 percent; Peru, 5 percent; Zambia, 9 percent; Zaire, 8 percent; and Mexico, 4 percent.

During adverse market conditions, these nationalized mines are not run on the principle of supply and demand. Rather, they maximize production to maintain full employment, thus driving prices to abnormally low levels and burdening the private sector with the task of curtailing production to match the reduced demand.

Within the past 4 years the multilaterals have participated in eight projects in six countries that provided assistance for increased copper production. Four additional projects are presently under consideration. The most controversial of all projects and the one which has received the most attention is the Cananea project in Mexico. Let me briefly explain that project.

Last summer the International Finance Corporation approved a $50 million loan to the Cananea project. In addition, IFC arranged a loan package of $400 million for the project, mostly from U.S. banks.

That loan package came at a time when there was a glut of copper on the market, and the entire industry was suffering from one of the worst economic downturns. The U.S. copper industry's mining operations have been running at about 60 percent capacity and smelting operations at about 50 percent capacity. The loan package provided about 50 percent of the total projected cost—a project that would triple capacity at the mine, at the expense of our domestic industry.

The examples I have raised pertain to copper, but other mining and metal industries face similar situations.

The amendment I offer today is a simple one, but one that I hope will begin to address this serious problem. The amendment charges the National Advisory Council on international monetary and financial problems (NAC) with two new responsibilities. NAC is responsible for coordinating U.S. participation in the international financial institutions and the policies and practices of all agencies of the U.S. Government which make, or participate in making, foreign loans or which engage in foreign finanical, exchange, or monetary transactions. The NAC formulates and reviews policies and programs for use by U.S. representatives to these institutions and provides advice to the Secretary of the Treasury, as U.S. Govenor of the international financial institutions, on the policies and proposed transactions of the institutions.

First, the amendment requires that the National Advisory Council report every 90 days to the President and to the Congress. listing all applications which have been filed for assistance to either the IMF or the World Bank which would increase production of a commodity that is in surplus on world markets, or likely to be in surplus and that would cause substantial injury to our domestic industry. This reporting requirement would serve two purposes: First, it would force the Council to examine the implications of each individual project on the world market and identify those that would cause disruption. Second, it would bring these applications to the attention of the Congress and to the general public.

It is this Senator's opinion that the Advisory Council could draw upon staff capability from both the Departments of State and Treasury to perform such analyses.

Second, the National Advisory Council is charged with establishing policy guidelines for the U.S. representatives of the IMF and the World Bank that take into consideration the effect of any assistance on individual industry sectors and international commodity markets to minimize any adverse effects and to avoid wherever possible Government subsidization of production and exports of international commodities.

Mr. President, this is an important amendment, and I urge its adoption.

In a nutshell, this will force an evaluation before the financial transaction occurs, aimed principally at not financing products that are already in surplus or where a glut exists. One of the principal areas where we have seen this is in the copper industry. While that is in an abundant situation, with tremendous inventories, national and international, if we had this kind of evaluation in advance it would call the attention of those who planned to lend to the precise situation in terms of a world glut and perhaps would cause second thoughts.

In addition, Congress and the executive branch, and ultimately the people, would have information regarding these kinds of transactions and would not be caught after they have announced that they have been made with reference to expressing their views and opinions.

I have talked to the managers of the bill on both sides, and the chairman and ranking member of the Foreign Affairs Committee. It is my understanding that they have no objection to the amendment.

● Mr. MELCHER. Mr. President, I support this amendment to take a first step to put some limits on loans proposed for member countries by the fund to enhance exports that are in surplus on world markets or that contribute to serious injury to any United States domestic industry under the provisions of the Trade Act of 1979 or the Trade Act of 1974.

It is irresponsible for the U.S. Government and its representative to the International Monetary Fund to condone the use of U.S. contributions to the Fund or loans used to subsidize foreign exports to the United States. Yet this is going on right now.

One only has to look at the copper industry for an example. In the face of a 25-percent decline in domestic production and a 29-percent decline in copper prices, Chile actually increased its exports of copper to the United States in 1982 by better than 54 percent over what it shipped in 1981. Chile's copper exports amounted to 213,000 tons of the 355,000 tons of copper imported by the United States in the first 9 months of 1982.

The only way that Chile and other countries can continue to export commodities like copper to the United States in the face of declining international prices is by IMF subsidies for these exports. On January 10, 1983, the IMF approved almost $1 billion in loans to help Chile continue to subsidize its exports. The loan includes $550 million in a 2-year standby arrangement and another $350 million that the IMF would make available if needed.

In 1978, the International Trade Commission found that imports of copper were causing serious damage to our domestic copper industry. At that time, it was Zambia that was using $323 million in IMF loans to subsidize copper shipments to the United States in spite of record low copper prices. That started the decline in domestic copper. Now, the new round of IMF loans to Chile, Mexico, Zaire, and other copper exporters may well finish off U.S. copper.

The International Monetary Fund has served a useful purpose over the years in acting to stabilize the world's currency, but we cannot continue to support policies such as the Fund's loans to member countries for the purpose of subsidizing excessive copper exports that undercut U.S. producers and put Americans out of work. This legislation will make it clear that the Congress does not support the practice of such loans by the IMF. The United States still supplies close to 20 percent of the total IMF contributions and is the single largest contributor to the IMF we have the right to have some say in the way our money is used.

Mr. President, I ask unanimous consent that a table showing principal Third World copper producers and their IMF borrowings be included in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

PRINCIPAL THIRD WORLD COPPER PRODUCERS AND THEIR IMF BORROWINGS [1]

[Dollar amounts in millions]

	Free World copper production percent [2]	IMF outstanding balance	
		1981 [3]	1982 (estimate) [3]
Chile	16.6	$49	$880
Zambia	9.0	729	620
Zaire	7.8	345	413
Peru	5.0	388	595
Mexico	3.5	.....	1,000
Total	41.9	.....	.....

[1] Compared to U.S. production of 24 percent of Free World copper production.
[2] World Bureau of Metal Statistics, based on 1981 copper mine production.
[3] IMF International Financial Statistics.

Mr. DOMENICI. Mr. President I ask unanimous consent that the Senator from Arizona, Mr. DECONCINI, be added as an original cosponsor of my amendment, 1312, to S. 695 prior to the recorded vote.

I ask further unanimous consent that his name be added at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. HEINZ. Mr. President, speaking for the manager on this side of the aisle, the Senator from New Mexico has stated the situation correctly. It is an amendment that we are not only prepared to accept, but which we strongly urge the adoption of.

I believe I can also speak for Senator PROXMIRE and the minority.

The PRESIDING OFFICER. Is there further debate?

Mr. DOMENICI. Mr. President, I thank the distinguished Senator from Montana, Senator MELCHER, my cosponsor, for the help he has been in formulating this amendment and generally speaking for his help on a number of matters as they affect the copper industry in the United States.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

Without objection, the amendment is agreed to.

The amendment (No. 1312) was agreed to.

Mr. DOMENICI. I move to reconsider the vote by which the amendment was agreed to.

Mr. HENIZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

AMENDMENT NO. 1313

(Purpose: To discourage U.S. support for IMF loans to certain countries who fail to hold internationally supervised free elections or who restrict free emigration)

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire (Mr. HUMPHREY) proposed an amendment numbered 1313.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title I add the following new section:

"SEC. 45. The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to actively oppose and vote against any credit drawings on the Fund or any of its facilities by Afghanistan, Hungary, Kampuchea, Laos, Nicaragua, Peoples Republic of China, Romania, South Yemen, Yugoslavia, and Vietnam until such countries hold free elections, whose fairness is verified by international observers, and permit unrestricted and free emigration, without discrimination on the basis of religion or ethnic origin.".

Mr. HUMPHREY. Mr. President, earlier in the day an amendment which I offered would have the Governor of the International Monetary Fund deny this quota increase as long as Communist nations were members of the IMF. That was defeated. I offer another amendment in the same vein which would have a somewhat different effect.

Instead of directing the Secretary of the Treasury, as was the earlier case, to oppose the quota increase, this amendment instructs the Executive Director of the Fund to actively oppose and vote against any credit drawings on the Fund or any of the Fund's facilities by the following countries: Afghanistan, Hungary, Kampuchea, Laos, Nicaragua, People's Republic of China, South Yemen, Yugoslavia, and Vietnam, until such countries hold free elections, as verified by international observers, and permit free and unrestricted emigration without discrimination on the basis of religion or ethnic origin.

The point of my earlier amendment, and likewise this amendment, Mr. President, is that whether we are willing to acknowledge it or not, whether this body is willing to acknowledge it or not, what we are proposing to do, if we approve this quota increase, is to transfer funds from the American people to, among others, Communist regimes who oppress their people.

That does not seem a legitimate use of funds taxed from our citizens. Perhaps the majority of the Senate feels otherwise. That appears to be the case. Nevertheless, I feel it is important to raise the issue, to make the point, and to make it in such a way that our constitutents can hold us accountable for our actions.

Again, the essential difference between this amendment and the one which I offered earlier is, providing this bill is passed, of course, this amendment, if adopted, would have no effect on the U.S. quota increase. The quota increase can go forward even if this amendment is adopted, if the Senate passes the underlying bill.

The effect of this amendment would simply be to instruct the Secretary of the Treasury to, in turn, instruct the U.S. Executive Director of the Monetary Fund to actively oppose any credit drawings on the Fund or any of the Fund's facilities by the countries which I mentioned, countries which are Communist in nature, and tyrannical, which provide no opportunities for their citizens to express their opinions and to choose freely their own leaders, countries where human rights are nonexistent, where the rights of free speech and free press do not exist; where the right to life, liberty, and the possession of one's own property, including the property of labor, do not exist; where citizens are not secure against a knocking on the door at night; where there is no writ of habeas corpus to protect them; where they have none of the rights that we take for granted.

That is the nature of these countries.

I suggest it is perfectly in order that in passing this bill we include this amendment and instruct the U.S. Director of the International Monetary Fund on his part to oppose the extension of any credits, loans or drawings of any kind against the Fund by the nations discussed in this amendment.

It is a fairly simple concept, Mr. President.

It is one thing to participate in the United Nations, a forum, and it is perfectly in order for us to pay our dues. But it is something completely different to subsidize and to extend and perpetuate, to support, aid, and abet, Communist regimes with money taxed from the American people. That is exactly what this bill does, in part. That is why, among other reasons, I oppose it. That is why I am offering this amendment which focuses on most of the offending countries in such a way that the quota can be increased if the members wish to vote for the bill, but at the same time instructs our Executive Director to do all in his power to deny credit to the named countries.

I would point out further that we do not have absolute power. We have only our proportionate voting power within the councils. Even if the U.S. representative does oppose, as he would be required to oppose, the extension of credit to these countries, that does not mean necessarily it would be denied to them by any means. It would depend upon the votes of the other members.

So it is a fairly modest amendment in its real effect, its bottom line effect. But it is more than just symbolic. It is important, I believe, that the Senate adopt this amendment.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I rise in opposition to the amendment. The principle underlying this amendment is exactly the same principle that I argued against on the earlier Humphrey amendment, which was defeated on a tabling motion by a vote of 60 to 32 earlier this afternoon.

Again, it politicizes the International Monetary Fund. I will not again repeat the arguments against doing so.

At the appropriate time, I will make a motion to table. I do not wish to preclude debate. I know there are one or two of my colleagues who wish to speak. I strongly oppose the amendment and urge my colleagues to defeat it as they did the same type of amendment earlier.

Mr. PROXMIRE. Mr. President, I wholeheartedly agree with my friend from Pennsylvania. I am opposed to this amendment.

One of the aspects of this amendment that gives me particular concern is the proposition that we only permit loans to these countries if they hold free elections. That certainly is something we would love to see, but how many countries in the world really hold free elections? They have elections in the Soviet Union, but they do not mean anything, because there is only one party on the ballot. I mean completely free elections with information freely disseminated so people can make up their minds freely and choose between two competing political parties or more.

The fact is that there are only about 20 countries in the world, at least among the members of the IMF, that hold free elections.

What kind of amendment is this? Talk about trying to revolutionize the world in one fell swoop or one swell "foop." That is what we are trying to do, it seems to me.

For that and other reasons, along with my good friend from Pennsylvania, I also strongly oppose this amendment.

Mr. HUMPHREY. Mr. President, I agree with my colleague from Wisconsin, that there are so very few countries in the world which presently hold free elections. I would be willing to add other countries to my amendment if the Senator wishes to suggest some.

I also say these countries so described never will hold free elections as long as we aid and abet them in their tyrannical regimes. As long as we extend them money, credit, respect, and assistance of some kind, and that is what this bill does in part, they never will extend the rights to their people that we here take so much for granted.

Yes, it is politicizing. I am trying to politicize this, because it is a political matter. It is a political matter in so many senses. It is a political matter in the sense that we should not be taxing the American people in part to support Communist dictators, in part to perpetuate them, in part to continue the denial of human rights to these people.

Should we help the people of Communist nations and other oppressed peoples by passing amendments of this kind, by extending some hard dollar loans to oppressive regimes? Certainly not. I suggest to my colleagues that it is an excellent amendment, very much in order. Perhaps it is an idea whose time has not yet come, but if we keep forcing the issue, perhaps the time will come for this idea, the time will come for free elections in these countries and for assertion of human rights.

Mr. HEINZ. Mr. President, does any other Senator wish to address this issue? If not, I move to lay the amendment on the table and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay the amendment on the table. The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), and the Senator from Arizona (Mr. GOLDWATER) are necessarily absent.

Mr. BYRD. I announce that the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Colorado (Mr. HART), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Ohio (Mr. METZENBAUM) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 63, nays 30, as follows:

[Rollcall Vote No. 121 Leg.]

YEAS—63

Andrews	Garn	Moynihan
Baucus	Glenn	Murkowski
Bentsen	Gorton	Packwood
Biden	Hatfield	Pell
Bingaman	Hecht	Percy
Boren	Heinz	Proxmire
Bradley	Huddleston	Pryor
Bumpers	Inouye	Quayle
Burdick	Jackson	Riegle
Byrd	Kassebaum	Roth
Chafee	Kennedy	Sarbanes
D'Amato	Lautenberg	Sasser
Danforth	Leahy	Specter
Denton	Levin	Stafford
Dixon	Long	Stennis
Dodd	Lugar	Stevens
Dole	Mathias	Tower
Domenici	Matsunaga	Tsongas
Durenberger	McClure	Wallop
Eagleton	Melcher	Weicker
Exon	Mitchell	Zorinsky

NAYS—30

Abdnor	Hawkins	Nunn
Armstrong	Heflin	Pressler
Boschwitz	Helms	Randolph
Chiles	Humphrey	Rudman
Cochran	Jepsen	Simpson
Cohen	Johnston	Symms
East	Kasten	Thurmond
Ford	Laxalt	Trible
Grassley	Mattingly	Warner
Hatch	Nickles	Wilson

NOT VOTING—7

Baker	Goldwater	Metzenbaum
Cranston	Hart	
DeConcini	Hollings	

So the motion to lay on the table was agreed to.

Mr. HEINZ. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. ARMSTRONG. Mr. President, depending on whom you talk to, this bill to increase the U.S. quota in the International Monetary Fund is either one of the worst ripoffs of recent memory—nothing but a bailout of the big banks and another in a long series of episodes in which the taxpayers have been gouged—or it is a triumph of responsible statemenship, absolutely essential to the financial well-being of the whole world and the forerunner of an era of prosperity for which we all are hoping vigorously.

From the discussion of this bill, not only on the floor but also in committee, I have tended toward both of these points of view at various times, and I must say that even now I have certain real doubts as to whether or not this is really a good idea.

I must admit that my basic instinct is to think that we are throwing money at a problem. Yet, I do recognize the validity of many of the arguments in support of this legislation.

As the committee report points out, the most coherent and convincing case for the proposed increase was made by Secretary of the Treasury Donald Regan in his testimony. He pointed out that the IMF was created with great impetus from the United States in order to offer a backstop and support mechanism to prevent a recurrence of the depression of the 1930's and "if the IMF is to be able to continue in that role it must have adequate resources to deal with the current international financial situation."

Explaining the importance to the U.S. of an orderly resolution to the international financial problem, Secretary Regan outlined the problem. "First, a further abrupt and large-scale contraction of LDC imports would do major damage to the U.S. economy. Second, if the situation were handled badly, the difficulties facing LDC borrowers might come to appear so hopeless that they would be tempted to take desperate steps to try to escape. The present situation is manageable. But a downward spiral of world trade and billions of dollars in simultaneous loan losses would pose a fundamental threat to the international economic system, and to the American economy as well."

Mr. President, I do not take these representations by the Secretary of the Treasury lightly. I believe, as I am sure does every Senator and the vast majority of American citizens, that it is incumbent upon this country to do its part to assure a sound financial structure, to facilitate international trade, to do everything we can to help our neighbors and trading partners to increase their prosperity.

At the same time, I think every one of us in this Chamber is increasingly, and even urgently, aware of the tremendous stake we have in international trade.

My own State, a small and, in a sense of international trade, isolated State, far from the oceans, far from other countries, has no less than $2.6 billion in exports each year.

I point this out, Mr. President, simply to make the point that if I thought an $8 billion increase in the IMF quota was really the right answer, would really assure world economic recovery, would put people back to work in this country and abroad, I would have no hesitation whatsoever in supporting this legislation.

But I must confess that with everything that has been said and after doing a lot of reading, studying, and sitting in on a number of conferences and trying to follow as closely as I can the debate in the Chamber on this measure, I continue to have very serious doubts.

The report of the Republican study committee of the other body analyzed some of the principal arguments in support of this legislation, and I just wish to summarize them because I think it is important that we really focus on what the issues are.

One argument given for increasing the U.S. quota is that many of the debtor nations import sizable amounts of American goods. These American exports, in turn, generate jobs for our country.

Now, that in a very brief, highly distilled form, is the main argument which I have heard presented in support of this legislation during the discussion of this bill.

As I heard that discussion, I could not help recalling the observation of William E. Simon, former Treasury Secretary, and one of the keenest observers of the international financial scene, who says that this kind of reasoning is like arguing that a shopkeeper can increase his sales by giving away money in the streets in the hope that some of it will be spent in his shop.

Another argument given in favor of the quota increase is that increased IMF funding will attract more lending by commercial banks, which has proven to be the case in Mexico, Brazil, and other countries.

What I am not satisfied of at this point, Mr. President, is that it is wise for our banks to increase the amount of lending to uncreditworthy nations, particularly such lending by banks which may be already overextended.

Another of the main arguments given for the quota increase is that LDC's can borrow from the IMF to service their debt, and thereby prevent major defaults and corresponding bank collapses.

I take this issue very, very seriously because obviously if we begin to have failures of large banks in this country we would run the gravest national and international financial risks.

Yet I recall that, when Poland announced it could not pay back its foreign loans, American commercial banks simply renegotiated. The same situation was repeated with respect to loans in Yugoslavia, Romania, Hungary, and Argentina.

In reality, however, even though these countries are in de facto default, both the banks and the debtor nations know that the loans will be rescheduled, and in fact that is what happened.

Proponents of the quota increase also make the case that after all we are really not giving anything away, that it is a swap of assets, that we do not really spend anything, we do not really increase the national debt.

However, under close examination this argument does not really stand up.

When a U.S. quota increase is authorized and appropriated, the IMF is given a letter of credit by the Treasury. When the IMF makes a loan that credit is drawn upon and an outlay occurs. The Treasury receives a receipt or a claim in denomination of SDR's, special drawing rights.

I think it is important to understand what has happpend is that the United States has given up a liquid asset for reserve assets.

Now, these reserve assets are not liquid. They are not in that sense fully valid real assets. They are something less than that.

Those of us who have reservations about the wisdom of this large quota increase think there may be some better alternatives and, in fact, in a perceptive article in Forbes magazine, Howard Banks summed up at least one of the alternatives available to us.

He said:

There are two questions involved: Is it necessary to avoid default at any cost? And, is it right to ask the taxpayers to bail out bankers' bad loans? For those who think the answer to both questions is "no," there is an alternative course of action. Paul Craig Roberts, until recently an assistant secretary at the Treasury, explains: "The alternative to an IMF bailout is not default, but a partial writedown of some of the loans"—to a more rational and realistic value in the banks' books. The effect on bank profits would be sharp, of course. But so it should be, says George Champion, the respected retired chairman of Chase Manhattan, who refused

point-blank to allow the Chase in his day to lend to any foreign government or government-owned entity. Champion agrees with Roberts that the banks should be made to bite the bullet. Champion says: "It [would] mean cutting down on the published earnings of the banks very materially, and that is what they [bankers] object to. It would mean that a lot of those fellows who have been getting big bonuses would be without them." What about the bankers' jobs? "Some of them should get the sack, no question. Management has to be held accountable."

Mr. President, I am not going to quote further from this article but I ask unanimous consent that this article, along with a very interesting and perceptive opinion piece from the Wall Street Journal by Mr. Champion be printed in the RECORD in full at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit No. 1.)

Mr. ARMSTRONG. Mr. President, in the light of the observations of Mr. Simon, former Assistant Secretary Paul Craig Roberts, George Champion, and the observations of many, many others who have expressed doubt about this proposed IMF quota, I have been trying to determine if there is some way the proposal could be modified in order to overcome at least in part the objections which they have raised.

I cannot dismiss lightly the concerns which have been expressed by people who really are in a position to know. After all, people who have been responsible for the stewardship of some of the Nation's largest financial institutions, a former Secretary of the Treasury, a former Assistant Secretary of the Treasury, and many others, have made the case that there is substantial room for doubt.

In my own opinion, Mr. President, the bill presented to us by the committee does contain a number of features which in part respond to these concerns, and I have read with interest the report of the Committee on Banking, Housing, and Urban Affairs, particularly with respect to strengthened supervision of international lending. I am not entirely sure I understand the format that is proposed by the committee's bill and by the committee report, but in general it is my understanding that in the future banks which have loans which turn out to be problem loans will be required by the regulatory authorities to establish and maintain a special reserve.

As I get it, and I will be glad to have any clarification that the managers can share with us, this would not necessarily apply to loans that are already on the books but in fact to loans in the future. I am not sure this goes far enough. I am not at all sure that Mr. Champion and the others, who have argued so persuasively that we should have those banks gradually write down the loans to whatever their market value is, are not right. In fact, I am inclined to think they are.

But in the interest of not doing anything too drastic, it does appear to me that the committee's recommendation is a very restrained but nonetheless useful step.

EXHIBIT 1

WRITE DOWN LOANS? PERISH THE THOUGHT

(By Howard Banks)

As we all have been told in numbing detail, the international loan mess is about to be papered over with a $32 billion increase in the funds available to the International Monetary Fund. At least $8.4 billion, and probably more, of the IMF quota increase—a 47.5% boost in the fund's lendable deposits—will come from the U.S. However you cut the situtation, it's another taxpayer bailout of other people's mistakes.

The Reagan Administration strongly supports the quota increase for the IMF, the vast credit cooperative created by the 1944 Bretton Woods agreement to help its 146 member nations when they have balance of payments problems. The Reagan Administration fears that the more than half-trillion dollar debt overhang of non-OPEC Third World countries might stall any chance of domestic economic recovery. Hence its eagerness to help the IMF.

Without IMF aid, many Third World countries will not be able to meet even the interest payments on their monumental debt, and those debts would have to be written down in American banks' books. That means the banks would be less able to lend to American industry and business in order to fuel the nascent domestic recovery. And Third World countries would be unable to keep up even a minimal level of importing, which would further dampen business in America.

Goodness knows, the exposure of the major U.S. banks is nothing to sneeze at: Manufacturers Hanover has close to $7 billion lent out to the less developed countries (245% of equity); Chase Manhattan, $6 billion (220%); and Citicorp, $9.8 billion (200%). The nation's ten largest banks have an average of 170% of their equity lent to the Third World. It's a scary situation, but it isn't reflected in bank earnings or balance sheets. The reason it isn't reflected is that even where interest payments are late, the loans are not being classified—as would be the case with domestic loans. Where no cash interest is forthcoming, the banks simply tack unpaid interest onto principal that isn't being repaid either. Thus U.S. bank revenue and profitability look better than reality might suggest.

Bankers' interest in maintaining that none of the Third World debts is bad coincides with the Reagan Administration's desire to maintain lending, particularly to Latin America, whose political stability is vital to the U.S. Moreover, the IMF can do what the U.S. government cannot do: force the debtor governments to adopt less irresponsible fiscal policies.

There are two questions involved: Is it necessary to avoid default at any cost? And, is it right to ask the taxpayers to bail out bankers' bad loans? For those who think the answer to both questions is "no," there is an alternative course of action. Paul Craig Roberts, until recently an assistant secretary at the Treasury, explains: "The alternative to an IMF bailout is not default, but a partial writedown of some of the loans"—to a more rational and realistic value in the banks' books. The effect on bank profits would be sharp, of course. But so it should be, says George Champion, the respected retired chairman of Chase Manhattan, who refused point-blank to allow the Chase in his day to lend to any foreign government or government-owned entity. Champion agrees with Roberts that the banks should be made to bite the bullet. Champion says: "It [would] mean cutting down on the published earnings of the banks very materially, and that is what they [bankers] object to. It would mean that a lot of those fellows who have been getting big bonuses would be without them." What about the bankers' jobs? "Some of them should get the sack, no question. Management has to be held accountable."

Not surprisingly, bankers now in charge do not agree. "That's unfair," says George Clark, a senior vice president at Citicorp. "We may still be showing these loans at full value and not writing them off against revenues. But look at our stock prices. Our multiples are at 5 to 6 times earnings. I'm feeling considerable pain through my stock options."

No one is suggesting there should be any suicidal change in banks' accounting policies. "It has to be realistically handled over a number of years," says Champion. What he has in mind is for banks to write down all nonperforming loans using 50% of their pretax profits, creating each year an extra quarter percentage point of reserves. "They are going to show enormous first-quarter earnings," he says. "It's a terrific opportunity to start."

Those who support the take-the-writedown argument claim that a writedown of the face value of the loans on the lenders' books would immediately reduce the debt of the borrowing nation, while also reducing its interest burden. The developing nation's economy could then work at returning to health with its finances in more realistic order. There would be those developing country governments, undoubtedly, that would see in the apparently reduced debt burden an opportunity for more borrowing. But would any bank be foolish enough to lend to them? The market is attentive, as witness the fact that the Philadelphia National Bank, which has never lent to developing countries, can borrow in the money market cheaper than most banks in the U.S.

There is (see box, p. 59) a sharp contrast between the U.S. banks' behavior and that of West German banks with large suspect loans to Eastern Europe and Latin America. There are difficulties in making direct comparisons between such different tax and accounting systems as they affect banks, warns Citicorp's Clark. Even so, he acknowledges that the impression is broadly correct.

There is a measure of hypocrisy in the U.S. banks' public stance that none of their Third World loans is going to stay bad. In their credit policies they are behaving far more cautiously. At first, banks took fairly narrow spreads on loans to developing countries [LDCs], particularly where there were other opportunities for business, such as setting up a local offshoot. But now, spreads and fees have been jacked up. Take the recent emergency $5 billion loan to Mexico, organized under IMF pressure (and on top of a $3 billion IMF facility). The banks are charging 2¼ points over the London interbank offered rate (the base rate of the Eurodollar market) and massive fees—said in all to exceed $600 million. Even though no actual money changes hands, these fees

appear on the good side of the banks' income statements.

"I think it's outrageous," says Champion of these practices. "If collected at all, these fees should be paid over the life of the loan. If the loan is paid, then take your profit." Indeed, that is one of several, mostly cosmetic, changes now being proposed by the Comptroller of the Currency as part of a move to fend off a still small but growing pressure in Congress aganist bailing out the banks.

The liquidity crisis in the Third World came to a head for the U.S. last summer when falling oil prices and declining demand meant that Mexico could not meet its repayment schedule. It then became painfully clear that the developing countries, especially those not members of OPEC, had built up vast levels of debt to the West, debt that they were quite unable to cope with without help.

The Administration's response was to shift suddenly from skepticism to enthusiasm for the IMF solution, even though it threatens credit distortions by giving the banks an implied guarantee on foreign loans. the motives were commendable, the thinking muddled, because until then the Administration had remained true to its principles and had argued for trusting the free market rather than for an IMF solution.

If the market is trusted, there seems little chance that a default by a country would today produce more than a quick scare for the markets and fat losses for the banks concerned. But the losses have, in reality, already occurred. Some observers, like Representative Jerry Lewis, a member of the House Appropriations Committee, even suggest that—as a lesson to all—it might be worthwhile foreclosing on some debtor nation that has behaved in an impossible way. The Central African Republic, for example, which spent money from international loans to hold a coronation for its short-lived emperor, as its bloodstained former dictator styled himself.

Fantasize a little. Suppose that a group of young officers in, say, Argentina, raised their hands in "Heil, Peron" salutes, announced a coup and stridently defaulted on that country's billions of international debt. What would happen? A media crisis, a couple of banks or so in bankruptcy, lots of money poured in from central banks, and after this useful if costly lesson? Give it a year or so, and those young officers, older and wiser, would beg to be allowed to rejoin the international fold. And, as happened time and again in the 19th century—a better model for what is now happening than the 1930s—they would repay all those once-defaulted debts.

It was John Maynard Keynes, writing about the 1931 crisis in money values, who saw the flaw in bankers' armor most clearly. Keynes wrote: "lifelong practices [to maintain appearances and to profess a conventional respectability] make [bankers] the most romantic and the least realistic of men. It is so much their stock in trade that their position not be questioned, that they do not even question it themselves until it is too late." That's why voices like George Champion's are worth listening to when he declares that "management has to be held accountable."

[From the Wall Street Journal, Jan. 11, 1983]

FOREIGN DEBTS: A PROPOSAL FOR U.S. BANKS

(By George Champion)

The press has for months increasingly criticized American banks' lending to developing and Iron Curtain countries. It is difficult to fault this concern as the total of these loans, as presented by the Treasury and the Federal Reserve, has increased to alarming proportions.

Many bankers and others share my view that lending to foreign governments isn't the function of a commercial bank. Furthermore, the banks failed to adhere to one of the fundamental principles of credit extension, which is to have an understanding with the borrower as to the maximum debt he will incur.

Certainly you are not helping a company or a country if you participate in extending credit beyond its ability to pay without disrupting its financial and economic program. Indeed there are many who believe that money isn't the primary need of these countries and that true progress will be made through improved education and training; the strength of a nation is a multiple of the character, energy and ability of its people, not its natural resources. Suffice it to say that we have a major problem which has developed over recent years and we must recognize that it can't be solved quickly or easily. Success will require financial statesmanship by the banks, the International Monetary Fund and the examining authorities, together with the cooperation of the borrowers.

A PROPER BALANCE

The International Monetary Fund was set up in 1944 to assist member countries readjust their monetary and financial programs when they had transgressed in the world marketplace. Advances were made on a relatively short-term basis only after the borrowing nation had agreed to specific changes in its economic, fiscal and monetary programs—changes the IMF thought were needed to restore a proper balance.

This program worked, and it should still be the basis of negotiations with all countries in need. It would be a great mistake to assume that the IMF should take over existing governmental obligations or underwrite the deficits of any country unwilling to make the necessary adjustments. Any change in this philosophy would put great stress on the monetary stability of the world.

The American banks that participated in the lending to the developing and Iron Curtain countries are primarily responsible for the current problem, but it would be unrealistic to suggest that the examining authorities responsible for appraising the soundness of the loans and investments of the banks have lived up to their responsibilities. The Comptroller's office, with the Federal Deposit Insurance Corp., examines the national banks; the state member banks are examined by state authorities as well as federal agencies and the FDIC. Instead of criticizing these foreign loans, we have in recent months seen statements by senior officials—most notably Federal Reserve Chairman Paul Volcker and Treasury Secretary Donald Regan—suggesting that the banks increase their present position.

A solution, and I firmly believe that the problem can be solved, involves major changes in present policies that would leave the banking fraternity in a much stronger position over the years to come.

I propose the following:

(1) Immediately discontinue any further bank loans to the developing and Iron Curtain countries, unless they are fulfilling a specific commitment.

(2) The examining authorities should suggest that for the next five years the banks dedicate at least 50% of their pretax earnings toward writing down their nonconforming loans to no more than 50% of the face value. It is my understanding that basically the nonconforming loans reported today are domestic customers, even though it is apparent that over the years to come there will be many in that category from the developing and Iron Curtain countries (if indeed some should not already be placed in such a category).

(3) The examining authorities should suggest that dividends not be increased and should look with disfavor on any purchase by the banks or other institutions that would further lower their ratio of capital to total assets.

(4) At present, American banks are allowed to have a reserve for bad debts only equal to 1 percent of their loans on a tax deductible basis. The days of the Real Estate Investment Trust problems clearly indicated this was completely inadequate; indeed one needs no further evidence that this allowable reserve should be increased. It is my suggestion that the law be changed; the banks should not only be allowed but be encouraged by the examiners to increase their reserve by 0.25 percent of their total loans on an annual basis until they reach at least 3 percent, preferably 5 percent.

Obviously this program isn't essential for all banks, but it certainly should be adopted by those who have loans to the developing and Iron Curtain countries equal to or in excess of their net worth in order to strengthen their capital structure. We in the U.S. have the only truly competitive banking system in the world, and its strength and independence are vital to the country's welfare. Commercial banking is the lifeblood of our free economy.

A POLITICAL GRAB BAG

There is a growing fear that the federal government will monetize bad debts rather than face the political and economic consequences of allowing marginal or uncompetitive businesses to fall. Indeed, suggestions have been made that the government reestablish a Reconstruction Finance-type of organization. In addition, central banks throughout the industrialized world are beginning to commit themselves as lender of last resort because of their concern over the effect that restrictions on monetary and fiscal policies might have on the developing countries.

A Reconstruction Finance Corp. might be a political grab bag, providing capital and loans to support inadequate management, as it frequently did in the 1930s. The mere fact that these ventures are being considered is cause for great concern due to the inflationary impact they would have. There is nothing more important to the Free World than a strong U.S. economy backed by sound fiscal and monetary policies. If this philosophy isn't pursued, our freedom and independence are indeed in great jeopardy.

AMENDMENT NO. 1314

(Purpose: To express the sense of the Senate with respect to the international financial system)

Mr. ARMSTRONG. Mr. President, there remain other issues which I

think we should resolve. In an attempt to do so, on behalf of Mr. EXON, Mr. HELMS, Mr. MELCHER, Mr. MCCLURE, Mrs. HAWKINS, and myself I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Colorado (Mr. ARMSTRONG) for himself, Mr. EXON, Mr. HELMS, Mr. MELCHER, Mr. MCCLURE, and Mrs. HAWKINS proposes an amendment numbered 1314.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title I, add the following:

SEC. 103. (a) The Congress finds and declares that—

(1) the international banking system is currently threatened by a series of national financial crises;

(2) the Congress wants to find a solution to the current monetary crisis which will result in a stable monetary system and preservation of a liberal international economy;

(3) this solution must be found without placing inordinate pressures on United States credit markets;

(4) the breakdown in the Bretton Woods monetary system has contributed directly to these problems;

(5) the economic policies prescribed by the International Monetary Fund often are harmful to economic growth; and

(6) the International Monetary Fund currently holds approximately $40,000,000,000 of uncommitted assets in the form of gold bullion.

(b) It is the sense of the Senate that—

(1) restoration of a stable monetary system is necessary to assure economic growth and to maintain a liberal international economic system;

(2) as a first step toward this restoration the United States should host an international conference on the monetary system as suggested by the Secretary of the Treasury to investigate its systemic problems;

(3) in coping with the current financial crisis and prior to any quota increase, the International Monetary Fund should make full use of its current assets, including its gold holdings;

(4) the International Monetary Fund should revise the conditions placed on its loans so as to encourage economic growth; and

(5) any additional financial resources made available during the current crisis should be made available on a temporary basis, preferably through bilateral arrangements.

Mr. ARMSTRONG. Mr. President, I shall attempt to explain the amendment and to do so fairly briefly. This is sense-of-the-Senate language. It is not statutory language.

I had originally thought to present one or more amendments which would direct certain changes in IMF procedures. Upon reflection and study, I have concluded that it is the wiser course for the Senate to set out a series of policy declarations which we hope would guide the Treasury Department and in turn the IMF in the conduct of their business.

This may not be the final action we will wish to take. It may be that we should adopt this amendment, as I hope we will, that in the future we will want to refine our thinking as a result of further actions by the IMF.

But what the amendment my colleagues and I have suggested proposes are the following five points:

First, it is the sense of the Senate that restoration of a stable monetary system is necessary to assure economic growth and to maintain a liberal international economic system.

Mr. President, in reviewing the currency fluctuations of recent years I have been impressed that we have done as well in international trade as we have, given what amounts to a very chaotic situation.

In September 1982, for example, the Mexican peso fell 53 percent against the dollar over a weekend. Try to maintain a relationship with one of our most important trading partners in the world in that kind of a situation, and it is remarkable that the stresses and strains which we have suffered were not worse.

But this extreme example is just one of many which could be cited, such as in fluctuations of the Deutsche mark, yen, and Swiss franc and other currencies which really emphasize what a wonderful thing it would be and how far it would go to assure prosperity in this country and overseas if we begin to stabilize these rates, either fix the rates in some kind of a new Bretton Woods agreement or at least narrow significantly the range within which these currencies fluctuate.

I personally have no doubt that will be over the next several years the main thrust or at least one of the main thrusts of this Government as well as that of other countries. I think it is an idea whose time has come again. As you know, that was the policy of our Government up until a few years ago. The experimentation of exchange rates has not been successful, in my opinion, and I think that is increasingly realized here and abroad, and we will be moving in this direction and the Senate could perform a useful service by encouraging this at this time.

Second, our resolution suggests as a first step toward the restoration that the United States should host an international conference on the monetary system, as suggested by the Secretary of the Treasury, to investigate the systemic problem. In an earlier draft of this resolution I was quite a bit more specific about what I thought such a conference could accomplish. Again I have deliberately made the proposal a bit broader, a little less specific, because my desire here is really to advance the cause and not simply try to impose the view of one or two people as to what the outcome should be, and I think Secretary Regan was right in raising the issue of a conference. I think such an international monetary conference could perform a useful purpose. I believe such a conference will be held in the near future. I believe we can advance the date for such a conference by putting the Senate on record for it at this time.

Third, our suggested sense-of-the-Senate language says: "In coping with the current financial crisis and prior to any quota increase, the International Monetary Fund should make full use of its current assets, including its gold holdings."

Mr. President, it just does not make sense to me to say we ought to start by putting new money into the Fund when there is something in excess of $40 billion in value, in appreciated value, of gold holdings which could be used to support loans. I am not suggesting that the gold be sold on the open market or dumped, which could very well disrupt the world market in gold, but I do suggest it would be appropriate for this gold to be used to collateralize some of these loans and in that way to take advantage of the assets which the International Monetary Fund already has. There is no reason for these to be frozen, no reason for them not to be used, and again I think this is going to happen at some point in time and we might as well do it now at a moment when it would be helpful to the U.S. economy.

Fourth, the International Monetary Fund should revise the conditions placed upon loans so as to encourage economic growth.

As we all know, in order to borrow from the IMF a member country has to agree to adhere to IMF economic advice. Loan conditions vary from country to country. However, there seems to be a pattern emerging in the countries which have received IMF assistance. For example, Mexico and Brazil devalued their currencies, reduced imports, imposed tariffs, and raised taxes, and that pattern seems to be a common one among the countries which have received IMF help.

Sometime the result has been fragile. We all recall that in Jamaica currency devaluation led to rioting and, as a result, Jamaica withdrew from the IMF in 1960. But what happened in Jamaica was by no means common, the consequences of violence and rioting are not typical. A more common example I think is the experience of Mexico where large increases in the taxes on dividends were instituted.

Now, it would appear to me, Mr. President, that if our desire is to encourage economic growth and prosperity and new investment in these developing countries, then just about the

last thing we would want to do is to increase, particularly to double, nearly to treble, the tax on dividends, and yet that is exactly what happened.

There are many other examples I could cite. Our language in this sense-of-the-Senate resolution does not get specific about whether we do or do not endorse specific kinds of measures, but what it says is that we think the IMF ought to emphasize growth rather than taking some kind of liquidating position with respect to these countries. You know, any banker, any financial institution, when it gets a troubled loan can do one of two things: It can say, "OK, we are going to liquidate the company," sell off its assets, put them out of business and pay back the loan, or encourage the policies that will permit that company to recover. All too often it appears to me the IMF, when dealing with sovereign nationals, with national economies, has taken what amounts to be a liquidating position, has imposed upon these countries the kinds of conditions that reasonably are calculated to make the situation worse rather than better. So we are suggesting that the IMF should revise its conditions placed on loans, so as to encourage economic growth.

Finally, we say additional financial resources made available during the current crisis should be on a temporary basis, preferably through bilateral arrangements. That is just an expression of how at least the sponsors of this resolution feel. We do not want to let this thing just go on and on and expand to an indefinite point. We regard the crisis as temporary. We want to get it over with, we want to get it behind us, and that we therefore regard the expanded financial resources contained in this resolution as temporary in nature.

Mr. President, I see others on the floor who may wish to speak to this matter, particularly my distinguished cosponsor from Nebraska (Mr. EXON), and I will yield the floor at this time although I will be pleased to answer any question that may arise.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER (Mr. SPECTER). The Senator from Pennsylvania.

Mr. HEINZ. I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. EXON. Mr. President, I am pleased to join my colleague from Colorado on the sense-of-the-Senate resolution that he has just explained so well to the Senate.

If there is any complaint that one might have of the action taken it is that it does not go far enough. As the Senator from Colorado said so well, this is a sense-of-the-Senate resolution to send a clear and sound message and hopefully to begin to stimulate some thought as to where we are going, and if we are going with blindfolds on with regard to the additional appropriation requested for the IMF, requested by the administration, it seems to me the IMF, which basically is growing and growing beyond all due bounds above what it was originally intended to be, is not unlike in some ways the food stamp program that started out with an original appropriation not too many years ago of less than $100 million and has now grown to an $11 or $12 billion social program.

I am not here to argue the merits or the demerits of that program but I think that there is some parallel from the standpoint that we seem to begin well-meaning cooperation with foreign governments to help stimulate trade and to help out nations that might need temporary help, but it seems to me that the International Monetary Fund has grown and grown and grown, and I certainly share the thoughts so well stated by the Senator from Colorado that I think this is a finger in the dike, and that if this bill passes, I think you will find it necessary for the administration to come back very soon for more and more money for this program. It has grown like dandelions in the spring, and I am wondering if it is not about time we called a halt.

But we are not calling a halt with the amendment offered by the Senator from Colorado, of which I am a cosponsor. We are simply pointing out that there are many considerations and actions that can or should be taken, including the very important point that the gold reserves of the International Monetary Fund could obviously be used in some fashion to not require the significant new money that is asked to be pumped into that Fund. I think it is a very reasonable amendment and I would hope it would be accepted by my colleagues in the Senate. Mr. President, I yield the floor.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I rise in opposition to the amendment. I have carefully examined the amendment and listened carefully to the remarks of the Senator from Colorado and the Senator from Nebraska. It is true that compared to an original version of this amendment that was more forcing, that this amendment, although broader, is less specific. But it is this Senator's view that it is still very bad policy.

So I rise to oppose the amendment because I think its substance is wrong. I wish to talk about each of the provisions of the resolution.

The first provision is:

> Restoration of a stable monetary system is necessary to assure economic growth and to maintain a liberal international economic system.

Now, Mr. President, I do agree that there is a widespread desire for greater international monetary stability. Absolutely. But that is about as far as I am willing to go, because there is also widespread recognition that the route to greater stability is through sound and disciplined economic policies in this and all the other major countries. There is no magic wand that can be waved to achieve monetary stability without underlying stability in each country's economic policy. That just seems obvious to me.

As to the assertion that the heads of government of the summit countries at Williamsburg committed themselves to the pursuit of sound policies to achieve sustainable noninflationary growth, which they did, and included with their statement a detailed annex on strengthening economic cooperation for growth and stability, which they did, the fact is that in their statement they did not explicitly call for a return to fixed rates. They did not even call for an immediate conference on this.

And I am going to put the annex into the RECORD, and I ask unanimous consent that at the conclusion of my remarks the annex of the heads of State at Williamsburg so appear. I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit No. 1.)

Mr. HEINZ. The fact is that if you read both the communique and the annex, what they are talking about are the kinds of policies that will achieve sustainable, noninflationary growth. They are not talking about pushing magic buttons. They are not talking about some brand-new or even tried-and-failed approach to the monetary system, they are talking about basics.

Serious implementation of the Williamsburg agreement, in my judgment, can represent a very significant and practical contribution to the restoration of monetary stability. And that, Mr. President, not this resolution, in my judgment, is where the focus has to be.

Now the second part of this resolution states: "As a first step toward this restoration, the United States should host an international conference on the monetary system as suggested by the Secretary of the Treasury"—I take that to mean the U.S. Secretary of the Treasury—to investigate its systemic problems.

In the first place, I am advised that this is a misrepresentation of what the Secretary of the Treasury has said. According to the Secretary of the Treasury, what he said is this: That we should be thinking about monetary problems but that any call for a world conference would be premature.

I spoke personally with the Secretary of the Treasury this week, even before I knew that this amendment was going to be offered. I spoke with him at lunch yesterday on this subject. He indicated that he does not believe that it would be in any way appropriate to have an international conference to fix rates or to return to the fixed-rate system or to return to Bretton Woods. He feels it would be wrongly timed and substantively a mistake.

Second, Mr. President, on the second part of this resolution which I continue to address, the heads of government of the summit countries have asked their finance ministers, in consultation with the IMF Managing Director, to define the conditions for improving the international monetary system and to consider the part which might, in due course, be played in this process by a high level international monetary conference.

The point is that there is not any overnight magic solution to world economic and monetary problems. Calls for grand world conference, especially at this time, would be and are a diversion. The major countries in the world recognize this and have decided on a pragmatic approach.

The third part of this resolution says: "In coping with the current financial crisis and prior to any quota increase, the International Monetary Fund should make full use of its current assets, including its gold holdings."

Mr. President, in my judgment, the IMF is making full use of its lendable resources, and they will be exhausted very shortly. That is why this bill is before us. Now I do not ask everybody to support this bill. I know not everybody will support this bill. But I do suggest that if we do not pass this bill, we ought to have an alternative and a good one at that.

As to the question of gold, use of the IMF's gold is not a viable alternative to the proposed quota increase. It would weaken rather than strengthen the IMF. It would weaken it because the major sales of gold that would be needed would have a drastic effect on the price of gold, greatly reducing any proceeds to the IMF and themselves creating major international monetary instability.

Also, major sales would sharply undercut the value of gold reserves held by the United States as well as other countries and it would harm U.S. producers. That is because the loss in value in our gold stock alone would almost certainly be much greater than the proposed increase in the IMF authorization. That is just simple mathematics, Mr. President.

Another reason not to use gold is that sales or IMF borrowing against the gold would eliminate the security for and liquidity of U.S. and other countries' claims on the IMF. Sales or IMF borrowing against the gold would have a credit market impact similar to and possibly greater than any U.S. borrowing that may be needed in connection with the quota increase. There is simply no basis for the assertion that proposals to use IMF gold would be preferable to the proposed quota increase in terms of their impact on U.S. capital conditions and credit availability.

I believe, Mr. President, that the proposal on gold sales is, frankly, a proposal that, were it adopted, would undermine the strategy adopted by the heads of State at Williamsburg, all of whom have not only committed themselves to a strategy to managing the world debt problem, but have committed themselves to seek early ratification of the IMF increase.

Were this proposal on gold to be adopted as policy, it would be flatly and appropriately rebuffed by other countries with devastating consequences for U.S. leadership and U.S. economic interests for orderly resolution of the debt situation.

The fourth part of this resolution is that "the International Monetary Fund should revise the conditions placed on its loans so as to encourage economic growth."

Well, Mr. President, that, to my mind, represents a serious misperception of what the IMF actually seeks to achieve. The IMF conditions are designed to encourage sustainable, noninflationary market growth.

I emphasize that because there are people who would like to see the IMF just give money away to create some kind of instant prosperity, which we should know by now is going to result in unstable, inflationary conditions. It is this Senator's judgment that, if we want to encourage sustainable growth, the IMF's conditions are appropriate. Its financing generally permits higher levels of imports and higher levels of economic activity than existed in countries before the IMF programs, and certainly higher levels than would be possible in the absence of the IMF program and financing.

So I believe, Mr. President, the IMF is a constructive force in world economic growth and recovery.

If the proposal is that the IMF should not require sound policies but simply finance unrestrained inflationary spending, then we should reject it and reject it on those grounds alone just as we would reject it for ourselves, because it would leave the fundamental sources of the debt problem unaddressed.

The last part of this amendment, Mr. President, reads: "Any additional financial resources made available during the current crisis should be made available on a temporary basis, preferably through bilateral agreements."

Mr. President, the IMF needs a resource base that equips it to deal with international payments and monetary problems in a highly uncertain and volatile world and one in which the scale of international transactions has become massive in relation to the size of the Fund quota. In order to be able to respond to these international financial problems, and to provide confidence that it will be able to respond, the IMF has to have a stable resource base and a basis for planning.

I believe, Mr. President, that when you realize that the IMF is a revolving fund and that that revolving fund needs to be known and stable, and needs to be large enough to meet the monetary demands in a highly uncertain world, that it would be a serious error for us to make the quota increase a temporary one.

Finally, I must confess that I have deep problems with, and profound reservations about, the idea of dealing with the debt crisis on a bilateral basis. I think that notion is seriously flawed. What we are facing is a world problem whose resolution affects U.S. economic, political and security interests. The financial costs to the United States of trying to deal with the crisis on a bilateral basis are unknowable and could be enormous. They might very well dwarf any impact the quota increase might have on U.S. financial markets.

I also believe that any attempt by the United States to oppose the sort of economic conditionality that is needed by borrowing countries and that can be required by the IMF, as a spokesman for the international community in general, would put the U.S. Government in a position that it is not competent to fill and involve us in seriously damaging political frictions with allied countries.

Mr. President, for all these reasons I believe this amendment is bad policy and should be rejected by the Senate.

EXHIBIT 1

1983 SUMMIT OF INDUSTRIALIZED NATIONS

WILLIAMSBURG DECLARATION ON ECONOMIC RECOVERY

Our nations are united in their dedication to democracy, individual freedom, creativity, moral purpose, human dignity, and personal and cultural development. It is to preserve, sustain, and extend these shared values that our prosperity is important.

The recession has put our societies through a severe test, but they have proved resilient. Significant success has been achieved in reducing inflation and interest rates; there have been improvements in productivity; and we now clearly see signs of recovery.

Nevertheless, the industrialized democracies continue to face the challenge of ensuring that the recovery materializes and endures, in order to reverse a decade of cumulative inflation and reduce unemployment. We must all focus on achieving and maintaining low inflation, and reducing interest rates from their present too-high levels. We

renew our commitment to reduce structural budget deficits, in particular, by limiting the growth of expenditures.

We recognize that we must act together and that we must pursue a balanced set of policies that take into account and exploit relationships between growth, trade, and finance, in order that recovery may spread to all countries, developed and developing alike.

In pursuance of these objectives, we have agreed as follows:

(1) Our governments will pursue appropriate monetary and budgetary policies that will be conducive to low inflation, reduced interest rates, higher productive investment and greater employment opportunities, particularly for the young.

(2) The consultation process initiated at Versailles will be enhanced to promote convergence of economic performance in our economies and greater stability of exchange rates, on the lines indicated in an annex to this Declaration. We agree to pursue closer consultations on policies affecting exchange markets and on market conditions. While retaining our freedom to operate independently, we are willing to undertake coordinated intervention in exchange markets in instances where it is agreed that such intervention would be helpful.

(3) We commit ourselves to halt protectionism, and as recovery proceeds to reverse it by dismantling trade barriers. We intend to consult within appropriate existing fora on ways to implement and monitor this commitment. We shall give impetus to resolving current trade problems. We will actively pursue the current work programs in the General Agreement on Tariffs and Trade (GATT) and Organization for Economic Cooperation and Development, including trade in services and in high technology products. We should work to achieve further trade liberalization negotiations in the GATT, with particular emphasis on expanding trade with and among developing countries. We have agreed to continue consultations on proposals for a new negotiating round in the GATT.

(4) We view with concern the international financial situation, and especially the debt burdens of many developing nations. We agree to a strategy based on: effective adjustment and development policies by debtor nations; adequate private and official financing; more open markets; and worldwide economic recovery. We will seek early ratification of the increases in resources for the International Monetary Fund and the General Arrangements to Borrow. We encourage close cooperation and timely sharing of information among countries and the international institutions, in particular between the International Monetary Fund (IMF), the International Bank for Reconstruction and Development (IBRD), and the GATT.

(5) We have invited Ministers of Finance, in consultation with the Managing Director of the IMF, to define the conditions for improving the international monetary system and to consider the part which might, in due course, be played in this process by a high-level international monetary conference.

(6) The weight of the recession has fallen very heavily on developing countries and we are deeply concerned about their recovery. Restoring sound economic growth while keeping our markets open is crucial. Special attention will be given to the flow of resources, in particular official development assistance, to poorer countries, and for food and energy production, both bilaterally and through appropriate international institutions. We reaffirm our commitments to provide agreed funding levels for the International Development Association. We welcome the openness to dialogue which the developing countries evinced at the recent conferences of the Non-Aligned Movement in New Delhi and the Group of 77 in Buenos Aires, and we share their commitment to engage with understanding and cooperation in the forthcoming meeting of the United Nations Conference on Trade and Development in Belgrade.

(7) We are agreed upon the need to encourage both the development of advanced technology and the public acceptance of its role in promoting growth, employment and trade. We have noted with approval the report of the Working Group on Technology, Growth and Employment which was set up at Versailles last year, and commend the progress made in the 18 cooperative projects discussed in that report. We will follow the implementation and coordination of work on these projects, and look forward to receiving a further report at our next meeting.

(8) We all share the view that more predictability and less volatility in oil prices would be helpful to world economic prospects. We agree that the fall in oil prices in no way diminishes the importance and urgency of efforts to conserve energy, to develop economic alternative energy sources, to maintain and, where possible, improve contacts between oil-exporting and importing countries, and to encourage the growth of indigenous energy production in developing countries which at present lack it.

(9) East-West economic relations should be compatible with our security interests. We take note with approval of the work of the multilateral organizations which have in recent months analyzed and drawn conclusions regarding the key aspects of East-West economic relations. We encourage continuing work by these organizations, as appropriate.

(10) We have agreed to strengthen cooperation in protection of the environment, in better use of natural resources, and in health research.

Our discussions here at Williamsburg give us new confidence in the prospects for a recovery. We have strengthened our resolve to deal cooperatively with continuing problems so as to promote a sound and sustainable recovery, bringing new jobs and a better life for the people of our own countries and of the world.

We have agreed to meet again next year, and have accepted the British Prime Minister's invitation to meet in the United Kingdom.

ANNEX.—STRENGTHENING ECONOMIC COOPERATION FOR GROWTH AND STABILITY

I. We have examined in the light of our experience the procedures outlined in the undertakings agreed at Versailles last year which seek to ensure greater monetary stability in the interest of balanced growth and progress of the world economy.

II. We reaffirm the objectives of achieving non-inflationary growth of income and employment, and promoting exchange market stability through policies designed to bring about greater convergence of economic performance in this direction.

III. We are reinforcing our multilateral cooperation with the International Monetary Fund in its surveillance activities, according to the procedures agreed at Versailles, through the following approach:

A. We are focusing on near-term policy actions leading to convergence of economic conditions in the medium term. The overall medium-term perspective remains essential, both to ensure that short-term policy innovations do not lead to divergence and to reassure business and financial markets.

B. In accordance with the agreement reached at Versailles, we are focusing our attention on issues in the monetary and financial fields including interaction with policies in other areas. We shall take fully into account the international implications of our own policy decisions. Policies and objectives that will be kept under review include:

(1) Monetary Policy.—Disciplined non-inflationary growth of monetary aggregates, and appropriate interest rates, to avoid subsequent resurgence of inflation and rebound in interest rates, thus allowing room for sustainable growth.

(2) Fiscal Policy.—We will aim, preferably through discipline over government expenditures, to reduce structural budget deficits and bear in mind the consequences of fiscal policy for interest rates and growth.

(3) Exchange Rate Policy.—We will improve consultations, policy convergence and international cooperation to help stablize exchange markets, bearing in mind our conclusions on the Exchange Market Intervention Study.

(4) Policies Toward Productivity and Employment.— While relying on market signals as a guide to efficient economic decisions, we will take measures to improve training and mobility of our labor forces, with particular concern for the problems of youth unemployment, and promote continued structural adjustment, especially by:

Enhancing flexibility and openness of economies and financial markets.

Encouraging research and development as well as profitability and productive investment.

Continued efforts in each country, and improved international cooperation, where appropriate, on structural adjustment measures (e.g., regional, sectoral, energy policies).

IV. We shall continue to assess together regularly in this framework the progress we are making, consider any corrective action which may be necessary from time-to-time, and react promptly to significant changes.

Mr. PROXMIRE addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I support my good friend from Pennsylvania in opposing this amendment. I would like to deal with this very briefly, but I certainly want to discuss particularly the last few points that the Senator has brought up.

The language reads:

The International Monetary Fund should revise the conditions placed on its loans so as to encourage economic growth.

The genius of the IMF, the reason why it has been successful and has been very successful, is because they have insisted on austerity, on tough, unpopular programs, as a condition of getting loans. The only way I can interpret this is that it means they ought to ease up, relax, not provide those tough conditions. Those condi-

tions have worked, not always, but they have worked most of the time. They have worked 80 or 90 percent of the time. They have been astonishingly successful.

The next point made by my good friend BILL ARMSTRONG in his resolution is this: He would provide that any additional financial resources made available during the current crisis should be made available on a temporary basis, preferably through bilateral arrangements.

That is exactly what we want to avoid. Can you imagine what would happen if we had a bilateral arrangement with Mexico in which we forced austerity on them, or forced them to follow policies which we felt were necessary for their good health? There would be far more resistance. It would be very difficult for us to do that. It would be extremely hard for one country to impose that on another, particularly a country like the United States.

When we recognize that Mexico, Argentina, and Brazil would be among the beneficiaries of this we can see especially why it is a mistake to have this done in a bilateral way.

Now we get 80 percent of the money from other countries. Is that not much better than if we provide the loan ourselves? As I say, the principal client countries, the principal borrowers, would be countries that would tend to borrow from us.

Senator ARMSTRONG referred to the IMF-imposed conditions on Jamaica. He pointed out that they had riots and I think implied that there was a withdrawal from the IMF.

There was no withdrawal, as I understand it, but Jamaica did work out an abrogation of the agreement that was imposed on them.

Just imagine what would be the result in country after country after country if we were imposing these conditions. There is no way that they would have gone along as countries have gone along repeatedly with the IMF, Jamaica is an exception, one of the rare exceptions, where the conditions imposed have resulted in great resistance. But certainly, if a sovereign country does this, another separate country, particularly a country which is as controversial as the United States is in Central and South America if we try to impose our will, it seems to me we would have far, far less success.

Mr. President, the Secretary of the Treasury opposes the calling of a monetary conference at this time for good reason. As I understand, a new monetary conference would open up the question of voting power in the IMF as it relates to lesser developed countries. We would lose. The fact is we have about 20 percent of the vote now and we would no longer have that. It would dilute American voting power. I do not think any Senator would want to have that done.

Finally, the Armstrong proposal suggests that we should authorize the IMF, as I understand it, to sell their gold.

Mr. President, I think this would be most unwise. Several proposals have been advanced to make use of the IMF's gold as an alternative to the increase in quotas and the expansion of borrowing. These proposals have varied but they generally envision either a sale of the IMF gold on world markets, restitution at the old official $35 an ounce price, or used as collateral for borrowing by the IMF or its member countries.

None of those proposals are feasible. Here are the reasons:

The IMF would have to sell its entire 103 million ounce gold stock at current market prices to generate roughly the $42 billion agreed for the quota and general agreement to borrow increases. I do not think anybody who favors IMF international assistance to countries in temporary difficulties would favor the IMF, in effect, standing a chance of simply disappearing by selling all of their capital. It is not realistic, also, because gold markets are extremely thin and volatile, and the IMF would not be able to sell 103 million ounces of gold, $40 billion of gold, over the next 3 years without depressing the price of gold in a major way and perhaps drastic way. So the proposal would be self-defeating.

In addition, America's own gold holdings of 264 million ounces worth $109 billion in market prices would be reduced in value.

Second, any effort to stretch out the IMF gold sales over an extended period, to try to minimize the depressive effect on prices, would leave the IMF without adequate resources to finance respective commitments now.

Third, all IMF assets, including its gold, serve as backing for creditors' claims on the IMF. Such claims currently total about $35 billion. Our country is the single largest IMF creditor, as we know, with claims totaling $9.4 billion.

Even if we decided to give up the gold as ultimate collateral for our IMF loans, it is very unlikely that other IMF creditors would be willing to have the ultimate security for their claims eliminated as a result of IMF gold sales or subordinated by the Fund's pledging the gold as security for additional borrowing by it or member countries.

Fourth, the effect of the so-called restitution proposal would be to sell $40 billion worth of gold back to IMF members for $4 billion. It would be a get-rich scheme for the wealthier nations and would be of little significant benefit to those countries now experiencing the greatest financial problems.

My fifth point, Mr. President, is one that I think all of us can understand. One of the most useful parts of this bill is that we require our banks to strengthen their capital base. That has been a great weakness of American banking, particularly big banks, that they have let their capital base fall down to 5 percent, sometimes almost 3 percent in times past. That feeble and thin capital base has been something that has worried many, many people in the Congress, in the Federal Reserve, and elsewhere.

The gold capital base of IMF is of equal importance. It is of vital importance to them. If they sell it, it makes it much harder, maybe impossible, for the IMF to borrow in the market in a period of international emergency, when they should borrow to assist other countries.

For these reasons, I hope the resolution offered by my good friend from Colorado is not accepted.

Mr. EXON. Mr. President, I shall have a statement to make, but I have been listening to the debate on this matter sponsored by my friend from Colorado and myself. If he would, I would like to have him yield for a question.

Mr. ARMSTRONG. I am pleased to yield, Mr. President.

Mr. EXON. I have been listening to the debate and I am curious. There seems to be a basic lack of understanding what the proposal is that I agreed to cosponsor. I have known the Senator from Colorado for a long time. We do not always agree, but we do frequently. I am wondering if he has misled me on this amendment. He has never misled me before.

In listening to the arguments that have been made here, I take it that there are those who believe that the amendment that I agreed to cosponsor with him says that we should sell the $400 billion in gold that the IMF has. I do not think he misled me, because I believe that he had addressed this in his opening remarks on this debate.

Could the Senator from Colorado tell me whether he misled me, intentionally or otherwise, with regard to the selling of gold by the IMF?

Mr. ARMSTRONG. I am very happy to yield for that question and the answer, Mr. President. Before I do, I ask the Senator from Nebraska if he remembers something that Socrates was supposed to have said to the effect that criticism which had been leveled against him had been so devastating that he had almost forgotten who he was. As I listened to the presentation of the Senator from Wisconsin and the Senator from Pennsylvania, I almost forgot what is in this resolution.

It also calls to mind something Churchill definitely did say, that he did not resent criticism even when, for the sake of emphasis, it departed from reality.

The record of this proceeding will reflect that I clearly said not only does this resolution not call for the sale of gold, but I do not favor the sale of gold, for many of the reasons so well spelled out by the Senator from Wisconsin and the Senator from Pennsylvania. What this does say is they should make use of these assets.

In explaining the approach I had in mind, it is not to suggest the sale but to use that gold and the current value which remains unused, approximately $40 billion, to collateralize the loans and to do that as a prior alternative to increasing the quota.

Mr. EXON. I thank my friend from Colorado. I am delighted to know he did not mislead me.

Mr. PROXMIRE. Will the Senator yield for a question on that same point?

Mr. ARMSTRONG. I am happy to yield.

Mr. PROXMIRE. Mr. President, first let me say there is nobody I have more admiration and respect for than the Senator from Colorado.

Mr. ARMSTRONG. I say the same to the Senator from Wisconsin.

Mr. PROXMIRE. I might say Socrates, Churchill, Armstrong. May I say to my friend I am reading the language of the resolution. The Senator did say when he spoke to the Senate that he did not want to sell gold. The statutory language says this on page 2, No. 3:

(3) in coping with the current financial crisis and prior to any quota increase, the International Monetary Fund should make full use of its current assets, including its gold holdings.

"Full use" to me means they can use it as collateral, they can sell it, do any number of things with it. If you tell me I can make full use of $1,000 you are providing here, I figure I can expend it. In the same way, that is what that language says, "make full use."

It seems to me the courts could make no other interpretation of that.

Mr. ARMSTRONG. Mr. President, let me point out first to the Senator this is not statutory language that might be interpreted by the court. It is sense-of-the-Senate language which expresses policy declaration. The reason I have made all these points as sense-of-the-Senate language is to set a guideline and declaration of where the Senate thinks we ought to go and deliberately to avoid getting into fine points of interpretation. In any case, I believe the full, the best, and highest use of the gold would be to collateralize, not sell it. If that gold were to be sold, certainly if it were to be sold precipitately, it could cause chaos in international gold markets, which would not be a full use but would be a counterproductive use of the assets.

I do not want to widen the disagreement between us, I wish to narrow it. I agree with the Senator that it would not be wise to sell the gold. If he wishes to say he nonetheless does not wish to use the gold as collateral for loans, that is fine. I also believe that IMF has full legal authority to do this now, not only this but what the Senator and I agree would not be wise. It is within their discretion.

I also seek to narrow the areas of disagreement between the Senator from Pennsylvania and myself. I invite him to listen carefully because I do not want any misunderstanding.

I realize he is not going to support the amendment. He is manager of the bill and he has an obligation to agree to amendments or to disagree to amendments he thinks are inconsistent.

There is much I agree with and I want to adopt his point as Point (1) in our sense-of-the-Senate resolution:

(1) Restoration of a stable monetary system is necessary to assure economic growth and to maintain a liberal international economic system;

In response to that, he pointed out that that will arise as nations adopt sound national economic policy. I agree with that entirely. He used the phrase "magic button," I think, said there are not any magic buttons. I agree with that. This is going to be a tough, long, hard job that is going to require difficult, sometimes unpopular decisions. I do not think there is anything in my opening remarks, certainly nothing in my heart, to suggest that this is going to be easy, that there is a magic button.

Mr. HEINZ. If the Senator will yield, I entirely agree. It is accurate as far as I know the Senator's record and beliefs to be. I think he and I entirely agree on that point.

Mr. ARMSTRONG. I believe that to be true. In fact, I am complimented by the fact that in very large measure, those sound national policies needed in this country and abroad are policies on which the Senator from Pennsylvania and I could agree.

On the subject of accuracy, I want to discuss item 2, which is the sense-of-the-Senate language that as a first step toward this restoration of a liberal economic order, the United States should host an international conference on the monetary system as suggested by the Secretary of the Treasury to investigate its systemic problems. Mr. President, if there are Senators who were not present when the Senator from Pennsylvania spoke, I want to clear up an issue which simply should not be permitted to influence the policy decision before us. That is the question of whether the Secretary of the Treasury did or did not call for an international conference.

The Senator from Pennsylvania pointed out that he had discussed this matter with the Secretary of the Treasury, and the Secretary of the Treasury does not call for an international conference. I therefore inquire first of the Chair if I have the right to modify my pending amendment on page 2 to strike, on lines 4 and 5 the words, "as suggested by the Secretary of the Treasury."

The PRESIDING OFFICER. The Senator does.

Mr. ARMSTRONG. I do so modify it. But that is not an issue.

Let me make it clear that I did not invent the notion that Mr. Regan suggested an international monetary conference, and I did not get it from him personally.

The PRESIDING OFFICER. The Chair notes for the RECORD the amendment is so modified.

Mr. ARMSTRONG. I thank the Chair.

The amendment, as modified, is as follows:

At the end of title I, add the following:

SEC. 103. (a) The Congress finds and declares that—

(1) the international banking system is currently threatened by a series of national financial crises;

(2) the Congress wants to find a solution to the current monetary crisis which will result in a stable monetary system and preservation of a liberal international economy;

(3) this solution must be found without placing inordinate pressures on United States credit markets;

(4) the breakdown in the Bretton Woods monetary system has contributed directly to these problems;

(5) the economic policies prescribed by the International Monetary Fund often are harmful to economic growth; and

(6) the International Monetary Fund currently holds approximately $40,000,000,000 of uncommitted assets in the form of gold bullion.

(b) It is the sense of the Senate that—

(1) restoration of a stable monetary system is necessary to assure economic growth and to maintain a liberal international economic system;

(2) as a first step toward this restoration the United States should host an international conference on the monetary system to investigate its systemic problems;

(3) in coping with the current financial crisis and prior to any quota increase, the International Monetary Fund should make full use of its current assets, including its gold holdings;

(4) the International Monetary Fund should revise the conditions placed on its loans so as to encourage economic growth; and

(5) any additional financial resources made available during the current crisis should be made available on a temporary basis, preferably through bilateral arrangements.

Mr. ARMSTRONG. Mr. President, my custom when I quote somebody is to do so only on the basis of published sources.

Therefore, although we have taken the name of the Treasury Secretary out of our resolution, I should like to send to the desk an article by Bruce Steinberg entitled "International Finance: How The Debt Bomb Might Be

Defused," published in Fortune Magazine on May 2 and ask that the entire article be reproduced in the RECORD not only as background information but also because it refers to the call of Secretary Regan for a new Bretton Woods Conference to review basic international monetary arrangements. It does not add or subtract to the argument whether or not Secretary Regan wants it; we are going to have such a conference. At some point, in my judgment, Secretary Regan will again raise the issue. Next time he does it will be less tentative and more dispositive. The President will support it. I believe that the Senator from Pennsylvania will support it. I believe it is a good thing. It is going to happen. The sooner, the better. And if we pass the sense-of-the-Senate language, it will be helpful. But in the meantime, for those who are curious as to where I got my information, I send the article to the desk and ask that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Fortune magazine, May 2, 1983]

HOW THE DEBT BOMB MIGHT BE DEFUSED

(By Bruce Steinberg)

(The world financial markets seem less panicky than they did last August, when Mexico nearly defaulted on its $65 billion (now $70 billion) of debt. But the "debt bomb" has plainly not been defused. It is far from clear that the less-developed countries can stay current on their payments to Western banks. Nor is it clear what the banks will do if the LDCs keep coming up short. The bankers are still resisting proposals to stretch out those loans over 25 or 30 years; however, their resistance may well crumble as the alternatives to a stretch-out come into focus.)

The exposure of the lenders is almost unbelievable. The LDCs and Eastern Europe together owe Western banks some $420 billion; some $135 billion of that amount, virtually all of it from the LDCs, is owed to U.S. banks. In Brazil alone, Citibank has loans equivalent to 80 percent of its shareholders equity. Chemical Bank has 77 percent of its equity loaned out in Mexico. Altogether, the nine largest U.S. banks have about 220 percent of their capital at risk in developing countries with major repayment problems. The prospects of the LDCs are obviously on the line in the debt crisis; so are those of the American banking system.

The present hope of the banks is to muddle through the crisis. They're generally observing what might be thought of as a mini-stretch-out of LDC and East European debt. On all but a few kinds of short-term credit, they're allowing the debtors to suspend principal payments for as much as four years. They're hoping that by around 1986 a strong and durable recovery in the West will have pulled the LDCs out of the hole. They're hoping, that is, that the now barely visible world recovery will enable them to avoid any major write-downs of loans.

But muddling through will not be easy. To meet interest payments, most LDCs will need additional credits. Which means that, just to keep their interest payments current, the banks will face endless agonizing decisions about whether to increase their exposures. Furthermore, they must contemplate the possibility of more liquidity crises like the one last fall when the international financial system came close to collapse. When Mexico, Brazil, Yugoslavia, and other countries were on the verge of default, they were bailed out temporarily by bridge loans from the Federal Reserve, the U.S. Treasury, and the Bank for International Settlements. It's not clear that these organizations will always be able to come to the rescue in time.

Liquidity strains in the international financial system will be aggravated by the mismatch between the maturities on the banks' own borrowings and those on the loans they have made. Their own borrowings—typically in the interbank's market and in the form of short-term deposits—have very brief maturities. Meanwhile, the banks' loans to the LDCs, originally intended to mature in, say, three to five years, now look as though they're forever. In the years ahead, this maturity mismatch will continue to make life difficult for bankers and to destabilize the global system. The banks will have continuing problems with profitability, not only because of write-offs but because, since they are poorer credit risks, their cost of funds will rise. Interest rates in general will be higher because all these new dangers in the international markets will be incorporated into rate structures.

The worst case of all would be a major debt repudiation. Most bankers talk in public as though repudiation is impossible—it can't happen because it serves nobody's interests. In private, many bankers (and their economists) are less categorical; some quote the probability of a repudiation as ranging from 25 percent to 40 percent. That's a lot of downside risk. Commenting on it, Felix Ronatyn, senior partner at Lazard Frères, observes that "you wouldn't cross the street if you had a one-in-four chance of getting run over."

What should bankers be doing to prevent getting run over? A good case can be made that they should be embracing proposals for formal debt stretch-outs. These could relieve those liquidity strains, decrease the chances of defaults or repudiations, and improve prospects for growth in the world economy. Some bankers seem willing to acknowledge that a stretch-out is among the options they will have to consider. Asked recently what he thought about various proposals for governments to organize a formal stretch-out, Lewis Preston, chairman of Morgan Guaranty, answered cryptically: "I hope somebody is thinking things through on a worst-case basis. I hope to God somebody is doing that." As yet, however, neither Morgan nor any other major bank has endorsed any stretch-out plan.

Which leaves the banks, not to mention their debtors, in a race against time. The critical question is whether the recovery will be strong enough to fuel the LDC export growth that's needed to allow those debtors to meet their commitments. Specifically, according to William Cline, Senior Fellow at the Institute for International Economics, the question is "whether the exports of LDCs can grow faster than the level of interest rates." If so, the debt burden goes down; if not, it rises.

By Cline's rule, the LDCs look to be in trouble for a few years at least. Right now, most of them are paying roughly three percentage points over the London Interbank Offer Rate (LIBOR), now around 10 percent. So the LDCs are paying around 13 percent (after up-front fees have been amortized). For Mexico, 13 percent represents more thn $9 billion a year of interest—quite a chunk to squeeze out of export growth.

The LDCs as a group, however, may be able to meet Cline's test when the world economy begins growing at a reasonable rate. What's reasonable? Morgan Guaranty estimates that the industrialized countries need to grow at least 3 percent a year in real terms to generate the kind of export growth the LDCs need. Some analysts believe that 3 percent wouldn't be nearly enough.

Unfortunately, the overhang of debt itself impedes world economic growth. During the past decade, the LDCs accounted for one-quarter of global output and were growing nearly twice as fast as the industrialized world. This added buoyancy to a rather stagnant world economy. Now, under the most optimistic projections at the International Monetary Fund, the LDCs as a group are not expected to grow at all during the next two years. With 40 percent of U.S. exports normally going to the developing world, our own export growth will obviously be limited. The LDCs can hardly be good markets for U.S. exports with nearly 80 percent of their foreign-exchange earnings going to debt service, as it is nowadays.

How, then, do we get from here to there—"there" being a world in which LDC debt is no longer creating recurrent liquidity crises? In the near term, our prospects will depend on the IMF. Banks now feel that they want the Fund to be active and influential in LDCs that present some danger of falling into arrears; without its presence, the banks find it hard to justify continued lending. IMF agreements are now in effect in Mexico, Brazil, Argentina, the Philippines, Hungary, and dozens of other countries, and negotiations are continuing with many more.

But unless the IMF gets additional funding, its resources will soon be exhausted and it will lose whatever leverage it has to push debtor countries to reform their economic habits. The Reagan administration's proposal to increase IMF quotas by $32 billion, or 47 percent, and to virtually triple the General Agreement to Borrow—an emergency swap fund now being opened to LDCs—comes before Congress in May. Rejection of the IMF package ($8.4 billion of which would be put up by the U.S.) seems unlikely; it would result in major cutbacks in bank credit to LDCs and take us back to the brink of a global banking crisis.

IMF aid does not come on easy terms. The credits to debtor countries, enabling them to offset payment deficits, are conditioned on the countries' ceasing to live beyond their means. The IMF begins by demanding a devaluation to encourage exports and hold down imports. The debtor must also commit to move its domestic budget toward balance, often by cutting back consumption subsidies and expensive development projects.

Nor will the banks get off easily in the period just ahead. The IMF will be leaning on them to come up with the bulk of the required new financing. So bank exposure in the debtor countries will continue to mount. Having supplied about $5 billion apiece to Mexico and Brazil in March—while also stretching out those countries' debts for up to eight years and accepting grace periods, during which principal needn't be repaid—the banks are now looking at an evident need for additional jumbo loans to both countries within months.

Meanwhile, Venezuela (which does not yet have an IMF program) and Peru (which

does) have encountered payments problems. So has Chile: the IMF has threatened to cut off loans to that country if it continues to deviate from an agreed-upon economic plan. Might IMF agreements begin collapsing all over the place? In private, regulators and central bankers worry about the prospect, and, as many of them observe, it's much easier for the IMF to impose "conditionality" when dealing with only one or two countries. How do you get dozens of trading partners to push exports and restrict imports at the same time? Right now, the weakest links in the IMF's chain appear to be oil producers with large international debts. But other trouble spots abound, from Argentina to Zimbabwe.

In return for approving the IMF quota increase, Congress is sure to demand its pound of flesh from the bankers. Not surprisingly, a lot of people in Washington are judging the bankers harshly. Their loans, which not long ago were typically booked at only a small premium over LIBOR, assumed a growing world economy in which inflation and world commodity prices would ratchet upward indefinitely. Says Treasury Secretary Donald Regan: "They thought that trees grew to the sky, that oil prices never declined. They were betting the bank on a belief that those oil prices would increase." (For other Reganisms, see page 146.) To be sure, the bankers were making this bet at a time when evaluations of the longer-term risk were overwhelmed by waves of short-term petrodollars, which had to be lent out and which eroded the risk premium they could command in the market. They were—as Regan concedes—under considerable political pressure to recycle that money to the LDCs.

One major congressional attempt to get a handle on international lending is the Heinz-Proxmire bill. The bill would give bank regulators power to impose country limits on bank lending, would force banks to beef up their loan-loss reserves, and would stretch out their up-front syndication fees over the lives of loans. Some banks already amortize these fees—and therefore avoid puffing up reported earnings—and making all banks do so could be viewed as just good accounting practice. Increasing loan loss reserves also makes sense. Governor Henry Wallich of the Fed says he'd prefer reserves to be held "not against a particular loan, but against the totality of risk a bank is running."

Country limits are the feature of Heinz-Proxmire the bankers like least. Such limits would, in fact, create some mind-boggling problems. The limits would leave bank regulators deciding how much might be lent to particular countries—a kind of judgment that would get the regulators into sensitive foreign-policy areas. And if country limits were imposed now, the largest debtors couldn't receive any new credit, which would defeat the whole purpose of the IMF packages.

A number of other proposed regulatory changes would tighten up bank-examination procedures and ensure that the regulators had better information about the banks' international portfolios. Improving information flows has strong support from both bankers and regulators. The Bank for International Settlements and the IMF report international financial data with a six-month lag. More timely reporting could alert the banking system to sudden surges of credit.

Unfortunately, these banking reforms are designed to prevent the next crisis rather than to deal with the one we've got right now. Its solution may require more than the IMF stopgap loans and muddling through by the banks. In the end, the banks may have to accept a plan that would end up stretching out the maturity of LDC debt to 25 or 30 years. Such plans have been put forward by Felix Rohatyn, Professor Peter Kenen of Princeton University's International Finance Section, and Norman Bailey, who is a senior director at the National Security Council. Some parts of their various plans have been supported by Representative Charles E. Schumer of New York, who has introduced a bill linking the IMF quota increase to an international agreement to stretch out the LDC debt. Says Schumer: "Making the LDCs take out more short-term high-interest loans is treating them like hamsters on a treadmill, running faster and going nowhere."

The stretch-out plans have two admirable aims: to reduce the debt-service burden on the LDCs and to reduce the risk to the banks of repayment delays and defaults. But the plans have to avoid some potentially fatal flaws. Banks, after all, are more than ordinary business enterprises. Their activities are at the center of the system of payments that links economic activity everywhere. So the plans shouldn't leave the banks with inadequate capital and they should somehow avoid a major wipeout of bank earnings.

Kenen proposes to deal with these problems by setting up an International Debt Discount Corporation (IDDC), which would exchange the banks' LDC loans for long-term bonds. The banks would lose 10 cents on the dollar in the exchange, but payments on the IDDC securities would be guaranteed by the governments of the industrialized world. So the banks would have reduced exposures and would be receiving a more reliable stream of income.

The plan has several other advantages. It works even with a low rate of economic growth. It recognizes that disinflation has temporarily undermined the LDCs' ability to service their debts. The developing countries, which would continue to abide by existing IMF agreements, would have their principal payments reduced. Some of the banks' write-offs could be applied to a slight lowering of the interest rate on the payments that would now be flowing to the IDDC.

However, Kenen has been deliberately vague on another crucial issue: What interest rate would the banks get on their new bonds? And the arithmetic of that write-off hasn't come clearly into focus. Ten cents on the dollar may not sound like much, but it could wipe out billions in bank capital or several years of bank earnings, depending on how the plan was implemented.

Kenen wants the IDDC exchange to be a one-shot affair. But it's easy to imagine the new discount corporation evolving into a kind of international Fannie Mae, buying and selling international loans and perhaps even making a secondary market in them. In this scenario, the IDDC would possibly be issuing new financial instruments, backed by packages of such loans. That would allow the banks to reliquefy themselves by selling the original securities they had received in the stretch-out deal. It would also allow banks to sell off new international loans if they wished. With these loans now looking much more liquid, the banks would presumably be more willing to continue lending to the LDCs.

Some other stretch-out plans that have been put forward are designed to formally link principal repayments by the LDCs to their foreign-exchange earnings. In effect, banks are now doing that informally—so long as a country is short on foreign exchange, banks have little choice but to reschedule. In Norman Bailey's plan, the debtor country's central bank would issue an Exchange Participation Note (EPN) to private lenders, giving them in return a percentage claim on foreign-exchange earnings. The plan would immediately benefit an individual LDC by tying repayment to ability to pay. But the plan's overall success obviously depends on a decent rate of growth in the world economy; without such growth, the stretch-out could last forever and the banks would be left holding the bag. This plan too is vague about interest rates. Presumably, the rate paid on the EPNs would have to be negotiated between the debtor's central bank and the private lender. The plan would necessitate a lot of oversight and intervention into the LDC's economy—even more oversight than the IMF requires. It's not hard to imagine situations in which intrusive monitoring of an LDC economy, undertaken for the benefit of Western bankers, could create political explosions.

To prevent recurrent liquidity strains on the banks any stretch-out plan would have to peg interest rates on the securities the banks receive to their own cost of funds. Because of the reduced uncertainty resulting from a carefully managed stretch-out, the banks might be able to accept smaller spreads on the new securities than they were getting on the old loans. However, it would be unreasonable to force the banks to carry these newly minted securities at or below their own cost of funds. In the last analysis, therefore, any proposal to make sharp cuts in the rates paid by the LDCs would require a subsidy—presumably one paid by the taxpayers of the industrialized countries.

Despite all these difficulties, the case for some kind of stretch-out seems fairly compelling. It would "reduce the risk of financial collapse and remove a major barrier to growth," in the words of C. Fred Bergsten, head of the Institute for International Economics and former Assistant Secretary of the Treasury for International Affairs. However, the logic of stretchouts is resisted by a fair number of the people who'd ultimately be needed to push through any of the plans. Treasury officials contend, optimistically but not very plausibly, that the IMF's $32-billion quota increase, bolstered by renewed worldwide growth, should do the job. Bankers, preferring to muddle through, fear that they'd lose too much control over their assets.

The bankers seem to be fortified in their resistance by the political and national-security dimensions of the financial crisis. They understand, of course, that some of the LDC financial strains might translate into political crises—that economic turmoil in Mexico, for example, could lead to hundreds of thousands of Mexicans crossing the Rio Grande in mass waves of illegal immigration. (The immigration flow has in fact accelerated already.) But precisely because these prospects are so daunting, the bankers assume that the Treasury would be forced to come up with the cash that Mexico and others might need to forestall defaults.

The bankers are probably right about that. But they might prove wildly wrong about their own best interests. No one can be sure how some new international financial crisis would play out. But if it brought major defaults and debt repudiations, and if

bank capital was in danger of being wiped out, and if Congress and the Federal Reserve had to make the banks whole again—if these dreaded events finally occurred, it is hard to believe that anything resembling the present banking system would survive. At worst, we could end up with a nationalized system. Furthermore, the Fed's efforts to reliquefy the system could be inflationary.

So muddling through involves large risks too. Even if it merely entailed repeated crises and reschedulings, it could scar the international banking system. It could leave the banks increasingly coerced into serving as foreign aid agencies and continually throwing good money after bad. And, of course, in declining to stretch out those debts, the banks would leave development hopes in many countries a shambles. Global growth could be lower than it need be.

Muddling through clearly implies a continuing strain on the U.S. monetary system. While about 37 percent of the LDC debt is owed to U.S. banks, 75 percent of it is denominated in dollars. Thus the Fed is in the unenviable position of international lender of last resort. Unless more cooperative arrangements can be worked out, the Fed could end up repeatedly obliged to supply dollars to international agencies and central banks all around the world.

When the Western world's economic policymakers meet at the summit in Williamsburg, Virginia, in May, they will have a somewhat free-floating agenda. Unfortunately, the agenda is unlikely to include anything as specific as a stretch-out of LDC debts. Despite all the dangers, "muddling through" is probably going to be tried.

"THE BANKS HAVE BEEN WRONG, WRONG, WRONG"

In a candid, wide-ranging conversation with Fortune, Treasury Secretary Donald T. Regan addressed himself recently to some criticisms and press comments that seem to have rankled him:

On published charges, attributed mainly to bankers, that he hadn't exercised leadership in the Mexican financial crisis: How do they think the process got started in the first place? Do they think it all sprang like Athena from the mind of Jove? The fact is that Silva Herzog [Mexico's minister of finance] came here in May 1982, and we talked. And again in June and July. And finally in mid-August, he said they had run out. Within 24 hours I authorized—on my own, without reference to the President or the Congress—payment of $1 billion in cold cash to be paid to Mexico. What banker authorized that, on his own, $1 billion in 24 hours? Not one of them. They're still arguing with Mexico; after eight months, they can't get their act together.

On reports that Paul Volcker and the Federal Reserve have dominated the crisis planning: Who was working with Paul Volcker all during those international negotiations last year? It was Treasury. [Deputy Secretary] Tim McNamar was doing it; he and Volcker were reporting to me. Every single thing they did they got my permission to do. I played the role of the C.E.O., which I'm accustomed to.

On suggestions that the 47 percent quota increase proposed for the International Monetary Fund may not be enough: In Toronto [at the September 1982 IMF meeting] we were deliberately low-balling it. I admit it. Why? Because we knew that if we came back proposing a 100 or 200 percent increase in that quota, we couldn't have got it through the Congress. We'd have been laughed off the Hill.

On changes that the U.S. has been insensitive to the effects of its economic policies on the rest of the world: Baloney! Look at what we were asked to do at the [July 1981] Ottawa economic summit meeting. Look at what we were asked to do at Cancún [October 1981] and Versailles [June 1982]. Everyone was preaching to the U.S., telling us to get our interest rates down. We inherited 21.5 percent interest rates, we inherited 13 percent inflation rates. Everyone was telling us to get that under control because we were ruining the international economy. And we did it. We went from 21.5 percent interest rates to 10.5 percent. We went from 12.5 percent inflation to less than 3 percent now. Of course, there have been winners and losers in all this—and some of the losers are the banks, which have been wrong, wrong, wrong, predicting constant inflation. Those economists, those international bankers—they've been wrong in their projections, wrong all their lives, and now they're telling us that we are wrong. No! We're rescuing them from their own mistakes.

On his call for a new Bretton Woods conference to review basic international monetary arrangements: I wanted to stir up talk about that. We need to get the academics, the bankers, the financers, talking about these issues. We need the discussion before the conference. You don't just call people in for a conference and then ask, "What are we going to do about it?"

Mr. ARMSTRONG. Now, then, Mr. President, I want to talk about growth policy. The resolution says that when the IMF imposes conditions, it ought to impose the kind of conditions that lead to growth rather than to stagnation. I was utterly dumbfounded when somebody said, or at least implied, that what I was suggesting was no conditions at all.

I do not feel that way. The IMF ought to impose some conditions. That is really the whole rationale for having IMF—somehow they can impose conditions that would be unpalatable if put on these developing countries by Yankee bankers, and I understand that. We all understand that. But there is good conditions and there is bad conditions. In my opinion, good conditions are the kinds of things that curb extravagance, that curb subsidies, that curb transfer payments, that curb the kinds of policies that in this country and overseas lead to economic stagnation and a downward spiral. Bad economic sanctions or conditions are those which levy heavy taxes on investment, work, and thrift incentives.

Some of the conditions have been good, and I mentioned some that have not been so good, but let me go back over that because it is a very important point.

A fundamental flaw in the IMF prescription is that well-intentioned efforts to reduce subsidies and government deficits have at least in some cases resulted in a reduction in incentives for savings and investment. For example, Mexico has reduced government subsidies on almost every commodity. On behalf of the Senator from Colorado, I think that is good. However, this was accompanied by an increase in the tax on dividends from 28 to 55 percent.

Now, what could be worse in a country where we are trying to stimulate economic growth? That, by the way, is exactly the reverse of the policy which has been promoted by the national administration and approved by this Senate for the United States. We decided that if you have high taxes on investment and thrift and savings incentives, you are going to get less of them. I think we need more of that.

I am not issuing any blanket condemnation of IMF policies. In many instances, many conditions have been good. But I am saying that to the extent they have not been progrowth but instead have been prostagnation, we ought to revise those policies.

I could give a lot of examples. Maybe I should cite one more that illustrates the tremendous power of disincentives in a country which can ill-afford disincentives to growth and productivity, and I refer to India.

For years the largest recipient of food aid and a reluctant borrower in private capital markets, India faced a severe reduction in funds from IDA In 1981. With its system of taxation with a top marginal rate of 67.5 to 100 percent, India has been a poor generator of internal savings and investment. Reluctant to reduce tax rates at home, the government decided to reduce tax rates on investments by expatriate Indians to 22.5 percent in an attempt to attract substantial overseas equity, and the results were astounding Foreign equity flows increased from 1.5 billion rupees before 1981 to an estimated 7 billion in 1983.

Now, that is just one more example. I could quote a number of others. But my point is not to bog down in whether you are for or against an increased tax on dividends. I am against it. I made that clear. And I will argue the case at any time. But that is not what this resolution says. This resolution says that the IMF ought to focus on conditions which in its opinion, and hopefully in the opinion of this Senate, will foster growth rather than stagnation.

To have that characterized as favoring unrestrained inflationary spending is simply not a satisfactory or, I believe, an accurate rendition of what I had in mind, nor I trust of what I have said.

Finally, Mr. President, having disposed of the gold issue, I think, and disposed of the issue of the monetary conference and having disposed, I trust, of the meaning and purpose and effect of the language which says that the IMF should revise conditions placed on its loans so as to encourage economic growth. I hope I have per-

suaded my colleagues that this is a good idea; that it is a measure which will express some very legitimate concerns. I know that not every Member will agree with these concerns, but I stress these are concerns which are very broadly shared, not only by every day citizens at home who wonder about another $8.4 billion bite on the Treasury but by a lot of the experts, by a lot of the people that I mentioned at the outset; people who are in a position to be knowledgeable—I must admit, far more knowledgeable than the Senator from Colorado.

In the hope that I have persuaded a majority of my colleagues, I will ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. HEINZ. I shall only take a moment of the Senate's time to summarize where I think we are in this discussion.

I listened carefully to my good friend from Colorado—and he is my good friend. he is very articulate and very careful about what he says. I thank him for having changed his amendment, striking the reference to the Secretary of the Treasury.

I must say, however, as I read the resolution, it still says that as a first step to restoration we should host an international conference on the monetary system.

To this Senator—and everybody is entitled to his own view on this—that means a conference that is going to move—what alternative is there? Back to the system of fixed rates. I know there are some Socialist countries such as France which refuse to get their economic house in order and want to be able to manipulate, fix rates to their advantage. I, for one, distrust those fixed rates. I have far more faith in the market system than I have in the decisions of individual governments to fix prices, albeit the price of their own currency. So I still am in fundamental disagreement with this amendment on that point.

We have talked about the third paragraph in the amendment with the term full use of its current assets including gold, which in plain English is an admonition of some kind to make full use—sell, expend—of the IMF's current assets which obviously does include its gold. The sale of gold, we all agree, is a bad idea. Therefore, I have to conclude, Mr. President, that this paragraph is bad policy.

Now, as to the question of the fourth paragraph—the International Monetary Fund should revise conditions placed on its loans so as to encourage economic growth—this amendment asks the IMF to revise its conditions. It asks it to undo, in the plain meaning of it, the conditions that countries have agreed to.

I hope there is no misunderstanding about what kind of policies the IMF requires of countries. They require policies aimed at promoting more export growth through market mechanisms and through decreasing internal consumption by reducing subsidies and by reducing internal Government deficits.

With respect to the case of Mexico, which the Senator from Colorado mentioned, I am advised that the IMF did not stipulate the increase on dividends from 23 to 56 percent as part of the IMF requirement. That was proposed by the Government of Mexico.

It is not the job of the IMF, nor does it tell a country exactly how to do the job, when it comes to realining their domestic economy. It is up to that country to decide what is best for itself within the broad guidelines that the IMF suggests.

So it seems to me that while we may not agree with the policy of Mexico here, and I would not, nonetheless we should agree with the overall objective that the IMF seeks—that is, to reduce domestic deficits, including those of Mexico when it comes to the IMF for financial assistance. It is not the purview of the IMF to tell Mexico whether it is, in every detail, taking the right approach or the wrong approach, so long as it gets the job done. There is only so much second-guessing that any of us can stand. Indeed, if the IMF came to this country and said, "Get your own tax rates up or get your own tax rates down," as the case may be, we would think that was a very unreasonable specific instruction to give us.

So, Mr. President, we have debated this issue. I think there are legitimate differences of opinion on what is and is not good policy.

If there are no further requests for time, I move to table the Armstrong amendment, and I ask for the yeas and nays thereon.

The PRESIDING OFFICER (Mrs. HAWKINS). Is there a sufficient second?

Mr. EXON. Madam President, will the Senator kindly withhold the motion to table?

Mr. HEINZ. Will the Senator agree to limit his remarks?

Mr. EXON. I will be glad to limit my remarks to 5 minutes.

Mr. HEINZ. Madam President, I yield to the Senator from Nebraska not to exceed 5 minutes, without losing my right to the floor, because I do want to make a tabling motion at the earliest convenient moment.

The PRESIDING OFFICER. The Senator from Nebraska is recognized, subject to those conditions.

Mr. EXON. Madam President, I hope the Senate will not agree to the tabling motion that is about to be made, and I thank my friend from Pennsylvania for yielding the time.

I have just read an item on the news ticker, and the stock market is down dramatically again in the last hour and a half by almost 10 points. Suspicions around the world are that we are in more financial difficulty than we ever imagined. Suspicions and fears in the money markets are that interest rates are continuing to go up for lots of reasons, not the least of which, I suggest, is the fact that, as never before in our history, the deficits of the United States and the ballooning national debt of the United States are going to cripple us, unless we can begin to make some sacrifices in a whole series of areas.

Therefore, I question, once again, whether or not it is wise even to go ahead with the administration's request for the more than $8 billion addition to the International Monetary Fund.

Madam President, to underline my concerns in this area and why I hope the sense-of-the-Senate resolution that has been offered by the Senator from Colorado and me is agreed to, I simply emphasize that it attempts to focus attention on the real problems we face—not only the United States of America, but also the entire international community.

Throwing more money after bad, in my opinion, is not the right way to go. Sometime we have to bite the bullet. We have to bite the bullet and make hard decisions, and this might be the time to do it, rather than later.

In Belgrade, Yugoslavia, today, a top European Community spokesman told a U.N. conference that there is little chance of granting new monetary aid to financially strapped developing countries.

West German Finance Minister Otto Lambsdorff told Third World delegates that their requests for more aid were "rather ambitious" and said that the European Economy Community could not respond to them, although it will fulfill present aid commitments.

"Each country—and not only the developed ones—should carry its share of responsibilities," Lambsdorff told delegates at the meeting, which began Monday and runs through the end of this month.

Argentine President General Reynaldo Bignone, presenting the views of 125 developing nations, said the Third World needs more than $90 billion in new loans and other aid over the next 2 years to help solve a growing "economic crisis."

Madam President, it seems to me that if we want to make some loans to particular countries—I thought the Senator from Colorado pointed it out very well with regard to Mexico—if we want to make some loans to Mexico

and help our relations with that country and abet the foreign policy initiatives of the United States, then, like the Senator from Colorado, I might be interested in supporting that. But I am not for a further pooling of the money of U.S. taxpayers, of our valued resources, with the money of other nations, so that we continue to lose more and more control.

On at least two occasions today, I voted against some amendments offered by the distinguished Senator from New Hampshire—not because I was not in basic agreement with what he was trying to do, but in that amendment he particularly outlined the People's Republic of China.

I believe that the security interests of the United States and the economic interests of the United States are tied much more to the People's Republic of China than they are to many of the other Communist nations around the world.

Therefore, I think we have to be more selective in how we make our commitments, how we spend taxpayers' money, and to whom and for what reason we make loans.

Therefore, I simply say that the sense of the Senate amendment offered by the Senator from Colorado and the Senator from Nebraska seems to be a totally reasonable approach to help solve the international crisis, the monetary crisis, the fiscal crisis that continues to plague the world.

I thank my friend from Pennsylvania and I yield the floor.

Mr. LEVIN. Madam President, I favor several provisions of Senator ARMSTRONG's amendment to the IMF legislation because they could set the United States and the IMF on paths that could help lead the world out of its current economic problem. One provision I supported was holding an international conference to explore ways to establish a more stable international economic system. A conference to investigate systemic problems plaguing the international system could be a useful step toward finding needed remedies.

A second provision of the resolution that I favor was calling on the U.S. executive director to the Fund to work for policies which stimulate productivity in recipient countries. The reason for the IMF's providing loans to member countries is to help countries who are suffering serious balance of payments problems. Under the current international agreement governing the IMF as the recipient country draws increasingly on the Fund, it is to be subject to greater and more stringent conditions and supervision designed to aid a country to eliminate the causes of its financial problems. Urging the recipient countries to work for policies which stimulate productivity—as called for in the resolution—would contribute toward the goal of removing the roots of recipient countries financial problems and help to put them on sound economic footing. Despite these two provisions—which I favored—I voted to table the resolution because the United States ultimately could be hurt by 2 other provisons in the measure.

The proposal to utilize IMF's gold holdings to solve balance of payments problems of IMF member nations could have serious consequences for U.S. economic interests. The sale of a large part of IMF's gold holding—103 million ounces—could result in a dramatic drop in the price of gold and consequently reduce the price of our own gold holdings—264 million ounces—and that amounts to $109 billion at current market prices.

The benefit of withholding the proposed $8.4 billion increase in the U.S. contribution to the IMF would be offset if the price of gold were to drop by only $32 an ounce. And it is possible that the drop would be even greater.

On top of the adverse ramifications a large gold sale would have on the price of our own gold holdings, the United States stands to lose its security for our claims on the IMF because the gold represents the ultimate reserve which would be available to the United States in the event of massive default by borrowing countries. With claims totaling $9.4 billion, the United States is the single largest IMF creditor today—sale of the gold would remove this security.

I am not totally opposed to a sale of IMF gold, but I think we need to examine the issue more thoroughly before acting. Accordingly, I supported an earlier amendment sponsored by Senator MATTINGLY that requires the Secretary of the Treasury to conduct a review and detailed analysis of the IMF gold reserves—including the feasibility of selling the gold.

A second provision that troubled me was the suggestion that we move away from the multilateral IMF assistance toward increased bilateral assistance. The United States currently provides 20 percent of the Fund's resources, which means that the other 145 member nations collectively contribute the remaining 80 percent. If the United States were to singlehandedly take on the tasks of the IMF—becoming a sort of "USMF"—we might end up coming up with even more of what might be be necessary to help solve the current international debt problem. That alternative offers little economic appeal.

Beyond the economic burden it could place on U.S. shoulders, it might result in fewer austerity measures being imposed on countries which borrow from the Fund. Those governments resist austerity measures imposed by the IMF because they cause discomfort and occasionally unrest among their people. We might relent more easily in bilateral discussions. It is easier often to impose those measures when they are imposed by a group of nations. To promote our national interests and prevent additional economic strains on our own economy, we are better off taking advantage of the "burden-sharing" offered by the IMF.

Madam President, while the resolution has merit and offered several sound proposals, the two provisions just mentioned were so troubling that I will vote to table the motion, but hope there may be another vehicle to incorporate the first two provisions at a later time.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. Madam President, I move to table the Armstrong amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. BYRD. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Colorado (Mr. HART), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Ohio (Mr. METZENBAUM) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 47, nays 46, as follows:

[Rollcall Vote No. 122 Leg.]

YEAS—47

Baker	Gorton	Mitchell
Bentsen	Hatfield	Moynihan
Bingaman	Hecht	Pell
Bradley	Heinz	Percy
Bumpers	Huddleston	Proxmire
Chafee	Inouye	Pryor
Chiles	Jackson	Riegle
Cochran	Johnston	Sarbanes
D'Amato	Kennedy	Sasser
Danforth	Lautenberg	Stafford
Dixon	Levin	Stennis
Dodd	Long	Stevens
Durenberger	Lugar	Tower
Eagleton	Mathias	Tsongas
Garn	Matsunaga	Weicker
Glenn	Mattingly	

NAYS—46

Abdnor	Burdick	East
Andrews	Byrd	Exon
Armstrong	Cohen	Ford
Baucus	Denton	Grassley
Boren	Dole	Hatch
Boschwitz	Domenici	Hawkins

Heflin	Murkowski	Specter
Helms	Nickles	Symms
Humphrey	Nunn	Thurmond
Jepsen	Packwood	Tribble
Kassebaum	Pressler	Wallop
Kasten	Quayle	Warner
Laxalt	Randolph	Wilson
Leahy	Roth	Zorinsky
McClure	Rudman	
Melcher	Simpson	

NOT VOTING—7

Biden	Goldwater	Metzenbaum
Cranston	Hart	
DeConcini	Hollings	

So the motion to lay on the table Mr. ARMSTRONG's amendment (No. 1314), as modified, was agreed to.

Mr. HEINZ. Madam President, I move to reconsider the vote by which the motion was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

Mr. BAKER. Madam President, I will not take but just a minute. It is 5:30 p.m., and I at one time entertained a rash thought that we would be finished by this hour. We are not, obviously, but I think this is a good time to find out how many more amendments there are.

I inquire of the manager on the other side about the number of amendments on that side of the aisle and do the same on this side.

Mr. STENNIS. Madam President, will the Chair give us order? We cannot hear the leader.

Mr. HEINZ. Madam President, I know the Senator from New Hampshire has an amendment. The Senator from Virginia has an amendment, which we can accept. It will not take much time. I know of no other Senators——

Mr. HELMS. I have five.

Mr. HEINZ. I am now advised the Senator from North Carolina has five amendments.

Mr. HELMS. You will take all of them.

Mr. HEINZ. I have not seen them.

Mr. HELMS. They have been before you all week.

Mr. HEINZ. Maybe I better go and take a new look at them.

Mr. BAKER. Madam President, I yield to the Senator from Colorado.

Mr. ARMSTRONG. Madam President, when the majority leader is finished, I will seek recognition.

Mr. BAKER. Madam President, I inquire of the minority manager if he can identify the amendments on his side.

Mr. PROXMIRE. As far as I know, we have only one amendment. I am not sure it will be offered. It probably will be. That is all we have.

Mr. MELCHER. Will the Senator yield?

Mr. PROXMIRE. I am happy to yield.

Mr. MELCHER. I have two.

Mr. BAKER. Does that make three, then?

Mr. PROXMIRE. That is correct.

Mr. BAKER. Madam President, I am not going to try to negotiate time agreements standing here at this time, but I am going to ask Senators to consider very carefully whether or not they can give time agreements on their amendments. It is the intention of the leadership to finish this bill tonight. Based on what I have heard, I would guess we better plan to be here until around 8 p.m., but even at 8 p.m. we will be hard put unless we can get time agreements on these amendments or unless some of them are accepted or withdrawn.

So, Madam President, I urge Senators to do the best they can and move as promptly as they can and anticipate that we will be here for another couple of hours.

Mr. HELMS. Will the Senator yield?

Mr. BAKER. Yes.

Mr. HELMS. Madam President, I hope the majority leader will pursue the possibility of time agreements. I certainly am willing to take 10 minutes, equally divided, on my amendments, or whatever suits the managers of the bill. But I think we could work that out expeditiously. I have been sitting here all day.

Mr. BAKER. I will pursue that, I say to the Senator from North Carolina, with the manager of the bill on this side and with others. Maybe we can get short time agreements along those lines. That is a good example to set for the rest of us. I will explore it.

I yield the floor, Madam President.

Mr. ARMSTRONG. Madam President, I just wish to take about 30 seconds to have a brief reprise of the vote we have just had on the sense-of-the-Senate language which would have done four things.

It would have said that the Senate thinks it is important that we have stable monetary relationships between countries. Second, that we ought to have a new international conference to consider the systemic problems of the monetary system. Third, that we ought to have an IMF policy that fosters growth when these loans are put out instead of against growth. Fourth, that we ought to have use of the gold, not the sale of the gold, but the use of that gold to collateralize these loans.

Because the amendment failed by a vote of 47 to 46, it is not the sense of the Senate that these provisions ought to prevail. If there had been one more vote, that would have been the sense of the Senate. I just stress how close the vote was because observers in other forums, that is, at the IMF and down at the Treasury, ought to note how close that vote was.

It really does not matter too much as to the ultimate count, whether the vote was 46 to 47 or 47 to 46, because what is obvious is there are many of us in this Chamber who think these are important issues and who think that we ought to foster growth, not stagnation, who think we ought to have stable relationships in money, that we ought to use the gold for something, and that even though we lost today, maybe we will be back another time, or maybe—and this is what I really believe—the IMF and the Treasury will produce the policies that will make it unnecessary for us to revisit these issues in this forum.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

AMENDMENT NO. 1315

(Purpose: to direct the Secretary of the Treasury in cooperation with the Secretaries of State and Energy, to undertake a study and report to Congress on the past and potential impact of IMF loan quota extensions on world oil prices)

Mr. WARNER. Madam President, I sent an amendment to the desk on behalf of myself and the distinguished Senator from Nebraska (Mr. EXON) and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Virginia (Mr. WARNER), for himself and Mr. EXON, proposes an amendment numbered 1315.

The amendment is as follows:

Add at the end of the bill a section requiring the Secretary of the Treasury in cooperation with the Secretaries of State and Energy to undertake a study and report to Congress no later than 60 days after enactment of this legislation on the past and potential impact of International Monetary Fund loan quota extensions on world oil prices.

Mr. WARNER. Madam President, as I have watched and listened to the debate on this issue unfold over the past 7 months, a very grave concern has come over me. It is a concern I have had for some time.

Madam President, that concern is the effect this loan quota extension is likely to have on world oil prices.

In the Foreign Relations Committee's report No. 98-35, page 5, the following statement appears:

Witnesses noted that the debt crisis that emerged in 1982 had its roots in the rising inflationary pressure in the 1960s and 1970s, the twin oil shocks of the 1970s, and official policy responses that attempted to mitigate the impacts of these forces on individual domestic economies. The results of these policies were higher inflation, slower economic growth, and rising government sector deficits. The deep recession which ensured with the 1979 oil price increases was as much a result of tight money policies, especially in the United States, as it was a by-product of the inflationary cycle generated by the price increase itself. . .

In his statement on this legislation on page 14477 of the June 6, 1983, CONGRESSIONAL RECORD, the distin-

guished Senator from Wisconsin, Mr. PROXMIRE, said:

. . . The second great oil price increase which took place in 1979 changed conditions for both the borrowing and lending nations. The industrialized countries entered into a recession, and world trade declined. The latter development hit the lesser developed states' (LDSs) economies particularly hard as they relied heavily on such trade for export earnings with which to repay their loans. . . .

Indeed, on the same day, my good friend, the chairman of the Senate Foreign Relations Committee, on page 14479 of the RECORD is quoted as saying:

Some may ask why this act is still necessary. The debt crisis is lessing. Economic recovery is under way at home and abroad. But these developments, while encouraging, are far too vulnerable to setbacks and reversals to be taken for granted. The most decisive variables remain in doubt. Another break in oil prices alone is likely to precipitate a new round of debt crises for several key countries, as could a renewed increase in interest rates.

In fact, of all the Senators who have spoken on the floor and in committee on this issue, the record shows that only the Senator from Nebraska, Mr. EXON, has come close to actually identifying the root of the problem and suggesting what I believe will be the effect of approving this loan quota extension; it is the same effect which was felt after the last loan quota extension and the one before that.

The effect, Madam President, of approving this loan quota extension will, in my judgment, be an endorsement by Congress of higher oil prices for the world's consumers. And in my judgment that will mean renewed inflation, possibly even an end to the economic recovery we are just beginning to enjoy, and potentially an economic calamity.

Shortly after the International Monetary Fund issue started boiling over in committees on both the House and Senate side, the Senate Energy Committee held a series of hearings on the world petroleum outlook and the geopolitics of world oil.

The first of these hearings was held on February 18, the second was on February 21, and the last of these hearings was on March 7.

During the February 21 hearing, a witness, Dr. Melvin Conant, a widely respected energy analyst, in answer to a question I put to him regarding the possibility of the IMF loan quota extension serving to halt the decline in world oil prices said:

If we anticipate a prolonged economic slump, then a decline in the price of crude is certain. Were the decline to be close to what is now the real market—a $4 to $5 decrease per barrel—we should not be surprised and, indeed, be pleased. If, for reasons of panic trading in 'futures' or in the more traditional spot market, the price should plummet to the low range of $20–$23, so many additional interests would be affected as to make likely some form of price support tacitly agreed to, at least, by key importers as well as the producer/exporters.

This could be done indirectly through financial aid to key producers in trouble, the sustaining of the banking system and of energy investors, etc., each one of which implies support of oil prices. It need not be attempted through formal, direct agreements, and the effort should not be made in such fashion lest we lock ourselves into a cartel-like association. But we should be clear that when the United States, with others, rescues a key producer such as Mexico, Nigeria, Venezuela, or Indonesia it is hard to believe that aid is given without consideration of a major cause of their difficulties: decline in revenues from the sale of oil.

Moreover, while it is true that price-cutting of one form or another is now endemic and is widely commented on, we ought to remember—as indicated earlier—that every oil exporter, in or out of OPEC, has the same fundamental objective: to keep its oil revenues and thus to support the highest possible oil price. We ought not to discount the possibility that OPEC will recover its unity if the financial plight of key producers will have the tacit support of not only all other producers, but of domestic energy investors, banks which have made energy loans, and also those with interests in other forms of energy—coal and increasingly gas—for which the international price for is the benchmark for their own price.

During the committee's March 7 hearings, I put a similar question to Mr. Richard McCormack, Assistant Secretary of State for Economic and Business Affairs. I ask unanimous consent that the transcript of that exchange between myself and the Secretary appear at this point in the RECORD.

There being no objection, the transcript excerpt was ordered to be printed in the RECORD, as follows:

Senator WARNER. I have a few questions for Mr. McCormack the Assistant Secretary of State for Economic Affairs.

Mr. McCormack, reports have it the Administration will be coming forward shortly seeking from the Congress such legislation as may be needed for greater participation in the IMF, particularly added appropriations. Am I correct?

Mr. MCCORMACK. I'm sorry. I didn't hear your question, Senator.

Senator WARNER. I understand the Administration will be coming forward shortly seeking legislation from the Congress such that this country can have a participation in the IMF efforts to stabilize and stem certain loans to the LDCs.

Are you familiar with that?

Mr. MCCORMACK. Yes, I am, Senator. That is correct.

Senator WARNER. Have I stated generally what the legislation will seek or the Administration will seek from the Congress as to the form of legislation?

Mr. MCCORMACK. That is correct. We are to increase the general quota.

Senator WARNER. Would you speak up a little?

Mr. MCCORMACK. That is correct, Senator. You are correct.

Senator WARNER. Now two of those countries, the beneficiaries would be Mexico and Venezuela?

Mr. MCCORMACK. That is correct.

Senator WARNER. To what extent are those countries participating right now in the OPEC negotiations in London?

Mr. MCCORMACK. They are discussing I understand informally, not as part of OPEC but as a consultant basis.

Senator WARNER. Now the question that I have got to answer tonight in a forum is as follows. A vote to support this additional IMF loan authority is a vote to keep up prices of gas at the pump. How would you answer that question?

Mr. MCCORMACK. Could you repeat your question, Senator?

Senator WARNER. A vote in support of additional funding for IMF, of the United States, indirectly enables prices at the gas pump to be stabilized and to be kept up?

Mr. MCCORMACK. I don't draw that connection, Senator. They are two completely separate issues.

Senator WARNER. All right. Would you explain that?

Mr. MCCORMACK. Our general purpose, as you know, with regard to particularly Mexico, was we felt that we simply could not afford to let the Mexican situation drift and to permit the general financial system to disintegrate underneath us, so we moved over the course of the last several months to take various steps to stabilize that situation, and we have done so.

We have a potentially longer term situation that we also have to be concerned about.

Senator WARNER. I understand that. As a matter of fact, the Chairman and I were involved in some meetings at the time in connection with SPRO and the various contracts. I recognize that there is a need to stabilize the economy in Mexico. Many of our exports depend on that market, but I come back to the question if they don't have additional IMF support they might be forced to go into the world market and lower their oil prices. Would that be correct?

Mr. MCCORMACK. That would be correct.

Senator WARNER. And if they were to do that, that would start a further spiraling down of the world oil prices and the cost to the United States for imported petroleum, is that correct?

Mr. MCCORMACK. That would be correct.

Senator WARNER. Wouldn't that result in a lower price at the gas pump?

Mr. MCCORMACK. It would be.

Senator WARNER. Therefore, back to the question—a vote for IMF could indirectly stabilize world oil prices and as such keep the price up at the American gas pump?

Mr. MCCORMACK. Again, Senator, you have got a longer term and a shorter term situation. On the short term, you are right. On the long term, excessively lower prices would result in less investment in new sources. There would be less drilling. There would be less exploration, and supplies would dwindle and deteriorate eventually, and then prices would, the pressure would be upward again.

Senator WARNER. So for a period of time it is likely that we would experience lower prices at the gas pump?

Mr. MCCORMACK. That is correct.

Senator WARNER. Thank you.

Mr. WARNER. Madam President, I might also add that subsequent to my exchange with Mr. McCormack, the State Department submitted further testimony in writing reflecting both different questions and different an-

swers on this issue, lending further substantiation to my concern that this is an issue which few, if any, are either willing to recognize or address.

But, Madam President, I again want to commend my colleague from Nebraska for his insightfulness. The news report he brought to our attention which he inserted on page 14483 of the June 6 RECORD highlights the concern addressed in Dr. Conant's response to my question and underscores Secretary McCormack's response to my queries on March 7.

I ask unanimous consent that the UPI story No. 344, cited by Senator EXON, reappear at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

The UPI story is No. 344, headline "Caracas, Venezuela."

CARACAS, VENEZUELA.—Oil producing states, including members of the Organization of Petroleum Exporting Countries, are entitled to resort to the International Monetary Fund's compensatory facility, the Venezuelan Government says.

In a press communique issued Sunday night, the government said the IMF Board of Directors last Thursday approved the use of the compensatory facility by "members of the Fund even if they are oil nations and OPEC members."

Venezuela, a charter and active OPEC member, currently is seeking a $2.8-billion IMF loan as part of its efforts to restructure its foreign debt of more than $27 billion, of which about $15 billion falls due this year and in 1984.

Finance Minister Artur Sosa has been holding talks with IMF authorities and international bankers in New York and Washington regarding the restructuring of his country's foreign debt.

Sosa has said Venezuela can draw $1.4 billion automatically from its contributions to the IMF, but would have to accept some of the severe austerity measures recommended by the Fund in order to obtain an additional $1.4 billion under the compensatory facility.

On leaving Jacques de Larosiere, Sosa told reporters Venezuela will be the first OPEC country to seek use of compensatory facility funds, as a result of the decline in petroleum exports.

The government statement also announced an IMF commission will arrive in Venezuela Friday to prepare a definitive report on the country's financial situation.

Mr. WARNER. Madam President, I am concerned that, as I said before, a vote for the IMF loan quota extension may be a vote for higher prices at America's fuel pump. For this reason, and many others, I will vote against this bill.

Further, Madam President, I want to advise my colleagues that I have asked that the Senate Energy Committee hold hearings on the link between the loan quota extension and world oil prices.

The distinguished chairman of the Energy Committee advised me on Thursday that these hearings can be scheduled in the near future.

While I would have preferred these hearings before the full Senate took up the IMF authorization bill, I am grateful for the opportunity to hold these hearings, and believe they will prove to be enlightening and of great benefit for Members of Congress as well as the American public. The report which this amendment authorizes will be included as part of that hearing record.

Finally, Madam President, I would like to bring to the attention of my colleagues a white paper prepared for me, at my request, by Dr. Conant on the financial implications of oil price changes.

I urge my colleagues to examine it carefully, reflecting on the consequences it identifies as a result of both past and pending loan quota extensions, and considering what action Congress might take to head off those consequences. The first of these steps should be a vote against this IMF loan quota extension.

Madam President, I ask unanimous consent that Dr. Conant's white paper appear at this point in the RECORD.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

FINANCIAL IMPLICATIONS OF OIL PRICE CHANGES

In 1973–74, the first of world shocks occurred from a four-fold surge in oil prices; in 1978–80 came the second, also in surges, which catapulted the prices of the international barrel another three-fold. One must be clear as to the precise cause and effect of the shocks: it was the sudden imposition of greatly increased import charges whose abrupt timing and magnitude made the quick earning of additional and very substantial foreign exchange, through normal commercial processes nearly impossible for many nations.

For most developing countries, the only means available to them to meet these oil import price leaps was (1) a rapid increase in their commodity exports, and/or (2) quick borrowing to meet bills, and (3) eventually, for some, a chance to earn substantial remittances from laborers working in the Middle East. For most of the OECD community, the means available to pay import costs were rapid increases (1) in contracts for development, (2) in arms sales, and (3) through petrodollar recycling one of whose effects was an unprecedented expansion of credit, everywhere.

What seemed at first to be a calamity, and was warned about by very few (prominent among them being Walter J. Levy, Richard Whalen, L. Veit) came then to be regarded as an opportunity largely for banks whose receipt of petrodollars came in unimagined quantities. Soon thereafter, they were caught and had to lend in comparable amounts to earn the interest which would justify the original deposit, and then to attract more. The cycle began. In this process, in which much of the petrodollar flow was in short-term placement, loans were longer-term—a sure prescription for eventual trouble. The banks—commercial and government institutions—put themselves in a situation in which loans to increasingly unworthy credit risks earned them a "go-go" reputation. Nevertheless, they must have assumed that as the OPEC surpluses soared, more and more money would be "recycled" and, since oil prices would continue to rise in real terms, the world was on a peculiar roller coaster, gathering speed, but always going up. The rickety infrastructure apparently was strong enough—"the system would cope"—as many bankers asserted, with comparatively small-style safety nets for those few temporarily inconvenienced or more seriously distressed by large import bills.

The role of banks [1] was to

(1) help finance and transfer payments from oil importers to major oil companies;

(2) service company transfers to OPEC;

(3) hold the balance acquired by OPEC members;

(4) redistribute the counterpart of these balances as credit-worthy loans;

(5) proceeds then to be re-cycled.

It was in (4) and (5) that trouble came. The banking system became "clogged up" with balance of payments loans to governments at the expense of serving traditional domestic credit needs.

We cannot tell what was the more exact effect of these higher prices on the world economy. Some countries made out exceptionally well (the oil exporters); others did not, with mounting debts and repayment obligations. Increasingly, we were warned that the expenditure of vast, unearned sums by oils exporting LDCs had led to imprudent choices of development goals, ever-increasing corruption and a cycle (ever larger and upward) of subsidies for imports some of which—such as food—were new burdens. Persistent inflation was another consequence. Moreover, economic stagnation in the OECD was a most ominous omen. As the world economy began to plateau and then slip, in the mid-1970s, the chance became evermore remote that non-oil LDCs could increase their earnings from commodity sales. Their debts and debt-servicing obligations continued to soar and oil prices were undeniably a very key factor.

We can assume that the impact of oil prices on import bills was exceptionally grave and accelerated, at least, the effect of other forces acting on world economies (inflation, increasing private and commercial debts and sectoral changes which brought on local or regional depressions). But in addition, the many-fold increases in oil prices had a catalytic effect on other prices—a kind of ballooning effect elsewhere in economies. It may be the simplest and most useful explanation of the otherwise unbelievable cost overruns of such projects as the Alaska oil pipeline—or the vast increases in the anticipated cost of ANGTS (Alaska Gas).

Other LDCs—such as Brazil—might have managed to meet oil import costs but compounded their difficulties by a borrowing spree which was intended to accelerate development programs but whose scale and costs outran capacities.

It is now clear that the financial difficulties of most non-oil LDCs stem from their need to borrow to meet oil bills and from the general OECD economic decline which reduced demand for LDC commodities. Improvident expenditures on unrealistic or unneeded projects contributed greatly to their plight. The extreme financial tenuousness of oil exporters arises from some of these same causes but with new ones added.

The oil exporters also assumed an ever-rising real price for oil, ever-larger current

[1] Foreign Affairs article, Farmanfarmaian, Roosa, et al.; January 1975.

account surpluses and very rarely limited luxury imports or made certain that food, for example, never became a major charge on oil revenues. Their military purchases soared; cost overruns in all development projects soared to great heights, corruption became more evident. Subsidies to all sectors and all classes of citizens became the rule. And then the price of oil began to fall in 1980–82:

OPEC CURRENT ACCOUNT BALANCES

[In billions of U.S. dollars]

	1980	1981[1]	1982[2]
Exports	304	281	253–255
Imports	133	159	175–183
Trade balance	171	122	70–80
Net invisibles	[3]—61	[3]—57	[3]—55
Current account	110	65	15–25

[1] Preliminary.
[2] Estimate.
[3] Denotes negative.
Source: OPEC Secretariat, 1982.

The current account surplus of key oil exporters was about $5 billion in 1978, $68 billion in 1979; $100–$120 billion in 1980. Contrast with OECD: a $30 billion surplus in 1978 and shortfalls of $10 billion in 1979, $50 billion in 1980 and $15–$20 billion in 1981. For non-oil LDCs, the shortfall was $36 billion in 1978, $70 billion in 1980 and $80 billion in 1981.

Obviously, financial rescues to keep oil exporters afloat place an enormous burden on already strained private and public sector sources. In actuality, a fall in the price of oil to a $10–$15 range would spell catastrophe as petrodollar holdings overseas would be called back, foreign worker remittances would disappear and OECD sales would plummet to the hard-pressed producer.

Just to make the point that none of these difficulties sprang suddenly out of nowhere, note the table below published in 1977. Most of the LDCs listed doubled, at least, their total debt 1973–76, at a time of generally poor OECD economic performance. Note that of all the countries listed all would be considered "commercially" dependent and none would be regarded as "aid-dependent" (or very distressed countries of low prospect). Missing from such a list, indicative of troubles ahead, would be those oil producers to be included from 1981: Canada, Venezuela, Nigeria, Indonesia. For different reasons, we include: Iran, Iraq.

Similarly, the troubles of East Europe could be foreseen since repayment of debt obligations absolutely required greater purchases by the West of East's products. The former was in no situation (1973–75) to do so; the latter could not (it was said) produce for Western markets. Yet total East European debt soared (1974–76) by nearly 100 percent; official export credits (as distinct from loans) more than doubled. Had the requirement for increased trade been met, the East Bloc would have had to increase its hard currency exports by some 10 percent.

TOTAL LONG-TERM PUBLIC AND PUBLICLY GUARANTEED EXTERNAL DEBT OF SELECTED DEVELOPING COUNTRIES [1]

[In billions of U.S. dollars]

	End 1973		End 1974		End 1975		End 1976
	Total debt	Owed to banks	Total debt	Owed to banks	Total debt	Owed to banks	Total debt
Latin America:							
Argentina	2.89	0.66	3.35	0.63	3.16	0.52	4.20
Brazil	6.92	2.60	9.30	4.40	11.50	5.80	15.00
Chile	3.04	.51	3.73	.55	4.00	.50	4.20
Colombia	1.94	.22	2.12	.26	2.36	.37	2.70
Mexico	5.42	2.36	8.08	4.24	11.25	6.66	14.00
Peru	1.44	.56	2.07	.95	2.67	1.34	3.30
Asia:							
China, Republic of	.96	.05	1.16	.14	1.69	.42	1.90
Korea	3.20	.31	3.98	.64	5.23	1.00	6.20
India	10.40	.03	11.24	.01	11.88	.02	12.20
Pakistan	4.30	.06	4.52	.08	4.89	.11	5.50
Philippines	.81	.22	1.03	.28	1.28	.32	1.80
Thailand	.44	.01	.51	.02	.62	.05	.80
Africa:							
Egypt	1.73	.19	3.89	1.08	6.31	1.21	7.30
Tanzania	.46	.02	.61	.02	.79	.01	.96
Zaire	.89	.41	1.31	.66	1.68	.89	1.90
Zambia	.57	.23	.68	.21	.95	.35	1.20
Total of above countries	45.41	8.44	57.58	14.17	70.26	19.57	83.66
Others	11.89	1.21	15.82	3.03	20.24	4.53	26.34
Total, 71 nonoil LDC's	57.30	9.65	73.40	17.20	90.50	24.10	110.00

[1] Debt contracted by the public sector of the borrowing country or by a private borrower with the guarantee of the public sector with an original or extended maturity of more than 1 year, repayable in foreign currency, goods or services. Such debt encompasses the bulk of a country's external debt, but not all of it. By definition, it excludes all short-term credits and all long-term nonguaranteed private borrowings. Adding these credits to long-term external public debt brings the total debt of 71 nonoil LDC's outstanding at the end of 1976 to somewhere around $160,000,000,000. Data on public and publicly guaranteed debt are collected and published by the World Bank. Unfortunately, the data on the other types of debt are neither as reliable nor as comprehensive as those of the World Bank and are therefore of only limited value.

Source: World Bank and Citibank estimates.

EAST EUROPEAN DEBT TO THE WEST

[In billion U.S. dollars]

	End 1970	End 1974	End 1975	End 1976 [1]
Bulgaria	NA	1.7	2.4	2.8
Czechoslovakia	NA	1.1	1.5	2.1
German Deomcratic Republic	NA	3.6	4.9	5.8
Hungary	NA	2.3	3.2	3.5
Poland	NA	4.9	7.8	10.4
Romania	NA	2.4	2.8	2.8
East Europe (excluding U.S.S.R.)	5.8	16.0	22.6	27.4
U.S.S.R.	2.5	5.9	11.4	14.4
Country total	8.3	21.9	34.0	41.8
CMEA banks	0	2.1	2.8	3.5
Overall total	8.3	24.0	36.8	45.3

[1] Preliminary estimates.

Sources: 1970, 1974, and 1975 based on data provided by Chase Manhattan Bank. Estimate of increments in U.S.S.R. debt during 1976 from "World Financial Markets," December 1976. Chase estimates of net indebtedness at end-1976 used to derive estimates for other countries.

OFFICIAL EXPORT CREDITS TO EASTERN EUROPE [1]

	Bulgaria	Czechoslovakia	German Democratic Republic	Hungary	Poland	Romania	U.S.S.R.	Total
Millions of U.S. dollars:								
Mar. 31, 1973	376	583	838	219	1,234	1,593	3,877	8,420
Dec. 31, 1975	737	848	1,903	244	5,575	1,637	9,920	19,948
End 1975 percentage distribution by lending country:								
United States	0	0	0	0	2.0	4.2	4.6	
Japan	10.5	6.1	2.9	.4	6.6	12.7	8.4	
Austria	2.8	21.1	14.7	2.9	11.6	2.8	3.0	
United Kingdom	7.1	7.8	3.8	29.0	28.1	16.6	6.9	
France	41.8	17.2	19.7	16.6	20.7	16.3	32.7	
Federal Republic of Germany	15.3	26.7	46.3	20.7	9.9	26.9	29.7	
Italy	9.8	6.6	1.8	16.6	5.1	11.0	11.0	
Sweden	4.2	2.1	4.2	.4	4.1	2.1	1.2	
Other	8.5	12.2	6.6	13.2	11.6	7.5	2.0	
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

[1] Export credits are government-guaranteed commitments on signed contracts. Aggregate data are from official sources. Breakdown by lending country is derived from "East-West Markets," Sept. 20 and Oct. 4, 1976. Federal Republic of Germany "swing" credit to German Democratic Republic estimated at $300,000,000 for Mar. 31, 1973, and $917,000,000 for Dec. 31, 1975 (latter taken from "East-West Markets"). Column totals may not add because of rounding.

In all of these happenings, which should more correctly have been considered trends, there was little evidence of restraint placed upon lenders or borowers either through internal discipline or government actions. The prospect seemed so sure: the world economy would float ever-upward on a sea of petrodollars and easy credit. The banks were subsidizing consumption, in effect, far more than they were investing in greater productivity.

It may be that only the International Monetary Fund (IMF) and World Bank (WB) sought to constrain irresponsible national developmental policies. But it is not at all clear that *commercial* banks followed suit. When, beginning in 1978, risks became much more evident, the private banks sought IMF protection as a form of guarantee; several years later, "cofinancing" schemes were talked about. Now that the IMF has become a rescuer, the Fund turns around and insists as a precondition of rescues that the commercial bank not pullout under cover but, instead, keep on lending as a pre-condition for IMF help.

The dimensions of the calamity which followed are now clear—OECD unemployment of over 30,000,000; an almost total disappearance of major capital investments, a private and international banking system whose viability is challenged. Solutions to date elude us. We watch instead a process of shoring up of over-committee banks and borrowers for whom there is too little hope that through financial transfusions they may be able to get by until world economic prospects improve. We watch, hypnotized, as banks and borrower "rollover," are forced to agree to "grace periods," conversion of short-term obligations to the longer-term, to mobilize increased help from private commercial lenders and from the IMF/WB—the latter still conditional on altered national policies and programs and an assumed improved economic performance.

Increasingly, however, as IMF is cast in the role of rescuer, it loses its potency for insisting on better policies and performances. The emergency room of a hospital is not the place for insistence on improved preventive medicine.

Among the recent manifestations of extreme unease is the mounting interest of beleagued LDCs in a "debtors' cartel" whose purpose would be to better insist upon far more generous rescue and additional loans, on better terms than each would receive acting separately. Among these would be waivers/postponements or outright cancellation of debts and debt-servicing obligations. It is not the first time such concerted actions by debtors have been proposed. A "Manila Declaration" of 1977 signed by hard-pressed debtors demanded similar treatment. Now they meet in Panama (Inter-American Bank for Development). The point in mentioning this is that there are increasing signs of desperate LDCs turning to threats of retaliatory action to obtain relief (and more money) rather than to setting their houses in better order as a matter of first priority. It is a result of the lenders being willing to do anything lest a country default.

On the other side of the ledger, oil exporters, energy investors, and banks devoutly hope that if market forces do not support the price of international oil, that governments will find ways to do so. In actuality, every time financial emergency aid is given an oil exporter (Mexico, Venezuela, Nigeria, Indonesia, etc.), there is an implicit assumption that the price of oil, which is their mainstay, is to be supported; if it falls, then another rescue will be needed. Prepayment for future oil deliveries can be an especially iniquitous action. Governments ought to be reluctant to take steps which support oil prices without some formula for the (similar to one agreed to but never implemented by oil companies and governments in the early 1970s) application of a number of indices to lead price up or down.

From the foregoing, it seems clear that what is being done today is make-shift, a placing of props on what are unsteady foundations. Paradoxically, an early beginning of a return to OECD economic health, which is widely assumed to be the solution to all contemporary ills, may not be the desirable outcome if past errors simply go uncorrected, submerged as it were by a return to conditions which lead to still further, deeper borrowing.

What, then, should be the approach? It is not just a role for the United States to inject change into the process whereby the past fueling of imprudent economic policies and programs were being fed by an unending stream of petrodollars. But it is a process whose course correction requires at the very least American acceptance of reform of the system and, more to the point, American leadership in insisting on basic improvements to it without which neither taxpayers' money nor that of American banks, within U.S. jurisdiction or operating overseas, are not free to lend beyond proscribed limits.

(Other nations may or may not make similar decisions and no meaningful public inquiry into them is called for. The United States is different, as the Senate makes clear; it is there that the public, or national, and private interests should be sorted out.)

From the foregoing, it is unarguable that the surges in oil prices had an immediate and continuing impact on oil-importers. The increases came to accelerate and expand upon other economic forces acting adversely on industrial economies which, in turn, have aggravated the plight of non-oil LDCs whose own prospects depend so greatly upon the OECD community. Subsequently, as a direct and irrefutable consequences of these factors, the general OECD economic decline led to a drastic fall in oil demand, the loss of revenue to oil exporters and then their own financial needs became manifest.

A measure of what has been asked of the world economies is to be found in the stark message that 25 percent of OECD exports went to pay for oil imports and nearly half of all increased exports (when possible) went to meet oil bills. At least one-third of all non-oil LDC exports went to pay for oil imports (a few were closer to 100 percent); and two-thirds of exports generated by their special efforts were absorbed by oil payments.

The roles of private and public banking and financial institutions also implicated them in every phase. Having seemingly "managed" the flow of petrodollars in the technical sense, they greatly mismanaged the use of these dollars through excessive, imprudent lending motivated by the desire—which became a necessity—for ever more petrodollars.

The oil factor in all of these interacting developments was and is consequential. Hence, in considering remedies, oil prices must be a crucial factor in solutions.

These three forces: the adverse impact of higher oil prices on importers; the consequences of falling oil prices on oil exporters, and the general OECD economic decline, and the resultant pressures on lenders (and borrowers), have put us in a situation so complex and so extensive in its ramifications, there can be no temporizing with the oil link. Nor can makeshift, prop-ups do the trick. If they allow us only to ride out the storm, we shall learn subsequently that we have remained in peril.

Yet, there is an inexplicable unwillingness of the administration to discuss the obvious link between the need for an increase in IMF quotas and the course of international oil prices—up or down. When the prices were rising, the need for financial help or "safety nets" was to be found among oil importers. When the prices helped bring on economic stagnation and then a general economic decline, the need and reason for rescues was essentially with non-oil LDCs whose terms of trade suffered as the oil

price-induced worldwide depression severely affected their export earnings. When the oil prices declined as energy demand fell—a consequence of the oil price-induced depression—then the need for financial rescues has been felt among oil exporters.

The link between oil prices and financial rescues has been discussed throughout this memorandum but not in administration testimony to date on the need for raising IMF capacities to help countries (and banks) in difficulty.

Even when Mexico is cited as among these countries, the link is not discussed, only referred to in briefest of ways.

For example, in Secretary of State Shultz' testimony before the Senate Committee on the Budget (February 22, 1983) despite the request of the Chairman to comment to oil prices and their effects, and the Secretary's remark that it was the "big economic story of the year," little was said except that price declines were "broadly positive," could "create some great difficulties for some countries and for some U.S. institutions," and that we shall "have to try and be helpful if the price should drop by a lot." There was no meaningful reference to the link between the situation and the request for an IMF quota increase for the U.S. When queried more on the the issue with Mexico as an example, the Secretary would say only that the matter of U.S. oil needs and Mexico was being pursued through "high-level initiatives." There was no questioning or testimony offered to indicate that financial rescues of Mexico must have implications, explicit or implicit, for the price of its oil and then of the world oil market.

There were the scantiest references to "oil shocks" in subsequent testimony by Treasury Secretary Regan before the House Foreign Affairs Committee (February 24, 1983)—and no mention of oil prices and Mexico's financial plight when the latter's needs were mentioned.

There was no reference either to the oil prices in the IMF communique on World Economic Outlook (February 11, 1983) or in the communique of the Group of Ten on the World Economic and Financial Situation (January 19, 1983).

So far, from the administration's perspective, the link is clearly not to be discussed for reasons which seem utterly baffling—except in such reports as the Witteveen Group, cited earlier.

What to do?

In the face of the above, the article by Jean Francois-Poncet, former French Foreign Minister, in the *Washington Quarterly*: "The Weakening World Economy" is to be distinguished by its similar omission of references to oil and oil prices.[2] In contrast, note the March 1983 report of the Witteveen Group on the "International Oil Market" which makes abundantly clear the views of its members on the irrefutable link between oil prices and economic prospects.[3] Oil prices provoke/stimulate basic economic forces which have a multiplier effect, undeniable and consequential. The Group's recommendation is to implant into the international oil market a kind of informal understanding that the actions of one player will not compromise the interests of others. (The Group also pays special attention to the uses to which inventories can be put to cope with unwholesome market developments.) However persuasive the body of the report is in its background analysis, its recommendations fall short of what is real and possible.

The key observation to which all parties must either agree, or fail to arrive at solutions, is that oil is a "strategic" commodity, that is, its supply engages the vital interests of states. It is not, by definition, a commercial commodity.

The second observation is more of a corollary: that the role of the private international oil companies has been displaced very largely by the intervention of governments on the importers' and exporters' side. Whatever one thinks are the costs or benefits of such involvement, the reality is now and for the foreseeable future one of extensive government involvement. As noted earlier, an approach to a formula for oil price changes had been agreed to by governments and companies in early 1972 (Geneva Conference). That need was recognized in a seldom-mentioned Committee for Economic Development report on the consequences of oil prices (1975) in which some form of an international-commodity type agreement for oil was referred to (and agreed to, without exception, by American business members and their counterparts in Canada, the U.K., France, Germany, Italy, and Japan). It is a route referred to also by William Cline ("Mexico's Crisis, the World's Peril"; Foreign Policy, Winter 1982-83) and one which the author has been interested in since his involvement in the Conference on International Economic Cooperation—the North-South Dialogue—in Paris, 1975-76).

It is now a course recommended by Helmudt Schmidt in part of his widely-read commentary on our present predicaments. In essence, the object is to stabilize oil revenues, and to have prices move in relationship to public indices thereby restoring a kind of supply and financial assurance presently lacking, to say the least.

There is a wealth of commentary on the pros and cons of such an exercise; its distillation is a prerequisite to deliberate consideration of choices. If the oil price link to financial difficulties and remedies is clear, how to work it to the general advantage is not.

Advocates of reaching understandings between key importers and exporters on supply and price movements stress the need to begin soon to establish the relationship while the weight of "oil power" is presently to be found on neither side.

Such a proposal—if workable—would not meet the immediate needs for financial shoring-up of countries and banks. None of this attacks the question of what is prudent banking and what measures are needed to limit the free-wheeling, improvident kinds of transactions which characterized so much of recent lending. Insofar as oil and oil prices are in the roots of the banking difficulties, the role and practices of lenders must be modified.

It would mean, however, that emergency measures such as increased IMF quotas could be agreed to in the knowledge that having shored them up, the unpredictabilities about oil, which now permeate all interests, would be greatly reduced.

Mr. WARNER. Madam President, it is my understanding that the managers of the bill have considered the amendment and are prepared to accept it.

Mr. HEINZ. Madam President, I have examined the amendment of the Senator from Virginia. I think it is a good amendment. It is, as he states, an amendment to require the Department of Energy and the Department of State jointly to undertake a study and report to Congress on the past and potential impact of IMF loan quota extensions on world oil prices.

This is something that has been studied to a certain extent, but I understand the Senator's concerns with these matters, and I think we would be well advised to do that study. So I support his amendment.

Mr. PROXMIRE. Will the manager yield?

Mr. HEINZ. I am happy to yield.

Mr. PROXMIRE. Madam President, I am happy to support my good friend, Senator HEINZ. I, too, congratulate the Senator from Virginia on an excellent amendment that I am happy to support.

Mr. WARNER. I thank the managers. I will advise my colleagues that the chairman of the Energy Committee has acquiesced to my request to hold hearings on this subject and the report of the Department of State will be made part of the record.

Madam President, I move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1315) was agreed to.

Mr. HEINZ. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1317

(Purpose: To substitute sales from IMF gold reserves or 20 percent of IMF members increased quota and participation in General Arrangements to Borrow)

Mr. HUMPHREY. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Hampshire (Mr. HUMPHREY) proposes an amendment numbered 1317.

Mr. HUMPHREY. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 16, strike "4,250" and insert "3,400".

On page 3, line 21, strike "4,250" and insert "3,400".

On page 4, line 13, strike "5,310.8" and insert "4,248.64".

At the end of Title I, add the following section:

SEC. 45. It is the sense of the Senate that the Intenational Monetary Fund should

[2] Spring 1983.

[3] Obtainable through the Rockefeller Foundation, New York.

reduce the quota increase and the increased participation in the General Arrangements to Borrow of all other IMF members by 20 percent and should substitute revenues from partial sales of its 103 million ounces of gold for that reduction, including the United States', in a manner not to disrupt the international gold market.

Mr. HUMPHREY. Madam President, the IMF is before us once again, hat in hand, asking for more money. The irony of the situation is that this organization, the IMF, is sitting on top of 103 million ounces of gold, unused, unproductive assets. It happens that this hoard of gold, 103 million ounces, constitutes the world's second-largest reserve. Only the reserves of the United States are larger.

At current market prices, the IMF's gold is worth between $40 and $50 billion, a sum as large as the proposed 47-percent quota increase and the 170-percent increase in the general agreements to borrow combined. To contemplate increasing the U.S. contribution to the IMF when the IMF already possesses the necessary assets does not make a great deal of sense.

The amendment that I am offering today reduces the authorization proposed for the U.S. contribution to the IMF by 20 percent. It also expresses the sense of Congress that the IMF reduce the quota increase of other IMF members by 20 percent and substitute sales of gold from the IMF stockpile in a controlled manner so as not to disrupt the market price of gold.

Madam President, the sale of gold is not without precedent. In 1975, when the IMF's gold holdings were approximately 150 million ounces, or 4,710 tons, the Fund decided to sell one-third of its holdings, or 50 million ounces, as part of a program for gradually reducing the role of gold in the international monetary system. The remainder of the gold was held for future disposition upon a decision by an 85-percent majority vote of IMF membership. During this gold sale, 25 million ounces were sold at auction. The other 25 million ounces were restituted to member governments that had contributed gold as part of their quotas.

The gold sales were carried out over a 4-year period from June 1976 to May 1980. The aggregate profit of these sales amounted to $4.6 billion which was channeled into a trust fund established in 1976 to make balance of payment [BOP] assistance available to eligible developing member countries. The restitution of 24.5 million ounces to 126 donor nations was completed in January 1980 when the last of the four annual restitution sales occurred.

Madam President, with 103 million ounces of gold currently in its coffers, and since a precedent has already been established for the type of auction, I propose there would appear to be no logical reason why the IMF could not sell its abundant gold reserves to cover whatever shortfall it might encounter by virtue of the reduction of the requested quota increase. Of course, there are those who would argue that this gold is the IMF's only asset and that it should be used only in time of emergency. Paul Volker, for example, testifying before the House Banking Committee, used this argument to refute a member's suggestion that the IMF sell its gold reserves. However, in earlier testimony at the same hearing, Mr. Volker referred to the IMF dilemma as a "threat * * * without parallel in post-war period." I submit that if this is not a time of emergency, then no quota increase is necessary.

If it is an emergency, then now is the time to use that gold which has been set aside precisely for such an emergency.

There is also a fear that the controlled sale of IMF gold will force gold prices to plummet. This was also an issue prior to the 1976 auction. However, the demise of the gold market failed to materialize. At the first auction in June 1976, the market price of gold was around $125 an ounce. Although, the price of gold declined during the first 2 months by 12 percent, it increased steadily throughout the 4-year auction period and ended at approximately $513 an ounce, an increase of 314 percent.

I do not contend, Madam President, that it was the sale of gold by IMF that was the only condition of that marketplace. Marketplaces change from time to time. Nevertheless, there is, for the record, an example of the sale of a considerable amount of gold by the IMF, more than I am contemplating in my amendment offered today, as a matter of fact. In that sale, the price of gold did not fall, but continued to climb, as had been its historical trend.

The amendment I have introduced reduces the United States quota by 20 percent and expresses the sense of the Senate that the IMF sell a portion of its gold reserves and subsequently reduce the overall quota increase for other members by 20 percent likewise. This would require the IMF to sell approximately 21 million ounces of gold, which is only one-fifth of its current gold inventory. The IMF would therefore still hold a substantial reserve of gold.

In addition, because this sale of gold would be smaller than prior IMF auctions, which had no detrimental impact on its price, one would also anticipate that the sale of gold in the amount I propose in my amendment would not adversely affect the current market price of gold. Finally, this amendment would reduce the proposed U.S. contribution by 20 percent, thus saving the American taxpayer approximately $1.7 billion.

Madam President, the IMF supposedly comes back for purported increases only once every 5 years, though it has done it earlier this time. Nevertheless, if they make good in their next 5-year period, they will have that period of time over which to sell this gold, and the sale over a 5-year period, or even a 4-year period, of this amount—smaller than the amount sold in the last auction—would not seem to result with any certainty in a dramatic decline in the price of gold on the market.

Madam President, we are being asked to authorize the Treasury to crowd out private borrowers to the tune of $8.6 billion in order to pump precious dollars into an organization that at this very moment sits atop a $40 to $50 billion hoard of gold. This comes at a time when our own economy has just begun to emerge from a protracted and painful recession. In the absence of a coherent policy approach to bring the international debt crisis under control, I do not believe we should be asked to rubberstamp another cash giveaway to the IMF.

I urge my colleagues to join me in support of this amendment.

In summary, Madam President, the amendment reduces the amount of the U.S. quota increase by 20 percent, which expresses the sense of the Senate that the IMF should reduce the quota increase for other countries by a like amount and, instead, to substitute revenues from a partial sale of its 103-million-ounce gold reserve to make up the difference. It is a sensible amendment, Madam President, which does not require the IMF to sell all its gold, only 20 percent. It can do so over a period of 4 or 5 years without disrupting the marketplace, in my view. It makes a good deal more sense than to approve, as we have been asked, the entire amount of the proposed amount of the U.S. quota increase.

Mr. HEINZ. Madam President, I rise in opposition to the amendment. I must say I have had the opportunity to rise in opposition to amendments of my good friend from New Hampshire on several occasions today. I do not do so with any enthusiasm, because he is my good friend and he is a thoughtful Member of this body.

I have the responsibility for managing this legislation and trying to insure that the legislation we enact will do the job. It is in that spirit that I must, I am compelled, to oppose this amendment, which would make a substantial reduction in the U.S. contribution to the International Monetary Fund. It would cut our authorization by roughly 20 percent, and it would seek to get the other members of the IMF to do likewise and for the IMF to offset that with a sale of gold roughly equivalent to that amount.

The fact is, Madam President, that if the Senate passes this amendment, it unilaterally abrogates the agreement that this country has entered into with all the other countries that are members of the International Monetary Fund. As a result, it is an amendment that will kill this bill; it will kill the authorization; it will kill the agreement that has been worked out laboriously over the last 6 months to have an expanded International Monetary Fund. For anybody who does not favor the International Monetary Fund, who seeks to torpedo its work, who does not believe in the kind of work it does to promote economic stability and rational change, for anybody who is opposed to this bill, I suppose it does make sense to vote for the Humphrey amendment. But this Senator believes that undoing at this stage the work that Secretary Regan and the administration have done would be thoroughly counterproductive and, indeed, extremely dangerous.

Having spoken on the importance of maintaining our commitment in this international effort, Madam President, I shall say no more. I do urge my colleagues to join me in defeating the Humphrey amendment, and I will make a motion to table it at the appropriate time.

Mr. PROXMIRE. Madam President, I join the manager of the bill in opposition to the amendment. The amendment does have a logical appeal that I think would appeal to people who just look at it superficially. As the Senator from Pennsylvania so well pointed out, the quota increase has been agreed to by 146 countries on the basis of negotiation. That process took about 2 years. We are in an emergency now. Certainly, Mexico, Argentina, and Brazil are in difficulty. If we had to postpone for another 12 or 24 months, or perhaps even longer, before we could reach an agreement, it would be extraordinarily difficult and, I think, dangerous.

I think we ought to bear in mind the fact that most other nations wanted a larger increase. It was only because our administration, the Reagan administration, insisted on holding it down—I think to its credit—that they were able to reduce the increase as much as they did. I think the feeling is that it would be very difficult, maybe impossible, to secure agreement from other countries to the decrease suggested by the Humphrey amendment.

On the gold sale, let me point out that such a sale would require consent of 85 percent of the IMF members. In all probability, they simply would not grant agreement. There is no way, it seems to me, that we could get 85 percent of the members to agree to selling the gold, because it would erode the IMF's capital base. Just as any bank would be mistaken to reduce their capital base—we have been pleading with the banks to strengthen it—so the IMF would be in a weakened position if they eroded their capital base to the extent of 20 percent.

For these reasons, Madam President, I hope the Humphrey amendment is tabled. I yield the floor.

Mr. HUMPHREY. Madam President, just a brief response to my friends. I remind them again that the IMF sold 20 million ounces of gold commencing in 1976. There were no arguments—perhaps there were, but they were overlooked or overruled at the time—that the sale of any of the IMF's gold would erode the capital base.

The gold serves no purpose in that respect. In fact, part of the rationale raised in the earlier gold sale was that gold should have no role in monetary affairs. The gold in the IMF serves no purpose. It ostensibly is there to be used in an emergency. Here we have, according to the opponents, an emergency. Yet no one is willing to sell that gold. It does not make very much sense to me.

In any case, it is the Congress of the United States that authorizes and appropriates money from the Treasury, not the State Department, who might have negotiated this agreement, not the Executive. It is the Congress that has the responsibility to authorize and appropriate funds.

That is where we are. We are at that juncture right now. We did not negotiate this treaty. I do not know precisely who did. I suppose the Department of State did. But it is up to us to decide whether we provide the money. That decision rests squarely with us, and there would be nothing wrong in our reducing this amount by a modest 20 percent, a cut of the kind that I have suggested in my amendment.

Mr. PROXMIRE. Will the Senator yield?

Mr. HUMPHREY. I am happy to yield.

Mr. PROXMIRE. Is it not true that when gold was sold the last time there was only a 50-percent requirement for an agreement within the IMF to sell that gold? Is it not also true that there was a bitter dispute and that as a result of that dispute they agreed to lift the percentage requirement for approval to 85 percent so that it would be much, much more difficult now to persuade 85 percent to make that kind of a sale?

Mr. HUMPHREY. With respect to the historical background, I cannot answer one way or the other.

But if there is this emergency that the IMF proclaims and the opponents proclaim, then surely 85 percent would see it in their own interest to sell this modest amount of gold to make up the difference so that the taxpayers of the United States do not have to bear such a heavy burden.

I agree there is an emergency, but I certainly would not agree that 85 percent would not act in view of their firm opposition last time and the fact that, in the view of many people, you would be eroding their capital base.

Mr. PROXMIRE. I thank the Senator.

Mr. HEINZ. Madam President, I want to read into the RECORD a letter form the Secretary of Agriculture, John R. Block, which is addressed to Senator Baker. He says:

> In view of pending legislative actions on the increase in the United States' quota in the International Monetary Fund (IMF), I want to call your attention to the importance of this institution to the U.S. farm economy. In this environment we all work in, we may often overlook relationships between our domestic economy and international institutions.
>
> The U.S. farmer over the last decade has become increasingly dependent on foreign markets for a substantial portion of his income. Today, exports provide one-fourth of farm marketing receipts. In the final analysis our agricultural exports require a stable, healthy world economy.
>
> The IMF is a major linchpin to achieve this. In today's world of complex economic interdependence, a central monetary institution is necessary. If the IMF did not exist, we would have to create it. All member nations, including the United States, at times need assistance in managing balance of payments problems. Debt problems face many countries including some which are major markets for U.S. agricultural commodities. The IMF is essential to manage this current difficult situation.
>
> In view of the role of the IMF in a healthy economy and the importance to U.S. agriculture of such an economy, I urge your support of the IMF quota increase.

Madam President, I read the letter at this time to emphasize the fact once again that a unilateral reduction and, therefore, abrogation of this IMF agreement runs the risk of bringing down upon our heads the system we have labored to build up. I think we should accept our responsibilities in this body very thoughtfully. In my judgment, it would be most irresponsible of us to take upon ourselves the responsibility of trying to negotiate in this Chamber an international agreement. What is proposed is that we do exactly that. We have the power to advise and consent, it is true. This bill before us will give Senators an opportunity to express their views. But for us to renegotiate this agreement would be a great mistake. I urge my colleagues to vote to table the amendment.

Mr. HUMPHREY. Madam President, I will take only the briefest moment.

We are not dealing with a treaty. We are not advising and consenting to a treaty. We are dealing with the process of authorizing and appropriating out of the Treasury of the United States funds taxed from our citizens. It is very much within our right and responsibility to decide how much should be authorized and appropriated

for this purpose. I suggest that the IMF can easily accommodate a 20-percent reduction and make up the difference by selling some of this gold which sits unused and unproductive in its reserves today.

Mr. HEINZ. Madam President, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. BYRD. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Colorado (Mr. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Ohio (Mr. METZENBAUM), and the Senator from Massachusetts (Mr. TSONGAS) are necessarily absent.

The PRESIDING OFFICER (Mr. PRESSLER). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 62, nays 30, as follows:

[Rollcall Vote No. 123 Leg.]

YEAS—62

Baker	Garn	Mitchell
Baucus	Glenn	Moynihan
Bentsen	Gorton	Murkowski
Bingaman	Hatfield	Packwood
Boren	Hecht	Pell
Boschwitz	Heinz	Percy
Bradley	Huddleston	Proxmire
Bumpers	Inouye	Pryor
Chafee	Jackson	Quayle
Chiles	Johnston	Riegle
Cochran	Kassebaum	Roth
Cohen	Kasten	Sarbanes
D'Amato	Kennedy	Sasser
Danforth	Lautenberg	Simpson
Dixon	Leahy	Stafford
Dodd	Levin	Stennis
Dole	Long	Stevens
Domenici	Lugar	Tower
Durenberger	Mathias	Wallop
Eagleton	Matsunaga	Weicker
Ford	Mattingly	

NAYS—30

Abdnor	Hawkins	Pressler
Andrews	Heflin	Randolph
Armstrong	Helms	Rudman
Burdick	Humphrey	Specter
Byrd	Jepsen	Symms
Denton	Laxalt	Thurmond
East	McClure	Trible
Exon	Melcher	Warner
Grassley	Nickles	Wilson
Hatch	Nunn	Zorinsky

NOT VOTING—8

Biden	Goldwater	Metzenbaum
Cranston	Hart	Tsongas
DeConcini	Hollings	

So the motion to lay on the table Mr. HUMPHREY'S amendment (No. 1317) was agreed to.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. PROXMIRE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1318

(Purpose: To require a report by the Secretary of the Treasury)

Mr. BRADLEY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Jersey (Mr. BRADLEY) proposes an amendment numbered 1318.

Mr. BRADLEY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 9, between lines 7 and 8, insert the following:

SEC. 103. In order to permit the Congress to evaluate what further actions may be necessary concerning the International Monetary Fund, the Secretary of the Treasury shall transmit to the Congress not later than 6 months after the date of enactment of this Act a written report assessing—

(1) whether under present circumstances a systematic restructuring and stretching out of developing country debt should be conducted;

(2) the role global recovery will play in solving the debt crisis and what interim financing measures may have to be taken for those countries which have no possibility of continuing to service their debts even in the event of a vigorous economic recovery;

(3) whether the International Monetary Fund, which is increasingly being used as a source of credit to finance balance of payments deficits, has adequate resources to cover all conceivable requests for credit extensions taking into account the quota increase consented to under this act;

(4) what role the United States Government sees for the International Monetary Fund in providing finance and credit to the least developed countries who have such a limited capacity to borrow to finance payments deficits; and

(5) pursuant to the agreement at the Williamsburg summit, what progress has been made in the consultations among finance ministers and the managing director of the International Monetary Fund on the conditions for improving the international monetary system.

Mr. BRADLEY. Mr. President, I rise today in support of S. 695 which increases IMF quotas and begins to address the problems which are plaguing the international banking system. The Foreign Relations Committee and the Banking Committee have done an excellent job in balancing the need to provide additional liquidity and confidence to the international financial system with the need to repair the deficiencies of that system which got us into these difficulties in the first place.

The provisions for more frequent reporting of country exposure, increased disclosure by banks and loan loss reserves are useful, constructive steps which will enable bankers, investors and policymakers to better assess the soundness and viability of our international banks.

But these steps are just a beginning.

We should not be misled. What we are discussing today is merely a band aid. A very important band aid to be sure. Indeed this bill may be the most important jobs bill considered by the Senate this year. But the bill will not solve the international financial system's problems. The deficiencies of that system have been exposed and the problems will not go away.

After the initial wave of debt restructurings for Mexico, Brazil, and Argentina, some people have become complacent and now believe that the system can handle the debt problems. These are some of the same people, bankers and government officials, that were telling me early last summer when I began my series of floor speeches on the debt problem, that Mexico was in no financial difficulty.

A second wave of debt restructurings is coming and I question whether the system is resilient enough to handle that second wave. How will the world's financial system respond when Brazil has to come in and arrange for another $3 to $4 billion before the year is out? What would happen if France decided to come in and exercise its right to borrow up to 450 percent of their quota? Although they would have to conform to an IMF sanctioned adjustment plan, does the IMF have adequate resources to handle such a large loan?

I have spoken elsewhere about the need to restructure the outstanding debt of the Third World because it looms out there as a huge mountain which could come tumbling down upon the world's financial system in an avalanche. We are currently restructuring the debt, but on an ad hoc basis, country by country as the need arises. When a country is in risk of default, the banks with outstanding exposure in that country get together in conjunction with an IMF adjustment plan and put together a financial package. This is no easy task when you consider that over 1,300 U.S. banks have outstanding exposure in Mexico.

The question I am concerned about is whether the world's central bankers are prepared and have worked through all the contingencies of what they would do if they had to conduct a massive restructuring in a short period of time, say over a long weekend.

Such contingency plans for restructuring have to be worked out on a multilateral basis. The U.S. Congress cannot unilaterally legislate the re-

structuring of Third World debt. The major industrial countries must get together and collectively agree upon contingency plans in the event of such a financial crisis.

They had an opportunity to begin those discussions at the Williamsburg summit over Memorial Day weekend, but from the communique and from press accounts of the summit; it is hard to tell if they realized there is a debt problem at all.

Perhaps the optimism about recovery in this country which prevaded the meeting convinced the summit participants that the debt crisis is behind us. It is not. Economic recovery is a necessary condition for solving the debt problem, it is not a sufficient condition. Global economic growth alone cannot resolve the debt situation. We need to begin the process of reforming our international institutions to deal with this international financial crisis.

The institutions—the IMF, World Bank and GATT—which were developed in the immediate postwar period have been overtaken by events. Those institutions need to be reformed and reoriented. At the very least, we must begin to debate the future evolution of those institutions.

I understand that reform takes time. It requires elaborate preparation, analysis and consensus building. So the sooner the process begins the better.

At Williamsburg, the summit participants "invited ministers of finance, in consultation with the managing director of the IMF, to define the conditions for improving the international monetary system and to consider the part which might, in due course, be played by a high-level international monetary conference." Will this turn out to be just another travesty as on the summit study on exchange rate intervention? After a year's study which concluded that limited intervention can serve a purpose, the Europeans proclaimed that an agreement for intervention had been obtained and the Treasury Secretary who had publicly renounced intervention said nothing had changed. Let us hope that more will come of this summit initiative.

It is for these reasons today that I offer an amendment which requires the Secretary of Treasury to transmit a written report to Congress in 6 months on the progress that is being made on international monetary reform including the debt crisis. Such a report would help Congress to evaluate what further actions may be necessary concerning the International Monetary Fund.

Specifically I am interested in:

First. Whether under present circumstances a systemmatic restructuring and stretching out of developing country debt shall be conducted and, if not, why not?

Second. What role will global recovery play in solving the debt crisis and what interim financing measures may have to be taken for those countries which have no possibility of continuing to service their debts even in the event of a vigorous economic recovery?

Third. The IMF is increasingly being used as a source of credit to finance balance-of-payments deficits. Give this large quota increase, does the IMF now have adequate resources to cover all conceivable requests for credit extensions?

Fourth. What role does the United States see for the IMF to play in providing finance and credit to the least developed countries who have such a limited capacity to borrow to finance payments deficits?

Fifth. Pursuant to the agreement at the Williamsburg summit, what progress has been made in the consultations among finance ministers and the Managing Director of the IMF on the conditions for improving the international monetary system?

The amendment I have just submitted, and I understand it is acceptable to both the majority and minority side, would require the Secretary of the Treasury to submit to Congress no later than 6 months after the enactment of this legislation a written report that would deal with the whole question of debt restructuring, the role of global recovery in solving the debt crisis, an analysis of whether the International Monetary Fund has the resources under many different scenarios to keep the system afloat, what role the U.S. Government sees for the IMF in providing financing credit to least developed countries with their limited capacities to borrow, and the followup on the agreement of the Williamsburg Summit to consider improvements in the international monetary system. Such a report would be of great value to the Senate in its future deliberations on these matters. Mr. President, I urge its adoption by the Senate.

Mr. HEINZ. Mr. President, I commend the Senator from New Jersey for offering this amendment. The amendment proposes a study by the Treasury Department of the International Monetary Fund, its role in economic situations, the role of the Fund, the role of economic recovery as we confront the international debt situation.

I think it is a valuable and worthwhile amendment. I not only commend the Senator from New Jersey, but I urge my colleagues to accept the amendment.

Mr. PROXMIRE. Mr. President, as ranking member of the Banking Committee I am embarrassed that the Senator from New Jersey has shown us up. We should have put this in the bill to begin with.

It is an excellent suggestion, and I want to thank him for improving this bill as he does with this proposal.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Jersey.

The amendment (No. 1318) was agreed to.

Mr. BRADLEY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Montana.

AMENDMENT NO. 1319

(Purpose: Prohibit the lending of funds contributed to the General Arrangements to Borrow facility to countries other than those who have contributed to the facility)

Mr. MELCHER. Mr. President, I have an amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will read the amendment.

The assistant legislative clerk read as follows:

The Senator from Montana (Mr. MELCHER) proposes an amendment numbered 1319:

On page 9, between lines 7 and 8, add the following new section:

SEC. . The Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"SEC. . The Secretary of the Treasury shall instruct the United States Executive Director to the International Monetary Fund to oppose the use of any funds in the General Arrangements to Borrow facility for loans to countries other than those who have contributed to the General Arrangements to Borrow facility.".

Mr. MELCHER. Mr. President, I did not interrupt the reading of the amendment with the usual request that the reading be dispensed with because it is a short amendment, a very direct amendment, and a very correct amendment.

We have had a general arrangement to borrow, shortened to GAB, established in 1962 by 10 industrial countries in the International Monetary Fund, as a means "to forestall and cope with an impairment in the international monetary system."

The IMF fund was set up originally in order to do just that, to cope with any impairment in the international monetary system.

Later on the addition of the loans to less-developed countries was instituted and has become a major part of the International Monetary Fund. But the basic purpose for which the IMF was created was to make it possible for those countries having upheavals in their monetary system to have some opportunity for readjustment.

The United States has used this Fund once in November 1978. What is

being suggested now is that this system be changed, that the 10 original countries, the so-called group of 10, which set up the International Monetary Fund for use in times of monetary emergency, to provide them special drawing rights in order to cope with those monetary upheavals were to get the benefit of it. Those countries, including ours in the 10, are West Germany, Japan, France, the United Kingdom, Italy, Canada, Netherlands, Belgium, and Sweden only recently have been joined by Switzerland as an associate member. So instead of the original group of 10, it is now 10 plus 1, Switzerland.

Since 1962 the general arrangements to borrow has been utilized 11 times to finance IMF drawings by the United Kingdom, France, Italy, and by the United States, as I mentioned previously.

The funds that are borrowed under the general arrangements to borrow are repaid when the country drawing from the IMF repurchases its own currencies. We needed it in 1978 and we may need it again. The benefit of the IMF to us directly, as a country, is this arrangement for us to be able to use those special drawing rights in case of a monetary emergency within the United States, and the relationship of our money to those other currencies throughout the world.

What would happen if we changed this policy, as has been proposed only a few months ago? Well, obviously if the general fund which makes the loans to Third World countries such as Mexico, Argentina, Brazil, and other less developed countries that seriously need money, is used to the extent to which it may be used, and money is drawn out of this part of the International Monetary Fund, we may find a situation where when we need to use the general arrangements, to borrow for our own purpose and to utilize the special drawing rights we are privileged to use and entitled to use and funds will not be there in sufficient amount.

There is some speculation that the amount of money that will be needed over the next 2 years in order to protect the solvency of countries that are now in trouble may exceed the amount that is available in the general fund of the IMF. That can come about through more faulty loans made by international banks. It could come about very easily if the world economy continues to be stagnant or has another downturn, and the situation is such that it really makes us ponder or should make us ponder as to whether or not this would be a good move, to open up the GAB as has been suggested, but probably never ratified or so far as I can find out, never officially ratified by the group of 11. However, it is declared as a proposal, as a policy to be followed and will be followed if nobody objects.

I think we should object. And the amendment that I offer this evening is the kind of an objection that is a practical means to let our allies in the International Monetary Fund realize that we do not think it is good policy.

Now, I have been checking on what we have done this afternoon. I see that we have voted on five recorded votes this afternoon and that four of those were tabled. I realize the feeling of the managers of the bill. I realize the feeling of probably the majority of the Senate. They have already made up their minds and would like to see the bill passed.

I am not saying that I am all for the bill. Indeed, I have strong reservations about the wisdom of this bill. I would like to see this amount cut from the $8.5 billion that is proposed in the authorization bill before us cut down to half or thereabouts because I think it is excessive.

But, on the particular point this amendment addresses, I feel very strongly that there has not been any evidence that this will be a good move. We are going to contribute to the general fund about $5.8 billion and to the GAB portion of the International Monetary Fund we are going to contribute another $2.6 billion. The concept has always been that our contribution to the GAB enlarges our special drawing rights so that in any emergency that we have we will have needed funds available.

I would like to think that the best wisdom of the managers of the bill and the best judgment of the entire Senate is that we do not undertake that step at this time in changing this policy. I would like to think that the wisdom of the Senate will tell us that this is a good amendment. And because I think it is such a good amendment, I think it ought to be discussed very thoroughly here and ought to be voted up or down, not tabled. Because tabling implies that the amendment really has no merit and deserves no further consideration.

I think a policy change of this magnitude in the structure of the IMF deserves very thorough attention. I think it is the responsibility of us here in the Senate to consider the amendment and to give it our best judgment.

I hope that the amendment is agreed to. And there are numerous reasons for that.

First of all, the general arrangements to borrow were established for a limited purpose. It is a specific purpose which is limited to help forestall or cope with those extraordinary financial difficulties which, from time to time, threaten the international monetary system. This arrangement has been successful in fulfilling the terms of its limited mandate.

The United States was able to benefit from its participation in the general arrangements to borrow in 1978. At that time, we drew $3 billion from the facility to support the dollar in the international exchange market.

It is hardly coincidental that the general arrangements to borrow emergency funds is being expanded at a time when there are increasing demands on the general resources of the IMF. If we are to open this GAB funding to all IMF members, it will make it less likely that GAB funds will be available to the United States or others of the group of 10, or 11, counting Switzerland, as I prefer to think of it now, when those individual countries need it.

Mr. President, the situation we face here is simple and straightforward. Not only are we being asked to provide an additional $5.8 billion contribution to the IMF general fund, which will be used for loans to the less-developed countries, but the bill before us has an additional $2.6 billion for the general arrangements to borrow.

Now, the strategy is the IMF money that is thus available and enlarged in both funds, out of the general fund and the general arrangements to borrow fund, will be made available on a basis that is not restricted to the use of the 10 member nations plus Switzerland. Under those circumstances, it would be available for loans to the less-developed countries, just like the general fund.

Well, what are we doing here? We have a bill that says we have two separate amounts of money, $5.8 billion for the general fund and the $2.6 billion for the general arrangements to borrow fund, and yet we are going to have a policy followed that both funds will be thrown together for the same uses.

That is not a very good way to structure the IMF. The amendment I am offering would make it clear that we do not think that is very good judgment. We instruct our Executive Director to the International Monetary Fund to oppose that particular stated policy and that particular strategy. Because if it is followed, it is just a backdoor way of making more of taxpayers' dollars available for loans to the less developed countries—and those taxpayers I am talking about are U.S. taxpayers—which might result that the funds the United States put into the GAB not being there for our use in the future if we ever need them again.

I think that pretty well states the obvious and pretty well makes the case for the adoption of the amendment. Without such a restriction or at least an expression of objection on our part, I would feel we were doing less in our responsibility in the consideration of this bill.

Mr. HEINZ. Mr. President, I rise in opposition to the amendment. I will not speak at length.

To sum up my concerns, this amendment, were it to be adopted, would, in a different way from the previous amendment, but, nonetheless similarly, abrogate the agreement that we have worked out. I think that that would be counterproductive for reasons I have stated on previous occasions.

The proposed expansion and revision of the general arrangements to borrow (GAB) is an integral part of the effort to strengthen the IMF's ability to deal with financial strains in the system.

At the outset of the quota negotiations, many IMF members favored a doubling or tripling of quotas as a means of insuring that the Fund had sufficient resources to deal with ordinary balance-of-payments financing needs and to serve as a financial backstop. The United States argued that such a large increase was unnecessary and undesirable. Instead, the U.S. proposed a two-track approach:

First, a much smaller quota increase designed to insure that the IMF's permanent resources were adequate to meet official financing needs in normal circumstances;

Second, establishment of a contingency borrowing arrangement that would be available to the IMF on a standby basis for use in situations threatening the stability of the system.

The expansion and revision of the IMF's existing GAB offers several important attractions as a means of supplementing IMF quotas and strengthening the IMF's role as a backstop for the system:

First, since GAB credit lines are primarily with countries that have strong financial positions, they provide a more efficient and effective means of strengthening the IMF's ability to deal with extraordinary situations—only about half of the quota increase results in immediately usable resources, while more than 75 percent of the GAB will be usable.

Second, the GAB will be drawn on only in situations involving a serious systemic threat and if other IMF resources are inadequate. It will therefore provide more effective assurance that the funds will be available if needed rather than used for other purposes. It is possible that this safety net will not have to be used.

Third, creditors, including the United States, will have to concur in its use, thus assuring that GAB resources will be provided only in connection with emergency situations and in support of effective adjustment programs.

Fourth, revision of the GAB to permit its use for any IMF member—not just the major industrial countries as at present—reflects the fact that current problems are focused on the developing countries.

Measures to limit the size of the GAB or constrain its use would leave the IMF without a means of dealing with emergency situations that could require substantial commitment of resources. This could result in additional pressure on the IMF's quota resources to deal with problems the GAB is designed to resolve and a possible need to increase quotas before the scheduled completion date of the next quota review (1988).

Mr. PROXMIRE. Mr. President, I join the Senator from Pennsylvania in opposition to the Melcher amendment. The difficulty with this amendment is, as I understand it, an agreement was worked out in the International Monetary Fund at the insistence of the United States that the increase in the bigger fund be held down from $132 billion, which many of these smaller countries wished to go to, to $99 billion, provided that the other countries would be allowed to borrow from the general arrangement to borrow, and that the GAB would be increased moderately from $7 to $19 billion.

So overall the total amount was held down by this kind of action.

I might point out that in the general agreement to borrow there are considerable limits, restraints, on borrowing. There is a double majority required. In the first place, a two-thirds vote of all the members of the GAB, and in the second place a three-fifths weighted vote. That weighted vote gives us a considerable leverage because we have about 20 percent right there and it would only require relatively modest additional support for us to block borrowing from that fund.

Altogether, I think the negotiations were on the side of those who would want to limit the International Monetary Fund, which I take it the Senator from Montana would like to do. I think that his amendment, on the other hand, would be viewed by the countries that wanted a bigger overall fund as a change from what was agreed to and, therefore, would be very bitterly and strongly opposed and make it much harder for our negotiators to work out a reasonable agreement that was fair to everybody.

Mr. MELCHER. Mr. President, the use of the phrase "abrogate negotiations in which we have agreed" was made by the manager of the bill, the Senator from Pennsylvania. The use of this phrase to oppose my amendment bothers me. In fact, it bothers me in regard to the whole bill.

We are not called upon to be a rubberstamp. We are not called to assume the responsibility here in the U.S. Congress and this Senate to find approval with all the policy decisions that might be proposed or might be conjured by the various members of the International Monetary Fund.

Rather, we are called upon to authorize the U.S. funds that will be necessary to carry out the policy that has been recommended to us.

I am not comfortable with that policy in several different ways, but I am extremely uncomfortable with an argument based on what I believe to be a very logical amendment, based on the point that the amendment might "abrogate the negotiations that we have agreed to" when it is clear that Congress has not yet agreed to the policy—only our representative at the IMF and our Secretary of Treasury have so far agreed to it.

Frankly, here in the Senate we are to authorize, first of all, the amount of money and then to appropriate it out of the Treasury if, in our best judgment, the policy is good.

I am particularly interested in the influence that we might have in the International Monetary Fund. I welcome the comments of the manager of the bill on our side, the Senator from Wisconsin, on how our vote counts. It should count. It should count because we have been backers of the Internatinal Monetary Fund from its inception, prime backers of it, and prime contributors.

What we are doing here in the policy that has been arrived at through negotiations, which our representative agreed to, is to open up the funds in the general arrangement to borrow to be used for general loans. That fund has done us some good in the past but if it is opened up and used excessively, that could prevent us from being able to use some of our own contributed funds through the same arrangement for our advantage as it had once been used in the past.

If the policy which has been proposed is sound, we should go ahead, but I do not believe it is sound. I believe it has drawbacks. I believe that the method we followed in the past would be wiser to follow now.

Mr. President, one of the reasons it is probable that the general arrangements to borrow will be dipped into is because of the drain on the IMF by the Third World countries who have borrowed from the international banks.

There are great number of international banks that have made those loans.

I have examined the 15 largest banks in the United States to see how much of their total loans were foreign.

I ask unanimous consent that data on the foreign loans of the 15 largest U.S. banks be inserted in the RECORD at this point.

There being no objection, the data was ordered to be printed in the RECORD, as follows:

Citicorp (NY): Total loans, $85,844,000,000; total foreign loans, $43,054,000,000; percent foreign loans, 50.2.

$17.2 billion to industrial nations (92% private—8% public).

19.6 billion to oil exporting nations and middle income developing nations (36% public—64% private).

$332 million to Eastern Europe (18% public—82% banks).

$407 million to low income developing nations (53% public—47% private).

Mexico—$3.3 billion.
Brazil—$4.4 billion.
Venezuela—$1 billion.
Argentina—$430 million.
Korea—$430 million.
Philippines—$430 million.

Angola, Cameroon, Chile, Colombia, Costa Rica, Cyprus, Dominican Republic, El Salvador, Ghana, Guatemala, Honduras, Ivory Coast, Jamaica, Jordan, Macaw, Mauritius, Morocco, Nicaragua, Papua New Guinea, Paraguay, Swaziland, Thailand, Turkey, Uruguay, Yemen, Zambia, Zimbabwe, Bangladesh, Guinea, Haiti, Kenya, Madagascar, Malawi, Nepal, Niger, Pakistan, Senegal, Sierra Leone, Sri Lanka, Sudan, Tanzania, Togo, Upper Volta, and Zaire—less than $430 million each.

Of a total of $1.662 billion in non-performing loans in 1982, $1.111 billion (66 percent) were international.

BankAmerica (CA): Total loans, $74,591,000,000; total foreign loans, $28,177,070,000; percent foreign loans, 37.8.

Mexico—$2.5 billion (44% private—56% public).

Brazil—$2.3 billion (30% private—70% public).

Venezuela—$2 billion (50% private—50% public).

Chase Manhattan (NY): Total loans, $55,155,961,000; total foreign loans, $34,249,948,000; percent foreign loans 62.1.

Japan—$1.7 billion.
U.K.—$1.7 billion.
West Germany—$1.7 billion.
Brazil—$1.2 billion.
France—$1.2 billion.
Mexico—$850 million.
Switzerland—$850 million.
Argentina—$510 million.
Canada—$510 million.
Hong Kong—$510 million.
Italy—$510 million.
Korea—$510 million.
Venezuela—$510 million.

Manufacturers Hanover: Total loans, $45,293,124,000; total foreign loans, $20,779,000,000; percent foreign loans, 45.9.

United Kingdom—$2.8 billion.
Brazil—$2.01 billion (48% private—52% public).
Mexico—$1.7 billion (33% private—67% public).
Japan—$1.5 billion.
Argentina—$1.2 billion (29% private—71% public).
West Germany—$1.2 billion.
France—$1.1 billion.

J.P. Morgan: Total loans, $31,823,000,000; total foreign loans, $19,231,000,000, percent foreign loans, 60.4.

Japan—$3,299 million (17% of for. loans).
U.K. & Ireland—$2,999 million (15%).
France—$1,985 million (10%).
Brazil—$1,688 million (8%).
Canada—$1,152 million (5%).
Mexico—$1,082 million.
Belgium—$835 million.
Federal Republic of Germany—$785 million.
Republic of Korea—$768 million.
Argentina—$759 million.
Norway—$723 million.
Spain—$720 million.
Italy—$613 million.
Luxembourg—$566 million.
Venezuela—$543 million.

Non-performing loans: As of December 31, 1982, non-performing loans totaled $518 million, which included $288 million of loans to borrowers outside the U.S. (or 55 percent).

Chemical New York (NY): Total loans, $31,770,000,000; total foreign loans, $12,709,000,000; percent foreign loans, 40.

Mexico—$1.4 billion.
Brazil—$1.3 billion.
Argentina—$330 million.
Chile—$350 million.

Continental Illinois: Total loans, $33,339,165,000; total foreign loans, $10,817,000,000; percent foreign loans, 32.4.

Mexico—$695 million.
Brazil—$490 million.
Venezuela—$463 million.
Argentina—$381 million.

First Interstate Bancorp: Total loans, $23,394,941,000; total foreign loans, $2,865,982,000; percent foreign loans, 12.3.

Mexico—$680 million.
Brazil—$474 million.

Bankers Trust: Total loans, $21,098,591,000; total foreign loans, $9,308,264,000; percent foreign loans, 44.1.

Developed countries—$4,531 million (49%).
Organization of Petroleum Exporting Countries—$797 million (8%).
Semi-industrial—$2,607 million (28%).
Other developing countries:
Higher income ($675-$2,999 per capita)—$1,011 million (11%).
Middle income ($400-$675 per capita)—$267 million (3%).
Low income (less than $400 per cap.)—$95 million (1%).

(Developed countries are over $3,000 per capita; semi-industrial countries are between $1,520-$2,810 per capita).

Scurity Pacific: Total loans, $24,926,800,000; total foreign loans, $4,603,300,000; percent foreign loans, 18.5.

Mexico—$525 million.
Brazil—$490 million.
Argentina—$175 million.
(76% private—24% public).

First Chicago: Total loans, $22,191,826,000; total foreign loans, $7,654,999,000; percent foreign loans, 34.5.

Mexico—$576,987,476 (35% private-65% public).
Brazil—$466,028,346 (33% private-67% public).

Crocker: Total loans, $16,227,896,000; total foreign loans, $3,702,896,000; percent foreign loans, 22.8.

Brazil—$660 million (40% private-60% public).
Mexico—$589 million (35% private-65% public).
Argentina—$439 million (44% private-56% public).
Chile—$305 million (77% private-23% public).
Venezuela—$263 million (37% private-63% public).

Non-performing loans: an aggregate principal amount of $11 million has been classified as non-performing.

Wells Fargo: Total loans, $20,237,745,000; total foreign loans, $2,776,953,000; percent foreign loans, 13.7.

Wells Fargo's 10K report disclosed that the foreign loans were spread among 84 countries, and that such loans in any one country did not exceed 2 percent of total assets.

Interfirst Corp.: Total loans, $12,502,000,000; total foreign loans, $931,000,000; percent foreign loans, 7.4.

United States—$202 million (22 percent) of for. loans.
Mexico—$199 million (21 percent).
Asia & Pacific (exclud. Japan and Korea)—$121 million (13 percent).
United Kingdom—$101 million (11 percent).
Europe (14 countries, excluding U.K.)—$104 million (11 percent).
Brazil—$74 million (8 percent).
Argentina—$42 million (4 percent).
South & Central America (exclud. Mexico, Brazil, and Argentina)—$34 million (4 percent).
Japan—$20 million (2 percent).
Korea—$16 million (2 percent).
Africa & Middle East (8 count.)—$11 million (1 percent).
Poland—$7 million (1 percent).

Mellon National: Total Loans, $11,394,292,000; total foreign loans, $2,681,000,000; percent foreign loans, 23.5.

Mellon's 10K said that the loan portfiolio was diversified geographically, and that the greatest concentrations of outstanding loans were in the most stable and industrialized parts of the world.

Non-performing assets: Included in this were $46.5 million of cash-basis international loans, related primarily to borrowers in three countries.

(86 percent private-14 percent public)

Mr. MELCHER. Let me point out that not all of these foreign loans are to lesser developed countries and not all of these loans are shaky or in bad condition. But some are bad loans and some countries are close to defaulting. The use of IMF increase funding is to help protect those loans that are shaky.

Another agreement that is important concerning the IMF is that our foreign trade is dependent on continued IMF funding increases. This argument has been overstated and I ask unanimous consent that a table showing how IMF loans to Latin American countries have carried conditionalities that actually reduced U.S. exports to those countries be inserted in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

UNITED STATES-LATIN AMERICAN TRADE—U.S. EXPORTS TO LATIN AMERICA

[U.S. dollars in millions]

	1st quarter 1982	1st quarter 1983	Percent change	IMF loans	Total external debt
Mexico	$3,618.8	$2,085.6	−42	[1] $3,960	$80,100
Venezuela	1,247.4	854.8	−31	[2] 0	29,500
Brazil	856.4	575.7	−32	[3] 4,478	85,500
Argentina	458.1	251.0	−45	[4] 2,000	38,000
Chile	234.6	156.0	−33	726.4	17,200
Peru	267.8	184.1	−31	715	.....
Total	6,682.7	4,107.2	−38.5	.....	.....

Conditionality of IMF loans:

[1] Mexico announced that it had accepted the terms of an austerity program imposed by the IMF as condition for $3.84 billion in credit (New York Times, November 11, 1982). The major condition was that Mexico reduce the size of its public sector debt. Also, Mexico promised to maintain an exchange rate that would stimulate exports and discourage imports and the flight of capital.

[2] "Venezuelan Minister to Meet with Bankers" (Washington Post, March 30, 1983, p. D9); Commenting on future IMF borrowing: (Finance Minister Arturo) "Sosa will present the bankers with projections showing that Venezuela, in the wake of an expected $3 billion reduction in petroleum revenue, could trim an expected $4 billion deficit in its current accounts balance to around $2 billion by cutting imports to about $9 billion in 1983 from $13 billion last year."

[3] "To meet its burdensome commitments, Brazil has mounted an ambitious trade program based equally on aggressive export growth and recessive import restrictions." (The Journal of Commerce, April 21, 1983, "Brazil Seeks to Ease Liquidity Crisis.")

Washington Post, March 31, 1983 (p. A1, 27). "Brazil Finds Nice-Guy Role in Debt Drama Difficult."

Article says that Brazil has forecast a $6 billion trade surplus for 1983, which is needed to service its debts. The article continues:

"Economist Aldroaldo Moura Silva believes that the $6 billion trade surplus cannot be achieved. 'At best it will be $3 billion to $5 billion * * *' he said. Even the IMF initially questioned the trade figure, Brazilian sources reported. The Fund doubted whether Brazil could boost its exports by the 14 percent needed to reach the $23 billion government goal. As a result, the IMF plan outlined a stiffer drop in imports—from $19 billion to $16 billion instead of to $17 billion—to achieve the planned surplus. Brazilian officials now use a range for the trade targets."

[4] As condition for obtaining $2 billion of IMF credit, Argentina agreed to cut state spending and to continue its pattern of currency devaluations to make exports more competitive by making them cheaper and to limit imports by making them more expensive. (New York Times, October 28, 1983)

Source of information on trade statistics: Department of Commerce International Trade Division.

Source of information on IMF loans: International Monetary Fund.

Mr. MELCHER. Finally, I want to include part of a statement on IMF lending practices by the Interregions Task Force on Food Policy that points out flaws in IMF policies. This is one of the reasons I question this quota increase to the IMF.

The IMF must take a much more balanced approach, particularly in regard to food production.

In its eagerness to help a country secure more foreign exchange, the IMF often recommends increased agricultural production for export, regardless of what this does to the structure of agriculture within a given nation, or how it diminishes the capacity of a nation to produce sufficient staple food for its own people. The IMF's proposals to the Sudan are a case in point.

The Sudan is one of the poorest countries in the world and has perhaps the largest foreign debt in Africa, owing over $4 billion to foreign creditors. For the past several years, the Sudanese government has been relying on the IMF for help in dealing with its creditors. The IMF recommended increased emphasis on cotton production, so that the Sudan could earn more foreign exchange. Given the reality of the world market, it is questionable whether the Sudan will be able to increase its market share, and we wonder why the IMF prescribes such policy, which seems to be destined for failure. Furthermore, much of this cotton is produced on large scale irrigated farms. Given the constraints of Sudan's financial resources, increased attention to cotton means that small farmers will be hard-pressed for resources.

Perhaps there is something that will come of all of this. I have a fear that we may be moving too rapidly. In order to make sure that we have not overlooked something, I suggest the absence of a quorum, Mr. President, with the time to be charged against the manager of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HEINZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HEINZ. Mr. President, I ask unanimous consent that we temporarily lay aside the Melcher amendment in order to permit the Senator from North Carolina to offer and debate an amendment.

The PRESIDING OFFICER. Is there objection?

The Chair hears none. Without objection, it is so ordered.

Mr. HEINZ. Mr. President, I understand also that the Senator from North Carolina would be willing to enter into a time agreement on his amendment.

Mr. HELMS. Absolutely, Mr. President.

Mr. HEINZ. I understand further that it will be amenable to him to have 20 minutes equally divided.

Mr. HELMS. I shall do better than that, Mr. President: 10 minutes equally divided.

Mr. HEINZ. That is an offer I cannot refuse.

Would the Senator from North Carolina be willing to do both amendments on that basis?

Mr. HELMS. Certainly.

Mr. HEINZ. Mr. President, I ask unanimous consent that, on the two amendments to be offered by Senator HELMS, there be 10 minutes on each, to be equally divided between the offeror of the amendment and the manager of the bill, the Senator from Pennsylvania, or his designee.

I further ask unanimous consent, Mr. President, that any votes on the amendments take place at the conclusion of the disposition of the Melcher amendment.

Mr. HELMS. Reserving the right to object, Mr. President.

Mr. GARN. Reserving the right to object, and I do not object, the majority leader had just walked in. I think on stacking votes, we should defer to the leader.

Mr. PROXMIRE. Reserving the right to object, Mr. President, could we have a brief description of what these amendments do? We would want to know if they are germane, what they are, and so on.

Mr. HELMS. I say to my friend from Wisconsin that I have provided copies of the amendments to both managers of the bill. The first one I am calling up is a sunset amendment.

Mr. PROXMIRE. I know we have copies, but I have been asked by minority staff to have this on the record so we can have it described there.

Mr. HELMS. Certainly. The first amendment will be the sunset amendment.

Mr. BAKER. Mr. President, has the request been granted with respect to stacking of votes on the amendments?

The PRESIDING OFFICER. It has not.

Mr. BAKER. It sounds like a good idea to me.

Has the request been granted on 10 minutes on each of two amendments, equally divided?

The PRESIDING OFFICER. That has not been granted.

Mr. PROXMIRE. Mr. President, I wanted to have the Senator from North Carolina tell us what the amendment is before I agree to the request. The first one, as I understand it, is a sunset amendment.

Mr. HELMS. Yes. The second concerns congressional approval for the issuance of SDR's.

Mr. PROXMIRE. That is fine.

Mr. BAKER. Mr. President, do I understand the minority manager has no objection?

Mr. PROXMIRE. I have no objection.

Mr. BAKER. Then, Mr. President, I ask unanimous consent that on two amendments to be offered by the Senator from North Carolina, there be a time limitation of 10 minutes equally divided, and control to be in the usual form.

I further ask unanimous consent, Mr. President, that when and if a rollcall vote is ordered on the first amendment, it be stacked to occur after the debate has concluded on the second amendment and the vote, if a rollcall is ordered on the second amendment, to occur in sequence, without further intervening debate.

Mr. PROXMIRE. Will the majority leader also consider a vote to come on the Melcher amendment?

Did the Senator from Montana desire a vote on his first, or would he prefer a vote after we vote on the Helms amendment?

Mr. MELCHER. I think it would be logical to vote after the Helms amendment, as long as we are taking them up right now.

Mr. BAKER. Mr. President, has debate concluded on the Melcher amendment?

Mr. MELCHER. No, it has not, Mr. President.

Mr. BAKER. Has an order been entered to lay it aside temporarily?

Mr. MELCHER. Yes, it has, Mr. President.

Mr. BAKER. Before the Chair rules on the request, I understand the minority leader is on his way to the floor and I suggest that we suspend for just a moment.

I put the request, Mr. President.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BAKER. I thank the Chair. I thank the Senator from North Carolina and the distinguished managers of the bill.

Mr. HELMS. I thank the distinguished majority leader.

FED/TREASURY GOLD STUDY

If I may have the attention of the distinguished manager of the bill, we

can get one of the amendments out of the way in short order, Mr. President.

Mr. President, I had intended to offer an amendment which would have the purpose of clearing the air concerning the impact of gold price changes on the reserves of the world central banks. It has been estimated that 60 percent of the value of world central bank reserves is in gold. That translates into about 1 billion ounces of gold—at present prices, the equivalent of $400,000,000,000. Prof. Robert Mundell, of Columbia University, has estimated that a change in the value of gold of $100 per ounce would translate into the change in bank reserves of $100 billion. Thus, the changes in gold prices have, at least in a theoretical sense, a massive effect on bank reserves.

Now, some nations, such as the United States, "sterilize" their reserves. The United States has its reserves on the books at about 10 percent of its market value. In addition, our central bank, the Federal Reserve System, does not have laws which require the revaluing of our gold, and thus the value of the bank's assets.

Many nations, however, do value their gold reserves at or near the market level and revalue them when the market value changes. What this means is that gold prices play a major role in determining world liquidity, and the relative health of world central banks. We ignore this today, in part because of a myopia about the ability of men to run a paper money system. Instead of admitting failure and adopting something like a gold standard, we press ahead with patches on the present system, ignoring even the still-important role gold plays in world banking.

If I had offered this amendment and if it had been adopted, it would have meant that the Treasury Department and the Federal Reserve System would have had to prepare a study on the effects of gold price changes on the fiscal health of central banks. Such a study can be an extremely helpful tool in future debates about international monetary problems and about future uses of gold—ours, the IMF's, and other central banks.

Yesterday, as Senators will recall, the Senate adopted an amendment offered by the able Senator from Georgia (Mr. MATTINGLY) concerning a gold study. It covered a number of important issues.

At this time, I ask the indulgence of the managers of the bill, if they will advise me. Is it their understanding that the Mattingly gold amendment approved yesterday would also require a study of the effects of gold price changes on world central bank reserves and world liquidity?

Mr. HEINZ. Mr. President, will the Senator yield?

Mr. HELMS. Yes, Mr. President.

Mr. HEINZ. The answer to the Senator's question is, yes, positively, the Mattingly amendment would require such a study. That study would include the effects of gold price changes on the world central bank reserves and world liquidity.

Mr. HELMS. I thank the Senator. That relieves my anxiety on that question.

AMENDMENT NO. 1320

(Purpose: To make the increase in the United States quota in the Fund and the increased participation of the United States in the General Arrangements to Borrow effective only through the fiscal year 1984)

Mr. HELMS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an amendment numbered 1320.

Mr. HELMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, strike out lines 3 through 12 and insert in lieu thereof the follwing:

(2) by inserting in subsection (a) after "loans," the following: "in the case of loans made during the fiscal years 1983 and 1984, in an amount not to exceed the equivalent of 4,250 million Special Drawing Rights, limited to such amounts as are appropriated in advance in appropriation Acts or, in the case of loans made during a fiscal year thereafter,";

(3) by inserting in subsection (b) after "appropriated" the following: "an amount equivalent to 4,250 million Special Drawing Rights, to remain available through the fiscal year 1984, and on or after October 1, 1984, there are authorized to be appropriated"; and

On page 4, line 3, insert "through the fiscal year 1984" after "Fund".

Mr. HELMS. Mr. President, this amendment would provide for increased participation by the United States in the International Monetary Fund but only through next year. In other words, this is a sunset amendment. It would make the increase in the U.S. quota in the Fund and increased participation of the United States in the General Agreements to Borrow effective only through fiscal year 1984. The financial crisis being proclaimed by IMF supporters is by all accounts a temporary one. Proponents of S. 695 have cited the "world's current economic problems" as justification for massive increases in U.S. participation in the IMF. But if really we examine these problems we perceive that most of them have been solved or are well on the way to being solved. For example, we have all but eliminated inflation. The only oil shock the nations are experiencing is a massive reduction in the price of oil. Interests rates have fallen almost 80 percent during the past 2 years. The recession appears to be over.

Perhaps a case could be made that some nations have not adjusted to a rapidly changing world economic environment and need more IMF assistance. However, the Senator from North Carolina believes this to be a domestic matter that each nation can and must address individually. In fact, the willingness of nations such as the United States to subsidize those countries facing economic difficulties may make matters worse by allowing governments to continue to ignore economic reality.

Mr. President, the point is this: If Congress buys the argument that the IMF and the GAB need to bolster their resources for this crisis, then surely that authority should be extended only for so long as this crisis exists. Adoption of this amendment would seem to me to be merely a prudent step for us to take.

I reserve the remainder of my time.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. HEINZ. Mr. President, I rise in opposition to the amendment of the Senator from North Carolina. The amendment as he correctly explains it would have the effect of sunsetting the IMF authorization at the end of fiscal 1984, in about 18 months or a little less. I can think of several reasons why that is, to my mind, a dangerous proposition. It would not only obviously change the nature of our commitment to the IMF in a substantial way and in a way very strongly opposed by the Reagan administration, but it would also establish what to my mind is a rather dangerous precedent that all funds that ought to be committed to the IMF should be on a very short tether.

The reason I say that it is dangerous is that we have no guarantee that by the end of fiscal 1984 there is going to be the kind of wonderful turnaround in international economic conditions we would all like to see. Indeed, even if conditions only improve a little bit, many of the less-developed countries will be scarcely out of the woods. What this amendment would require us to do is reauthorize the IMF. If we did not, it would mean we would have to pull the entire 4.25 billion in special drawing rights out of the IMF unilaterally. The fact that that might happen, the fact that legislation might get short circuited or hung up, could create tremendous uncertainties in the international financial markets, and I do not think we want to do that.

Finally, in terms of the issue of whether there is enough money in the IMF or not, we ought to realize, if you

look at IMF quotas in 1960 relative to world trade, they were equivalent to 12 percent. Today that ratio is down to 3.8 percent of world trade. That is a decrease of better than 200 percent.

So the argument that we are putting too much money into the IMF, I believe, is inaccurate and flawed. I believe, therefore, that the amendment is not needed as well as dangerous. I yield to my friend from Wisconsin.

Mr. PROXMIRE. Mr. President, I rise to support the distinguished manager of the bill. The principal reason that I do is because Secretary of the Treasury Regan testified before our committee that we would only spend about a fifth of this the first year. Now, this would sunset it after a year. Imagine that the IMF negotiated with Mexico an agreement in which Mexico would receive a substantial amount and then have it rescinded the following year because we are required to come back and consider this again, and very possibly the only purpose in coming back would be the likelihood that we would terminate our participation in the quota increase for the IMF.

I hope very much that this amendment is rejected. I think it would destroy the effectiveness of this arrangement.

Mr. HELMS. Mr. President, I find the arguments against the amendment both interesting and puzzling if the Secretary of the Treasury says they are not going to use, what did the Senator say, one-fifth?

Mr. PROXMIRE. He said we would only use about $1.5 billion of the $8.5 billion that we would provide in the first year. That is all that would be borrowed from our capital markets.

Mr. HELMS. Maybe we ought to consider just cutting it back to $1.5 billion and save the taxpayers that burden.

The point, Mr. President, of this amendment is to require Congress to monitor this situation carefully and to have an option but, most important, to take action to convince the American people that this quota increase is not being made permanent in terms of the billions of dollars involved.

If the managers of the bill are willing to yield back the remainder of their time, so am I.

Mr. HEINZ. Yes. Mr. President, I will make one comment on the substance of the IMF authorization. As I think most of my colleagues know, when the IMF enters into conditionality agreements, they are not 12- or 18-month agreements; they are 3-year agreements, and therefore to this Senator's way of thinking a proposal, in effect, to terminate the authorization of all that we are considering today is going to fall right in the middle of all the conditionality agreements. So I hope there is no misunderstanding on why I oppose the amendment of the Senator. I am willing to yield back the remainder of my time.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, did the unanimous-consent agreement automatically lay aside this amendment?

The PRESIDING OFFICER. That is correct.

Mr. HELMS. I thank the Chair.

AMENDMENT NO. 1321

(Purpose: To require congressional authorization by law before any representative of the United States may request or consent to an increase in the number of special drawing rights)

Mr. HELMS. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an amendment numbered 1321.

Mr. HELMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the bottom of page 7, add the following:

SEC. 2. The first sentence of section 5 of the Bretton Woods Agreements Act (22 U.S.C. 286c) is amended—

(1) by striking out "or" at the end of clause (f); and

(2) by inserting before the period at the end thereof a semicolon and the following: "or (h) request or consent to any increase in the number of Special Drawing Rights".

Mr. HELMS. Mr. President, this amendment would require congressional approval before any representative of the United States to the IMF may request or consent to an increase in the number of special drawing rights.

At the present time, only quota increases require congressional approval. Today, a vote by the U.S. Director to increase the IMF's issuance of SDR's does not need the approval of Congress. Similarly, a vote to approve the issuance of bonds such as those issued by the World Bank would not necessarily require congressional approval. The World Bank issues bonds in the commercial market guaranteed by the full faith and credit of the United States. It is also possible that the IMF would use its gold as collateral for loans.

Because the issuance of added SDR's are convertible into dollars, they are actually an increase in claims on resources of the United States. By voting to increase SDR's, the U.S. Director could effectively approve the transfer of resources from this Nation to the IMF and its client nations as effectively as a quota increase would do. Congress should therefore have to authorize any action by the U.S. Director to approve an increase in SDR's.

Mr. HEINZ. Mr. President, I hate to make a habit of this, but I rise in opposition to the amendment. I do so for several reasons.

This amendment is very strongly opposed by the Secretary of the Treasury. It is also adamantly opposed by Mr. Volcker, Chairman of the Federal Reserve Board. To save time, I ask unanimous consent that his letter to the chairman of the House Banking Committee, dated May 6, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM,
Washington, D.C., May 6, 1983.

Hon. FERNAND J. ST GERMAIN,
Chairman, Committee on Banking, Finance and Urban Affairs, House of Representatives, Washington, D.C.

DEAR CHAIRMAN ST GERMAIN: The Subcommittee on International Trade, Investment and Monetary Policy of the Committee on Banking, Finance, and Urban Affairs yesterday adopted an amendment to the IMF legislation that would require congressional authorization of a U.S. vote to approve any new allocation of Special Drawing Rights (SDR). I understand that there is some doubt about the Federal Reserve's position on this proposal. I am, therefore, writing to make my position clear and to urge the removal of this provision from the legislation. I believe that this provision, if incorporated into law, would have strong negative implications for the potential role of the SDR, would raise questions about U.S. support for the SDR and the IMF, and thereby adversely affect the functioning of the international monetary system. Since the strength of my concern on this question may surprise you, let me try to explain my views carefully.

The SDR provisions were the central element of the first amendment of the IMF Articles of Agreement in 1969. The basic criteria that are to be met with respect to the allocation and cancellation of SDR are clearly stated in the Articles of Agreement (Article XVIII, Section 1):

The Fund shall seek to meet the long-term global need, as and when it arises, to supplement existing reserve assets in such manner as will promote the attainment of its purposes and will avoid economic stagnation and deflation as well as excess demand and inflation in the world.

Since the incorporation of the SDR provisions in the IMF Articles of Agreement, these provisions have been applied very conservatively. Less than SDR 21½ billion have been allocated over 14 years. Nevertheless, the SDR has taken on a symbolic importance beyond the volume that has been created, and it potentially could play a significant role in a more stable international monetary environment. Indeed, the second

amendment of the Articles of Agreement in 1978 included a provision calling upon the members of the IMF to facilitate the proper use of special drawing rights in accordance with the provisions of the Articles of Agreement and "with the objective of making the special drawing right the principal reserve asset in the international monetary system" (Article XXII).

It is right that great care should be taken in reaching any positive decision to allocate SDR. The SDR is a monetary asset; excessive creation of SDR could have inflationary consequences for the functioning of the international monetary system. For this reason, such a decision requires an 85 percent majority vote. Such a requirement, by necessity, requires careful consideration and debate among nations to achieve the necessary consensus. The added uncertainty consequent upon a need for Congressional action could impair the possibility of reaching agreement in timely fashion. Should other countries follow the same procedure—and there are 146 member countries—the possibilities for action could be undercut entirely.

I should emphasize that the interests of the United States in the health of its own economy as well as in the smooth functioning of the international monetary system might at times be well served by a prompt, positive U.S. decision on SDR allocation, for example, to forestall a global contraction of aggregate demand or to promote sustainable, non-inflationary economic growth and recovery in the face of a contraction in global liquidity. Since the United States has 19 percent of the votes in the IMF, a positive U.S. vote is required to approve any SDR allocation; valuable time could be lost if Congress had to authorize formally that vote.

Let me be clear, I believe that Congress should play a role in U.S. Government decisions to favor the allocation, or cancellation, of SDR. It is for this reason that the Bretton Woods Agreements Act contains a provision requiring congressional authorization before any U.S. vote in favor of SDR allocations, in any basic period, that would result in allocations to the United States during that period in excess of the U.S. quota in the IMF. In addition to this formal limitation, and in support of its intent to prevent excessive allocations and to provide for congressional review of experience with the SDR, it is appropriate that Congress be consulted before the U.S. Governor in the IMF votes, or merely expresses U.S. support, for an allocation of SDR. Such consultations have occurred on the two occasions in the past when affirmative decisions were reached. I firmly expect them to take place in similar circumstances in the future.

Thus, I would be greatly concerned if the provision now contained in the draft IMF legislation before your Committee were enacted into law. Such an action might be interpreted as a U.S. attempt to cripple the SDR and weaken the IMF at the very time when we are trying to strengthen the Fund. Congress should be consulted on such decisions, as it has been in the past, and I would support legislation that formalized existing consultation procedures. Moreover, some modification of the current limitation on the amounts that could be agreed without further congressional action could be considered if thought desirable. What seems to me crucial is that the Administration be provided with enough flexibility to commit in a timely way to allocations within a reasonable limit.

For many of the same reasons, I am also concerned about another provision that was incorporated into the IMF legislation yesterday: the provision requiring that the President instruct the U.S. Executive Director of the IMF to oppose any credit drawings on the IMF by any country which practices apartheid. We can agree that the practice of apartheid is repugnant and that apartheid may contribute to balance of payments problems. But there are other avenues for examining those concerns, and I do not believe that this provision in the IMF legislation is an effective response under the circumstances. The plain danger is that the introduction of legislated political criteria into multilateral IMF decisions by the United States or other countries could easily proliferate, in the end undermining the role of the IMF as an effective economic institution. In that connection, the possibility obviously exists, in some instances, that some other countries would be tempted to achieve political purposes in the IMF contrary to our interests. I believe our basic approach through the years in trying to insulate the IMF, to the extent feasible, from political judgment remains appropriate. Thus, I would hope that the full committee will remove this provision from the legislation.

Sincerely,

PAUL A. VOLCKER.

Mr. HEINZ. Mr. President, on the merits, I do not believe this proposal is either necessary or desirable, not because there should not be some kind of congressional limitation on the creation of SDR's but because there already is, in my judgment, a sufficient limitation imposed by Congress on the creation of SDR's; namely that there is only a limited amount of SDR's that may be created by the International Monetary Fund. We already have on the books a provision that requires the U.S. Executive Director of the Fund, whose vote is decisive in this case, to oppose any such increase beyond that limit.

I also believe that should we ever get into a situation where an increase in liquidity by the IMF is needed, it would be unwise to require the U.S. Executive Director, and therefore the IMF, to have to come back to Congress. It is not that Congress might be unwilling to act, but sometimes we are in recess, sometimes we are in sine die adjournment, sometime legislation takes time.

So I believe that this amendment offered by my friend from North Carolina unnecessarily restricts the appropriate and wise flexibility we have built into the system and that the kind of limitations we would want already are part of U.S. law.

I yield to my friend from Wisconsin.

Mr. PROXMIRE. The Senator from Pennsylvania has said it all.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

THE PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, I yield back the remainder of my time.

THE PRESIDING OFFICER. The question is on agreeing to a second Helms amendment, No. 1321. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from Idaho (Mr. MCCLURE), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

Mr. BYRD. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Colorado (Mr. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Ohio (Mr. METZENBAUM), and the Senator from Massachusetts (Mr. TSONGAS) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 19, nays 71, as follows:

[Rollcall Vote No. 124 Leg.]

YEAS—19

Abdnor	Hatch	Pressler
Armstrong	Hawkins	Randolph
Cohen	Heflin	Symms
Domenici	Helms	Thurmond
East	Humphrey	Zorinsky
Exon	Jepsen	
Grassley	Nickles	

NAYS—71

Andrews	Glenn	Murkowski
Baker	Gorton	Nunn
Baucus	Hatfield	Packwood
Bentsen	Hecht	Pell
Bingaman	Heinz	Percy
Boren	Huddleston	Proxmire
Boschwitz	Inouye	Pryor
Bradley	Jackson	Quayle
Bumpers	Johnston	Riegle
Burdick	Kassebaum	Roth
Byrd	Kasten	Rudman
Chafee	Kennedy	Sarbanes
Chiles	Lautenberg	Sasser
Cochran	Laxalt	Simpson
D'Amato	Leahy	Specter
Danforth	Levin	Stafford
Denton	Long	Stennis
Dixon	Lugar	Stevens
Dodd	Mathias	Tower
Dole	Matsunaga	Trible
Durenberger	Mattingly	Wallop
Eagleton	Meicher	Warner
Ford	Mitchell	Wilson
Garn	Moynihan	

NOT VOTING—10

Biden	Hart	Tsongas
Cranston	Hollings	Weicker
DeConcini	McClure	
Goldwater	Metzenbaum	

So Mr. HELMS' amendment (No. 1321) was rejected.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VOTE—AMENDMENT NO. 1320

The PRESIDING OFFICER. The question is on agreeing to the amend-

ment of the Senator from North Carolina (Mr. HELMS). The yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from Idaho (Mr. MCCLURE), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

Mr. BYRD. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from California (Mr. CRANSTON), the Senator from Colorado (Mr. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Arizona (Mr. DECONCINI), the Senator from Ohio (Mr. METZENBAUM), and the Senator from Massachusetts (Mr. TSONGAS) are necessarily absent.

The PRESIDING OFFICER (Mr. LUGAR). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 33, nays 57, as follows:

[Rollcall Vote No. 125 Leg.]

YEAS—33

Abdnor	Exon	Nickles
Armstrong	Grassley	Pressler
Boren	Hatch	Pryor
Burdick	Hawkins	Randolph
Byrd	Heflin	Roth
Cohen	Helms	Specter
D'Amato	Humphrey	Symms
Denton	Jepsen	Thurmond
Dole	Kassebaum	Wallop
Domenici	Laxalt	Warner
East	Melcher	Zorinsky

NAYS—57

Andrews	Gorton	Moynihan
Baker	Hatfield	Murkowski
Baucus	Hecht	Nunn
Bentsen	Heinz	Packwood
Bingaman	Huddleston	Pell
Boschwitz	Inouye	Percy
Bradley	Jackson	Proxmire
Bumpers	Johnston	Quayle
Chafee	Kasten	Riegle
Chiles	Kennedy	Rudman
Cochran	Lautenberg	Sarbanes
Danforth	Leahy	Sasser
Dixon	Levin	Simpson
Dodd	Long	Stafford
Durenberger	Lugar	Stennis
Eagleton	Mathias	Stevens
Ford	Matsunaga	Tower
Garn	Mattingly	Trible
Glenn	Mitchell	Wilson

NOT VOTING—10

Biden	Hart	Tsongas
Cranston	Hollings	Weicker
DeConcini	McClure	
Goldwater	Metzenbaum	

So Mr. HELMS' amendment (No. 1320) was rejected.

Mr. HEINZ. I move to reconsider the vote by which the amendment was rejected.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SENATE SCHEDULE

Mr. BYRD. Mr. President, I seek recognition for the purpose of asking the majority leader what we may expect as far as the program for the rest of today is concerned and also Thursday, Friday, Monday, and Tuesday, into next week as far as possible.

Mr. BAKER. Mr. President, I thank the minority leader. I wish I could give a definitive answer to the very pertinent question of the minority leader. I cannot.

I can say, however, that we are trying very hard to arrange a schedule for the balance of this week and the rest of next week and accommodate some very difficult decisions. This is about the way it looks.

I have previously announced that it was the hope of the leadership on this side that the Senate would turn to the consideration of the supplemental appropriations bill yet tonight after we finish the IMF bill, if we could do so, and I believe we should and will. However, it has been brought to my attention that there is a prospect, at least, of getting a fairly short time limitation on the dividend and interest withholding bill which is on the calendar. I am not going to put this request at this time, but I would like to state it for the consideration of the minority leader and others. If it does not get initially incinerated by objections, this is it.

H.R. 2973—REPEAL OF WITHHOLDING TAX ON INTEREST AND DIVIDENDS

I do not now ask but I would ask that at 9:30 a.m. tomorrow, the Senate turn to consideration of that bill, which is H.R. 2973, an act to repeal the withholding tax from interest and dividends; that that bill be considered under the 2-hour overall time limitation to be divided equally between the two sides, under the control of the chairman of the Committee on Finance and the ranking minority member of that committee, and that only one amendment would be in order. That would be a committee amendment on which there will be an hour-and-a-half for debate, to be equally divided in the same way. That committee amendment is the amendment which the Finance Committee adopted which I believe adds to the repealer such things as Caribbean Basin Initiative and the like. That would be the only amendment that would be in order. That may be voted up or may be voted down.

In any event, this agreement, if entered into, would provide that that issue would be behind us in 2 hours. That is a pretty good bargain if we can do that.

As I say, a little bit later, if I can manage it, I shall put that unanimous-consent request. Senators should be on notice I shall put that request in about 15 minutes.

SUPPLEMENTAL APPROPRIATIONS

If that happens, I hope that we can turn next to the supplemental appropriations bill on Thursday; that we could make good progress on it. I have a two-page list of amendments that may be offered to the supplemental appropriations bill. I hope that is deceiving. I hope we do not have anything like that. In any event, we would run on Thursday as late as we are making good progress. Thursday, of course, is our regular late evening, anyway, so we shall do as much as we can on the supplemental on Thursday, then on Friday.

However, Mr. President, for a variety of reasons that I have to accede to, I am afraid, it appears we ought to stack votes on Friday. So we will continue the debate on the supplemental appropriations bill on Friday, but we shall not have votes on it.

CABLE TV BILL

On Monday, there is already an order to turn to the consideration of the cable TV bill. There is a 13-hour time limitation on that. I have strong reason to think the whole 13 hours will not be used and we may finish that much earlier. In any event, that is the order.

There is also the statement by the acting majority leader in the RECORD saying that there will be no votes on that Monday, so we shall stack votes on Monday as well. So we will consider the cable TV bill on Monday and stack votes until Tuesday.

On Tuesday, I shall bring the Senate in, if it will agree to do so, very early so we can start voting on this haystack of votes we will accumulate on the supplemental appropriations bill and on the cable TV bill.

Tuesday will be a big day, then, for voting. I do not know how many votes we shall have, but we shall have a bunch, I predict. We shall then be able to dispose of the cable TV and, I hope, the supplemental appropriations bill as well on Tuesday.

If we do not finish the supplemental appropriations, it will go over until Wednesday. I urge Senators, however, that we ought to do the supplemental as quickly as possible because we now have in our Appropriations Committee two House-passed appropriations bills out of our series of 13 regular bills.

By the way, I wish to express my appreciation to the Speaker of the House, to the Republican leader, and to the chairman and ranking member of their Appropriations Committee for sending us these bills that soon. Last year, I believe, it was July 27 before we got the first one of those bills from the House. I am grateful for that. Having gotten them in hand, I think we have to go on and do them.

HUD APPROPRIATIONS/LEGISLATIVE APPROPRIATIONS

So, by Wednesday of next week, I hope that we shall have from our committee the HUD appropriations bill and the legislative appropriations bill to take up and complete next week on Wednesday, Thursday, and Friday.

Mr. President, that is an awful lot, but we have an awful lot to do.

In answer to the minority leader, that is the general outlook as best I can describe it. I appreciate his question at this time, because, while it is complex and virtually involves almost every Senator in some way, I think if we are going to make it work that way, we have to lock it in by unanimous consent. So, at approximately 8:30 p.m., it will be my hope to seek recognition and propound a series of unanimous-consent requests and hope for unanimous-consent agreements.

INTERNATIONAL MONETARY FUND AUTHORIZATIONS

The Senate continued with the consideration of the bill (S. 695).

AMENDMENT NO. 1319

The PRESIDING OFFICER. The question recurs on amendment 1319.

Mr. MELCHER. Mr. President, this amendment was set aside by unanimous consent a while ago for consideration of a pair of amendments by the Senator from North Carolina (Mr. HELMS) and votes thereon and also to allow some consideration of the arguments against the amendment so we can understand those arguments.

I have gone over some of them and I call to the attention of the Senate that the proposal to increase the General Agreements for Borrowing for the United States and the rest of the nations that contribute to this fund carries along with it the proviso of a policy that has been suggested and approved informally by the various countries that are part of the 10 original countries starting the IMF plus Switzerland and which participate in the General Agreements to Borrow, the policy would take those funds out of the GAB which is held separate from the general fund and utilize them in the other areas—a change of policy that is described by those who feel that this is wise policy, where they state it is possible that this safety net will not have to be used and that only possibly it would be used, possible should be changed to probable. They make the point that creditors including the United States will have to concur in its use. That is assuring that GAB resources will be provided only in connection with emergency situations.

Well, we are in an emergency situation. It is very much an emergency situation. That is why this bill is before us. Indeed, in the United States, the emergency is quite great, too—an economy that is rather shaky and particularly because of Federal deficits that are approximately $200 billion for this year and next year. I am quoting David Stockman, who said, "The budget deficits for the United States will remain in that range for as far as the eye can see."

Yes, we are, indeed, in an emergency right now, and the current problems that we are faced with in the International Monetary Fund are indeed an emergency or we would not have this bill before us today. We were not scheduled to have this increase in the quotas until 1985, but because of the economic emergencies in several countries, particularly less-developed countries, the suggestion is made that we hasten that contribution, and that has resulted in this bill being before us today.

The $60 to $61 billion in the total International Monetary Fund has been dwindling downward. It is thought that the $20 billion that is remaining out of that $60 or $61 billion of International Monetary Fund available in the general funds will disappear by fall. In other words, loans will be made to the magnitude of about $20 billion out of the Fund to less developed countries in order to stabilize their economies.

Now, that would be done before fall. We are in an emergency. There is no argument about an emergency. It is an emergency. The triggering of this new policy, if we do not do something about it, some restrictions or some restraints on it, will go into effect immediately.

Mr. HEINZ. Will the Senator yield?

Mr. MELCHER. Yes, I will be delighted to yield.

Mr. HEINZ. Mr. President, I thank the Senator from Montana for yielding. I understand his concern, and I do share it. As I understand what he seeks to accomplish with his amendment, or perhaps some modification of it, is to try and set an appropriate control on the use of the General Agreements to Borrow with respect to the non-GAB members. Do I understand his concern correctly?

Mr. MELCHER. Yes, the Senator is absolutely correct. In order to preserve the opportunity for ourselves in particular, the United States, to use the special drawing rights out of the General Agreements to Borrow fund and not have them dwindle away before our need arises, as it did in 1978, and possibly what would be there for us to use.

Mr. HEINZ. As the Senator knows, the way I interpret his amendment to be drafted, it would almost certainly preclude, as he has drafted it, any use of funds except for the members of the General Agreements to Borrow. Is my understanding of this amendment correct?

Mr. MELCHER. The Senator is correct. The amendment as drafted will preserve the existing policy up until the recommendation for this change, which, by the way, has not gone into effect yet. I just recommended that we keep it there and determine later on whether it would be good policy to follow.

Mr. HEINZ. If the Senator would be agreeable, I have some language which the Senator could offer, or I could offer, that I think would succeed in achieving the objective of the Senator, which we have just worked out. Perhaps if the Senator would take a look at the language which I have added, it might succeed in addressing his problem. I feel confident that if the Senator would agree to something like what I have suggested, we might improve the amendment and actually strengthen the legislation along the lines that I think he wants.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. Mr. President, the manager of the bill, the Senator from Pennsylvania (Mr. HEINZ), has offered some language to my amendment that I find favor with. It would add at the end of the amendment the proviso: Unless the Secretary determines, meaning the Secretary of the Treasury, and so notifies the Congress in writing together with his reasons for such determination that the commitment of any part of such funds is necessary to deal with international economic conditions which could threaten the international monetary system.

The words I read are the modification recommended by the Senator from Pennsylvania. I send the modification to the desk and so modify my amendment.

The PRESIDING OFFICER. The amendment is so modified.

Mr. HEINZ. Mr. President, I commend the Senator from Montana, first of all, for raising this issue. I think it is an important one. Second, I think his modification of the amendment makes the amendment operative in the way in which he originally would have wished it to operate. I think it is a good modification and his amendment is an excellent one. Speaking for myself, and I think I speak for the other Members on this side of the aisle, I am willing to strongly support the amendment not just on the floor but in conference as well.

Mr. PROXMIRE. Mr. President, I have no objection to the amendment.

Mr. MELCHER. Mr. President, I thank the Senator from Pennsylvania for his consideration and thorough reasoning in recommending the modification.

Mr. HEINZ. Mr. President, will the Chair put the question?

The PRESIDING OFFICER. The question is on agreeing to the amend-

ment of the Senator from Montana, as modified.

The amendment (No. 1319) as modified was agreed to.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1322

(Purpose: To add technical amendments to banking laws)

Mr. GARN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Utah (Mr. GARN) proposes an amendment numbered 1322.

Mr. GARN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

TITLE III—MISCELLANEOUS

SEC. 301. (a) Section 304, 308, 310, and 311 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803, 2807, 2809, and 2810) are amended by striking out "standard metropolitan statistical area" wherever it appears and inserting in lieu thereof "primary metropolitan statistical area, metropolitan statistical area, or consolidated metropolitan statistical areas that is not comprised of designated primary metropolitan statistical areas".

(b) Section 203(1) of the Depository Institutions Management Interlocks Act (12 U.S.C. 3202(1)) is amended by striking out "standard metropolitan statistical area" and inserting in lieu thereof "primary metropolitan statistical area, the same metropolitan statistical area, or the same consolidated metropolitan statistical area that is not comprised of designated primary metropolitan statistical areas".

SEC. 302. Section 2 of the Federal Deposit Insurance Act (12 U.S.C. 1812) is amended by inserting after the third sentence the following: "Each such appointive member may continue to serve after the expiration of his term until a successor has been appointed and qualified.".

Mr. GARN. Mr. President, this is a technical amendment that has been agreed to by both the minority and majority sides. I know of no objection to it.

If there is any question, let me just quickly say that it changes the name at the FDIC "standard metropolitan statistical area" to the new terms that were adopted: "metropolitan statistical area, primary metropolitan statistical area, consolidated metropolitan statistical area."

I ask for its immediate adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. GARN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GRASSLEY. Mr. President, Congress appears to be well on its way to repeating a critical mistake: Approval of an increase in the International Monetary Fund's quota and an expansion of the general agreements to borrow. Congressional support for this action would condone and reinforce old policies which have not been successful, and hold little promise of ever working.

The IMF was organized to provide short-term loans to nations facing temporary debt problems. In far too many cases IMF assistance has gone beyond the point of being short-term, and is rapidly changing into a long-term foreign aid organization. All of this is happening at a most inappropriate time. The fact that the lending increase is an off-budget outlay further adds to the misconception by many that it costs nothing.

Since there are no funds in general revenues, the Treasury will have to borrow to finance the American portion of the quota increase. This borrowing not only increases the Federal deficit, it also crowds out private borrowing. We cannot afford to thwart our economic recovery by passing a measure leading to larger deficits and higher interest rates. Money diverted to the IMF is money which cannot be used for the private capitalization vital to a healthy American economy.

The quota increase adds to the debt load of countries already in serious financial straits, and forces more questionable loans on the books of U.S. banks. We are merely piling new debt on old debt. Brazil has provided us with ample evidence of the precarious nature of IMF assistance plans in resolving problems faced by financially strapped countries.

Several of the IMF's normal conditionality terms run contrary to the goal of encouraging capital formation and the economic growth necessary to get out from under their debt load. Rather than force a cutback in consumption, which is often paired with an increase in taxes, the private sector must be encouraged toward stimulating growth.

With so many nations in financial trouble at the same time, U.S. exports will be affected. As part of the IMF austerity plans, these nations will most likely cut imports. Thus, Western countries will experience a drop in the demand for their goods, and at the same time will be picking up the tab for those very same countries who are no longer purchasing Western products. This cannot possibly benefit American workers, nor is it any way to alleviate high U.S. unemployment. What is needed is a policy of encouraging productive growth, not an austerity program resulting in economic stagnation.

The United States must not buckle under to threats and idle claims from debt-ridden countries and the international banking community. This ill-advised measure is not the only approach to the international debt situation that many would have us believe.

I am puzzled by those who purport the best way to aid the poor, debt-riddled nations is to add to their debt. Proponents of the quota increase also say we would not be bailing out the big banks who made imprudent loans since one of the postulates in the IMF package plan is continued lending participation by those banks. Therefore, bailed-in banks will continue loaning to nations threatened by insolvency, and which were not credit worthy in the first place.

Too often Congress throws more money at a bad program in the hope of miraculously finding a solution. Some think that if we funnel through enough funds, a cure will be found. We must make a dramatic departure from that type of thinking if we are ever to strengthen our own economy. We are faced with deficits of such proportions the actual magnitude defies belief. Yet, we are actually considering an additional injection of $8.4 billion to the IMF. That money must come from some place, and as always, it is the American taxpayer who is forced to dig a little deeper in his pockets to fork over the money. The cruelest blow is that the taxpayer will not see any of these dollars—they will go abroad to those far less deserving than the American small businessperson, homebuyer, and farmer.

I cannot vote for any increase in the IMF quota increase and I urge my colleagues to join me in opposing this ill-advised and inappropriate use of our financial resources.

QUOTA INCREASE FOR THE INTERNATIONAL MONETARY FUND

Mr. DOLE. Mr. President, I know that the members of the Banking Committee, under the very able leadership of Senator GARN, have put a great deal of effort into the pending legislation, S. 695. By and large I believe they have come up with a good product. That is a considerable achievement when you consider the issues at stake here.

Make no mistake about it, there are very strong differences among members with regard to this proposal. It may be fair to characterize the general view in Congress toward the administration's request for an IMF quota increase as skeptical, but willing to cooperate. We do want to have good reasons why the United States should bear financial responsibility for cush-

ioning the impact on lenders and on foreign governments when the risks of what in many cases were careless financial commitments are realized.

The Banking Committee, however, has given us good reasons for agreeing to this particular quota increase. More importantly, they have made significant progress in this legislation toward instituting the kinds of safeguards that can prevent the same thing from happening in the future. We should consider some of these aspects of S. 695.

Mr. President, everyone understands the need to prevent the disappearance of export markets as a result of economic contraction in developing nations—a contraction that could be worsened if credit is cut off. In fact, from the standpoint of the U.S. national interest, this concern is the most compelling reason for supporting this bill. The quota increase is just one part of a very complex, ongoing process of refinancing, debt rescheduling, and negotiation of economic adjustments in developing nations in the interest of avoiding a default or a perpetual debt crisis. Many of the developing nations that are experiencing financing difficulties are major export markets for the United States. Default by those nations, or acute fiscal stringency that reduces their purchases overseas, means both lost export opportunities for the United States and lost jobs for American citizens.

In addition, at a time when we are increasingly aware of the vital importance of trade relations for development in both the developed and the developing world, it makes sense to take steps to insure that the pain of recession does not permanently damage this engine of growth. To bridge the gap in this period of disinflation, the quota increase serves the function of keeping the machinery of international trade and finance in good working order, so that there are no abrupt gearshifts that would be difficult to compensate for later on. In fact, the increase may be more significant as a symbol of commitment to trade and development, and to the bilateral and multilateral institutions that foster both, than for the dollar value of the resources that will be put at the IMF's disposal. But that does not make the issue any less important.

SAFEGUARDS

Whatever one's judgment of the IMF quota increase request, it is possible to agree that a touch of skepticism about the debt quagmire we are confronted with is a healthy thing. It is difficult for many of us to believe that some of these problems could not have been avoided, had both lender and governments exercised more prudence over the past decade with regard to overseas lending. That is not to gloss over the tremendous challenge the international financial community faced, for example, in recycling OPEC surpluses generated after 1973. But it is fair to expect that we should show that we have learned some lessons from the experience of relying too much on the assumption of continued inflation and expanding markets in making financial decisions. More safeguards with respect to international lending, and more prudence in making particular decisions, should lead to trade relations that have more staying power because they are less subject to being upset by shifts in the world economy. Congress has the right to expect better performance in the future as part of the price of approving this quota increase.

Fortunately, the members of the Banking Committee have shown great sensitivity and concern over this issue, and they have come up with some answers that are reflected in S. 695. For example, the Federal banking agencies will be required to include the particular exposure of a lender with respect to a particular country, as well as transfer risk—risk that foreign exchange earnings will not suffice to meet debt-financing obligations—in examination and supervision procedures. A new special reserve will be required of banking institutions where the regulator determines that the institution's exposure in a particular country is associated with the likelihood that the borrower country will have a protracted inability to make scheduled payments on its external indebtedness. Furthermore, rescheduling fees on international loans will be required to be amortized over the effective life of the loan in those cases is essentially deemed to represent interest income. This will prevent banks involved in rescheduling loans to capitalize on the debt problem by accounting for the fees in current profitability: A practice that has rightly offended many Members of Congress. New rules on capital adequacy and broader disclosure of banks' exposure with respect to lending abroad also should go a long way toward enlisting investors and shareholders as the best pragmatic, self-interested check on rash or heedless lending that is unlikely to have a favorable payoff, either for the lender or for the developing nation.

We will see how these new regulatory devices and information disclosures work, and if tougher action is needed in the future, we can proceed accordingly. All of these changes go in the direction of greater public awareness scrutiny of international lending. That is a good thing, because the more information the marketplace has, the better markets will operate. This bill does not commit us to subsidizing certain of our export markets in perpetuity—it just gives us a breathing space to determine where we should go from here. Given the safeguards incorporated in this legislation by the Banking Committee, the Senator from Kansas is prepared to support the IMF quota increase.

Mr. GLENN. Mr. President. I believe that it is in the best interest of the United States to continue to provide adequate resources for the IMF. Failure to provide adequate resources poses an unacceptable risk to the U.S. economy and the world economic system. Our support for the IMF is an investment in protecting U.S. jobs.

The U.S. economy and U.S. jobs are increasingly dependent on export trade. Indeed, recovery of the U.S. economy and reducing unemployment is to a large degree dependent upon increasing sales of export products. Nearly two-thirds of the decline in the U.S. GNP is attributed to sharply reduced export sales.

As an example of the growing importance of export trade, 20 percent of U.S. industrial output is exported and one-sixth of our manufacturing jobs are dependent upon foreign trade. Ten percent of our GNP now comes from exports, which is double the ratio of only 10 years ago. Since 1977, 4 out of 5 new manufacturing jobs created in the United States produce for foreign markets and 40 percent of U.S. farmland now produces for export. Sale of export products cannot be accomplished without a stable international payments system.

The IMF is an international organization designed to promote stable financial conditions in order to promote international cooperation and trade. Stabilizing financial conditions in the developing countries promotes political stability and benefits the United States economically because 40 percent of our exports are sold to those markets. Without a stable international economic system, we cannot have prosperity at home.

The U.S. investment in the IMF is not foreign aid. The U.S. share of the increase is 20 percent of the total. The other 145 member nations are providing 80 percent of this increase. Countries that borrow from the IMF are required to repay with interest. IMF adjustment loans are available to all members, not just the developing countries. In fact, Great Britain and the United States, respectively, have been the largest users of IMF resources.

The primary cause of the global debt problem is a deep and prolonged worldwide recession. The recession was triggered by the Reagan administration's failure to coordinate fiscal and monetary policies. The combination of record fiscal budget deficits and a severely restricted money supply sent real interest rates to record levels.

Deficit-induced high interest rates in the United States attracted foreign capital, in order to invest in U.S. dollars. This bid up the value of the

dollar and at the same time devalued the currencies being exchanged.

As a result, the developing countries faced substantially increased debt service costs because of an overvalued dollar and record real interest rates. The recession greatly reduced demand for their products. Commodity prices fell to their lowest level in real terms since the Great Depression. In addition, the decline in the world economy has resulted in a disturbing trend toward protectionist trade policies by the world's developed countries in an attempt to protect domestic jobs.

Although the primary cause of the global debt problem is the worldwide recession, there is also an element of overlending and lack of caution by the banks. Accordingly, I support the committee amendments to the IMF quota increase legislation which requires increased supervision over the international lending activities of U.S. banks.

Mr. President, the key to correcting the world's economic problems lies in adopting policies that restore confidence, foster lower interest rates, and promote sound economic growth. The United States must play a leading role in this process.

U.S. economic programs must be formulated with a global perspective recognizing that the world economy is now interdependent. In order to have a sustainable domestic economic recovery we must implement credible and coordinated monetary and fiscal policies in order to reduce real interest rates. The huge and growing fiscal budget deficits must be brought under control. And, the United States must take the lead in getting the agreement of the developed countries to coordinate their economic policies and correct the misalinement of interest and exchange rates.

Mr. President, I believe that it is in our best interest to increase IMF resources at this time in order to calm the financial markets fostering confidence and economic stability. The United States must exert strong leadership in order to encourage other countries to promote sound economic policies and to avoid self-defeating trade protectionist policies. Support for the IMF is an investment in U.S. jobs. I ask that my colleagues join me in supporting this important legislation.

Mr. MURKOWSKI. Mr. President, I rise in support of S. 695, an act to amend the Bretton Woods Agreements and the International Lending Supervisions Act. I am pleased that Congress, the administration and the banking community of this country are all working together to formulate greatly needed and long overdue regulations which will result in future international monetary policy being pursued on a more reasonable and restrained basis than is presently the case.

Mr. President, S. 695 would do two things. First, it would increase our special drawing rights in the IMF to $5,310.8 million. In effect, this means that our financial obligation to the IMF would be increased by $5.8 billion. Together with the increase in our quota, we would also increase our obligation to the general arrangements to borrow by $2.7 billion, bringing our total input in the GAB to $4.7 billion. The total $8.5 billion is a part of an overall $40 billion increase in IMF funds.

The second thing that S. 695 does is establish appropriate authorities to standardize, supervise and regulate foreign lending.

Increases in our quota obligations to the IMF are not new. Quotas for all member countries are reviewed and adjusted every 5 years to respond to changes in other economic aggregates like GNP and value of world trade.

As a banker and a conservative, not to mention an elected official, I can assure you that I do not relish the thought of approving such a large expenditure of taxpayer dollars. But I am concerned that without this worldwide increase in IMF resources, the international trading system could break down. And with it could go the millions of jobs provided by the roughly $260 billion in goods the United States exports each year. Each $1 billion in exports now creates about 25,000 jobs in this country. Already, debt-laden countries have had to cut back sharply on their imports, hitting U.S. export businesses hard. In fact, the problems of Third World nations will likely reduce U.S. economic growth by about 1 percent this year.

Many of the nations with the largest debt problems have close ties to the United States and are of great strategic importance to the United States. Were Mexico, Brazil, and Argentina to go bankrupt or suffer political upheaval, the international damages, in economic and human terms, could be enormous.

Title I also seeks to insure better accounting and evaluation procedures in the IMF on foreign borrowing, and closer congressional involvement in American activities concerning international finance. The authors of this bill clearly recognize that a sound international system is as vital to our own welfare as it is to the LDC's. We have always worked hard for the establishment of international financial institutions and have paid much more than our fair share into them. It is important to remember that the IMF was formed originally to serve as a bank for the industrialized nations, and that the United States has been one of its biggest customers. We have drawn on IMF funds 24 times for a total of $6.5 billion. The United States holds 19 percent of the voting rights in the fund and has veto power over important decisions.

The general arrangement to borrow was also set up at our urging, primarily to finance drawing from IMF by the 10 major industrialized nations. In fact, it was our idea to expand the GAB arrangement to allow funds to be available to other countries to deal with sizable balance-of-payments problems which could threaten the stability of the system.

If the United States did not support the IMF and insisted on a severe contraction of LDC imports and borrowing, it could do irreparable damage to the U.S. economy by decreasing exports to the LDC markets. U.S. exports to Mexico were already down 26 percent in the first 8 months of 1982.

The gross external debt of the LDC's is about $550 billion. The size of this debt and the dangers it implies for the stability of the international monetary system underscore the need for improvement in supervision and regulation of international lending. The legislation before us today is intended to institute such reforms.

Title II of S. 695 requires Federal banking agencies to establish procedures and standards by which to evaluate a domestic bank's foreign country exposure, the extent of its transfer risk (that is, the risk that a borrower will not be able to come up with the hard currency needed to pay off its debt), and capital sufficiency. Title II also requires banks that fear their foreign loans may be in trouble to set up special reserves to cover the potential loss. Then it prohibits the bank from going out and lending money from the special reserve to the same country.

Mr. President, this legislation is badly needed. Not only for the health of the U.S. economy and the survival of the international monetary system, but also for historical and moral reasons, I must vote for the increase in the IMF quota. But the meat of the bill—the requirements for creation of a sounder, more logical system of foreign lending and borrowing—is the primary basis for my support of S. 695.

We must insist on responsible fiscal policies in developing countries. We must expect the same from our own banking institutions. One of the principles on which the IMF is founded, and which is all too often forgotten, is that in exchange for financial help in times of crisis, the borrower must undertake to institute an economic stabilization program. This bill gives us a chance to rearm this principle by establishing enhanced supervision of international monetary transactions.

And in this the United States has to take a dominant role, not only because of its historic economic position and its great wealth, but for the sake of its own economic recovery.

Mr. President, I urge the passage of S. 695.

Mr. LAUTENBERG. Mr. President, the administration's request for $8.4 billion to finance expanded U.S. participation in the International Monetary Fund (IMF) is an issue frought with controversy. As a member of the Subcommittee on International Finance and Monetary Policy, I have paid special attention to this bill. And I can attest to the travail the Banking Committee went through in developing the legislation before us. While I would be the first to admit that it falls short of perfection, I believe it represents a pragmatic, rational response to the realities that confront us.

None of us on the committee relishes the prospect of 50 percent increase in the U.S. commitment to the IMF under the best of circumstances. And with a national unemployment rate of over 10 percent, real interest rates at unprecedented levels, and the biggest Federal deficits in history, it is a particularly difficult pill to swallow. Eight and a half billion dollars is a lot of money and it could be put to good use in preventing further cuts in essential services to our own citizens. But the consensus that emerged from the extensive hearings we conducted was that we simply had no realistic alternative. The risks of inaction are unacceptable. To refuse the requested funds would be to undermine delicate multilateral arrangements to manage and defuse what has become a very dangerous international financial situation.

Already this year and last, there have been disruptions in the normal flow of international payments. Some of the largest debtor countries were unable to generate the foreign exchange necessary to meet their external obligations in a timely manner. Fortunately, these crises were temporary. The IMF has been able to step in and contain the problem. Typically, it has done so by extending balance-of-payments assistance conditioned on the adoption of adjustment policies by the debtor countries. In the more recent cases, too, the Fund has played a pivotal role in arranging debt reschedulings and continued access to capital markets with the private banks involved.

The Fund's ability to play this role, though, depends crucially on its capacity to provide transitional balance-of-payments support. Unfortunately, the Fund will have effectively exhausted its resources by the end of this year.

Should another major debtor nation—or two or three—experience liquidity problems once the Fund's resources are committed, what then? The consequences could well be catastrophic, not only for the country and its direct creditors, but for the entire world economy.

Let there be no mistake. The U.S. economy is fully integrated with the global system and the impact would be felt in this country with devastating rapidity. It is all too easy, in fact, to conceive of scenarios in which this could happen. Let me give you just one example. According to Dr. William R. Cline of the Institute of International Economics, were Argentina, Brazil, and Mexico together to miss 1 year's debt service, and were the banks holding those loans forced to write them down, the result would be a loss for the nine largest U.S. banks of almost $14 billion. This would reduce their capital base by one-third. The upshot would be sudden and severe contractions in their loanable funds by a factor of about 16 to 1. For every dollar written off, 16 would be withdrawn from other credit. The impact on the U.S. monetary system, and ultimately the real economy, is hard to estimate with precision. But it would be nothing short of hair raising.

There are less dramatic—and more probable—scenarios as well. Without the additional IMF resources, LDC's would be forced to resort to abrupt and severely disruptive adjustments as their access to private credit markets was foreclosed by continuing balance of payments deficits. The Treasury estimates the magnitude of the adjustments that would be necessary at between $35 and $40 billion per year. Virtually all this would be registered as reductions in LDC imports. And reductions in LDC imports inevitably means reductions in developed country exports. For the United States, this would mean a cut in GNP growth of about 1 percent in real terms and an increase of around $12 billion in our trade deficit.

Needless to say, Mr. President, export losses of this magnitude also have a serious impact on employment. Estimates are that for every $1 billion decrease in U.S. exports, 24,000 jobs are lost. A $12 billion decline in U.S. exports would thus produce a job loss of around 300,000. Nor should we lose sight of the fact that over the last decade, U.S. exports to LDC's have risen from a quarter to almost a third of the total U.S. export market. In my own State of New Jersey, trade is a critical element in the total economy. It is estimated that the export of manufactured goods alone accounts for in excess of 100,000 jobs in New Jersey. The value of manufacturing exports in New Jersey exceeds $68 million and constitutes approximately 12.2 percent of total State production.

The fact that the committee voted 15 to 0 to report this legislation to the floor favorably is an indication of just how compelling these realities are and of the effort that was expended in finding a formula that could do justice to the various and partially conflicting goals involved. It is also testimony to the hard work and capable leadership of Senator GARN, chairman of the full committee, Senator HEINZ, chairman of the Subcommittee on International Finance and Monetary Policy, and Senator PROXMIRE, who is the ranking Democrat on both the full committee and subcommittee.

Some have tried to characterize this IMF quota increase and the corresponding expansion in the general arrangements to borrow (GAB) as a "bank bailout." There is, to be sure, a certain grain of truth in that assertion, inasmuch as the banks with exposures in the less developed world would be the most immediate beneficiaries of any increased IMF assistance. I believe the legislation before us, though, should also be construed as a bank responsibility bill. I say that for two reasons.

In the first place, the committee's bill combines the requested increase in IMF funding with reforms designed to assure much closer regulatory supervision in foreign lending by U.S. banks. There can be little question that private banks in this country and abroad have been at least partially responsible for the buildup of relatively short term, less developed country debt that is the principal source of strain in today's international financial system. In all too many instances, lending policies have been focused on the enormous profits to be reaped by recycling petro dollars. Too little attention was paid to possible transfer risks and the dangers of concentrated foreign exposure. When conservative regimes in this and other developed countries chose to control inflation with tight money, high real interest rates, and worldwide recession, the banks took the precaution of shortening the maturities on their LDC assets, compounding debt service difficulties. The legislation recommended by the committee addresses these problems by:

First, directing the Federal banking agencies to include country exposure and transfer risk explicitly in their respective supervision and examination procedures;

Second, mandating the establishment of special reserves against nonperforming foreign loans, such reserves to be charged against current income;

Third, requiring appropriate amortization of rescheduling and other fees charged in connection with international lending;

Fourth, mandating collection in foreign exposure information from the relevant banking institutions on a quarterly basis and requiring public disclosure;

Fifth, directing the U.S. Executive Director to the IMF to seek changes in the funds policy aimed at improving the quality in scope of information on external debt and including possible

limits on public sector borrowing as an element of IMF stabilization plans;

Sixth, directing the banking agencies to seek agreements with our counterparts in other countries vis-a-vis consistent supervisory policies with respect to foreign lending; and

Seventh, mandating the establishment of uniform standards of capital adequacy for the financial institutions involved.

These provisions, Mr. President, should help to reduce the likelihood of improvident lending by international banks in the near future.

In the second place, the legislative history surrounding this measure, on both the House and Senate side, clearly suggests that the Congress wishes to put the banks on notice that they are responsible in no small degree for helping to restore stability to the international financial system. It is obviously in their interest to do so. But in my judgment, and I believe in the judgment of most of my colleagues on the Banking Committee, this will require the banks to accept a somewhat lower return on their assets in foreign countries than might otherwise be the case. In the long term, the only hope for surmounting the current crisis, or near crisis, is a global economic recovery that will generate the kind of growth required to enable debtor countries to meet their external obligations. There are significant and obvious trade offs between debt service burdens and the volume of trade in real goods and services that can be sustained. Foreign exchange absorbed by interest and principle payments cannot be used to purchase imports. Therefore it is expected that banks with exposures in countries that receive IMF assistance will cooperate by sharing a portion of the lists of the adjustments that have to be made. Restoration of long-term world financial stability should not be sought, nor can it be achieved, solely through the imposition of austerity on the debtor countries. The banks will have to play a role as well.

This is the context, Mr. President, in which the first paragraph on page 9 of the committee's report should be understood. I offered this language, and the committee was kind enough to approve it. It reads as follows:

> The Committee has approved a substantial increase in the United States' contribution to the International Monetary Fund with the understanding that the current round of increases—although necessitated, in part, by short-term requirements—are required to help achieve long-term stability in the international financial marketplace. The Committee wishes to emphasize that its approval of the increase is predicated on the expectation that the operations of the Fund will be directed toward achieving this long-term goal and avoiding the need for another request for increased contributions in the near term. While the Committee recognizes the need for periodic adjustments in IMF quotas in line with the growth in world trade and payments, it wishes to reduce the possibility of repeated calls for additional financing, and accordingly directs the Secretary of the Treasury and the Chairman of the Federal Reserve Board to report to the Committee at timely intervals on progress being made toward the long-term goal of achieving a better balance in the pattern of international payments through a reduction in the size of payment imbalances.

Mr. President, this Senator takes those words very seriously. I intend to follow developments in this connection with great care. The administration, the IMF, the international banks, and our friends in the LDC's, should all understand that the $8.4 billion that is being provided in this legislation is not a downpayment. The Congress, in approving these funds, has done its part. I urge the banks, the debtor countries, and the IMF, to heed this warning seriously.

Mr. MATTINGLY. Mr. President, I rise today to support, with extreme reservations, S. 695, the proposed increase in the U.S. contribution to the international monetary fund. During the Senate Banking Committee markup and floor consideration, a number of amendments which I proposed were adopted which I believe make S. 695 much more palatable and acceptable. My amendments, in my opinion, substantially improve the quality of S. 695.

One concern I have wrestled with is, How long the current quota increase will last? In my opinion, it is very likely the proposed quota increase will be exhausted in a much shorter period of time than anticipated. In this regard I offered an amendment which requires the Secretary of the Treasury to conduct a review and detailed analysis of the gold reserves held by the International Monetary Fund, including the feasibility of returning all or part of the fund's gold reserves to fund members; the feasibility of selling the fund's gold reserves in an effort to raise capital, and the feasibility of establishing a gold lending facility whereby the fund would lend gold to fund members who, in turn, would use such gold as collateral for loans in the private sector. The amendment examines an alternative to the necessity of fund members increasing their quota to raise captial for the IMF. Such should prove helpful in the event the current $8.4 billion fails to last the intended 5-year period.

Mr. President, at this point I would like to make an observation concerning the $8.4 billion increase in the U.S. contribution to the IMF. Let us not fool ourselves, this is only a temporary bridge loan. After passing this proposal, we are going to have to cross our fingers and hope for a sustained world economic recovery. In my opinion, you cannot solve a debit problem with more debt. Nevertheless, the economic consequences of failing to pass the pending quota increase would far outweigh the cost of this proposal. However, the countries facing economic hard times will have to make difficult decisions and internal adjustments. For example, Mexico could, and may have to in the future, solve its debt problem by the selling of its oil reserves. I recognize the political sensitivity and difficulty of implementing such tough decisions; nevertheless, you cannot borrow your way out of debt. Moreover, the United States will not, and cannot, support quota increase after quota increase to address the failing economies of undeveloped nations. The answer to solving the economic problems of developing nations and their debt-servicing problems is to encourage economic growth by allowing foreign investment in those nations and opening their markets to foreign trade. If these countries would permit a freer flow of trade and investment across their borders, it would be a positive step to solve their debt problems.

While approving a U.S. quota increase to the IMF is a short-term, Band-Aid approach to a longer term and more fundamental problem, there is a need at this time, unfortunate as it may be, to inject the IMF with a temporary fix for reasons related to the stability of domestic economic recovery and the improvement of the American trade position.

The American economy functions within an increasingly interdependent world economy. In other words, when we talk about economic recovery, we can no longer separate the domestic from the international components. If we were to pull back our share of assistance to the less developed countries, our trade with those countries would consequently be reduced, since they could no longer afford as many U.S. Imports. For the U.S., prospects for growth would diminish, our trade deficit would grow, and lost jobs would frustrate economic recovery.

To be more specific, if we were to reduce financial assistance to the LDC's, it is estimated that growth could be about 1 percent less than expected, and our trade deficit would grow very rapidly due to the loss of $12 billion or so in exports to LDC's. Lost jobs in vital export sectors would compound the difficulty of our recovery efforts. Estimates indicate that for every $1 billion decrease in U.S. exports we lose 24,000 jobs. This suggests that a $12 billion decline in U.S. exports would produce a job loss of 300,000.

The facts are clear. Given the reliance of American economic growth on global economic recovery, I, albeit reluctantly, support the administration's request to increase our contribution to the IMF.

However, while we have heard a lot about trade in our debate over the

IMF issue, it has been within the context of how the quota increase will foster American trade, rather than how it will hurt American exporters. I refer specifically to the use of export subsidies and other unfair trading practices by countries that receive IMF assistance. For example, the poultry industry in my own State has seen its share of tradition markets in the Middle East dwindle from 100,000 metric tons shipped in 1981 to practically zero in 1982 and 1983. The decline was due to the use of export subsidies largely by the Brazilians. The amendments I offered and my colleagues offered address these trade problems as adequately as they can be addressed given the multilateral nature of the IMF.

The thrust of all my amendments regarding trade is to instruct U.S. fund representatives to take steps toward the elimination of the use of unfair trading practices employed by countries that receive IMF assistance. The intent of the amendments is to prevent countries such as Brazil from using IMF assistance to subsidize their exports.

In summary, I applaud the efforts of my colleagues to work for a bill that reflects the sense of Congress that the United States will no longer tolerate the use of unfair trading practices. The Senate has demonstrated through passage of this bill their will to enforce the rules which comprise a fair trade system. We will not stand idle while IMF recipient countries blatantly violate the principles of international trade agreements to the detriment of American exporters. What the Senate has done to the bill concerning the IMF is just the first step: We must continue our work to bring equity to the international trading system.

One final topic I would like to discuss. Many have called this legislation a bailout for the big banks who have made imprudent loans. I disagree. In fact, the opposite is the case for the banks will be lending more money and will in turn be required to stretch out existing loans, thus preventing early payment. Secretary Regan, in testimony before the Senate Banking Committee addressed this issue. In this regard, his testimony was as follows:

IS THE IMF A BANK "BAILOUT"?

I also know there is a widespread concern that an increase in IMF resources will amount to a bank bail-out at the expense of the American taxpayer. Many would contend that the whole debt and liquidity problem is the fault of the banks—that they've dug themselves and the rest of us into this hole though greed and incompetence, and now we intend to have the IMF take the consequences off their hands. This line of argument is dangerously misleading, and I would like to set the record straight.

First, the steps that are being taken to deal with the financial problem, including the increase in IMF resources, require continued involvement by the banks. Far from allowing them to cut and run, orderly adjustment requires increased bank lending to troubled LDCs that are prepared to adopt serious economic programs. That is exactly what is happening.

And it is not a departure from past experience. I have had Treasury staff review IMF program experience in the 20 countries which received the largest net IMF disbursements in the last few years, to see whether banks had been "bailed out" in the past. Looking at the period from 1977 to mid-1982, they found that for the countries which rely most heavily on private bank financing, IMF programs have been followed up by new bank lending much greater than the amount disbursed by the Fund itself. This also holds true for the 20 countries as a group: net IMF disbursements to this group during the period were $11.5 billion, while net bank lending totalled $49.7 billion, resulting in a ratio of 4.3 to 1 during this period.

The second point I would like to stress here is the notion that the increase in IMF resources is coming mainly from the United States. The U.S. share in the increase in IMF resources is 18 percent—which obviously means other countries are putting up the remaining 82 percent, the great bulk of the increase. By putting up 18 percent of the increase, we will maintain our voting share at just over 19 percent. The principle of weighted voting on which the IMF operates has been key to its effectiveness over the years and to ensuring that we have a voice and vote comparable to the share of resources we provide. Major policy decisions—such as those just taken on the quota increase—require an 85 percent majority vote, which means that we have a veto over all such decisions. Some of our allies would claim that we aren't pulling our own weight—that our stake in world trade and finance is bigger than the share of resources we are proposing to put into the IMF would indicate.

The third point I would like to make is that the whole debt and liquidity problem cannot fairly be said to be the fault of the commercial banks. In fact, the banking system as a whole performed admirably over the last decade, in a period when there were widespread fears that the international monetary system would fall apart for lack of financing in the aftermath of the oil shocks. The banks managed almost the entire job of "recycling" the OPEC surplus and getting oil importers through that difficult period. Some of the innovations and decisions that banks made in the process, which seemed rational and necessary at the time to them and to others, may seem doubtful in retrospect, given the way the world economic environment changed. But I think we can agree that governments have had a great deal to do with shaping that environment.

With reference to international lending activities of financial institutions, this legislation seeks to prevent excessive and imprudent lending practices in the future. In this regard, I would like the sections of the Senate Banking Committee report dealing with international lending supervision be included in the RECORD at this point.

The sections follow:

INTERNATIONAL LENDING SUPERVISION

As outlined above, in hearings on the source of the problems that some countries recently have experienced in servicing their external debts, the Committee found that the problems originated in the world-wide inflationary pressures that were allowed to develop after the oil price shocks of 1973–74 and especially of 1979–80.

Sharply higher oil import costs meant that importing nations would have to use a larger percentage of their domestic economic resources to pay for oil imports. To postpone the declines in domestic standards of living and/or declines in domestic capital formation which would result, some countries borrowed abroad. This was encouraged by the expectation that repayments could be made in the future with dollars and other foreign currencies whose real values had been eroded by inflation.

Rising balance of payments deficits of oil importing nations were matched by the surpluses of the oil exporters. The latter chose to invest their surpluses in the industrialized countries, to a significant extent, in commercial bank deposits. These deposits were the primary source of the funds loaned to the developing countries that were stepping up their foreign borrowings to finance oil imports.

The expectation that foreign borrowings could be repaid with depreciated currencies also prompted some countries to increase their borrowings abroad in order to finance capital imports and, thereby, to accelerate their domestic economic growth rates.

A lack of timely data on the total external indebtedness of individual countries contributed to commercial banks' problems in keeping fully abreast of the gross foreign borrowings of some countries and hampered those banks' ability to exercise sufficient restraint on borrowing countries.

Worldwide inflation eventually and foreseeably led to escalating interest rates and worldwide recession. These two developments seriously affected the debtor countries. Their ability to earn foreign currencies by exporting was cut sharply at the same time that the rising cost of debt service greatly increased their need for those foreign currencies. Less developed countries that tend to be particularly dependent on commodity exports were particularly hard-hit by the recession and the attendant drop in commodity prices.

The central banks of some of these countries found that their net exports simply were not generating a sufficient quantity of foreign currencies to meet the requirements of public and private sector borrowers to make interest and principal payments on their foreign debts. This is a risk that is unique to international lending: known as "transfer risk"; it is the risk that a borrower, even if he has no shortage of his own domestic currency, will not be able to purchase the foreign currency needed to service his debt to a foreign creditor.

The gross external debt of less developed countries now totals approximately $550 billion. It includes obligations ranging from short-term credit to loans that do not mature for 10 to 20 years. It includes obligations owed to governments and official institutions like the IMF and the World Bank, as well as those due to commercial banks from various countries. The portion of debt owed to governments and official institutions is estimated at more than 35 percent of the total—or some $200 billion. Of the remaining $350 billion, $270 billion is owed to banks. Approximately one-third of that bank debt is due to U.S. banks.

C. T. Conover, Comptroller of the Currency, noted in his testimony before the Committee that:

"In 1979, the three banking agencies established the Interagency Country Exposure Review Committee (ICERC) to evaluate transfer risk and incorporate that evaluation into bank supervision."

Paul A. Volcker, Chairman of the Board of Governors of the Federal Reserve System told the Committee, however, that: "• • • the rapid development of international lending and today's problems do point to the need for careful review of present policies and other ideas."

In a subsequent "Joint Memorandum" to the Committee, the three Federal bank regulatory agencies outlined a five-point program that they had developed to improve supervision and regulation of international lending.

The Committee concluded that the recent debt-service problems being experienced by some countries indeed does provide clear evidence that improvements are needed in the supervision and regulation of international lending.

Moreover, while the Committee concurred with the five-point program outlined by the regulators, the Committee also concluded that specific legislative action is needed to mandate permanent improvements in the supervision and regulation of international lending, to improve the timeliness and comprehensiveness of public information on foreign borrowing and lending, and to assure that appropriate accounting procedures are used to report the true results of international lending.

With regard to public information, the Committee found that better information is needed by the banks on total external indebtedness of individual countries and by the marketplace on an individual bank's exposure in a country once a threshold percentage of the bank's assets is passed.[1]

At the same time, however, the Committee concluded that great care should be taken not to complicate upcoming debt restructurings or to impede future prudent growth in foreign lending that is essential to the growth of U.S. exports and export-related jobs, and to the growth of the U.S. and the world economy.

STRENGTHENED SUPERVISION OF INTERNATIONAL LENDING

In light of the transfer risk associated with foreign lending which has been highlighted by the recent liquidity problems of some countries, the legislation specifically directs each of the federal banking agencies to incorporate "country exposure and transfer risk" in its examination and supervision procedures. The Committee expects that an effective system of country exposure warnings will be adopted as part of the examination process that assures these warnings are considered at the policy-making level. This system of country exposure warning should recognize that certain country exposure may be subject to greater levels of transfer risk than others, depending on domestic economic policies and conditions, as well as other factors, in a particular country. The legislation also directs the banking agencies to include considerations of country exposure and transfer risk in evaluations of capital adequacy, while recognizing that such factors as diversification of foreign credits clearly are important in assessing the amount of capital needed by an individual bank.

RESERVES

Commercial banks currently establish reserves as a precaution against possible losses, and the worldwide economic problems described above have led banks to increase these reserves substantially in recent years. The 25 largest American banks alone, for example, increased their reserves for losses on both domestic and international credits by $925 million in 1982. Still, in light of the extremely high transfer risk now associated with loans to certain countries, the Committee concluded that a new "special reserve" was needed for these credits.

The bill provides that each appropriate federal banking agency shall require a banking institution to establish and maintain a special reserve whenever, in the judgment of the agency, the institution's exposure in a particular country has become subject to a level of transfer risk that indicates a protracted inability of borrowers to make scheduled payments on external indebtedness.

These special reserves are to be established by a provision against current income, and they are not to be considered as part of capital or allowances for loan losses for regulatory, supervisory or disclosure purposes.

Protracted inability to make payments would be indicated by such factors as: (a) a failure of borrowers to make full interest payments on indebtedness for a substantial time period such as six months or more, (b) the terms of restructured indebtedness have not been met for over one year, (c) an IMF or other suitable adjustment program has not been complied with and there is no immediate prospect for such compliance, or (d) no definite prospects exist for the orderly restoration of debt service in the near future.

As an alternative to establishing special reserves, a bank would have the option to write off all or part of the loans that would be subject to special reserves and, thereby, reduce the amount of special provisions and reserve balances that otherwise would be required. These special reserves would not apply, for example, to lending to a country where the terms of any restructuring of debt are being met, where interest payments are being made regularly, and where the borrowing country is complying with the terms of an IMF-approved stabilization program.

Reschedulings are not uncommon on either domestic or international loans, for while future cash flows can be forecasted to some extent, the forecasted cash flows sometimes are not achieved in the out-years of a loan repayment schedule. When this occurs, the loan may need to be refinanced, restructured, or rescheduled. A number of domestic loans have had to be rescheduled as a result of the same volatility in interest rates and commodity prices and the same recession in economic activity that has forced the rescheduling of foreign credits. This does not necessarily mean that either the domestic loans or the foreign loans are bad debts.

Imposing special reserves on international loans whenever there is a rescheduling would be inconsistent with current treatment of domestic loans. Much more serious, such a reserve requirement would hamper the ability of banks to work with financially troubled borrowers, increase the costs of reschedulings to those financially troubled borrowers, and weaken the prospects for successful reschedulings.

ACCOUNTING FOR FEES ON INTERNATIONAL LOANS

The bill provides that each appropriate federal banking agency shall establish rules or regulations for accounting for fees charged by banks in connection with international loans. In general, under these rules or regulations, any portion of a fee that is deemed to represent interest income should be amortized over the effective life of the loan, recognizing that the effective life may differ from the loan's stated term. Under these rules and regulations, income received for the performance of services during one accounting period should not be deferred until subsequent accounting periods. In seeking to achieve these objectives, the banking agencies have been given authority to define accounting rules; the bill does not attempt to do so by statute.

It is the Committee's understanding that the Financial Accounting Standards Board may soon consider proposed changes in accounting treatment of nonreimbursable loan fees, such as front-end fees on international credits. Accordingly, the Committee expects the federal banking agencies to adopt accounting rules that take into account the most current thinking of the accounting profession, and to adapt such rules as necessary to changing industry practices.

SECURITIES LAWS

The Committee has considered the possible impact of the legislation, specifically reserves and fees, on the federal securities laws and generally accepted accounting principles (GAAP), and has determined that nothing in this legislation should be construed as setting disclosure requirements under the federal securities laws or accounting principles for GAAP.

COLLECTION AND DISCLOSURE OF CERTAIN INTERNATIONAL LENDING DATA

In order to enhance the bank supervisory agencies' capacity to analyze and assess developing trends in international lending and to supervise better the banking institutions involved, the bill authorizes the agencies to require more frequent reports from banking institutions with respect to foreign country exposure. Currently, country lending reports are required on a semi-annual basis, whereas this legislation would require such reports to be filed no fewer than four times a year.

The bill also directs the bank supervisory agencies to require public disclosure of information regarding material country risk exposure in relation to the assets and capital of the banking institution. The Committee notes that such disclosure requirements are separate from those required under SEC authority but, of course, similar information may be required by the SEC. Public disclosure will enhance marketplace discipline by providing depositors and investors with information upon which to assess the banking institutions' foreign lending. Banks will need to be prepared to defend policies leading to large and concentrated country exposure. Recognizing the relationship of disclosure to the financial and competitive condition of the bank, however, the bill grants to the three banking agencies the authority to determine the form and type of information which must be disclosed.

[1] In their reporting requirements on country exposure, the federal agencies currently define such exposure in a country as all cross-border and cross-currency claims and contingent claims on residents of a country, plus other credits guaranteed by residents of the country, less credits guaranteed by residents of other countries and net local currency assets of the banking institution's offices in the country.

INTERNATIONAL COOPERATION

Current problems in foreign lending are international in scope, and an effective program for dealing with those problems in the future must be coordinated with bank supervisors abroad and with the activities and operations of the International Monetary Fund. The bill accordingly calls upon the Secretary of the Treasury to instruct the U.S. Executive Director of the Fund to propose the adoption of a number of policies that can give the Fund a greater role in helping to avoid situations involving excessive build-ups of credit, especially short-term. The bill also calls on the Federal banking agencies to consult with foreign bank supervisory authorities to coordinate supervisory policies and practices with respect to international lending.

CAPITAL ADEQUACY

In addition to the provisions dealing specifically with international lending, the legislation also requires the bank regulatory agencies to establish uniform systems for requiring banks to maintain adequate levels of capital. The Committee believes this positive mandate is necessary to insure that banking institutions, and especially larger banks, are adequately capitalized.

Figures published by the Federal Reserve indicate that capital ratios declined at larger banks throughout most of the 1970's as bank capital failed to grow as quickly as inflation-spurred growth in bank assets. These ratios, however, increased somewhat in 1981 and 1982, due largely to a significant slowdown in asset growth. Unpublished Federal Reserve data show an acceleration in the growth rate of capital ratios for the largest banks since mid-1982.

The Committee also believes clarification of existing authority is needed because the recent decision of the U.S. Court of Appeals (Fifth Circuit) in First National Bank of Bellaire v. Comptroller of the Currency has clouded the authority of the bank regulatory agencies to exercise their independent discretion in establishing and requiring the maintenance of appropriate levels of capital.

In Bellaire, the Court set aside the Comptroller's judgment as to what constitutes a safe and sound level of capital. The Committee believes that establishing adequate levels of capital is properly left to the expertise and discretion of the agencies. Therefore, in order to clarify the authority of the banking agencies to establish adequate levels of capital requirements, to require the maintenance of those levels, and to prevent the courts from disturbing such capital, the Committee has provided a specific grant of authority to the banking agencies to establish levels of capital for categories of institutions or individual institutions. In carrying out this authority, the banking agencies are expected to give banks reasonable time periods to meet any requirements for higher capital ratios.

In carrying out the authority under this Act, the Committee does not expect the bank regulatory agencies to adopt a single, uniform capital ratio that will apply to all banks regardless of their individual characteristics. Capital adequacy standards must necessarily take into account difference in risk diversification, asset quality, liability composition, and other factors considered relevant to capital adequacy. Nevertheless, the Committee expects the standards developed under this Act will be uniform among the three bank regulatory agencies, so that banks with the same characteristics are treated alike regardless of their regulatory status.

GENERAL AUTHORITIES

The bill provides rulemaking authority to the federal banking agencies for purposes of carrying out their authorities under this Act and, in addition to such other existing authority as each agency may have, the bill expressly provides for the availability of the authorities contained in Section 8 of the Federal Deposit Insurance Act for each agency to ensure compliance with the new statute and any rules, regulations or orders issued thereunder.

The provisions of the bill are, by their terms, applicable to all insured banks (as that term is defined in Section 3(h) of the Federal Deposit Insurance Act), any subsidiary of an insured bank, and any edge or agreement corporation. In addition, to the extent determined by the federal banking agencies, and provisions of the bill may be applied as appropriate to any agency or branch of a foreign bank or any commercial lending company owned or controlled by one or more foreign banks or companies that control foreign banks, but not a foreign bank. In addition, in order to promote uniform application of the statute or prevent evasions thereof, any of the provisions of the bill may be applied by the appropriate federal banking agency to any affiliate of any insured bank, including any bank holding company individually or on a consolidated basis or its non-bank subsidiaries, for which affiliate it is the appropriate federal banking agency. However, "affiliate" is not intended to include foreign affiliates that are not owned or controlled directly or indirectly by a U.S. banking organization.

The supervisory responsibilities of the appropriate federal banking agencies for their respective banking institutions are confirmed in the bill, and nothing in the legislation is intended to derogate from existing statutory authorities. Against this background, the bill requires the agencies to establish appropriate uniform principles and objectives for implementation of their respective authorities under this law, recognizing the need for agencies to have flexibility to deal with special circumstances that might arise. The agencies are, for three years, to report annually to this Committee and to the Committee on Banking, Finance, and Urban Affairs of the House of Representatives on actions taken to implement this legislation, including any actions that are inconsistent with its uniform implementation. This forum should be adequate for resolving any significant differences among the agencies. The Committee expects, however, that the three agencies will exert their best efforts to achieve uniform implementation of the authorities contained in this Act. The agencies may also recommend further legislative action as necessary to address the concerns reflected in this bill.

Mr. MATTINGLY. Mr. President, again it is with strong reservations that I support S. 695.

Mr. HELMS. Mr. President, the International Monetary Fund, once a lynchpin in a creaking international gold exchange standard, is today a means of transfering resources to less-developed nations, often resulting in the perpetuation of policies causing poverty, slow growth, and internal disorder.

That there is little debate on the question of the IMF's "foreign aid" role is understandable. It has traditionally been more difficult to obtain congressional approval of direct foreign aid legislation. The IMF, since it is "off budget" generally gets smooth sailing. Thus, its proponents wish to do what they can to minimize the giveaway aspect of the institution.

Mr. President, if IMF loans were at rates equal to those in the free market, then the marketplace would be the lender, not the IMF. Thus, there is a subsidy equal to the difference between the market price for a given IMF loan and the IMF rate. That is the magnitude of the subsidy as long as the loan is repaid. As we learn in the paper by Roland Vaubel, "The Moral Hazard of IMF Lending," many major IMF clients are those that regularly reschedule their IMF loans.

Since the IMF imposes "conditionality," we must assume that there are some real or perceived costs to the recipient nation of those conditions. If those costs come near the amount of the subsidy—the cost of a free market loan less the cost of the IMF loan—then the client nation would probably go to the free market. Thus, we can show that even with "conditionality," the IMF provides a subsidy to the recipient nation equal to the cost of the free market loan less the cost of the IMF loan and the cost of the conditions.

The only way that a nation can get into the kind of trouble that the IMF can allegedly help is to have a monetary policy inconsistent with its other economic policies.

For example, Mr. President, if a nation ran a regular balance-of-payments deficit and stifled it economy by overtaxation and overregulation, it would find that its exporters could find a few buyers of its produce. During the period of the Marxist government of Madam Sirimavo Bandaranaike, Sri-Lanka (Ceylon) went from one of the world's largest exporters of rice, to a net importer. The lack of foreign earnings—or the lack of ability or willingness of world traders to purchase goods from a nation with its currency—means that the international value of that nation's currency drops. There are too many pounds, or qetzels or lira in the world, and their value declines until the goods they can purchase is internationally competitive. If, however, the International Monetary Fund comes in, it may provide funds to allow the nation to go into world exchange markets and buy up unwanted currency of that nation, thus preventing the currency from falling in value—a decline that might mean that its exports again would become competitive.

When the IMF was founded, its loans were temporary, and could accommodate short-term difficulties.

Today we see something called structural adjustment loans, which are in effect for longer periods of time. These longer loans mean that there are fewer penalties for mismanaging the economy.

Since the central bank of the client nation must bear chief responsibility for allowing the currency to fall in value—by not adopting policy changes aimed at keeping money supply parallel to the demand for the currency—it is a small irony that the recipient of IMF funds is the central bank of the client nation. Since we have shown that the IMF loans are granted at a subsidy rate, the delinquent actions of the client nation's central bank are therefore subsidized. This is a strange set of incentives.

In sum, the IMF not only provides a transfer of real resources, it encourages policies that lead to a lower standard of living in poorer nations. At the very least, if advocates of foreign aid seek to spend American resources abroad, there surely must be means of doing so more productively. The IMF is an institution that has outlived its usefulness in this age of floating exchange rates and sophisticated capital markets. Its chief remaining virtue is its capacity to assemble information on nations for the use by capital markets. Such a function could lower the information costs for capital allocation, thus bringing swifter rewards to those nations that adopt progrowth policies.

The only problem with the IMF serving as an information clearinghouse is the kind of information the IMF obtains and how it is evaluated. In recent times, the IMF has ignored the policies that lead to economic disorder and subsequent currency collapse and have recommended high tax rates as a means of getting out of problems. Its function as a financial intelligence agency would be better served if it focused on whether or not a nation adopts policies conducive to economic growth and stable exchange rates.

To dump this Nation's resources into the hands of those who do not adopt progrowth policies can only be justified on political, not economic, grounds. Such political aid should be bilateral, where American interests can more properly be served.

It is my view that the case for added IMF resources has not been made. No solvency problem has been proved. No liquidity shortage has been proved. There are funds available in the IMF and in world capital markets for special cases. Added funds in the hands of the IMF will apparently be used for maintenance of unrealistic currency valuations and the policies that initially resulted in the decline of those in currency values.

Because the IMF has considerable resources to manage already and can serve as a clearinghouse of information without a quota increase, the request for added funds should be declined. Because the GAB authority is to be used in conjunction with IMF loans, and thus would contribute to the same problems generated by the IMF, the increase in GAB authority should, similarly, be rejected.

(By request of Mr. BYRD, the following statement was ordered to be printed in the RECORD.)

● Mr. BIDEN. Mr. President, I regret that I must be necessarily absent from the Senate's final vote on the legislation relating to the International Monetary Fund because of a long-standing commitment to speak at the commencement of Wilmington High School in Delaware. I know it will pass by a large majority and had I been present, I would have voted for the legislation. I supported the passage of this measure in the Foreign Relations Committee, recognizing that our continued participation is vital to prevent a collapse in the global financial structure, which would have serious consequences for the U.S. economy.●

THE INCREASE IN THE U.S. CONTRIBUTION TO THE INTERNATIONAL MONETARY FUND

● Mr. NICKLES. Mr. President, S. 695, the Bretton Woods Agreements Amendments Act of 1983, known as the "increased IMF authorization," will not help resolve the long-term problems of monetary instability. The requested $8.5 billion of budget authority will not only adversely affect our domestic economy by increasing our national deficit but it will also continue unsound monetary practices for the international financial community. The truth of the matter is that the United States does not have the resources to expend on this request for additional contributions. For the information of my colleagues I submit for the RECORD a status report of the fiscal year 1983 congressional budget.

The report follows:

REPORT TO THE SPEAKER OF THE U.S. HOUSE OF REPRESENTATIVES FROM THE COMMITTEE ON THE BUDGET ON THE STATUS OF THE FISCAL YEAR 1983 CONGRESSIONAL BUDGET, ADOPTED IN SENATE CONCURRENT RESOLUTION 92, REFLECTING COMPLETED ACTION AS OF MAY 26, 1983

[In millions of dollars]

	Budget authority	Outlays	Revenues
Appropriate level	822,390	769,818	665,900
Current level	861,866	802,912	606,311
Amount over resolution	39,476	33,094	
Amount under resolution			59,589

As the report notes, we have exceeded our budget authority by more than $39 billion, of which we are now considering to increase by approximately $8.5 billion, and budget outlays of about $33 billion. If this legislation is passed, we will increase this shortfall in budget authority by approximately 21 percent, this is not sound domestic fiscal policy.

Mr. President, besides the obvious budgetary issues there are a number of other points that I would like to make as to why this contribution increase should not be adopted.

The way to resolve the international debt crisis is not to dump additional debt on the already debt-ridden lesser developed countries. Why should we propose to solve the existing debt crisis with more debt? It just does not make sense. The problem is that nations cannot pay the existing debt they now have. The solution, it would appear to me, is to restructure that existing debt or use the resources presently available to the IMF, such as the gold reserves they hold.

Continued injection of monetary assets into the world market will certainly have the effect of fueled inflation. We will not be retiring actual debt but simply adding to existing debt which will occur when the old loans are rolled over. As we have experienced in this country, increased money supply may have the short-term effect of reducing interest rates but is also a known factor to increase inflation which we have found to have a devastating effect on our economy.

When the IMF was first instituted, it was used for short-term difficulties in monetary crises. However, today we see it used for longer term structural loans. This practice will certainly lead to longer and longer pay-back requirements and eventually result in massive debt accumulation.

The argument that the increase is needed to help U.S. exports is, at best, wishful thinking. It is also a circular argument in that in order for countries to repay outstanding loans, it is necessary that they increase their exports and thus reduce their balance of trade deficits. While the country increases their exports to make this repayment, there is an opposing pressure to increase imports from contributing countries such as the United States and not to engage in predatory export practices. The only real answer to this problem is increasing the real output of the borrowing nation.

In this time period of economic frugality, we can ill-afford to pump $8.5 billion into an already unstable world economy and I urge my colleagues to oppose increasing the U.S. contribution to the IMF.●

Mr. JEPSEN. Mr. President, I rise in opposition to the proposed IMF quota increase. The economic and financial rationale of the proposal is fundamentally unsound. This proposal is expensive, unnecessary, counterproductive, and potentially dangerous. It should be rejected by the Senate.

By now it is clear that the banks lent the LDC's more money than they

were capable of repaying on time. Many of these borrowers are now in arrears, and many lenders fear that defaults threaten their health and profitability. Consequently, it is argued, a taxpayer-funded bailout is in order. Otherwise, banks will lose money, and the various nightmares of bank failures or international financial collapses may become reality.

How can we solve the problems caused by excessive LDC borrowing by extending more credit? This would only be adding more fuel to the fire. The banks made these loans because they expected them to be repaid on schedule and to increase their profits. They were wrong. In a free enterprise system businesses are fully entitled to their profits. But in such a system they are also responsible for their mistakes and the losses. Federal subsidization of the loan losses of the bankers is against the principles of free enterprise and undermines the legitimacy of our system. Besides, why should middle and lower income Americans subsidize the errors and losses of banks and their stockholders? This would represent a wealth transfer from middle America to the rich.

Supporters of this proposal argue that additional IMF resources are needed to reinforce the strength of the financial system and prevent potential collapse. However, most of the disaster scenarios assume that much or all of the outstanding debt would be in default and written off immediately, wiping out bank capital and forcing many into bankruptcy. But none of these preconditions is likely to happen: Total default is very improbable; and there is no reason to force banks to immediately write off what loan losses do occur. Banks should be allowed to write off their loan losses over a number of years. Even if the worst conceivable debt problem develops, so long as the Federal Reserve backstops the banking system, as a lender of last resort, collapse would be impossible.

Many of the LDC projects financed and encouraged by Western lending are white elephants that will never be economically viable. Other projects were well conceived but have been eclipsed by changing economic conditions and technology. The economic prospects and political stability of some nations are so poor that any venture is too risky for continued commerical lending. In any event, for a number of reasons some of the LDC's will probably default on their loans. This is unfortunate, but throwing good money after bad would provide no solution to their problems. We cannot afford to waste taxpayers' money just to prove our good intentions.

The IMF was set up to facilitate international financial settlement during the ERA of fixed exchange rates. Now that we have flexible exchange rates, that role is unnecessary. The IMF was never intended to be an international central bank, a lender of last resort. Yet this is what it may be evolving into. Furthermore, the IMF already has a $40 billion hoard of gold it could market to fund its activities. There is no reason to use the U.S. Government's money for this purpose.

I oppose the proposed quota increase.

● Mrs. HAWKINS. Mr. President, I rise in opposition to S. 695, a bill increasing U.S. quotas to the International Monetary Fund. I do so because I believe the Senate should not agree to expand further a hidden foreign aid program already growing at breakneck speed that harms recipients as much as it does our taxpayers. Furthermore, nothing in the bill makes it likely that another damaging round of international lending excess, followed by another taxpayer's bailout, will be avoided. Opposition to increasing IMF quotas was the original position of the administration and I regret that they reversed themselves. Let me take up these points in turn.

Mr. President, we have all rightfully become concerned with the enormous growth rate in Federal spending. But compared to the IMF, the Federal Government has been a skinflint. In 1975, IMF quotas for all nations combined equaled $34 billion. If we agree to the new request, the total will rise to $98 billion in just 8 short years. That averages out to an annual growth rate of over 14 percent. By contrast, in fiscal year 1975, the Federal Government spent $326 billion, and in fiscal year 1983, it will spend about $810 billion. The annual growth rate for Federal spending then has been 12 percent over the comparable period. Thus, in 8 years, IMF quotas under S. 695 would grow by 190 percent during a period when Federal spending, by common agreement, has grown at an unreasonable rapid rate of 150 percent. Clearly, the IMF is growing at an excessive rate.

And it is not as though the IMF is without resources to issue the new loans it feels are necessary. Perhaps an example can clarify what is at stake. Imagine an individual who bought IBM stock years ago whose current income is less than his current expenses. This individual has three options. He can cut his planned purchases. He can find new revenue perhaps by borrowing from his family. Or he can sell part of his stock.

The IMF is in a similar position. While it does not own stock, it does own gold which also has gone up significantly. In fact, the IMF now holds over 40 billion dollars' worth of gold, which when member nations contributed it, was worth only $4 billion. Right now it is still carried on IMF books at 10 percent of its real market value. But like the individual in our example, the IMF also complains it is running out of cash. So, in reality, it has the same options. It can cut its expenses—by making fewer loans. It can ask members of its family for a loan—by requesting a quota increase. Or it can mobilize its gold holdings. Since the requested quota increase is just over $40 billion, mobilizing the gold could, in principle, allow the IMF to expand their loan portfolio to the Third World by a like amount. They do not need any more of the taxpayers' money to meet their stated needs.

Furthermore, increasing the amount of loans to Third World nations is not in the long-term interest of those nations. As long as IMF money keeps flowing, so will reckless economic management by undisciplined political leaders. True, the IMF imposes conditions on borrowing nations designed to improve their economic management. But it is worth noting that the same nations line up at the IMF window time and again for assistance. This makes clear that imposing conditionality does not lead to meaningful structural changes in borrowing nations. The availability of IMF loans, instead, provides a cheap alternative to political leaders who would otherwise be compelled to make real reforms.

Finally, resources donated to the IMF should really be considered as a disguised form of foreign aid. After a nation receives an IMF loan, it uses the proceeds to secure control over resources it would otherwise not have. The same is true of more conventional ways of imparting assistance. However, assistance handed out through the IMF is administered by an international bureaucracy that advances U.S. interests only by happy coincidence, not by design. And it does so with taxpayers' money but frequently without their knowledge.

For all these reasons, I feel it is appropriate to consider this quota increase a request to increase funding for a hidden, counterproductive foreign aid program, already growing out of control. Now these weaknesses are serious. However, there are other problems with S. 695.

Under the bill, U.S. banks are likely to continue their "full speed ahead" approach to dangerous international lending.

Our largest banks plunged ahead in international banking over the last two decades for simple reasons. They perceived that the profits available were higher than those at home while the risks were lower there than they were domestically. By validating this perception of safety, due to the bailout, we should expect a resurgence in foreign lending in the near future.

Western governments in effect, are buying equity interests in literally the worst loans in the world. The safety

net we are erecting to protect imprudent banks will loom large in the years ahead when bankers make their calculations on where to lend. The decision to erect the net is certain to be more important than the provision in S. 695 requiring reserves to be set aside only if a nation that was not meeting its international financial obligation also refused to talk to the IMF, which is a remote possibility. Thus, it will still appear safer to lend abroad than it does to lend at home. And faced with the same risk-reward relationship that got us in this mess, lenders will not moderate their behavior in the future. For these reasons, plus the reasons mentioned earlier, I have decided to vote against S. 695.●

WORLD DEBT AND ECONOMIC STABILITY

● Mr. DANFORTH. Mr. President, we cannot afford to underestimate the importance of global economic conditions to the health of our own economy. The United States now depends on foreign markets for the sale of 20 percent of all manufactured goods and 40 percent of all farm products produced in this country. One out of every five manufacturing jobs is dependent on foreign trade. Moreover, exports to developing countries represent 40 percent of all U.S. exports, more than our exports to Canada, Japan, Great Britain, and West Germany combined. Over 5 million workers and farmers have come to depend on such exports.

In recent years the financial structures upon which our foreign trade rests have become increasingly vulnerable to collapse, following the 1973 and 1979 oil shocks and a lengthy global recession. Poland, Mexico, Brazil, Argentina, Venezuela, and Yugoslavia, among others, have each proclaimed difficulty in repaying their debts. Most have turned out to be in need of some form of assistance to avoid default.

Following the 1973 oil embargo, which brought about a quadrupling of oil prices, OPEC nations were inundated with foreign reserves, and placed most of it in Western banks. Western banks, in turn, looked for countries with growth potential to which to loan this windfall. Mexico, Venezuela, with their oil reserves, Eastern Europe, with its relatively stable governments and steady growth rates, and Brazil, with its vast natural resources, seemed like safe investments to the banks.

Unfortunately, things did not turn out as the bankers expected. The economies of Eastern Europe stagnated; low oil prices and decreased output due to the oil glut have sharply reduced income for oil producers Mexico and Venezuela, and Brazil borrowed more than it could repay. Meanwhile, developing countries are experiencing the lowest commodity prices and highest debt burden of modern times. Much fault lies with the international banks, which refused to heed the warning signals and continued lending enormous sums of money until only recently.

Economic reality has finally set in. Poland, a nation of some 30 million people, has a foreign debt of $26 billion. Mexico's debt is $80 to $90 billion.

As I see it, Western governments are confronted with two alternatives, neither of which is agreeable. We can do nothing, and let one or more of the debtor nations slide into default, or worse, into repudiation. Such an occurrence would leave us without any prospect of regaining the loans, and could very well set off a global depression. The world's largest banks have a large percentage of their capital tied up in foreign loans, and widespread defaults would cause many to collapse. This would in turn set off a chain reaction, affecting thousands of banks here and abroad that may not even have investments overseas.

Our other option is to try to fashion a solution which would impose greater fiscal responsibility on Third World loan recipients and the rescheduling of loans creating the possibility that the loans can eventually be repaid. The help of the IMF will be instrumental in this process. The IMF was established after World War II to provide a framework for the conduct of world trade and financial transactions. It assists its 146 member countries with balance-of-payments problems by extending short-term loans in conjunction with the implementation of economic stabilization programs. It should be noted that industrial nations have historically been the major recipients of IMF funds. The United States has drawn on the Fund 24 times, and is second only to the United Kingdom in total amount withdrawn. The IMF also aids American foreign trade, by providing loans to countries experiencing balance-of-payments problems that enable them to avoid restrictions on American goods.

S. 695 would increase the U.S. quota to the IMF by $8.5 billion in response to the demands placed upon its funds by the present financial crisis. I must admit that I am not enthusiastic about the prospect of rescuing the banks from their own mistakes. Nevertheless, the consequences of inaction could be very severe. I am pleased that S. 695 contains provisions that would increase Government oversight of the foreign lending practices of banks. The bill would require more frequent reporting and public disclosure by banks of their foreign loans, and would create a network of information about foreign country indebtedness that banks would have to take into account when evaluating a country's exposure and risk. S. 695 also requires the establishment of a special reserve by banks whose assets are at risk due to the inability of their debtors to repay their loans. These special reserves may not be treated as capital by the banks, and can only be reduced if the risk is reduced or if the loan is written off. Thus, the banks at fault will have to help foot the bill for their mistakes.

Mr. President, since the seriousness of the world debt problem first became clear, I have had two main concerns. The first is that we weather this storm with our financial system intact. My second concern is that we insure that this situation which has so endangered global economic stability is never repeated. I believe that S. 695 will be valuable in addressing both of these concerns, and therefore, I am in support of the measure.●

Mr. BYRD. Mr. President, contrary to a lot of perceptions concerning the provision of an additional $8.4 billion to the International Monetary Fund and the General Arrangements to Borrow, the United States has much more to lose than the money saved by not participating in this increase if the world financial system collapses.

U.S. SECURITY INTERESTS

Some of our closest allies have relied upon the International Monetary Fund to deal with serious balance-of-payments problems. For example, had it not been for the availability of IMF resources, Turkey most probably would not have had sufficient resources to undertake the modest military modernization presently underway. In the last 4 years, Turkey has had to borrow $1.2 billion from the IMF. Another ally in Asia, South Korea, has had to borrow $1.3 billion over the same time period. Thailand, which is threatened by the Vietnamese presence in Cambodia, has had to borrow $554 million and Pakistan, faced with a flood of refugees from Afghanistan, has had to borrow $664 million. The Philippines, whose naval and airbases are of vital strategic importance to us, has had to borrow $424 million from the IMF.

Since June 1982, Brazil has had to borrow $5.5 billion, Mexico $3.9 billion, and Argentina $2.2 billion. It is anticipated that both France and Belgium will also have to borrow from the IMF in the near future.

However, let us take a look at just Mexico, which presently has an external debt of about $80 billion. No other country has a greater stake in Mexico getting back on its feet than the United States. Never has the United States faced even the faintest threat of political instability or hostility along either of our two long, undefended borders.

Any upheaval in Mexico would seriously affect the U.S. strategic position in the Western Hemisphere. The most pessimistic scenario is that if Mexico does not have access to sufficient financial resources to turn its economy

around there could be a revolution which could produce a leftist takeover of the kind that occurred in Cuba in 1959.

While it might be an arcane argument, it nevertheless is a reality that the Soviet Union exercises influence when it can take advantage of the economic disparaties and turmoil in other countries. Marxism becomes an attractive alternative when capitalism fails. The struggle between Marxism and capitalism does not always occur on the battlefield. In fact, it has economic roots.

At present, there are an estimated 3.5 to 5.5 million legal and illegal Mexican immigrants in this country. A further deterioration in Mexico's economy would really open the floodgates. It would take a major military operation to seal off the border between the United States and Mexico to prevent a flood of new immigrants into this country—the cost of which would be much greater than the $8.4 billion proposed for the U.S. share of the present IMF quota increase.

It may be arcane, but I happen to believe that capitalism is far preferable to Marxism and if there is a price to be paid for maintaining a predominantly capitalist world, then I think it is a price that should be paid. The IMF represents that price. I do not think one can worry about a Marxist takeover in El Salvador and not worry about the inroads Marxism can make throughout Latin America if there should be a general economic collapse.

Marxism happens to be an economic doctrine. We have spent nearly $2 billion on Central America alone over the past 4 years to deal with revolutions which we perceive threaten our own security interests. Somoza was overthrown in Nicaragua for economic reasons. The war in El Salvador has economic roots. The insurgency in Guatemala also has economic roots.

A socialist government came into power in Greece—with Communists voting for Papandreou—because of economic problems. Communists voted for the socialist government of France because of economic problems. Italy has always been shaky politically because of economic problems. A Marxist was elected in Chile, Allende, because of economic problems. Marxists took over in Ethiopia because of economic problems.

It would seem that the track record is pretty clear as to why Marxism becomes an attractive alternative. Why do we always wait until revolutions are underway before we get excited about threats to our national security? It is like a disease—the best medicine is preventive medicine. You have to take it before the disease is uncontrollable.

ECONOMIC ISSUES

Once again, in the case of Mexico, the U.S. Treasury coughed up $2.9 billion in short-term financing a year ago to tide Mexico over until the IMF package of $3.9 billion could be put together and an agreement could be worked out with American, Western European, and Japanese banks to freeze for 7 months the Mexican Government's repayment of principal on their commercial debts.

In the course of 1 year alone, our $4 billion trade surplus with Mexico in 1981 was transformed into a trade deficit of nearly $4 billion in 1982, due mainly to an annual average drop in U.S. exports of one-third. This $8 billion deterioration was our worst swing in trade performance with any country in the world, and it was due almost entirely to the financing problem. This has cost the United States an estimated 250,000 jobs. Mexico had become an increasingly important consumer of U.S. manufactured goods, machinery and services. The U.S. industries hardest hit by Mexico's decision to curb imports were automotive parts, electrical applicances, and capital goods. I assume the West Virginia steel industry is somewhat important to the automotive and electrical appliance industry in this country. So when the latter industries have to lay off workers because they lose markets for their products, it does have to affect West Virginia as well.

Whether we like it or not, substantial expansion of our export sectors has become critical to employment in the United States. The absolute importance of exports is large enough—they accounted directly for 5 million jobs in 1982, including 1 out of every 8 jobs in manufacturing. But export-related jobs have been getting even more important at the margin. A U.S. Chamber of Commerce survey in the late 1970's indicated that four out of every five new jobs in the U.S. manufacturing sector were coming from foreign trade. On the average, it is estimated that every $1 billion increase in our exports results in 24,000 jobs.

Here are some additional facts:

In 1970, exports accounted for 9 percent of the total U.S. goods produced in this country. In 1980, this increased to 19 percent of the total goods produced. In 1970, we produced 460 billion dollars' worth of goods. In 1980, we produced $1.1 trillion

In 1970, our export share to the less developed countries represented 25 percent of the total exports, or about $11 billion. In 1980, we had increased our share of exports to the developing countries to 29 percent, or $64 billion.

It is small wonder why the U.S. Chamber of Commerce, the National Association of Manufacturers, and other business associations support the IMF. It just makes good business sense.

If the U.S. economy is becoming increasingly dependent upon exports for jobs, then it should not come as any surprise that when our major trading partners cannot import our products, we lose jobs in the United States. Certainly we do not solve the unemployment problem if the U.S. Government has to create public service or infrastructure repair jobs. What happens when these projects are finished? Do we place these people back on the unemployment rolls? After all, real jobs have to end up producing a product and that product has to be sold. If the domestic market cannot buy up all that we produce, then we have to sell it somewhere else. And if we cannot sell it somewhere else, then people will be laid off their jobs.

INTEREST CHARGED ON IMF LOANS

At present, the interest charged on IMF loans is 8.5 percent. This represents the average interest rate of the five major industrialized countries—the United States, France, Great Britain, West Germany, and Japan.

Commercial bank loans to countries such as Mexico and Brazil were 17.5 percent, as of 1981, the last year for which figures are available. This does not include the so-called front-end fees charged for rescheduling commerical debt.

Mr. HEINZ. Mr. President, as we conclude this debate on the International Monetary Fund quota increase, it would be useful to review the reasons why I am asking my colleagues to join me in voting for the passage of S. 695.

Mr. President, I am well aware of the great degree of skepticism which many Senators still have concerning the need for an increase in the funds made available to the International Monetary Fund and the general arrangements to borrow totaling $8.5 billion. My colleagues on the Banking Committee have had similar concerns. But over the course of our deliberations on the committee, which included 4 days of hearings, a convincing case was made by the administration and by other witnesses from the private sector. I would remind my colleagues who are not on the Banking Committee, or who have not yet had a chance to read the committee report on S. 695, that the final vote to report this legislation to the Senate was 15 for and 3 absentions, without a single dissenting vote. The Foreign Relations Committee vote of 13 to 1 was similarly overwhelming.

Mr. President, let me take a few moments to share the reasons for the strong support which this bill has thus far and why my colleagues should join with the 26 members of the Banking and Foreign Relations Committees who have endorsed this legislation.

Secretary Regan testified that:

> It is crucially important to * * * our economic interests—to U.S. economic activity, jobs, production and investment—that these (debt) problems be dealt with in a constructive and orderly way, and the United States

cannot escape playing a leading role in that effort.

I wholeheartedly agree with the Secretary. Clearly we cannot escape a leading role for two reasons. First, with $100 billion owed, U.S. banks have the lion's share of the developing countries' debt. Like it or not, we are the biggest players and the ball is in our court. Second, we are the leading economic power, by far, in the free world. What affects the economy and stability of that world affects us directly. This is especially true of the LDC's where our Nation also has the lion's share of the developing countries' export market, with nearly half.

Indeed, over the past decade the less developed world has been a faster growing and a more significant outlet for our exports than Europe, Japan, and Communist countries combined. And when we recall that fully 20 percent of our industrial production, 40 percent of our farm acreage, and one of six jobs in our economy are dependent on exports for their existence, it is not hard to see why a swift and effective resolution of the current debt crisis is essential to our welfare and to our future economic growth.

Mr. President, we must remember that the current world debt crisis is not merely a financial problem; it is also a trade problem of growing seriousness. Reaching a comprehensive understanding of the trade, economic and financial aspects is crucial to finding long-term solutions.

The borrowing of LDC's, which has grown dramatically since the first oil shock over 9 years ago, was for a time offset by increasing economic growth and expanding exports. It allowed for a rapid increase in U.S. exports to these countries, and strong growth in the LDC and OECD economies. However, this borrowing was also a way for some countries to postpone adjustment to the first oil shock as a combination of increasing export earnings, low interest rates and high inflation kept real debt burdens manageable.

After the second oil shock of 1979 and the beginning of the current world recession, the situation in many LDC's took a dramatic turn for the worse. Interest rates rose worldwide, yet most LDC's attempted to avoid adjustment by increasing short-term borrowing. A declining demand for exports and an outright drop in export prices—primarily commodities—left LDC export earnings in 1982 unchanged from 1980 levels. With rising real interest rates, short-term debt growing rapidly and export earnings flat or declining, banks became unwilling or unable to maintain the pace of lending required to sustain the debt service of key LDC's.

Many banks are heavily exposed to developing LDC's and some would like to reduce exposure to these countries by reducing new lending. However, if this is done before LDC's can trim their financing needs, the countries will have to make further deep import cuts, even cuts into essential imports, or fall behind in debt repayments. The extent of our financial and trade relations with these countries means that the business community and/or the banking community would be adversely affected.

The trade area is probably experiencing the most immediate effects of the problems in the financial and economic systems. We have witnessed sharp drops in U.S. exports in the last 18 months. U.S. trade to Mexico dropped 36 percent in 1982 with the decline accelerating in the latter part of the year. Sales to Argentina were down 40 percent, to Peru 25 percent, and Chile 36 percent.

This trend stands in sharp contrast with the trend over the last 10 years, when these countries were part of the fastest growing U.S. export market. The LDC's share of U.S. manufactured exports grew from 29 to 39 percent of the total U.S. exports of these goods between 1970 and 1980. Key U.S. exporters had made major inroads into LDC markets during the period. Now these same exporters are experiencing rapid declines.

Let me briefly note the situation in Mexico, our third largest trading partner.

Cereal and preparation exports had increased by more than 200 percent between 1978–81 and were down 71 percent last year;

Transportation equipment—except road vehicles—up over 600 percent between 1978–81, down 71 percent;

Iron and steel, up over 200 percent on these 3 years were down 58 percent last year;

Manufacturers of metals, up 354 percent from 1978–81, down 52 percent.

The overall decline in exports to Mexico alone was $6.3 billion in 1982.

If financial constraints increase this year, imports by LDC's will have to be cut even further; thus, trade problems and the jobs they represent for American workers are likely to become even more worrisome. Remember, each $1 billion in American exports generates over 30,000 jobs.

What these figures mean is that the export sector of our economy—a leader in creating new jobs—is tremendously vulnerable to any sharp cutbacks in imports by the LDC's. Yet that is exactly the response to which debt and liquidity problems have been driving them. This is a matter of concern not just to the banking system, but to American workers, farmers, manufacturers, and investors as well.

Mr. President, that is why passage of this IMF/GAB quota increase is so vitally important not only to the less developed world, not only to or most important allies in the Western Hemisphere, but, most importantly, to our own economy—to America and to jobs right here at home.

Mr. President, as Secretary Regan himself said when he testified before the Banking Committee, the increse in the IMF and GAB is part of a broad based strategy involving all the key players: the LDC governments, governments in the industrialized countries, commercial banks, and the International Monetary Fund. Without that increase the borrowing countries will be unable to make the necessary adjustments in their economies to return them to financial health. In the absence of such adjustments there will be even sharper cuts in imports, including such vital imports as foodstuffs and fuel. The IMF will allow these countries to get through their current liquidity crisis without such draconian measures, since the adjustment programs are aimed at returning to a stable source of long-term growth.

Mr. President, the conditionality attached to IMF lending is designed to assure that orderly adjustment takes place, and the stamp of approval which the IMF confers on troubled economies allows them to obtain additional private and official financing. Let me emphasize that the IMF is not a development agency. Rather it serves in a transitional, supportive role. Private banks have been the largest single source of international financing over the past decade, and it is my expectation that they will continue to be so. Nevertheless, the IMF cannot play its vital transitional role with its resources depleted, as they are now. Current estimates are that the resources available to the Fund will not last beyond the end of the year.

That is why, Mr. President, this body must act now to provide the International Monetary Fund with the necessary resources to fulfill its vital function. Some have argued that the resources that we are providing will be inadequate to do the job, that the only solution to the current debt crisis is sustained economic growth in the United States and other Western economies. That is only partially true; for without the sort of stabilization program within key LDC's that only the IMF can provide, there will be no sustained growth among the industrialized countries of the world. We are so interdependent that the developed world cannot pull itself out of the recession if the less developed world is allowed to continue to stagnate.

Before concluding my remarks, it would be worthwhile to consider title II of the IMF quota increase bill which the Banking Committee reported to the Senate. The committee concluded that U.S. banks have not been blameless in the current debt crisis. In a sense our banks did too good a job in recycling petrodollars. The inevitable result was that the structure which

was created to fund the balance of payments deficits through commercial bank loans had its breakdown in the wake of the 1979 oil price increase. It was and is disingenuous for the banks to argue that no one could have predicted the current crisis, particularly in light of the recession which followed the 1973 oil price increase.

There is plenty of blame to go around, though. Western governments seemed happy to allow the banks to handle the recycling with little or no supervision. The IMF resources were allowed to shrink in relation to the size of world trade, so official agencies could not play the role they had played in the past. The LDC governments showed little concern for their debt exposure as long as they believed that inflation would continue to cheapen the value of the money used to repay their huge debts. And banks, despite all their high paid economists, made the assumption that oil—and other commodity prices—would remain high for the indefinite future.

Mr. President, although the committee concluded that the blame should not be placed solely on the shoulders of our commercial banks—nor alone on the shoulders on our regulators, for that fact—it was clear that at least part of the reason for the current debt crisis could be found in the failure of our banks to stop at prudential limits in their international lending.

Consequently, the committee, in cooperation with the Federal Reserve Board, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation, drafted legislation to provide new discipline and guidelines to international lending. That legislation is not punative nor overly restrictive. But the committee believes that it will provide our regulators with the proper mix of flexibility, firmness and direction to help prevent future international debt crises.

The committee print does five things:

First. There is a strengthening of the existing program of country risk examination and evaluation;

Second. There is substantially increased public disclosure of banks' country exposure;

Third. A system of special reserves is created for international bank loans which have experienced protracted loan repayment problems;

Fourth. New supervisory rules have been developed for accounting for fees; and

Fifth. A strengthened congressional mandate is established for the regulators to require banks to maintain adequate levels of capital.

All of these measures are responses to the committee's concern about the safety and soundness of the banking system. They relate to the current international rescheduling problems but they also go beyond them, to try to institute reforms which will benefit banks—and the public they serve—by allowing the marketplace to discipline bank lending and by insuring that banks have adequate capital to deal with any risk—foreign or domestic.

The mandate for the regulators to require adequate levels of capital on the part of the banks is particularly important from the committee's standpoint. The committee views the capital adequacy standard as a simple, workable, yet effective alternative to country lending limits and more stringent special reserve requirements. Moreover, it has the added advantage of strengthening the bank's ability to deal with domestic as well as international risk. It is measurable, enforceable, and it will benefit the entire banking system.

Mr. President, I believe that my colleagues will agree with me that the Banking and Foreign Relations Committees have crafted a bill which will not only get us through the current debt crisis but also—and perhaps more importantly—help to prevent future crises. Assuming that can be accomplished, I am sure my colleagues will further agree with me that the IMF quota increase and bank regulatory legislation is legislation vitally necessary to our economy and to sustaining our economic recovery. I urge a "yes" vote on final passage.

Mr. President, I thank all my colleagues, particularly Senator PROXMIRE for his excellent and extraordinary helpful comanagership of the bill. Without it, I am sure we could not have come to this conclusion so fortuitously.

I also thank the chairman of the committee, Senator GARN, who has been of great support in this effort.

I thank all Senators who have offered amendments for their consideration and for the contributions—including the Senator from New Hampshire, the Senator from North Carolina, the Senator from Montana, the Senator from New Mexico, and the Senator from Georgia.

Mr. PROXMIRE. Mr. President, I commend the distinguished Senator from Pennsylvania for doing an outstanding job in handling this bill. It is a complicated bill, and he handled it with great patience and skill.

I also commend the chairman of the committee, Senator GARN, for his excellent leadership in this matter.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. EXON. Mr. President, the Senator from Nebraska inquires what is presently before the Senate.

Mr. PROXMIRE. Mr. President, before the vote is announced, I suggest the absence of a quorum. I have to clear this with the leader on my side.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Minnesota (Mr. DURENBERGER), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that, if present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

Mr. BYRD. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Ohio (Mr. METZENBAUM), and the Senator from Massachusetts (Mr. TSONGAS) are necessarily absent.

I further announce that, if present and voting, the Senator from Delaware (Mr. BIDEN) would vote "yea."

The PRESIDING OFFICER (Mr. GORTON). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 55, nays 34, as follows:

[Rollcall Vote No. 126 Leg.]

YEAS—55

Baker	Dole	Levin
Bentsen	Eagleton	Long
Bingaman	Ford	Lugar
Boschwitz	Garn	Mathias
Bradley	Gorton	Matsunaga
Bumpers	Hatfield	Mattingly
Byrd	Hecht	Mitchell
Chafee	Heinz	Moynihan
Chiles	Inouye	Murkowski
Cochran	Jackson	Nunn
D'Amato	Johnston	Packwood
Danforth	Kasten	Pell
Denton	Kennedy	Percy
Dixon	Lautenberg	Proxmire
Dodd	Leahy	Quayle

Riegle	Stafford	Trible
Rudman	Stennis	Wilson
Sarbanes	Stevens	
Sasser	Tower	

NAYS—34

Abdnor	Hawkins	Pryor
Andrews	Heflin	Randolph
Armstrong	Helms	Roth
Baucus	Huddleston	Simpson
Boren	Humphrey	Specter
Burdick	Jepsen	Symms
Cohen	Kassebaum	Thurmond
Domenici	Laxalt	Wallop
East	McClure	Warner
Exon	Melcher	Zorinsky
Grassley	Nickles	
Hatch	Pressler	

NOT VOTING—11

Biden	Glenn	Metzenbaum
Cranston	Goldwater	Tsongas
DeConcini	Hart	Weicker
Durenberger	Hollings	

So the bill (S. 695) as amended, was passed, as follows:

S. 695

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—BRETTON WOODS AGREEMENTS ACT AMENDMENTS

SEC. 101. (a) Section 4(b) of the Bretton Woods Agreements Act (22 U.S.C. 286b) is amended—

(1) by amending subparagraph (5) to read as follows:

"(5)(A) The Council shall transmit to the President and to the Congress an annual report with respect to the participation of the United States in the Fund and in the Bank.

"(B) Beginning ninety days after the date of enactment of this Act, and at intervals of ninety days thereafter for the next three years, the Council shall prepare and transmit to the President and to the Congress a report listing all applications which have been filed during the preceding ninety days with the Fund and with the Bank for assistance which would establish or enhance the capacity of any country to produce a commodity for export, if—

"(i) such commodity is in surplus on world markets or is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative; and

"(ii) such assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.".

(2) by inserting a new subparagraph (8) to read as follows:

"(8) The general policy objectives for the guidance of representatives of the United States on the Fund and the Bank shall take into account the effect that country adjustment programs have upon individual industry sectors and international commodity markets (i) to minimize any projected adverse impacts; and (ii) to avoid wherever possible government subsidization of production and exports of international commodities without regard to economic conditions in the markets for such commodities.".

(b) Section 17 of the Bretton Woods Agreements Act (22 U.S.C. 286e-2) is amended—

(1) by striking out in subsection (a) "decision of January 5, 1962" and inserting in lieu thereof "decisions of January 5, 1962, and February 24, 1983, as amended in accordance with their terms,";

(2) by striking out in subsection (a) "not to exceed $2,000,000,000 outstanding at any one time," and inserting in lieu thereof "in an amount not to exceed the equivalent of 4,250 million Special Drawing Rights, limited to such amounts as are appropriated in advance in appropriation Acts,";

(3) by striking out in subsection (b) "$2,000,000,000" and inserting in lieu thereof "an amount equivalent to 4,250 million Special Drawing Rights"; and

(4) by adding at the end thereof the following:

"(d) Unless the Congress by law so authorizes, the President, the Secretary of the Treasury, or any other person acting on behalf of the United States, may not instruct the United States Executive Director to the Fund to consent to any amendment to the Decision of February 24, 1983, of the Executive Directors of the Fund if the adoption of such amendment would significantly alter the amount, terms, or conditions of participation by the United States in the General Arrangements to Borrow.".

(c) The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following new sections:

"SEC. 40. The United States Governor of the Fund is authorized to consent to an increase in the quota of the United States in the Fund equivalent to 5,310.8 million Special Drawing Rights, limited to such amounts as are appropriated in advance in appropriation Acts.

"SEC. 41. (a) It is the sense of the Congress that—

"(1) the lack of sufficient information currently available to allow members of the Fund to make sound and prudent decisions concerning their public and private sector international borrowing, and to allow lenders to make sound and prudent decisions concerning their international lending, threatens the stability of the international monetary system; and

"(2) in recognition of the Fund's duties, as provided particularly by article VII of the Articles of Agreement of the Fund, to act as a center for the collection and exchange of information on monetary and financial problems, the Fund should adopt necessary and appropriate measures to ensure that more complete and timely financial information will be available.

"(b) To this end, the Secretary of the Treasury shall instruct the United States Executive Director to the Fund to initiate discussions with other directors of the Fund and with Fund management, and to propose and vote for, the adoption of procedures, within the Fund—

"(1) to collect and disseminate information on a quarterly basis, from and to Fund members, and to any other persons as the Fund deems appropriate, concerning—

"(A) the extension of credit by banks or nonbanks to private and public entities, including all government entities, instrumentalities, and central banks of member countries; and

"(B) the receipt of such credit by those private and public entities of member countries, where such banks or nonbanks are not principally established within the borders of the member country to which the credits are extended;

"(2) to review and comment, on a timely basis, on such contemplated receipt of credit by any member as the Fund determines to be of significant monetary value given the current state and size of that member's economy; and

"(3) to disseminate publicly information which is developed in the course of the Fund's collection, review, and comment efforts and which the Fund determines would serve to enhance the informational base upon which international borrowing and lending decisions are taken.

"(c) As used in this section, the term 'credit' includes—

"(1) outstanding loans to private and public entities, including government entities, instrumentalities, and central banks of any member, and

"(2) unused lines of credit which have been made available to those private and public entities of any member,

where such loans or lines of credit are repayable in freely convertible currency.

"(d) The President is authorized to use the authority provided under section 8 of this Act to require any person (as defined by that section) subject to the jurisdiction of the United States to provide such information as the Fund determines to be necessary in order to carry out the provisions of this section.

"(e) Within six months after the date of enactment of this section, the Secretary of the Treasury shall prepare and transmit to the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance, and Urban Affairs of the House of Representatives, a report on the progress made toward establishing collection, review, comment, and reporting procedures within the Fund, as provided by this section.

"SEC. 42. It is the sense of Congress that the Chairman of the Federal Reserve, the Secretary of the Treasury, and the Secretary of State should consider United States membership in the Bank for International Settlements and report to Congress within ninety days of the enactement of this legislation on their findings.".

SEC. 102. The Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"SEC. 43. (a) The Secretary of the Treasury shall instruct the United States Executive Director to the Fund to present proposals to the Executive Board of the Fund for the purpose of ensuring that each member country using fund resources takes steps to eliminate expeditiously all import restrictions which are inconsistent with the General Agreement on Tariffs and Trade, or other international agreements, and which have a serious adverse impact on United States exports or employment. The United States Executive Director shall consult with the appropriate Committees of Congress prior to voting for any program which would be inconsistent with the above instructions.

"(b) As part of this effort, the United States Trade Representative, the Secretary of Labor, and the Secretary of Commerce shall inform the United States Executive Director to the International Monetary Fund and the Congress of all import restrictions and export subsidies maintained by member countries of the Fund which have a serious adverse impact on exports from or employment in the United States.

"(c) The Secretary of the Treasury shall transmit to the appropriate committees of Congress an annual report on the success in reducing or eliminating the restrictions referred to in subsection (a).

"SEC. 44. The Secretary of the Treasury shall instruct the United States Executive Director to the Fund to initiate a wide consultation with the managing director of the fund and the other directors of the Fund

with regard to the development of financial and technical assistance policies which, to the maximum feasible extent, reduce obstacles to and restrictions upon international trade and investment, eliminate unfair trade and investment practices and promote mutually advantageous economic relations.

"SEC. 45. (a) In order to contribute to global economic stability through a cooperative framework for the conduct of a free and market oriented system of world trade in agricultural commodities and products thereof, the Secretary of the Treasury shall instruct the United States Executive Director to the Fund to propose and to vote for the adoption by the Fund of the following policies with respect to any purchases, drawings, or other use of Fund resources (including loans under the General Arrangements to Borrow), by members, except for purchases or drawings within a member's reserve tranche:

"(1) That prior to receiving Fund resources, a member must present to the fund information describing all direct or indirect export subsidies, including among other things the use of special tax incentives and subsidized financing for exports, employed by such member in connection with the exporting of agricultural commodities and products thereof to foreign countries.

"(2) Prior to receiving Fund resources, if it is determined by the Fund that the export subsidies being employed by such member are predatory export subsidies and the U.S. Executive Director to the Fund has been advised by the Secretary of Agriculture, after consultation with the United States Trade Representative, that such subsidies have an adverse impact on United States exports of agricultural commodities and products thereof, such member must agree to a specific program of steps to eliminate expeditiously such predatory export subsidies over a period of time not to exceed three years.

"(b) For purposes of subsection (a) of this section, the term 'predatory export subsidies' means the provision by any country or organization of countries, or instrumentality thereof, of any financial assistance through loans, payments, or comparable means (including the use of special tax incentives or subsidized financing for exports) to any person in connection with the export sale to a third country of agricultural commodities and products thereof produced in such country or organization of countries, that has the effect of lowering the export price, directly or indirectly, of such commodities and products thereof to less than the highest comparable price that a like commodity or product thereof produced and processed in the United States could be exported to the same third country in the ordinary course of trade.

"(c) Not later than January 1, 1985, the President shall prepare and transmit a report to Congress setting forth his determination on whether the Fund has adopted and fully implemented the policies set forth in subsection (a) of this section.

"SEC. 46. (a) The Secretary of the Treasury shall instruct the United States Executive Director to the Fund, prior to the extension to any country of financial or technical assistance by the Fund, to work to obtain the agreement of such country to eliminate, in a manner consistent with its balanced payments adjustment program, unfair trade and investment practices, such as those which are inconsistent with the General Agreement on Tariffs and Trade or other international agreements, including the provision of export subsidies such as government subsidized below-market interest rate financing for commodities or manufactured goods, the maintenance of unreasonable import restrictions, or the imposition of trade-related performance requirements on foreign investment, which the Secretary of the Treasury, after consultation with the United States Trade Representative, the Secretary of Commerce, and the Secretary of Labor, has determined to have a significant deleterious effect on the international trading system.

"(b) In determining the United States position on requests for periodic drawings under Fund programs, the Secretary of the Treasury shall take full account of the progress countries have made in achieving targets for eliminating or phasing out the unfair trade practices referred to in subsection (a) of this section. In the event that the United States supports a request for drawing by a country that has not achieved the Fund targets relating to such practices specified in its program, the Secretary shall report to the appropriate committees of Congress the reasons for the United States position.

"SEC. 47. The Secretary of the Treasury shall instruct the United States Executive Director to the International Monetary Fund to oppose the use of any funds in the General Arrangements to Borrow facility for loans to countries other than those who have contributed to the General Arrangements to Borrow facility, unless the Secretary determines, and so notifies the Congress in writing together with his reasons for such determination, that the commitment of any part of such funds is necessary to deal with international economic conditions which could threaten the international monetary system.".

SEC. 103. (a) Not later than one hundred and eighty days after the date of the enactment of this section, the Secretary of the Treasury shall transmit to the Congress a report containing a thorough review and detailed analysis of the policies of the International Monetary Fund (hereinafter referred to as the "Fund") relating to the Fund's gold reserves. Such report shall include an analysis of—

(1) the feasibility of returning all or part of the Fund's gold reserves to Fund members;

(2) the feasibility of selling the Fund's gold reserves in the private markets in an effort to raise capital; and

(3) the feasibility of establishing a Gold Lending Facility whereby the Fund would lend gold to Fund members who would in turn use such gold as collateral for commercial loans.

(b) In addition to the matters referred to in subsection (a), the report shall analyze—

(1) the effect on the market price of gold as a result of taking any of the actions described in paragraph (1), (2), or (3) of subsection (a);

(2) the effect on countries whose central banks maintain reserves in the form of gold as a result of taking any of the actions described in paragraph (1), (2), or (3) of subsection (a); and

(3) the effect on the credit markets of the United States as a result of taking any of the actions described in paragraph (1), (2), or (3) of subsection (a).

SEC. 104. It is the sense of the Congress that there should be meetings on a regular basis between representatives of the International Monetary Fund and of the Contracting Parties to the General Agreement on Tariffs and Trade to ensure closer cooperation and more frequent sharing of information on the monetary-trade link.

SEC. 105. The Secretary of the Treasury, in cooperation with the Secretaries of State and Energy, is required to undertake a study and report to Congress no later than sixty days after enactment of this legislation on the past and potential impact of International Monetary Fund loan quota extensions on world oil prices.

SEC. 106. In order to permit the Congress to evaluate what further actions may be necessary concerning the International Monetary Fund, the Secretary of the Treasury shall transmit to the Congress not later than six months after the date of enactment of this Act a written report assessing—

(1) whether under present circumstances a systematic restructuring and stretching out of developing country debt should be conducted;

(2) the role global recovery will play in solving the debt crisis and what interim financing measures may have to be taken for those countries which have no possibility of continuing to service their debts even in the event of a vigorous economic recovery;

(3) whether the International Monetary Fund, which is increasingly being used as a source of credit to finance balance of payments deficits, has adequate resources to cover all conceivable requests for credit extensions taking into account the quota increase consented to under this Act;

(4) what role the United States Government sees for the International Monetary Fund in providing finance and credit to the least developed countries who have such a limited capacity to borrow to finance payments deficits; and

(5) pursuant to the agreement at the Williamsburg summit, what progress has been made in the consultations among finance ministers and the managing director of the International Monetary Fund on the conditions for improving the international monetary system.

TITLE II—INTERNATIONAL LENDING SUPERVISION

SEC. 201. This title may be cited as the "International Lending Supervision Act of 1983".

FINDINGS; DECLARATION OF POLICY

SEC. 202. (a) The Congress recognizes that prudent international lending plays an important role in growth of world trade and the health of the United States and world economy, that United States banking institutions are important participants in this process, and that from time to time external financial imbalances will develop as countries pursue differing economic policies suited to their individual circumstances. The Congress finds, however, that in recent years banking institutions have extended large amounts of credit to borrowers in some foreign countries which, as a result of strained economic conditions worldwide, have been unable to acquire foreign exchange for the payment of their external debts.

(b) In these circumstances, it is the policy of the Congress to assure that the economic health and stability of the United States banking system is not adversely affected in the future by concentrations of credit to borrowers which may experience serious external payments problems, and to maintain international lending to support world trade, United States exports, and the required economic adjustments in countries where adequate stabilization programs are in place. The Congress finds that these con-

cerns should be addressed by strengthening the banking regulatory framework to encourage prudent private decisionmaking on international lending, by enhancing international cooperation among banking regulatory authorities, and by encouraging the early adoption of sound adjustment policies by borrowing countries.

DEFINITIONS

SEC. 203. For purposes of this title—

(1) the term "appropriate Federal banking agency" has the same meaning as in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q));

(2) the "appropriate Federal banking agency" for bank holding companies and nonbank subsidiaries thereof, Edge Act corporations organized under section 25(a) of the Federal Reserve Act (12 U.S.C. 611-631), and agreement corporations operating subject to section 25 of the Federal Reserve Act (12 U.S.C. 601-604(a)) is the Board of Governors of the Federal Reserve System;

(3) the term "banking institution" means any insured bank as defined in section 3(h) of the Federal Deposit Insurance Act (12 U.S.C. 1813(h)) or any subsidiary of an insured bank, any Edge Act corporation organized under section 25(a) of the Federal Reserve Act (12 U.S.C. 611-631), and any agreement corporation operating subject to section 25 of the Federal Reserve Act (12 U.S.C. 601-604(a)); and

(4) the term "banking institution" also includes, to the extent determined by the appropriate Federal banking agency, any agency or branch of a foreign bank, and any commercial lending company owned or controlled by one or more foreign banks or companies that control a foreign bank as those terms are defined in the International Banking Act of 1978 (12 U.S.C. 3101), but such term does not include a foreign bank.

STRENGTHENED SUPERVISION OF INTERNATIONAL LENDING

SEC. 204. Each appropriate Federal banking agency shall evaluate banking institution foreign country exposure and transfer risk for use in banking institution examination and supervision. Each such agency shall establish examination and supervisory procedures to assure that factors such as foreign country exposure and transfer risk are taken into account in evaluating the adequacy of the capital of banking institutions.

RESERVES

SEC. 205. Each appropriate Federal banking agency shall require a banking institution to establish and maintain a special reserve whenever in the judgment of such agency the quality of such institution's assets has been impaired by a protracted inability of public or private borrowers in a foreign country to make payments on their external indebtedness as indicated by such factors, among others, as a failure by such public or private borrowers to make full interest payments on external indebtedness, or to comply with the terms of any restructured indebtedness, or a failure by the foreign country to comply with any International Monetary Fund or other suitable adjustment program, or where no definite prospects exist for the orderly restoration of debt service. Such reserves shall be charged against current income and shall not be considered as part of capital and surplus or allowances for possible loan losses for regulatory supervisory, or disclosure purposes.

ACCOUNTING FOR FEES ON INTERNATIONAL LOANS

SEC. 206. Each appropriate Federal banking agency shall establish rules or regulations for accounting for agency, commitment, management, and other fees charged by a banking institution in connection with international lending. Such rules or regulations shall establish the accounting treatment of such fees for regulatory and disclosure purposes, to assure that the appropriate portion of such fees is accrued in income over the effective life of the loans.

COLLECTION AND DISCLOSURE OF CERTAIN INTERNATIONAL LENDING DATA

SEC. 207. (a) Each appropriate Federal banking agency is authorized to require each banking institution with foreign country exposure to submit, no fewer than four times each calendar year, such information regarding that exposure in such format as the agency shall prescribe.

(b) Each appropriate Federal banking agency shall require banking institutions to disclose to the public information regarding material foreign country exposure in relation to assets and to capital in such form as is deemed necessary or appropriate in the public interest.

INTERNATIONAL COOPERATION

SEC. 208. (a) The Secretary of the Treasury shall instruct the United States Executive Director to the International Monetary Fund to propose that the Fund adopt the following policies with respect to international lending:

(1) In its consultations with a member government on its economic policies pursuant to Article IV of the Fund Articles of Agreement, the Fund should intensify its examination of the trend and volume of external indebtedness of private and public borrowers in the member country and comment as appropriate in its report to the Executive Board from the viewpoint of the contribution of such borrowings to the economic stability of the borrower, and, the Fund should consider the extent and form that these comments might be made available to the international banking community and the public.

(2) As part of any Fund-approved stabilization program, the Fund should give consideration to placing limits on public sector external short- and long-term borrowing.

(3) As a part of its Annual Report, and at such times as it may consider desirable, the Fund should publish its evaluation of the trend and volume of international lending as it affects the economic situation of lenders, borrowers, and the smooth functioning of the international monetary system.

(b) The Federal banking agencies shall consult with the banking supervisory authorities of other countries to each understandings aimed at achieving the adoption of consistent supervisory policies and practices with respect to international lending.

CAPITAL ADEQUACY

SEC. 209. Each appropriate Federal banking agency shall require banking institutions to maintain adequate levels of capital. Each such agency may establish reasonable time periods for a banking institution to comply with such capital requirements.

GENERAL AUTHORITIES

SEC. 210. (a) Each Federal banking agency is authorized to interpret and define the terms used in this title, and shall prescribe rules or regulatios or issue orders as necessary to effectuate the purposes of this title and to prevent evasions thereof. The appropriate Federal banking agency is authorized to apply the provisions of this title to any affiliate of an insured bank, but only to affiliates for which it is the appropriate Federal banking agency, in order to promote uniform application of this title or to prevent evasions thereof. For purposes of this section, the term "affiliate" has the same meaning as in section 23A of the Federal Reserve Act (12 U.S.C. 371c(b)), except that the term "member bank" in such section shall be deemed to refer to "insured bank".

(b) The Federal banking agencies shall establish uniform systems to implement the authorities provided under this title.

(c) The powers and authorities granted by this title shall be supplemental and shall not be deemed in any manner to derogate from or restrict the authority of each appropriate Federal banking agency under any other law or under section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), including the authority to require additional capital or reserves. Any such authority may be used by an agency to ensure compliance by a banking institution with the provisions of this title and all rules, regulations or orders issued pursuant thereto.

(d) The issuance of regulations, requirement of reports, and collection of information pursuant to this Act shall be exempt from the requirements of chapter 35 of title 44, United States Code and chapter 6 of title 5, United States Code.

(e) Within one year after the date of enactment of this title and for each of the two succeeding years, the Federal banking agencies shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives on actions taken to implement the provisions of this title. The report shall include a description of the actions taken in carrying out the objectives of the title, and any actions taken by any Federal banking agency that are inconsistent with the uniform implementation by the Federal banking agencies of their respective authorities under this title, and any recommendations for amendments to this title or any other provision of law.

LENDING TO OVERSEAS MINING OPERATIONS

SEC. 211. (a) No banking institution shall extend credit, whether by loan, lease, guarantee, or otherwise, to finance all or any portion of any project, which project:

(1) has as its principal objective the construction, establishment, or major expansion of any mining operation, or any metal or mineral processing or fabricating facility or operation, located outside the United States or its territories or possessions, and

(2) can reasonably be expected to require aggregate development expenditures (including all costs of construction and establishment) in excess of $25,000,000, unless a written economic feasibility evaluation of such foreign project is prepared by or for such banking institution and approved in writing by a senior official of such banking institution; or if such loan is made as a part of a bank consortium loan, prepared by or for a banking institution managing such consortium and approved in writing by a senior official of such managing banking institution.

(b) Such economic feasibility evaluation shall take into account the profit potential of the foreign project, the impact of the project on world markets, the impact on United States industry and employment, the inherent competitive advantages and

disadvantages of the project, the likely effect of the project upon the overall long-term economic development of the country in which the project would be located, and whether the extension of credit can reasonably be expected to be repaid over the life of the project without regard to any subsidy including but not limited to those listed in the Annex of the Agreement on Interpretation and Application of Articles VI, XVI, and XXIII of the General Agreement on Tariffs and Trade provided by the government of the country in which the project would be located, or by any instrumentality of that government.

TITLE III—MISCELLANEOUS

SEC. 301. (a) Sections 304, 308, 310, and 311 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803, 2807, 2809, and 2810) are amended by striking out "standard metropolitan statistical area" wherever it appears and inserting in lieu thereof "primary metropolitan statistical area, metropolitan statistical area, or consolidated metropolitan statistical area that is not comprised of designated primary metropolitan statistical areas".

(b) Section 203(1) of the Depository Institutions Management Interlocks Act (12 U.S.C. 3202(1)) is amended by striking out "standard metropolitan statistical area" and inserting in lieu thereof "primary metropolitan statistical area, the same metropolitan statistical area, or the same consolidated metropolitan statistical area that is not comprised of designated primary metropolitan statistical areas".

SEC. 302. Section 2 of the Federal Deposit Insurance Act (12 U.S.C. 1812) is amended by inserting after the third sentence the following: "Each such appointive member may continue to serve after the expiration of his term until a successor has been appointed and qualified.".

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mrs. KASSEBAUM. Mr. President, I want to explain my opposition to the IMF quota increase.

I am a firm supporter of the IMF. But I cannot shake the notion that this request is only an $8.4 billion band-aid for a $600 billion crisis. The Banking Committee has worked hard to begin to address the underlying causes of our present financial dilemma with respect to Third World debts, but I believe we must go further to assure that our actions address the root of the crisis.

Too often, we in Congress think that our decisions here in the Capitol can solve all the world's problems. Equally often, we are told and believe that "more" is the solution—more aid, more loans, more of something. I am increasingly convinced that "more" is not always a solution and that the solution to the Third World's debt crisis cannot be found in Washington. The solution must come from those in authority in Third World capitals and in board rooms in the major international banks. How can we be sure that the quota increase—and the subsequent lending that it entails—will not be used to prove once again that those who mismanaged economies and those who lent to countries whose economies are mismanaged were right in their assumption that, in the end, the industrialized nations will step in to prevent any default on loans?

The countries now in deep financial trouble with the international lending communities are, for the most part, countries whose economic performance has been characterized by uneconomic projects, heavy government subsidies, and inflationary increases in government spending. The blithe assumption of some bankers that no country will default on its sovereign debts has been used to justify risk levels and loan commitments much greater than any prudent banker should have allowed. I find it appalling that the loan levels to foreign countries should exceed the equity of our major banks making these loans.

I believe shareholders in these companies—and the appropriate regulatory agencies—should call managements onto the carpet and demand more prudent financial management of the assets placed into their trust. All too often, banks have extended loans in Third World countries for projects that were blatantly flawed as long as the country's central bank was willing to endorse or guarantee the loans. Such situations were prima facie evidence of serious mismanagement of the country's economy and should have been sufficient warning to bank management of future difficulties.

The report on this bill discusses the consequences of our present lending practices. One section notes that lending institutions failed to apply consistently reasonable standards in analyzing projects. It notes that such practices are detrimental, not only to the developing nations themselves, but to the economic health of the key industries in the United States. These practices have encouraged mismanagement of Third World economies and, in the end, may have increased the misery of those in the poor majority in these countries. The poor—and powerless—majority now find their futures have been mortgaged to foreign lenders to pay for inherently unviable projects.

An IMF quota increase bill that I could support would couple a more modest increase to firm action to rein in international borrowing of countries abroad to a level that can be supported without resort to the IMF and major reforms in the lending practices now being used to encourage foreign loans. We need an orderly, systematic writedown of the problem foreign loans or an orderly, systematic increase in loan reserves to deal with the likelihood of default by foreign borrowers.

I would like to reiterate that I am a supporter of the IMF in its efforts to address the short-term financial shortfalls that arise from time to time in international finance. What we must address today, however, is the long-term consequences of mismanagement in foreign countries and American banks. Until I see compelling evidence that these consequences are being addressed, I cannot support this increase in the IMF lending authority.

Mr. BAKER. Mr. President, let me take this opportunity at 9 p.m. in the evening to extend my congratulations and thanks to the distinguished managers of the bill, the distinguished Senator from Pennsylvania, the distinguished minority manager, the chairman of the Banking Committee, Senator GARN, and so many others who made it possible to consider and pass this important piece of legislation in a relatively brief period of time. I believe it was important to do so, and I think the Senate has acted responsibly, and I hope our judgment is vindicated by future events.

THE ADMISSION OF ALASKA AS THE 49TH STATE

Mr. STEVENS. Mr. President, I would once again like to draw the attention of the Senate to the events 25 years ago which led to the admission of Alaska as the 49th State. At this time in 1958, optimism was sweeping our State, as Alaskans planned for the celebration of a lifetime. On the national scene, support for the distant territory was at an all-time high, as well. Doubts were still voiced, however, by some opponents who contended Alaska would have to heavily subsidized for long time and that the new State's Senators would be among the big spenders in Congress. I am happy to note that neither of these predictions has proven correct.

At this time, I ask permission to have printed in the CONGRESSIONAL RECORD two newspaper articles which appeared at that time on the prospects for the final passage of the statehood bill.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Star, June 15, 1958]

IS THIS ALASKA'S WEEK?

(By William MacDougall)

Firecrackers, champagne, flags and foghorns are coming out of packing cases this week on America's last frontier.

"It'll be the biggest celebration since V-J Day," promised an enthusiastic young Alaskan, "if only they make us a State."

Brawny, busy Alaskans believe last week belongs to them—but most of the folks from Ketchikan to Barrow (about as far, by air, as from Washington to Fort Worth)—have their fingers crossed that the Senate will not disappoint them. Indications are the

Senate will consider the question, already passed by the House, late this week.

Alaska is closer to statehood than it has ever been.

"If it fails now, it might take 10 years to build up our drive again," declared Ralph J. Rivers, Fairbanks attorney who was elected in 1956 to the make-believe title of Representative from Alaska. He and "Senators" William A. Egan, a grocer from Valdez, and Ernest Gruening, once governor of the territory, were dispatched by the voters to pound the doors of Congress for admission.

They have found many friends in a year and a half in Washington. All Democrats, they were enthusiastically joined in the fight by Gov. Mike Stepovich, another ex-lawyer from Fairbanks, and Interior Secretary Seaton, both Republicans.

SOME OPPONENTS, TOO

But there are opponents, too—a sizeable number of Senators who have sizeable doubts about the sprawling territory whose population is concentrated almost entirely in a dozen towns and cities. Southerners privately admit they are afraid two Alaskan Senators would be inclined to vote with the North on civil and States' rights.

The biggest question mark in the whole affair is the possibility of an amendment to the House bill. That, according to Senator Jackson, Democrat of Washington, who will lead the floor fight for statehood, might kill it. Statehood opponents pigeon-hole the bill if it ever came back to them, as required if the bill were amended.

Nevertheless, according to Senator Jackson, "the prospects for approval were never better than right now. I think we have the votes to pass it."

There is no evidence of a filibuster in the making, he added, although the Southern bloc is expected generally to vote against the bill.

Senator Thurmond, Democrat of South Carolina, lists these reasons why he opposes Alaskan statehood:

"1. It is an undeveloped territory in which the principal activities are those conducted by the Federal Government. I have grave doubts that Alaska is economically capable of assuming the responsibilities that go with statehood.

"2. The admission of Alaska, a non-contiguous territory, would set a precedent for the admission of other non-contiguous territories, the customs and traditions of which have non-American roots.

"3. The new State of Alaska would be required extraordinary aid. Those persons who favor the extension of Federal power at the expense of the States would seize upon this as an excuse to extend increased Federal aid to all States, and State sovereignty would be further diminished."

OPPOSES LAND GRANT

He called the proposed grant of public land to Alaska "the greatest giveaway ever incorporated in a statehood bill," and questioned the constitutionality of another provision which would allow the President to withdraw parts of the nearly uninhabited northern portion from the State.

On the other hand, Senator Thurmond said, "it is possible to provide Alaska with a form of government which give its citizens a greater degree of local self-government without the disadvantage of statehood."

The idea of a commonwealth—and even of union with Canada—has been kicking around Alaska for many years, too, but only a few are serious about it.

Why?

"The only way we can get our full political rights is by statehood," Mr. Rivers emphatically responded. "We want it because of the feeling that the recognition implicit in statehood would put Alaska on the map, so to speak, and thereby stimulate settlement, investment and development."

Alaskans, who voted two-to-one for their state constitution in 1956, know that statehood will cost them plenty. But now, they argue, they are paying full Federal territorial taxes, and anyone who doesn't want a change in their sovereign powers will have a change to vote down statehood if the present bill passes.

Rejection of statehood by Alaskans, though, is unlikely.

A RICH TERRITORY

The territory is brimming with valuable minerals and other wealth. Tin, iron ore, copper and coal—all are to be found in generous chunks. Even the gold once sought by adventurous prospectors is still being extracted from the Fairbanks area creeks by a prosperous mining company.

Near Sitka and Ketchikan, plywood and pulp mills are opening new avenues of profit. And south of Anchorage, a bustling business city of 35,000, oil rigs are bringing up black gold in quantities that set the citizens off to file leases on more than 25 million acres.

That's where the Federal Government stepped in, clapping a virtual ban on unlimited oil drilling on vast expanses of range where only moose can wander unrestricted.

"That's typical of our problems under colonial status as a territory," Mr. Rivers said. "A state government would be much more flexible to our needs."

Flexibility is an essential in Alaska. Its 210,000 citizens include 30,000 Indians, Eskimos and Aleuts and about 48,000 military personnel and their families. The weather in Ketchikan is mild all year long, while the temperature in Fairbanks jumps from 54 below in winter to 95 degrees in summer. Its terrain includes North America's highest peak, Mount McKinley (20,300 feet), and some of the continent's richest farm land near Palmer.

NO DANCE HALL GIRLS

No longer are there dance hall girls in raucous saloons in Juneau, nor do the lonely prospectors bring back glittering caches of gold from a strike along the Yukon. A rush-hour string of cars lines the approach to Fairbanks' two crossriver bridges the same as those between Washington and Virginia. Drive-ins and skyscrapers of up to 15 stories line the festive streets of all its major cities.

But some of the old spirit persists. A motorist in trouble on the Alaska highway can depend on the first approaching car to help, and the bearded sourdoughs who haunts the First avenue taverns in Fairbanks will gladly regale you with a tale of the golden past.

One of them, in his early 80s, peered out from under a stocking cap not long ago and told a Fairbanks Daily News-Miner reporter:

"Statehood? Sure I'm for it. The last President I voted for was McKinley, and then I came to Alaska. I'd like to vote again before I die."

[From the Washington Post, June 12, 1958]

CHANCES BELIEVED GOOD FOR ALASKAN STATEHOOD

Chances that Alaska will become the 49th State in the Union this year have shot up from poor to excellent in the last two weeks.

Two weeks ago yesterday it looked as though the statehood bill would die in the House and never come to a Senate vote. By yesterday it had passed the House handily and the two big Senate obstacles—filibuster and tacking on the Hawaii bill—seemed to be melting away.

No bill is safe until signed into law, but these recent developments now make the bill favored to pass:

The Senate Democratic leadership cleared the bill for floor action in the next week or so, thus assuring that it will not be buried in the last-minute rush.

Southern Senators are split on the Alaska issue. While most will oppose the bill and some may speak at length against it, they reportedly have given up hope that they can mount an all-out, killing filibuster. One Southern Senator who is a careful head counter said yesterday he believed the bill would pass.

Senate Republican Leader William F. Knowland (Calif.), was quoted yesterday as saying he would oppose any move to add Hawaii to the Alaska bill. It is generally conceded that the House would not accept such a package bill.

Knowland's position may be the key to the bill's Senate fate. He has said all this session that he preferred separate votes on Alaska and Hawaii. But he had wanted assurance that Hawaii—the Republican favorite—would be taken up immediately after Alaska. It is now almost certain that Hawaii will not come up this session. Statehood backers think their best strategy is to get Alaska this year and Hawaii next time. Knowland apparently has gone along with that view.

A move to tie the bills together will probably be made in the Senate. But without Knowland's backing it would be expected to lose.

Statehood backers say they can count more than 50 Senators who will vote for the Alaska bill and against a motion to tie Hawaii to it.

There is one lower hurdle that could cause trouble. House statehood backers have urged the Senate to pass the House bill as is and send it to the White House. If the Senate changes it, the bill must go back to the House and could get caught in a parliamentary snarl. Senate backers want to add a couple of their ideas to the House bill. But if it appears the House bill can pass, they probably will leave it alone.

USIA CONTRIBUTION TO FULBRIGHT INSTITUTE AND MULLINS LIBRARY AT UNIVERSITY OF ARKANSAS

Mr. PRYOR. Mr. President, the U.S. Information Agency recently made an important contribution to the Fulbright Institute of International Relations and the Mullins Library at the University of Arkansas in my home State. These are significant additions to what is fast becoming a major center of study, and one reason I want to highlight this move is because we need to renew our commitment to resources in support of international study programs.

Senator Fulbright is the originator of the Fulbright grants and coauthor of the Fulbright-Hays Act, a measure that has educated and trained many

people around the world. At a time when cuts are suggested in educational programs at all levels, this is one definitive commitment that I feel must remain intact. And it encourages me to see the USIA lending its support to programs being sponsored by the Fulbright Institute.

What this contribution contains is a full collection of papers and documents relating to the international educational and cultural exchange programs our country has long been noted for sponsoring. Many of the papers pertain to the Fulbright program specifically, administered by the Bureau of Educational and Cultural Affairs, formerly in the Department of State and now in USIA.

The formal announcement of this transfer of papers was made at the first Fulbright Institute symposium in April of this year. It was done on behalf of USIA Director Charles Z. Wick.

The Fulbright Institute of International Relations was established in 1982 within the J. William Fulbright College of Arts and Sciences at the University of Arkansas. Both the institute and the college honor the former Senator from Arkansas, the longest serving chairman of the Committee on Foreign Relations, and earlier president of the university.

We are very proud of the Fulbright Center in Arkansas. It is becoming a national center for study, research, and analysis of foreign policy and international affairs. Its programs and activities include instruction, research, publications, conferences, and public events. These activities focus on both recent historical topics and on issues of importance to U.S. foreign policy and to relations among the nations of the world.

One area of emphasis at the institute is educational and cultural exchange and international communications. The acquisition of the material from USIA should help achieve its goal of becoming a major center for the study of public and cultural diplomacy and international exchange.

The contribution from USIA will be a find asset for a Fulbright Institute and the university, according to Hoyt Purvis, acting director of the institute and a former key member of Senator Fulbright's staff when he was in the Senate. They will constitute a rich resource for faculty and students at the university and for research scholars from throughout the world who want to study and publish on various aspects of education and cultural exchange. Finally, they will form an appropriate complement to the Fulbright papers, documenting the public career of J. William Fulbright. These are already a part of the university's special collections.

In addition to its concentration on educational exchange and cultural and public diplomacy, areas of emphasis at the Fulbright Institute include Congress and foreign policy, the media and foreign policy, and policymaking in the nuclear age.

THE DEATH OF REPRESENTATIVE TOM STEED

Mr. NICKLES. Mr. President, I am saddened by the loss of not only an important figure in Oklahoma's history but also a great humanitarian. Tom Steed was recognized both inside and outside of the political arena as someone who cared for people. He sacrificed a great deal personally to devote his life to public service. Oklahoma has truly lost a friend.

Born on a farm near Rising Star, Tex., March 2, 1904, Tom later attended the public schools in Konawa, Okla.

In his 20 years as a reporter and publisher with Oklahoma newspapers, including 4 years as the managing editor of the Shawnee News and Star, Tom is said to have spoken the truth loud and strong and clear. His honesty and outspoken manner helped guide him into the political arena.

Tom came to Congress as an assistant to a Congressman in the early 1930's in the very depths of the Great Depression. It was this experience which prepared him to later return as a Congressman, himself, representing the Fourth District of Oklahoma which he did for some 30 years.

As chairman of the Treasury and Post Office Appropriations Subcommittee, Tom proved to be a strong and commanding leader. His leadership resulted in the very best type of representation that can be given. Congressman J. J. Pickle said upon Tom's retirement from the House in 1980, "He is tough, unflappable, and intimately fair * * * if he gives you his word, you can consider it as secure and sure as the gold in Fort Knox."

In Tom Steed, Oklahoma had given the Nation among its very best * * * Oklahoma's loss is also the Nation's loss.

My heartfelt condolence to Tom's family and friends. He was truly a great American patriot.

MAY 29TH—HOPE DAY

Mr. PELL. Mr. President, Rhode Island's State motto is "Hope" and last week Rhode Islanders celebrated "Hope Day" on May 29—the anniversary of the day Rhode Island ratified the U.S. Constitution in 1790.

Rhode Island was the first to declare independence from Britain on May 4, 1776—2 months before the Declaration of Independence was signed—and was the last to ratify the U.S. Constitution.

I would like to share with my colleagues an excellent summary, by the Rhode Island Heritage Commission, of the significance of the celebration:

Hope Day, May 29, 1790 is the day Rhode Island ratified the U.S. Constitution, thereby becoming the Thirteenth State. Hope Day is, therefore, the day Hope Statehood was finally accomplished, and it may be considered among the most important days in Rhode Island history.

For the United States also this is a historically significant day, because on Hope Day the process of Federal unification was completed. The Thirteen United Colonies had become the Thirteen United States of America. Hope Day thus commemorates the birth of our Nation.

I am delighted to add that Rhode Islanders already are in the process of planning for the 1990 Bicentennial reenactment of this memorable day.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

ANNUAL REPORT OF CORPORATION FOR PUBLIC BROADCASTING—MESSAGE FROM THE PRESIDENT—PM-53

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation.

To the Congress of the United States:

In accordance with the Communications Act of 1934, as amended (47 U.S.C. 391(i)), I transmit herewith the Annual Report of the Corporation for Public Broadcasting for Fiscal Year 1982.

RONALD REAGAN.

THE WHITE HOUSE, *June 8, 1983.*

ANNUAL REPORT OF THE NATIONAL SCIENCE FOUNDATION—MESSAGE FROM THE PRESIDENT—PM 54

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

I am pleased to send you the annual report of the National Science Foundation for fiscal year 1982. The report describes research supported by the Foundation in the mathematical, physical, biological, behavorial, social, astronomical, atmospheric, earth and ocean sciences, and in engineering.

The Foundation has a long record of excellence in supporting advance-

ments in science, and last year's accomplishments add to and build upon that record. Achievements such as the ones described here underlie much of this Nation's strength—its economic growth, national security, and the general well-being of our people.

By supporting top quality science projects, the National Science Foundation is part of the national effort to strengthen our great capabilities in research and innovation and the productivity of our industrial enterprise. I hope you will share my enthusiasm for its fine work.

RONALD REAGAN.

THE WHITE HOUSE, *June 8, 1983.*

MESSAGES FROM THE HOUSE

At 12:09 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 9. An act to designate components of the National Wilderness Preservation System in the State of Florida; and

H.R. 2477. An act entitled the "Sipsey Wilderness Additions Act of 1983".

At 12:42 p.m., a message from the House of Representatives, delivered by Ms. Goetz, announced that the House disagrees to the amendment of the Senate to the concurrent resolution (H. Con. Res. 91) revising the congressional budget for the U.S. Government for the fiscal year 1983 and setting forth the congressional budget for the U.S. Government for the fiscal years 1984, 1985, and 1986; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. JONES of Oklahoma, Mr. WRIGHT, Mr. Solarz, Mr. WIRTH, Mr. PANETTA, Mr. GEPHARDT, Mr. NELSON of Florida, Mr. ASPIN, Mr. LOWRY of Washington, Mr. GRAY, Mr. LATTA, Mr. SHUSTER, Mr. FRENZEL, Mr. KEMP, and Mr. BETHUNE as managers of the conference on the part of the House.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1144. A communication from the Acting Secretary of the Air Force transmitting, pursuant to law, a report on the unit cost breach incurred by the ground-launched cruise missile which has exceeded its baseline unit cost by more than 25 percent; to the Committee on Armed Services.

EC-1145. A communication from the General Counsel of the Department of Defense transmitting a draft of proposed legislation to authorize the Secretaries of the Army and Air Force, with the approval of the Secretary of Defense, to prescribe regulations governing National Guard technicians in the performance of their technician duties; to the Committee on Armed Services.

EC-1146. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report analyzing and describing services performed by full-time USG personnel for which reimbursement is provided under the Arms Export Control Act; to the Committee on Armed Services.

EC-1147. A communication from the Acting Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on a foreign military assistance sale to Israel; to the Committee on Armed Services.

EC-1148. A communication from the Assistant Secretary of the Navy for Shipbuilding and Logistics transmitting, pursuant to law, a report on a decision to convert the shelf-stocking function at the Commissary Store, Naval Station, Long Beach, Calif., to performance under contract; to the Committee on Armed Services.

EC-1149. A communication from the Acting Assistant Secretary of the Army for Installations, Logistics, and Financial Management transmitting, pursuant to law, a report on a decision to convert the equipment division operation and maintenance activities at Oakland Army Base, Calif., to performance under contract; to the Committee on Armed Services.

EC-1150. A communication from the Assistant Secretary of the Navy for Shipbuilding and Logistics, transmitting, pursuant to law, notice of the intent of the Marine Corps to study the conversion of various functions at different installations to performance under contract; to the Committee on Armed Services.

EC-1151. A communication from the Assistant Secretary of the Navy for Shipbuilding and Logistics, transmitting, pursuant to law, a report on the intent of the Navy to study the conversion of various functions at different installations to performance under contract; to the Committee on Armed Services.

EC-1152. A communication from the Chairman of the Federal Deposit Insurance Corporation, transmitting, pursuant to law, the 1983 report on economic viability of depository institutions; to the Committee on Banking, Housing, and Urban Affairs.

EC-1153. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report on loan, guarantee, and insurance transactions supported by Eximbank during April 1983 to communist countries; to the Committee on Banking, Housing, and Urban Affairs.

EC-1154. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Examination of the Federal Deposit Insurance Corporation's Financial Statements for the year ended December 31, 1982"; to the Committee on Banking, Housing, and Urban Affairs.

EC-1155. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend title XI of the Merchant Marine Act, 1936, as amended, to repeal those portions that relate to vessels or shoreside facilities used in the fisheries trade or industry; to the Committee on Commerce, Science, and Transportation.

EC-1156. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend title 44, United States Code, to authorize the Secretary of Commerce to establish prices charged for charts, tide, and tidal current tables, tidal current charts and coast pilots—and associated data bases—published or produced by the National Oceanic and Atmospheric Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-1157. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize appropriations for the Coast Guard for the alteration of bridges for fiscal year 1984, for all programs for fiscal year 1985, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-1158. A communication from the Secretary of Transportation, transmitting, pursuant to law, the first annual report of accomplishments under the airport improvement program covering fiscal year 1982; to the Committee on Commerce, Science, and Transportation.

EC-1159. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize the Secretary of Transportation to administer medical and dental care programs for the Coast Guard when it is not operating as a service in the Navy, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-1160. A communication from the Chairman of the Board of the United States Railway Association, transmitting, pursuant to law, the Association's first profitability determination with respect to Conrail; to the Committee on Commerce, Science, and Transportation.

EC-1161. A communication from the Acting Director of the Minerals Management Service, transmitting, pursuant to law, applications by ARCO Oil and Gas, Chevron U.S.A. Inc., Mobil Oil Corp., Cities Service Co., and Conoco Inc., for refunds to excess royalty payments; to the Committee on Energy and Natural Resources.

EC-1162. A communication from the Administrator of the Energy Information Administration, Department of Energy, transmitting, pursuant to law, the 1982 annual energy outlook and synopsis of the annual energy review and outlook; to the Committee on Energy and Natural Resources.

EC-1163. A communication from the Superintendent and planning project manager of the Martin Luther King, Jr., National Historic Site, transmitting, pursuant to law, a notice of hearings on future development of visitor facilities, programs, and preservation of historic buildings at the site; to the Committee on Energy and Natural Resources.

EC-1164. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Analysis of the Powder River Basin Federal Coal Lease Sale: Economic Valuation Improvements and Legislative Changes Needed"; to the Committee on Energy and Natural Resources.

EC-1165. A communication from the Secretary of the Interior, transmitting, pursuant to law, financial exhibits of the Colorado River storage project and participating projects for the fiscal year ended September 30, 1982; to the Committee on Energy and Natural Resources.

EC-1166. A communication from the Deputy Administrator of the General Services Administration, transmitting, pursuant to law, two proposed prospectuses for leasing of certain property; to the Committee on Environment and Public Works.

EC-1167. A communication from the Deputy Administrator of the General Services Administration, transmitting, pursuant to law, proposed repair and alteration prospectuses in support of the 1984 program; to the Committee on Environment and Public Works.

EC-1168. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the 1983 annual report of the Social Security Administration; to the Committee on Finance.

EC-1169. A communication from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to amend the Social Security Act to make certain program and administrative improvements in the programs of aid to families with dependent children and supplemental security income, and for other purposes; to the Committee on Finance.

EC-1170. A communication from the Secretary of Health and Human Services transmitting a draft of proposed legislation to set a ceiling on States' entitlement to funding for foster child care; to the Committee on Finance.

EC-1171. A communication from the Assistant Secretary of State for Congressional Relations transmitting a draft of proposed legislation to provide a permanent framework for the treatment of U.S. citizens taken hostage by foreign powers; to the Committee on Finance.

EC-1172. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, copies of international agreements, other than treaties, entered into by the United States within the previous 60 days; to the Committee on Foreign Relations.

EC-1173. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, copies of international agreements, other than treaties, entered into by the United States within the previous 60 days; to the Committee on Foreign Relations.

EC-1174. A communication from the Secretary of State transmitting, pursuant to law, the third report on the professional development programs of agencies authorized to use the personnel system of the Foreign Service Act of 1980; to the Committee on Foreign Relations.

EC-1175. A communication from the Secretary of State transmitting, pursuant to law, 1981 and 1982 reports on scientific exchange activities with the Soviet Union; to the Committee on Foreign Relations.

EC-1176. A communication from the Secretary of Education transmitting, pursuant to law, the annual report of the Inspector General for the Department of Education; to the Committee on Governmental Affairs.

EC-1177. A communication from the Secretary of Labor transmitting, pursuant to law, the semiannual report of the Inspector General for the Department of Labor; to the Committee on Governmental Affairs.

EC-1178. A communication from the Inspector General of the Department of Energy transmitting, pursuant to law, the semiannual report of the Inspector General for the Department of Energy; to the Committee on Governmental Affairs.

EC-1179. A communication from the Secretary of Transportation transmitting, pursuant to law, the semiannual report of the Inspector General for the Department of Transportation; to the Committee on Governmental Affairs.

EC-1180. A communication from the Director of the Office of Personnel Management transmitting, pursuant to law, the annual report on the financial status of the U.S. civil service retirement system as of September 30, 1982; to the Committee on Governmental Affairs.

EC-1181. A communication from the Inspector General of the Department of Health and Human Services transmitting, pursuant to law, the semiannual report of the Inspector General of the Department; to the Committee on Governmental Affairs.

EC-1182. A communication from the Administrator of the General Services Administration transmitting, pursuant to law, the semiannual report of the Inspector General of the Administration; to the Committee on Governmental Affairs.

EC-1183. A communication from the Secretary of Housing and Urban Development transmitting, pursuant to law, the semiannual report of the Inspector General of the Department; to the Committee on Governmental Affairs.

EC-1184. A communication from the Administrator of the Environmental Protection Agency transmitting, pursuant to law, the semiannual report of the Inspector General of the Agency; to the Committee on Governmental Affairs.

EC-1185. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, the semiannual report of the Inspector General of NASA for the period ending March 31, 1983; to the Committee on Governmental Affairs.

EC-1186. A communication from the Acting Secretary of the Postal Rate Commission, transmitting, pursuant to law, a notice of proposed rulemaking; to the Committee on Governmental Affairs.

EC-1187. A communication from the Chief, Insurance and Debt Management (Retirement Plan Administrator), Department of the Air Force, transmitting, pursuant to law, the annual report on the Air Force Nonappropriated Fund (AFNAF) Retirement Plan for Civilian Employees for the plan year ended September 30, 1982; to the Committee on Governmental Affairs.

EC-1188. A communication from the Acting Assistant Secretary of the Army (Manpower and Reserve Affairs), transmitting a draft of proposed legislation to amend titles 10 and 14, United States Code, relating to periods of original enlistments and reenlistments in Regular components of the Armed Forces, by authorizing the Secretaries concerned flexibility in the periods of enlistment and reenlistment; to the Committee on Governmental Affairs.

EC-1189. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1190. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1191. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1192. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1193. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1194. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1195. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1196. A communication from the Director of the Office of Mangement and Budget, Executive Office of the President, transmitting a draft of proposed legislation to amend the Inspector General Act of 1978 to include the Offices of Inspector General of the Department of Energy and the Department of Health and Human Services, and for other purposes; to the Committee on Governmental Affairs.

EC-1197. A communication from the Assistant Attorney General (Legislative Affairs), transmitting a draft of proposed legislation to amend title 28, United States Code, to authorize payment of travel and transportation expenses of newly appointed special agents of the Department of Justice; to the Committee on the Judiciary.

EC-1198. A communication from the Secretary of the Chrysler Corporation Loan Guarantee Board, transmitting, pursuant to law, the annual report of the Board on activities under the Freedom of Information Act for calendar year 1982; to the Committee on the Judiciary.

EC-1199. A communication from the Attorney General of the United States, transmitting, pursuant to law, the Department's fifth report as required by the Parental Kidnaping Prevention Act of 1980; to the Committee on the Judiciary.

EC-1200. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for Training of Personnel for the Education of the Handicapped; to the Committee on Labor and Human Resources.

EC-1201. A communication from the Secretary of Education, transmitting, pursuant to law, final priorities for the innovative programs for severely handicapped children; to the Committee on Labor and Human Resources.

EC-1202. A communication from the Secretary of Education, transmitting, pursuant to law, law-related education—institutionalization projects notice of funding priorities; to the Committee on Labor and Human Resources.

EC-1203. A communication from the Secretary of Education, transmitting, pursuant to law, the 1984-85 guaranteed student loan family contribution schedule; to the Committee on Labor and Human Resources.

EC-1204. A communication from the Chairman of the National Arthritis Advisory Board, transmitting, pursuant to law, the annual report of the Board for 1983; to the Committee on Labor and Human Resources.

EC-1205. A communication from the Secretary of Education, transmitting, pursuant to law, a report entitled "The Condition of Education, 1983 Edition"; to the Committee on Labor and Human Resources.

EC-1206. A communication from the Secretary of Education, transmitting, pursuant

to law, the Secretary's initiatives to improve projects under chapter 1 of the Education Consolidation and Improvement Act of 1981; to the Committee on Labor and Human Resources.

EC-1207. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, the annual report of the Commission for calendar year 1982; to the Committee on Rules and Administration.

EC-1208. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, proposed regulations concerning collecting agents and joint fundraising activities; to the Committee on Rules and Administration.

EC-1209. A communication from the Executive Secretary, Office of the Secretary of Defense, transmitting, pursuant to law, a report on Department of Defense procurement from small and other business firms for October 1982 through January 1983; to the Committee on Small Business.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BRADLEY (for himself, Mr. BAUCUS, Mr. BIDEN, Mr. BINGAMAN, Mr. Dodd, Mr. HART, Mr. KENNEDY, and Mr. LAUTENBERG):

S. 1421. A bill to broaden the base of the individual and corporate income taxes, to significantly reduce tax rates, to smooth out the rate schedules of the individual income tax, and to simplify the tax laws by eliminating most credits, deductions, and exclusions; to the Committee on Finance.

By Mr. NICKLES (for himself, Mr. BOREN, and Mr. TOWER):

S. 1422. A bill to repeal the windfall profit tax; to the Committee on Finance.

By Mr. MOYNIHAN:

S. 1423. A bill to provide for uniform tariff treatment of pet toys; to the Committee on Finance.

By Mr. INOUYE:

S. 1424. A bill to amend Public Law 92-444 to reflect the change in the name of the Pacific Tuna Development Foundation to the Pacific Fisheries Development Foundation; to the Committee on Commerce, Science, and Transportation.

By Mr. SPECTER (for himself and Mr. HEINZ):

S. 1425. A bill for the relief of Dr. Pablo Esquerra, Theresa Esquerra, and Micheline Esquerra; to the Committee on the Judiciary.

By Mr. HEINZ:

S. 1426. A bill to reauthorize the revenue sharing program of general-purpose fiscal assistance to local governments for three fiscal years, and for other purposes; to the Committee on Finance.

By Mr. INOUYE (for himself and Mr. PRESSLER):

S. 1427. A bill to establish a program in the Department of Commerce to promote United States service industries, enhance their competitiveness, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. EXON (for himself and Mr. ZORINSKY):

S. 1428. A bill to authorize amendments to certain repayment and water service contracts for the Frenchman unit of the Pick Sloan Missouri River Basin program; to the Committee on Energy and Natural Resources.

By Mr. WEICKER (for himself, Mr. NUNN, Mr. GORTON, Mr. HUDDLESTON, Mr. SASSER, Mr. TSONGAS, and Mr. DIXON):

S. 1429. A bill to amend the Small Business Development Act of 1980; to the Committee on Small Business.

By Mr. DURENBERGER:

S. 1430. A bill to amend the Tariff Act of 1930 regarding same condition drawbacks and same kind and quality drawbacks, and for other purposes; to the Committee on Finance.

S. 1431. A bill to suspend for a 2-year period the duty on the chemical commonly known as Flecainide acetate; to the Committee on Finance.

By Mr. DURENBERGER (for himself and Mr. SASSER):

S. 1432. A bill to amend the provisions of title 31, United States Code, relating to the President's budget, to require information regarding major capital investment programs of the United States, and for other purposes; to the Committee on Governmental Affairs.

By Mr. BOREN:

S. 1433. A bill to amend the Federal Campaign Act of 1971 to change certain contribution limits for congressional elections; to the Committee on Rules and Administration.

By Mr. D'AMATO:

S. 1434. A bill to amend the Internal Revenue Code of 1954 to provide that a spouse having compensation shall not be disqualified from having a spousal individual retirement account; to the Committee on Finance.

By Mr. WALLOP (for himself, Mr. DOLE, Mr. BOREN, Mr. SYMMS, Mr. GRASSLEY, Mr. DURENBERGER, Mr. HEINZ, Mr. PRYOR, Mr. DANFORTH, Mr. THURMOND, Mr. JEPSEN, Mr. COHEN, Mr. COCHRAN, Mr. LAXALT, and Mr. MCCLURE):

S. 1435. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for contributions to housing opportunity mortgage equity accounts; to the Committee on Finance.

By Mr. D'AMATO:

S. 1436. A bill to permit the exclusion from gross income of certain work-related sick pay received by New York City police officers; to the Committee on Finance.

By Mr. PERCY (for himself and Mr. DIXON):

S. 1437. A bill to amend the Tax Equity and Fiscal Responsibility Act 1982 to treat certain coal gasification facilities as transitional safe harbor lease property; to the Committee on Finance.

By Mr. WILSON:

S.J. Res. 113. Joint resolution to provide for the designation of the week beginning June 3 through June 9, 1984, as "National Theater Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BRADLEY (for himself, Mr. BAUCUS, Mr. BIDEN, Mr. BINGAMAN, Mr. DODD, Mr. HART, Mr. KENNEDY, and Mr. LAUTENBERG):

S. 1421. A bill to broaden the base of the individual and corporate income taxes, to significantly reduce tax rates, to smooth out the rate schedules of the individual income tax, and to simplify the tax laws by eliminating most credits, deductions, and exclusions; to the Committee on Finance.

(The remarks of Mr. BRADLEY, Mr. BIDEN, and Mr. BAUCUS on this legislation appear earlier in today's RECORD.)

By Mr. NICKLES (for himself, Mr. BOREN, and Mr. TOWER):

S. 1422. A bill to repeal the windfall profit tax; to the Committee on Finance.

REPEAL OF THE WINDFALL PROFIT TAX

Mr. NICKLES. Mr. President, on June 6, 1983, the Supreme Court decided against the district court of Wyoming and held that the windfall profit tax exemption granted to Alaskan oil does not violate the uniformity clause's requirement that taxes be "uniform throughout the United States." While I am not surprised by the decision of the Court, I am still adamantly opposed to the windfall profit tax in theory and in practice. It is the most antifree enterprise legislation ever to pass Congress. Simply put, it is an outright confiscation of individual property by the Federal Government. The tax is not an income tax but an excise tax which is collected by the first purchaser at the wellhead. In theory, this is likened to the Federal Government taking part as a royalty interest in each and every well that is subject to the tax. This is certainly a bad precedence and can only lead to the absorption of private capital and investment by the public sector. In general, from the producer's point of view, the imposition of a windfall profit tax on the sale of crude oil has the same economic effect as continued price controls but at a higher controlled price. However, for any oil that has not been subject to price controls, the tax has the effect of a price rollback on the producer.

For these reasons, myself and Senator BOREN, along with Senator TOWER, are introducing S. 1422 which will totally repeal the windfall profit tax. We feel that the tax is certainly unconstitutional and runs counter to the energy security and independence of this country. In an amici curiae brief filed by myself along with several other Members of Congress and the Washington Legal Foundation, we stated that the U.S. District Court for the District of Wyoming correctly held the Crude Oil Windfall Profit Tax Act of 1980 unconstitutional because the Alaska oil exemption violates the uniformity requirement for congressional tax acts under article I, section 8, cl. 1 of the U.S. Constitution. We further submitted that the act was the product of careful negotiation and compromise, that without such negotiation and compromise the act would not

have been passed in its present form, and thus under existing law the unconstitutional portion of the act is not severable. And finally, we contended that for the Supreme Court to uphold the remainder of the act while striking the invalid portion would amount to judicial legislation and a usurpation of the powers and duties entrusted to the Congress by our Constitution.

The Crude Oil Windfall Profit Tax Act of 1980 Public Law 96-223; April 2, 1980) is an excise tax imposed on each barrel of crude oil, with certain exceptions, as it is produced and removed from the property. Significantly, it is applied only to domestically produced crude oil. It does not tax profit. It does not tax foreign crude oi imported into the United States. This penalizes domestic production and encourages imports. Specific exemptions exist for crude oil owned by Federal, State, and local governments, certain charitable educational and medical institutions, Indian tribes and, as I previously mentioned, certain production in the State of Alaska. Although computation of the tax appears fairly simple, in practice it is exceedingly complex and accompanied by perhaps the most complex administrative requirements of any tax imposed on any group of U.S. taxpayers. It is the largest single tax ever imposed on a group of taxpayers—crude oil producers and royalty owners—comprising less than 2 percent of the total population.

The tax is scheduled to phaseout over a 33-months period beginning either in the first month after the Secretary of Treasury estimates net revenue collections will exceed $227.3 billion or beginning January 1988—whichever is later. However, in light of recent reductions in the world crude oil prices, it is anticipated that the revenues will not reach $227.3 billion in the 33 months following January 1988 and therefore it is expected that the tax will begin its phaseout much later than was originally anticipated. However, in either case, the phaseout will begin no later than January 1990. It has been my experience that once a tax is in place, especially one such as the WPT, it will be hard to take the Government off of the revenue it generates.

When Congress set up the mechanism gradually decontrolling domestic crude oil prices, the industry had every reason to anticipate world prices for their oil. More to the point, however, the increase in revenues without the tax would have profound effects on both the petroleum industry's incentive to produce and its ability to produce.

There is a significant correlation between the amount of revenue available, the number of wells drilled, and the amount of oil found and produced. Stated simply, if revenues increase, drilling activity will intensify and the volume of oil discovered and produced in the United States will increase.

Without the tax, decontrol of crude oil could result in increased production of domestic crude oil conservatively estimated at 2 million barrels per day in 1985. These funds, if expended by domestic producers for domestic jobs, supplies and equipment would have a significant positive impact on our economy. But with the tax in place, funds expended to import the oil not produced here, will flow out of the United States to foreign oil producers, for foreign jobs. Congress has given preferential tax treatment to foreign oil producers who will not be subject to the tax.

While it is unlikely this measure by itself will pass this Congress, it is my intention to continue to work for repeal of this unfair tax. I feel that Congress has recognized the inequity that exists with the windfall profit tax as was indicated with the changes made in the Economic Recovery Tax Act of 1981, such as the reduction in the tax rate on newly discovered oil.

I urge my colleagues to look carefully at what this tax does and the implications it has on our tax policy. Let us not move in the direction that could quench the freedoms we enjoy in this country. The genesis of this may have its origin in imposing taxes which have the basic intent of transferring income from the private to the public sector based upon the Government's perception of what a profit should or should not be.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1422

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 45 of the Internal Revenue Code of 1954 (relating to windfall profit tax on domestic crude oil) is hereby repealed.

(b) The repeal made by this Act shall apply with respect to taxable periods beginning after the date of enactment of this Act.

● Mr. BOREN. Mr. President, I am pleased to join with my colleague from Oklahoma, Senator NICKLES, in sponsoring legislation which would repeal the unfair crude oil windfall profits tax. I think it is crucial to eliminate this double taxation if we are to bring energy stability back to domestic markets.

This additional tax on top of State and Federal income, corporate taxes, and State severance taxes, puts a tremendous burden on producers who are trying desperately to keep their heads above water. Now, more than ever, producers need the extra incentives that these lower rates provide. The cost of drilling an average well has risen over 350 percent since 1970. It is currently costing close to an average of $400,000 per well. At the same time, the price of crude oil has declined dramatically due to decreased demand. With some of the oil the price has fallen and the base price has increased to a point that no tax can even be collected under this tax. This decrease in price can be attributed to consumer conservation and the worldwide recession.

As if soft prices and increased drilling costs are not enough, the situation has been made even more difficult by tightened credit restrictions throughout the Southwest. At the height of the drilling boom brought on by the decontrol of oil, independent producers were able to borrow on projected discoveries until wells came in and were put on line. The collapse of the Penn Square Bank in Oklahoma City, however, drastically tightened the credit available to all producers throughout the Southwest.

This, in turn, has precipated a massive rise in the number of bankruptcies among independent oilmen and their support industries. Within Oklahoma, bankruptcies rose by 14 percent in 1982, missing a record for such filings by 98 petitions. During the first month of 1983, statistics show bankruptcy filings up 30 percent over January 1982. There were over 60 filings with many more expected as the year progresses. The Oklahoma bankruptcy court attributes these dramatically increased figures to the oil and gas industry, which has been filing as exploration, production, drilling, welding, dozer, trucking, and pipeline companies. They are literally struggling for their survival.

These bankruptcy petitions filed by those businesses which serve the oil and gas industry point to the fact that many nonenergy sectors of the Oklahoma economy are directly linked to the performance of its energy sector. In fact, a study published in the April 1982 edition of the "Regional Review of Economics and Business" attempts to empirically quantify these linkages. It concludes that Oklahoma's overall economic well-being is heavily linked to the performance of its energy sector. The rate of unemployment in Oklahoma has currently risen to 8.8 percent. Our normal unemployment rate has been 3 percent. Since our State economy tends to lag behind the national economy, we can expect little improvement in our rate of unemployment for the rest of 1983.

Another indication of the depressed state of the oil and gas economy at present is the rig count. The number of active drilling rigs continued to drop in Oklahoma last week, falling to 232. This is a 70-percent decrease over last year, which was 788. A year ago the country had 3,310 rigs drilling, while at present there are only 1,860

active rigs. I think the rig count demonstrates that Oklahoma's situation is not unique. The depression in the domestic energy industry has spread to all the producing States.

We must eliminate this tax burden if we do not want our domestic energy situation to return to the bad shape it was in prior to the Arab oil embargo of 1975. This domestic crisis is slowly but surely dismantling the domestic energy industry. We are heading down that road toward dependence on the whims of OPEC countries.

The public interest is best served through Government policies that promote continued development of our scarce natural resources.●

By Mr. MOYNIHAN:

S. 1423. A bill to provide for uniform tariff treatment of pet toys; to the Committee on Finance.

TARIFF TREATMENT OF PET TOYS

● Mr. MOYNIHAN. Mr. President, I am today introducing legislation designed to correct an inconsistency in our tariff treatment of certain pet toys. A companion measure has been introduced by my friend Congressman GARCIA in the House.

Currently pet toys made of rubber or plastic are classified under one TSUS item number and are subject to a duty of 8.5 percent ad valorem. Pet toys made of textiles, on the other hand, are classified under any one of approximately 25 TSUS item numbers, creating significant confusion and expense for both the Customs Service and the importers of these goods. Surely a more consistent, sensible classification of these items is in order.

This bill addresses the aforementioned problem by placing all textile pet toys under one tariff item, subject to a duty of 8.5 percent ad valorem. I would add that there appears to be no domestic production of the items covered and the bill, which has already been the subject of a hearing in the House, is noncontroversial. I urge its speedy passage. Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart A of part 13 of schedule 7 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting immediately after item 790.55 the following new item:

"790.57	Toys for pets, of textile materials.	8.5% ad val.	..... 80% ad val.".

SEC. 2. The amendment made by this Act shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date of the enactment of this Act.●

By Mr. SPECTER (for himself and Mr. HEINZ):

S. 1425. A bill for the relief of Dr. Pablo Esguerra, Theresa Esguerra, and Micheline Esguerra; to the Committee on the Judiciary.

ESGUERRA FAMILY

Mr. SPECTER. Mr. President, I rise today to introduce a private immigration relief bill on behalf of Dr. Pablo Esguerra, his wife Theresa, and his 9-year-old daughter Micheline.

Dr. Esguerra has been in the United States continuously since 1975. He has an American born son, Francis, age 4, who is an American citizen and therefore not technically subject to deportation. However, as a practical matter, he will be forced to join his parents and sister at 8 o'clock Thursday morning if they are deported to the Philippines.

Based on inquiries, I am reliably advised as follows:

Dr. Esguerra is liked and respected in his community in Fayette County, Pa., where he is a member of the emergency room staff at the Brownsville General Hospital. Dr. Esguerra also works at the D. W. Allen Memorial Clinic, and institution that provides desperately needed medical services to the residents of small communities outlying the Uniontown, Pa., area. Nearly 100 patients, many of them indigent, many of them senior citizens, look to Dr. Esguerra for their medical care.

As a productive, valued member of his community, residing within the United States for more than 7 years and, most importantly, with an American-born child, Dr. Esguerra meets the criteria I proposed under my legislation, S. 1268, the Alien Parental Amnesty Act. This situation closely follows that of Shailesh Patel, in whose behalf I also introduced a private bill. Both Mr. Patel and Dr. Esguerra would be granted amnesty under the Immigration Reform Act, already approved by the Senate. Their deportation would work a grievous hardship on their young American-born children, while penalizing the communities that have come to value highly their contributions to its welfare.

It is in the interest of all Americans to have such talented, community-spirited individuals join us as citizens.

By Mr. HEINZ:

S. 1426. A bill to reauthorize the revenue sharing program of general-purpose fiscal assistance to local governments for 3 fiscal years, and for other purposes; to the Committee on Finance.

LOCAL GOVERNMENT FISCAL ASSISTANCE AMENDMENTS OF 1983

● Mr. HEINZ. Mr. President, today I introduce on behalf of the President the administration's bill to reauthorize general revenue sharing, the Local Government Fiscal Assistance Amendments of 1983. The bill proposes a 3-year reauthorization of the revenue sharing program of general purpose fiscal assistance to local governments.

As we all know, the current authorization for the program expires on September 30, 1983. The administration's bill would extend the program through September 30, 1986, at the current funding level of $4.6 billion. The bill includes several technical modifications in the program that merit careful consideration before my colleagues on the Senate Finance Committee and I accept them as part of the bill we bring to the full Senate for its consideration.

In his letter of transmittal to the Senate, the Secretary of Treasury states that:

> The Administration is committed to the continuation of the Revenue Sharing Program, which is essential to the fiscal soundness of the nation's local governments . . . extension would allow cities, counties, and towns to plan their budgets for several years and to use the Revenue Sharing funds efficiently.

This expression of the administration's commitment to the program is certainly reassuring to all of us in Congress who believe that GRS is one of the most efficient and effective programs in the Federal repertoire.

The administration's bill is essentially the same as S. 41, introduced early this session by Senator DURENBERGER and cosponsored by more than 70 of our colleagues. In the House, the GRS reauthorization bill, H.R. 2780, reported out of the Government Operations Committee differs from the administration's legislation only in its significant increase of $731 million in authorized funds for the program. This mutuality of support for the GRS program should facilitate quick approval of its reauthorization.

Mr. President, those who will be most heartened by the administration's support are the local government officials who have come to rely upon this most efficient means of providing Federal support. The general revenue-sharing program provides support for an enormous range of activities, including capital expenditures for transit, economic development, community centers, and police and fire facilities. Operating programs benefiting from Federal revenue-sharing funds include downtown revitalization projects, Meals on Wheels, Community Health Care for the Elderly and the Disabled, and fire and sanitation services.

The National League of Cities reports that GRS accounts for an average of 7 percent of local revenues and that if we failed to reauthorize the program, it would take an average 23-percent increase in local property taxes to replace the GRS funds. In my State of Pennsylvania, where the economy has been so distressed, a recent survey of local governments found that revenue sharing accounts

for 16.7 percent of the average local budget. Replacing GRS funds with property tax revenues in Pennsylvania would require an average increase of 62 percent. For nearly 94 percent of the municipalities responding to the survey, GRS is the only direct source of Federal funds.

General revenue sharing has been one of the most successful Federal initiatives, which helps to explain why the President, Senator DURENBERGER and others have used the program as a cornerstone of their highly ambitious New Federalism proposals. While these efforts merit the serious attention of the full Congress, I am pleased that there is broad agreement among Senate Finance Committee members to join in expediting the reauthorization of GRS by beginning markup later this month, of a simple extension. Knowing that more than 30 percent of municipalities must complete their budget deliberations by July 1, 1983, I will urge the committee not to include at this time the larger federalism proposals that might delay the early consideration of a GRS reauthorization bill on the Senate floor.

Mr. President, I ask unanimous consent that the administration's reauthorization bill and a section-by-section analysis by the Secretary of Treasury be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1426

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Local Government Fiscal Assistance Amendments of 1983".

DEFINITIONS AND APPLICATIONS

SEC. 2. Section 6701 of title 31, United States Code, is amended—

(1) by striking out "October 1, 1981, and October 1, 1982" in subsection (a)(1) and inserting in lieu thereof "October 1 of 1982, 1983, 1984, and 1985",

(2) by striking out "allocate amounts" in the last sentence of subsection (c) and inserting in lieu thereof "make all data computations", and

(3) by striking out "having one unit of general local government" in subsection (e)(2) and inserting in lieu thereof "that is the sole unit of general local government in the area".

ADDITIONAL COMPLIANCE ASSURANCES

SEC. 3. Subsection (a) of section 6704 of title 31, United States Code, is amended—

(1) by striking out "and" at the end of clause (7),

(2) by striking out the period at the end of clause (8) and inserting in lieu thereof "; and", and

(3) by adding at the end thereof the following new clause:

"(9) the government will comply with the requirements of sections 6714 and 6723.".

REDUCTIONS IN STATE GOVERNMENT ALLOCATIONS

SEC. 4. Section 6706 of title 31, United States Code, is hereby repealed.

URBANIZED POPULATION

SEC. 5. Subsection (c) of section 6707 of title 31, United States Code, is amended—

(1) by striking out the last sentence in clause (5), and

(2) by adding at the end of subsection (c) the following new sentence: "For purposes of this subsection, the term 'urbanized population' has the meaning given to such term by the Bureau of the Census for general statistical purposes.".

STATE VARIATIONS OF LOCAL GOVERNMENT ALLOCATIONS

SEC. 6. Subsection (a) of section 6711 of title 31, United States Code, is amended—

(1) by adding "and" at the end of clause (1),

(2) by striking out "; and" at the end of clause (2) and inserting in lieu thereof a period, and

(3) by striking out clause (3).

INFORMATION USED IN ALLOCATION FORMULAS

SEC. 7. Subsection (a) of section 6713 of title 31, United States Code, is amended by inserting "before the beginning of the entitlement period" after "Secretary of Commerce".

PUBLIC HEARINGS

SEC. 8. Section 6714 of title 31, United States Code, is amended—

(1) by striking out paragraph (1) of subsection (a),

(2) by redesignating paragraphs (2) and (3) of subsection (a) as paragraphs (1) and (2), respectively,

(3) by striking out "subsection (a)(2)" in subsection (b)(1) and inserting in lieu thereof "subsection (a)(1)",

(4) by striking out clause (1) of subsection (c),

(5) by striking out "subsection (a)(2)" in subsection (c)(2) and inserting in lieu thereof "subsection (a)(1)", and

(6) by redesignating clauses (2) and (3) of subsection (c) as clauses (1) and (2), respectively.

DISCRIMINATION PROCEEDINGS

SEC. 9. Section 6717 of title 31, United States Code, is amended—

(1) by striking out "the Secretary submits a notice of noncompliance to the government" in subsection (b) and inserting in lieu thereof "the government receives a notice of noncompliance from the Secretary of the Treasury", and

(2) by striking out "shall suspend payments to the government under this chapter unless by the 10th day after the decision" in the second sentence of subsection (c) and inserting in lieu thereof "shall notify the government of the decision and shall suspend payments to the government under this chapter unless, within 10 days after the government receives notice of the decision,".

AUDITS, INVESTIGATIONS, AND REVIEWS

SEC. 10. (a) Subsections (a) and (b) of section 6723 of title 31, United States Code, are amended to read as follows:

"(a) Each State government and unit of general local government shall have an independent audit of its financial statements and of its compliance with the requirements of this chapter for each fiscal year of the government in which it receives payments under this chapter. The audit shall be conducted in accordance with the Comptroller General's 'Standards for Audit of Governmental Organizations, Programs, Activities, and Functions.'

"(b)(1) Subsection (a) shall not apply to a government for a fiscal year in which that government receives payments under this chapter totaling less than $25,000.

"(2) A government may elect to have the audit required under subsection (a) conducted every second fiscal year in which the government receives payments under this chapter if the audit encompasses the financial statements for, and compliance with the requirements of this chapter during, that fiscal year and the preceding fiscal year.

"(3) Not later than 30 days following completion of any audit required under this section, the government shall submit a copy of the audit report to the Secretary of the Treasury and the audit report shall be made available for public inspection. This availability shall be publicized in such a way as to encourage and facilitate such inspection.

"(4) If a State government or unit of general local government is required by State or local law to have its financial statements audited by an independent auditor, that government may elect to comply with subsection (a) by complying with State or local law in conducting the audit if the government certifies that—

"(A) the audit has been conducted in accordance with the audit standards specified in subsection (a), and

"(B) the requirements of this subsection have been met.

"(5) An audit of the financial statements of a State government or unit of general local government for a fiscal year, conducted in accordance with the provisions of any Federal law other than this chapter, shall be accepted as an audit that satisfies the requirement of subsection (a) with respect to the fiscal year for which the audit is conducted if the audit substantially complies with the requirements for audits under subsection (a).".

(b) Subsection (f) of section 6723 of such title is amended to read as follows:

"(f) The Secretary shall prescribe regulations providing reasonable and specific time limits for the Secretary to—

"(1) carry out an investigation and make a finding after receiving a complaint referred to in section 6721(b) of this title, a determination by a State or local administrative agency, or other information about a possible violation of this chapter;

"(2) carry out audits and reviews (including investigations of allegations) about possible violations of this chapter; and

"(3) advise a complainant of the status of an audit, investigation, or review of an allegation by the complainant of a violation of section 6716 (a) or (b) of this title or other provision of this chapter.".

(c) Section 6723 of such title is amended by striking out subsections (d) and (e) and redesignating subsections (f) and (g) as subsections (d) and (e), respectively.

(d)(1) Clause (7) of section 6704 of such title is amended by striking out "section 6723(b) of this title" and inserting in lieu thereof "section 6723(e) of this chapter".

(2) Subclause (B) of section 6724(a)(2) of such title is amended by striking out "6723 (a)–(e) and (g)" each place it appears and inserting in lieu thereof "6723".

REPORTS

SEC. 11. (a) Section 6724 of title 31, United States Code, is amended—

(1) by striking out subsections (b) and (c), and

(2) by striking out "(a) Before" and inserting in lieu thereof "Before".

(b) Clause (8) of section 6704(a) of such title is amended by striking out ", in addition to the annual reports required under

section 6724(b) of this title" and inserting in lieu thereof "to determine compliance with the provisions of this chapter".

SECTION-BY-SECTION ANALYSIS: LOCAL GOVERNMENT FISCAL ASSISTANCE AMENDMENTS OF 1983

Title: The title of the Bill is the "Local Government Fiscal Assistance Amendments of 1983."

Section 2. Definitions and Applications, amends the State and Local Fiscal Assistance Act, 31 U.S.C. 6701 et seq. (hereafter referred to as the Act) to revise the definition of "entitlement period" to include fiscal years 1984-86. This has the effect of reauthorizing the Program for three years at the current funding level, as section 6703(b) authorizes appropriations of $4,566,700,000 for entitlement payments to local governments and $2,300,000,000 for payments to State governments for each entitlement period.

This section also amends the Act to clarify the treatment of local governments whose boundaries include areas of two or more counties. The Act provides that such a government is allocated its Revenue Sharing payment separately for the portion in each county. This section provides that the computations, not allocations, of such a government will be determined on the basis of the proportion of its population in each county. Specifically, the adjusted taxes and intergovernmental transfers of such a government will be assigned, as they have been in actual practice, to each county in which the "split" government is located on the basis of the proportion of its total population in each county.

The section also amends the Act to clarify the definition of "the District of Columbia" to treat it as the sole unit of general government in a county area. This conforms the Act to the current treatment of the District of Columbia.

Section 3. Compliance Assurances, amends the Act to correct a misreference to section 6723(b) of the Act concerning audits. The reference appears to have been made inadvertently in the recent codification of Title 31. The reference to an assurance that a government will file "use" reports is dropped, as the requirement is eliminated by section 14 of this Bill. Two assurances are added: certification that a government will comply with the public-participation and audit requirements of the Act. These compliance requirements are in the current Act; the amendment merely conforms the Act to the procedures used in administering it.

Section 4. Reductions in State Government Allocations, repeals a provision of the Act requiring a reduction in the allocation to a State government if it reduces its own payments to local governments. This provision was enacted in 1972 in response to concern that the increase in the resources available to local governments as a result of Revenue Sharing would prompt State governments to reduce their own assistance payments to localities. This concern proved groundless.

However, if funds were to be appropriated for Revenue Sharing payments to State governments, the current provision could have perverse consequences. The only State governments that are likely to reduce their own payments to localities are those whose own resources are undermined by weak economic conditions or that have enacted tax- or expenditure-limitation legislation. Thus the current provision would be likely only to penalize States experiencing exceptionally poor economic performance and those that have attempted to moderate the rate of growth of their public sectors.

Section 5. Definition of Urbanized Population, amends the definition of "urbanized population" in the Act to clarify that the Office of Revenue Sharing will use population data provided by the Bureau of the Census to calculate urbanized population. The definition in the current Act has been revised by the Census Bureau; the amendment merely confirms the continued use of the Census Bureau's data for the allocation of Revenue Sharing payments.

Section 6. Alternative Allocations, amends the Act to eliminate a reference to prior entitlement periods. The deletion is necessary so that a State government may continue to have the option of employing an alternative formula for allocating payments among its local governments.

Section 7. Information Used in Allocation Formula, amends the Act to clarify that, in calculating the allocation of payments for an entitlement period, the Office of Revenue Sharing will use the most recent data available before the beginning of the period.

Section 8. Public Hearing, eliminates the requirement for one of the two public hearings a recipient government must hold on its proposals for appropriation of Revenue Sharing payments.

Section 9. Discrimination Proceedings, amends the provisions of the Act relating to procedures for handling discrimination complaints to clarify that the time periods within which a recipient government must act begin with the receipt of a notice by the government, rather than with issuance of that notice by the Secretary.

Section 10. Audits, Investigations, and Reviews, amends the Act to provide that the financial statements of a government for, and its compliance with the requirements of the Act during, each fiscal year in which it receives Revenue Sharing payments totaling $25,000 or more must be independently audited at least once every two years. The audit must be conducted in accordance with the Comptroller General's Standards for Audit of Governmental Organizations, Programs, Activities and Functions. The current law provides for the audits to be prepared in accordance with "generally accepted auditing standards" (the Comptroller General's report incorporates those standards). Audit reports must be submitted to the Secretary and made available for public inspection no more than 30 days after completion. The Secretary may designate another Department in its capacity as a cognizant agency, pursuant to OMB Circular A-102 (attachment P), to receive the audit report of a particular government.

Section 11. Reports, eliminates the requirement that recipient governments submit annual "use" reports to the Secretary. These reports do not provide meaningful information on the fiscal impacts of Revenue Sharing funds and involve unnecessary expenses and inconvenience for the Federal government as well as for State and local governments.●

By Mr. EXON (for himself and Mr. ZORINSKY):

S. 1428. A bill to authorize amendments to certain repayment and water service contracts for the Frenchman unit of the Pick-Sloan Missouri River basin program; to the Committee on Energy and Natural Resources.

AMENDMENTS TO CERTAIN WATER CONTRACTS

Mr. EXON. Mr. President, I am today introducing legislation to authorize the Secretary of the Interior to amend the current repayment contract with the Frenchman unit in Nebraska which is a part of the Pick-Sloan Missouri River basin program.

Intensive ground water development upstream from the Enders Reservoir on Frenchman Creek in southwest Nebraska has resulted in depletion of the inflows for storage and has decreased the water supply available for irrigation of the farmland in the Hitchcock and Red Willow Irrigation District. The district is now receiving about 40 percent of its full water supply, and the Bureau of Reclamation estimates that within 10 years, under current ground water development conditions, inflows will be essentially nonexistent.

This unforeseen and irrevocable depletion of the water supply from the Enders Reservoir has affected the irrigation district's ability to meet its repayment obligations under its existing contract with the United States. The Bureau has reached agreement with the district officials on a proposed amendatory contract which will convert the district's repayment contract to a water service contract with charges for water actually delivered based upon the district's full payment capacity.

Mr. President, this legislation would approve the contract to base payments on the available water. The district's benefits have declined and will continue to decline. Amending the existing fixed obligation to base the repayment obligation on the actual water delivered to the district will provide a fair resolution to the district's problem.

To date, no viable plan has been identified to augment the district's water supply. The Bureau of Reclamation's regional director has negotiated an amended contract which is designed to minimize the loss of certain reimbursable costs without imposing an undue financial burden on the district water users. The Bureau has indicated that the amended contract, which requires the approval of the Congress, is the best available long-term solution for the district and the United States. Should the water supply problem be resolved, a new contract will be negotiated which will adequately protect the Government's investment in this project.

Mr. President, I would urge the Senate's most expeditious consideration of this measure and provide an equitable solution to this unforeseen problem.

I would ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows;

S. 1428

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the Secretary of the Interior (hereinafter in this Act referred to as the "Secretary") is authorized to execute an amendatory contract with H&RW Irrigation District (hereinafter in this Act referred to as the "district"), Nebraska, to amend the provisions of the district's existing contract (numbered 14-06-700-1242) with the United States for water service and construction of a distribution system in the following manner:

(1) Rescind the construction charge obligations remaining unpaid as of September 30, 1980, and any interest or penalty thereon, under part B of such existing contract.

(2) Amend part A of such existing contract to provide that, beginning January 1, 1982, the district's annual obligation for payment of costs to the United States for water service (including the cost to the United States to operate and maintain the reserved water supply works on the Frenchman unit of the Pick-Sloan Missouri River Basin program) and for the construction of a distribution system shall be limited to the annual water service charges for the amount of water delivered to the district. Such charges shall be based on the repayment ability of the district associated with the amount of water delivered by the district for irrigation purposes as may be determined by the Secretary taking into account an appropriate share of the district's costs for the care, operation, and maintenance of those works of the Frenchman unit transferred to the district for such purposes.

(3) Those costs allocated to the irrigation purpose of the Frenchman unit and properly assignable to the district for payment which are in excess of the district's repayment ability as determined by the Secretary, pursuant to paragraph (2), shall be repaid from municipal and industrial and/or power revenues in accordance with procedures established for the Pick-Sloan Missouri River program, authorized by the Act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved December 22, 1944 (58 Stat. 887-901, as amended).

By Mr. WEICKER (for himself, Mr. NUNN, Mr. GORTON, Mr. HUDDLESTON, Mr. SASSER, Mr. TSONGAS, and Mr. DIXON):

S. 1429. A bill to amend the Small Business Development Act of 1980; to the Committee on Small Business.

SMALL BUSINESS DEVELOPMENT ACT AMENDMENTS

● Mr. WEICKER. Mr. President, I am today introducing legislation, along with Senators NUNN, GORTON, HUDDLESTON, SASSER, TSONGAS, and DIXON to repeal the sunset provision of title II of Public Law 96-302, the Small Business Development Center Act. This program is currently scheduled to expire as of October 1, 1984. The bill we are introducing today would make the small business development center (SBDC) program a permanent part of the Small Business Act.

Small business development centers were created by Congress in 1980 to provide local management and technical assistance to small business owners across the country. The centers were designed to serve as a focal point for small business assistance by linking together the resources of Federal, State and local governments with the academic community and the private sector.

The concept of one-step, local assistance is an important one. Small business owners, who as a rule have neither the time or the money to seek out professional advice from consultants, or answers from State and Federal agency officials, need the no-cost, expert help SBDC's provide. To date, 22 States and the District of Columbia have received matching funds to set up SBDC's in their communities. The States that have received that funding are: Maine, Massachusetts, Connecticut, Rhode Island, New Jersey, West Virginia, Missouri, Delaware, South Carolina, Florida, Alabama, Georgia, Kentucky, Mississippi, Wisconsin, Minnesota, Arkansas, Nebraska, Iowa, Utah, Pennsylvania, and Washington.

Mr. President, the Congress, in drafting the original legislation, purposely established a sunset provision in the law so that the program would be throughly reviewed as to its effectiveness. In addition, Public Law 96-302 mandated that the SBA perform a comprehensive study on the SBDC program.

On June 21, the Senate Committee on Small Business intends to hold oversight hearings on this management assistance program. I think it important that we take a look at the changes that have taken place since the program was created in 1980. The program is now double in size, and a number of States have just recently become participants.

It is my view that the SBDC program is a valuable resource for the SBA and the national small business community that should be maintained. The program requires significant local and State commitments, through its 50-50 matching funding requirements. It builds upon the expertise in the academic and private sectors. It establishes an outreach program, using existing resources, which not only addresses the problems small firms are having today, but helps them to look ahead and plan for the future as well.

The June 21 hearing will produce testimony from the agency, SBDC directors, clients and critics, to try to determine what legislative or administrative changes, if any, are necessary to the future health of the program. As chairman of the Small Business Committee, I am committed to seeing that a careful analysis is done.

This program is a necessary one. Small business development centers effectively use the resources of both the private and public sectors. The legislation Senator NUNN and I are introducing today will allow this means of providing management and technical assistance to small business to continue.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1429

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, the first sentence of section 21(b)(1) of the Small Business Act is amended by striking "During fiscal years 1981, 1982, and 1983, financial" and inserting in lieu thereof "Financial".

SEC. 2. Sections 203 and 204 of the Small Business Development Center Act of 1980 (Public Law 96-302) is repealed.●

● Mr. NUNN. Mr. President, I am pleased to join Senator WEICKER, the chairman of the Senate Small Business Committee, in sponsoring legislation to provide for a permanent extension of the Small Business Administration's Small Business Development Center program.

Regardless of whether we look at the record number of business bankruptcies, or the larger number of business failures (including voluntary terminations), small businesses are closing their doors at rapid rates. One of the most frequently cited causes of business dissolution is the lack of management capability. To address this need, a primary mission of the Small Business Administration, through its management assistance division, is to promote and develop the viability of the small business sector by increasing their access to management techniques, and counseling.

With an almost unlimited market, however, Congress has recognized that it would be impossible to provide small business with access to such assistance by relying solely on Federal employees.

Over the past several years, in particular, the Senate Small Business Committee has devoted considerable attention to the assistance needs of the small business community, and the ability of the Small Business Administration, either directly or indirectly, to meet those needs.

From the outset of its management assistance programs. Congress, through SBA, has sought to place increased importance on delivery through the private sector. Whether the agency has used the SCORE and ACE volunteer programs, or the Small Business Institute program, or the old "call contracting" program used to assist minority firms, the emphasis has been on leveraging limited Federal funds by relying on the private sector.

In 1976, the Small Business Administration established an initial pilot program of eight "small business development centers," operated on a grant

basis with lead universities in those States. Regrettably, about the only common bond between these eight centers and SBA was the name and the source of funds.

In 1977, I had the privilege of chairing hearings of the Senate Small Business Committee on legislation that was the forerunner to the SBDC program. After considerable review in our committee, and extensive debate in both the House and Senate during two successive Congresses, the Small Business Development Center Act of 1980 was signed into law.

That law provided explicit guidance to the Small Business Administration concerning the minimum capabilities, and program deliveries, that Congress thought necessary to adequately test the viability of utilizing private sector small business development centers to provide direct management assistance to small business. In addition to the delivery requirements imposed on applicants, Congress mandated that the program operate on a matching basis with the funded organization, that services be coordinated throughout the area by requiring that a statewide service plan be adopted, and that the Small Business Administration undertake certain responsibilities to see to it that the program was carried out fully and effectively.

Since 1980, 23 centers, in as many States, are in the field daily providing counseling to smaller firms. For fiscal year 1983, Congress has appropriated $16 million to fund, on a matching basis, these centers.

By design, the Congress provided that the requirement for a State plan for providing management services to the small business community would expire in this fiscal year, and that the total program would expire at the end of next year, unless Congress affirmatively reauthorized it. I am pleased to join in providing that extension.

In February of this year, in Georgia, I chaired the Senate Small Business Committee's initial oversight hearings on this program, and reviewed the operation of the SBDC program in my State, in particular. In my opening statement, I spelled out some history on this legislation, and raised questions about this program which I believe Congress must answer before deciding whether to reauthorize the program.

I ask unanimous consent that a copy of my opening statement at that February hearing be printed in the RECORD at the end of my statement.

Mr. President, in my view, it is important that this legislation be approved this year. First of all, the requirement of the State plans should not be allowed to lapse. There are a number of States which are preparing their applications, and obtaining their matching funds, prior to seeking SBA's approval. Existing centers will also be making their preparations for fiscal 1984. The State plan should be an integral part of their application.

In addition, many SBDC's obtain a portion of their matching funds from either State governments, or universities, or both. Part of the matching comes from in-kind contributions of these institutions, as well. Since the fiscal year of these entities may begin before the Federal fiscal year, States and universities are planning funding demands now for their next round of budgeting. I believe Congress should provide some certainty to those States, universities and SBDC's, and to SBA, concerning whether there will be a Federal program in fiscal year 1985, and what new requirements, if any, will be imposed on them to participate in the SBDC program.

Finally, this legislation has only two provisions, both dealing with repealing sunset provisions. However, during my review of the SBDC program over the past 2 years, and my conversations with SBA officials, SBDC directors, and small businesses who have sought assistance from the SBDC's, I recognize that there are additional areas of the existing law which could be improved. I am confident that these issues will be brought before the Small Business Committee in time for the committee to review them during their oversight hearings on this program and its consideration of this legislation.

Congress should act affirmatively, and this year, to reauthorize the Small Business Development Center program.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

OPENING STATEMENT OF SENATOR SAM NUNN

Today, the Senate Small Business Committee opens its oversight hearings on the implementation of the Small Business Development Center program. I want to thank Senator Lowell Weicker, the Chairman of the Committee, for his permission to initiate the Committee's review of this program here in Georgia.

In these times of economic difficulty, small businesses in particular are failing at record rates. It is important for us to try to determine the causes for these failures, and determine what, if any action can or should be taken to assist them in overcoming those causes. Last August, for example, a survey of attitudes and opinions of small businesses of ten or fewer employees was privately conducted by Safeguard Business Systems, a large business, jointly with the University of Texas at Austin. According to the business owners themselves, half of them cited internal causes for business failures, and almost 30 percent listed "a lack of management expertise" as the primary cause of business failure. Furthermore, when asked what could be done to reduce the failure rate among small businesses, over twenty percent cited the need to provide better management education for themselves as the top answer.

This survey result is consistent with the information that the Senate Small Business Committee has been receiving for years, and was, in part, a motivation behind the development of the SBDC proposal.

In 1976, the Small Business Administration began its own test program of small business developent centers. Eight centers, including one in Georgia, were formed to determine the feasibility and effectiveness of increasing the reliance on the private sector for providing management assistance to small business.

In March, 1977, I had the privilege of chairing the Senate Small Business Committee's initial hearing on the proposals that ultimately led to the enactment of the Small Business Development Center Act of 1980.

At that 1977 hearing, I noted that the Agricultural Cooperative Extension Service, created over 100 years ago through Federal law, had proven that the combination of the private sector, the university community, and the Federal Government can make tremendous strides in increasing farm productivity and profitability. I said then, and still firmly believe, that the 'Ag' Extension program is a program that is worth duplicating in the small business arena.

Following four days of Committee hearings in 1977, and after reviewing the testimony of over forty witnesses, the Committee concluded that there was a need for greater clarity in the program's objectives than was provided under the SBA's administratively-operated program, and for a mechanism to evaluate the program's effectiveness. With these criteria, the Committee developed, and in 1980 the President signed, legislation providing a statutory framework for the establishment and operation of small business development centers. These centers were designed to rely on the private sector, and the university community, in partnership with SBA and its other programs, to fill the gaps in making quality management assistance available to the small business entrepreneur. There are now 23 centers in operation nationwide which have been approved by SBA to participate in this pilot program, including one in this state. The law will expire on October 1, 1984 unless Congress extends it.

The Georgia SBDC program, with coverage across the state through 10 offices, is designed to provide a means for addressing one of the most difficult problems facing the small business sector—a lack of management capability and a resource to seek corrective assistance.

While additional hearings will be held in Washington, the purpose of today's hearing is to review the operation of the Small Business Administration's Small Business Development Center program within the state of Georgia, in particular, and to receive testimony on the relationship and value of this form of management assistance for small business as compared with other public and private sector management delivery programs available.

I believe that the Committee, and the Congress, will need to find answers to some basic questions about the Federal pilot program of small business development centers before making the determination of whether to prolong the experiment, make the SBDC program a "permanent" part of the Small Business Administration's program, or permit it to expire.

Among the questions that the Committee will need to answer are:

Is the small business development center program providing management assistance

to small businesses that would not otherwise be available?

Is this program a cost-effective way of providing management assistance?

Has there been a sufficient test of the pilot program so that Congress would be capable of fully and fairly evaluating the performance of the program? and

Are there changes in the law that Congress should make, or administrative changes that SBA should make, that would increase the potential for success of this program if it is extended?

The Committee will hear from Dr. Fred Davison, the President of the University of Georgia, and Dr. Tom Stelson, the Vice President for Research at Georgia Tech. Both men, and their respective institutions, have been particularly active in the creation, development, and implementation of management assistance programs for small business in the State of Georgia.

We will then hear from Dean Flewellen, University Professor of Business and Industrial Development, and Ms. Le-Quita Booth, Director of the Minority Business Development Center, on the operation of the SBDC program within the state.

The next panel will more specifically discuss the relationship of the Georgia SBDC program to the private, for-profit, sector. This will be followed by testimony from clients who have received counselling from the SBDC. Finally, the Committee will hear from the Small Business Administration's Regional Administrator and Georgia District Director, on how the SBDC program fits within their overall management assistance program.●

● Mr. SASSER. Mr. President, I am pleased to cosponsor today this important piece of legislation repealing the sunset language in the Small Business Development Center Act of 1980. As my colleagues may know this very effective program is scheduled to expire on October 1, 1984. Our bill strikes this provision from the act and makes the SBDC program permanent.

The SBDC program plays a vital role in the small business community. Even in the best of economic times one of the greatest problems facing the entrepreneur is inadequate management education and expertise. The lack of these necessary business tools has led to the demise of countless business concerns. Small business leaders have told us time and again that the lack of management training is one of the leading reasons for small business failures.

Indeed, it is somewhat ironic that Congress and the Small Business Administration have often been anxious to establish a variety of programs aimed at benefiting small businesses only to leave the business owner on his or her own after they have opened their door for business. This is perhaps the most critical period in the life of a small business and proper management knowledge is central to the survival of such small firms.

Fortunately, there have been programs such as the Small Business Development Center program that have attempted to bridge this gap. The SBDC program is a relatively young one, Mr. President. Established as a pilot program in 1976, the current structure of the SBDC program was enacted in 1980. In that short time Small Business Development Centers have opened in 23 States. The overwhelming majority of these centers have been established within the past 5 years.

In this short time span the SBDC program has proven itself as a very effective method of educating small business persons on management techniques. These centers are working primarily with the private sector and often university communities in providing a much needed source of information.

The SBDC's across the country are proving more than mere management training clearinghouses Mr. President. Hearings before the Small Business Committee have indicated that the centers are actively involved in programs assisting minorities, women business owners, and veterans within the small business community. In addition many of the centers are involved in providing small firms with Federal and State procurement assistance. In the southeastern region I am aware of centers which are also involved in international trade assistance.

Mr. President, this is the type of program which we would do well to see more of. There are many States without Small Business Development Centers and it is my hope that the trend toward establishing these significant centers will continue with the same zeal that we have witnessed over the past few years.

I therefore strongly urge my colleagues to join with us in making the Small Business Development Center program a permanent tool available to our Nation's small establishments. These centers continue to prove themselves as worthy of our support.●

By Mr. DURENBERGER (for himself and Mr. SASSER):

S. 1432. A bill to amend the provisions of title 31, United States Code, relating to the President's budget, to require information regarding major capital investment programs of the United States, and for other purposes; to the Committee on Governmental Affairs.

FEDERAL CAPITAL INVESTMENT PROGRAM INFORMATION ACT OF 1983

● Mr. DURENBERGER. Mr. President, I am today introducing the Federal Capital Investment Program Information Act of 1983. This bill is precisely the same as H.R. 1244 which was recently reported by the Committee on Public Works and Transportation in the House. I am pleased that my colleague from Tennessee, Senator SASSER, will be joining me as a cosponsor of this legislation on the Senate side.

The bill amends the Budget Act requiring that the President in preparing the annual budget of the United States include a careful and detailed statement of the capital investment programs of the Nation for the next several fiscal years. Specifically, the bill would require that special analysis D of the budget submission be expanded to include: A summary at current service levels for public capital investments and alternative high and low levels for such investments over 10 years in current dollars and over 5 years in constant dollars; a statement of capital investment needs in each major program area over 10 years; an analysis of the policy issues involved in new and existing capital programs; and an analysis of the various economic assumptions, engineering standards, projections of State and local investments and operation, and maintenance expenditures that were used to determine capital investment needs.

These budget estimates would include all federally assisted highways, bridges, airports, airway facilities, mass transportation facilities, wastewater treatment facilities, water resource projects, VA hospitals and major Federal buildings and facilities. The data made available by these estimates will be organized on a State-by-State basis and for major metropolitan areas to assist planning efforts at the level of State and local government.

Mr. President, the bill that we are introducing today is only one of the many infrastructure bills that has surfaced in this Congress. The so-called infrastructure problem has gripped the imagination of headline writers across the country and legislative draftsmen, here, on Capitol Hill. There is an infrastructure problem. New public capital investment has declined as a percentage of GNP from 4.1 percent in 1965 to 1.7 percent today. All across the Nation major public works projects are falling into disrepair and communities are forgoing new capital programs which are needed to support growth and expansion. Some argue that the infrastructure problem presents a real threat to economic recovery.

Looking at the infrastructure bills that have been introduced, one might get the impression that the infrastructure problem is caused by the scarcity of Federal dollars—that a lack of Federal commitment has caused the decline in new investment. The facts, however, show a much different picture. While public capital investment has declined dramatically as a share of GNP, the Federal contribution to public works has grown just as dramatically from something less than 10 percent of the total in 1960 to something more than 40 percent of the total today. We could, through block grants or dedicated revenue measures

or new categorical programs, increase the Federal share to 60 percent or even 80 percent, and still not deal effectively with the infrastructure problem. A lack of Federal dollars is not the source of the infrastructure problem.

Infrastructure investment has always come principally from State and local governments. In the late 1970's those Governments were hit by the tax revolt. At the end of the decade a second blow, a deep and abiding recession further eroded the fiscal base of State and local government. Faced with that double whammy, State and local officials have been forced to make some very difficult choices. They have largely chosen to preserve essential social service programs—health, education, and welfare—at the expense of new capital investment and the maintenance of existing capital plant.

The fiscal crisis of State and local governments is in my mind the essential cause of the infrastructure problem. I think that the Federal Government has a role to play in easing that crisis. But not necessarily with new infrastructure dollars. Thoughtful examination of the Federal role in domestic programs might convince us that Federal responsibility ought to be increased in the social rather than the capital budget of the Nation. Additional Federal dollars for health, education, and welfare would free up State and local revenues to tackle the infrastructure needs of the Nation.

The State and local fiscal crisis is the principal but not the only cause of the infrastructure problem. Even if we decide to forego new capital grant programs at the Federal level, the existing commitments—the existing grant programs—will continue to have profound impact on the investment choices that we make as a nation. As I have said, Federal dollars are already 40 percent of the pie. And the Federal strings tied to those dollars often complicate the infrastructure problems of State and local governments. Grant programs that encourage innovative technology that does not work, various matching rates that steer dollars toward highways and away from wastewater treatment and water supply, prevailing wage requirements and impact statements, engineering standards that inflated need, programs that encourage new investment and discourage maintenance, and dollars that subsidize the movement away from built up capital plant to the outer suburban fringes—all of these factors are also contributing to the infrastructure problems of the Nation.

The bill that we are introducing today will not solve the infrastructure problem by putting more Federal dollars into capital investment. But I do think it is a very important piece of legislation because it will give us a much needed management tool for the dollars that we are now spending. At a time when dollars are scarce at every level of government, it is essential that every dollar be used wisely. I am convinced that better management of existing commitments is the most important contribution that the Federal Government can make at this time toward solving the Nation's infrastructure problem. I recommend this legislation to the attention of my colleagues.

Mr. President, I would ask unanimous consent that the bill and section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows;

S. 1432

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal Capital Investment Program Information Act of 1983".

PURPOSES

SEC. 2. The purposes of this act are—

(1) to provide budget projections for major Federal capital investment programs;

(2) to provide a summary of the most recent needs assessment analyses for these programs;

(3) to provide information on the sensitivity of the needs estimates to major policy issues and technical and economic variables;

(4) to assist the planning capabilities of State and local governments on the assessment of major capital investment programs; and

(5) to improve legislative oversight over Federal capital investment programs.

FEDERAL CAPITAL INVESTMENT PROGRAM REPORT

SEC. 3. Section 1105 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

"(e)(1) The President shall submit with materials related to each budget transmitted under subsection (a) on or after January 1, 1984, an analysis for the ensuing fiscal year that shall identify requested appropriations or new obligational authority and outlays for each major program that may be classified as a public capital investment program and shall contain summaries of the total amount of such appropriations or new obligational authority and outlays. In addition, the analysis under this paragraph shall contain—

"(A) an estimate of the current service levels of public capital investments and alternative high and low levels of such investments over a period of ten years in current dollars and over a period of five years in constant dollars;

"(B) the most recent assessment analysis and summary, in a standard format, of capital investment needs in each major program area over a period of ten years;

"(C) an identification and analysis of the principal policy issues that affect estimated capital investment needs for each major program; and

"(D) an identification and analysis of factors that affect estimated capital investment needs for each major program, including but not limited to the following factors:

"(i) economic assumptions;

"(ii) engineering standards;

"(iii) estimates of spending for operation and maintenance;

"(iv) estimates of expenditures for similar investments by State and local governments; and

"(v) estimates of demand for public services derived from such capital investments and estimates of the service capacity of such investments.

To the extent that any analysis required by this paragraph relates to any program for which Federal financial assistance is distributed under a formula prescribed by law, such analysis shall be organized by State and within each State by major metropolitan area if data is available.

"(2) For purposes of this subsection, any appropriation, new obligational authority, or outlay shall be classified as a public capital investment to the extent that such appropriation, authority, or outlay will be used for the construction or rehabilitation of any—

"(A) highway or bridge,

"(B) airport,

"(C) airway facility,

"(D) mass transportation system,

"(E) wastewater treatment or related facility,

"(F) water resource project,

"(G) Veterans' Administration hospital, or

"(H) other major Federal building or facility.

"(3) For purposes of this subsection—

"(A) the term 'construction' includes site acquisition for and planning and erection of new structures, acquisition and expansion of existing structures, the acquisition and installation of initial equipment for such structures, and the acquisition of rolling stock; and

"(B) the term 'rehabilitation' includes the alteration of an existing structure so as to extend the engineered design life of the structure, the acqusition and installation of initial equipment or the modernization or replacement of such equipment, and the modernization of, or replacement of parts for, rolling stock.".

EFFECTIVE PERIOD

SEC. 4. The amendment made by section 3 of this Act shall apply with respect to budgets transmitted under section 1105(a) of title 31, United States Code, for fiscal years ending before October 1, 1989.

SECTION-BY-SECTION ANALYSIS OF H.R. 1244

A bill to amend the provisions of title 31, United States Code, relating to the President's budget, to require information regarding major capital investment programs of the United States, and for other purposes.

SECTION 1—SHORT TITLE

Cites Act as the "Federal Capital Investment Program Information Act of 1983."

SECTION 2—PURPOSES

Purposes of Act are to provide budget projections for major Federal capital investment programs; provide a summary of most recent needs assessment for these programs; provide information of needs estimates to major policy issues and technical and economic variables; assist planning capabilities of State and local governments; and to improve legislative oversight.

SECTION 3—FEDERAL CAPITAL INVESTMENT PROGRAM REPORT

(1) Amends Section 1105 of title 31 of U.S. Code to add new subsection (e). This subsection requires the President beginning in January of 1984, as part of his annual budget, to provide more detailed information on each major Federal capital investment program. In addition to an analysis of funding requested, it would also require the budget document to include an estimate of the current service levels of public capital investments and alternative high and low levels of such investments over a period of ten years in current dollars and over a period of five years in constant dollars; the most recent assessment analysis and summary in standard format, of capital investment needs in each major program area over a period of ten years; an identification and analysis of the principal policy issues that effect estimated capital investment needs for each major program; and an identification and analysis of estimated capital investment needs for each major program.

This information is to be organized by State and major metropolitan area within each State whenever the data are available.

(2) Public capital investments include any highway and bridge, airport, airway facility, mass transportation system, wastewater treatment or related facility, water resource project, Veterans' Administration hospital, or other major Federal building or facility.

(3) Defines the terms "construction" and rehabilitation."

SECTION 4—SUNSET

This Act applies to budget submissions for the fiscal years 1985, 1986, 1987, 1988 and 1989.●

● Mr. SASSER. Mr. President, I am pleased to join my colleague, Senator DURENBERGER, in sponsoring S. 1432, the Federal Capital Investment Program Information Act of 1983.

I view this legislation as a sound and necessary first step toward capital budget planning for capital investment needs in America.

The purposes of the legislation, cited time and again during House consideration of similar legislation, are clear: To provide budget projections for major capital improvement programs of the Federal Government; to provide a summary of needs assessments for major capital investment programs; to show the relationship of those needs to policy and economic variables; to assist State and local capital investment planning; and to improve legislative oversight over Federal capital investment programs.

Companion legislation in the House, H.R. 1244, was recently reported by the Committee on Public Works and Transportation.

The crux of the House bill and S. 1432 calls for the President, beginning with the submission of his fiscal year 1985 budget next January, to include in the annual budget submissions on major capital investments information summaries regarding the requested appropriations or new obligation authority and outlays for each major capital investment program.

These summaries, or reports, are outlined clearly in the text of the legislation. Basically they well cover: Projected service levels for capital projects, long-term capital project needs; an overlay of the first two reports against projected spending options; and capital investment needs, including levels of participation required of State and local governments.

Already, proposals calling for varied forms of Federal assistance for capital improvement projects—or, as it has come to be known, infrastructure improvements—abound in both the Senate and the House.

These proposals predicate their worth primarily on the unquestioned need for the massive infrastructure requirements that exist at every level of government in the United States. Estimates of such requirements have eclipsed the $3 trillion mark. A startling fact about such estimates is that no one is really certain about their reliability. For instance, do such cost estimates reflect immediate needs only, or do they take into account long-range costs, replacement schedules, and policy-mandated deferrals of projects? The answers to such questions are essential because it is certain that nowhere will it be possible to fund all of our infrastructure needs in a 1-year budget.

S. 1432 becomes the start. It will mandate the preparation of a planning document. It will permit the Congress to establish priorities in capital spending. It will allow the partners of the Federal Government in our intergovernmental fiscal system—the States, counties, cities, towns, and special district and special purpose governments—to plan, to establish priorities, to work together, and to budget accordingly.

The House Public Works and Transportation Committee emphasized in its report on H.R. 1244 the concern which State and local governments have over the lack of predictability in the Federal Government's role in our intergovernmental fiscal network.

You cannot underestimate this concern. Federal aid to State and local governments has declined in the past several years. The Congress also eliminated States from the general revenue sharing program. And local governments are now concerned about their own future in the program, which expires in 3½ months.

I have received calls from concerned local officials in Tennessee over this very matter. "We have got to prepare our budget," they tell me," just what can we count on as far as general revenue sharing is concerned?"

It is my belief that the immediate answer to such queries is quick passage of the legislation extending GRS for another 3 years, accompanied by passage of my own Capital Assistance Revenue Sharing Act of 1983, S. 676, which would authorize an additional $3.5 billion annually to State and local governments and allocate most of it primarily on a streamlined revenue-sharing formula. All the funds would be targeted to essential capital improvement projects.

Perhaps the answer to immediate needs law in the host of other infrastructure bills now pending in both the House and the Senate. The legislative activity in this particular area during the 98th Congress is evidence, I believe, of well-founded concern over our Nation's deteriorating infrastructure and the inability of State and local governments to strengthen their capital budgets, particularly during these difficult economic times.

All of the concern, as well as the legislative initiatives aimed at infrastructure improvements, will be best served, however, through expeditious passage of S. 1432. Insofar as the rebuilding of America is concerned, it ought be considered the first building block, and I commend it to my colleagues for their consideration and approval.●

By Mr. BOREN:

S. 1433. A bill to amend the Federal Campaign Act of 1971 to change certain contribution limits for congressional elections; to the Committee on Rules and Administration.

CAMPAIGN FINANCE REFORM AMENDMENTS OF 1983

● Mr. BOREN. Mr. President, I welcome this opportunity to join with Representative MIKE SYNAR of Oklahoma and Representative BERYL ANTHONY of Arkansas, in introducing a bill to limit the contributions which individual candidates for the Congress can receive from political action committees. This is legislation that is very much needed in an area whose rapid growth is truly alarming and represents a serious danger to the political process.

The statistics on the growth of PAC's are well known. In 1974, there were just over 600 political action committees in existence. The Federal Election Commission says that at the end of 1982 there were 3,371. Contributions of these organizations to Senate and House candidates have grown from $34.1 million in the 1977-78 election to $83.1 million in the 1981-82 election. It is frightening to consider the impact on the political system and on the costs of campaigns if PAC contributions continue to more than double ever 4 years. By 1992, the contributions would exceed $250 million.

The danger to the political process lies in this trend which hastens the day when Members of Congress will no longer depend upon individual contributions from their home States for their election efforts. Instead, they will be primarily dependent upon political action committees, often directed and led by people outside of their home States.

Mr. President, let me mention just two other statistics which outline what I am talking about. In the 1981-82 election period, of the successful candidates for the House and Senate, 97 received 50 percent or more of their campaign financing from PAC's. This raises questions as to whether the people back home can any longer be said to have representation which gives first priority to their needs and views.

Back in 1978, only 17 percent of all firms with more than $100 million in assets had registered PAC's. In other words, we are just beginning to see the growth of PAC's and the amount of money which they can pump into campaigns. With more money available to spend, there is little doubt that the cost of campaigns will go up even more. Now is the time to place limits on this growth. We should not wait until the problem overwhelms us. We have already reached an alarming point.

The bill which we have introduced will not solve all of the problems. It is a modest step in the right direction, and is not an extreme measure. It does not outlaw all PAC contributions. It does place reasonable limits on total contributions. These limits will help to stop the rapid escalation of campaign costs. They should also help to assure that while PAC's may play a role, they will not provide more support than individuals from a Member's home State.

This bill does the following:

First. Limits to $75,000 the amount a House candidate can accept from all political action committees (PAC's) in each election cycle.

Second. Limits Senate candidates to an amount varying with the population of their State—with a low of $75,000 and a high of $500,000.

Third. Raises the PAC limit to $100,000 if two or more candidates qualify for the ballot in the primary and the general election.

Fourth. Allows for an additional $25,000 in PAC money in the event of a Senate or House runoff election.

Fifth. Increases from the current $1,000 to $2,500 the amount an individual can contribute to a congressional candidate in each election.●

By Mr. D'AMATO:

S. 1434. A bill to amend the Internal Revenue Code of 1954 to provide that a spouse having compensation shall not be disqualified from having a spousal individual retirement account; to the Committee on Finance.

RAISING INTERSPOUSAL IRA'S

● Mr. D'AMATO. Mr. President, as part of the Economic Recovery Tax Act of 1981 (ERTA), Congress greatly expanded the use of individual retirement accounts (IRA's) to stimulate savings by individuals for retirement. The expanded use of IRA's is consistent with the Reagan administration's goal of encouraging capital formation, rather than consumption. IRA's were one of a vast array of investment vehicles created by ERTA which are designed to assure sustained economic recovery through increased investment.

IRA's have been a tremendous success. In 1982, $40 billion flowed into the panoply of IRA's instruments. These have included simple bank deposits, stock and bond mutual funds, and venture capital. Individuals received tremendous tax breaks while our Nation's GNP was stimulated by the accumulation of investment capital.

However, there was an ironic omission made by the architects of the new IRA rules. A married couple with only one working spouse that earns more than $2,250 may establish an IRA for up to $2,250. The maximum $2,250 interspousal IRA can be taken if one spouse has no earnings. However, if one spouse instead reports $50 of income, then the maximum interspousal IRA can be no higher than $2,050. The way the new rules are written, a married couple cannot enjoy the full fruits of an IRA if one spouse reports earnings of less than $250. An incentive has been created for this person to either not accept the small amount of income or cheat on their tax returns.

Now cynics may say that this provision affects few people and thus why be concerned with an inequity only on paper. But there is an impact on honest middle-class individuals who are serving the community. As an example, housewives who serve on jury duty or take temporary substitute teaching jobs. For these services only nominal renumeration is received. Of course, such temporary jobs are taken not for the salary, but to serve the community. However, for giving their time, these same individuals not only pay taxes on the income earned but also cannot take the same interspousal IRA that a couple with only one income earning spouse. Consequently, honest community minded people will either not work, forego receiving pay, or not comply with the tax laws. Whatever the choice, society will suffer.

Mr. President, I am introducing legislation today to require that the minimum interspousal IRA be $2,250 regardless of whether the lesser earning spouse has no income or income in an amount less than $250. In this way, individuals will not be forced to choose between taking a temporary or part-time job or losing a legitimate tax deduction. This legislation is technical in nature, but it strikes an important blow for equitable tax policy. I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1434

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (1) of section 219(c) of the Internal Revenue Code of 1954 (relating to special rules for certain married individuals) is amended to read as follows:

"(1) ALLOWANCE OF DEDUCTION.—

"(A) IN GENERAL.—In the case of any individual with respect to whom a deduction is otherwise allowable under subsection (a)—

"(i) who files a joint return under section 6013 for the taxable year, and

"(ii) whose spouse elects to have this subsection apply for such taxable year,

there shall be allowed as a deduction any amount paid in cash for the taxable year by or on behalf of the individual to an individual retirement plan established for the benefit of his spouse.

"(B) ELECTION.—

"(i) EFFECT.—The spouse who makes the election under subparagraph (A)(ii) for the taxable year shall be treated as having no compensation includible in gross income for such year for purposes of subsection (b)(1).

"(ii) NO ELECTION REQUIRED WHERE SPOUSE HAS NO COMPENSATION.—Subparagraph (A)(ii) shall not apply to a spouse who has no compensation (determined without regard to section 911) for the taxable year.

"(iii) TIME AND MANNER.—The election under subparagraph (A) shall be made on the return for the taxable year and in the manner prescribed by the Secretary.".

(b) The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1982.●

By Mr. WALLOP (for himself, Mr. DOLE, Mr. BOREN, Mr. SYMMS, Mr. GRASSLEY, Mr. DURENBERGER, Mr. HEINZ, Mr. PRYOR, Mr. DANFORTH, Mr. THURMOND, Mr. JEPSEN, Mr. COHEN, Mr. COCHRAN, Mr. LAXALT, and Mr. MCCLURE):

S. 1435. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for contributions to housing opportunity mortgage equity accounts; to the Committee on Finance.

HOUSING OPPORTUNITY AND MORTGAGE EQUITY ACT OF 1983

Mr. WALLOP. Mr. President, it is with pride that I am joined by so many of my good friends and colleagues in the introduction of the Housing Opportunity and Mortgage Equity Act of 1983. I am especially grateful to Senator DOLE and Senator BOREN for their hard work and assistance in developing this bill. It is our intent in introducing this legislation to assist home buyers in accumulating the money necessary to make a downpayment for a home. Under this legislation, first time home buyers would be permitted to contribute funds to a housing opportunity mortgage equity (HOME) account in a manner which is similar to that presently used for individual retirement accounts. I would point out, however, that a HOME ac-

count would be an account separate and distinct from IRA's which could only be used for the accumulation of a downpayment for a home.

It has long been one of the top national priorities that our citizens should have the opportunity for homeownership. But, as the President's Commission on Housing identified last year, the inability of potential home buyers to obtain enough capital for a downpayment is one of the principle obstacles to them entering the housing market. While there are opportunities available which help with the purchase of a home, all of those opportunities assume the potential home buyer will have been fortunate enough to have accumulated enough for a downpayment through their own savings, or as is many times the case, through the savings of their parents or relatives.

The escalation in the cost of housing compounds the problem. While many households across the country may indeed qualify for a mortgage, they are shut out of the American dream of owning their own home because of their inability to accumulate enough downpayment money. Typically, the average downpayment for a first-time home buyer will exceed $6,000. For many, such savings is not possible without some assistance and incentive. For others, it would take 6 years or more to accumulate the necessary capital. The concept of a HOME account is designed to fill that void. It is a mechanism to assist the first-time home buyer in accumulating the money for a downpayment either by providing the incentive to begin saving for a home, or by shortening the time that would be necessary to amass sufficient downpayment funds. It is estimated that this proposal will significantly reduce the amount of time necessary to save for that downpayment, and can provide great assistance for as many as 2 to 3 million first-time home buyers.

Mr. President, during the years of the 1980's, 42 million Americans, products of the postwar baby boom, will reach their thirties. An additional 10 million people will be added to that category in the next decade. Mortgage capital will be necessary to finance the housing demands of this population. HOME accounts can only have a positive impact upon mortgage capital markets. I do not have to remind any of my colleagues that a constant source of capital is the foundation of a stable housing industry. The peaks and valleys experienced in the housing industry and which have had such a negative effect on our economy, can be smoothed out if we can provide a tool which provides assured sources of capital. It is my belief that a HOME account can provide the incentive for our citizens to save for their own future housing needs.

There is of course more to owning a home, than simply a property right. Homeownership encourages good government and political involvement. Economically, housing construction has a profound impact on our economic well being. As has historically been the case, housing is once again leading us out of recession. The "ripple effect" of housing construction touches not only the construction process itself, but also timber, transportation, stone, clay, glass, fabricated metals, business services, nonelectric equipment, primary metals, electric machines, and plastic products. And while I do not intend that list to be totally inclusive, I think it gets the idea across. Indeed, the National Association of Home Builders (NAHB) estimates that the construction of each 1,000 single family units generates more than $32.5 million in wages. The total economic impact of these units is estimated as close to $149 million, with a total tax impact of $10.4 million.

Mr. President, we have gone to great lengths to draft a viable proposal which represents a relatively modest cost to the Treasury. Over the next 5 years, the Joint Tax Committee estimates that this proposal will not represent a revenue loss in excess of a billion dollars in any single year. In fact, the revenue loss will even out after the accounts are fully phased in to be consistently well below that amount. And while these estimates of revenue loss are static and do not anticipate increases in future tax receipts from increased economic activity, they are figures which must be reckoned with and viewed in the perspective of our present budget dilemma. I do not have to remind my colleagues that this year will require us to establish priorities as we have never had to before if we have any hope of coming to girps with our national atrocity—the Federal budget deficit. It is my hope that this idea can fit within those priorities. It is a good concept which should be considered with the ideas which have been presented by my colleagues Senator TOWER and Senator MCCLURE in an effort to provide a savings incentive where it is truly needed.

In brief form, I would like to outline the basic features of the Home Owners Tax Incentive Act of 1983:

First. Tax deductible contributions up to $1,000 (single) and $2,000 (joint) anually could be made to a HOME account for the purchase of a home. These deductions would only be available to the first time home buyer.

Second. The maximum total home purchase contributions may not exceed $10,000—joint or single.

Third. Withdrawals from the account for home purchases would be recaptured as ordinary income over a period of the greater of 5 years or the number of years qualified contributions had been made to the account. The recapture would be accomplished on a pro rata basis.

Fourth. Except in instances of death or divorce, contributions to an individual housing account must be used by the end of 10 years after the initial contribution.

Fifth. As an individual's or couple's income reaches $50,000, the amounts which can be contributed to a HOME account will be phased down on a pro rata basis—basically 10 percent for each additional $1,000 of income over $50,000, being totally phased out at $60,000.

Sixth. A HOME account would be separate and distinct from an IRA, and the proceeds from the account can only be used to purchase a home.

In conclusion, the Housing Opportunity and Mortgage Equity Act of 1983 is an important but targeted proposal to expand opportunities for homeownership, assist the housing industry, and encourage savings. It follows closely the IRA concept, but is directed toward the citizens of this Nation who want to own a home, but are unable to do so because of the lack of sufficient savings for a downpayment. I urge my colleagues to give this proposal every consideration as an innovative idea which addresses a very important need.

I ask unanimous consent that the text of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1435

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Housing Opportunity and Mortgage Equity Act of 1983".

SEC. 2. HOUSING OPPORTUNITY MORTGAGE EQUITY ACCOUNTS.

(a) IN GENERAL.—Part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to additional itemized deductions for individuals) is amended by redesignating section 223 as section 224 and by inserting after section 222 the following new section:

"SEC. 223. HOUSING OPPORTUNITY MORTGAGE EQUITY ACCOUNT.

"(a) DEDUCTION ALLOWED.—In the case of an individual who is a qualified homebuyer, there shall be allowed as a deduction the sum of amounts paid in cash during the taxable year by such individual to a housing opportunity mortgage equity account.

"(b) LIMITATIONS.—

"(1) MAXIMUM ANNUAL DEDUCTION.—The aggregate amount allowable as a deduction under subsection (a) with respect to any taxpayer for any taxable year shall not exceed the lesser of—

"(A) $1,000 ($2,000 in the case of a joint return), or

"(B) an amount equal to the compensation includible in the gross income of the taxpayer for such taxable year.

"(2) $10,000 MAXIMUM LIFETIME DEDUCTION.—

"(A) IN GENERAL.—The amount allowable as a deduction under subsection (a) with re-

spect to any individual for all taxable years shall not exceed $10,000.

"(B) SPECIAL RULE FOR MARRIED INDIVIDUALS.—In computing the $10,000 limit under subparagraph (A) for any taxable year in the case of a married individual there shall be taken into account in such taxable year the aggregate amount allowed as a deduction under subsection (a) to the spouse of such individual for such taxable year and any preceding taxable year.

"(3) NO DEDUCTION IN YEAR OF HOME PURCHASE.—No amount shall be allowable as a deduction under subsection (a) for any taxable year during which the taxpayer acquires a principal residence.

"(4) PHASE-OUT FOR TAXPAYERS WITH ADJUSTED GROSS INCOME IN EXCESS OF $50,000.—The amount otherwise allowable as a deduction under section (a) shall be reduced (but not below zero) by 10 percent for each $1,000 (or fraction thereof) of adjusted gross income of the taxpayer in excess of $50,000.

"(c) DEFINITIONS AND SPECIAL RULES.—

"(1) HOUSING OPPORTUNITY MORTGAGE EQUITY ACCOUNT.—For purposes of this section, the term 'housing opportunity mortgage equity account' means a trust created or organized in the United States for the exclusive benefit of an individual (or of an individual and his spouse), but only if the written governing instrument creating the trust meets the following requirements:

"(A) No contributions will be accepted unless it is in cash, and contributions will not be accepted—

"(i) in an aggregate amount in excess of $10,000, and

"(ii) in excess of $1,000 on behalf of any individual for any taxable year ($2,000 in the case of a married individual filing a joint return).

"(B) The trustee is a bank (as defined in paragraph (2)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which that person will administer the trust will be consistent with the requirements of this section.

"(C) No part of the trust assets will be invested in life insurance contracts.

"(D) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

"(E) The entire interest of an individual or an individual and his spouse for whose benefit the trust is maintained will be distributed to such individual or such individual or his spouse before the earlier of the date which is—

"(i) 120 months after the date on which the first contribution is made to the trust, or

"(ii) 12 months after the end of the taxable year during which the aggregate contributions to the trust equals $10,000.

"(F) The assets of the trust shall be invested in accordance with the directions of the individual contributing to the trust, but, if more than 1 individual makes contributions to the trust, the consent of all such individuals shall be required with respect to such direction.

"(2) BANK.—For purposes of this section, the term 'bank' means—

"(A) any bank (as defined in section 581),

"(B) any insured credit union (within the meaning of section 101(6) of the Federal Credit Union Act), and

"(C) a corporation which, under the laws of the State of its incorporation, is subject to supervision and examination by the Commissioner of Banking or other officer of such State in charge of the administration of the Banking laws of such State.

"(3) QUALIFIED HOME BUYER.—For purposes of this section, the term 'qualified home buyer' means any individual who (or whose spouse) had no present ownership interest in a principal residence at any time during the 36-month period prior to the date of any contribution made by such individual to any housing opportunity mortgage equity account.

"(4) TIME WHEN CONTRIBUTIONS DEEMED MADE.—For purposes of this section, a taxpayer shall be deemed to have made a contribution on the last day of a taxable year if the contribution is made on account of such taxable year and is made not later than the time prescribed by law for filing the return for such taxable year (including extensions thereof).

"(d) TAX TREATMENT OF DISTRIBUTIONS.—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, any amount paid or distributed out of a housing opportunity mortgage equity account shall be included in gross income by the payee or distributee for the taxable year in which the payment or distribution is received. The basis of any individual in such an account is zero.

"(2) EXCESS CONTRIBUTIONS RETURNED BEFORE DUE DATE OF RETURN.—Paragraph (1) shall not apply to the distribution of any contribution paid during a taxable year to a housing opportunity mortgage equity account to the extent that such contribution exceeds the amount allowable as a deduction under subsection (a) if—

"(A) such distribution is received on or before the day prescribed by law (including extensions of time) for filing such individual's return for such taxable year,

"(B) no deduction is allowed under subsection (a) with respect to such excess contribution, and

"(C) such distribution is accompanied by the amount of net income attributable to such excess contribution.

Any net income described in subparagraph (C) shall be included in the gross income of the individual for the taxable year in which it is received.

"(3) TRANSFER OF ACCOUNT INCIDENT TO DIVORCE.—The transfer of an individual's interest in a housing opportunity mortgage equity account to his former spouse under a divorce decree or under a written instrument incident to a divorce shall not be considered a taxable transfer made by such individual notwithstanding any other provision of this subtitle, and such interest, at the time of the transfer, shall be treated as a housing opportunity mortgage equity account of the spouse, and not of such individual. For purposes of this subtitle, any such account shall be treated after such transfer, as maintained for the benefit of the spouse. For purposes of subsection (c)(1)(E), the spouse shall take into account the period such account was held by the individual transferring the interest.

"(4) DISTRIBUTION IN CONNECTION WITH PURCHASE OF PRINCIPAL RESIDENCE.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), any amount paid or distributed out of a housing opportunity mortgage equity account in connection with the acquisition of a principal residence shall be ratably included in gross income by the payee or distributee over the greater of—

"(i) 5 years, or

"(ii) the number of taxable years for which a deduction was allowed under subsection (a) (and not previously taken into account under this subparagraph).

"(B) SALE OF RESIDENCE.—Any amount not included in gross income under subparagraph (A) before the sale of the principal residence described in subparagraph (A) shall be included in gross income in the taxable year in which such sale occurs.

"(C) DEATH OF DISTRIBUTEE.—

"(i) IN GENERAL.—In the case of the death of any payee or distributee to which subparagraph (A) applies, any amount not included in gross income for any taxable year ending before the taxable year of the decedent's final return shall be included in gross income on such final return.

"(ii) SPECIAL RULE IF SURVIVING SPOUSE.—Clause (i) shall not apply if the individual's interest in the principal residence passes or has been passed to the surviving spouse of such decedent, and the surviving spouse shall include the remaining amount in gross income at the same time as the decedent would have.

"(5) TRANSFER OF ACCOUNT INCIDENT TO DEATH.—The transfer of a decedent's interest in a housing opportunity mortgage equity account to his surviving spouse shall not be considered a taxable transfer made by such decedent notwithstanding any other provision of this subtitle, and, such interest, at the time of the transfer, shall be treated as a housing opportunity mortgage equity account of the surviving spouse. For purposes of this subtitle, any such account shall be treated after such transfer, as maintained for the benefit of the surviving spouse. For purposes of subsection (c)(1)(E), the surviving spouse shall take into account the period such account was held by the decedent transferring the interest.

"(e) TAX TREATMENT OF ACCOUNTS.—

"(1) EXEMPTION FROM TAX.—Any housing opportunity mortgage equity account is exempt from taxation under this subtitle unless such account has ceased to be a housing opportunity mortgage equity account by reason of paragraph (2) or (3). Notwithstanding the preceding sentence, any such account is subject to the taxes imposed by section 511 (relating to imposition of tax on unrelated business income of charitable, etc., organizations).

"(2) LOSS OF EXEMPTION OF ACCOUNT WHERE INDIVIDUAL ENGAGES IN PROHIBITED TRANSACTION.—

"(A) IN GENERAL.—If, during any taxable year of the individual for whose benefit a housing opportunity mortgage equity account is established, that individual engages in any transaction prohibited by section 4975 with respect to the account, the account ceases to be a housing opportunity mortgage equity account as of the first day of that taxable year. For purposes of this subparagraph the individual for whose benefit any account was established is treated as the creator of the account.

"(B) ACCOUNT TREATED AS DISTRIBUTING ALL ITS ASSETS.—In any case in which any account ceases to be a housing opportunity mortgage equity account by reason of subparagraph (A) on the first day of any taxable year, paragraph (1) of subsection (d) applies as if there were a distribution on such first day in an amount equal to the fair market value (on such first day) of all assets in the account (on such first day).

"(3) EFFECT OF PLEDGING ACCOUNT AS SECURITY.—If, during any taxable year, the individual for whose benefit a housing opportunity mortgage equity account is established uses the account or any portion thereof as security for a loan, the portion so used is treated as distibuted to that individual.

"(f) ADDITIONAL TAX ON CERTAIN AMOUNTS INCLUDED IN GROSS INCOME.—

"(1) DISTRIBUTION NOT USED TO ACQUIRE RESIDENCE.—

"(A) IN GENERAL.—If a distribution from a housing opportunity mortgage equity account to an individual for whose benefit such account was established is made, and not used in connection with the acquisition of a principal residence for such individual, the tax liability of such individual under this chapter for the taxable year in which such distribution is received shall be increased by an amount equal to 10 percent of the amount of the distribution which is includible in his gross income for such taxable year.

"(B) EXCEPTION WHERE INDIVIDUAL'S SPOUSE OWNS RESIDENCE.—Subparagraph (A) shall not apply to a distribution from a housing opportunity mortgage equity account to an individual within 12 months of the date of marriage of such individual to an individual who owns a principal residence on the date of such marriage.

"(2) DISTRIBUTION USED IN CONNECTION WITH SECTION 1034 TRANSACTION.—If a distribution from a housing opportunity mortgage equity account—

"(A) is made to an individual whose spouse owns a principal residence on the date of their marriage, and

"(B) is used to acquire a principal residence which is treated as a new residence for purposes of section 1034 (and the spouse's residence is treated as the old residence for such purposes),

then the tax liability of such individual under this chapter for the taxable year in which such distribution is received shall be increased by an amount equal to 10 percent of the amount of the distribution which is includible in his gross income for such taxable year. The preceding sentence shall not apply if the new principal residence is acquired within 12 months of the date of the marriage.

"(3) DISQUALIFICATION CASES.—If an amount is includible in the gross income of an individual for a taxable year under subsection (e), his tax under this chapter for such taxable year shall be increased by an amount equal to 10 percent of such amount required to be included in his gross income.

"(4) DISABILITY CASES.—Paragraphs (2) and (3) shall not apply if the payment or distribution is attributable to the taxpayer becoming disabled within the meaning of section 72(m)(7).

"(g) COMMUNITY PROPERTY LAWS.—This section shall be applied without regard to any community property laws.

"(h) CUSTODIAL ACCOUNTS.—For purposes of this section, a custodial account shall be treated as a trust if the assets of such account are held by a bank (as defined in subsection (c)(2)) or another person who demonstrates, to the satisfaction of the Secretary, that the manner in which he will administer the account will be consistent with the requirements of this section, and if the custodial account would, except for the fact that it is not a trust, constitute a housing opportunity mortgage equity account described in subsection (c). For purposes of this title, in the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account shall be treated as the trustee thereof.

"(i) REPORTS.—The trustee of a housing opportunity mortgage equity account shall make such reports regarding such account to the Secretary and to the individual for whom the account is maintained with respect to contributions, distributions, and such other matters as the Secretary may require under regulations. The reports required by this subsection shall be filed at such time and in such manner and furnished to such individuals at such time and in such manner as may be required by those regulations.".

(b) DEDUCTION ALLOWED IN ARRIVING AT ADJUSTED GROSS INCOME.—Paragraph (10) of section 62 of such Code (defining adjusted gross income) is amended—

(1) by inserting "or Housing" after "Retirement" in the caption of such paragraph, and

(2) by inserting before the period at the end thereof the following: "and the deduction allowed by section 223 (relating to deduction of certain payments to housing opportunity mortgage equity accounts)".

(c) TAX ON EXCESS CONTRIBUTIONS.—Section 4973 of such Code (relating to tax on excess contributions to individual retirement accounts, certain section 403(b) contracts, certain individual retirements annuities, and certain retirement bonds) is amended—

(1) by inserting "housing opportunity mortgage equity accounts," after "accounts," in the caption of such section,

(2) by redesignating paragraphs (2) and (3) of subsection (a) as paragraphs (3) and (4), respectively, and by inserting after paragraph (1) the following:

"(3) a housing opportunity mortgage equity account (within the meaning of section 223(c)),", and

(3) by adding at the end thereof the following new subsection:

"(d) EXCESS CONTRIBUTIONS TO HOUSING OPPORTUNITY MORTGAGE EQUITY ACCOUNTS.—For purposes of this section, in the case of a housing opportunity mortgage equity account, the term 'excess contributions' means the amount by which the amount contributed for the taxable year to the account exceeds the amount allowable as a deduction under section 223(b)(1) for such taxable year. For purposes of this subsection, any contribution which is distributed out of the housing opportunity mortgage equity account and a distribution to which section 223(d)(2) applies shall be treated as an amount not contributed.".

(d) TAX ON PROHIBITED TRANSACTIONS.—Section 4975 of such Code (relating to prohibited transactions) is amended—

(1) by adding at the end of subsection (c) the following new paragraph:

"(4) SPECIAL RULE FOR HOUSING OPPORTUNITY MORTGAGE EQUITY ACCOUNTS.—An individual for whose benefit a housing opportunity mortgage equity account is established shall be exempt from the tax imposed by this section with respect to any transaction concerning such account (which would otherwise be taxable under this section) if, with respect to such transaction, the account ceases to be a housing opportunity mortgage equity account by reason of the application of section 223(e)(2)(A) or if section 223(e)(3) applies to such account.", and

(2) by inserting "or a housing opportunity mortgage equity account described in section 223(c)" in subsection (e)(1) after "described in section 408(a)".

(e) FAILURE TO PROVIDE REPORTS ON HOUSING OPPORTUNITY MORTGAGE EQUITY ACCOUNTS.—Section 6693 of such Code (relating to failure to provide reports on individual retirement account or annuities) is amended—

(1) by inserting "or housing opportunity mortgage equity accounts" after "annuities" in the caption of such section, and

(2) by adding at the end of subsection (a) the following: "The person required by section 223(i) to file a report regarding a housing opportunity mortgage equity account at the time and in the manner required by such section shall pay a penalty of $10 for each failure unless it is shown that such failure is due to reasonable cause.".

(f) CLERICAL AMENDMENTS.—

(1) The table of sections for part VII of subchapter B of chapter 1 of such Code is amended by striking out the item relating to section 223 and inserting in lieu thereof the following:

"Sec. 223. Housing opportunity mortgage equity accounts.
"Sec. 224. Cross references.".

(2) The table of sections for chapter 43 of such Code is amended by striking out the item relating to section 4973 and inserting in lieu thereof the following:

"Sec. 4973. Tax on excess contributions to individual retirement accounts, housing opportunity mortgage equity accounts, certain 403(b) contracts, certain individual retirement annuities, and certain retirement bonds.".

(3) The table of sections for subchapter B of chapter 68 of such Code is amended by striking out the item relating to section 6693 and inserting in lieu thereof the following:

"Sec. 6693. Failure to provide reports on individual retirement accounts or annuities or on housing opportunity mortgage equity accounts.".

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall apply with respect to taxable years beginning after December 31, 1983.

Mr. DOLE. Mr. President, the Senator from Kansas is pleased to support the distinguished Senator from Wyoming in the introduction of legislation to encourage homeownership. Although the economy has begun to improve and interest rates have moderated somewhat, the need to explore methods to help individuals buy a home still exists. To the extent that we can design a method to help individuals to buy a home which also increases savings we will have accomplished a second important goal—increased capital formation.

An important part of any effort to boost capital formation must be tax incentives that encourage individual savings. The legislation that we are introducing today will do that—by providing a mechanism for individuals to save for what is generally the major purchase of their lives—a home of their own.

INDIVIDUALS PRECLUDED FROM HOMEOWNERSHIP

A home of one's own may be an unfulfilled dream for many Americans. Despite a drop in interest rates from the prohibitively high levels of the past 2 years, homeownership is not available to all. The President's Commission on Housing identified the inability of potential home buyers to accumulate a downpayment as a major

problem associated with the housing industry—a problem increased by rising house prices. The Commerce Department reported this April that the median price of a new one-family home is just under $75,000. For the first-time home buyer, the average downpayment for a new home exceeds $6,000.

Current Federal programs—such as the mortgage interest deduction, and FHA and VA home mortgage plans—provide assistance only for those persons fortunate enough to have money for a downpayment through their own savings, loans, or gifts from parents or other relatives. For many without such resources, a sufficient downpayment is now impossible without some assistance.

NEED TO ENCOURAGE HOMEOWNERSHIP

The sheer number of individuals seeking their first home will reach new heights in the 1980's. The crest of the postwar baby boom, 42 million Americans, will reach the age of 30 in the 1980's. Mortgage capital will be required to finance the impending housing demands of this demographic bulge.

Homeownership provides much more than a shelter for a growing segment of the population. A person who buys a home acquires much more than a building and land. He acquires a stake in his neighborhood, his community, and in society as a whole. Homeownership encourages community involvement and an interest in good government.

Any impetus to housing has more practical effects. The National Association of Builders estimates that the construction of each 1,000 single family units generates 1,759 man-years of employment and more than $32.5 million in wages. Housing has a ripple effect throughout other sectors of the economy—homebuilders require glass, stone, clay, metals, electric equipment, and business services. Home buyers require everything from grass seed to lawnmowers. Assistance to home buyers thus clearly aids our economy.

HOME ACCOUNTS

The Housing Opportunity and Mortgage Equity Act provides an incentive and a means to save for a home of one's own. This incentive is a home savings account or home account similar to the individual retirement accounts already authorized by statute for retirement savings. These home accounts would be simple to administer and would provide a mechanism for tax deferral, rather than tax avoidance. The bill contains additional restrictions to insure that the accounts do not serve as tax havens for the wealthy and to prevent an unwarranted drain on the Treasury.

The bill permits an individual to establish a home account and to obtain a tax deduction of up to $1,000—or $2,000 with a joint return—for contributions to the account each year for 10 years. An individual or married couple may accumulate up to $10,000 plus investment gain over the life of the account. In addition, the amount allowed as a deduction will be phased out at an income level between $50,000 and $60,000. The bill includes special rules with respect to individuals who marry or are divorced after they have started a home account.

Except for extraordinary circumstances, such as death or divorce, these housing contributions must be used for a home purchase by the end of the 10th year after an initial contribution is made to the account or, if earlier, within 1 year after total contributions to the account equal $10,000. When the funds are used for the home purchase, they will be recaptured as ordinary income over a period of 10 years beginning with the year of distribution. Any amount not included in the taxpayer's gross income before he sells his principal residence will be included in the taxpayer's gross income in the year that the sale occurs.

In general, any distribution made from a home account that is not used to purchase the individual's primary residence will be included in the individual's gross income upon distribution and subject to a surtax equal to 10 percent of the distribution.

Let me give you an example of how the bill would work. Suppose a couple whose total gross income is $30,000 contributes $2,000 to a home account each year from 1984 through 1987. In 1989, the couple contributed another $2,000. By this time, the account has grown to $11,500, with $10,000 of contributions and $1,500 of investment income.

The tax consequences would be as follows. The couple could deduct $2,000 per year for each year in which they made a contribution. The $1,500 investment income has accumulated tax free. Since the total contributions to the account reached $10,000 in 1989, the couple must use the funds to purchase a principal residence by the end of 1990. When they buy that residence, the $11,500 will be included in the couple's gross income on a pro rata basis over a period of 5 years—the number of years the couple took the deduction.

HOUSING INDUSTRY UNCERTAINTY

The so-called recovery of the housing industry is still uncertain and fragile; indeed, the housing industry is still recovering from its longest recession since World War II. Unemployment in the construction industry is still at 20 percent. It is estimated that prices of nearly all materials for homebuilding have risen by about 25 percent over last fall, keeping future housing prices and costs to potential homeowners high. Thus, legislation is needed to insure the future health of our Nation's housing.

CAPITAL FORMATION

Tax policy in the past has tended to discourage savings and encourage current consumption. The savings rate of Americans has been consistently lower than that of citizens of other industrialized nations, dampening in turn our country's ability to invest in capital and in our future. The Housing Opportunity and Mortgage Equity Act is intended to reverse that direction by encouraging an important segment of society to save for a specific goal—a home of one's own. I firmly believe that Government aid in the form of this type of tax incentive will be an effective way to help individuals enjoy the benefit of homeownership while providing much-needed funds to encourage capital investment.

BUDGET IMPACT

The Senator from Kansas is keenly aware that Congress has a responsibility to reduce the Federal deficit to assure a strong, continued recovery. However, concern about the budget deficit should not mean that Congress must ignore potentially worthwhile additions to the incentives in the Tax Code. We have an obligation to review these incentives periodically and revise them when appropriate. But that is not merely a euphemism for tax increases. When new tax incentives are determined to be appropriate in today's economy, we may have to review other incentives to keep the revenue costs constant. But, if an idea such as the home account is deemed worthy, we should be able to find a way to enact the legislation without adding significantly to the deficit. I think the limitations intentionally contained in this proposal go a long way to minimize the revenue impact. We may have to do more, but the concept should receive serious consideration as a real incentive to potential home buyers and a benefit to the economy as a whole.

● Mr. BOREN. Mr. President, I am pleased to join with my esteemed colleagues Senators DOLE and WALLOP in sponsoring the Home Opportunity and Mortgage Equity Act of 1983.

I have traditionally supported efforts to provide every American the opportunity to purchase a home. During the 97th Congress I introduced S. 1072, which would have provided funds for affordable home mortgages through a device similar to an all-savers' certificate. In addition, I have supported the tax-exempt status for mortgage revenue bonds as a means to get low interest money to those who would not normally be able to buy a home. This last method has come under fire recently as not being the most cost-effective method of accomplishing this goal. I do believe this leg-

islation which we introduce today will be such a cost-effective method.

The problem we seek to address with this legislation is twofold: Inflation is pushing the price of homes higher and higher, and high interest rates have limited home buyers to those with high incomes and ready cash. In 1982, the average purchase price of a new home in the United States was $83,000 while the average price of an existing home was $83,900. In that same year it took about $38,000 in income to afford to buy the median priced existing home at interest rates ranging near 15 percent. There was only 66,000 new homes built in 1982 that had a purchase price under $50,000 and only 16.4 percent of all existing homes sold had a price below $40,000. Thus, a person of relatively meager means has very little chance of ever being able to afford a home.

Without assistance from parents or other relatives or employers most young people cannot afford to set aside enough money to make a downpayment on a home. This problem was identified last year by the President's Commission on Housing. While there are programs which address the high interest rates of home mortgages this legislation is the only method which addresses the inability to obtain the cash for a downpayment.

Further, these HOME accounts will have many positive economic effects. They will provide a constant source of income for the mortgage capital markets bringing stability to these volatile markets. They will give a boost to the depressed housing industry in the United States which will have a ripple effect throughout many other sectors of the economy. This, in turn, will have a positive effect on employment.

A HOME account provides an individual with the ability to help himself. The HOME account allows him to set aside money that he has earned for his first home free from taxation until he actually spends the money on the home. Then, the taxes which were deferred are paid back into the Treasury over a limited period of time.

The HOME account will help the first-time homeowner achieve his dream, it will encourage savings and will assist the faltering housing industry. Because it is structured like an IRA it will be easily understood and more likely to be used by the American public. I urge the Senate to take quick action on this legislation.●

● Mr. JEPSEN. Mr. President, I support the Housing Opportunity and Mortgage Equity Act of 1983, introduced by the Senator from Wyoming. This bill, when enacted, will allow first-time homebuyers to contribute to a housing opportunity mortgage equity account (HOME account). This account is based on the concept of the individual retirement account (IRA), which has proved to be very popular with the American people. I would note, however, that the HOME account is new and entirely separate from the IRA.

While the housing market has shown significant sings of recovery in recent months, the American dream of owning your own house is still beyond the reach of some Americans. They simply cannot raise the money needed for a downpayment on the house of their choice. It is important to note that the average downpayment for new homes exceeds $6,000.

The HOME account addresses this problem by allowing tax deductible, tax deferred contributions up to $1,000 (single) and $2,000 (joint) to be made to the account annually. The maximum total for these accounts may not exceed $10,000. Withdrawals from the account for home purchases would be recaptured as ordinary income over a period of no more than 10 years.

This is a program designed as a self-help measure for those in need of assistance in purchasing their first home. It is a program and concept whose time has come.

I urge my colleagues to support this legislation.●

By Mr. D'AMATO:

S. 1436. A bill to permit the exclusion from gross income of certain work-related sick pay received by New York City police officers; to the Committee on Finance.

EXEMPTING NEW YORK CITY POLICE OFFICERS FROM IRS REVENUE RULING 83-77

● Mr. D'AMATO. Mr. President, I rise today to introduce the necessary corrective legislation to protect those New York City police officers who have been hurt unjustifiably by IRS Revenue Ruling 83-77 issued on May 9, 1983. The ruling stipulates that individuals who receive pay while on leave may not have their wages excluded from Federal taxation. The ruling exempts compensation due to service-connected injury or sickness if local statute specifically attests to this fact. The problem, however, is that New York City statutes do not specify that sick pay for the city's police officers is strictly due to job-related injuries.

The IRS ruling retroactively punishes over 2,000 police officers that received sick pay prior to May 9, 1983. Men and women that each day lay their lives on the line will be forced to pay back taxes because of injuries suffered on the job. I am not speaking of wealthy people with smart tax lawyers, but honest cops. These people are guilty of only following the letter of the law. Can we in good conscience allow the inequity inherent in the retroactive application of this IRS ruling to go unchallenged?

To rectify the prospective problem, New York City's police officers are trying to add new language to the appropriate local statute and thus conform with the IRS ruling. The IRS, however, is now conducting audits of the more than 2,000 police officers retroactively impacted by the ruling to determine the back taxes owed. Many of the individuals audited are retired and without sufficient means to pay these back taxes. Through no fault of their own, more than 2,000 retired and active police officers will have to pay thousands of dollars to comply with the IRS ruling.

Mr. President, my bill will exempt New York City police officers from the retroactive impact of IRS Revenue Ruling 83-77 if documentation proves that sick pay was received from service related illness or injury. I see no reason why honest individuals should be punished for complying with the then existing interpretation of the law. It is not my intention to rewrite tax law or overstep the legitimate purview of the IRS. Rather, I hope to add equity to IRS Ruling 83-77. The prospective nature of the ruling will remain as the IRS originally envisioned. Only the police officers harmed by the retroactive impact of the ruling will be assisted by this legislation. In this way, the police officers of New York City who have given so much to society will not be needlessly punished by the Government.

Mr. President, I ask unanimous consent that this legislation be printed in the RECORD in its entirety.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1436

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SICK PAY FOR NEW YORK CITY POLICE FOR WORK-RELATED INJURIES EXCLUDED FROM GROSS INCOME.

(a) IN GENERAL.—Notwithstanding any regulation or ruling under section 104(a) of the Internal Revenue Code of 1954 to the contrary, any payments received during the 3-year period ending May 9, 1983, by a police officer employed by the City of New York, New York, under terms of a union contract between such City and the Patrolmen's Benevolent Association for work-related injuries shall not be included in the gross income of such police officer.

(b) CERTIFICATION.—Subsection (a) shall apply to payments described in such subsection if such police officer received a certification that such injury was work-related from his employer before May 9, 1983.●

By Mr. PERCY (for himself and Mr. DIXON):

S. 1437. A bill to amend the Tax Equity and Fiscal Responsibility Act of 1982 to treat certain coal gasification facilities as transitional safe harbor lease property; to the Committee on Finance.

ALLIS-CHALMERS SAFE HARBOR LEASING

Mr. PERCY. Mr. President, Senator DIXON and I are introducing this bill on behalf of a company in Illinois,

Allis-Chalmers, and its wholly owned subsidiary, KILnGAS, which had completed construction of approximately one-half of the $135 million Wood River coal gasification plant on the day that the Tax Equity and Fiscal Responsibility Act of 1982 was approved by the House and Senate conference committee. Construction of the plant will be completed and will be phased into service in the near future.

Before enactment of this 1982 Tax Act, Allis-Chalmers contemplated selling the tax benefits applicable to the plant by means of a safe harbor lease. They reasonably anticipated obtaining approximately $27 million from a qualified lessor. The new rules will permit them to sell the tax benefits attributable to only 45 percent of its investment in the Wood River property.

This Illinois company has not been a recipient of any Department of Energy, or Synthetic Fuel Corporation funding with respect to the Wood River plant. Rather, construction has been funded by Allis-Chalmers, a consortium of utility companies and the State of Illinois. The changes in the safe harbor leasing provisions occasioned by the enactment of the 1982 Tax Act place a substantial additional burden on the company in its efforts to fund the completion and startup of this facility. Under new rules, the company will suffer a loss of between $9 and $18 million.

The change Senator DIXON and I are recommending is similar to that already provided taxpayers involved in the production of steel. This is the only coal gasification plant that will be placed in service before January 1, 1984. Thus, the revenue impact is not great. The company would have met the July 1, 1983 "Placed in Service" date originally proposed by the Senate Finance Committee. This date was changed to January 1, 1983 by the House-Senate conference committee.

Mr. President, we in Congress have been exhorting industry, business, and government to burn coal and reduce our oil imports. The process developed by this firm will turn high sulfur coal into usable, environmentally acceptable, low Btu gas for use in the electric utility industry in the near term and for use in other industries at a later date. The gas produced can also be used as a substitute in equipment not designed to burn coal. This legislation will aid the coal industry in using the enormous reserves of high sulfur coal that now lie within our borders, will return thousands of unemployed coal miners to gainful employment, and will provide a viable replacement for costly imported oil.

Mr. President, this is a private venture which, in the long run, will assist coal States with high sulfur coal reserves and the Nation as a whole.

I urge my colleagues to join me in bipartisan support of this legislation.

By Mr. WILSON:

S.J. Res. 113. Joint resolution to provide for the designation of the week beginning June 3 through June 9, 1984, as "National Theater Week"; to the Committee on the Judiciary.

NATIONAL THEATER WEEK

● Mr. WILSON. Mr. President, today I am introducing a joint resolution to provide for the designation of the week of June 3 through June 9, 1984, as "National Theater Week." I hope my distinguished colleagues will consider joining this effort with their cosponsorship.

This joint resolution continues a tradition established by the 97th Congress when it passed a nearly identical resolution proclaiming "National Theater Week" last year. That proclamation gained the support of President Reagan, over 230 theaters, 30 theatrical organizations, and 5 major nationwide theatrical unions. The Committee for National Theater Week has requested that this resolution be introduced on June 8 in commemoration of the anniversary of the founding of the Actors' Fund of America.

During the past decade, we have seen an encouraging rebirth of theater in America. This has been true not only in major urban areas, where professional theater has a long history, but also in smaller communities and towns where both professional and amateur productions are bringing theater to new audiences.

The continued success of this vital art form requires the continued commitment of both large and small communities, philanthropic organizations, dynamic actors, actresses, and stage crews of all ages, and, of course, the theatergoer. National Theater Week is designated as a time to recognize and affirm the commitment of these groups and individuals to keeping theater alive, and as a backdrop for new efforts to strengthen and build legitimate theater.

Mr. President, I would ask that my colleagues give serious consideration to joining this effort through cosponsorship. I would also ask unanimous consent that the text of this joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. Res. 113

Whereas many Americans have devoted much time and energy in advancing the cause of theater; and

Whereas the theaters of America have pioneered the way for many performers and have given them their start in vaudeville and stage; and

Whereas theater is brought to Americans through high schools, colleges, and community theater groups as well as through professional acting companies; and

Whereas citizens of America have been called upon to support the theater arts in the Nation's interest; and

Whereas many individuals and organizations are hailing the strength and vitality of the theaters of America: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of June 3 through June 9, 1984 shall be proclaimed "National Theater Week" throughout the country, and that the President of the United States is authorized to issue a proclamation calling upon the citizens to support this effort with assistance to theaters throughout the country.●

ADDITIONAL COSPONSORS

S. 102

At the request of Mr. PELL, the name of the Senator from Michigan (Mr. RIEGLE) was added as a cosponsor of S. 102, a bill to require the Administrator of General Services to notify States of the availability of surplus real property and to convey at reduced cost certain surplus real property for public park or public recreational use to State and local governments.

S. 337

At the request of Mr. PACKWOOD, the name of the Senator from New York (Mr. D'AMATO) was added as a cosponsor of S. 337, a bill to amend the Internal Revenue Code of 1954 to make permanent the deduction for charitable contributions by nonitemizers.

At the request of Mr. MOYNIHAN, the names of the Senator from Hawaii (Mr. MATSUNAGA), the Senator from Nebraska (Mr. ZORINSKY), and the Senator from North Dakota (Mr. BURDICK) were added as cosponsors of S. 337, supra.

S. 688

At the request of Mr. HATFIELD, the name of the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of S. 688, a bill to provide that, unless the Government of El Salvador actively participates in negotiations with all major parties to the conflict which are willing to participate unconditionally in negotiations for the purpose of achieving a cease-fire and an equitable political solution to hostilities, U.S. military support for El Salvador shall be terminated, with military assistance funds to be transferred for use for development and humanitarian assistance.

S. 764

At the request of Mr. WARNER, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 764, a bill to assure the continued protection of the traveling public in the marketing of air transportation, and for other purposes.

S. 801

At the request of Mr. THURMOND, the name of the Senator from Massachusetts (Mr. TSONGAS) was added as a cosponsor of S. 801, a bill to amend title 10, United States Code, to establish a program to provide high school gradu-

ates with technical training in skills needed by the Armed Forces in return for a commitment for enlisted service in the Armed Forces.

S. 948

At the request of Mr. BIDEN, the name of the Senator from Kentucky (Mr. HUDDLESTON) was added as a cosponsor of S. 948, a bill to reform Federal criminal and civil forfeiture.

S. 995

At the request of Mr. EXON, the name of the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of S. 995, a bill to amend title 38, United States Code, to modify the rule for the commencement of the period of payment of certain adjustments in compensation in the case of hospitalized veterans.

S. 1144

At the request of Mr. HEINZ, the names of the Senator from Connecticut (Mr. WEICKER), the Senator from Nebraska (Mr. ZORINSKY), and the Senator from New York (Mr. D'AMATO) were added as cosponsors of S. 1144, a bill to suspend periodic reviews of disability beneficiaries having mental impairments pending regulatory reform of the disability determination process.

S. 1159

At the request of Mr. HATFIELD, the names of the Senator from South Dakota (Mr. PRESSLER), the Senator from Michigan (Mr. LEVIN), the Senator from Massachusetts (Mr. TSONGAS), the Senator from Illinois (Mr. DIXON), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Connecticut (Mr. DODD), the Senator from New York (Mr. MOYNIHAN), and the Senator from Arizona (Mr. DECONCINI) were added as cosponsors of S. 1159, a bill to amend the Export Administration Act of 1979 to extend the provisions relating to the export of domestically produced crude oil.

S. 1163

At the request of Mr. GLENN, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 1163, a bill to amend title 5, of the United States Code to provide death benefits to survivors of Federal law enforcement officers and firefighters, and for other purposes.

S. 1226

At the request of Mr. CRANSTON, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 1226, a bill to amend the Public Health Service Act to authorize appropriations to be made available to the Secretary of Health and Human Services to respond to public health emergencies.

S. 1271

At the request of Mr. CHAFEE, the names of the Senator from Massachusetts (Mr. KENNEDY), the Senator from California (Mr. CRANSTON), the Senator from New Jersey (Mr. BRADLEY), the Senator from Mississippi (Mr. STENNIS), the Senator from Idaho (Mr. MCCLURE), and the Senator from North Dakota (Mr. BURDICK) were added as cosponsors of S. 1271, a bill to encourage citizen participation in wildlife conservation programs and to establish the National Fish and Wildlife Foundation.

S. 1361

At the request of Mr. HUMPHREY, the name of the Senator from New York (Mr. D'AMATO) was added as a cosponsor of S. 1361, a bill to require notice on social security checks that it is a violation of law to commit forgery in conjunction with the cashing of those checks.

S. 1407

At the request of Mr. EXON, the names of the Senator from Iowa (Mr. JEPSEN) and the Senator from Michigan (Mr. RIEGLE) were added as cosponsors of S. 1407, a bill to protect purchasers for used automobiles from fraudulent practices associated with automobile odometer modifications, and for other purposes.

SENATE JOINT RESOLUTION 77

At the request of Mr. DOLE, the name of the Senator from South Dakota (Mr. PRESSLER) was added as a cosponsor of Senate Joint Resolution 77, a joint resolution designating "National Animal Agriculture Week."

SENATE JOINT RESOLUTION 104

At the request of Mr. GARN, the names of the Senator from Florida (Mr. CHILES) and the Senator from Minnesota (Mr. DURENBERGER) were added as cosponsors of Senate Joint Resolution 104, a joint resolution to designate July 20 of each year as "Space Exploration Day."

SENATE CONCURRENT RESOLUTION 44

At the request of Mr. JEPSEN, the name of the Senator from Illinois (Mr. PERCY) was added as a cosponsor of Senate Concurrent Resolution 44, a concurrent resolution expressing the sense of the Congress that the continuing possibility that the provisions of the Internal Revenue Code of 1954 relating to withholding from interest and dividends will be repealed is creating, for all payors, an undue hardship within the meaning of section 308(b) of the Tax Equity and Fiscal Responsibility Act of 1982 and that the Secretary of the Treasury should exercise his authority under such section to delay the effective date of such provisions until December 31, 1983.

SENATE RESOLUTION 114

At the request of Mr. PRESSLER, the name of the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor for Senate Resolution 114, a resolution to express the sense of the Senate that certain rural fire protection programs should receive a level of funding for fiscal year 1984 which is at least as high as the level of funding provided for such programs for fiscal year 1983.

SENATE RESOLUTION 139

At the request of Mr. ZORINSKY, the names of the Senator from Alaska (Mr. MURKOWSKI) and the Senator from Delaware (Mr. BIDEN) were added as cosponsors of Senate Resolution 139, a resolution disapproving the recommendation of the study group of Senate Practices and Procedures to abolish the Senate Committee on Veterans' Affairs.

AMENDMENTS SUBMITTED

FEDERAL OFFENSE FOR REPEAT VIOLENT OFFENSES

EAST AMENDMENT NO. 1310

(Referred to the Committee on the Judiciary.)

Mr. EAST submitted an amendment intended to be proposed by him to the bill (S. 52) to combat violent and major crime by establishing a Federal offense for continuing a career of robberies or burglaries while armed and providing a mandatory sentence of life imprisonment; as follows:

At the end of the bill add the following:

"TITLE II

"SEC. 201. This title may be referred to as the Capital Punishment Reform Act of 1983.

"SEC. 202. Chapter 81 (relating to Supreme Court) of title 28 of the United States Code is amended—

"(1) by adding at the end the following:

'SEC. 1259. Capital cases from States courts; special rule

'(a) Final judgments or decrees rendered by the highest court of a State in which a decision could be had, in criminal cases in which the death penalty has been imposed, may be reviewed by the Supreme Court by appeal where the validity of a statute of a State is drawn in question on grounds which would be grounds for review, whether by appeal, certiorari, or otherwise by the Supreme Court without regard to this section. For the purposes of this section, the term "highest court of State" includes the District of Columbia Court of Appeals.

'(b) Notwithstanding any other provision of law, no court ordained and established by Act of Congress shall have any jurisdiction to review or otherwise vitiate any judgment or decree of a State court which the Supreme Court may review under this section.'; and

"(2) in the table of sections at the beginning of such chapter by adding at the end the following new item:

'1259. Capital cases from State courts; special rule'.

"SEC. 203. The amendments made by this Act shall take effect on the date of the enactment of this Act and apply with respect to cases pending on or after such date, except that not more than one application for a writ of habeas corpus may be filed under section 2254 of title 28, United States Code, to be heard and determined without regard to the effect of any amendment

made by this Act, with respect to such claims as might otherwise be heard, of an individual who, as of such date has been sentenced to death, if no opportunity for Federal judicial review or vitiation of such sentence, other than habeas corpus, exists for such individual on such date.".

INTERNATIONAL MONETARY FUND

HELMS (AND OTHERS) AMENDMENT NO. 1311

Mr. HELMS (for himself, Mr. PRESSLER, Mr. JEPSEN, and Mr. ABDNOR) proposed an amendment to amendment No. 1296, as modified, to the bill (S. 695) to amend the Bretton Woods Agreements Act to authorize consent to and authorize appropriations for an increase in the U.S. quota in the International Monetary Fund and to authorize appropriations for increased U.S. participation on the IMF's general arrangements to borrow; as follows:

In lieu of the language proposed to be inserted by amendment number 1296, insert the following:

"SEC. 45. (a) In order to contribute to global economic stability through a cooperative framework for the conduct of a free and market oriented system of world trade in agricultural commodities and products thereof, the Secretary of the Treasury shall instruct the United States Executive Director to the Fund to propose and to vote for the adoption by the Fund of the following policies with respect to any purchases, drawings, or other use of Fund resources (including loans under the General Arrangements to Borrow), by members, except for purchases or drawings within a member's reserve tranche:

"(1) That prior to receiving Fund resources, a member must present to the Fund information describing all direct or indirect export subsidies, including among other things the use of special tax incentives and subsidized financing for exports, employed by such member in connection with the exporting of agricultural commodities and products thereof to foreign countries.

"(2) Prior to receiving Fund resources, if it is determined by the Fund that the export subsidies being employed by such member are predatory export subsidies and the U.S. Executive Director to the Fund has been advised by the Secretary of Agriculture, after consultation with the United States Trade Representaitve, that such subsidies have an adverse impact on United States exports of agricultural commodities and products thereof, such member must agree to a specific program of steps to eliminate expeditiously such predatory export subsidies over a period of time not to exceed three years.

"(b) For purposes of subsection (a) of this section, the term 'predatory export subsidies' means the provision by any country or organization of countries, or instrumentality thereof, of any financial assistance through loans, payments, or comparable means (including the use of special tax incentives or subsidized financing for exports) to any person in connection with the export sale to a third country of agricultural commodities and products thereof produced in such country or organization of countries, that has the effect of lowering the export price, directly or indirectly, of such commodities and products thereof to less than the highest comparable price that a like commodity or product thereof produced and processed in the United States could be exported to the same third country in the ordinary course of trade.

"(c) Not later than January 1, 1985, the President shall prepare and transmit a report to Congress setting forth his determination on whether the Fund has adopted and fully implemented the policies set forth in subsection (a) of this section.".

DOMENICI (AND OTHERS) AMENDMENT NO. 1312

Mr. DOMENICI (for himself, Mr. MELCHER, and Mr. DECONCINI) proposed an amendment to the bill S. 695; as follows:

On page 3, line 6, add a new subsection (a) and reletter all subsequent subsections accordingly:

SEC. 101. (a) Section 4(b) of the Bretton Woods Agreements Act (22 U.S.C. 286b) is amended—

(1) by amending subparagraph (5) to read as follows:

"(5)(A) The Council shall transmit to the President and to the Congress an annual report with respect to the participation of the United States in the Fund and in the Bank.

"(B) Beginning ninety days after the date of enactment of this Act, and at intervals of ninety days thereafter for the next three years, the Council shall prepare and transmit to the President and to the Congress a report listing all applications which have been filed during the preceding ninety days with the Fund and with the Bank for assistance which would establish or enhance the capacity of any country to produce a commodity for export, if—

"(i) such commodity is in surplus on world markets or is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative; and

"(ii) such assistance will cause substantial injury to United States producers of the same, similar or competing commodity."; and

(2) by inserting a new subparagraph (8) to read as follows:

"(8) The general policy objectives for the guidance of representatives of the United States on the Fund and the Bank shall take into account the effect that country adjustment programs have upon individual industry sectors and international commodity markets (i) to minimize any projected adverse impacts; and (ii) to avoid wherever possible government subsidization of production and exports of international commodities without regard to economic conditions in the markets for such commodities.".

HUMPHREY AMENDMENT NO. 1313

Mr. HUMPHREY proposed an amendment to the bill S. 695, supra; as follows:

At the end of title I add the following new section:

"SEC. 45. The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to actively oppose and vote against any credit drawings on the Fund or any of its facilities by Afghanistan, Hungary, Kampuchea, Laos, Nicaragua, People's Republic of China, Romania, South Yemen, Yugoslavia, and Vietnam until such countries hold free elections, whose fairness is verified by international observers, and permit unrestricted and free emigration, without discrimination on the basis of religion or ethnic origin.".

ARMSTRONG (AND OTHERS) AMENDMENT NO. 1314

Mr. ARMSTRONG (for himself, Mr. EXON, Mr. HELMS, Mr. MELCHER, Mr. MCCLURE, and Mrs. HAWKINS) proposed an amendment to the bill S. 695, supra; (which was subsequently modified) as follows:

At the end of title I, add the following:

SEC. 103. (a) The Congress finds and declares that—

(1) the international banking system is currently threatened by a series of national financial crises;

(2) the Congress wants to find a solution to the current monetary crisis which will result in a stable monetary system and preservation of a liberal international economy;

(3) this solution must be found without placing inordinate pressures on United States credit markets;

(4) the breakdown in the Bretton Woods monetary system has contributed directly to these problems;

(5) the economic policies prescribed by the International Monetary Fund often are harmful to economic growth; and

(6) the International Monetary Fund currently holds approximately $40,000,000,000 of uncommitted assets in the form of gold bullion.

(b) It is the sense of the Senate that—

(1) restoration of a stable monetary system is necessary to assure economic growth and to maintain a liberal international economic system;

(2) as a first step toward this restoration the United States should host an international conference on the monetary system to investigate its systemic problems;

(3) in coping with the current financial crisis and prior to any quota increase, the International Monetary Fund should make full use of its current assets, including its gold holdings;

(4) the International Monetary Fund should revise the conditions placed on its loans so as to encourage economic growth; and

(5) any additional financial resources made available during the current crisis should be made available on a temporary basis, preferably through bilateral arrangements.

WARNER (AND EXON) AMENDMENT NO. 1315

Mr. WARNER (for himself and Mr. EXON) proposed the amendment to the bill S. 695, supra; as follows:

Add at the end of the bill a section requiring the Secretary of the Treasury in cooperation with the Secretaries of State and Energy to undertake a study and report to Congress no later than 60 days after enactment of this legislation on the past and potential impact of International Monetary Fund loan quota extensions on world oil prices.

EXPORT-IMPORT BANK AMENDMENTS

GLENN (AND OTHERS) AMENDMENT NO. 1316

(Ordered to lie on the table.)

Mr. GLENN (for himself, Mr. BURDICK, and Mr. RANDOLPH) submitted an amendment intended to be proposed by them to the bill (S. 869) to amend the Export-Import Bank of 1945; as follows:

Beginning with page 13, line 13, strike out all through page 14, line 5, and insert in lieu thereof the following:

ADVISORY COMMITTEE

SEC. 102. Section 3(d) of the Export-Import Bank Act of 1945 is amended to read as follows:

"(d)(1) There is hereby established an Advisory Committee to consist of twelve members who shall be appointed by the Board of Directors on the recommendation of the President of the Bank, and who shall be broadly representative of production, commerce, finance, agriculture, labor, services, and State government, except that not less than three members appointed to the Advisory Committee shall be representative of the small business community. The Advisory Committee shall meet at least once each quarter.

"(2) The Advisory Committee shall advise the Bank on its programs, and shall submit, with the report specified under section 2(b)(1)(A) of this Act, its own comments to the Congress on the extent to which the Bank is meeting its mandate to provide competitive financing to expand United States exports, and any suggestions for improvements in this regard.".

On page 15, between lines 4 and 5, insert the following:

(c)(1) Section 3(c) of such Act is amended by adding at the end thereof the following: "Of the five members of the Board appointed by the President, not less than one such member shall be selected from the small business community and shall represent the interests of small business.".

(2) In order to carry out the amendment made by paragraph (1), the first member appointed by the President to the Board of Directors of the Export-Import Bank of the United States after the date of the enactment of this section shall be selected from among the small business community and shall represent the interests of small business.

On page 19, line 4, after the period insert close quotation marks.

On page 19, strike out lines 5 through 12.

On page 19, between lines 16 and 17, insert the following:

(c) Section 2(a) of such Act is amended by adding at the end thereof the following:

"(2) In furtherance of the Bank's policy of actively assisting in the development of small business exports—

"(A)(i) not less than 6 per centum of the principal amount of new direct loans the Bank may approve, as provided in appropriation Acts, for fiscal year 1984, shall be reserved for the financing of exports by small business concerns (as defined in section 3 of the Small Business Act);

"(ii) not less than 6 per centum of the principal amount of loans the Bank may guarantee, as provided in appropriation Acts, for fiscal year 1984, shall be reserved for guaranteeing loans to such small business concerns;

"(iii) not less than 10 per centum of the principal amount of new direct loans the Bank may approve, as provided in appropriation Acts, for fiscal year 1985, and the fiscal years thereafter shall be reserved for the financing of exports by such small business concerns; and

"(iv) not less than 10 per centum of the principal amount of loans the Bank may guarantee, as provided in appropriation Acts, for fiscal year 1985, and the fiscal years thereafter shall be reserved for guaranteeing loans to such small business concerns; and

"(B) it shall be a goal of the Bank to provide not less than 10 per centum of the dollar amount of the Bank's loans and guarantees during fiscal year 1984 and not less than 20 per centum of the dollar amount of such loans and guarantees during fiscal year 1985 and the fiscal years thereafter to such small business concerns.".

(d) Section 9(a) of the Export-Import Bank Act of 1945 (12 U.S.C. 635g(a)) is amended to read as follows:

"SEC. 9. (a) The Export-Import Bank of the United States shall transmit to the Congress on January 1 of each year a complete and detailed report of its operations for the preceding fiscal year.".

(e) Section 9(b) of such Act (12 U.S.C. 635g(b)) is amended—

(1) by inserting "comprehensive and detailed" after "contain a"; and

(2) by inserting after the first sentence the following: "The report shall also contain a comprehensive and detailed description of plans which the Bank will implement during the next fiscal year in order to carry out the provisions of section 2(a)(2) of this Act regarding loans and guarantees to small business concerns. With respect to each loan or loan guarantee made during the previous fiscal year, each such report shall specify the amount of such loan or loan guarantee, the company which received such loan or loan guarantee, and whether or not such company is a small business concern.".

(f) Section 2(b)(1)(A) of such Act (12 U.S.C. 635(b)(1)(A)) is amended—

(1) in the fourth sentence, by inserting ", including the Small Business Committees," after "Committees of Congress";

(2) by inserting after the fourth sentence the following: "This report shall be transmitted to the Congress not later than three months after the end of the reporting period."; and

(3) in the sixth sentence, as in effect before the amendment made by paragraph (2)—

(A) by inserting ", including small business exporters," after "a representative number of United States exporters"; and

(B) by inserting ", including regional and local banks," after "commercial lending institutions".

Mr. GLENN. Mr. President. I am submitting today an amendment to the Export-Import (Exim) Bank Act of 1945 which is designed to promote and develop exports by small- and medium-size U.S. businesses.

American small- and medium-size businesses have the potential to lead an export drive which would create U.S. jobs and help restore the competitiveness of U.S. industry in world markets.

The untapped potential of small business becomes apparent when one considers that only 1 percent of American manufacturers sell over 80 percent of our exports, and that 92 percent of American manufacturers market their products only within the United States. America's smaller businesses are innovators that now account for over 38 percent of our GNP and all of the increases in U.S. jobs since 1969. It is estimated by the Small Business Administration that between 20,000 and 30,000 U.S. manufacturers have exportable products but are not exporting. Lack of marketing expertise and inadequate financing are the major reasons these companies are not exporting their products.

Mr. President, the Eximbank has lost many opportunities to promote U.S. exports as a result of the dogmatic hands-off attitude of the Reagan administration. American businesses, particularly smaller businesses, face competitive disadvantages in international markets where foreign governments play much more aggressive roles in financing exports on soft terms. Failure of the Eximbank to take a more active role, and to support smaller U.S. exporters, has cost the United States billions of dollars in lost export sales. This in turn, has cost us thousands of U.S. jobs and has materially increased U.S. trade deficits. Our failure to match subsidized foreign export financing terms has undermined our efforts to negotiate an end to senseless export credit wars.

My amendment addresses these problems. It would redirect some of the resources and attention of the Eximbank to small- and medium-size businesses by:

Insuring that a portion of Eximbank resources were used for small business export financing.

Establishing an advisory committee broadly representative of U.S. business to independently oversee the Eximbank's progress and report to Congress.

Requiring small business representation on Eximbank's Board and Advisory Committee.

Requiring Eximbank to develop a comprehensive plan to actively assist in the development of small business exports and to make annual reports of plans and results to the Congress.

Mr. President, by helping American small- and medium-size businesses to compete in world markets this amendment can make the Eximbank bill one of the most effective jobs measures that the Congress could pass. It will not only serve to help reduce domestic unemployment but will also help reduce the counterproductive pressures for trade restrictions. It is for these reasons that I have submitted this amendment and urge my colleagues to support it.

HUMPHREY AMENDMENT NO. 1317

Mr. HUMPHREY proposed an amendment to the bill S. 695, supra; as follows:

On page 3, line 16, strike "4,250" and insert "3,400".

On page 3, line 21, strike "4,250" and insert "3,400".

On page 4, line 13, strike "5,310.8" and insert "4,248.64".

At the end of title I, add the following section:

"SEC. 45. It is the sense of the Senate that the International Monetary Fund should reduce the quota increase and the increased participation in the general arrangements to borrow of all other IMF members by 20 percent and should substitute revenues from partial sales of its 103 million ounces of gold for that reduction, including the United States, in a manner not to disrupt the international gold market.".

BRADLEY AMENDMENT NO. 1318

Mr. BRADLEY proposed an amendment to the bill S. 695, supra; as follows:

On page 9, between lines 7 and 8, insert the following:

SEC. 103. In order to permit the Congress to evaluate what further actions may be necessary concerning the International Monetary Fund, the Secretary of the Treasury shall transmit to the Congress not later than 6 months after the date of enactment of this Act a written report assessing—

(1) whether under present circumstances a systematic restructuring and stretching out of developing country debt should be conducted;

(2) the role global recovery will play in solving the debt crisis and what interim financing measures may have to be taken for those countries which have no possibility of continuing to service their debts even in the event of a vigorous economic recovery;

(3) whether the International Monetary Fund, which is increasingly being used as a source of credit to finance balance-of-payments deficits, has adequate resources to cover all conceivable requests for credit extensions taking into account the quota increase consented to under this Act;

(4) what role the United States Government sees for the International Monetary Fund in providing finance and credit to the least developed countries who have such a limited capacity to borrow to finance payments deficits; and

(5) pursuant to the agreement at the Williamsburg summit, what progress has been made in the consultations among finance ministers and the managing director of the International Monetary Fund on the conditions for improving the international monetary system.

MELCHER AMENDMENT NO. 1319

Mr. MELCHER proposed an amendment to the bill S. 695, supra (which was subsequently modified); as follows:

On page 9, between lines 7 and 8, add the following new section:

Sec. 103. The Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"Sec. 45. The Secretary of the Treasury shall instruct the United States Executive Director to the International Monetary Fund to oppose the use of any funds in the General Arrangements to Borrow facility for loans to countries other than those who have contributed to the General Arrangements to Borrow facility, unless the Secretary determines, and so notifies the Congress in writing together with his reasons for such determination, that the commitment of any part of such funds is necessary to deal with international economic conditions which could threaten the international monetary system.".

HELMS AMENDMENT NO. 1320

Mr. HELMS proposed an amendment to the bill S. 695, supra; as follows:

On page 3, strike out lines 3 through 12 and insert in lieu thereof the following:

(2) by inserting in subsection (a) after "loans," the following: "in the case of loans made during the fiscal years 1983 and 1984, in an amount not to exceed the equivalent of 4,250 million Special Drawing Rights, limited to such amounts as are appropriated in advance in appropriation Acts or, in the case of loans made during a fiscal year thereafter,";

(3) by inserting in subsection (b) after "appropriated" the following: "an amount equivalent to 4,250 million Special Drawing Rights, to remain available through the fiscal year 1984, and on or after October 1, 1984, there are authorized to be appropriated"; and

On page 4, line 3, insert "through the fiscal year 1984" after "Fund".

HELMS AMENDMENT NO. 1321

Mr. HELMS proposed an amendment to the bill S. 695, supra; as follows:

At the bottom of page 7, add the following:

SEC. 2. The first sentence of section 5 of the Bretton Woods Agreements Act (22 U.S.C. 286c) is amended—

(1) by striking out "or" at the end of clause (f); and

(2) by inserting before the period at the end thereof a semicolon and the following: "or (h) request or consent to any increase in the number of Special Drawing Rights".

GARN AMENDMENT NO. 1322

Mr. GARN proposed an amendment to the bill S. 695, supra; as follows:

At the end of the bill, add the following:

TITLE III—MISCELLANEOUS

SEC. 301. (a) Sections 304, 308, 310, and 311 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803, 2807, 2809, and 2810) are amended by striking out "standard metropolitan statistical area" wherever it appears and inserting in lieu thereof "primary metropolitan statistical area, metropolitan statistical area, or consolidated metropolitan statistical area that is not comprised of designated primary metropolitan statistical areas".

(b) Section 203 (l) of the Depository Institutions Management Interlocks Act (12 U.S.C. 3202(l)) is amended by striking out "standard metropolitan statistical area" and inserting in lieu thereof "primary metropolitan statistical area, the same metropolitan statistical area, or the same consolidated metropolitan statistical area that is not comprised of designated primary metropolitan statistical areas".

SEC. 302. Section 2 of the Federal Deposit Insurance Act (12 U.S.C. 1812) is amended by inserting after the third sentence the following: "Each such appointive member may continue to serve after the expiration of his term until a successor has been appointed and qualified.".

REPEAL OF WITHHOLDING ON INTEREST AND DIVIDENDS

DOLE AMENDMENT NO. 1323

(Ordered to lie on the table.)

Mr. DOLE submitted an amendment intended to be proposed by him to the bill (H.R. 2973) to repeal the withholding of tax from interest and dividends; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

TITLE I—INTEREST AND DIVIDEND TAX COMPLIANCE

SEC. 101. SHORT TITLE; AMENDMENT OF 1954 CODE.

(a) SHORT TITLE.—This title may be cited as the "Interest and Dividend Compliance Act of 1983".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this title an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 102. REPEAL OF WITHHOLDING ON INTEREST AND DIVIDENDS.

(a) IN GENERAL.—Subtitle A of title III of the Tax Equity and Fiscal Responsibility Act of 1982 (relating to withholding of tax from interest and dividends) is hereby repealed.

(b) CONFORMING AMENDMENT.—Except as provided in subsection (c), the Internal Revenue Code of 1954 shall be applied and administered as if such subtitle A (and the amendments made by such subtitle A) had not been enacted.

(c) ESTIMATED TAX PAYMENTS.—

(1) IN GENERAL.—For purposes of determining the amount of any addition to tax under section 6654 of such Code with respect to any installment required to be paid before July 1, 1983, the amount of the credit allowed by section 31 of such Code for any taxable year which includes any portion of the period beginning July 1, 1983, and ending December 31, 1983, shall be increased by an amount equal to 10 per centum of the aggregate amount of payments—

(A) which are received during the portion of such taxable year after June 30, 1983, and before January 1, 1984, and

(B) which (but for the repeal made by subsection (a)) would have been subject to withholding under subchapter B of chapter 24 of such Code (determined without regard to the exemption for exempt individuals).

(2) SUBSECTION TO APPLY ONLY IF TAXPAYER INCREASES AMOUNT OF NEXT INSTALLMENT.—This subsection shall not apply to any taxpayer unless such taxpayer in determining the amount of the first installment required to be paid after June 30, 1983, includes the amount which the taxpayer would have been required to include in any installment required to be paid before July 1, 1983, if subtitle A of title III of the Tax Equity and

Fiscal Responsibility Act of 1982 had not been enacted.

(d) TECHNICAL AMENDMENTS.—

(1) Subsection (a) of section 6049 (relating to returns regarding payments of interest) is amended—

(A) by inserting "or" at the end of paragraph (1),

(B) by striking out "or" at the end of paragraph (2),

(C) by striking out paragraph (3), and

(D) by striking out ", tax deducted and withheld, and the name and address of the person to whom paid or from whom withheld", and inserting in lieu thereof "and the name and address of the person to whom paid".

(2) Subsection (b) of section 6049 (defining interest) is amended—

(A) by amending subparagraph (C) of paragraph (2) to read as follows:

"(C) except to the extent otherwise provided in regulations—

"(i) any amount paid to any person described in paragraph (4), or

"(ii) any amount described in paragraph (5),", and

(B) by adding at the end thereof the following new paragraphs:

"(4) PERSONS DESCRIBED IN THIS PARAGRAPH.—A person is described in this paragraph if such person is—

"(A) a corporation,

"(B) an organization exempt from taxation under section 501(a) or an individual retirement plan,

"(C) the United States or any wholly owned agency or instrumentality thereof,

"(D) a State, the District of Columbia, a possession of the United States, any political subdivision of any of the foregoing, or any wholly owned agency or instrumentality of any one or more of the foregoing,

"(E) a foreign government, a political subdivision of a foreign government, or any wholly owned agency or instrumentality of any one or more of the foregoing,

"(F) an international organization or any wholly owned agency or instrumentality thereof,

"(G) any other person specified in regulations,

"(H) a foreign central bank of issue,

"(I) a dealer in securities or commodities required to register as such under the laws of the United States or a State, the District of Columbia, or a possession of the United States,

"(J) a real estate investment trust (as defined in section 856),

"(K) an entity registered at all times during the taxable year under the Investment Company Act of 1940,

"(L) a common trust fund (as defined in section 584(a)), or

"(M) any trust which—

"(i) is exempt from tax under section 664(c), or

"(ii) is described in section 4947(a)(1).

"(5) AMOUNTS DESCRIBED IN THIS PARAGRAPH.—An amount is described in this paragraph if such amount—

"(A) is subject to withholding under subchapter A of chapter 3 (relating to withholding of tax on nonresident aliens and foreign corporations) by the person paying such amount, or

"(B) would be subject to withholding under subchapter A of chapter 3 by the person paying such amount but for the fact that—

"(i) such amount is income from sources outside the United States,

"(ii) the payor thereof is exempt from the application of section 1441(a) by reason of section 1441(c) or a tax treaty, or

"(iii) such amount is original issue discount (within the meaning of section 1232(b)(1)).".

(3) Paragraph (1) of section 6049(c) (relating to statements to be furnished to persons with respect to whom information is furnished) is amended—

(A) by inserting "and" at the end of subparagraph (A),

(B) by striking out ", and" at the end of subparagraph (B) and inserting in lieu thereof a period, and

(C) by striking out subparagraph (C).

(e) STUDY BY COMPTROLLER GENERAL.—

(1) IN GENERAL.—The Comptroller General of the United States shall conduct a study with respect to the collection of taxes on interest, dividends, and patronage dividends, including an analysis of—

(A) existing efforts of the Internal Revenue Service with respect to such collection, and

(B) alternative methods to improve such collection, including mandatory withholding of such taxes.

(2) DETERMINATION OF PERCENTAGE OF COMPLIANCE.—In connection with the study under paragraph (1), the Comptroller General shall compute the percentage determined by dividing—

(A) the amount of interest, dividends, and patronage dividends which the Comptroller General reasonably estimates was shown on returns of tax imposed by subtitle A of the Internal Revenue Code of 1954—

(i) which were required to be filed by individuals for taxable years which begin in 1985, and

(ii) which were filed within the time prescribed by law (determined with regard to any extension) and before August 15, 1986, by

(B) the aggregate amount of interest, dividends, and patronage dividends which the Comptroller General reasonably estimates was required to be shown on returns described in subparagraph (A) (without regard to clause (ii) thereof).

(3) REPORT TO CONGRESS.—Not later than January 1, 1988, the Comptroller General shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate the results of the study conducted under paragraph (1) and the percentage determined under paragraph (2).

SEC. 103. APPLICATION OF BACKUP WITHHOLDING RULES TO CERTAIN PAYMENTS.

(a) IN GENERAL.—Chapter 24 (relating to collection of income tax at source) is amended by inserting after section 3405 the following new section:

"SEC. 3406. SPECIAL RULES FOR BACKUP WITHHOLDING PAYMENTS.

"(a) REQUIREMENT TO DEDUCT AND WITHHOLD.—

"(1) IN GENERAL.—If, in the case of any backup withholding payment—

"(A) the payee fails to furnish his taxpayer identification number to the payor,

"(B) the Secretary notifies the payor that the number furnished by the payee is incorrect,

"(C) the Secretary notifies the payor of a failure under subsection (b)(1), or

"(D) the payor fails to provide the payor with the certification described in subsection (c),

then the payor shall deduct and withhold from such payment a tax equal to 15 percent of such payment.

"(2) WITHHOLDING AT 20 PERCENT IN FAILURE INVOLVING INTEREST, DIVIDENDS, OR PATRONAGE DIVIDENDS.—In the case of any withholding required under—

"(A) subparagraph (C) or (D) of paragraph (1), or

"(B) subparagraph (A) or (B) of paragraph (1) to the extent the taxpayer identification number involved relates to a return described in clause (iii), (iv), or (vi) of subsection (e)(1)(A),

paragraph (1) shall be applied by substituting '20 percent' for '15 percent'.

"(b) SPECIAL RULES FOR BACKUP WITHHOLDING ON INTEREST, DIVIDENDS, AND PATRONAGE DIVIDENDS NOT REPORTED ON RETURN.—

"(1) IN GENERAL.—If the Secretary determines that any payee failed—

"(A) to include in any return of tax required to be filed for any taxable year any backup withholding payment which—

"(i) is described in clause (iii), (iv), or (vi) of subsection (e)(1)(A), and

"(ii) is required to be included in such return, or

"(B) to file the return of tax in which such payment is required to be included,

the Secretary shall, subject to the provisions of paragraphs (2) and (3), notify payors of payments described in subparagraph (A)(i) with respect to such payee of the requirement to deduct and withhold under subsection (a)(1)(C) (but not the reasons therefor).

"(2) MINIMUM AMOUNT OF FAILURE.—Subparagraph (A) or (B) of paragraph (1) shall not apply unless the aggregate amount of failures under such subparagraph for any taxable year exceeds the lesser of—

"(A) $50, or

"(B) any amount which may be specified by the Secretary.

"(3) NOTICE TO PAYEE.—

"(A) NOTICE BY SECRETARY.—At least 90 days before the Secretary notifies the payor under paragraph (1), the Secretary shall notify the payee of—

"(i) the Secretary's determination under paragraph (1) (and the reasons therefor), and

"(ii) the fact that the payor may be required to deduct and withhold tax under this section if notified by the Secretary.

"(B) OPPORTUNITY TO RESPOND AND CORRECT.—The Secretary shall prescribe procedures which allow the payee the opportunity to provide information with respect to a determination under paragraph (5).

"(4) NOTICE OF WITHHOLDING TO PAYEE BY PAYOR.—Any payor required to withhold any tax under paragraph (1)(C) shall, at the time such withholding begins, notify the payee of such withholding.

"(5) DETERMINATION BY SECRETARY NOT TO BEGIN OR TO END WITHHOLDING.—

"(A) IN GENERAL.—If the Secretary determines that—

"(i) there was no failure to which this subsection applies,

"(ii) any such failure (including the payment of any tax, penalty, or interest with respect to such failure) has been corrected,

"(iii) withholding under subsection (a)(1)(C) would cause undue hardship to the payee and it is unlikely that any such failure will occur again, or

"(iv) there is a bona fide dispute as to whether there is any such failure,

then the Secretary shall take the action described in subparagraph (B).

"(B) ACTIONS TO BE TAKEN BY SECRETARY.—For purposes of subparagraph (A), if at the

time of the determination under subparagraph (A)—

"(i) no notice has been given under paragraph (1) to any payor with respect to the failure, the Secretary shall not give any such notice, or

"(ii) if such notice has been given, the Secretary shall—

"(I) provide the payee with a written certification that withholding under subsection (a)(1)(C) is to cease, and

"(II) notify the applicable payors that such withholding is to cease.

"(C) CORRECTION PERMITTED AT ANY TIME.—For purposes of subparagraph (A)(ii), any determination as to whether a failure has been corrected shall be made without regard to whether the assessment or collection of such tax, penalty, or interest is prevented by the operation of any law.

"(6) NOTICE OF PAYORS FROM PAYEE.—For purposes of this section, the Secretary may require any payee of backup withholding payments described in clause (iii), (iv), or (vi) of subsection (e)(1)(A) to notify the Secretary of all payors from which the payee receives payments of such type.

"(c) PAYEE MAY CERTIFY BACKUP WITHHOLDING NOT IN EFFECT.—

"(1) IN GENERAL.—Any payee of any backup withholding payment described in clause (iii), (iv), or (vi) of subsection (e)(1)(A) which is paid or credited on accounts, stock, instruments, memberships, or contracts described in section 6676(b)(4) established, acquired, or entered into after December 31, 1983, who is not subject to withholding under subsection (a)(1)(C) may certify under penalty of perjury to the—

"(A) payor, or

"(B) in the case of any disposition of any readily tradeable instrument involving a retail broker (who is not the payor with respect to such instrument), the retail broker,

that such payee is not subject to withholding under subsection (a)(1)(C).

"(2) NOTIFICATION TO PAYOR BY RETAIL BROKER.—Within 15 days of the disposition of a readily tradeable instrument (or of the settlement date in the case of a sale or exchange), any retail broker to whom a certification may be provided under paragraph (1)(B) shall notify the payor of such instrument of any payee who did not provide a certificate under paragraph (1).

"(d) PERIOD FOR WHICH WITHHOLDING IS IN EFFECT.—

"(1) FAILURE TO FURNISH NUMBER.—In the case of any failure described in subparagraph (A) of subsection (a)(1), subsection (a) shall apply to any backup withholding payment made during the period during which the taxpayer identification number has not been furnished.

"(2) NOTIFICATION OF INCORRECT NUMBER.—In the case where there is a notification described in subparagraph (B) of subsection (a)(1), subsection (a) shall apply to any backup withholding payment made—

"(A) after the close of the 15th day after the day on which the payor was so notified, and

"(B) before the payee furnishes under penalty of perjury (in the form provided in section 6676(b)(5)) another taxpayer identification number.

"(3) FAILURE TO INCLUDE CERTAIN AMOUNTS IN INCOME.—In the case of any failure described in subparagraph (C) of subsection (a)(1), subsection (a) shall apply to any backup withholding payment made—

"(A) after the close of the 15th day on which the payor was notified by the Secretary of such failure, and

"(B) before the earlier of the day on which—

"(i) the Secretary notifies the payor under subsection (b)(5)(B) to cease withholding, or

"(ii) the payee presents to the payor the certificate provided by the Secretary under subsection (b)(5)(B).

"(4) FAILURE TO PROVIDE CERTIFICATION.—

"(A) IN GENERAL.—In the case of any failure described in subparagraph (D) of subsection (a)(1), subsection (a) shall apply to any backup withholding payment made during the period during which the certification described in subsection (c)(1) has not been furnished to the payor.

"(B) SPECIAL RULE FOR READILY TRADEABLE INSTRUMENTS.—In the case of any disposition of a readily tradeable instrument, the period described in subparagraph (A) shall begin with payments to the payee involved in the failure made after the close of the 15th day following the date of such disposition (or of the settlement date in the case of a sale or exchange).

"(5) 15-DAY GRACE PERIODS.—

"(A) AFTER CORRECTION.—Unless the payor otherwise elects, subsection (a) shall also apply to any backup withholding payment made after the close of the period described in paragraph (1), (2), (3), or (4) (as the case may be) and before the 16th day after the close of such period.

"(B) AFTER NOTIFICATION.—If the payor so elects, subsection (a) shall also apply to any backup withholding payment made during the 15-day period described in paragraph (2)(A) or (3)(A).

"(e) BACKUP WITHHOLDING PAYMENT DEFINED; AGGREGATION.—

"(1) BACKUP WITHHOLDING PAYMENT.—

"(A) IN GENERAL.—For purposes of this section, the term 'backup withholding payment' means any payment of a kind, and to a payee, required to be shown on a return required under—

"(i) section 6041 (a) or (b) (relating to certain information at source),

"(ii) section 6041A (a) (relating to returns regarding payments to nonemployees),

"(iii) section 6042 (a) (relating to payments of dividends),

"(iv) section 6044 (relating to returns regarding patronage dividends) but only to the extent of payments of money,

"(v) section 6045 (relating to returns of brokers),

"(vi) section 6049 (a) (relating to payments of interest), or

"(vii) section 6050A (relating to reporting requirements of certain fishing boat operators), but only to the extent of payments of the proceeds of the catch.

"(B) SPECIAL RULE.—For purposes of this section, the determination of whether any payment is of a kind required to be shown on a return described in subparagraph (A) shall be made without regard to any minimum amount which must be paid before a return is required.

"(2) PAYMENTS MUST AGGREGATE $600 BEFORE WITHHOLDING REQUIRED FROM PAYMENTS DESCRIBED IN SECTION 6041(A) OR 6041A(a).—In the case of any payment which is of a kind required to be shown on a return required under section 6041(a) or 6041A(a) and which is made during any calendar year, no amount shall be deducted and withheld with respect to such payment unless—

"(A) the aggregate amount of such payment and all previous such payments to the payee involved during such calendar year equals or exceeds $600,

"(B) the payor was required under section 6041(a) or 6041A(a) to file a return for the preceding calendar year with respect to payments to the payee involved, or

"(C) during the preceding calendar year the payor made backup withholding payments to the payee with respect to which amounts were required to be deducted and withheld under subsection (a).

"(f) FORM OF NOTICE; CONFIDENTIALITY.—

"(1) FORM OF NOTICE.—

"(A) IN GENERAL.—The Secretary may prescribe regulations which require payors to submit to the Secretary the tax identification number or name of any payee to enable the Secretary to compare such number or name with a confidential list of taxpayer identification numbers or names maintained by the Secretary and with respect to which withholding is required under this section.

"(B) INFORMATION ON LIST TREATED AS NOTICE.—If a payor submits a taxpayer identification number or name which is on the list described in subparagraph (A), the Secretary shall so notify the payor and such notice shall constitute notice for purposes of subparagraph (B) or (C) of subsection (a)(1), whichever is appropriate.

"(C) TERMINATION OF CERTIFICATION REQUIREMENT.—If the Secretary prescribes regulations under subparagraph (A), the Secretary may terminate the requirement of any payee to provide a certificate under subsection (c).

"(2) CONFIDENTIALITY OF INFORMATION.—

"(A) IN GENERAL.—No person may use any information obtained under this section (including any failure to certify under subsection (c)) except for the purpose of meeting any requirement under this section.

"(B) CIVIL DAMAGES TO APPLY.—For purposes of section 7431, any unauthorized use under subparagraph (A) shall be treated as a violation of section 6103.

"(g) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) OBVIOUSLY INCORRECT NUMBER.—A payee shall be treated as failing to furnish his taxpayer identification number if the number furnished does not contain the proper number of digits.

"(2) PAYEE FURNISHES 2 INCORRECT NUMBERS.—If the payee furnishes a payor 2 incorrect numbers, the payor shall, after receiving notice of the second incorrect number, treat the payee as not having furnished another taxpayer identification number under subsection (d)(2)(B) until the day on which the payor receives notification from the Secretary that a correct taxpayer identification number has been furnished.

"(3) EXCEPTION FOR PAYMENTS TO CERTAIN PAYEES.—Subsection (a) shall not apply to any payment made to—

"(A) the United States (as defined in section 6049(b)(4)(C)),

"(B) any State (as defined in section 6049 (b)(4)(D)),

"(C) an organization which is exempt from taxation under section 501(a),

"(D) any foreign government (as defined in section 6049(b)(4)(E)) or international organization (as defined in section 6049(b)(4)(F)), or

"(E) any other person specified in regulations.

"(4) TAXPAYER IDENTIFICATION NUMBER.—The term 'taxpayer identification number' means the identifying number assigned to a person under section 6109.

"(5) AMOUNTS FOR WHICH WITHHOLDING OTHERWISE REQUIRED.—No tax shall be deducted or withheld under this section with respect to any amount for which withholding is otherwise required by this title.

"(6) EXEMPTION WHILE WAITING FOR NUMBER.—The Secretary shall prescribe regulations for exemptions from the tax imposed by subsection (a) during periods during which a person is waiting for receipt of a taxpayer identification number.

"(7) NOMINEES.—In the case of a backup withholding payment described in clause (i) or (v) of subsection (e)(1)(A) to a nominee both the nominee and the ultimate payee shall, in the manner provided in regulations, be treated as the payee.

"(8) REQUIREMENT OF NOTICE TO PAYEE.—Whenever the Secretary notifies a payor under subsection (a)(1)(B) that the taxpayer identification number furnished by any payee is incorrect, the Secretary shall at the same time furnish a copy of such notice to the payor, and the payor shall promptly furnish such copy to the payee.

"(9) REQUIREMENT OF NOTICE TO SECRETARY.—If the Secretary notifies a payor under subsection (a)(1)(B) that the taxpayer identification number furnished by any payee is incorrect and such payee subsequently furnishes another taxpayer identification number to the payor, the payor shall promptly notify the Secretary of the other taxpayer identification number so furnished.

"(10) READILY TRADEABLE INSTRUMENT AND RETAIL BROKER DEFINED.—The terms 'readily tradeable instrument' and 'retail broker' have the same meanings as when such terms are used in section 6676.

"(11) PAYOR DEFINED.—The term 'payor' means, with respect to any backup withholding payment, the person required to file a return described in subsection (e)(1)(A) with respect to such payment.

"(12) COORDINATION WITH OTHER SECTIONS.—For purposes of section 31, this chapter (other than section 3402(n)), and so much of subtitle F (other than section 7205) as relates to this chapter, payments which are subject to withholding under this section shall be treated as if they were wages paid by an employer to an employee.

"(13) REGULATIONS.—The Secretary may prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.".

(b) ADDITIONAL PENALTY FOR FAILURE TO IMPLEMENT BACKUP WITHHOLDING.—

(1) IN GENERAL.—Subchapter B of chapter 68 (relating to assessable penalties) is amended by adding at the end thereof the following new section:

"SEC. 6705. FAILURE TO IMPLEMENT BACKUP WITHHOLDING OR PROVIDE NOTICE.

"(a) IN GENERAL.—Any payor who fails to deduct and withhold a tax which is required to be deducted and withheld under section 3406(a)(1) shall pay a penalty of $100 for each such failure unless such failure is due to reasonable cause and not to willful neglect.

"(b) FAILURE BY RETAIL BROKER TO PROVIDE NOTICE OR NUMBER.—Any person who internationally disregards the requirement to provide a payor with—

"(1) the notice described in section 3406 (c)(2), or

"(2) the number described in section 6676 (c)(2)(A),

shall pay a penalty of $500 for each such failure.

"(c) PENALTY IN ADDITION TO OTHER PENALTIES.—Any penalty imposed by this section shall be in addition to any other penalty provided by law.".

(2) CONFORMING AMENDMENT.—The table of sections for subchapter B of chapter 68 is amended by adding at the end thereof the following new item:

"Sec. 6705. Failure to implement backup withholding or provide notice.".

(c) CONFORMING AMENDMENTS.—

(1) Section 3402 (relating to income tax collected at source) is amended by striking out subsection (s).

(2) The table of sections for chapter 24 is amended by inserting after the item relating to section 3405 the following new item:

"Sec. 3406. Special rules for backup withholding payments.".

SEC. 104. RETURNS ON MAGNETIC TAPE.

(a) CERTAIN RETURNS MUST BE ON MAGNETIC TAPE.—Subsection (e) of section 6011 (relating to regulations requiring returns on magnetic tape, etc.) is amended—

(1) by inserting "(1) IN GENERAL.—" before the first sentence thereof, and

(2) by adding at the end thereof the following new paragraph:

"(2) CERTAIN RETURNS MUST BE FILED ON MAGNETIC MEDIA.—In the case of any person who is required to file more than 50 returns under section 6042(a), 6044(a), or 6049(a) for any calendar year, all returns under such sections shall be on magnetic media and shall be filed with the Secretary not later than January 31 of the following calendar year.".

(b) STUDY OF WAGE RETURNS ON MAGNETIC TAPE.—

(1) STUDY.—The Secretary of the Treasury, in consultation with the Secretary of Health and Human Services, shall conduct a study of the feasibility of requiring persons to file, on magnetic media, returns under section 6011 of the Internal Revenue Code of 1954 containing information described in section 6051(a) of such Code.

(2) REPORT TO CONGRESS.—Not later than January 1, 1984, the Secretary of the Treasury shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate the results of the study conducted under paragraph (1).

SEC. 105. PENALTY FOR FAILURE BY PAYORS TO MEET CERTAIN REPORTING REQUIREMENTS.

(a) FAILURE TO SUPPLY TAXPAYER IDENTIFICATION NUMBERS.—Section 6676 (relating to failure to supply identifying numbers) is amended to read as follows:

"SEC. 6676. FAILURE TO SUPPLY IDENTIFYING NUMBERS.

"(a) IN GENERAL.—If any person who is required by regulations prescribed under section 6109—

"(1) to include his taxpayer identification number in any return, statement, or other document,

"(2) to furnish his taxpayer identification number to another person, or

"(3) to include in any return, statement, or other document made with respect to another person the taxpayer identification number of such other person,

fails to comply with such requirement at the time prescribed by such regulations, such person shall, unless it is shown that such failure is due to reasonable cause and not to willful neglect, pay a penalty of $5 for each such failure described in paragraph (1) and $50 for each such failure described in paragraph (2) or (3), except that the total amount imposed on such person for all such failures during any calendar year shall not exceed $50,000. Paragraph (3) shall not apply to any failure with respect to a return or statement required to be filed under section 6042, 6044, or 6049.

"(b) PENALTIES INVOLVING FAILURES ON INTEREST AND DIVIDEND RETURNS.—

"(1) IN GENERAL.—If any payor—

"(A) is required to include in any return or statement required to be filed under section 6042, 6044, or 6049 with respect to any payee the taxpayer identification number of such payee, and

"(B) fails to include such number or includes an incorrect number,

then the payor shall pay a penalty of $50 for each such failure.

"(2) INCREASED PENALTY FOR SUBSTANTIAL NONCOMPLIANCE—

"(A) IN GENERAL—In the case of a payor who is described in subparagraph (B) for any calendar year, paragraph (1) shall be applied with respect to returns or statements relating to such calendar year by substituting '$100' for '$50'.

"(B) SUBSTANTIAL NONCOMPLIERS.—A payor is described in this subparagraph if, with respect to such payor, the sum of the number of failures under this subsection, section 6652(a)(3), and section 6678(b) for any calendar year exceed the lesser of—

"(i) 10,000, or

"(ii) 5 percent of the aggregate number of returns or statements which are required to be filed under sections 6042, 6044, and 6049 by such payor with respect to such calendar year and in which is required to be included a taxpayer identification number.

"(3) NO PENALTY IN CERTAIN CASES.—No penalty shall be imposed under this subsection—

"(A) if the taxpayer identification number included on the return or statement is the number provided by the payee to the payor under penalty of perjury (in the form provided in paragraph (5)), unless such number is obviously incorrect,

"(B) if, in the case of a failure described in paragraph (4), the payor establishes to the satisfaction of the Secretary that the payor exercised due diligence in seeking to obtain the correct taxpayer identification number,

"(C) if, in the case of any failure involving the taxpayer identification number of any payee of interest or dividends on a readily tradeable instrument, the payor meets the requirements of subsection (c)(2) of (c)(3), or

"(D) except as otherwise provided, and subject to any conditions, in regulations prescribed by the Secretary, for any period during which the payee is waiting for receipt of a taxpayer identification number from the Secretary.

"(4) FAILURE INVOLVING EXISTING ACCOUNTS.—A failure is described in this paragraph if it involves any return or statement under section 6042, 6044, or 6049 with respect to interest, dividends, or patronage dividends which are paid or accrued—

"(A) in the case of interest, on obligations, deposits, accounts, certificates, shares, or other instruments described in section 6049 (b)(1) which were established or acquired before the 31st day after the date of the enactment of this paragraph,

"(B) in the case of dividends, on stock or other instruments which were acquired before such 31st day, and

"(C) in the case of patronage dividends, with respect to memberships acquired, or contracts entered into, before such 31st day.

"(5) FORM OF PERJURY STATEMENT.—For purposes of this subsection, any statement under penalty of perjury shall be in substantially the following form:

'I hereby certify or affirm under penalty of perjury that the social security number or taxpayer identification number I am providing is correct.'

"(c) SPECIAL RULES FOR READILY TRADEABLE INSTRUMENTS.—

"(1) IMPOSITION OF PENALTY ON RETAIL BROKERS.—In the case of any disposition after the 30th day after the date of the enactment of this subsection of any readily tradeable instrument involving a retail broker, such retail broker shall pay a penalty of $50 if such broker fails to obtain from the purchaser of such instrument the purchaser's taxpayer identification number provided under penalty of perjury in the form described in subsection (b)(5).

"(2) PAYOR NOT SUBJECT TO PENALTY FOR RELYING ON NUMBER PROVIDED.—

"(A) BROKER TO PROVIDE NUMBER.—A retail broker shall provide to the payor of interest or dividends with respect to any readily tradeable instrument to which paragraph (1) applies the taxpayer identification number such broker is required to obtain under paragraph (1).

"(B) NO PENALTY IMPOSED IF NUMBER PROVIDED INCLUDED ON RETURN.—No penalty shall be imposed under subsection (b) with respect to any return or statement involving the payee of any readily tradeable instrument to which paragraph (1) applies if the payor includes in such return or statement the taxpayer identification number of such payee received—

"(i) under subparagraph (A), or

"(ii) to the extent not prohibited in regulations prescribed by the Secretary, in the case of any disposition of such an instrument (other than a disposition involving a retail broker or directly by the payor), from a party to such sale or exchange.

"(3) PENALTY ON PAYOR WHERE NO NUMBER RECEIVED.—If a payor—

"(A) does not receive a taxpayer identification number from a retail broker or other person as required under paragraph (2)(B), or

"(B) receives an obviously incorrect number, a penalty shall be imposed on such payor under subsection (b) for any failure to include such number on a return or statement, unless the payor establishes to the satisfaction of the Secretary that the payor exercised due diligence in seeking to obtain such number.

"(d) PROCEDURES RELATING TO ASSESSMENT OF PENALTY.—

"(1) SELF-ASSESSMENT.—

"(A) IN GENERAL.—Any penalty imposed under subsection (b) or (c) on any person shall, for purposes of this title, be treated as an addition to tax on the return of tax under chapter 1 of such person for the first taxable year the due date for which (without regard to any extension) is more than 30 days after the due date (without regard to any extension) for the return or statement to which the penalty relates is required to be filed.

"(B) EXCEPTION.—Subparagraph (A) shall not apply to any failure to which subsection (b) applies which involves the inclusion of an incorrect taxpayer identification number (other than an obviously incorrect taxpayer identification number) unless, before the due date (without regard to extension) for the return or statement on which such number is required to be included, the Secretary has notified the person that such number is incorrect.

"(C) PASSTHROUGH OR TAX-EXEMPT ENTITIES.—The Secretary shall provide regulations for the application of this paragraph in the case of any person which is a passthrough entity or an entity which is exempt from taxation under this title.

"(2) DEFICIENCY PROCEDURES NOT TO APPLY.—Subchapter B of chapter 63 (relating to deficiency procedures for income, estate, gift, and certain excise taxes) shall not apply in respect of the assessment or collection of any penalty imposed by subsection (a) or (b) unless paragraph (1) applies to such penalty.

"(e) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) READILY TRADEABLE INSTRUMENT.—The term 'readily tradeable instrument' means—

"(A) any instrument which is part of an issue any portion of which is traded on an established securities market (within the meaning of section 453(f)(5)), or

"(B) except as otherwise provided in regulations prescribed by the Secretary, any instrument which is regularly quoted by brokers or dealers making a market.

"(2) RETAIL BROKER.—The term 'retail broker' means, with respect to the sale or exchange of any readily tradeable instrument, any person (other than the payor with respect to such instrument) who, acting in the ordinary course of his trade or business—

"(A) receives instructions to purchase such instrument from the purchaser thereof, and

"(B) either—

"(i) participates in the purchase of such instrument as agent for the purchaser, or

"(ii) sells (in his capacity as a dealer) such instrument from his inventory.

"(3) PAYOR.—The term 'payor' means a person required to include another person's taxpayer identification number on a return or statement described in section 6042, 6044, or 6049.

"(4) PAYEE.—The term 'payee' means the person whose taxpayer identification number is required to be included on such return or statement.

"(5) OBVIOUSLY INCORRECT NUMBER.—A number shall be treated as obviously incorrect if it does not contain the proper number of digits.

"(6) TAXPAYER IDENTIFICATION NUMBER.—The term 'taxpayer identification number' means the identifying number assigned to a person under section 6109.

"(7) ABATEMENT AUTHORITY.—The Secretary may abate any penalty under subsection (b) or (c) if the Secretary determines that the failure could not have been prevented without undue hardship.".

(b) FAILURE TO FILE STATEMENTS.—

(1) SECTION 6652.—Subsection (a) of section 6652 (relating to returns relating to information at source, payments of dividends, etc., and certain transfers of stock) is amended—

(A) in paragraph (1)(A)—

(i) by striking out clauses (ii), (iii), and (iv) and by redesignating clauses (v) and (vi) as clauses (ii) and (iii), and

(ii) by striking out "6042(e), 6044(f), 6049(e), or" in clause (iii), as so redesignated, and

(B) by adding at the end thereof the following new paragraph:

"(3) FAILURE TO FILE CERTAIN STATEMENTS.—

"(A) IN GENERAL.—In the case of any person who fails to file 1 or more returns or statements under section 6042(a)(1), 6044(a)(1), or 6049(a) on the date prescribed therefor (determined with regard to any extension of time for filing), such person shall pay a penalty of $100 for each such failure.

"(B) INCREASE PENALTY FOR SUBSTANTIAL NONCOMPLIANCE.—In the case of a person who is described in section 6676(b)(2)(B), subparagraph (A) shall be applied by substituting '$200' for '$100'.

"(C) ABATEMENT AUTHORITY.—The Secretary may abate any penalty under subparagraph (A) if the Secretary determines that the failure could not have been prevented without undue harship.

"(D) SELF-ASSESSMENT.—Any penalty under this paragraph shall be treated as an addition to tax in the same manner as a penalty is so treated under section 6676(d)(1).".

(2) SECTION 6678.—Section 6678 (relating to failure to furnish certain statements) is amended—

(A) by inserting "(a) IN GENERAL.—" before "In the case of",

(B) by striking out "6042(c), 6044(e), 6045(b), 6049(c)," in paragraph (1) of subsection (a) and inserting in lieu thereof "6045(b),",

(C) by striking out "6042(a)(1), 6044(a)(1), 6045(a), 6049(a)," in paragraph (1) of subsection (a) and inserting in lieu thereof "6045(a),", and

(D) by adding at the end thereof the following new subsection:

"(b) FAILURE TO FILE INTEREST AND DIVIDEND STATEMENTS.—

"(1) IN GENERAL.—In the case of any person who fails to furnish a statement under section 6042(c), 6044(e), or 6049(c) on the date prescribed therefor to a person with respect to whom a return has been made under section 6042(a)(1), 6044(a)(1), or 6049(a), respectively, such person shall pay a penalty of $100 for each such failure.

"(2) INCREASED PENALTY FOR SUBSTANTIAL NONCOMPLIANCE.—In the case of a person who is described in section 6676(b)(2)(B), paragraph (1) shall be applied by substituting '$200' for '$100'.

"(3) ABATEMENT AUTHORITY.—The Secretary may abate any penalty under paragraph (1) if the Secretary determines that the failure could not have been prevented without undue hardship.

"(4) SELF-ASSESSMENT.—Any penalty under this subsection shall be treated as an addition to tax in the same manner as a penalty is so treated under section 6676(d)(1).".

SEC. 106. DUPLICATE STATEMENTS REQUIRED TO BE FURNISHED ON RETURN.

(a) INTEREST.—

(1) DUPLICATE STATEMENT REQUIRED ON RETURN.—Section 6049(c) (relating to statements regarding payment of interest) is amended by adding at the end thereof the following new paragraph:

"(4) DUPLICATE STATEMENT TO BE INCLUDED IN RETURN OF PERSON WITH RESPECT TO WHOM INFORMATION IS FURNISHED.—A duplicate of the statement required to be furnished to a person under paragraph (1) shall—

"(A) in the case of a person whose taxable year is the calendar year, be included with the return of the person receiving such statement for the taxable year which ends with the calendar year to which the statement relates, and

"(B) in the case of a person whose taxable year is not the calendar year, with the return provided in regulations prescribed by the Secretary.".

(2) FORM AND METHOD OF MAILING STATEMENT.—Section 6049(c)(2) (relating to time statement must be furnished) is amended to read as follows:

"(2) TIME AND FORM OF STATEMENT.—The written statement under paragraph (1) shall—

"(A) be furnished (either in person or by first-class mail) to the person on or before January 31 of the year following the calendar year for which the return under subsection (a) was made, and

"(B) shall be in such form as the Secretary may prescribe by regulations.".

(b) DIVIDENDS.—

(1) DUPLICATE STATEMENT REQUIRED ON RETURN.—Section 6042 (relating to returns regarding payments of dividends) is amended by adding at the end thereof the following new subsection:

"(e) DUPLICATE STATEMENT TO BE INCLUDED IN RETURN OF PERSON WITH RESPECT TO WHOM INFORMATION IS FURNISHED.—A duplicate of the statement required to be furnished to a person under subsection (c) shall—

"(1) In the case of a person whose taxable year is the calendar year, be included with the return of the person receiving such statement for the taxable year which ends with the calendar year to which the statement relates, and

"(2) in the case of a person whose taxable year is not the calendar year, with the return provided in regulations prescribed by the Secretary.".

(2) FORM AND METHOD OF MAILING STATEMENT.—The second sentence of section 6042(c) (relating to time statement must be furnished) is amended to read as follows: "The written statement required under the preceding sentence shall be furnished (either in person or by first-class mail) to the person on or before January 31 of the year following the calendar year for which the return under subsection (a) was made, and shall be in such form as the Secretary may prescribe by regulations.".

(c) PATRONAGE DIVIDENDS.—

(1) DUPLICATE STATEMENT REQUIRED ON RETURN.—Section 6044 (relating to returns regarding payment of patronage dividends) is amended by adding at the end thereof the following new subsection:

"(f) DUPLICATE STATEMENT TO BE INCLUDED IN RETURN OF PERSON WITH RESPECT TO WHOM INFORMATION IS FURNISHED.—A duplicate of the statement required to be furnished to a person under subsection (e) shall—

"(1) in the case of a person whose taxable year is the calendar year, be included with the return of the person receiving such statement for the taxable year which ends with the calendar year to which the statement relates, and

"(2) in the case of a person whose taxable year is not the calendar year, with the return provided in regulations prescribed by the Secretary.".

(2) FORM AND METHOD OF MAILING STATEMENT.—The second sentence of section 6044(e) (relating to time statement must be furnished) is amended to read as follows: "The written statement required under the preceding sentence shall be furnished (either in person or by first-class mail) to the person on or before January 31 of the year following the calendar year for which the return under subsection (a) was made, and shall be in such form as the Secretary may prescribe by regulations.".

(d) PENALTIES FOR FAILURE TO INCLUDE STATEMENT ON RETURN.—

(1) IN GENERAL.—Section 6678 (relating to failure to furnish certain statements), as amended by this Act, is amended—

(A) by adding at the end thereof the following new subsection:

"(c) FAILURE TO ATTACH STATEMENT TO A RETURN.—In the case of each failure to attach a statement to a return under section 6042(e), 6044(f), or 6049(c)(4), unless it is shown that such failure is due to reasonable cause and not to willful neglect, there shall be paid (upon notice and demand by the Secretary and in the same manner as tax) by the person failing to attach such statement $50 for each such failure.", and

(B) by inserting "OR ATTACH" after "FURNISH" in the heading thereof.

(2) CONFORMING AMENDMENT.—The table of sections for subchapter B of chapter 68 is amended by inserting "or attach" after "furnish" in the item relating to section 6678.

SEC. 107. PENALTIES ON PAYEES.

(a) WILLFUL ATTEMPTS TO EVADE OR AVOID.—

(1) IN GENERAL.—Subchapter A of chapter 68 (relating to additions to the tax and additional amounts) is amended by redesignating section 6662 as section 6663 and by inserting after section 6661 the following new section:

"SEC. 6662. ADDITIONAL PENALTY ON TAXPAYERS WHO WILLFULLY ATTEMPT TO EVADE OR AVOID TAX ON INTEREST, DIVIDENDS, OR PATRONAGE DIVIDENDS.

"(a) CIVIL PENALTY.—If for any taxable year—

"(1) any taxpayer fails to include on a return of tax the amount of any interest, dividends, or patronage dividends required to be included in such return, and

"(2) the Secretary establishes that the taxpayer willfully attempted to evade or avoid Federal tax on such interest, dividends, or patronage dividends,

then there is imposed on such taxpayer for such taxable year for each such failure a penalty of $1,000.

"(b) PENALTY IN ADDITION TO OTHER PENALTIES.—The penalty imposed by subsection (a) shall be in addition to any other penalty imposed by law.".

(2) CONFORMING AMENDMENT.—The table of sections for subchapter B of chapter 68 is amended by striking out the item relating to section 6662 and inserting in lieu thereof the following new items:

"Sec. 6662. Additional penalty on taxpayers who willfully attempt to evade or avoid tax on interest, dividends, or patronage dividends.

"Sec. 6663. Applicable rules.".

(b) FALSE CERTIFICATIONS.—

(1) IN GENERAL.—Section 6701 (relating to frivolous income tax returns) is amended—

(A) by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

"(b) FALSE CERTIFICATION.—If any individual willfully makes—

"(1) false certification or affirmation on any statement specifically required to be in the form described in section 6676(b)(5), or

"(2) a false certification under section 3406(c), then such individual shall pay a penalty of $1,000.",

(B) by inserting "or (b)" after "subsection (a)" in subsection (c), as so redesignated, and

(C) by inserting "; FALSE CERTIFICATIONS" after "RETURN" in the heading thereof.

(2) CONFORMING AMENDMENT.—The table of sections for subchapter B of chapter 68 is amended by inserting "; False Certifications" after "Return" in the item relating to section 6702.

SEC. 108. TIME FOR PROCESSING OF INFORMATION RETURNS BY THE SECRETARY OF THE TREASURY.

(a) TIME FOR PROCESSING OF INFORMATION.—With respect to taxable years beginning after December 31, 1982, the Secretary of the Treasury or his delegate shall implement a program which provides for the processing of information received by the Secretary under section 6042(a)(1), 6044(a)(1), or 6049(a) of the Internal Revenue Code of 1954 within such period as is necessary to notify taxpayers within 15½ months of the close of the calendar year to which the information relates that such taxpayer may be subject to withholding under section 3406(a) of the Internal Revenue Code of 1954 by reason of section 3406(a)(1)(C) of such Code.

(b) REPORT ON AVAILABILITY OF RESOURCES.—Not later than June 15, 1983, the Secretary of the Treasury or his delegate shall report to the Congress on the amount of additional appropriations necessary to carry out the program described in subsection (a) and to carry out the other provisions of, and amendments made by, this Act.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out the program described in subsection (a) and to carry out the other provisions of, and amendments made by, this Act, and it is the sense of the Congress that such sums be appropriated.

(d) FAILURE TO PROVIDE SUFFICIENT APPROPRIATIONS.—

(1) IN GENERAL.—If sufficient funds are not appropriated for such fiscal year pursuant to the authority under subsection (c) expressly to carry out the program under subsection (a) the Secretary of the Treasury shall implement such program only to the extent warranted by a managerial decision as to costs and benefits of alternative uses of resources.

(2) REPORT TO CONGRESS.—The Secretary of the Treasury shall report to the Congress for each fiscal year to which paragraph (1) applies as to the decision described in paragraph (1) and the reasons therefor.

(e) FAILURE TO PROVIDE SUFFICIENT APPROPRIATIONS.—

(1) IN GENERAL.—If sufficient funds are not appropriated pursuant to subsection (c) expressly to carry out the provisions (other than subsection (a) of this section) of, and amendments made by, this Act for any fiscal year, the Secretary of the Treasury shall implement such provisions and amendments in accordance with managerial decisions as to costs and benefits of alternative uses of resources.

(2) REPORT TO CONGRESS.—The Secretary of the Treasury shall report to the Congress for each fiscal year to which paragraph (1) applies as to the allocation of resources under such paragraph and the reasons therefor.

SEC. 109. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in this section, the amendments made by this title shall apply to taxable years beginning after December 31, 1982.

(b) SPECIAL RULES.—

(1)(A) The amendments made by section 103 shall apply to payments made after 45 days after the date of enactment of this Act.

(B) The Secretary of the Treasury may prescribe regulations which delay (but not beyond the 90th day after the date of the enactment of this Act) the date described in subparagraph (A) to any payor until such time as such payor is able to comply with-

out undue hardship with the amendments made by section 103.

(2) The amendments made by section 104 shall apply to returns the due date for which (without regard to extensions) is after December 31, 1983, except that the Secretary of the Treasury or his delegate may provide that such amendments shall not apply to any person for any return the due date for which (without regard to extensions) is before January 1, 1985, in any case where application of such amendments would cause undue hardship to such person.

(3)(A) Except as provided in subparagraph (B), the amendments made by sections 105 and 106 shall apply to returns or statements the due date for which (without regard to extensions) is after December 31, 1983.

(B) The amendments made by sections 105 and 106 shall not apply to any return or statement on which there is not required to be included any payment of interest dividends, or patronage dividends which is paid or credited after the date which is 30 days after the date of the enactment of this Act.

(c) CONFORMING AMENDMENT RELATING TO BACKUP WITHHOLDING.—Subsection (b) of section 317 of the Tax Equity and Fiscal Responsibility Act of 1982 (relating to extension of withholding to certain payments where identifying number not furnished or inaccurate) is amended by striking out "made after December 31, 1983" and inserting in lieu thereof "made after the date which is 45 days after the date of the enactment of the Interest and Dividend Compliance Act of 1983 (except that the Secretary may prescribe regulations which delay such date for not more than an additional 45 days in the case of any payor who is unable to comply with such amendments without undue hardship)".

TITLE II—CARIBBEAN BASIN INITIATIVE

SEC. 201. SHORT TITLE.

This Act may be cited as the "Caribbean Basin Economic Recovery Act".

Subtitle A—Duty-Free Treatment

SEC. 211. AUTHORITY TO GRANT DUTY-FREE TREATMENT.

The President may proclaim duty-free treatment for all eligible articles from any beneficiary country in accordance with the provisions of this title.

SEC. 212. BENEFICIARY COUNTRY.

(a)(1) For purposes of this title—

(A) The term "beneficiary country" means any country listed in subsection (b) with respect to which there is in effect a proclamation by the President designating such country as a beneficiary country for purposes of this title. Before the President designates any country as a beneficiary country for purposes of this title, he shall notify the House of Representatives and the Senate of his intention to make such designation, together with the consideration entering into such decision.

(B) The term "entered" means entered, or withdrawn from warehouse for consumption, in the customs territory of the United States.

(C) The term "TSUS" means Tariff Schedules of the United States (19 U.S.C. 1202).

(2) If the President has designated any country as a beneficiary country for purposes of this title, he shall not terminate such designation (either by issuing a proclamation for that purpose or by issuing a proclamation which has the effect of terminating such designation) unless, at least sixty days before such termination, he has notified the House of Representatives and the Senate and has notified such country of his intention to terminate such designation, together with the considerations entering into such decision.

(b) In designating countries as "beneficiary countries" under this title the President shall consider only the following countries and territories or successor political entities:

Anguilla	Panama
Antigua and Barbuda	Saint Lucia
Bahamas, The	Saint Vincent and the Grenadines
Barbados	Suriname
Belize	Trinidad and Tobago
Costa Rica	Cayman Islands
Dominica	Montserrat
Dominican Republic	Netherlands Antilles
El Salvador	Saint Christopher-Nevis
Grenada	Turks and Caicos Islands
Guatemala	Virgin Islands, British
Guyana	
Haiti	
Honduras	
Jamaica	
Nicaragua	

In addition, the President shall not designate any country a beneficiary country under this title—

(1) if such country is a Communist country;

(2) if such country—

(A) has nationalized, expropriated or otherwise seized ownership or control of property owned by a United States citizen or by a corporation, partnership, or association which is 50 per centum or more beneficially owned by United States citizens,

(B) has taken steps to repudiate or nullify—

(i) any existing contract or agreement with, or

(ii) any patent, trademark, or other intellectual property of,

a United States citizen or a corporation, partnership, or association which is 50 per centum or more beneficially owned by United States citizens, the effect of which is to nationalize, expropriate, or otherwise seize ownership or control of property so owned, or

(C) has imposed or enforced taxes or other exactions, restrictive maintenance or operational conditions, or other measures with respect to property so owned, the effect of which is to nationalize, expropriate, or otherwise seize ownership or control of such property, unless the President determines that—

(i) prompt, adequate, and effective compensation has been or is being made to such citizen, corporation, partnership, or association,

(ii) good-faith negotiations to provide prompt, adequate, and effective compensation under the applicable provisions of international law are in progress, or such country is otherwise taking steps to discharge its obligations under international law with respect to such citizen, corporation, partnership, or association, or

(iii) a dispute involving such citizen, corporation, partnership, or association, over compensation for such a seizure has been submitted to arbitration under the provisions of the Convention for the Settlement of Investment Disputes, or in another mutually agreed upon forum, and

promptly furnishes a copy of such determination to the Senate and House of Representatives;

(3) if such country fails to act in good faith in recognizing as binding or in enforcing arbitral awards in favor of United States citizens or a corporation, partnership or association which is 50 per centum or more beneficially owned by United States citizens, which have been made by arbitrators appointed for each case or by permanent arbitral bodies to which the parties involved have submitted their dispute;

(4) if such country affords preferential treatment to the products of a developed country, other than the United States, which has, or is likely to have, a significant adverse effect on United States commerce, unless the President has received assurances satisfactory to him that such preferential treatment will be eliminated or that action will be taken to assure that there will be no such significant adverse effect, and he reports those assurances to the Congress;

(5) if a government-owned entity in such country engages in the broadcast of copyrighted material, including films or television material, belonging to United States copyright owners without their express consent;

(6) if such country does not take adequate steps to cooperate with the United States to prevent narcotic drugs and other controlled substances (as listed in the schedules in section 202 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 812)) produced, processed, or transported in such country from entering the United States unlawfully; and

(7) unless such country is a signatory to a treaty, convention, protocol, or other agreement regarding the extradiction of United States citizens.

Paragraphs (1), (2), (3), and (5) shall not prevent the designation of any country as a beneficiary country under this Act if the President determines that such designation will be in the national economic or security interest of the United States and reports such determination to the Congress with his reasons therefor.

(c) In determining whether to designate any country a beneficiary country under this title, the President shall take into account—

(1) an expression by such country of its desire to be so designated;

(2) the economic conditions in such country, the living standards of its inhabitants, and any other economic factors which he deems appropriate;

(3) the extent to which such country has assured the United States it will provide equitable and reasonable access to the markets and basic commodity resources of such country;

(4) the degree to which such country follows the accepted rules of international trade provided for under the General Agreement on Tariffs and Trade, as well as applicable trade agreements approved under section 2(a) of the Trade Agreements Act of 1979;

(5) the degree to which such country uses export subsidies or imposes export performance requirements or local content requirements which distort international trade;

(6) the degree to which the trade policies of such country as they relate to other beneficiary countries are contributing to the revitalization of the region;

(7) the degree to which such country is undertaking self-help measures to promote its own economic development;

(8) the degree to which workers in such country are afforded reasonable workplace conditions and enjoy the right to organize and bargain collectively;

(9) the extent to which such country prohibits its nationals from engaging in the

broadcast of copyrighted material, including films or television material, belonging to United States copyright owners without their express consent; and

(10) the extent to which such country is prepared to cooperate with the United States in the administration of the provisions of this title.

(d) General headnote 3(a) of the TSUS (relating to products of the insular possessions) is amended by adding at the end thereof the following paragraph:

"(iv) subject to the provisions in section 213 of the Caribbean Basin Economic Recovery Act, articles which are imported from insular possessions of the United States shall receive duty treatment no less favorable than the treatment afforded such articles when they are imported from a beneficiary country under such Act.".

(e) The President shall, after complying with the requirements of subsection (a)(2), withdraw or suspend the designation of any country as a beneficiary country if, after such designation, he determines that as the result of changed circumstances such country would be barred from designation as a beneficiary country under subsection (b).

SEC. 213. ELIGIBLE ARTICLES.

(a)(1) Unless otherwise excluded from eligibility by this title, the duty-free treatment provided under this title shall apply to any article which is the growth, product, or manufacture of a beneficiary country if—

(A) that article is imported directly from a beneficiary country into the customs territory of the United States; and

(B) the sum of (i) the cost or value of the materials produced in a beneficiary country or two or more beneficiary countries, plus (ii) the direct costs of processing operations performed in a beneficiary country or countries is not less than 35 per centum of the appraised value of such article at the time it is entered.

For purposes of determining the percentage referred to in subparagraph (B), the term "beneficiary country" includes the Commonwealth of Puerto Rico and the United States Virgin Islands. If the cost or value of materials produced in the customs territory of the United States (other than the Commonwealth of Puerto Rico) is included with respect to an article to which this paragraph applies, an amount not to exceed 15 per centum of the appraised value of the article at the time it is entered that is attributed to such United States cost or value may be applied toward determining the percentage referred to in subparagraph (B).

(2) The Secretary of the Treasury shall prescribe such regulations as may be necessary to carry out this subsection including, but not limited to, regulations providing that, in order to be eligible for duty-free treatment under this title, an article must be wholly the growth, product, or manufacture of a beneficiary country, or must be a new or different article of commerce which has been grown, produced, or manufactured in the beneficiary country; but no article or material of a beneficiary country shall be eligible for such treatment by virtue of having merely undergone—

(A) simple combining or packaging operations, or

(B) mere dilution with water or mere dilution with another substance that does not materially alter the characteristics of the article.

(3) As used in this subsection, the phrase "direct costs of processing operations" includes, but is not limited to—

(A) all actual labor costs involved in the growth, production, manufacture, or assembly of the specific merchandise, including fringe benefits, on-the-job training and the cost of engineering, supervisory, quality control, and similar personnel; and

(B) dies, molds, tooling, and depreciation on machinery and equipment which are allocable to the specific merchandise.

Such phrase does not include costs which are not directly attributable to the merchandise concerned or are not costs of manufacturing the product; such as (i) profit, and (ii) general expenses of doing business which are either not allocable to the specific merchandise or are not related to the growth, production, manufacture, or assembly of the merchandise, such as administrative salaries, casualty and liability insurance, advertising, and salesmen's salaries, commissions or expenses.

(b) The duty-free treatment provided under this title shall not apply to—

(1) textile and apparel articles which are subject to textile agreements;

(2) footwear, handbags, luggage, flat goods, work gloves, and leather wearing apparel not designated at the time of the effective date of this title as eligible articles for the purpose of the generalized system of preferences under title V of the Trade Act of 1974;

(3) tuna, prepared or preserved in any manner, in airtight containers; or

(4) petroleum, or any product derived from petroluem, provided for in part 10 of schedule 4 of the TSUS.

(c)(1) As used in this subsection—

(A) The term "sugar and beef products" means—

(i) sugars, sirups, and molasses provided for in items 155.20 and 155.30 of the TSUS, and

(ii) articles of beef or veal, however provided for in subpart B of part 2 of schedule 1 of the TSUS.

(B) The term "Plan" means a stable food production plan that consists of measures and proposals designed to ensure that the present level of food production in, and the nutritional level of the population of, a beneficiary country will not be adversely affected by changes in land use and land ownership that will result if increased production of sugar and beef products is undertaken in response to the duty-free treatment extended under this title to such products. A Plan must specify such facts regarding, and such proposed actions by, a beneficiary country as the President deems necessary for purposes of carrying out this subsection, including but not limited to—

(i) the current levels of food production and nutritional health of the population;

(ii) current levels of production and export of sugar and beef products;

(iii) expected increases in production and export of sugar and beef products as a result of the duty-free access to the United States market provided under this title;

(iv) measures to be taken to ensure that the expanded production of those products because of such duty-free access will not occur at the expense of stable food production; and

(v) proposals for a system to monitor the impact of such duty-free access on stable food production and land use and land ownership patterns.

(2) Duty-free treatment extended under this title to sugar and beef products that are the product of a beneficiary country shall be suspended by the President under this subsection if—

(A) the beneficiary country, within the ninety-day period beginning on the date of its designation as such a country under section 212, does not submit a Plan to the President for evaluation;

(B) on the basis of his evaluation, the President determines that the Plan of a beneficiary country does not meet the criteria set forth in paragraph (1)(B); or

(C) as a result of the monitoring of the operation of the Plan under paragraph (5), the President determines that a beneficiary country is not making a good faith effort to implement its Plan, or that the measures and proposals in the Plan, although being implemented, are not achieving their purposes.

(3) Before the President suspends duty-free treatment by reason of paragraph (2)(A), (B), or (C) to the sugar and beef products of a beneficiary country, he must offer to enter into consultation with the beneficiary country for purposes of formulating appropriate remedial action which may be taken by that country to avoid such suspension. If the beneficiary country thereafter enters into consultation within a reasonable time and undertakes to formulate remedial action in good faith, the President shall withhold the suspension of duty-free treatment on the condition that the remedial action agreed upon be appropriately implemented by that country.

(4) The President shall monitor on a biennial basis the operation of the Plans implemented by beneficiary countries, and shall submit a written report to Congress by March 15 following the close of each biennium, that—

(A) specifies the extent to which each Plan, and remedial actions, if any, agreed upon under paragraph (4), have been implemented; and

(B) evaluates the results of such implementation.

(5) The President shall terminate any suspension of duty-free treatment imposed under this subsection if he determines that the beneficiary country has taken appropriate action to remedy the factors on which the suspension was based.

(d) For such period as there is in effect a proclamation issued by the President pursuant to the authority vested in him by section 22 of the Agricultural Adjustment Act (7 U.S.C. 624) to protect a price-support program for sugar beets and sugarcane, the importation and duty-free treatment of sugars, sirups, and molasses classified under items 155.20 and 155.30 of the TSUS shall be governed in the following manner:

(1)(A) For all beneficiary countries, except those subject to subparagraph (B) and paragraph (2), duty-free treatment shall be provided in the same manner as it is provided pursuant to title V of the Trade Act of 1974 (19 U.S.C. 2461 et seq.), at the time of the effective date of this title; except that the President upon the recommendation of the Secretary of Agriculture, may suspend or adjust upward the value limitation provided for in section 504(c)(1) of the Trade Act of 1974 on the duty-free treatment afforded to beneficiary countries under this section if he finds that such adjustment will not interfere with the price support program for sugar beets and sugarcane and is appropriate in light of market conditions.

(B) as an alternative to subparagraph (A), the President may at the request of a beneficiary country not subject to paragraph (2) and upon the recommendation of the Secretary of Agriculture, elect to permit sugar, sirups, and molasses from that country to

enter duty-free during a calendar year subject to quantitative limitations to be established by the President on the quantity of sugar, sirups, and molasses entered from that country.

(2) For the following countries whose exports of sugar, sirups, and molasses in 1981 were not eligible for duty-free treatment because of the operation of section 504(c) of the Trade Act of 1974, the quantity of sugar, sirups, and molasses which may be entered in any calendar year shall be limited to no more than the quantity specified below:

Metric tons:

Dominican Republic	780,000
Guatemala	210,000
Panama	160,000

Such sugar, sirups, and molasses shall be admitted free of duty, except as provided for in paragraph (3).

(3) The President, upon the recommendation of the Secretary of Agriculture, may suspend or adjust upward the quantitative limitations imposed under paragraph (1)(B) or (2) if he determines such action will not interfere with the price support program for sugar beets and sugarcane and is appropriate in light of market conditions. The President, upon the recommendation of the Secretary of Agriculture, may suspend the duty free treatment for all or part of the quantity of sugar, sirups, and molasses permitted to be entered by paragraphs (1)(B) and (2) if such action is necessary to protect the price-support program for sugar beets and sugar cane.

(4) Any quantitative limitation imposed on a beneficiary country under paragraph (1)(B) and (2) shall apply only to the extent that such limitation permits a lesser quantity of sugar, sirups, and molasses to be entered from that country than the quantity that would be permitted to be entered under any other provision of law.

(e)(1) The President may by proclamation suspend the duty-free treatment provided by this title with respect to any eligible article and may proclaim a duty rate for such article if such action is proclaimed pursuant to section 203 of the Trade Act of 1974 or section 232 of the Trade Expansion Act of 1962.

(2) In any report by the International Trade Commission to the President under section 201(d)(1) of the Trade Act of 1974 regarding any article for which duty-free treatment has been proclaimed by the President pursuant to this title, the Commission shall state whether and to what extent its findings and recommendations apply to such article when imported from beneficiary countries.

(3) For purposes of subsections (a) and (c) of section 203 of the Trade Act of 1974, the suspension of the duty-free treatment provided by this title shall be treated as an increase in duty.

(4) No proclamation which provides solely for a suspension referred to in paragraph (3) of this subsection with respect to any article shall be made under subsection (a) and (c) of section 203 of the Trade Act of 1974 unless the United States International Trade Commission, in addition to making an affirmative determination with respect to such article under section 201(b) of the Trade Act of 1974, determines in the course of its investigation under section 201(b) of such Act that the serious injury (or threat thereof) substantially caused by imports to the domestic industry producing a like or directly competitive article results from the duty-free treatment provided by this title.

(5)(A) Any proclamation issued pursuant to section 203 of the Trade Act of 1974 that is in effect when duty-free treatment pursuant to section 101 of this title is proclaimed shall remain in effect until modified or terminated.

(B) If any article is subject to import relief at the time duty-free treatment is proclaimed pursuant to section 211, the President may reduce or terminate the application of such import relief to the importation of such article from beneficiary countries prior to the otherwise scheduled date on which such reduction or termination would occur pursuant to the criteria and procedures of subsections (h) and (i) of section 203 of the Trade Act of 1974.

(f)(1) If a petition is filed with the International Trade Commission pursuant to the provisions of section 201 of the Trade Act of 1974 regarding a perishable product and alleging injury from imports from beneficiary countries, then the petition may also be filed with the Secretary of Agriculture with a request that emergency relief be granted pursuant to paragraph (3) of this subsection with respect to such article.

(2) Within fourteen days after the filing of a petition under paragraph (1) of this subsection—

(A) if the Secretary of Agriculture has reason to believe that a perishable product from a beneficiary country is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing a perishable product like or directly competitive with the imported product and that emergency action is warranted, he shall advise the President and recommend that the President take emergency action; or

(B) the Secretary of Agriculture shall publish a notice of his determination not to recommend the imposition of emergency action and so advise the petitioner.

(3) Within seven days after the President receives a recommendation from the Secretary of Agriculture to take emergency action pursuant to paragraph (2) of this subsection, he shall issue a proclamation withdrawing the duty-free treatment provided by this title or publish a notice of his determination not to take emergency action.

(4) The emergency action provided by paragraph (3) of this subsection shall cease to apply—

(A) upon the proclamation of import relief pursuant to section 202(a)(1) of the Trade Act of 1974,

(B) on the day the President makes a determination pursuant to section 203(b)(2) of such Act not to impose import relief,

(C) in the event of a report of the United States International Trade Commission containing a negative finding, on the day the Commission's report is submitted to the President, or

(D) whenever the President determines that because of changed circumstances such relief is no longer warranted.

(5) For purposes of this subsection, the term "perishable product" means—

(A) live plants provided for in subpart A or part 6 of schedule 1 of the TSUS;

(B) fresh or chilled vegetables provided for in items 135.10 through 138.42 of the TSUS;

(C) fresh mushrooms provided for in item 144.10 of the TSUS;

(D) fresh fruit provided for in items 146.10, 146.20, 146.30, 146.50 through 146.62, 146.91, 147.03 through 147.33, 147.50 through 149.21 and 149.50 of the TSUS;

(E) fresh cut flowers provided for in items 192.17, 192.18, and 192.21 of the TSUS; and

(F) concentrated citrus fruit juice provided for in items 165.25 and 165.35 of the TSUS.

(g) No proclamation issued pursuant to this title shall affect fees or quantitative limitations imposed pursuant to section 22 of the Agricultural Adjustment Act (7 U.S.C. 624).

SEC 214. MEASURES FOR PUERTO RICO AND UNITED STATES INSULAR POSSESSIONS.

(a) Effective with respect to articles entered on or after the effective date of this Act, general headnote 3(a) of the TSUS is amended—

(1) by amending clause (1)—

(A) by striking out "50 percent" and inserting in lieu thereof "70 percent", and

(B) by inserting after "total value", "(or more than 50 percent of their total value with respect to articles described in section 213(b) of the Caribbean Basin Economic Recovery Act)"; and

(2) by amending clause (ii) by striking out "50 percent" and inserting in lieu thereof "70 percent".

(b) Item 813.31 of the TSUS is amended by striking out "4 liters" and inserting in lieu thereof "5 liters", and by inserting after "United States,", "and not more than 4 liters of which shall have been produced elsewhere than in such insular possessions,".

(c) If the sum of the amounts of taxes covered into the treasuries of Puerto Rico or the United States Virgin Islands pursuant to section 7652(c) of the Internal Revenue Code of 1954 is reduced below the amount that would have been covered over if the imported rum had been produced in Puerto Rico or the United States Virgin Islands, then the President shall consider compensation measures and, in this regard, may withdraw the duty-free treatment on rum provided by this title. The President shall submit a report to the Congress on the measures he takes.

(d) Section 1112 of the Trade Agreements Act of 1979 (19 U.S.C. 2582) is repealed.

(e) No action pursuant to this title may affect any tariff duty imposed by the Legislature of Puerto Rico pursuant to section 319 of the Tariff Act of 1930 (19 U.S.C. 1319) on coffee imported into Puerto Rico.

(f) For purposes of chapter 1 of title II of the Trade Act of 1974, the term "industry" shall include producers located in the United States insular possessions.

(g) Any discharge from a point source in the United States Virgin Islands in existence on the date of the enactment of this subsection which discharge is attributable to the manufacture of rum (as defined in paragraph (3) of section 7652(c) of the Internal Revenue Code of 1954) shall not be subject to the requirements of section 301 (other than toxic pollutant discharges), section 306 or section 403 of the Federal Water Pollution Control Act if—

(1) such discharge occurs at least one thousand five hundred feet into the territorial sea from the line of ordinary low water from that portion of the coast which is in direct contact with the sea, and

(2) the Governor of the United States Virgin Islands determines that such discharge will not interfere with the attainment or maintenance of that water quality which shall assure protection of public water supplies, and the protection and propagation of a balanced population of shellfish, fish, and wildlife, and allow recreation-

al activities, in and on the water and will not result in the discharge of pollutants in quantities which may reasonably be anticipated to pose an unacceptable risk to human health or the environment because of bioaccumulation, persistency in the environment, acute toxicity, chronic toxicity (including carcinogenicity, mutagenicity, or teratogenicity), or synergistic propensities.

SEC. 215. INTERNATIONAL TRADE COMMISSION REPORTS ON IMPACT OF THIS ACT.

(a) The United States International Trade Commission (hereinafter in this section referred to as the "Commission") shall prepare, and submit to the Congress and to the President, a report regarding the economic impact of this Act on United States industries and consumers during—

(1) the twenty-four-month period beginning with the date of enactment of this Act; and

(2) each calendar year occurring thereafter until duty-free treatment under this title is terminated under section 216(b).

For purposes of this section, industries in the Commonwealth of Puerto Rico and the insular possessions of the United States shall be considered to be United States industries.

(b)(1) Each report required under subsection (a) shall include, but not be limited to, an assessment by the Commission regarding—

(A) the actual effect, during the period covered by the report, of this Act on the United States economy generally as well as on those specific domestic industries which produce articles that are like, or directly competitive with, articles being imported into the United States from beneficiary countries; and

(B) the probable future effect which this Act will have on the United States economy generally, as well as on such domestic industries, before the provisions of this Act terminate.

(2) In preparing the assessments required under paragraph (1), the Commission shall, to the extent practicable—

(A) analyze the production, trade and consumption of United States products affected by this Act, taking into consideration employment, profit levels, and use of productive facilities with respect to the domestic industries concerned, and such other economic factors in such industries as it considers relevant, including prices, wages, sales, inventories, patterns of demand, capital investment, obsolescence of equipment, and diversification of production; and

(B) describe the nature and extent of any significant change in employment, profit levels, and use of productive facilities, and such other conditions as it deems relevant in the domestic industries concerned, which it believes are attributable to this Act.

(c)(1) Each report required under subsection (a) shall be submitted to the Congress and to the President before the close of the nine-month period beginning on the day after the last day of the period covered by the report.

(2) The Commission shall provide opportunity for the submission by the public, either orally or in writing, or both, of information relating to matters that will be addressed in the reports.

SEC. 216. EFFECTIVE DATE OF SUBTITLE AND TERMINATION OF DUTY-FREE TREATMENT.

(a) EFFECTIVE DATE.—This subtitle shall take effect on the date of the enactment of this Act.

(b) TERMINATION OF DUTY-FREE TREATMENT.—No duty-free treatment extended to beneficiary countries under this subtitle shall remain in effect after September 30, 1995.

SUBTITLE B—TAX PROVISIONS

SEC. 221. PAYMENT OF EXCISE TAXES COLLECTED ON RUM TO PUERTO RICO AND THE UNITED STATES VIRGIN ISLANDS.

(a) IN GENERAL.—Section 7652 of the Internal Revenue Code of 1954 (relating to shipments to the United States) is amended by inserting after subsection (b) the following new subsection:

"(c) SHIPMENTS OF RUM TO THE UNITED STATES.—

"(1) EXCISE TAXES ON RUM COVERED INTO TREASURIES OF PUERTO RICO AND VIRGIN ISLANDS.—All taxes collected under section 5001(a)(1) on rum imported into the United States (less the estimated amount necessary for payment of refunds and drawbacks) shall be covered into the treasuries of Puerto Rico and the Virgin Islands.

"(2) SECRETARY PRESCRIBES FORMULA.—The Secretary shall, from time to time, prescribe by regulation a formula for the division of such tax collections between Puerto Rico and the Virgin Islands and the timing and methods for transferring such tax collections.

"(3) RUM DEFINED.—For purposes of this subsection, the term 'rum' means any article classifed under item 169.13 or 169.14 of the Tariff Schedules of the United States (19 U.S.C. 1202).

"(4) COORDINATION WITH SUBSECTIONS (a) AND (b).—Paragraph (1) shall not apply with respect to any rum subject to tax under subsection (a) or (b).".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to articles imported into the United States after June 30, 1983.

SEC. 222. TREATMENT OF CARIBBEAN CONVENTIONS, ETC.

(a) GENERAL RULE.—Subsection (h) of section 274 of the Internal Revenue Code of 1954 (relating to attendance at conventions, etc.) is amended by adding at the end thereof the following new paragraph:

"(5) TREATMENT OF CONVENTIONS IN CERTAIN CARIBBEAN COUNTRIES.—

"(A) IN GENERAL.—For purposes of this subsection, the term 'North American area' includes, with respect to any convention, seminar, or similar meeting, any beneficiary country if (as of the time such meeting begins)—

"(i) there is in effect a bilateral or multilateral agreement described in subparagraph (C) between such country and the United States providing for the exchange of information between the United States and such country, and

"(ii) there is not in effect a finding by the Secretary that the tax laws of such country discriminate against conventions held in the United States.

"(B) BENEFICIARY COUNTRY.—For purposes of this paragraph, the term 'beneficiary country' has the meaning given to such term by section 212(a)(1)(A) of the Caribbean Basin Economic Recovery Act; except that such term shall include Bermuda.

"(C) AUTHORITY TO CONCLUDE EXCHANGE OF INFORMATION AGREEMENTS.—

"(i) IN GENERAL.—The Secretary is authorized to negotiate and conclude an agreement for the exchange of information with any beneficiary country. Except as provided in clause (ii), an exchange of information agreement shall provide for the exchange of such information (not limited to information concerning nationals or residents of the United States or the beneficiary country) as may be necessary or appropriate to carry out and enforce the tax laws of the United States and the beneficiary country (whether criminal or civil proceedings), including information which may otherwise be subject to nondisclosure provisions of the local law of the beneficiary country such as provisions respecting bank secrecy and bearer shares. The exchange of information agreement shall be terminable by either country on reasonable notice and shall provide that information received by either country will be disclosed only to persons or authorities (including courts and administrative bodies) involved in the administration or oversight of, or in the determination of appeals in respect of, taxes of the United States or the beneficiary country and will be used by such persons or authorities only for such purposes.

"(ii) NONDISCLOSURE OF QUALIFIED CONFIDENTIAL INFORMATION SOUGHT FOR CIVIL TAX PURPOSES.—An exchange of information agreement need not contain a provision requiring the exchange of qualified confidential information which is sought only for civil tax purposes if—

"(I) the President determines that requiring the inclusion of such a provision in such agreement would not be in the national security interest of the United States, and

"(II) the Secretary of the Treasury determines that such agreement would, without such a provision, provide assistance in administering and enforcing the tax laws of the United States.

"(iii) QUALIFIED CONFIDENTIAL INFORMATION DEFINED.—For purposes of this subparagraph, the term 'qualified confidential information' means information which is subject to the nondisclosure provisions of any local law of the beneficiary country regarding bank secrecy or ownership of bearer shares.

"(D) COORDINATION WITH SECTION 6103.—Any exchange of information agreement negotiated under subparagraph (C) shall be treated as an income tax convention for purposes of section 6103(k)(4).".

"(E) DETERMINATION AND FINDINGS PUBLISHED IN THE FEDERAL REGISTER.—Any determination by the President under subparagraph (C) (ii) (including the reasons for such determination) and any finding by the Secretary under subparagraph (A)(ii) (and any termination thereof) shall be published in the Federal Register.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to conventions, seminars, or other meetings which begin after June 30, 1984.

SUBTITLE C—SENSE OF THE CONGRESS REGARDING SUGAR IMPORTS

SEC. 231. SUGAR IMPORTS.

It is the sense of the Congress that sugar from any Communist country in the Caribbean Basin or in Central America should not be imported into the United States.

TITLE III—ENTERPRISE ZONES

SEC. 301. SHORT TITLE; AMENDMENT OF 1954 CODE.

(a) SHORT TITLE.—This title may be cited as the "Enterprise Zone Act of 1983".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 302. PURPOSES.

It is the purpose of this title to provide for the establishment of enterprise zones in order to stimulate the creation of new jobs, particularly for disadvantaged workers and long-term unemployed individuals, and to promote revitalization or encouraging—

(1) tax relief at the Federal, State, and local levels;

(2) regulatory relief at the Federal, State, and local levels; and

(3) improved local services and an increase in the economic stake of enterprise zone residents in their own community and its development, particularly through the increased involvement of private, local, and neighborhood organizations.

SUBTITLE A—DESIGNATION OF ENTERPRISE ZONES

SEC. 311. DESIGNATION OF ZONES.

(a) GENERAL RULE.—Chapter 80 (relating to general rules) is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER D—DESIGNATION OF ENTERPRISE ZONES

"Sec. 7891. Designation.

"SEC. 7891. DESIGNATION.

"(a) DESIGNATION OF ZONES.—

"(1) DEFINITIONS.—For purposes of this title, the term 'enterprise zone' means any area—

"(A) which is nominated by one or more local governments and the State or States in which it is located for designation as an enterprise zone (hereinafter in this section referred to as a 'nominated area'), and

"(B) which the Secretary of Housing and Urban Development, after consultation with—

"(i) the Secretaries of Agriculture, Commerce, Labor, and the Treasury; the Director of the Office of Management and Budget; and the Administrator of the Small Business Administration, and

"(ii) in the case of an area on an Indian reservation, the Secretary of the Interior, designates as an enterprise zone.

"(2) LIMITATIONS ON DESIGNATIONS.—

"(A) PUBLICATION OF REGULATIONS.—Before designating any area as an enterprise zone and not later than 4 months following the date of the enactment of this section, the Secretary of Housing and Urban Development shall prescribe by regulation, after consultation with the officials described in paragraph (1)(B)—

"(1) the procedures for nominating an area under paragraph (1)(A),

"(ii) the parameters relating to the size and population characteristics of an enterprise zone, and

"(iii) the manner in which nominated areas will be compared based on the criteria specified in subsection (d) and the other factors specified in subsection (e).

"(3) TIME LIMITATIONS.—The Secretary of Housing and Urban Development shall designate nominated areas as enterprise zones only during the 36-month period beginning on the later of—

"(i) the first day of the first month following the month in which the effective date of the regulations described in subparagraph (A) occurs, or

"(ii) October 1, 1983.

"(C) NUMBER OF DESIGNATIONS.—

"(i) IN GENERAL.—The Secretary of Housing and Urban Development may not designate more than 75 nominated areas as enterprise zones under this section.

"(ii) MINIMUM DESIGNATION IN RURAL AREAS.—Of the areas designated under clause (i), at least one-third must be areas—

"(I) which are within a local government jurisdiction or jurisdictions with a population of less than 50,000 (as determined under the most recent census data available),

"(II) which are outside of a metropolitan statistical area (within the meaning of section 103A(1)(4)(B)), or

"(III) which are determined by the Secretary of Housing and Urban Development, after consultation with the Secretary of Commerce, to be rural areas.

"(D) PROCEDURAL RULES.—The Secretary of Housing and Urban Development shall not make any designation under paragraph (1) unless—

"(i) the local government and the State in which the nominated area is located have the authority—

"(I) to nominate such area for designation as an enterprise zone,

"(II) to make the State and local commitments under subsection (d), and

"(III) to provide assurances satisfactory to the Secretary of Housing and Urban Development that such commitments will be fulfilled,

"(ii) a nomination therefor is submitted in such a manner and in such form, and contains such information, as the Secretary of Housing and Urban Development shall by regulation prescribe,

"(iii) the Secretary of Housing and Urban Development determines that any information furnished is reasonably accurate, and

"(iv) the State and local governments certify that no portion of the area nominated is already included in an enterprise zone or in an area otherwise nominated to be an enterprise zone.

"(3) NOMINATION PROCESS FOR INDIAN RESERVATIONS.—In the case of a nominated area on an Indian reservation, the reservation governing body (as determined by the Secretary of the Interior) shall be deemed to be both the State and local governments with respect to such area.

"(b) PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—

"(1) IN GENERAL.—Any designation of an area as an enterprise zone shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

"(A) December 31 of the 24th calendar year following the calendar year in which such date occurs,

"(B) the termination date designated by the State and local governments as provided for in their nomination pursuant to subsection (a)(2)(D)(ii), or

"(C) the date the Secretary of Housing and Urban Development revokes such designation under paragraph (2).

"(2) REVOCATION OF DESIGNATION.—The Secretary of Housing and Urban Development, after consultation with the officials described in subsection (a)(1)(B), may revoke the designation of an area if the Secretary of Housing and Urban Development determines that the local government or the State in which it is located is not complying substantially with the State and local commitments pursuant to subsection (d).

"(3) DESIGNATION SHALL NOT TAKE EFFECT UNLESS INVENTORY OF HISTORIC PROPERTIES.—Notwithstanding paragraph (1)—

"(A) within 60 days after the date of the designation of an area as an enterprise zone (determined without regard to this paragraph), the State or local government of such area shall submit to the Secretary of Housing and Urban Development an inventory of historic properties within such area, and

"(B) the date of such designation shall not be earlier than the date on which such inventory is submitted.

"(c) AREA AND ELIGIBILITY REQUIREMENTS.—

"(1) IN GENERAL.—The Secretary of Housing and Urban Development may make a designation of any nominated area under subsection (a)(1) only if it meets the requirements of paragraphs (2) and (3).

"(2) AREA REQUIREMENTS.—A nominated area meets the requirements of this paragraph if—

"(A) the area is within the jurisdiction of the local government,

"(B) the boundary of the area is continuous, and

"(C) the area—

"(i) has a population, as determined by the most recent census data available, of at least—

"(I) 4,000 if any portion of such area (other than a rural area described in subclause (I) or (III) of subsection (a)(2)(C)(ii) is located within a metropolitan statistical area (within the meaning of section 103A (1)(4)(B)) with a population of 50,000 or more, or

"(II) 1,000 in any other case, or

"(ii) is entirely within an Indian reservation (as determined by the Secretary of the Interior).

"(3) ELIGIBILITY REQUIREMENTS.—For purposes of paragraph (1), a nominated area meets the requirements of this paragraph if the State and local governments in which it is located certify and the Secretary of Housing and Urban Development, after such review of supporting data as he deems appropriate, accepts such certification, that—

"(A) the area is one of pervasive poverty, unemployment, and general distress,

"(B) the area is located wholly within the jurisdiction of a local government which is eligible for Federal assistance under section 119 of the Housing and Community Development Act of 1974, as in effect on the date of the enactment of this section, and

"(C) one of the following criteria is met—

"(i) the unemployment rate, as determined by the appropriate available data, was at least 1½ times the national unemployment rate for that period, or

"(ii) the poverty rate (as determined by the most recent census data available) for each populous census tract, (or where not tracted, the equivalent county division as defined by the Bureau of the Census for the purpose of defining poverty areas) within the area was at least 20 percent for the period to which such data relates, or

"(iii) at least 70 percent of the households living in the area have incomes below 80 percent of the median income of households of the local government (determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974), or

"(iv) the population of the area decreased by 20 percent or more between 1970 and 1980 (as determined from the most recent census available.)

"(d) REQUIRED STATE AND LOCAL COMMITMENTS.—

"(1) IN GENERAL.—No nominated area shall be designated as an enterprise zone unless the local government and the State in which it is located agree in writing that, during any period during which the area is an enterprise zone, such governments will

follow a specified course of action designed to reduce the various burdens borne by employers or employees in such area.

"(2) COURSE OF ACTION.—The course of action under paragraph (1) may be implemented by both such governments and private nongovernmental entities, may be funded from proceeds of any Federal program, and may include, but is not limited to—

"(A) a reduction of tax rates or fees applying within the enterprise zone,

"(B) an increase in the level or efficiency of local services within the enterprise zone, for example, crime prevention (particularly through experimentation with providing such services by nongovernmental entities),

"(C) actions to reduce, remove, simplify, or streamline governmental requirements applying within the enterprise zone,

"(D) involvement in the program by private entities, organizations, neighborhood associations, and community groups, particularly those within the nominated area, including a commitment from such private entities to provide jobs and job training for, and technical, financial or othe assistance to, employers, employees, and residents of the nominated area, and

"(E) mechanisms to increase the equity ownership of residents and employees within the enterprise zone.

"(3) LATER MODIFICATION OF A COURSE OF ACTION.—The Secretary of Housing and Urban Development may by regulation prescribe procedures for modifying a course of action under paragraph (1) following designation.

"(e) PRIORITY OF DESIGNATION.—In choosing nominated areas for designation, the Secretary of Housing and Urban Development shall give special preference to the areas with respect to which the strongest and highest quality contributions described in subsection (d)(2) have been promised as part of the course of action, taking into consideration the fiscal ability of the nominating State and local governments to provide tax relief. The Secretary shall also give preference to—

"(1) the nominated areas with respect to which the strongest and highest quality contributions (other than those described in subsection (d)(2)) have been promised as part of the course of action,

"(2) the nominated areas with respect to which the nominating State and local governments have provided the most effective and enforceable guarantees that the proposed course of action under subsection (d) will actually be carried out during the period of the enterprise zone designation,

"(3) in nominated areas with high levels of poverty, unemployment, and general distress, particularly the areas—

"(A) which are near areas with concentrations of disadvantaged workers or long-term unemployed individuals, and

"(B) With respect to which there is a strong likelihood that residents of the area described in subparagraph (A) will receive jobs if the area is designated as an enterprise zone,

"(4) the nominated areas the size and location of which—

"(A) will primarlly stimulate new economic activity, and

"(B) minimize unnecessary tax losses to the Federal Government,

"(5) the nominated areas with respect to which private entities have made the most substantial commitments in additional resources and contributions, including the creation of new or expanded business activities, and

"(6) the nominated areas which best exhibit such other factors determined by the Secretary of Housing and Urban Development as are—

"(A) consistent with the intent of the enterprise zone program, and

"(B) important to minimizing the unnecessary loss of tax revenues to the Federal Government.

"(f) DEFINITIONS.—For the purposes of this title—

"(1) GOVERNMENTS.—If more than one government seeks to nominate an area as an enterprise zone, any reference to, or requirement of, this section shall apply to all such governments.

"(2) STATE.—The term 'State' shall also include Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other possession of the United States.

"(3) LOCAL GOVERNMENT.—The term 'local government' means—

"(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State.

"(B) any combination of political subdivisions described in subparagraph (A) recognized by the Secretary of Housing and Urban Development, and

"(C) the District of Columbia.".

(b) CONFORMING AMENDMENT.—The table of subchapters for chapter 80 is amended by adding at the end thereof the following new item:

"SUBCHAPTER D—DESIGNATION OF ENTERPRISE ZONES".

SEC. 312. EVALUATION AND REPORTING REQUIREMENTS.

Not later than the close of the fourth calendar year after the year in which the Secretary of Housing and Urban Development first designates areas as enterprise zones under section 7891 of the Internal Revenue Code of 1954, and at the close of each fourth calendar year thereafter, the Secretary of Housing and Urban Development shall prepare and submit to the Congress a report on the effects of such designation in accomplishing the purposes of this Act.

SEC. 313. INTERACTION WITH OTHER FEDERAL PROGRAMS.

(a) TAX REDUCTIONS.—Any reduction of taxes under any required program of State and local commitment under section 7891(d) of the Internal Revenue Code of 1954 shall be disregarded in determining the eligibility of a State or local government for, or the amount or extent of, any assistance or benefits under any law of the United States.

(b) COORDINATION WITH RELOCATION ASSISTANCE.—The designation of an enterprise zone under section 7891 of the Internal Revenue Code of 1954 shall not—

(1) constitute approval of a Federal or Federally assisted program or project (within the meaning of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601)), or

(2) entitle any person displaced from real property located in such zone to any rights or any benefits under such Act.

(c) COORDINATION WITH ENVIRONMENTAL POLICY.—Designation of an enterprise zone under section 7891 shall not constitute a Federal action for purposes of applying the requirements of the National Environmental Policy Act (42 U.S.C. 4341) or other provisions of Federal law relating to the protection of the environment.

SUBTITLE B—FEDERAL INCOME TAX INCENTIVES

PART I—CREDITS FOR EMPLOYERS AND EMPLOYEES

SEC. 321. CREDIT FOR ENTERPRISE ZONE EMPLOYERS.

(a) CREDIT FOR INCREASED ENTERPRISE ZONE EMPLOYMENT AND EMPLOYMENT OF DISADVANTAGED WORKERS.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting immediately before section 45 the following new section:

"SEC. 441. CREDIT FOR ENTERPRISE ZONE EMPLOYMENT.

"(a) IN GENERAL.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

"(1) 10 percent of the qualified increased employment expenditures of the taxpayer for the taxable year, and

"(2) the economically disadvantaged credit amount of the taxpayer for such taxable year.

"(b) LIMITATIONS BASED ON AMOUNT OF TAX.—

"(1) IN GENERAL.—The credit allowed by subsection (a) for a taxable year shall not exceed the tax imposed by this chapter for such taxable year, reduced by the sum of the credits allowable under any section of this subpart having a lower number or letter designation than this section, other than the credits allowable by sections 31, 39, and 43. For purposes of the preceding sentence, the term 'tax imposed by this chapter' shall not include any tax treated as not imposed by this chapter under the last sentence of section 53(a).

"(2) CARRYBACK AND CARRYOVER OF UNUSED CREDIT.—

"(A) ALLOWANCE OF CREDIT.—If the amount of the credit determined under this section for any taxable year exceeds the limitation provided by paragraph (1) for such taxable year (hereinafter in this paragraph referred to as the 'unused credit year'), such excess shall be—

"(i) an enterprise zone employment credit carryback to each of the 3 taxable years preceding the unused credit year, and

"(ii) an enterprise zone employment credit carryover to each of the 15 taxable years following the unused credit year,

and shall be added to the amount allowable as a credit by this section for such years. If any portion of such excess is a carryback to a taxable year beginning before January 1, 1984, this section shall be deemed to have been in effect for such taxable year for purposes of allowing such carryback as a credit under this section. The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the 18 taxable years to which (by reason of clauses (i) and (ii)) such credit may be carried, and then to each of the other 17 taxable years to the extent that, because of the limitation contained in subparagraph (B), such unused credit may not be added for a prior taxable year to which such unused credit may be carried.

"(B) LIMITATION.—The amount of the unused credit which may be added under subparagraph (A) for any preceding or succeeding taxable year shall not exceed the amount by which the limitation provided by paragraph (1) for such taxable year exceeds the sum of—

"(i) the credit allowable under this section for such taxable year, and

"(ii) the amounts which, by reason of this paragraph, are added to the amount allowable for such taxable year and which are attributable to taxable years preceding the unused credit year.

"(C) SPECIAL RULE IF PERIOD OF ZONE EXTENDS MORE THAN 15 YEARS.—If the number of taxable years during the period—

"(i) beginning with the taxable year after the unused credit year, and

"(ii) ending with the taxable year in which the designation of the enterprise zone to which the credit under subsection (a) relates expires under section 7891,

exceeds 15, then subparagraph (A) shall be applied by substituting such number for '15', such number plus 3 for '18', and such number plus 2 for '17'.

"(c) QUALIFIED INCREASED EMPLOYMENT EXPENDITURES DEFINED.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified increased employment expenditures' means the excess of—

"(A) the qualified wages paid or incurred by the employer during the taxable year to qualified employees with respect to all enterprise zones, over

"(B) the base period wages of the employer with respect to all such zones.

"(2) LIMITATIONS AS TO QUALIFIED WAGES TAKEN INTO ACCOUNT.—

"(A) DOLLAR AMOUNT.—The amount of any qualified wages taken into account under paragraph (1) for any taxable year with respect to any qualified employee may not exceed 2.5 times the dollar limitation in effect under section 3306(b)(1) for the calendar year with or within which such taxable year ends.

"(B) APPLICATION WITH ECONOMICALLY DISADVANTAGED CREDIT AMOUNT.—Qualified wages shall not be taken into account under paragraph (1) if such wages are taken into account in determining the economically disadvantaged credit amount under subsection (d).

"(3) BASE PERIOD WAGES.—

"(A) IN GENERAL.—The term 'base period wages' means, with respect to any enterprise zone, the amount of wages paid to employees during the 12-month period preceding the earlier of—

"(i) the date on which the enterprise zone was designated as such under section 7891, or

"(ii) the date on which the enterprise zone is designated under any State law enacted after January 1, 1981,

which would have been qualified wages paid to qualified employees if such designation had been in effect for such period.

"(B) RULES OF SPECIAL APPLICATION.—For purposes of subparagraph (A)—

"(i) subsection (f)(1) shall be applied by substituting '12-month period' for 'taxable year' each place it appears, and

"(ii) the dollar limitation taken into account under paragraph (2) in computing qualified wages shall be the amount in effect for the taxable year for which the amount of the credit under subsection (a) is being computed.

"(d) ECONOMICALLY DISADVANTAGED CREDIT AMOUNT.—For purposes of this section—

"(1) IN GENERAL.—The term 'economically disadvantaged credit amount' means the sum of the applicable percentage of qualified wages paid to each qualified economically disadvantaged individual.

"(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the term 'applicable percentage' means, with respect to any qualified economically disadvantaged individual, the percentage determined in accordance with the following table:

"If the qualified wages are paid for services performed:	The applicable percentage is:
Within 36 months of starting date	50
More than 36 months but less than 49 months after such date	40
More than 48 months but less than 61 months after such date	30
More than 60 months but less than 73 months after such date	20
More than 72 months but less than 85 months after such date	10
More than 84 months after such date	0

"(3) STARTING DATE; BREAKS IN SERVICE.—For purposes of this subsection—

"(A) STARTING DATE.—The term 'starting date' means the day which the qualified economically disadvantaged individual begins work for the employer within an enterprise zone.

"(B) BREAKS IN SERVICE.—The periods described in the table under paragraph (2) (other than the first such period) shall be extened by any period of time—

"(i) during which the individual is unemployed, and

"(ii) by any period of time before the designation of the area as an enterprise zone under section 7891 during which the individual is employed by a taxpayer while the area is designated as an enterprise zone under State law enacted after January 1, 1981.

"(e) QUALIFIED WAGES DEFINED.—For purposes of this section—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, the term 'qualified wages' has the meaning given to the term 'wages' by subsection (b) of section 3306 (determined without regard to any dollar limitation contained in such section).

"(2) REDUCTION FOR CERTAIN FEDERALLY FUNDED PAYMENTS.—For purposes of this section the wages paid or incurred by an employer for any period shall not include the amount of any federally funded payments the employer receives or is entitled to receive for on-the-job training of such individual for such period.

"(3) SPECIAL RULES FOR AGRICULTURAL AND RAILWAY LABOR.—Under regulations prescribed by the Secretary, rules similar to the rules of section 51(h) shall apply with respect to services described in subparagraphs (A) and (B) of section 51(h)(1).

"(f) QUALIFIED EMPLOYEE DEFINED.—

"(1) IN GENERAL.—For purposes of this section, the term 'qualified employee' means an individual—

"(A) at least 90 percent of whose services for the employer during the taxable year are directly related to the conduct of the employer's trade or business located in an enterprise zone, and

"(B) who performs at least 50 percent of his services for the employer during the taxable year in an enterprize zone.

"(2) EXCEPTION FOR INDIVIDUALS WITH RESPECT TO WHOM CREDIT IS ALLOWED UNDER SECTION 44b.—The term 'qualified employee' shall not include an individual with respect to whom any credit is allowed the employer for the taxable year udner section 44B (relating to credit for employment of certain new employees).

"(g) QUALIFIED ECONOMICALLY DISADVANTAGED INDIVIDUAL.—

"(1) For purposes of this section, the term 'qualified economically disadvantaged individual' means an individual—

"(A) who is a qualified employee,

"(B) who is hired by the employer during the period a designation under section 7891 is in effect for the area in which the services which qualify such individual as a qualifed employee are performed, and

"(C) who is certified as—

"(i) an economically disadvantaged individual,

"(ii) an eligible work incentive employee (within the meaning of section 51(d)(9)), or

"(iii) a general assistance recipient (within the meaning of section 51(d)(6)).

"(2) ECONOMICALLY DISADVANTAGED INDIVIDUAL.—For purposes of paragraph (1)—

"(A) IN GENERAL.—The term 'economically disadvantaged individual' means any individual who is certified by the designated local agency as being a member of a family that had a combined family income including the cash value of food stamps) during the 6 months preceding the month in which such determination occurs tht on an annual basis, was equal to or less than the sum of—

"(i) the highest amount which would ordinarily be paid to a family of the same size without any income or resources in the form of payments for aid to families with dependent children under the State plan approved under part A of title IV of the Social Security Act for the State in which such individual resides, plus,

"(ii) the highest cash value of the food stamps to which a family of the same size without any income or resources would be paid aid to families with dependent children under such State plan in the amount determined under clause (i).

Any such determination shall be valid for the 45-day period beginning on the date such determination is made.

"(B) SPECIAL RULE FOIR FAMILIES WITH ONLY 1 INDIVIDUAL.—For purposes of clause (i) of subparagraph (A), in the case of a family consisting of only one individual, the 'highest amount which would ordinarily be paid' to such family under the State's plan approved under part A of title IV of the Social Security Act shall be an amount determined by the designated local agency on the basis of a reasonable relationship to the amounts payable under such plan to families consisting or two or more persons.

"(3) CERTIFICATION.—Certification of an individual as an individual described in paragraph (1)(C) shall be made in the same manner as certification under section 51.

"(h) SPECIAL RULES.—For purposes of this section—

"(1) APPLICATION TO CERTAIN ENTITIES, ETC.—Under regulations prescribed by the Secretary, rules similar to the rules of subsections (f) and (i) of section 51, section 52, and section 44F(f)(3) shall apply.

"(2) PERIODS OF LESS THAN A YEAR.—If designation of an area as an enterprise zone under section 7891 occurs, expires, or is revoked on a date other than the first or last day of the taxable year of the taxpayer, or in the case of a taxable year of less than 12 months—

"(A) the limitation specified in subsection (c)(2)(A), and the base period wages determined under subsection (c)(3), shall be adjusted on a pro rata basis (based upon the number of days), and

"(B) the reduction specified in subsection (e)(2) and the 90 percent and 50 percent tests set forth in subsection (f)(1) shall be determined by reference to the portion of the taxable year during which the designation of the area as an enterprise zone is in effect.

"(i) PHASEOUT OF CREDIT.—In determining the amount of the credit for a taxable year under subsection (a) with respect to qualified wages paid or incurred for services performed in an enterprise zone—

"(1) the following percentages shall be substituted for '10 percent' in subsection (a)(1):

"(A) 7.5 percent in the earlier of—

"(i) the taxable year which includes the date which is 21 years after the date on which such enterprise zone was designated under section 7891, or

"(ii) the taxable year which includes the date which is 4 years before the date (if any) on which such enterprise zone ceases to be a zone under section 7891(b)(1)(B),

"(B) 5 percent in the next succeeding taxable year,

"(C) 2.5 percent in the second next succeeding taxable year, and

"(D) zero thereafter, and

"(2) the amount determined under subsection (a)(2) shall be reduced by—

"(A) 25 percent in the case of the taxable year described in paragraph (1)(A),

"(B) 50 percent in the next succeeding taxable year,

"(C) 75 percent in the second next succeeding taxable year, and

"(D) 100 percent thereafter.

"(j) EARLY TERMINATION OF EMPLOYMENT BY EMPLOYER IN CASE OF QUALIFIED ECONOMICALLY DISADVANTAGED INDIVIDUALS, ETC.—

"(1) GENERAL RULE.—Under regulations prescribed by the Secretary, if the employment of any qualified economically disadvantaged individual with respect to whom qualified wages are taken into account under subsection (a) is terminated by the taxpayer at any time during the 270-day period beginning on the date such individual begins work for the employer, the tax under this chapter for the taxable year in which such employment is terminated shall be increased by an amount (determined under such regulations) equal to the credit allowed under subsection (a) for such taxable year and all prior taxable years attributable to qualified wages paid or incurred with respect to such employee.

"(2) SUBSECTION NOT TO APPLY IN CERTAIN CASES.—

"(A) IN GENERAL.—Paragraph (1) shall not apply to—

"(i) a termination of employment of an employee who voluntarily leaves the employment of the employer,

"(ii) a termination of employment of an individual who, before, the close of the priod referred to in paragraph (1), becomes disabled and therefore is unable to perform the services of such employment, unless such disability is removed before the close of such period and the employer fails to offer reemployment to such individual,

"(iii) a termination of employment of an individual, if it is determined under the applicable State unemployment compensation law that the termination was due to the misconduct of such individual, or

"(iv) a termination of employment of an individual due to a substantial reduction in the trade or business operations of the employer.

"(B) CHANGE IN FORM OF BUSINESS, ETC.—For purposes of paragraph (1), the employment relationship between the employer and an employee shall not be treated as terminated—

"(i) by a transaction to which section 381(a) applies, if the employee continues to be employed by the acquiring corporation, or

"(ii) by reason of a mere change in the form of conducting the trade or business of the taxpayer, if the employee continues to be employed in such trade or business and the employer retains a substantial interest in such trade or business.

"(3) SPECIAL RULE.—Any increase in tax under paragraph (1) shall not be treated as tax imposed by this chapter for purposes of determining the amount of any credit allowable under this subpart.".

(b) NO DEDUCTION ALLOWED.—Section 280C (relating to disallowance of deductions for that portion of wages for which credit is claimed under section 40 or 44B) is amended by adding at the end thereof the following new subsection:

"(d) RULE FOR SECTION 44I CREDITS.—No deduction shall be allowed for that portion of the wages or salaries paid or incurred for the taxable year which is equal to the amount of the credit allowable under section 44I (relating to the employment credit for enterprise zone businesses). This subsection shall be applied under a rule similar to the rule under the last sentence of subsection (b).".

(c) TECHNICAL AMENDMENTS RELATED TO CARRYOVER AND CARRYBACK OF CREDITS.—

(1) CARRYOVER OF CREDIT.—

(A) Subparagraph (B) of section 55(c)(3) (relating to caryover and carryback of certain credits) is amended—

(i) by striking out "or 44F" in clause (i) and inserting in lieu thereof "44F, or 44I", and

(ii) by inserting "44I(b)(1)," after "44F(g)(1)," in clause (ii).

(B) Subsection (c) of section 381 (relating to items of the distributor or transferor corporation) is amended by adding at the end thereof the following new paragraph:

"(31) CREDIT UNDER SECTION 44I.—The acquiring corporation shall take into account (to the extent proper to carry out the purposes of this section and section 44I, and under such regulations as may be prescribed by the secretary) the items required to be taken into account for purposes of section 44I in respect to the distributor or transferor corporation.".

(C) Section 383 (relating to special limitations on unused credits and capital losses), as in effect for taxable years to which the amendments made by the Tax Reform Act of 1976 apply, is amended—

(i) by inserting "to any unused credit of the corporation under section 44I(b)(2)," after "44G(b)(2)," and

(ii) by inserting "enterprise zone employment credits," after "employee stock ownership credits," in the section heading.

(D) Section 383 (as in effect on the day before the amendments made by the Tax Reform Act of 1976) is amended—

(i) by inserting "to any unused credit of the corporation which could otherwise be carried forward under section 44I(b)(2)," after "44G(b)(2)," and

(ii) by inserting "enterprise zone employment credits," after "employee stock ownership credits," in the section heading.

(E) The table of sections for part V of subchapter C of chapter 1 is amended by inserting "enterprise zone employment credits," after "employee stock ownership credits," in the item relating to section 383.

(2) CARRYBACK OF CREDIT.—

(A) Subparagraph (C) of section 6511(d)(4) (defining credit carryback) is amended by striking out "and employee stock ownership credit carryback" and inserting in lieu thereof "employee stock ownership credit carryback, and enterprise zone employment credit carryback."

(B) Section 6411 (relating to quick refunds in respect to tentative carryback adjustments) is amended—

(i) by striking out "or unused employee stock ownership credit" each place it appears and inserting in lieu thereof "unused employee stock ownership credit, or unused enterprise zone employment credit carryback;"

(ii) by inserting ", by an enterprise zone employment credit carryback provided by section 44I(b)(2)," after "by an employee stock ownership credit carryback provided by section 44G(b)(2)" in the first sentence of subsection (a);

(iii) by striking out "or employee stock ownership credit carryback from" each place it appears and inserting in lieu thereof "employee stock ownership credit carryback, or enterprise zone employment credit carryback from;" and

(iv) by striking out "research and experimental credit carryback)" in the second sentence of subsection (a) and inserting in lieu thereof "research and experimental credit carryback, or in the case of an enterprise zone employment credit carryback, to an investment credit carryback, a new employee credit carryback, or an employee stock ownership credit carryback)."

(d) OTHER TECHNICAL AND CLERICAL AMENDMENTS.—

(1) Subsection (b) of section 6096 (relating to designation of income tax payments to Presidential Election Campaign Fund) is amended by striking out "and 44G" and inserting in lieu thereof "44H and 44I".

(2) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting before the item relating to section 45 the following new item:

"Sec. 441. Credit for enterprise zone employment.".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1983.

SEC. 322. CREDIT FOR ENTERPRISE ZONE EMPLOYEES.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable), as amended by section 221, is amended by inserting immediately before section 45 the following new section:

"SEC. 44J. CREDIT FOR ENTERPRISE ZONE EMPLOYEES.

"(a) IN GENERAL.—In the case of a qualified employee, there is allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 5 percent of the qualified wages for the taxable year.

"(b) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED EMPLOYEE.—The term 'qualified employee' means an individual—

"(A) who is described in section 44I(f)(1), and

"(B) who is not an employee of the Federal Government, or any State or local government, or any political subdivision of a State or local government.

"(2) QUALIFIED WAGES.—

"(A) IN GENERAL.—The term 'qualified wages' has the meaning given to 'wages' under subsection (b) of section 3306, attributable to services performed for an employer with respect to whom the employee is a qualified employee, in an amount which does not exceed 1½ times the dollar limitation specified in such subsection.

"(B) EXCEPTION.—The term 'qualified wages' does not include any compensation received from the Federal Government, any

State or local government, or any political subdivision of a State or local government.

"(c) PHASEOUT OF CREDIT.—In determining the amount of the credit for the taxable year under subsection (a) with respect to qualified wages paid to qualified employees for services performed in an enterprise zone, the following percentages shall be substituted for '5 percent' in subsection (a):

"(1) 3¾ percent in the taxable year in which the date which is—

"(A) 21 years after the date on which such enterprise zone was designated under section 7891 occurs, or

"(B) if earlier, the date 4 years before the date the zone designation is to expire;

"(2) 2½ percent in the next succeeding taxable year;

"(3) 1¼ percent in the second next succeeding taxable year; and

"(4) zero thereafter.

"(d) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) for a taxable year shall not exceed the tax imposed by this chapter for such taxable year, reduced by the sum of the credits allowable under a section of this subpart having a lower number or letter designation than this section, other than the credits allowable by sections 31, 39, and 43. For purposes of the preceding sentence, the term 'tax imposed by this chapter' shall not include any tax treated as not imposed by this chapter under the last sentence of section 53(a).".

(b) REPORTING REQUIREMENTS.—Subpart C of part III of subchapter A of chapter 61 (relating to information regarding wages paid employees) is amended by adding at the end thereof the following new section:

"SEC. 6054. REPORTING OF ENTERPRISE ZONE EMPLOYEE CREDITS.

"Every employer shall furnish to each employee who is a qualified employee of the employer (within the meaning of section 44J(b)(1)) a written statement showing the amount of qualified wages (within the meaning of section 44J(b)(2)) paid by the employer to such employee. The statement required to be furnished pursuant to this section shall be furnished at such time, shall contain such other information, and shall be in such form as the Secretary may by regulations prescribe. When required by such regulations, a duplicate of any such statement shall be filled with the Secretary.".

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (A) of section 6652(a)(1) (relating to failure to file information returns) is amended—

(A) by striking out "or" at the end of clause (v), and

(B) by inserting after clause (vi) the following new clause:

"(vii) section 6054 (relating to reporting of enterprise zone employee credits),".

(2) Section 6674 (relating to fraudulent statement or failure to furnish statement to employee) is amended by striking "or 6053(b)" each place it appears and inserting in lieu thereof ", 6053(b) or 6054".

(3) The table of sections for subpart C of part III of subchapter A of chapter 61 is amended by adding at the end therof the following:

"Sec. 6054. Reporting of enterprise zone employee credits.".

(4) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting immediately before the item relating to section 45 of the following new item:

"SEC. 44J. CREDIT FOR ENTERPRISE ZONE EMPLOYEES.".

(5) Subsection (b) of section 6096, as amended by section 201, is amended by striking out "and 441" and inserting in lieu thereof "44I, and 44J".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years after December 31, 1983.

PART II—CREDITS FOR INVESTMENT IN TANGIBLE PROPERTY IN ENTERPRISE ZONES

SEC. 331. INVESTMENT TAX CREDIT FOR ENTERPRISE ZONE PROPERTY.

(a) AMOUNT OF CREDIT.—

(1) IN GENERAL.—Subparagraph (A) of section 46(a)(2) (relating to amount of investment tax credit) is amended by striking out "and" at the end of clause (iii), by striking out the period at the end of clause (iv) and inserting in lieu thereof ", and", and by adding at the end thereof the following new clause:

"(v) in the case of enterprise zone property, the enterprise zone percentage."./

(2) ENTERPRISE ZONE PERCENTAGE DEFINED.—Paragraph (2) of section 46(a) is amended by adding at the end thereof the following new subparagraph:

"(G) ENTERPRISE ZONE PERCENTAGE.—

"(i) IN GENERAL.—"For purposes of this paragraph—

"In the case of enterprise zone expenditures with respect to:	The enterprise zone percentage is:
Zone personal property (within the meaning of section 48(r)(3))	5
New zone construction property (within the meaning of section 48(r)(4))	10

"(ii) PHASEOUT OF CREDIT AS ENTERPRISE ZONE ENDS.—Clause (i) shall be applied by substituting the following percentages for 5 percent and 10 percent, respectively:

"(I) For the taxable year described in section 44I(I)(1)(A), 3.75 and 7.5.

"(II) For the next succeeding taxable year, 2.5 and 5.

"(III) For the second next succeeding taxable year, 1.25 and 2.5.

"(IV) For any subsequent taxable year, zero.

"(iii) REGULAR PERCENTAGE NOT TO APPLY TO CERTAIN PROPERTY.—For purposes of this paragraph, the regular percentage shall not apply to any enterprise zone property which, but for section 48(r)(1), would not be section 38 property.".

(3) ORDERING RULES.—That portion of paragraph (7) of section 46(a) (relating to special rules in the case of energy property) which precedes subparagraph (B) is amended to read as follows:

"(7) SPECIAL RULES IN THE CASE OF ENERGY PROPERTY OR ENTERPRISE ZONE PROPERTY.—Under regulations prescribed by the Secretary—

"(A) IN GENERAL.—This subsection and subsection (b) shall be applied separately—

"(i) first with respect to so much of the credit allowed by section 38 as is not attributable to the energy percentage or the enterprise zone percentage,

"(ii) second with respect to so much of the credit allowed by section 38 as is attributable to the application of the energy percentage to energy property, and

"(iii) third with respect to so much of the credit allowed by section 38 as is attributable to the application of the enterprise zone percentage to enterprise zone property.".

(4) CONFORMING AMENDMENT.—Section 48(o) (defining certain credits) is amended by adding at the end thereof the following new paragraphs:

"(9) ENTERPRISE ZONE CREDIT.—The term 'enterprise zone credit' means that portion of the credit allowable by section 38 which is attributable to the enterprise zone percentage.".

(c) DEFINITIONS AND TRANSITIONAL RULES.—Section 48 (relating to definitions and special rules) is amended by redesignating subsection (r) as subsection (s) and by inserting after subsection (q) the following new subsection:

"(r) ENTERPRISE ZONE PROPERTY.—For purposes of this subpart—

"(1) TREATMENT AS SECTION 38 PROPERTY.—In the case of enterprise zone property—

"(A) such property shall be treated as meeting the requirements of subsection (a), and

"(B) paragraph (3) of subsection (a) shall not apply to such property.

"(2) The term 'enterprise zone property' means property—

"(A) which is—

"(i) zone personal property, or

"(ii) new zone construction property,

"(B) not acquired (directly or indirectly) by the taxpayer from a person who is related to the taxpayer (within the meaning of section 168(e)(4)(D)), and

"(C) acquired and first placed in service by the taxpayer in an enterprise zone during the period the designation as a zone is in effect under section 7891.

"(3) ZONE PERSONAL PROPERTY DEFINED.—The term 'zone personal property' means property which is—

"(A) 3-year property;

"(B) 5-year property;

"(C) 10-year property; and

"(D) 15-year public utility property,

which is used by the taxpayer predominantly in the active conduct of a trade or business within an enterprise zone. Property shall not be treated as 'zone personal property' if it is used or located outside the enterprise zone on any regular basis.

"(4) NEW ZONE CONSTRUCTION PROPERTY DEFINED.—The term 'new zone construction property' means 15-year real property which is—

"(A) located in an enterprise zone,

"(B) used by the taxpayer predominantly in the active conduct of a trade or business within an enterprise zone, and

"(C) either—

"(i) the construction, reconstruction, or erection of which is completed by the taxpayer during the period the designation as a zone is in effect under section 7891, or

"(ii) acquired during such period if the original use of such property commences with the taxpayer and commences during such period.

In applying section 46(c)(1)(A) in the case of property described in subparagraph (C)(i), there shall be taken into account only that portion of the basis which is property attributable to construction, reconstruction, or erection during such period.

"(5) REAL ESTATE RENTAL.—For purposes of this section, ownership of residential, commerical, or industrial real property within an enterprise zone for rental purposes shall be treated as the active conduct of a trade or business in an enterprise zone.

"(6) DEFINITIONS.—For purposes of this subsection, the terms '3-year property,' '5-year property,' '10-year property,' '15-year real property,' and '15-year public utility property' have the meanings given such terms by section 168(c)(2).".

(d) RECAPTURE.—Subsection (a) of section 47 (relating to certain dispositions, etc., of section 38 property) is amended by adding at the end thereof the following new paragraph:

"(9) SPECIAL RULES FOR ENTERPRISE ZONE PROPERTY.—

"(a) IN GENERAL.—If, during any taxable year, property with respect to which the taxpayer claimed an enterprise zone credit—

"(i) is disposed of, or

"(ii) otherwise ceases to be section 38 property with respect to the taxpayer, or

"(iii) is removed from the enterprise zone, converted, or otherwise ceases to be enterprise zone property (other than by the expiration or revocation of the designation as an enterprise zone),

the tax under this chapter for such taxable year shall be increased by the amount described in subparagraph (B).

"(B) AMOUNT OF INCREASE.—The increase in tax under subparagraph (A) shall equal the aggregate decrease in the credits allowed under section 38 by reason of section 46(a)(2)(A)(v) for all prior taxable years which would have resulted solely from reducing the expenditures taken into account with respect to the property by an amount which bears the same ratio to such expenditures as the number of taxable years that the property was held by the taxpayer bears to the applicable recovery period for earnings and profits under section 312(k).".

(e) BASIS ADJUSTMENT TO REFLECT INVESTMENT CREDIT.—

(1) IN GENERAL.—Paragraph (3) of section 48(q) (relating to basis adjustment to section 38 property) is amended to read as follows:

"(3) SPECIAL RULE FOR QUALIFIED REHABILITATION AND ENTERPRISE ZONE EXPENDITURES.—In the case of any credit determined under section 46(a)(2) for—

"(A) any qualified rehabilitation expenditure in connection with a qualified rehabilitated building other than a certified historic structure, or

"(B) any expenditure in connection with new zone construction property (within the meaning of section 48(r)(4)),

paragraphs (1) and (2) shall be applied without regard to the phrase '50 percent of'."

(2) CONFORMING AMENDMENT.—The heading for subsection (c) of section 196 (relating to deductions for certain unused investment credits) is amended by striking out "rehabilitated buildings" and inserting in lieu thereof "rehabilitation and enterprise zone expenditures".

(f) INVESTMENT CREDIT CARRYOVER PERIOD EXTENDED.—Paragraph (1) of section 46(b) (relating to carryover and carryback of unused credits) is amended by adding at the end thereof the following new sentence: "If the number of taxable years during the period beginning with the taxable years following the unused credit year and ending with the taxable year in which the designation of the enterprise zone to which the unused credit relates expires under section 7891 exceeds 15, then the preceding sentence shall be applied by substituting such number for '15,' such number plus 3 for '18,' and such number plus 2 for '17'."

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 1983, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1954.

PART III—REDUCTION IN CAPITAL GAIN TAX RATES

SEC. 341. CORPORATIONS.

(a) GENERAL RULE.—Subsection (a) of section 1201 (relating to alternative tax for corporations) is amended by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) a tax of 28 percent of the excess (if any) of—

"(A) the net capital gain for the taxable year, over

"(B) the qualified enterprise zone net capital gain.".

(b) DEFINITION OF QUALIFIED ENTERPRISE ZONE NET CAPITAL GAIN.—Section 1201 is amended by redesignating subsections (b) and (c) as subsections (c) and (d) and by inserting after subsection (a) the following new subsection:

"(b) QUALIFIED ENTERPRISE ZONE NET CAPITAL GAIN.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified enterprise zone net capital gain' means the amount of net capital gain for any taxable year determined by taking into account only gains and losses from the sale or exchange of capital assests which are gain which is—

"(A) attributable to the sale or exchange of qualified enterprise zone property, and

"(B) properly allocable only to periods during which such property is qualified enterprise zone property.

"(2) SPECIAL RULES RELATING TO INTERESTS IN BUSINESSES.—

"(A) CERTAIN GAINS AND LOSSES NOT TAKEN INTO ACCOUNT.—In determining the amount of qualified enterprise zone net capital gain for any taxable year under paragraph (1), there shall not be taken into account any gains or losses attributable to the sale or exchange of an interest in a qualified enterprise zone business to the extent such gain or losses are attributable to—

"(i) any property contributed to such qualified enterprise zone business during the 12-month period before such sale or exchange,

"(ii) any interest in any business which is not a qualified enterprise zone business, or

"(iii) any intangible property to the extent not properly attributable to the active conduct of a trade or business within an enterprise zone.

"(B) PERIODS FOR WHICH GAINS AND LOSSES ALLOCABLE.—For purposes of determining under paragraph (1)(B) gains or losses properly allocable to an interest in a qualified enterprise zone business, there shall only be taken into account the taxable years of such business during which it meets the requirements of paragraph (3)(B).

"(3) DEFINITIONS.—For purposes of this subsection—

"(A) The term 'qualified enterprise zone property' means—

"(i) any tangible personal property used by the taxpayer predominantly in an enterprise zone in the active conduct of a trade or business within such enterprise zone,

"(ii) any real property located in an enterprise zone used by the taxpayer predominantly in the active conduct of a trade or business within such enterprise zone, and

"(iii) any interest in a corporation, partnership, or other entity if, for the two most recent taxable years of such entity—

"(I) ending before the date of disposition of such interest, and

"(II) beginning after the date of the designation as an enterprise zone of the area in which such entity is engaged in the active conduct of a trade or business,

such entity was a qualified enterprise zone business.

"(B) QUALIFIED ENTERPRISE ZONE BUSINESS.—The term 'qualified enterprise zone business' means, with respect to any taxable year, any person—

"(i) actively engaged in the conduct of a trade or business within an enterprise zone during such taxable year,

"(ii) with respect to which at least 80 percent of such person's gross receipts for such taxable year are attributable to the active conduct of a trade or business within an enterprise zone, and

"(iii) substantially all of the tangible assets of which are located within an enterprise zone during such taxable year.

"(C) REAL ESTATE RENTAL.—For purposes of this subsection, ownership or residential, commercial, or industrial real property within an enterprise zone for rental shall be treated as the active conduct of a trade or business in an enterprise zone.

"(D) Property remains qualified after zone designation ceases to apply.—

"(i) IN GENERAL.—The treatment of property as qualified property under subparagraph (A) shall not terminate when the designation of the enterprise zone in which the property is located or used expires or is revoked.

"(ii) EXCEPTIONS.—Clause (i) shall not apply after the first sale or exchange of property occurring after the designation expires or is revoked.".

SEC. 342. TAXPAYERS OTHER THAN CORPORATIONS.

Subsection (a) of section 1202 (relating to deduction for capital gains) is amended to read as follows:

"(a) DEDUCTION ALLOWED.—

"(1) IN GENERAL.—If for any taxable year a taxpayer other than a corporation has a net capital gain, there shall be allowed as a deduction from gross income an amount equal to the sum of—

"(A) 100 percent of the lesser of—

"(i) the net capital gain, or

"(ii) the qualified enterprise zone net capital gain (as defined in section 1201(b)), plus

"(B) 60 percent of the excess (if any) of—

"(i) the net capital gain, over

"(ii) the amount of the net capital gain taken into account under subparagraph (A).".

SEC. 343. MINIMUM TAX.

Paragraph (9) of section 57(a) (relating to tax preference for capital gains) is amended by adding at the end thereof the following new subparagraph:

"(E) For purposes of this paragraph, gain attributable to qualified enterprise zone net capital gain (within the meaning of section 1201(b)) shall not be taken into account.".

SEC. 344. EFFECTIVE DATE.

The amendments made by this part shall apply to sales or exchanges after December 31, 1983.

PART IV—RULES RELATING TO INDUSTRIAL DEVELOPMENT BONDS

SEC. 351. INDUSTRIAL DEVELOPMENT BONDS.

(a) LIMITATION ON ACCELERATED COST RECOVERY DEDUCTION NOT TO APPLY TO ENTERPRISE ZONE PROPERTY.—Subparagraph (C) of section 168(f)(12) (relating to limitations on property financed with tax-exempt bonds) is amended—

(1) by striking out "or" at the end of clause (iii),

(2) by striking out the period at the end of clause (iv) and inserting in lieu thereof ", or", and

(3) by adding at the end thereof the following new clause:

"(v) as enterprise zone property (within the meaning of section 48(r)).".

(b) TERMINATION OF SMALL ISSUE EXEMPTION NOT TO APPLY.—Subparagraph (N) of section 103(b)(6) (relating to termination of small issue exemption after December 31, 1986) is amended by adding at the end thereof the following new sentence: "This subparagraph shall not apply to any obligation which is part of an issue substantially all of the proceeds of which are used to finance facilities within an enterprise zone if such facilities are placed in service while the designation as such a zone is in effect under section 7891.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after December 31, 1983, in taxable years ending after such date.

PART V—SENSE OF THE CONGRESS WITH RESPECT TO TAX SIMPLIFICATION

SEC. 361. TAX SIMPLIFICATION.

It is the sense of the Congress that the Secretary of the Treasury should in every way possible simplify the administration and enforcement of any provision of the Internal Revenue Code of 1954 added to, or amended by, this Act.

Subtitle C—Regulatory Flexibility

SEC. 371. DEFINITION OF SMALL ENTITIES IN ENTERPRISE ZONES FOR PURPOSES OF ANALYSIS OF REGULATORY FUNCTIONS.

Section 601 title 5, United States Code, is amended by—

(1) striking out "and" at the end of paragraph (5); and

(2) striking out paragraph (6) and inserting in lieu thereof the following:

"(6) the term 'small entity' means—

"(A) a small business, small organization, or small governmental jurisdiction within the meaning of paragraphs (3), (4), and (5) of this section, respectively; and

"(B) any qualified enterprise zone business; any governments which designated and approved an area which has been designated as an enterprise zone (within the meaning of section 7891 of the Internal Revenue Code of 1954) to the extend any rule pertains to the carrying out of projects, activities, or undertakings within such zone; and any not-for-profit enterprise carrying out a significant portion of its activities within such a zone; and

"(7) the term 'qualified enterprise zone business' means any person, corporation, or other entity—

"(A) which s engaged in the active conduct of a trade or business within an enterprise zone (within the meaning of section 7891 of the Internal Revenue Code of 1954); and

"(B) for whom at least 50 percent of its employees are qualified employees (within the meaning of section 441(f) of such Code).".

SEC. 372. WAIVER OR MODIFICATION OF AGENCY RULES IN ENTERPRISE ZONES.

(a) Chapter 6 of title 5, United States code, is amended by redesignating sections 611 and 612 as sections 612 and 613, respectively, and inserting the following new section immediately after section 610:

"§ 611. Waiver or modification of agency rules in enterprise zones

"(a) Upon the written request of the governments which designated and approved an area which has been designated as an enterprise zone under section 7891 of the Internal Revenue Code of 1954, an agency is authorized, in order to further the job creation, community development, or economic revitalization objectives of the zone, to waive or modify all or part of any rule which it has authority to promulgate, as such rule pertains to the carrying out of projects, activities or undertakings within the zone.

"(b) Nothing in this section shall authorize an agency to waive or modfy any rule adopted to carry out a statute or Executive order which prohibits, or the purpose of which is to protect persons against, discrimination on the basis of race, color, religion, sex, marital status, national origin, age, or handicap.

"(c) A request under subsection (a) shall specifiy the rule or rules to be waived or modified and the change proposed, and shall briefly describe why the change would promote the achievement of the job creation, community development, or economic revitalization objectives of the enterprise zone. If a request is made to an agency other than the Department of Housing and Urban Development, the requesting governments shall send a copy of the request to the Secretary of Housing and Urban Development at the time the request is made.

"(d) In considering a request, the agency shall weigh the extent to which the proposed change is likely to further job creation, community development, or economic revitalization within the enterprise zone against the effect the change is likely to have on the underlying purposes of applicable statutes in the geographic area which would be affected by the change. The agency shall approve the request whenever it finds, in its discretion, that the public interest which the proposed change would serve in furthering such job creation, community development, or economic revitalization outweighs the public interest which continuation of the rule unchanged would serve in furthering such underlying purposes. The agency shall not approve any request to waive or modify a rule if that waiver or modification would—

"(1) directly violate a statutory requirement (including any requirement of the Fair Labor Standards Act of 1938 (52 Stat. 1060; 29 U.S.C. 201 et seq.)); or

"(2) be likely to present a significant risk to the public health, including environmental health or safety, such as a rule with respect to occupational safety or health, or environmental pollution.

"(e) If a request is disapproved, the agency shall inform the requesting governments in writing of the reasons therefor and shall, to the maximum extent possible, work with such governments to develop an alternative, consistent with the standards contained in subsection (d).

"(f) Agencies shall discharge their responsibilities under this section in an expeditious manner, and shall make a determination on requests not later than 90 days after their receipt.

"(g) A waiver or modification of a rule under subsection (a) shall not be considered to be a rule, rulemaking, or regulation under chapter 5 of this title. To facilitate reaching its decision on any requested waiver or modification, the agency may seek the views of interested parties and, if the views are to be sought, determine how they should be obtained and to what extent, if any, they should be taken into account in considering the request. The agency shall publish a notice in the Federal Register stating any waiver or modification of a rule under this section.

"(h) In the event that an agency proposes to amend a rule for which a waiver or modification under this section is in effect, the agency shall not change the waiver or modification to impose additional requirements unless it determines, consistent with standards contained in subsection (d), that such action is necessary.

"(i) No Waiver or modification of a rule under this section shall remain in effect for a longer period than the period for which the enterprise zone designation remains in effect for the area in which the waiver or modification applies.

"(j) For purposes of this section, the term 'rule' means (1) any rule as defined in section 551(4) of this title or (2) any rulemaking conducted on the record after opportunity for an agency hearing pursuant to sections 556 and 557 of this title.".

(b) The table of sections for such chapter is amended by redesignating "Sec. 611." and "Sec. 612." and "Sec. 613.", respectively, and inserting the following new item immediately after "Sec. 610.":

"Sec. 611. Waiver or modification of agency rules in enterprise zones.".

(c) Section 601(2) of such title is amended by inserting "(except for purposes of section 611)" immediately before "means.".

(d) Section 613 of such title, redesignated by subsection (a) of this section, is amended by—

(1) inserting "(except section 611)" immediately after "chapter" in subsection (a); and

(2) inserting "as defined in section 601(2)" immediately before the period at the end of the first sentence of subsection (b).

SEC. 373. COORDINATION OF HOUSING AND URBAN DEVELOPMENT PROGRAMS IN ENTERPRISE ZONES.

Section 3 of the Department of Housing and Urban Development Act is amended by adding at the end thereof the following new subsection:

"(d) The Secretary of Housing and Urban Development shall—

"(1) promote the coordination of all programs under his jurisdiction which are carried on within an enterprise zone designated pursuant to section 7891 of the Internal Revenue Code of 1954;

"(2) expedite, to the greatest extent possible, the consideration of applications for programs referred to in paragraph (1) through the consolidation or forms or otherwise; and

"(3) provide, whenever possible, for the consolidation of periodic reports required under programs referred to in paragraph (1) into one summary report submitted at such intervals as may be designated by the Secretary.".

Subtitle D—Establishment of Foreign-Trade Zones in Enterprise Zones

SEC. 381. FOREIGN-TRADE ZONE PREFERENCES.

(a) PREFERENCE IN ESTABLISHMENT OF FOREIGN-TRADE ZONES IN REVITALIZATION AREAS.—In processing applications for the establishment of foreign-trade zones pursuant to an Act entitled "To provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes," approved June 18, 1934 (48 Stat. 998), the Foreign-Trade Zone Board shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a foreign-trade zone within an enterprise zone designated pursuant to sec-

tion 7891 of the Internal Revenue Code of 1954.

(b) APPLICATION PROCEDURE.—In processing applications for the establishment of ports of entry pursuant to an Act entitled "An Act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, nineteen hundred and fifteen, and for other purposes," approved August 1, 1914 (38 Stat. 609), the Secretary of the Treasury shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a port of entry which is necessary to permit the establishment of a foreign-trade zone within an enterprise zone.

(c) APPLICATON EVALUATION.—In evaluating applications for the establishment of foreign-trade zones and ports of entry in connection with enterprise zones, the Foreign-Trade Zone Board and the Secretary of Treasury shall approve the applications to the maximum extent practicable, consistent with their respective statutory responsibilities.

TITLE IV—TRADE ACT OF 1974 AMENDMENTS

SEC. 401. SHORT TITLE: AMENDMENT OF TRADE ACT OF 1974.

(a) SHORT TITLE.—This title may be cited as the "International Trade and Investment Act".

(b) AMENDMENT OF TRADE ACT OF 1974.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Trade Act of 1974.

SEC. 402. STATEMENT OF PURPOSES.

The purposes of this title are—

(1) to foster the economic growth of, and full employment in, the United States by expanding competitive United States exports through the achievement of commercial opportunities in foreign markets substantially equivalent to those accorded by the United States;

(2) to improve the ability of the President—

(A) to identify and to analyze barriers to (and restrictions on) United States trade and investment, and

(B) to achieve the elimination of such barriers and restrictions;

(3) to encourage the expansion of international trade in services through the negotiation of agreements (both bilateral and multilateral) which reduce or eliminate barriers to international trade in services; and

(4) to enhance the free flow of foreign direct investment through the negotiation of agreements (both bilateral and multilateral) which reduce or eliminate the trade distortive effects of certain investment-related measures.

SEC. 403. ANALYSIS OF FOREIGN TRADE BARRIERS.

(a) IN GENERAL.—Title I (19 U.S.C. 2111 et seq.) is amended by adding at the end thereof the following new chapter:

"Chapter 8—BARRIERS TO MARKET ACCESS

"SEC. 181. ACTIONS CONCERNING BARRIERS TO MARKET ACCESS.

"(a) NATIONAL TRADE ESTIMATES.—

"(1) IN GENERAL.—Not later than the date on which the initial report is required under subsection (b)(1), the United States Trade Representative, through the interagency trade organization established pursuant to section 242(a) of the Trade Expansion Act of 1962:

"(A) identify and analyze acts, policies, or practices which constitute significant barriers to, or distortions of—

"(i) United States exports of goods (including agricultural commodities) or services, and

"(ii) foreign direct investment by United States persons, especially if such investment has implications for trade in goods or services; and

"(B) make an estimate of the trade-distorting impact on United States commerce of any act, policy, or practice identified under subparagraph (A).

"(2) CERTAIN FACTORS TAKEN INTO ACCOUNT IN MAKING ANALYSIS AND ESTIMATE.—In making any analysis or estimate under paragraph (1), the Trade Representative shall take into account—

"(A) the relative impact of the act, policy, or practice on United States commerce;

"(B) the availability of information to document prices, market shares, and other matters necessary to demonstrate the effects of the act, policy, or practice;

"(C) the extent to which such act, policy, or practice is subject to international agreements to which the United States is a party; and

"(D) any advice given through appropriate committees established pursuant to section 135.

"(3) ANNUAL REVISIONS AND UPDATES.—The Trade Representative shall annually revise and update the analysis and estimate under paragraph (1).

"(b) REPORT TO CONGRESS.—

"(1) IN GENERAL.—On or before the date which is one year after the date of the enactment of the International Trade and Investment Act, and each year thereafter, the Trade Representative shall submit the analysis and estimate under subsection (a) to the Committee on Finance of the Senate and to the Committee on Ways and Means of the House of Representatives.

"(2) REPORTS TO INCLUDE INFORMATION WITH RESPECT TO ACTION BEING TAKEN.—The Trade Representative shall include in each report submitted under paragraph (1) information with respect to any action taken (or the reasons for no action taken) to eliminate any act, policy, or practices identified under subsection (a), including, but not limited to—

"(A) any action under section 301, or

"(B) negotiations or consultations with foreign governments.

"(3) CONSULTATION WITH CONGRESS ON TRADE POLICY PRIORITIES.—The Trade Representative shall keep the committee described in paragraph (1) currently informed with respect to trade policy priorities for the purposes of expanding market opportunities.

"(c) ASSISTANCE OF OTHER AGENCIES.—

"(1) FURNISHING OF INFORMATION.—The head of each department or agency of the executive branch of the Government, including any independent agency, is authorized and directed to furnish to the Trade Representative or to the appropriate agency, upon request, such data, reports, and other information as is necessary for the Trade Representative to carry out his functions under this section.

"(2) RESTRICTIONS ON RELEASE OR USE OF INFORMATION.—Nothing in this subsection shall authorize the release of information to, or the use of information by, the Trade Representative in a manner inconsistent with law or any procedure established pursuant thereto.

"(3) PERSONNEL AND SERVICES.—The head of any department, agency, or instrumentality of the United States may detail such personnel and may furnish such services, with or without reimbursement, as the Trade Representative may request to assist in carrying out his functions.".

(b) CONFORMING AMENDMENT.—The table of contents for title I is amended by adding at the end thereof the following:

"CHAPTER 8—BARRIERS TO MARKET ACCESS

"Sec. 181. Actions Concerning Barriers to Market Access.".

SEC. 404. AMENDMENTS TO TITLE III OF THE TRADE ACT OF 1974.

(a) PRESIDENTIAL ACTION IN THE CASE OF UNFAIR TRADE PRACTICES.—Section 301(a) (19 U.S.C. 2411(a)) is amended to read as follows:

"(a) DETERMINATIONS REQUIRING ACTION.—

"(1) IN GENERAL.—If the President determines that action by the United States is appropriate—

"(A) to enforce the rights of the United States under any trade agreement; or

"(B) to respond to any act, policy, or practice of a foreign country or instrumentality that—

"(i) is inconsistent with the provisions of, or otherwise denies benefits to the United States under, any trade agreement, or

"(ii) is unjustifiable, unreasonable, or discriminatory and burdens or restricts United States commerce;

the President shall take all appropriate and feasible action within his power to enforce such rights or to obtain the elimination of such act, policy, or practice.

"(2) SCOPE OF ACTION.—The President may exercise his authority under this section with respect to any goods or sector—

"(A) on a nondiscriminatory basis or solely against the foreign country or instrumentality involved, and

"(B) without regard to whether or not such goods or sector were involved in the act, policy, or practice identified under paragraph (1).".

(b) OTHER ACTION BY PRESIDENT.—Section 301(b) (19 U.S.C. 2411(b)) is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) in paragraph (2)—

(A) by inserting "notwithstanding any other provision of law," before "impose";

(B) by striking out "products" and inserting in lieu thereof "goods"; and

(C) by striking out the period and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end thereof the following:

"(3) propose legislation where necessary and appropriate to carry out the objectives of subsection (a).

Any legislation proposed under paragraph (3) shall be treated as an implementing bill pursuant to the provisions of section 151, except that, for purposes of section 151(c)(1), no trade agreement shall be required and the day on which the implementing bill is submitted shall be treated as the day on which the trade agreement is submitted. The President shall notify Congress, and publish notice in the Federal Register, of his intention to propose legislation under paragraph (3) at least 90 days before the implementing bill is submitted.".

(c) INITIATION OF INVESTIGATIONS BY OR ON MOTION OF TRADE REPRESENTATIVE.—

(1) IN GENERAL.—Section 302 (19 U.S.C. 2412) is amended to read as follows:

"SEC. 302. INITIATION OF INVESTIGATIONS BY UNITED STATES TRADE REPRESENTATIVE.

"(a) FILING OF PETITION.—

"(1) IN GENERAL.—Any interested person may file a petition with the United States Trade Representative (hereinafter in this chapter referred to as the 'Trade Representative') requesting the President to take action under section 301 and, setting forth the allegations in support of the request.

"(2) REVIEW OF ALLEGATIONS.—The Trade Representative shall review the allegations in the petition and, not later than 45 days after the date on which he received the petition, shall determine whether to initiate an investigation.

"(b) DETERMINATIONS REGARDING PETITIONS.—

"(1) NEGATIVE DETERMINATION.—If the Trade Representative determines not to initiate an investigation with respect to a petition, he shall inform the petitioner of the reasons therefore and shall publish notice of the determination, together with a summary of such reasons, in the Federal Register.

"(2) AFFIRMATIVE DETERMINATION.—If the Trade Representative determines to initiate an investigation with respect to a petition, he shall initiate an investigation regarding the issues raised. The Trade Representative shall publish a summary of the petition in the Federal Register and shall, as soon as possible, provide opportunity for the presentation of views concerning the issues, including a public hearing—

"(A) within the 30-day period after the date of the determination (or on a date after such period if agreed to by the petitioner) if a public hearing within such period is requested in the petition; or

"(B) at such other time if a timely request therefor is made by the petitioner.

"(c) DETERMINATION TO INITIATE BY MOTION OF TRADE REPRESENTATIVE.—

"(1) DETERMINATION TO INITIATE.—If the Trade Representative determines with respect to any matter that an investigation should be initiated in order to advise the President concerning the exercise of the President's authority under section 301, the Trade Representative shall publish such determination in the Federal Register and such determination shall be treated as an affirmative determination under subsection (b)(2).

"(2) CONSULTATION BEFORE INITIATION.—The Trade Representative shall, before making any determination under paragraph (1), consult with appropriate committees established pursuant to section 135.".

(2) CONFORMING AMENDMENTS.—

(A) Section 141(d) is amended—

(i) by striking out "and" at the end of paragraph (6),

(ii) by striking out the period at the end of paragraph (7) and inserting in lieu thereof a semicolon and "and", and

(iii) by adding at the end thereof the following new paragraph:

"(8) provide, where authorized by law, copies of documents to persons at cost, except that any funds so received shall be credited to, and be available for use from, the account from which expenditures relating thereto were made.".

(B) Section 303 (19 U.S.C. 2413) is amended—

(i) by striking out "with respect to a petition";

(ii) by inserting "or the determination of the Trade Representative under section 302(c)(1)" after "in the petition", and

(iii) by inserting "(if any)" after "petitioner".

(C) Section 304 (19 U.S.C. 2414) is amended by striking out "issues raised in the petition" and inserting in lieu thereof "matters under investigation" in paragraph (1) of subsection (a).

(D) The item relating to section 302 in the table of contents is amended to read as follows:

"Sec. 302. Initiation of investigations by United States Trade Representative.".

(d) EXTENSION OF TIME FOR REQUESTS FOR CONSULTATIONS.—Section 303 (19 U.S.C. 2413) is amended—

(1) by inserting "(a) IN GENERAL.—" before "On"; and

(2) by adding at the end thereof the following new subsection:

"(b) DELAY OF REQUEST FOR CONSULTATIONS FOR UP TO 90 DAYS.—

"(1) IN GENERAL.—Notwithstanding the provisions of subsection (a)—

"(A) the United States Trade Representative may delay for up to 90 days any request for consultations under subsection (a) for the purpose of verifying or improving the petition to ensure an adequate basis for consultation, and

"(B) if such consultations are delayed by reason of subparagraph (A), each time limitation under section 304 shall be extended for the period of such delay.

"(2) NOTICE AND REPORT.—The Trade Representative shall—

"(A) publish notice of any delay under paragraph (1) in the Federal Register, and

"(B) report to Congress on the reasons for such delay in the report required by section 306.".

(e) DEFINITIONS.—

(1) COMMERCE DEFINED.—Paragraph (1) of section 301(d) (19 U.S.C. 301(d)) is amended to read as follows:

"(1) DEFINITION OF COMMERCE.—The term 'commerce' includes, but is not limited to—

"(A) services associated with international trade, whether or not such services are related to specific goods, and

"(B) foreign direct investment by United States persons with implications for trade in goods or services.".

(2) UNREASONABLE, UNJUSTIFIABLE, AND DISCRIMINATORY DEFINED.—Section 301(d) (19 U.S.C. 2411(d)) is amended by adding at the end thereof the following new paragraphs:

"(3) DEFINITION OF UNREASONABLE.—The term 'unreasonable' means any act, policy, or practice which, while not necessarily in violation of or inconsistent with the international legal rights of the United States, is otherwise deemed to be unfair and inequitable. The term includes, but is not limited to, any act, policy, or practice which denies fair and equitable—

"(A) market opportunities;

"(B) opportunities for the establishment of an enterprise; or

"(C) provision of adequate protection of intellectual property rights.

"(4) DEFINITION OF UNJUSTIFIABLE.—

"(A) IN GENERAL.—The term 'unjustifiable' means any act, policy, or practice which is in violation of, or inconsistent with, the international legal rights of the United States.

"(B) CERTAIN ACTIONS INCLUDED.—The term 'unjustifiable' includes, but is not limited to, any act, policy, or practice described in subparagraph (A) which denies national or most-favored-nation treatment, the right of establishment, or protection of intellectual property rights.

"(5) DEFINITION OF DISCRIMINATORY.—The term 'discriminatory' includes where appropriate any act, policy, or practice which denies national or most-favored-nation treatment to United States goods, services, or investment.".

(3) CONFORMING AMENDMENT.—Section 301(d) (19 U.S.C. 2411(d)) is amended by striking out the heading and inserting in lieu thereof:

"(d) DEFINITIONS; SPECIAL RULE FOR VESSEL CONSTRUCTION SUBSIDIES.—For purposes of this section—".

(f) AMENDMENTS TO SECTION 305.—Section 305 of the Trade Act of 1974 (19 U.S.C. 2415) is amended by adding at the end thereof the following new subsection:

"(c) CERTAIN BUSINESS INFORMATION NOT MADE AVAILABLE.—

"(1) IN GENERAL.—Except as provided in paragraph (2), and notwithstanding any other provision of law (including section 552 of title 5, United States Code), no information requested and received by the Trade Representative in aid of any investigation under this chapter shall be made available to any person if—

"(A) the person providing such information certifies that—

"(i) such information is business confidential,

"(ii) the disclosure of such information would endanger trade secrets or profitability, and

"(iii) such information is not generally available;

"(B) the Trade Representative determines that such certification is well-founded; and

"(C) to the extent required in regulations prescribed by the Trade Representative, the person providing such information provides an adequate nonconfidential summary of such information.

"(2) USE OF INFORMATION.—The Trade Representative may—

"(A) use such information, or make such information available (in his own discretion) to any employee of the Federal Government for use, in any investigation under this chapter, or

"(B) may make such information available to any other person in a form which cannot be associated with, or otherwise identify, the person providing the information.".

SEC. 405. NEGOTIATING OBJECTIVES WITH RESPECT TO INTERNATIONAL TRADE IN SERVICES AND INVESTMENT AND HIGH TECHNOLOGY INDUSTRIES.

(a) NEGOTIATING OBJECTIVES.—

(1) IN GENERAL.—Chapter 1 of title I is amended by inserting immediately after section 104 the following new section:

"SEC. 104A. NEGOTIATING OBJECTIVES WITH RESPECT TO TRADE IN SERVICES, FOREIGN DIRECT INVESTMENT, AND HIGH TECHNOLOGY PRODUCTS.

"(a) TRADE IN SERVICES.—Principal United States negotiating objectives under section 102 shall be—

"(1) to reduce or eliminate barriers to, or other distortions of, international trade in services (particularly United States service sector trade in foreign markets), including barriers that deny national treatment and the rights of establishment and operation in such markets; and

"(2) to develop internationally agreed rules, including dispute settlement procedures, which—

"(A) are consistent with the commercial policies of the United States, and

"(B) will reduce or eliminate such barriers or distortions and help ensure open international trade in services.

"(b) FOREIGN DIRECT INVESTMENT.—Principal United States negotiating objectives under section 102 shall be—

"(1) to reduce or to eliminate artificial or trade-distorting barriers to foreign direct investment, to expand the principal of national treatment, and to reduce unreasonable barriers to establishement; and

"(2) to develop internationally agreed rules, including dispute settlement procedures, which—

"(A) will help ensure a free flow of foreign direct investment, and

"(B) will reduce or eliminate the trade distortive effects of certain investment related measures.

"(c) HIGH TECHNOLOGY PRODUCTS.—Principal United States negotiating objectives shall be—

"(1) to obtain and preserve the maximum openness with respect to international trade and investment in high technology products and related services;

"(2) to obtain the elimination or reduction of, or compensation for, the significantly distorting effects of, foreign government acts, policies, or practices identified in section 181, with particular consideration given to the nature and extent of foreign government intervention affecting United States exports of high technology products or investments in high technology industries, including—

"(A) foreign industrial policies which distort international trade or investment;

"(B) measures which deny national treatment or otherwise discriminate in favor of domestic high technology industries;

"(C) measures which impair access to domestic markets for key commodity products; and

"(D) measures which facilitate or encourage anticompetitive market practices or structures;

"(3) to obtain commitments that official policy of foreign countries or instrumentalities will not discourage government or private procurement of foreign high technology products and related services;

"(4) to obtain the reduction or elimination of all tariffs on, and other barriers to, United States exports of high technology products and related services;

"(5) to obtain commitments to foster national treatment;

"(6) to obtain commitments to—

"(A) foster the pursuit of joint scientific cooperation between companies, institutions or governmental entities of the United States and those of the trading partners of the United States in areas of mutual interest through such measures as financial participation and technical and personnel exchanges, and

"(B) ensure that access by all participants to the results of any such cooperative efforts should not be impaired; and

"(7) to provide effective minimum safeguards for the acquisition and enforcement of intellectual property rights and the property value of proprietary data.

"(d) DEFINITION OF BARRIERS AND OTHER DISTORTIONS.—For purposes of subsection (a), the term 'barriers to, or other distortions of, international trade in services' includes, but is not limited to—

"(1) barriers to the right of establishment in foreign markets, and

"(2) restrictions on the operation of enterprises in foreign markets, including—

"(A) direct or indirect restrictions on the transfer of information into, or out of, the country or instrumentality concerned, and

"(B) restrictions on the use of data processing facilities within or outside of such country or instrumentality.".

(2) CONFORMING AMENDMENT.—The table of contents for chapter 1 of title I is amended by inserting after the item relating to section 104 the following new item:

"Sec. 104A. Negotiating objectives with respect to trade in services, foreign direct investment, and high technology products.".

SEC. 406. PROVISIONS RELATING TO INTERNATIONAL TRADE IN SERVICES.

(a) COORDINATION OF UNITED STATES POLICIES.—

(1) IN GENERAL.—The United States Trade Representative, through the interagency trade organization established pursuant to section 242(a) of the Trade Expansion Act of 1962 or any subcommittee thereof, shall, in conformance with other provisions of law, develop (and coordinate the implementation of) United States policies concerning trade in services.

(2) FEDERAL AGENCIES.—In order to encourage effective development and coordination of United States policies on trade in services, each department or agency of the United States responsible for the regulation of any service sector industry shall, as appropriate, advise and work with the United States Trade Representative concerning matters that have come to the department's or agency's attention with respect to—

(A) the treatment afforded United States service sector interests in foreign markets, or

(B) allegations of unfair practices by foreign governments or companies in a service sector.

(3) NO ALTERATION OF EXISTING AUTHORITY.—Nothing in this section shall be construed to alter any existing authority or responsibility with respect to any specific service sector.

(b) SERVICE INDUSTRIES DEVELOPMENT PROGRAM.—

(1) IN GENERAL.—The Secretary of Commerce is authorized to establish a service industries development program. Such program shall be designed to—

(A) promote the competitiveness of United States service firms and American employees through appropriate economic policies;

(B) promote actively the use and sale of United States services abroad and develop trade opportunities for United States service firms;

(C) develop a data base for policymaking pertaining to services;

(D) collect and analyze, in consultation with appropriate agencies, information pertaining to the international operations and competitiveness of United States service industries, including information with respect to—

(i) United States regulation of service industries;

(ii) tax treatment of services, with particular emphasis on the effect of United States taxation on the international competitiveness of United States firms and exports;

(iii) antitrust policies as such policies affect the competitiveness of United States firms;

(iv) treatment of services in international agreements of the United States; and

(v) adequacy of current United States export promotion activities in the service sector. For purposes of the collection and analysis required by this subsection, and for the purpose of any reporting the Department of Commerce makes to the Congress of the United States, such collection and reporting shall distinguish between income from investment and income from noninvestment services;

(E) provide, together with other appropriate agencies, staff support for negotiations on service-related issues by the United States Trade Representative and the domestic implementation of service-related agreements;

(F) collect such statistical information on the domestic service sector as may be necessary for the development of governmental policies toward the service sector;

(G) conduct sectoral studies of domestic service industries;

(H) collect comparative international information on service industries and policies of foreign governments toward services;

(I) develop policies to strengthen the export competitiveness of domestic service industries;

(J) conduct a program of research and analysis of service-related issues and problems, including forecasts and industrial strategies; and

(K) provide statistical, analytical, and policy information to State and local governments and service industries.

(2) AVAILABILITY OF FUNDS.—The Secretary of Commerce shall carry out the program under this subsection from funds otherwise made available to him which may be used for such purposes.

(c) COORDINATION WITH STATES.—

(1) STATEMENT OF POLICY.—It is the policy of Congress that the President shall, as he deems appropriate—

(A) consult with State governments on issues of trade policy affecting the regulatory authority of non-Federal governments, or their procurement of goods and services; and

(B) establish one or more intergovernmental policy advisory committees on trade which shall serve as a principal forum in which State and local governments may consult with the Federal Government with respect to the matters described in subparagraph (A).

(2) ESTABLISHMENT OF NON-FEDERAL GOVERNMENTAL TRADE ADVISORY COMMITTEES.—Section 135 (19 U.S.C. 2155) is amended—

(A) by inserting "and the non-Federal governmental sector" after "private sector" in subsection (a).

(B) by adding at the end of subsection (c) the following new paragraph:

"(3) THE PRESIDENT.—

"(A) may establish policy advisory committees representing non-Federal governmental interests to provide, where the President finds it necessary, policy advice—

"(i) on matters referred to in subsection (a), and

"(ii) with respect to implementation of trade agreements, and

"(B) shall include as members of committees established under paragraph (2) representatives of non-Federal governmental interests where he finds such inclusion appropriate after consultation by the Trade Representative with such representatives.";

(C) by inserting "or non-Federal government" after "private" each place it appears in subsections (j) and;

(D) by inserting "government," before "labor" in subsection (j) and;

(E) by adding at the end thereof the following new subsection:

"(m) NON-FEDERAL GOVERNMENT DEFINED.—The term 'non-Federal government' means—

"(1) any State, territory, or possession of the United States, or the District of Columbia, or any political subdivision thereof, or

"(2) any agency or instrumentality of any entity described in paragraph (1).''; and

(F) by inserting "or Public" after "Private" in the heading thereof.

(3) CONFORMING AMENDMENTS.—

(A) Section 104(c) (19 U.S.C. 2114(c)) is amended by inserting "or non-Federal governmental" after "private".

(B) Sections 303 (19 U.S.C. 2413) and 304(b)(2) (19 U.S.C. 2414(b)(2)) are each amended by striking out "private sector".

(C) The table of sections for chapter 3 of title I is amended by inserting "and public" after "private" in the item relating to section 135.

SEC. 407. NEGOTIATING AUTHORITY WITH RESPECT TO FOREIGN DIRECT INVESTMENT.

Paragraph (3) of section 102(g) (19 U.S.C. 2112(g)(3)) is amended to read as follows:

"(3) the term 'international trade' includes—

"(A) trade in both goods and services, and

"(B) foreign direct investment by United States persons, especially if such investment has implications for trade in goods and services.".

SEC. 408. NEGOTIATION OF AGREEMENTS CONCERNING HIGH TECHNOLOGY INDUSTRIES.

(a) AUTHORIZATION TO ENTER INTO AGREEMENTS.—The President may enter into such bilateral or multilateral agreements as may be necessary or appropriate to achieve the objectives of this section and the negotiating objectives under section 104(c) of the Trade Act of 1974.

(b) MODIFICATION OR CONTINUANCE OF DUTIES.—

(1) IN GENERAL.—Chapter 2 of title I is amended by inserting at the end thereof the following new section:

"SEC. 128. MODIFICATION AND CONTINUANCE OF TREATMENT WITH RESPECT TO DUTIES ON HIGH TECHNOLOGY PRODUCTS.

"(a) In order to carry out any agreement concluded as a result of the negotiating objectives under section 104A(c), the President may proclaim, subject to the provisions of chapter 3—

"(1) such modification, elimination, or continuance of any existing duty, duty-free, or excise treatment, or

"(2) such additional duties, as he deems appropriate.

"(b) The President shall exercise his authority under subsection (a) only with respect to the following items listed in the Tariff Schedules of the United States (19 U.S.C. 1202):

"(1) Accounting, computing, and other data processing machines provided for in item 676.15.

"(2) Data processing machines provided for in item 676.30.

"(3) Transistors provided for in term 687.70.

"(4) Monolithic integrated circuits provided for in item 687.74.

"(5) Integrated circuits provided for in item 687.77.

"(6) Electronic components provided for in item 687.81.

"(c) TERMINATION.—The President may exercise his authority under this section only during the 5-year period beginning on the date of the enactment of the International Trade and Investment Act.".

(2) CONFORMING AMENDMENT.—The table of contents of chapter 1 of title I is amended by adding at the end thereof the following new item:

"Sec. 128. Modification and continuance of treatment with respect to duties on high technology products.".

SEC. 409. STUDY ON HONEY IMPORTS.

(a) The Congress finds that—

(1) in 1976 the International Trade Commission found that honey imports threatened serious injury to the domestic honey industry and recommended action to control honey imports,

(2) the domestic honey industry is essential for production of many agricultural crops,

(3) a significant part of our total diet is dependent directly or indirectly on insect pollination,

(4) it is imperative that the domestic honey bee industry be maintained at a level sufficient to provide crop pollination.

(b) It is the sense of the Congress that the Secretary of Agriculture should promptly request the President to call for an International Trade Commission investigation of honey imports, under section 22 of the Agriculture Adjustment Act.

TITLE V—MORTGAGE SUBSIDY BONDS

SEC. 501. REPEAL OF TERMINATION DATE OF MORTGAGE SUBSIDY BONDS.

(a) IN GENERAL.—Paragraph (1) of section 103A(c) (defining qualified mortgage bond) is amended to read as follows:

"(1) QUALIFIED MORTGAGE BOND DEFINED.—For purposes of this title, the term 'qualified mortgage bond' means an obligation which is issued as part of a qualified mortgage issue.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to obligations issued after December 31, 1983.

Mr. DOLE. Mr. President, I ask unanimous consent that an explanation of the committee amendment to the bill H.R. 2973 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXPLANATION OF COMMITTEE AMENDMENT TO H.R. 2973

INTRODUCTION

On May 26, 1983, the Committee on Finance approved a committee amendment to H.R. 2973. This document is an explanation of that committee amendment, whch includes five titles: (1) repeal of mandatory withholding on interest and dividends together with a compliance package designed to increase tax collections from interest and dividend income; (2) the Caribbean Basin Economic Recovery Act (the provisions of S. 544 as amended by the Committee on May 12, 1983, with an additional modification); (3) enterprise zone incentive provisions (provisions of the Enterprise Zone Tax Act of 1983, as agreed to by the Committee on May 17); (4) trade reciprocity provisions (previously reported in S. 144, the International Trade and Investment Act, and as passed by the Senate on April 2, 1983; and (5) permanent extension of tax exemption for interest on qualified mortgage bonds.

This document is intended to be the equivalent of a committee report explaining the legislative provisions of the committee amendment. The committee amendment is to be offered as an amendment to H.R. 2973, upon Senate consideration of that bill. H.R. 2973 as passed by the House would repeal the mandatory withholding on interest and dividends (which otherwise would go into effect on July 1, 1983).

SUMMARY

The committee amendment to H.R. 2973 contains five titles.

First, withholding on interest and dividends, which is scheduled to take effect on July 1, 1983, is repealed. In its place, the committee amendment adopts a number of provisions designed to improve the effectiveness of the information reporting system and authorizes increased appropriations for the Internal Revenue Service.

Second, the committee amendment includes the Caribbean Basin Economic Recovery Act, which, under specific conditions, provides for a waiver of duties on certain products imported from 27 Caribbean and Central American countries, allows for reasonable deductions of business expenses incurred in attending conventions in those countries, and provides certain benefits for Puerto Rico and the Virgin Islands.

Third, the committee amendment provides for the establishment of no more than 75 urban enterprise zones in which employers and investors will have specific tax benefits designed to encourage economic development within the zones.

Fourth, the committee amendment includes the International Trade and Investment Act (previously reported by the Committee in S. 144), which among other things: (1) establishes new specific negotiating objectives with respect to trade in services, advanced technology products, and investment restraints; (2) clarifies the President's retaliatory authority with respect to unfair trade practices; and (3) authorizes tariff negotiations with respect to certain advanced technology products.

Fifth, the committee amendment provides for a permanent extension of the tax-exemption presently provided for interest on qualified mortgage bonds.

EXPLANATION OF COMMITTEE AMENDMENT

TITLE I—INTEREST AND DIVIDEND TAX COMPLIANCE

Present Law

Legislative history

During consideration of the Revenue Act of 1962, the House of Representatives adopted an Administration proposal to require withholding on most interest, dividend and patronage dividend payments, at a 20-percent rate. The House Ways and Means Committee report explained that withholding was expected to collect over 80 percent of an estimated $800 million annual revenue loss attributable to unreported interest and dividend income.

Instead of the House-passed withholding provisions, the Revenue Act of 1962 enacted the provisions of the Senate bill which required expanded information reporting. The Report of the Senate Finance Committee explaining the Senate provisions stated:

> Your committee strongly endorses the concept that everyone must pay his full share of the income tax liability. Moreover, it recognizes that the underreporting of dividends and interest on tax returns is a serious problem which needs correction. However, it has concluded that an improved reporting system is preferable to a provision for withholding.
>
> Your committee believes that the matching of information returns and tax returns

by the Government can provide essentially the same check on dividend and interest reporting as a withholding system, except that the effectiveness of the information returns is not limited to collecting the tax at the first bracket rate. While it may be difficult initially to provide a full matching of information and tax returns, the extended use of automatic data processing, together with the accounting number system provided for in legislation enacted last year should quite soon make it possible to provide for a full matching of these information and tax returns.

It is recognized that improving the collection of tax with respect to dividend, interest and patronage dividend payments by an expanded use of information returns may involve some increase in the personnel of the Internal Revenue Service. It is believed, however, that this is preferable to the complications and hardships which would be involved under a withholding system.

By 1981, the annual revenue loss from unreported interest and dividends was estimated by the Internal Revenue Service to be in excess of $8 billion despite the existence of the information reporting system adopted in 1962. In 1982, the Administration proposed withholding on interest and dividends, at a 5-percent rate, to close this compliance gap. In addition to the Administration's withholding proposal, other legislation was proposed to improve compliance by improving the accuracy and reliability of information returns and extending information reporting requirements to Treasury obligations and corporate bearer obligations.

In the Tax Equity and Fiscal Responsibility Act of 1982 ("TEFRA"), Congress enacted the Administration's withholding proposal, at a 10-percent rate, together with provisions improving and expanding the information reporting system. These and other provisions of TEFRA were enacted to satisfy the requirements of the First Concurrent Resolution on the Budget for fiscal year 1983 that Federal Revenues be increased by $98.3 billion through fiscal year 1985.

The TEFRA withholding provisions, which were enacted to take effect on July 1, 1983, became the subject of controversy, and in April 1983, the Senate voted to delay implementation of withholding during a period in which a strengthened information reporting and backup withholding system is in effect.

Withholding

Generally, present law (enacted in TEFRA) provides for a system of withholding on payments of interest, dividends, and patronage dividends to individuals (other than certain low-income and elderly individuals) at a rate of 10 percent to take effect on July 1, 1983. Withholding is also required on payments to unincorporated entities, such as partnerships and estates, which are not themselves required to withhold on payments to individuals.

Exemptions from withholding are specifically provided for various types of payments, including: (1) payments to individuals who had tax liability in the preceding year of $600 or less ($1,000 in the case of a joint return); (2) payments to persons age 65 or older whose tax liability in the preceding year was $1,500 or less ($2,500 in the case of a joint return); (3) at the payor's election, payments of interest which do not exceed $150 and which would not exceed $150 on an annual basis; (4) payments to corporations, governments, security dealers, money market funds, exempt organizations, and nominees or custodians; (5) payments to trusts that must distribute all of their income currently, if all the beneficiaries are individuals who could qualify as exempt individuals on the basis of their prior year's tax liability, or exempt organizations, or individual retirement plans, (6) payments to exempt organizations or individual retirement plans; and (7) certain payments by consumer cooperatives. In addition, subject to Treasury Department regulations, banking institutions and money market funds are permitted to elect to defer withholding to the end of the year with respect to payments of interest on most deposit and transaction accounts. Persons required to withhold tax also are authorized to withhold from alternative sources.

In implementing the withholding deposit requirements, the Treasury Department is required to take into account the costs incurred by payors in instituting withholding. The Treasury Department's regulations provide an extended period of generally 19 banking days for making otherwise required deposits. Thus, payors may generally retain withheld amounts for an average of one calendar month before depositing them. This extended period is available to all payors through June 1984. After June 1984, medium and small banking organizations will have the extended deposit period for an additional one and two years, respectively. Further, the Secretary may exempt any payor from the withholding requirement, but not beyond 1983, if complying with the requirement prior to January 1, 1984, would impose an undue hardship on the payor.

Other compliance provisions

Present law also contains a number of provisions which were designed to encourage compliance in reporting and paying tax on payments that are not subject to withholding. Thus, for certain payments that are not otherwise subject to withholding, backup withholding is required starting on January 1, 1984. Under these rules, withholding is required at the rate of 15 percent on certain payments to taxpayers who fail to furnish the payor with a taxpayer identification number or who fail to supply the correct identification number. Thus, if the Internal Revenue Service cannot verify that income has been reported because the correct taxpayer identification number has not been provided, the law assures the collection of at least 15 percent of the payment through backup withholding.

Under present law, penalties are imposed on payors of items subject to information reporting for failure either to file required information returns or to include taxpayer identification numbers on those returns. Specifically, the penalty for failure to file a required information return is $50 for each failure up to a maximum of $50,000 per payor, unless the failure is due to reasonable cause and not due to willful neglect. If the failure is due to intentional disregard, the $50,000 limitation does not apply and the penalty generally will be at least 10 percent of the aggregate amount required to be reported (5 percent of the gross proceeds required to be reported in the case of broker returns). The penalty for failure to provide a taxpayer identification number to a payor or to include in any return or other document made with respect to another person the taxpayer identification number of such person is $50 per failure up to $50,000 per year unless the failure is due to reasonable cause and not due to willful neglect. These penalties were raised to the present law levels from the prior law level of $5 per offense (not to exceed $10,000 per year) by TEFRA.

Under present law, if any part of an underpayment is attributable to fraud, a civil penalty is imposed equal to 50 percent of the entire underpayment and 50 percent of the interest on the portion of the underpayment attributable to the fraud. This 50 percent of interest portion of the fraud penalty was also enacted in the 1982 tax legislation.

Reasons for Change

The House bill would repeal withholding without enacting any improvements in information reporting beyond those provided by TEFRA. In light of the large current and projected Federal budgetary deficits, and the serious fiscal and social problems posed by tax noncompliance, the committee believes that repeal of withholding requires a careful strenghtening of other compliance provisions of the Internal Revenue Code, a thorough review of Internal Revenue Service enforcement practices, and increases in the level of Internal Revenue Service funding.

According to Treasury Department and Internal Revenue Service estimates, in the absence of the compliance provisions enacted in TEFRA, $25 billion of interest and dividend income required to be reported on 1983 tax returns would not be reported (excluding interest and dividends exempt from the TEFRA withholding and reporting rules, such as interest paid by individuals). This annual reporting gap has been estimated by the Internal Revenue Service to result in lost tax revenues in excess of $8 billion. The committee does not believe that such levels of noncompliance are acceptable.

The TEFRA withholding provisions were controversial because of a number of concerns, including the perception that withholding might impose undue burdens on conscientious taxpayers. This concern was aggravated by uncertainty as to whether the Congress had enabled and directed the Internal Revenue Service to pursue diligently alternative approaches to closing the compliance gap. In addition, it was recognized that even under the 10-percent mandatory withholding provisions, the law continued to rely on the information reporting system to collect taxes on unreported income earned by taxpayers with tax rates higher than 10 percent. Although the committee has no reason to question the estimates of noncompliance of the Internal Revenue Service, the committee recognizes that such estimates were not uncontroversial. The payor institutions have urged the Congress that they can cooperate with the Internal Revenue Service to secure a compliance rate of 95 percent or higher without the burden or cost of withholding. Accordingly, measures to improve the ability of the Internal Revenue Service to pursue underreported income were increasingly viewed as an appropriate response to the compliance problem. The committee has identified several problem areas in the current information reporting and enforcement system, and recommends provisions to address these problems.

In particular, the committee is concerned that the information reporting system which must be relied on to achieve compliance in the absence of withholding should operate as effectively as possible. In the past, the efficiency of the Internal Revenue Service in using the information reporting process has been hampered by missing or erroneous taxpayer identification numbers, large volumes of paper information returns,

and significant failures to file information returns. In addition, the Internal Revenue Service has not had the resources to pursue all nonfilers and underreporters. Further, even after the amendments made by TEFRA increased the penalties, the payor penalties continued to be subject to aggregate limitations and certain defenses, which may have led some payors to conclude that it was more economical to risk imposition of the penalty than to implement an effective information reporting system. In addition, payor institutions have urged the Congress that they can cooperate with the Internal Revenue Service to secure a compliance rate of 95 percent or higher without the burden or cost of withholding.

The committee amendment generally provides (1) for imposition of backup withholding at a 20-percent rate on interest, dividend, and patronage dividend payments for any periods during which identification numbers are not present beginning 45 days after the date of enactment, and (2) for backup withholding at a rate of 20 percent on payments to taxpayers who the Secretary determines failed to properly report and pay tax on interest, dividend, and patronage dividend income. In addition, there are increases in the penalties relating to information reporting and provisions designed to accelerate the matching of information returns and income tax returns so that appropriate compliance action may be taken.

Although the Internal Revenue Service receives information returns on most interest and dividend payments, it does not currently match by computer all the information returns it receives against individual tax returns. The committee understands that this problem is attributable to the absence of correct taxpayer identification numbers or other necessary information on many information returns, to the Internal Revenue Service's inability to process many of the paper information returns it receives, and to other factors, including budgetary constraints.

Even when processing is feasible, the committee understands that computerized matching cannot disclose apparent discrepancies until 17 months after the end of a calendar year. Moreover, in the case of taxpayers who file returns with underreported income, additional time (up to 9 months) is required to process returns manually, to insure that apparently unreported interest or dividends have not simply been reported in the incorrect place on an individual tax return.

The committee amendment addresses these problems by requiring substantially all interest and dividend returns to be filed in machine readable form, and imposing strict penalties for payors who negligently fail to obtain correct taxpayer identification numbers. In addition, the committee amendment requires the Internal Revenue Service to complete its matching program and to begin to notify all taxpayers identified by the matching program as having underreported more than $50 of interest, dividends, or patronage dividend income (or such lessor amount as the Secretary may determine) within 15½ months of the end of the calendar year.

The committee also understands that current Internal Revenue Service enforcement procedures collect only a small fraction of the more than $8 billion in taxes due on unreported interest and dividend income. The committee is concerned, as it was in the enactment of TEFRA, that the Internal Revenue Service has not employed the information reporting system as effectively as is desirable. In the main, this failure may be due to resource limitations and inefficiencies inherent in the collection tools provided to the Internal Revenue Service under the Code. The new 20-percent backup withholding system will provide the Internal Revenue Service with an important new tool to reduce noncompliance.

The committee amendment requires the Secretary to identify and notify all taxpayers with more than $50 of the underreported interest, dividend, or patronage dividend income disclosed by the matching program. After notification and a reasonable opportunity to correct or explain the discrepancy, the Secretary must notify payors of interest and dividends to such taxpayers to begin withholding on interest and dividends at a 20-percent rate. Generally, this backup withholding will continue until the taxes, interest, and penalties due with respect to the underreported income have been paid or otherwise collected. The committee expects to monitor the operation of the new system carefully over the next several years to insure that the Internal Revenue Service makes full use of its new tools.

The committee amendment authorizes and anticipates the enactment of the appropriations necessary to accelerate and expand the matching program and to provide for backup withholding and requires the Secretary to report to the Congress on the level of annual appropriations required for these programs.

The Secretary is excused from compliance with the directive to complete the matching and notification program within 15½ months and to begin backup withholding only if the Congress fails to expressly appropriate the amount specified in the Secretary's report, or the Secretary determines that, in the absence of such a specific appropriation, it would not be cost-effective to devote resources to interest and dividend matching and backup withholding at the expense of other enforcement activities. An annual report to the Congress is required if the Secretary determines, on these grounds, that he will not comply with the accelerated matching requirement, or that he will not follow-up all interest and dividend discrepancies above the $50 threshold with backup withholding. The committee anticipates that any such report will disclose the reasons for the Secretary's determination and possible legislative options to facilitate backup withholding or to improve the matching program without additional appropriations. The Comptroller General is required to report to the Congress on the compliance rate for the tax year 1985. If the compliance rate is not at least 95 percent, the committee believes that it will probably be appropriate for the Congress to review alternative compliance measures.

Explanation of Provisions

1. Withholding repeal

Under the committee amendment, mandatory withholding on interest, dividends, and patronage dividends (enacted as part of TEFRA) is repealed, effective as if never enacted.

To protect from estimated tax penalties any individual who underpaid pre-July 1983 estimated tax installments on the assumption that withholding would be effective, the committee amendment provides an estimated tax penalty exception. For purposes of computing any penalty for underpayment of estimated tax by individuals with respect to installments required to be paid before July 1, 1983, an amount equal to 10 percent of any amount of interest, dividends, and patronage dividends received after June 30, 1983, and before January 1, 1984, which would have been subject to mandatory withholding, shall be treated as a payment of tax. This determination is made without regard to whether individuals would have been exempt from withholding. Thus, if a taxpayer reduced any pre-July 1, 1983, estimated tax payment in anticipation of mandatory withholding, the taxpayer will not be subject to estimated tax payment penalties by reason of that action with respect to installments required to be paid before July 1, 1983. To the extent estimated taxes for the pre-July period would have been underpaid even if withholding had taken effect, a penalty will be imposed.

This relief provision does not extend to post-June 1983 installments. Taxpayers are required to meet their estimated tax payment obligations for the second half of 1983 without claiming any benefit that would have arisen from withholding. In addition, this relief provision does not apply unless the individual pays in full any underpayment of estimated taxes with respect to the first half of the year with the first installment paid in the second half of the year.

2. Compliance study by the General Accounting Office

The committee amendment requires that the Comptroller General of the United States (the GAO) conduct a study of interest, dividend and patronage dividend compliance and report to the Congress not later than January 1, 1988. This study will include an analysis of the existing efforts of the Internal Revenue Service to collect income tax with respect to interest, dividends, and patronage dividends and of alternative methods of improving such collections including mandatory withholding. The GAO will also determine the compliance rate for interest, dividends, and patronage dividends by dividing a reasonable estimate of the amounts of such income shown on 1985 individual returns filed by August 15, 1986, by the aggregate amount of such income reasonably estimated to have been required to be reported on those returns. It is intended that this percentage, in conjunction with the rest of the study, will be useful to Congress in connection with future deliberations with respect to tax compliance.

In making its study and report, the GAO will rely on the work of the Internal Revenue Service in matching information and tax returns, in identifying nonfilers, and in auditing taxpayers. The GAO will, in effect, supervise a compliance study of the sort that the Internal Revenue Service would otherwise conduct. Consistent with present law restrictions, the GAO will not engage in the processing of returns or the auditing of returns.

3. Backup withholding

Under present law, backup withholding on payments that are not otherwise subject to withholding is scheduled to take effect on January 1, 1984. Under these rules, withholding is required at the rate of 15 percent on certain payments to taxpayers who fail to furnish the payor with a taxpayer identification number or who refuse, after notice, to correct an incorrect number.

Incorrect or missing identification numbers

The committee amendment provides for the imposition of the backup withholding requirements of present law with respect to

interest, dividends, and patronage dividends so that backup withholding will apply with respect to payments made after 45 days after the date of enactment unless the Secretary (on a case-by-case basis) delays the requirement for an additional 45 days. In addition, the backup withholding rate for interest, dividend, and patronage dividend payments is increased to 20 percent.

The committee understands that the Internal Revenue Service does not expect to commence notification of taxpayers and payors regarding incorrect identification numbers until 1984. Thus, backup withholding will commence 45 days after enactment only for new accounts or investments for which the taxpayers have provided no taxpayer identification number (or one with an incorrect number of digits). These accounts are easily identified; moreover, payors have been required to make efforts to obtain taxpayer identification numbers since 1962. To improve the reliability of information furnished to payors, statements by taxpayers making corrections of their identification numbers of providing numbers on new investments must be made under penalties of perjury.

Underreporting or failure to file

The committee amendment also imposes backup withholding, after notice, at a 20-percent rate on payments of interest, dividends, or patronage dividends to taxpayers who the Internal Revenue Service determines have either underreported interest, dividend, and patronage dividend income by an amount in excess of $50 (or any lesser amount which may be specified by the Secretary) or failed to file a Federal income tax return which was required to show any amount of interest and dividend income in excess of $50 (or any lesser amount which may be specified by the Secretary). However, the requirement that the Secretary identify and pursue every discrepancy of more than $50 applies only if adequate funding is available. In determining whether the $50 amount applies to any taxpayer, the Secretary is not obligated to take into account any amounts not reported to the Secretary on an information return.

Before backup withholding with respect to payments of interest, dividends, and patronage dividends to nonfilers or underreporters may be imposed, the Internal Revenue Service must provide at least 90 days written notice to the taxpayer. This notice must inform the taxpayer of the Secretary's determination and of the requirement that, if notified, the taxpayer's payors must institute backup withholding. The 90-day period will enable the taxpayer to respond, under procedures prescribed by the Secretary, to the notice and correct the errant condition. If the taxpayer fails to establish (to the satisfaction of the Secretary) grounds which would prevent commencement of backup withholding, notice may be sent (beginning on the 91st day after the taxpayer was notified of the determination of underreporting or failure to file), to persons known to have made interest, dividend, or patronage dividend payments to the taxpayer. The committee anticipates that such payors will be identified by comparing the names and identification numbers of delinquent taxpayers against the most recently filed information returns available. Subsequent payor notifications will be based on later filed information returns. If, during this 90-day period, the taxpayer establishes the grounds which are necessary to prevent backup withholding from commencing, the Secretary will not notify the taxpayer's payors to begin withholding.

Once notice is given, the payor has the same 15-day grace period to implement withholding that is provided in present law. Any payor required to withhold because of a taxpayer's failure to report interest, dividend, or patronage dividends, must notify the payee of such withholding at the time withholding begins.

The committee amendment provides that backup withholding will not be required if the Secretary determines to his satisfaction that (1) the failure to report income did not occur, (2) the failure (including payment of tax, penalties, or interest) has been corrected, (3) the imposition of backup withholding (because of a failure to report or an underreporting of interest, dividend, or patronage dividend income), would cause an undue hardship on the payee and that it is unlikely that any such failure will occur again, or (4) there is a bona fide dispute as to whether that failure to report or file exists. The Secretary might relieve a payee of backup withholding under the undue hardship provision if, for example, the taxpayer is unable to pay the past-due tax immediately and withholding at the 20-percent rate would result in significant overwithholding of current taxes. In determining whether a failure has been corrected, the Secretary is to take into account payments made after the statute of limitations has run on the year for which the failure occurred.

When the Secretary determines that backup withholding is no longer required with respect to a particular taxpayer, he is required (1) to promptly notify any payors who received notice to commence backup withholding and (2) to promptly provide the taxpayer with a written certification that he or she is not subject to backup withholding.

Certification of backup withholding statement

The committee amendment contains three provisions to assure that all of a taxpayer's payors receive notice of required backup withholding and that taxpayers do not avoid backup withholding by shifting their investments to new payors. Although no similar provision is included in the backup withholding system approved by the Congress in TEFRA, the committee believes that further safeguards are necessary and appropriate. First, with respect to any interest-bearing, dividend-paying, or patronage dividend-paying account, stock or other instrument established, acquired, or entered into after December 31, 1983, a payee who is not subject to backup withholding due to a failure to report an underreporting of interest, dividend, or patronage dividend income, may certify to the payor (i.e., generally, anyone required to file an information return with respect to payments of interest, dividends, or patronage dividends) under penalties of perjury if he or she is not subject to back withholding. In the case of the sale, exchange, or other disposition of any readily tradeable instrument which involves a retail broker, the purchaser may certify under penalties of perjury to the retail broker if he or she is not subject to such backup withholding. If the purchaser so certifies, the retail broker must notify the payor of such certificate within 15 days of the disposition of a readily tradeable instrument or, in the case of a sale or exchange, the settlement date. Where the purchased stock or debt instrument is held in street name (i.e., the broker is a nominee for the purchaser), the retail broker need not transmit notice to the issuer of the shares since the broker is treated as the payor for reporting purposes. In either case, however, failure to certify that backup withholding does not apply will result in backup withholding.

Generally, backup witholding will apply to any backup withholding payment made after the failure to certify. Where backup withholding is imposed because of a notification to withhold from the Secretary, backup withholding applies to any payment made after the close of the 15th day after the date of notification by the Secretary to the payor and before the payee furnishes a taxpayer identification number certificate, or corrects the errant condition and the Secretary gives notice, etc. Backup withholding applies to any payment made after the close of that period.

Any retail broker (or other person involved in the sale or exchange of a readily tradeable instrument) who intentionally disregards this requirement to notify a payor with respect to backup withholding (or taxpayer identification number) is subject to an assessable penalty of $500.

Second, the Secretary may be regulation establish a system requiring payees to submit the names of all payors from which the payee receives payments of interest, dividends, or patronage dividends.

The committee intends the Internal Revenue Service to use its data processing resources to identify those who commit perjury, and the Justice Department to prosecute such perjury. As an adjunct to existing criminal penalties for such perjury, the committee amendment creates a new civil penalty. Finally, the Secretary may by regulation establish a computerized, confidential notification system and require payors to submit taxpayer identification numbers and names of payees to the Secretary to determine whether backup withholding is required with respect to any payee. If such a system is adopted, the Secretary may eliminate the requirement that payees certify that they are not subject to backup withholding.

To prevent improper use of information about which persons are subject to backup withholding, the committee amendment provides that any person receiving backup withholding information (including payors, payor's agents and payor's independent contractors) may use such information solely for the purpose of satisfying the backup withholding requirement. Thus, for example, a payor could not use this information, including a payee's inability to certify that he is not subject to backup withholding, in deciding whether to extend credit to the payee, to surcharge an account, to close an account, or to refuse to open an account. Use of this information for any purpose other than implementing backup withholding is a misuse of confidential taxpayer information subject to civil damages.

Under present law, the penalty for failure to withhold tax is equal to the amount of tax not withheld. Thus, in the case of small payments this penalty is small. To assure implementation of backup withholding, the committee amendment provides an additional $100 penalty for failure to deduct and withhold under the backup withholding provisions unless the failure is due to reasonable cause and not to willful neglect.

The committee amendment provides general authority under which the Secretary may prescribe regulations necessary or appropriate to implement backup withholding.

4. Information returns filed on magnetic media

Under present law, any taxpayer may request permission to file returns on magnetic media or other machine readable form. In addition, present law requires the Secretary to provide regulatory standards under which returns, other than those filed by individuals, estates, or trusts, must be filed in machine-readable form. Such a filing requirement may be imposed, however, only after the Secretary takes into account the ability of the taxpayer to comply at a reasonable cost. At present, the Secretary has required returns to be made on magnetic media only in the case of certain returns by brokers.

The committee amendment requires that taxpayers filing more than 50 information returns with the Secretary for any calendar year with respect to payments of interest, dividends, or patronage dividends must file these returns on magnetic media or other machine readable form. This requirement applies with respect to returns the due date for which, without regard to extensions, is after December 31, 1983. However, if the Secretary determines that application of this provision would cause undue hardship, he may extend the application of this provision no later than returns the due date for which (without regard to extensions) is after December 31, 1984. Granting undue hardship relief could be appropriate, for example, with respect to returns filed prior to enactment but due after the effective date or with respect to returns by payors who manually process all of their own account information. Returns due under this provision must be filed no later than January 31 of the year following the calendar year to which they relate.

The committee understands that a substantial part of the delay in matching tax returns and information returns arises out of the inability of the Social Security Administration to deliver W-2 information on magnetic tape to the Internal Revenue Service until 13 months after the end of the taxable year. The committee amendment also requires the Secretary of the Treasury, in consultation with the Secretary of Health and Human Services, to study and report to the Congress by January 1, 1984, on the feasibility of requiring wage statements (W-2's) to be filed on magnetic media.

5. Payor penalities

Failure to report identification numbers

Under the committee amendment, the present law penalty of $50 per failure by the taxpayer to furnish his taxpayer indentification number to another person, or to include the taxpayer identification number of another person in any return or other document filed with respect to that person (up to $50,000 per calendar year), is modified with respect to failures to include correct taxpayer identification numbers on information returns for interest, dividends, and patronage dividends. First, the $50,000 limitation on the amount of penalties on a payor for any year is eliminated. Second, the $50 penalty is increased to $100 in the case of substantial noncompliance. Substantial noncompliance exists with respect to any payor if the total number of failures to include correct identification numbers or to file information returns or statements with respect to interest, dividends, and patronage dividends exceeds the lesser of 10,000 failures or 5 percent of the total number of such returns or statements required to be filed by the payor for any calendar year. Third, a specific set of statutory exceptions is substituted for the general reasonable cause exception of present law. Under these exceptions, no penalty is imposed if

(a) the payor reports an identification number which was provided by the payee under penalties of perjury, unless the number provided contained an incorrect number of digits;

(b) in the case of any failure to obtain a correct taxpayer identification number on the sale, exchange or disposition of a readily tradeable instrument, the payor includes a number provided by a retail broker or (under regulations) another party to the exchange;

(c) under regulations, the payee is awaiting receipt of an identification number; and

(d) with respect to existing accounts (as defined below), and certain new investments in readily tradeable instruments, the payor establishes to the satisfaction of the Secretary that the payor exercised due diligence in attempting to obtain the correct identification number.

In addition, this penalty may be abated if the Secretary determines that the failure could not have been prevented without undue hardship. Undue hardship would be determined under principles analogous to those described under the new information return or statement penalty (below).

In general, an "existing account" is, in general, any investment resulting in the payment of interest, dividends, or patronage dividends made on or before the thirty-first day after the date of enactment. In particular, in the case of interest the account, deposit, obligation, certificate or similar instrument must have been established or acquired before the thirty-first day after the date of enactment to be eligible for the due diligence exception. In the case of dividends, stocks or other instruments acquired before such thirty-first day are existing accounts. In the case of patronage dividends, accounts are existing memberships acquired and contracts entered into before the thirty-first day after the date of enactment.

A readily tradeable instrument is any instrument which is part of an issue any portion of which is traded on an established securities market (within the meaning of section 453(f)(5)), or is regularly quoted by brokers or dealers making a market. In general, a retail broker is any person who deals directly with the purchaser of a readily tradable instrument and participates in the purchase of such instrument, or maintains an inventory of such instruments for sale to others, in the ordinary course of the trade or business.

To satisfy the requirement for due diligence and thus avoid any penalty for erroneous or missing taxpayer identification numbers on existing accounts, etc., the payor must furnish various written notices to the payee. These notices must notify the payee of (1) what a taxpayer identification number is, (2) the requirement that correct numbers be provided, (3) the nature and amount of penalties for failure to provide correct identification numbers, (4) the possibility of backup withholding where an erroneous number (or no number) is provided, and (5) how to provide a correct number. This type of notification constitutes due diligence if given annually except that in 1983 it must be given more frequently. Of course, in all years, more frequent notice is permitted.

For 1983, if a payee has not provided an identification number or has provided an obviously incorrect number, notice must be provided on three different occasions. In other cases, notice must be provided twice in 1983 (unless the payee has more than one regular mailing to the payee in 1983 beginning 31 days after the date of enactment in which case three mailings are required). The first required mailing in 1983 and the mailing required in 1984 must be sent in a separate first-class mailing and contain a prepaid postage reply envelope and a form for certifying the correct number under penalties of perjury. After 1984, the annual mailing need not be sent separately or include a postage prepaid envelope, but it must include a form for certifying the correct number under penalties of perjury.

If, in the case of a sale, exchange, or other disposition of a readily tradeable instrument involving a retail broker (other than a retail broker who is the payor with respect to such instrument), the broker fails to obtain a taxpayer identification number certificate under penalty perjury, or fails to pass a number to the payor, the payor is subject to a penalty unless he exercises due diligence to obtain a correct number from the payee. In this case, due diligence will consist of (1) the payor deducting and withholding backup withholding tax on payments to such payee, (2) the payor mailing to the payee within 60 days of the date of the sale, exchange, or other disposition (by a separate first-class mailing) a notice containing the five items described above and, (3) the payor including in such notice the penalty of perjury form on which the payee may include his correct taxpayer identification number, and a postage prepaid envelope in which the payee may return this form to the payor.

If there is an obviously incorrect number or no taxpayor identification number, the due deligence defenses are not available with respect to the return for any particular account unless the payor deducts and withholds from the account under the backup withholding rules. Thus, the absence of a taxpayer identification number will always result in backup withholding or a payor penalty, or both.

It is anticipated that notice with substantially the following content will be adequate if presented in a legible manner in 12-point leaded type; however, other forms of notice may also be adequate.

IMPORTANT TAX INFORMATION

Under the law, you are subject to penalties and withholding at a 20-percent rate if you have not provided us with your correct social security or other tax identification number. Please read this notice carefully.

The law requires that we maintain accurate taxpayer identifcation numbers for all accounts of individuals, corporations, estates, trusts and partnerships. For individuals, this number is the nine digit social security number. For other taxpayers, it is their employer identification number. These numbers are used by the Internal Revenue Service to associate and verify payments to income recipients with corresponding amounts on tax returns.

The penalty for failure to provide a correct number is $50 which may be asserted by the Internal Revenue Service. If you have not provided any number or the Internal Revenue Service notifies us that your number is incorrect, we will withhold 20 percent of income payments to you and deposit this amount with the Internal Revenue Service. Once tax is withheld, you will have to apply to the Internal Revenue Service to receive a credit or refund of that amount.

If the taxpayer identification number we have for you is incorrect or if you have not provided us with a number, you may satisfy your legal obligations by signing the enclosed certification and returning it to us.

Failure to file information returns or statements

Under the committee amendment, the present law penalty for failure to file information returns or statements with respect to interest, dividends, and patronage dividends ($50 per failure, up to $50,000 per year), is modified by eliminating the $50,000 limitation and increasing the penalty to $100. In the case of substantial noncompliance (as defined in the case of failure to supply correct taxpayer identification numbers), the penalty is increased to $200. The reasonable cause defense and increase in cases of intentional disregard provided for in present law are eliminated for interest, dividend, and patronage dividend payments. However, the Secretary is authorized to abate any portion of the failure-to-file penalty (and any related interest or penalties for failure to self-assess), if the Secretary determines that the failure could not have been prevented without undue hardship. Both penalties must be self-assessed under the rules described below. For this purpose, undue hardship would exist when, because of a supervening event or physical constraint (e.g. an earthquake, flood, or civil disturbance), the taxpayer is unable to comply without incurring costs that would be disproportionately high when compared to the costs that otherwise would be incurred complying with the law, or is prevented from complying.

Special rules for dispositions of readily tradeable instruments

In the case of any disposition of a readily tradeable instrument the settlement date for which is more than 30 days after the date of enactment, the retail broker must obtain a taxpayer identification number from the purchaser under penalty of perjury. Failure to do so will result in a $50 penalty per failure. This special rule does not apply in the case of an instrument held in street name, since the retail broker is treated as a payor with respect to that instrument.

The retail broker must then provide this certified number to the payor, if the stock or debt instrument purchased will be issued in the name of the purchaser, i.e., not held in street name by the broker. The penalty for failure to obtain a correct identification number does not apply to payors who rely on numbers furnished by a retail broker (or other person). This rule reflects the fact that the payor may not have the opportunity to insist on a sworn certificate from the payee since the payor is not a party to the payee's purchase transaction. Payors may, of course, seek to obtain a sworn certificate to avoid further obligation to exercise due diligence.

If the payor receives no identification number from the broker (or an obviously incorrect number) and fails to provide a correct tax identification number on the return, then the payor is subject to the penalty for failure to provide an identification number unless the payor deducts and withholds under the backup withholding rules, and the payor exercizes due diligence to obtain a correct number. This rule does not apply in the case of an instrument held in street name, since the retail broker is treated as a payor with respect to that instrument.

This rule may be illustrated as follows: Assume individual A purchases two blocks of stock a year after enactment through a long-established brokerage relationship. If A provides a sworn statement of his identification number to the broker and the broker provides it to each of the payors who use it, no penalty will apply to the payors or brokers even if the number or statement is wrong (in which case backup withholding could be imposed by the Secretary). If the broker neglects to demand an identification number certificate, he or she is liable for the penalty once with respect to each purchase of stock even if he provides a number to the payors (out of pre-existing but unsworn records) No penalty is imposed on a payor relying on that number, even if it is incorrect. But if the number is incorrect, backup withholding could be imposed. If the payors received no number from the broker, they must apply backup withholding and notify the payee within 60 days (and annually thereafter) that backup withholding is required by the absence of the identification number.

Assessment of penalties

The committee amendment provides that the penalties for failure to supply correct identification numbers or to file information returns or statements with respect to interest, dividends, or patronage dividends shall be treated as an addition to tax on the first return of income of the payor due after the calendar year with respect to which the information returns are filed. However, if the return is due (without regard to extensions), less than 30 days after the returns or statements are required to be filed, the penalty is payable with the first succeeding income tax return. For example, if a calendar year taxpayer fails to file information returns for calendar year 1984, the tax return which is due on March 15, 1985, should include the penalty for that failure. If the payor is not required to file a return of income tax, the Secretary will prescribe the form for self-assessment of the penalty. The Secretary may by regulations provide that taxpayers may make application for abatement. The Internal Revenue Service could be authorized under such regulations, where appropriate, to suspend the requirement to pay the penalty until the Secretary had determined whether to grant the abatement request. However, if the request was not approved, interest would be owing from the due date of the return.

6. Attachment of information returns to individual tax returns

The committee amendment requires that payees be furnished (in person or by first-class mail) a statement in duplicate of any interest, dividend, or patronage dividend information return filed with respect to them. Statements and copies must be in the form required by the Secretary and must be attached to the payee's income tax return for the relevant taxable year. Failure to attach these statements will be subject to a penalty of $50 for each statement that is not attached to the return with no cap, unless the failure was due to reasonable cause and not willful neglect. It is anticipated that the Secretary will require information return statements provided to payees to be in a form similar to the form currently used for wage statements in order to ensure that the taxpayer is apprised of the importance of the form and of the penalty for failing to attach the statement to his income tax return.

7. Payee penalties for failure to report income

The committee amendment imposes a civil penalty of $1,000 on taxpayers who fail to include on a return any amount of interest, dividend, or patronage dividend income as the result of a willful attempt to evade or avoid any Federal income tax on such income. This penalty is an addition to tax to which the deficiency procedures will apply and is in addition to all other penalties.

The committee amendment also imposes a penalty of $1,000 for each false certification or affirmation with respect to a taxpayer identification number or backup withholding status which the Secretary establishes any individual willfully made. While the deficiency procedures do not apply to this penalty, procedures are provided under which the taxpayer may obtain pre-enforcement review of the Secretary's determination that the penalty is owing on payment of 15 percent of the demanded amount and filing a claim for refund, and under which the burden of proof is on the Secretary.

The committee understands that this penalty will provide even greater assurance that intentional noncompliance through filing false certificates will not permit evasion of the backup withholding system than existed for mandatory withholding.

8. Acceleration of information matching programs

The committee amendment requires the Internal Revenue Service to undertake the matching of information returns with respect to interest, dividends and patronage dividends so that inquiries with respect to discrepancies may be made to taxpayers by 15½ months of the close of the calendar year with respect to which the information returns are filed. But such matching and inquiry is required only if such action is justified by a cost-benefit analysis or specific appropriations are made for that purpose. It is anticipated that compliance with this requirement may require an acceleration of the time for filing information returns, a shortening of the standard period of extension of the time for filing individual tax returns, two computer runs of the Internal Revenue Service master file rather than the one presently needed at the beginning of the calendar year following the year for which returns are filed and changes in return formats to require separate listing of interest, dividends, and patronage dividends subject to information reporting. In addition, a significant increase in Internal Revenue Service staffing may be necessary. If the 15½-month matching program is not implemented, the Secretary must report this to the Congress.

The committee amendment requires the Secretary of the Treasury to report to the Congress on the additional appropriations necessary to improve interest and dividends information processing in accordance with the committee amendment. The committee anticipates that the Secretary's initial report to the Congress on needed appropriations, and any annual report that may be filed thereafter, will include information on relevant IRS managerial decisions, and discussion of legislative options to improve the matching and notification program and to implement backup withholding without substantial additional appropriations.

For example, the committee would be interested in knowing whether redesign of the individual tax return to include separate line items for interest or dividends reported on information documents, or a complete listing of all interest and dividend pay-

ments, could substantially reduce or eliminate the need to allocate time and resources for manual processing of returns. Information of this nature is already required to be reported to the Congress by June 30, 1983 (sec. 353 of TEFRA). The committee would also be interested in an evaluation of the costs and benefits of notifying taxpayers whenever a discrepancy was disclosed, without manual processing of an individual tax return. Among the benefits to be evaluated in this regard would be preventing recurring errors by taxpayers who improperly report amounts of income without underreporting such amount. Similarly, the committee would be interested in learning the extent to which information return discrepancies are generated inappropriately in the case of informal trust, co-ownership, and joint accounts, where it turns out that ostensibly unreported income is properly reported by an individual other than the taxpayer identified by the payor on an information return. In this regard, the committee understands that the Secretary currently has the authority to require payees to disclose, and to require payors to report on information returns, the name and identification numbers of the individuals whom the payees believe are required to report payments of interest and dividends on their individual tax returns. The committee would be interested in learning whether adoption of such a requirement by regulation would facilitate compliance by the Secretary with the requirement to accelerate and expand the information returns matching program.

For example, the committee would be interested in learning how many notices the Internal Revenue Service currently furnishes to underreporters and nonfilers, and what pattern of voluntary response is experienced. To the extent the rate of nonfrivolous voluntary responses is high, the committee would be interested in learning what level of resources are needed to process responses. In addition, the committee would be interested in learning what resources are needed to notify payors of backup withholding requirements, and to process corrections, disputed cases, and exemptions after withholding has commenced. The committee would be interested in an evaluation of the costs and benefits of establishing the computerized notification system authorized to be implemented by regulations, especially if the Secretary determines that account shifting to avoid backup withholding is a potential problem.

Finally, the committee would be interested in learning whether the penalty provisions of this committee amendment, and the backup withholding provisions of TEFRA, are effective in improving the accuracy of identification numbers furnished on information returns.

The committee amendment authorizes and anticipates the enactment of the appropriations necessary to accelerate and expand the matching program and to provide for backup withholding and requires the Secretary to report to the Congress on the level of annual appropriations required for these programs.

The Secretary is excused from compliance with the directive to complete the matching and notification program within 15½ months and to begin backup withholding above the $50 level, only if the Congress fails to expressly appropriate the amount specified in the Secretary's report, or the Secretary determines that, in the absence of such a specific appropriation, it would not be cost-effective to devote resources to interest and dividend matching and backup withholding at the expense of other enforcement activities. An annual report to the Congress is required if the Secretary determines, on these grounds, that he will not comply with the accelerated matching requirement, or that he will not follow-up all interest and dividend discrepancies above the $50 threshold with backup withholding. The committee anticipates that any such report will disclose the reasons for the Secretary's determination and possible legislative options to facilitate backup withholding or to improve the matching program without additional appropriations.

Effective Dates

In general, the provisions of the committee amendment are effective for taxable years beginning after 1982. Thus, mandatory withholding on interest, dividends, and patronage dividends is repealed as if never enacted.

The backup withholding provisions are generally effective 45 days after the date of enactment, except that the Secretary may extend the effective date for up to an additional 45 days if compliance by any payor would cause undue hardship. In addition, the effective date of present-law backup withholding is conformed to match the effective date of these amendments.

The magnetic requirement is effective for returns the due date of which (without extensions) is after 1983, except that the Secretary may extend the effective date for individual payors to such returns the due date of which (without extensions) is after 1984, to prevent undue hardship.

The new payor penalties and requirement to attach 1099s to returns generally apply to returns due (without regard to extensions) after 1983. However, if no interest, dividend, or patronage dividend income was paid or credited after 30 days after the date of enactment, these amendments do not apply.

Revenue Effect

It is anticipated that the repeal of withholding on interest and dividends will reduce fiscal year budget receipts by $0.3 billion in 1983, $2.5 billion in 1984, $2.5 billion in 1985, $2.5 billion in 1986, $2.7 billion in 1987, $2.9 billion in 1988, with a total of $13.4 billion for years 1983 through 1988.

It is anticipated that if adequate funding is provided to the Internal Revenue Service, the compliance portions of the committee amendment would increase fiscal year budget receipts by $0.3 billion in 1985, $0.9 billion in 1986, $1.7 billion in 1987, $2.0 billion in 1988, with a total of $4.9 billion for years 1983 through 1988.

TITLE II—CARIBBEAN BASIN ECONOMIC RECOVERY ACT

A. SUMMARY

Subtitle A of title II provides for the waiver of duties until September 30, 1995, on products imported from 27 Caribbean and Central American countries. Beneficiary countries must meet several criteria before the President is authorized to designate them as eligible for this program. Further, several products cannot be declared duty free, and pursuant to current law, duty-free treatment may be withdrawn for articles imported in such quantities as to threaten injury to a competing U.S. industry. A rule of origin specifies under what conditions articles will be considered products of a beneficiary country, and therefore entitled to duty-free entry.

Subtitle B would allow the deduction of reasonable business expenses for attending conventions held in an eligible beneficiary country, if that country (1) agrees to exchange information to enforce tax laws, and (2) does not discriminate against U.S. convention sites in its tax law.

Title II also provides certain benefits for Puerto Rico and the Virgin Islands. These include: (1) an increase in the amount of alcoholic beverages that may be brought back free of duty into the United States from an insular possession by a returning resident; (2) the transfer to them of excise tax revenues from foreign rum brought into the United States; (3) the exemption of a Virgin Islands rum production plant from certain requirements of the Federal Water Pollution Control Act; and (4) the inclusion of insular possessions' producers among those entitled to seek import relief under section 201 of the Trade Act of 1974.

B. BACKGROUND—THE CARIBBEAN BASIN INITIATIVE

Title II of the Committee amendment embodies the substance of S. 544, which was approved with amendments by the Committee on May 12 and May 26, 1983. It implements the "Caribbean Basin Initiative" (CBI), an economic recovery program for nations of the Caribbean Sea and Central America announced by President Reagan on February 24, 1982, in an address to the Organization of American States. The President's announcement outlined the U.S. contribution to an agreement by the governments of Canada, Mexico, Venezuela, and Colombia to join in a multilateral effort to foster economic development in the region. As described further below, U.S. efforts will require authorizing legislation only in part. Title II, by creating a program of trade preferences, forms a principal part of the U.S. effort but cannot be implemented under existing authority.

The donor countries agreed to a regional rescue plan because critically dangerous circumstances, rooted in economic difficulties, threaten the stability of the entire region. The United States in particular has a large stake in participating in such cooperative assistance efforts. The seven countries of Central America and twenty island nations of the Caribbean Sea that are the potential beneficiaries of the CBI comprise a broad southern border of this country.

Together with the other donor nations and Puerto Rico and the Virgin Islands, these lands increasingly share economic and political ties commensurate with their geographical proximity. But historically only limited integration has occurred, either among any groups of these nations or with the United States, and this has inhibited cooperative efforts to address common problems. This lack of close association arises from a wide divergence among the countries in origin, language, culture, economies, and democratic traditions.

The countries now grouped in the "Caribbean Basin" are generally small geographically and in population. Many were, until relatively recently, European colonies. More than a dozen of these countries attained independence only in the last two decades, and many remain tied to their former rulers (France, Spain, the Netherlands, or the United Kingdom) through commonwealth or trade preference arrangements. As these colonial ties have dissolved, however, the countries have attempted to augment their traditional trading patterns with intra-Caribbean and intra-Central American common market arrangements. Neither arrangement currently offers significant growth potential, and ties between the isthmus and the

island nations never have developed to a substantial degree. Testimony to the Committee attributed the current economic malaise in the region at least in part to this rupture of traditional markets combined with the inability—due to lack of size, resources, and cooperation—of the countries to build new ones.

Besides these changes in trading patterns, the countries in recent years have suffered a damaging combination of declining prices for principal export commodities (sugar, coffee, bananas, and bauxite) and fast-rising costs for energy and other essential imports. The Basin countries as a whole now suffer serious balance-of-payments difficulties, high inflation rates, high unemployment, and low or negative growth rates. The World Bank estimates that the balance-of-payments gap for these countries reached $1 billion in 1982.

Immigration increasingly links the United States and the countries of the Caribbean Basin. The region's population doubled between 1950 and 1980, and may redouble before the turn of the century. Seeking political or economic emancipation, increasing numbers of this growing population have emigrated legally or illegally to the United States. Some estimate that over 10 percent of the population of several Caribbean nations now reside in the United States. Current U.S. aid to Haiti already is dwarfed by the $150 million in basic medical services extended by the State of Florida alone to illegal Haitian immigrants. The Administration estimates that over $1 billion has been spent on operations and services related to the 135,000 Cuban and Haitian refugees that arrived in this country in recent years.

More importantly, the United States has critical security and economic interests in the region. These nations bracket vital U.S. sea lanes and the Panama Canal. Economically, the Basin is a demonstrated and growing market. The United States already accounts for a large share of the imports of the Caribbean Basin countries; total U.S. exports there in 1982 exceeded $6.3 billion and U.S. direct investment approximated $5.65 billion. Total U.S. imports from the Basin in 1982 exceeded $8 billion. Over 2.5 million U.S. tourists in 1980 spent in excess of a billion dollars in the region.

The following trade data for the region show that in 1982, U.S. exports declined after several growth years. Further, the data reveal that absent petroleum imports, this country exports nearly twice what it imports from the region. By a large margin, the United States is the principal supplier in the region, but this market is in danger of serious contraction without economic development assistance.

U.S. EXPORTS TO AND IMPORTS FROM CBI COUNTRIES—1979–82

[Dollars in millions]

	1982		1981		1980		1979	
	U.S. Exports	U.S. Imports	U.S. Exports	U.S. Imports	U.S. Exports	U.S. Imports	U.S. Exports	U.S. Imports
Country:								
Bahamas	585	1,045	435	1,243	391	1,373	330	1,602
Barbados	152	107	146	81	134	96	118	57
Belize	60	38	65	42	52	58	54	31
Cayman Island	72	15	58	5	54	3	34	2
Costa Rica	327	358	370	365	493	357	410	392
Dominican Republic	649	623	762	922	786	790	603	664
El Salvador	264	310	302	259	267	426	345	443
Guatemala	385	330	550	347	546	431	458	409
Guyana	55	71	105	104	96	120	73	65
Haiti	293	310	296	276	303	253	238	222
Honduras	261	360	338	431	369	418	318	412
Jamaica	460	278	468	357	302	379	290	369
Netherlands Antilles	648	2,107	485	2,599	438	2,537	404	1,810
Nicaragua	118	87	182	140	247	214	100	234
Panama	825	251	833	297	688	324	519	190
Suriname	127	60	137	179	134	109	112	106
Trinidad and Tobago	880	1,628	681	2,215	673	2,385	456	1,553
Turks and Caiman	8	4	5	4	3	3	3	2
Windward and Leeward Islands [1]	169	27	275	32	149	34	96	33
Total	6,339	8,008	6,493	9,899	6,124	10,309	4,960	8,597
Total excluding petroleum imports	6,339	3,416	6,493	4,085	6,124	4,269	4,960	3,873

[1] Anguilla, British Virgin Islands, St. Christopher-Nevis, Antigua and Barbuda, Montserrat, Dominica, St. Lucia, St. Vincent and the Grenadines, Grenada.

In announcing the CBI, President Reagan offered an integrated package of aid, trade, and investment measures designed to spur long-term, market-oriented development in the beneficiary countries. Not all of the measures required legislative action. For example, the Administration encouraged the Overseas Private Investment Corporation to expand its political risk insurance program and its financing efforts; expanded Ex-Im Bank protection for short-term credit; commenced negotiating bilateral investment treaties with beneficiary countries expressing an interest in such agreements; and negotiated more favorable treatment for textile and apparel imports within overall U.S. textiles policy. These measures have been initiated.

The President further sought legislative authority to create for 12 years a one-way free trade zone with the countries; to expend $350 million in supplemental fiscal year 1982 aid funds; and to extend certain tax incentives for investment in the countries. In the 97th Congress, the House of Representatives and the Finance Committee approved an amended version of the one-way free trade area, excepting certain products from it. These bodies also rejected the proposed extension of the domestic investment tax credit to investments in the beneficiary countries. Substituted instead was authority to extend North American convention tax status to countries that agree to exchange-of-information agreements regarding enforcement of the tax laws. The Senate did not act on the bill as reported by the Committee on Finance.

The Congress did approve fully the supplemental aid request. Secretary of State Shultz testified to the Committee, at hearings on S. 544 held April 13, 1983, that these funds were obligated for balance-of-payments support and infrastructure development in the least developed countries, and for private sector assistance in countries with serious financial problems. Further, a portion of the funds was obligated to support 1,300 training and education scholarships for individuals from the region. The administration increased significantly its requests for fiscal years 1983 and 1984 to continue and to improve these programs. As a percentage of the overall economic assistance budget, assistance to the Caribbean region will double in fiscal years 1983 and 1984 compared to 1980; it will constitute 13.6 percent of the total assistance proposed for fiscal year 1984.

The other donor countries also have initiated their contributions to the multilateral effort. Canada provides duty-free or preferential treatment for 98 percent of its Caribbean Basin imports, and has implemented a $500 million, 5-year assistance program. Mexico and Venezuela have maintained a program of concessional financing linked to their petroleum sales to the beneficiary countries. Mexico further provides preferential trade treatment to certain Caribbean-sourced products, and other technical and financial assistance. Venezuela and Colombia also are offering technical and financial assistance.

Title II embodies the trade incentives designed to complete the collective, integrated development program. It is intended to create limited, but assured, market access as a means for Caribbean producers to take advantage of the other development assistance. In addition, the title would authorize, under specific conditions, the deduction of business expenses associated with attending conventions in the beneficiary countries. This incentive is designed to spur development of the indigenous tourism industry.

C. GENERAL EXPLANATION OF TRADE AND TARIFF PROVISIONS (SUBTITLE A)

Present Law

The President has no current authority to reduce import duties. Section 101 of the Trade Act of 1974 (19 U.S.C. 2111), the President's basic tariff negotiating authority, expired in 1979.

Certain products originating in all of the potential beneficiary countries are currently eligible for preferential, duty-free entry into the United States pursuant to the General-

ized System of Preferences (GSP). The GSP imposes several restrictions on the types and total value of imports of articles that are entitled to its benefits. Authority for the program, set forth in Title V of the Trade Act of 1974 (19 U.S.C. 2461-2465) expires January 3, 1985. In 1982 the CBI countries exported approximately $554 million of products to the United States duty-free under the GSP. (In addition, approximately $1.9 billion entered duty-free because of zero-duty most-favored-nation tariff rates.)

The Committee Amendment

Overview

Title II, as approved by the Committee, would authorize the President to proclaim, until September 30, 1995, duty-free treatment of imports from designated Caribbean Basin sources. This preferential treatment is subject to several conditions, as set forth in subtitle A.

First, products must be imported from eligible countries. Eligibility is defined according to binding and nonbinding criteria. For example, a beneficiary must be from among nations specified in the bill, and it cannot be Communist. Other criteria for eligibility are directed at the nations' treatment of U.S. private property. Thus, the bill requires a finding that any country that has expropriated U.S. property must be resolving any resulting dispute in accord with international law. Further, an existing discriminatory trade preference arrangement must be adjusted to eliminate any significant adverse effects it causes to U.S. commerce. A country must cooperate with U.S. efforts to interdict drug trafficking. Finally, a government must not be pirating broadcasts of U.S. copyrighted material and it cannot be party to an international agreement relating to extradition of U.S. citizens. The President, however, may waive certain of these requirements in the national security or economic interest.

Although they are nonbinding, the subtitle also sets forth several indicia of free market policies and good labor practices the President must take into account in determining the fitness of a potential beneficiary for inclusion in the CBI's trade preference scheme.

As a condition of maintaining eligibility, a country must maintain an approved "Stable Food Production Plan." These plans will consist of domestic programs to ensure that the CBI benefits do not adversely affect food crop production because of incentives to increase sugar and beef production for export.

Under subtitle A, the Congress retains some control over the designations. The President must notify and explain to Congress any decision to designate or to disqualify a beneficiary nation. He must also provide Congress a copy of his determination concerning countries involved in expropriation disputes or in damaging, discriminatory preference arrangements, and of any affirmative beneficiary determination based on national interest grounds.

Once designated as a beneficiary, a CBI country may export any article to this country duty-free, subject to certain exceptions, source requirements, and safeguard restrictions.

The following products are excepted from the duty-free authority of the title: (1) textile and apparel items that are subject to textile agreements; (2) certain articles that are not GSP-eligible (footwear, handbags, luggage, flat goods, work gloves, and leather wearing apparel); (3) containerized tuna; and (4) petroleum and petroleum products. In addition, sugar imports will be subject to measures to prevent interference with the domestic price support program.

Under existing law, increased tariffs or quotas may be imposed on products that are being imported in such quantities or under such conditions as to injure seriously a domestic industry or to threaten the national security (respectively, section 201 of the 1974 Trade Act, 19 U.S.C. 2251, and section 232 of the 1962 Trade Expansion Act, 19 U.S.C. 1862). These laws would apply to products imported under this program. Under subtitle A, suspension of the duty-free treatment afforded by this bill could be treated as an increase in duties if the International Trade Commission determines, pursuant to an investigation under section 201 of the 1974 Trade Act, that the serious injury to a domestic industry results from the duty-free treatment afforded by this bill.

The committee amendment further provides for a "fast-track" mechanism by which the President may proclaim, pending completion of an investigation under section 201 by the ITC, temporary suspension of duty-free treatment for certain perishable products. The Secretary of Agriculture is charged with making such a recommendation to the President within 14 days of a petition to do so, and the President must issue his determination within 7 days thereafter.

Besides providing rules for country and product eligibility, subtitle A establishes rules to determine whether any particular article for which duty-free treatment is sought qualifies as a product sourced in the eligible countries. The rules of origin are (1) that the article must be imported directly from a beneficiary country, and (2) it must contain at least 35 percent cumulative local value added within the eligible Basin countries (plus Puerto Rico and the Virgin Islands), 15 percent of which can be of U.S. origin. This percentage is the same percent rule as that required under the Generalized System of Preferences. The value must be the value of the materials plus the direct costs of manufacturing, as defined in the bill. Products merely packaged or diluted with water will not qualify for duty-free treatment.

Products imported from the insular possession currently are subject to MFN duty rates if they contain greater than 50 percent foreign value (70 percent for watches). The subtitle further would liberalize this rule to increase the allowable foreign value added to 70 percent for all products except those not entitled to duty-free entry under the bill. Those products would remain subject to the 50 percent rule.

Subtitle A also provides certain benefits and protections for Puerto Rico and the Virgin Islands. These include: (1) an increase in the amount of alcoholic beverages that may be brought back into the United States from the insular possessions by a returning resident; (2) authority to withdraw duty-free treatment of rum; (3) the exemption of a Virgin Islands rum production plant from certain requirements of the Federal Water Pollution Control Act; and (4) the inclusion of Puerto Rican and Virgin Islands producers among those entitled to seek import relief under section 201 of the Trade Act of 1974.

Section-by-Section Analysis

Section 201 creates the short title of the legislation, the "Caribbean Basin Economic Recovery Act."

Sections 211 and 216 (proclamation authority)

These sections confer authority upon the President to proclaim the duty-free treatment delineated elsewhere in the bill. This authority commences on the date of enactment and expires September 30, 1995.

Section 212 (eligible beneficiary countries)

Section 212 sets out the universe of nations potentially eligible for CBI benefits, and criteria that guide the President's decision to proclaim their individual eligibility.

Subsection (a): beneficiary country

Under subsection (a), "beneficiary country" means a nation that the President proclaims is eligible for the benefits extended under subtitle A. Before proclaiming such eligibility, the President must notify the Congress of his intention to do so and the reasons therefor. In addition, prior to terminating the beneficiary status of an eligible country, the President must provide the Congress with 60-days notice of this intent and the reasons for the decision. Termination of eligibility may occur, for example, pursuant to subsection (e) (conditions leading to eligibility have changed) or section 213(c) (failure to maintain a Stable Food Production Plan). The 60-day notice will allow the country time to redress the changed circumstances if it desires to do so, and further will provide sufficient notice for commercial transactions founded on CBI benefits to be adjusted as needed.

The terms "entered" and "TSUS" are defined for convenience of reference.

Subsection (b): eligibility requirements

Subsection (b) imposes certain specific limitations on eligibility. A beneficiary country cannot be a country or territory (or successor political entity) other than one listed in this subsection. The Committee amended S. 544 to delete Cuba from this list, although that nation would not have qualified in any case under the criteria described below.

Even if a country is on the list of potentially eligible countries, it must further satisfy the following requirements:

(1) *It cannot be a Communist country.*—Although this description is not intended to, and cannot, be a precise definition to be inflexibly applied in every case, the Committee intends that it shall be interpreted in accord with the historic meaning attached to it in other trade and economic assistance laws; that is, "dominated or controlled by communism." *See* Trade Reform Act of 1974, Report of the Committee on Finance on H.R. 10710, Rep. No. 93-1298, p. 213 (1974). This particularly implies a country's relationship with the Soviet Union. The Committee considered whether, despite this ban, Grenada and Nicaragua should be stricken from the list of eligible countries because of the self-proclaimed Marxist nature of the governments. The Committee, however, accepted the observations of the Secretary of State, and U.S. Trade Representative that without substantial change in their current policies, these two countries do not qualify under several of section 102(b)'s criteria. Further, the Committee is persuaded that because a significant private sector presence remains in these countries—and, indeed, is responsible in large measure for maintaining their economic viability—and that within the 12-year life of the program circumstances may change, on balance Grenada and Nicaragua should remain on the eligibility list.

(2) *The country must abide by international law with regard to expropriation of U.S. property.*—This means that if a nation has taken steps in fact or in effect to expropriate U.S. property (i.e., property 50 percent beneficially owned by U.S. citizens), it must take steps to provide prompt, adequate, and effective compensation. This may occur through direct negotiation or through some appropriate means of dispute settlement. If the President certifies to the Congress that the country is taking such steps to resolve in good faith the question of compensation, then the criterion will not be an automatic bar to eligibility.

The Committee amended the language of this subsection to make clear that it applies to the taking of intellectual and intangible property, as well as real property. U.S. trade interests increasingly involve matters affecting these types of property rights, and all should be protected.

The Committee further notes that, while most expropriation cases in the region are being settled or have been settled with little difficulty, at least two have been outstanding for an inordinately long period. These are separate cases involving the Government of Panama and, respectively, the Boston Panama Company and Citricos de Chiriqui. With regard to the first, a settlement apparently was agreed to but payment withheld by the Panamanian Government. In the second, a settlement has not been reached.

The CBI offers beneficiary countries a unilateral, one-way trade preference program as an incentive for their economic development. It is appropriate to seek in return good faith actions with respect to U.S. trade interests, particularly where, as here, there appears to be no question under international law that the companies are entitled to prompt, adequate, and effective compensation. Further, it is in the best interest of developing countries to demonstrate good faith in these matters as a way of assuring stability to interested foreign investors who offer the possibility of creating new business and employment opportunities.

The Committee concurs in the Administration's position not to finalize the pending Bilateral Investment Treaty with Panama until the two outstanding disputes are resolved. It understands further that the Department of State, as shown in the following letter, takes the same position with regard to extending CBI benefits to Panama should it be established that the properties were nationalized, expropriated, or otherwise seized, and Panama refuses good faith efforts to settle the dispute. The Committee intends this subsection to be interpreted accordingly.

U.S. DEPARTMENT OF STATE,
Washington, D.C.

Hon. ROBERT DOLE,
U.S. Senate.

DEAR SENATOR DOLE: In your mark-up of the Caribbean Basin Initiative legislation, the question of outstanding investment disputes was raised and the Department of State promised to provide the Committee with a letter clarifying how the CBI legislation might help us resolve outstanding disputes.

The Administration has acted strongly to encourage a settlement of U.S. citizen claims in the Boston-Panama and Citricos de Chiriqui, S.A., cases. In the Boston-Panama case, Department of State officials obtained commitments at the highest level from the Panamanian Government that they would proceed to settle the claim. Although the Government of Panama has not yet settled the matter as promised, it has established a commission to review the case.

While awaiting the results of the review, we continue to express high-level interest in all outstanding cases and have linked these outstanding investment disputes to the bilateral investment treaty, to the designation process in the Caribbean Basin Initiative legislation and to other issues.

As soon as the CBI legislation is passed, the Department will send a high-level team to each country to discuss the designation process. First on the agenda of the team to visit Panama will be discussion of all outstanding investment disputes. We will advise the Panamanians that should it be established that the properties were nationalized, expropriated or otherwise seized, and if good faith efforts to resolve these disputes as they promised can no longer be expected, then we would not recommend to the President that he grant a waiver under 102(b).

Sincerely,

JAMES H. MICHEL,
Deputy Assistant Secretary for Inter-American Affairs.

(3) *The country must act in good faith in recognizing as binding, or in enforcing, arbitral awards in favor of U.S. citizens.*—This may occur, for example, where the disputants agreed to submit the controversy to a mutually agreed upon arbitral panel.

(4) *The country must not grant preferential trade treatment to their imports of products from a developed country, if that treatment significantly and adversely affects U.S. commerce.*—The Committee encourages other developed countries to offer assistance to the Caribbean Basin nations, and some in fact do. But this assistance should not be at the expense of the United States. The Committee believes that if a beneficiary nation takes advantage of preferential access to the U.S. market, it should not injuriously discriminate againts U.S. exporters in favor of other developed country suppliers.

(5) *The government of an eligible country must refrain from broadcasting materials belonging to U.S.-copyright owners without their express consent.*—This provision responds to an unfair practice that increasingly threatens serious injury to significant U.S. trade interests. These interests are the commercial opportunities inhering in protected intellectual property; the unfair practice is the unauthorized appropriation of that property for uncompensated—and often competing—uses. The pirating of patented, copyrighted, or trademarked material not only deprives the owners of the profits of their effort, but it discourages innovation; causes widespread brand disparagement where, for example, copied articles are inferior, not backed by normal service, or do not satisfy product claims; and unfairly distorts trade to the detriment of the United States.

Perhaps spurred by increasingly sophisticated and available technologies, a relatively new aspect of these unfair trade practices is the interception and rebroadcast of satellite signals containing copyrighted materials. Like the more simple rebroadcast of copyrighted materials obtained through other means, satellite signal piracy denies the rightful owners the benefits of their creation, and by extension, adversely affects U.S. trade interests represented by the substantial export markets for these products.

The Committee is concerned that these practices are increasing, and indeed are occurring in the nations that may seek the benefits of the CBI. In particular, the Jamaican Broadcasting Corporation, a government-owned monopoly, is intercepting U.S. domestic satellite signals carrying copyrighted programs and rebroadcasting them for profit without the copyright owners' consent and without compensation. Elsewhere in the Caribbean Basin, private concerns are engaging in similar unfair acts. Testimony to the Committee alleged that in at least six countries (Panama, Belize, Honduras, the Bahamas, the Dominican Republic, and Costa Rica), private businessmen have established pay cable or subscription television systems relying, at least in part, on the unauthorized interception and rebroadcast of programs carried on U.S. domestic satellite signals.

U.S. motion pictures, television programs, and other copyrighted program material are valuable assets that should be protected against unauthorized use. It is in the trade interests of the United States to do so. As the Secretary of State testified to the Committee, it is also in the interests of developing countries to respect those property rights if they wish to reap the benefits of being a reliable trading partner and of attracting foreign investment. The Committee therefore endorses strongly the principles underlying the eligibility criteria of this section 212(b)(5) and of its companion section 212(c)(9).

As described below, certain of the eligibility requirements of section 212(b) may be waived if the President determines it to be in the overall national interest. As submitted, S. 544 did not include this fifth eligibility requirement among those that could be waived. Secretary of the State Shultz, while expressing the Administration's intention to seek satisfactory protection for U.S. copyright owners, stated his preference for including this eligibility criterion among those that are subject to waiver in the overall national interest. The Committee amended S. 554 in accord with his view.

The Committee, however, understands that the parties to the particular dispute involving the Jamaican Broadcasting Corporation are continuing to seek an amicable resolution of their differences over what can be broadcast and at what level of compensation. The Committee further sought and received assurances from the Department of State, as follows, that it will insist that the rights of U.S. copyright owners be respected.

U.S. DEPARTMENT OF STATE,
ASSISTANT SECRETARY OF STATE
FOR INTER-AMERICAN AFFAIRS,
Washington, D.C., May 12, 1983.

Hon. ROBERT DOLE,
Chairman, Committee on Finance,
U.S. Senate.

DEAR MR. CHAIRMAN: Further to the statement of Secretary Shultz in his April 13 testimony before the Committee on Finance, we believe that it would be constructive to include Sec. 102(b)(5) of S. 544, which relates to the unauthorized use of satellite signals, among the subsections which may be waived by the President if he determines that it is in the national economic or security interest of the United States and reports such determination to the Congress with his reasons therefor.

At this time, Sec. 102(b)(5) affects only Jamaica. Notwithstanding our important national security interest in Jamaica's continued economic progress, if waiver authority is included in the legislation, we would insist

that the interest of American copyright owners will be protected in regard to both the permissible scope of acquisitions and compensation.

Sincerely,

THOMAS O. ENDERS.

The Committee does not expect CBI benefits to be extended unless these assurances are kept.

(6) *A country must cooperate with U.S. efforts to interdict unlawful narcotics trafficking.*—The Committee amended S. 544 to include this criterion, which is the same as the provision conditioning the receipt of benefits under the GSP (19 U.S.C. 2462(b)(5)). The Committee recognizes that governments cannot always control narcotics traffic originating within their lands. Nevertheless, helpful assistance to U.S. authorities can and should be rendered. The President will consider such factors in his determination whether "adequate steps" are being taken to cooperate in combatting this threat to the United States

(7) *The country must be a party to an agreement regarding the extradition of U.S. citizens.*—Although most CBI beneficiary countries are party to such agreements, the Committee intends this provision to reinforce U.S. efforts to gain the return of persons fleeing this country to avoid arrest or imprisonment.

As in other trade and economic assistance programs, including the GSP, paragraphs (1), (2), (3), and (5) of the above eligibility criteria may be waived if the President determines that to do so is in the national economic or security interest and notifies the Congress of his reasons for doing so. Given the broad national security and economic interests of the United States in the success of the CBI, it may be appropriate to exercise this waiver in some critical circumstances. The Committee does not envision this to be the case, for example, under current circumstances with regard to the matter described above involving the interception of satellite signals by the Jamaican Broadcasting Corporation, or with regard to the two long-standing expropriation cases involving the Government of Panama.

Subsection (c): Discretionary eligibility criteria

In addition to the specific eligibility criteria described in section 212(b), subsection (c) enumerates several other factors the President must consider in determining whether to proclaim a nation eligible for subtitle A's benefits. In general, these criteria are designed to ensure that the nations are engaging in market-oriented policies and practices that will allow CBI benefits to work, and that are compatible with the interests of the United States.

These considerations are not binding, individually or collectively, on the President. But they do constitute a significant statement about the program's objectives and the sincerity of those nations that wish to benefit from it. The Committee anticipates and the bill requires that the President will consider fully these factors in reaching his eligibility determinations. In regard to criterion 10, the extent to which a country is prepared to cooperate in the administration of this title, the Committee intends that among other types of cooperation, the President would seek assurances of assistance in verifying that the origin requirements of section 213(a)(1)(B) are observed.

Subsection (d): MFN treatment for insular possessions

Products imported from the insular possessions currently are subject to MFN duty rates if they contain greater than 50 percent foreign value (70 percent for watches); if their foreign content is less, the products enter duty-free. This subsection is intended to ensure that such products receive treatment at least as favorable as imports from the CBI beneficiary countries, and therefore maintain their competitive position. Thus, any product that may enter duty-free from a beneficiary country will receive equivalent treatment if imported from an insular possession. This subsection should be read in conjunction with section 214, which liberalizes the rule of origin for products imported directly from the insular possessions.

Subsection (e): Termination of eligibility

The requirements of eligibility for CBI benefits are not intended to apply only to the President's initial determinations. Thus, if subsequent actions of a beneficiary country are such that it would have been ineligible in the first instance, subsection (e) requires the President to withdraw or to suspend its eligibility.

Section 213 (eligible articles)

Once designated as eligible under section 212, and as long as it maintains that status, a beneficiary country may export any article to this country duty-free, subject to certain exceptions, source requirements, and import safeguard restrictions. Section 213 establishes these limitations.

Subsection (a): Rule of origin

This subsection sets forth rules to determine whether any particular article for which duty-free treatment is sought qualifies as a product sourced in the eligible countries. The rules of origin are (1) that the article must be imported directly from a beneficiary country, and (2) it must contain at least 35 percent cumulative local value-added within the eligible Basin countries (plus Puerto Rico and the Virgin Islands), 15 percent of which can be of U.S. origin. This percentage is the same percent rule as in the Generalized System of Preferences, except for the allowance for U.S. value and for cumulation. The qualifying cumulative value is the sum of the cost or value of materials produced in the beneficiary countries (defined to include Puerto Rico and the Virgin Islands) plus the direct costs of processing there. "Direct costs of processing operations" further is defined to include actual labor and equipment costs directly allocable to the specific merchandise, and to exclude indirect costs such as profits and general business expenses.

Finally, the Secretary of the Treasury must promulgate regulations to implement these rules, in accord with standard U.S. practice. These rules shall provide that the article must be wholly the growth, product, or manufacture of a beneficiary country, or a new or different article of commerce produced in it. Specifically, this formulation excludes products merely packaged or combined in the country, or merely diluted by a liquid that does not materially alter the article's essential character.

These specific rules are designed to preclude the possibility of the beneficiary countries serving as mere conduits for articles that in reality originate outside the region. Further, by including value added in Puerto Rico, the Virgin Islands, and, to a limited extent, the United States, these rules will serve as an incentive for U.S. citizens to benefit from participating in the increased development the CBI should incite.

Subsection (b): Exceptions

Because they are covered by other import arrangements or are particularly import sensitive, certain products are specifically exempt from the President's authority to proclaim duty-free treatment under this bill. These are: (1) textile and apparel items that are subject to textile agreements; (2) certain articles that are not GSP-eligible (footwear, handbags, luggage, flat goods, work gloves, and leather wearing apparel); (3) containerized tuna, and (4) petroleum and petroleum products. These products accounted for approximately 61 percent of total U.S. imports from the region in 1982. Of this amount, petroleum accounts for 56 percent.

Textile and apparel products "subject to textile agreements" are articles covered by the Arrangement Regarding International Trade in Textiles (the "Multi-Fibre Arrangement," or MFA) (25 UST 1001; TIAS 7840). These articles are described in headnote 9, schedule 3 of the Tariff Schedules of the United States (TSUS). Pursuant to the MFA, which is associated with the General Agreement on Tariffs and Trade, most U.S. imports of textile and apparel products are governed by bilateral quota agreements with the principal exporting countries. Three CBI beneficiary countries—Costa Rica, the Dominican Republic, and Haiti—are parties to such agreements. While duties on these products will not be suspended under this bill, the Administration has stated its intention to negotiate more favorable treatment for the CBI countries within overall U.S. textiles trade policy.

The articles exempted by paragraph (2) are ones produced by highly labor-intensive industries that have demonstrated sustained import sensitivity. The bill extends their GSP-exempt status to the CBI. Only those products among the described categories that are GSP-ineligible as of the date of enactment, whether by statute or administrative actions, are exempt. These are items described in the TSUS as follows: TSUS items 700.05–700.27, 700.29–700.53, 700.56–700.95 (nonrubber and footwear, except zoris); 705.35, 705.85, 705.86 (certain leather and rubber or plastic gloves); 706.05–706.16, 706.21–706.32, 706.34, 706.36, 706.38, 706.41, 706.43, 706.55, 706.62 (luggage, handbags, and flat goods); and 791.76 (certain leather wearing apparel).

Prepared or preserved tuna is also excluded because of the potentially high growth of imports relative to consumption, and the importance of the industry to the economies of Puerto Rico and American Samoa. This paragraph refers to articles encompassed by TSUS items 112.30 and 112.34.

The exclusion of petroleum and petroleum products derives from the unique nature of trade in those products and the overall national policy affecting them. Duties are not significant on these items. Nevertheless, there is substantial refining capacity in the region, and it would be relatively easy to mix large amounts of oil produced outside the region with oil of U.S. and local origin, and satisfy the 35 percent value-added rule of origin. This would encourage greater oil imports at a time when imports are falling and national security concerns dictate encouragement of that trend. Further, because refining operations are not labor intensive, duty-free access for petroleum products to the U.S. market is unlikely to encourage job creation in the beneficiary

countries. The Committee therefore concludes that these items are properly excluded from the provisions of this title. To the extent such products may receive duty-free treatment under other provisions of law, this title will have no effect.

Subsection (c): Stable food production plans

The duty-free treatment afforded by the CBI may encourage some increased production of sugar and beef products in the beneficiary countries. To the extent this creates employment opportunities and economic growth, it is an expected and desirable result of the program. Because of the poor level of agricultural development in the region, however, and in view of the countries' explosive population growth, it would be inconsistent with the goals of the program if increased cash crop production for export displaced needed food crops. It is the purpose of this subsection to mitigate that danger.

As a condition of continued eligibility for CBI benefits—but not as a precondition to designation—a beneficiary country must prepare a "Stable Food Production Plan" that will describe what measures it will follow to ensure that the duty-free treatment provided by this title will not cause increased production of sugar and beef products adversely affecting current levels of food production and nutrition. The plan must be submitted to the President for approval within 90 days of its designation as a beneficiary country. The President will monitor the plans' implementation, and report biennially to the Congress on them. Failure to implement a plan successfully will result in suspension of duty-free treatment for sugar and beef products.

The Committee recognizes that many factors affect levels of food and cash crop production, and that increases in the latter will, among other benefits, generate wealth that can be expended for needed food products. Each country can best decide on its own how to maximize its agricultural resources, and the President will take each country's individual situation into account in determining the adequacy of these plans. Nevertheless, this provision should insure overall that the CBI avoids an unfortunate by-product of its primary development purpose.

Subsection (d): Special provisions for sugar

Section 213(d) of the bill provides special rules to ensure that duty-free treatment extended to imports of sugar under the bill do not interfere with or impair the price support program for sugar mandated by Congress.

Under current law, imports of sugar are subject to a column 1 (most-favored-nation) rate of duty of 2.8 cents per pound, which the President has authority to lower to 0.625 cents per pound. Under Headnote 2, subpart 10(A), schedule 1 of the Tariff schedules of the United States (TSUS), the President is also authorized to proclaim duties and quotas on imported sugar. Such quotas were in fact imposed on May 5, 1982 by the President. If in the future the President removed the current quota program, then there would still be a worldwide quota on imported sugar of 6.9 million short tons, raw value.

Moreover, under section 22 of the Agricultural Adjustment Act of 1933 (7 U.S.C. 624), the President may, on the basis of an investigation and report by the U.S. International Trade Commission (ITC), regulate commodity imports whenever he finds that such imports tend to render ineffective or materially to interfere with commodity price support programs of the United States. Section 22 fees, which are not U.S. duties for the purpose of any international obligations of the United States, may not exceed 50 percent *ad valorem* of imports during a representative period; section 22 quotas are subject to the same limitation. Currently, there is a section 22 finding in effect with respect to imported sugar.

Finally, sugar is a product that may be the subject of duty-free treatment under Title V of the Trade Act of 1974 (the Generalized System of Preferences or "GSP") subject to certain conditions. GSP does not free products from current headnote quotas or quotas or fees imposed under section 22. At the time the Committee considered the bill, all countries that could be designated pursuant to section 102 of the bill that export sugar to the United States receive GSP duty-free treatment for their sugar except the Dominican Republic. The Dominican Republic does not receive this benefit under GSP because its exports of sugar in 1982 exceeded limitations on GSP imports imposed under section 504(c) of the Trade Act of 1974 (the competitive need limitations). These limitations, in summary, are that GSP treatment is denied if U.S. imports of a product from a GSP beneficiary country exceed 50 percent of U.S. imports of the product or that country's exports of that product exceed a dollar figure which increases annually and was at the time the bill was approved about $53 million.

Subsection 213(d) provides special rules that apply to sugars, syrups, and molasses classified under TSUS items 155.20 and 155.30 when there is in effect a section 22 proclamation. However, nothing in the subsection disturbs any such proclamation; indeed, under subsection 213(g) of the bill, no section 22 fee or quota may be affected by any CBI decision. Moreover, under subsection 213(d)(4) of the bill, no action under any part of subsection 213(d) can result in a greater quantity of sugar, syrups, and molasses being imported from any one country than would be permitted under other provisions of law, such as under Headnote 2 described above.

However, the title does provide several special rules for beneficiary country sugar exporters.

First, for most beneficiary countries, this title authorizes duty-free treatment for sugar on the same basis as it is available under the GSP, with two exceptions. First, under subsection 213(d)(1)(A), the President may suspend or adjust upward the competitive need limitation on value (but not the percentage limitation) if he finds this will not interfere with the sugar price support program and that it is appropriate in light of market conditions.

Second, under subsection 213(d)(1)(B), a country may elect to seek, and the President may decide to grant, a special quota on sugar imports from that country. Both of these actions require that the recommendations of the Secretary of Agriculture be considered, and of course, no increases in duty-free sugar are possible beyond Headnote 2 or section 22 limits, if any.

Under subsection 213(d)(2), three countries have special rules applicable to them for the reason that they are, at the time this bill is being considered, in excess of GSP competitive need limitations (and therefore are not receiving duty-free treatment under GSP) or have recently needed this limit. For these three countries—the Dominican Republic, Guatemala, and Panama—there are absolute import quotas established in subsection 213(d)(2) of the bill of, respectively, 780,000, 210,000, and 160,000 metric tons. Again, however, if either Headnote 2 or section quotas are in effect at levels below the amounts set out for those three countries, then such a quota would override this law and is controlling.

Under subsection 213(d)(3), the President may adjust upward further the requested quotas he can establish under subsection 213(d)(1) or the statutory quotas under subsection 213(d)(2) if this will not interfere with U.S. sugar price support program and is appropriate in light of market conditions; or he may suspend duty-free treatment for all or part of this sugar to protect the price support program.

These authorities to adjust upward CBI sugar quotas would not be particularly beneficial under current conditions, except to the Dominican Republic. They would, however, be a substantial benefit if either the GSP expires in 1985 or current quotas under the headnote are increased, or eliminated altogether. In any event, the Committee understands and expects that the price support program Congress has previously enacted, and any such program Congress may in the future enact, will be defended under this bill as if there were no CBI program.

Subsection (e): Import relief provisions

Under current law, a domestic industry seriously injured by increasing imports may petition the ITC for a determination to that effect and a recommendation for import relief. If the ITC finds that increasing imports are a substantial cause of serious injury or the threat thereof to the domestic industry producing a like or directly competitive article, then the ITC must report its determination to the President within 6 months after receiving the petition and recommend either a remedy necessary to prevent or to remedy such injury, or adjustment assistance. In such cases, the President has 60 days to accept the ITC's recommendation and to implement it, to modify it, or to reject it. A decision not to grant relief or to provide it in a form or an amount different from the ITC's recommendation is subject to congressional override.

Any proclamation issued pursuant to these provisions of law that is in effect when duty-free treatment under this Act is proclaimed with regard to any country shall remain in effect unless and until that relief is modified or terminated. However, under subsection 213(e)(5), the President may reduce or terminate the application of import relief with regard to imports from beneficiary countries prior to its scheduled date pursuant to the criteria and procedures of subsections 203(h)(4) and 203(i) of the Trade Act of 1974. Under these provisions, import relief may be reduced or terminated by the President when he determines after taking into consideration advice received from the ITC under subsection (i), and after seeking the advice of the Secretaries of Commerce and Labor, that reduction or termination is in the national interest. Under subsection 203(i) of the Trade Act of 1974, the ITC is required to keep all import relief under review and advise the President of its judgment as to the probable economic effect of the extension, reduction, or termination of the relief. This may occur upon the request of the President, upon the ITC's own

motion, or upon petition of the industry concerned.

As to articles that receive duty-free treatment and are then the subject of import relief proceedings after enactment of this title, section 213(e)(2) requires that the ITC report to the President whether and to what extent its findings and recommendations apply to that article when imported from beneficiary countries. Under section 213(e)(3), the President may suspend duty-free treatment as an import relief remedy, because this subsection would provide the suspension of duty-free treatment is treated as an increase in duty under the import relief provisions of the Trade Act of 1974. However, under subsection 213(e)(4), no proclamation providing solely for suspension of CBI duty-free treatment may be made unless the ITC makes both an affirmative determination with respect to the article and a separate determination that the serious injury or threat thereof substantially caused by imports results from the duty-free treatment authorized by this title. An increase in duties under sections 201–203 of the Trade Act of 1974 coupled with a suspension of duty-free treatment would not require this additional ITC finding.

As to import relief in effect with respect to a Caribbean Basin product at the time of enactment of this bill, this subsection authorizes the President to reduce or to eliminate the relief selectively for the products originating in beneficiary countries if he follows the criteria and procedures of subsections 203(h) and 203(i) of the 1974 Trade Act (19 U.S.C. 2253 (h), (i)).

Subsection (f): Perishable products

Because of the irreparable consequences that duty-free treatment may especially portend for perishable agricultural commodities, this subsection provides a special mechanism by which producers of such products may seek provisional protection pending the outcome of normal import relief procedures. These special procedures are available only with regard to the following products: (1) live plants; (2) fresh or chilled vegetables; (3) fresh mushrooms; (4) fresh fruit; (5) fresh cut flowers; and (6) concentrated citrus fruit juices. These items are specifically defined in the subsection by TSUS category.

Under this emergency procedure, in addition to filing a petition for relief with the International Trade Commission pursuant to section 201 of the 1974 Trade Act, a producer of a like or directly competitive perishable product may petition the Secretary of Agriculture to consider emergency relief. This petition may be filed at any time during the pendency of the section 201 proceeding. Within 14 days of filing, the Secretary must determine whether or not to recommend to the President that emergency action be taken. He will make an affirmative recommendation if he has reason to believe that a perishable product to which this section applies is being imported in such increased quantities as to be a substantial cause of serious injury, or threat thereof, to the petitioning industry. If the Secretary makes this affirmative recommendation, the President must within 7 days either determine not to act, or to proclaim a withdrawal of the duty-free treatment afforded by this bill. Emergency relief proclaimed by the President shall end when (1) the investigation under section 201 concludes and relief is proclaimed or denied, or (2) whenever the President determines that, because of changed circumstances, such relief is no longer warranted.

The standards and procedures of this emergency provision are patterned after existing import relief laws; specifically, section 201 and section 22 of the Agricultural Adjustment Act. The practice under those laws should guide its interpretation.

The Committee intends that this emergency mechanism be utilized to afford a particularly vulnerable class of petitioners the opportunity to take advantage of normal import relief procedures. The latter ordinarily require an investigation and determination period of 6 months—a period that, for perishable products, may render meaningful relief illusory. This subsection simply affords an opportunity in meritorious circumstances to restore MFN tariff treatment until a final decision on relief can be reached. By doing so, the title protects domestic growers against injurious import dangers that may have irreparable consequences.

Subsection (g): Section 22 fees and quotas

As described above with regard to subsection 213(d), section 22 of the Agricultural Adjustment Act of 1933 (7 U.S.C. 624) authorizes the President to impose import fees and quotas on products that are being imported in circumstances rendering ineffective (or tending to do so) a domestic price support program, or reducing substantially the domestic production of products supported by such a program. Fees imposed under section 22 may not be more than 50 percent *ad valorem*, and quotas must be at least 50 percent of the import level during a representative period. At the present time, fees on imported sugar are in effect pursuant to this law.

Subsection (g) makes clear that fees and quotas are to be imposed pursuant to section 22 without regard to the proclamation authority of this bill. Thus, imports of commodities may enter the United States duty-free pursuant to section 211, but nevertheless be subject to fees, as are all other imports of the same commodity. The beneficiary countries will maintain a relative duty advantage over other imports, and the President will be able to employ section 22 as intended, to protect price support programs.

Section 214 (Measures for Puerto Rico and the Insular Possessions)

The Commonwealth of Puerto Rico and the territory of the U.S. Virgin Islands enjoy the preferential access to the U.S. market the CBI would extend in part to the Basin countries. Both also are subject to U.S. minimum wage laws, environmental regulations, and other laws that impact upon business there but will not apply to the beneficiary countries. Thus, while they support the CBI, the governments of Puerto Rico and the Virgin Islands are concerned about possible adverse impacts of the program. Title II contains several provisions intended to benefit them specifically; most are in this section. Certain of these measures also are intended to ensure treatment of products from insular possessions outside of the Caribbean Basin equal to that of the beneficiary countries.

The principal U.S. insular areas are the Virgin Islands, American Samoa, Guam, and Puerto Rico. The Commonwealth of the Northern Mariana Islands will come under U.S. sovereignty upon termination of the Trusteeship Agreement, and will be included in the insular areas. Puerto Rico maintains a commonwealth relationship with the United States.

Subsection (a): Rule of origin

Articles imported from the insular possessions, because they are outside the U.S. customs territory, are subject to MFN duty rates if they contain greater than 50 percent foreign value. A special rule increases this limit to 70 percent for watches and watch movements. If these value-added rules are not exceeded, the products enter duty-free. Puerto Rico is part of U.S. customs territory, and duties are not imposed on products arriving in the United States directly from there.

Subsection (a) increases the 50 percent value-added rule to 70 percent for all products, except ones excluded from duty-free treatment under section 213(b). Thus, for all products for which this bill will offer preferential treatment, subsection (a) will ensure that the insular possessions receive a slightly more favorable rule-of-origin. Subsection 212(d), as described previously, further provides that duties imposed on any products satisfying this rule of origin shall receive treatment at least as favorable as provided in this act for beneficiary country exports. Together, these provisions will maintain or improve the position of the insular possessions compared to the beneficiary countries.

Subsection (b): Alcoholic beverages

Current law allows U.S. residents returning to the United States directly from an insular possession to bring with them up to 4 liters of distilled spirits duty-free, if 3 liters are acquired in the possessions. Subsection (b) will amend TSUS item 813.31 to increase the total allowable to 5 liters, at least one of which must be a product of the insular possessions, and at least four of which shall be acquired in American Samoa, Guam, or the U.S. Virgin Islands. This provision will particularly assist the Virgin Islands to counterbalance the potential increased competition arising from the duty-free treatment accorded alcoholic beverages produced in the beneficiary countries.

Subsection (c): Protection of rum excise tax transfer

This subsection will be explained in conjunction with section 221 later in this report (C. Explanation of Tax Provisions (subtitle B)).

Subsection (d): Repeal of MTN compensation authority

Section 1112 of the Trade Agreements Act of 1979 (19 U.S.C. 2582) authorizes the President to seek appropriations to be paid to the government of a U.S. possession if he determines that excise tax revenues have been reduced as a result of concessions made in the Tokyo Round of multilateral trade negotiations. The provision was aimed particularly at the threat of revenue loss from increased competition from imported distilled spirits. The provision has not been invoked.

Because section 221 and 214(c) of this bill are intended to provide a simpler and more direct method of compensation and protection, subsection (d) will repeal section 1112.

Subsection (e): Puerto Rican coffee tariffs

The Commonwealth of Puerto Rico retains authority to impose separate duties on coffee imported there pursuant to section 319 of the Tariff Act of 1930. This subsection will preserve that right, regardless whether coffee may enter the United States duty-free pursuant to the authority in section 211 of this bill.

Subsection (f): Import relief for possessions' producers

Section 201 of the Trade Act of 1974 (19 U.S.C. 2251) authorizes the International Trade Commission, upon petition by an entity that is representative of an industry, to conduct an investigation into whether an article is being imported in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing a like or directly competitive article. Upon an affirmative ITC determination, the President may proclaim temporary import relief measures, including higher duties. In certain circumstances, the ITC may treat as the domestic industry one or more producers in a particular geographic area.

Subsection (f) is intended to bring clearly within the ambit of section 201 producers located in Puerto Rico and the insular possessions. By doing so, the provision ensures that relief will be available to such producers. As their products will often be in the most directly competitive posture with the imports, it is proper that the ITC consider their circumstances in reaching the decision required by section 201.

Subsection (g): Rum stillage exemption

The Federal Water Pollution Control Act (FWPCA) applies to discharges from sources in the insular possessions. In recent years the Environmental Protection Agency has sought to apply certain FWPCA requirements to the principal rum producing plant in the Virgin Islands, alleging that the stillage discharged into the Caribbean Sea violates FWPCA standards. The plant and the government of the Virgin Islands strongly argue that these discharges do not harm the water quality because they are biodegradable and quickly dissipate in the oxygen-rich water.

The plant produces 95 percent of all Virgin Islands rum shipped to the United States, and thus indirectly generates 20 percent of that government's revenues. The cost of constructing and operating the treatment facility sought by the EPA is likely to exceed the current book value of the plant's fixed assets. The Virgin Islands government therefore is greatly concerned that the cost of satisfying the EPA's demands, coupled with increased competition from Caribbean rum producers not subject to such requirements, will cause the plant to fail, depriving the Virgin Islands of a significant source of revenue.

Subsection (g) would ameliorate the serious threat caused by the continuing dispute by exempting the rum stillage discharges from the requirements of sections 301 (other than toxic pollutant discharges), 306, and 403 of the FWPCA. There are three conditions to this exemption: (1) the exempted discharge must be from an existing point source attributable to rum manufacture; (2) the discharge must occur 1500 feet or more from shore; and (3) the Virgin Islands' Governor must determine that the discharge will not constitute a threat to public water supplies, the surrounding environment, human health, or recreational activities.

Federal law encourages reliance upon rum excise tax transfers by the Virgin Islands government as a significant revenue source. The imposition of Federal environmental and trade policies on the Virgin Islands that conflict with this basic revenue source requires an appropriate compromise. Given the unique environmental and economic circumstances surrounding this stillage discharge, and the environmental protections crafted into the limited exemption subsection (g) creates, the Committee concludes that this assistance to the Virgin Islands is necessary and appropriate.

Section 215 (International Trade Commission impact report)

The section requires the ITC to report regularly to the Congress on the economic impact of this Act on U.S. industries and consumers. The first report will be due 2 years after the date of enactment. Subsequent reports will be delivered for each calendar year thereafter. The reports must be delivered within 9 months after the end of the period that they analyze.

This section enumerates several factors for the ITC to assess. In general, these accord with factors the ITC normally assesses in the course of carrying out its statutory responsibilities. The Commission must receive information from the public in its preparation of these reports.

Section 216 (Effective date and termination of authority)

Subsection (a) of section 216 provides that subtitle A shall take effect on the date of enactment. The President thus may exercise his proclamation authority pursuant to section 211 at any time beginning with or after that date until it terminates.

Section 216(b) provides that no duty-free treatment proclaimed pursuant to this title shall be effective after September 30, 1995. This approximately 12-year period was chosen to demonstrate a long-term commitment to the beneficiary countries and to allow businesses sufficient time to gain a return on investments spurred by the program.

D. GENERAL EXPLANATION OF TAX PROVISIONS (SUBTITLE B)

Present Law

Rum excise taxes

An excise tax of $10.50 per proof gallon is imposed on distilled spirits (including rum) produced in or imported into the United States (defined to mean the 50 States and the District of Columbia) (Internal Revenue Code sec. 5001). The tax is imposed on the manufacturer or on the importer of the distilled spirits and is payable at the time the spirits are removed for consumption or sale from the distillery, or from customs custody in the case of imported spirits. Generally, merchandise manufactured in Puerto Rico and brought into the United States for consumption or sale or merchandise coming into the United States from the U.S. Virgin Islands is subject to a tax equal to the tax imposed in the United States upon similar merchandise of domestic manufacture (sec. 7652).

All taxes collected under the Internal Revenue Code on articles produced in Puerto Rico and transported to the United States (less the estimated amount necessary for payment of refunds and drawbacks), or consumed on the island, are deposited into the Treasury of Puerto Rico. Internal revenue collections (less certain amounts deposited into the U.S. Treasury as miscellaneous receipts) on articles produced in the Virgin Islands and transported to the United States are paid to the Treasury of the Virgin Islands.

The Virgin Islands Government may spend the money received under this provision during a fiscal year as the legislature may determine, provided that the approval of the President or his representative is obtained. It may carry no more than $5 million of such receipts forward from one year to the next; the excess is returned to the U.S. Treasury.

Business expense deduction for conventions in certain countries

A deduction is allowed for the ordinary and necessary expenses of carrying on a trade or business or income-producing activity, including transportation expenses and amounts expended for meals and lodging while away from home in pursuit of a trade or business or income-producing activity (Code sec. 162). Only such traveling expenses as are reasonable and necessary in the conduct of the taxpayer's business and directly attributable to it may be deducted. Fees charged for admission to a convention or other meeting generally are deductible if there is a sufficient relationship between the taxpayer's trade or business or income-seeking activity and attendance at the convention or other meeting. Therefore, generally, a deduction is allowed for the costs of attending a convention or seminar in pursuit of a trade or business or income-producing activity.

A special rule (Code sec. 274(h)) applies to expenses for attendance at conventions, seminars, or similar meetings if held outside the United States, its possessions, Canada, Mexico, or the Trust Territory of the Pacific Islands (the "North American area"). (Conventions, etc., held outside the North American area commonly are referred to as "foreign conventions.") No deduction is allowed for the expenses of attending a foreign convention unless the taxpayer establishes that the convention is directly related to the active conduct of a trade or business or income-producing activity and that it is as reasonable to hold the meeting outside the North American area as within it (sec. 274(h)(1)).[1] This rule applies both to the expenses paid by individuals attending such conventions and to expenses paid by employers of such individuals.

A deduction is allowed for up to $2,000 of the expenses allocable to attendance at a business convention or similar meeting directly related to a trade or business or income-producing activity of the taxpayer if the meeting is held on a U.S. flag cruise ship and if the ship calls on ports only in the United States and the U.S. possessions (sec. 274(h)(2)).

Exchange of tax information

Under current law, the United States has difficulty in obtaining information to enforce its tax laws when transactions occur (or when information is located) overseas. The United States has entered into income tax treaties that provide for exchanges of information to enable the United States and its treaty partner to enforce the tax laws which are covered by the treaty. However, the operation of exchange of information articles in some treaties is not satisfactory, because the other country may not disclose certain kinds of information, such as information regarding the ownership of bank accounts or the beneficial ownership of trusts or corporations. Moreover, the United States has treaties with few Caribbean countries, in part because some of those

[1] Under the United States-Jamaican income tax treaty, deductions are permitted for certain expenses of attending a convention in Jamaica (Art. 25(7)). This treaty does not provide for reciprocal treatment by Jamaica of U.S. conventions. As part of the agreement granting favorable convention treatment to Jamaica, Jamaica made substantial concessions on the issues of treaty use by third-country persons and exchanges of tax information.

countries do not generally impose income taxes.

Reasons for Change

Rum excise taxes

Over 95 percent of the rum consumed in the United States is produced in Puerto Rico or the Virgin Islands. Although rum is a traditional Caribbean export, and the U.S. market has grown at an annual compound rate of 11 percent over the last 5 years, the United States imports only about $4 million worth of rum from the Caribbean countries, compared to $100 million in sales by Puerto Rico and the Virgin Islands. Given this market, and the protection and compensation provided in this title, the Committee concludes that the bill presents little threat to the Virgin Island or Puerto Rican rum industry, but offers an important trade incentive to the beneficiary nations.

Nevertheless, the elimination of duties on certain rum imported from Caribbean Basin countries under Subtitle A will reduce the price of that imported rum to U.S. consumers. That price reduction in turn may reduce the U.S. sales of rum produced in Puerto Rico and the U.S. Virgin Islands from what such sales otherwise would have been. Any such reduction in U.S. sales of rum produced in Puerto Rico and the Virgin Islands will reduce revenues (from excise taxes collected on rum) transferred to the governments of these possessions. Although the Committee intends to benefit countries in the Caribbean Basin that meet certain criteria, it does not intend to do so at the expense of Puerto Rico and the Virgin Islands. Thus, sections 214(c) and 221 (described below) are designed to protect their revenues.

Business expense deductions for conventions in certain countries and exchange of tax information

Restriction of deductions for attending conventions to those held in the North American area has adversely affected service industries (such as the hotel and restaurant industries) in the Caribbean Basin. These industries are important to the economies of the area. Furthermore, granting deductions for conventions in Canada and Mexico, and in Jamaica by treaty, is perceived as unfair by the countries in the region.

Bermuda's reliance on service industries is similar to that of Caribbean Basin countries. The Committee does not want to treat this friendly country more harshly in this respect than the other countries in the region.

However, the Committee also recognizes that some Caribbean Basin countries have been used by persons seeking to evade or avoid U.S. taxes. The Committee believes that the favorable convention treatment should be available only to those countries which are willing to assist the United States in enforcing its tax laws.[2] Accordingly, the convention deduction is made available only for conventions in a country that enters into an exchange of information agreement with the United States.

The Committee provides modified standards for the exchange of civil tax information in certain circumstances. Although the Committee would prefer that exchange of information agreements be comprehensive, the Committee recognizes that in some cases the President may determine that the national security interest of the United States may be such that a more limited provision for the exchange of civil tax information is acceptable. Before acceptance of a limited provision, however, the Secretary of the Treasury, the person directly responsible for administration of U.S. tax laws, should determine that the limited provision serves a significant tax administration and enforcement purpose. The Committee does not believe that any modification of the standards for the exchange of criminal tax information is appropriate.

Explanation of Tax Provisions

Rum excise taxes (sections 214(c) and 221)

All distilled spirits excise taxes collected (under section 5001(a)(1) of the Internal Revenue Code) on rum imported into the United States from outside the country,[3] whether or not from a Caribbean Basin country, will be paid over to the treasuries of Puerto Rico and the Virgin Islands[4] under section 221.

These payments would be reduced by the estimated amount necessary for payment of refunds and drawbacks. The bill will not impose restrictions on the uses to which the Government of the Virgin Islands or the Government of Puerto Rico put the revenues they receive under this provision.

The Secretary of the Treasury will prescribe by regulation a formula for the division of tax collections between Puerto Rico and the Virgin Islands. The Secretary may change this formula from time to time.

Rum will be defined by reference to the Tariff Schedules of the United States, 19 U.S.C. 1201, so as to include *cana paraguaya*, a rum-like spirit. This provision will apply to rum imported into the United States after June 30, 1983.

Section 214(c) provides that if the amount covered over is reduced below the amount Puerto Rico and the Virgin Islands would have received had the imported rum been produced in those two jurisdictions, then the President shall consider ways to make up the loss. The subsection specifically states that he may withdraw duty-free treatment for rum. Whatever measures the President takes, he must report to the Congress on them.

Convention deductions and exchange of tax information (section 222)

Subtitle B will allow deductions for the ordinary and necessary expenses (in pursuit of a trade or business or income-producing activity) of attending conventions and similar meetings in those countries among the Caribbean Basin countries and Bermuda that meet three criteria discussed below. The taxpayer will not have to establish that holding a convention in a country meeting these criteria is as reasonable as holding it in another location.

First, the only countries that may qualify for this convention treatment will be beneficiary countries, as defined in section 212(a)(1)(A) of subtitle A, and Bermuda. As described heretofore with regard to sections 211 and 212, beneficiary countries are those among certain enumerated countries and territories,[5] including Guyana, Surinam, and countries located in the Caribbean and Central America, that the President designates as beneficiaries of this title.

Second, deductions will be available only for expenses of attending conventions held in countries with which an agreement with the United States to exchange tax information is in force at the time the convention begins. Subtitle B authorizes the Secretary of the Treasury to negotiate and to conclude such agreements, which may be bilateral or multilateral. Such an agreement will provide, on a reciprocal basis, for information relating to U.S. tax matters to be made available only to persons or authorities (including courts and administrative bodies) involved in the administration of U.S. taxes (including assessment and collection of taxes and enforcement and prosecution in respect of taxes) or oversight of the administration of such taxes (a role of the Senate Committee on Finance, the House Committee on Ways and Means, the Joint Committee on Taxation, and the General Accounting Office), or in the determination of appeals in respect of such taxes.

The exchange of information agreement will generally have to apply to and to include provisions relating to both civil and criminal tax matters within the U.S. meaning of those concepts. While the subtitle accords the Secretary discretion regarding what kinds of information will be included within the scope of the exchange of information provisions, it provides certain standards for such agreements. The agreement will have to apply to information relevant to tax matters of the United States or of the beneficiary country whether that information concerned nationals or residents of the United States or the beneficiary country or nationals or residents of a third country.

Subtitle B mandates that the agreement require production of information notwithstanding local rules requiring secrecy about such information as the ownership of bank accounts, trusts or bearer shares. In this respect, the agreements contemplated by the subtitle may go beyond the exchange of information articles of some U.S. tax treaties, which may not impose an obligation to supply information not obtainable under local law or administrative practice. The agreement will impose on the officials of each country a duty not to disclose this information to persons other than those involved in its tax administration. The provision makes it clear that exchange of information agreements will be treated as income tax conventions for the purpose of the Code rule that allows U.S. tax officials to disclose

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[2] The Committee is aware that as part of the agreement granting favorable convention treatment to Jamaica, Jamaica made substantial concessions in terms of a far reaching anti-treaty shopping provision, a note promising broad exchanges of information, and a promise to negotiate a mutual assistance treaty concerning criminal matters generally.

[3] No possession other than the Virgin Islands and Puerto Rico now produces rum for sale in the United States. The title will treat rum produced by other possessions like rum produced by foreign countries.

[4] Jamaica accounted for over 64 percent of all rum imported for consumption in the United States in 1982 from foreign countries; Barbados for over 11 percent. No other country accounted for as much as 6 percent of imports. U.S. Department of Commerce, *U.S. General Imports and Imports for Consumption December 1982*, 2-26 (issued March 1983).

[5] The countries and territories are: Anguilla, Antigua and Barbuda, the Bahamas, Barbados, Belize, Costa Rica, Cuba, Dominica, the Dominican Republic, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Nicaragua, Panama, Saint Lucia, Saint Vincent and the Grenadines, Surinam, Trinidad and Tobago, the Cayman Islands, Montserrat, the Netherlands Antilles, Saint Christopher-Nevis, Turks and Caicos Islands, and the British Virgin Islands. The bill defines country to include overseas dependent territories and possessions. Successor political entities of the enumerated countries and territories would be eligible for the benefits of the bill.

tax information to foreign tax officials pursuant to such conventions (sec. 6103(k)(4)).

The information to be exchanged under the agreement will not be limited to information about any particular class of transactions (such as expenses for conventions). The subtitle will require the exchange of such information as may be necessary or appropriate to carry out the tax laws of the United States or of the beneficiary country. The Committee intends that the information obtained be usable as evidence in court. Thus, the Committee intends that the exchange of information agreement provide that, if a party specifically requests, information shall be furnished in the form of depositions of witnesses and authenticated copies of unedited original documents (including books, papers, statements, records, accounts, and writings) in a form admissible into evidence. It is intended that, in general, the country have a process for obtaining the information required to be provided by that country.

A special rule provides for modified standards for exchange of information agreements in certain cases. This rule allows the requirement that the exchange of information agreement supersede provisions of local law regarding bank secrecy and nondisclosure of ownership of bearer shares to be waived in the case of information sought only for civil tax purposes if the President determines that such an exception to the standards for an exchange of information agreement is in the national security interest of the United States and if the Secretary of the Treasury determines that such an exchange of information agreement satisfying the modified standards would assist the administration and enforcement of U.S. tax laws.

An exchange of information agreement will generally become effective on signature. The text of the agreements will have to be transmitted to Congress no later than sixty days after the agreement has been signed, in accordance with the Case Act (1 U.S.C. section 112b).

An exchange of information agreement will be terminable by either country on reasonable notice. No deductions will be allowed for business expenses of conventions or similar meetings begun in a country after termination of the exchange of information agreement. Termination should occur if, for example, the other country is not abiding by its obligations under the agreement to supply information or to maintain confidentiality. Termination will occur in the manner set forth in the agreement.

Third, deductions will not be available for conventions in any country that begin after publication in the Federal Register of a finding by the Secretary that that country discriminates in its tax laws against conventions and similar meetings held in the United States or the U.S. possessions. The Secretary may withdraw such a finding by a subsequent announcement in the Federal Register.

This provision will apply to conventions beginning after June 30, 1983, but only if an exchange of information agreement is in effect on the day the convention began.

E. SENSE OF CONGRESS ON SUGAR IMPORTS (SUBTITLE C)

The Committee also amended S. 544 to express the sense of the Congress that no sugar should be imported into the United States from any community country in the Caribbean Basin or Central America. The term "Communist country" is used in this provision in the same sense it is used in section 212 of this title.

Sugar is a major cash crop of many countries in the region covered by the bill, some of which the President has said are threatened by international communism. The United States is a major market for this sugar and, because of domestic sugar programs, a profitable market for foreign sugar. Under current law, the United States does not import sugar from Cuba. Moreover, the President recently decided to reduce the sugar quota for Nicaragua as of October 1, 1983, to prevent its using sugar revenues to finance insurrection in Central America. The Committee felt that sugar exports to the United States should never be permitted to finance a Communist government in the region. This provision advises the Administration of Congressional views on this subject.

F. BUDGETARY IMPACT

The following estimate of the Congressional Budget Office is provided with respect to the budgetary impact of title II of the committee amendment:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., June 2, 1983.

Hon. ROBERT DOLE,
Chairman, Committee on Finance,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with the Budget Act, the Congressional Budget Office has examined S. 544, the Caribbean Basin Economic Recovery Act. This bill provides for a combination of tax and tariff incentives designed to provide financial and trade assistance to Caribbean nations.

The bill does not provide any new budget authority or any new or increased tax expenditures.

The CBO has reviewed the estimates of the staffs of the Joint Committee on Taxation and the International Trade Commission and agrees with the resulting estimates. The bill is estimated to reduce budget receipts by the following amounts:

Revenue loss from S. 544 [title II of committee amendment]

Fiscal year:	*Millions*
1983	$16.5
1984	70.0
1985	70.0
1986	70.0
1987	70.0
1988	70.0

The enclosed table shows the breakdown of revenue losses associated with title I and title II of the bill.

Sincerely,

ALICE M. RIVLIN, *Director.*

ESTIMATED REVENUE EFFECTS OF S. 544, CARIBBEAN BASIN ECONOMIC RECOVERY ACT (AS REPORTED BY THE SENATE FINANCE COMMITTEE)

	Fiscal years					
	1983	1984	1985	1986	1987	1988
Title I: Duty-free provisions	−14.5	−60	−60	−60	−60	−60
Title II—Tax Provisions:						
Excise taxes collected on rum from Puerto Rico and the Virgin Islands	−2.0	−10.0	−10.0	−10.0	−10.0	−10.0
Allowance of expense deductions for Caribbean conventions	(1)	(1)	(1)	(1)	(1)	(1)

[1] Less than $5 million.

G. VOTE OF THE COMMITTEE

The following statement is made relative to the vote by the Committee on the motion to approve title II. The Committee approved S. 544, as amended, which comprises the substance of this title, as approved by a vote of 15 ayes, 3 nays, and 1 present, on May 12, 1983.

TITLE III—ENTERPRISE ZONE TAX ACT

Present Law

Targeted jobs tax credit

The targeted jobs tax credit, which applies to wages paid to eligible individuals who begin work for the employer before January 1, 1985, is available on an elective basis for hiring individuals from one or more of 9 target groups. The target groups are (1) vocational rehabilitation referrals; (2) economically disadvantaged youths aged 18 through 24; (3) economically disadvantaged Vietnam-era veterans; (4) Supplemental Security Income (SSI) recipients; (5) general assistance recipients; (6) economically disadvantaged cooperative educational students; (7) economically disadvantaged former convicts; (8) AFDC recipients and WIN registrants; and (9) disadvantaged youths aged 16 or 17 for summer employment (effective for those who begin work for an employer after April 30, 1983).

The credit is equal to 50 percent of the first $6,000 of qualified first-year wages and 25 percent of qualified second-year wages paid to a member of a targeted group. Thus, the maximum credit is $3,000 per individual in the first year of employment and $1,500 per individual in the second year of employment. The employer's deduction for wages, however, must be reduced by the amount of the credit.

The credit is subject to several limitations. For example, wages may be taken into account for purposes of the credit only if more than one-half of the wages paid during the taxable year to an employee are for services in the employer's trade or business. In addition, wages for purposes of the credit do not include amounts paid to an individual for whom the employer is receiving payments for on-the-job training under a Federally-funded program.

For purposes of determining the years of employment of an employee and whether the $6,000 cap has been reached with respect to any employee, all employees of any corporation that are members of a controlled group of corporations are treated as if they are employees of a single corporation. Under the controlled group rules, the amount of credit allowed to the group is generally the same which would be allowed if the group were a single company. Comparable rules are provided for partnerships, proprietorships, and other trades or business (whether or not incorporated) under common control.

The credit may not exceed 90 percent of the employer's tax liability after being reduced by other nonrefundable credits. Excess credits may be carried back three years and carried forward fifteen years.

Investment tax credit

Under present law, a regular investment tax credit is allowed for investment in tangible personal property and other tangible property (generally not including buildings or structural components) used in connection with manufacturing, production, or certain other activities. For eligible property in the 3-year recovery class, a 6-percent regular investment tax credit is allowed. For

other eligible property, a 10-percent regular investment tax credit is allowed.

Buildings and their structural components generally do not qualify for the regular investment tax credit. However, in the case of qualified rehabilitation expenditures, a 15-percent tax credit is allowed for nonresidential buildings at least 30 years old, a 20-percent tax credit is allowed for nonresidential buildings at least 40 years old, and a 25-percent tax credit is allowed for certified historical buildings. The regular and energy tax credits are not allowed to the extent that the rehabilitation credit is available. Unused investment tax credits may be carried back 3 years and carried forward for 15 years.

The basis of the asset, for such purposes as capital cost recovery deductions, is reduced by the full amount of the 15-percent or 20-percent rehabilitation tax credit and by half the investment tax credit for other types of property.

Capital gains taxation

In general

Under present law, gain or loss from the sale or exchange of a capital asset received special tax treatment. For this purpose, the term "capital asset" generally means any property held by the taxpayer. However, capital assets generally do not include (1) inventory, stock in trade, or property held primarily for sale to customers in the ordinary course of the taxpayer's trade or business, (2) depreciable or real property used in the taxpayer's trade or business, (3) specified literary or artistic property, (4) business accounts or notes receivable, or (5) certain U.S. publications. Although depreciable personal property and real property used in a trade or business are not capital assets, gains from sales or exchanges of those assets may be treated as capital gains under certain circumstances.

Noncorporate capital gains deduction

Noncorporate taxpayers may deduct from gross income 60 percent of the amount of any net capital gain (the excess of net long-term capital gain over net short-term capital loss) for the taxable year. (Long-term capital gain is defined as gain from the sale or exchange of a capital asset held for more than one year). The remaining 40 percent of the net capital gain is included in gross income and taxed at the otherwise applicable regular income tax rates. As a result, the highest tax rate applicable to a noncorporate taxpayer's entire net capital gain is 20 percent, i.e., 50 percent (the highest individual tax rate) times the 40 percent of the entire net capital gain includible in adjusted gross income.

Corporate capital gains tax

An alternative tax rate of 28 percent applies to a corporation's net capital gain (the excess of net long-term capital gain over net short-term capital loss) if the tax computed using that rate is lower than the corporation's regular tax. (The highest regular corporate tax rate is 46 percent for taxable income over $100,000.)

Minimum taxes

"Add-on" minimum tax

Present law imposes an "add-on" minimum tax for corporations on certain tax preference items. 18/46ths of a corporation's net capital gain is a tax preference subject to the minimum tax.

Alternative minimum tax

Under present law, noncorporate taxpayers are subject to an alternative minimum tax to the extent that it exceeds their regular income tax. The alternative minimum tax is based on the taxpayer's adjusted gross income, as reduced by allowed deductions, and increased by tax prefer items, including the 60 percent of net capital gains deducted in computing the regular tax. The alternative minimum tax rate is 20 percent for amounts in excess of a specified exemption amount.

Industrial development bonds

Interest on State and local government obligations generally is exempt from Federal income tax (obligations issued after June 30, 1983 must be in registered form to be exempt). However, subject to certain exceptions, interest on State and local issues of industrial development bonds is taxable. An obligation constitutes an industrial development bond (IDB) if (1) all or a major portion of the proceeds of the issue are to be used in any trade or business of a person other than a governmental unit or tax-exempt organization described in sec. 501(c)(3) and (2) payment of principal or interest on the obligation is secured by an interest in, or derived from payments with respect to, property or borrowed money used, or to be used, in a trade or business.

Present law provides an exception which exempts from tax interest on IDBs that are issued to finance the following types of exempt activities: (1) projects for low-income residential rental property, (2) sports facilities, (3) convention or trade show facilities, (4) airports, docks, wharves, mass commuting facilities, and parking facilities, (5) sewage and solid waste disposal facilities, and facilities for the local furnishing of electricity or gas, (6) air or water pollution control facilities, (7) certain facilities for the furnishing of water, (8) qualified hydroelectric generating facilities, and (9) qualified mass commuting vehicles. In addition, the interest on certain IDBs issued for the purpose of acquiring or developing land as a site for an industrial park is exempt from taxation.

Present law also provides an exception for certain "small issues" to the general rule of taxability of interest paid on industrial development bonds. This exception is not available for bond proceeds used for golf courses, country clubs, racetracks and other specified types of facilities. This exception applies to issues of $1 million or less if the proceeds are used for the acquisition, construction, or improvement of land or depreciable property.

At the election of the issuer, the $1 million limitation may be increased to $10 million. If this election is made, the exception is restricted to projects where the aggregate amount of outstanding exempt small issues and capital expenditures (financed otherwise than out of the proceeds of exempt small issues) made over or a six-year period does not exceed $10 million. Both the $1 million and $10 million limitations are determined by aggregating the face amount of all outstanding related issues, plus, in the case of the $10 million limitation, certain capital expenditures for all facilities used by the same or related principal users which are located within the same county or same incorporated municipality.

In general, the small issue exemption will not apply with respect to obligations issued after December 31, 1986.

Under present law, to the extent that certain facilities are financed by an IDB and the property is placed in service after December 31, 1982, such property generally is allowed cost recovery deductions at a slower rate than those allowed under ACRS or other accelerated cost recovery provisions of the Code. In lieu of deductions under ACRS, the cost of property financed with IDBs must be recovered using the straight-line method over the ACRS life for the property involved. This limitation applies to both the first owner of the property and to any subsequent owners who acquire the property while the IDBs (including any refunding issues) are outstanding.

However, the cost of the following types of facilities financed in whole or in part with IDBs may continue to be recovered under ACRS: low-income rental housing, municipal sewage and solid waste disposal facilities, air or water pollution control facilities used in connection with a plant or other property in operation before July 1, 1982, and facilities for which a UDAG grant equalling or exceeding 5 percent of the total capital expenditures on the facility is made.

Regulatory flexibility

The Regulatory Flexibility Act (5 USC secs. 602-612) requires Federal regulatory agencies to publish analyses of the economic impact on entities under its coverage of any proposed regulations and to discuss alternatives to those regulations. The Act requires Federal regulatory agencies to undertake a periodic review of their regulations to determine whether they should be changed to minimize their economic impact on the entities covered by the Act.

In general, the purpose of the Regulatory Flexibility Act is to require Federal agencies to fit regulatory and informational requirements to the scale of the businesses, organizations, and governmental jurisdictions subject to regulation. To achieve this goal, agencies are required to solicit and consider flexible regulatory proposals and to explain the rationale for their actions to assure that such proposals are given serious consideration. The Act requires that special attention is to be given to small entities. For example, in its initial regulatory flexibility analysis, an agency must describe the impact of a proposed rule on small entities.

Small entities, for purposes of the Regulatory Flexibility Act, are small businesses (generally independently owned and operated business enterprises that are not dominant in their fields of operation), small organizations (independently owned and operated not-for-profit enterprises that are not dominant in their fields), and small governmental jurisdictions (governments of cities, towns, townships, villages, school districts, or special districts, with populations of less than fifty thousand).

Foreign trade zones

Each port of entry is entitled to at least one foreign trade zone. In a foreign trade zone, foreign merchandise may be received by a company, and the merchandise is not considered to have entered U.S. Customs territory. Thus, dutiable goods may be received free of duty. These goods may be stored, sold, repaired, assembled, distributed, manufactured and displayed within the zone, and then exported or sent into Customs territory of the United States. When sent into Customs territory, the goods become subject to the laws affecting imported merchandise, such as the levy of customs duties.

Foreign trade zones are authorized by the Foreign Trade Zone Board, a Federal agency chaired by the Secretary of Commerce. Such zones typically consist of specific factories, warehouses, or industrial parks.

Reasons for Change

A dynamic economy constantly experiences change. Markets shift, companies expand and decline, and there are changes in the composition of consumer products and in the combination of labor, materials, and plant and equipment used in production. In a country as large and diverse as the United States, industrial change also means geographic change—movement among the major regions from rural to urban areas, and from central city to suburbs. Unless mobile or failed businesses are replaced by new enterprises, local areas decay, and unemployment tends to become endemic.

Most Federal Government programs directed at the unemployed and distressed local areas have been directed at alleviating the burdens on the individuals and communities. Generally, the belief has been that alleviation and basic support would suffice until economic activity in these areas was revived.

Some programs to stimulate local enterprise and farming have been put into effect, and loans have been made available through the Small Business Administration and Farmers Home Administration. In addition, grants to local governments have been made so that they can initiate community development programs that would stimulate local business.

Federal, State and local government resources, however, have not been adequate to overcome the inertia of distress, and a new approach has been developed that will place primary emphasis on the abilities of private enterprise to create employment and economic activity. The keynote of this program is to select a limited number of distressed urban and rural areas in which private enterprise could expand after being relieved of as much government restraint as possible. These new areas are called enterprise zones, and they are in part modeled after the free trade zones that stimulate international trade in various parts of the world.

Consequently, the establishment of enterprise zones is designed to create jobs in depressed areas, with an emphasis on jobs for disadvantaged workers, and also to redevelop and revitalize these geographic areas themselves.

The intent of the program is to create a freer environment in which new businesses can start and prosper. The target is to stimulate business that would not have been started anywhere else rather than to encourage relocations of existing businesses. Instead, it is intended that the market will decide what activities should take place in the enterprise zones.

Federal participation in creating the new economic environment will take the form of designating the eligible areas and providing various tax benefits: investment credits in addition to those already available; employment credits; and relief from capital gains taxation for gains due to enterprise zone activity. In addition, Federal regulatory agencies will be encouraged to reduce the restraints of their regulatory processes to the maximum reasonable extent.

Local and State governments will be required, when nominating local areas for designation as enterprise zones, to make commitments such as reductions or relief from taxes or regulatory burdens or to increase the scope or amount of governmental services. Local private organizations also are encouraged to make commitments to foster the success of enterprise zones; these activities may include provision of services to the zones which ordinarily are considered as part of the local government's jurisdiction.

Thus, the enterprise zone concept involves the commitment of Federal, State and local governments and local private organizations to create a freer economic environment in which new private business may prosper in depressed areas.

The Committee believes that the provision of title III will successfully implement these significant and innovative ideas on an experimental basis.

Explanation of Provisions

1. Designation of enterprise zones

Definition of enterprise zone

Under the committee amendment, an enterprise zone is any area which is nominated as an enterprise zone by one or more local governments and the State or States in which it is located, and which is approved by the Secretary of Housing and Urban Development (Secretary) after consultation with the Secretaries of Agriculture, Commerce, Labor, and the Treasury, the Director of the Office of Management and Budget, and the Administrator of the Small Business Administration. In the case of an enterprise zone on an Indian reservation, the Secretary of the Interior also must be consulted.

The term "State" includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other possession of the United States. The term "local government" includes any county, city, town, township, parish, village or other general purpose political subdivision of a State, any combination of these subdivisions that is recognized by the Secretary, and the District of Columbia. In the case of a nominated area on an Indian reservation, the reservation governing body, as determined by the Secretary of the Interior, is deemed to be both the State and local government.

Before designating any area as an enterprise zone, the Secretary must promulgate regulations, after consultation with the above Federal officials, describing (1) the nominating procedures, (2) the size and population characteristics of an enterprise zone, and (3) the procedures for comparing nominated areas using the criteria specified below for evaluating commitments made by State and local governments and for establishing priorities to be applied in making designations.

The Secretary may designate enterprise zones only during a 36-month period that begins on October 1, 1983, or the first day of the first month after the effective date of the regulations, whichever is later. (The tax benefits described below would be effective no earlier than January 1, 1984.) No more than 75 enterprise zones may be designated during this period. At least one-third of the zones designated must be areas which are outside a standard metropolitan statistical area, are within a jurisdiction or jurisdictions of local government that have a population of less than 50,000, or are found by the Secretary (after consultation with the Secretary of Commerce) to be rural.

The Secretary may not designate an area as an enterprise zone unless the local government and the State in which the nominated area is located have the authority to nominate, to make commitments with respect to the zone, and to assure that the commitments will be fulfilled. Nominations must be submitted in the form, and with the information, required in the Secretary's regulations. The Secretary also would have to determine that the information submitted with a nomination is reasonably accurate and that no portion of the nominated area was already included in an enterprise zone or an area nominated as an enterprise zone.

Period of effect of designation

Under the committee amendment, any enterprise zone designation remains in effect from the date of designation to the earliest of December 31 of the calendar year 24 years later, the date stipulated by the State and local governments in their nomination application, or the date the zone designation is revoked by the Secretary. The Secretary, after consulting with the same Federal officials who must be consulted in designating enterprise zones, may revoke a zone designation if he determines that the State or local government is not substantially complying with the required State or local government commitments (described below).

Within 60 days after the Secretary designates any area as an enterprise zone, the relevant State or local government must submit to the Secretary an inventory of historic properties within the area. For purposes of the tax and regulatory provisions of the committee amendment, the zone designation will not be deemed to be in effect until this inventory is submitted.

Area requirements

The Secretary may designate an area nominated as an enterprise zone only if it meets requirements concerning size, population, area boundaries, unemployment, poverty, and other signs of economic distress. A description of these requirements follows:

a. The area must be within the jurisdiction of the local government seeking the designation and have a continuous boundary.

b. The most recent census must show that the area's population is at least 1,000 (4,000 if any part of the area, other than a rural area, is located in a metropolitan statistical area with 50,000 or more people) or the area must be entirely within an Indian reservation (as determined by the Secretary of the Interior).

c. The nominating governments must certify and the Secretary accept that the area is one of pervasive poverty, unemployment and general distress, and is located wholly within an area which meets the requirements for Federal assistance under section 119 of the Housing and Community Development Act of 1974, as in effect on the date of enactment.[1]

d. The nominating governments must certify and the Secretary accept that at least one of four additional requirements is satisfied: (1) the rate of unemployment as determined by the appropriate available data, is at least 1½ times the national unemployment rate; (2) according to the most recent census data, each census tract in the area has a 20 percent or higher poverty rate (or each census county division, where not tracted; (3) at least 70 percent of the households living in the area have income below 80 percent of the median income of the

[1] Section 119 establishes a program of urban development action grants (UDAG) to severely distressed cities and urban counties to alleviate physical and economic deterioration through reclamation of neighborhoods. The eligibility of a city, or area within a city, generally is based on some or all of the city's or area's poverty rate, age of housing stock, growth in per capita income, growth in population, growth in retailing and manufacturing employment, unemployment rate, and income distribution.

households of the area within the jurisdiction of the local government which nominates the area (determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974); or (4) the population of the area has decreased by 20 percent or more between 1970 and 1980, as determined from the most recent census available.

Required State and local government commitments

Under the committee amendment, no area may be designated as an enterprise zone unless the local government and the State in which it is located agreed in writing that, during any period that the area was an enterprise zone, these governments will follow a specified course of action designed to reduce the various burdens borne by employers or employees in the area.

This course of action may be implemented by the State and local governments and private nongovernmental entities, and may be funded from the proceeds of any Federal program. The course of action may include, but is not limited to, (1) a reduction of tax rates or fees applying within the enterprise zone, (2) an increase in the level or efficiency of local services within the enterprise zone, particularly through experiments with the supply of these services by nongovernmental entities, (3) elimination, reduction or simplification of governmental requirements applying within the enterprise zone, (4) program involvement by private entities, organizations, neighborhood associations and community groups, particularly those within the nominated area, including a commitment from these private entities to provide technical, financial or other assistance to, and jobs or job training for, employers, employees and residents of the area, and (5) mechanisms to increase the equity ownership of residents and employees in the zone. Under (5), a State or local government could, for example, establish a revolving fund to help with the financing of employee buyouts of businesses within the zone.

The Secretary may, by regulation, prescribe procedures for modifying, after zone designation, a course of action to which the State and local governments have committed themselves. The committee intends that these regulations will not allow all aspects of the course of action to be modified, but instead, only those which establish conditions on which businesses and employees have not substantially relied in making their decisions to invest, employ or work in the zone. For example, the Secretary might allow a reduction in police protection if the crime rate in the zone goes down, but should not allow a property tax abatement to be revoked with respect to a business that relied on the continued availability of this abatement in making its investment decision. However, the committee believes that such commitments could be revoked with respect to businesses and employees that may locate in the zone after the modification of a course of action is approved. In no case is it the committee's intention to authorize the Secretary to permit the withdrawal of a commitment from the course of action without the substitution of a commitment of equal value.

Priority of designation

The committee amendment provides criteria for the Secretary to use in choosing areas nominated to be enterprise zones. The Secretary is required to give special preference to those nominated areas for which the strongest and highest quality contributions to a course of action (as described above) have been promised by the nominating governments, taking into account their fiscal ability to provide tax relief. The Secretary also is required to give preference to nominated areas with the following characteristics: (1) strongest and highest quality contributions in addition to contributions under item 4 above; (2) most effective and enforceable guarantees provided by nominating State and local governments that proposed courses of action actually would be carried out for the duration of the designation; (3) high levels of poverty, unemployment and general distress, particularly areas near concentrations of disadvantaged workers or long-term unemployed individuals for whom employment would be a strong likelihood if the area were designated a enterprise zone; (4) zone size and location that primarily stimulate new economic activity and minimize unnecessary Federal tax losses; (5) most substantial commitments by private entities of additional resources and contributions, including creation of new or expanded business activities; and (6) nominated zones which best exhibit such other factors, to be determined by the Secretary, consistent with the program's intent and important in minimizing unnecessary loss of Federal tax revenues.

Evaluation and reporting requirements

The Secretary of Housing and Urban Development must prepare and submit to Congress a report on the effects of designating qualifying areas as enterprise zones in accomplishing the purposes of the legislation. The first report must be submitted not later than the close of the fourth calendar year after the year in which areas are first designated as enterprise zones. Subsequent reports will be submitted at four-year intervals.

Interaction with other Federal programs

Tax reductions

Any reduction of taxes under any required program of State and local commitments under the enterprise zone program will be disregarded in determining the eligibility of a State or local government for, or the amount or extent of, any assistance or benefits under any law of the United States, including general revenue sharing payments.

For example, under the general revenue sharing program, as authorized by the State and Local Fiscal Assistance Amendments of 1980 (P.L. 96-604), payments are made to local governments under formulas based on various factors, including income tax and total tax collections of the areas. Thus, under the committee amendment, tax reductions attributable to a required commitment to a course of action for an enterprise zone will not be taken into account in calculating the distribution of revenue sharing payments.

Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970

Designation of an enterprise zone will not constitute approval of a Federal or federally assisted program or project as those terms are used in the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. No person displaced from real property located in an area designated as an enterprise zone will, by virtue of that designation, have any rights or be entitled to any benefit pursuant to that Act, such as moving expenses, reimbursement of business losses, or provision of replacement housing, as a result of such designation.

National Environmental Policy Act

Designation of an area as an enterprise zone does not constitute a Federal action for the purposes of applying the requirements of the National Environmental Policy Act or other provisions of Federal law relating to the protection of the environment. As a result, none of the Federal procedural requirements relating to environmental assessments and impact statements need to be met on account of the designation of an enterprise zone.

Although the committee amendment waives certain procedural requirements associated with environmental laws in connection with the designation of enterprise zones, the Committee intends that the designation of an area as an enterprise zone is not to be an indication that the substantive provisions of these environmental laws are to be enforced differently within the zone than outside the zone. (Under Subtitle C of the amendment, however, the governments, following designation, could petition the appropriate Federal agency for waiver of any Federal regulations other than those that are for the purpose of protecting persons against discrimination, those whose waiver would directly violate a statutory requirement, or those whose waiver would be likely to present a significant risk to the public health.)

2. Tax credit for zone employers

In general

Under the committee amendment, enterprise zone employers are eligible to claim a tax credit equal to the sum of two parts—(1) an amount based on the increase in annual wages paid to employees working in the zone relative to wages paid to area employees in the period immediately before the area was designated as an enterprise zone, and (2) an amount based on wages paid in the current period to disadvantaged individuals working in the zone. The credit is limited to the taxpayer's tax liability, and unused credit amounts are carried back for 3 years or carried forward for the longer of 15 years or the remainder of the period during which the enterprise zone designation is in effect.

Qualified wages and qualified employees

The computation of the credit is based on a definition of qualified wages paid to qualified employees.

Under the amendment, a qualified employee is any employee 90 percent or more of whose services directly relate to the conduct of the employer's trade or business located in an enterprise zone and who performs at least 50 percent of his service for the employer in an enterprise zone. A qualified employee does not include an employee with respect to whom the employer claims the targeted jobs credit. Further, under rules similar to those applicable to the targeted jobs credit, qualified employees do not include individuals who are related to, or are dependents of, the employer or who work other than in a trade or business of the employer.

Qualified wages generally are defined to include amounts subject to FUTA (Federal Unemployment Tax Act), without regard to any dollar limit (currently $7,000 per year per employee). Special rules similar to those used in the targeted jobs credit provide for wages paid in connection with agricultural and railway labor not covered by FUTA. Qualified wages for any period do not include any amount of federally funded on-the-job training payments the employer re-

ceives or is entitled to receive for a qualified employee for the period.

Increased enterprise zone employment

The first part of the credit is equal to 10 percent of the excess of qualified wages paid or incurred during the taxable year to qualified employees in all enterprise zones over base period wages with respect to all zones. However, qualified wages are not taken into account if they are taken into account in determining the amount of credit based on wages paid to economically disadvantaged individuals.

Base period wages, for any enterprise zone, is the amount of wages which is paid during the 12-month period prior to zone designation, or, if earlier, the date on which the enterprise zone is designated under State law enacted after January 1, 1981, and which would have been qualified wages paid to individuals who would have been qualified employees if the designation had been in effect during this 12-month period. If the employer had no active trade or business in an area for which an enterprise zone designation was in effect for the taxable year for which the credit computation is made, base period wages for that enterprise zone are zero.

Qualified wages taken into account for this portion of the credit may not exceed 2½ times the FUTA wage base in effect for the calendar year ending in the taxable year for which the credit computation is made. This limit is used for the computation of base period wages as well as for the computation of current period qualified wages. If the FUTA wage base is increased, from one year to the next, then the amount of base period wages used in computing the credit in the second year must be recomputed to reflect the higher limit on the amount of wages per employee which may be taken into account.

The increased enterprise zone employment portion of the credit is phased out starting in the taxable year of the taxpayer in which falls the twenty-first anniversary of the enterprise zone designation or, if earlier, the date 4 years before the date the zone designation was to expire. For this taxable year, the credit is reduced to 7½ percent of qualified wages. The credit is then reduced by 2½ percentage points for each succeeding year until fully terminated.

Disadvantaged individuals

The second part of the credit is computed with respect to qualified wages paid to qualified employees who are qualified disadvantaged individuals.

This portion of the credit is allowable for a total of seven years with respect to any qualified employee. The credit is 50 percent of qualified wages paid to a qualified economically disadvantaged individual for services performed during the 36-month period beginning the day the individual began work in an enterprise zone for an employer. The credit is then reduced 10 percentage points during each of the succeeding twelve-month periods, to 40 percent of qualified wages attributable to services rendered in the fourth year, 30 percent of qualified wages attributable to services rendered in the fifth year, 20 percent of qualified wages attributable to services rendered in the sixth year, and 10 percent of qualified wages attributable to services rendered in the seventh year. The credit with respect to any one employee is not available after the seventh year of employment. These time periods do not take into account any period of time during which the individual is unemployed or any period of time during which the individual is employed by a taxpayer in an enterprise zone designated under a State law enacted after January 1, 1981, if this designation occurred prior to the Federal designation.

A qualified disadvantaged individual is anyone who is hired during the period an enterprise zone designation is in effect for the area in which the services which qualify the individual as a qualified employee are performed and who is either a member of an economically disadvantaged family or a general assistance or AFDC recipient as defined for purposes of the targeted jobs credit. Thus, in the first alternative, the individual has to be certified by the designated local agency as being a member of a family that had an income, including the cash value of food stamps, during the 6 months immediately preceding the month in which the determination occurs, which, on an annual basis, is equal to or less than the combined Aid to Families with Dependent Children (AFDC) and food stamp benefits available to a family of the same size with no countable income or resources. This combined benefit amount is computed first by determining the highest amount ordinarily paid under the AFDC program, in the State in which the family resides, to a family of the same size as the family being considered for tax credit eligibility. A family need not be of a type normally eligible for AFDC for the purposes of applying this standard. For example, the tax credit eligibility of a married couple with no children would be determined on the basis of the AFDC payment available to a single parent and one child, even though childless couples are not eligible for AFDC payments. Determinations throughout the entirety of each State are to use the highest benefit amount available in any locality in the State to an assistance unit with no income and resources and with maximum need. The food stamp portion of the combined benefit amount then will be computed by assuming that the household's only income consists of AFDC benefits in the amount just determined, that the household consists only of the AFDC unit for which the computation is made (e.g., that there are no unrelated individuals living in the household), and that the family is entitled to the standard deduction and the maximum amount of other deductions which ordinarily are allowed to a household, the income of which consists entirely of AFDC benefits.

Alternatively, to be eligible for this portion of the tax credit, the individual must be certified as having been placed in employment under a work incentive program, or as receiving assistance under either the AFDC program for the 90-day period preceding the hiring date or under a general assistance program for not less than 30 days ending within the 60-day period ending on the day the individual is hired by the employer. Only those general assistance programs designated by the Secretary of the Treasury as consisting of money, voucher, or scrip payments based on need are to be taken into account for this purpose. The Secretary is not to designate any program designed specifically by a State or local government for enterprise zone residents in order to determine eligibility for this credit.

The credit amount is reduced 25 percent in the first year in which the increased employment credit begins to phase out, and this reduction factor is increased by 25 percent each year thereafter.

Other rules

Rules analogous to those contained in the present targeted jobs and research and experimental expenditures tax credits control certification procedures (such as the rule requiring certification on or before the date on which the individual begins work for the employer) and allocation and computation of the credit for controlled groups of businesses, for subchapter S corporations and their shareholders, for estate and trusts and their beneficiaries, and for employers affected by acquisitions and dispositions. Special rules also are provided for taxpayers for which a zone designation is in effect only part of the taxable year or with a short taxable year.

Any credit taken with respect to an economically disadvantaged employee is recaptured if the employee is terminated at any time during the first 270 days after the employee begins work for the employer, with certain exceptions, including voluntary termination, disability, or misconduct of the employee, or substantial reduction of the business. However, if the major portion of a trade or business, or the major portion of a separate unit of a trade or business of an employer is acquired by another employer, than employment of any qualified employee is not terminated for purposes of this credit if the employee continues to be employed in that trade or business.

No deduction is allowable to an enterprise zone employer for that portion of wages paid or incurred for the taxable year equal to the amount of credits allowable under this provision for the taxable year.

3. Tax credit for zone employees

Under the committee amendment, qualified employees are entitled to a nonrefundable tax credit equal to 5 percent of qualified wages for the taxable year. For purposes of this credit, qualified wages are equal to all remuneration paid for services of a qualified employee, but not including any compensation received from the Federal Government or any State or subdivision of a State, up to 1½ times the wage base in effect for the purpose of the Federal Unemployment Tax Act (FUTA) (currently $7,000). Thus, the maximum credit for any taxable year until the FUTA base is changed is 5 percent of $10,500 or $525.

For purposes of this credit, a qualified employee is an individual at least 90 percent of whose services are directly related to an enterprise zone trade or business and at least 50 percent of whose services are performed in an enterprise zone, and who is not an employee of the Federal Government or any State or local subdivision of any State. The determination of whether an individual is a qualified employee is to be made separately with respect to each of the individual's employers.

The credit phases out starting in the taxable year of the employee in which falls the twenty-first anniversary of enterprise zone designation, or, if earlier, the date 4 years before the date the zone designation is to expire, and phases out completely in 4 years.

Employers are required to report to qualified employees the amount of wages paid to such employees.

4. Investment tax credit for zone property

Under the committee amendment, an additional investment tax credit is allowed for certain capital investments in an enterprise zone.

Zone personal property

For recovery property (other than 15-year real property) an additional 3-percent credit is available for 3-year recovery property, and an additional 5-percent credit is available for 5-year property, 10-year property and 15-year public utility property. Recovery property that does not meet the general eligibility requirements under section 48(a)(1) for the investment credit or that is not eligible for the investment credit because the property is used in connection with lodging (sec. 48(9)(3)) is eligible for the additional 3- or 5-percent credit, but not for the regular investment credit.

In order to be eligible for this additional credit, property has to be acquired and first placed in service by the taxpayer in an enterprise zone during the period the designation as a zone is in effect. The property must be eligible for ACRS but does not have to be new property. The taxpayer has to use the property predominantly in the active conduct of a trade or business within an enterprise zone and may not acquire the property from a related person. Property used or located outside the enterprise zone on a regular basis is not eligible for the additional credit. In order to facilitate enforcement of this rule, the Secretary may prescribe by regulation that certain types of mobile equipment are ineligible for the credit.

The credit rate is reduced by 25 percent in the first year in which the employment credit begins to be phased out, and by an additional 25 percent each year thereafter. The basis of property eligible for the additional 3- or 5-percent credit would be reduced by one-half of that credit.

New zone construction property

An additional 10-percent tax credit is available for 15-year real property (including lodging) located in an enterprise zone if the property is acquired or constructed by the taxpayer and used predominantly in the active conduct of a trade or business, including the rental of real estate, within the enterprise zone. The credit is in addition to any investment credit to which the property is entitled under present law (e.g., the rehabilitation tax credit in the case of qualified rehabilitation expenditures and the regular credit for elevators and escalators).

In the case of property acquired by the taxpayer, the additional credit is available only if the property is acquired after designation of the zone and only if the original use of the property commences with the taxpayer. In the case of property constructed, reconstructed, or erected by the taxpayer, the credit would be available only to the extent of any construction, reconstruction or erection after designation of the enterprise zone. The credit rate is reduced by 25 percent in the first year in which the employment credit begins to be phased out, and by an additional 25 percent each year thereafter.

The basis of property eligible for this additional 10-percent tax credit is reduced by the full amount of the additional credit allowable.

Recapture

If property for which an enterprise zone credit was claimed by a taxpayer ceases to be enterprise zone property of the taxpayer (other than by expiration or revocation of the designation of the zone), a portion of the enterprise zone credit is recaptured. Property would cease to be enterprise zone property of a taxpayer if, for example, the taxpayer disposed of the property, removed the property from the enterprize zone, or ceased to use the property in the active conduct of a trade or business within the enterprise zone.

The amount of the enterprise zone credit subject to recapture is the difference between the amount of credit allowed for the property and a recomputed credit based on the amount of time the property was enterprise zone property of the taxpayer. The recomputed credit bears the same ratio to the amount of credit originally allowed as the number of taxable years in which the property was enterprise zone property of the taxpayer bears to the number of years over which the property is depreciated for purposes of computing earnings and profits. The recapture periods are as follows:

	Years
3-year property	5
5-year property	12
10-year property	25
15-year public untility property	35
15-year real property	35

Thus, for example, no enterprise zone credit is recaptured with respect to 3-year recovery property if it remains enterprise zone property of the taxpayer for 5 taxable years. If this property were enterprise zone property of the taxpayer for only 4 taxable years, 20 percent of the enterprise zone credit is recaptured.

Carryover period

Unused investment tax credit amounts attributable to the additional enterprise zone percentage may be carried forward for the remaining life of the enterprise zone or 15 years, whichever is longer.

5. Elimination of capital gains taxation

The committee amendment eliminates taxes on net long-term capital gains resulting from the sale or exchange of (1) property used in an enterprise zone in the active conduct of a trade or business or (2) an interest in a "qualified enterprise zone business." Additionally, the bill excludes net long-term enterprise zone capital gains from classification as a tax preference item for purposes of the noncorporate and corporate minimum taxes.

Qualified property and qualified business

The amendment eliminates tax on net gain from sales or exchanges of "qualified enterprise zone property" otherwise eligible for long-term capital gain treatment. For this purpose, the term "qualified enterprise zone property" would mean (1) tangible personal property used predominantly by the taxpayer in an enterprise zone in the active conduct of a trade or business in a zone, (2) real property located in an enterprise zone and which is used predominantly by the taxpayer in the active conduct of a trade or business in a zone and (3) an interest in a corporation, partnership, or other entity if, for the two most recent taxable years of the entity ending before the date of disposition of the interest and beginning after the date on which the zone was designated, the entity was a "qualified enterprise zone business."

Under the provision, the term "qualified enterprise zone business" means any person (1) actively engaged in the conduct of a trade or business (including rental of real estate) during the two taxable years described in the previous sentence, (2) at least 80 percent of the gross receipts of which for the taxable year are attributable to the active conduct of a trade or business within an enterprise zone, and (3) substantially all of the tangible assets of which are located within an enterprise zone.

Under the amendment, gains and losses from the sale or exchange of qualified enterprise zone property are taken into account only to the extent they are properly allocable to periods during which the property is qualified enterprise zone property or, in the case of an interest in a zone business, periods during which the business is a qualified enterprise zone business. Thus, a determination of the fair market value of the property must be made as of the date the property begins to be used in the active conduct of a trade or business in a zone, in the case of tangible property, or as of the date on which a business begins to be a qualified enterprise zone business, in the case of an interest in a qualified enterprise zone business. In addition, net gain from the sale or exchange of an interest in a qualified enterprise zone business is not treated as gain from the sale or exchange of qualified property to the extent the gain was attributable to (1) any property contributed to the qualified business within the previous 12 months, (2) any interest in a business which is not a qualified business, or (3) any other intangible property not properly attributable to an active trade or business within an enterprise zone. Intangible property includes, but is not limited to, items described in section 936(h)(3)(B), such as patents, copyrights, trademarks and franchises. In determining whether intangible property is attributable to active trade or business within a zone, the Secretary is to take into account factors such as whether or not the intangible was acquired in an arm's-length transaction and the extent to which the intangible was developed within the zone.

Under the amendment, the special tax treatment for gain from sales or exchanges of qualified enterprise zone property does not cease to be available upon the termination or revocation of an area's designation as an enterprise zone. However, the treatment does not apply after the first sale or exchange of any item of qualified enterprise zone property after the designation ceases to apply.

Noncorporate capital gains deduction

The amendment allows a noncorporate taxpayer to deduct from gross income 100 percent of any net long-term capital gain from qualified enterprise zone property.

Corporate capital gains tax

The amendment allows a corporation to exclude from taxation all net long-term capital gain from qualified enterprise zone property.

Tax preferences for minimum tax purposes

The amendment eliminates net capital gains attributable to qualified enterprise zone property from classification as a tax preference item for purposes of the corporate and noncorporate minimum taxes.

6. Industrial development bonds

The committee amendment provides that the provision of present law which restricts the cost recovery deductions for property financed with tax-exempt bonds will not apply to enterprise zone property eligible for the additional investment credit described above.

The amendment also provides that the provision of present law which terminates the small issue exception after December 31, 1986, does not apply to any obligation which is part of an issue substantially all of the proceeds of which are used to finance facilities placed in service in an area for

which an enterprise zone designation is in effect.

7. Tax simplification

The committee amendment provides that it is the sense of the Congress that the Internal Revenue Service should, in every way possible, simplify the administration and enforcement of the tax provisions added to the Internal Revenue Code by this bill.

8. Regulatory flexibility

Designation of zone entities of small entities for purposes of analysis of regulatory functions

The committee amendment expands the definition of a small entity, for purposes of the Regulatory Flexibility Act, to include any qualified zone business, any government designating an area as an enterprise zone to the extent any regulatory rule would affect the zone, and any not-for-profit enterprise operating within an enterprise zone.

Waiver or modification of agency rules in enterprise zones

Under the committee amendment, Federal agencies and regulatory bodies are given discretionary authority to relax or eliminate any regulatory requirements within enterprise zones except those affecting civil rights, safety and public health, or those required by statute, including any requirement of the Fair Labor Standards Act. This authority would be exercised only upon request of State and local governments.[2] Agencies are to make their determinations on requests not later than 90 days after their receipt. Such waivers or determinations will not be considered a rule, rulemaking, or regulations under the Administrative Procedure Act.

Coordination of housing and urban development programs in enterprise zones

The committee amendment provides that the Secretary of Housing and Urban Development is required to promote the coordination of programs under his jurisdiction and carried on in an enterprise zone and to consolidate requirements for related applications and reports required under these programs.

9. Establishment of foreign trade zones in enterprise zones

The committee amendment requires the Foreign Trade Zone Board to expedite on a priority basis the processing and approval, to the maximum extent practicable, of any application involving the establishment of a foreign trade zone within an enterprise zone. The Secretary of the Treasury is required to give the same urgent consideration to an application for establishment of a port of entry necessary to permit the establishment of a foreign trade zone within an enterprise zone.

Effective Date

The provisions relating to designations of enterprize zones, regulatory flexibility and foreign trade zones are effective on the date of enactment.

The provisions for tax credits for enterprise zone employers and employees are effective for taxable years beginning after December 31, 1983.

The extra investment tax credit for enterprise zone property is effective for periods after December 31, 1983, under rules similar to section 48(m) of the Internal Revenue Code.

The provisions eliminating capital gains taxation are effective for sales or exchanges after December 31, 1983.

The provisions related to industrial development bonds apply to obligations issued after December 31, 1983, in taxable years ending after such date.

Revenue Effect

The effect of the enterprise zone provisions on budget receipts will depend on the number, size, and characteristics of the zones designated by the Secretary of Housing and Urban Development. Because the amendment provides the Secretary with wide latitude in his choice, the committee is unable to provide specific cost estimates for these provisions.

The Treasury Department estimates that these provisions will reduce fiscal year receipts by $87 million in 1984, $400 million in 1985, $765 million in 1986, $1,058 million in 1987 and $1,142 million in 1988. These estimates are based on particular assumptions about the size and characteristics of the zones. However, these assumptions are not mandated by the provisions of this amendment, and thus, these figures may either underestimate or overestimate the actual revenue loss by a considerable degree.

Treasury's estimates are based on the assumption that the zones selected by the Secretary of Housing and Urban Development would have, at the time of designation, average employment, other than in governments and non-profit institutions, of 7,000 and a mix of economic activities similar to those of a sample of distressed areas in several large cities and rural areas. The language of the amendment does not require this average employment and economic mix, however, so that the above figures may not estimate the actual revenue loss. If the average zone has, for example, only 3,500 employees, then actual revenue losses would be $0.04 billion, $0.2 billion, $0.4 billion, $0.5 billion, and $0.6 billion in fiscal years 1984 through 1988, respectively, if the assumptions about the economic mix were correct.

On the other hand, several factors could make the actual revenue loss higher than the Treasury estimates. First, the actual mix of economic activities in the zone or attracted to the zone could be very payroll intensive and have a high ratio of investment to payroll, substantially increasing the cost of the tax incentives relative to what was assumed. Second, the Treasury estimate assumes that 25 zones are designated annually during the 1984–1986 period. If more than 25 zones are designated in 1984 and 1985, the revenue loss would be larger in all years. Third, the average size of zones when they are actually designated by the Secretary could be much larger than an average taxable employment of 7,000. If, for example, employment in designated zones were to average 35,000 and the economic mix were the same as assumed by Treasury, fiscal year revenue losses would be $0.4 billion in 1984, $2.0 billion in 1985, $3.8 billion in 1986, $5.3 billion in 1987 and $5.7 billion in 1988.

[2] Examples of regulations which could be relaxed include regulations governing exports, regulations affecting accounting treatment of loans made by national banks, regulations affecting inventory accounting for tax purposes, regulations affecting issuance of securities, and regulations affecting various energy performance, coal conversion, and conservation regulations.

TITLE IV—INTERNATIONAL TRADE AND INVESTMENT ACT*

A. SUMMARY

Title IV of the committee amendment amends Titles I and III of the Trade Act of 1974 by mandating new specific sector negotiating objectives with respect to trade in services, high technology products, and restrictions on foreign direct investment; by giving the President tariff modification authority on certain high technology items; by authorizing the establishment of intergovernmental advisory committees; by requiring the United States Trade Representative to analyze and report on significant barriers to trade in U.S. products and services and restrictions on foreign direct investment by U.S. persons; by clarifying the President's authority to retaliate with respect to any goods or sector, whether or not involved in the act retaliated against and to take action notwithstanding any other delegation of authority to regulatory agencies; by providing the President with the authority to propose "fast track" legislation under the authority of sections 102 and 151 of the Trade Act to carry out the objectives of section 301; by defining the term "commerce" to include foreign direct investment with implications for trade in goods and services, thereby permitting the President to retaliate against restrictions on such investment; by statutorily defining the terms "unjustifiable," "unreasonable," and "discriminatory"; by providing for the initiation of section 301 investigations by the USTR; by providing for delays of up to 90 days in the initiation of international consultations required by section 303; and by providing a specific exemption from the requirements of the Freedom of Information Act for information supplied under specified conditions during an investigation under section 301 and restrictions on the use of such information.

B. GENERAL EXPLANATION

Present Law

The President's principle authority to retaliate against foreign unfair trade practices is section 301 of the Trade Act of 1974 (19 U.S.C. 2411). Section 301 was amended by the Trade Agreements Act of 1979 (P.L. 96-39). Two major changes were made. The President's authority was expanded in order that he would have clear authority to pursue U.S. rights under any applicable trade agreements, and time limits were established for the conclusion of section 301 investigations.

Under section 301, as amended, the President is authorized, where appropriate, to use the authority set forth therein to enforce U.S. rights under trade agreements, including the various nontariff agreements negotiated in the Multilateral Trade Negotiating. The law provides a process through which private parties can seek U.S. government action to enforce rights created by these agreements. It requires that consultations be initiated under the dispute settlement procedure of the applicable international agreement, if any. The time requirements set forth in section 301 within which the President must act are also keyed to the dispute settlement procedure in the particular agreement under which the complaint is brought.

*This title of the committee amendment was previously reported by the Committee on Finance in S. 144 (S. Rep No. 98-24, Mar. 14, 1983), and passed by the Senate on Apr. 2, 1983.

The President is also authorized, where appropriate, to use section 301 to respond to any "act, policy, or practice" of a foreign country that is inconsistent with the provisions of or denies benefits to the United States under any trade agreement, or is "unjustifiable," "unreasonable," or "discriminatory" and burdens or restricts United States commerce. All acts, policies, or practices covered under the 1974 Act are covered under section 301, as amended, notwithstanding the deletion of the specific reference to subsidies and access restrictions as unfair acts. Amendments to the 1979 Act also clarified that U.S. "commerce" includes all services associated with international trade and not just those associated with trade in merchandise.

The President's retaliatory authority remained basically unchanged in the 1979 Act. The President is authorized to take any action otherwise within his authority to respond to the foreign unfair actions. He is also authorized to suspend, withdraw, or modify trade agreement concessions or impose duties or other import restrictions or fees on the products or services of the foreign country.

Another change made by the 1979 Act was to provide a procedure through which the public could request from the USTR certain information on foreign trade policies or practices. If such information is not available, the USTR is required to request it from the relevant foreign government or decline to do so and inform the person making the request in writing of the reasons for refusing.

The Committee Amendment

Overview

Title IV of the committee amendment makes the following changes to the Trade Act of 1974:

(1) A new section 104A would be added providing specific negotiating objectives with respect to trade in services, high technology products, and restrictions on foreign direct investment;

(2) Section 135, which sets up a procedure through which trade negotiating advice is received from the private sector, would be amended to authorize the establishment of intergovernmental advisory committees;

(3) A new section 181 would be added requiring annual national trade estimates on significant barriers to the exportation of U.S. goods and services and restrictions on U.S. foreign direct investment, any action taken to eliminate these barriers, and consultations with the Finance and Ways and Means Committees on trade policy priorities to enhance market opportunities;

(4) Section 301 would be amended to provide the President with specific authority to retaliate against any goods or sector, whether or not involved in the act retaliated against and the President would specifically be authorized to retaliate against a good or service notwithstanding authority of regulatory agencies to deal with the same matters;

(5) Section 301 would be amended to authorize the President to retaliate against restrictions on foreign direct investment by U.S. persons with implications for trade in goods and services, or to otherwise carry out the objectives of 301 by proposing "fast track" legislation under the authority of sections 102 and 151 of the Trade Act of 1974;

(6) Section 301 would be amended by statutorily defining the terms "unreasonable", "unjustifiable" and "discriminatory" which currently exist in section 301 but are not defined;

(7) Section 302 would be amended to provide for the self-initiation of section 301 investigations by USTR;

(8) Section 303, which currently provides that international consultations must be initiated on the same date as an investigation is instituted under section 301 would be amended to provide for a delay of up to 90 days before the initiation of consultations; and

(9) Section 305 would be amended to provide for a specific exemption from the Freedom of Information Act for information received during an investigation under section 301 and restrictions on the use of such information.

Section-by-Section Analysis

Section 401 of title IV sets forth the short title, "the International Trade and Investment Act".

Section 402 sets forth the statement of purposes of title IV. These purposes include the fostering of U.S. economic growth and employment by expanding competitive U.S. exports through the achievement of commercial opportunities in foreign markets substantially equivalent to those accorded by the United States; improving the ability of the President to identify and analyze barriers to U.S. trade and investment; encouraging the expansion of international trade in services through the negotiation of international agreements; and enhancing the free flow of foreign direct investment through the negotiation of bilateral and multilateral agreements.

Section 403 of the committee amendment requires annual national trade estimates on significant barriers to U.S. commerce, reports to Congress on action taken (including but not limited to any action under section 301) on matters identified in the national trade estimates and administrative provisions related to these estimates. Under present law the Executive Branch has been slow to identify critical problems or to take advantage of trade agreements to enforce United States rights of market access. Formulating national trade estimates is a step in the direction of a more active policy of enforcing United States rights under trade agreements and identifying objectives for future negotiations.

Under *subsection (a)*, the USTR, through the interagency Trade Policy Committee, would be required to identify the acts, policies, and practices which constitute significant barriers to or distortions of U.S. exports of goods or services and U.S. foreign direct investment. In addition to foreign barriers, these could include U.S. export disincentives.

The committee amendment specifies that the USTR shall identify and analyze acts, policies, and practices which restrict or distort foreign direct investment by U.S. persons especially if such investment has implications for trade in goods or services. It is the Committee's intention that the USTR should focus it efforts in the area of trade related investment issues and not on other issues, such as the expropriation of U.S. investment in foreign countries.

The committee amendment also requires the USTR to make an estimate of the trade distorting impact of any act, policy, or practice identified. In making the national trade estimates the USTR is directed to take into account a number of specified factors including the relative impact of the barriers, the availability of relevant information, and the extent to which the barriers are subject to international agreements as well as advice received under the advisory committee process. It is the Committee's intention in using the word "significant" and setting forth these factors among others to be considered that the USTR will proceed against those barriers to the expansion of market opportunities which are most important in terms of U.S. commercial interests and with respect to which there is the greatest likelihood of achieving solutions, particularly within accepted international procedures.

The specific inclusion of the Trade Policy Committee in this process is intended to make clear that the amendment in no way serves to reorganize existing agency functions. Rather the structure established under section 242(a) of the Trade Expansion Act of 1962 is to continue to be utilized. While it is the intention of the Committee that the national trade estimates should be as specific as practicable, it is not intended that they serve to prejudge or to prejudice any petitions which have been or may be brought under the dispute settlement process.

Subsection (b) requires the USTR to submit the analysis and estimate within one year of the date of enactment of the bill and annually thereafter to the Committees on Ways and Means and Finance. These reports are to include information on any action being taken with respect to the actions which have been identified and analyzed including but not limited to actions under section 301 or international negotiations or consultations. While not requiring that any particular action be taken, the Committee intends that the USTR should consider vigorously utilizing existing authorities and dispute settlement procedures to deal with the identified barriers and distortions. This subsection also requires the USTR to keep the Ways and Means and Finance Committees currently informed on trade policy priorities for the purpose of expanding market opportunities. These consultations are not statutorily tied to the analysis and reporting requirements, but it is the Committee's intention that the required consultations draw heavily on the information and estimates developed during this process. Information contained in national trade estimates may be classified or otherwise not be made public to the extent appropriate to the information contained therein.

In carrying out the requirements of this section, the head of each department or agency of the executive branch of the Government is authorized and directed to furnish to the USTR, or to the appropriate agency upon request, such data, reports, and information as necessary for the USTR to carry out his functions under this section. The authorization for agencies to furnish information to the "appropriate agency" is intended only to maintain existing interagency reporting relationships, such as that of the Federal Reserve with the Department of the Treasury, and is not intended to impair the ultimate transmission of information of the USTR. It is the Committee's intention that this authority should be used by the USTR to request only that information which is reasonably available to the particular agency. It is not intended to be a general grant of authority to require such agencies to gather information. The information may be requested and used to the extent not otherwise inconsistent with law. This specific limitation is intended by the Committee to make clear that information such as that obtained by the Internal Revenue Service is not within the scope of that which could be requested by or released to

the USTR. It is also the Committee's intention that information to be made available to the USTR would be provided subject to lawful regulations governing the protection of national security, business confidential, or otherwise privileged information.

Section 404 of the committee amendment makes a number of amendments to Title III of the Trade Act of 1974. Section 301(a) currently provides that action under this section may be taken on a nondiscriminatory basis or solely against the products or services of the foreign country or instrumentality involved. The amendment amends current law to provide that the President may exercise his authority specifically with respect to any goods or sector, on a nondiscriminatory basis or solely against the foreign country or instrumentality involved, and without regard to whether or not such goods or sectors were involved in the act, policy, or practice identified. This change in language is not intended to confer new retaliatory authority on the President; rather it is intended to clarify the President's existing authority. The use of the word "product" in current law has raised questions as to whether its scope is limited to articles which have undergone some manufacturing or transforming process. The use of the word "goods" in intended to clarify that the President would have the authority to retaliate against any article whether or not it had undergone processing. Similarly the change from the word "service" to "sector" is intended to clarify that the President, in acting under section 301, could exercise his powers with respect to services offered by foreign countries or foreign nationals as well as with respect to foreign direct investment in the United States either under legislation proposed under the "fast track" authority which would be established or any other independent grant of authority. At present, such authority appears to be limited to the Mineral Lands Leasing Act of 1920 (30 USC 181) and section 48 of the Internal Revenue Code.

Section 301(b) currently authorizes the President to retaliate (1) by modifying trade agreement concessions and (2) by imposing duties or other import restrictions on the products of, or fees or restrictions on the services of a foreign country. The committee amendment makes the conforming changes of the word "goods" for the word "products" and would insert the phrase "notwithstanding any other provision of law" before the word "impose". This is intended to clarify the President's existing authority to impose restrictions notwithstanding the authority of an independent agency. While the authority of the President under section 301 is broad, the Committee does intend it to be used prudently. It may appropriately be used to impose restrictions on services previously licensed by an independent agency or by denying the grant of such a license, but the Committee does not anticipate the authority would be used to override U.S. treaty obligations.

The committee amendment also amends section 301(b) by adding a new subsection (3) authorizing the President to propose "fast track" legislation under the procedures of sections 102 and 151 of the Trade Act of 1974 to carry out the objectives of section 301 where additional retaliatory authority may be necessary. Since the definition of "commerce" in section 301(d) would also be amended to include foreign direct investment by U.S. persons with implications for trade in "goods or services", this would permit the President to propose "fast track" legislation providing for retaliation against, or designed to encourage the elimination of, restrictions on U.S. foreign direct investment. The Committee does not intend that the authority to propose "fast track" legislation in any way restrict the President's authority to propose legislation under nonfast track procedures. The choice of whether or not to utilize the "fast track" would be solely within the President's discretion. Under the amendment, all the requirements for "fast track" legislation set forth in sections 102 and 151 would be applicable, including 90 days consultation with the cognizant committees prior to submitting such legislation.

Section 301(d) currently contains a definition of the term "commerce". As set forth above, the committee amendment would amend subsection (d) by including in the term "commerce" foreign direct investment by U.S. persons with implications for trade in goods and services. It is not the Committee's understanding, however, that this language would preclude the USTR, where appropriate, from conducting an investigation on portfolio investments. It would also include in that subsection definitions of the terms "unreasonable", "unjustifiable", and "discriminatory", which currently exist in section 301 but are not statutorily defined. The definitions of these three terms are not intended to expand the scope of the President's authority with respect to the types of acts against which he can retaliate, other than with respect to foreign direct investment as notified above. It is the Committee's intention that the definitions clarify existing law and give emphasis to the President's authority to retaliate against certain types of acts, policies, and practices.

The term "unreasonable" is defined as any act, policy, or practice which, while not necessarily in violation of or inconsistent with the international legal rights of the United States, is otherwise deemed to be unfair and inequitable. The term includes, but is not limited to, a denial of fair and equitable market opportunities, opportunities for the establishment of an enterprise, or provision of adequate protection of intellectual property rights. The phrase "fair and equitable" is not defined, since it remains within the President's discretion to determine when circumstances exist which require action under this provision. The Committee believes the President will take into account a broad range of factors in making his determination as to when to proceed, but by including a specific noninclusive list in the bill wishes to emphasize that certain acts, policies and practices which are not necessarily in violation of specific international agreements are becoming increasingly harmful to U.S. interests and should be dealt with accordingly.

Among these acts are investment-distorting practices. Performance requirements and other restrictions that impair or distort the free flow of capital and inhibit U.S. firms from establishing themselves and operating abroad are increasingly and adversely affecting U.S. trade interests. The Committee has also received testimony and information concerning increasingly frequent problems regarding the denial of adequate protection by foreign countries of U.S. intellectual property rights. The term is intended to be understood in the broadest sense and shall include patents, trade marks, trade names, copyrights, and trade secrets. Some of the problems concerning intellectual property rights involve broad areas of invention not subject to patent coverage in foreign countries, such as chemical products; unreasonable forced licensing and forfeiture provisions for patents; unduly short patent rights involving the inability to enjoin infringement; very low or token fines where infringement is proved, protracted delay of proceedings with no interim relief available to the patent holder; practically impossible burdens of proof of process infringement placed on patent holder; and the like.

The Committee believes that in determining whether adequate protection is being provided for such rights the President should consider the scope and degree of protection of the foreign country's laws and procedures. A key factor in the USTR's determination of whether to initiate a section 301 petition should be a consideration of the appropriate legal action available to, or taken by, the aggrieved United States party to defend its rights in the subject country. The Committee expects, however, that if the U.S. Trade representative determines not to initiate a section 301 petition, due to pending action by a foreign country's judiciary, action on the petition should be postponed only for a reasonable period of time.

The term "unjustifiable" is defined as any act, policy, or practice which is in violation of or inconsistent with the international legal rights of the United States, including but not limited to a denial of national or most-favored-nation treatment, the right of establishment or a denial of protection of intellectual property rights. It is the belief of the Committee that this definition conforms with existing law and legislative history and is not an expansion of the category of unjustifiable actions against which retaliation can be taken. The definition continues to address actions by a foreign government that are inconsistent with U.S. international legal rights.

The term "discriminatory" is defined as including where appropiate any act, policy, or practice which denies national or most-favored-nation treatment to U.S. goods, services, or investment. The phrase "where appropriate" has been included in the definition only to take into account those situations in which a denial of national or most-favored-nation treatment, for example in the case of a GATT-compatible customs union, is not an appropriate basis for action.

The committee amendment amends section 302 of the Trade Act by authorizing the USTR to self-initiate investigations under section 301. According to testimony received by the Committee, in many cases U.S. exporters adversely affected by foreign practices inconsistent with U.S. trade agreement rights do not petition for assistance under section 301 for legitimate reasons, such as lack of information or a fear of retaliation. Therefore, a vigorous policy of self-initiation is necessary to preserve U.S. market access. Under current law, the President is authorized to take action either as a result of petition-initiated investigation or, on his own motion, but the USTR is not authorized to initiate investigations to provide a foundation which advice could be provided to the President. While providing authority for the USTR to initiate investigations, the amendment provides that a decision to do so could only be taken after consultation with appropriate committees established under section 135. Under the amendment if the USTR determines to initiate this determination is to be published in the Federal Register and treated as if an affirmation on a petition had been made on the same date. This provision is intended to bring into play all

the provisions applicable to cases initiated by petition.

It is anticipated that USTR-initiated cases would be the result of careful study, usually accomplished by national trade estimates, as well as careful coordination with statutory advisory committees. This process should, overall, result in a more coherent, aggressive, trade policy.

The committee amendment amends section 302 to require that a summary of the petition on the basis of which an investigation is instituted, rather than the petition itself, be published in the Federal Register. Copies of the documents would be provided at cost. The publication of entire petitions in the Federal Register has become an increasingly costly undertaking. The Committee believes that publication of a summary together with the availability of the documents at reproduction cost will save money and at the same time provide the public with adequate notice and information with respect to cases which are instituted.

Section 303 of the Trade Act currently provides that on the date an affirmative determination is made to institute an investigation under section 301 the USTR must request consultations with the foreign country concerned regarding the issues raised in the petition. The administration has testified that the requirement of simultaneous initiation and requests for consultations has caused problems in several cases in which the petitions on which investigations are initiated did not provide an adequate basis for proceeding internationally. The Committee amendment amends section 303 to provide USTR with the authority to delay for up to 90 days any request for consultations for the purpose of verifying or improving the petition to insure an adequate basis for consultation. The amendment also requires the USTR to publish notice of the delay in the Federal Register and report to Congress on the reasons for such delay in the report currently required under section 306. It is the belief of the Committee that this authority should be used only in the unusual circumstances described and that the USTR should continue to make every effort to conclude section 301 actions within the prescribed normal time limits.

The committee amendment also amends section 305 by adding a new subsection with respect to the treatment of confidential business information. The administration has testified that many U.S. firms or groups are reluctant to petition for investigations under section 301 because of their concern that confidential business information which they might provide during the course of the proceeding might be subject to disclosure or that they will be subject to retaliatory actions in the offending country. The amendment provides a specific exception from the Freedom of Information Act for business confidential information requested and received by the USTR in aid of any investigation under Chapter 1 of Title III of the Trade Act and provides that such information shall not be made available if submitted under the circumstances set forth therein. The amendment further provides the USTR with authority to prescribe regulations concerning provision of nonconfidential summaries of such information in order to give USTR the necessary flexibility in dealing with foreign countries or instrumentalities which provide such information but cannot be compelled to provide summaries. The amendment also authorizes the USTR to use the information or make it available to an employee of the Federal Government for use in a section 301 investigation but requires that it be made available to any other person only in a form in which it cannot be associated with the source of the information. The Committee believes that by protecting confidential information and its source these provisions will encourage and facilitate the filing of legitimate petitions under section 301, as well as encouraging and supporting self-initiated investigations.

Section 405 of the committee amendment amends Chapter 1 of title I of the Trade Act by adding a new section 104A providing specific negotiating objectives with respect to international trade in services and investment and high technology products. Under these provisions, principal U.S. negotiating objectives with respect to trade in services would be the reduction or elimination of barriers to or distortions of international trade in services and the development of internationally agreed rules, including dispute settlement procedures, to reduce or to eliminate such barriers. The terms "services" and "services associated with international trade" have not been defined. The Committee was concerned that any definition would be limiting. The intent of the Committee is that "services" and, for purposes of section 301 "services associated with international trade" be defined as broadly as possible.

Similarly, the committee amendment sets forth as negotiating objectives with respect to foreign direct investment, the reduction or elimination of artificial or trade distorting barriers, the development of rules, including dispute settlement procedures, to ensure the free flow of foreign direct investment, and the reduction or elimination of the trade-distortive effects of certain investment-related trade measures.

The committee amendment also provides U.S. negotiating objectives with respect to high technology products. Among these are to obtain and to preserve the maximum openness of trade and investment in high technology products and related services; to obtain the elimination or reduction of, or compensation for, the significantly distorting effects of foreign government actions which affect trade in high technology products identified in the studies which would be required under section 181; to obtain commitments that the official policy of foreign governments or instrumentalities will not discourage government or private procurement of foreign high technology products; to obtain the reduction or elimination of all tariffs and barriers on U.S. exports of high technology products particularly key commodity products (a term the committee uses to identify standardized products sold in substantial quantities throughout the world such as the 64,000 random access memory electronic silicon chip); to obtain commitments to foster national treatment; to obtain commitments to foster pursuit of joint scientific cooperation and to ensure that access to the results of cooperative efforts should not be impaired; and to provide minimum safe-guards for the acquisition and enforcement of intellectual property rights and the property value of proprietary data.

Section 406 of the committee amendment contains additional provisions with respect to trade in services.

Subsection (a) provides that the USTR, through the interagency Trade Policy Committee, shall develop and coordinate U.S. policies concerning trade in services and that each department or agency responsible for the regulation of a service industry shall advise and work with the USTR concerning matters that have come to the department's or agency's attention with respect to the treatment of U.S. service sector interests in foreign markets or allegations of unfair practices by foreign governments or companies in a service sector. The Committee intends that the existing trade policy structure be utilized to develop and coordinate policies concerning trade in services but has specified that these efforts be carried out in conformance with existing provisions of law in order to ensure that no authority granted under this section be construed as altering the existing authority of any agency or department with respect to any specific service sector.

Subsection (b) would establish in the Department of Commerce a service industry development program.

Subsection (c) provides that it is the policy of the Congress that the President shall, as he deems appropriate, consult with state governments on issues of trade policy affecting them. It also authorizes the President to establish one or more intergovernmental policy advisory committees under the structure and procedures established in Section 135 of the Trade Act. It is the committee's intention that these intergovernmental advisory committees be established and utilized only in the areas, like insurance or procurement, where the states have particular interests and not across the broad spectrum of trade issues.

Section 407 of the committee amendment amends section 102 of the Trade Act by defining the term "international trade" to include foreign direct investment by United States persons, especially if such investment has implications for trade in goods and services. This change would provide the President with specific authority to negotiate with respect to barriers on such foreign direct investment.

Section 408 of the committee amendment provides the President with authority to enter into bilateral or multilateral agreements as may be necessary to achieve the objectives of this section and those set forth in the proposed section 104A(c) concerning high technology products.

Subsection (b) provides the President with a five-year authority to eliminate the duties on specified items within six item numbers of the Tariff Schedules of the United States in order to carry out any agreement concluded as a result of the negotiating objectives under the proposed section 104A.

C. BUDGETARY IMPACT

The following statement is made relative to the effect on revenues of title IV. The Committee does not expect any immediate impact on revenues from the tariff-reducing authority provided in title IV. It is expected that the negotiations authorized by title IV will not be completed for some time. If the full authority were used to eliminate duties on the seven specified items, the Committee estimates there could be a possible loss of customs revenues of between $400 million and $500 million by 1987.

D. VOTE OF THE COMMITTEE

The Committee states that on March 14, 1983, S. 144 as amended, which comprises the substance of title IV, was ordered favorably reported without objection.

TITLE V—PERMANENT EXTENSION OF TAX EXEMPTION FOR INTEREST ON QUALIFIED MORTGAGE BONDS

Present Law

In general

The Mortgage Subsidy Bond Tax Act of 1980 [1] imposed restrictions on the ability of State or local governments to issue bonds, the interest on which is tax-exempt, for the purpose of making mortgage loans on single-family residences.[2] The 1980 Act provides that interest on mortgage subsidy bonds is exempt from taxation only if the bonds are "qualified veterans' mortgage bonds" [3] or "qualified mortgage bonds."

Qualified mortgage bonds

In order for an issue of bonds to be qualified mortgage bonds, the following requirements must be met:

(1) The bonds must be issued before Janaury 1, 1984;

(2) The aggregate annual value of such bonds that a State, and local governments within the State, can issue is limited to the greater of (a) 9 percent of the average annual aggregate principal amount of mortgages executed during the 3 preceding years for single-family owner-occupied residences located within the State or (b) $200 million;

(3) The bond proceeds must be used to finance the purchase of single-family residences which are located within the jurisdiction of the issuing authority and which are reasonably expected to become the principal residences of the mortgagors;

(4) With limited exceptions, only new mortgage loans are permitted to be made from the bond proceeds;

(5) At least 20 percent of the proceeds of each issue must be available for financing in certain low-income "targeted" areas;

(6) At least 90 percent of the mortgage loans made from each issue generally must be made to mortgagors who did not have a present ownership interest in a principal residence at any time during the 3-year period ending on the date their mortgage loans are made;

(7) All of the mortgage loans must be made to finance the purchase of residences for which the acquisition cost is below prescribed levels; and

(8) Each issue of qualified mortgage bonds must meet certain limitations regarding arbitrage, both as to mortgage loans and nonmortgage investments.

Reasons for Change

The Committee is concerned over the difficulty of many Americans in making first-time home purchases under present market conditions and over the present distressed state of the housing industry. The Committee is aware that some improvement in these conditions has occurred in recent months as interest rates have declined generally. However, the Committee believes that continuation of the present tax exemption for qualified mortgage bonds beyond 1983 is necessary both to enable more people to realize the goal of homeownership through availability of more affordable mortgage interest rates and to assist in achieving a full recovery of the housing industry.

Explanation of Provision

The committee amendment makes permanent the tax exemption presently provided for interest on qualified mortgage bonds.

Effective Date

The committee amendment is effective for bonds issued after December 31, 1983.

Revenue Effect

It is estimated that this provision will reduce fiscal year budget receipts by $0.1 billion in 1984, $0.2 billion in 1985, $0.5 billion in 1986, $0.8 billion in 1987, and $1.2 billion in 1988.

[1] Title XI of the Omnibus Reconciliation Act of 1980 (P.L. 96-499). The provisions adopted by this Act (Code sec. 103A) were subsequently amended by section 220 of the Tax Equity and Fiscal Responsibility Act of 1982 (P.L. 97-248) ("TEFRA").

[2] Tax-exempt industrial development bonds also may be issued to finance projects for certain multifamily residential rental housing. Tax-exemption for such bonds is permanent.

[3] Qualified veterans' mortgage bonds are general obligation bonds, the proceeds of which are used to finance mortgage loans to veterans. The tax-exemption for veterans' bonds is permanent.

ADDITIONAL STATEMENTS

FORGERY NOTICE ON SOCIAL SECURITY CHECKS

● Mr. D'AMATO. Mr. President, I am pleased to be added as cosponsor of S. 1361, a bill to require notice on social security checks that it is a violation of law to commit forgery when cashing these checks. I commend my distinguished colleague from New Hampshire (Mr. HUMPHREY) on introducing this legislation.

Many of us were justifiably angered in 1981 when we learned that over $50 million in social security benefits had been routinely mailed to over 8,000 individuals listed as dead on medicare records. Some records contained a date of death as far back as 15 years. At that time, we learned that the Social Security Administration had to rely on voluntary reporting of beneficiary deaths. Through the Social Security Amendments of 1983, we indicated this was an unsatisfactory approach and directed the Secretary of Health and Human Services to establish a program that uses State death records to prevent erroneous payments to deceased individuals.

The continued sad state of affairs was brought to my attention when I learned on May 19 of 29 individuals in New York City who were charged in court with cashing the checks of deceased social security beneficiaries; 17 in the southern district of New York (Manhattan) were charged with fraudently obtaining $170,000 and 12 in the eastern district of New York (Brooklyn) illegally converted $300,000. In single cases the amount ranged from $2,300 to $49,000.

Mr. President, this bill serves to warn potential felons of the nature and consequences of such an act and shows taxpayers that we will no longer tolerate this unacceptable state of affairs. I urge its adoption.●

INTRODUCTION OF SENATOR MATHIAS' SPEECH

● Mr. WARNER. Mr. President, on June 2 the distinguished Senator from Maryland, Mr. MATHIAS, addressed the Palladian Society in Annapolis, Md.

The subject of the address was of great importance to the society, Palladian architecture, particularly Palladian architecture in Annapolis.

While Senator MATHIAS' speech recognizes Palladian architecture in Maryland, I would also like to point out a great example of this architecture in Virginia.

Over 150 years ago that great Virginian, Thomas Jefferson, began the task of creating what he considered to be one of his finest accomplishments, the University of Virginia. Designed in the Palladian style, the university is situated in the Shenandoah Mountains. The university's construction is an excellent example of the inherent relationship between architecture and nature. It stands as a testimony to Mr. Jefferson's recognition of that relationship.

The revived classic style of Andrea Palladio is alive in Virginia, as well as in Maryland.

Mr. President, I submit for the RECORD Mr. MATHIAS' speech so that our colleagues may better appreciate American Palladian architecture.

The speech follows:

REMARKS BY SENATOR MATHIAS TO PALLADIAN SOCIETY

The Palladian Society could not do better than Annapolis.

There was a day when Annapolis was described as the Athens of America. But it is not an uncontested title since Boston has also claimed to be the Athens of America and the same description has been bestowed on Philadelphia and Charleston at various times.

So I propose that Annapolis abandon all claim to being the Athens of the New World.

Accept instead the title that is appropriate, a title that is accurate and beyond dispute.

Annapolis is the Vicenza of America—the natural home of the spirit of Palladio in the New World.

It is more than a matter of design.

There are unique buildings: the first dome in America; and the acceptance of Palladian symmetry.

The very name "Maryland" should evoke Palladian memories.

Maryland was named in honor of a French princess who was the Queen of England—Henriette Marie—Queen Mary.

You will recall that it was for her that Inigo Jones built what is probably the first example of Palladian architecture in the English idiom—the Queen's Chapel at St. James Palace in London.

So we begin on the right note.

But in Annapolis there is more than mere imitation of design—something almost spiritual in the atmosphere—Palladian spirit, of course.

A matter of materials: especially brick. In the subject of materials Palladio was greater than Ceasar Augustus. It was said of Augustus that he found Rome brick and left it marble.

But that is not the work of genius; it is the application of great wealth and power to the construction of buildings.

Palladio did better.

He found cities built of brick and he left them better brick and other simple native materials. The only exotic element was his own genius.

By careful attention to interrelation of proportions in plan and elevation, and to marshalling the classical orders he gave a new appeal to architecture.

This is evident in Annapolis.

I mentioned proportion—and that is part of Annapolis affinity with Vicenza. It is life size. So it is comfortable and liveable and appealing. Just so Palladio buildings in Vicenza and other Italian cities and estates are noble and dignified, but not overpowering in grandeur and magnificence.

There is also the relation to nature and to the surrounding country.

To stand on the steps of the Villa Rotunda at sundown, as the shadows lengthen across the fields and gardens and the church bells ring, is to feel the harmony between the works of man and the works of nature.

That too was understood in Annapolis—better 200 years ago than today.

Many of the great houses of Annapolis were built with a Palladian awareness of the importance of the relation between site and elevation. In some cases it was possible to improve upon the model because of the proximity of the fingers of the sea—the bays and creeks of the vast estuary of the Chesapeake.

The pressures of time and population have cost us much of this quality, but a remarkable sense of harmony with the land and water still prevails.

So I welcome you to Maryland—to Annapolis—to the Vicenza of America.●

AMERICAN MERCHANT MARINE

● Mr. INOUYE. Mr. President, for some years the Congress has been attempting to revitalize the U.S. merchant marine. The task has been a laborious one, and it is far from over. Yet we must succeed if our Nation is to remain economically strong and capable of acting in times of national emergency.

In two great wars our land has been far removed from the battlefield. We remained unscarred because our enemies were contained and finally defeated in far-off countries across the Atlantic and Pacific Oceans.

The American GI and our industrial might were decisive in both wars, and it was the American merchant marine which transported our men and material quickly and efficiently under the most hazardous circumstances. Because our merchant marine is in such a perilous state it would be hard pressed to duplicate its magnificent past efforts.

Recently, Miss Kimberly Kay Au, a student at Punahou High School in Honolulu wrote an essay on the subject which was awarded a national prize by the Propeller Club of the United States. I believe Kimberly's essay accurately describes the dangerous decline of our merchant marine and explains why it is in the national interest to remedy the situation.

Mr. President, I ask that Miss Au's essay be inserted in the RECORD at this point.

The essay follows:

OUR AMERICAN MERCHANT MARINE:
"THE CRYSTAL BALL IS VERY UNCLEAR"
(By: Kimberly Au)

It was 1:00 A.M. on August 15, 1982. I stood on the deck of the SS *Independence*, watching the harbor lights of Honolulu twinkle over the dark waters as they became mere specks, and Aloha Tower rapidly melting into Lilliputian dimensions. Only moments before, Captain Paul Meade had given his orders for the *Independence* to depart on her first passenger trial run to the West Coast. Our ship quickly slipped past the looming hulks of Merchant Marine containerized cargo ships and barges. As I leaned over the rail, feeling the cool night air blow through my hair and the light mist from salt spray on my face, I thought about the Falkland Islands War, and how Great Britain's luxury ocean liner, *Queen Elizabeth II*, had been called upon to transport military supplies and troops. Would our American-flag ship, the SS *Independence*, ever be summoned to do likewise? To me, the answer was obvious—if our Merchant Marine, the fourth arm of our national defense, those sturdy commercial cargo ships we had just passed in the harbor, could not meet the demand. The next question, then, was most important: Is our American Merchant Marine adequate to support our Armed Forces in an overseas conflict? I decided to find out as soon as I was back in port. What had started out as a general reflection aboard the SS *Independence* had now burgeoned into a concerned desire to learn more specifically about our American Merchant Marine, and its role in our national and economic security. The motivation drove me to spend the next few weeks buried in U.S. Maritime history.

The Merchant Marine, as the fourth arm of our national defense, has an illustrious past in American military operations. I discovered, with deep pride, that they had carried an impressive 80 percent of the 25 million tons of supplies needed in the Korean War. During the Vietnam conflict from 1965 to 1972, the merchant vessels carried more than 65 percent of cargo to armed forces stationed in Southeast Asia. The Korean conflict saw approximately 400 dry-cargo ships in use to sustain American forces, representing 17 percent of all militarily-suited cargo vessels our country owned.

I wondered, what would happen today if the U.S. were to become involved in a war similar to the Korean and Vietnam conflicts? How adequate would our Merchant Marine be now? The importance of shipping would be most vital in view of the fact that a single cargo merchant ship can transport enough material that would take three days of continuous operation of the nation's entire airlift capacity. To supply U.S. fighting forces, at least 350 such ships would be required. That means using 81 percent of the 430 from all our available sources, with the Merchant Marine being called on to supply at least 180 of its 247 dry-cargo ships! What this amounts to is an almost total abandonment of international trade routes (with foreign competition rushing in to fill the void) in order for us to accommodate the military demand. Further, in such a crisis, what guarantee would we have that foreign-flag vessels would transport essentials to the U.S? What an incredible situation!

I had always conceived of America as being the world's largest trading nation with the world's largest Merchant Marine—an invincible mistress of the seas. I was stunned to learn that although the U.S. is indeed the world's largest trading nation, she has barely enough merchant cargo ships to support a major conflict of American Armed Forces overseas. In fact, the hard, cold truth remains that after three decades of governmental neglect and slow deterioration, our maritime industry, which once dominated world shipping, is now operating at its lowest ebb, and is dangerously close to disappearing altogether! Where three decades ago, 4,000 U.S.-flag ships, once the envy of the world, proudly sailed world trade routes, today that number has dwindled to a mere 500. Where three decades ago, nearly 60 percent of our nation's shipborne foreign commerce was proudly carried by our Merchant Marine, today that number has drastically diminished to less than 4 percent. Indeed, where there were once nineteen U.S. companies with merchant fleets, there are now only nine, with three U.S. carriers going out of business since mid-1980. Furthermore, those few remaining ships in our Merchant Marine fleet are either too small or older than I am; with a ship's safe and cost-effective life-span estimated to be twenty-five years, imagine the dubious value of ships averaging eighteen years of age! It is true that American shipyards are still building merchant ships, but of the eleven yards, seven will have completed their orders by now, and the remaining four had only eight vessels left in their inventory. "The maritime industry is in a precipitous decline that shows no sign of stopping," lamented Herbert Brand, chairman of the Transportation Institute, a non-profit educational research organization in Washington. Since 1950, our Merchant Marine fleet has fallen from first in size to eleventh place, with Greece, the Soviet Union, and Panama leading the way.

Even sadder, however, is the complete lack of public awareness of how critical our problem is. In a 1981 national survey conducted by Opinion Research Corporation, the public was asked, "How much do you know about the size and condition of the U.S. Merchant Marine?" The results showed that 45 percent knew little, and 38 percent, nothing at all.

They didn't know, for example, that the U.S. Merchant Marine encompasses those commercial cargo ships flying the American flag because they are majority-owned by American companies, registered in the United States, and by law, completely manned by American citizens. It is important to maintain a healthy Merchant Marine in order to discourage foreign ships from charging excessive ocean freight rates and to allow the U.S. to step in and conduct foreign commerce during international strife. More important, however, is the ship's potential military value. In time of war, America's Navy and Merchant Marine work together, with the warships guarding the sea-lanes and protecting merchantmen and cargo, and the civilian ships helping transport troops and supplies. Sadly, our Merchant Marine, inadequate in all three areas, would not be able to meet its necessary defense needs without sinking the entire maritime industry. Transportation Secretary under the Reagan Administration, Drew Lewis, said, "The Merchant Marine is supposed to be the logistical backbone for the military, but is instead debilitated and inadequate for military support."

Why have we allowed ourselves to fall to such shameful depths? The answer—the nation plain-does-not-care. In three decades, the National Defense Reserve Fleet saw a decline from 2,400 to about 170. (Still, nobody cared.) What's more, of the 170 remaining, 129 are considered obsolete derelicts of World War II vintage. (Again, nobody cared.) Meanwhile, the Soviet Union has greatly expanded her Merchant Marine to over 1,700 vessels. (Hey, listen, will you?) How competitive would the U.S. be with the Soviets in a confrontation? (Well, maybe now a few ears perked up.)

Besides our national apathy, there has been a shift in the tides of war to NATO-oriented, defense plans against short, but massive invasions of Western Europe by Soviet and Warsaw Pact forces. Emphasis, then, would be on airlifting supplies. Yet, Admiral Harold E. Shear, USN (Ret.) Maritime Administrator for the Department of Transportation, criticized this emphasis, saying, "There is not a single overseas war plan that we could carry out without sufficient Merchant-Marine-ship tonnage to back it up—everything from a NATO war to a brush fire in the Middle East."

Concerned, I visited Honolulu Harbor again. The Panamanian registered *Luise Bornhofen* was docked there, on her way to China to unload her cargo of South American fishmeal. The Norwegian-flag ship, *Royal Viking Sky*, was also there. Our American-flag ship, SS *Independence*, had been taken out of service and put into "temporary retirement" through Spring or longer. I did not see a single American-flag cargo ship. Somehow, the whole forlorn scene seemed a harbinger of the future of our maritime industry, unless recovery occurs.

Recovery, though slow, will have to come through providing enough work for American shipyards so they will be able to meet the demands of a national or military emergency. (Workers skilled in merchant ship construction declined from 35,000 in 1976 to 10,000 today.) Equally important, recovery will also have to come through maintaining a viable Merchant Marine that can meet the nation's present inadequacy to support our Armed Forces in an overseas conflict.

Warren Rucker, marketing executive for the American Hawaii Cruises, when asked about the future of the SS *Independence*, said, "There are so many variables out there. The crystal ball is very unclear." Indignantly, and with a heavy heart, I would add, ". . . not only for the SS *Independence*, but for our American Merchant Marine as well."●

COOLEY'S ANEMIA

● Mr. D'AMATO. Mr. President, Cooley's anemia is a genetic defect with catastrophic effects on its victims. Over 2 million Americans are carriers of the trait for Cooley's anemia, or thalassemia, as it is also known. Cooley's anemia strikes tens of thousands of children of Italian, Jewish, Spanish, Irish, Asian, Greek, and other ancestries. It is a major cause of crib death. When both parents have the trait for Cooley's anemia, chances are one in four that their children will have the fatal form of Cooley's anemia, or thalassemia major.

The disease manifests itself shortly after birth, and then becomes progressively more severe. Persons afflicted with thalassemia have defective blood cells, which are unable to carry sufficient oxygen to the body's tissues. This makes normal growth and development impossible. The red blood cells are pale, thin, and misshapen. They are extremely fragile and break down in only a few weeks. The result is severe anemia and impaired function of the vital organs, followed by almost certain death.

It is estimated that as many as 1 million Americans are carriers of the Cooley's anemia trait and do not know it. The Cooley's Anemia Foundation has undertaken a nation wide effort to identify and inform as many of these people as possible regarding Cooley's anemia.

Recent medical advances have dramatically increased the lifespan of Cooley's anemia patients. Intensive blood transfusion therapy, in combination with nightly injection of a new drug called Desferal or DFOM, promises to extend the lives of many Cooley's anemia patients into the third decade and beyond.

Mr. President, few of the advances we have seen in recent years in the areas of public education, medical research, and clinical care involving thalassemia would have been possible without Federal support. The Department of Health and Human Services, and particularly the National Institutes of Health and the Office of Maternal and Child Health, deserve our profound gratitude.

These same advances, however, have created a new situation, which must be addressed. Cooley's anemia patients are experiencing many new problems and opportunities precisely because they are living longer. To respond to this new situation, I introduced, and the Senate Appropriations Committee accepted, report language accompanying the supplemental appropriations bill for fiscal year 1983. This language urges the Department of Health and Human Services to undertake a comprehensive survey of these newly emerging needs.

In response to the evidence that Cooley's anemia is becoming an increasingly serious health problem among Americans of Asian descent, I also introduced language requesting the Department to consider developing clinical service programs among members of this population group.

The report language accepted by the Senate Appropriations Committee reads as follows:

The Committee has learned that because of increasingly improved care resulting largely from biomedical and clinical research and care programs, some Cooley's anemia patients are living in relatively good health, into their second, third, and fourth decades of life. This longer life span creates both opportunities and problems for Cooley's anemia victims in a variety of areas which need to be addressed. The Committee requests that the Secretary of Health and Human Services, in consultation with the Cooley's Anemia Foundation and the federally assisted Cooley's anemia projects in New York and New England, carry out a comprehensive survey of the newly emerging needs of patients and their families. In addition, the Committee suggests that the Secretary consider developing clinical service programs in other regions of the country to provide access to care for scattered concentrations of the at-risk group, particularly in areas where there are concentrations of Asian immigrants. This will help document the prevalence of Cooley's anemia in that population.

Mr. President, we have made tremendous strides in our efforts to prevent and treat Cooley's anemia. Yet even more work remains to be done. This study and the new clinical programs undertaken by the Department of Health and Human Services constitute major advances in our battle against Cooley's anemia. They bring us one step closer to the day we find the cure for this dread disease.●

A PRACTICAL WAY TO ARMS CONTROL

● Mr. BIDEN. Mr. President, throughout my Senate service, I have been a constant and vigorous advocate of nuclear arms control as a means to enhance our national security. During heated political controversies and shifting patterns of public opinion, I have urged equitable, cheatproof agreements with the Soviet Union to reduce the risks of nuclear war.

In recent months, the chorus of arms control proponents has grown significantly. As Leslie H. Gelb observed in the June 5, New York Times Magazine, "Arms control has become good politics again."

Mr. Gelb traces the history of Soviet-American negotiations on arms control, rebuts the criticisms of past agreements, and suggests a modest but achievable agenda for future talks. I hope that everyone who truly cares about arms control will study his article closely.

Mr. President, we have a great opportunity to move forward on arms control now, with broad public support and political consensus. But we may lose that opportunity if we revert to grandiose proposals that are too complex or too radical to be achieved quickly. For several years I have urged devoting our efforts to achieving modest but significant restraints on the arms race instead of waiting for a single, comprehensive package which might take many years to consummate.

Though such proposals have been derided as baby steps, they are in fact much more realistic and attainable than dreams of deep cuts and the radical restructuring of Soviet forces. If we delay too long in pursuit of the perfect solution, we may find our plans

overtaken by the momentum of advanced technologies and new weaponry.

Mr. President, I submit for the RECORD Mr. Gelb's cogent and persuasive article.

The article follows:

[From the New York Times Magazine, June 5, 1983]

A PRACTICAL WAY TO ARMS CONTROL

(By Leslie H. Gelb)

Arms control is neither sin nor salvation. It is a way—along with diplomacy and military decisions—of managing Soviet-American competition. Without such negotiated mutual restraint, the competition would be far less controllable and both sides could acquire capabilities that just might make nuclear war more thinkable. It is not a way of solving our security problem. It is a way of preserving the Soviet-American "peace" that, with great good luck, has survived the last 40 years of tension and waste. To ask much more of a bargaining process between two powerful countries so mistrustful of each other is to condemn it to failure.

Our inability to appreciate arms control as a practical matter has contributed to flip-flops in American attitudes toward negotiating reductions in the superpowers' nuclear arsenals. And it has added to the clamor for arms control that has blown up into a political crisis for the Reagan Administration, a divisive problem for the Western alliance and a painful moral issue for many Americans.

On June 18, 1979, amid the archaic splendors of Vienna, President Carter signed a strategic arms limitation treaty with the Soviet Union, the second such accord between the superpowers, a compact it had taken seven years and three Administrations to negotiate. Back in Washington, there were few cheers. The Russiams had been making political inroads in Angola and the Horn of Africa, their military buildup had made them our equals in nuclear weaponry, and public opinion in the United States had been swayed by the right-wing view of arms control as something that would hold us back while the Soviet Union exploited its momentum. The treaty—SALT II—was never to be ratified. Subsequently, to the Reagan Administration, arms control become almost synonymous with sin.

This Wednesday, in the businesslike setting of Geneva, Soviet and American delegations will resume negotiations on strategic arms that have been stalled for four years. And in Washington and around the country, political leaders, foreign-policy experts and wide sections of the public are extolling the virtues of arms control and demanding movement toward sweeping accords.

Congress makes its funding of President Reagan's defense programs dependent on his conduct of the nuclear talks. During the SALT II debate, legislators would not accept arms control without more arms; now they will not agree to more arms—such as the new, extra-powerful MX missile that was recently approved—without arms control. The country's Roman Catholic bishops, in an extraordinary pastoral letter, make nuclear deterrence—our traditional safeguard against the danger of Soviet attack—morally acceptable only as a stopgap during an active search for broad disarmament and political agreements. The governments of Western Europe make their acceptance of American medium-range missiles on their soil dependent on good-faith efforts in the current Soviet-American talks in that area. Arms control, so denigrated such a short time ago, has suddenly been transformed into a symbol of salvations.

There has been no change in Soviet behavior in the last four years to account for this reversal of attitudes; if anything, Moscow's readiness to use its muscle has been made even plainer in Afghanistan and in Poland. There has been no change in the comparative power of the Soviet and American nulcear arsenals; the Reagan Administration has increased the strategic budget, but the deployments are yet to come. The change has been in the public mood. Frightened by the nuclear buildup and by Administration rhetoric about fighting and winning nuclear wars, and played upon by Soviet propaganda, public opinion has swung back to support of arms talks. The reversal has had its effect on elected officials. Arms control has become good politics again.

In fact, the prospect of an open-ended arms race, with attendant divisions in Western societies—witness the nuclear-freeze movements on both sides of the Atlantic and the mass upsurge in Western Europe against the planned installation of American Pershing 2 and cruise missiles in that theater—has set off a kind of pro-arms-control panic. Yet plunging ahead toward ambitious new goals, without considering the reasons that brought the whole process to such a grinding halt four years ago, will be to risk a repetition of failure. If we want to do better in this new phase of arms control than we did in the past, we should, it seems to me, adopt a new negotiating strategy.

Most of the reasons for the comparatively lean accomplishments of 20 years of arms negotiations are built into the structure of Soviet-American competition. Because of the lack of trust, neither side is about to make large concessions or take large risks. The adversaries' forces are asymmetrical, with the Russians dependent mostly on land-based missiles and the Americans preferring a more balanced structure that emphasizes the additional elements of long-range bombers and submarines. Finding major areas of compromise has often been like trading apples and oranges, particularly when it comes to controlling the scramble for technological innovation.

And, to be sure, Moscow has made its share of unreasonable demands, though seemingly ready at every point to settle for modest accords. Soviet leaders, while concerned with reducing the risks of nuclear conflict, appear less interested in arms control per se than in creating a climate more conducive to acquiring Western technology, causing problems between the United States and its allies, and being fully accepted by Washington as "the other superpower."

But aside from these built-in difficulties, and exceeding them in its effect, there has been the peculiar American tendency to sharp swings between seeing little good in arms control and asking too much of it too soon. The main drawback to the agreements of the last decade was not that they did so little but that they took so long to do it. By taking many years to achieve marginal results, the accords became a convenient target for political forces in the United States with unreasonable expectations of arms control. What we need is a simplified process inoculated to a greater degree from political pressures. The idea is to try to take a small step, instead of a large stride—and, having done that, to take the next small step, and the next. However, to have a clearer appreciation of how doing less, rather than more, is apt to take us further in the long run, it would be helpful to go over the record. What are the facts about arms control? What is the case against it? What have past agreements accomplished? Specifically, is there a way out of the present Soviet-American deadlock on medium-range missiles and a hope of starting on a reduction of our overgrown forces of intercontinental reach?

From the beginning, arms control has been crushed in the embrace of political extremists on both the left and the right, and of those simply playing politics. Adlai E. Stevenson, running for the White House in 1956, charged that President Eisenhower had permitted the Russians to open up a "bomber gap"; the gap, it soon became clear, was in our favor. John F. Kennedy ran in 1960 on the need to close the "missile gap"; he learned after taking office that we had 2,000 missiles and the Russians 200, at most. Mr. Reagan and his Defense Secretary, Caspar W. Weinberger, speak of Soviet superiority, but when Gen. John W. Vessey Jr., Chairman of the Joint Chiefs of Staff, was asked a year ago whether he would trade strategic positions with his Soviet counterpart, he answered: "Not on your life."

At the beginning of the Reagan Administration, many officials of conservative and far-right views were eager to abandon arms control. To them, it only served to lull the American people into a false sense of security, and thus stood in the way of a necessary arms buildup. Now, they insist that they were misunderstood—that they are pursuing "real" arms control. In private, however, many of them admit that they are really engaging in theater—much as the Russians are—to mollify Western public opinion, and that their overriding goal remains one of expedited rearmament when arms control is seen to have failed.

Only two years ago, Mr. Reagan called SALT II "fatally flawed" because it did not close the "window of vulnerability"—Moscow's theoretical ability to take out our landbased Minuteman missiles in a first strike. Two months ago, a bipartisan commission appointed by Mr. Reagan concluded that, as a practical matter, there was no such vulnerability. Without so much as a farewell to the window through which he had climbed into the White House, Mr. Reagan applauded the commission's findings.

The very SALT II treaty that the President and his senior advisers had labeled as practically treasonous they themselves are now observing. In fact, only recently, they were ready to accuse Moscow publicly of violating the unratified pact. The Joint Chiefs of Staff persuaded them not to, saying that a breakdown of treaty constraints would leave the Russians in a much better position to resume the race, and Mr. Reagan made his points quietly, through diplomatic channels, as provided for in the document.

The President, however, has not been alone in suiting his reasoning to his aims. The liberals who have been scoffing at the vulnerability argument for years, calling it overstated, adopted it themselves as a way of trying to block the deployment of the MX missile. When Mr. Reagan sought to install the MX in existing Minuteman silos, many of these same liberals said no—because the MX would be vulnerable.

At bottom, however, arms control fell victim to something bigger than factional struggle over a single new weapon or dis-

agreement over the requirements of the American defense posture. From the early 1970's on, arms control suffered from the collapse of the political middle ground, the traditional home of the pro-arms-control camp. The middle was sacked first by the political left, over the Vietnam War, and then by the right, because of disillusionment with détente.

Centrism, bipartisanship and pragmatism no longer dominated the politics of American foreign policy. The New Left and the far more powerful coalition of conservatives and the New Right began to hold sway. Legislators with rigid ideological convictions began to people Congress in greater numbers. To those who thought they knew the answers, facts were irrelevant. Arguments devoid of evidence turned into gospel. Polarization spread.

The New Left beat the bushes not for arms control but for disarmament. Yet there was no evidence that Moscow was any more willing than Washington to make any large-scale reductions in nuclear arms, let alone to disarm completely. And in its belief that nuclear deterrence could be dispensed with, the New Left largely disregarded the superiority of Soviet conventional forces and the obvious role of nuclear weapons in preserving superpower peace since World War II.

The New Right regarded efforts at arms control as either hopeless (since the Soviet Union was not likely to give up its supposed nuclear superiority) or worse (since any treaty Moscow might agree to would lock the United States into its allegedly inferior position). In the rightist' view, the only way to bargain with Moscow and deter it from attacking us was by acquiring additional arms—even superiority.

The dominance of these extreme views in the last decade had a strong effect on the pattern for arms-control negotiations: extravagant demands for highly disproportionate cuts and restrictions on Soviet forces, followed by years of stalemate at the bargaining table, followed by mounting political pressure to compromise for fear of failure. It also determined the outcome of the talks. The treaties that accomplished most were completed between 1963 and 1972. Of the treaties completed after 1972, only SALT II was of comparable importance, and none were ratified by the Senate.

Thus, a number of agreements reached when the middle ground was still dominant in American politics headed off competition in certain areas. A treaty concluded in 1963 banned nuclear tests in the atmosphere, in outer space and under water, bringing about immediate and tangible benefits in safeguarding people from fallout and radiation. A 1967 agreement banned the use of outer space for any military purposes whatever. Treaties in 1959 and 1971 internationalized and demilitarized the Antarctic region and prohibited the placing of nuclear weapons on the ocean floor. A 1972 convention barred the development, production and stockpiling of biological weapons, though some questions of Soviet violations arose several years ago.

In same period, the superpowers reached two agreements on avoiding war by miscalculation—a 1963 accord setting up a "hot line" between Washington and Moscow, and a 1971 compact requiring each side to notify the other of missile tests beyond its national territory. In 1972, SALT I froze intercontinental-range missile launchers at existing levels. A companion treaty imposed a virtual ban on anti-ballistic missile defenses (ABM's)—thus, in theory, lifting from each side the fear that the other might launch a first strike in the belief that it could defend itself against a counterblow. The acceptance of mutual vulnerability solemnized the doctrine of mutual deterrence, on which our security was seen to rest.

That was the high point of progress. Then the process soured. Liberals lauded the ABM agreement but faulted SALT I for not stopping the development of multiple independently targetable warheads (MIRV's). The New Right joined with more traditional conservatives in attacking the treaty for doing nothing to curb what they saw as Russia's growing capacity to destroy American missiles in their silos. And they were clearly uncomfortable with the commitment to no defense—a reservation that surfaced conspicuously in Mr. Reagan's recent "Star Wars" speech visualizing an eventual space-based shield against nuclear attack.

Since then, efforts to expand the partial test ban have languished. A 1974 treaty limiting underground explosions to the equivalent of 150,000 tons of TNT remains unratified. More than six years of talks to outlaw nuclear explosions altogether have been getting nowhere. Talks on placing limits on antisatellite systems, chemical weapons and the like drag on.

The SALT II treaty of 1979 placed only marginal restrictions on current nuclear forces and programs. And by that time, political opposition to arms control was sharply on the rise. Conservatives noted that, while the treaty would reduce the number of Soviet missiles and bombers by about 500 and—for the first time—would limit the remaining missile force to a specific number of warheads, it would still permit the Soviet Union to continue MIRV-ing up to the agreed warhead total. They argued that the treaty did nothing about Russia's superheavy land-based missiles while barring the United States from building similar weapons (though the American military had no desire whatsoever to do so). They took exception to the fact that the treaty prevented the United States from deployment schemes to solve the problem of missile vulnerability (the problem that Mr. Reagan's special commission has now banished into the political limbo.)

Whatever the merits of the charges that blocked the treaty's ratification until Afghanistan made Mr. Carter withdraw it from Senate consideration, the controversy was symptomatic of a cresting reaction against constraining arms compacts with an increasingly dangerous adversary. It was increasingly difficult to gain political support for agreements, let alone negotiate them. The case against arms control had reached its apogee in American politics. Before considering where we go from here, this case should be examined in more detail.

The liberals had two objections: the treaties we had signed had been used to justify new arms commitments, and they had not resulted in any savings in military spending. In fact, many liberals had come to see arms control as a sham, a device to codify the arms race.

Undeniably, the need for Congressional backing for negotiating initiatives gave pro-armament groups considerable leverage on Capitol Hill. Furthermore, bargaining with Moscow put a premium on developing new weapons that could be used as "bargaining chips"—chips that seemed always to end up being deployed rather than cashed in. And Administration did ask for more arms after each treaty signing.

But it is far from clear that these weapons would not have been deployed anyway. Technology marches on, and Moscow did not show much greater inclination than Washington to call the march to a halt. As for savings, there weren't any. But it is often forgotten that strategic forces account for only about 15 percent of the Pentagon budget, and opportunities for savings are limited.

In the end, whatever their objections, liberals went along with the treaties as the lesser evil. Conservatives, however, dug in their heels. Their main arguments may be stated, and answered, as follows:

1. The Russians cheat on arms control pacts and gain important advantages.

A panel of conservative and liberal experts who studied the field of strategic-arms and test-ban treaties under the auspices of the Carnegie Endowment for International Peace concluded in its report last April that the record "does not support this claim." Nor has any Administration, including the present one, ever formally charged Moscow with violations.

Mr. Reagan, as we have noted, did raise some questions recently about Soviet compliance with a SALT II provision and with the 1974 limitation on underground tests, but was persuaded to leave these issues to the Soviet-American Security Consultative Commission, established to consider complaints by either side. The record over an 11-year period shows that the Russians have on occasion taken advantage of ambiguities in the treaty text, and have acted in disregard of unilateral American interpretations of the text that they never accepted. Yet every question brought before the commission by the United States has been satisfactorily resolved. Moscow either accepted the American complaint and altered its behavior or showed sufficient grounds for its own position. Soviet complaints against American actions have also been satisfactorily resolved.

Even those who have charged Moscow with consistent cheating have rarely maintained that Soviet violations could not be caught. Virtually every top American official who has been involved with the matter during the last decade has expressed confidence publicly in the ability of our intelligence satellites, radar and listening posts to detect violations in time to prevent us from being placed at a significant disadvantage.

The most serious compliance issues have revolved around evidence of the last few years that the Russians may have used chemical weapons in Afghanistan and Southeast Asia, and may have developed biological weapons. (The evidence is not conclusive, but Moscow has not lived up to its treaty obligation to cooperate in clearing up the charges.) In the nuclear field, the small size and easy mobility of some of the newest nuclear weapons, as well as the difficulty in verifying low-level underground nuclear tests, will necessitate more direct means of verification, such as on-site inspection, and Moscow has indicated willingness to move in that direction.

2. Arms-control treaties have not prevented Moscow from vastly increasing it nuclear forces, nor caused it to moderate its behavior.

Neither SALT I nor SALT II did much, if anything, to curtail the growth of the Soviet arsenal. American intelligence estimates were that the projected growth of Soviet forces would be greater without the treaties than under the treaty limits; conservative critics, on the other hand, charged

that the limits were consistent with Moscow's plans. Neither estimate can be proven. But, by the same token—and provable on the record—the United States did not give up any of its own projected nuclear military growth.

As for the complaint that arms treaties have not inhibited Soviet behavior in the world, anyone who expected that result was guilty of stargazing. The superpowers have deep conflicts of interest, which can have an impact on progress or deadlock in arms control and can be exacerbated by the development of new arms systems on either side, but which persist as policy objectives even when arms treaties are signed. Arms-control measures reflect far more than they shape the state of political relations. Arms treaties will have to be judged by how they help manage Soviet-American arms competition, not by expectations of political miracles.

3. Arms-control agreements have caused us to let down our guard and have brought about unilateral American disarmament.

Spending on conventional arms and the attendant military manpower declined somewhat after SALT I, and leveled off for several years thereafter, even as Moscow maintained its steady buildup in all categories. But this had little if anything to do with arms control. The primary reasons were the decreasing scale of American involvement in Vietnam and the demands of neglected domestic priorities, as the Nixon Administration stated at the time. Moreover, intended real increases were wiped out by runaway inflation, brought on principally by rising oil prices. As for outlays on strategic nuclear forces, these stayed pretty much constant—even allowing for inflation—and began rising, along with the entire defense budget, after 1976.

From Richard Nixon to Gerald Ford to Jimmy Carter, every Administration carried forward every new strategic program on the drawing boards. The only exception was when Mr. Carter canceled the B-1 bomber, deciding it was redundant in view of the development of air-launched cruise missiles, and rejecting advice that he use it as a bargaining chip. Mr. Reagan has reinstated the B-1.

Other systems—the Trident submarine, the Trident II missile, the Stealth long-range bomber, the MX, a variety of cruise missiles, improvements in warhead yield and accuracy, and an upgrading of command-and-control capabilities—have all gone ahead as rapidly as technical problems could be solved.

Perhaps the best answer to the overstated arguments of liberal and conservative critics is implicit in the attitude of the military throughout the two decades of arms-control negotiations. After dragging its heels, the American defense establishment came out in favor of every treaty in question. As planners responsible for America's security, our top military officers want to be in a position to define and contain the possible threats. The more uncertainties, the more they have to worry about.

As we enter a new phase of strategic-arms talks, our general approach seems to be subject to the same dreams of grand solutions that led to stalemate and disenchantment in the 1970's.

Many on the left—and some of a more centrist and even conservative bent—would be satisfied with nothing less than a nuclear freeze. Yet their view of the present situation seems to ignore certain realities. One is that a freeze on the development, testing and deployment of new weapons would take every bit as long to negotiate as the more complex schemes they disdain, and that a freeze on production cannot be verified. Another is that further deployments of Trident submarines with Trident I missiles help to stabilize the strategic balance, since the submarines give us an invulnerable deterrent against a Soviet first strike and the missiles are not accurate enough to threaten the Soviet Union's own deterrent. A third reality is that Soviet leaders are impressed by whether the Congress is prepared to back the President in the deployment of the MX. This remains true even if we bargain the MX away in the end.

As for the Administration's negotiating position, it continues that quest for "deep cuts"—shared curiously in the past by the left as well as the right—that has always lacked a realistic appreciation of Moscow's problems and its ability to resist our pressures. Mr. Reagan's strategic-arms proposal for the last year and a half would have the Russians destroy two-thirds of their missiles, including two-thirds of their heaviest land-based missiles, while the United States would have to reduce its missile force by only 50 percent and could continue with Trident II missiles (which, unlike the existing Trident I missiles, would threaten Russia's weapons silos), cruise missiles and the MX. In the medium-range missile negotiations, Mr. Reagan would have the Russians scrap some 600 of their missiles in the European theater, including all their new SS-20's, while the United States would forgo deployment of some of the 572 missiles earmarked for the NATO countries.

Under the pressures of the freeze movement, the pronouncements of the Roman Catholic bishops and Congressional demands for cutting back on military spending, some of Mr. Reagan's advisers have joined hands with a band of liberals to create a new approach. Instead of reducing the number of intercontinental-range missile launchers, they would add some 1,000 new land-based missiles, the Midgetman, with only one warhead apiece, while phasing out a good number of missiles with multiple warheads. In the end, they reason, each side would have a lower ratio of warheads to missiles—thus making the weapons less inviting as targets and creating a safer situation for all.

The idea, as it now stands, seems to offer little incentive to Moscow, which, with its far greater reliance on land-based missiles, would have to restructure its forces to a far greater degree than the United States. The proposition would become doubly difficult for Moscow because the Reagan Administration would still intend to go ahead with the MX. Meanwhile, both sides are developing a whole new generation of weapons capable of hitting military targets with far greater accuracy. With each step, both sides draw closer to the Faustian illusion of being able to fight, limit, control and—yes—perhaps even prevail in a nuclear war.

There must be a better way. And it can only be in the direction of more modest treaties, which do not take so long to complete that they become vulnerable to political shifts at home—of small steps, taken one at a time, with an agreed common purpose.

The process would have to begin with agreement on long-term objectives. The key ones would be these: restrictions on each side's ability to launch surprise attacks; an equal capability to maintain a survivable deterrent against any such attack; a phasing out of nuclear weapons that present attractive targets to the adversary; gradual reductions in the number of intercontinental and medium-range nuclear warheads and bombs; widening cooperation, including on-site inspection, to verify compliance. In effect, each stage, which would last for two or three years, would be aimed not at obtaining all possible advantage for your side but at assuring the other side the same degree of security you seek for yourself.

The first stage would deal with the medium-range forces in Europe, as both sides now more or less agree. It could begin with a two-year agreement requiring Moscow to dismantle its older SS-4's and SS-5's, while Washington began deployments only of ground-launched cruise missiles. The Soviet Union did not hesitate to upgrade its capabilities substantially with the deployment of more than 450 SS-20's, and it is absolutely unreasonable for Moscow to reject some modernization of American missiles in Europe. The future integrity of NATO depends on some deployments, and Moscow knows this.

Moscow would also be required to freeze its SS-20 total at its present level in both the European and Asian portions of the Soviet Union. In return, Washington would temporarily forgo the right to deploy the Pershing 2 ballistic missiles, which, unlike the relatively slow cruise missiles, could reach Soviet territory from European bases in about 12 minutes, and which, therefore, are particular concern to the Soviet leaders. And each side would be limited to 300 medium-range bombers.

In stage two, the talks on medium-range weapons would merge with negotiations on intercontinental-range missiles and bombers, and the two sides would agree to reduce their overall store of warheads and bombs—about 11,000 apiece—by about 25 percent. Each side would be free to decide where to put its permitted total. Thus, if the United States wanted more medium-range missiles in Europe, it would have to cut the number of its intercontinental weapons.

But we cannot expect the Russians to reduce their SS-20's so long as there is no formula for taking British and French nuclear forces into account. Such a formula might involve abandoning the deployment of Pershing 2's altogether. At the same time, there would have to be some accommodation of the Soviet view that Chinese and American nuclear forces in Asia must be taken into account, an objective that might require separate tripartite talks with China. By the same token, Moscow cannot expect us to count in our totals third-country forces we do not control.

This stage would be a good time for several confidence-building measures—no testing of submarine-launched missiles that, unlike ballistic missiles, stay within the atmosphere and thus can reach their targets more quickly in a first strike; no antisubmarine warfare exercises in certain regions, thus helping maintain the invulnerability of submarines; no testing of new missiles with multiple warheads, to prevent further improvements in accuracy.

Initial steps could be taken to reduce the number of giant land-based missiles. Since this is the Russians' strongest suit by far, they will part with it only reluctantly and slowly. The Administration has a choice of retaining the MX and allowing the Russians to keep their heavy missiles, or cashing in the MX for reductions in Soviet heavies.

The most difficult problems would be left for stage three. The superpowers would seek agreement on a restructuring of their forces, retreating from the mutual threat of

multiple warheads and leaving single-warhead missiles as the centerpiece for both. They would try to impose controls on ground- and sea-launched cruise missiles. They would move toward a prohibition on development and testing of all new missiles.

Not before this last stage could one contemplate saving money or improving the overall political relationship between the superpowers. Until then, and even afterward, the main purpose would be to manage the competition in nuclear weapons. But, step by step, this kind of arms control would mean a progressive reduction of the risks of nuclear war.

This approach is not without its own serious obstacles. We would have to learn to live for at least the next decade with Soviet advantages in land-based missiles, and to be satisfied with our superiority in submarine and bomber forces. After that, the expectation is that the two sides would develop more comparable arsenals across the board; but that is not easy to insure. The approach would also necessitate greater patience with arms control, and an American political leadership courageous enough to stand up to extremists demands.

But the alternative—inflated proposals with minimal chances of success that play into the hands of those who want to prove that "arms control does not work"—is likely to lead to an open-ended arms race. If that happens, if international restraints, such as they are, are allowed to erode, can we count on holding war at bay very much longer? Because deterrence has worked until now, can we be sure it will work in the future? While it stretches rationality to imagine a conscious decision to begin a nuclear conflict, we have every reason not to trust ourselves, let alone others.

Arms control is not the answer to the perilous competition between the United States and the Soviet Union and the security problems posed for both. But without it, there are no answers.●

NATIONAL REYE'S SYNDROME WEEK

● Mr. D'AMATO. Mr. President, I have cosponsored Senate Joint Resolution 34, designating the week of November 7 as "National Reye's Syndrome Week," to help make the public more aware of this crippling children's disease. I believe that Reye's syndrome (RS) requires our utmost attention. This country's youth are our most valuable resource.

This disease is one of the top 10 killers among children's diseases. Thirty to fifty percent of the children who acquire Reye's syndrome do not survive. Many of those who survive owe their lives to early diagnosis and supportive therapy. The medical profession has made great strides in decreasing the mortality rate of this virtually unknown disease. Reye's syndrome, however, continues to increase at an alarming pace, while public awareness remains low.

There are many obstacles in the fight against this disease. It is frequently hard to detect and it is often misdiagnosed. This has caused problems for parents and medical professionals alike.

I do want to point out, however, how inspired I am by the volunteer Reye's syndrome organizations which are established throughout the United States and are supported by thousands of parents. These tireless volunteers should be commended.

"National Reye's Syndrome Week" will help the effort to find the cause, cure, and prevention of this tragic disease. I urge its adoption.●

ULSTER COUNTY CELEBRATES 300TH ANNIVERSARY

● Mr. D'AMATO. Mr. President, in the mid-Hudson Valley north of New York City, the residents of Ulster County this year celebrate their 300th anniversary. In honor of this historic occasion, I would like to offer a special tribute to the contributions of this small county which over the course of three centuries has frequently played an important role in the history of my State and this Nation.

As one of the original settlements of New York State, Ulster has a colorful heritage. The area was first discovered by the English explorer Henry Hudson in 1609. Although the Esopus Indians inhabited the area at that time, Dutch, English, and French Hugenot settlers quickly moved into Ulster because of its strategic location along the Hudson River. Throughout the 17th century and into the 18th century, Ulster thrived as a major center of trade and commerce. When Ulster was established as one of the 12 founding counties of New York State in 1683, it encompassed an area which today is all of Sullivan and parts of Greene, Orange, and Delaware Counties.

In 1652 the city of Kingston, the area's largest settlement, was founded. Eventually, this illustrious city would become the first capital of New York State and the site of the first session of the Constitutional Convention. It was also in Kingston, now the county seat of Ulster, where the first Governor of New York State was sworn into office.

Over the centuries Ulster has prospered, developing into one of New York's finest counties. The area's special blend of small urban, rural, and suburban environments has attracted agricultural and recreational interests as well as high technology firms. Today, these industries are the mainstay of the local economy.

Much of Ulster's special charm and beauty comes from the early American homes and quaint villages which still exist as a reminder of the area's proud past. But in addition to its many historical sites, Ulster boasts some of New York State's most breathtaking scenery. Situated between the legendary Catskill Mountains and the majestic Hudson River, Ulster has become a haven for outdoor enthusiasts in search of scenic wilderness areas. Ulster's beauty is often compared to the country landscape of Germany's Rhine River Valley. Like the Rhine, Ulster has extremely fertile soil and, consequently, many wineries and fruit orchards have established themselves in the county.

Ulster also offers its residents much in the way of culture and art. Over the years, many artists and writers have flocked to the area, locating themselves in the villages of Hurley and Woodstock. Today the streets of Woodstock are lined with art galleries operated by many world-famous artisans and craftsman. Also in this quaint village is the Woodstock Playhouse, the oldest running professional summer stock theater in New York State. The county also boasts the Ulster Performing Arts Center, which offers residents music and drama programs year round.

For 300 years, Ulster County has made vast contributions to New York State and this Nation. In light of the county's great historical, economic, and cultural accomplishments, it is with great pride that I join with area residents in observing this momentous 300th anniversary. It is not often that a county can celebrate three centuries of achievement. I am therefore especially honored to offer a salute and my sincere congratulations to the people of Ulster on this special occasion. I hope that the county will continue to flourish and prosper in the years ahead.●

ORGANIZATION OF AMERICAN STATES CONFERENCE ON DISABILITY

● Mr. HATFIELD. Mr. President, at the Organization of American States Conference on Disability on May 19, 1983, in Guatemala, an important opportunity for humankind was called to the attention of the world community. Mr. Alan A. Reich, president of the National Organization on disability and of the Bimillennium Foundation, described both the continuing need and the opportunity for improving the human condition by setting goals focusing on the bimillennium year 2000. He presents a challenge to us all.

The Bimillennium Foundation is an international nongovernmental organization. It is headquartered in Geneva, Switzerland and has an office here in Washington. Its chairman is Prince Sadruddin Aga Khan, former United Nations High Commissioner for Refugees.

As Mr. Reich states in his Guatemala speech, the Bimillennium is a unique opportunity for mankind in the areas identified by the people, in developing and developed nations alike, as being of major concern—poverty, hunger, homelessness, and disease and disability. These make up the

human condition. This effort, which must be undertaken at the international as well as at the national and local levels, derived from the successful international goal-setting experience of the 1981 International Year of Disabled Persons (IYDP).

The IYDP, in which my Senate colleagues and I took part in the United States, stimulated action in some 130 nations. It helped change attitudes toward the world's half billion disabled persons. It led to the setting of goals for the future. As Mr. Reich mentions, the U.N. has now proclaimed the period 1983-92 the Decade of Disabled Persons to continue the important work that was begun.

Mr. Reich coordinated the 1981 International Year of Disabled Persons program in the United States. In addresses before the U.N. General Assembly in 1981 and 1982, he urged the world community to intensify its efforts in this area of human concern.

This IYDP focal year experience established important patterns not only for goal setting, but also for marshalling of resources, for carrying out coordinated Government and private sector programs, and for engaging organizations and corporations worldwide in addressing the human condition in all its aspects. the Bimillennium Foundation is building upon this experience, and already has called upon leaders of all nations, U.N. agencies and international nongovernmental organizations to begin the process of setting goals for the year 2000 in the broad areas of concern comprising the human condition.

It is fitting that this statement was made in a developing country—Guatemala. If we fail to address mankind's most serious problems as found in the developing countries, we shall have failed in our responsibility to the inheritors of our planet in the new millennium. I believe that this significant private sector, nonpolitical endeavor, which reaches out to the people of the world and their greatest, most common needs, should have our full encouragement. As Mr. Reich points out, U.N. Secretary-General Perez de Cuellar has pledged his support and cooperation in this goal-setting activity.

Mr. President, the needs of mankind are vast. We have a unique opportunity to address these needs by utilizing the turning of the millennium for constructive goal setting. I commend the Secretary-General and his colleagues throughout the U.N. system for their persistent efforts to improve the human condition. This quiet side of the U.N. work is too little recognized. I also commend the Bimillennium Foundation, and all those cooperating with it throughout the world, for fostering planning and action at this early state. The future of our planet and its inhabitants will be the better for it.

Mr. President, I submit for the RECORD Mr. Reich's important statement before the Organization of American States Conference in Guatemala City.

The statement follows:

TOWARD IMPROVING THE HUMAN CONDITION—FROM THE INTERNATIONAL YEAR OF DISABLED PERSONS TO THE BIMILLENNIUM

(By Alan A. Reich)

It is an honor to be here with you in Guatemala at this Inter-American Symposium on Disability sponsored by the Organization of American States. I welcome the opportunity to address this international gathering of individuals concerned with the very real, human problems of disability. These problems are international in scope and importance and are shared by people everywhere—in developing and developed countries alike.

One billion inhabitants of our planet make up what I call the "disability family"—the one-half billion persons who themselves are disabled and another half billion members of their families who also live with and cope with disability on a daily basis. They know, as those outside the disability family must come to know, that these problems are both human and universal. They demand human solutions. They demand universal solutions. They call for continuing international communication and cooperation.

Today I shall speak about two great opportunities for improving the human condition worldwide. They both derive from the 1981 International Year of Disabled Persons (IYDP) proclaimed by the United Nations. For the first time, worldwide attention was focused on the serious problems of disability. One hundred and thirty nations carried out IYDP programs to increase participation of disabled persons in community life and to prevent disability.

The real success of the IYDP was not in what was done, but rather, in what was started. In the United States, for instance, the IYDP stimulated new voluntary programs in two thousand towns, cities, and counties where disabled people go about their daily lives. Purposeful local programs in education, employment, access, community integration and prevention were the significant outcome of the IYDP. This enormous citizen-action response led to the formation of the National Organization on Disability, a private, non-profit organization dedicated to sustaining the IYDP momentum in the communities of America. Many other nations are continuing the work begun during the 1981 UN year. They have set long-term goals.

Perhaps the most important outcome of the IYDP was the education and consciousness-raising it provided for people everywhere on the problems and the potential of disabled individuals. The 1981 observance led to the realization that the problems of disability are serious and that long-term dedication would be needed to continue the worldwide progress. The United Nations in December 1982 therefore proclaimed the period 1983-1992 as the Decade of Disabled Persons.

But how do we give meaning to the United Nations proclamation? To realize the aims of the Decade of Disabled Persons, nations, UN agencies (including the Organization of American States and the Pan American Health Organization), regional organizations, international non-governmental organizations, and municipalities, must take part. We call upon them to develop, announce and implement their own plans for the Decade. To be successful, these Decade plans should meet seven important criteria. They should:

(1) Contain goals, objectives and action timetables for achieving full participation and dignity of disabled persons as well as for rehabilitation and prevention of disability.

(2) Ensure the participation of disabled persons in the planning process.

(3) Realistically address the problems and potential of all disability groups.

(4) Focus on public attitudes to increase acceptance of disabled persons.

(5) Ensure the appropriate involvement of all major segments of society in the implementation of these Decade plans.

(6) Ensure widespread public visibility for the plans and for progress made in their implementation.

(7) Provide for regular review and public reporting of progress throughout the Decade.

The Decade of Disabled Persons is a great opportunity and a challenge. It will take great commitment by leaders, officials, organizations, and people of good will everywhere to fulfill the responsibility to the disability family, and to mankind, which has been assumed by the world community.

The IYDP also has led to another long-term focal year effort—one which provides an even greater challenge. This second opportunity for positive, constructive action lies in the Bimillennium—the year 2000.

The year 2000 is a historic moment for humanity, marking both the end of a century and a millennium. Attention of people throughout the world will be focused on that year as the culmination of one era and the dawning of a new age. This turning point can become a time of renewed hope for all mankind.

In a survey conducted in over 60 countries—both developing and developed—people of all ages, cultures, religions and economic circumstances, identified their most important needs as food, shelter, health for themselves and their families, education and economic well-being. The degree to which these needs are satisfied determines the human condition. In much of the world, those questioned were plagued by hunger, homelessness, poverty, disease, disability, and illiteracy. Yet, as the survey showed, these same people expressed a belief that life for them would improve. They had hope for the future.

Focal years, organized through the United Nations, have opened the way to improvement in the human condition. They have helped channel hope and energy into action. As I have indicated, the IYDP, for example, led to the prospect of greater acceptance, dignity and participation of the world's disabled population. It stimulated the setting of goals for the future.

The response to the IDYP challenge showed that concentration on attainable goals can inspire the commitment and participation needed to realize a better life. The IYDP experience, moreover, pointed to mankind's tremendous opportunity inherent in the turning of the millennium to address the full range of concerns comprising the human condition.

Already the year 2000 has prompted some leaders to establish goals in major areas of human concern. The World Health Organization, at its 1978 Alma Ata conference, adopted the campaign, "Health for All by the Year 2000." Prime Minister Indira

Gandhi has pledged to eradicate leprosy, now affecting some four million Indians, by that year. UNICEF recently set a year 2000 goal of reducing by half the number of children dying annually from malnutrition and infection. The Organization of African Unity has drawn up plans for achieving self-sufficiency in food by the Bimillennium.

In addition, within nations, activities focusing on the year 2000 are already underway. For example, the Governor of the state of North Carolina in the United States has initiated "NC 2000"—a survey of the hopes, needs and aspirations of the population as a preliminary step to establishing statewide goals. Lima, Peru and other leading Latin American cities have set adequate shelter as a Bimillennium goal. At all levels, commissions are being formed. Many surveys focusing on the human condition are in progress.

Successful Bimillennium goal-setting will benefit greatly from the lessons of other focal years. The IYDP experience of harnessing the power of such a focal year for setting goals to improve one aspect of the human condition has led directly to the formation of the Bimillennium Foundation. With world headquarters in Geneva, Switzerland, and an office in Washington, D.C., the Bimillennium Foundation is an international, non-governmental organization. Taking its cue from the IYDP, its purpose is to improve the human condition in all its aspects by encouraging the setting and pursuit of year 2000 goals worldwide. It will help channel the universal hope for a better future into meaningful action.

The Bimillennium Foundation will draw upon the wisdom of leaders and thinkers throughout the world to develop strategies for articulating, pursuing and achieving long-term goals. Since the new millennium really will belong to the youth, the Foundation will consult young people worldwide on their views and ideas for action. It will also further the exchange of ideas through networks of Bimillennium Partners—communities, institutions and organizations—dedicated to the proposition that the human condition can indeed be improved and a brighter future prepared for the generations to come.

You will be interested to know that in a meeting with Bimillennium Foundation leaders in late 1982, UN Secretary-General Perez de Cuellar affirmed the importance of the Bimillennium opportunity for worldwide goal-setting aimed at conquering hunger, poverty, homelessness, disease, disability and illiteracy. He pledged the support and cooperation of the United Nations for this international, non-governmental initiative. He stated then, "the setting and pursuit of goals stimulated in this process contribute to the relieving of suffering and to improving the prospects for a more stable, peaceful world."

The worldwide programs I have discussed today can be reinforced by effective and synergistic use of other UN initiatives such as the 1983 International Telecommunications Year and the 1985 International Youth Year. The Decade of Disabled Persons will do great service to mankind by demonstrating that effective action can be taken, that lives can be enhanced, that people across the world can work together toward the goals we all share, from Guatemala to the U.S. to Europe and the East.

I urge all of you to continue your efforts which are leading the way down the long road to improving the human condition by the year 2000.

Thank you for joining with us in seizing the two great opportunities of the Decade of Disabled Persons and the Bimillennium. Our success will be a beacon of hope for all mankind.●

MR. RICHARD BELL OF PELHAM, N.Y. RECEIVES THE E. MARIO CRIBARI VOLUNTARY SERVICE AWARD

● Mr. MOYNIHAN. Mr. President, one of my constituents, Mr. Richard Bell of Pelham, N.Y., has been selected as the 1983 recipient of the E. Mario Cribari Voluntary Service Award. Mr. Bell was chosen because of his dedicated service during the past 35 years as a volunteer in all areas of recreational programs involving the youth in his community.

Mr. Bell will formally receive the award on June 8, 1983. At this time I would like to add my congratulations.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS

● Mr. STEVENS. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD this notice of a Senate employee who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 which would permit Mr. Ed Allison, of the staff of Senator PAUL LAXALT, to participate in a program sponsored by Soochow University, in Taipei, Taiwan, from March 25 to April 2, 1983.

The committee has determined that participation by Mr. Allison in the program in Taipei, at the expense of Soochow University, to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.

The Select Committee on Ethics has received a request for a determination under rule 35 which would permit Mr. John Ritch of the Senate Foreign Relations Committee staff to participate in a conference sponsored by a foreign educational organization, the Friedrich Ebert Stiftung (Foundation), in Bonn, West Germany, on June 23-24, 1983.

The committee has determined that participation by Mr. Ritch in the conference in West Germany, at the expense of the Friedrich Ebert Stiftung (Foundation), is in the interests of the Senate and the United States.●

COSPONSORSHIP OF S. 476

● Mr. D'AMATO. Mr. President, I am pleased to be added as a cosponsor of S. 476, a bill to reform the continuing disability review process of the title II social security disability program. I commend my distinguished colleague, Mr. LEVIN, on offering this well thought out piece of legislation.

I have received many letters from New Yorkers who are facing difficult situations as a result of this review process. That is why I cosponsored the bill enacted into law during the 97th Congress which provided for continuation of disability benefits through the appeal process. However, this legislation did not correct the underlying problems with the program.

I share the concern of many of my colleagues that persons who are truly disabled are being terminated from the program. This is certainly highlighted by the fact that approximately 60 percent of the persons appealing the termination of their benefits are eventually reinstated by an adjudicative law judge (ALJ).

I support my colleagues in their attempt to correct the flaws in the review process by undertaking permanent reform. I see the underlying problems in the review process as follows: The extent to which persons can be terminated who have not shown medical improvement; the lack of uniform standards used by the State disability examiners and ALJ's; and the lack of a face-to-face interview between the beneficiary and the disability decisionmaker.

This bill addresses these problems and makes the continuing review process a more rational and equitable one. I urge its adoption.●

RAILROAD COAL RATES AND THE NEED FOR COAL PIPELINES

● Mr. JOHNSTON. Mr. President, I want to address an issue of grave importance to this country's electric consumers: The coal-haulage rates our Nation's railroads are charging our utilities. These ever-increasing rates are resulting in unnecessarily high electric utility bills for my constituents and the constituents of many of my colleagues.

In 1979, when the Senate considered the Staggers Rail Act, I was concerned about any deregulation of the railroads without providing viable competition for the haulage of commodities that are "captive" to the railroads. Thus, I cosponsored Senator BUMPERS' amendment that would have granted Federal eminent domain authority for interstate coal pipelines. Unfortunately, our proposed amendment was ruled nongermane. I supported, however, the "captive shipper" amendment by my colleague, Senator LONG. Many of us believed this amendment would provide effective protection for captive shippers, such as many of our Nation's electric utilities. I began immediately

to work for the enactment of coal pipeline legislation—which may finally occur later this year when the Senate and House consider S. 267 and H.R. 1010.

Mr. President, the actions of both the railroads and of the ICC during the last 2 years have confirmed my worst fears during consideration of the Staggers Act. These same events have made clear our Nation's need for the coal-haulage competition that will be provided by coal pipelines. More specifically, I have become increasingly concerned about the economic impact of unreasonably high rail-coal-haulage rates on my constituents. The tactics the railroads have employed against captive shippers, such as our utilities, is well documented in a proceeding at the ICC styled *Arkansas Power & Light Company, et al.* v. *Burlington Northern, Inc., et al.* (ICC Docket No. 36719).

THE STAGGERS ACT

In 1980, as my colleagues are aware, we passed the Staggers Rail Act (Public Law 96-448), which amended the existing Interstate Commerce Act in several respects. The thrust of the legislation was twofold. First, rail traffic which was subject to competition from other transportation modes, other railroads, or other products was deregulated—that is, ICC ratemaking jurisdiction was eliminated over that traffic and the railroads' coal-haulage rates were left to be regulated by the marketplace.

The equally important additional goal of the Staggers Act, however, was to retain ICC jurisdiction over the reasonableness of freight rates in those areas where competition is not present and where, therefore, the market would not of itself insure reasonable rates. The act is replete with protections for so-called captive shippers of commodities.

Unfortunately, in the 2 years since the enactment of the Staggers Act, the ICC has systematically undercut these captive-shipper protections. ICC rulings, ICC procedures and, even, ICC inaction have all worked to deregulate the railroads even in those instances where viable transportation alternatives do not exist. The ICC's boldest ruling yet in this direction is the Coal Rate Guidelines proposal that was issued February 24, 1983. (Ex Parte No. 347 (Sub-No. 1), Coal Rate Guidelines—Nationwide.) In this proposal, the ICC would allow railroads to increase their coal haulage rate 15 percent annually—above the rate of inflation—limited only by the utility's option to build its own railroad. This latest ruling is outrageous and could have devastating impacts on my constituents.

I believe now, as I believed then, that these captive shipper protections in the Staggers Act are an absolute necessity to keep the railroads honest in their dealings with shippers, such as utilities, which have no alternative to railroad transportation of their coal. I also believe now, as I believed then, that the best protection against monopoly is competition.

The electric utilities in my State have been meeting the electricity needs of many of my constituents—out of necessity—with electricity produced in coal-fired electric-generating facilities. Previously, we used natural gas for electricity generation as did many States in our part of the country. But in the early 1970's we were faced with the oil embargo, the need to move toward energy independence, and the need to conserve the Nation's gas supply for its highest and best use.

Consequently, the utilities in our region were encouraged to burn coal in their new plants. The unfortunate impact of this national goal upon our utilities was to remove a competitive option, natural gas, and tie utilities to the railroads for the transportation of our new primary fuel, coal. Furthermore, the Clean Air Act requirements regarding sulfur and other emissions made the coal search more difficult and require utilities to go farther to obtain their coal. For instance, many Louisiana utilities are forced to transport their coal more than 1,500 miles from the Powder River Basin in Wyoming, via the Burlington Northern and Missouri Pacific Railroads.

The unhappy consequences of this new relationship between the utilities that are converting to coal and the railroads were illustrated early in Texas. The electric utility owned by the city of San Antonio converted to coal in 1973. While the city was still making its decision concerning its coal supply and while the city was negotiating a long-term coal-supply contract, Burlington Northern quoted a price of $7.90 a ton for delivery of that coal from Wyoming to San Antonio. However, after the city signed its coal contract, thus becoming captive to Burlington Northern, the only carrier available for coal transportation, the quoted price started increasing. As the plan completion date neared and the coal shipment date approached, San Antonio had increasingly fewer options. In October 1976, the rail rate was increased to $10.93 a ton. The rate was then increased to $16.12 a ton in 1978, to $18.18 in 1979, and now is about 29.00 a ton. That amounts to a 350-percent rise in the rate initially quoted in 1973 when the city was still in a bargaining position. Today, the electric consumers in San Antonio are spending about $80 million a year just for coal transportation.

Burlington Northern's rail-rate increase since 1973 compares very disfavorably to the relatively stable coal price enjoyed by the city during this same period. In 1976, San Antonio's cost of coal was $7.50 a ton at the mine mouth—it is now only slightly above $8 a ton.

The practices employed in the city of El Paso case are not unique. For example, Arkansas Power & Light, a subsidiary of Middle South Systems, Inc., which is headquartered in my State, suffered much the same fate.

AP&L began negotiating with the railroads in 1972 for long-term rail-haulage rates for the coal to be used in the White Bluff station, which began operating in 1979, and in their Newark station, which came on line in mid-1982. I use the term "negotiating" advisedly because the utility does not believe true negotiating ever occurred. As with San Antonio, the railroads first offered a reasonable rate estimate of $5.96 per ton in cars owned by AP&L and $6.79 per ton in cars owned by BN. But this was before a long-term contract was signed by AP&L for Powder River Basin coal. These reasonable rates did not last long, however, because AP&L soon signed its coal contract and AP&L became intrigued publicly with the idea of a coal pipeline—an idea that was introduced to AP&L by the BN Railroad. When AP&L decided to use Powder River Basin coal, and in 1973 signed a long-term coal supply contract, it became absolutely captive to the services of the Burlington Northern and Missouri Pacific railroads, the only available originating and delivering carriers. Then the true railroad pricing schedule began to fall in place.

On February 28, 1973, in a meeting between BN representatives and AP&L representatives, AP&L was informed that the BN was no longer interested in developing a coal-slurry pipeline, but that the BN continued to believe that a coal-slurry pipeline was still the best way to move coal from the Powder River Basin in Wyoming to Arkansas. In addition, the AP&L representatives were told that the BN would allow a coal pipeline to cross its rights-of-way "for a price."

With respect to its continued interest in coal-slurry pipelines, AP&L received a letter on September 13, 1974, from a Missouri Pacific representative both expressing concern over the potential construction of a coal-slurry pipeline to serve AP&L and backing off on the firmness of any prior railroad rate quotations. The letter from Mr. Wheadon now characterized the prior rate quotations as "ballpark rates" which were "being drastically altered and abbreviated." Mr. Wheadon indicated the railroad would hold in abeyance "the tender of a formal quotation temporarily until we have had a chance to take another look at the matter."

On January 31, 1975, after considerable exchange of information, AP&L met with the railroad representatives for what they believed would be a ne-

gotiating session. Instead, they got a 2-hour lecture and no meaningful negotiation. Then on February 12, 1975, another meeting was held at which the railroads stated that "previous rate quotations have been withdrawn and that the rate would probably be about $2 per ton higher than previously quoted because of (AP&L's) interest in coal-slurry pipeline."

The railroad penalty for AP&L's continued belief that coal pipelines could be good for the people of Arkansas was imposed approximately 1 year later in the railroads' rate proposal of July 1975. There, two rates were orally proposed: first, a take or pay 20-year rate with a total tonnage requirement and retractive penalties for failure to meet tonnage requirements—this was to guarantee that there would be no transfer of business to a coal slurry pipeline—and, second, an alternative and higher rate of $10.71 per ton if such a long-term guarantee were not forthcoming. The $10.71 rate was, interestingly, $2.08 per ton higher than the rate AP&L thought it had accepted in September 1974.

The long and short of AP&L's history of dealing with the only two railroads that are in a position to bring its coal to Arkansas is that the railroads are in the catbird's seat and are exploiting their position both to obtain high rail-coal-haulage rates and to discourage the development of a competing coal pipeline. The present rail rate, which began at an estimated $5.96 per ton in cars owned by AP&L, is now $22.85 per ton in those same cars. Whereas the originally quoted rail-haulage rates and the original mine-mouth coal price were roughly equal, the utility now spends three times more to ship its coal to Arkansas than it pays for the coal at the mine mouth. All of these statements come from documents which are part of verified statements contained in the record of ICC docket No. 36719.

Mr. President, unless the Congress acts, it is clear that electric consumers in my State, as well as other States, are preordained to pay ever-increasing utility bills to subsidize monopoly railroad practices. This phenomenon is particularly true in States such as Arkansas, Texas, and Louisiana where only a few years ago electricity was being generated by natural gas, but where utilities are now moving to coal to free natural gas for higher uses in other sectors of our economy.

Mr. President, Congress may need to take a good hard look at the implementation of the Staggers Act by the ICC. We may even need to reexamine the Staggers Rail Act itself. But the thing we must do now, Mr. President, for the electric consumers of our Nation, is to enact—after 3 years of extensive debate—the coal pipeline legislation that was reported recently and overwhelmingly by the Senate Energy and Natural Resources Committee. Failure to enact this legislation will preserve the status quo—and the status quo will allow the continuation of the current outrageous transfer of wealth from the Nation's electric consumers to a few of our Nation's railroads.●

SENATOR MOYNIHAN AND FREEDOM OF THE PRESS

● Mr. BIDEN. Mr. President, on April 25 the senior Senator from New York delivered an address to the American Newspaper Association. The Senator has stood with me as an ardent defender of the first amendment. We have worked closely on these matters both in the Intelligence Committee where we serve together and on the floor where just last year we engaged in an unfortunately unsuccessful effort to defend freedom of the press against the so-called agents' identities legislation.

In his recent speech Senator MOYNIHAN gives an excellent litany of recent attacks by this administration and the Congress upon freedom of the press and upon open government.

I urge all my colleagues to read his address in which he calls upon the media to do a better job of defending their own rights. In his words, "It's time you tigers roared," against what he describes as "a truly menacing atmosphere gathering in Washington. Freedom of the press, freedom of information is under attack."

I ask that the full text of the Senator's address be reprinted in the RECORD.

The address follows:

REMARKS BY SENATOR DANIEL PATRICK MOYNIHAN—"IT'S TIME YOU TIGERS ROARED"

My grandfather once said of a man of whom he did not wholly approve that he had "the soul of a butler."

I would like to think there are none such here. Certainly Judge Medina thought so. "Fight like tigers," he told you here in 1976. But when it comes to defending principles of press freedom, more than great heart is required.

Vigilance is required: a matter our ancestors understood perhaps better than we.

Let me speak to some particulars.

First, I would wish to report on the international front. The efforts of the free nations and the free press of those nations to slow the efforts at UNESCO to establish—I use Leonard Sussman's term—"as a universal standard governmental control of the news media" have begun to have effect.

The decisive event here was the meeting at Tailloires, in France, in May 1981, of a group of leading journalists, editors, and publishers which adopted a declaration stating in no uncertain terms that:

"There can be no international code of journalistic ethics: the plurality of views makes this impossible."

It also asserted that—

"Journalists seek no special protection nor any special status and oppose any proposals that would control journalists in the name of protecting them."

And, speaking directly to UNESCO, the declaration said:

"We reject the view of press theoreticians and those national or international officials who claim that while people in some countries are ready for a free press, those in other countries are insufficiently developed to enjoy that freedom."

Thus armed, I went to the Senate floor with an amendment to the Department of State authorization bill asserting the sense of the Congress that the President should withhold from UNESCO that portion of our contribution that would pay for:

"Projects or organizational entities the effect of which is to license journalists or their publications, to censor or otherwise restrict the free flow of information within or between countries, or to impose mandatory codes of journalistic practice or ethics."

The Senate passed the measure unanimously, and the House strengthened it to bar the transfer of any money at all to UNESCO should any part of the so-called new international information order be implemented. The President signed the measure into law on August 24, 1982.

Now, finally, the U.S. position was clear: We would oppose any legitimatization of state control of the media and we would not pay for it.

The law (Public Law 97-241) required a report from the State Department which we received this February. It is sensible, cautious, but positive. UNESCO, it states "is not, *at this time,*" moving further in that direction. (My emphasis.)

Even so, may I suggest that it took us something like ten years to respond to an event that should have aroused us in ten weeks. It was in 1972 that the Soviet Union first came forward with its proposals for a new international information order. By then, the democratic values of the UNESCO charter had been under a steadily mounting attack and UNESCO had been politicized with the totalitarians in near complete control. But it is difficult to disagree with Tom Bethell's judgment that the American press did not report this seachange. And so it came to pass that when the press itself began to be attacked there was for the longest time little if any notice of that either, much less a prompt response.

Just so here at home.

It is something of a routine to decry the insensitivity of successive administrations to issues of freedom of information and freedom of the press. Yet one senses that such insensitivity is growing: much as government grows. It is not irony, I fear, but a general direction of history that we observe in the performance of the present administration. It has increased the size of government to unprecedented levels—this coming year federal outlays will be 25.1% of GNP—and it has simultaneously increased pressures on the press.

Consider the Agent Identities Protection Act of 1982. I am Vice Chairman of the Select Committee on Intelligence. I would wish it understood that the time came when we had to legislate on this subject. Not because of anybody or any journal present in this room but for different reasons altogether. We *had* to legislate. Even so we did not have to violate the Constitution. But when we did legislate, that is exactly what we did do.

One section of the bill makes it a crime to identify a covert agent even if the identity was discovered from publicly available information and even if the person disclosing the information had not the least desire to

harm the national interest. Section 601(c) of the National Security Act now provides for the imposition of a criminal sanction on a person who discloses the agent's identity:

In the course of a pattern of activities intended to identify and expose covert agents and with *reasons to believe* that such activities would impair or impede the foreign intelligence activities of the United States . . . (My emphasis.)

By a vote of 55-39, the Senate substituted this language for similar language adopted by the Judiciary Committee which included the crucial distinction that such disclosure had to be done with: "*intent* to impair or impede the foreign intelligence activities of the United States by the fact of such identification and exposure." (My emphasis.)

The final vote on June 10, 1982 was 81-4. Four Senators voted no, one was paired against. Five Senators in all.

Thus, at the urging of the Administration, "reason to believe" was made a crime—a standard which is at home in the civil law of negligence, but hardly a basis for sending an editor to jail.

Philip L. Kurland of the University of Chicago Law School has called this law the "clearest violation of the first amendment attempted by Congress in this era." I agree, and repeatedly so stated in the course of our debate on the floor of the Senate.

Henceforth a newspaper must proceed at the peril of prosecution if it publishes the name of a covert agent in a newsstory intended to inform the public and not to harm U.S. intelligence operations. The risk that proceeds from the uncertainty of the statutory language is the very essence of a "chilling effect." Has any newspaper publisher challenged it in court? I believe not. I trust this reflects only a sound litigative judgment to let the government make the first move—a step we hope will never be taken. But I do implore you not to avoid this risk by imposing self-censorship where none is warranted.

More disturbing yet was the legislation advanced in the summer of 1982 by the senior Senator of North Carolina to deny the Supreme Court jurisdiction over any case relating to voluntary prayer in public schools and public buildings.

Clearly, if the Supreme Court can be denied jurisdiction in one aspect of the first amendment, it can be denied jurisdiction in any aspect. The first amendment guarantees that Congress shall make no law "respecting the establishment of religion . . . or abridging the freedom of speech, or of the press . . ."

Now what is disturbing is that Congress, arguably, has that power. This is contained in the so-called Exceptions Clause in Article III, Section 2 of the Constitution:

". . . The Supreme Court shall have appellate jurisdiction, both as to law and fact, with such exceptions, and under such regulations as the Congress shall make."

No less an authority than Justice Owen J. Roberts, speaking to a luncheon of the Association of the Bar of the City of New York on December 11, 1948 (after, that is, his retirement) so stated:

"I see nothing. I do not see any reason why Congress cannot, if it elects to do so, take away entirely the appellate jurisdiction of the Supreme Court of the United States over state Supreme Court decisions.

"Indeed, disciplined as he was to "tinkering with the Constitution," he proposed to amend it. He thought it was:

"Just good housekeeping, just good insurance and just good common sense to put into the Constitution explicitly what you and I all think has been there by tradition for a long time and which ought not be subject to change."

But we didn't amend the Constitution. And when the court-stripping bill came to the floor we did not have the votes to defeat it—the Helms measure. And so on August 16 last year four of us, lead by Senators Weicker and Packwood, commenced to filibuster. On September 21, a motion to invoke cloture was rejected 50-39. On September 22, a motion to invoke cloture was rejected 53-47. On September 23, a motion to invoke cloture was rejected 54-46. They were gaining on us. Sixty votes, of course were needed. But then on the next motion their majority dropped by one vote to 53. An election was coming—5 weeks away—the season was advancing and so the proponents gave up. The bill was recommitted. But note: It was never defeated. There was always a majority for it. This despite the fact that it would have profoundly shaken the balance of powers of the American system of government, and in the face of a courageous statement by the Attorney General that:

Congress may not, however, consistent with the Constitution, make "exceptions" to Supreme Court jurisdiction which would intrude upon the core functions of the Supreme Court as an independent and equal branch in our system of separation of powers.

It was a close call. And again may I ask, how well was it reported? How much was it reported? In my judgment, very little. In the aftermath Bill Petersen of the Washington Post wrote a good analysis:

"The debate was not one of Republicans versus Democrats or Liberals versus Conservatives so much as the moderate center standing up for the Constitution against the radical right.'"

But I repeat: How much was it reported?

Let me make a small request. This week while you are in session I am going to introduce the amendment Justice Roberts proposed. If I get any support in the Congress, may I hope for some from you.

And finally to more recent events. On March 11, 1983, the President issued a directive which requires all government employees with access to classified information of any sort to sign standardized nondisclosure agreements subject to judicial enforcement as a precondition to their access, and which authorizes polygraph tests of such employees with respect to suspected leaks. In testimony before joint hearings of the House Judiciary Subcommittee on Civil and Constitutional Rights and the Post Office and Civil Service Subcommittee on Civil Service, Mr. Floyd Abrams, the distinguished authority on press freedom sought, as he put it, to put the directive in historical context. He said:

"It is not difficult to generalize about these policies. They are unique in recent history. They are coherent, consistent and (unlike those of some recent administrations) not a bit schizophrenic. They are also consistently at odds with the notion that widespread dissemination to the public of information from diverse sources is in the public interest. It is almost as if information were in the nature of a potentially disabling contagious disease which must be feared, controlled and ultimately quarantined."

A singular feature of this directive is that it requires pre-publication clearance of articles and books written by policymaking officials after they leave government, if they had access to "sensitive compartmented information"—which is intelligence information to which access is limited to protect sources and methods. Suffice it to say that there are presently about 200,000 people in Washington with such clearances—people who can and do contribute much to public debate after leaving office. Abrams observes:

"Some of the most important speech that occurs in our society would be subjected to governmental scrutiny and that, if the government in power decided that something could not be written or said, to judicial review."

He reminds us that in 1980, the last year for which we have statistics, the government placed secrecy classifications on 16 million pieces of information. The effect of the new presidential directive could well be to strike at the heart of the ability of the public to be informed about their government.

True, it may spare us some memoirs of presidential aides. But is this sufficient recompense for the silence, or reticence, of the great body of men and women who move in and out of public service in a mode that is in fact unique to the American democracy?

Last Thursday we also learned that the March 11 directive was based on an interagency study which proposed prison terms for offenders. Now this could readily lead us to the point where at any given moment half the cabinet is in jail. Mind, there have been times in the recent past where we almost reached that point without the aid of any special legislation. Even so, one wonders if the republic is really ready for such an experiment.

With something such in mind, on March 22, I wrote the President enclosing a more or less routine press clipping of the day citing "senior Reagan Administration" officials and suchlike letting us in on details of "low altitude flights by United States spy planes" flying about Central America. I wrote that I assumed there would be "a thorough internal executive branch investigation of this matter" and asked if the Intelligence Committee might be favored with a copy of the findings. I have yet to hear back on the results.

Nor will I. The President won't reply to me. Nor, probably should he.

He will respond to you. But I don't think he has heard from you, nor has Congress. This is truly a menacing atmosphere gathering in Washington. And it is not at all confined to the executive branch. Freedom of the press, freedom of information is under attack.

It is time you tigers roared.●

CONFIRMATION OF DAVE EMERY

● Mr. MURKOWSKI. Mr. President, I would like to congratulate David Emery on his confirmation as Deputy Director of the Arms Control and Disarmament Agency.

I know Dave. In fact, I had the pleasure of campaigning for him in Maine in the election he lost to my distinguished colleague, Senator MITCHELL.

This was the only election Dave Emery has ever lost. He served four terms in Congress, starting in 1974. While in the House, he sat on the Armed Services Committee and the

Merchant Marine and Fisheries Committee. He was chairman of the Republican Research Committee Foreign Affairs Task Force in the 96th Congress, and served on the Select Panel on the Defense Industrial Base. He was elected chief deputy Republican whip in the 97th Congress.

The Deputy Director of ACDA assists the Director in the conduct and coordination of disarmament policy in international negotiations; in the management of U.S. participation in the disarmament control systems that may be created by these negotiations, and in the augmentation of public education on disarmament.

Mr. President, the person who fulfills these duties must be very well qualified for the post. As a member of the Armed Services Committee's Research and Development and Seapower Subcommittees, Dave monitored all major weapons systems. As a member of the Foreign Policy Task Force he kept current on all significant foreign developments which may affect U.S. interests. Dave has assiduously worked for a strong, cost-effective defense posture. He is also strongly committed to the "two-track" approach of deterrence and arms control negotiations, with the ultimate goal being the eventual elimination of all nuclear weapons. To this end, he was an original cosponsor of House Joint Resolution 538 in the 97th Congress. This was the House resolution that expressed support for the START negotiations, as well as for the maintenance of a credible nuclear deterrent throughout the negotiating process.

Perhaps the most telling evidence that Dave will fulfill his duties with honesty and purpose are his own words during the House debate on a nuclear freeze. He said,

> If the arms control process is going to be successful, we have to enter into it with open eyes, and we have to recognize that to accomplish this goal is not a simplistic matter to be resolved easily with simplistic solutions. In fact the negotiations into which we have recently entered will be tough, they will be arduous, they will be difficult, and they will not be brought to a conclusion in a short period of time. It is essential that we focus on the issues at hand, and I believe that the START proposals of the administration are a construcitve answer to the long-range problem of nuclear arms control, and we must support it.

In short, Mr. President, Dave Emery has the background and knowledge to fulfill the responsibilites as Deputy Director of ACDA. I am certain he will carry out his duties with the intelligence and integrity we need to insure that the interests of peace and security of the world are guaranteed.●

TRIBUTE TO GENE MATTHEWS, LAWRENCE COUNTY, ARK., SHERIFF

● Mr. PRYOR. Mr. President, Arkansas lost a dedicated law enforcement officer several days ago. Gene Matthews, Lawrence County, Ark., sheriff, died in the line of duty as he was shot by a fugitive who had evaded Federal, State, and local officials for violation of parole on tax evasion.

The people of that county and our State will miss this selfless public servant. The Walnut Ridge Times Dispatch eulogized Matthews this week and that tribute expresses the sentiments that all Arkansans have for Gene. I ask that it be inserted in the RECORD at this point.

The editorial follows:

TRIBUTE TO GENE MATTHEWS

Gene Matthews was quoted as saying, about the time he was first elected sheriff, that he participated in his first manhunt at the age of thirteen and "hung around" state troopers from his early teens.

Anyone who was ever around Gene soon realized he was a "gung-ho" person in everything he did.

High school classmates say he always wanted to be a law man. His early areas of public service included a time as county civil defense director, and then he was head of the Emergency Medical Services. It was as director of the EMS that Matthews gave us a forecast of his future career. It was a case of the "damn the torpedos, full speed ahead!" He believed in a total effort, even though he was sometimes accused of exceeding his budget. But Gene never overspent for personal gain, but, rather, he was always striving for a first-class operation.

We at the Times Dispatch most appreciated the war he waged on drugs. He didn't procrastinate. He attacked.

Gene Matthews was a fighter and his battles were in behalf of the people of Lawrence County and law abiding citizens everywhere, who mourn his passing.●

IMPLEMENTATION OF THE HOSPICE BENEFIT

● Mr. DOLE. Mr. President, the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) created a new type of benefit available to medicare beneficiaries—hospice care. Based on legislation I introduced in late 1981, S. 1958, the provision in TEFRA provides hospice coverage for persons judged to be in the last 6 months of life. In such a situation, a medicare beneficiary can elect to receive hospice care for up to 210 days. Coverage under the election includes home care for the dying patient, counseling for the patient, pain-relieving drugs and medical supplies. Respite care, which is temporary assistance in caring for the family member who is dying, will also be available to ease the strain placed on family members by the need for constant attendance.

The reasons behind acceptance of the modified version of my 1981 hospice legislation are simple. Many believe, as I do, that it is less costly to care for a patient at home, forgoing expensive hospital treatment. But more importantly, hospice care is more humanitarian. Rather than being in a hospital, alone much of the time, hospice care will allow an individual to remain at home, surrounded by family and friends.

Much has been said and written recently about the administration's efforts to implement the hospice provision. I would like to set the record straight.

In considering the hospice provision, the effective date was intentionally delayed until November 1, 1983, to allow the Congress and the administration an opportunity to examine the results of a number of studies scheduled for completion in 1983. The cost of providing hospice care was of particular interest.

When S. 1958 was originally introduced, the per capita reimbursement for a hospice patient could not exceed 75 percent of the per capita medicare expenditure during the last 6 months of life for persons dying of cancer. Based on Congressional Budget Office data prepared last summer, it was assumed that the average cost to the medicare program for the last 6 months of life of beneficiaries dying of cancer was approximately $19,000. With this estimate as a base amount, the payment cap for hospice care would have been nearly $14,600 in 1983. However, information at that time indicated the actual per capita cost for hospice patients was below $6,000. Because of the CBO data, the House Ways and Means Committee, when considering the hospice amendment last summer, decided to alter the cap so that a hospice would receive an amount that was a truer reflection of the costs of care. The new formula, which became part of the TEFRA amendment, provided for a cap based on 40 percent instead of 75 percent of the base amount. This would have resulted in a payment cap of about $7,600.

However, we have since discovered that the CBO information provided at that time included two errors. In stating that $14,600 was the cap amount, the CBO should have said that this was in fact, the base amount. Forty percent of that amount produces a much lower cap ($5,800) than Ways and Means expected. Further, in estimating this amount, CBO failed to use the specific legislative language which required updating by the medical component of the CPI. CBO instead, updated the base to reflect actual medicare expenditure inflation. This again resulted in an inflated base cost estimate.

The outcome of all of this is that the administration has determined that based on the statute, the cap amount

for 1984 will be a little over $4,200. This is significantly lower than the $7,600 cap we had anticipated, and in fact may be too low for this group of patients. This problem has been the subject of the recent articles in the Washington Post, New York Times, and Wall Street Journal.

I want to make it clear that the administration has not arbitrarily set a lower cap on hospice care. Instead, the administration has, as required, set the cap at 40 percent of a number which is much lower than originally anticipated.

We recognize the consequences of basing the limit on a per capita cost estimate which is now quite different than that available when the legislation was being considered. We fully expect to correct the matter and in the interim want to be sure that it is clearly understood that the low cap is not an attempt by the administration to circumvent the provision.●

CONGRESSIONAL FELLOWSHIP PROGRAM

● Mr. GLENN. Mr. President, I am pleased to congratulate the American Political Science Association on the 30th anniversary of its congressional fellowship program, one of the most valuable learning experiences in Washington. Since its beginning with only 6 fellows, the program has served as a bridge linking more than 1,000 young professionals with Members of Congress in a mutually rewarding exchange stretching from the Eisenhower years to the Reagan administration.

The participants, now expanded to 40 to 50 each year, join the program after building impressive records of accomplishment as political scientists, journalists, physicians, anthropologists, Foreign Service executives, and officials in other Federal agencies. While they share an enthusiastic commitment to their work on Capitol Hill, the fellows represent a diversity of skills and training being used in their home communities throughout the country.

The journalists and political scientists are sponsored directly by the American Political Science Association, while other fellows participate under the association's umbrella in affiliate arrangements: Federal executives (grades 13 to 16) supported by agency training funds; health policy fellows, including medical school faculty, supported by the Robert Wood Johnson Foundation; anthropologists sponsored by the American Anthropological Association; and Carl Albert fellows supported by the Carl Albert Center at the University of Oklahoma.

To give the program an international perspective, the fellows also include: Harkness fellows supported by the British Commonwealth Fund; West German fellows supported by the German Marshall Fund; and Asian fellows supported by the Asian Foundation. These fellows, who also participate under the American Political Science Association umbrella, help broaden the understanding of Congress on an international scale, while simultaneously making members more aware of how foreigners view our work. For a comparative dimension, a number of fellows spend a week in Ottawa meeting with high-ranking Canadian officials. In turn, Canadian Parliamentary Interns travel to Washington for a week of programs on U.S. Government.

The core of the fellows' experience, however, consists of 10 months working inside Congress, observing firsthand what most of them have only read about in textbooks. Most fellows serve stints in both the House and Senate, watching floor action, attending committee meetings, drafting legislation, writing news releases, researching domestic and foreign topics, preparing speeches and answering mail. The precise nature of each fellow's work is based on the needs in his or her office.

In another important dimension to the program, fellows meet weekly to listen to well-known speakers active in the life of Capitol Hill as Senators, House Members, journalists, and lobbyists. As someone who has addressed the group, I know the fellows are deeply interested in the performance of Congress and ready to engage in stimulating dialog about the major problems facing our country. As someone who has used fellows in my office for valuable contributions in housing, national defense and other areas, I know the participants give as well as receive through their experience. It is an equal exchange: Members of Congress obtain access to new sources of expertise, while fellows obtain fresh perspectives about life on the Hill.

As the fellows complete the program and return to their original jobs, we hope they will draw for the rest of their lives on the knowledge and contacts made during their stay inside Congress. Ideally, once back in their communities, the fellows will serve as much-needed conduits between the public and Congress, explaining to the people how we work and letting Congress know what the public wants and expects from our institution.

So on the 30th anniversary of its congressional fellowship program, the American Political Science Association has earned our appreciation for recognizing that an educated public is the best insurance for an effective democracy. Again, congratulations and happy birthday, not only to the association but to the individual fellows and the groups that support them.●

EMERGENCY PLANNING AT COMMERCIAL NUCLEAR POWERPLANTS

● Mr. SIMPSON. Mr. President, I should like to take a few brief moments here today to bring to the attention of my colleagues an issue of significant national urgency and one which, unless addressed and resolved, has potentially grievous consequences. The issue—emergency planning and preparedness at commercial nuclear powerplants—is a familiar one to this body.

Shortly after I arrived here in early 1979, this Nation experienced its worst commerical nuclear power accident—Three Mile Island—an accident that occurred just after I assumed my responsibilities as the ranking minority member of the Subcommittee on Nuclear Regulation of the Committee on Environment and Public Works. Before I had even settled into this body, Mr. President, I was winging off to the TMI site in a helicopter to view firsthand the site and its surrondings.

In the weeks and months following the TMI accident, some of the finest minds in this country, within the commercial nuclear industry and eslewhere, set about examining the "who's," "why's," and "how's" of the TMI accident, in an effort to comprehend more fully what happened at TMI and what lessons the TMI experience held for the commercial nuclear power industry in general.

In response to that accident, and as part of Congress effort to address legitimate concerns about whether the regulation of commercial nuclear powerplants was properly focused, Congress adopted a series of measures designed to bring about fundamental changes in certain areas of nuclear powerplant regulation. Perhaps the most important step taken by Congress had to do with emergency planning around commercial nuclear powerplants. In recognition of the very small possibility of an accident at a nuclear powerplant that could result in potentially significant consequences, Congress, in section 109 of Public Law 96-295, established a requirement that, prior to the issuance of any new operating licenses, there must first be in place an emergency preparedness plan that provides for responding to accidents at each such facility for which a license is being sought.

The Nuclear Regulatory Commission, in consultation with the Federal Emergency Management Agency, was directed to establish standards for emergency response plans and to determine whether a State or local emergency response plan is in place that meets the Commission's requirements, prior to issuance of an operating license. Finally, in the absence of a State or local emergency plan ap-

proved by the Commission, in consultation with FEMA, the legislation authorized the Commission to issue an operating license for a plant if it determined that "there exists a State, local, or utility plan which provides reasonable assurance that public health and safety is not endangered by operation of the facility concerned."

In August 1980, less than 2 months after the emergency planning legislation was passed by the Congress and signed by the President, the NRC adopted comprehensive emergency planning regulations governing the submission, review, and approval of these plans. These regulations went beyond Public Law 96-295, requiring emergency plans not only for newly licensed plants, but also for plants in operation, thereby establishing by regulation a requirement that all nuclear powerplants, regardless of the date of licensing, must have an emergency preparedness plan.

In April 1981, the Subcommittee on Nuclear Regulation convened its first hearing on the status of emergency planning, following the adoption of section 109. As chairman of that subcommittee, and with the support and counsel of the ranking minority member of the subcommittee, Senator HART, we examined in careful detail the progress that had been made by the NRC and FEMA in carrying out the directives of Congress in the area of emergency planning. We swiftly discovered that emergency planning, as envisioned by the Congress, was indeed much more complicated to implement than most of us had imagined. While NRC and FEMA had certainly made great progress, much remained to be done. Recognizing the magnitude of the task confronting NRC and FEMA, as well as State and local governments and utilities, the subcommittee urged a greater concentration of effort by all involved in emergency planning in order to achieve the objective of an emergency preparedness plan for every operating commercial nuclear powerplant.

In April of this year, the subcommittee again returned to the issue of emergency planning to review the status of planning at commercial nuclear powerplants. As I indicated at that hearing:

> With nearly three years of experience with emergency planning and in view of many of the problems that have developed since our hearing in 1981, I feel that it is time that we take a most careful look at whether emergency planning, as we see it working, is meeting the objectives established by the Congress in 1980.

I was heartened to hear that many of the problems identified in the subcommittee's 1981 hearing have been addressed. FEMA and NRC, together with State and local governments, reported significant progress in the area of emergency planning for operating nuclear powerplants. According to testimony presented at the hearing, we now have approved emergency plans for 16 of the 53 sites with operating plants. Preliminary plans have been prepared for all 37 of the remaining sites, 27 of which have been formally submitted to FEMA for review. At least 1 exercise has been conducted at every 1 of the 53 sites. And finally, onsite emergency plans are now in place for all of the 76 operating reactors. The progress reported for operating nuclear powerplants was, indeed, most gratifying and, while the task is not yet complete, the progress reported by NRC and FEMA demonstrated most clearly to me that the task assigned by the Congress in 1980 is a task that, with the cooperation of State and local governments and utilities, working together with the NRC and FEMA, is not insurmountable. In fact, I noted with great interest that an emergency preparedness plan for the Zion Nuclear Plant, just outside of Chicago—one of the most densely populated sites in this Nation, as well as a site for which two States must coordinate their efforts—has been prepared and successfully exercised, a fact attested to by one of the effective local witnesses who appeared before the subcommittee, Doran Hughes of Kenosha County, Wis.

I am quite concerned, though, by what I see as increasing efforts to use the emergency planning process as a vehicle to achieve certain objectives which—at least in my mind—were certainly not intended when we passed the emergency planning legislation in 1980. I think it clear that Congress did not intend to confer on anyone other than the NRC and FEMA the authority to establish the substantive requirements for an emergency plan, nor the authority to determine whether those requirements have or have not been met. In fact, in virtually every single area that involves protection of the public health and safety from the risks posed by nuclear power, the Congress, since 1954 when it passed the Atomic Energy Act, has conferred preemptive authority in this area on the Federal Government, a fact strongly reendorsed by the Supreme Court in its recent decision in Pacific Gas & Electric Co. against State Energy Resources Conservation and Development Commission (April 20, 1983).

Beyond that, though, this Congress must face a much more tough and difficult question which in my judgment goes to the very heart of the current debate that is ensuing over emergency planning and preparedness. Simply put, that question is this: Once an emergency preparedness plan has been prepared that complies with the planning criteria established by the NRC and FEMA, and sufficient financial resources have been made available, either from the utility or elsewhere, to carry out that plan, what right, if any, should a State or local government have, for whatever reason, simply to decline to participate in the implementation of that plan, thereby effectively resulting in the denial of an operating license or in the shutdown of an operating reactor? The potential for this happening under our current regulatory framework has been the subject of a great deal of discussion, both inside and outside Congress. This very issue has been the subject of three cogent and recent editorials in the New York Times, Mr. President, which I now submit for the RECORD, to appear at this point in my statement.

The editorials follow:

[From the New York Times, May 7, 1983]

WHO SHOULD VETO NUCLEAR POWER?

Suddenly, there's a surprising threat to the two nuclear power plants at Indian Point, N.Y.—from the Nuclear Regulatory Commission. It says they must shut down unless a better emergency evacuation plan can be devised by June 9.

If that deadline is meant as a dramatic way to force a better plan, fine. But there's a larger problem implicit in the threat: It appears to give local authorities a veto over reactors by refusing to approve or cooperate in evacuation plans. If so, the devolution of power over nuclear power from the Federal to local level has gone too far.

In the wake of the 1979 accident at Three Mile Island, plant operators were told by the commission to draw up standby plans for emergency evacuations. What would happen if local authorities refused to cooperate? When the owners of the two plants at Indian Point twice failed to meet deadlines for producing workable plans, the commission allowed the reactors to continue operating.

Given the Administration's avowed support for the nuclear industry and its dislike of regulation, the deadlines seemed to be indefinitely elastic. But now the Nuclear Regulatory Commission has shown its teeth. It voted unanimously this week to close the plants unless improvements are made.

The decision will get attention at the 37 other nuclear plants now operating without approved plans, and particularly at the nearly completed plant at Shoreham, owned by the Long Island Lighting Company. Peter Cohalan, the Suffolk County Executive, believes that no evacuation plan is feasible and that the $3.2 billion plant must be abandoned.

Should such immense investments be forsaken because of inadequacies in a theoretical plan designed to meet an improbable threat? In New York, the commission's decision gives Governor Cuomo a leading role. Mr. Cuomo has said he would not impose an independently devised plan on Suffolk County. He is appointing a fact-finding panel on Shoreham, and has also asked for a report on the issues at Indian Point.

The commission's June 9 deadline seems designed to focus attention on the costs of a shutdown and help Mr. Cuomo off the fence. Under his leadership, if he chooses to exert it, the utilities will improve safety or planning enough to assuage local concerns and allow the plants to operate.

Neither Indian Point, 35 miles north of Times Square, nor Long Island appear today as the best places to situate nuclear reactors. But since the plants have already been

built, the presumption should be that they may operate provided they can do so safely.

Emergency evacuation plans are a welcome regulatory afterthought to nuclear safety, but cannot yet be defined so precisely that they should be imposed as an absolute goal. Yes, government at all levels should work to create the most practical evacuation plans possible. Yes, local authorities should have a strong voice in nuclear affairs. But no, they should not be handed a veto.

[From the New York Times, May 23, 1983]

NUCLEAR CHICKEN

New York has become the testing ground for the Federals edict that all nuclear power plants shall have emergency evacuation plans, prepared by state and local authorities. The price of this distinction is that the state now stands on the brink of losing three nuclear plants, a forfeit that could impose a heavy burden on consumers and businesses merely to eliminate an unlikely and manageable hazard.

By refusing to help draw up evacuation plans, local authorities can acquire an apparent veto over nuclear power plants. An elaborate game of chicken has thus developed in which all parties have much to lose, and may emerge with little credit.

Emergency evacuation plans were first required by the Nuclear Regulatory Commission in the wake of Three Mile Island. The commission asked state and local authorities to draw up such plans, with the assistance and approval of the Federal Emergency Management Agency. Given their first handle over nuclear power, local authorities have not been slow to wield it.

In Suffolk County, where consumers face a stiff hike in utility bills when Lilco's plant at Shoreham goes on line, the legislature has refused to approve an evacuation plan. Governor Cuomo gave too much away by stating last February that he would not impose a plan. Peter Cohalan, the county executive, responded that the only thing left to discuss was how to scrap the $3.2 billion plant.

The utilities that operate the two plants at Indian Point have been unable to draw up an evacuation plan because Rockland County refuses to cooperate and Westchester cannot guarantee its bus drivers would be available. The Nuclear Regulatory Commission, seeking to foster a sense of urgency, has now said it may order the plants closed by June 9 unless further progress is made.

Who shares blame for this impasse? The county governments that prefer sovereign posturing to constructive compromise are part of the problem. So too is Governor Cuomo's delicacy in so far refusing to explain the economic consequences of a shutdown to his constituents.

But Mr. Cuomo has a point in asserting the uniqueness of his problem and campaigning for greater Federal help and clarification. Present law does not delineate the specific responsibilities of Federal, state and local authorities. Evacuation planning imposes costs that the Federal Government should perhaps share.

Still, the Governor needs to move the debate toward the essentials of economics and safety. His appointment of a fact-finding panel for Shoreham may prove an important step in this direction. Recent actions by the Westchester County executive, Andrew O'Rourke, may allow the N.R.C. to ease the threat of closing down Indian Point. A nuclear plant should be shut down if judged unsafe or uneconomic, not by the refusal of its neighbors to help plan for their own safety.

[From the New York Times, May 28, 1983]

INDIAN POINT'S RELUCTANT SAVIOR

The pieces seem at last in place to prevent the threatened shutdown of the two nuclear plants at Indian Point. Governor Cuomo, a reluctant Lochinvar, has ambled forward at the eleventh hour to save the two plants from the Nuclear Regulatory Commission's ax.

By saying he would use state employees to substitute for Rockland County's in case of an emergency evacuation, Mr. Cuomo has probably provided the excuse the Federal commission needs to declare that enough progress has been made to cancel the June 9 shutdown. So reason may triumph, by a hair.

Mr. Cuomo's reluctance to champion nuclear plants is understandable, up to a point. Nuclear power stands at a nadir of public favor. Many plants, once built, deliver cheap energy but some, like Lilco's nearly completed plant at Shoreham, have proved so expensive that their power may be less of a bargain. The public remains dubious about safety, and local authorities have been using the new requirement for evacuation plans as a way of expressing the unease.

But except as a gesture, refusing to cooperate in a safety plan makes no sense. Nor does closing down a nuclear plant for whose capital costs consumers are already committed, and which produces electricity for the mere cost of fuel, operations and maintenance. Mr. Cuomo has at last begun to direct his constituents' attention to the salient issues. Shutting down the Indian Point plants, he said last week, might make some people feel safe but there are economic factors to consider too.

The Nuclear Regulatory Commission is in the process of holding investigative hearings on the safety of the Indian Point plants. Mr. Cuomo's slow-motion rescue will enable the safety of the plants to be determined in that forum, not by the noncooperation of Indian Point's neighbors.

Mr. SIMPSON. Mr. President, in addition, according to some in the financial community, the standing statutory requirements and their official interpretation/enactment pose serious financial risks to nuclear-based electrics. This area possesses the potential to exert a severe financial jolt to the industry—again, a jolt second in impact only to that coming from the TMI accident itself.

Answers to difficult questions such as these, of course, do not come easily. But this Congress does have its continuing responsibility to this country to address these difficult questions and try to arrive at an equitable, reasonable solution. My efforts over the past weeks, months, and years in the area of emergency preparedness have been concentrated on doing just that, and I have every intention of continuing to do just that in the future. I invite each and every one of my colleagues to take a most careful review of the record from our hearing on this subject on April 15, as the Congress grapples with this important issue, and I encourage Senators to offer his or her individual insights on how best we might resolve the dilemma we have before us.●

EXPORT ADMINISTRATION ACT AND THE PROHIBITION OF ALASKAN OIL EXPORTS

● Mr. HATFIELD. Mr. President, recently Senator CRANSTON and I introduced S. 1159 to extend the current provisions of the Export Administration Act governing the conditions under which Alaskan oil can be exported. The bill has received bipartisan cosponsorship from more than one-quarter of the Members of the Senate. At the same time, a number of issue papers have been circulated in the Senate in an attempt to dissuade additional Senators from joining with us. I take issue with those papers. The arguments they present, although well-intentioned, are ill-founded and fly in the face of over a decade of carefully developed and prudent congressional conclusions about this oil export issues.

Three times in the last 10 years the Senate and the House have voted by large majorities to impose restrictions on the export of Alaskan oil. The present law, which contains the clearest statement of conditions, establishes four basic tests that must be met before exports are to be allowed. First, a tangible consumer benefits. Second, preservation of national energy security. Third, inclusion of contractual provisions permitting cessation of exports in an emergency. And fourth, general enhancement of national interests. The law also provides a sensible and balanced procedure for determining if and when the conditions have been met—a Presidential finding followed by congressional approval within 60 days.

When we introduced S. 1159, we outlined the reasons why those provisions and the congressional approval procedure are as compelling now, if not more so, as when they were first enacted. In my remarks today, I need not repeat those reasons. I will simply point out why I find recently circulated arguments by the proponents of exports unconvincing. I do not believe that the potential benefits about which the advocates of exports theorize would be achieved, while a high cost will be paid by the Nation and its oil consumers.

LIMITED EXPORTS ARE NOT POSSIBLE OR DESIRABLE

First, let us be clear about the quantities of oil involved. In an effort to allay the concerns of many Members of Congress, the proponents of exports have suggested that only small volumes of oil would flow abroad. Yet, they specify no mechanism for limiting exports to those volumes, and they overlook the inconsistency of advocating small export volumes when claims

of big benefits are based on big volumes of exports.

In fact, there is no way to insure that quantities will be small except by a legislative solution. Absent that solution, within a short period—most existing contractual obligations pertaining to the domestic use of Alaskan oil will terminate in the next 3 years—economics would dictate that the quantities exported would be quite large—all oil currently going to the gulf and east coasts.

It makes little sense for Congress to declare that most Alaskan oil is subject to the four conditions extended by S. 1159, but some of it is not. If you believe that the current conditions provide consumer, energy and general national interest benefits, and I, obviously, believe that they do, the conditions should apply to all the oil.

In addition, any partial lifting of the conditions would require adminstrative procedures for allocating export rights. Someone will have to decide which companies would be permitted to export. The result would be an administrative morass.

Finally, and of utmost importance, the Senate should make its decision with full cognizance of the impact of large volumes of exports, since that is the likely ultimate outcome should the conditions simply be repealed, even for small volumes at present.

EXPORTS WILL NOT ENHANCE NATIONAL SECURITY

Some have contended that Japan is about to become heavily dependent on oil supplies from Communist China and the Soviet Union. Furthermore, reduced Japanese dependence on Middle Eastern oil is viewed as a positive development which can be facilitated by the export of Alaskan oil.

I have several problems with these assertions. Above all, the presumed gains with respect to Soviet influence are ephemeral at best, while major security costs would be borne by the United States. They overlook the fact that the United States remains the single largest importer of crude oil and petroleum products in the world and that oil exported to Japan would be replaced by imports from insecure foreign sources, most likely OPEC and the Middle East.

First, Japan presently imports only 180,000 b/d of crude oil from Red China and 1,000 b/d from the Soviet Union. Collectively, these imports represent 5 percent of Japan's total (4 million b/d) oil imports. Experts predict that China's production and exports of oil will decline in future years.

Furthermore, there is little indication of major Soviet oil developments in eastern Siberia. In the past year, the Soviets and Japanese held discussions on possible joint development of gasfields in eastern Siberia. More recently, there has been joint Soviet/Japanese development in the Sakhalin Island of what appears to be a natural gas project. However, recent studies indicate that Japan has minimal requirements for additional supplies of imported gas. Therefore, we must discount the view that Japan will become more dependent on Communist oil supplies. Moreover, it is by no means clear that exporting oil to Japan would alter any plans for these projects, even if they were viable.

Second, while it is likely that Alaskan oil exports would reduce Japan's dependence on imports from the Middle East, it is just as likely that Alaskan oil displaced from U.S. refining centers on the gulf and east coasts would be replaced in those markets with oil from the Middle East and OPEC. Mexican oil is not a suitable replacement for Alaskan oil because of Mexican Government policies, the already high level of Mexican oil exports to the United States and technical constraints in U.S. refineries. Therefore, Japan's improved oil security will come at the expense of an increase in our reliance on OPEC and Middle Eastern oil.

While exports of Alaskan oil will increase U.S. dependence on foreign sources of oil, they will reduce our ability to respond to future oil supply difficulties. My concern is not with some hypothetical massive shortfall which would trigger the international energy plan, to which the United States is committed. I am concerned about the small shortfalls—5 percent or so—which have triggered price spirals in the past. Exports would reduce our capacity to move oil from west to east and would add months to the time it would take us to increase supplies on the east coast, where shortfalls are most likely to be felt.

Finally, exports would entangle us in delicate oil trade relations. We would be faced with the difficult problem of cutting exports off at the very moment that pressures to keep them flowing were most intense. The political costs of stopping exports would be extremely high, while the economic costs of not doing so would be equally severe. This is a dilemma we can and should avoid.

EXPORTS WILL NOT IMPROVE OUR TRADE POSITION

Others have claimed that exports will improve our balance of trade and solve our difficulties with the Japanese. This is not true, either worldwide or with respect to specific countries, Exports would certainly not improve our overall balance of trade and might even worsen it slightly, while they would artificially reduce the United States-Japan trade imbalance, leaving unaddressed the deep-seated structural trade problems between the two nations.

From the aggregate perspective, since exports will have to be replaced with imports, there would be no appreciable improvement with respect to oil trade accounts. When transportation costs are taken into account, there could even be a slight worsening of the overall trade balance.

From the country specific perspective, some seem to believe that simply wiping out a large part of the trade deficit with Japan, without gaining any concessions on import barriers or unfair export promotion policies, is the way to deal with the problem. Others, as noted below, go so far as to argue that the further increase in imports of manufactured goods from Japan that would certainly result from an immediate reduction in the deficit is to be welcomed and encouraged.

I take a different point of view. I doubt that increased exports of raw materials will facilitate improved trade relations with Japan. Nonmanufactured goods presently account for most U.S. exports to Japan. However, Japan primarily exports manufactured goods—that is, cars, consumer electronics—to the United States. U.S. unemployment has largely been in the basic industries that are most negatively impacted by Japanese imports. Furthermore, Japanese exports are stimulated by a subsidized yen-to-dollar practice that keeps Japanese goods priced below U.S. goods. However, many U.S.-manufactured goods are denied access to Japanese markets by restrictions, quotas and complex inspection and licensing requirements. Therefore, I forsee few benefits from exporting scarce raw materials to Japan that will have little impact on the U.S. unemployment rate.

Instead, U.S. trade talks with Japan should be directed toward improved access of U.S.-manufactured goods to Japanese markets and more equitable pricing of Japanese goods in U.S. markets. The export of oil—if it papered over these basic problems—would delay the day when these areas of concern are squarely faced, the only solution to developing a stable trade relationship that works to the benefits of both nations.

EXPORTS WILL NOT ENCOURAGE THE DEVELOPMENT OF NEW RESERVES

Some proponents contend that there are large, undiscovered oil reserves in Alaska and that additional incentives—higher wellhead prices facilitated by exports—are required if these deposits are to be found and developed.

I believe that it is very unlikely that new fields will be found or developed as a result of exports. At most, production from those fields that would have otherwise been found and developed will be accelerated slightly, by perhaps 100,000 to 200,000 barrels per day. Rather than an addition to national energy resources, an accelerated drawdown of national reserves for the sake of exports would result—and I do not

believe that such a drawdown is in our long-term economic interest or in the interest of our Nation's security.

I do not believe that Alaskan oil production would be significantly increased as a result of exports for a number of reasons.

First, the current conditions on exports are not affecting activity in existing fields. The current level of profitability of existing Prudhoe Bay production is very attractive. Producers earn a total of $8 to $9 per barrel—depending on west or east coast deliveries—on Prudhoe Bay output. This includes $5 to $6 per barrel profit on production, $2.50 per barrel on the trans-Alaskan pipeline, and $0.50 per barrel on tanker operations, which amounts to $4.4 to $5 billion in annual net profits. State and Federal taxes on existing fields would sharply reduce the effect that exports might have on after-tax profits earned on oil produced in those fields. Moreover, with the investments in leases, exploration, development, production, pipelines, and tankers already paid for, the $4.4 to $5 billion per year in net profits already provides what is tantamount to a high rate of return on Prudhoe Bay investments.

Second, the current conditions on exports are not retarding exploration and development activities. Incentives to explore for and develop oil in Alaska are largely determined by: Government leasing practices; assessments of potential oil field size; well depths and flow rates; onshore or offshore locations; and proximity to the trans-Alaskan pipeline (TAP). With regard to the current economics of Alaskan oil development, I would point out that in April the oil industry bid over $400 million for tracts off the coast of Alaska, a figure which exceeded by 40 percent the amount originally projected by congressional budget analysts. Clearly, this demonstrates that exploration is going forward and that the export restrictions are not acting as a damper on exploration.

Third, exports would not provide any significant incentive to new development. The Department of Energy's (DOE) analysis suggests that exports will raise the average wellhead price of Alaskan oil by $1.50 to $2 per barrel. A prospective $1.50 to $2 per barrel price increase in Alaskan oil prices is unlikely to change drastically the economics of Alaskan oil. Even for new fields, where the windfall profit tax does not apply, increases in after tax profits would be at most $1.20 per barrel. For the many producers who own their own tankers, on which profits would be lost due to exports, the net increase in profits would be closer to $0.40 per barrel.

This increase in the overall profitability of Alaskan oil would be in the range of 5 to 15 percent. Given the past record of production increases in response to price increases, we should expect only small acceleration in production. They would not constitute additions to supply, they would constitute accelerated exploitation of fields that would otherwise have been developed.

EXPORTS WILL NOT BENEFIT CONSUMERS

Some proponents have argued that consumer prices will not rise in the short term and will fall in the long term, as a result of exports. Their reasoning is that, in the short term, the uniform world price of oil means that all oil is priced the same—taking quality differentials into account—while in the long term the increase in supply resulting from exports will drive the price down.

I take strong exception to these arguments. I am convinced that consumers will pay a higher price as a result of exports. They will lose the benefits of favorable supply/demand balances and market forces in the U.S. market. Claims to the contrary are based on extremely simplistic theoretical assumptions about the world oil system that contradict the empirical reality of that system as demonstrated by its behavior in recent years.

The uniform price argument ignores the empirical reality of oil prices. Since the decontrol of domestic oil prices in early 1981, Alaskan oil has sold at prices appreciably below those of imported oil. Data from the Department of Energy and the State of Alaska show that prices were $5/bbl below imported prices on the west coast, $3/bbl below imported prices on the gulf coast and $4/bbl below imports on an average basis. These price differences are far above what might be attributable to quality differences, and I believe that they are reflected in cost savings to the consumer at the pump. Exports could well cost consumers in excess of $2 billion per year in price increases—exactly what American consumers do not need just as economic recovery is starting.

An explanation of this modest price break that American consumers currently receive lies in an understanding of the world oil market. Unlike the theoretical picture that proponents of exports like to paint of a world oil system in which uniform prices are set by the Saudis, the world oil system is actually composed of distinct crude/product streams and regional submarkets. It is also typified by varying degrees of competition within each of those submarkets. While OPEC prices are set by Government policies and longstanding special relationships between specific companies and producing countries, the U.S. crude market is more responsive to market forces.

As the largest consumer and producer of oil in a soft market, one would expect price weaknesses to be exhibited first and strongest in the United States. This is specially true of the west coast market, where the supply/demand balance is extremely favorable to consumers. In the past several years these forces have worked to the advantage of American consumers and this is likely to continue into the future. Exporting Alaskan oil and replacing it in the domestic market with imports will rob consumers of that modest price relief.

In the longer term, since exports will have little effect in stimulating increases in supply, they will not exert much downward pressure on price.

EXPORTS WILL NOT SIGNIFICANTLY INCREASE FEDERAL REVENUES

Some claim that the exportation of Alaskan oil will increase Federal revenues dramatically—up to tens of billions of dollars over the next decade. Part of the increase has been attributed to increases in royalty payments and lease sale prices; part of the increase has been attributed to general increases in tax obligations on Alaskan oil; and still another part has been attributed to the closing of loopholes in the Windfall Profit Tax Act.

This projected revenue increase is highly unlikely because it disregards the current economics of Alaskan oil production and fails to reflect a thorough analysis of revenue gains and losses or tax procedures. The likely revenue effect of exports would be small losses in the short term and small gains in the longer term.

First, since there is little likelihood that exploration, development and production would be significantly increased by exports, there is little chance that exports would increase royalties and bidding bonuses.

Second, net Federal tax revenues would not be increased. In order to achieve significant increases in Federal tax revenues it is necessary to export large volumes—in excess of 700,000 barrels per day—of Alaskan oil. However, if large volumes of Alaskan oil are exported, the Federal Government will also experience offsetting financial losses that will seriously reduce the tax gains anticipated from exports, wiping them out or creating losses in the short term. One-time U.S. tanker-related losses stemming from defaults on Government insured—title XI—and uninsured loans are estimated to be in the $715 million to $1.43 billion range. Furthermore, annual losses in tanker- and maritime-related income tax payments are estimated to be $300 million per year. Another unquantified item is the 15,000 to 20,000 maritime-related jobs—and resulting unemployment compensation payments—that would be lost with exports.

Minimal exports of Alaska oil also offer few benefits to the Federal Government. If Alaska State royalty oil—which amounts to 189,000 bbl/d—is exported, the Federal Government will

experience no revenue gain. This will occur because State oil production is not subject to Federal taxes.

Lower volumes of Alaskan oil exports will also trigger a disproportionate cost to the Federal Government. If 200,000 bbl/d of Alaskan oil is exported, this volume would most likely be diverted from the long-haul Valdez to Panama/Panama to gulf coast trade. A flow of 200,000 bbl/d on this trade route employs some 1.3 million dwt of U.S.-flag tankers. Presently, a number of large—225,000 to 265,000 dwt—U.S. tankers built with construction subsidies are employed in the Alaskan trade on a temporary basis. These vessels—because of the depressed business conditions in foreign trade—are entirely dependent on the Alaskan oil business. If these vessels were to lose the Alaskan business, the owners would default on their obligations and tender the tankers to the U.S. Government. Estimates of the one time loss to the Federal Government—title XI loan guarantees and CDS investments—with exports at 200,000 bbl/d run up to $460 million.

Third, the contention that exports will close tax loopholes is highly suspect. Those who believe loopholes could be closed in this fashion argue that by establishing a third party, market price, exports would establish a new wellhead valuation of the oil for purposes of estimating tax obligations. In fact, third party transactions have nothing to do with tax computations.

Third party transactions already take place. The IRS has access to price records of oil producers and the authority to unilaterally raise wellhead valuations for tax purposes, should it desire to do so. An administrative decision by the IRS has been made to permit pricing of oil at the wellhead on the basis of the next best available market. No matter what the magnitude of the third party transactions, that administrative ruling would have to be changed in order to change wellhead valuations. Thus, it is the IRS decision, not third party transactions, that is the crux of the matter.

Moreover, it is not clear that third party export transactions could provide the basis for the wellhead valuation of all Alaskan crude, even if exports took place. The IRS would have a great deal of difficulty treating all oil as if it were moving in international trade, when a large part of it was not. Indeed, having raised taxes by making the assumption of a value based on international trade, the IRS might actually force the oil into international trade, since that would be the only way the wellhead values that the IRS had arbitrarily placed on it could be realized. This is akin to having the IRS declare that all tomatoes will be valued for tax purposes according to their winter (scarcest) value, even though most are produced and sold in the summer when they are more abundant and command lower prices.

In fact, the procedure for establishing wellhead values, as well as a number of other accounting procedures about which the proponents of exports concerned with loopholes complain—the TAPS tariff, the treatment of foreign source income, and the estimation of average and actual transportation costs—are all administrative bookkeeping and auditing issues. If problems exist, they cannot and should not be resolved by exporting Alaskan oil; they should be dealt with directly as IRS administrative policy issues.

EXPORTS WILL NOT SAFEGUARD THE ENVIRONMENT

Some have argued that the environmental quality of life in the United States would be improved by exports. The benefits claimed run from the reduction of unsafe tanker traffic in U.S. waters to the prevention of the building of west-to-east pipelines to the promotion of imports of fuel efficient Japanese automobiles.

Not one of these benefits withstands the most cursory examination. The potential for spills is likely to increase with exports, rather than decrease, while the likelihood of pipeline construction and the efficiency of the American automobile fleet will be completely unaffected. These arguments are a case of environmental overkill that gain nothing for the environment while costing the economy a great deal.

Since U.S.-flag tankers began moving Alaskan oil in 1978, they have caused no major oilspills. Current economic conditions are rapidly lowering the average age of vessels in the Alaskan oil trade by causing the replacement of older vessels with newer ones, thus increasing the overall safety of the fleet. In addition, the approaching deadline for compliance with the standards of the Port and Tanker Safety Act will insure that the fleet remains well ahead of international vessels in tanker safety.

Second, those who are opposed to pipeline construction are beating a horse that has long been dead. They argue that exports will put a final end to such pipeline schemes. They seem to forget that a west-to-east pipeline already exists—in Panama—and it has reduced significantly the cost of the existing transportation network. The current economies of building pipelines are decidedly negative, because of the amortization of capital costs and the existence of alternatives. Efforts to construct a northern tier pipeline have collapsed. Given the likely quantities and duration of available supplies from Alaska, Alaskan oil will play little if any role in other pipeline schemes.

Third, the notion put forward by some environmentalists that we should export oil to the Japanese so that we can import more Japanese cars, thereby keeping pressure on American automakers to improve the fuel efficiency of the fleet, is absurd. The U.S. auto industry has lost one-quarter of its market share to the Japanese; it needs no additional prodding to compete. Nor is it clear that fuel efficiency is the only driving force behind the increase in Japanese automobile sales.

The net effect of this proposal would be to increase American unemployment without producing any tangible environmental benefit.

Mr. President, I thank you for this opportunity to set the record straight. The limitations which we propose to extend in S. 1159 are important; they are prudent; they preserve a strong congressional role; they serve our Nation's interest. Above all, they enhance our national security.●

FAIRNESS TO VETERANS ON AGENT ORANGE

● Mr. LAUTENBERG. Mr. President, over the past 5 years the Congress and the Veterans' Administration have accepted more responsibility for the effects of our agent orange spraying program in Vietnam on our Vietnam veterans. But we have yet to meet fully our commitments to the more than 16,000 veterans who claim disabilities related to exposure to agent orange and its most deadly contaminant, dioxin, while in Vietnam.

To meet this commitment to those who served, I have joined in cosponsoring S. 786, the Vietnam Veterans Agent Orange Relief Act. This bill would require the Veterans' Administration to presume service connection for three ailments strongly linked to dioxin exposure and allow treatment of and compensation for Vietnam veterans who are victims.

The chemical compound known as 2,4,5-T has long been in use as a herbicide. But its introduction 35 years ago preceded adequate toxicology tests. Literally each month we are learning more about the extreme toxicity of dioxin, a byproduct of 2,4,5-T manufacture and a contaminant of it.

Last week the Governor of my State took emergency action in response to tests showing high concentrations of dioxin at an abandoned industrial site in Newark. The Federal Government has taken the unprecedented step of buying Times Beach, Mo., because a mix of dioxin in waste oil spread on roads and countryside there was presumed to make this town uninhabitable. Why, then, such foot-dragging concerning the exposure of our veterans?

As early as 1970, the Surgeon General issued an opinion that 2,4,5-T may be hazardous to human health. That

same year the Secretaries of Health, Education and Welfare and of Agriculture issued a joint order suspending all uses of 2,4,5-T in lakes and ponds and all uses of liquid formulations of 2,4,5-T around homes and recreational sites. A special advisory committee later reported to the Environmental Protection Agency that 2,4,5-T should be used only in the most dilute forms.

The United States, by then, had sprayed agent orange and other herbicides over Vietnam for almost 10 years. Tens of thousands of American servicemen were exposed to it. Thousands of them returned home only to begin suffering from a number of illnesses they attribute to agent orange exposure. The list includes skin conditions, cancer, excessive fatigue, and nervousness, vision and hearing impairments and even birth defects in their children.

It was not until 1978 that the Veterans' Administration would provide a special physical examination for these veterans. Even then the General Accounting Office termed that effort incomplete and poorly designed since it was administered by physicians who were not familiar with the reported health effects of agent orange.

Congress in 1979 mandated a study of the health effects of agent orange, but the Veterans' Administration so prolonged the design and preparation stages that in 1982 the Congress transferred this responsibility to the Center for Disease Control. The study was not formally launched until January of this year.

There were 16,102 Vietnam veterans that had filed disability claims with the Veterans' Administration by that time for disorders they attribute to agent orange exposure. While Congress mandated in 1981 that such veterans should have a greater priority for treatment at VA hospitals, disability compensation claims are still routinely denied because agent orange disorders have not yet been classified as service connected.

A presumption of service connection, requires only that ailments correspond with a period of military service. Conditions arising before discharge or within a year after discharge are presumed to be service connected. This eligibility requirement years to develop. S. 786 takes account of this circumstance by authorizing compensation where three ailments exist, which have been linked to dioxin exposure—chloracne, a skin condition; prophyria cutanea tarda (PCT), a liver ailment; and soft tissue sarcoma, a cancer—regardless of delay in their development.

Mr. President, extensive studies of the effects of agent orange are continuing in the public and private sectors, in the United States and abroad. They will yield more medical and scientific findings about the adverse health effects of exposure to dioxin. But in the interim, we must take steps to meet our responsiblities to our Vietnam veterans who are suffering now.

The Administrator of the Veterans' Adminstration now acknowledges the consensus of the medical community and is ready to treat PCT and chloracne as service-connected disabilities. The Congress has mandated that in the absense of proof to the contrary, a veteran's own contention of exposure to agent orange is sufficient for receipt of VA medical treatment. Our sense of fairness to those who served faithfully in our most unpopular war demands that we give those still suffering the benefit of the doubt.

Mr. President, the Veterans of Foreign Wars, the American Legion, Amvets, the Vietnam Veterans of America, and Veterans of the Vietnam War all now support S. 786. Despite the medical questions that remain, I believe there should be no question about America's commitment to those who have served. I urge my colleagues to take note of the Veterans' Affairs Committee hearings on agent orange later this month and to support S. 786.●

BUSINESS AND VOCATIONAL EDUCATION

● Mr. DENTON. Mr. President, the productivity of our Nation's business and industry depends in large measure on a well-trained work force. Vocational education continues to be a major provider of the skill training needed to provide young people and adults with the competencies required to compete in the workplace. Jobs exist for those persons who have the right skills and qualifications.

Mr. William B. Reed, president of the Southern Co. Services, Inc., of Birmingham, Ala., last month addressed the annual joint meeting of the National and State Advisory Councils on Vocational Education here in Washington. Southern Co. Services, Inc., is the parent organization of Alabama Power, Georgia Power, Mississippi Power, and Gulf Power. In his speech, he related an experience of one of their Alabama companies, which was interviewing for entry-level job openings. He said that of 360 applicants, the employment manager estimated that he would be fortunate to find 20 who could qualify for the jobs. Mr. Reed went on to give his views on what business expects from vocational education, and how a stronger partnership can be built.

Mr. President, I ask to have Mr. Reed's speech printed in the RECORD.

The speech follows:

THREE KEY WORDS FOR VOCATIONAL EDUCATION: RIGOR, RELEVANCE—AND PROFIT

(Remarks of William B. Reed)

Ladies and gentlemen, less than two miles from this spot—and less than two months ago—the United States Congress passed what was called a "jobs" bill.

Whatever the effects of that legislation—I dare to make this prediction: You, gathered here for this conference—and your colleagues back home, who work in support of vocational education—will achieve more to get people into jobs than any law ever passed by any congress.

You will achieve more—first—because you bring to the task your own personal dedication. You have committed yourselves to deal with a need that exists—not here at the nation's political center—but in the nation's true center—which is back home, where America lives and works.

Secondly—you will achieve more because you have the wisdom to seek a partnership between vocational education and business. I'm confident you'll find most business people eager to enter into this partnership. Believe me, we know that we have a vital stake in vocational education.

Indeed, that's why I'm here today—that, plus the honor of receiving your invitation through my friend, Linda Chastain—the chairman of our Alabama Advisory Council. There's also the fact that Ms. Chastain is a hard woman to say "no" to.

But I didn't want to say "no." I have some very definite impressions and opinions that I'd like to share with you. My right to speak for all American business may be subject to some question—but I can claim to speak for one of the nation's largest electric utility systems. This system—operating under The Southern Company—includes some 30,000 workers in four states. We certainly rank as a major employer in the Southeast.

And we can claim to be representative of American business in the way our work runs the gamut—from personal service through local offices—to high technology, in the operation of nuclear power plants. As you know, all the seers and sages tell us that the future of the American economy rests with services and high technology. So, I believe our experiences and our needs reflect very fairly those of other businesses across the country.

Of course, many of you in the advisory councils are business people, too. But your main endeavor—through the advisory councils—is to build bridges between business and the field of vocational education. To the extent that you want to maintain those bridges and keep them open, you may feel some constraints—some reluctance to speak to your state educational and political establishments with a blunt and direct business viewpoint. I can speak without those constraints—hoping to give you a message from business that you can carry across the bridge.

And please let me make it clear right now that my message is not a negative one. I do not come before you to mourn the failure of vocational education—because vocational education has not failed. Since the 1960s—especially—vocational education in the United States has made enormous progress. Literally millions of Americans are out there working now—collecting well-earned pay—adding to the strength of the economy instead of drawing from it—enjoying the satisfactions of personal achievement—because of our vocational education programs.

As part of my preparation for this meeting, I had a little survey made within some of the companies in our system. This very informal and unscientific survey confirmed that gains have been made in the states where we operate. We are getting some good data processing and word processing work-

ers, some very good technicians, and some good drafting people.

By my hasty survey also confirmed the existence of some very definite shortcomings and some glaring gaps—some opportunities for improvement—which must be addressed if vocational education is to respond to the needs of business and industry. My message today deals with these shortcomings—these gaps—and these responsibilities. My hope is that you'll carry this message back across the bridge to our partners in vocational education—and to the officials in state education establishments and in political office who set the course of vocational education.

I must preface my message with an observation of the obvious. This economy—this society—indeed, this world—is going through a painful process of change. Unless you've been marooned on a desert island, your ears must ring with the jargon of change—the terminology of high tech, the information age, knowledge industries, and the growing service sector.

All of this has had a tremendous influence on what we of the business world look for when an applicant walks into one of our employment offices. No longer is it enough for a worker to come in and offer us a pair of hands. Today, we're hiring minds as well. And that's the problem—and the opportunity—for vocational education.

I've said that we in the Southern electric system are getting some good data processing people, some good technicians, some good drafting people. True. But the level of quality that we're seeing is grossly inconsistent. It has reached the point where our employment managers can identify not only specific schools—but specific teachers—whose students come to us ready for the world of work. On the other hand, there's a large percentage of applicants—large enough to rate the word "tragic"—who come to us unqualified to assume any useful role in the workplace.

Let me relate one specific instance from that little survey I mentioned. It was brought up by an employment manager in one of our companies in Alabama. And I'm sure more of you know that Alabama has been engaged in an unhappy competition for the distinction of being the state worst hit by the recession.

On the very day we spoke to him, this man said, his company was accepting applications for a number of entry-level job openings at one of its generating plants. About 360 applicants lined up at the plant site, desperately hoping to land one of those jobs. Some came the night before and slept in their cars in the plant parking lot.

Of these 360 applicants, this employment manager estimates that we'll be fortunate to find 20 who can qualify for the work.

Where will the others fall short? If past experience is any guide, they will lack the basic skills of comprehension and computation—or, in layman's language—simple reading, writing, and elementary arithmetic.

Nothing so advanced as algebra, mind you. We're talking about more than 50 percent of the applicants who come to us being unable to handle level two in numerical computation. That's addition, subtraction, multiplication, long division, simple fractions, and decimals.

We cannot hire these people because they would have difficulty monitoring a plant's gauges and reading the printouts. They would not be able to write up a simple report if anything unusual happened during their work shift.

Some may say that teaching these fundamental skills is not the mission of programs in vocational education—that vocational education must concern itself only with training in specific workplace skills.

My answer to this—and I ask you to relay it back to your state education departments—is that we in business are not concerned about whose turf is involved. Reading, writing, addition, and subtraction are essential workplace skills. No vocational education program which hopes for success can ignore the need for these skills. No vocational education program which neglects these skills can hope to establish a fruitful partnership with business.

But, I said that I did not want my message today to be a negative one. So, let me take the positive approach. Let me offer some suggestions that may help our partners in the educational and political establishments to strengthen their state vocational programs. Let me offer you a message to carry across the bridge—a message based on three key words. These words are—rigor—relevance—and profit.

To this layman, it appears that rigor has not been a popular word in American public school classrooms for many years. And believe me, I'm including all courses and all levels of education in this charge. Students have been quick to perceive that a mere 65 percent—a grade of D—is "passing," and that everybody passes and everybody graduates or gets a certificate eventually.

Unfortunately for these students, they step out the school door into a world where 65 percent is not good enough—and where everybody does not get by. I can assure you—our customers would be very unhappy if their electric service was reliable only 65 percent of the time. And you'd all be terrified if we ran our nuclear reactors with the attitude that 65 percent was good enough.

But there's no need to focus on the demands of electric service and high technology. The supermarket in your hometown shopping center handles thousands of transactions every day. They order stock out of inventory—put prices on the packages—add up each customer's bill at the checkout—and take in the money. At any point in that sequence, a 65-percent-is-good-enough attitude would spell bankruptcy and disaster.

Am I saying that business demands only A students? That testing and graduation or certification must focus on perfection? Not at all. Heaven knows, we in business and industry aren't perfect.

But we keep trying for perfection. It's a matter of attitude. Zero defects may be an unattainable goal—but it's a worthy goal.

Show me a vocational education program that works hard to instill this demanding attitude, and I'll show you a program any business person would be proud to call "partner." But you cannot build this attitude—and business cannot consider the school to be a partner—while students who perform at the F level get As and Bs and diplomas and certificates.

Everyone who hires entry-level workers can tell you sad stories of young men and young women who walk in with diplomas and certificates—but cannot read and fill in the application form. We can also tell you infuriating stories about young people who don't understand why we make a fuss about coming to work daily and coming on time. How could they understand—when they were allowed as many as 20 absences without penalty during a school term?

Ladies and gentlemen, there's more to vocational training than learning to work a drill press, a weaving machine, or even a computer. Attitude counts. And I suggest that greater rigor in the schools will help build the right attitudes.

The second key word in my message from business to those in the field of vocational education is relevance. Again, I refer to the almost revolutionary transition that business and industry are now going through.

This change isn't limited to the high-tech laboratories and computer rooms. Recently, a sawmill in my home state of Alabama began operations—and it differs as much from the sawmills of 20 years ago as an astronaut differs from Paul Bunyan. This sawmill uses lasers, electronic sensors, computer analyzers, and microprocessor controllers.

Now, that may sound like a place where nobody with less than a Ph. D. in engineering need apply. But they don't need a whole staff of engineers to operate that kind of installation. They do need people who are trained in today's technology—and who will be retrainable in tomorrow's technology.

It's true that most large businesses—like the one I represent—do offer training programs for our employees after we hire them. We accept the need to train new people in our ways—on our equipment.

What we do not accept—what we find deplorable—is that often we have to begin this training by going back almost to step one. Often we have to retrace the educational path and teach new employees the basics they should have learned in the schools.

This takes time. It takes money. And—very frankly—it does not make us feel that we're engaged in a satisfactory partnership.

We in business recongize the problems that educational systems face when they try to develop programs that match today's technology. We understand that budget limitation make it difficult to get state-of-the-art equipment and qualified instructors. I believe many business people stand ready to help—through equipment donation plans, through instructor exchange programs, and through workplace-training programs. But the educational establishment and the political powers will have to make some matching commitments before this can be called a real partnership.

I suspect you're all familiar with the barriers to change that loom in this area. Different segments of the educational world guard their special domains jealously. Scarce funding is wasted on duplicated facilities. All too often, funding decisions are based on antiquated formulas—so that programs with little real job potential get lavish treatment, while more relevant programs struggle with starvation funding.

I won't embarrass you by asking for a show of hands, but answer these questions in the silence of your minds. How many of your states offer 10 to 20 programs in cosmetology for every one in instrumentation technology? How many have far more programs and instructors in upholstery or auto body work than in industrial electronics?

I don't mean to cast any stigma on the trades I've named. some of my wife's best friends are cosmetologists and upholsterers—and I've got the bills to prove it.

But there's a rather severe limit to the number of cosmetologists that the world of tomorrow will need—while there is almost no practical limit to the number of electronic technicians we'll need. Let's put our young people where the jobs will be! Let's fill our training curricula with programs that are relevant!

Now my third key word—a word that may have a strange sound to educator's ears—but one that echoes like beautiful music

through the halls of business. The word is profit.

Before you tune out and start thumbing your programs to see what fascinating topics the afternoon sessions will offer—let me assure you I do not propose to turn vocational education into a hymn in praise of capitalism. I do not suggest we can resolve the issue of prayer in the schools by substituting quotations from Adam Smith.

Nevertheless—it is my firm conviction that many of the problems addressed by my first two keywords can be lessened—if not resolved—by making clear the relationship between profits and jobs. I think this understanding will go far to remedy the attitude problems we've discussed. I believe it will motivate students to accept the rigor—and to seek out those courses with relevance.

Indeed, I believe an understanding and appreciation of the driving power of profit in business will raise our topic of the day to an even higher level—that it will lead to a partnership that includes not only business and the schools, but also the workers who come out of the schools and into the businesses.

How will an understanding of profit's role in business achieve all this? Reflect on the typical entry-level applicant's approach to job-seeking—versus the reality of what a job signifies in the business world. For all-too-many young people—and all-too-many older workers, for that matter—a job is a secure niche out there somewhere, waiting. And the only problem is to find the person who can give that job to him or her. Why—if it comes to that—the would-be worker has a right to a job. And, if some employer—with all those jobs to give out, hidden away there on the shelves—doesn't give him or her a job, then by golly the government should see to it.

But the reality—as you and I know—is that nobody operates a business for the sole purpose of providing jobs. Businesses exist for the purpose of filling needs or wants—and doing so at a profit. If the needs or wants change—if the profit disappears—so does the business. And with it disappear the jobs that existed solely to help satisfy those needs or wants.

One wise man said that the quickest way to impress people with the role of profit in business would be to ask whether—in times of economic stress—they would rather be working for a company that makes a good profit or one that does not. My friends, I think the recession we've been going through has supplied the answer to that question for anyone who didn't know it before.

I sincerely believe that one of the most valuable lessons a teacher in a vocational program can convey is a healthy respect for profit. Many schools already have programs under which business people come into the classrooms as guest lecturers, to talk about job skills and their place in the world of work. I would suggest a similar program—under which guest lecturers would talk about profit and its place in the world of work.

Let these business men and women tell how all costs affect that well-known "bottom line"—and how the bottom line affects jobs and pay. Let them point out that profit is not exclusively the concern of the boss.

Those are the elements, ladies and gentlemen—of one businessman's message to those who fund, those who administer, and those who teach our vocational education programs.

I can sum it up in three short sentences built upon those three key words. Rigor is a vital need. Relevance is a crucial concept. And profit is the driving force.

Together, they add up to a prescription which can help America's vocational education programs achieve the goal of preparing people for satisfying, productive careers. Let the schools follow this prescription, and they will find business walking right beside them—in a strong and creative partnership—a partnership that works—for the schools, for the students, and for the community.●

S. 337—CHARITABLE CONTRIBUTIONS DEDUCTION

● Mr. D'AMATO. Mr. President, I am pleased to cosponsor S. 337, legislation to make permanent the deduction for charitable contributions by nonitemizers that is now scheduled to sunset on December 31, 1986. I believe that this legislation, introduced by my distinguished colleague, the senior Senator from New York, is crucial to assure the continued viability of philanthropic, humanitarian, and cultural organizations.

As a part of the Economic Recovery Tax Act of 1981 (ERTA), Congress established a 5-year phasein of this deduction by nonitemizers. I believe that this was responsible tax policy. In 1982 and 1983, it was mandated that nonitemizers could deduct 25 percent of their charitable contributions up to $100. In 1984, the deduction rises to 25 percent of contributions up to $300. It increases to 50 percent of total contributions in 1985. Finally, in 1986, 100 percent of all contributions will be deductible by nonitemizers. However, for tax year 1987, the deduction is completely repealed.

The charitable deduction for nonitemizers is estimated to lose $5.7 billion in tax revenue when 100 percent of all contributions can be deducted. This is in stark contrast to estimates by the Urban Institute of $25 billion less Federal funding of these same organizations during the period 1982 through 1985. The problem is compounded by $80 billion of Federal cuts in areas of interest to these organizations. Clearly, charitable institutions are experiencing a funding shortfall. With the sunset of December 31, 1986, for charitable deductions by nonitemizers, the financial difficulties of charities will be further exacerbated.

Eliminating the sunset provision would effectively reduce the financial burden felt by these worthy groups. This is consistent with the administration's oal of encouraging private sector funding of private nonprofit activities.

The Federal funding crisis aside, private giving to charities has been sharply reduced as of late. The recession has constrained individuals' ability to contribute to worthy causes. With the recovery gaining strength, this trend hopefully will be reversed. However, changes in the tax structure mandated in ERTA will permanently reduce giving to charities by certain economic groups. By dropping the maximum individual tax bracket from 70 to 50 percent, the wealthy have less of an incentive to give. Consequently, some individuals in the highest tax bracket will reduce their contributions.

Mr. President, I am not suggesting that the maximum individual tax rate be increased. Rather, I am supporting adoption of S. 337 as a means of partially replacing Federal cutbacks and less giving by the affluent. The legislation is designed specifically to encourage middle-class participation in charity. Approximately 67 percent of all taxpayers do not itemize. Without the deduction for charitable contributions by nonitemizers, the middle class will have no monetary incentive to give.

The charities of our society are a precious natural resource that need to be developed further. S. 337 will ease the financial stress felt by the Nation's humanitarian and cultural organizations. I am proud to be a cosponsor of S. 337 and urge its adoption.●

CLINCH RIVER: DOE'S FERMI-II?

● Mr. HUMPHREY. Mr. President, one of the key arguments made by proponents of the Clinch River breeder reactor project is that the reactor represents a major breakthrough—the first large-scale breeder to be integrated into an existing commercial electrical grid. Indeed, one of the project's biggest boosters, Alvin Weinberg, has repeatedly emphasized this point.

What these boosters conveniently forget, though, is private industry's own construction and operation of a 175-megawatt breeder near Detroit called Fermi-I in the mid-1960's. This private effort is instructive on four counts. First, unlike Clinch River, all of Fermi-I's costs and risks were assumed by the private sector. Second, and largely as a result of this, the project ended up costing far less—only $25 million, 160 times less—than even the Department of Energy's lowest cost estimate for Clinch River. Third, significant experience was gained from the reactor's operation. Indeed, many of the key design features of Clinch River came directly from the Fermi-I plant. Finally and most important, the Fermi-I effort proved to be terribly premature, and in fact experienced a series of breakdowns including a localized fuel core meltdown that kept the plant off-line for nearly 4 years.

Mr. President, before we consider funding the Clinch River project this year, it is important that we consider the extent to which we may simply be building another Fermi-I but now at exorbitant public expense. Indeed, even members of the utility industry are now arguing this. Thus, in the May 26, 1983, issue of Public Utilities Fortnightly, a journal reader forceful-

ly challenged the wisdom of proceeding with Clinch River, given the Fermi experience.

Mr. President, I ask that the full text of this letter and James P. Lagowski's "The Significance of Fermi," the concluding chapter of the American Nuclear Society's history of Fermi-I, be entered into the RECORD.

The material follows:

(From Public Utilities Fortnightly, May 26, 1983)

CLINCH RIVER BREEDER REACTOR PROJECT NOT NEEDED?

This letter is written as a response to the guest editorial of your April 14, 1983, issue: "Why Clinch River?" by Alvin M. Weinberg. I find this editorial misleading and incorrect in its main premise.

My disagreement centers on the author's statement in the fourth paragraph of his editorial: "Clinch River is our first fully integrated large-scale breeder." This is simply not true; the Fermi I project, completed in the mid-1960s, was a fully integrated, 175-megawatt power plant connected to a large electrical system at 115 kilovolts.

This power plant has been the subject of countless articles, and reports, both inside and outside of the industry, including one best selling (and sensationalized) book titled "We Almost Lost Detroit." Fermi I is widely known within the nuclear industry, of which Dr. Weinberg claims forty years experience.

Fermi I was built entirely with private funds by a consortium with 110 corporate participants. But, to sum the project up, it was a brilliant and innovative undertaking that came to an ugly and heartbreaking end. Everything seemed to go wrong, despite the efforts of the dedicated and skilled builders and operators of the plant. After a series of accidents, including a class 9 fuel melting situation (localized to a small part of the core due to coolant blockage), the plant was ordered shut and decommissioned by the Atomic Energy Commission. One of the plant's steam generators is now in Japan being used as part of a nuclear project: This is proof of the fine work done on the plant.

Why should Dr. Weinberg ignore Fermi I and its hard but invaluable lessons? The answer is simple and contained in the title of his editorial: Why Clinch River? Dr. Weinberg argues that we will never know the problems and possibilities of a breeder reactor without an operating example, and this is true. However, a large-scale breeder has been built and operated in this country, and given us plenty of information about breeders—most of it unpleasant. Why should we spend billions and billions of federal tax dollars to learn the same things? Clinch River seems far less justifiable considering the Fermi I experience. Therefore, Fermi I must be ignored.

Fermi I was a bold and daring project; those responsible for it deserve our thanks for their hard labors. To ignore their findings is a shocking insult; to persist in that ignorance invites disaster. The nuclear industry cannot survive if it persists in ignoring the hard lessons of its past.

—BRIAN O'NEIL.

THE SIGNIFICANCE OF FERMI

(By James P. Lagoswski[1])

[From E. Pauline Alexanderson, "Fermi-I," (La Grange Park, Ill.: The American Nuclear Society, 1979). "The Fermi reactor has accomplished its primary research and training goals. As a proven operating fast breeder reactor, all of its components functioned as a system under complete control, and it has shown that a reactor of this type can take its place with conventional units within a large electric power system. The world's largest operable breeder, it has established a basis for future breeder reactor technology."—Walker L. Cisler[2]]

The Fermi Project will be remembered as one of the first major U.S. efforts to commercially harness the vast potential energy resources in uranium. From 1963 to 1966, and from 1970 to 1972, Fermi was the largest operating fast breeder reactor in the world.

The contributions of this project to fast reactor technology range from design and development activities, prediction of nuclear characteristics, plant test experience, and maintenance of large sodium systems and components, to such achievements as the establishment of legal precedents and worldwide personnel training.

DESIGN AND DEVELOPMENT

During the first several years of the project, many studies were undertaken to establish a basis for the plant design. There was no prior experience in the design of large liquid-metal fast breeder reactor (LMFBR) power plants at that time, although the 1-megawatt (thermal) [MW(th)] Experimental Breeder Reactor-I (EBR-I) did exist and the 62-MW(th) EBR-II design was progressing in parallel.

The basis for many fundamental design decisions had to be established. This included such items as a choice between sodium and sodium-potassium coolant, provision for decay heat removal (including a decision between upflow and downflow), the need for auxiliary power and auxiliary pumping capacity to ensure shutdown heat removal capability until natural circulation was established, and evaluation of tank-type versus piped primary coolant systems. Equally important decisions had to be made in such areas as hot-leg versus cold-leg primary pump arrangement, plant operating conditions, materials selection, plant component and system design criteria, provisions for sodium purity monitoring and cleanup, plant and equipment layout for maintenance accessibility, in-vessel and ex-vessel fuel handling, the choice of nuclear reaction control materials, plant instrumentation and control systems, and innumerable other decisions.

Concurrent with the design effort, very significant research, development and testing activities were carried out in sodium technology. These activities included steam-generator model testing, sodium-water reaction rates, sodium fires, sodium chemistry, fuel subassembly and core component development, fast reactor safety including fuel melting experiments, theoretical methods development for accident analysis, Doppler theory, and sodium reactivity effects. Other areas included reactor stability including theoretical methods and experimental techniques, fast reactor physics including methods development, critical experiment planning and analysis, models for core power feedback effects, and radiation shielding.

This design and development program, combined with a carefully developed philosophy of safety, resulted in a safeguards envelope that could protect against accidents far in excess of those deemed credible. Gross core meltdown was essentially precluded by piping design, double containment of the primary coolant, reserve sodium supply, auxiliary coolant pumps, and backup diesel generator and battery electric supply, as well as limitations on sources of positive reactivity. Nevertheless, the containment building was designed to withstand the effects of an energy release (including expulsion of the 147-ton shield plug that closed the top of the reactor vessel) which could result if it were arbitrarily assumed that the entire core melted, with the top half of the core collapsing into the other half. The result of these efforts was the Fermi Plant design, as constructed. The design experience and development work were fully documented (see Appendix D) and made widely available; this made a substantial contribution to LMFBR technology. Table I describes the magnitude of the reporting effort. Many of the features of subsequent U.S. and foreign LMFBRs trace their origin to the Fermi experience described in these reports.

At the time the Fermi Plant was designed, many decisions had to be made based on very little prior experience. Fermi experience proved that most of those early decisions led to satisfactory design approaches and provided a solid basis for design decisions on future plants. In 1970, Atomic Power Development Associates (APDA) and its Japanese personnel[3] developed a concept for a 350-MW(e) fast breeder reactor based on an extension of the Fermi experience. This conceptual design was used as one of the starting points in designing Japan's demonstration plant, MONJU. The USSR BN-350 is another example in which Fermi precedence and experience were utilized. The U.S. Fast Flux Test Facility (FFTF), now under construction, and design of the U.S. demonstration plant at Clinch River use many features of the Fermi design. The value of being able to build on the successful features of the Fermi Plant is incalculable.

PREDICTION OF NUCLEAR CHARACTERISTICS

In the early days of the Fermi Project, there was some apprehension over the potential safe operating characteristics of the fast reactor. This concern was largely due to the lack of experience at that time, but was partially related to the EBR-I meltdown of 1955, the possibility of a positive Doppler coefficient, and the general sensitivity of fast reactors to core material displacement due to thermal/mechanical interactions (because in melting, the metal fuel could become more reactive through compaction).

Important basic development work in fast reactor safety was accomplished in the course of developing the Fermi design. The successful culmination of this effort is best evidenced by the results of the detailed nuclear testing of the plant. Nuclear and plant tests were carried out at various power levels up to the 100-MW(th) licensed power. These tests, described in earlier chapters,

[1] James P. Lagowski is supervisor of Resources and Facilities Planning. The Detroit Edison Company. He was associated with APDA from 1966 to 1971.

[2] Walker L. Cisler in a PRDC press release of November 29, 1972.

[3] Many Japanese personnel are listed in Appendix D as contributors to APDA-215.

generally confirmed the nuclear and thermal-hydraulic design predictions. Many significant details learned in this experience were factored into subsequent U.S. and foreign LMFBR plant designs.

This thoroughly documented testing (see Appendix D) proved that a properly designed fast reactor plant does indeed function in a safe and predictable manner. The plant operated in a very stable manner and was easily controlled. Nuclear characteristics such as power coefficients, power distribution, control rod worths, core geometry reproducibility, neutron shielding, sodium reactivity, power coefficient linearity, burnup reactivity effects, and many other features were found to be essentially as predicted.

OPERATING EXPERIENCE

The Fermi Plant operated for many years with the primary and secondary systems filled with sodium. There were about 300 days of total nuclear operation and about 100 days of operation at significant power. This included several successful runs at the licensed power of 200 MW(th). High-power operation was limited only because of the steam generators and Core A fuel behavior.

In the period prior to the October 5, 1966 fuel melting incident, power operation was principally limited by the availability of steam generators. During that period, the plant experienced many instances of leaks in the tube-to-tubesheet welds. These leaks were extremely small, but large enough to require shutdown of the units for repair. The plant maintenance staff became very proficient in removing the steam generators from service, locating leaks, plugging tubes, and returning the units to service.

In the period when the reactor was shut down following 1966 fuel melting incident, a major revision of the tube-to-tubesheet joints was made on all three steam generators by the Detroit Edison Company and the maufacturer, using an internal bore weld. In subsequent operation, this repair appeared to have been very successful. The units were tighter than ever before. Low hydrogen levels in the argon cover gas were a good indication of a tight system. However, some additional leaks were experienced in steam generator No. 1.

The steam generator experience was particularly relevent in view of the fact that the sodium steam generator is widely recognized as one of the major development problems in LMFBR technology, and the fact that the Fermi units, which were once-through, single-walled tube units, were designed as a prototype for commerical operation.

During decommissioning, the Central Research Institute of Electric Power Industry (CRIEPI) of Japan purchased the No. 1 steam generator from the Detroit Edison Company for one dollar and shipped it to Japan, where an extensive metallurgical examination of this unit was performed. Results of this examination revealed that all the tube leaks and all the corrosion were taking place at the low points of the tube routings and on the bottom half of the tubes. These facts led to the conclusion that the cause of the leaks was attributable to the fact that water used to locate tube-to-tubesheet failures was not completely removed following execution of the leak-test procedure. It was also concluded that full drainability of the water side would be a highly desirable feature of future steam generators.

In addition to the steam generator, CRIEPI asked for and was given samples of primary sodium, an irradiated control rod, and a number of metallurgical samples from the surveillance subassembly. These were examined in detail in Japan and a complete test report on the result was published. This and the report on the steam generator were made available in the U.S. through a document exchange program. The Japanese recognized the operating experience value of making these examinations and also of recording the decommissioning story that was partially paid for by them; the value of all this was only belatedly recognized by the AEC.

After resumption of operation in July 1970, plant operation was primarily limited by first-core fuel considerations, such as irradiation-induced creep in stainless steel which, along with stainless-steel swelling, are among the important core design considerations for future fast reactor cores. These effects at Fermi could have caused a misalignment between the holddown fingers and the fuel subassembly handling heads. From an operational view, it was necessary to measure subassembly bow, both in magnitude and direction, after raising the holddown. New reloading patterns had to be devised and carried out before the holddown lowering and operation could take place. Techniques and equipment to make these measurements with a high degree of accuracy were developed, but very extensive and time-consuming fuel handling was necessary.

Some very useful basic data on irradiation-induced creep in the Fermi neutron flux level of 5×10^{15} were obtained. This neutron flux was 50 percent greater than that in any other operating fast reactor. Problems arising from creep were to have been provided for in the second or oxide core program, by fuel design, and by the addition of a core restraint system. Because of limited Core A fuel life, operation at power was reserved for essential test operations and important demonstrations.

COMPONENT AND SYSTEMS EXPERIENCE

Operating experience with the plant after July 1970 generally demonstrated that all components and systems were functioning properly and reliably. This would certainly apply to the primary and secondary pumps, which logged tens of thousands of hours, to the intermediate heat exchangers, to the new fuel transfer facility, to the plant safety systems, to the primary sodium service systems (including the cold trap and plugging temperature meter), to the cover gas and waste gas systems, and to the discharged fuel handling and cleaning equipment that was used extensively in readying spent fuel for return to the Atomic Energy Commission (AEC). The exceptions where concern still existed were the No. 1 steam generator and, of course, the long-recognized need for an improved (or second) core design and new fuel supply. All other plant components and systems appeared to be satisfactory for use at the plant design power level of 430 MW(th). The Core A fuel was designed for and limited by the operating license to a maximum of 200 MW(th). This power level was successfully achieved.

MAINTENANCE OF LARGE SODIUM SYSTEMS

Demonstration of the ability to maintain large sodium systems was one of the major hurdles to the acceptance of LMFBR plants by the utility industry. The Fermi Project demonstrated this capability over a period of 12 years in a plant operated and maintained by electric utility company personnel. This maintenance history was thoroughly documented in a series of about 240 maintenance reports.[4] The experience covers the whole range of maintenance operations, from normal maintenance operations such as replacement of pump seals and maintenance of control rod drives, to the very extensive and complex recovery operations associated with the October 5, 1966 fuel melting incident. The Fermi Plant maintenance staff developed great competence and confidence in its ability to maintain large sodium systems in a routine manner. This maintenance experience has been used by every fast reactor design that followed Fermi.

THE FUEL MELTING INCIDENT

The fuel melting incident that occurred on October 5, 1966 had an enormous impact on the Fermi Project in terms of time delay and cost. Nevertheless, the investigations and repairs that followed provided valuable information for subsequent designs, and for the Fermi Plant itself, when operation was successfully resumed nearly four years later. While the Fermi Project suffered a major loss as a result of the incident, the nuclear industry and, ultimately, the nation benefited technically from what was learned.

Most importantly, the incident demonstrated that thoughtful preparation for reasonable malfunctions, coupled with a design philosophy that incorporates redundancy and defense-in-depth, provides a safeguards envelope that will respond adequately to a real accident and provide ample margin between actual consequences and public harm, even though reactor accidents seldom occur or progress exactly as envisioned during design.

The maximum credible accident had been defined by PRDC as complete blockage of one subassembly at full power and by the AEC as blockage of two subassemblies. The predicted most likely accident course was rapid melting and ejection of fuel from the core, followed by automatic scram due to the resulting rapid power drop. Consequences of such an accident would pose no public or plant personnel hazard. The real accident involved a slower partial melting of only part of the fuel in two adjacent subassemblies. It was detected by anomalous reactivity loss and radiation release to the containment followed by manual reactor shutdown. The consequences posed no public or plant personnel hazard.

DECOMMISSIONING

Major retirement activities and the plan for maintenance of the plant in perpetuity formed the framework of the decommissioning program. These major activities were:

1. Return of the leased enriched uranium to the Energy Research and Development Administration (ERDA), formerly the AEC;
2. Shipment of all radioactive blanket subassemblies to ERDA for disposal;
3. Removal of radioactive sodium from the primary sodium system for eventual delivery to the CRBRP;
4. Removal and disposal of the nonradioactive secondary system sodium;
5. Chemical treatment of residual sodium in the primary and secondary sodium systems to a passive material;
6. Dismantling most of the slightly contaminated equipment located outside the re-

[4] A complete set of these maintenance reports was given to the Electric Power Research Institute Library, Palo Alto, Calif.

actor building and shipment of such material off site to a licensed burial facility;

7. Installation of monitoring instrumentation in the reactor and fuel and repair buildings;

8. Rerouting the facility boundary fence to enclose only that region containing residual radioactive material;

9. Plant maintenance in perpetuity including: the installation of instrumentation to promptly identify the existence of potentially deleterious conditions, storage of radioactive materials within buildings of high integrity, and continuing periodic surveillance;

10. Establishment of administrative controls for authorized entry to restricted areas and for preparation of environmental, unusual events, and annual status reports.

Decommissioning of the Fermi Plant was essentially complete by December 31, 1975. Fermi's decommissioning plan was unique in that it was greatly influenced by the following factors:

1. Installation by the Detroit Edison Company of a 1100-MW(e) boiling water reactor adjacent to the Fermi Plant site;

2. Use of the Fermi turbine for peaking by the Detroit Edison Company utilizing a fossil-fueled boiler;

3. The $4 million retirement fund held in reserve by PRDC.

Furthermore, there were no guidelines available from the AEC regarding decommissioning a sodium-cooled reactor, even though such sodium- or sodium-potassium-cooled reactors as HALLAM, SEFOR, and EBR-I had been or were then concurrently being decommissioned. Studies had to be made by the AEC on what to do with the irradiated blanket elements and the radioactive primary system sodium. These studies were primarily responsible for the lengthy period required for decommissioning.

In addition, decisions had to be made regarding the administration of a decommissioned site. Minor residual radioactivity that was still present was more than adequately rendered inaccessible and inescapable and is well monitored.

These decommissioning decisions are examples of just a few of the many that had to be made in shutting down the Fermi Project. Even during plant dismantling and decommissioning, it was contributing to the LMFBR program by assisting in the establishment of design criteria for decommissioning such reactors.

FERMI PRECEDENTS

A number of important precedents were set by the Fermi Project. Among them were the establishment of legal precedents, particularly those related to licensing, the cooperation of many major industries, and personnel training that benefited reactor programs worldwide.

LEGAL PRECEDENTS

In a series of court cases extending over a period of five years, many of the major legal points concerning the U.S. nuclear power program were developed and have remained as precedents to this day. An AEC conditional construction permit was issued to Power Reactor Development Company (PRDC) on August 4, 1956, and on August 31, 1956 a petition was filed by several intervenors to oppose the issuance and continuation of the construction permit, contending that the necessary showing of safety and financial qualifications had not been made. In many respects, Fermi served as a test case paving the way for future nuclear power development by private industry, since the U.S. Supreme Court, in an historic decision on June 12, 1961 sustained the AEC and PRDC on every point of contention.

Concurrent with construction permit litigation, the AEC was breaking new ground in its regulatory processes. The construction permit was conditional on the ability of PRDC to satisfy various questions raised in June 1956 by the Advisory Committee on Reactor Safeguards (ACRS). The ACRS observed that in view of the early state of nuclear technology, much additional information had to be developed. This information was provided during the ensuing design and development period and led to ACRS letters of support for the low- and high-power operating licenses issued in October 1963 and December 1965, respectively. In issuing these licenses the AEC developed guidelines and regulations that would serve in licensing future nuclear power plants.

COOPERATIVE EFFORT ON A MAJOR PROJECT

An industry-wide cooperative effort on the scale of the Fermi Project was a first-of-its-kind for the utility industry since it involved so many companies. Initial involvement consisted of 23 electric utility and industrial companies firmly committing $23 million to the project. It represented an example of what can be accomplished by unified action of the utility industry in pooling resources and coordinating efforts for the accomplishment of major projects and research and development programs.

The proposed Clinch River Breeder Reactor Project (CRBRP) would go a step beyond the Fermi Project in this respect, since it involves most of the privately owned electric utilities in the U.S. with $250 million participation by the utilities. However, at the present time there is considerable doubt as to whether this project will ever be completed.

PERSONNEL TRAINING

Personnel training was one of the most useful and worthwhile accomplishments of the Fermi Project. It was one of the principal purposes of the project from the beginning. A strong spirit of international cooperation developed. More than 250 U.S. and foreign personnel obtained practical experience in nuclear power plants through the Fermi Project. Scientists and engineers came from U.S. electric utility companies and U.S industry, as well as from organizations in ten countries overseas, including electric utility, industrial and governmental organizations. Many returned to assume important responsibilities in the nuclear work of their parent organizations.

The LMFBR technological background invested in these people has been and is now being applied to LMFBR projects around the world, including the Rapsodie, Phenix, and Super Phenix Projects in France, the Prova Elementia Combustible Project in Itlay, the SNR Project in West Germany, Belgium, and Holland, the JOYO and MONJU Projects in Japan, as well as the FFTF and the Clinch River demonstration plant in the U.S.

Many of those who received training through the Fermi Project are recognized leaders in the nuclear power field, in both LMFBR and commercial light water reactor programs. It is through these many people that experience gained in the Fermi Project has been and will continue to be usefully applied in developmental work leading to commercial LMFBRs. Chapter 16 shows, to the extent possible, the origin and destination of Fermi Project personnel.

OVERALL SIGNIFICANCE

Until recently, one of our nation's research and development targets was to achieve commercial-scale fast breeder reactors by the end of this century. Of the various breeder concepts, the one on which much work has been done in the U.S. and overseas is the Fermi type, the piped sodium-cooled fast breeder. In January 1972, the Federal Government selected the Commonwealth Edison Company and the Tennessee Valley Authority to build the next generation reactor of this type, the 350-MW(e) Clinch River demonstration plant. The reactor was planned for completion in the 1980s. Observers believe that the development and operation of Fermi has done much to create a base for and acceptance of such a project by the industry. Preliminary design also indicates the use of various key design concepts demonstrated in Fermi.

At one time, the U.S. was well ahead of other countries in fast breeder reactor technology. Today, the USSR, France, and England have operational demonstration plants in the 250- to 350-MW(e) range. A unit of 1200 MW(e) is planned for the early 1980s in France. Research and development are under way in other countries. A Belgian, Netherlands-German group is building a 300-MW(e) plant. Japan has completed an experimental reactor, JOYO, and is ready to construct a large demonstration plant, MONJU.

The U.S. is behind. This was recognized early in 1970 when those most closely associated with Fermi saw a new mission for the Fermi Project.

Power Reactor Development Company developed a six-year research and development program for the operation and improvement of Fermi, built around an advanced fuel loading composed of uranium oxide, with the use of some uranium-plutonium fuel elements. The new six-year program would have permitted further experience in operating a fast breeder on an electric system, a higher neutron flux for testing advanced fuels and material specimens, additional operation of the steam generators, and opportunities to work with sodium and the various systems of measurement, control, and routine operation. The new fuel and higher power program would also have allowed more engineers from the U.S. and abroad to gain practical experience with a fast breeder reactor.

There were excellent reasons for proceeding with the Fermi oxide core program in 1970 in support of the FFTF and the CRBRP. The FFTF was not scheduled for completion before 1977 and the Clinch River demonstration plant would not have been operational before 1980. These plants have now been rescheduled for the 1980s and the 1990s, respectively. Meanwhile, several other industrial nations were rapidly forging ahead. It was clear to PRDC that the design, construction, and training of personnel for the U.S. demonstration reactor had much to gain from the availability of Fermi with a new core loading that would permit operation at power levels up to it 430-MW(th) design capability.

The estimated cost of the oxide core program was about $50 million. In August of 1971, a memorandum of understanding was established with the AEC for a waiver of use charges on the nuclear fuel, providing the AEC with the option of later assigning various experiments to the reactor. The memorandum received Congressional approval,

but a definitive contract was subject to the ability of PRDC to raise some $41 million from other sources. About $30 million was promised or pledged by private utility systems in the U.S. and by groups in Japan and Europe. Further efforts to obtain the remaining funds, including a request to the AEC to increase their support, were not successful.

On November 27, 1972 the PRDC Executive Committee reluctantly decided to decommission the Fermi Plant because of the inability to totally fund the proposed six-year oxide core program. Thus began the closing chapter of the history of the first fast breeder reactor demonstration plant in the U.S. From the beginning, Fermi was a farsighted, very ambitious, pioneering project supported almost entirely by U.S. private industry.

The vision of Fermi's supporters has been borne out by subsequent developments in the worldwide search for an economic, clean, unlimited energy source, which now finds the fast breeder reactor a priority program in most of the world's major industrial countries. The thrust of these programs has now taken a different direction. The questions to be answered are not whether the breeder can be developed commercially, but rather, how long will it take, can it be economically competitive, and how successful will the industry be in convincing the general public of the safety and necessity for the breeder in meeting long-range energy demands? Recently, answers to these questions have been complicated further by anti-proliferation goals which could have a major impact on all LMFBR programs.●

TERRORIST ATTACKS AGAINST DIPLOMATS

● Mr. D'AMATO. Mr. President, in recent years we have witnessed a dramatic rise in the number of terrorist attacks against diplomats. These brutal acts of violence present a fundamental challenge to the international community and threaten to disrupt the orderly conduct of diplomatic relations between nations. The terrorists responsible for these heinous crimes have struck in scores of nations including the United States.

Ambassadors and other diplomatic personnel from the United States, Israel, and Turkey have been prime targets for such acts of terrorism. Since 1973, 26 members of the Turkish diplomatic corps and their families have been murdered. The Secret Army for the Liberation of Armenia (ASALA) and the Justice Commandos are the two principal organizations responsible for these vicious acts. In addition to these murders, the terrorists have killed many innocent bystanders.

Many experts believe that the United States is fertile ground for increased terrorist activity. It is imperative that we increase our vigilence in this area. We must formulate a comprehensive policy designed to combat terrorism at home, while increasing cooperation with our allies regarding this matter of mutual concern. The United States must continue to speak out in condemnation of those individuals and organizations responsible for unconscionable acts of terrorism.●

UNANIMOUS-CONSENT AGREEMENT

Mr. BAKER. Mr. President, earlier today I indicated that about 8:30 p.m. I would try to arrange by unanimous consent a schedule for the Senate. We did not do that at 8:30 p.m. because, as it is not unusual in the Senate, we ran into some problems, but the problems I think are not insuperable, and I would like to propound a unanimous-consent request now in several parts for the consideration of the minority leader, with whom I have discussed this in general terms and, of course, for all Senators. Before the Chair rules, I would like to state the entire agreement, if I might.

SUPPLEMENTAL APPROPRIATIONS BILL

Mr. President, first, I ask that the Senate now turn to the consideration of Calendar Order No. 233, H.R. 3069, the supplemental appropriations bill.

Mr. President, I further ask unanimous consent that no amendment to that bill dealing with interest or dividend withholding repeal or funds in respect to that subject shall be in order to this bill.

Mr. President, I ask unanimous consent that if rollcall votes are ordered on this measure on Friday, assuming that the Senate is still on this measure on Friday, and indeed it will be, that those votes be stacked to occur beginning at 2 p.m. on Tuesday next, to occur in sequence as they are ordered, with 5 minutes of debate to separate the votes, equally divided between the managers of the bill.

RECESS FROM FRIDAY TO MONDAY NEXT AND CONSIDERATION OF CABLE TV BILL

Mr. President, I further ask unanimous consent that at the conclusion of the business of the Senate on Friday, the Senate stand in recess until the hour of 12 noon on Monday next. Pursuant to the order previously entered, Mr. President, that the Senate will then turn to the consideration of the cable TV bill, on which there is a 13-hour time limitation.

Mr. BYRD. Will the majority leader state that sentence again?

Mr. BAKER. Yes; Mr. President, after the Senate convenes on Monday next, and after the recognition of the two leaders under the standing order and the execution of any special orders and after the expiration of any time provided for the transaction of routine morning business, that the Senate, according to the order previously entered, turn to the consideration of the cable TV bill as previously ordered and, on that bill, according to the provisions of order No. 106, that there be 13 hours of debate.

Mr. President, I ask unanimous consent that any votes that may be ordered on Monday will be deferred and stacked to occur in the sequence in which they were ordered on Tuesday, beginning 15 minutes after the Senate resumes consideration of the pending measure.

Mr. LONG. Mr. President, reserving the right to object. This Senator may not be able to be here on Tuesday. He can be here on Monday. I hope the Senator would just go ahead and vote on Monday on the amendments.

Mr. BAKER. Mr. President, the problem we have with that, I say to my friend and colleague from Louisiana, is that on May 18 it was announced that any votes that were ordered on this coming Monday would be stacked to occur on Tuesday.

Mr. LONG. I will not object to that then.

Mr. BAKER. I agree with the Senator. I wish we could do that on Monday.

Mr. LONG. I hope the Senator could bring us in a little early on Tuesday.

Mr. BAKER. Let me add to the request, Mr. President, that when the Senate completes its business on Monday next, it stand in recess until the hour of 9:30 a.m. on Tuesday, and that the Senate, not later than 10 a.m. on Tuesday, resume consideration of the pending measure.

Mr. President, I believe that completes the request.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. The majority leader propounded that as a request now?

Mr. BAKER. Yes; I put that request.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Reserving the right to object.

Mr. President, some of our Members are not here on this side of the aisle and this request has not been run by them with respect to the provision that precludes the offering of withholding tax amendments to the supplemental. I may get myself in difficulty with my own colleagues, but I feel that is a reasonable request, because the majority leader some time ago assured me that if we would not attach, not make any attempt to attach I believe it was that amendment to the debt limit bill, he would assure me, he would guarantee that we would have a vehicle on which we could offer the withholding. I believe I am correct.

Yesterday, I talked with him again about that and again he assured me that we would call up, I believe he said, whatever measure I wanted and we could deal with withholding on that measure. And there is a House bill, I believe, on the calendar, and he has assured me, and that is the part of the schedule that he has laid out to me, that that measure is definitely going to be called up by him which

gives any Senator an opportunity to have a vote on withholding.

So I think, with those assurances by the majority leader, I would take it upon myself not to object to this request. I think it will enable us to move into the supplemental appropriation bill immediately tomorrow. So that if any Senator who is not here reads the RECORD tomorrow morning he would see why I had no objection to that, because every Member here is fully protected in his desire to have a vote on that matter.

Now, there is one thing about this request that bothers me. And I have made the same request many times myself as majority leader.

What bothers me is that when we say that we stack votes in sequence, it could very well be that someone would walk on the floor and ask for the yeas and nays on final passage of the bill, which they could do at any time. And if that happens and we took that vote in sequence, then that rules out any votes on further amendments. That is not a problem that is made by the present majority leader. I did the same thing many times and nobody ever raised a question about it. But there is that danger that someone could even walk on the floor and offer a nongermane amendment and ask for the yeas and nays on it and you are stuck.

So I wonder if there is a way we could get our heads together and preclude such an event from happening. Thus far, in the last 5 years and up until now, it has not happened. But it is going to happen one of these days on these stacked votes.

Mr. BAKER. Mr. President, I never cease to be amazed at the possibility that the Senate rules offer from unexpected and unintended results. But the minority leader is absolutely right, not only is that a possibility, but I think the Chair clearly would rule in favor of someone who made the point. As I have said so many times before, what little I know about the Senate rules I learned from the minority leader while he was majority leader. So, in a way, I guess I charge him with the omission in my knowledge.

Mr. BYRD. Well, we got by with it for those years.

Mr. BAKER. Let me add this as a first try toward that. This is a change in the unanimous-consent request, Mr. President.

That votes on any amendments which may be ordered will be stacked to occur in sequence.

Mr. BYRD. Except if it is an amendment which is legislation on an appropriation bill. Is the supplemental regarded as a regular appropriation bill?

The PRESIDING OFFICER. The supplemental is regarded now as a general appropriation bill.

Mr. BYRD. This supplemental is regarded as a regular appropriation bill. The word "regular" is important.

The PRESIDING OFFICER. The minority leader is correct.

Mr. BYRD. Will the majority leader consider eliminating from such stacking of votes any amendment on which the yeas and nays are ordered to which a point of order would lie as its being legislation on an appropriations bill?

Mr. BAKER. I will agree to almost anything to get this agreement. But I am trying to figure out what pitfall we are going to run into there. The point of order could be made that a particular amendment is legislation on an appropriation bill and if the point of order is submitted to the Senate or if there is a ruling and the ruling of the Chair is appealed, that vote would occur in sequence.

I wonder if the minority leader would share with me his reasons for that. The answer is, yes, I will include that in the request.

Mr. HATFIELD. Will the Senator withhold for a moment?

Mr. BAKER. Yes. Mr. President, I have to find out what the minority leader has on his mind. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, there are a couple of items that have been discussed at some length throughout the course of the quorum call. I would like to amend the unanimous-consent request in the following respect: On the question of stacked votes, I leave the request as it is with the exception of a rollcall vote on final passage or a rollcall vote ordered on floor amendments or motions against which a legitimate point of order might lie.

I further ask unanimous consent, Mr. President, that after the disposition of the supplemental appropriation bill the Senate turn to the consideration of Calendar No. 228, H.R. 2973, which is an act to repeal withholding of tax from interest and dividends which appears on the calendar.

That is the request, Mr. President.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

Mr. BAKER. I thank the Chair.

SUPPLEMENTAL APPROPRIATIONS, 1983

Mr. BAKER. Mr. President, the order included, I believe, laying down the supplemental appropriation?

The PRESIDING OFFICER. The Senator is correct.

The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 3069) making supplemental appropriations for the fiscal year ending September 30, 1983, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there now be a 5-minute period for the transaction of routine morning business in which Senators may speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR THURSDAY

ORDER FOR RECESS UNTIL 10 A.M. TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that after the Senate completes its business today, it stand in recess until 10 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS ON TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that after the two leaders are recognized under the standing order, two Senators be recognized on special orders of not to exceed 15 minutes each, to wit: Senators DIXON and BUMPERS.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS AND CONSIDERATION OF SUPPLEMENTAL APPROPRIATIONS, 1983

Mr. BAKER. Mr. President, I ask unanimous consent that after the execution of the special orders any time remaining before 11 a.m. be devoted to the transaction of routine morning business in which Senators may speak for not more than 2 minutes each; that at 11 a.m. tomorrow the Senate resume consideration of the supplemental appropriations, 1983.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MELCHER. Will the majority leader yield?

Mr. BAKER. Yes.

Mr. MELCHER. Did the unanimous-consent request that the majority leader propounded include in it no amendments dealing with spending funds on implementing the withholding tax provisions of the current law?

Mr. BAKER. Yes, Mr. President, that was included in the original request.

Mr. MELCHER. I was advised that that was included in the original request, the part that was discussed and talked about prior to my entering the

Chamber some 30 minutes ago. When the majority leader just now I believe wrapped up that unanimous-consent request, I did not realize that he was covering something that I did not recognize.

Mr. BAKER. Mr. President, I apologize to the Senator. As I recall the sequence of events, the request was stated. There was a reservation of a right to object by the minority leader. A suggestion was made in respect to dealing with a rollcall vote on final passage and a rollcall vote on floor amendments against which a legitimate point of order might be made. I put in a quorum call so that matters could be discussed, and as my memory serves me the minority leader and the distinguished Senator and a number of others discussed these matters at quite some length.

When I called off the quorum then, I included the rollcall vote provision and also I gratuitously added a provision that the House-passed bill on the repeal of dividend and interest withholding would beome the pending business when we finish the supplemental appropriation bill.

The minority leader correctly stated that I had assured him and others that I would do that, but just to make certain that I performed on it and that no one had any doubt about it I included it in the order.

I had not the slightest doubt in my mind that everyone knew that one of the principal problems involved was the question of whether any amendments would be in order dealing with interest and dividend withholding on the supplemental appropriation bill. It never dawned on me that that question was in doubt.

I am at a loss to say more to the Senator except that I had thought the Senator was on the floor at all times that this matter was being discussed.

Mr. MELCHER. I was prior to it being discussed, but I did not realize it was being made in the final unanimous-consent request.

The majority leader well recognizes the effect of not having completed action on the question of withholding of taxes on interest and dividends; that the Treasury Department continues to spend the funds. It seems only logical to me that they cease spending funds to implement until a decision is made by a clear, overwhelming vote on the issue by itself in both the House and the Senate. Both have said that they want it repealed. We find ourselves now in the predicament of being denied the usual opportunity to restrict spending on a particular item that some of us feel very strongly should cease.

I think it is only practical to say that if it is going to be repealed, the continuation of the spending of money by Treasury is wasted money, and yet I found, even in my own experience last week, a letter I got from Treasury dealing with a veterans affairs matter had a new brochure telling me about withholding provisions that will go into effect July 1.

Treasury is telling the banks they are going to continue to prepare for it because it is a law, and technically they are correct; Treasury should continue to uphold the law. They are not incorrect when they advise the banks that it still is law and they better be prepared to go into effect July 1. What is at fault is actually the process that we have found ourselves in between the Senate vote and the House vote. We simply have not gotten it done. I would hope to offer an amendment to say no more spending on it for the life of this supplemental. That would be a clear indication to Treasury that they should not spend any money and possibly they would save us a little bit. It should also be an indication that Congress is taking this seriously.

Mr. LONG. Mr. President, as a practical matter, the Senator from Montana simply did not agree to that part of the request. There was an effort made on this side to persuade him to agree to that. But he entered the Chamber at a point after the Senator from Tennessee had made reference to the unanimous-consent request that there would be no amendment relating to withholding, and I had told him that that would be part of the request. But the Senator had not heard the majority leader use that language or say anything about withholding; and when the request was granted, the majority leader had simply modified his previous request. But his modification had nothing to do with the part about the withholding.

I know that the Senator from Montana did not intend to agree to that, because he had steadfastly maintained in conversation with Senators during the quorum call that he felt he should offer the amendment and he had protected his right to offer it.

In fairness, I think that matter should be left out of the unanimous-consent request, if the Senator wants to offer his amendment.

Nobody else has taken that position, but the Senator from Montana is clearly of that mind.

Mr. BAKER. Mr. President, I do not think I have ever consciously or unconsciously misled a colleague since I have been in the Senate. I make a considerable effort not to do that and to state may request with clarity and precision, to the extent I can do so.

If there is any suggestion here that the Senator was misled, then I hope he understands that that certainly was not the intention of any Member on this side and certainly not my intention.

Mr. President, I had thought that the matter was negotiated at great length, with great care. But if the Senator alleges to me that he feels that he was not properly forewarned of the content of that request, I will ask unanimous consent that it be rescinded, or at least in respect to that part.

I must say that I am disappointed in that, because I had thought we had worked out the matter with great care and deliberation. I thought the Senator was here at the time that request was put. I am not going to dispute that; I do not dispute that.

I repeat my offer: If the Senator wishes to allege that he feels he was misled by that request, I will make a unanimous-consent request that that portion of it be vitiated.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. BYRD. Mr. President, I do not presume to speak for the Senator, but I do not think he feels that he was misled. I discussed this proposition with him. I did not realize that he was not on the floor when the majority leader laid out all the parameters of that request. So when the majority leader put the request, I looked at the Senator, because I expected him to object; and when he did not, I thought he understood.

However, I can understand how he would not have understood if he was not here at the beginning, because he just heard what was said following that.

I had talked with the Senator, hoping we could get the agreement, with an understanding that any amendment dealing with withholding would be precluded. But now, having talked with the staff, I realize that he was not here when the initial portion of the request had been explained by the majority leader.

I do not believe he thinks he was misled. I do feel that he was not fully aware that that was in the request, because the majority leader had laid out that portion while the Senator was not on the floor.

Mr. MELCHER. Mr. President, will the Senator yield?

Mr. BYRD. The majority leader has the floor.

Mr. BAKER. I yield.

Mr. MELCHER. Mr. President, I want to thank the majority leader. I certainly was not misled in any way.

What occurred—and I know the majority leader and nobody else on that side of the aisle would attempt to mislead any Senator—what occurred as I walked in was that I was apprised that this was part of the request, so I was aware that the request had been made. While I listened to the request and I fully expected to object to that portion, I thought it was being laid out in segments. I realize now what has happened.

The majority leader stated part of the unanimous-consent request and called a quorum, and a half hour or 20 minutes or so transpired. In that interim, when the majority leader asked for the remainder of the unanimous-consent request, he just went on to those parts.

Technically, I have lost my prerogative. I am not holding anybody accountable. But, in all frankness, I think I lost my prerogative by not realizing that it was a continuation of the first part of the request which was made before the quorum call. I just expected it all to be stated together.

Mr. LONG. Mr. President, let me state this matter as I saw it. I saw everything that happened.

The majority leader made his request. The Senator from Montana was not here. When the Senator from Montana came into the Chamber, someone—the Senator from Louisiana or some other Senator—informed him that a request would be made or that a request was being considered that had to do with the withholding amendment. The Senator indicated that he was going to object to any part of the unanimous-consent request that would preclude him from offering an amendment dealing with withholding on the appropriation bill.

Several Senators discussed the matter with him, trying to persuade him not to object, but he was at that time adamant in his position that he would object to it.

After that discussion occurred, the majority leader had obtained an agreement on the part of his request which was in dispute—not dealing with the withholding matter at all. So he modified his request to accommodate the point other Senators had made, and the unanimous-consent request was agreed to.

The fact is the Senator from Montana was not misled. He just was not informed. He did not know what the first part of the request was. But the fact also is that there was no meeting of the minds. There was no unanimous-consent agreement, because at that point my understanding is that the Senator from Montana wanted to protect his rights.

Mr. MELCHER. That is right.

Mr. LONG. In fairness, I think that part of the request ought to be left out. If the Senator wants to offer the amendment, he should have that privilege.

Mr. BAKER. Mr. President, I hope no one misunderstands what I said earlier—that is, if there is the slightest doubt on that point, I will ask unanimous consent to vitiate that part of the order. I think that, in fairness, I should vitiate that part of the order which I added dealing with H.R. 2973 as well.

I now ask unanimous consent that that portion of the order dealing with the prohibition against amendments having to do with dividends or interest withholding or funds in relation to dividends and interest withholding and the scheduling of Calendar No. 228, H.R. 2973, be deleted from that request.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, reserving the right to object.

Mr. President, I am not going to object, but I wonder if I might satisfy the Senator from Montana. If he is concerned about the Treasury Department spending funds on mail and other things with reference to withholding, we might preserve the unanimous-consent request and let me check with Treasury in the morning to see whether or not we might reach some agreement on that without any amendment. Withholding is dead. We are going to repeal withholding. We have agreed with the minority leader to bring up the vehicle following this bill and offer a committee amendment. The Senator from Louisiana is going to try to table it. If it is not tabled we will go to conference, and the chairman of the Ways and Means Committee has promised to go to conference. So there is no effort to hoodwink anyone, though I know that must be on the minds of some.

But if the Senator from Montana might agree to that, maybe we can satisfy his just concerns, and I do not think they should be spending money, either, if in fact it is going to be repealed.

Mr. MELCHER. Mr. President, will the majority leader yield?

Mr. BAKER. I yield.

Mr. MELCHER. The Senator from Kansas has even at this hour, which is fairly late in the day, come up with a very bright proposal, a sort of Solomon-like proposal. I think it is a good proposal. I understand the proposal is that the Senator from Kansas would check with Treasury in the morning and see if he could obtain from Treasury a commitment to do just what I would seek to do in curbing and ending the spending on this part of proposed or lawful tax as it is right now, and that if that came up satisfactory, I would agree not to feel bad about not offering an amendment onto the supplemental. That is fine.

Mr. DOLE. I will do that the first thing in the morning, and the reason for not offering the amendment on the supplemental obviously is to try to save time so that the distinguished chairman of the Appropriations Committee and others who manage the bill can sort of move on with that.

I must say as one who has been the strongest advocate of withholding and still am, that issue is virtually behind us, and it has been repealed by the House of Representatives. It will be repealed in the Senate, hopefully with some modification that will save some of the revenue. But I am certainly willing to make that request in the morning and get back to the Senator from Montana by noon tomorrow.

Mr. DANFORTH. Mr. President, reserving the right to object, I simply wish to make it clear where we stand subsequent to the very generous offer of the Senator from Kansas. If the majority leader renews his unanimous-consent request with respect to vitiating a part of the order I, with all due respect and with great hesitation, would be constrained to object, and I want to make that point right now. I would not like that unanimous-consent request to go through, not out of any desire to hoodwink in any way the Senator from Montana, but for a very practical purpose.

For those of us who have fought the apparently losing battle with respect to withholding, those of us who believed that we should have kept withholding, the only thing that makes this bitter pill at least possible to swallow is if the committee amendment that was agreed to by the Finance Committee has at least some reasonable chance of at least a fair portion of it to become law. That, in turn, depends on the withholding question being brought up in a Finance Committee bill and going to conference with the Ways and Means Committee where the chairman of the Ways and Means Committee has agreed that he would at least confer on the committee amendment of the Finance Committee bill.

Therefore, if the repeal of withholding turned into a matter that was in an appropriations bill and within the jurisdiction, therefore, of conferees in the Senate and House of Representatives Appropriations Committees, those of us in the Finance Committee who have keen interest in the committee amendment would totally lose all interest in the proposition, and that is why with great hesitation I would be constrained to object if the majority leader were to renew the request.

Mr. MELCHER. Mr. President, will the majority leader yield?

Mr. BAKER. I yield.

Mr. MELCHER. Mr. President, I want the Senator from Missouri to clearly understand that I would propose an amendment if it were possible to the supplemental, with the standard language that none of the funds should be used by Treasury to continue to implement the withholding provision that is the law. That is not a repeal of the law itself, and I would not want to burden the supplemental appropriations with the repeal.

All I seek to do is a very practical thing, to end the spending of the money by Treasury until this is resolved, and I am sure the thing would be resolved.

As I understood what the Senator from Kansas was saying, he was saying that he would try to secure the assurance of just that from Treasury and would if that could be obtained, and I would be satisfied, I am sure I would be, saying they would end spending money on it. I have no desire to offer the amendment, and I assume that what the Senator from Kansas was stating was that the unanimous consent be propounded again in the morning.

I believe I understood him correctly.

Mr. DANFORTH. Mr. President, further reserving the right to object, I wish to state to the Senator from Montana that I fully understand the thrust of his amendment, and that is exactly the reason I made the point to the majority leader.

I agree and accept the original unanimous-consent request which was ruled on by the Chair with respect to the subsequent unanimous-consent request which the majority leader asked with respect to vitiating a portion of the first unanimous-consent request order. I would be compelled to object to that second unanimous-consent request.

Mr. BAKER. Mr. President, let me make a suggestion. It is 10 p.m., and I think what we should do is pick up right where we are about to leave off. Why do I not just leave my request pending and tomorrow, after we have had a chance to think about it and after presumably the Senator from Kansas has had a chance to check on that, that unanimous-consent request will still be pending before the Chair?

Mr. BYRD. In its entirety?

Mr. BAKER. In its entirety. And then we can pick up where we left off.

Mr. BYRD. Mr. President, will the majority leader yield?

Mr. BAKER. I yield.

Mr. BYRD. Mr. President, I compliment the majority leader, and I think it is a very deserving compliment, that he is willing to withhold his request until tomorrow. He is very gracious in doing this.

I have seen Mr. Mansfield do it. If an agreement was made and a Senator did not understand the agreement, did not exercise the rights which he otherwise would have had, I have seen him pull back his request. I have done the same thing myself as majority leader.

I admire the majority leader for being so gracious as to withhold his request until tomorrow morning.

Mr. BAKER. Mr. President, let me make sure we understand each other.

Mr. DANFORTH. Mr. President, will the majority leader yield?

The PRESIDING OFFICER. The majority leader has the floor.

Mr. BAKER. Let us make sure we understand each other on what we are doing then.

A unanimous-consent agreement has been entered into. The Senator from Montana has indicated his incomplete understanding of it. I have put a second unanimous-consent request to vitiate that portion of the previous request which deals with the prohibition against dividend and interest withholding amendments to the supplemental appropriations bill and to delete the proviso that would make H.R. 2973 pending when we finish the supplemental appropriations bill.

That is the request that is now pending. What I am suggesting is at this point that I put the Senate in recess over until tomorrow without the Chair putting the question on my unanimous-consent request. That is what I would like to do.

Mr. GARN. Mr. President, reserving the right to object, I have been here all evening and I think the majority leader has been very fair in keeping his promise to the minority leader to give an opportunity free standing in the unanimous-consent agreement.

I listened all evening, and you can put off and be gracious and accept all compliments. I will object to vitiation whether it is tonight or tomorrow.

Mr. BAKER. Mr. President, I hope we can postpone it at least until tomorrow.

Mr. GARN. I will, I am just putting everybody on notice. I think you have been abundantly clear. I am opposed to withholding and you have given the opportunity you have promised, you have kept every promise since you have been majority leader that you made on the floor.

I do not normally take time on the floor. I do my work in committee. I very rarely speak, I very rarely object, I very rarely get involved in parliamentary procedures. We have a good unanimous-consent request and it will be objected to if propounded in the morning.

The PRESIDING OFFICER. Does the majority leader yield?

Mr. BAKER. I yield.

Mr. BYRD. I have been around here 25 years, and I have found that the worm will turn, and that while a Senator may be disposed to object to the kind of offer the majority leader has graciously made, the time may come when that Senator wants the same gracious attitude shown toward him.

I try to keep that in mind, and I have learned that Senators have long memories. So I would say to the distinguished Senator (Mr. GARN), that I admire him for his forthrightness, for his diligence, and dedication to his duty. It is not for me to tell him what to do or what not to do, but I think the majority leader is very wise in suggesting that the matter be put over until the morning and to keep in mind that we all at some point in time or other may have ourselves put in the same boat that Senator MELCHER is in. I would hope my friend, Mr. GARN, would at least think it over for the night.

Mr. GARN. I would say to the minority leader, if he will yield for a moment, yes, there are long memories around here, and there are times when I would appreciate some graciousness. I am not speaking of the minority leader or when he was majority leader, so it has already been done to me at times, and I have never done it back.

Mr. BYRD. If the Senator is saying—I heard him say it was not directed at the minority leader. If he is he will have that opportunity.

Mr. GARN. No; I said very clearly I was not referring to the minority leader or the former majority leader.

RECESS UNTIL 10 A.M. TOMORROW

Mr. BAKER. Mr. President, I think we have been in session about an hour too long. [Laughter.]

I move, in accordance with the order previously entered, that the Senate stand in recess until 10 a.m. tomorrow morning.

The motion was agreed to; and at 10:02 p.m., the Senate recessed until Thursday, June 9, 1983, at 10 a.m.

11-059 O-87-34 (Pt. 11)

EXTENSIONS OF REMARKS

DOES CENTRAL AMERICA MATTER?

HON. JACK FIELDS
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. FIELDS. Mr. Speaker, I am pleased to present for the RECORD an article by Ambassador Jean Kirkpatrick which appeared in the Houston Chronicle.

Mrs. Kirkpatrick writes to some of the most critical issues of our time concerning Central America and U.S. security. She also asks some questions which fully need answering by certain Members of this House.

Mr. Speaker, it is no act of demagoguery to say that Communist gains and activities in Central America and the rest of this hemisphere imperil the future of all American peoples. Some say that anticommunism is unfashionable, but who will speak of fashion when American blood is shed in defense of American soil? Who will speak of fashion when Texas and other border States become the frontlines?

The issues before us and the goals of the Soviet-Cuban axis are not hidden, nor is there attempt by the leaders in Moscow, Havana, and Managua to hide them. Will this Congress choose the Brezhnev doctrine over the Monroe Doctrine?

Mr. Speaker, the 1980's will not allow recovery from the repeated failures of policy and will of the 1930's.

The article follows:

[From the Houston Chronicle, May 29, 1983]

DOES CENTRAL AMERICA MATTER?

AS IN VIETNAM, THE COMMUNISTS ARE TRYING TO TAKE OVER THE ENTIRE REGION

(By Jeane J. Kirkpatrick, U.S. Ambassador to the United Nations)

The whole scenario sounds like a grade B movie from the 1950s, but that, alas, does not mean it is not true. It's almost unbearably unfashionable to say so, but there is a plan to create a communist Central America which, if successful, will have momentous consequences for our security and that of our European allies, for Israel's international position and for the unfortunate people of Central America. So far, Congress seems unwilling to make a serious effort to prevent—by means short of war—these human and strategic catastrophes.

Even though a very well-organized lobby works indefatigably to confuse the moral, political and intellectual questions involved in U.S. policy toward Central America, there is growing clarity about the issues and the stakes. Indeed, what distinguishes the current debate about military and economic aid for Central America from similar disputes about China, Cuba, Vietnam and Nicaragua is that we have fewer illusions and more information.

We know by now what the government of Nicaragua is and what it intends—in El Salvador, Honduras, Costa Rica, New York, Jerusalem. We know who the guerrillas in El Salvador are, where and how they get their arms, what their plans are, who their friends are.

As recently as July 1979 it was possible for American policymakers of optimistic disposition to suppose that, if they acted wisely and generously, Nicaragua would emerge from its bloody civil war with an independent, pluralist, socialist, neutralist government. To this end, the United States rushed some $24.6 million in emergency food, medical and reconstruction assistance to the FSLN on their triumph, provided $118 million direct economic assistance in the subsequent 18 months and assisted the new government in securing some $262 million from multilateral lending institutions (an amount almost double the amount the Somoza government had received in the preceding 20 years). But before the Carter administration left office in January 1981, the decision was made that Nicaragua no longer met U.S. requirements for assistance, its pattern of internal repression and external aggression being already clear. And during the subsequent two years, Nicaragua's facade of democratic intentions and national independence has been not ripped off, but cast aside.

Everyone who cares to know now understands that the government of Nicaragua has imposed a new dictatorship; that it has refused to hold the elections it promised; that it has seized control of all media except a lone newspaper that it subjects to heavy censorship; that it denied the bishops and priests of the Roman Catholic Church the right to say Mass on television during Holy Week; that it insulted the pope; that it has stifled the private sector and independent trade unions, attacked the opposition, driven the Miskito Indians out of their homelands—burning their villages, destroying their crops, forcing them into exile or into involuntary internment in camps far from home.

Persons interested in such questions understand, too, that Nicaragua's rulers have introduced into the country many thousands of Cuban teachers, trainers and supervisors, including at least 2,000 military advisers. The Sandinista rulers have denied their international supporters the comforts of ambiguity. They have explained who their friends are and what convictions guide them.

From Moscow and Managua they have announced their principles: "We guide ourselves by the scientific doctrines of the revolution, by Marxist-Leninism," Minister of Defense Humberto Ortega explained to his army.

"Marxism-Leninism is a fundamental part of the Sandinista ideology," said another member of the junta, Victor Tirado Lopez. They have issued a new stamp with a picture of Karl Marx and excerpts from the *Communist Manifesto.*

Nicaragua's leaders are done with dissembling. They are proud of their ideology, proud of their monopoly of power, proud of their huge new military force (which has no peer in the region), proud of their role in Central America's guerrilla war, proud of their string of successes in international diplomacy. Those successes are impressive; a seat on the U.N. Security Council, a stymied regional diplomatic initiative, continued support from the Socialist International and a resounding victory at the Delhi Summit of the Non-Aligned Movement. Proud too of their friends, including: Libya, the Palestine Liberation Organization and, of course, Cuba, their constant companion.

Such conferences are but one manifestation of the junta's vocation for public diplomacy. Other examples may be observed on U.S. television and, especially, at the United Nations where, with dazzling chutzpah, Nicaragua's leaders recently pressed their demand for immunity from attack by anti-Sandinista Nicaraguans, at the same time they stepped up support for Salvador's guerrillas.

The character of El Salvador's guerrilla struggle is no more ambiguous than that of Nicaragua's government. Since the elections of March 1982, nobody even pretends that the FMLN guerrilla organization enjoys popular support, is "really" a bunch of agrarian reformers, or a coalition that would, if victorious, usher in a more perfect democracy.

The fictions with which communist insurgents have conventionally clothed their conquest of power are not available to the partisans of the FMLN. The pretense that the FMLN is an indigenous guerrilla movement without significant foreign support has also been largely abandoned. Too many truckloads, planeloads, boatloads of arms from Cuba, Nicaragua and the Eastern bloc have been found; too many documents have been captured, too many pictures taken, too many bold announcements made from Managua. The facts about the FMLN are understood by people interested in these questions. It is a professional guerrilla operation directed from command and control centers in Nicaragua, armed with Soviet bloc arms delivered through Cuba and Nicaragua, bent on establishing in El Salvador the kind of one-party dictatorship linked to the Soviet Union that already exists in Nicaragua.

There has, moreover, been so much discussion among them of "revolution without frontiers," of "liberating" and "unifying" Central America, so many threats to Honduras, so much bullying of Costa Rica and guerrilla activity in Guatemala that it is hardly possible to doubt the regional character of Soviet-Cuban-Nicaraguan goals.

Yet to be fully faced is the relevance of these small, poor nations of the Central American isthmus to the United States, or the importance of Caribbean sea lanes to the Western alliance. Neither is the extent of the Soviet investment—military, economic, cultural—in this hemisphere yet fully appreciated. But very reluctantly, most serious observers have come to acknowledge that, yes, the area's location gives it a certain irreducible relevance to our national interest.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

These serious observers grouse about the way the Reagan administration talks about the issues; they grouse about the government of El Salvador; but they understand.

The Economist noted recently that "the 'loss' of El Salvador could be a lethal foreign policy blow for America." The New Republic made a similar observation.

There is also a growing, if grudging, acknowledgment that money—in the form of economic and military assistance—is quite probably the key to the viability of the region's non-communist governments. And two top aids of previous Democratic administrations, one a former assistant secretary of state, wrote in the New York Times magazine that "the area is of clear strategic and political importance to the United States," so that "to stop American aid would be to deliver—yes, deliver—El Salvador into the hands of a guerrilla movement that is allied externally with America's adversaries and capable itself of the greatest brutality." It advised that "abandonment is an option that Democrats should reject."

Yet if few in or out of Congress advocated outright abandonment, a good many argued for such little assistance on such niggardly terms that the effect is almost sure to be the same.

An official of the Soviet foreign office, Vadim Zagladin, reiterated the late Soviet leader Leonid Brezhnev's threat to install nuclear missiles in the Western Hemisphere five minutes from the United States. And a member of the Nicaraguan junta announced that, if asked, his government would consider installing Soviet nuclear missiles in Nicaragua.

In Managua, Nicaraguan officals made clear their determination to continue support for revolution in Central America while, at exactly the same time, their representatives at the United Nations demanded protection from an internal insurgency.

Meanwhile, the Democratic majority on the Latin American subcommittee of the House Committee on Foreign Affairs acted to deny the democratically elected government of El Salvador the military assistance it needs to stave off a well-armed and advised Marxist insurgency and, simultaneously, to deny a democratic Nicaraguan insurgency any support against a repressive, aggressive Marxist government—though the clear effect of such a policy would be to make the United States the enforcer of Brezhnev's doctrine of irreversible communist revolution.

If, as often suggested, the "Vietnam Syndrome" explains the extraordinary reluctance of America's political class to provide urgently needed assistance to endangered friendly governments in an area of clear national interest, in what does that syndrome consist? Obviously, the Vietnam experience did not make us isolationist. The U.S. government pursues, with the full consent of Congress, a foreign policy that involves us in the affairs of four continents. We support a large standing army and huge defense establishment. We station troops in remote places, provide billions of dollars in economic and military assistance to governments of all sorts in Asia, Africa and the Middle East. Neither the moral nor military misgivings expressed with regard to Central America are evident with regard to these other regions.

Nobody talks about slippery slopes when we rush weapons to Thailand, trainers to Lebanon or economic aid to Africa or Asia. Why?

Why is Congress so much more reluctant to assist an imperfect democratic government clearly important to our national interest than much less perfect governments in more remote regions?

What is it that Central America has in common with Vietnam that so repels liberals? Is it just the nature of the contest—the fact that, in both, well-financed communist guerrilla movements have simultaneously targeted the existing government and what is generally called "world public opinion"?

Is it because lobbies of the left have managed, in both cases, to make the anti-communist side seem unbearably unfashionable?

God knows there are parallels enough in the public discussion of Vietnam and Central America. In both cases, well-orchestrated international campaigns have focused mercilessly on the political and moral failings of the government. And in El Salvador, as in Vietnam, the introduction of elections and reforms, the reduction of human rights abuses and corruption have proved not to have much effect on the drumbeat of criticism. In El Salvador, as in Vietnam, Congress calls the U.S. commitment into doubt from quarter to quarter, "certification" to "certification," undermining the confidence of vulnerable allies in our reliability and their viability.

As with Vietnam, doubt is continuously voiced about whether the government of El Salvador, which struggles mightily to satisfy American demands, is morally worthy of American approval or even of survival.

But there are a few crucial differences too, and those differences involve what we know and when we know it. Not only do we know who El Salvador's FMLN is, when we didn't know who the Viet Cong were, we know now who the Viet Cong were, how they came down from the North (20,000 in the early years alone), how they were supplied, how Western public opinion was manipulated into believing that the National Liberation Front created by decision of the North Vietnamese Communist Party, was a spontaneous product of "deeper" social causes.

We know too about human rights under the new Vietnamese regime, about the labor camps and mass deportations. We know the Viet Cong did not establish a broad-based government or a socialist democracy. We know what happened—and is still happening—in Cambodia. We do not enjoy thinking much about these matters, but we know about them, just as surely as we know the character and the stakes of the contest in Central America.

The crucial difference between Vietnam and Central America is not the Pacific Ocean, though that is important. The crucial difference is that the Congress that cut off aid to Vietnam could say it did not guess what would follow.●

1983 CONGRESSIONAL CALL TO CONSCIENCE VIGIL FOR SOVIET JEWS

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. DOWNEY. Mr. Speaker, I am extremely proud and honored to join in this year's congressional vigil for Soviet Jewry. I would like to take this opportunity to bring to the attention of my colleagues the plight of Simon Shnirman, my adopted Prisoner of Conscience in the Soviet Union.

In 1977, Simon Shnirman's first application for emigration to Israel from the Soviet Union was denied on the pretext that he had not worked long enough to compensate for his State education. A year later, Shnirman was drafted by the Soviet army. Because he was seeking permission to emigrate, Shnirman refused to join the military, an action which led to his being sentenced, at the age of 20, to 2½ years of prison on charges of draft evasion.

Upon his release from a labor camp in November 1980, Simon Shnirman resumed his struggle for permission to emigrate. In the fall of 1982, as before, Shnirman's desire to leave the Soviet Union led to his refusal to serve in the Soviet army. Once again, Shnirman was arrested on draft evasion charges. While in custody awaiting trial, he received brutal treatment, sustaining injuries serious enough to require his hospitalization.

After his release from the hospital, Shnirman began serving a 3-year prison term in a labor camp in the Ukrainian city of Vinnitsa. Presumably, he is there presently, though his exact status is uncertain—neither his wife nor his mother has been in contact with him since February.

Simon Shnirman's nightmare is tragically common among Soviet Jews. Soviet emigration policies, always disgraceful, have become even more appalling in recent years. Of the approximately 3 million Jews in the Soviet Union, only 2,670 were allowed to emigrate in 1982, a 95-percent drop from the paltry figure of just 3 years ago.●

THE FEDERAL COURTS CIVIL PRIORITIES ACT

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. KASTENMEIER. Mr. Speaker, it is with great pleasure that I, accompanied by the respected ranking minority member of my subcommittee (Mr. MOORHEAD), introduce the Federal Courts Civil Priorities Act. On September 20, 1982, the 97th Congress, unanimously by voice vote, passed virtually identical legislation. That legislation was sponsored by the then-ranking minority member of the subcommittee (Mr. RAILSBACK), who although departed from the scene still deserves much credit for pushing the idea to the legislative fore. Unfortunately, the Senate failed to act and the bill is still before us today.

In brief, the proposed legislation repeals virtually all provisions expediting civil cases in the Federal, district, and circuit courts. The proposed legis-

lation permits the courts to establish the order of hearing for certain civil actions.

It is envisioned that if a court wants to set its own priorities by rule, it will fall under the residual responsibility of the appropriate judicial council of the circuit. Pursuant to a law passed by the 96th Congress—which became effective on October 1, 1981—the judicial councils must make all necessary and appropriate orders for the effective and expeditious administration of justice within their circuits. This gives the circuit councils residual authority to expedite certain types of cases within their circuits. The proposed legislation also provides that where good cause is shown a matter can be expedited by an individual judge or court. Last, the bill authorizes the Judicial Conference of the United States to modify rules adopted by the courts to determine the order in which civil actions are heard and determined, in order to establish consistency among the judicial circuits.

The bill does not affect existing priorities in criminal cases, as codified in the Speedy Trial Act, in rule 50 of the Federal Rules of Criminal Procedure and in rule 9(b) of the Federal Rules of Appellate Procedure. Likewise, several provisions that involve collateral attacks—through the writ of habeas corpus—on federally imposed criminal sentences and contempt orders for refusal to testify are left untouched. In reality, these types of cases are quasi-criminal in nature. Last, as is present practice, actions for temporary injunctive relief will continue to receive priority treatment.

The genesis for the proposed legislation is in a resolution of the American Bar Association dated February 1977. In a report of the ABA Special Committee on Coordination of Judicial Improvements—the committee that recommended the resolution—the rationale for the legislation is bluntly stated:

> The average practicing lawyer with a civil case on appeal to a Circuit Court of Appeals would be astonished if he were told that his appeal will never be heard. The word has not yet spread far, but, for the average civil case, that is exactly the situation in some Circuits, and will soon be true in others. The reason? A mass of cases required by statute to receive priority hearing is docketed ahead of his, and more are being added faster than the existing ones can be handled.

I would like to note that we owe a debt of gratitude to the American Bar Association and its Committee on Coordination of Judicial Improvements for acting as a catalyst in this area.

Staff of my Subcommittee on Courts, Civil Liberties and the Administration of Justice, working with legislative counsel, the American Law Division of the Library of Congress, and the Administrative Office of the U.S. Courts, have located almost 100 civil statutes that accord some sort of priority treatment in the courts in which the respective matters are brought. These civil priorities range from the Federal Insecticide, Fungicide, and Rodenticide Act to the Outer Continental Shelf Lands Act; from the Federal Seed Act to the Federal Sugar Act; from the Central Idaho Wilderness Act to the Railroad Unemployment Insurance Act.

An examination of all the priorities leaves the reader with the indelible impression that the creation of a statutory priority by Congress is not done pursuant to a legislative finding that the matter is more important than other matters which become the subject of litigation. Rather, it is done on a piecemeal basis by drafters of legislation who are trying to get the best treatment for their bill's subject matter. Often after years of hearings, much debate, and weeks of markup, legislative subcommittees become convinced that a particular matter raises the most important issues facing this country. As a consequence, a statutory civil priority is created and a matter filed in Federal court presumably gets better calendar treatment than other kinds of cases. In this manner, Seed Act cases get preferential treatment over most securities, banking, or civil rights cases, which historically have not been accorded priorities.

In addition, now that there are so many priorities, with no cross-referencing between them, it is impossible for conscientious courts to determine fairly and rationally how to assign calendar priorities. Some of the priorities are mutually contradictory, each mandating that matters falling within a certain category be heard before any other case.

The numerous civil priorities have caused grave problems in the larger circuits. Although Congress, through legislation drafted by my subcommittee, recently split the existing fifth circuit into two autonomous circuits, in terms of caseload, the two new circuits still will be among the largest in the country. In the large circuits—in particular the ninth circuit—the docket becomes so crowded with criminal and priority civil cases that for matters without priority status the possibility of never being heard becomes a stark reality. As an alternative, in order to move on nonpriority cases, the circuit must ignore the express mandate of Congress and ignore priority cases. In both circumstances, citizen confidence in the administration of justice is lessened, either because of inordinate delays in nonpriority cases or because of failure to respect the mandates of a civil priority.

The bill is not only drafted to address past problems but to reduce the proliferation of priorities in the future. By stating that, "Notwithstanding any law to the contrary, each court of the United States shall determine the order in which civil actions are heard and determined * * *," the legislation eliminates civil expediting requirements, including those that are not explicitly repealed. Further, this drafting technique creates a presumption that all priorities passed in the future should be placed in 28 U.S.C. 1657. Other committees which want to create priorities will have to amend title 28, and this presumably will stimulate joint and/or sequential referrals to the Committee on the Judiciary. Then, the Judiciary Committee can maintain a more centralized and rational control than has existed in the past.

Mr. Speaker, I might add that not only are we struggling to solve the problem but we also are fighting to prevent it from getting worse. Already, in this Congress a number of bills reported by committees other than the Committee on the Judiciary have been found to contain civil expediting provisions. In an effort to stem the tide, these bills are being sequentially referred to the Judiciary Committee. If an amicable drafting solution to the problem cannot be worked out, I—working in close cooperation with my chairman (Mr. RODINO)—intend to seek amendments to each and every bill striking the obnoxious language. Hopefully, my colleagues on other committees will see that they are only making a problem worse, rather than serving their own constituencies.

The concept embodied in the proposed legislation has already garnered substantial support in the legal and judicial communities. In addition to being supported by the American Bar Association, it has attracted support from the U.S. Department of Justice and the Association of the Bar of the City of New York. As observed by Deputy Assistant Attorney General Timothy J. Finn, Office of Legal Policy, in support of the legislation during a hearing before my subcommittee:

> We believe that all but the most clearly necessary and justifiable priority provisions should be revoked and replaced with a single standard which the courts can apply to all cases to determine the need for expedition. The courts are, in general, in the best position to determine the need for expedition in the circumstances of any particular case, to weigh the relative needs of various cases on their dockets, and to establish an order of hearing that treats all litigants most fairly. Litigants who can persuasively assert that there is a special public or private interest in expeditious treatment of their case will be able to use the general expedition provision provided in (this bill) to the same effect as existing priority provisions.

In conclusion, this bill is cost effective (both in terms of saving money and in terms of conserving finite judicial resources); it is rooted in strong policy and constitutional turf; and it is an idea whose time has come. I urge

my colleagues—just as they have done in the past—to support this needed legislation.●

PRESIDENT REAGAN—STICK TO YOUR EARLIER GUNS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. McDONALD. Mr. Speaker, it is not too hard for students of history to realize that this Nation is headed down the same disastrous road as the Roman Republic. Probably the best treatise on the destruction of the Roman Republic by a contemporary writer was Taylor Caldwell's "Pillar of Iron." Passages in that book starkly illustrate exact parallels to the deteriorating Roman Republic and the Republic of these United States of America.

Evidently I am not alone in making that comparison. I just utilized a different source. Ronald Reagan, using another author, and before he became President, made the same comparison in a radio broadcast on September 5, 1978. He utilized H. J. Heskell, author of "The New Deal in Old Rome."

On May 18, 1983, in the CONGRESSIONAL RECORD on page 12981, I pointed out that according to the Urban Institute, it is estimated that 100,000 so called nonprofit institutions are receiving gratuities from the public trough to the tune of $40 billion annually. If this Nation is not to take the route of "Old Rome," it is high time that this body fulfill its responsibility and halt the madness of which Taylor Caldwell, H. J. Heskell, and Ronald Reagan speak and write. Halting $40 billion to organizations the majority of Americans do not believe in would be a good beginning. The September 5, 1978, broadcast of Ronald Reagan follows:

Back in 1939 an amateur historian, H. J. Heskell, Washington correspondent for the Kansas City Star, wrote a book called, "The New Deal in Old Rome." The idea for the book came to him when he and his wife were touring Europe in pre-World War II days. They drove over a Roman-built bridge in Southern France that towered 165 feet in the air. It was also an aqueduct. And almost 2,000 years after its construction, that aqueduct is still carrying water.

Heskell wondered how a civilization that could build such wonders could simply disappear into the dustbin of history, and thus a book was born.

Rome, with a population of about one million, received 250 million gallons of water a day through 11 great aqueducts for its several hundred swimming pools, 856 public baths and 13,000 fountains. Even though there was no printing press, books were plentiful, and Rome alone numbered 28 public libraries. Roman houses had indoor plumbing with flush toilets. We can envy a little the Roman postal system that extended north into Europe and south to Egypt and guaranteed safe delivery. Roman justice made possible such things as commercial contracts, property laws, marriage and divorce, wills, trusts, et cetera.

We've inherited something not necessarily the best of Rome. Quintus, younger brother of Cicero, didn't think his brother was a tough-enough politician, so he wrote a handbook to guide him. He said that, quote, a flattering manner, wrong in other walks of life, was indispensable in seeking public office, unquote. And he urged that, if possible, one should attempt to get a scandal started against an opponent.

But it was in the growth of government intervention that we should find a warning. They set interest rates, devalued the currency, created a wheat subsidy and then dumped wheat on the market. There were extensive public works, like our New Deal WPA; a welfare system and food stamps. Believe it or not, they had a depression and created a home loan corporation, an agricultural adjustment administration which plowed under half the grapes to stop overproduction of wine, and their basic coin, the denarius, sank lower and lower in purchasing power. They, of course, didn't have printing press money, but they increased the money supply by adding copper to silver in the denarius. It went from 94 percent silver to only 2/100 of one percent in Rome's final days. They even tried wage and price controls, with capital punishment for violators. But even then they didn't work as they don't work now.

By that time, government in Rome had brought commerce and industry to a halt with confiscatory taxation and a network of regulations.

In his closing lines, Heskell did not attempt to draw a parallel as to the safe limits of modern government spending, but he did say, "It is possible to involve destructive taxation with the dangers of inflation."●

REPEAL OF ALL WITHHOLDING MAY BE THE ONLY WAY TO FISCAL RESPONSIBILITY

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. PORTER. Mr. Speaker, recently, the House wisely and overwhelmingly voted to repeal the withholding requirements on interest and dividend income. But the arguments never reached the question of whether we ought to have withholding of any type.

Unfortunately, American taxpayers do not see the fruits of their labor. A good portion of their wages are sent to Washington without their ever seeing the money. This results in public acceptance that it's not their money, but the Government's.

Not so. If American wage earners would receive all of the money they earned and then have to give back a portion in taxes, I strongly suspect that they will care a great deal more about how much is taken and how it is spent. This might be the only way to ever restore sense to congressional budget and fiscal policies.●

SPECIAL RECOGNITION FOR BRAVE AMERICAN SOLDIERS

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mrs. JOHNSON. Mr. Speaker, there are no individuals more deserving of special recognition than those brave American soldiers who have suffered devastating injuries resulting in paralysis and permanent disability. Few have sacrificed so much for the protection and defense of this country and all that we as a nation hold so dear.

It is therefore with great pleasure that I take this moment to voice my strong support for House Joint Resolution 258, a measure introduced by the gentleman from Massachusetts (Mr. MOAKLEY), designating August 3, 1983, as "National Paralyzed Veterans Recognition Day." While enactment of this legislation would serve to pay national tribute to the extreme sacrifices made by paralyzed veterans, sacrifices that they continue to make, the bill also recognizes the significant gains veterans have made in overcoming their disabilities and pursuing productive lives, further contributing to society, and the common good.

As a member of the Veterans' Affairs Committee, and particularly the Hospital and Health Care Subcommittee, I am directly involved in overseeing issues that affect paralyzed veterans, such as the medical care provided by Spinal Cord Injury Centers at VA medical facilities. This past February, I attended the dedication ceremony of the new barrier-free Paralyzed Veterans of America building in downtown Washington and was impressed by that organization's continued commitment and enhanced ability to serve the special needs of paralyzed veterans throughout the country.

The designation of August 3, 1983, as "National Paralyzed Veterans Recognition Day," along with the planned issue of a commemorative postage stamp on the same day, will support the PVA's efforts by successfully demonstrating the Nation's concern and appreciation to paralyzed veterans who have sacrificed themselves for their country so courageously.●

OUR FORGOTTEN WIDOWS

HON. HANK BROWN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. BROWN of Colorado. Mr. Speaker, yesterday I reintroduced my "forgotten widows" bill to correct inequities in the Reserve components survivor benefit plan. My measure

would permit payment of an annuity to surviving spouses of military reservists who were eligible for retired pay, but who died between 1972 and 1978 before reaching age 60.

Public Law 92-425, enacted in 1972, allowed members of the Reserves and the National Guard to join the Reserve components survivor benefit plan. However, if these members died after attaining service eligibility but prior to reaching age 60, their spouses could not receive any portion of their annuity. The law was changed in 1978 to correct this inequity, but it only applied to reservists who died after 1978. My bill would allow those families of eligible Reserve service members or retirees who died between 1972 and 1978 to receive a portion of the annuity.

My bill also contains the following provisions:

Covers families of reservists who die during the long delay between qualification for retired pay and not notification of eligibility for this benefit;

Changes the present method of calculating the cost of the annuity to the individual, so that the retiree does not pay an excessive amount for his survivor benefit plan;

Authorizes payment of an annuity to the dependent children of an Armed Forces member who dies on active duty after reaching eligibility for retired pay, if there is no eligible spouse.

On April 27, 1983, Senator STROM THURMOND introduced a companion measure, S. 1149, in the Senate.

I hope that my colleagues will recognize the necessity of removing these inequities from the survivor benefit plan and will join me in supporting this legislation.●

VETERANS' JOBS TRAINING ACT

HON. GUY V. MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. MOLINARI. Mr. Speaker, yesterday this House passed H.R. 2355, the Emergency Vietnam Veterans' Jobs Training Act of 1983, of which I am a cosponsor. This is an important piece of legislation that will benefit many veterans, both unemployed and employed. A companion bill, S. 1033, has been passed by the Senate Committee on Veterans' Affairs and should reach the Senate floor shortly.

Some who opposed its passage asserted that there was no need at this time for such a targeted jobs program. They said there were already adequate employment programs for veterans in job placement, training, affirmative action, and educational tax credits. They also urged us to wait for the comprehensive jobs legislation to filter down to veterans before we go and pass new jobs bills.

In response to these assertions, I can state, from specific experience, that I am very much aware that other programs exist which assist veterans in the job market. In fact, the Committee on Small Business, which I am a member, recently marked up SBA authorizing legislation that included a $30 million fund to provide loans to Vietnam-era veterans who want to get new businesses off the ground. This new program is important to the veteran community. However, it it designed to meet a specific need of the veteran business person—the need for startup capital. These funds are geared toward businesses that have special capital needs but have trouble finding the required funds. The program fills in for the lack of established records and contacts within the American business community. This fulfills a serious need but this kind of capital assistance program only helps to alleviate some of the economic problems facing veterans.

In spite of the veterans' assistance that already exists, veterans, particularly Vietnam-era and disabled veterans, continue to suffer severe employment hardships. We must realize, as we did with the new SBA program, that Vietnam-era and disabled veterans have unique problems, either because of their long absence from the economic mainstream or because of handicaps which keep them from certain kinds of jobs. Many veterans have lost their jobs because of "last-hired, first-fired" practices. Unemployment remains very high, with a 19-percent rate among veterans between the ages of 25 to 29, compared to 13.9 percent for nonveterans in the same age group.

Due to the recent recession, there are many previously successful and employed veterans who are currently out of work. Some of these people have been unemployed for 15 weeks or more. Even though the economy is now improving, these individuals will not simply reapply and obtain their old positions. In fact, with the structural transformations taking place in our economy, the importance of some jobs is diminishing while others are becoming more economically relevant. What this indicates is that to be employable in the new markets, new skills must be acquired through education and training.

As a nation, we have made a determined commitment to provide special consideration to those who served their country during time of war. Given this responsibility we have accepted to meet the needs of these important citizens. We need to specifically address the task of retrieving and keeping the veteran as an economically productive member of our society. The Emergency Vietnam Veterans' Jobs Training Act of 1983 is an important step in the right direction.●

MOTHERS' MARCH FOR PEACE

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. McGRATH. Mr. Speaker, I would like to call the attention of my colleagues to a memorial tribute that will take place this Saturday in New York City. It is an occasion—and a cause—which should concern every American and every peace-loving person in the world.

Thousands of American-Irish mothers and their children will participate in a March for peace with justice for the children of Northern Ireland.

As my colleagues know, more then 2,100 people have been killed in Northern Ireland in recent years as a result of the fighting there. Many of those killed have been innocent children.

Because of the violence and bloodshed, the children of Northern Ireland have been deprived not only of their lives but also of their childhood. These innocent youngsters do not know the pleasures of playing games, of growing up in secure homes, or even whether they will be able to grow up at all.

The violence must stop. The children of Northern Ireland must have an opportunity to reach adulthood in a free and peaceful atmosphere. Their hearts should be filled with love and joy, not hate and sorrow. And this is the goal of the mothers' march in New York.

Mr. Speaker, I call on my colleagues to convey the plea expressed by the mothers' march to their constituents. We all hope that someday soon peace will come to Northern Ireland. When it does, the children there will be able to experience once again the joys of childhood.●

CAMPAIGN FINANCE REFORM

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. SYNAR. Mr. Speaker, today I have joined my colleagues, Senator DAVID BOREN, of my State of Oklahoma, and Mr. BERYL ANTHONY of Arkansas in introducing the Campaign Finance Reform Amendments of 1983. I am pleased to have a Member from each legislative Chamber join me in sponsoring this proposal which seeks to avert a dangerous shift we see developing—the shift away from concern for our national interest and toward the narrow concerns of special-interest groups.

The purpose of our legislation is to limit the amount of funding a candi-

date may accept from political action committees and increase the amount individuals may contribute to election campaigns. Through these changes, we hope to restore balance to the election process by limiting the influence of special-interest groups on the legislative process.

The bill we are introducing today is fashioned after the Obey-Railsback proposal of several years ago and is almost identical to legislation I helped to introduce last year. I am proud to say that our bill in the last Congress was cosponsored by about 100 of our colleagues and was endorsed by many citizens groups and concerned individuals throughout the country.

Specifically, our bill places a limit of $75,000 on the amount of money which a candidate for the House of Representatives may accept from political action committees in a 2-year election cycle. That limit would be lifted to $100,000 should a candidate draw an opponent in both the primary and general election. Senate candidates would also be limited to a level based on the size of their State. In the event of a runoff election, a candidate would be able to accept an additional $25,000 in PAC contributions. Further, our bill increases the amount an individual may contribute from $1,000 per election to $2,500. In this way, we reduce the influence of PAC giving in campaigns and increase the ability of individual citizens to influence campaigns.

I believe we need to pass this legislation due to the increasing influence of special-interest groups on the legislative process. I am fearful that the wishes of a conglomeration of special interests are supplanting the national interest and the concerns of average citizens. This is not a new issue to those of us who serve in this body. We know all too well about the proliferation of political action committees and the mounting reliance of candidates on PAC contributions to finance their campaigns. Whether it be to reward legislative allies or buy access to Members, I think we all realize that PAC contributions are not given on a lark. They are given for a reason and that reason is to influence the legislative process. I think we are all mindful of the quid pro quo which exists in PAC giving. Members find that they must spend more and more time on fundraising—and less and less on other duties—just to keep ahead in the political arms race which PAC's are fueling. We need to put a stop to this escalation before it gets out of hand and establish a balance between the concerns of special interest and those of individual citizens.

A few facts about political action committees tell the story very well. In 1974, there were about 600 PAC's registered with the Federal Election Commission; by 1982, that number had risen to over 3,300. Over 1,000 PAC's were created between the 1980 and the 1982 elections. PAC's contributed $12.5 million to House and Senate candidates in 1974. In the 1982 elections, that figure had risen to about $87 million. The numbers show that more and more Members have to rely on PAC contributions to finance their campaigns. In 1978, 148 Members received at least 40 percent of their campaign contributions from PAC's. In 1982, 200 Members received at least 40 percent of their campaign funds from PAC's.

I have introduced this legislation because I believe it will help solve this problem by restoring a balance among the influences of the legislative process. It does so by limiting the amount of money candidates may accept from political action committees while increasing the amount candidates may take from individual citizens. This will lead to a more broad-based influence in our process as candidates rely more heavily on individuals to finance their campaigns.

It will also help to cool off the political arms race by freezing PAC contributions at a reasonable level. The escalating costs of running a campaign today are due in large part to the increasing contributions of PAC's. In 1974, House candidates received about 20 percent of their campaign funds from PAC's; in 1982, 34 percent of the contributions in House races came from PAC's. If we limit the amount a candidate can accept from PAC's, we will go a long way toward limiting campaign spending.

There is a growing consensus by the American public and Members themselves that we in Congress must deal with this issue. The many legislative remedies which have already been introduced attest to the awareness of our colleagues of the seriousness of this issue. Some proposals have been introduced which go much further than our approach and are much more complex. We need to remember past experience on this issue, however, and the fact that campaign financing changes have typically had unexpected consequences. The growth in PAC's is just one case in point.

Therefore, I believe this simple, straightforward approach we have proposed is preferable. I would urge my colleagues to join with me by cosponsoring this legislation and working for its enactment. In so doing, I believe we will improve the public's perception of this institution and strengthen our system of representative democracy.●

PRESTON MARTIN ON MONETARY POLICY AND WHY M_1 ALL TARGETING WOULD HURT ECONOMIC RECOVERY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. KEMP. Mr. Speaker, one of the most serious threats to our economic recovery is the prospect of a return to the simplistic monetarism which brought the United States—indeed, the dollar-based world economy—to the brink of serious crisis last summer. At that time, a policy of focusing exclusively on the growth of the M_1 definition of the money supply led to a policy which was drastically more contractionary than even the Federal Reserve intended. One reason for the problem was the rising demand for the U.S. dollar as a result of high real interest rates. With a fixed supply and a rising demand, the dollar rose while the economy sank.

The Federal Reserve recognized its error and shifted to a more balanced policy last summer. I had hoped that Federal Reserve officials had learned that the value of the dollar, like the value of anything, is affected by both supply and demand. Yet once again there is a renewed clamor for a return to the failed policy of quantity fixing. The calls have been prompted by the rise in M_1. This concern might be justified if there were indications of incipient inflation—a rising gold price, or a falling dollar exchange. Yet the price of gold is falling and the dollar is rising. These and other indicators show that the money supply is rising in response to demand, and can and should be accommodated, just as a fall in the demand for dollars should be accompanied by a restriction in supply.

I am glad to see that there is a voice at the Federal Reserve which recognizes the realism of this analysis, and rejects the idea that economic recovery, per se, is inflationary. According to a story in the Wall Street Journal, Federal Reserve Board Vice Chairman Preston Martin says that the Fed should accommodate the economic recovery without rekindling inflation. I am also happy to see that Mr. Martin argues against a tax increase, as it would jeopardize the recovery. There are only two ways to significantly reduce the budget deficit—through economic recovery which brings fuller employment, and through spending restraint. I agree with Mr. Martin that a tax increase would be a risk not worth taking.

I commend this article to the attention of my colleagues.

The article follows:

FED WILL "ACCOMMODATE" U.S. RECOVERY, NOT OVERREACT TO MONEY RISE, MARTIN SAYS

(By Kenneth H. Bacon)

WASHINGTON.—The Federal Reserve Board is following a monetary policy designed to "accommodate" an economic recovery that appears slightly stronger than expected, but without triggering inflation, said Preston Martin, the board's vice chairman.

As a result, Mr. Martin said, the central bank is being "very careful" to avoid overreacting to the recent rapid growth in the weekly money-supply figures. He made his comments during and after an appearance before a House banking subcommittee.

At a time when the financial markets fear that the Fed may be about to adopt a more restrictive monetary policy to slow monetary gowth, Mr. Martin stressed that the central bank is proceeding with caution. It hopes that the May surge in M_1, a weekly money-supply measure of cash held by the public and private checking-account balances, will begin to slow naturally before the Fed is forced to tighten policy, he said.

"MORE BASIC GUIDES"

"I don't mean to imply that we're ignoring M_1. We can't," Mr. Martin said. "It's one of several factors that we have to consider, but we shouldn't be guided by M_1, alone." Mr. Martin said that "more basic guides are still furthering the recovery" and monitoring inflation.

The Fed official said that the central bank is "finding a little bit higher growth"—about one-half to one percentage point after inflation—in the economy than it expected. "It's monetary policy's job to accommodate that slightly higher rate of recovery," Mr. Martin said. "So far we don't see we have to pay the price in rekindling inflation," he said of the stronger-than-expected recovery.

The Fed doesn't publish specific estimates for economic growth, but in February the consensus of the board's policy-setting Federal Open Market Committee was that real gross national product, the nation's output of goods and services adjusted for inflation, would grow between 3.5 percent and 4.5 percent, between the fourth quarter of 1982 and the fourth quarter in 1983.

Mr. Martin's remarks suggest that the Fed won't aggressively tighten policy to slow M_1 growth until it begins to see worrisome advance indicators of inflationary pressures. In February, the Fed announced a growth range of 4 percent to 8 percent for M_1, but M_1 has grown at a 12.4 percent annual rate so far this year.

The growth of M_1 has been distorted by a variety of factors, Fed officials said. These factors include changes in deposit flows in response to creation of new banking accounts, a change in the traditional relationship between economic activity and monetary growth and a possible change in the timing and amount of the Treasury's tax-refund payments.

In the face of these complicating factors, "we are very careful not to overweigh" the recent growth in M_1, Mr. Martin said. "We are still looking forward to" a natural slowdown in the rate of M_1 growth, he said. He added that the rates of growth of two broader money-supply measures, M_2 and M_3, already have slowed this year and that "we have had some relief in M_1." In April M_1 growth was slower than its target range of 7 percent to 10 percent while M_3 growth through April was within its 6.5 percent to 9.5 percent range.

With inflation sharply moderated and the broader money-supply measures behaving well, the Fed apparently believes it can afford to be somewhat relaxed about hitting its M_1 target, at least for the moment. "It's always of some importance" to keep M_1 growth within its target range, Mr. Martin said, "But it isn't as important as it was last year" and during earlier periods when the Fed was struggling to build credibility as an anti-inflationary force, he added.

NO CHANGE INDICATED

After the hearing, the Fed vice chairman noted that the central bank had said since last fall that it planned to pay less attention to M_1 temporarily as it sorted out monetary distortions. "I'm not indicating any change in policy in any direction," Mr. Martin said.

He stressed that the Fed was engaged in "an hour-by-hour, day-by-day process of watching" economic indicators, inflation gauges, interest rates and money-supply figures to maintain the proper policy balance. He added that "if we were to restrain the provision of bank reserves to curb the growth of M_1" under current conditions the financial markets could react adversely.

Mr. Martin noted that interest rates have been on the rise in recent weeks after a period of decline. He called the increases a reaction to growing financial-market fears of renewed inflation and higher future interest rates that would be generated by enormous federal deficits.

Referring to the Treasury's large borrowing requirements, Mr. Martin said that "right now the borrowing could take place without hurting the recovery" but that as the economy recovers, increased private borrowing needs will begin to clash with large Treasury debt sales.

Despite his concern about the deficits, Mr. Martin, who is one of several candidates to succeed Paul Volcker as Fed chairman if he isn't reappointed later this year, counseled against interfering with the 10 percent income-tax rate reduction scheduled for July 1. "To increase taxes at such an early stage" of a recovery "is a highly risky action and I'd rather not see it tried," he said.●

HAPPY 300TH BIRTHDAY, ISLIP

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. DOWNEY of New York. Mr. Speaker, in the coming week, the town of Islip on Long Island's South Shore will be celebrating its tricentennial. From those first settlements in 1683, Islip Town has expanded and prospered for three centuries.

The world is very different now, in the 1980's. But some things do not change. The values of freedom, economic opportunity, and community spirit are as essential now as they were 300 years ago. And it is these values which have sustained the people of Islip in their progress from colonial frontier settlers to modern homeowners and citizens in a vital, dynamic community. The town of Islip can be proud that the story of its growth parallels the saga of America's past.

The celebration of this tricentennial is important for many reasons. We need to remind ourselves about where we come from—to refresh our collective memories. It is important for us to educate ourselves about our past and the legacy we inherit. And it is most important that our young people have a vivid sense of their origins, of what it meant to settle this town in the 17th century. In that way we can pass on the heritage of freedom and community pride to future generations, and so guarantee another 300 years of growth and enrichment that will be our legacy to the future citizens of Islip.●

EXPLANATION FOR MISSED VOTES

HON. GERALDINE A. FERRARO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Ms. FERRARO. Mr. Speaker, I was unavoidably absent from the House for the session of June 6, 1983. Had I been present, I would have voted as follows on the three recorded votes that took place that day.

On rollcall No. 162, agreeing to House Resolution 210, the rule making in order the bill H.R. 3132, Energy and Water Appropriations, "yea."

On rollcall No. 163, agreeing to resolve into the Committee of the Whole on H.R. 3132, "aye."

On rollcall No. 164, an amendment to delete $26 million in construction funds for the Stonewall Jackson Dam in West Virginia, "aye."●

FATHER RONALD COYNE

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. DONNELLY. Mr. Speaker, last month hundreds of residents of Boston's Dorchester neighborhood gathered to pay tribute to an extraordinary young man. Ronald Coyne has spent just 10 years in the Roman Catholic priesthood, but in that short span of years he has established an astonishing record of service to his church and to his neighbors.

The following article about Father Coyne appeared in the Boston Shopper News this week. It is very appropriately titled "God's Gift to Dorchester." I am pleased to be able to share the heartwarming story of Father Coyne's ministry with my colleagues.

The article follows:

GOD'S GIFT TO DORCHESTER

(By Paul Feeney)

Ray Flynn runs his political campaign for Mayor on a parish level. He doesn't like the term wards and precincts. Ray was one of the first political arrivals Sunday, May 29th at the Boston Teachers Union Hall where the people of St. Margaret's Parish were

gathering to honor their favorite priest, Father Ronald Coyne.

If ever a political candidate wanted to meet the people of St. Margaret's, this was surely the evening. Parishoners had come en masse to say "thank you" and "we love you" to a young priest who has helped make St. Margaret's the very special parish that it is today: a special parish where many of the young people see so much good and do so much good for themselves and their families—thanks in large part to the devotion to duty and commitment to youth that Father Ronald Coyne brings to his ministry.

But while Father Coyne cares for the sick and elderly; celebrates TV mass frequently and tends to his regular parish duties, he is truly the 'Kid's Priests.' Father Coyne is the priest with the Snoopy The Dog Vestments on at the weekly children's mass. He's the priest who made sure Santa Claus, Frostie the Snowman and Rudolph the Red-Nosed Reindeer made an appearance at the annual children's christmas mass and that the Easter bunny left plenty of eggs around for the children's egg hunt after Easter mass. He's the priest who made sure that the children of St. Margaret's were treated as first-class citizens when it came to parish sports and activities. Now there are street hockey and ice hockey teams. The parish teenage football team is the super bowl winner. Everywhere you look, St. Margaret's teams are in the running or winning the championships. There is involvement. Father Coyne gets the kids to participate; whether it be altar boys or girl scouts. Its the children that matter most to him. He relates to them. His blue barracuda jacket collar replaces his priest's collar as he drives around the parish in his super-charged Trans-Am car. He has to know every kid by name. At Sunday mass, he calls them up by name to let them offer their special intentions. In the five years he has been at St. Margaret's, he has watched the kids grow from infants to teenagers and young adults. The accomplishments of the teenagers who get involved in parish events and activities is his greatest pride. These kids are bringing pride back to this parish. These are the kids that try the hardest to fight off the street corner drug dealers on Cresent Avenue on their way up to church. They are the kids who have set high goals for themselves and will achieve them. They have already proven themselves to Father Coyne and to their caring parents. Father Coyne offered the hand of friendship to them and they accepted. Father Coyne is a doer and a builder.

He thinks a turnout of five children to try out for the softball team the first day is great. He gets excited about it. He makes the kids glad they decided to join the team. Before you know it, there's 27 kids on the roster. Kids tell other kids and soon the feeling spreads among friends that maybe they're missing out on something exciting and good.

Kids were not allowed into the Teachers Union Hall that evening. It was their parents turn to thank Father Coyne for being so concerned and caring for the welfare of their children. They were also at the 5:30 p.m. mass beforehand to join with Fr. Coyne's family and friends to celebrate his tenth year as a priest. His brother is Father John Coyne, now stationed in Winthrop, who served at St. Gregory's Parish in Dorchester Lower Mills. Father John described his brother Ron as a guy who can't wait for things to happen. "He has to make things happen. He goes out and rings on the doorbell and before you know it he has a volunteer and another worthwhile program is in effect."

Pat Jay's Pharmacy has been doing business in St. Margaret's Parish for over fifty years. Father Coyne is a regular visitor to Pat Jay's, because many of St. Margaret's key parish leaders and workers are employed by Pat Jay's, such as Lucy Mikalauskis one of the party organizers and Debby Fleming, former CYO Girl of the year. In addition Pat Jay's employs local teenagers to help behind the counter. Eddie and Ernie Jacobson, the proprietors, have a special respect and admiration for Father Coyne. Ernie's wife Shirley caught my attention when she heard I was planning to write this article. "He's so energetic, so athletic, so great for the kids. But he's always taking the elderly out for a ride or a walk too. He's affectionate; always smiling and we just love him here", she said.

The Boston Junior Chamber of Commerce (Jaycees) recently selected Fr. Coyne as one of Boston's ten outstanding young leaders. State Representative James Brett had submitted Fr. Coyne's name and history to the Jaycees for their consideration.

Ronald Coyne, age 35, is the son of Eleanor and Alexander Coyne of Roslindale. Ron's father is a retired postal worker. He has a sister Elaine married to Jack Hogan and they too live in Roslindale. Father Coyne was born and raised in Holy Name parish which serves people in West Roxbury and Roslindale. His mother says he was very faithful to the CYO as a young man. He also played trumpet in the band. He was president of the CYO. He graduated from Catholic Memorial High School and from there went into the seminary. He was ordained ten years ago and served first at St. Angela's parish in Mattapan. His brother John is 32. Last week, Fr. Coyne received the "Best Guy Award" from Christopher Columbus High School.

Father Coyne's mother Eleanor couldn't believe the size of the turnout and praised the great job done by the parish committee. Lucy Mikalauskis said "the committee started planning only the week after Easter. The response was immediate and nine-hundred-fifty tickets were quickly sold." As a result, Fr. Coyne was presented with a trip to Las Vegas, a gift from the parish and friends, according to Lucy.

A highlight of the evening was a color slide presentation narrated by Jack Lynch with Ed Rooney and Mike May working the camera. Committee members had combed the parish for photographs of Fr. Coyne and with the help of Virginia Fleming had the professional style slides produced.

Coleen O'Donnell, proprietor of Coleen's Flower Shop donated all the floral centerpieces and all the corsages and boutonaires that were worn by the organizers of the event.

Bridie Giffin is the lovely young Irish beauty whose been the woman-in-charge of St. Margaret's Rectory for many years. Bridie's girlfriends often visit her at the rectory and while ther chat with Father Conye. Bridie and her two girlfriends Winnie Fitzpatrick and Maureen Donohue chipped in an bought Fr. Coyne an airline ticket to Ireland. That's how much they like this priest.

The committee consisted of the following people: Jimmy and Maryanne Murphy; Representative James Brett and his sister Mary McCarty; Mary Connolly; Audrey Costa; Marie "Snooky Griffin" Devine; Virginia Fleming; Dave and Eileen Hagler; Jack and Maureen Lynch; Gene and Jack Mahoney; Lucy Mikalauskis; Helen Renovitz and Janice Zulon.

Noticeably absent from the celebration was Fr. Daniel Dunn, the pastor of St. Margaret's who is very ill. Father Dunn was very good to the young Fr. Coyne since his arrival at St. Margaret's. Both at chuch and at the Teacher's Hall, Fr. Coyne expressed his sadness that Fr. Dunn could not be there with him to share the moment.

Fr. Dunn had a deep love for Dorchester. I remember him talking about his early childhood years when he would take the trolley car up Dorchester Ave. from Lower Mills to make the seven chuches; a catholic tradition and St. Margaret's Church was always so beautiful and special to him. Fr. Dunn was a also a local historian and his weekly sermons looked back into history to find guidance for today. He wrote extensively about Dorchester history in local publications. When Fr. Dunn, the conservative elder and Fr. Coyne, the liberal younger were together on the alter, they symbolized the importance of family in everyone's lives. Fr. Coyne, in remarks at the hall, reiterated the importance of family values that his parents gave to him. As a priest, the church's children are his children. And like his parents before him, he strives to set a good example for his children—our children.

As we prepare to celebrate Dorchester Day '83, it is good to dwell on the positive rather than the negative aspects of urban life. This is the 20th anniversary of the Dorchester Day Parade under the Allied Veterans Council and as the Rev. Allen of the "White Church" at Meeting House Hill said to me recently: "Dorchester has seen some pretty dark days in recent years."

Those of us who live in Dorchester can be confident that the good Fr. Coyne has accomplished for the children of St. Margaret's will somehow rub off and these kids will go on to be the future leaders of the Dorchester Day Celebrations. And hopefully, many of them will raise their children in Dorchester so that in the next twenty years, Dorchester is the best neighborhood in Boston in which to live.

As for Fr. Coyne, he has made St. Margaret's Number One. Years ago it was St. Kevin's with the great Drum and Bugle teams; St. Williams with the outstanding CYO Championship Band and then St. Peter's, St. Ann's, St. Gregory's, St. Brendan's and St. Ambrose. Now its St. Margaret's.

And soon, the people of St. William's Parish will pray in their brand new church—bringing a new spirit to the Savin Hill Community. Yes there are many good people and many good things happening in Dorchester in 1983.●

SECOND ANNUAL QUEENS COUNTY PUBLIC SERVICE AWARD

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. ACKERMAN. Mr. Speaker, on Monday, June 13, the borough president of Queens, Donald R. Manes, and the New York Telephone Co. will be holding the second annual Queens County Public Service Awards honoring the Queens uniformed services. This year marks the second time that

the borough president and the New York Telephone Co. have officially recognized public servants who have demonstrated outstanding commitment and dedication to the communities and citizens of the Borough of Queens.

It is a matter of conscious pride to me as a Congressman from the Borough of Queens, and I know all my colleagues as well, that certain men and women actively and consistently devote themselves to the service of their community. Although I am quite sure that this dedication is not unique to the honorees of the Queens County Public Service Awards, these individuals have distinguished themselves as catalysts in improving the quality of life in our home county. Whether it be providing an innovative educational program for residents of the borough, or putting one's life on the line to maintain the safety of our streets, the honorees ably performed these duties.

Mr. Speaker, I am honored to publicly bring to your attention the names of the honorees of the second annual Queens County Public Service Awards:

New York City Police Department: police officer Diane Scaplehorn, police officer Philip Mesfina.

New York City Fire Department: fireman Anthony Smalls, Capt. Daniel F. Mundy.

New York City Housing Authority: police officer Martin Cattani, police officer Wade Williams.

New York Supreme Court: chief clerk John O'Reilly, law secretary Terrence O'Connor.

U.S. Postal Service: letter carrier Samuel Joyner, customer service representative Andrew Amoroso.

New York City Sanitation Department: superintendent Charles Russo, sanitationman Anthony DePaul.

New York City Transit Police: police officer William Cope, police officer Thomas Langone.

Gateway National Recreation area: Ms. Jacqueline Matera, Ms. Jeanette Parker.

Emergency medical services: specialist Marily Coyle, corpsman Clarence Jenkins.

New York City Department of Parks and Recreation: park manager Ronald Ciancivilli, office aide Helen Bruce.

Port Authority: police officer Sal Lauria, police officer Russell Bible.

These public servants are fine examples of individuals who make their community a strong, healthy, and safe environment in which to live. These men and women are assets to their communities as keepers of the peace, and as leaders of outstanding dedication whose praiseworthy contributions serve as an inspiration to all of us.●

LEGISLATION TO REFORM INTERNATIONAL PESTICIDE LAWS

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. HEFTEL of Hawaii. Mr. Speaker, agriculture issues, both domestic and international, have commanded increasing attention by the Congress in recent years. Today I am introducing legislation to amend the Federal Insecticide, Fungicide, and Rodenticide Act as it relates to the export of pesticides and the import of foods and other commodities which contain pesticide residues.

First, I would like to relate how my interest in this issue evolved. Last year, we in Hawaii experienced major pesticide problems. The most damaging involved the discovery of heptachlor in our milk supply. Dairy cattle on Oahu had been fed a pineapple byproduct which contained heptachlor residue. The heptachlor manifested itself in the cows' milk. Confirmation of the presence of heptachlor in milk was not made for several months and product recalls occurred until heptachor residues were finally brought down to safe levels.

Although we probably will not know the effects of the heptachlor contamination on the public health for many years, this incident raised my consciousness about our vulnerability to such occurrences. I began to look into all aspects of pesticide control. As I looked closer into our pesticide laws and regulations and into how well they are protecting the citizens of our country from consuming dangerous and unsafe pesticide residues, it became increasingly clear to me that our laws are not adequate in their export notification requirements of pesticides that are banned, canceled, or otherwise unregistered in this country. It further became apparent that foods imported into our country are not being sufficiently monitored for residues from those pesticides that the Environmental Protection Agency has not registered for use in our country nor which have been assigned tolerance or action levels. Many unsafe pesticide compounds are escaping detection from the Food and Drug Administration's multiresidue analysis tests. In its report, "Better Regulation of Pesticide Exports and Pesticide Residues in Imported Food Is Essential," the General Accounting Office documented several of the pesticide problems we are facing. I do not believe that our pesticide-export notification and imported-food-monitoring systems have improved since the report was written.

We have gone to great lengths to ban the use of certain pesticides in our own country. Certainly we must insure that our efforts are not weakened by allowing into our grocery stores these same banned pesticide residues simply because they have come through a different door. Moreover, it is unfair to our farmers to tell them that they may not use certain pesticides while their foreign counterparts are allowed to use those very same pesticides and compete in American markets.

This legislation is designed to offer a moderate approach to the problem of protecting Americans from consuming unsafe pesticide residues on imported food. It would require that companies engaged in exporting pesticides notify the EPA on a more regular and comprehensive basis, whenever possible, of the destination, the nature and quantities, and the uses of the exported pesticides. Federal agencies would be directed to cooperate in establishing patterns of overseas pesticide use. Where pesticides not registered for use in the United States are sold abroad, the government of the importing nation must certify to the United States that it understands the hazards associated with the pesticide and how to safely use the product.

This legislation is neither designed to prohibit or curtail the export of pesticides or pesticide ingredients produced in the United States nor is it intended to make trade secrets available to the public or to foreign interests. Rather, it is designed to increase the availability of information about pesticides, and assure that the Federal agencies involved in monitoring exports and imports of pesticides and pesticide residues can more expeditiously exchange information and thus have a better working knowledge of what residues to look for on food products imported into our country.

The House Agriculture Subcommittee on Department Operations, Research, and Foreign Agriculture, chaired by our colleague, GEORGE BROWN, will soon begin extensive hearings on international pesticide issues. I look forward to participating in this thorough analysis of the problems that relate to the export and import of pesticide and pesticide residues, and hope that we will take bold action to address this matter during the 98th Congress.

A summary of the bill follows:

A BRIEF EXPLANATION OF THE "PESTICIDE IMPORT AND EXPORT ACT OF 1983"

Section 1 contains the title of the Act.

Section 2 amends section 7 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) by adding a new subsection specifying the types of information a pesticide producer must submit to the Administrator of EPA on pesticides manufactured in and exported from the United States. The amendment requires that information be submitted on the destination and nature of pesticide exports, as well as information on the foreign uses of the pesticides, to the extent such information is available to the exporting company.

The amendment directs the Administrator of EPA to collaborate with the Secretary of State, Secretary of Agriculture, and the Commissioner of the Food and Drug Administration in identifying overseas pesticide use patterns on food crops exported to the United States. An annual report is required summarizing the information gathered under this paragraph, including a provision directing the Administrator to include any recommendations he may wish to offer Congress on improving the reliability and usefulness of the information received under this section and section 17 of FIFRA.

Section 7, paragraph (d), "Confidential Records and Information," is amended to include the information on pesticide exports obtained pursuant to the previous paragraph under the protections provided confidential information in section 10 of FIFRA. The amendment exempts from the protections of section 10 any information the Administrator determines must be disclosed in order to comply with the reporting requirement in the previous paragraph, although the Administrator is instructed to take steps to limit the disclosure of commercial information when such disclosure is not necessary to carry out the provisions of the Act.

Under current law, pesticide manufacturers are required to report annually to the EPA the pesticides currently in production, sold, and distributed during the past year. This information provides only imprecise information on pesticide exports. The specific information required in this amendment would greatly improve the Food and Drug Administration's ability to effectively monitor imported foodstuffs for the presence of pesticide residues. It would also assist EPA, the Department of State, other nations, and international organizations in fostering the safe use of pesticides in developing countries.

The provisions pertaining to the protections provided to data collected by the Administrator on pesticide exports are intended to strike a balance between the public's interest in having better information on global pesticide use patterns and the private sector's interest in retaining control over potentially valuable commercial information. (Elsewhere in this Act, a provision amending section 10 of FIFRA addresses the conditions governing the international exchange of information. The impact of the amendments in this section should be evaluated in conjunction with section 6 of this Act amending section 10 of FIFRA.)

Section 3 of this Act amends section 17 of FIFRA. Section 17(a) of the FIFRA statute addresses the conditions which must be met by a pesticide producer in the case of pesticides produced in the U.S. solely for export. In the case of a pesticide not registered in the U.S., current law requires the foreign purchaser to sign a statement acknowledging that the purchaser understands that the pesticide exported from the U.S. is not registered in the U.S.

This Act amends section 17(a)(2) by specifying in more detail the conditions governing application of the notification requirement. The amendment also expands the information which must be included in the notification statement sent to foreign purchasers. In addition to the fact that the pesticide is unregistered in the U.S., the amendment would require an official of the importing nation to also be informed of the nature and severity of any unreasonable adverse effects on the environment identified by the Administrator in the course of considering the regulatory status of the pesticide in the U.S. The notice would also alert the official of the importing nation to the availability, upon request, of regulatory and scientific documents on the pesticide, subject to the provisions of section 10.

Subparagraph (a) clarifies the conditions which must be met for a pesticide to be considered unregistered, under FIFRA, and hence subject to the notification requirements. The amendment states that a pesticide shall be subject to the notification requirements of this subsection if some or all uses of the pesticide, or formulations of the pesticide, have been:

(i) cancelled or denied on risk grounds. In nearly all cancellation actions taken by EPA to date, a few uses of the pesticide have been retained. Pesticides such as DBCP and 2,4,5-T are not currently subject to the notification provision under section 17(a) because some uses are still registered.

(ii) voluntarily withdrawn, provided that the Administrator determines that the pesticide would have been cancelled in the absence of a request by the pesticide manufacturer that some or all of the pesticide's registrations be withdrawn.

In these cases, the amendment specifies that the pesticide may be exported if appropriate officials of the government of the importing country have submitted to the Administrator of the EPA a request that such pesticide be exported to such country; disclosed to the Administrator the intended use of such pesticide in such country; and in the case of a pesticide used on a food crop exported to the U.S. in commercial quantities, informed the Administrator of any regulatory requirements governing the conditions of use of such pesticide in such country which might affect the nature and level of pesticide residues on commodities exported to the U.S.

The amendment also requires the Administrator to compile a list of the pesticide regulatory officials that should receive information under this section.

A new paragraph (3) is added to subsection (a). This paragraph requires that acutely toxic pesticides be included in a modified notification process. The amendment specifies that both the foreign purchaser and the appropriate regulatory official in the importing country shall be notified and must acknowledge understanding of the acute hazards associated with exposure to the pesticide. The acknowledgement statement shall include the steps that will be taken to assure that instructions for the safe use of the pesticide will be accessible, to the extent practicable, to the use of the pesticide.

The Administrator is authorized to share information, upon request, with other nations on any pesticide without regard to the country from which a pesticide may be produced and exported. The Administrator is also authorized to collaborate with the Secretaries of State and Agriculture in undertaking special assessments of pesticide use in foreign countries when such assistance is requested by a foreign government. The amendment defines the term "acutely toxic," adapting the definition contained in the risk criteria as specified in regulations promulgated under FIFRA.

A provision amending subsection 17(d) directs the Administrator to foster the safe use of pesticides in other countries through the international exchange of information, and through other steps the Administrator may consider necessary. The State Department is directed to pursue diplomatic efforts to obtain the agreement of other exporting countries to regulate foreign pesticide sales.

Section 4 of the Act amends section 5(b) of FIFRA. The amendment would prohibit the use of a temporary tolerance established as part of an experimental use permit from covering pesticide residues on imported foodstuffs, unless the temporary tolerance was obtained in conjunction with an experimental use permit including use of a pesticide overseas.

Section 5 would amend section 6 of FIFRA by adding a new paragraph (f) addressing the revocation of tolerances. The amendment would require the Administrator to revoke tolerances for residues associated with suspended or canceled uses of a pesticide. In the case of a use of a pesticide that is voluntarily withdrawn, the Administrator may revoke a tolerance and establish a residue action level if the Administrator determines that the residue of the pesticide will unavoidably persist in the environment. The Administrator is directed to take into consideration and minimize the probable adverse impacts of tolerance actions on the competitiveness in world markets of U.S. agricultural production.

Section 6 of the Act would amend section 10 of FIFRA by adding a new subsection (h) on international agreements. This amendment prohibits the Administrator from making available for public inspection any pesticide information obtained from another country or international organization if:

(i) the Administrator obtained the information under the conditions that the Administrator would not disclose the information;

(ii) the information is not otherwise available;

(iii) the government or international organization continues to demand that the document or information not be made available for public inspection.

The amendment further would authorize EPA to disclose to foreign governments or international organizations information obtained under this Act as long as an agreement is reached that includes assurances acceptable to the Administrator that: (i) the information will not be further disclosed without the consent of the Administrator or the submitter of the information; and (ii) the information will not be used to support any application for a pesticide registration, license, or permit in another country.●

SPONSORSHIP OF LEGISLATION TO HOLD LANDS IN TRUST FOR THE PUEBLO DE COCHITI

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. RICHARDSON. Mr. Speaker, New Mexico has been regarded for many years as a tricultural State where the native Americans, then the Spanish, and then the Anglo, have lived in true social and cultural harmony. There are exceptions to this rule of harmony which dot our New Mexican history. One major act of disharmony occurred over 200 years ago, which to this day remains an evil deed by a lone person driven by personal greed and fraud. Today, I am introducing a bill which will finally remove

this historical blemish from our beautiful New Mexican history.

This is a historic day for the Pueblo De Cochiti, a small Indian tribe whose people have resided for centuries in north-central New Mexico, now a part of the Third Congressional District which I represent. For nearly 180 years, the members of that Pueblo have worked with diligence and conviction to right a wrong done to them almost two centuries ago—the fraudulent conversion of a part of their reservation, the Santa Cruz Spring tract, a 5,000-acre parcel of land on which these Indians have lived and worshipped since time immemorial. These efforts have persisted through the reign of three sovereigns: Spain, Mexico, and the United States. It is my sincere hope that the current sovereign, through the enactment of the bill introduced today, will restore to the Cochiti the Santa Cruz Spring tract, land that any fairminded person would agree is rightfully theirs.

From time to time, Congress has acted favorably on requests from Indian tribes to restore isolated tracts to them when the unique facts and circumstances warranted. Mr. Speaker, favorable action is indeed warranted in the Cochiti because of three truly unique facts:

First, the Pueblo of Cochiti was the very first record title owner of the land in question, and has always had a deed to prove it;

Second, the Pueblo has been denied possession of the land by a very old, fraudulent act, despite judicial acknowledgement of their right to it;

Third, my legislation requires no expenditure of Federal funds and the Pueblo pledges not to develop the property, but to use it solely as it is currently being used, for animal husbandry and operations and for religious purposes.

The history surrounding this bill is very important. Allow me to share this with my colleagues, Mr. Speaker. The Pueblo bought this land in 1744 from a Spanish grantee; that deed is still in existence today. Some 50 years after the purchase, however, a Spaniard wrongfully coerced the Cochiti into conveying the property to him, all in direct violation of Spanish law. It took nearly 15 years for the tribe and the Indian protectorate appointed by the Spanish to have this transaction declared void and the tract ordered restored to the Pueblo by decree of the colonial court of the Spanish Crown.

The Indians waited in vain for a copy of the court's decree; the decree, however, was suppressed and its existence kept from the Pueblo. Without this document evidencing the court's order, the Pueblo was unable to prove ownership of the tract to its new sovereign, the United States, when this country acquired the New Mexico Territoy in 1848. Despite the Pueblo's persistent efforts to win recognition of their interest in the land from the United States, they were unable to prove their rights until 1979, when an American historian fortuitously discovered the colonial court's restoration decree in a Mexican archive.

The United States now has legal title to the Santa Cruz Spring tract, having purchased it during the depression as part of a larger tract, with the intent of making the entire tract available for use by the New Mexico Pueblo Indians, including the Cochiti Pueblo. Political pressure from cattlemen intervened, however, and the land was never put to its intended use. Since 1972, the tract has been part of the Santa Fe National Forest.

Mr. Speaker, this land possesses great historic, cultural, and religious significance to the Indians of Cochiti who want to preserve and protect this ancient homeland for their descendants. The legislation introduced today would restore the tract to its rightful owners by placing it in trust for the Cochiti under the jurisdiction of the Department of the Interior. At the request of the Pueblo, this bill restricts use of the tract to its current uses, as mentioned earlier. Provision has been made to protect the interests of existing national forest permittees and several of the major ones have indicated their support for this legislation. I reemphasize that the transfer being proposed in this bill can be accomplished without Federal expense.

I urge the Members of the House to join with me in righting this ancient wrong.●

TIP O'NEILL'S SURTAX ON THE MIDDLE CLASS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. KEMP. Mr. Speaker, tell us it is not so. One of the most fatuous ideas floated recently is the proposal to cap the third year of President Reagan's across-the-board individual income tax cuts at $700. This is nothing more nor less than a surtax on the middle class of America, and at exactly the wrong time—if there ever were a right time.

The cap is not a tax on the rich. Have my Democratic colleagues forgotten that the top income tax rate was cut from 70 to 50 percent more than a year ago, on January 1, 1982—a proposal first made, and subsequently approved, by Democratic Members? Now, I happen to agree with that proposal, especially since the first Treasury figures indicate that revenue from upper bracket taxpayers increased after the rate was cut. Revenues are up in the higher incomes since we lowered the rates.

But this means that the cap proposal would hit the middle class, not the rich. The rich have already received their tax cut. And under the cap, families with lower incomes will receive their equal share. But the cap proposal would repeal part of the equal-percentage tax cuts for people in between. Specifically, a $700 cap would hit families with gross incomes as low as $39,250, and individuals with gross incomes as low as $31,150, if they do not itemize deductions. In 1970 dollars, those incomes are barely $15,000 and $12,000, respectively.

Families earning less than $35,200, or more than $109,400, in taxable income, would receive their full 23 percent tax cut. But families in between would receive only 14 or 15 percent. Regardless of the merits of soaking the rich, this proposal does not do it. All it does is redistribute income and hurt the working middle class.

Besides paying more in tax, the middle class would, also face sharply increased disincentives in the form of higher marginal income tax rates—the tax on an additional dollar of earnings. This tax-bracket rate affects important decisions to work overtime, to seek a new job, to save or invest, to start a new business—because all these decisions involve earning additional income. Under the $700 cap proposal, middle class families would run into a sheer cliff of tax rates at $35,200 in taxable income. Under current law, the tax rate already rises at that point from 28 to 33 percent. Under a $700 cap, that marginal tax rate would jump from 28 to 37 percent—9 percentage points, or by almost one-third.

This would affect not only individuals and families, but also the 14 million American small businesses which file individual income tax returns. The net result would be to diminish incentives for individuals and small business alike.

What is more, the cap proposal is technically impossible to implement before July 1. To refresh our memories, let us recall that the July 1 tax change is only a change in tax withholding. In 1981, Congress enacted phased tax-rate cuts, totaling almost 25 percent, to take effect on January 1 of calendar years 1981 through 1984. But the commensurate changes in withholding occurred on a different schedule: 5 percent on October 1, 1981, 10 percent on July 1, 1982, and the final 10 percent on July 1, 1983. This July 1 change, then, belatedly recognizes part of the tax-rate cut which went into effect last January 1, and anticipates the final 5-percent installment which will take effect next January 1. This means that tampering with the July 1 tax cut would require retroactively repealing part of the tax cuts already in place. In short, our Democratic friends not only propose a

surtax on the middle class; they also want to make it retroactive.

Practically speaking, the withholding schedules cannot be changed before July 1. It takes the Treasury 8 weeks to alter and distribute withholding information to employers; the additional time needed to change the payrolls depends on the sophistication of the employer's payroll keeping. What is more, under current law, the retroactive repeal of part of the January 1, 1983, tax-rate cuts would make taxpayers who file estimated and quarterly taxpayments liable for penalties for underpayment since January 1. This does not make sense.

The Democrats have waited until less than 3 weeks before the July 1 withholding change to make their cap proposal. This indicates to me that it is not a serious initiative, but merely a rhetorical gesture. It is yet another call to soak the rich which turns out, upon examination, to be yet another tax on the middle class. It is zero-sum, class-against-class politics, of the sort we have regrettably come to expect from some of our colleagues, with the regularity of their proposals to raise taxes. This tax hike will cost $37 billion over the next 5 years, and all of it will come from taxpayers whose fault is to be neither rich nor poor, but somewhere in between.

I would like to ask my Democratic colleagues: Will they cap the tax cut on capital gains? Will they cap the tax cut on interest and dividends? Will they cap the tax cut on large businesses? Of course not. Yet my Democratic colleagues propose to take away the tax cut from families who earn more than about $15,000 in 1970 dollars. These are the people who will get hit with a surtax if TIP O'NEILL has his way.

I would ask my colleagues to consider this proposal carefully. The more they look at it, the more they will see that it is ill conceived, unfair, and contrary to the claims of its proponents.●

POLISH CONSTITUTION DAY

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Ms. KAPTUR. Mr. Speaker, as we celebrate Polish Constitution Day this year, I would like to recommend to my colleagues an eloquent summary of its significance to the Polish people. This article was written by Dr. John Kromkowski, President of the National Center for Urban Ethnic Affairs. I think you will agree it is a fitting tribute to the freedom-loving spirit of the Polish people.

The article follows:

May 3, 1983 marks the 192nd anniversary of that Polish Constitution of 1791. This Constitution, culminating almost two decades of dramatic reforms, transformed the old Polish Gentry Republic into a constitutional state that extended the sufferage to the middle class, proclaimed the rights of man and citizen for all, set the stage for the liberation of the peasantry, and established a new efficient administration. The Polish Constitution laid the basis for the evolution of a modern democratic Polish state. This revolutionary development was accomplished without violence in keeping with Poland's historic tradition of peaceful change.

Robert R. Palmer, the great American historian of the 18th Century, in his famous study the "Age of Democratic Revolutions" argues that at the end of the 18th Century, in spite of the appearance of democratic parties and sentiments everywhere in the Western world, only in three countries was there sufficient internal support to effect a democratic revolution without outside help: the American Colonies, France and Poland. The first two succeeded, the third was destroyed by foreign intervention. Yet the Polish events produced a Constitution. It was the second such Constitution after the American one. It preceded by some months the first French Constitution.

The Polish people unfortunately never realized the blessings of this new democratic constitution. A coalition of the monarchical states of Austria, Prussia and Russia fearful that these democratic ideas may spread to their own subjects, denouced the Poles as the "Jacobins of the East" and initiated military intervention. The results, in spite of fierce resistance led by the American Revolutionary hero, General Thaddeus Kościuszko, were the second and third partitions of Poland that snuffed out Polish independence for the next 123 years. Despite foreign oppression and occupation, the memory of the May 3rd Constitution remained a rallying point in the struggle for Polish independence until the 20th Century. Under Communist rule today, the anniversary of the constitution again reminds Poles of the contrast between freely chosen government and institutions and the illegitimate and imposed regime under which they live.

As we approach the anniversary of our own Constitution, it is fitting to remember its sister Constitution in Poland born of the same struggle for liberty, justice and human dignity. The anniversary of the Polish Constitution reminds us of the ideas on which the May 3rd document was based almost two centuries ago. It is made even more poignant as we watch the peaceful evolution toward democracy and human rights in Poland strangled by a dictatorship whose foreign masters still fear the ideas embodied in the document. Poland against, as it was then, is one of the world's major battlefields in the eternal struggle against tyranny.

It is a fitting occasion therefore to salute the Polish People and remind them that in 1983 as in 1791 the peoples of the world watch them with appreciation and awe as they fight—in the words of the many Polish Revolutionary exiles of the last two hundred years—za wolność wasza i nasza, "for your freedom and ours."●

THE DECADE OF DISABLED PERSONS

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. COELHO. Mr. Speaker, two great opportunities for mankind grew out of the 1981 Year of the Disabled Persons. These were called to the attention of the world community in a statement by Mr. Alan Reich, president of the National Organization on Disability and of the Bimillennium Foundation, on May 19, 1983, in his speech at a conference of the Organization of American States in Guatemala City.

First, the Decade of Disabled Persons (1983-1992) has been proclaimed by the United Nations. I am pleased to be a sponsor in the Congress of House Joint Resolution 39 on the decade. For the world's half billion disabled persons, including 35 million Americans, the Decade of Disabled Persons can provide a framework for continuing commitment and action at the international, national, and local levels. It can further progress this neglected minority, leading to greater opportunity for education, employment, access, community integration, and rehabilitation.

The National Organization on Disability, of which I am proud to be an honorary sponsor, is spearheading this effort in the United States. Our recent congressional hearing on the decade brought together leaders from all sectors of American life. They attested to the importance of this decade initiative.

Second, the International Year of Disabled Persons, as a focal year, also established patterns for setting goals in all areas comprising the human condition worldwide. One international survey has shown that people throughout the world consider their most important needs as health, food, shelter, literacy, and economic well-being. The Bimillennium Foundation, with headquarters in Geneva and an office in Washington, D.C., is being formed to encourage the setting and pursuit of high goals aimed at improving the human condition, in all its aspects, throughout the world. It will focus the attention of mankind on the year 2000 as a unique opportunity.

Mr. Reich coordinated the 1981 International Year of Disabled Persons program in the United States. In addresses before the U.N. General Assembly in 1981 and 1982, he urged the world community to intensify efforts growing out of the International Year of Disabled Persons, looking both to the Decade of Disabled Persons and the Bimillennium.

The following is the text of Mr. Reich's statement before the Organi-

zation of American States conference in Guatemala City:

REMARKS OF ALAN A. REICH, PRESIDENT, THE NATIONAL ORGANIZATION ON DISABILITY AND THE BIMILLENNIUM FOUNDATION, ORGANIZATION OF AMERICAN STATES, CONFERENCE ON DISABILITY, GUATEMALA CITY, GUATEMALA, MAY 19, 1983

TOWARD IMPROVING THE HUMAN CONDITION—FROM THE INTERNATIONAL YEAR OF DISABLED PERSONS TO THE BIMILLENNIUM

It is an honor to be here with you in Guatemala at this Inter-American Symposium on Disability sponsored by the Organization of American States. I welcome the opportunity to address this international gathering of individuals concerned with the very real, human problems of disability. These problems are international in scope and importance and are shared by people everywhere—in developing and developed countries alike.

One billion inhabitants of our planet make up what I call the "disability family"—the one-half billion persons who themselves are disabled and another half billion members of their families who also live with and cope with disability on a daily basis. They know, as those outside the disability family must come to know, that these problems are both human and universal. They demand human solutions. They demand universal solutions. They call for continuing international communication and cooperation.

Today I shall speak about two great opportunities for improving the human condition worldwide. They both derive from the 1981 International Year of Disabled Persons (IYDP) proclaimed by the United Nations. For the first time, worldwide attention was focused on the serious problems of disability. One hundred and thirty nations carried out IYDP programs to increase participation of disabled persons in community life and to prevent disability.

The real success of the IYDP was not in what was done, but rather, in what was started. In the United States, for instance, the IYDP stimulated new voluntary programs in two thousand towns, cities, and counties where disabled people go about their daily lives. Purposeful local programs in education, employment, access, community integration and prevention were the significant outcome of the IYDP. This enormous citizen action response led to the formation of the National Organization on Disability, a private, non-profit organization dedicated to sustaining the IYDP momentum in the communities of America. Many other nations are continuing the work begun during the 1981 UN year. They have set long-term goals.

Perhaps the most important outcome of the IYDP was the education and consciousness-raising it provided for people everywhere on the problems and the potential of disabled individuals. The 1981 observance led to the realization that the problems of disability are serious and that long-term dedication would be needed to continue the worldwide progress. The United Nations in December 1982 therefore proclaimed the period 1983-1992 as the Decade of Disabled Persons.

But how do we give meaning to the United Nations proclamation? To realize the aims of the Decade of Disabled Persons, nations, UN agencies (including the Organization of American States and the Pan American Health Organization), regional organizations, international non-governmental organizations, and municipalities, must take part. We call upon them to develop, announce and implement their own plans for the Decade. To be successful, these Decade plans should meet seven important criteria. They should:

(1) Contain goals, objectives and action timetables for achieving full participation and dignity of disabled persons as well as for rehabilitation and prevention of disability.

(2) Ensure the participation of disabled persons in the planning process.

(3) Realistically address the problems and potential of all disability groups.

(4) Focus on public attitudes to increase acceptance of disabled persons.

(5) Ensure the appropriate involvement of all major segments of society in the implementation of these Decade plans.

(6) Ensure widespread public visibility for the plans and for progress made in their implementation.

(7) Provide for regular review and public reporting of progress throughout the Decade.

The Decade of Disabled Persons is a great opportunity and a challenge. It will take great commitment by leaders, officials, organizations, and people of goodwill everywhere to fulfill the responsibility to the disability family, and to mankind, which has been assumed by the world community. To do less would be unworthy of our purposes and ourselves.

The IYDP also has led to another long-term focal year effort—one which provides an even greater challenge. This second opportunity for positive, constructive action lies in the Bimillenium—the year 2000.

The year 2000 is a historic moment for humanity, marking both the end of a century and a millennium. Attention of people throughout the world will be focused on that year as the culmination of one era and the dawning of a new age. This turning point can become a time of renewed hope for all mankind.

In a survey conducted in over 60 countries—both developing and developed—people of all ages, cultures, religions and economic circumstances, identified their most important needs as food, shelter, health for themselves and their families, education and economic well-being. The degree to which these needs are satisfied determines the human condition. In much of the world, those questioned were plagued by hunger, homelessness, poverty, disease, disability, and illiteracy. Yet, as the survey showed, these same people expressed a belief that life for them would improve. They had hope for the future.

Focal years, organized through the United Nations, have opened the way to improvement in the human condition. They have helped channel hope and energy into action. As I have indicated, the IYDP, for example, led to the prospect of greater acceptance, dignity and participation of the world's disabled population. It stimulated the setting of goals for the future.

The response to the IYDP challenge showed that concentration on attainable goals can inspire the commitment and participation needed to realize a better life. The IYDP experience, moreover, pointed to mankind's tremendous opportunity inherent in the turning of the millennium to address the full range of concerns comprising the human condition.

Already the year 2000 has prompted some leaders to establish goals in major areas of human concern. The World Health Organization, at its 1978 Alma Ata conference, adopted the campaign, "Health for All by the Year 2000." Prime Minister Indira Gandhi has pledged to eradicate leprosy, now affecting some four million Indians, by that year. UNICEF recently set a year 2000 goal of reducing by half the number of children dying annually from malnutrition and infection. The Organization of African Unity has drawn up plans for achieving self-sufficiency in food by the Bimillennium.

In addition, within nations, activities focusing on the year 2000 are already underway. For example, the Governor of the state of North Carolina in the United States has initiated "NC 2000"—a survey of the hopes, needs and aspirations of the population as a preliminary step to establishing statewide goals. Lima, Peru and other leading Latin American cities have set adequate shelter as a Bimillennium goal. At all levels, commissions are being formed. Many surveys focusing on the human condition are in progress.

Successful Bimillennium goal-setting will benefit greatly from the lessons of other focal years. The IYDP experience of harnessing the power of such a focal year for setting goals to improve one aspect of the human condition has led directly to the formation of the Bimillennium Foundation. With world headquarters in Geneva, Switzerland, and an office in Washington, D.C., the Bimillennium Foundation is an international, non-governmental organization. Taking its cue from the IYDP, its purpose is to improve the human condition in all its aspects by encouraging the setting and pursuit of year 2000 goals worldwide. It will help channel the universal hope for a better future into meaningful action.

The Bimillennium Foundation will draw upon the wisdom of leaders and thinkers throughout the world to develop strategies for articulating, pursuing and achieving long-term goals. Since the new millennium really will belong to the youth, the Foundation will consult young people worldwide on their views and ideas for action. It will also further the exchange of ideas through networks of Bimillennium Partners—communities, institutions and organizations—dedicated to the proposition that the human condition can indeed be improved and a brighter future prepared for the generations to come.

You will be interested to know that in a meeting with Bimillennium Foundation leaders in late 1982, UN Secretary-General Perez de Cuellar affirmed the importance of the Bimillennium opportunity for worldwide goal-setting aimed at conquering hunger, poverty, homelessness, disease, disability and illiteracy. He pledged the support and cooperation of the United Nations for this international, non-governmental initiative. He stated then, "the setting and pursuit of goals stimulated in this process contribute to the relieving of suffering and to improving the prospects for a more stable, peaceful world."

The worldwide programs I have discussed today can be reinforced by effective and synergistic use of other UN initiatives such as the 1983 International Telecommunications Year and the 1985 International Youth Year. The Decade of Disabled Persons will do great service to mankind by demonstrating that effective action can be taken, that lives can be enhanced, that people across the world can work together toward the goals we all share, from Guatemala to the U.S. to Europe and the East.

I urge all of you to continue your efforts which are leading the way down the long

road to improving the human condition by the year 2000.

Thank you for joining with us in seizing the two great opportunties of the Decade of Disabled Persons and the Bimillennium. Our success will be a beacon of hope for all mankind.●

CONGRESSIONAL STEEL CAUCUS FINANCIAL REPORTS

HON. LYNN MARTIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. MARTIN of Illinois. Mr. Speaker, in accordance with Executive Committee Order No. 1, I am respectfully submitting herewith the financial reports of the Congressional Steel Caucus for the fourth quarter of 1982, and the first quarter of 1983, for insertion into the RECORD. The reports are as follows:

CONGRESSIONAL STEEL CAUCUS FINANCIAL REPORTS—FOURTH QUARTER 1982 AND FIRST QUARTER 1983

Quarterly report fund balance statement—1982, U.S. House of Representives, Congressional Steel Caucus

Balance remaining as of Sept. 30, 1982	$8,353.68
Total revenues (Clerk hire, dues, donations)	10,826.46
Subtotal	19,180.46
Less expenses;	
October 1982	6,119.16
November 1982	2,776.56
December 1982	2,924.56
Subtotal	11,820.28
Total unexpended revenues as of Dec. 31, 1982	7,359.86

Quarterly report cumulative statement of expenses, U.S. House of Representatives, Congressional Steel Caucus

Salaries	$10,656.28
Travel	.....
Stationery	170.18
Postage	20.00
Telephone	256.37
Publications	62.40
Equipment	510.00
Printing	.....
Miscellaneous	145.05
Total expenses as of Dec. 31, 1982	11,820.28

Quarterly report fund balance statement—1983, U.S. House of Representatives, Congressional Steel Caucus

Balance remaining as of Dec. 31, 1982	$7,359.86
Total revenues (Clerk hire, dues, donations)	26,553.76
Subtotal	33,913.62
Less expenses:	
January 1983	2,962.97
February 1983	7,014.29
March 1983	5,231.20
Subtotal	15,208.46
Total unexpended revenues as of March 31, 1983	18,705.16

Quarterly report cumulative statement of expenses, U.S. House of Representatives, Congressional Steel Caucus

Salaries	$12,885.43
Travel	0
Stationery	268.33
Postage	20.00
Telephone	250.24
Publications	158.95
Equipment	510.00
Printing	833.50
Miscellaneous	282.10
Total expenses as of Mar. 31, 1983	15,208.46

98TH CONGRESS—MEMBERS OF THE CONGRESSIONAL STEEL CAUCUS

(Members who have paid dues as of May 31, 1983)

Sonny Montgomery, Bill Nichols, George O'Brien, Bill Coyne, Bill Clinger, Cardiss Collins, Ron Wyden, Bud Hillis, Donald Pease, Jim Oberstar, Gus Savage, Nick Joe Rahall, Ray Kogovsek, Bob McEwen, Sam B. Hall.

Robert Walker, Clement Zablocki, John Murtha, Richard Shelby, Ralph Regula, Mark Siljander, Tom Bevill, Tom Kindness, Stan Lundine, Henry Nowak, Robert Roe, Alan Mollohan, Mary Rose Oakar, George Gekas, Peter Kostmayer.

Robert Borski, Howard Nielson, Frank Guarini, Robert Davis, Joe Kolter, Joseph Gaydos, Doug Walgren, Bruce Vento, Lawrence Coughlin, Barbara A. Mikulski, Joseph Addabbo, Joseph McDade, Richard Schulze, Austin Murphy, Jack Fields.

Doug Applegate, George Miller, Marty Russo, Don Ritter, John Dingell, Dennis Eckart, James Martin, E. Thomas Coleman, Clarence Miller, Gene Taylor, Bud Shuster, William Ford, Tom Luken, Bob Edgar, Katie Hall.

Louis Stokes, Gus Yatron, Harley O. Staggers, Clarence Long, Ben Erdreich, Lyle Williams, George Brown, Thomas Ridge, Mel Price, Lynn Martin.●

ANTI-CONTRACTING OUT

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mrs. SCHROEDER. Mr. Speaker, I recently received the following letter from my constituent, Nancy A. Smith, concerning the issue of contracting out, which I believe my colleagues will find of interest. It gives a point of view from a non-Federal employee who is familiar with this situation. I feel it supports my belief that this administration is out to destroy the Federal civil service system, in part, by cutting back on the number of Federal employees through contracting out of jobs currently held by Federal workers.

The letter follows:

DENVER, COLO.,
April 5, 1983.

DEAR CONGRESSWOMAN PAT SCHROEDER: Is it true that Mr. Reagan is planning to "lay off" 500,000 federal employees and contract out their services to the private sector? If so:

What a financial waste!

What an efficiency disaster!

I have never been a federal employee, but I have been both a contract administrator for a state government and a department head of a College Cooperative Education Program, working with hundreds of employees in the Greater Washington, D.C., area.

The employers, with whom I worked, ranged from the federal government to small and large private industry, including federal consultants and contractors. From my experience, observations and listening to many contract employers, I came to the following conclusions:

Only a few employers with federal contracts were cost effective for the taxpayer or program efficient or effective.

A. The primary result of contracting "in-house" federal functions to the private sector is to create business for private business and overpay a few high level employees of the business. (High level contractor employees receive more salary and greater travel "per diem" than federal employees with comparable responsibility; while the average federal worker suffers a loss of job stability and benefits when forced out and into the on-again, off-again, employment of a contractor when the federal employee's function is contracted to the private sector.)

B. The taxpayer receives less service for tax dollar spent in most contracts, as well as less responsiveness. (A congressperson can obtain more responsiveness from a federal agency/employee in the taxpayer's behalf.)

1. In-house functions, once contracted, are virtually unable to be recaptured at a reasonable cost. Once the memory, organization and employee is gone—it is lost. The federal government is at the mercy of the contractor. (If you were a federal contractor, threatened with the loss of a contract because of providing inadequate service, would you leave the records/functions of contract operations in "good" shape for your competition to take over as the new contractor? And once a contract is in operation and the agency is unable to perform the once in-house function, I have noticed the contract cost "skyrocket" before the first contract year has ended, i.e., contract overruns.)

2. Private contractors "steal" civilian and military employees with the "best" high level expertise, as soon as they are eligible to retire early, thus putting a strain on the federal pension fund, the ability of the agency to perform and increasing overall taxpayer costs in increased operational and contractor's high level personal costs. The federal employee who is "stolen" from the agency was trained at taxpayer expense; is still capable of doing the job we now pay twice the price for having performed. The once federally employed expert is the asset of private business at our expense, both in terms of knowledge and skills and knowing the "right" federal agency people to insure contract award and renewal, regardless of contract quality or results.

C. If, as Mr. Reagan states, private industry can do it so much better than the public sector, then why is General Motors having so many cars recalled or private industry-made military weapons and spacecraft not working according to contract specifications. Private business is limited as is the public sector. Contracting, as Mr. Reagan seems to be using it, is a way of avoiding, not dealing with or improving our government.

D. We have very inadequate contract controls in the present system, ranging from too few qualified federal employees to award, maintain and audit contracts to having ambiguous contract guidelines and

discretionary waivers. But worst is the conflict of interests among the contractors and those administering/awarding the contracts and among the contractors/consultants who simultaneously serve private sector industry while performing/consulting/writing regulatory functions and guidelines for the enforcement of that very industry.

Contracting is necessary and advisable in some situations, but in too many cases it is against the needs of our nation and should be curtailed, not expanded.

The job of Congress and the President, as I understand, is to make government work for the people, not for the advantage of a few at the expense of the many. Contracting works in a few cases, but mainly for the benefit of the few.

Sincerely,

Nancy A. Smith.●

DEBT, NOT DOMINOES

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. SCHUMER. Mr. Speaker, I would like to call my colleagues' attention to Tom Wicker's cogent analysis of the international debt crisis which appeared in the May 17 New York Times. In his column, Mr. Wicker reports that current IMF adjustment programs may be on a collision course with our foreign policy objectives in Latin America. Bluntly stated, he suggests that IMF austerity may foment the very civil unrest that our foreign policy is trying to prevent. In other words, unless there is a significant change in IMF programs, the United States may find itself facing the worst of both worlds—political revolution followed by debt repudiation.

There are good reasons for taking Mr. Wicker's warning seriously. Earlier this spring, there were serious riots in São Paulo, Brazil. According to most accounts, these riots were a response to the financial pressures placed on Brazil by IMF adjustment policies.

Unfortunately, Brazil is not the only nation facing serious financial pressures. Since January 1, 1982, more than two dozen countries have announced that they can no longer repay principal and interest according to the original terms of their loan agreements. Several have unilaterally announced that they cannot pay back any principal in 1983. Others are reportedly considering the pros and cons of forming a debtors cartel and postponing principal payments for at least 2 years.

The financial crisis affects every American. Many of the countries with the most severe problems are among the best customers for U.S. exports. If we do not take steps to ease their debt burden, we will be increasing U.S. unemployment, reducing the prospects of a robust recovery, and increasing the probability of a new round of civil disorders throughout the Third World.

Fortunately, there are ways to avoid these problems—alternatives that insure that U.S. banks will be repaid and that Latin American nations have the political stability they need to begin growing rapidly. I have introduced H.R. 2931, the International Financial Stability Act. This bill calls on the International Monetary Fund, in conjunction with the relevant finance ministers and bank officials, to convert short term, high interest bank credits into longer term, lower interest loans. It also asks that the IMF arrange this stretchout so that each country's annual payments of principal plus interest are set as a reasonable and prudent percentage of its annual export earnings.

This approach offers the best opportunity to deflate the debt bubble in a prudent and reasonable manner. It will give debtor nations the breathing room they need to get their finances in order and to continue purchasing U.S. products. It spreads the burden of rescuing the financial system equitably among banks, debtor nations, and developed countries. And by helping debtor nations and banks, it increases the prospects for rapid economic growth, both home and abroad.

I hope my colleagues will read Mr. Wicker's column and join me as a cosponsor of H.R. 2931.

[From the New York Times, May 17, 1983]

DEBT, NOT DOMINOES

(By Tom Wicker)

While President Reagan tries to rouse the nation against the threat of falling dominoes that he perceives in Central America, he is not talking about what may well be a more serious hemispheric problem—the mountains of external debt towering over Mexico ($85 to $90 billion), Brazil ($85 to $90 billion), Argentina ($35 to $40 billion), Venezuela ($25 to $35 billion) and Chile ($15 to $20 billion).

The problem has been perceived in this country primarily in terms of a threatened default that might cause a banking crash, perhaps worldwide. But at a seminar sponsored by the Woodrow Wilson Institute in Washington last week, Pedro-Pablo Kuczynski—a Peruvian who is president of First Boston International—warned against internal political upheavals that could result from the financial bind in which most Latin countries now find themselves.

Last year's rescue of Mexico from threatened default, Mr. Kuczynski said, as well as the international fiscal disciplines already imposed on all but Venezuela, constitute only "Act one, scene one, with much more to come."

Both he and Robert Solomon of the Brookings Institution agreed that the debtor countries faced primarily a debt-service crisis in which their interest costs are higher than those of most other developing nations; and that their plight was due less to mismanagement or unwise borrowing and lending than to high interest rates and a world recession that reduced Latin American export earnings. Mexico and Venezuela were hurt by a third external development, declining oil prices.

Thus, Mr. Solomon said, huge foreign loans had been justified mostly by impressive economic performances; Mexico, for example, averaged 6.4 percent growth in real gross national product from 1970 to 1979, while its exports grew in real terms by 10.9 percent annually. In the same period, comparable figures for Brazil were 6.7 and 9.1 percent. Argentina had less enviable annual growth (2.6 percent) but still expanded its exports by 10.7 percent a year.

But in the period 1980–1982, Mr. Kuczynski pointed out, as world recession set in, Latin America's trade declined 25 to 30 percent; at the same time, interest rates peaked. The "scissors effect" of declining export earnings and rising interest costs on about $300 billion of external debt (short-term and long, private and public) produced the squeeze that nearly caused Mexico to default in 1982

That year, export earnings of the Latin countries totaled about $100 billion; but on the $200 billion of debt owed to commercial banks these countries had to pay $45 billion in interest, or 45 percent of total export earnings.

Interest rates are so high on the Latin loans, Mr. Kuczynski said, because the banks "started to get cold feet" after 1980; they raised rates and shortened terms until Mexico, for instance, now pays more than 3 percent over the London interbank rate. That means that Mexico has annual interest costs $1.5 billion higher than in August 1982.

To meet such debt service charges—not to mention repayment of loans coming due—Mexico and most of the other debtor nations have had to reduce internal spending and submit to austerity programs demanded by the International Monetary Fund and other nations. But such austerity adversely affects the interests and living standards of the politically powerful middle class (including the military), through reduced subsidies, rising prices, higher taxes and interest rates, and unemployment.

Thus, in Mr. Kuczynski's view, stern efforts to meet the debt problem could cause internal political upheaval or instability; on the other hand, the fear of such political consequences could cause some national leaders to choose default. If defiance of foreign creditors, particularly the *yanquis*, proved politically popular it could spread to other debtor nations, he suggested, with drastic worldwide effect not only on banks but on nations dependent on imports from or exports to Latin America.

Venezuela's Government currently resists seeking an I.M.F. loan, for example, although it has had to postpone payment on about $9 billion due this year. But the I.M.F. would require an unpopular austerity program; and one reason for the Government's reluctance is that elections are scheduled later this year.

Mr. Solomon said that I.M.F. austerity requirements, although necessary, might be somewhat too severe in Mexico and elsewhere.

"The way out is to grow out," he told the seminar—to get world trade growing again so that the debtor countries could expand exports and meet their obligations. But until then, creditor nations and banks together with the I.M.F. would have to keep lending to the Latin nations because "otherwise they can't even pay interest" on what they already owe.

Or maybe, Mr. Kuczynski suggested—sounding not too optimistic—the banks

might even reduce interest rates, hence their earnings, rather than lend more.●

AN EDITOR SPEAKS OUT

HON. DOUGLAS K. BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. BEREUTER. Mr. Speaker, I would like to bring to my colleagues' attention this editorial which appeared in the Norfolk (Nebr.) Daily News. It provides an insightful and, this Member believes a correct analysis of the situation facing us in Nicaragua. I urge all of my colleagues to read this brief but informative article.

[From the Norfolk (Nebr.) Daily News, May 20, 1983]

ANOTHER CUBA

Opponents of administration policies in Central America may not accept President Reagan's basic premise: That the problem so far as Nicaragua is concerned is that the present government is attempting to export revolution, to de-stabilize its neighbors. Further, that it is not the remnants of the Somoza regime which oppose the Nicaraguan government, but former Sandinistas who feel betrayed by the course their one-time revolutionary compatriots have taken. The problem in a nutshell, as he put it in the press conference this week, is that "They're not minding their own business."

The region is too important to the United States to tolerate another Cuba, which is what the current Sandinista leaders in Nicaragua seem bent on establishing—with Cuban and Soviet help. Yet the Cuban solution has been imposed: First the overthrow of a rightist regime, promises of democracy, social justice and elections, and land "reform" of course. Then the imposition of communism and a dictatorship of the left, with as little regard for the human rights of its opponents as a dictatorship of the right.

Minding the United States' "own business" and interests in this hemisphere, which is to encourage nothing more than independent governments supported by free people, requires more support for this nation's friends than critics of Mr. Reagan have been willing to provide.●

OFF THE JOB AND INTO THE BUNKER

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. PEASE. Mr. Speaker, President Ronald Reagan is famous for delivering colorful anecdotes and crafty plays on words to avoid the real issues facing this Nation. His catchy phrasing is clear, but it has become tiresome, especially when it appears to be an attempt to cover up for a lack of knowledge or historical perspective on an issue.

I perceived this attitude from the President this spring whenever he addressed the issue of open markets versus protectionism. It seemed to me that Mr. Reagan did not understand the reasons behind the apparent shift in public opinion from a free-trade stance to a fair-trade position. I outlined some of those reasons in an Op-Ed piece published in the Christian Science Monitor. It follows:

[From the Christian Science Monitor, May 25, 1983]

OFF THE JOB AND INTO THE BUNKER

(By Don J. Pease)

President Reagan recently decried America's apparent shift toward protectionism as a "bunker mentality" that is threatening free trade. Is Mr. Reagan truly bewildered by this shift of attitudes? Perhaps he needs a little historical perspective.

From the end of World War II into the early 1960s, the United States economy was largely self-reliant. It grew by leaps and bounds with no limits in sight. Most Americans saw their standards of living rise steadily. American industries and manufacturing workers—producing primarily for the domestic marketplace—were not threatened by imports per se. Free trade was a high-sounding principle which remained something of an abstraction.

Since the early 1960s, the American position in the world economy has changed dramatically. Our easy access overseas to critical raw materials at cheap prices has disappeared forever, while we draw down our domestic supplies. US exports have not kept pace with the flood of imports pouring into the American marketplace. Harvard's Prof. Robert Reich estimates that more than 70 percent of all the goods produced in the US were actively competing with foreign-made goods in 1980.

American business, industry, and labor were not prepared for the onslaught of foreign competition given entry to American markets in recent years by US government adherence to the principle of free trade. Accordingly, the US trade deficit last year rose to a record $47.8 billion. It is proving painful to come to terms with the new dynamics of international trade and with the plain truth that many American consumers now prefer foreign-made products.

There is a second reason why free trade has come under fire. Unlike his predecessors, President Reagan is ignoring an important means of sustaining broad-based popular support for free trade policies. While properly arguing that open markets and free trade serve the US national interest (20 percent of all American goods now produced are exported), he is the first president in the postwar era to deny flatly that the federal government has any obligation or constructive role to play in helping thousands of Americans who are losing their jobs in American industries adversely affected by the ongoing surge of imports. This oversight in the President's perspective on international trade helps explain the surprising support in the Congress and among the American people for legislation like the "domestic content" bill.

The Trade Expansion Act of 1962 and the Trade Act of 1974 included provisions to extend assistance to firms and workers adversely affected by increased imports. Presidents Kennedy, Johnson, Nixon, Ford, and Carter all understood that pursuing trade liberalization in the national interest necessarily requires that some American industries and workers risk their markets and jobs to imports. That is why federal assistance has been available during the last 20 years to help trade-sensitive firms get technical assistance and loans to adjust to increased foreign competition. That is why America's labor leaders accepted free trade policies in exchange for what they thought at the time was a commitment by the federal government to provide adequate compensation, training opportunities, and job search and relocation aid to manufacturing workers thrown out of work by imports.

But President Reagan now proposes to abandon thousands of Americans who have lost their jobs in our basic industries (steel, auto, rubber, electronics, etc.) to foreign competition in recent years and to deny them means to reequip themselves to find new jobs. Seeking the benefits of free trade, the Reagan administration callously ignores its human costs in unemployment and bankruptcies across the country.

In his proposed budget for fiscal year 1984, President Reagan is requesting that the Congress abolish both the Trade Adjustment Assistance (TAA) program for firms in the Commerce Department and the TAA program for workers in the Labor Department. Yet it is modest programs of this sort that are so important to maintaining domestic support for free trade and that will allow U.S. industry and labor to meet the challenge of increased imports.

Don't get me wrong. The way the TAA programs were designed in 1974 and later administered had many flaws, for example, when auto industry layoffs soared in the late 1970's, the TAA program for workers operated almost exclusively as an income-maintenance program (more than $1.6 billion in weekly benefits in fiscal '80) with virtually no funds available for retraining workers certain not to be recalled to their old jobs ($5.2 million in fiscal '80).

But that is not sufficient reason to dismiss blithely any federal responsibility, as President Reagan would have do, for redressing the harmful domestic consequences of free trade policies set in Washington. Last year nearly $10 billion was collected by the federal government in customs duties levied on imports. What would be wrong with setting aside a small portion of that $10 billion collected from foreign manufacturers to finance the costs associated with retraining American workers who lose their jobs to foreign competition?

President Reagan has said that the U.S. and its trading partners are together in the "boat of open markets and free trade" in which holes are being shot by neo-protectionists. But to save the ship, he is ready to throw overboard many American workers and struggling businesses.

(Don J. Pease, Democratic congressman from Ohio, is a member of the House Ways and Means Subcommittee on Trade.)●

OLIVER BROWN TRUCKING CO., INC., CELEBRATES ITS 20TH ANNIVERSARY

HON. PARREN J. MITCHELL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. MITCHELL. Mr. Speaker, "In America, you can make something of yourself if you set your mind to it. Hard work, persistence, and perseverance are the keys to the American

dream." These are the words of Oliver Brown, a man who beat all the odds to become the largest minority trucking company, in terms of equipment inventory and warehouse facilities, in the State of New Jersey. On August 14, 1983, Oliver Brown Trucking Co., Inc. (OBT), of Middlesex, N.J., will celebrate its 20th anniversary in business.

Oliver Brown Trucking Co. started as a one man operation under the name of Brown Trucking, in East Orange, N.J. These days, OBT's fleet of blue and white trucks may be seen on highways from coast to coast.

Oliver Brown, who hails from Bedford, Va., is one of 14 children from very poor parents. He came to New Jersey in 1959 and worked as a construction laborer. Subsequently, he purchased a secondhand pickup truck and began his career in trucking in 1963.

He used that pickup to retrieve shopping carts from streets and sidewalks. Soon after, he began the "mail and bakery" run for Good Deal Supermarkets, a now defunct chain of local supermarkets. Subsequently, he was hauling groceries and produce. From his earnings he purchased a 20-foot truck, and later went on to secure his first contract with a major corporation—General Electric.

Brown continued to gain new customers. This led to the incorporation of his operation in 1967. During this time, Brown relocated his operation to Elizabeth, N.J.

Further increases in OBT's clientele resulted in the need to purchase additional equipment and expand storage facility to better serve suppliers. Consequently, OBT moved to its present location in Middlesex.

The Middlesex office is located on a 6.4 acre site which houses the main office, terminal, and a 58,000 square foot warehouse. A second warehouse of 100,000 square feet is located in neighboring Plainfield. This warehouse is equipped with 5- to 20-ton overhead cranes to facilitate easy loading and unloading.

Brown's equipment inventory has since grown from that 1, 20-foot truck to an impressive 40 tractors, 90, 40 and 45 foot trailers, and a sizable number of flat-bed trailers, liftgate trucks, vans, and forklifts.

Currently, OBT provides general trucking, rigging, and warehousing for approximately 30 accounts, to include, Avon Corp., Coca Cola U.S.A., E. I. DuPont, General Electric, R. L. Eggert Co., Reeves Brothers, Supermarkets General, Sun Oil Corp., Twin County Grocer, Western Electric, and Westinghouse Corp.

Brown plans to further expand his business with the recent grant of authority by the Interstate Commerce Commission to allow OBT to haul general commodities throughout the continental United States. He also has plans to establish other terminals in the South.

Aside from the general trucking services OBT offers, it should be noted that moving and storing supermarket equipment of every variety is OBT's specialty.

Anyone who knows Oliver Brown knows he is no desk admiral with his nonunion employees. When time and appointments permit, you will see Brown, with shirt sleeves up, out on the loading dock with his drivers. His informal manner and close bond with his more than 30 drivers and office staff is what he says, "made OBT such a success." Even though Brown is the man "out front" promoting and seeking new business for the company, "the men and women who work for OBT and deal with our customers daily are due their share of credit for the company's success." They are the ones responsible for carrying out our No. 1 rule—to provide prompt, safe, and efficient delivery of our clients' products.

According to Brown, "starting a business and trying to penetrate the marketplace is no easy task." He noted that neither the Government nor financial institutions gave him financial assistance. However, having to do it, "all on my own was probably the best thing that ever happened." To realize steady company and business growth you have to "have faith in yourself, keep your nose to the grindstone, pour the profits back into the business, and leave that Cadillac on the showroom floor," Brown says.

During the early years of OBT, Brown's wife Carrie worked with her husband. The hustle and bustle of Brown's days do not allow for much free time, but when time permits, Brown prefers spending quiet evenings out to dinner with his wife and daughter Sharon 18 or "just sitting back in my easy chair and listening to the blues." Brown looks forward to passing the business on to his daughter who is majoring in business at a New Jersey college.

Brown, who is a business ad person, is very active in various organizations. One of his biggest accomplishments is his newly elected position as vice president of the New Jersey Motor Truck Association (NJMTA) and serving as a board member of the American Trucking Associations. He credited NJMTA with helping him reach many of his goals in the trucking business.

Oliver Brown truly has come a long way from the construction laborer he was and Oliver Brown Trucking Co. has certainly come a long way from 10 days of the old pickup truck. There definitely is something to be paid for hard work, persistence, and perseverance and the story of Oliver Brown and Brown Trucking Co. says it all.

Congratulations, Oliver Brown and Oliver Brown Trucking Co., Inc.●

WASHINGTON WATER WEEK

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. ROE. Mr. Speaker, the United Nations has declared the 1980's as the "International Drinking Water Supply and Sanitation Decade." In support of this program, Global Water, a nonprofit organization dedicated to clean water supplies, is sponsoring, "Washington Water Week" in an effort to better inform Congress and the American public of the need for safe drinking water and proper sanitation.

We must take the necessary steps to insure that every American has access to clean drinking water and that efforts are also made to improve the drinking water supplies and sanitation facilities in developing nations.

Nearly 15 million Americans lack easy access to safe drinking water. As chairman of the House Water Resources Subcommittee, I have dedicated myself to the task of developing a comprehensive water policy in this Nation.

I would like to commend Global Water for giving new visibility to the problems associated with clean water supplies and for its sponsoring of Washington Water Week.●

A JUDICIAL CONCERN FOR THE VICTIMS OF CRIME: IT HAS BEEN A LONG TIME COMING, BUT WE ARE GLAD IT IS HERE

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. MAZZOLI. Mr. Speaker, I commend to the attention of my colleagues the following, which appeared in the June 4, 1983, Washington Post.

This editorial gives a forceful illustration of the need for the U.S. court system to consider—and protect—the rights of the victim of crime.

While the Nation's courts must continue to guarantee due process for the accused, the Supreme Court has—most gratefully—established that minor procedural details should not be allowed to perpetuate the mental anquish of the victim of a violent crime.

It is heartening to see that the Court has demonstrated a clear recognition of the concerns of the victim and his or her rights in the judicial process.

[From the Washington Post, June 4, 1983]

A CONCERN FOR VICTIMS

Two of the criminal cases decided by the Supreme Court this spring were appeals filed by persons convicted of violent assaults. In the first, *Morris* v. *Slappy*, a man had been convicted of multiple crimes in-

cluding rape, sodomy, robbery and burglary, all concerning the same victim. The U.S. Court of Appeals for the Ninth Circuit had reversed the conviction on the grounds that the defendant had not established a "meaningful relationship" with his trial attorney, a theory rejected by a majority of the Supreme Court in April. The second case was that of Kelvin Hasting, convicted of multiple acts of kidnapping, rape and sodomy. His conviction had been reversed by the Seventh Circuit Court of Appeals because of a comment made by the prosecutor in his summation to the jury. The Supreme Court reversed.

In both cases the high court refused to overturn jury convictions based on overwhelming evidence because of allegations of procedural error. But what is new about these opinions is an expression of concern for the victims in both cases. The courts, of course, must protect the rights of those charged with crime and must ensure due process and a fair trial. But, Chief Justice Burger writes, in making judgments on whether to sustain jury verdicts or to overturn them because of minor procedural errors, lower courts should be mindful of the burdens which new trials impose on victims.

Here is the chief justice's comment in the Slappy case: "Of course, inconvenience and embarrassment to witnesses cannot justify failing to enforce constitutional rights of an accused: when prejudicial error is made that clearly impairs a defendant's constitutional rights, the burden of a new trial must be borne by the prosecution, the courts and the witnesses; the Constitution permits nothing less. But in the administration of criminal justice, courts may not ignore the concerns of victims. Apart from all other factors, such a course would hardly encourage victims to report violations to the proper authorities; this is especially so when the crime is one calling for public testimony about a humiliating experience such as was involved here. Precisely what weight should be given to the ordeal of reliving such an experience for the third time need not be decided now; but the factor is not to be ignored by the courts."

This statement of policy was not crucial to either decision and may be of greater public interest for that reason. Certainly, both opinions should be welcomed by victims' rights groups, which now can be sure that their advocacy has been persuasive at the highest levels of the judiciary.●

PERSONAL EXPLANATION

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. EDGAR. Mr. Speaker, on Wednesday, May 25, 1983, I was unavoidably absent while the House was considering H.R. 3069, the supplemental appropriations bill for fiscal year 1983. Had I been present I would have voted "nay" on rollcall vote 137, which provided a rule for consideration of H.R. 3069. I also would have voted "nay" on rollcall No. 139, final passage of H.R. 3069. Finally, I would have voted "yea" on rollcall 138, which provided for the restoration, rather than extension, of the west front of the Capitol.

Let me explain my position on these issues. The supplemental appropriations bill had many positive, important provisions, including funding for construction of Veterans' Administration hospital facilities, blocking of the ill-advised Office of Personnel Management regulations affecting Federal workers, and necessary spending for entitlement programs. However, it also contained several sections which precluded my support of the bill. First, H.R. 3069 included an appropriation of $454 million for the procurement of the Pershing II missile. As I have indicated in the past, deployment of these weapons could increase the chances of an accidental nuclear war by forcing the Soviet Union into a launch-on-warning strategy. I was also disturbed to learn that the Army had entered into contracts for Pershing II procurement despite our December 1982 decision not to provide Pershing II procurement funds in fiscal year 1983.

H.R. 3069 also included $253 million in foreign aid. As a longtime supporter of foreign assistance for peaceful purposes, I understand the importance of these funds. However, H.R. 3069 reversed our traditional balance between development and military aid by allocating almost two-thirds of the appropriated funds for military aid. I believe that we should aid those in other countries who need food, shelter, and other humanitarian assistance, rather than directing millions of dollars toward armaments. In my view, this spending provision and that for the Pershing II were unacceptable, and I would have voted to send the bill back to committee, where they could be removed.

Mr. Speaker, I would have voted for the amendment to restore the west front of the Capitol rather than extend it. This side of the beautiful Capitol building is the last of the original walls accessible to the public. At a time when the country is running massive deficits, and only days after raising the debt ceiling, it amazes me that the committee could ask us to approve $70.5 million for extension of the west front when restoration would cost only $49 million. When one combines this factor of cost effectiveness with the chance to preserve an important piece of our national heritage, it is clear that a vote for restoration was in order.●

USDA TURNS UP SHORT

HON. GLENN ENGLISH

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. ENGLISH. Mr. Speaker, today an article on the front page of the Washington Post detailed how the Department of Agriculture is trying to find a way to gain title to as much as 80 million bushels of wheat needed to fulfill its commitment to farmers under the PIK program.

The article states that the Commodity Credit Corporation will need to spend as much as $325 million of fiscal year 1983 money to meet the commitment. I would remind Members that when PIK was announced the Department said the program option would reduce outlays in both fiscal years 1983 and 1984.

Last month the Committee on Government Operations issued a report on the implementation of the PIK program which clearly demonstrated that the Department did not conduct its management in the efficient and economical manner that the taxpayers of the Nation should expect. The problems discussed in today's newspaper article were covered in three different findings of the report.

Finding No. 2 says the Department did not conduct an adequate analysis to determine how best to reduce planted acreage and did not compare costs of alternative methods. To the best of my knowledge, the Department has not yet made an estimate of the total cost of PIK.

Finding No. 3 says that the Department was unable to provide farmers with full details of how they would be paid under PIK as late as March 3, the date of the subcommittee hearing. Today's newspaper article shows that the Department still cannot give farmers that information—and the Department has contracted to deliver PIK payments to farmers beginning as early as the first day of this month.

Finding No. 7 of the report says that the public perception of PIK is that farmers will be paid with commodities owned by the Government when in reality most farmers will be paid with commodities they already own. Today's article may finally lay out the truth to the public.

When the Department announced PIK, it reserved the option to require farmers to obtain loans on 1983 production and have the loans excused as their PIK payments. The Department said this option would be used only sparingly. But we see that the option may be used for as much as 15 percent of the payments to wheat farmers. Earlier this spring, farmers were asked to volunteer to "plant for PIK," but most were unwilling to do so. Now we may see that they will be forced to do so.

I will be watching with interest to see how the Department works this problem out. If the Department mismanages this problem as badly as it has other PIK problems, we may find that the Commodity Credit Corpora-

tion will be buying wheat from Russia to fill the PIK commitment.

I recommend to Members that they study the PIK report of the Government Operations Committee to discover how the Department of Agriculture failed to manage its affairs economically and efficiently and how the lack of good management may be detrimental to both farmers and taxpayers.

The article follows:

PIK PROGRAM TO REDUCE WHEAT SURPLUS YIELDS ANOTHER PRODUCT: WHEAT NEED

(By Ward Sinclair and David Hoffman)

The Reagan administration is now encouraging farmers to grow wheat that it can give back to them as payment for not growing wheat this year.

The problem is that the Department of Agriculture does not have all the wheat it needs to compensate farmers who have signed up to idle part of their land under the administration's new payment-in-kind (PIK) program.

The idea of the program was to give farmers surplus crops from past years if they would agree to plant less this time around; the surpluses are hurting both farmers and the Treasury, depressing prices and driving up farm price support costs.

But experts at Agriculture are calculating that the department will need upwards of 80 million more bushels of wheat than it has on hand to compensate farmers participating in the crop-swap program.

"We've said all along that we wouldn't have enough wheat to meet the needs of the PIK program," one official said yesterday, "but now the question is, where do we get the wheat that we are going to need?"

The wheat shortfall came about even after three successive bumper harvests, for several reasons. One was the unexpectedly heavy signup in the PIK program; 82 million acres of wheat, corn, feed grain, rice and cotton land are to be idled. Another, possibly more critical, was the administration's decision earlier this year to subsidize a huge wheat sale to Egypt.

As part of its program of pressuring the European Economic Community to lower its farm subsidies, the administration committed about 1.5 million tons or about 44 million bushels of surplus U.S. wheat to a cut-rate flour sale to Egypt, in a move that knocked EEC suppliers out of the market.

That reduced U.S. supplies, however, and now, to avoid going into the market and spending up to $325 million on grain for PIK, the department apparently has decided on this approach:

PIK participants will be required to put part of their crop this year into the Agriculture Department's price-support loan program. Then the farmers will forfeit their $3.65 per-bushel loans. That will put the grain formally in Uncle Sam's hands. The farmers will keep the loan money and then they will be given, at no cost, a portion of the crop they have just turned over to the government.

This latest twist in the crop-reduction program has touched off new uneasiness in the administration over the apparently mounting—and unforeseen—costs of PIK.

The issue was discussed at yesterday's daily White House senior staff meeting and top Reagan aides decided to seek further explanation from Secretary of Agriculture John R. Block.

One official said concern was generated by an "urgent request" from Agriculture for additional spending authority of up to $325 million to cover the loan costs that would be incurred by the Commodity Credit Corp. to make up the wheat shortfall. "The way it was originally designed," this official said, "PIK would have saved money. It's turned into a monster."

The Agriculture Department and the administration have downplayed potential costs of PIK, but independent estimates of a final price tag have ranged as high as $20 billion.

Everett G. Rank, head of the Agricultural Stabilization and Conservation Service, which is administering the payment-in-kind program, would not confirm details, but he indicated the loan-forfeit approach likely will be used to meet the shortfall. He said details will be announced this week.

Under the program, producers are scheduled to be given some 548.6 million bushels of wheat. Roughly 40 percent of that would come from grain currently pledged as collateral on support loans and the remainder from CCC stocks.

But earlier this spring, when it appeared supplies of corn and wheat would be insufficient to meet the department's needs for PIK, farmers were asked to voluntarily forfeit more loans on those commodities already in government hands.

The voluntary response on corn met the need, but wheat growers reportedly volunteered to provide only about 35 million bushels of the amount needed by Agriculture to make PIK work. The approach now under consideration would require PIK participants to put part of their crop on loan to the government.●

THE MILITARIZATION OF SPACE

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. KASTENMEIER. Mr. Speaker, I wish to call to the attention of my colleagues the Washington Post editorial of June 8, 1983, which comments on the growing danger of the militarization of space and the failure by the Reagan administration to pursue negotiations to stop the growing space arms race.

The editorial follows:

[From the Washington Post, June 8, 1983]

THE REAL SPACE WAR

President Reagan's proposal of last March to study shooting down Soviet missiles in space anticipated a time and a technology far in the future. But another kind of "space war" is becoming possible in the here and now: weapons to shoot down the satellites on which both great powers increasingly depend for communication and intelligence. The Soviet Union already has launched (non-nuclear) weapons meant to kill low-orbiting American satellites. The United States is ready to flight-test its own first satellite killers. A down payment of $19 million, on a program that could yet cost billions, is due to be voted on in the House this week.

It is a serious business. One side's possession of effective anti-satellite weapons could theoretically let it "blind" the other—deprive it of the means to control its own strategic forces and detect its foe's. Just the fear that one side might attempt such a blinding strike in a crisis could force decisions of irreversible consequence. Yet Moscow and Washington have been unable to take the risk in hand.

Carter-era negotiation tripped over verification, among other things. Anti-satellite weapons, it turns out, are small and light and can be launched as easily and quickly as the satellites they are aimed at. A relative handful of them could threaten a major share of a great power's missile-detecting or guiding satellite capacity, making reliable verification essential.

The Carter administration had hoped that a discreet brandishing of American technological capacity, combined with active negotiations, would induce Moscow to rein in its own anti-satellite work. This policy did not fare well, and now the Reagan administration is heading toward deployment of the first American satellite killers. At the same time, it hangs back from resuming negotiations.

The new American weapons are considered to be substantially superior to the Soviet weapons already in orbit. We should proceed with caution in deploying them. Meanwhile, a new approach to negotiations should be devised. Reagan officials say talks should not resume until the United States is "ready with verifiable proposals that will enhance national security." Why is the administration, in its third year, not ready? If it is too hard now to negotiate limits on deployment, why not try to limit tests? In this branch of weaponry as in others, the administration has yet to find an effective, confidence-inspiring balance-of-arms building and arms control.●

TERRIBLE JUNE DAYS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. LAGOMARSINO. Mr. Speaker, today, we mournfully observe the forced, illegal incorporation of the independent Republic of Lithuania into the Soviet Union and the subsequent mass deportation of hundreds of thousands of Lithuanians to Siberian concentration camps, known simply as the terrible June days.

The national sovereignty of the Lithuanian people was ruthlessly violated by the Soviet Union some 42 years ago, when over 300,000 Soviet troops invaded and annexed independent Lithuania. The complete repression of human rights, forced relocation, mass torture, and executions stand alone as evidence of the Soviets' brutal expansionist and persecutionist policies.

Yet, the unwavering dedication to freedom, which we as Americans cherish so dearly, and the hope that independence may come again to Lithuania, serve as testimony to the strength and determination of Lithuanian citizens the world over.

Let us hope that freedom and justice will return to the Lithuanians. We must never forget, however, the persecution and genocide of these mighty

peoples. Acts such as this only strengthen the bonds between freedom-loving peoples everywhere. The Lithuanians are not alone in their struggle, and it is in this context we remember the terrible June days.●

THE BENJAMIN S. ROSENTHAL POST OFFICE BUILDING

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. ACKERMAN. Mr. Speaker, today I am being joined by Representatives ADDABBO, FERRARO, and SCHEUER in introducing legislation which will designate the U.S. Post Office building in Flushing, N.Y., as the "Benjamin S. Rosenthal Post Office Building." This is a small but lasting thing we are doing for a man whose wisdom, intelligence and stature loomed above the commonplace.

Prior to my coming to Congress upon the death of Ben Rosenthal, many eloquent and fitting statements were made on the House floor. I think it only proper that at the introduction of this bill I share with my colleagues remarks I made to the Jewish Community Relations Council of Queens honoring Ben Rosenthal.

The text of the tribute follows:

In this day and age, outside of the world of sports, it is unusual to have people engaged in hero worship. Yet in my District, for twenty years we had the kind of leadership that could only be created in story books.

Ben Rosenthal stood head and shoulders above the giants and yet there was no one he looked down upon. With gentle strength, great humility, he tilted with windmills and slew dragons.

He stood with the righteous and fought injustice, both in the District and around the world. He was not afraid to champion causes that were unpopular. At times his thinking appeared out-of-phase with the District, but it seemed that time would always prove him right.

He was my congressman from the first time that I voted. He was honest and compassionate. He was a hard hitting intellectual with great integrity, who gave politics a good name. He inspired countless young people to go into the business. He set the standards.

He taught us how to think,
He taught us how to work,
He taught us how to fight,
He taught us how to live,
And in the end, he even taught us how to die.

Of course, Ben will be missed by his constituents in the community and his colleagues in the Congress, but he will be sorely missed by his council, as he was your special friend and so eloquently and effectively fought for our mutual concerns. I hope someday to be able to emulate him.

While I am proud and honored to have been chosen by the voters in the District, I must confess that it's rather intimidating to follow Ben Rosenthal.

While I have been elected to fill the vacancy, it will take all of us collectively to fill the void.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, June 9, 1983, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 10

9:30 a.m.
Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

Energy and Natural Resources
To hold hearings to review the President's proposal for a Caribbean basin initiative.
SD-366

Labor and Human Resources
To continue hearings on food safety.
SD-430

10:30 a.m.
Judiciary
Separation of Powers Subcommittee
To resume hearings to explore certain Federal court procedures relating to the exclusionary rule, habeas corpus, and related matters.
SD-226

JUNE 13

9:30 a.m.
Finance
To hold hearings to examine the tax structure applicable to property and casualty insurance companies.
SD-215

JUNE 14

9:00 a.m.
Labor and Human Resources
*Labor Subcommittee
To hold hearings on the substance of S. 1227, to improve the single-employer pension plan termination insurance program created in 1974 by title IV of ERISA.
SD-430

9:30 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on proposed modifications in the Federal tobacco program.
SR-328A

Banking, Housing, and Urban Affairs
Securities Subcommittee
To hold hearings on S. 1174, proposed Public Utility Holding Company Act Amendments.
SD-538

Commerce, Science, and Transportation
To hold hearings on Title III, to promote commercial motor vehicle safety and health regulations, of S. 1108, proposed Highway Safety Act.
SR-253

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To hold hearings on environmental research and development programs.
SD-406

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Joint Economic
To resume hearings to review the administration's perspective on future farm policy, focusing on agricultural trade policy.
SD-124

2:00 p.m.
Environment and Public Works
Environmental Pollution Subcommittee
To resume hearings on S. 431, authorizing funds for fiscal year ending September 30, 1983, through fiscal year 1987 for clean water programs, and S. 432, extending the 1984 compliance date for certain requirements of the Clean Water Act.
SD-406

Finance
To hold hearings on the nominations of Lyn M. Schlitt, of Virginia, Susan W. Liebeler, of California, and Seeley Lodwick, of Iowa, each to be a Member of the U.S. International Trade Commission, and Charles E. Clapp II, of Rhode Island, to be a Judge of the U.S. Tax Court.
SD-215

JUNE 15

9:00 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on S. 1286, S. 632, and S. 428, bills to establish a program to conduct research and development studies for improved manufacturing technologies.
SR-253

*Labor and Human Resources
To hold hearings on the nomination of Madeleine C. Will, of Maryland, to be Assistant Secretary for Special Education and Rehabilitative Services, Department of Education.
SD-430

9:30 a.m.
Banking, Housing, and Urban Affairs
Securities Subcommittee
To continue hearings on S. 1174, proposed Public Utility Holding Company Act Amendments.
SD-538

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To resume oversight hearings on activities of the Patent and Trademark Office, Department of Commerce.
SD-226

Labor and Human Resources
Business meeting, to mark up S. 564, U.S. Academy of Peace Act, S. 772, Smoking Prevention Health and Education Act, S. 242, Employment Opportunities Act, and S. 724, Public Investment/Jobs Act.
SD-430

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1984 for the government of the District of Columbia.
SD-192

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Water Resources Subcommittee
To resume hearings on S. 947, authorizing funds for fiscal years 1984 through 1988 for water resources construction projects of the Corps of Engineers, and related measures.
SD-406

Finance
To hold hearings on the administration's budget proposals for fiscal year 1984 for programs within the committee's jurisdiction.
SD-215

Veterans' Affairs
To hold oversight hearings to examine the health effects of agent orange.
SR-418

Joint Economic
Economic Goals and Intergovernmental Policy Subcommittee
To hold hearings to examine teacher shortages in the math and science fields.
SD-562

10:30 a.m.
*Labor and Human Resources
To hold hearings on the nominations of Ford B. Ford, of California, to be Under Secretary of Labor, and John J. O'Donnell, of the District of Columbia, to be Assistant Secretary of Labor for Legislative Affairs.
SD-430

2:00 p.m.
Agriculture, Nutrition, and Forestry
Business meeting, to consider proposed changes in the dairy, tobacco, and target price programs.
SR-328A

Judiciary
To hold hearings on pending nominations.
SD-226

JUNE 16

9:15 a.m.
*Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on S. 1256, proposed Emergency School Aid Extension Act.
SD-430

9:30 a.m.
Banking, Housing, and Urban Affairs
To resume oversight hearings on condition, structure, and competition within the domestic financial services industry.
SD-538

Judiciary
Constitution Subcommittee
To hold hearings on S. 81 and S. 141, bills to revise current law relating to civil actions for the deprivation of rights.
SD-562

Judiciary
Juvenile Justice Subcommittee
To hold hearings on S. 520, to remove all noncriminal juveniles from secure detention facilities within the United States.
SD-226

Small Business
Business meeting, to consider pending calendar business.
SR-428A

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Finance
To continue hearings on the administration's budget proposals for fiscal year 1984 for programs within the committee's jurisdiction.
SD-215

Select on Intelligence
Closed briefing on intelligence matters.
S-407, Capitol

Joint Economic
Agriculture and Transportation Subcommittee
To resume hearings to review the administration's perspective on future farm policy, focusing on the economic condition and prospects of agricultural and rural businesses.
SD-124

2:00 p.m.
Environment and Public Works
Environmental Pollution Subcommittee
Business meeting, to mark up S. 431, authorizing funds for fiscal year ending September 30, 1983, through fiscal year 1987 for clean water programs, and S. 432, extending the 1984 compliance date for certain requirements of the Clean Water Act.
SD-406

Judiciary
Courts Subcommittee
Business meeting, to mark up S. 645, proposed Court Improvements Act.
SD-226

JUNE 17

8:30 a.m.
Finance
Energy and Agricultural Taxation Subcommittee
Taxation and Debt Management Subcommittee
To hold joint hearings on S. 654, to repeal certain IRS Code provisions requiring the apportionment of research and development expenditures made in the United States.
SD-215

10:00 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on S. 314, proposed In-Flight Medical Emergencies Act.
SR-253

Environment and Public Works
Environmental Pollution Subcommittee
Business meeting, to continue markup of S. 431, authorizing funds for fiscal year ending September 30, 1983, through fiscal year 1987 for clean water programs, and S. 432, extending the 1984 compliance date for certain requirements of the Clean Water Act.
SD-406

Finance
Energy and Agricultural Taxation Subcommittee
To hold hearings on S. 1396, to extend the availability of energy tax credits for solar, wind, geothermal, and biomass renewable energy resources.
SD-215

JUNE 20

9:30 a.m.
Finance
To hold hearings on S. 19 and S. 888, bills to revise current Federal pension law with respect to the rights and benefits of working and nonworking women.
SD-215

10:00 a.m.
Energy and Natural Resources
To resume oversight hearings on the geopolitics of strategic and critical minerals.
SD-366

Judiciary
Immigration and Refugee Policy Subcommittee
To hold hearings on proposed authorizations for refugee programs.
SD-226

JUNE 21

8:30 a.m.
Small Business
To hold oversight hearings on the Small Business Administration's small business development center program.
SR-428A

9:30 a.m.
Banking, Housing, and Urban Affairs
To resume oversight hearings on condition, structure, and competition within the domestic financial services industry.
SD-538

Finance
To continue hearings on S. 19 and S. 888, bills to revise current Federal pension law with respect to the rights and benefits of working and nonworking women.
SD-215

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Water Resources Subcommittee
To resume hearings on S. 947, authorizing funds for fiscal years 1984 through 1988 for water resources construction

projects of the Corps of Engineers, and related measures.
SD-406

Judiciary
Business meeting, to consider pending calendar business.
SD-226

JUNE 22

9:30 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 1120, to authorize printing of the back side of $1 bills by a method other than the intaglio process.
SD-538

Commerce, Science, and Transportation
To hold hearings on Title IV, to provide for increased coordination between Federal, State and local governments in the transportation of hazardous materials, of S. 1108, proposed Highway Safety Act.
SR-253

Judiciary
Constitution Subcommittee
To resume hearings on Senate Joint Resolution 10, proposing an amendment to the Constitution of the United States relative to equal rights for women and men, and on related measures.
SD-562

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on S. 1306, to encourage American innovation by restoring the patent system as it affects certain products subject to premarket testing by the Federal Government.
SD-226

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To resume hearings on environmental research and development programs.
SD-406

Finance
To resume hearings on the administration's budget proposals for fiscal year 1984 for programs within the committee's jurisdiction.
SD-215

Veterans' Affairs
To hold hearings on S. 374, S. 786, and S. 991, bills to establish a presumption of service connection for certain diseases in veterans caused by exposure to agent orange, herbicides, and chemicals during the Vietnam war.
SR-418

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

JUNE 23

9:00 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on S. 1286, S. 632, and S. 428, bills to establish a program to conduct research and development studies for improved manufacturing technologies.
SR-253

9:30 a.m.
Banking, Housing, and Urban Affairs
Business meeting, to consider pending calendar business.
SD-538

Governmental Affairs
To hold hearings on operational testing procedures in the Department of Defense.
SD-342

Judiciary
Constitution Subcommittee
To resume hearings on S. 81 and S. 141, bills to revise current law relating to civil actions for the deprivation of rights.
SD-226

*Labor and Human Resources
To hold hearings on the effects of anticancer drugs in the treatment of cancer patients.
SD-430

10 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Environmental Pollution Subcommittee
Business meeting, to mark up S. 757, authorizing funds for fiscal years 1983 through 1987 for programs of the Solid Waste Disposal Act.
SD-406

Finance
To continue hearings on the administration's budget proposals for fiscal year 1984 for programs within the committee's jurisdiction.
SD-215

10:30 a.m.
Judiciary
Separation of Powers Subcommittee
To hold hearings to examine the legal and constitutional ratification process of the Panama Canal Treaty.
SD-562

JUNE 24

9:30 a.m.
Judiciary
Courts Subcommittee
To hold hearings to discuss the current bankruptcy situation of the Manville Corporation in Denver, Colo.
SD-562

Judiciary
Juvenile Justice Subcommittee
To hold hearings to discuss proposed Federal assistance to State and local law enforcement agencies in handling child serial murders.
SD-226

10:00 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
Business meeting, to continue markup of S. 757, authorizing funds for fiscal years 1983 through 1987 for programs of the Solid Waste Disposal Act.
SD-406

JUNE 27

9:30 a.m.
Finance
To resume oversight hearings on condition, structure, and competition within the domestic financial services industry.
SD-538

10:00 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold oversight hearings on airline deregulation.
SR-253

Environment and Public Works
Water Resources Subcommittee
To resume hearings on S. 947, authorizing funds for fiscal years 1984 through 1988 for water resources construction projects of the Corps of Engineers, and related measures.
SD-406

Judiciary
Immigration and Refugee Policy Subcommittee
To resume hearings on proposed authorizations for refugee programs.
SD-226

JUNE 28

9:30 a.m.
Banking, Housing, and Urban Affairs
To resume oversight hearings on the International Monetary Fund's gold reserves.
SD-538

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 1173, proposed Federal Mine Safety and Health Amendments.
SD-430

10:00 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To continue oversight hearings on airline deregulation.
SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Water Resources Subcommittee
To continue hearings on S. 947, authorizing funds for fiscal years 1984 through 1988 for water resources construction projects of the Corps of Engineers, and related measures.
SD-406

Finance
To resume hearings on the administration's budget proposals for fiscal year 1984 for programs within the committee's jurisdiction.
SD-215

Labor and Human Resources
Aging Subcommittee
To hold hearings on the impact of crime on the elderly, focusing on victim compensation.
SR-485

JUNE 29

9:30 a.m.
Judiciary
To hold hearings on S. 737, proposed Joint Research and Development Ventures Act.
SD-226

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
To hold hearings on pending legislation.
SD-406

Finance
To continue hearings on the administration's budget proposals for fiscal year

1984 for programs within the committee's jurisdiction.
SD-215

Small Business
Small Business: Family Farm Subcommittee
To hold hearings on the impact of Canadian agricultural imports and their effect on the small business community.
SR-428A

Veterans Affairs
Business meeting, to mark up S. 1388, to increase the rates of disability compensation for disabled veterans and to increase the rates of dependency and indemnity compensation for surviving spouses and children of veterans, and related measures, and proposed legislation to provide educational assistance for veterans and persons entering the Armed Forces.
SR-418

JUNE 30

9:30 a.m.
Judiciary
Juvenile Justice Subcommittee
To hold hearings on juvenile offenders of serious and violent crimes.
SD-226

Labor and Human Resources
To hold oversight hearings on the activities of the Equal Employment Opportunity Commission and the administration's equal employment opportunity policy.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
To hold hearings on pending legislation.
SD-406

Judiciary
Administrative Practice and Procedure Subcommittee
To hold oversight hearings on activities of the Office of Administrative Law Judges.
SD-562

JULY 12

10:00 a.m.
Labor and Human Resources
Aging Subcommittee
To hold hearings to examine the use of the judicial system by the elderly.
SD-430

JULY 13

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Labor and Human Resources
To hold hearings on home health care services.
SD-430

JULY 14

9:30 a.m.
Labor and Human Resources
*Labor Subcommittee
To hold hearings on S. 19, to revise current Federal pension law with respect to the rights and benefits of working and nonworking women, and related measures.
SD-430

10:00 a.m.
Labor and Human Resources
Aging Subcommittee
To hold hearings on future directions in nursing home health care.
SD-430

JULY 19

10:00 a.m.
Labor and Human Resources
*Education, Arts, and Humanities Subcommittee
To hold hearings on the proposed Alien Education Assistance Act.
SD-430

JULY 20

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

JULY 21

9:30 a.m.
Labor and Human Resources
To hold hearings to examine fire safety issues.
SD-430

JULY 26

10:00 a.m.
Labor and Human Resources
Aging Subcommittee
To hold hearings on proposed legislation authorizing funds for nutrition programs of the Older Americans Act.
SD-430

JULY 27

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

SEPTEMBER 8

10:00 a.m.
Labor and Human Resources
Family and Human Services Subcommittee
To resume oversight hearings on the breakdown of the traditional family unit, focusing on the historical perspective and societal implications.
SD-430

SEPTEMBER 15

10:00 a.m.
Labor and Human Resources
Family and Human Services Subcommittee
To resume oversight hearings on the breakdown of the traditional family unit, focusing on causes and remedies.
SD-430

SEPTEMBER 20

11:00 a.m.
Veterans Affairs
To hold hearings to receive legislative recommendations for fiscal year 1984 from the American Legion.
SR-325

CANCELLATIONS

JUNE 15

9:30 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S.J. Res. 10, proposing an amendment to the Constitution of the United States relative to equal rights for women and men, and on related measures.
SD-562

JUNE 16

9:30 a.m.
Labor and Human Resources
Labor Subcommittee
To resume hearings on proposed legislation revising certain provisions of the Labor-Management Reporting and Disclosure Act (Landrum-Griffin Act).
SD-430

JULY 6

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

HOUSE OF REPRESENTATIVES—*Thursday, June 9, 1983*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O God, as we observe and experience the uncertainties of life always about us, we pray for strength greater than our own. We admit that by ourselves we do not understand the trials and anxieties of daily living, nor do we have faith enough to understand all mysteries or knowledge. Grant us the power of Your love, a love sufficient to give peace to every troubled soul and joy and thanksgiving to all Your creation. Bless us O Lord, this day and every day. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. GEKAS. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GEKAS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 363, nays 32, answered "present" 3, not voting 34, as follows:

[Roll No. 180]

YEAS—363

Ackerman	Bethune	Broyhill
Addabbo	Bevill	Bryant
Akaka	Biaggi	Burton
Albosta	Bilirakis	Byron
Alexander	Bliley	Campbell
Anderson	Boehlert	Carney
Andrews (NC)	Boggs	Carper
Andrews (TX)	Boland	Carr
Annunzio	Boner	Chandler
Anthony	Bonior	Chappell
Archer	Bonker	Chappie
Aspin	Borski	Clarke
Barnard	Bosco	Clinger
Barnes	Boucher	Coats
Bartlett	Boxer	Coelho
Bates	Breaux	Coleman (MO)
Bedell	Britt	Coleman (TX)
Bennett	Brooks	Collins
Bereuter	Broomfield	Conte
Berman	Brown (CA)	Cooper
Corcoran	Hughes	Murtha
Courter	Hutto	Myers
Coyne	Hyde	Natcher
Craig	Ireland	Neal
Crane, Daniel	Jenkins	Nelson
Crane, Philip	Johnson	Nichols
D'Amours	Jones (OK)	Nielson
Daniel	Jones (TN)	Nowak
Daschle	Kaptur	O'Brien
Daub	Kasich	Oakar
Davis	Kastenmeier	Obey
de la Garza	Kazen	Olin
Dellums	Kemp	Ortiz
Derrick	Kennelly	Oxley
DeWine	Kildee	Packard
Dicks	Kindness	Panetta
Dingell	Kostmayer	Parris
Donnelly	Kramer	Pashayan
Dorgan	LaFalce	Patman
Dowdy	Lagomarsino	Patterson
Downey	Lantos	Paul
Dreier	Latta	Pease
Duncan	Leach	Penny
Dwyer	Leath	Pepper
Dyson	Lehman (FL)	Perkins
Early	Leland	Petri
Eckart	Lent	Pickle
Edwards (AL)	Levin	Porter
Edwards (CA)	Levine	Price
Edwards (OK)	Levitas	Pritchard
English	Lewis (CA)	Pursell
Erdreich	Lewis (FL)	Quillen
Erlenborn	Lipinski	Rahall
Evans (IL)	Livingston	Rangel
Fascell	Loeffler	Ray
Fazio	Long (LA)	Regula
Feighan	Long (MD)	Reid
Ferraro	Lott	Richardson
Fiedler	Lowery (CA)	Ridge
Fields	Lowry (WA)	Rinaldo
Fish	Lujan	Ritter
Flippo	Luken	Rodino
Florio	Lundine	Roe
Foglietta	Lungren	Rogers
Foley	Mack	Roth
Ford (MI)	MacKay	Roukema
Ford (TN)	Madigan	Rowland
Fowler	Markey	Roybal
Frank	Marlenee	Rudd
Franklin	Marriott	Russo
Frost	Martin (IL)	Savage
Gaydos	Martin (NC)	Sawyer
Gekas	Martin (NY)	Schaefer
Gephardt	Matsui	Scheuer
Gibbons	Mavroules	Schneider
Gilman	Mazzoli	Schulze
Gingrich	McCain	Schumer
Glickman	McCandless	Seiberling
Gonzalez	McCloskey	Sensenbrenner
Gore	McCollum	Shannon
Gradison	McCurdy	Sharp
Gray	McDade	Shaw
Green	McDonald	Shelby
Guarini	McEwen	Shumway
Gunderson	McGrath	Shuster
Hall (IN)	McHugh	Sikorski
Hall (OH)	McKernan	Siljander
Hall, Ralph	McKinney	Simon
Hall, Sam	McNulty	Sisisky
Hamilton	Mica	Skeen
Hammerschmidt	Michel	Skelton
Hance	Mikulski	Slattery
Harrison	Miller (CA)	Smith (FL)
Hatcher	Mineta	Smith (IA)
Hefner	Minish	Smith (NE)
Hertel	Moakley	Smith, Denny
Hightower	Molinari	Smith, Robert
Hiler	Mollohan	Snowe
Hillis	Montgomery	Snyder
Holt	Moody	Solarz
Hopkins	Moore	Spence
Horton	Moorhead	Spratt
Howard	Morrison (CT)	Staggers
Hoyer	Morrison (WA)	Stangeland
Huckaby	Mrazek	Stark
Stokes	Traxler	Whitten
Stratton	Udall	Williams (MT)
Studds	Vander Jagt	Williams (OH)
Stump	Vandergriff	Winn
Sundquist	Vento	Wirth
Swift	Vucanovich	Wise
Synar	Walgren	Wolf
Tallon	Watkins	Wolpe
Tauke	Waxman	Wortley
Tauzin	Weaver	Wright
Taylor	Weber	Wylie
Thomas (CA)	Weiss	Yatron
Thomas (GA)	Wheat	Young (FL)
Torres	Whitehurst	Young (MO)
Torricelli	Whitley	Zablocki
Towns	Whittaker	Zschau

NAYS—32

Brown (CO)	Forsythe	Roberts
Clay	Frenzel	Roemer
Conable	Gejdenson	Sabo
Coughlin	Goodling	Schroeder
Dannemeyer	Gregg	Solomon
Dickinson	Hansen (UT)	Stenholm
Durbin	Hawkins	Volkmer
Dymally	Miller (OH)	Walker
Edgar	Mitchell	Wyden
Emerson	Murphy	Yates
Evans (IA)	Ratchford	

ANSWERED "PRESENT"—3

Jacobs	Oberstar	Ottinger

NOT VOTING—34

Applegate	Hansen (ID)	Martinez
AuCoin	Harkin	Owens
Badham	Hartnett	Robinson
Bateman	Heftel	Rose
Beilenson	Hubbard	Rostenkowski
Cheney	Hunter	Smith (NJ)
Conyers	Jeffords	St Germain
Crockett	Jones (NC)	Valentine
Dixon	Kogovsek	Wilson
Fuqua	Kolter	Young (AK)
Garcia	Lehman (CA)	
Gramm	Lloyd	

□ 1015

So the Journal was approved.

The result of the vote was announced as above recorded.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I take this time for the purpose of inquiring of the distinguished majority leader the program for the balance of this week and hopefully the program has been devised for next week.

Mr. WRIGHT. If the distinguished minority leader will yield, he will be happy, as I am sure all of our colleagues will be happy, to know that we plan to adjourn at about 6 o'clock this evening and have no session tomorrow. There will be no session Friday.

Today we will take up the State Department authorization bill under an open rule.

The only other thing we hope to accomplish today is to adopt the rule,

the rule only, on H.R. 1590, the Emergency Commodity Distribution Act.

Monday we will debate suspensions and have general debate on the Emergency Commodity Distribution Act, but not go into any 5-minute rule or have any votes on Monday.

The suspensions to be taken up on Monday are as follows:

H.R. 2712, public health emergencies bill;

H.R. 2713, Office of Health Promotion;

H.R. 1076, Jones Act amendments; and

H.R. 3151, Jack Watson Post Office.

We will postpone the votes on suspensions until Tuesday.

We will meet at noon on Tuesday and have votes on the suspensions, conclude H.R. 2669, the Department of Defense authorizations for fiscal year 1984, and H.R. 1590, the Emergency Commodity Distribution Act next week.

Any further program would be announced later. The possibility may exist for a conference committee report on the budget, or something else, but that is far from certain.

Mr. MICHEL. Mr. Speaker, would the gentleman tell us for sure whether or not those votes on suspensions would be the first thing on Tuesday, then, or would they be later in the day? This last week we were on, we were off, we were on.

Mr. WRIGHT. Let us just make a rule now and stick with it. They will be first on Tuesday, if that is agreeable with the distinguished gentleman from Illinois.

Mr. MICHEL. Normally that is the procedure. I guess we can get arguments both ways. Members' planes do not get in until such-and-such a time, and like to have them later, but I think our procedure has been such, if they have been rolled, that those rollcalls are the first thing the following day, and that would be my preference, I believe.

Mr. WRIGHT. If the gentleman has no objection, we will have them first on Tuesday. We will vote first on the suspensions on Tuesday.

Mr. MICHEL. Now may I bring up another subject, because of the change in schedule last week. We all have a limitation on office expense, although we can roll computer money into expense, and one thing and another, and those Members who are on the west coast get air fares that are half my fare, or maybe a third of what I have to pay. There are many more of us in the midsection of the country buying tickets 7 days ahead in order to really try to do something about saving some money on the expense account around here by buying 7 days ahead, having the program then so changed from time to time that we cannot take advantage of it.

I think the difference between here and Syracuse is $120 round trip if you have not used the ticket you bought ahead. Out in Illinois it is about the same thing. It is a significant amount. So I am trying to underscore the point of specifically having a schedule pretty well agreed to. I recognize there has got to be some degree of flexibility, but that is another factor in this whole thing that more and more Members are coming to me about, and I think we ought to take it into account.

Mr. WRIGHT. I welcome the knowledge that more and more Members are coming to the gentleman from Illinois. I have a few more I could turn your way. If you are holding court on the uncertainty of the schedule, I can supply some who will advise you of their difficulties.

I am curious about the gentleman's travel plans. Does the gentleman take the scenic route to Peoria?

Mr. MICHEL. How is that again?

Mr. WRIGHT. I say, the gentleman says he pays three times as much to get to Peoria as other Members pay to get to the west coast.

Mr. MICHEL. Yes, and I think it all came about through deregulation of the airlines.

Mr. WRIGHT. I agree. I agree with the gentleman, but that is not on the schedule for next week.

I would say to the gentleman from Illinois, we try, as best we can, to accommodate the schedule that we have set out. Sometimes unexpected things occur, as occurred yesterday. To tell you the whole truth, the leadership on our side was not aware of the kind of a rule that was going to be reported by the Committee on Rules yesterday. We were not aware of what was going to happen. The debacle that occurred yesterday should not have occurred. I think both of us would agree to that. Having occurred, it puts us behind the schedule on appropriation bills.

There is at present an unresolved difference on another of the appropriations bills. Those things happen, and they are not scheduled.

I was saying yesterday at the hanging of DON FUQUA, the portrait unveiling for the distinguished chairman of our Science Committee, that it is a pity that modern science has been able to devise a means to get an American on the Moon but has not yet been able to devise a means to get a Congressman who has missed 16 votes on a Friday off the ceiling.

Mr. MICHEL. Finally, if I might inquire of the distinguished gentleman, did I understand him to say that there would be no session at all tomorrow?

Mr. WRIGHT. No session on Friday, tomorrow; none whatever. We will adjourn about 6 p.m. today. No votes on Monday unless someone is obstreperous and unkind enough to demand a vote on the Journal or something of that kind. We will adopt a rule, but we will have general debate under a rule adopted today.

Mr. MICHEL. I thank the gentleman.

ADJOURNMENT FROM TODAY TO MONDAY, JUNE 13, 1983

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

□ 1030

A NEW GOAL AND A NEW APPROACH IN THE START NEGOTIATIONS

(Mr. GORE asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GORE. Mr. Speaker, yesterday the President announced our country's new position in the START negotiations. More important than the classified changes in the numbers is the fact that our goal has changed and our approach appears to have changed.

Our new goal is stability at reduced levels with the elimination of first strike fears. Our new approach emphasizes flexibility. This new strategic approach which is materializing in the United States with broad bipartisan support is an approach which offers material benefits to the Soviet Union, as well as to ourselves, if the Soviets are wise enought to respond within this framework. There is nothing wrong with the goals of "deep reductions, modernization for stability, and the elimination of the first strike threat." If the Soviets have something better to offer mankind, we would like to hear it. If they share these goals but entertain different ideas about how to attain them, then let them take advantage of Ambassador Rowny's new flexibility and pass them on.

But, Mr. Speaker, the ball is in their court. Now let us get the show on the road.

APARTHEID VICTIMS HANGED IN SOUTH AFRICA

(Mr. GRAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRAY. Mr. Speaker, last night three names were added to the list of victims of South African apartheid—Simon Mogoerane, Jerry Semano Mosololi, and Marcus Motaung. They join the long list of its victims, including Steve Biko, Neil Aggett, and many others. They were hanged last night by the only institutionalized and legalized racist society we have left in the world. Their crime? They opposed that racism and that society.

Even the U.S. Government, through its "constructive engagement," asked for clemency; but as we all know, "quiet diplomacy" and "constructive engagement" have not changed anything in South Africa.

There is a black spiritual called, "Were You There?" And indeed that question needs to be asked today. Were we there?

Indeed America was there at the hanging. We were there by allowing the sale of Krugerrands in this country, which provides funds for apartheid. We were there by allowing American corporate investment in South Africa, which provides the economic undergirding for apartheid. We were there by allowing United States bank loans to provide economic support for the scaffold of apartheid.

Mr. Speaker, it is unfortunate that we have failed to realize what that struggle is about, and how we in the United States are implicated in the injustice and murder of apartheid.

RESOLUTION ON SOUTH AFRICAN HANGINGS THWARTED BY ADHERENCE TO HOUSE PROCEDURES

(Mr. LELAND asked and was given permission to address the House for 1 minute.)

Mr. LELAND. Mr. Speaker, I stand here today with my heart very heavy. Last night we had an opportunity to add to the voices of those millions of people throughout this world who asked for clemency for the three people who were hanged at 10 o'clock eastern standard time last night in South Africa.

My heart is heavy because indeed, having the opportunity to speak out on the their behalf to try to save their lives, we failed in that opportunity because one Member of this Congress decided that he would object on a procedural matter.

I would like to bring this issue forward, Mr. Speaker, because I think it is most important that we put human life before we do the policies and procedures of this House.

I thank the Speaker and the Members of this body.

THE PRESIDENT'S REVISED ARMS CONTROL POLICY

(Mr. MARKEY asked and was given permission to address the House for 1 minute.)

Mr. MARKEY. Mr. Speaker, I hate to spoil the honeymoon over the President's latest attempt to salvage what has so far been a disastrous arms control policy, but it now seems to me that the latest START proposal the President unveiled yesterday flies directly in the face of his proposal to build 100 MX missiles.

The President's latest START proposal—I guess we can call this son of START—calls for putting fewer warheads on more missiles, but the President is asking Congress for $20 billion over the next 5 years for an MX missile that puts more warheads on fewer missiles.

Talk about carnivorous vegetarian, this plan is a hoax. The President's plan that we are asked to approve runs counter to the President's own arms program.

I say that we should put this carnivorous vegetarian out of its misery. If the President really wants to put fewer warheads on more missiles, if he really wants arms control, the best thing Congress can do for him is to kill the MX missile.

Mr. Speaker, the President's asking to have 1,000 MX warheads as part of his arms control plan is like buying 1,000 Hershey bars the day before you begin a diet.

EQUAL PAY ACT ANNIVERSARY

(Ms. FERRARO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. FERRARO. Mr. Speaker, I and many of my colleagues are gathered here today to observe the 20th anniversary of the signing of the Equal Pay Act of 1963. We will point out how this landmark legislation, signed on June 10, 1963, by President John F. Kennedy, has succeeded. And we will discuss how and why it has failed.

Since 1963, women have surged into the work force in ever greater numbers. Yet their pay is very rarely equal to men. Women are not paid equally for doing equal work. In every occupation examined recently by the Bureau of Labor Statistics—every single one—women as a group were paid less than men doing the same job, despite the Equal Pay Act.

Even more crucial to the economic survival of women and their families, women are not paid equally for work comparable to men. In hearings I cochaired last fall, we learned that teachers and nurses often make less than liquor clerks and tree trimmers.

The framers of the Equal Pay Act of 1963 understood this problem of comparable worth very well. The original equal pay proposal, in fact, established the concept of equal pay for work of comparable value. This proposal was abandoned in the interests of compromise.

As a result, women's pay today is roughly 59 percent of men's pay. In 1963 women's pay was 61 percent of men's.

The Equal Pay Act has failed—but it has also succeeded. Without it, more than 286,000 employees—most of them women—would not have won more than $173 million in equal pay settlements. And thousands of other employers might have persisted in traditional patterns of pay discrimination.

We mark this anniversary in the hope that we can go on from the Equal Pay Act to an economy in which all Americans receive fair, adequate, and appropriate pay for the work they do.

ANNIVERSARY OF THE EQUAL PAY ACT

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I join Representative FERRARO in honoring the 20th anniversary of the Equal Pay Act. Twenty years after passage of legislation to insure equal pay for women and men, we are still fighting for the equal rights amendment which would cement the protections of the Equal Pay Act into our Constitution.

I would like to share with you a statement during that debate in 1963 given by the late Senator Philip Hart from Michigan:

> We have long passed the time when women were allegedly working for "pin money." Women are working to earn a living, to support families, or to contribute to the family's ability to send the children to college—in addition to whatever personal sense of achievement may be involved. The supermarket does not have a special price on its groceries for women, the doctor does not have a special rate for them, their rent is not based on sex. Why then do we allow a pay differential to continue which gives them a smaller paycheck than others performing the same work?

Twenty years later, Senator Hart's words ring true. His words are as applicable to the equal rights amendment as they were to the Equal Pay Act, because both underscore the fact that women's issues are economic issues. Equal rights under the law translate into dollars and cents. American women know that. They know that equality of legal rights is more than simple justice, it is simply survival.

ANNIVERSARY OF EQUAL PAY ACT

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KENNELLY. Madam Speaker, as a Member of Congress, I know that my salary is the same as my male colleagues. Yet even though today we honor the 20th anniversary of the Equal Pay Act of 1963, not all salaries in America are determined this fairly.

Over the last 20 years, this country has seen the most blatant forms of pay discrimination ended. But injustices continue, right under our own noses here on Capitol Hill. Subtle practices that prevent women employees from getting what they have earned—equal pay for equal work—still exist. Today we remind ourselves that the force of the law has accomplished much, but more work needs to be done. It needs our leadership, our continued efforts to focus attention on the continuing wage gap.

In traditionally female occupations, most employers woefully undervalue the skills, efforts, and responsibilities necessary to do a job well. Quality performances in these professions such as nursing and teaching are vital to our society, and we are becoming painfully aware of the consequences of inadequate pay.

In the new technological society now emerging in America, we need all hands on deck. To be truely competitive in the world, the future of our Nation will depend on all the talent we can muster—both women and men—working together. Yet this can only happen when women are receiving equal pay for their contributions to our country's growth. Only then will this Nation truly be ready to move forward into the future.

TWENTIETH ANNIVERSARY OF THE EQUAL PAY ACT

(Mr. MRAZEK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MRAZEK. Madam Speaker, I rise today with Congresswoman FERRARO to commemorate the 20th anniversary of the passage of the Equal Pay Act. Unfortunately, the spirit of this law is the sole cause for celebration today, for current statistics show that we still have a long way to go to secure the equitable treatment that women properly deserve.

In 1963, when the Equal Pay Act was introduced, there were 24.5 million women in the work force. Today there are 47 million. In 1963, 38 percent of all women over 18 were working. Today it is 52 percent. Whether women have entered the workplace because of a need for increased challenges or, as in most cases, necessity, the significance of this change in the demographics of the workplace should not be overlooked or understated.

Women today constitute 43 percent of the Nation's work force. It is logical to assume that women would be paid the same amount for work of comparable value by men. However, the grim reality is that this is not the case. Three out of five women earn less than $10,000, with one third making less than $7,000, while the average annual income for a man is $21,000.

In his letter to Vice President Johnson in 1963 urging adoption of the Equal Pay Act, Secretary of Labor Willard Wirtz stressed the importance of congressional action to eliminate discrimination in the workplace. He said:

> It is difficult to find any single industry in the United States which does not depend to a substantial degree upon the skills, talent, and energy of American women. Yet in those statistical analysis that are available, it is overwhelmingly apparent that these important contributions by women are not rewarded in the same manner as are similar contributions by men.

These same concerns are still prevalent today. I urge my colleagues to reaffirm their commitment to the Equal Pay Act on its 20th anniversary and to support legislation that further advances the notion of equality for women in our country.

TWENTIETH ANNIVERSARY OF THE EQUAL PAY ACT

(Mr. MOODY asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. MOODY. Madam Speaker, on the 20th anniversary of the Equal Pay Act it is important to make several points.

First, most women in the labor force do not have a choice of whether or not to work. Gone are the days when women simply supplemented family incomes. Twenty percent of the women in the labor force today are the family's sole source of income, and those families are systematically poorer than other families. Of the remaining 80 percent of working women, most absolutely must work for their families' health and material well-being.

Second, it is indisputable that women make less than men do. Exact comparisons of wages paid to men and women are difficult to make for two reasons: First, workers in professions dominated by men tend to make more than in professions dominated by women. Engineers, for example, are paid more than nurses, and the male-female ration between men and women in those two professions is obviously different. Second, women have only recently entered the work force in such large numbers—double in the last decade, and tend to have less seniority and time in grade.

But despite the difficulties of comparison, the stark fact remains that on the average women only make 60 cents for every dollar made by men. The economic gender gap is 40 percent of men's wages—an enormous gap indeed.

There are two ways in which we as a society must work to eliminate this economic gap. First, we must try to end the substantial vestiges of discrimination in salaries and promotions which remain between the sexes.

Second, we must reform educational channeling and sex stereotyping so that female students in high schools and colleges go into math, sciences, and other disciplines that lead to higher pay and a wider range of professional options.

Madam Speaker, if the Equal Pay Act should be enforced in reality as well as spirit we will have to work hard on ways to close this economic gender gap.

□ 1045

TWENTIETH ANNIVERSARY OF EQUAL PAY ACT

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Madam Speaker, tomorrow is the 20th anniversary of the enactment of the Equal Pay Act. This legislation is a landmark in efforts to provide equal status to women in our Nation.

Ours is a nation founded on the promise of fairness and equality of opportunity. It is inherent in the fabric of our constitutional Government. For that reason, we in the Congress must remain firmly committed to that promise and remain vigilant in maintaining the principle of equal pay for equal work.

But Madam Speaker, while the commitment is strong, our laws are weak. The next step in this struggle is the question of pay equity. Pay equity means that jobs which are predominated by women should provide pay and benefits comparable to those predominated by men with equivalent education and training. By the end of this decade, it is my hope that this Congress will enact laws so that it can no longer be said of our society, as was reported by the National Academy of Sciences just 2 years ago, that the more an occupation is dominated by females, the less it pays in comparison to occupations dominated by males.

THE FEMINIZATION OF POVERTY

(Mr. FEIGHAN asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. FEIGHAN. Mr. Speaker, last year the President's Commission on Economic Opportunity issued its final report. As a member of that Commission, I was proud of the work we did to document the continuing problem of poverty. But I was dismayed by the results of our investigations.

We found that poverty in our country is not declining, and that those who live in poverty are increasingly women and their children. The "feminization of poverty" is a complex phenomenon—but it can be attributed at least in part to persistent, institutional, occupational discrimination.

As we now mark the 20 years since enactment of the Equal Pay Act, the challenge of insuring equal opportunity remains unmet. The real impact of the Equal Pay Act will be felt only when we stop forcing women into occupational ghettoes—and begin to recognize and compensate workers in those traditionally female, and historically underpaid, jobs.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE PRIVILEGED REPORT ON DEPARTMENT OF DEFENSE MILITARY CONSTRUCTION BILL

Mr. HEFNER. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations have until midnight tonight to file a privileged report on a bill making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1984, and for other purposes.

Mr. REGULA reserved all points of order on the bill.

The SPEAKER pro tempore (Mr. ALEXANDER). Is there objection to the request of the gentleman from North Carolina?

There was no objection.

TWENTIETH ANNIVERSARY OF EQUAL PAY ACT

(Mrs. BOGGS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOGGS. Mr. Speaker, I remember the great excitement 20 years ago when the equal pay legislation was passed.

I remember the diligent work that went into the passage of that legislation: President Kennedy had appointed a Commission on the Status of Women, several States had cooperated in establishing State commissions; President Johnson pressed his Cabinet members to gather the pertinent statistics to aid in the formulation of a policy, then Speaker McCormack encouraged legislation in the House. I am proud that my husband, the late Hale Boggs, the majority whip at the time, was very instrumental in helping to have the legislation passed.

I am very happy to celebrate the 20th anniversary of its passage, but I am very unhappy that 20 years later the newest Labor Department statistics show that women receive only 60 percent of the pay for men.

Also that families headed by two parents have an average income of $25,069, whereas families headed by a single female have an income of only $10,950.

I am also very sad, Mr. Speaker, that the retired women of this country are becoming the poorest of the poor in our land, the result of the fact that their pay during all the years they were contributing to their retirement income was lower than that of men.

I hope that we will rededicate ourselves on this 20th anniversary to making certain that this inequity is, indeed, finally addressed.

THE KEMP-ROTH IDEA IS WRONG

(Mr. HARRISON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HARRISON. Mr. Speaker, I think we all agree that something has to be done to reduce the deficit, if only symbolically, as a protest against the economic nightmare that this administration has brought to the country.

I think we have to do that by approaching realistically the third year of the tax cut. I stand here to recommend that it shoud be capped; that is to say that it should be repealed as to all individual income in excess of $35,700 a year. That, of course, is the amount taxable for social security purposes during 1983.

I would oppose an outright and total repeal because that would create a grave hardship on those lower income Americans who would still continue to be subject to the mandatory increases in social security taxes.

I think it is essential that we approach the question of increased revenue by facing the fundamental fact that the Kemp-Roth idea is wrong, that it has allowed ungraduated reductions in taxes to the benefit of the rich and at the expense of the poor and middle income American.

ARMS WITHOUT CONTROL

(Mr. DOWNEY of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOWNEY of New York. Mr. Speaker, yesterday President Reagan showed us how he plans to deliver his half of the famous MX bargain.

We sent him a real MX missile; he sent us back a balloon filled with empty air.

Some of you asked him for arms control leading to fewer warheads and more missiles. He gave you more missiles, period.

You told him you wanted long-term stability, and you were willing to pay the price of short-term instability. He gave you short-term instability, period.

We are being asked to be grateful that the Reagan rhetoric has changed. I suppose soft words and no arms control are better than harsh words and no arms control. But I remind you that either way, the American people still have no arms control.

We are being asked to be grateful that he turned down Richard Perle's plan for a large step backward in strategic arms control. I remind you that zero progress in stagnant negotiations and backward progress in stagnant negotiations produce the same result; nothing.

And that, my colleagues, sums up what's happened within the last month. Mr. Reagan got his missile. Arms control got nothing. The American people got nothing.

Mr. Speaker, what happened yesterday may be good politics, good public relations, and good acting. But I deeply regret it was not good arms control. In fact, it wasn't arms control at all.

A MORATORIUM ON SOCIAL SECURITY DISABILITY TERMINATIONS

(Mr. BOUCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOUCHER. Mr. Speaker, since March of 1981, the Reagan administration has forced 226,000 Americans off the social security disability roles through arbitrary case reviews. Every Member of this Chamber has constituents who, though truly disabled, have been terminated from further receipt of disability benefits.

Disabled Americans should not be subjected to the harassment and mental anguish associated with the administration's disability review program. For this reason, I am pleased to join as a cosponsor of H.R. 3045 to impose an immediate moratorium on all social security disability terminations.

Two days ago, the Secretary of Health and Human Services announced a revision in the administration's review procedures. Although I am pleased that the administration has recognized the abuses associated with its earlier regulations, Congress should evaluate the entire disability program before additional recipients are terminated.

I urge my colleagues to support an immediate moratorium on disability terminations.

ANNOUNCEMENT OF FUNERAL SERVICES FOR THE LATE HONORABLE TOM STEED

(Mr. McCURDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCURDY. Mr. Speaker, as announced yesterday by the dean of the Oklahoma delegation, we in Oklahoma mourn the passing of our colleague, a former Member of Congress, Hon. Tom Steed.

I would like to announce that the funeral for Congressman Steed will be Saturday, June 11, at 2 o'clock at the John Raley Chapel on the OBU campus in Shawnee, Okla.

I know that many join with us in sorrow. In lieu of flowers, contributions can be made to the Oklahoma Medical Research Foundation, Cancer Division, 825 Northeast 13th Street, Oklahoma City, Okla. 73104, or the Emanuel Episcopal Church in Shawnee, Okla.

I also urge my colleagues to join us in a special order commemorating our former colleague on next Tuesday evening.

PARLIAMENTARY INQUIRY

Mr. SOLOMON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore (Mr. BIAGGI). The gentleman will state his parliamentary inquiry.

Mr. SOLOMON. Mr. Speaker, there are members of the minority that have been sitting here since 20 minutes of 10. It was my understanding that when we recognized Members for 1 minute speeches, that we do so in the order that they came; the Democrats first, the Republicans second; but for the last 15 or 20 minutes we have seen people from the other side of the aisle come in late and be recognized and we still sit here. We have important meetings.

I would think that out of courtesy to both sides of the aisle, that we would recognize those Members, Democrats first, Republicans second; but in the order that they arrived here, Mr. Speaker, in fairness.

The SPEAKER pro tempore. The order of recognition is determined at the discretion of the Chair.

Mr. SOLOMON. We are asking the Chair to be fair.

THAT SOUTH AFRICAN RESOLUTION

(Mr. McDONALD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McDONALD. Mr. Speaker, other Members may be curious about the mysterious resolution which failed to get unanimous consent yesterday. The resolution was offered by Mr. SAVAGE of Illinois.

The subjects of that proposed congressional clemency appeal—Simon Mongoerane, Jerry Mosololi, and Thabo Motaung—were convicted of killing four black police officers in South Africa during attacks on police stations.

These three men were not freedom fighters, only terrorists. Their victims were police officers who are universally recognized as civilians under the Geneva conventions. Unlike their victims, the three terrorists, all members of the Communist-controlled African National Congress (ANC), were hanged in South Africa last night and lost their lives after public trial with the full panoply of independent legal counsel, press coverage, foreign observers, and appeals. A week ago, the President of South Africa commuted the capital sentences of three other ANC terrorists convicted of lesser offenses.

Finally, the ANC representatives in New York and the Communist Party, U.S.A., led protests yesterday against the executions. An editorial directive in yesterday's Daily World said that:

> We in the United States have a special responsibility * * *. All persons who are physically able should immediately call or wire the White House and their elected officials.

These three terrorists met justice without inappropriate intervention on the part of the Congress of the United States.

ANNIVERSARY OF THE EQUAL PAY ACT

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEJDENSON. Mr. Speaker, tomorrow marks the 20th anniversary of the Equal Pay Act, the historic piece of legislation which formally mandated the adequate reimbursement of women in workplace. We have come a long way in 20 years, with women now entering and excelling in fields formerly reserved only for men. In the process, many stereotypes have been disproved or even forgotten.

One idea, however, seems to persist, and that is the mistaken notion of the woman who works only as a hobby or for personal fulfillment. Many employers who pay lipservice to the idea of equal pay, at the same time rationalize their underpaying women by asserting that women do not have to earn money to support a family. That is a myth. The overwhelming majority of women who work do so for financial—not spiritual or emotional—reasons, and a great many of these women are now the sole providers for their entire family. It is vital that we end the practices which allow women who support children to be paid subsistence-level salaries.

In any profession, the devaluation of women's labor is yet another obstacle to the achievement of true economic equality between men and women. In the spirit of those who fought for the Equal Pay Act, we must continue the struggle to eradicate all of the last vestiges of sex discrimination in the workplace.

□ 1100

ADMINISTRATION'S BUDGET PROPOSAL SEVERELY EXACERBATES DEVASTATING EFFECT OF PAST TWO BUDGETS

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, at least one Presidential adviser now admits that there is a gender gap. But he suggests the way to close that gap is to tell Reagan's story. What the administration has not yet admitted is that there is a reason for the gender gap—the policies of the Reagan administration.

This administration's 1984 budget proposals severely exacerbate the already devastating cumulative effect of the past two budgets. Reagan's proposals cut the very programs which provide support to women, their families, and the children who depend on them.

Already, 44 States have reduced their federally supported prenatal and delivery services for pregnant women, and primary and preventive services for women of child-bearing age, infants and children.

Three million children have been dropped from the child nutrition programs.

And he has proposed, on top of these cuts, the following for 1984: $1.2 billion reduction in aid to families with dependent children, $757 million reduction in food stamp benefits and a decision to count those benefits as income for determining how much rent people in public housing must pay; and youth subminimum wage. One million young women under the age of 22 head families, and the vast majority work in low-wage jobs. If we were to adopt President Reagan's new subminimum wage, these women would get $90 a week.

The world out there is changing, and it is changing fastest for women. I hear from every sector of the country, and I can tell you that as the Washington Post said, there is a perception that the country is changing faster than politicians can handle the change.

I would advise Mr. Reagan to look at the economic facts for women, children and families today.

Families headed by women grew 51 percent during the last decade. The number of persons in poor families headed by women rose by 54 percent, while the number of persons in poor families headed by white men decreased by 50 percent.

Half of women aged 16 and older are in the labor force, up from 41 percent in 1970. In 1980, 13 percent of fully employed women had earnings of $7,000 or less, compared to 4 percent of fully employed men. In 1980, 47 percent of fully employed men earned over $20,000 a year compared to 10 percent of women.

Only 25 percent of American households are of the traditional, one-earner model. Today, 48 percent of all married women and 45 percent of mothers of preschool children work. These women work out of economic necessity to maintain their family's standard of living in the face of high inflation and interest rates.

The gender gap is really a failure to perceive reality.

LETTER OF PRAISE TO THE PRESIDENT

Mr. O'BRIEN. Mr. Speaker, like most of my colleagues I receive many letters every day, and every once in a long while I receive one that contains a suggestion that "O'BRIEN did it right."

I find those kinds of letters exhilarating. I keep them. I suggest the file is not bursting at the seams, but I still keep them.

Today as a constituent of the President I kind of think he deserves one of those kinds of letters, one containing a word of praise and respect.

His statement yesterday relating to START, to MX, to arms control, featured three major items: deep reductions, modernization for stability, and elimination of the first strike threat.

Mr. President, you said it very well in your press statement. You have given our negotiators generous negotiating authority, and most of us in Congress are ready to help in any way we can.

Mr. Speaker, if I could be granted one wish for this day, it would be that, for one brief moment at least, the Russian people might enjoy the luxury of a free press. My wish would be that they could read page 1 of today's Washington Post.

Would it not be great if they knew that we, the Americans, were trying with all of our strength and will to end the arms race and terminate the nuclear threat? Mr. Speaker, would that be it?

WE MUST HAVE SPENDING CUTS TO STIMULATE THE ECONOMY

(Mr. PETRI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PETRI. Mr. Speaker, a leading economist, Alan Greenspan, recently discussed the horrendous deficits that this Congress has been creating. He said that if the projected deficit were not in the $200 billion range—Let me repeat that: If the projected deficits were not in the $200 billion range, we probably would be undergoing a major economic expansion, the likes of which we have not seen in a generation.

Mr. Speaker, we must cut spending.

We want a strong defense, high-quality jobs, and a more just society. We can have them. But first, we need to cut spending and let the economy grow.

REPRESENTATIVE GEKAS INTRODUCES LEGISLATION TO ASSURE TAXPAYER BENEFITS FROM CONGRESSIONAL SAVINGS

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, last week during the debate on the legislative appropriations many of us were shocked to learn that an individual Congressman's account, if he had money left over at the end of a fiscal year, could not be sure when he turned it back, as it were, that it would inure back to the benefit of the taxpayers. The procedures are so complex and the byways of expenditures and revenues so devious that it is possible that that money saved by individual Congressmen would be spent in other ways.

I am introducing a bill to try to correct that procedure, to make sure that if a Congressman, prudent in his actions, is able to save some money from the moneys allocated to him each year, that those moneys when turned back will go back to the benefit of the taxpayers, back to the Treasury.

DEMOCRATS HAVE UNEQUALED RECORD FOR TAX INCREASES

(Mr. SOLOMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SOLOMON. Mr. Speaker, your call to raise taxes on the American people by $6 billion next week has sent the researchers at the Guinness Book of World Records to their books.

Early reports are that this new tax increase you propose to levy on middle class Americans and small businessmen sets a modern record, because it is the fourth tax increase in 10 months. Your record setting tax increase will mean that this Democrat Congress and its predecessor have raised taxes almost $400 billion in 10 months. Never in the history of modern representative government has this record been equaled.

Mr. Speaker, perhaps of interest to trivia buffs, is that your budget contemplates not only this fourth tax increase but another tax increase, and a fifth tax increase, is also planned. So if you Democrats move fast enough you may be able to best the alltime record of Augustus Caesar, five tax increases in 13 months.

Mr. Speaker, I guess the Democrat motto might be, pocketbooks, like records, are made to be broken.

EQUAL PAY ACT

(Mr. GREEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN. Mr. Speaker, 20 years ago tomorrow the Equal Pay Act was enacted. This landmark bill, which forbids unequal pay for men and women with the same job, was passed with high hopes for abolishing the economic inequities women faced in the job market in 1963. Said one proponent during House consideration,

> The time has come when we must banish all discrimination against working women, and wipe out the longstanding pay differentials between men and women doing the same work. Let us make this a day to be remembered by all women. Let us leave this House today with the knowledge that we have wiped out a great social inequity.

Sadly, mere passage of the Equal Pay Act has not wiped out the inequities facing women. The act has eliminated the most serious forms of discrimination, and has resulted in at least $214 million in back pay awards. But uneven enforcement and deeply ingrained discrimination in the work force have made it difficult to realize the high hopes expressed by the supporters of the act. The wage gap persists, with women making only 60 percent of what males do.

I am pleased to join others in the House in commemorating the passage of the Equal Pay Act. More importantly, I remind all my colleagues that we have far to go to achieve economic equity for women and that the 20 year history of the Equal Pay Act reminds us we must pass legislation such as the ERA and the Women's Economic Equity Act. High hopes are not enough.

THIRD YEAR OF THE TAX CUT

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, the New York Times yesterday morning ran an article which pointed out that some of our colleagues on the Democratic side of the aisle are already expressing doubts about their leadership's plan to cap the third year of the tax cut. I can understand their apprehension.

The majority claims that a cap on the July tax cut is a fairness issue. But the fact is that a $700 limit in the tax cut would mainly affect people with incomes from about $35,000 to $110,000.

Does the leadership categorize a family making $35,000 a year trying to put two children through college as wealthy?

Are these middle income taxpayers the fat cats who supposedly are gaining from the Economic Recovery Tax Act of 1981?

The real fairness question is this, Mr. Speaker: Do we in Congress have a right to go back on the promise of tax relief that we made in 1981? Will it be fair to rescind a tax cut for families who are putting their children through college? Will it be fair to increase taxes for families who are trying to buy a car or make a down payment on a new home?

If we really want to be fair, Mr. Speaker, I suggest that we cap spending, not those already promised tax cuts.

HOUSE SHOULD DEFEAT CONFERENCE REPORT ON BUDGET RESOLUTION

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, the conference on the budget resolution is about to send us one as bad as that adopted by the House 2 months ago. Let us defeat it. The world will not come to an end. We have already passed several appropriations bills and many others are moving forward without any resolution.

Having no budget resolution does not disturb me in the least. What does disturb me is the likelihood of another continuing resolution—one vote up or down vote on hundreds of billions of dollars of spending—the worst possible way to legislate.

The President should tell Congress right now that he will not tolerate another continuing resolution. He should put the monkey right now on Congress back to pass all 13 appropriations bills and lay them on his desk to sign or veto prior to September 30 according to constitutional procedure. Congress can then make its decisions whether to override or not.

This basic system served our Nation perfectly well until some overfertile minds decided in recent years we needed budget resolutions, reconciliations, and continuing resolutions, the growing use of which has closely coincided with profligate spending, huge deficits, and almost total congressional abdication of fiscal responsibility.

OPINION OF THE AMERICAN PEOPLE ON THIRD YEAR OF THE TAX CUT

(Mr. CRAIG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRAIG. Mr. Speaker, I hear you are polling your colleagues on whether your party should cap, defer, or repeal the third year tax cut. Since I am not in your party and will not receive one of these questionnaires, I thought I would relay what nearly 23,000 of my constitutents told me when I asked them the very question you are asking your fellow Democrats.

Their response to the question, Do you favor the elimination of the 1983 tax cut; was 30 percent yes, and 70 percent said no. When asked if they would favor delaying the tax cut, their response was 10 percent said delay, 22 percent said make it retroactive to January, and 68 percent said leave it alone.

Mr. Speaker, you know as well as I do that the general perception of Congress is low in the public opinion polls. That in itself is easy to understand when we promise to give the American public a tax cut one year, and then try to take it away the next. All we are doing is dangling a carrot before the public's nose just to see how far they will jump, only to take it away from their grasp.

Last year we promised President Reagan that for every dollar in tax increases, we would cut $3 in spending. We never came close. It is one thing to give the President the shaft, but it is a whole different story when we try to pull the same stunt with the American people.

I hope you will reconsider your tax increases, Mr. Speaker, not just for the integrity of your party, but for the integrity of this body.

CAP ON HOME MORTGAGE INTEREST DEDUCTION

(Mr. WINN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WINN. Mr. Speaker, the American dream of owning a home may be in serious jeopardy if a major policymaking committee of the Democrats, the Democratic Study Group, has its way. Placing a cap on the home mortgage interest deduction is an idea being pursued by this organization, along with 40 other tax increases designed to increase Federal revenues.

Families depend on this deduction when they buy a home. If a $10,000 cap were placed on the interest deduction, almost 650,000 families would be affected. Even moderate increases in inflation and interest rates would drag enormous numbers of home buyers into this crazy scheme.

We have started to see improvement in the housing market since the economy is getting back on the right track, and now there are those who want to apply the brakes. I can only interpret this half-baked notion by the Democrats as an underhanded attempt to get us to foot the bill for their new, big-spending budget. Why would anyone even consider capping home mortgage interest deductions? If Members are, then by all means, they should stand up and be counted. After all, constituents have a right to know.

OUR RULES PROTECT HUMAN FREEDOM AND LIFE

(Mr. WALKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALKER. Mr. Speaker, with reference to some statements made earlier today, human life is best protected by assuring human freedom.

□ 1115

Freedom is protected by the rules by which we govern ourselves here. Those who would abandon the rules would abandon freedom and those who would abandon freedom are the true destroyers of human life.

The arrogance that allows some to believe that they are above the rules is the arrogance which has so often destroyed both freedom and life.

IMF QUOTA INCREASE

(Mr. WYLIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYLIE. Mr. Speaker, several Members have asked me about the status of the International Monetary Fund quota increase bill in view of the action of the other body yesterday. Apparently some mail is now being generated on the subject.

I am encouraged by the action of the other body in passing an authorization bill by a vote of 55 to 34.

I think the IMF quota increase legislation is vitally necessary to our economy and to sustaining our own economic recovery.

The President has said the IMF quota increase bill is a very important part of the consensus statement which was reached at the Williamsburg Conference.

May I say I think President Reagan deserves to be complimented by all Americans for the strong leadership

role he played at Williamsburg. The point is I am not sure when this legislation would be coming to the House floor, but I would encourage Members to keep an open mind and not be caught by one-liners suggesting this is a big bank bailout or it will aid profligate developing countries or the money could be better spent at home.

We have a vital interest in seeing that the international economy remains strong, open and fundamentally healthy.

The IMF fund will provide necessary bridge financing to that end, if we help. May I respectfully urge Members to study the issue carefully before making the decision.

Thank you, Mr. Speaker,

ARMS CONTROL UPDATE

(Mr. PRITCHARD asked and was given permission to address the House for 1 minute.)

Mr. PRITCHARD. Mr. Speaker, I want to congratulate the President on his statement yesterday and for what I believe is a change in direction in the area of arms control. We are on the road toward stability, getting away from first strike capacity.

I also want to congratulate the President for his flexibility in his advice and directions that he is giving to his negotiators. This is an awesome responsibility that the President carries to bring sanity and order to the arms race in this world.

This has been a bipartisan effort in this Chamber and in the Senate to work with the President. This bipartisan effort must be sustained, must continue if we are going to achieve real arms control.

The President deserves our congratulations.

SENOR ALFARO'S COURAGEOUS DECISION

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Speaker, there is an ever growing number of Nicaraguans disassociating themselves from the Sandinista regime in that country. We should not be surprised at this; history is replete with examples of the many who seek to leave totalitarian countries to escape the tyrannies of communism.

Yesterday the Nicaraguan consul general in New Orleans, Augustin Alfaro, asked for political asylum in the United States instead of joining his counterparts who are returning to Nicaragua after being expelled by our Government. The Nicaraguan diplomats were told to leave, of course, because their Government expelled three U.S. Embassy officials on Monday.

As one who has the privilege of representing New Orleans in this body, I want to direct special attention to Senor Alfaro's instructive decision. It took great courage, and I hope that my colleagues will take time to consider its meaning, and to ask themselves why he does not want to return to the bosom of the Marxist Sandinista regime.

MORE PRAISE FOR SENATOR HOLLINGS

(Without objection, Mr. MICHEL was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, on April 18 during the 1-minute speeches, I praised Senator ERNEST HOLLINGS of South Carolina for his frank and quite accurate views on the failings of his party.

You may recall what Senator HOLLINGS said about the Democratic Party:

> Every time a special interest appeared, we responded, every time a problem arose, we offered a single solution—money.

At that time I praised Senator HOLLINGS for performing a public service.

He has done so again and I want to share his wise insights with you.

In yesterday's New York Times, speaking of President Reagan, Senator HOLLINGS stated:

> The definite perception (among voters) is "Ye Gods, this fellow's got a $200 billion deficit, but if we let Tip O'Neill and Cranston and Mondale and Hart and that crowd get back in there there'll be $400 billion deficits."

Mr. Speaker, I thought our colleagues might want to know that Senator HOLLINGS is still willing to tell the truth about his party's flaws and follies. I hope his splendid example is followed on the other side of the aisle in the House.

A BETTER SCHEDULE FOR THE HOUSE

(Mr. MARTIN of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARTIN of New York. Mr. Speaker, I rise to salute the leadership of this House, particularly the statement made by our distinguished majority leader an hour ago as to the schedule of this body.

I am sure none of our constituents will ever really understand how great it is for a Member of the House to be able to plan what he or she is going to do clear through next Tuesday. I think this is a step in the right direction. The majority leader alluded to the Congressman who hit the ceiling for missing 16 votes. Well, based on the reasonable expectations of what the schedule would be here, I only missed 8 votes last Friday and was only climbing the walls.

I do not underestimate for a minute the difficulty in scheduling this body. I appreciate the efforts of the majority leader and the Speaker to accommodate the Membership and hope they will have more success in the future.

Next week the U.S. Interparliamentary Group will be leaving to meet in Orlando with our Canadian counterparts. We who have been appointed to this group just hope in the scheduling the leadership will take account of the fact that we will be leaving next Thursday around 2 o'clock. I hope the scheduling of votes would attempt to accommodate the Membership.

SGT. ROY BENAVIDEZ DOES IT AGAIN

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, and my colleagues, I rise to commend Sgt. Roy Benavidez of Texas. Some of you might remember Sergeant Benavidez received the Congressional Medal of Honor for saving several of his comrades while under fire in Vietnam. He was disabled and recently this administration's policy on social security disability took Sergeant Benavidez off the role. Now in their embarrassment they want Sergeant Benavidez back on. So, he is going to bring with him some 300,000 Americans that were being taken off the roles and so Sergeant Benavidez now is saving 300,000, disabled persons from being taken off the roles. I would recommend that the administration consider giving him the Medal of Freedom for helping in peace as he did in war. Thank you, Mr. Speaker.

DEPARTMENT OF STATE AUTHORIZATION ACT, FISCAL YEARS 1984 AND 1985

Mr. HALL of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 198 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 198

Resolved, That at any time after the adoption of this resolution, the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2915) to authorize appropriations for fiscal years 1984 and 1985 for the Department of State, the United States Information Agency, the Board for International Broadcasting, the Inter-American Foundation, and the Asia Foundation, to establish the National Endowment for Democracy, and for other purposes, and the first reading of the bill shall be dispensed with. All points of

order against the consideration of the bill for failure to comply with the provisions of section 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived, and all points of order against the bill for failure to comply with the provisions of clause 5, rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed three hours, be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be considered for amendment under the five-minute rule by titles instead of by sections, and each title shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from Ohio (Mr. HALL) is recognized for 1 hour.

Mr. HALL of Ohio. Mr. Speaker, I intend to make a unanimous consent request, but prior to that I would like to explain why.

In the Rules Committee, the Rules Committee gave 1 hour to the bill but somewhere along the line, either upon leaving the Rules Committee or when it got to the printer, there was a typographical error in which the rule now provides 3 hours. Both sides agree that it is not necessary for us to have 3 hours of general debate.

Mr. Speaker, I ask unanimous consent that on page 2, line 15, of House Resolution 198 "three hours" be stricken and "one hour" be inserted in lieu thereof.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HALL of Ohio. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Missouri (Mr. TAYLOR) for purposes of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 198 is an open rule providing for the consideration of H.R. 2915, the Department of State Authorization Act for fiscal years 1984 and 1985.

The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs.

In order to expedite consideration of the bill, the rule states that the bill shall be read for amendment under the 5-minute by titles instead of by sections, and each title shall be considered as having been read. House Resolution 198 further provides for one motion to recommit.

It should be noted that the rule waives a point of order against the bill under section 402(a) of the Congressional Budget Act. Section 402(a) provides that it shall not be in order to consider any bill which authorizes the enactment of new budget authority for a fiscal year unless that bill has been reported by May 15, preceding the beginning of such fiscal year.

This bill contains a supplemental fiscal year 1983 authorization of $41.8 million for the U.S. Information Agency and the Board for International Broadcasting. Since the bill was not reported on or before May 15, 1982, it would be subject to a point of order under section 402(a) of the Budget Act.

Chairman JONES of the Budget Committee has informed the Rules Committee that a majority of the members of the Budget Committee would support an emergency waiver of section 402(a) in order to permit consideration of H.R. 2915. The Budget Committee advises that this action is based largely upon the declared need for additional funds to carry out international broadcasting programs. Further, the bill authorizes, but does not directly provide, new budget authority. Therefore, the Budget Committee does not object to this emergency waiver of section 402(a) in the rule.

House Resolution 198 also waives all points of order against the bill for failure to comply with the provisions of clause 5 of rule XXI. Clause 5 of rule XXI prohibits appropriations in a legislative bill. This is necessary because certain provisions of H.R. 2915 might be considered to entail appropriations.

The bill H.R. 2915 authorizes $3.29 billion in fiscal 1984 and $3.59 billion in fiscal 1985 for the Department of State, the U.S. Information Agency, the Board for International Broadcasting, and the Inter-American Foundation. The measure enjoys strong bipartisan support.

I am not aware of any opposition to this open rule on H.R. 2915, and I urge my colleagues to adopt it.

□ 1130

Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 198 is an open rule under which the House will consider authorization legislation for the Department of State and related agencies for fiscal years 1984 and 1985.

The rule waives points of order that would otherwise lie against consideration of the bill for failure to comply with the Budget Act, as well as points of order that otherwise lie against the bill for failure to comply with clause 5 of rule XXI.

As the gentleman from Ohio (Mr. HALL) pointed out, these waivers have become fairly routine for this legislation and there was no opposition to the waivers during our hearing in the Committee on Rules.

Mr. Speaker, this rule makes in order the consideration of H.R. 2915, and bill which authorizes $3.29 billion in fiscal 1984 and $3.59 billion in fiscal 1985 for the Department of State, the U.S. Information Agency, the Board for International Broadcasting, and the Inter-American Foundation.

The bill also authorizes supplemental requests of $5 million for the Department of State, $15 million for the U.S. Information Agency, and $21.82 million for the Board for International Broadcasting for fiscal year 1983.

The rule waives section 402(a) of the Budget Act because the 1983 supplemental authorizations were not reported on or before May 15, 1982, and would therefore subject the bill to a possible point of order.

In addition, several provisions of H.R. 2915 may constitute appropriations in a legislative bill, and the waiver of clause 5 of rule XXI is provided in order to avoid a point of order against the bill.

Mr. Speaker, in addition to granting these two waivers, the resolution provides that the bill shall be read for amendment by titles instead of by sections, and it provides for one motion to recommit.

As to the bill itself, H.R. 2915 authorizes appropriations totaling $3.289 billion for the Department of State, the U.S. Information Agency, the Board for International Broadcasting, the Inter-American Foundation, and the Asia Foundation, and it establishes the National Endowment for Democracy.

The amounts authorized for fiscal 1984 are almost identical to those requested by the administration. For fiscal 1985, however, the committee bill is approximately $16 million higher than the administration's request.

In addition to these authorizations, the bill provides for the establishment of a National Endowment for Democracy, which will be a private, nonprofit corporation whose purpose is to promote U.S. private sector participation in democratic development overseas.

Mr. Speaker, I support the rule as reported from the Committee on Rules, and urge the adoption of the resolution so the House can proceed to consider the measure.

Mr. HALL of Ohio. Mr. Speaker, I have no requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution, as modified.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BLILEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 373, nays 37, not voting 22, as follows:

[Roll No. 181]

YEAS—373

Ackerman	Edwards (AL)	Kramer
Addabbo	Edwards (CA)	LaFalce
Akaka	Edwards (OK)	Lagomarsino
Albosta	English	Lantos
Anderson	Erdreich	Leach
Andrews (NC)	Erlenborn	Leath
Andrews (TX)	Evans (IA)	Lehman (CA)
Annunzio	Evans (IL)	Lehman (FL)
Anthony	Fascell	Lent
Applegate	Fazio	Levin
Aspin	Feighan	Levine
AuCoin	Ferraro	Levitas
Barnard	Fiedler	Lewis (CA)
Barnes	Fish	Lewis (FL)
Bartlett	Flippo	Lipinski
Bates	Florio	Livingston
Bedell	Foglietta	Loeffler
Bennett	Foley	Long (LA)
Bereuter	Ford (MI)	Long (MD)
Berman	Ford (TN)	Lott
Bethune	Fowler	Lowery (CA)
Bevill	Frank	Lowry (WA)
Biaggi	Franklin	Lujan
Bliley	Frost	Luken
Boehlert	Fuqua	Lundine
Boggs	Garcia	Lungren
Boland	Gaydos	MacKay
Boner	Gejdenson	Madigan
Bonior	Gekas	Markey
Bonker	Gephardt	Marlenee
Borski	Gibbons	Marriott
Bosco	Gilman	Martin (IL)
Boucher	Gingrich	Martin (NC)
Boxer	Glickman	Martin (NY)
Breaux	Gonzalez	Matsui
Britt	Goodling	Mavroules
Brooks	Gore	Mazzoli
Broomfield	Gradison	McCandless
Brown (CA)	Gray	McCloskey
Broyhill	Green	McCollum
Bryant	Guarini	McCurdy
Byron	Gunderson	McDade
Campbell	Hall (IN)	McDonald
Carney	Hall (OH)	McEwen
Carper	Hall, Ralph	McHugh
Carr	Hall, Sam	McKinney
Chandler	Hamilton	McNulty
Chappell	Hammerschmidt	Mica
Clarke	Hance	Michel
Clay	Hansen (UT)	Mikulski
Clinger	Harkin	Miller (CA)
Coelho	Harrison	Mineta
Coleman (MO)	Hatcher	Minish
Coleman (TX)	Hawkins	Mitchell
Collins	Hefner	Moakley
Conte	Hertel	Mollohan
Cooper	Hightower	Montgomery
Corcoran	Hillis	Moody
Courter	Holt	Moore
Coyne	Hopkins	Moorhead
Craig	Horton	Morrison (CT)
Crockett	Howard	Morrison (WA)
D'Amours	Hoyer	Mrazek
Daniel	Huckaby	Murphy
Daschle	Hughes	Murtha
Daub	Hunter	Myers
Davis	Hutto	Natcher
de la Garza	Hyde	Nelson
Dellums	Ireland	Nichols
Derrick	Jacobs	Nowak
Dicks	Jenkins	O'Brien
Dingell	Johnson	Oakar
Dixon	Jones (NC)	Oberstar
Donnelly	Jones (OK)	Obey
Dorgan	Jones (TN)	Olin
Dowdy	Kaptur	Ortiz
Downey	Kastenmeier	Ottinger
Duncan	Kazen	Owens
Durbin	Kennelly	Oxley
Dwyer	Kildee	Packard
Dyson	Kindness	Panetta
Early	Kogovsek	Parris
Eckart	Kostmayer	Pashayan
Patman	Schroeder	Thomas (GA)
Patterson	Schumer	Torres
Pease	Seiberling	Torricelli
Penny	Sensenbrenner	Towns
Pepper	Shannon	Traxler
Perkins	Sharp	Udall
Petri	Shaw	Valentine
Pickle	Shelby	Vander Jagt
Porter	Sikorski	Vandergriff
Price	Simon	Vento
Pritchard	Sisisky	Volkmer
Pursell	Skeen	Vucanovich
Quillen	Skelton	Walgren
Rahall	Slattery	Watkins
Rangel	Smith (FL)	Waxman
Ratchford	Smith (IA)	Weaver
Ray	Smith (NE)	Weiss
Regula	Smith (NJ)	Wheat
Reid	Smith, Robert	Whitehurst
Richardson	Snowe	Whitley
Ridge	Snyder	Whittaker
Rinaldo	Solarz	Whitten
Ritter	Solomon	Williams (MT)
Roberts	Spence	Williams (OH)
Robinson	Spratt	Winn
Rodino	St Germain	Wirth
Roe	Staggers	Wise
Roemer	Stangeland	Wolf
Rogers	Stark	Wolpe
Rose	Stenholm	Wortley
Rostenkowski	Stokes	Wright
Roth	Stratton	Wyden
Roukema	Studds	Wylie
Rowland	Stump	Yates
Roybal	Sundquist	Yatron
Rudd	Swift	Young (AK)
Russo	Synar	Young (FL)
Sabo	Tallon	Young (MO)
Savage	Tauke	Zablocki
Sawyer	Tauzin	Zschau
Scheuer	Taylor	
Schneider	Thomas (CA)	

NAYS—37

Archer	Edgar	Miller (OH)
Bilirakis	Emerson	Molinari
Brown (CO)	Fields	Nielson
Burton	Forsythe	Paul
Chappie	Gramm	Schulze
Coats	Gregg	Shumway
Conable	Hiler	Shuster
Coughlin	Kasich	Siljander
Crane, Daniel	Kemp	Smith, Denny
Crane, Philip	Latta	Walker
Dannemeyer	Mack	Weber
DeWine	McGrath	
Dreier	McKernan	

NOT VOTING—22

Alexander	Frenzel	Lloyd
Badham	Hansen (ID)	Martinez
Bateman	Hartnett	McCain
Bellenson	Heftel	Neal
Cheney	Hubbard	Schaefer
Conyers	Jeffords	Wilson
Dickinson	Kolter	
Dymally	Leland	

□ 1150

The Clerk announced the following pair:

On this vote:

Mr. Cheney for, with Mr. Frenzel against.

Mr. OTTINGER and Mr. LEVITAS changed their votes from "nay" to "yea."

So the resolution, as modified was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. BIAGGI). Pursuant to House Resolution 198 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2915.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2915) to authorize appropriations for fiscal years 1984 and 1985 for the Department of State, the U.S. Information Agency, the Board for International Broadcasting, the Inter-American Foundation, and the Asia Foundation, to establish the National Endowment for Democracy, and for other purposes, with Mr. SIMON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, as modified, the gentleman from Florida (Mr. FASCELL) will be recognized for 30 minutes, and the gentleman from New York, (Mr. GILMAN) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida (Mr. FASCELL).

Mr. FASCELL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 2915, a bill to authorize appropriations for fiscal years 1984 and 1985, and supplemental appropriations for fiscal year 1983, for the Department of State, the U.S. Information Agency, the Board for International Broadcasting, the Inter-American Foundation, the formation of a National Endowment for Democracy, and for other purposes. This bill provides the financial and personnel resources needed to carry out the day-to-day foreign policy obligations and operations of the United States abroad, including the vital services for protection of Americans abroad, and the Nation's traditional and public diplomacy activities.

At this point, I would like to point out some hard realities in connection with the State and USIA budgets. While the figures indicate dollar increases for the fiscal years 1984 and 1985, the reality is that the amounts have not kept up with the value of the dollar overseas—which is where the majority of these agencies' activities take place. More important, the personnel figures tell an even harsher story. Since 1967, the Department of State has lost 10 percent of its personnel, going from 26,162 positions to 23,569. USIA during the same period has decreased personnel strength from 12,484 to 8,886. For comparative purposes, the Department of Commerce—which does not have the responsibility of maintaining 288 posts abroad, as does the Department of State—has increased 50,000 positions between 1978 and 1980 alone. On the other hand, the foreign policy problems and activities of the United States have grown

by leaps and bounds. Indeed, the number of countries with which the United States maintains diplomatic relations has increased from 85 nations in 1959 to 146 nations today. During that same period, the number of Foreign Service officers has increased by only 116 positions, from 3,717 to 3,833, yet the quality of their work is consistently high and is constantly improving.

Mr. Chairman, this bill contains fiscal year 1984 and 1985 authorizations, and a fiscal year 1983 supplemental authorization identical to the sums requested by the executive branch, with the exception of a fiscal year 1985 figure of $16 million for the Inter-American Foundation in place of the open-ended authorization requested by the executive branch. Specifically, the committee has recommended an amount of $3,289,297,000 for fiscal year 1984 and $3,590,708,000 for fiscal year 1985 to fund the Department of State, USIA, BIB—which makes grants to Radio Free Europe and Radio Liberty—and the Inter-American Foundation, and to establish a National Endowment for Democracy. The bill authorizes supplemental requests of $5 million for the Department of State for a grant to the Asia Foundation, $15,000,000 for the U.S. Information Agency, and $21,823,000 for the Board for International Broadcasting, as requested by the executive branch.

Briefly, the funds included in this authorization request will enable these agencies and grantees to:

First, carry out U.S. foreign policy responsibilities and maintain our diplomatic relations with 142 nations and 47 international organizations;

Second, provide U.S. assessed contributions to the United Nations, its specialized agencies, and the OAS;

Third, provide consular services to U.S. citizens traveling abroad, and domestic passport services;

Four, enable those living under totalitarian rule abroad to receive objective news reports through the broadcasts of the Voice of America, Radio Free Europe, and Radio Liberty;

Fifth, provide for academic and cultural exchange programs between Americans and students and professionals of other nations to promote international understanding and goodwill;

Sixth, provide for an annual grant by the Secretary of State to the Asia Foundation to insure long-term, stable funding for the Foundation.

H.R. 2915 also makes certain changes in administrative authorities of the agencies. It would also enable the Foreign Service Institute to train citizens of the Trust Territory of the Pacific Islands—which will undertake a compact of free association with the United States—in order to develop a Foreign Service for these new states. It provides for assistance to local law enforcement entities providing extraordinary protective services for foreign missions in the United States; requires the U.S. Information Agency to notify the Senate Committee on Foreign Relations; and the House Committee on Foreign Affairs of all grants for a period of 2 years; provides for formal notice of agency reprograming requests to the Committees on Foreign Affairs and Foreign Relations provides legislative authority for the existing Office of the Coordinator for International Communications and Information Policy which is located in the Department of State; provides that the Director of the Office of Foreign Missions in the Department of State be a member of the Foreign Service with certain administrative and field experience; provides for the release of a USIA film entitled "Thanksgiving in Peshawar"; provides for expenses of the U.S. National Commission for UNESCO; provides for participation by the United States as host to the 31st annual meeting of the North Atlantic Assembly; and provides for a limitation on the salaries of future presidents of RFE/RL, Inc.

In addition, the bill provides, in title VI, for support for a National Endowment for Democracy. This provision reflects the recommendations of a report issued by the Democracy Program, a bipartisan group, composed of the two major U.S. political parties, labor, and business, which conducted a study into the ways and means of promoting democracy and democratic institution-building abroad through private sector approaches. The endowment, a private, nonprofit corporation, would be provided with funds to promote U.S. private sector initiatives for these purposes. This provision together with other proposals modified and approved by the committee, constitute the Presidential initiative originally called Project Democracy.

Project Democracy was originally a request by USIA for $15 million in fiscal year 1983 and $65 million in each of the fiscal years 1984 and 1985. The committee has reviewed this request and has modified the proposal. Specifically, the committee has approved the expansion of existing USIA education and cultural affairs programing such as the Fulbright and Humphrey fellowship programs, the international visitor program, and the programs carried out by private sector groups such as Partners of the Americas, Youth for Understanding, and the American Council of Young Political Leaders, and other groups which have proved their excellence over the years. The remaining new initiatives were found by the committee to be more appropriate to be carried out by the National Endowment for Democracy.

Mr. Chairman, this bill represents the absolute minimum necessary to carry out vital U.S. foreign policy objectives. I urge my colleagues to support H.R. 2915.

□ 1200

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the distinguished chairman of the full committee.

Mr. ZABLOCKI. Mr. Chairman, I rise in strong support of H.R. 2915, a bill to authorize supplemental appropriations for fiscal year 1983 and appropriations for fiscal year 1984 and 1985 for the Department of State, the U.S. Information Agency, the Board for International Broadcasting and for other purposes.

At the outset, I want to take this opportunity to commend the distinguished chairman and ranking minority member of the subcommittee, the gentleman from Florida (Mr. FASCELL), and the gentleman from New York, (Mr. GILMAN), for their efforts on this important legislation. The gentleman from Florida has already ably presented the purposes and content of the legislation. I, therefore, take this time to point out briefly some of the features of the legislation which particularly merit the attention of the Members.

First, H.R. 2915 represents the third 2-year authorization for the Department of State and related agencies reported by the Committee on Foreign Affairs. These multiyear authorizations are a positive contribution to the congressional budget process and permit the agencies to engage in much needed long-range planning for their operations and afford a better opportunity to the Committee on Foreign Affairs and its subcommittees to conduct more effective oversight over the departments and agencies that fall within their respective jurisdictions.

Second, the bill provides additional funding over the fiscal year 1983 levels for the dissemination of information abroad through the Voice of America and Radio Free Europe and Radio Liberty. These programs are indispensable elements of our foreign policy and deserve the strong support of this body.

Third, the creation of the National Endowment for Democracy in title VI represents, as the chairman of the subcommittee, the gentleman from Florida (Mr. FASCELL) has already stated, the work of a broad bipartisan group composed of the two major U.S. political parties and American labor and business which concluded a study on and recommendations for new ways and means for promoting democracy and democratic institution building abroad through the private sector. The establishment of the endowment is a modification of the administration's "Project Democracy" initiative

and was unanimously supported by the committee.

It is my understanding, Mr. Chairman, that there may be an amendment to strike this particular section. In my opinion, adoption of this amendment would be a grave mistake. This bill does not provide funds for any political party; it authorizes funds for the purpose of assisting areas or countries to better understand our democracy and how it works—and—to benefit from our experience in making that democracy work.

Finally, title VI provides formal recognition of the unique and vital role played by the Asia Foundation in advancing long-term foreign policy interests in Asia and provides a permanent legislative basis for the Foundation's annual funding requirements.

Mr. Chairman, this authorization legislation is essential to the operations of the Department of State and related foreign policy agencies. The amounts authorized are the same as those requested by the executive and are within the guidelines of the House-passed budget resolution.

I urge the adoption of H.R. 2915.

Mr. GILMAN. Mr. Chairman, I yield myself such time as I may consume.

I rise in support of H.R. 2915, legislation authorizing appropriations for the Department of State for fiscal year 1984 and fiscal year 1985. As the ranking minority member of the subcommittee on International Operations, I wish to associate myself with the remarks of my colleague, the gentleman from Florida, the chairman of our subcommittee. I believe the gentleman has provided a concise and effective overview of H.R. 2915 and I commend him for his hard work on this legislation.

I believe it is important to note that H.R. 2915 is the product of 10 days of comprehensive hearings and two markup sessions. During such consideration, our subcommittee had the opportunity to explore thoroughly the many aspects of operations and policies that this legislation addresses. It is my view that H.R. 2915 will enable the Department of State, the U.S. Information Agency, the Board for International Broadcasting, the Asia Foundation, and the Inter-American Foundation to carry out effectively those authorities, functions, and duties with which they are charged.

I might add also that the total funding levels conform to those amounts requested by the administration.

This measure also establishes the National Endowment for Democracy. As the gentleman from Florida indicated, this proposal emerged from the President's call last year and from earlier recommendations, for a long-range, bipartisan undertaking to promote the growth of democracy and democratic institutions.

The Endowment enjoys the broad-based support of the Republican and Democratic Parties, the AFL–CIO, and the U.S. Chamber of Commerce. It is my hope that the Endowment, with its emphasis on private sector initiatives, in the form of exchanges with democratic groups abroad, can help our Nation improve significantly its efforts to encourage free and democratic institutions worldwide.

Accordingly, I join with the subcommittee's distinguished chairman, the gentleman from Florida, in requesting that my colleagues support H.R. 2915.

□ 1210

Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. LAGOMARSINO).

Mr. LAGOMARSINO. Mr. Chairman, I rise in strong support of H.R. 2915 and particularly for the National Endowment for Democracy which is incorporated in the authorization bill for the State Department and USIA.

Two weeks ago, Congressman MIKE BARNES and I led a delegation of Democratic and Republican Party officials and U.S. Government representatives to Caracas where we met with Venezuelan political party leaders to discuss the international democracy program. From our initial discussions with the Venezuelans, the response was positive and supportive.

The specific objective of the meeting with the Venezuelans was to discuss a working paper developed by the State Department which outlined the proposal for a regional democratic institute to bring together democratic political parties in the hemisphere for discussions of training and education in support of democratic political development.

Throughout the discussion, it was clear the Venezuelans were enthusiastic about the possibility of opening new contacts with American political parties. They spoke often of the need to strengthen the nongovernmental aspects of United States-Venezuelan relations and commented that this new American party initiative was long overdue.

With the Venezuelans in the midst of a very intense Presidential campaign, they were not in a position to begin detailed discussions for establishing the regional institute, but they encouraged the continuation of bilateral, nongovernmental discussions between the parties looking toward more concrete action following the elections.

The American delegation acknowledged the need also to elicit reactions from other regional democracies as well, like Costa Rica and Jamaica, before proceeding with the actual establishment of a regional democracy institute.

The national endowment for democracy is the natural followup of President Reagan's address to the British Parliament in June 1982, where he announced the U.S. intention to promote democracy in a way which would allow "people to choose their own way, to develop their own culture, to reconcile their own differences through peaceful means."

The idea of the democracy programs is to support those people and institutions committed to democratic government, to build and reinforce ties based on shared values between nations and to counter the spread of totalitarianism through the exchange of ideas and through promotion of democratic institutions.

The democracy program is only in its beginning phases, but the concept has captured the enthusiasm of all those associated with it, and I am confident it will develop into the vibrant force for peace and freedom that all of its supporters anticipate. I urge my colleagues to give the National Endowment for Democracy their strong, bipartisan support.

Mr. HILER. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from Indiana.

Mr. HILER. Mr. Chairman, would the gentleman explain why the Free Trade Union Institute is getting nearly two and a half times more than either the National Democratic Institute or the National Republican Institute and nearly five and a half times more than the National Chamber Foundation?

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from Florida. I think the chairman of the committee can answer the question more accurately.

Mr. FASCELL. First of all, let me state that that was the amount requested by the administration.

Second, we must appreciate that the Labor Institute program has been an ongoing program for many, many years, and this represents a normal budget request.

The Chamber of Commerce Institute, however, is brand new, just getting started, as are the others. Therefore, that accounts for the differential.

Mr. HILER. Has the Labor Institute then traditionally gotten a fairly significant sum of money from the U.S. Government?

Mr. FASCELL. Yes, and has been for years.

If I might add, by the way, it is a very successful program all over, supported by every administration since I have been here.

Mr. HILER. How much has it been getting in the past?

Mr. FASCELL. I do not remember the last appropriation, but we can get that for the gentleman. This is very close to the amount.

Mr. HILER. Will this amount then replace that amount or is it in addition to that amount?

Mr. FASCELL. No. this is the total amount.

Mr. LAGOMARSINO. Mr. Chairman, if I might also respond to the gentleman, my understanding is that all the parties involved, the Republican Party, the Democratic Party, the Chamber of Commerce and the AFL-CIO free labor institution, have all agreed on these figures. This is an agreement by all parties.

Mr. GILMAN. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia (Mr. BLILEY).

Mr. BLILEY. Mr. Chairman, I thank the gentleman from New York for yielding.

I would like to engage the ranking member of the subcommittee, the gentleman from New York (Mr. GILMAN) in a colloquy.

Section 108 of this legislation makes permanent a restriction first passed last year restricting U.S. contributions to the United Nations for the PLO or activities that support the PLO. I believe this is an important restriction, and I commend the committee for adopting it.

It has come to my attention during the last year, however, that there is some dispute about the State Department's enforcement of this section, and I would like to get the gentleman's understanding of section 108.

Specifically, should this provision be read to require the withholding of indirect costs allocated to the PLO units of the United Nation as well as direct costs?

I yield to the gentleman from New York.

Mr. GILMAN. Yes. That is the intent or this measure.

Mr. BLILEY. I thank the gentleman.

Further, I have information to indicate that the U.N. Special Unit on Palestinian Rights had a series of regional seminars on the question of Palestine, which cost $2.5 million in both 1982 and 1983; yet the United Nations reported to the State Department direct and indirect costs of only $1.3 million in 1983 and $0.7 million in 1983 for the entire special unit. My reading of this section would indicate that the State Department is obligated to withhold the U.S. portion of activities such as these regional seminars. Is that correct?

Mr. GILMAN. That is my understanding of the intent of this provision. Yes, that is correct.

Mr. BLILEY. Does the Department of State have a responsibility to examine U.N. budgets carefully for activities that support the PLO and withhold appropriate portions of the U.S. contribution?

Mr. GILMAN. Yes; the Department does have such a responsibility and I might add that H.R. 2453 requires a report from the Department of State concerning its implementation of this provision.

Mr. BLILEY. I thank the gentleman and I thank my colleagues for these clarifications. I believe this section is appropriate and again I commend the committee for its fine work.

Mr. FASCELL. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Michigan (Mr. CROCKETT).

Mr. CROCKETT. Mr. Chairman, let me first express my sincere appreciation to the chairmen of my subcommittee and my full committee for the strenuous work they have done in bringing this piece of legislation to the floor.

Mr. Chairman, I wish I could give my undivided support to the legislation before us today, but I cannot.

There are some elements in this State Department authorization bill that I found disquieting during our consideration in the Foreign Affairs Committee, and which remain in the bill that is being considered now. Two aspects of the funding authorization are particularly troubling to me:

First, the inclusion of almost $30 million over the next 3 years for Radio Marti, the latest attempt by the Reagan administration to intensify the cold war it is waging with Cuba, this time via a war of the airwaves;

And second, the provision of the bill that authorizes $62.6 million of public funds for something called the National Endowment for Democracy. For those Members who receive the DSG or other legislative bulletin, you might already have read that this $62 million is being given away to the Democratic Party Institute, and the Republican Party Institute, and the AFL-CIO Free Trade Union Institute and the National Chamber of Commerce Foundation, for such specific programs as "to facilitate exchanges between the two major American political parties, labor, and business and democratic groups abroad" and "to encourage * * * democratic development in a manner consistent with the broad concerns of U.S. national interests."

Mr. Chairman, I cannot believe that the same Members who have been chanting balanced budget and cutting spending in this Chamber for the past 6 months are going to vote today to give away more than $60 million of taxpayers' money for a project that seems at best a boondoggle.

The legislation creating the National Endowment for Democracy was folded into this State Department authorization bill without adequate consideration in either the subcommittee or the Committee of Foreign Affairs.

The board of directors of the National Endowment for Democracy are hand picked and already mandated by this bill—the individuals already selected, with no public or open congressional input. The board, which is self-perpetuating, contains at most two black members, no Hispanics that I can detect, and only two women. And this is the board that will, according to the authorizing legislation, be giving taxpayers money away to other groups to foster democracy.

I would question whether this board can sell democracy to the rest of the world when it does not even come close to reflecting a cross-section of America.

Mr. Chairman, how can we accept the arbitrary selection of two political parties, one labor union and the U.S. Chamber of Commerce—to the total exclusion of all other political parties, labor organizations, business groups and other organizations—to control the distribution of some $60 million of taxpayers' money for the vague purposes outlined above?

I cannot support it. I do not believe the National Endowment for Democracy is a project we should invest our constituents' money in, and I urge my colleagues to give this part of the bill before us a very careful look before we vote this afternoon.

□ 1220

Mr. FASCELL. Mr. Chairman, I yield 2 minutes to the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Mr. Chairman, this bill has frequently been the vehicle for substantial changes in the way the Foreign Service of the United States is managed. Earlier this year, there was a package of amendments to the Foreign Service Act of 1980 which the administration tried to get attached to this bill. I am pleased that the gentleman from Florida (Mr. FASCELL) resisted their entreaties.

A number of amendments to the Foreign Service Act of 1980 are needed. When that bill was first written, it was written jointly by the Subcommittee on International Operations of the Committee on Foreign Affairs and by my Subcommittee on Civil Service of the Committee on Post Office and Civil Service. Amendments to the act should be developed in the same cooperative way.

I intend to introduce legislation this summer to provide for certain needed changes in the Foreign Service Act. Among the needed changes are:

Better mechanisms to make the demands of the Foreign Service and the demands of family and children more compatible. We cannot continue to operate the Foreign Service as if no member had any family commitments.

Clarification of employee rights. Although we thought we had fairly clear understandings of how the rights of employees would be protected, the U.S. Information Agency has been acting in utter ignorance of the legislative history of the act and has been

refusing to recognize legitimate employee rights. Rather than forcing time-consuming litigation, which USIA has routinely lost, it would be better to make the law so clear that it could not be misinterpreted.

A stronger grievance mechanism. The current grievance system is far too limited in scope and far too dependent on the cooperation of management. We should provide Foreign Service personnel with a real internal grievance mechanism to protect their rights.

Benefits for former spouses who were not covered by the pension-sharing amendment we added to the Foreign Service Act. While we do not want to reduce the retirement benefits of people who divorced or retired before the effective date of the 1980 act, we should entitle their former spouses to the same benefits as those who were so covered. This affects some 150 former spouses, some of whom are in the most destitute circumstances.

Permanent law to provide compensation to employees who are held prisoner or hostage, as happened in Iran. After the Iranian hostage episode ended, we passed ad hoc legislation to cover that situation. At that time, the administration promised to submit permanent legislation. Since they have not done so, we need to write it ourselves.

I am glad this bill is unencumbered by major changes in the personnel system. At the same time, I plan to be working closely with the chairman of the subcommittee to develop needed legislation later this year.

Mr. FASCELL. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I am happy to yield to the gentleman from Florida.

Mr. FASCELL. I appreciate the gentlewoman's comments. Having worked with my colleague for such a long period of time on the Foreign Service Act, I will say that we would not undertake to make any changes without the knowledge and leadership of the gentlewoman from Colorado. We look forward to working with her and making corrections that are obviously necessary.

But I agree with the gentlewoman this should be done separately. So I look forward to working with her on those matters.

Mrs. SCHROEDER. I thank the gentleman.

Mr. GILMAN. Mr. Chairman, I have no further requests for time.

Mr. FASCELL. Mr. Chairman, I yield 8 minutes to the distinguished gentleman from California (Mr. LANTOS).

Mr. LANTOS. Mr. Chairman, I am gratified that my committee has moved forward responsibly to authorize full funding for the Voice of America's vital fiscal year 1984 request. Hopefully, the full House will follow suit today.

I am proud of this subcommittee chairman, DANTE FASCELL, who has the deep understanding of the Voice's mission that is required and I am gratified that my full committee chairman, CLEMENT ZABLOCKI, has also remained a longtime friend of this vital tool in the arsenal of freedom.

The USIA is seeking an overall figure of $48 million for its radio construction account. This includes $3.2 million for expansion of VOA broadcasts to Eastern Europe and the Soviet Union, an enhancement that will involve 55 positions. The budget you consider today also includes $2.5 million for the modernization of the Voice's Washington studios and $6.3 million for long-overdue maintenance and repair of existing worldwide broadcast facilities.

The Voice, its facilities and capabilities have become a "baling wire" operation. Thirty-five percent of its transmitters predate the Korean war. Some of its equipment was captured from the Germans in World War II. It requires its own fabricating shop to manufacture spare parts no longer commercially obtainable.

While the VOA has six 500KW superpower transmitters—patched-up affairs, the Soviets have 37 modern counterparts. While VOA broadcasts 956 hours per week, the Soviets broadcast 2,158—even Taiwan broadcasts 1,008. The Soviets are stealing a march in the war of ideas all over the world. While Radio Moscow is broadcasting in 20 languages to the Middle East and Africa, VOA can respond to the challenge only with 8.

Mr. Chairman, Poland's Communist government recently filed protests that VOA broadcasts have served to "destabilize" the Warsaw regime by inciting protest and "encouraging destructive elements working against Poland's constitutional order." What better proof that VOA is an effective truth weapon on the side of free men and women.

Mr. Chairman, may I urge now that the full House respond in kind? Let me cite some of the important ingredients of VOA's pending request:

First. New language positions are needed, especially a 25-percent increase in the undermanned Polish and Baltic languages services;

Second. VOA's news, features, special programs and editorial services must be upgraded;

Third. We must fill discontinued correspondent positions in such key locales as Rome, Islamabad, Geneva, and Mexico City. It is unbelievable that budgetary restraints have denied America's voice in these critical areas;

Fourth. New engineering positions are required so that VOA can raise its technical capability to at least the level of BBC and Deutsch Welle;

Fifth. Computerization of VOA's antiquated and inefficient program distribution system for its 41 language services must proceed;

Sixth. Replacing 30-plus-year-old ancient transmitters in Tangiers, Morocco, and Munich, Germany—vital links in our broadcasts to Eastern Europe and the Soviet Union—is a vital step;

Seventh. Finally, the VOA must construct new transmitter sites and fund leasing arrangements to improve its signal strength.

That Voice, Mr. Chairman, must be heard by freedom-seeking people everywhere. Recently, the VOA received a letter which asked "Why a country whose astronauts can easily speak to Earth is not able to transmit her own voice across the world".

□ 1230

Mr. KEMP. Mr. Chairman, will the gentleman yield.

Mr. LANTOS. I am delighted to yield to my good friend, the gentleman from New York.

Mr. KEMP. I just wanted to rise and identify myself with the gentleman's remarks. I particularly appreciated his effort on behalf of the Voice of America. I particularly want to compliment the gentleman from Florida (Mr. FASCELL) as well as my friend from New York (Mr. GILMAN) for shepherding through this extremely important initiative.

I compliment the gentleman from Florida and my friend from California as well as from New York. all three corners of this country being represented in a project that holds such potential for the future of democracy and those people all over the world who look to this country for hope.

The one thing, perhaps above all, it seems to me, this country does represent is hope. And if we can broadcast that message through the Voice of America as the gentleman pointed out, if we can support an effective project for democracy, which is incredibly timely, as Mr. LANTOS has emphasized here on the floor; there are folks not only in Poland but throughout the Eastern Block nations, Africa, throughout the world, who will be inspired by that message, who need to know that this country still stands for those Jeffersonian principles to which we all aspire.

When Jefferson said, "The God who gave us life gave us freedom" he was not talking about only the American people, he was talking about those people around the world, the members of the human family, who desire for themselves, their neighbors and their children exactly what we want: freedom, and dignity, and individual rights.

I thank my friend from Florida (Mr. FASCELL) and the gentleman from New York (Mr. GILMAN) for helping get

this money for the Voice of America, which is doing so much with all the problems they face, with antiquated transmitters, equipment and broadcasts: This response by the House to their request is not only a timely proposition, it is critical.

I want to take a moment to discuss Project Democracy, an initiative I have strongly supported, which is encompassed in this bill.

For the first time since President Truman's administration, an American President is laying out an active political agenda for our foreign policy that goes beyond weapons systems and economic interests. A central feature of President Reagan's new strategy is Project Democracy. The goal of this project is to promote free elections, opposition parties and competition, free press and trade unions—the institutions of democracy. Its focus, I believe correctly, will be in areas where democracy is fragile or nonexistent, like East Europe, Latin America, and East Asia, but where our efforts stand a chance of success.

I believe democracy is rapidly moving forward worldwide, its influence spreading into all of Western Europe, most of Latin America, as well as the largest nation of Africa—Nigeria—and into Asia as well. Its progress has become so rapid and formidable that it challenges oligarchs from all part of the political spectrum.

Promoting democracy will reflect the internal nature of the American order, give a sense of purpose to American foreign policy, as well as promote America's strategic interests by encouraging new and defending old democratic allies. This should be done in a nonpartisan way, unconstrained by the divisions of liberal versus conservative, left versus right. I am very pleased to see business and labor, Republicans and Democrats involved in this project, and hope its base of support and participation will continue to expand.

Having said that, however, I have certain concerns about the allocation of funds and the institutional guidelines contained in the committee bill.

First, I am concerned about the administration of the National Endowment that the committee bill would establish. As Project Democracy was originally proposed, the project would be under the auspices of USIA. I believe this is entirely proper. USIA is the natural existing organization, fully staffed and qualified, to manage Project Democracy.

By contrast, the committee bill would remove Project Democracy form USIA control, and set up an independent board of directors. This board would be self perpetuating, exempt from Executive control or Congressional confirmation procedures. I do not think that the creation of an autonomous bureaucracy serves the purposes of the project.

Second, while organized labor would receive a generous allocation of funds, the committee bill would short change small business. The U.S. Chamber of Commerce may be a designated recipient, but small businesses are entirely overlooked under the committee's plan. I believe that small businesses are the heart of America's free enterprise system; surely they have a contribution to make to the promotion of democratic institutions.

I do not intend to oppose funding for the project, but I do hope that some of these concerns will be addressed and rectified as the legislation proceeds through the Congress. If these shortcomings are retained, I reserve the right to reconsider my support for continuation of the project.

Mr. LANTOS. Mr. Chairman, I too want to commend Mr. GILMAN from New York, my distinguished chairman Mr. FASCELL, for their outstanding work. Let me just say that I am proud to stand with my dear friend from New York (Mr. KEMP) because there is no more eloquent or dedicated champion of free ideals around this globe.

Mr. FASCELL. Mr. Chairman, I yield myself such time as I may consume.

I want to thank the gentleman from New York (Mr. KEMP) for his remarks and leadership that he has given as well as the gentleman from California (Mr. LANTOS).

America telling its story abroad is a very important component of our survival. We have struggled through many administrations to get sufficient commitment in terms of priority and in funding to do an adequate job.

The gentleman from California has detailed all that which is on the record in our committee hearings and in the hearings of other committees on how sadly lacking we are as a great nation to be so far behind even in the facilities that we use—even in the facilities. Why it is that we cannot seem to get the commitment to build what has to be built to get our message across. I do not know any Member of this House who would give up his media in the effort to get his message across to his constituents. Yet, we as a nation have consistently for years insisted on tying one hand behind our back as we talk to the rest of the people of the world.

The gentleman from New York (Mr. KEMP) is absolutely right. This committee was delighted to support the initiative of this administration as we did the initiative of the last administration, and as much as the commitment has been made, I am here to tell my colleagues it still is not enough.

There may be complaints from our colleagues about how much money went into increasing the budget for USIA. My goodness, it is a drop in the bucket compared to what we are facing across the world from our principal adversary, and from others.

So, I would hope that our colleagues would understand that this has a high priority, not just in the administration but in the Congress in a very strong bipartisan sense, totally supported by the American people.

● Mr. LIVINGSTON. Mr. Chairman, I rise in support of this bill, and particularly in support of the authorization for the Board for International Broadcasting which provides grants to Radio Free Europe and Radio Liberty.

Radio Free Europe and Radio Liberty broadcast in 21 languages of the Soviet Union and Eastern Europe for an average of 1,025 hours weekly from one medium-wave and 45 short-wave transmitters, 23 of which have been installed since 1975. Radio Free Europe broadcasts to five East European nations, while Radio Liberty broadcasts to the U.S.S.R. in Russian and 14 other languages. Broadcasts are news-oriented with analyses based on expert research. While the Voice of America concentrates on projecting American society and institutions, Radio Free Europe/Radio Liberty programs concentrate on the interests of East Europe and Soviet audiences.

These institutions are vital tools in our foreign policy and in our support for freedom and human rights throughout the world. There is perhaps no greater human right than the right of freedom of information, freedom of thought, freedom of expression—in short, the freedom to know.

Mr. Chairman, I would also like to share a letter I had the pleasure to receive recently from our former colleague, Ed Derwinski, who is now counselor to the Department of State. We all remember his expertise in foreign affairs and his devotion to a bipartisan consideration of foreign policy issues. His words on Radio Free Europe and Radio Liberty are important and instructive, and I would like to read his letter into the RECORD:

The letter follows:

THE COUNSELOR,
DEPARTMENT OF STATE,
Washington, D.C., June 1, 1983.

Hon. BOB LIVINGSTON,
Cannon House Office Bldg.,
Washington, D.C.

DEAR BOB: When I was a member of the House, I was a strong supporter of the Voice of America and Radio Free Europe/Radio Liberty, consistently voting for their authorizations and appropriations.

In my new duties at the State Department, I have had the occasion to visit Munich and inspect the operations of Radio Free Europe/Radio Liberty. I have also been working closely with Ken Tomlinson of the Voice of America, and in my travels I have learned the opinions of both government leaders and average citizens abroad concerning the radios.

The reports and observations I have received are very positive on the role the U.S. radios play. They are listened to, and a special effort is made by listeners to overcome

jamming techniques. The news content of the radios provides listeners with material very often denied them by their own governments, especially in totalitarian states.

In directing my views to your attention, I am naturally aware of trhe fact that you will soon be processing authorization and appropriations bills for the radios. I can reaffirm from my personal experience that our investment in VOA and RFE/RL is a sound, responsible adjunct to our foreign policy.

I hope you will share my view on the value of the radios and give them your strong support.

Sincerely yours,

EDWARD J. DERWINSKI.●

I urge my colleagues to support this bill. Thank you, Mr. Chairman.

Mr. GILMAN. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. FASCELL. I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule by titles, and each title is considered as having been read.

The Clerk will designate title 1.

The text of title 1 is as follows:

H.R. 2915

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—DEPARTMENT OF STATE

SHORT TITLE

SEC. 101. This title may be cited as the "Department of State Authorization Act, Fiscal Years 1984 and 1985".

AUTHORIZATIONS OF APPROPRIATIONS

SEC. 102. The following amounts are authorized to be appropriated for the Department of State to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States and other purposes authorized by law:

(1) For "Administration of Foreign Affairs", $1,474,418,000 for the fiscal year 1984 and $1,580,820,000 for the fiscal year 1985.

(2) For "International Organizations and Conferences", $602,343,000 for the fiscal year 1984 and $645,978,000 for the fiscal year 1985.

(3) For "International Commissions", $23,207,000 for the fiscal year 1984 and $27,503,000 for the fiscal year 1985.

(4) For "Migration and refugee Assistance", $344,500,000 for the fiscal year 1984 and $326,400,000 for the fiscal year 1985.

(5) For "United States Bilateral Science and Technology Agreements", $1,700,000 for the fiscal year 1984 and $1,700,000 for the fiscal year 1985.

PROTECTIVE SERVICES

SEC. 103. Of the amounts authorized to be appropriated for "Administration of Foreign Affairs" by section 102(1) of this Act, $6,000,000 for the fiscal year 1984 and $6,300,000 for the fiscal year 1985 may be used for the provision of protective services directly or by contract in locations for which funds are not otherwise available to provide such services, to the extent deemed necessary by the Secretary of State in carrying out title II of the State Department Basic Authorities Act of 1956 (relating to foreign missions), except that amounts used under this section shall not be subject to the provisions of section 208(h) of that Act.

PIRACY IN THE GULF OF THAILAND

SEC. 104. Of the amounts authorized to be appropriated for "Migration and Refugee Assistance" by section 102(4) of this Act, $5,000,000 for the fiscal year 1984 and 1985 shall be used for assistance to combat piracy in the Gulf of Thailand.

WORLD INTELLECTUAL PROPERTY ORGANIZATION

SEC. 105. The joint resolution entitled "Joint Resolution to authorize appropriations incident to United States participation in the International Bureau for the Protection of Industrial Property", approved July 12, 1960 (22 U.S.C. 269f) is amended by striking out all after the resolving clause and inserting in lieu thereof the following: "That funds appropriated to the Secretary of State for 'International Organizations and Conferences' shall be available for the payment by the United States of its proportionate share of the expenses of the International Bureau for the Protection of Industrial Property for any year after 1981 as determined under article 16(4) of the Paris Convention for the Protection of Industrial Property, as revised, except that in no event shall the payment for any year exceed 5.0 per centum of all expenses of the Bureau apportioned among countries for that year.".

NORTH ATLANTIC ASSEMBLY

SEC. 106. Section 5 of the joint resolution entitled "Joint Resolution to authorize participation by the United States in parliamentary conferences of the North Atlantic Treaty Organization", approved July 11, 1956 (22 U.S.C. 1928e), is amended by adding at the end thereof the following: "In addition to the amounts authorized by section 2, $300,000 of the funds appropriated for the Department of State for 'International Organizations and Conferences' for fiscal year 1984 shall be for the expenses incurred by the United States group in hosting the thirty-first annual meeting of the North Atlantic Assembly.".

ALLOCATION AUTHORITY

SEC. 107. (a) Section 8 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2675) is amended to read as follows:

"SEC. 8. The Secretary of State may allocate or transfer to any department, agency, or independent establishment of the United States Government (with the consent of the head of such department, agency, or establishment) any funds appropriated to the Department of State, for direct expenditure by such department, agency, or independent establishment for the purposes for which the funds were appropriated in accordance with authority granted in this act or under authority governing the activities of such department, agency, or independent establishment.".

(b) The amendment made by this section shall not apply with respect to funds appropriated to the Department of State before the date of enactment of this Act.

RESTRICTIONS RELATING TO PALESTINIAN RIGHTS UNITS AND PROJECTS PROVIDING POLITICAL BENEFITS TO THE PALESTINE LIBERATION ORGANIZATION

SEC. 108. (a) Funds appropriated for the Department of State for "International Organizations and Conferences" may not be used for payment by the United States, as its contribution toward the assessed budget of the United Nations for any year, of any amount which would cause the total amount paid by the United States as its assessed contribution for that year to exceed the amount assessed as the United States contribution for that year less—

(1) 25 per centum of the amount budgeted for that year for the Committee on the Exercise for the Inalienable Rights of the Palestinian People (or any similar successor entity); and

(2) 25 per centum of the amount budgeted for that year for the Special Unit on Palestinian Rights (or any similar successor entity); and

(3) 25 per centum of the amount budgeted for that year for projects whose primary purpose is to provide political benefits to the Palestine Liberation Organization or entities associated with it.

(b) Funds appropriated for the Department of State for "International Organizations and Conferences" may not be used for payment by the United States, as its contribution toward the assessed budget of any specialized agency of the United Nations for any year, of any amount which would cause the total amount paid by the United States as its assessed contribution for that year to exceed the amount assessed as the United States contribution for that year less 25 per centum of the amount budgeted by such agency for that year for projects whose primary purpose is to provide political benefits to the Palestine Liberation Organization or entities associated with it.

(c) The President shall annually review the budgets of the United Nations and its specialized agencies to determine which projects have the primary purpose of providing political benefit to the Palestine Liberation Organization. The President shall report to the Congress on any such project for which a portion of the United States assessed contribution is withheld and the amount withheld.

(d) Subsections (a)(3) and (b) shall not be construed as limiting United States contributions to the United Nations, or its specialized agencies, for projects whose primary purpose is to provide humanitarian, educational, developmental, and other nonpolitical benefits to the Palestinian people.

COUNSELOR OF THE DEPARTMENT OF STATE

SEC. 109. (a) Section 2 of the Act entitled "An Act to strengthen and improve the organization and administration of the Department of State, and for other purposes", approved May 26, 1949 (22 U.S.C. 2653), is amended by striking out "Counselor of the Department of State and the Legal Adviser who are" in the second sentence and inserting in lieu thereof "Legal Adviser who is".

(b)(1) Section 5314 of title 5, United States Code, is amended by inserting immediately after the item relating to the Under Secretaries of State the following:

"Counselor of the Department of State.".

(2) Section 5315 of such title is amended by striking out "Counselor of the Department of State.".

(3) The amendments made by this subsection shall take effect on October 1, 1983.

NATIONAL COMMISSION ON EDUCATIONAL, SCIENTIFIC, AND CULTURAL COOPERATION

SEC. 110. (a) Section 5 of the joint resolution entitled "Joint Resolution providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization, and authorizing an appropriation therefor", approved July 30, 1946 (22 U.S.C. 287q), is amended by repealing the eighth sentence.

(b) Of the amounts authorized to be appropriated for "Administration of Foreign Affairs" by section 102(1) of this Act, $250,000 for each of the fiscal years 1984 and 1985 shall be available only for the expenses of the secretariat of the National Commission on Educational, Scientific, and Cultural Cooperation.

ATTENDANCE OF CITIZENS OF THE TRUST TERRITORY OF THE PACIFIC ISLANDS AT THE FOREIGN SERVICE INSTITUTE

SEC. 111. Section 701 of the Foreign Service Act of 1980 (22 U.S.C. 4021) is amended by adding at the end thereof the following new subsection:

"(c) Training and instruction may be provided at the Institute for not to exceed sixty citizens of the Trust Territory of the Pacific Islands in order to prepare them to serve as members of the foreign services of the Federated States of Micronesia, the Marshall Islands, and the Island of Palau. The authority of this subsection shall expire when the Compact of Free Association is approved by the Congress.

DIRECTOR OF THE OFFICE OF FOREIGN MISSIONS

SEC. 112. (a) Section 203(a) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4303(a)) is amended—

(1) in the second sentence by striking out "appointed by the Secretary" and inserting in lieu thereof "appointed by the President by and with the advice and consent of the Senate"; and

(2) by adding at the end thereof the following: "The Director shall have the rank of ambassador. The Director shall be an individual who is a member of the Foreign Service, who has been a member of the Foreign Service for at least ten years, who has significant management experience, and who has served in countries in which the United States has had significant problems in assuring the secure and efficient operations of its missions.".

(b) The amendments made by subsection (a) shall apply with respect to any Director of the Office of Foreign Missions who is appointed after the date of enactment of this Act.

REPROGRAMING NOTIFICATIONS

SEC. 113. Title I of the State Department Basic Authorities Act of 1956 is amended by redesignating section 34 as section 35 and by inserting the following new section 34 after section 33:

"SEC. 34. Unless the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate are notified fifteen days in advance of the proposed reprograming, funds appropriated for the Department of State shall not be available for obligation or expenditure through any reprograming of funds—

"(1) which creates new programs;

"(2) which eliminates a program, project, or activity;

"(3) which increases funds or personnel by any means for any project or activity for which funds have been denied or restricted by the Congress;

"(4) which relocates an office or employees;

"(5) which reorganizes offices, programs, or activities; or

"(6) which involves a reprograming in excess of $250,000 or 10 per centum, whichever is less, and which (A) augments existing programs, projects, or activities, (B) reduces by 10 per centum or more the funding for any existing program, project, activity, or personnel approved by the Congress, or (C) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects approved by the Congress.".

FOREIGN NATIONAL EMPLOYEES

SEC. 114. (a) Section 408(a)(1) of the Foreign Service Act of 1980 (22 U.S.C. 3968(a)(1)) is amended in the last sentence by inserting "(A)" immediately after "provision for" and by inserting immediately before the period at the end thereof the following: ", and (B) payments by the Government and foreign national employees to a trust or other fund in a financial institution in order to finance future benefits for foreign national employees, including provision of retention in the fund of accumulated interest for the benefit of covered foreign national employees".

(b)(1) Section 5944 of title 5, United States Code, is repealed.

(2) The chapter analysis for chapter 59 of such title 5 is amended by striking out the item relating to section 5944.

CODIFICATION OF MERESMAN CASE

SEC. 115. Section 2103(f) of the Foreign Service Act of 1980 (22 U.S.C. 4153(f)) is amended in the last sentence by striking out "determined in accordance with chapter 8 of title I of this Act" and inserting in lieu thereof "on the same basis as a member retired from the Senior Foreign Service under section 607(c)(1), and section 609(a)(2)(B) shall be deemed to apply to such officer".

INTERNATIONAL COMMUNICATIONS AND INFORMATION POLICY

SEC. 116. Title I of the State Department Basic Authorities Act of 1956, as amended by section 113 of this Act, is amended by redesignating section 35 as section 36 and by inserting the following new section after section 34:

"SEC. 35. (a) The Secretary of State shall assign responsibility for international communications and information policy matters within the Department of State to an appropriate Under Secretary of State (hereafter in this section referred to as the 'Under Secretary'). Such responsibilities shall include—

"(1) directing the formulation and coordination of executive branch policy on international communications and information issues;

"(2) overseeing and coordinating the functions of executive branch agencies concerned with international communications and information policy;

"(3) exercising, on behalf of the Secretary of State, the authority with respect to telecommunications assigned to the Secretary by Executive orders, determining United States positions and the conduct of United States participation in negotiations with foreign governments and in international bodies, and coordinating with other agencies as appropriate, including the Federal Communications Commission;

"(4) chairing the Senior Interagency Group on International Communications and Information Policy; and

"(5) serving as principal adviser to the Secretary of State and the Deputy Secretary of State on the conduct of foreign policy in the area of international communications and information, and coordinating as appropriate with the other Under Secretaries of State on matters relating to the responsibilities of those officers.

"(b) The Secretary of State shall establish, within the Department of State, an Office of the Coordinator for International Communications and Information Policy, headed by a Coordinator who shall be responsible to the Under Secretary. The Coordinator shall be appointed by the President, by and with the advice and consent of the Senate, and shall have the rank of ambassador. The Coordinator shall be responsible, on behalf of the Under Secretary, for formulation, coordination, and oversight of international communications and information policy assigned to the Under Secretary pursuant to subsection (a), and for overseeing and coordinating the activities of the Department of State and other executive branch agencies concerned with international communications and information policy. On behalf of the Under Secretary, the Coordinator shall—

"(1) maintain continuing liaison with the bureaus and offices of the Department of State and with other exective branch agencies concerned with international communications and information policy;

"(2) chair such agency and interagency meetings as may be necessary to coordinate actions on pending issues to ensure proper policy coordination;

"(3) supervise and coordinate the activities of the Senior Interagency Group on International Communications and Information Policy;

"(4) coordinate the activities and assist as appropriate interagency working level task forces and committees concerned with specific aspects of international communications and information policy;

"(5) maintain liaison with the members and staffs of committees of the Congress concerned with international communications and information policy and provide testimony before such committees;

"(6) maintain appropriate liaison with representatives of the private sector to keep informed of their interests and problems, meet with them, and provide such assistance as may be needed to ensure that matters of concern to the private sector are promptly considered by the Department or other executive branch agencies; and

"(7) assist in arranging meetings of such public sector advisory groups as may be established to advise the Department of State and other executive branch agencies in connection with international communications and information policy issues.".

DANGER PAY

SEC. 117. Section 5928 of title 5, United States Code, is amended by adding at the end thereof the following: "The presence of nonessential personnel or dependents shall not preclude payment of an allowance under this section.".

EXTENDED VOLUNTARY DEPARTURE STATUS FOR CERTAIN EL SALVADORANS

SEC. 118. (a) The Congress finds that—

(1) ongoing fighting between the military forces of the Government of El Salvador and opposition forces is creating potentially life-threatening situations for innocent nationals of El Salvador;

(2) it has been estimated that more than sixty thousand nationals of El Salvador have fled from El Salvador and entered the United States since January 1980;

(3) currently the United States Government is detaining these nationals of El Salvador for the purpose of deporting or otherwise returning them to El Salvador, thereby irreparably harming the foreign policy image of the United States;

(4) deportation of these nationals could be temporarily suspended, until it became safe to return to El Salvador, if they are provid-

ed with extended voluntary departure status; and

(5) such extended voluntary departure status has been granted in recent history in cases of nationals who fled from Vietnam, Laos, Iran, and Nicaragua.

(b) Therefore, it is the sense of the Congress that the Secretary of State should recommend that extended voluntary departure status be granted to aliens who are nationals of El Salvador and that such status should be granted to those aliens until the situation in El Salvador has changed sufficiently to permit their safely residing in that country.

The CHAIRMAN. Are there any amendments to title 1?

AMENDMENT OFFERED BY MR. FASCELL

Mr. FASCELL. Mr. Chairman, I have an amendment to title 1.

The Clerk read as follows:

Amendment offered by Mr. FASCELL: Page 12, beginning in line 16, strike out "Such responsibilities shall" and all that follows through the end of line 15 on page 13.

Page 13, line 25, strike out "pursuant to" and all that follows through "information policy" in line 4 on page 14.

Page 14, line 10, immediately after "(2)" insert "in accordance with such authority as may be delegated by the President pursuant to Executive order,".

Page 14, line 13, immediately after "(3)" insert "in accordance with such authority as may be delegated by the President pursuant to Executive order,".

Mr. FASCELL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. This amendment reflects agreement between the Committee on Foreign Affairs and the Committee on Energy and Commerce. It is perfecting in the sense that there was some concern expressed by that committee with respect to the jurisdiction of the Secretary of Commerce and the possibility of infringing on his duties and responsibilities.

By agreement with the leadership of that committee we offer this amendment.

I am delighted to yield to the gentleman from Colorado, who is the chairman of the Subcommittee on Telecommunications of the Committee on Energy and Commerce.

Mr. WIRTH. I thank the gentleman for yielding.

Mr. Chairman, the gentleman from Michigan, Mr. DINGELL, the chairman of the full committee and the gentleman from North Carolina, Mr. BROYHILL, the ranking minority member and I have worked with the gentleman from Florida. We greatly appreciate being able to work this out in such an expeditious and noncontroversial fashion. I support the amendment.

Mr. FASCELL. I thank the gentleman very much.

I yield to the gentleman from New York.

Mr. GILMAN. I thank the gentleman for yielding.

It is my understanding, Mr. Chairman, the administration has no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. FASCELL).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DE LA GARZA

Mr. DE LA GARZA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DE LA GARZA: Page 3, after line 3, insert the following new section 103:

IMPROVEMENT OF CONSULAR FACILITIES IN MEXICO CITY

SEC. 103. In addition to the amounts authorized to be appropriated by section 102(1) of this Act, there are authorized to be appropriated for "Administration of Foreign Affairs" for the fiscal year 1984 $4,000,000 to be used for the purchase of land for and the construction of additional consular facilities' and for certain improvements in existing consular facilities, at the United States embassy in Mexico City, Mexico.

Redesignate subsequent sections of title I of the bill accordingly; and on page 12, line 9, strike out "113" and insert in lieu thereof "114".

Mr. DE LA GARZA (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DE LA GARZA. Mr. Chairman, first let me begin by apologizing to the chairman of the subcommittee and to the ranking member for having to do this in this manner. But I was recently in Mexico on other matters and found out there is a terrible situation in our Embassy complex, as far as the facility is concerned, for security and also the terrible problem that they have with the air quality.

The ambient air, for example, in Mexico City they get in 1 day the allowable levels that we have in the United States for 1 year. This could be corrected by changing the filtration system in the building.

Therefore, I have, working with the staff, prepared an amendment that would increase the authorization by $4 million to the overall administration of foreign affairs for facilities; and that would be utilized, of course, after due studies by the committee and the Department, which I would have no objection to. As a matter of fact, I would so recommend.

I would hope that we might be able to convince our colleagues that this is a proper first step because you have seen what has happened in Teheran and what happened recently in Beirut, Lebanon. And Mexico City can be a decision as far as safety is concerned because of the location of the Embassy.

□ 1240

Buying this property, which is a very good bargain, would be an investment for the United States because it is high value property that will increase in value in the years to come.

I would recommend to my colleagues favorable action on this amendment.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Chairman, I would like to commend the gentleman for his amendment, particularly for that portion which is directed to giving some type of an air-conditioning system or air-filtration system to our Embassy in Mexico which houses about 600 Americans.

It is my understanding and I understand the gentleman has reviewed the pollutant level that currently exists, it is a tremendous health hazard to those people who are serving us there.

I commend the gentleman for this amendment.

Mr. DE LA GARZA. Yes; I have personally checked into it and it is either that or give them hazardous pay, because they go through there in 1 day what we allow for in 1 year.

Mr. HUNTER. Mr. Chairman, I rise in support of the amendment offered by my colleague to provide for a air-conditioning and filtration system for the U.S. Embassy in Mexico City and to provide for the acquisition of property adjacent to the Embassy. As you may be aware, Mexico City is subject to extreme air pollution, which poses grave health risks for the Americans working there. At a time of important policy decisions in Mexico and Central America, I feel that it is imperative that our Embassy personnel have adequate, safe working conditions.

Mr. Chairman, this is not a question of comfort and luxury. Rather, it is a question of allowing our diplomats to work in an environment which is not hazardous to their health. Mexico City is recognized as the most polluted capital in the world. The pollution is not seasonal, but exists 24 hours per day, year round. Merely by breathing the air on an average day, our personnel inhale the equivalent pollutants of two packs of cigarettes. On bad days, when large amounts of dust are in the air, people get viral infections simply by walking outside.

Let me cite a few statistics to give you a clearer picture of the extreme health hazards of working in Mexico City: 248 tons of human waste evaporate into the atmosphere per day. There are high incidences of pollution-related skin rashes; intestinal ail-

ments; eye, ear, nose, and throat infections; insomnia; and cardiopulmonary diseases such as asthma, bronchitis, and emphysema among Embassy staff.

This situation would never be tolerated in a Government building in this country. The U.S. national standard for total suspended particulates require that an individual not be subjected to more than an average of 75 micrograms per cubic meter. The average in Mexico City is 258 micrograms per cubic meter, some 3½ times the legal limit. In other words, Embassy personnel are subjected on a daily basis to air which the U.S. Government says is extremely hazardous to their health.

As the recent example of the bombing in Beirut indicates, American personnel abroad are extremely vulnerable to terrorism. Mr. Chairman, I feel that the health risks posed by the environment in Mexico City are an equally dangerous threat to the health and lives of American diplomats.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from New York.

Mr. GILMAN. I thank the gentleman for yielding.

Mr. Chairman, I commend the gentleman from Texas for his concern about our Embassy in Mexico and I know that he has spent a great deal of time in promoting cooperation between our Nation and the Government of Mexico.

Has the gentleman discussed his proposal with the State Department?

Mr. DE LA GARZA. I have discussed it with the Embassy in Mexico City and they inform me that the State Department had no objection if we took this route. They would not want for us to disrupt their priorities in the allowable funding that has already been worked out, but that if additional funds—which is the reason for this amendment—were secured, they would look favorably to buying the property and working on the other facility to preserve and protect the health of our employees there.

Mr. GILMAN. Mr. Chairman, the minority has no objection to the gentleman's amendment.

Mr. FASCELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I appreciate my colleague from Texas bringing this matter to the attention of the committee. We have discussed it informally and he felt it was essential to offer an amendment. And I can understand his feelings in that regard.

It is a matter which the committee is interested in, obviously, and we will explore it both at the staff level and otherwise in trying to deal with a rather serious situation in Mexico City.

The committee has urged the Department and the executive branch and we do it again in this report to increase its budget with respect to the needs of the Department of State for its facilities. There is a great need that we just cannot meet for budgetary reasons. This amendment is an effort, obviously, to point out that need. But right now, there are a total of unfunded projects that would be extremely useful if not necessary—I am separating that from security matters—of $344,140,000 in places all over the globe where the United States is represented. You can see the magnitude of the problem that the Department of State Foreign Buildings Office has, and why they could not give our distinguished colleague from Texas immediate help with respect to the priority involved—they have less than half the money they need.

Suffice it to say, I cannot guarantee that there will be a specific allocation by law either in appropriation or otherwise for the Mexican problem, but we are very much aware of it and we will pursue the matter further.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. DE LA GARZA).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. GREGG

Mr. GREGG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GREGG: Amend title I, page 16, line 21 by adding the following new section:

REPORT ON VOTES OF THE MEMBERSHIP OF THE UNITED NATIONS GENERAL ASSEMBLY AND SECURITY COUNCIL

SEC. 119. The Secretary of State through the Offices of the United States Representative to the United Nations and Representative to the Security Council shall on or before February 1st of each year report to the Speaker of the House and President of the Senate all votes of the Membership of the General Assembly and Security Council. Such report shall include a comparison with the votes cast by the United States.

Mr. GREGG (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. GREGG. Mr. Chairman, this amendment requires that the Secretary of State through the offices of the U.S. Representative to the United Nations and Representative to the Security Council report to the Speaker of the House and the President of the Senate the votes cast at the General Assembly by the other member nations of the General Assembly and the Security Council and also report them in relationship to the votes cast by the United States.

The purpose and the thrust of the amendment is to allow the Congress in a more formal manner to track what is happening at the United Nations in the area of the votes cast by the member nations and the member nations of the Security Council.

This, I think, becomes important to us as a body because of the fact that many of the members who are participating in the U.N. General Assembly are also nations which we deal with on other levels, such as foreign aid, such as trade activities. And things which are done at the United Nations should not be allowed to be separated from the overall dealings with these various nations. We should have an ability to integrate the decisions which occur at the United Nations with the decisions which we make in other areas here on the floor of the House.

Thus, I think it is important that we have a sense of what the membership of the United Nations is doing in their voting activities.

Ambassador Kilpatrick, in a recent speech, made this point to Members of Congress who were in the audience when she stated essentially that she would like the Congress to more closely monitor what is happening at the U.N. She thinks that one of the best ways that the Congress can affect activities in the U.N. is to have the member states at the U.N. be sensitive to the fact that the Congress is actually watching what is going on and is sensitive to what they are doing and how they are casting votes. She made the interesting point that Zimbabwe votes with the United States 12 percent of the time while the Soviet Union votes with the United States 20 percent of the time. As a Member of Congress I certainly was not aware of that and I think that is information we need in coming to our decisions in areas of trade or aid or just alliance activity.

So this amendment, which is really not dramatic, it does not cost any money, it simply requires that the Secretary of State report to the Speaker of the House and the President of the Senate the actual voting records and how they are related to the American voting record.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. GREGG. I yield to the gentleman from New York.

Mr. GILMAN. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman from New Hampshire for submitting this amendment. We now have a copy of his amendment and have no objections on our side of the aisle.

Mr. HILER. Mr. Chairman, will the gentleman yield?

Mr. GREGG. I yield to the gentleman from Indiana.

Mr. HILER. I thank the gentleman for yielding.

Mr. Chairman. I would like to compliment the gentleman for his amendment. I think it is, as he mentioned, not a major change from what already happens. It probably formalizes the procedure somewhat more and it will give this Congress a chance to better understand the actions of all the nations in the United Nations and how they act relative to positions the United States takes.

I think this would be invaluable information for the Congress as it deliberates a variety of bills and a variety of actions.

I applaud the gentleman and compliment him for his actions.

Mr. GREGG. I thank the gentleman from Indiana for his comments.

Mr. GEKAS. Mr. Chairman, will the gentleman yield?

Mr. GREGG. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. I thank the gentleman for yielding.

Mr. Chairman, just as a matter of information, does the context of the amendment that the gentleman offers compel the voting records to be inserted in the CONGRESSIONAL RECORD or simply to be reported to us in another manner?

Mr. GREGG. It compels that they be reported to the Speaker of the House and the President of the Senate. And I would assume that if any Member wished to put them in the CONGRESSIONAL RECORD that would be the prerogative of the Member.

□ 1250

They would be available to us through the Speaker's office or, if you are in the Senate, through the President of the Senate's office.

Mr. GEKAS. I would feel better about it—and I support the amendment—if it contained language that would automatically place the voting record at a designated time in the CONGRESSIONAL RECORD. But if we can find other ways and means to do so, I will be satisfied.

Mr. GREGG. That would be an available option for the Member upon obtaining a copy of the report.

Mr. FASCELL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we have seen the amendment on this side. We do not have any objection to the amendment.

I must say, however, that it is worth trying. My last recollection, having served at the United Nations, was when we had the annual tabulation on votes, it was a document inches high. It is going to be rather difficult. I am not sure about the expense. But the spirit of the amendment is fine, and therefore we have no objection to it. There may be some practical way, without it being too burdensome or expensive, to get the idea across that the gentleman wants to get across in this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Hampshire (Mr. GREGG).

The amendment was agreed to.

Ms. FERRARO. Mr. Chairman, I move to strike the last word, and I rise in support of H.R. 2915.

Mr. Chairman, section 103 of this bill provides needed Federal funds for extraordinary protective services for foreign diplomats in the United States. As the committee report makes clear, under international law the Federal Government is responsible for the safety of foreign diplomats and foreign missions in this country. Yet too often, the financial burden of actually providing these protective services falls on State and local governments.

As a representative from New York City, which has the largest foreign diplomatic community of any U.S. city, I have taken an active interest in this issue. Last December, Congress passed a bill I had sponsored to double the authorization level from $3.5 million to $7 million for Federal reimbursements to local governments, and to authorize $17 million for backlogged claims on services already provided. I am pleased to report that the Appropriations Committee has approved $15 million pursuant to that authorization.

The additional $6 million provided in this bill will help to ease the burden on strained local police forces in cities like New York, Los Angeles, and Boston, and it will underscore our determination that we will not tolerate terrorist activities such as those which have claimed the lives of Turkish diplomats in recent years.

By concentrating on protecting foreign officials resident in the United States, this bill expands Federal involvement in an area of clear Federal responsibility. I want to commend the Committee on Foreign Affairs for its leadership on this issue, and I urge support for this bill.

Mrs. SCHROEDER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I had an amendment printed in the RECORD last week which provides for danger pay for American Government civilian employees serving in Lebanon and El Salvador. In mid-April, a car bomb exploded outside the American Embassy in Beirut, killing as many as 16 Americans. In late May, a Navy lieutenant commander was gunned down in El Salvador. Both places are clearly quite dangerous. As the gentleman from Florida (Mr. FASCELL) well remembers, we added a provision to the Foreign Service Act of 1980 to establish a danger pay allowance which may be granted to employees in a foreign area "on the basis of civil insurrection, civil war, terrorism, or wartime conditions which threaten physical harm or imminent danger to the health or well-being of the employee." If El Salvador and Lebanon do not qualify, I do not know what does. The amount of money involved is really quite small since we have only 47 civilian employees in Beirut and 65 in San Salvador.

Mr. FASCELL. Mr. Chairman, if the gentlewoman will yield, I thoroughly agree with you that danger pay should be provided to American civilian personnel in both places and perhaps others, such as Belfast, as well. The problem we have run into is that the State Department has interpreted the legislative history surrounding the passage of the Foreign Service Act of 1980 to mean that danger pay could not be granted where nonessential personnel or dependents remained at post. I must confess that they have some basis for this view. Up until last November, danger pay was granted in Beirut. When the dependents were allowed back in, however, the State Department ruled that danger pay could no longer be allowed. To make it clear that we believe that danger pay should not rest on the absence of dependents, we adopted an amendment in committee, offered by the gentleman from Iowa (Mr. LEACH) to say, "The presence of nonessential personnel or dependents shall not preclude payment of an allowance under this section." I think this language should handle the situation and I have assurances from the State Department that danger pay will be provided in both circumstances.

Mrs. SCHROEDER. If I may reclaim my time, given what you have said, do you object to the amendment which I published in the RECORD?

Mr. FASCELL. If the gentlewoman will yield, I do not object to the purpose of the amendment. I do object, however to doing it by legislation. We have provided the administration with the authority to grant danger pay and we should lean on the administration to provide that benefit when it is appropriate. If we mandate the payment, we have to vote to cut it off when the danger has passed. Your amendment would cut it off in 2 years or when American troops are withdrawn. I am not certain that either of these dates has much to do with the level of danger at either post. In any case, I have assurances that danger pay will be granted, I think the amendment is unnecessary.

The gentlewoman from Colorado (Mrs. SCHROEDER) is the chairwoman of the Subcommittee on Civil Service and worked jointly with my Subcommittee on International Operations to write the Foreign Service Act. She has taken the lead on this issue by sending around a letter to the President requesting him to grant danger pay to American civilians and hostile fire pay

to military personnel in Lebanon and El Salvador. I have signed this letter and urge my colleagues to do likewise. When I spoke a minute ago about keeping pressure on the administration, I was thinking of letters like the one being circulated by the gentlewoman from Colorado.

Mrs. SCHROEDER. I thank the distinguished chairman for that endorsement. Because of his assurances and my respect for him, I shall not offer the amendment printed in the RECORD. I do, however, have with me the letter to the President which the gentleman mentioned. It urges the President to provide danger pay and hostile fire pay to American personnel in Lebanon and El Salvador. I think that the least we ought to do for Americans ordered to serve in places where they might get killed is to provide a little pay supplement. We ought to do whatever we can to minimize the risk as well. I urge my colleagues to sign this letter and use this as a vehicle to do right by our people in dangerous foreign lands.

The CHAIRMAN. Are there further amendments to title I?

The Clerk will designate title II.

The text of title II is as follows:

TITLE II—UNITED STATES INFORMATION AGENCY

SHORT TITLE

SEC. 201. This title may be cited as the "United States Information Agency Authorization Act, Fiscal Years 1984 and 1985".

AUTHORIZATIONS OF APPROPRIATIONS

SEC. 202. (a) There are authorized to be appropriated for the United States Information Agency $701,427,000 for the fiscal year 1984 and $861,039,000 for the fiscal year 1985 to carry out international communication, educational, cultural, and exchange programs under the United States Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, and Reorganization Plan Numbered 2 of 1977, and other purposes authorized by law.

(b) Of the authorizations of appropriations contained in subsection (a), authorizations of $47,959,000 for the fiscal year 1984 and $179,426,000 for the fiscal year 1985, for the acquisition and construction of radio facilities, shall remain available until the appropriations are made, and when those amounts are appropriated they are authorized to remain available until expended.

FUNDS FOR THE NATIONAL ENDOWMENT FOR DEMOCRACY

SEC. 203. Of the amounts appropriated for the United States Information Agency for each of the fiscal years 1984 and 1985, not less than $31,300,000 shall be for a grant to the National Endowment for Democracy (established pursuant to title VI of this Act) for use in carrying out its purposes.

FISCAL YEAR 1983 SUPPLEMENTAL AUTHORIZATION

SEC. 204. Section 302 of the United States Information Agency Authorization Act, Fiscal Years 1982 and 1983, is amended by striking out "$559,000,000 for the fiscal year 1983" and inserting in lieu thereof "$574,000,000 for the fiscal year 1983".

NOTIFICATION OF REPROGRAMINGS AND GRANTS

SEC. 205. Title VII of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1476–1477b) is amended by adding at the end thereof the following new section:

"SEC. 705. (a) Unless the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate are notified fifteen days in advance of the proposed reprograming, funds appropriated for the United States Information Agency shall not be available for obligation or expenditure through any reprograming of funds——

"(1) which creates new programs;

"(2) which eliminates a program, project, or activity;

"(3) which increases funds or personnel by any means for any project or activity for which funds have been denied or restricted by the Congress;

"(4) which relocates an office or employees;

"(5) which reorganizes offices, programs, or activities; or

"(6) which involves a reprograming in excess of $250,000 or 10 per centum, whichever is less, and which (A) augments existing programs, projects, or activities, (B) reduces by 10 per centum or more the funding for any existing program, project, activity, or personnel approved by the Congress, or (C) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects approved by the Congress.

"(b) The United States Information Agency may award program grants for the fiscal years 1984 and 1985 only if the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate are notified fifteen days in advance of the proposed grant.".

DISSEMINATION OF USIA-PREPARED INFORMATION TO FOREIGN DIPLOMATS IN THE UNITED STATES

SEC. 206. Section 501 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1461) is amended—

(1) by inserting "(a)" immediately after "SEC. 501."; and

(2) by adding at the end thereof the following new subsection:

"(b) Notwithstanding subsection (a), information described in that subsection (whether or not prepared for dissemination abroad) may be made available, within the United States, its territories and possessions, to foreign diplomatic and consular officials accredited to the United States Government or to the United Nations or any of its related organizations. Any such official who receives information under this subsection shall not make or allow the further dissemination of such information within the United States, its territories or possessions, except to other foreign diplomatic or consular officials who are so accredited.".

DISTRIBUTION WITHIN THE UNITED STATES OF THE USIA FILM ENTITLED "THANKSGIVING IN PESHAWAR"

SEC. 207. (a) Notwithstanding the second sentence of section 501(a), as so redesignated by section 206 of this Act, of the United States Information and Education Exchange Act of 1948 (22 U.S.C. 1461(a))—

(1) the Director of the United States Information Agency shall make available to the Administrator of General Services a master copy of the film entitled "Thanksgiving in Peshawar"; and

(2) upon evidence that necessary United States rights and licenses have been secured and paid for by the person seeking domestic release of the film, the Administrator shall reimburse the Director for any expenses of the Agency in making that master copy available, shall deposit that film in the National Archives of the United States, and shall make copies of the film available for purchase and public viewing within the United States.

(b) Any reimbursement to the Director pursuant to this section shall be credited to the applicable appropriation of the United States Information Agency.

The CHAIRMAN. Are there amendments to title II?

If not, the Clerk will designate title III.

The text of title III is as follows:

TITLE III—BOARD FOR INTERNATIONAL BROADCASTING

SEC. 301. This title may be cited as the "Board for International Broadcasting Authorization Act, Fiscal Years 1984 and 1985".

AUTHORIZATION OF APPROPRIATIONS

SEC. 302. Subparagraph (A) of section 8(a)(1) of the Board for International Broadcasting Act of 1973 (22 U.S.C. 2877(a)(1)(A)) is amended to read as follows:

"(A) $120,140,000 for the fiscal year 1983, $115,702,000 for the fiscal year 1984, and $121,371,000 for the fiscal year 1985; and".

SALARY OF THE RFE/RL PRESIDENT

SEC. 303. (a) The Board for International Broadcasting Act of 1973 is amended by adding at the end thereof the following new section:

"SALARY OF THE RFE/RL PRESIDENT

"SEC. 12. Funds made available under this Act to the RFE/RL, Inc., may not be used for the salary of the President of RFE/RL, Inc., at an annual rate in excess of the rate payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.".

(b) The amendment made by this section applies with respect to funds used for the salary of any President of RFE/RL, Inc., who is appointed after the date of enactment of this Act.

Mr. FASCELL. Mr. Chairman, I ask unanimous consent that the bill be considered as read and open to amendment.

The CHAIRMAN. The Chair will advise the gentleman that the bill is being considered title by title, pursuant to the rule.

Are there amendments to title III?

Mr. BROWN of Colorado. Mr. Chairman, I rise to offer an amendment to title II, and I ask unanimous consent to return to title II of the bill for that purpose.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

Mr. FASCELL. Mr. Chairman, reserving the right to object, I must object to returning to title II. I tried to open up this bill and I was stopped. Now that we have passed the title, the gentleman wants to go back.

Mr. BROWN of Colorado. Mr. Chairman, if the gentleman will yield, I

fully understand. I was here on the floor. I was asked as a courtesy to go out to speak in the hall to people from the White House who were opposed to my amendment. I did that for a second, and while I was gone the opportunity to offer my amendment was eliminated.

Mr. FASCELL. Mr. Chairman, is the gentleman's amendment to title II? I do not understand.

Mr. BROWN of Colorado. My amendment is to title II. It relates to the funding.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

Mr. FASCELL. Mr. Chairman, I am sorry, but I have no idea what the amendment is, and I just hesitate.

Mr. Chairman, I must object.

The CHAIRMAN. Objection is heard.

Are there amendments to title III?

The Clerk will designate title IV.

The text of title IV is as follows:

TITLE IV—INTER-AMERICAN FOUNDATION

SHORT TITLE

SEC. 401. This title may be cited as the "Inter-American Foundation Authorization Act, Fiscal Years 1984 and 1985".

AUTHORIZATIONS OF APPROPRIATIONS

SEC. 402. Section 401(s)(2) of the Foreign Assistance Act of 1969 (22 U.S.C. 290f(s)(2)) is amended in the first sentence by striking out "$12,000,000 for the fiscal year 1982 and $12,800,000 for the fiscal year 1983" and inserting in lieu thereof "$16,000,000 for the fiscal year 1984 and $16,000,000 for the fiscal year 1985".

The CHAIRMAN. Are there amendments to title IV?

The Clerk will designate title V.

The text of title V is as follows:

TITLE V—THE ASIA FOUNDATION

SHORT TITLE

SEC. 501. This title may be cited as "The Asia Foundation Act".

FINDINGS

SEC. 502. The Congress finds that—

(1) The Asia Foundation, a private nonprofit corporation incorporated in 1954 in the State of California, has long been active in promoting Asian-American friendship and cooperation and in lending encouragement and assistance to Asians in their own efforts to develop more open, more just, and more democratic societies;

(2) The Asia Foundation's commitment to strengthening indigenous Asian institutions which further stable national development, constructive social change, equitable economic growth, and cooperative international relationships is fully consistent with and supportive of long-term United States interests in Asia;

(3) The Asia Foundation, as a private organization, is able to conduct programs in response to Asian initiatives that would be difficult or impossible for an official United States instrumentality, and it is in a position in Asia to respond quickly and flexibly to meet new opportunities;

(4) in recognition of the valuable contributions of The Asia Foundation to long-range United States foreign policy interests, the United States Government has, through a variety of agencies, provided financial support for The Asia Foundation; and

(5) it is in the interest of the United States, and the further strengthening of Asian-American friendship and cooperation, to establish a more permanent mechanism for United States Government financial support for the ongoing activities of The Asia Foundation, while preserving the independent character of the Foundation.

GRANTS TO THE ASIA FOUNDATION

SEC. 503. (a) The Secretary of State shall make an annual grant to The Asia Foundation with the funds made available under section 504. Such grants shall be in general support of the Foundation's programs and operations. The terms and conditions of grants pursuant to this section shall be set forth in a grant agreement between the Secretary of State and The Asia Foundation.

(b) If funds made available to The Asia Foundation pursuant to this title or pursuant to any other provision of law are, with the permission of the head of the Federal agency making the funds available, invested by the Foundation or any of its subgrantees pending disbursement, the resulting interest is not required to be deposited in the United States Treasury if that interest is used for the purposes for which the funds were made available.

FUNDING

SEC. 504. There are authorized to be appropriated to the Secretary of State $5,000,000 for the fiscal year 1983, $10,000,000 for the fiscal year 1984, and $10,000,000 for the fiscal year 1985 for grants to The Asia Foundation pursuant to this title.

The CHAIRMAN. Are there amendments to title V?

The Clerk will designate title VI.

The text of title VI is as follows:

TITLE VI—NATIONAL ENDOWMENT FOR DEMOCRACY

SHORT TITLE

SEC. 601. This title may be cited as the "National Endowment for Democracy Act".

ESTABLISHMENT OF THE NATIONAL ENDOWMENT FOR DEMOCRACY

SEC. 602. (a) There is authorized to be established a nonprofit corporation to be known as the National Endowment for Democracy (hereafter in this title referred to as the "Endowment").

(b) The Endowment will not be an agency or establishment of the United States Government.

(c) The Endowment shall be subject to the provisions of this title and, to the extent consistent with this title, to the District of Columbia Nonprofit Corporation Act.

(d) The Endowment shall have its principal offices in the District of Columbia.

PURPOSES OF THE ENDOWMENT

SEC. 603. (a) The purposes of the Endowment are—

(1) to encourage free and democratic institutions throughout the world through private sector initiatives, including activities which promote the individual rights and freedoms, including internationally recognized human rights and fundamental freedoms, which are essential to the functioning of democratic institutions;

(2) to facilitate exchanges between United States private sector groups (especially the two major American political parties, labor, and business) and democratic groups abroad;

(3) to promote United States nongovernmental participation, especially through the two major American political parties, labor, business, and other private sector groups, in democratic training programs and democratic institution-building abroad;

(4) to strengthen democratic electoral processes abroad through timely measures in cooperation with indigenous democratic forces;

(5) to support the participation of the two major American political parties, labor, business, and other United States private sector groups in fostering cooperation with those abroad dedicated to the cultural values, institutions, and organizations of democratic pluralism; and

(6) to encourage the establishment and growth of democratic development in a manner consistent both with the broad concerns of United States national interests and with the specific requirements of the democratic groups in other countries which are aided by programs funded by the Endowment.

(b)(1) The Endowment may only provide funding for programs of private sector groups and may not carry out programs directly.

(2) The Endowment may provide funding only for programs which are consistent with the pruposes set forth in this section.

(c) The Endowment and its grantees shall be subject to the appropriate oversight procedures of the Congress.

INCORPORATION OF THE ENDOWMENT

SEC. 604. (a) The following individuals shall serve as incorporators of the Endowment and shall take whatever actions are necessary to establish the Endowment under the District of Columbia Nonprofit Corporation Act: Honorable Dante B. Fascell, Honorable Charles Percy, Louis E. Martin, Sally Shelton, Olin Robison, John Richardson, Jr., Charles T. Manatt, Polly Baca Barragan, Frank Fahrenkopf, Lane Kirkland, Albert Shanker, William Brock, Charles H. Smith, Jr., Jay Van Andel, and Mrs. Legree Daniels.

(b) The Honorable Dante B. Fascell shall serve as chairman of the incorporators and as interim chairman of the Endowment until such time as a chairman is elected in accordance with the bylaws of the Endowment.

BOARD OF DIRECTORS

SEC. 605. (a) The Endowment shall be governed by a Board of Directors (hereafter in this title referred to as the "Board") composed of fifteen members. The initial members of the Board shall be the incorporators designated in section 604; and thereafter the Board shall be self-perpetuating, with members to be elected in accordance with the bylaws of the Endowment.

(b) Vacancies in the membership of the Board shall not affect its powers.

(c) The members of the Board shall not, by reason of their membership on the Board, be deemed to be officers or employees of the United States. They shall, while attending meetings of the Board or while engaged in duties relating to such meetings or in other activities of the Board pursuant to this title, be entitled (except in the case of members of the Board who are Members of Congress or officers or employees of the United States Government) to receive compensation at the daily equivalent of the rate payable for level V of the Executive Schedule under section 5316 of title 5, United States Code, and, while away from their homes or regular places of business, they

may be allowed travel expenses, including per diem in lieu of subsistence, equal to that authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

OFFICERS OF THE ENDOWMENT

SEC. 606. (a) The chief executive officer of the Endowment shall be a president appointed by the Board. The president of the Endowment shall administer the daily operations of the Endowment, reporting to the Board under guidelines and procedures to be established by the Board.

(b) The Endowment shall have such other officers and employees as the Board may determine.

(c) Officers of the Endowment shall be appointed on such terms, and for such terms or at the pleasure of the Board, as the Board may determine.

(d) Officers of the Endowment may not receive any salary or other compensation from any source other than the Endowment during the period of their employment by the Endowment.

NONPROFIT NATURE OF THE ENDOWMENT

SEC 607. (a) The Corporation shall have no power to issue any shares of stock, or to declare or pay any dividends.

(b) No part of the assets of the Corporation shall inure to the benefit of any member of the Board, any officer or employee of the Endowment, or any other individual, except as salary or reasonable compensation for services.

RECORDS AND AUDIT OF THE ENDOWMENT AND THE RECIPIENTS OF ASSISTANCE

SEC. 608. (a)(1) The accounts of the Endowment shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audits shall be conducted at the place or places where the accounts of the Endowment are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Endowment and necessary to facilitate the audits shall be made available to the person or persons conducting the audits; and full facilities for verifying transactions with any assets held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(2) The report of each such independent audit shall be included in the annual report required by section 609. The audit report shall set forth the scope of the audit and include such statements as are necessary to present fairly the Endowment's assets and liabilities, surplus or deficit, with an analysis of the changes therein during the year, supplemented in reasonable detail by a statement of the Endowment's income and expenses during the year, and a statement of the application of funds, together with the independent auditor's opinion of those statements.

(b)(1) The financial transactions of the Endowment for each fiscal year may be audited by the General Accounting Office in accordance with such principles and procedures and under such rules and regulations as may be prescribed by the Comptroller General of the United States. Any such audit shall be conducted at the place or places where accounts of the Endowment are normally kept. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and all other papers, things, or property belonging to or in use by the Endowment pertaining to its financial transactions and necessary to facilitate the audit; and they shall be afforded full facilities for verifying transactions with any assets held by depositories, fiscal agents, and custodians. All such books, accounts, records, reports, files, papers, and property of the Endowment shall remain in possession and custody of the Endowment.

(2) A report of each such audit shall be made by the Comptroller General to the Congress. The report to the Congress shall contain such comments and information as the Comptroller General may deem necessary to inform Congress of the financial operations and condition of the Endowment, together with such recommendations with respect thereto as he may deem advisable. The report shall also show specifically any program, expenditure, or other financial transaction or undertaking observed in the course of the audit, which, in the opinion of the Comptroller General, has been carried on or made without authority of law. A copy of each report shall be furnished to the President and to the Endowment at the time submitted to the Congress.

(c)(1) Each recipient of assistance under this section shall keep such records as may be reasonably necessary to fully disclose the amount and the disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(2) The Endowment, or any of its duly authorized represenatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this title. The Comptroller General of the United States or any of his duly authorized representatives shall also have access thereto for such purpose.

REPORT TO THE CONGRESS

SEC. 609. Not later than December 31, of each year, the Endowment shall submit an annual report for the preceding fiscal year to the President for transmittal to the Congress. The report shall include a comprehensive and detailed report of the Endowment's operations, activities, financial condition, and accomplishments under this title and may include such recommendations as the Endowment deems appropriate. The Board members and officers of the Endowment shall be available to testify before appropriate committees of the Congress with respect to such report, the report of any audit made by the Comptroller General pursuant to section 608, or any other matter which any such committee may determine.

FUNDING FOR THE ENDOWMENT

SEC. 610. (a) The Director of the United States Information Agency may make grants to the Endowment with funds appropriated to the Agency for the "Salaries and Expenses" account.

(b) Funds so granted may be used by the Endowment to carry out the purposes of this title, and otherwise applicable limitations on the purposes for which funds appropriated to the Agency may be used shall not apply to funds granted to the Endowment.

ALLOCATION OF FUNDS

SEC. 611. Of the amounts made available to the Endowment for each of the fiscal years 1984 and 1985 to carry out programs in furtherance of the purposes of this Act—

(1) not less that $5,000,000 shall be for the National Democratic Institute for International Affairs;

(2) not less than $5,000,000 shall be for the National Republican Institute for International Affairs;

(3) not less than $13,800,000 shall be for the Free Trade Union Institute; and

(4) not less than $2,500,000 shall be to support private enterprise development programs of the National Chamber Foundation.

The CHAIRMAN. Are there amendments to title VI?

AMENDMENT OFFERED BY MR. BROWN OF COLORADO

Mr. BROWN of Colorado. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of Colorado: On page 26, line 1, strike: "TITLE VI—NATIONAL ENDOWMENT FOR DEMOCRACY" and all that follow through page 35, line 9.

□ 1300

Mr. BROWN of Colorado. Mr. Chairman and my colleagues, title VI deals with a very fine institution called the National Endowment for Democracy. It is a new idea and it has the potential to do a number of things. I think every Member of this body will strongly identify with the goals that are set forth. Most of us will be comfortable with the goals that they hope to advance.

I rise to object to the measure and urge this body to reject the spending of $31.3 million in that effort for these reasons:

First of all, I am concerned about the cost. Our country has an enormous deficit. this is not the time to be adding programs of this kind.

Second, and I think far more important, I have some real concerns about this country taking public tax money and using it to subsidize the Republican and the Democratic Parties. Our democracy is a marvelous system. It is one that is tenuous. It is one that has not flowered everywhere in the world. To subsidize it with Federal funds, as this attempts to do, is a real danger to the whole concept of democracy itself.

True enough, our purpose is to advance democracy, but when you begin to have the political parties of this country dependent upon public dole, they become answerable to the Government. I think there is a real problem with subsidizing the various labor unions in their activities, not that they are not worthy enterprises, not that they are not important, not that they will not advance some important goals, but there is a real problem on making them dependent upon public funds and making them eventually become answerable to the Government.

Third, I am very concerned about the impact this has on the United States abroad. I would freely confess to my colleagues that other countries are involved in activities that are somewhat similar to this bill. One of the things that can make the activities of our labor unions overseas so effective in speaking out for democracy and free enterprise and for union rights is that they are not instruments of the Government but can be instruments of American workers.

To make the political parties and the labor unions and the others that will benefit from this largess instruments of the Federal Government will help to destroy their effectiveness. I am all for their involvement. I am all for their stated purpose. I am all for the development of democracy overseas, but this is not the way to do it. This is a way that will harm their effectiveness, harm the advancement of democracy, harm the speaking out for free enterprise by reducing the effectiveness of those instruments that we choose to subsidize.

I urge this body to reject this $31.3 million attempt to interject the Federal Government into the private sector. There is great danger for the future of our own democracy if we choose these tools.

Mr. FASCELL. Mr. Chairman, I rise in opposition to the amendment.

I am glad that the gentleman supports the concepts and the purposes for which the language is in the bill, and I hasten to add that it is certainly in response to an administration initiative and very important. It has strong bipartisan support, I will say to the gentleman.

I need to clear up, however, some statements on the record. One is that the labor institute program has been an ongoing program for a long time. They have been receiving grants from the U.S. Government for over 30 years that I know of. For whatever reasons, and I think good ones, this administration wanted to show that allocation of funds and grants to American labor to be part of Project Democracy.

We agreed with that in the committee. We think that was a wise idea. And we also agreed, therefore, because this was a new concept for private enterprise through the chamber of commerce with their institute, that they would be part of Project Democracy in the manner in which the administration has also suggested.

As a matter of fact, we allocated even more money than the administration had first proposed for that purpose because we think it is absolutely essential to show to the world that private enterprise and labor are hand in hand in supporting overseas the concepts of free labor unions, private enterprise and market economy, and the things that we all believe in.

So we gave strong support to the administration on this matter.

Now, with respect to the political parties, I do not know whether the gentleman was on the floor when the distinguished gentleman from California (Mr. LAGOMARSINO) reported on his recent trip to Latin America and Venezuela and other places where they explored with counterpart groups the concept of the political parties engaging in Project Democracy on a regional basis. He reported that they were so enthusiastic that at long last a mechanism had been found whereby the political parties of the United States would be able to undertake, similarly to the political parties of other democracies, either individually or collectively with other organizations, as this regional concept seeks to do, the furtherance of the whole idea of a pluralistic political process, participation by parties, and whatever it is that we can contribute.

We think that is a very encouraging sign. In no way does it indicate that political parties domestically will in any sense draw on those funds. That is why there are separate institutes for that purpose, monitored very carefully, Mr. Chairman, in addition to other groups and organizations who have already indicated valuable ideas for the growth and the encouragement of democratic institutions abroad under Project Democracy which we think need to be encouraged and nurtured. That is the concept in here.

If title VI is stricken out, as the gentleman suggests, we do away with all of that. For the first time since I have been here, 28 years in the Congress, I had the golden opportunity to sit in a committee hearing and see the heads of both political parties, the leader of the American labor movement, and representatives of the executive branch and the private sector sit down and testify on behalf of the program that is laid out in title VI, the result of a Presidential initiative, and a thorough bipartisan study. They were unanimously behind this.

I can understand the gentleman's concern, but I think there is sufficient oversight both in the Congress and otherwise to insure that the gentleman's concerns will be thoroughly answered.

I would hope, therefore, that having had this colloquy, that he would be willing at this point to withdraw the amendment.

Mr. BROWN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Colorado.

Mr. BROWN of Colorado. I thank the gentleman for yielding.

Mr. Chairman, I thank the gentleman for his remarks and I think he is an eloquent spokesman for the goals that I share.

It does seem to me that the subsidies by the Federal Government to the groups, albeit they are very good groups, is a problem. Part of my concern is the funding aspect, not so much the institute.

Mr. FASCELL. They were all in the budget, I will say to the gentleman.

Mr. GILMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this proposal is the result of a lengthy, 6-month nongovernmental research study by two major U.S. political parties, the Republican Party and the Democratic Party, by labor and business—it involved Democrats, Republicans liberals, moderates and conservatives—to try to come up with a new private sector approach that will foster and strengthen our democratic values and institutions abroad.

Our Nation is engaged in a battle of ideas with authoritarian governments, and this is one of the better ways of highlighting what our Nation stands for. The Washington Post recently commented in an editorial on April 26, 1983, in which they highlighted "A Good Way to Export Democracy," and I quote from the last portion of that editorial:

> But it is even more right and necessary to proceed. The endowment the sponsors have in mind is an incremental program of long-term institution-building, conducted out in the open and run not by government officials, but rather by the American private sector groups themselves. European political parties have long been in the business of helping their foreign compatriots. The record of effective international activity by the AFL-CIO and by many private foundations demonstrates that Americans can engage in it usefully, too.

□ 1310

I have a letter before me that was sent to the Members of Congress by the Democracy Program signed by Bill Brock and joined in by Charles T. Manatt, Lane Kirkland, and Frank J. Fahrenkopf, in which they state, and I quote:

> The National Endowment for Democracy will fund recently-created separate Democratic and Republican party Institutes for International Affairs, the AFL-CIO supported Free Trade Union Institute, a Center for International Private Enterprise which would function under the auspices of the National Chamber Foundation, and other grantees. The AFL-CIO has a track record of three decades of providing assistance to democratic trade unionists abroad, and the business community has begun designing its Center to strengthen such international programs with its counterparts. As for the party Institutes, we note the Post's comment: "The most intriguing of these programs would help the American political parties reach out to their democratic allies abroad."

Mr. Chairman, I commend the President for initially suggesting this pro-

posal when he spoke before the Parliament in London not too long ago. I commend the leaders of business, labor, and the political parties who have joined together in this effort, and I urge my colleagues to support Project Democracy, an idea that will not only help strengthen our own institutions but will also present them in the most favorable light abroad. Accordingly, I urge my colleagues to oppose the Brown amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado (Mr. BROWN).

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. BROWN of Colorado. I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

□ 1320

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have responded. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Colorado (Mr. BROWN) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 194, noes 215, not voting 23, as follows:

[Roll No. 182]

AYES—194

Andrews (TX)	Courter	Feighan
Anthony	Craig	Fields
Applegate	Crane, Daniel	Flippo
Archer	Crane, Philip	Florio
AuCoin	Crockett	Forsythe
Barnard	D'Amours	Frank
Bartlett	Daniel	Glickman
Bates	Dannemeyer	Gradison
Bedell	Daschle	Gramm
Bethune	Daub	Gregg
Bevill	Dellums	Guarini
Boner	DeWine	Hall, Ralph
Breaux	Dickinson	Hall, Sam
Brown (CA)	Dorgan	Hamilton
Brown (CO)	Dreier	Hammerschmidt
Broyhill	Duncan	Hansen (UT)
Burton	Durbin	Harkin
Byron	Early	Hefner
Carney	Edgar	Hightower
Carper	Edwards (AL)	Hiler
Chappie	Edwards (CA)	Hillis
Clay	Emerson	Hopkins
Coats	English	Hughes
Coleman (TX)	Erdreich	Hunter
Conable	Evans (IA)	Jacobs
Jenkins	Mikulski	Sisisky
Johnson	Miller (CA)	Skeen
Jones (OK)	Miller (OH)	Slattery
Jones (TN)	Mineta	Smith (NE)
Kaptur	Molinari	Smith, Denny
Kasich	Montgomery	Smith, Robert
Kastenmeier	Moody	Snowe
Kennelly	Moore	Snyder
Kindness	Moorhead	Spratt
Kogovsek	Morrison (CT)	Staggers
Kramer	Myers	Stark
LaFalce	Nichols	Stenholm
Leach	Nielson	Studds
Leath	Oakar	Stump
Leland	Olin	Sundquist
Levine	Ottinger	Swift
Levitas	Oxley	Synar
Loeffler	Packard	Tauke
Long (LA)	Panetta	Tauzin
Lott	Patman	Taylor
Lowery (CA)	Patterson	Thomas (GA)
Lowry (WA)	Pease	Traxler
Lujan	Rahall	Vento
Lungren	Ratchford	Volkmer
Mack	Ray	Vucanovich
MacKay	Regula	Walgren
Madigan	Roberts	Walker
Marlenee	Roemer	Watkins
Martin (IL)	Rogers	Weaver
Martin (NC)	Rowland	Weber
Martin (NY)	Rudd	Weiss
McCain	Savage	Whittaker
McCandless	Schaefer	Whitten
McCloskey	Schroeder	Winn
McCollum	Seiberling	Wirth
McCurdy	Sensenbrenner	Wise
McDonald	Shannon	Wortley
McEwen	Sharp	Wyden
McGrath	Shumway	Zschau
McKernan	Shuster	

NOES—215

Ackerman	Edwards (OK)	Levin
Addabbo	Erlenborn	Lewis (CA)
Akaka	Evans (IL)	Lewis (FL)
Albosta	Fascell	Lipinski
Alexander	Fazio	Livingston
Anderson	Ferraro	Long (MD)
Annunzio	Fiedler	Luken
Aspin	Fish	Lundine
Barnes	Foglietta	Markey
Bennett	Foley	Marriott
Bereuter	Ford (TN)	Matsui
Berman	Fowler	Mavroules
Biaggi	Frost	Mazzoli
Bilirakis	Fuqua	McDade
Bliley	Garcia	McHugh
Boehlert	Gaydos	McKinney
Boggs	Gejdenson	McNulty
Bonior	Gekas	Mica
Bonker	Gephardt	Michel
Borski	Gibbons	Minish
Bosco	Gilman	Mitchell
Boucher	Gingrich	Moakley
Boxer	Gonzalez	Mollohan
Britt	Goodling	Morrison (WA)
Brooks	Gore	Mrazek
Broomfield	Gray	Murphy
Bryant	Green	Murtha
Campbell	Gunderson	Natcher
Carr	Hall (IN)	Neal
Chandler	Hall (OH)	Nelson
Chappell	Hance	Nowak
Clarke	Harrison	O'Brien
Clinger	Hatcher	Oberstar
Coelho	Hawkins	Obey
Collins	Hertel	Ortiz
Conte	Holt	Owens
Cooper	Horton	Parris
Corcoran	Howard	Pashayan
Coughlin	Hoyer	Penny
Coyne	Huckaby	Pepper
Davis	Hutto	Perkins
de la Garza	Hyde	Petri
Derrick	Ireland	Pickle
Dicks	Kazen	Porter
Dingell	Kemp	Price
Dixon	Kildee	Pritchard
Donnelly	Kostmayer	Pursell
Dowdy	Lagomarsino	Quillen
Downey	Lantos	Rangel
Dwyer	Latta	Reid
Dymally	Lehman (CA)	Richardson
Dyson	Lehman (FL)	Ridge
Eckart	Lent	Rinaldo
Ritter	Siljander	Valentine
Robinson	Simon	Vander Jagt
Rodino	Skelton	Vandergriff
Roe	Smith (FL)	Waxman
Rose	Smith (IA)	Wheat
Rostenkowski	Smith (NJ)	Whitehurst
Roth	Solarz	Whitley
Roukema	Solomon	Williams (MT)
Roybal	Spence	Williams (OH)
Russo	St Germain	Wolf
Sabo	Stangeland	Wright
Sawyer	Stokes	Wylie
Scheuer	Stratton	Yates
Schneider	Tallon	Yatron
Schulze	Thomas (CA)	Young (AK)
Schumer	Torres	Young (FL)
Shaw	Torricelli	Young (MO)
Shelby	Towns	Zablocki
Sikorski	Udall	

NOT VOTING—23

Andrews (NC)	Ford (MI)	Jones (NC)
Badham	Franklin	Kolter
Bateman	Frenzel	Lloyd
Beilenson	Hansen (ID)	Martinez
Boland	Hartnett	Paul
Cheney	Heftel	Wilson
Coleman (MO)	Hubbard	Wolpe
Conyers	Jeffords	

□ 1340

The Clerk announced the following pairs:

On this vote:

Mr. Badham for, with Mr. Frenzel against.

Mr. Bateman for, with Mr. Franklin against.

Messrs. HOYER, DONNELLY, CHANDLER, LATTA, LENT, LEWIS of California, PASHAYAN, and THOMAS of California changed their votes from "aye" to "no."

Mr. EDWARDS of California, Mr. SYNAR, Mrs. JOHNSON, and Messrs. WEAVER, BARTLETT, KINDNESS, ERDREICH, PATTERSON, FEIGHAN, VOLKMER, LELAND, COLEMAN of Texas, WIRTH, MOODY, MACKAY, BROWN of California, MCCURDY, WYDEN, MORRISON of Connecticut, JONES of Oklahoma, STUMP, EARLY, CRAIG, and HEFNER changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments to title VI?

□ 1350

Mr. SMITH of Iowa. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to point out something about this bill that I think is rather important and unfortunately rather unique. I commend the committee very much for this.

This bill contains appropriations for fiscal year 1985. That means it will be up to date come September. It will be one of the very few authorizations around here that will be enacted on schedule, most of the authorizations now being proposed for enactment are for the 1984 fiscal year starting in October. The appropriations proposal for 1984 was presented to the Congress as required by the Constitution last January and there were no authorized

guidelines in place upon which these proposals had to be based. If the authorization for 1985 is not enacted before October 1, the Department does not have an authorization to go by as a guideline. They can send up appropriation requests based upon imaginary authorizations that they are asking for and make their appropiations based on a program that does not exist and that is a principal reason we are getting into the mess we are in here now.

I want to commend the gentleman from Florida and the gentleman from Wisconsin and others who worked on this bill for putting 1985 appropriations into this bill and being one of the few proposals to be on time.

Now this bill also contains 1983 authorizations. It is too late for 1983 authorizations. Not only 1983 authorizations, but 1984 authorizations should have been enacted last September.

Had the 1984 authorization been passed by last October 1, the Department submitting appropriations requests for 1984 would have had to submit the request based upon that authorization, instead of some phony request based upon an imaginary authorization they are requesting.

So this bill contains a very important principle, and it will be one of the very few that really is on time.

Seventy-seven percent of the appropriation bill that the subcommittee I chair has pending is not reauthorized. Think of that, 77 percent of the money in that bill came up here in requests from the administration without an authorization. Some of those programs and Departments such as the Justice Department have not been authorized for 2 years. It is not always the fault of the authorizing committees. In the case of the Judiciary Committee, for example, the bill passed the House, but it was not passed in the Senate. Unless we require these authorization bills to carry 1985 authorizations this year and to get at least up to date, we are never going to catch up.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. I thank the gentleman for yielding.

We certainly appreciate the gentleman's comments. As the gentleman knows, this is the third time we have had a 2-year authorization. As I stated in earlier debate, this is certainly the proper way for the Congress to operate. It gives the Foreign Affairs Committee a better opportunity for oversight and certainly the Appropriations Committee, dealing with the funding, has a better opportunity to act expeditiously and under the guidelines set forth in authorizing legislation.

I thank the gentleman for his comments.

AMENDMENT OFFERED BY MR. BROWN OF COLORADO

Mr. BROWN of Colorado. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of Colorado: On page 27, line 4, strike "especially the two major American political parties," and on page 27, line 15, strike "the two major American political parties,".

Mr. BROWN of Colorado. Mr. Chairman, the amendment simply strikes the money going to the two political parties. My feeling is that it is inappropriate for us to use taxpayer money in that regard.

I will not belabor the House' time any further with an argument on that point. I think it is a very straightforward issue. Should we end up funding the political parties in this manner?

I would urge the House to adopt the amendment and save the money involved.

Mr. GILMAN. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, it is essential that political parties be involved in this process. That is what the President's foreign policy initiative is all about, to bring about direct relationships between labor and private sector groups.

Chairman Fahrenkopf, the Republican national chairman, when he appeared before our House subcommittee on this measure in April of this year——

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I yield to the gentleman from Florida.

Mr. FASCELL. I thank the gentleman for yielding.

Mr. Chairman, I just wanted to make sure that the gentleman is talking now in the context of domestic operations by the political parties in any sense. The language of the legislation does not provide any funding for any domestic operations by political parties. We are talking here about a capability overseas, through a separate organization of political parties in an international institute in both cases. These institutes would give them a capability similar to what other political parties now have, to discuss, to meet, and to exchange ideas on the processes of a republican form of government or a democratic form of government or a pluralistic society with the right of political participation.

We are not talking about any kind of domestic participation.

Mr. GILMAN. I thank the chairman for clarifying the extent of the involvement of the political parties.

Mr. Chairman, for my colleague's edification, permit me to read Republican Chairman Fahrenkopf's brief statement when he appeared before our subcommittee. He said:

For its part the Republican Party anticipates and supports fully the creation of the National Endowment for Democracy and its related institutions. We believe that we as Republicans have a message for the world, both the developed and non-developed regions. We stand by our basic principles and philosophy as our guide to the vision of a better America and a freer and more prosperous world. Where appropriate we hope to express that vision abroad while at the same time recognizing that ours is not the only voice to be heard.

I appeal to my colleagues to support Project Democracy and to vote in opposition to the Brown amendment.

Mr. EMERSON. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I yield to the gentleman from Missouri.

Mr. EMERSON. In all reality let me say to the gentleman that in a time when we are trying to balance budgets and have great concern for the tremendous deficits that we are experiencing that this is a priority that could wait a year or two until we are in better shape.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I yield to the gentleman from California.

Mr. LAGOMARSINO. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman for his statement and that of the gentleman from Florida.

It seems to me that this is perhaps the most important thing in this bill. I mentioned in my remarks in general debate that the gentleman from Maryland (Mr. BARNES) and I, representing our political parties a couple of weeks ago, went down to Venezuela and met with our counterparts in the two major political parties in Venezuela. They were very interested in this program. They thought it could be very helpful throughout this hemisphere, indeed, throughout the world. The only question they had was, "Why are you waiting so long to do this? Other countries have been doing it for a long time. The West Germans, the French, many other countries are doing it now."

And as the gentleman from New York pointed out, this is something that is very, very high on the agenda, very, very high in the priorities of both of our major political parties.

I would hope that if we really mean what we say, and I am sure we do, about trying to create and build democracy, to maintain it where it exists, to help it along in places like El Salvador where it is off to a slow, but I think a sure start, we do have to have this kind of program, this kind of encouragement and certainly with not turning down the funding for the AFL-CIO and for the chamber of commerce and private industry I think it is even more important that the political parties be recognized in this way that this work can be carried on.

I hope the amendment is defeated.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I yield to the gentleman from Pennsylvania.

□ 1400

Mr. RITTER. I thank the gentleman for yielding.

Mr. Chairman, I simply would like to point out that, for a nation that spends $230 billion on the capacity to destroy, the idea of spending $30 million to build people's capacity to create and to create free societies is a darn good one, and I submit that we have waited far too long for the effort.

I commend the gentleman on this program and the administration and the Republicans and the Democrats who support this.

The CHAIRMAN. The time of the gentleman from New York (Mr. GILMAN) has expired.

(By unanimous consent, Mr. GILMAN was allowed to proceed for 2 additional minutes.)

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I am pleased to yield to our distinguished chairman, the gentleman from Wisconsin, Mr. ZABLOCKI.

Mr. ZABLOCKI. I thank the gentleman for yielding.

Is it not true that this program is to provide democratic training programs and democratic institution building abroad? And the purpose is to strengthen democratic electoral processes abroad through timely measures and cooperation with indigenous democratic forces?

So the question is: Do we want countries that are developing democracies to be assisted, or do we want totalitarian governments in these countries that we are interested in?

Is that not the point?

Mr. GILMAN. That is precisely the point and I commend the gentleman for stressing this program's objective.

Mr. ZABLOCKI. And if the Members vote for the gentleman's amendment, they will be supporting totalitarian, undemocratic, nondemocratic countries.

Mr. GILMAN. I thank the gentleman for his supportive remarks.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I yield to the gentleman from California.

Mr. MILLER of California. I thank the gentleman for yielding.

Mr. Chairman, I would hope that the gentleman's amendment would carry and that it would be expanded to take out the AFL-CIO, because the last time they sent people to El Salvador to promote democracy, they were murdered, and the government still has not prosecuted the case.

Mr. GILMAN. Mr. Chairman, I would just like to point out to my colleagues that the political foundations in West Germany, which now collectively receive over $150 million, have been engaged in a democracy program for several years. We have a lot of catching up to do.

I urge my colleagues to vote in opposition to this amendment.

Mr. BARNES. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I yield to the gentleman from Maryland.

Mr. BARNES. I thank the gentleman for yielding.

Mr. Chairman, as the gentleman from California (Mr. LAGOMARSINO) said earlier, I had the privilege of representing the Democratic Party of the United States, and the gentleman from California (Mr. LAGOMARSINO) represented the Republican Party of the United States in recent discussions with political leaders.

The CHAIRMAN. The time of the gentleman from New York (Mr. GILMAN) has again expired.

(On request of Mr. BARNES and by unanimous consent, Mr. GILMAN was allowed to proceed for 2 additional minutes.)

Mr. BARNES. As I was saying, the gentleman from California (Mr. LAGOMARSINO) represented the Republican Party, represented Chairman Fahrenkopf, and I represented Chairman Manatt at recent meetings with representatives of political parties in Caracas, Venezuela.

As my friend, the gentleman from California (Mr. LAGOMARSINO) said a few moments ago, the questions that we were asked about this program by our friends in democratic parties throughout the hemisphere was not, "Why are you doing this? How are you going to do it?" The questions were, really, "Why have you not done this sooner? Why has not the United States, the bastion of democracy in the world, been promoting democracy through contacts with friendly political parties around the world, the way the Germans have been doing, the French and others have been doing quite successfully?"

It is far past time that our country undertakes this kind of effort.

I say to my friends on the Democratic side that this has the total support of the Democratic National Committee. I talked to Chairman Manatt about this just within the last 3 or 4 days. He is totally supportive of this effort. I am sure if he were here on the floor of the House, he would urge all Democrats, just as Chairman Fahrenkopf would urge all Republicans, to defeat this amendment.

There is a lot of work that has gone into this program already by the Democratic National Committee, as by the Republican National Committee, and it is important that the amendment be defeated and that we get forward with the program.

Mr. GILMAN. I thank the gentleman for his support and his remarks.

Mr. SMITH of Florida. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I yield to the gentleman from Florida.

Mr. SMITH of Florida. I thank the gentleman for yielding.

Mr. Chairman, I would just like to say that when we in the United States talk about democracy, we understand what that concept means. We have a two-party system. We have had it for many, many hundreds of years. We understand not only the terms but the practical effect. But when you talk about democracy in the rest of the world, they do not understand it in the same way. They have not had it. Their education has not been such that they understand it.

Mr. LEACH of Iowa. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I will be very brief. I think what we have here is really an abuse of judgment.

Political parties are not governments. I think everyone in this room ought to understand the predicament that this society of ours is going to be placed in. If, for instance, you take the Republican National Chairman, a Senator from our side and, let us say, Senator HELMS goes and says, "Let's give $100,000 or $200,000 to Mr. D'Aubisson in El Salvador." And let us say that someone else on our side comes and says, "Let's give $100,000 or $200,000 to Mr. Duarte in El Salvador."

They are going to be making foreign policy judgments. This is a predicament that our national chairmen should not be placed in.

As far as the Venezuelan model that has been suggested to us, does anyone in this room know how much money Venezuela spends on politics? They spend more than the United States of America. They do not need United States money. We are going to be placing ourselves in political jeopardy in this country by identifying with one side or another in foreign disputes. That is nutty.

What happens, for example, if the Republican Party gives to one party in a foreign country, the other party wins the elections, the Republican Party wins here, suddenly you have got the President of the Republican Party dealing with an opponent that he tried to defeat. That is nuts. That is why we have government-to-government relations. We should not be getting involved in political parties in foreign countries. At least we should not be getting involved in a party-to-party sense.

I think the gentleman from Colorado has a very sensible amendment. I certainly urge its adoption.

Mr. FASCELL. Mr. Chairman, I move to strike the requisite number of words, and I would just like to take a short time to speak in opposition to the amendment.

I have just heard the worst case scenario of anything I have ever heard in my life, in terms of setting up straw men, scares, and concern. And I know they are serious, I know they are genuine, because I know my colleague on the committee, and I have worked with him for a long time.

But for his scenario to actually occur, you would have to assume that the Congress has given up all oversight. You would have to assume that the executive branch, whatever administration is in power, has no concept and cares less about what is going on, because this money is not automatic. It has to be budgeted, it has to go through the agency, it has to be authorized, it has to be appropriated. And there is continual oversight. It assumes that nobody will know what is happening.

In other words, to carry out the worst case scenario which was just presented, you would have to assume that everybody in the whole governmental process in the United States suddenly went bananas and closed down everything and decided to go off on their own.

I submit, Mr. Chairman, that that is impossible under the constraints of our own Government and under our society as we know it.

Mr. LEACH of Iowa. Mr. Chairman, will the gentleman yield on that point?

Mr. FASCELL. I yield to the gentleman from Iowa. I know the gentleman is very much concerned about this.

Mr. LEACH of Iowa. Mr. Chairman, let me just say that I personally do not know of any expertise that either the Republican or the Democratic National Committees have in dealing with foreign affairs.

Mr. FASCELL. Well, I will say to the gentleman, in response to just that aspect, I am not sure they are experts either. But they represent our two major political parties in this country. They have some expertise. They either help the administration get elected or they help the administration get unelected. They have some reason for being.

I just cannot understand why anybody would want to denigrate either political party. I do not think they have all the wisdom in the world, but I do not think that both political parties are totally composed of idiots.

Mr. LEACH of Iowa. If the gentleman will yield further on that point, the next problem we have in this issue is that clearly there is going to be an overhead expense.

What happens if the Democratic Party takes $1 million, the Republican Party half, or vice versa? You have got a real problem there with suddenly the Congress funding money for four parties.

□ 1410

Beyond that, we have the issue of oversight. The gentleman mentioned that Congress will have oversight. Does the gentleman mean to tell me that a Democratic chairman should have oversight over Frank Fahrenkopf, or vice versa? I mean, we are looking at individual judgments. If we are going to give these people money, we have to give them the right to expend their money. If we are not going to give them money, then we do not have that problem.

Mr. FASCELL. We are going to give them the right to expend the money, I will say to the gentleman, within the framework of the guidelines that are laid down in the bill and only for the purposes therein. They are subject to internal audit, they are subject to external audit, they are subject to GAO review, and they are subject to review by Congress.

If they do not want to do that, they do not have to take the money. If the Government, any administration, does not want to come forward with the amount of money in the budget, they do not have to do it. This is not automatic. If the Committee on Appropriations does not want to appropriate the money, they do not have to appropriate the money.

I think we have plenty of safeguards in it and I can draw up as many scarecrows as anybody, but I am going to assume that, despite the strong spread in the difference of the political spectrum which is obvious in this House from right to left, there is a majority of reasonable people in any part of the political spectrum who will see to it that this thing is going to work properly for the benefit of the country, not for the benefit of a political party.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. Certainly; I yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. I thank the gentleman for yielding.

Mr. Chairman, I want to tell my Republican colleagues, first of all, that Bill Brock, when he was national chairman of our party, went over to Europe and studied the European system that this is based on. If any of my colleagues have ever had any contact with members of the German Bundestag or the parliaments over there, they know that they come over here or meet with us and they send people to be able to discuss foreign affairs under the umbrella of organizations like this. They have less public hassle because of it.

If we want to put our heads in the sand and pretend that foreign affairs is unimportant, then vote for this amendment. But if Bill Brock was right, and if President Reagan, who told the Parliament in England when he was there, that this is the thing that he supports, then you should forget about them.

The CHAIRMAN. The time of the gentleman from Florida (Mr. FASCELL) has expired.

(On request of Mr. COLEMAN of Missouri and by unanimous consent, Mr. FASCELL was allowed to proceed for 30 additional seconds.)

Mr. COLEMAN of Missouri. Our present chairman testified in favor of this, and I would suggest that we just pause and consider exactly the effect of the amendment.

The reason we are having trouble in the world and the understanding of the American people, and even our own political parties is, we do not know anything about it in most cases. I hear a lot of opposition coming from people on the Committee on Foreign Affairs, which has this before them every day. The rest of us do not. The rest of the people back home do not. The local and State officials do not have the opportunity of serving on the Committee on Foreign Affairs and knowing all that.

Mr. Chairman, I suggest that we vote this amendment down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado (Mr. BROWN).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BROWN of Colorado. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 267, noes 136, not voting 29, as follows:

[Roll No. 183]

AYES—267

Akaka	Coats	English
Albosta	Coleman (TX)	Erdreich
Anderson	Collins	Evans (IA)
Andrews (NC)	Conable	Feighan
Andrews (TX)	Cooper	Fiedler
Anthony	Craig	Fields
Applegate	Crane, Daniel	Flippo
Archer	Crane, Philip	Florio
AuCoin	Crockett	Foglietta
Barnard	D'Amours	Foley
Bartlett	Daniel	Forsythe
Bates	Dannemeyer	Frank
Bedell	Daschle	Frost
Bereuter	Daub	Gaydos
Bethune	Davis	Gekas
Bevill	Dellums	Gephardt
Boehlert	DeWine	Glickman
Boner	Dicks	Gore
Bonior	Donnelly	Gradison
Borski	Dorgan	Gramm
Breaux	Dowdy	Green
Brown (CA)	Downey	Gregg
Brown (CO)	Dreier	Guarini
Broyhill	Duncan	Hall (IN)
Bryant	Durbin	Hall (OH)
Burton	Dwyer	Hall, Ralph
Byron	Dyson	Hall, Sam
Carney	Eckart	Hamilton
Carper	Edgar	Hammerschmidt
Carr	Edwards (AL)	Hansen (UT)
Chandler	Edwards (CA)	Harkin
Chappie	Edwards (OK)	Harrison
Clay	Emerson	Hatcher

Hawkins	McHugh	Shelby
Hefner	McKernan	Shumway
Hertel	McNulty	Shuster
Hightower	Mikulski	Sikorski
Hiler	Miller (CA)	Sisisky
Hillis	Miller (OH)	Skeen
Hopkins	Mineta	Skelton
Hughes	Minish	Slattery
Hunter	Mitchell	Smith (NE)
Jacobs	Molinari	Smith, Denny
Jenkins	Montgomery	Smith, Robert
Jones (OK)	Moody	Snowe
Kaptur	Moore	Snyder
Kasich	Moorhead	Solomon
Kastenmeier	Morrison (CT)	Spence
Kazen	Mrazek	Spratt
Kennelly	Murphy	Staggers
Kildee	Murtha	Stark
Kogovsek	Myers	Stenholm
Kramer	Natcher	Stokes
LaFalce	Nichols	Stratton
Latta	Nielson	Studds
Leach	Oakar	Stump
Leath	Olin	Sundquist
Lehman (CA)	Ottinger	Swift
Leland	Oxley	Synar
Levine	Packard	Tauke
Levitas	Panetta	Tauzin
Loeffler	Patman	Taylor
Long (MD)	Patterson	Thomas (GA)
Lott	Pease	Towns
Lowery (CA)	Penny	Traxler
Lowry (WA)	Perkins	Valentine
Lujan	Porter	Vandergriff
Luken	Rahall	Vento
Lundine	Ratchford	Volkmer
Lungren	Ray	Vucanovich
Mack	Richardson	Walgren
MacKay	Ridge	Walker
Madigan	Roberts	Watkins
Markey	Roe	Weaver
Marlenee	Roemer	Weber
Martin (IL)	Rogers	Weiss
Martin (NC)	Rose	Whittaker
Martin (NY)	Roukema	Whitten
Matsui	Rowland	Winn
Mazzoli	Roybal	Wirth
McCain	Savage	Wise
McCandless	Sawyer	Wolpe
McCloskey	Schaefer	Wortley
McCollum	Schroeder	Wyden
McCurdy	Schumer	Yates
McDade	Seiberling	Yatron
McDonald	Sensenbrenner	Young (AK)
McEwen	Shannon	Young (FL)
McGrath	Sharp	Young (MO)

NOES—136

Ackerman	Evans (IL)	Marriott
Addabbo	Fascell	McKinney
Alexander	Fazio	Mica
Annunzio	Ferraro	Michel
Aspin	Fowler	Moakley
Barnes	Fuqua	Mollohan
Bennett	Garcia	Morrison (WA)
Berman	Gejdenson	Neal
Biaggi	Gibbons	Nelson
Bilirakis	Gilman	Nowak
Billey	Gingrich	O'Brien
Boggs	Gonzalez	Oberstar
Bonker	Goodling	Obey
Bosco	Gunderson	Ortiz
Boucher	Hance	Owens
Boxer	Holt	Parris
Britt	Horton	Pashayan
Brooks	Howard	Pepper
Broomfield	Hoyer	Petri
Campbell	Huckaby	Pickle
Chappell	Hutto	Price
Clarke	Hyde	Pritchard
Clinger	Ireland	Quillen
Coelho	Johnson	Rangel
Coleman (MO)	Jones (NC)	Reid
Conte	Kemp	Rinaldo
Corcoran	Kindness	Ritter
Coughlin	Kostmayer	Robinson
Courter	Lagomarsino	Rodino
Coyne	Lehman (FL)	Rostenkowski
de la Garza	Lent	Roth
Derrick	Levin	Rudd
Dickinson	Lewis (CA)	Russo
Dingell	Lewis (FL)	Sabo
Dixon	Lipinski	Scheuer
Dymally	Livingston	Schneider
Erlenborn	Long (LA)	Schulze
Shaw	Tallon	Whitley
Siljander	Thomas (CA)	Williams (MT)
Simon	Torres	Wolf
Smith (FL)	Torricelli	Wright
Smith (IA)	Udall	Wylie
Smith (NJ)	Vander Jagt	Zablocki
Solarz	Waxman	Zschau
St Germain	Wheat	
Stangeland	Whitehurst	

NOT VOTING—29

Badham	Franklin	Lantos
Bateman	Frenzel	Lloyd
Beilenson	Gray	Martinez
Boland	Hansen (ID)	Mavroules
Cheney	Hartnett	Paul
Conyers	Heftel	Pursell
Early	Hubbard	Regula
Fish	Jeffords	Williams (OH)
Ford (MI)	Jones (TN)	Wilson
Ford (TN)	Kolter	

□ 1420

The Clerk announced the following pairs:

On this vote:

Mr. Badham for, with Mr. Frenzel against.

Mr. Bateman for, with Mr. Franklin against.

Mr. DERRICK and Mr. RUDD changed their votes from "aye" to "no."

Messrs. ALBOSTA, PERKINS, SCHUMER, RICHARDSON, STARK and KILDEE, Ms. FIEDLER, and Messrs. MATSUI, BEVILL, BONIOR of Michigan, HERTEL of Michigan, AKAKA, CARR, and LATTA changed their votes from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

□ 1430

Mr. WHITTEN. Mr. Chairman, I move to strike the last word.

(By unanimous consent, Mr. WHITTEN was allowed to proceed for an additional 5 minutes.)

The CHAIRMAN. The gentleman from Mississippi is recognized for 10 minutes.

Mr. WHITTEN. Mr. Chairman, may I ask my colleagues to give me their attention?

I would like to tell you some of the problems that I see and to commend the Foreign Affairs Committee for the 2-year authorization recommended in this bill.

Mr. Chairman, I think this committee has made a significant forward step by its action for good legislation and orderly procedure.

I have spoken for many years about the advantages of 2-year or multiyear authorizations. I know in recent years, we have had to rely to a great extent on continuing resolutions. One of the contributing factors has been the growth in the number of annual authorization bills and the lack of enacted authorizations.

A continuing resolution is a hybrid. It can be both an authorization and an appropriation.

Of course, another contributing factor in the need for all encompassing continuing resolutions has been the delays in the budget resolutions.

But if you do not have an authorization, both sides of every controversy and every committee will come to our committee and insist their side is going to win out and that their side is right.

So I am saying that unless we authorize for 2 or more years, each year it will be more difficult for the average legislative committee to get its bills through in time for us to bring up appropriations in time for us to meet our obligations as a Congress and avoid reliance on continuing resolutions.

I say again that each side in controversy in a legislative committee thinks they are going to win and it leaves us trying to decide what to do. In a continuing resolution, in particular, if there is no authorization, we are subject to pressures from both sides to take sides on the issue.

Talk to officials in the executive branch and they will urge you to provide 2-year authorizations so they can do some forward planning. May I say to you that right now in the executive branch they are busy working on 1985 appropriations, next year's programs, when we have not even got many 1984 authorizations passed yet.

So I just hope that with the support of the leadership we can persuade you, our friends on the legislative committees, to authorize for 2 years at a time.

We want guidelines. We want the benefit of having the authorizations enacted before we move on appropriation bills. We do not want the country looking at us like we are in chaos.

So the answer to it, I think, is the action taken by this committee—the multiyear authorization. I hope more committees, all the legislative committees, will take notice of this action and follow suit. If so, we will do more to straighten out the operations of the Congress than anything else I can think of.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to my colleague, the gentleman from Florida.

Mr. FASCELL. I thank the chairman for yielding.

I want to strongly support his statements with respect to the problem that we face, both in the Appropriations Committee and the authorizing committees. There is not any question about it, that under the situation we now find ourselves, if we continue with the annual appropriation process, because of the annual authorization process, rather, we will always be behind. The very dynamics of the budget situation the way it is now, we will never be on time. We will always be faced with the problems of appropriation bills prior to authorization bills and we will always be a year behind.

The only satisfactory solution from an authorizing standpoint is the one that we bring here today, in our judgment, which is a 2-year authorization bill.

In order to complete that cycle, I might say to the chairman, that is the reason I asked the gentleman to yield, not only to indicate my agreement, but to say that what we will probably have to do is come in next year with another 2-year bill to just one time get ahead of the cycle. If we can once do that, this whole process will fall into place. If we do not do that, we are going to be plagued with the kind of troubles that we have at the present time.

Mr. WHITTEN. Well, I say to my colleague, he has certainly set an excellent precedent that all other legislative committees should follow, and I hope will.

May I say, we welcome authorizations, because it makes our job far more simple, far more effective, and the effect on the executive branch of the Government will be tremendous in that they will have legislative guidance for forward planning for future operations and future budgets.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to my colleague.

Mr. MYERS. Mr. Chairman, if the gentleman can get the suggestion across to the Budget Committee where we can get a 2-year budget, we will have it whipped.

Mr. WHITTEN. I thank my friend.

□ 1440

AMENDMENT OFFERED BY MR. BROWN OF COLORADO

Mr. BROWN of Colorado. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of Colorado: On page 35, strike lines 1 through 4.

Mr. BROWN of Colorado. Mr. Chairman, this is a technical amendment. It should have been included in the first amendment. All it does is remove the reservations of the money for the Democratic and Republican Parties. We have already voted on the substance of this issue.

This really should have been included in the previous amendment and I ask unanimous consent for its adoption.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Colorado. I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, this amendment is far from technical.

The first amendment simply removed reference out of the statement of purposes with respect to political parties.

Now what the gentleman seeks to do is eliminate the earmarking.

It is one thing to limit the political parties to whatever it is people want to limit them to. It is quite another thing to strike out the earmarking of the funds for the program.

I would suggest that what we need to do is vote this amendment down.

Mr. BROWN of Colorado. Mr. Chairman, I certainly do not mean to mislead the body in any way. My impression was when we voted last time we voted on the issue before the body of whether or not we wanted this public funding to go to the political parties.

The chairman, of course, is correct. I do not mean to mislead him in any way. If he wishes a vote I will withdraw my request for unanimous consent. I really was trying to save the time of the body.

This amendment simply removes the earmarking of money and the language simply is not less than $5 million for the National Democratic Institute for International Affairs and not less than $5 million for the National Republican Institute for International Affairs.

Mr. FASCELL. If the gentleman will yield, I understand the gentleman's intention. I just simply wanted the record to be clear.

I think our colleagues know what they are voting on and I do not have to explain it to them. But I just wanted the record to be clear that the first amendment simply dealt with the reference to the political parties and the purposes of the organizations.

What this amendment does is strike out the earmarking of the funds which is an entirely different matter.

I would urge a "no" vote on this amendment.

Mr. BROWN of Colorado. I thank the Chairman. He is absolutely correct, and I urge an "aye" vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado (Mr. BROWN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BURTON

Mr. BURTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BURTON: On page 34, strike out line 22 and all that follows through line 9 on page 35.

Mr. BURTON. Mr. Chairman, we have cut the funds for the Democratic Institute for International Affairs and the Republican Institute for International Affairs, and I think that the Free Trade Union Institute as well as the National Chamber Foundation will be viewed by our friends around the world as an extension or an arm of the Federal Government.

While I am very much in favor of them being involved in selling democracy around the world as individual institutions, I, like my colleague, who voted to cut the previous funding, feel like it is improper for Federal funds to be used for this purpose.

For us to be consistent I believe that we must also cut the funds for the Free Trade Union Institute as well as the National Chamber Foundation. I think that this amendment should pass to be consistent with the previous amendment.

Mr. FASCELL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, sometimes it is fun when the blood begins to flow to let it flow freely. But I want to be sure that my colleagues understand exactly what this amendment does in terms of removing the earmarking.

The American Free Labor Institute, a program which has been operating for some 30 years, is one of the most effective programs speaking for the United States that this country has. They have been grantees of the U.S. Government for a long period of time.

They are grantees. They are not an arm of the Government. The gentleman is incorrect. They are totally independent.

Mr. BURTON. Will the gentleman yield?

Mr. FASCELL. I will be glad to yield.

Mr. BURTON. My question is: If the funds of U.S. taxpayers are used and we are involved in some kind of an action some place in the world, whether it is the Chamber Foundation or the Labor Institute, would that not be viewed as an action of the Federal Government, just as though it were from the Republican Institute or the Democratic Institute that we talked about earlier?

Mr. FASCELL. It might be viewed that way by the gentleman who speaks, and that is unfortunate, in my judgment. I suppose that overseas there are a lot of people who look at everything and assume that it is the U.S. Government, whether it is a private corporation, a university, or some other institute.

But it just so happens that the American Free Labor Institute is not a governmental agency. It has been operating a long time, and yes, it does get funds from the U.S. Government.

Mr. BURTON. Will the gentleman yield?

Mr. FASCELL. Not right now. Let me just finish my statement. The gentleman has had his shot.

I just want to make sure that everybody understands what they are voting on and then they can have their field day. If you want to knock out the money for labor, that is fine, and if you want to sacrifice the Chamber of Commerce because you think you are getting at labor, so be it. Those are the politics of it. You can play it any way you like.

The fact is you will be destroying an outstanding program under the American Free Labor Institute.

On the other side, the administration thought it would be valuable, and

the committee agreed almost unanimously that it would be worthwhile to have a similar institute for the private sector and the free enterprise concept.

I want to tell you that that was not an easy thing to do in light of the number of people who said that we should not do this kind of thing. But eventually their hesitancy was overcome because they could see the benefit of this of encouragement of a private sector effort, including the free enterprise concept, in the United States. The distance that would remain would be this: that the organizations that would do it would be from the private sector, yes, the private sector institute would be a grantee of the U.S. Government. But it would be a grantee at arms' length. I think that makes a great, big difference.

I think that to vote for this amendment and destroy those two programs, one of which has been in operation for 30 years, another which has an outstanding potential, would be a sheer disaster. I hope my colleagues will vote against the amendment.

Mr. BURTON. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. Without objection, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

There was no objection.

Mr. BURTON. Mr. Chairman, we pride ourselves as being consistent in this body, at least most of the time. I believe for us to strike the funding for the Democratic Institute for International Affairs and the Republican Institute for International Affairs and leave in there at taxpayers' expense funding for these other two institutes is completely inconsistent. If we are going to strike funding for the first two institutes the only logical thing to do would be to strike funding for the latter two institutes as well.

Mr. Chairman, I am very supportive of both the Free Trade Union Institute and the National Chamber Foundation and I support their efforts to export democracy and freedom. While I am in favor of these organizations and their efforts in this area, I do not feel we should be using our tax dollars to achieve their goals under the guise of private organizations.

I view this as counterproductive and believe this leads to the view that these organizations would be an extention of the U.S. Government and they would then possibly lose their effectiveness.

It would be far superior to allow the free trade unions to do what they did in Poland to help Solidarity. Had they been using Federal Government funds it would have looked like the U.S. Government was imposing its will upon Poland.

We must remember that we have a $200 billion deficit for this year alone. Funding these two institutes will add $16.3 million in new expenditures.

I wholeheartedly support President Ronald Reagan's efforts to export freedom and democracy around the world, but I do not believe we should be funding private organizations with tax dollars to do it.

These organizations should use private funds to accomplish these objectives. They will then be viewed as concerned organizations trying to promote freedom and democracy instead of tools of the U.S. Government which our adversaries could discredit.

Mr. DE LA GARZA. Mr. Chairman, I move to strike the requisite number of words and I rise against the amendment.

Mr. Chairman, I had not intended to participate in the debate on this issue for many reasons. One is that I have enough problems dealing with agriculture.

But the previous vote and this vote that will be coming have me greatly concerned because I have been privately telling my colleague from Florida of my support for the endeavor which he and the members of the Foreign Affairs Committee have initiated in this Endowment for Democracy.

□ 1450

Mr. Chairman, I just came home and almost everything that was mentioned to me was related to Central America, to what is happening in El Salvador. Well, I hate to tell you this, but we may have lost El Salvador 20 years ago; but now our concern is are we going to send troops? Are we going to send military assistance? This is the answer to that.

We could be saving ourselves tremendous headaches; we could be saving ourselves millions of dollars; we could be saving lives in this country, if we but plant a small seed of democratic institutions, of appealing from an irresponsible government, of, yes, union work, chamber of commerce work.

What this is intending to do is bring our concept of 200 years, thank God that it caught 200 years ago. But we are dealing with countries 25 years old, 40 years old, 50 years old, where the seed did not sprout like it did in our country.

The other camp spends $30 million in 1 month, in one country, my colleagues. They send hundreds of teachers, doctors, lawyers, pharmacists, all indoctrinated in their philosophy, their ideology. It pains me and shames me to think that we are playing here with $30 million that could save countless thousands of lives. Our system for other people in the world; let the democratic institutions tell it; this is a mystery to them how we can differ in our country, how we can have a Republican President, a Democratic House, a Republican Senate; this is the mystery. This is what they want explained. How can you make it work? Well, how can you make it work but send the people who make it work? Not the CIA, not the bureaucrats, not the State Department; send the chamber of commerce, the doctor, the lawyer, the engineer, the university professor. Do not let the CIA disseminate what democracy is. Let the people who make it work do it. Here, $30 million; $30 million; they spend $30 million in one country, in the time we blink an eye. So, please, I know there are other amendments to come, but let me tell you from one who has been there, from one who talks to them, from one who talks to them in their language, the mystery to them is how does this American system work? I say teach them, let them know by the people who are making it work.

All we are doing is giving them a few dollars, a few dollars to assist them in that effort.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman.

Mr. HYDE. Mr. Chairman, I want to salute the gentleman for the remarks he has made. They are right on target. I want to suggest that the glory of this country is that it gives the lie to the Marxist theory that labor and management are in a class struggle, when both of those important elements of our society and our economy and political system can work together to advance the cause of a free democracy in those countries where they are being beseiged by Marxism and Marxist dogma that the class struggle is the only way for progress.

I think it is very important that these private agencies of both labor and management present a common front and spread the message that democracy and capitalism work together hand in hand to elevate the improvement and change.

I think this amendment, though well-intentioned, is wrong and moves in the wrong direction.

(On request of Mr. EDWARDS of Oklahoma and by unanimous request, Mr. DE LA GARZA was allowed to proceed for 3 additional minutes.)

Mr. EDWARDS of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman.

Mr. EDWARDS of Oklahoma. I want to congratulate the gentleman on his statement.

Mr. Chairman, I understand very well the purpose of the amendment and I sympathize with the motives that prompted the Member to offer this amendment. But it is very unfortunate.

Labor unions in particular have been very staunch and effective advocates of freedom in opposition to international communism around the world. In the international arena, organized labor has been an effective ally of ev-

erything that we are trying to do to protect the security of this country and our allies.

I understand the gentleman's frustration, but I believe if you are really concerned about the spread of international communism, this amendment would be counterproductive and I urge its defeat.

I thank the gentleman for yielding.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman.

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman for raising this issue on the floor and stressing the importance of bringing home to those areas where they do not have an understanding of democracy the important principles that we admire so much here and adhere to. What better way to do this, than through a partnership of business and labor working together to stress the important aspects of the free enterprise system. I urge my colleagues to vote in opposition to the amendment and to help foster a very important foreign policy initiative that has been started by our President.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman.

Mr. LAGOMARSINO. I Thank the gentleman.

Mr. Chairman, I commend him on his statement also. It seems to me all we have to do is look to a country that we are very much interested in now, El Salvador, to see what the Free Labor Institute can do and has been doing, against tremendous odds, by the way.

Several of their people were murdered in cold blood not long ago. That did not discourage them. They stayed with it. I daresay had it not been for the Free Labor Institute and their activities in El Salvador, that country might well have already fallen to the Marxist-Leninists.

(On request of Mr. LAGOMARSINO and by unanimous consent, Mr. DE LA GARZA was allowed to proceed for 1 additional minute.)

Mr. LAGOMARSINO. Will the gentleman yield to me?

Mr. DE LA GARZA. I yield to the gentleman.

Mr. LAGOMARSINO. They were the ones who by organizing the Compesinos were able to persuade the constituent assembly to extend the agrarian reform law.

I think they have done good work there and in lots of other places. I am certainly not saying that because they support me or I support them, otherwise. You can look at my voting record. But I think in this case they are right. They deserve our continued support. They have had it before.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman.

Mr. KEMP. Mr. Chairman, I want to congratulate the gentleman for his statement and associate myself with his remarks. This very debate is an excellent example of democracy at work. There are conservatives and liberals on both sides of this debate. So, I do not think you can really judge this as an issue of ideological division. But just from the standpoint of our democratic institutions, if labor in the United States is as conservative a movement as the chamber of commerce and should not be criticized for being part of this project. Indeed the AFL-CIO is integral to the success of this overall project and I hope my colleagues can put aside whatever differences they may have with labor in general and defeat this amendment. We should be grateful for labor in this country, as it is a bastion of anticommunism and patriotic free enterprise and is uniquely qualified to help expand democracy in a world looking for hope and light of freedom.

(On request of Mr. LIVINGSTON and by unanimous consent, Mr. DE LA GARZA was allowed to proceed for 2 additional minutes.)

Mr. KEMP. If the gentleman will yield further, in this country, with these two democratic institutions, labor and business, whatever faults we might find with them on different issues, they are institutions which can be effective in helping spread democratic principles so eloquently testified to by the gentleman in the well. I voted no on the previous amendment and I am going to vote no again and urge my colleagues to defeat this amendment and send a signal to the people of the world who yearn for free enterprise and free labor that we mean what we say when we give speeches in support of democracy, human rights, and movements such as Solidarity in Poland and democracy in Central America or wherever.

Mr. LIVINGSTON. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman.

Mr. LIVINGSTON. I thank the gentleman for yielding to me.

Mr. Chairman, I congratulate the gentleman on his stand.

It was my observation when I was in El Salvador to observe those elections a year ago that one of the most effective institutions down there was in fact the AFL-CIO and the labor movement. If we lose the votes of labor in El Salvador, we will lose El Salvador.

Mr. DE LA GARZA. I thank the gentleman.

I yield to the gentleman (Mr. BROOMFIELD).

Mr. BROOMFIELD. Mr. Chairman, I would like to congratulate the gentleman from Texas (Mr. DE LA GARZA) on his statement and join him in his opposition to the amendment of the gentleman from Indiana (Mr. BURTON).

I think it is important that we continue to support the efforts of labor organizations such as the American Institute for Free Labor Development which has worked so effectively in promoting democracy and combating communism in Latin America, while similar institutes work toward the same objectives in Africa and Asia. The advocates of communism are untiring in their zeal to spread communism throughout the globe. If we want our children to live in freedom, we must be untiring in our efforts to promote democracy and combat the spread of communism. I urge my colleagues to oppose the amendment and support retaining funds to promote democracy.

Mr. DE LA GARZA. Mr. Chairman, my great concern is that we can undo here what can save us countless millions of dollars, can save countless lives and actually we are making democracy work. What the Constitution has; we are doing what we are supposed to be doing. To undo it with a vote, emotionally for or against labor, for or against chambers of commerce, is not the way to make the system work. I would hope you would vote against this amendment and other amendments which sought to undo the great seed that this committee and its members are trying to plant, to bring to other countries that which the good Lord has blessed us with for over 200 years.

□ 1500

Mr. BROWN of Colorado. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, I will not take near that amount of time. I would just like to point out to the Members that share the sentiments that have been voiced about the strong value for the Free Trade Union Institute. I would certainly echo the comments that have been made that they have done some fine work in the past. I believe that. I share that. I endorse that.

The point is that we have not had this subsidy. We have had help to them before, but they have done that fine work without this program. This is a new program. The work we have talked about has been done without this program.

I think the point is where we spend American dollars. How they are best spent. Is it appropriate to subsidize the chamber of commerce and the unions in their efforts, be they good or bad.

I would urge an "aye" vote on this amendment because I think it speaks

to our financial problem, but more importantly than that, it speaks to the efficacy of subsidizing these groups in this manner.

Mr. JACOBS. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, I think perhaps the time has come to inject some history into this historic debate.

We fought World War I to make the world safe for democracy. Oh what a lovely war. That was pretty expensive. It cost more than $60 million.

The most recent time I know of when the U.S. taxpayers were forced to put up money for this kind of activity was during the tenure of our late colleague, Joseph R. McCarthy, when a man name G. David Schine and another man named Roy Cohn trapsed around Europe using U.S. tax dollars to establish what they in their day called a demiform. It was supposed to be the answer to the commiform.

Now here we go again. A foundation on democracy. All you have to do is go to El Salvador, a couple of junketeers, step out on the battlefields, the soldiers on both sides will lay down their guns and listen to a few American speeches. And we can insert democracy into El Salvador.

Well, I suppose you could sum up this legislation very simply: What this country needs is a good $60 million junket.

Mr. ROTH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just want to take 1 minute to say that last session of Congress I served on the committee with the gentleman from Florida and I can say that we are going to spend some $250 billion in defense this year, but the most powerful weapon in our arsenal, if we really believe it, is the idea of freedom.

Now we have $30 million and people get up and say we are going to do something with our deficits, we are going to do something with our budget because we are going to save $30 million.

This is the most powerful weapon we have, an idea. An idea is devine. And if we are not willing to stand behind what we believe in, the principles of democracy, then I think we can close up shop here.

I certainly hope that we stand behind the gentleman from Florida and all of the other people who have worked so hard on this legislation, because it is the best investment we can make for America, not only today, but also tomorrow.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. BURTON).

The amendment was rejected.

The CHAIRMAN. Are there further amendments?

If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker, having resumed the chair, Mr. SIMON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2915) to authorize appropriations for fiscal years 1984 and 1985 for the Department of State, the United States Information Agency, the Board for International Broadcasting, the Inter-American Foundation, and the Asia Foundation, to establish the National Endowment for Democracy, and for other purposes, pursuant to House Resolution 198, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 2915, DEPARTMENT OF STATE AUTHORIZATION ACT, FISCAL YEARS 1984 AND 1985

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that, in the engrossment of the bill, H.R. 2915, the Clerk be authorized to correct section numbers, punctuation, and cross references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 1590, EMERGENCY FOOD ASSISTANCE AND COMMODITY DISTRIBUTION ACT OF 1983

Mr. HALL of Ohio. Mr. Speaker, by direction of the Committee on Rules. I call up House Resoluton 207 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 207

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1590) to provide emergency food assistance to low-income and unemployed persons and to improve the commodity distribution program, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of section 303(a)(1) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Agriculture now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, each section of said substitute shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of clause 5, rule XXI and section 303(a)(1) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. It shall be in order to consider the amendment to said substitute printed on page E2450 of the Congressional Record of May 23, 1983 by Representative de la Garza of Texas, and all points of order against said amendment for failure to comply with the provisions of clause 5, rule XXI and section 303(a)(1) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

□ 1510

The SPEAKER pro tempore (Mr. JONES of North Carolina). The gentleman from Ohio (Mr. HALL) is recognized for 1 hour.

Mr. HALL of Ohio. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Missouri (Mr. TAYLOR), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 207 provides for the consideration of H.R. 1590, the Emergency Food Assistance and Commodity Distribution Act of 1983. The resolution allows 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, This is an open rule, allowing any germane amendment to be offered under the 5-minute rule. At the conclusion of the bill's consideration a motion to recommit with or without instructions would be in order.

The rule makes the committee amendment in the nature of a substitute in order for amendment purposes, and provides that the substitute be read by titles, rather than by sections,

in order to facilitate the amendment process. The resolution waives points or order against consideration of the bill for failure to comply with section 303(a)(1) of the Congressional Budget Act of 1974, and also waives points of order against consideration of the committee amendment for failure to comply with clause 5, rule XXI and section 303(a)(1) of the Budget Act.

Section 303(a)(1) of the Budget Act prohibits consideration of any measure providing new budget authority for a fiscal year before the adoption of the first budget resolution for that fiscal year. The budget authority contained in H.R. 1590 and the committee amendment fall within the spending limits of House Concurrent Resolution 91 and Senate Concurrent Resolution 27 the House- and Senate-passed budget resolutions. However, the budget authority in both the bill and the substitute are in technical violation of section 303(a)(1) since the conference report on the first concurrent budget resolution has not been adopted.

In addition, certain provisions in the committee amendment require the Secretary of Agriculture to use funds of the Commodity Credit Corporation to pay the costs of initial processing and packaging of commodities and to reimburse State agencies for certain costs they might incur in handling food commodities. This constitutes an appropriation in an authorization bill and therefore requires a waiver of clause 5, rule XXI.

Finally, the rule also makes in order an amendment to the committee substitute to be offered by the chairman of the Committee on Agriculture, and waives points of order pursuant to clause 5, rule XXI and section 303(a)(1) of the Budget Act.

Mr. Speaker, H.R. 1590 is designed to establish a system of commodity distribution to address the critical nutritional needs of individuals all over the country affected by high unemployment and persistence of poverty. Through a network of State and local government agencies as well as private hunger relief centers, H.R. 1590 would attempt to meet a serious nutritional need through the distribution of excess Commodity Credit Corporation stocks. This measure will not permanently authorize an addition to other Federal food aid programs. Rather, H.R. 1590 is intended to respond to the emergency created by the current economic crisis.

Mr. Speaker, I urge my colleagues to allow its consideration by adopting House Resolution 207.

Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 207 is an open rule under which the House will consider legislation to provide emergency food assistance to low-income and unemployed persons and to improve the commodity distribution program.

The rule waives the point of order that would otherwise lie against consideration of the bill, H.R. 1590, for failure to comply with the Budget Act. The waiver in this instance is of section 303(a)(1) of the Budget Act, which requires adoption of the first budget resolution prior to enactment of new budget authority. This bill provides new budget authority, and the Congress has not yet adopted a budget resolution, so this waiver is necessary for floor consideration of the bill.

Mr. Speaker, the rule makes in order a committee amendment by the Committee on Agriculture, now printed in the bill, as an original bill for the purpose of amendment under the 5-minute rule. The committee amendment will be read for amendment by sections, with each section considered as read.

A waiver of section 303(a)(1) is also provided for the committee amendment, again because the Congress has not yet adopted our first budget resolution and the committee amendment provides new budget authority. In addition, the rule waives clause 5, of rule XXI against the committee substitute. This waiver is provided because some provisions of the committee amendment may constitute appropriations in a legislative bill.

The rule makes in order an amendment to be offered by the distinguished chairman of the Committee on Agriculture, the gentleman form Texas (Mr. DE LA GARZA). His amendment was printed in the CONGRESSIONAL RECORD of May 23, and it will be offered to the substitute reported from the committee.

Mr. Speaker, the rule also provides the necessary waivers of the Budget Act and of clause 5, of rule XXI, for the gentleman's amendment. Here again, the amendment provides new budget authority prior to adoption of our first budget resolution and it contains language which may be appropriations in a legislative bill.

Lastly, the rule provides one motion to recommit, with or without instructions.

Mr. Speaker, the bill made in order by this rule requires the Department of Agriculture to make available commodities, acquired by the Commodity Credit Corporation under our price support programs, to public and private nonprofit organizations which provide food to low-income and unemployed needy persons.

Under the provisions of the bill, and the committee substitute written primarily by the gentleman from California (Mr. PANETTA) and the gentleman from Missouri (Mr. EMERSON), the surplus commodities for this emergency food assistance program must be in excess of the quantities necessary to carry out the payment-in-kind land diversion program.

Mr. Speaker, the substitute provides that these excess commodities would be made available to the recipient agencies at no charge, and the Commodity Credit Corporation will partially reimburse the State for their administrative costs. The bill further stipulates that the recipients of commodities shall not be required to pay for the food they receive.

The rule reported from the Committee on Rules provides an orderly way for the House to consider this important legislation, which is presently scheduled for next week.

There was no controversy about this rule during our hearing in the Committee on Rules, and I urge adoption of the rule.

Mr. COLEMAN of Missouri. Mr. Speaker, I rise in support of H.R. 1590. As one of the original cosponsors of this bill I urge Members to vote for this bill. This bill provides that surplus commodities—those in excess of our domestic and foreign commitments—will be used to feed needy Americans. When the need for food and surplus commodities both exist it makes commonsense to take these commodities and make them available to people in need. That is what H.R. 1590 does.

Surplus commodities do exist. Testimony was received by the subcommittee from the General Accounting Office. Representatives from GAO stated that the Department of Agriculture's stocks of commodities are at an all-time high. At the end of 1982 surpluses held by the Department included such commodities as dairy products, rice, honey, sugar, and vegetable oil. Not all of these commodities will remain at high levels or in surplus; however, it is expected that many commodities will be in surplus and will be available for distribution to needy people.

Not only will better use be made of the commodities by distributing them to the needy—the Federal Government will save money that is now being spent on storage of the commodities. The Congressional Budget Office estimates that over $5 million in storage costs can be saved by distributing commodities such as wheat, honey, rice, and nonfat dry milk. Additionally the Federal Government saves approximately $26 million per year in storage costs because of the current surplus dairy distribution program.

H.R. 1590 will provide approximately $1 billion in commodities, in addition to the surplus dairy distribution. These commodities will be distributed by soup kitchens, food banks, and similar charitable organizations. Additionally these commodities will be used in school lunch programs and elderly nutrition programs. Administra-

tive money is provided, up to a maximum of $50 million, to assist States in transporting, handling, and storing surplus commodities.

Ours is a nation of plenty and while there are positive signs that the economy is turning around—there are families and individuals who need food assistance. I believe H.R. 1590 effectively deals with these two issues—the need to feed poor people and the food surpluses in agriculture. This is a timely and important bill and one that will contribute toward resolution of these issues.

I urge Members to support H.R. 1590.

Mr. TAYLOR. Mr. Speaker, I yield back the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. QUILLEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 346, nays 51, not voting 35, as follows:

[Roll No. 184]

YEAS—346

Ackerman	Carney	Dyson
Akaka	Carper	Eckart
Albosta	Carr	Edwards (AL)
Alexander	Chandler	Edwards (CA)
Anderson	Chappell	Emerson
Andrews (NC)	Clarke	English
Andrews (TX)	Clay	Erdreich
Annunzio	Clinger	Erlenborn
Anthony	Coats	Evans (IA)
Applegate	Coelho	Evans (IL)
Aspin	Coleman (MO)	Fascell
AuCoin	Coleman (TX)	Feighan
Barnard	Collins	Ferraro
Barnes	Conable	Fiedler
Bartlett	Conte	Flippo
Bates	Cooper	Florio
Bedell	Corcoran	Foglietta
Bennett	Coughlin	Foley
Bereuter	Courter	Ford (TN)
Berman	Coyne	Forsythe
Bevill	Crockett	Fowler
Biaggi	D'Amours	Frank
Bliley	Daschle	Frost
Boehlert	Daub	Fuqua
Boggs	Davis	Garcia
Boner	de la Garza	Gaydos
Bonior	Dellums	Gejdenson
Bonker	Derrick	Gekas
Borski	Dickinson	Gephardt
Bosco	Dicks	Gibbons
Boucher	Dingell	Gilman
Boxer	Dixon	Gingrich
Breaux	Donnelly	Glickman
Britt	Dorgan	Gonzalez
Brooks	Dowdy	Gore
Brown (CA)	Downey	Gradison
Broyhill	Duncan	Gray
Bryant	Durbin	Green
Byron	Dwyer	Guarini
Campbell	Dymally	Gunderson
Hall (IN)	McDade	Scheuer
Hall (OH)	McEwen	Schroeder
Hall, Ralph	McHugh	Schulze
Hall, Sam	McKinney	Schumer
Hamilton	McNulty	Seiberling
Hammerschmidt	Mica	Shannon
Hance	Michel	Sharp
Hansen (UT)	Mikulski	Shuster
Harkin	Miller (CA)	Sikorski
Harrison	Miller (OH)	Simon
Hatcher	Mineta	Skeen
Hawkins	Minish	Skelton
Hefner	Mitchell	Slattery
Hertel	Moakley	Smith (FL)
Hightower	Molinari	Smith (IA)
Hillis	Mollohan	Smith (NE)
Hopkins	Montgomery	Smith (NJ)
Horton	Moody	Smith, Robert
Howard	Moore	Snowe
Hoyer	Morrison (CT)	Snyder
Huckaby	Morrison (WA)	Solarz
Hughes	Mrazek	Solomon
Hunter	Murphy	Spence
Hutto	Murtha	Spratt
Ireland	Myers	St Germain
Jacobs	Natcher	Staggers
Jenkins	Neal	Stangeland
Johnson	Nelson	Stark
Jones (NC)	Nichols	Stenholm
Jones (OK)	O'Brien	Stokes
Jones (TN)	Oakar	Stratton
Kaptur	Oberstar	Sundquist
Kasich	Obey	Swift
Kastenmeier	Olin	Synar
Kazen	Ortiz	Tallon
Kemp	Owens	Tauke
Kennelly	Oxley	Tauzin
Kildee	Packard	Taylor
Kindness	Panetta	Thomas (GA)
Kogovsek	Parris	Torres
Kostmayer	Pashayan	Torricelli
Kramer	Patman	Towns
Lagomarsino	Patterson	Traxler
Latta	Pease	Udall
Leach	Penny	Valentine
Leath	Pepper	Vander Jagt
Lehman (CA)	Perkins	Vandergriff
Lehman (FL)	Pickle	Vento
Leland	Price	Volkmer
Lent	Pritchard	Walgren
Levin	Quillen	Watkins
Levine	Rahall	Waxman
Levitas	Rangel	Weaver
Lewis (CA)	Ratchford	Weiss
Lewis (FL)	Ray	Wheat
Lipinski	Reid	Whitehurst
Livingston	Richardson	Whitley
Loeffler	Ridge	Whittaker
Long (LA)	Rinaldo	Whitten
Long (MD)	Ritter	Williams (MT)
Lott	Robinson	Winn
Lowery (CA)	Rodino	Wirth
Lowry (WA)	Roe	Wise
Lujan	Rogers	Wolf
Luken	Rose	Wolpe
Lundine	Rostenkowski	Wortley
Madigan	Roth	Wright
Markey	Roukema	Wyden
Marlenee	Rowland	Wylie
Marriott	Roybal	Yates
Martin (NC)	Rudd	Yatron
Martin (NY)	Russo	Young (AK)
Matsui	Sabo	Young (MO)
Mazzoli	Savage	Zablocki
McCloskey	Sawyer	
McCurdy	Schaefer	

NAYS—51

Archer	Goodling	Ottinger
Bateman	Gramm	Petri
Bethune	Gregg	Porter
Bilirakis	Hansen (ID)	Roberts
Broomfield	Hiler	Roemer
Brown (CO)	Holt	Sensenbrenner
Burton	LaFalce	Shaw
Chappie	Lungren	Shelby
Craig	Mack	Shumway
Crane, Daniel	Martin (IL)	Siljander
Daniel	McCandless	Smith, Denny
Dannemeyer	McCollum	Stump
DeWine	McDonald	Thomas (CA)
Dreier	McGrath	Vucanovich
Edgar	McKernan	Walker
Edwards (OK)	Moorhead	Young (FL)
Fields	Nielson	Zschau

NOT VOTING—35

Addabbo	Frenzel	McCain
Badham	Hartnett	Nowak
Beilenson	Heftel	Paul
Boland	Hubbard	Pursell
Cheney	Hyde	Regula
Conyers	Jeffords	Schneider
Crane, Philip	Kolter	Sisisky
Early	Lantos	Studds
Fazio	Lloyd	Weber
Fish	MacKay	Williams (OH)
Ford (MI)	Martinez	Wilson
Franklin	Mavroules	

□ 1530

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

NATIONAL SCLERODERMA WEEK

Mrs. HALL of Indiana. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate Joint Resolution (S.J. Res. 75) to provide for the designation of June 12 through 18, 1983, as "National Scleroderma Week," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

Mr. COURTER. Mr. Speaker, reserving the right to object, I take this time only to say that the minority has looked at the legislation, and we have no objection to it.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

Mr. PANETTA. Mr. Speaker, reserving the right to object, and I will not object, a similar resolution was adopted last year. I want to thank the subcommittee and the committee for their work in expediting this resolution and bringing it to the floor, because this does begin on June 12 and goes through June 18, and the groups that are concerned about scleroderma and the impact of this disease on many people in this country appreciate our expeditious treatment of this resolution. A similar resolution has passed the Senate.

Mr. Speaker, I want to thank the leadership of the Post Office and Civil Service Committee for bringing this important resolution to the House floor today. House Joint Resolution 225, and its Senate equivalent, Senate Joint Resolution 75, authorizes the President to designate the week of June 12 through June 18 of this year as National Scleroderma Week. It is similar to a resolution adopted last year, and I think its importance is illustrated by the large number of cosponsors it has gained in the House

and the Senate both last year and this. Since the Senate has already approved the resolution, it is my hope that the President will issue this proclamation within the next few days.

Scleroderma, for those of my colleagues who are not familiar with this disease, is a painful and debilitating ailment that attacks the skin and multiple organs of the body. In its most serious form, scleroderma can strike the esophagus, intestines, lungs, heart, or kidneys, causing fibrosis, inflammation, and atrophy of normal functioning tissues. Two major problems caused by scleroderma are decreased circulation and increased production of collagen. Localized scleroderma causes hardening and thickening of the skin, particularly of the hands and fingers, along with painful ulcerations.

This disease, one of the many forms of arthritis, affects an estimated 300,000 people in the United States. However, the actual number of victims may be higher because of misdiagnosed cases. Four times as many women as men develop scleroderma in early and middle age.

Unfortunately, the cause of scleroderma is unknown, and there is no permanent cure for the disease. While there is no specific treatment for scleroderma, various medications and therapies can alleviate symptoms. But research is being conducted at medical centers throughout the United States in search of a cure.

Lack of focus on this disease has resulted in a shortage of funding for this vital research. At a time when public funding for many worthy causes is scarce, we need to encourage private funding, and National Scleroderma Week will bring the additional attention to this disease that will boost public consciousness about scleroderma, as well as lend comfort to its hundreds of thousands of victims.

Mr. Speaker, I thank my colleagues for their support of this resolution.

Mr. PANETTA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S. J. RES. 75

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President shall issue a proclamation designating June 12 through June 18, 1983, as "National Scleroderma Week", and calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The SPEAKER pro tempore. The gentlewoman from Indiana, Mrs. HALL, is recognized for 1 hour.

Mrs. HALL of Indiana. Mr. Speaker, scleroderma is a painful and debilitating disease which attacks the skin and multiple organs of the body. It affects at least 300,000 people in the United States, but the actual number of victims may be higher because of misdiagnosed cases. Four times as many women as men develop scleroderma in early and middle age. The cause is unknown and there is no cure.

Designation of this week will focus attention on this disease and encourage funding for research.

Mr. Speaker, I urge the passage of this resolution.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BALTIC FREEDOM DAY

Mrs. HALL of Indiana. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service and the Committee on Foreign Affairs be discharged from further consideration of the joint resolution (H.J. Res. 201) designating June 14, 1983, as "Baltic Freedom Day," and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

Mr. COURTER. Mr. Speaker, reserving the right to object. I rise in support of House Joint Resolution 201 designating June 14, 1983, as "Baltic Freedom Day."

Mr. Speaker, on June 14, 1940, 43 years ago, the Soviet Union forcibly occupied and incorporated the Baltic States of Latvia, Lithuania, and Estonia into the U.S.S.R.

Before the conquest of these three nations, they had a short yet glorious period of independence. Latvia, Lithuania, and Estonia all declared their independence following World War I and enjoyed a democratic government. Under Stalin, tens of thousands of the Baltic peoples were killed and over a million were deported to slave labor camps. Many others were removed from their homelands because of the resistance to the subjugation or because of their political and religious views. The Baltic people were replaced by people from the Soviet empire. This exchange of population has substantially altered the ethnic composition of the Baltic nations.

Throughout the free world, the peoples of Estonian, Latvian, and Lithuanian origin have maintained their traditional civic, cultural, and church organizations and bravely continue their efforts on behalf of their reslaved compatriots held captive within the U.S.S.R.

The plight of the Baltic people is equal in gravity to that of the Poles and Afghans but they have not received the intense media attention that these more recent examples of Soviet expansion and tyranny have for the simple reason that their battle for freedom is an old one. Despite their 43-year fight for autonomy, these States remain under Soviet domination. Yet this has neither dampened their spirit of determination, nor lessened their strong sense of culture and tradition that unifies them.

As we draw attention to this tragic anniversary, we must recognize that it is the responsibility of the United States to support the cause of freedom for these Baltic people. Only with the end of political repression, religious persecution, and cultural genocide in these three nations can the legitimate aspirations of the Baltic people be fulfilled.

I urge my colleagues to join me in supporting this resolution designating June 14, 1983, as "Baltic Freedom Day" and applaud the unyielding courage of the Baltics in the continuous pursuit of freedom.

Mr. RITTER. Mr. Speaker, will the gentleman yield?

Mr. COURTER. Under my reservation of objection, Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. RITTER. Mr. Speaker, I rise in support of House Joint Resolution 201 declaring June 14, 1983, as Baltic Freedom Day. I would also like to commend my colleagues BRIAN DONNELLY and HENRY HYDE for their work in getting this resolution before Congress.

Forty-three years have passed since the Soviets occupied Lithuania, Latvia, and Estonia. Their continuing occupation is illegal and their attempts to destroy the culture, religion, language, and traditions of the Baltic peoples is reprehensible. Passage of this resolution will be a message from freedom-loving Americans that we have not forgotten these terrible acts and that we will not lessen our vigil until these brave people are free again.

In June of 1941, Soviet forces occupied the neutral and sovereign countries of Latvia, Lithuania, and Estonia. While their occupation lasted only a week, the Soviets succeeded in deporting virtually everyone who had connections with the military, government, or who were members of the educated elite. On the night of June 14, some 30,000 members of the Lithuanian intelligentsia were forcibly deported to Siberia; 5,000 more were summarily executed.

The Soviet occupation combined with the 3½-year Nazi occupation resulted in the displacement or death of 850,000 Baltic peoples and reduced the combined population by almost 10 percent. The end of World War II did not end the nightmare of the Baltic peoples. Instead of freedom, they were forcibly incorporated into the Soviet

Union and have been under Soviet domination ever since.

Despite tremendous odds, they have continued to keep their culture and traditions alive for future generations. They are a gallant people. I am proud to say that my district, the Lehigh Valley of Pennsylvania, has benefited greatly from the many people of Lithuanian, Latvian, and Estonian heritage who came to our community to escape Soviet oppression and injustice. Individually and as a group their many contributions have contributed to the betterment of our community and I salute them.

I urge Congress' passage of this resolution.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. COURTER. Continuing my reservation to object, Mr. Speaker, I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I rise in support of House Joint Resolution 201, the Baltic Freedom Day resolution, which recognizes the continuing desire and right of the people of Lithuania, Latvia, and Estonia for freedom and independence from the domination of the U.S.S.R.

There is an exciting parallel between this resolution and developments yesterday and today in Moscow and Washington. I am gravely concerned over this ominous series of events.

The resolution before us deplores the refusal of the U.S.S.R. to recognize the sovereignty of the Baltic Republics. And it deplores the refusal of the U.S.S.R. to yield to the Republics' rightful demands for independence from foreign domination and oppression.

This resolution commemorates the 14th day of June as the anniversary of the mass deportation of Baltic peoples from their homelands in 1941. It was in the year before that—1940—that the U.S.S.R. illegally occupied the Baltic Republics. And since that time, the U.S.S.R. has systematically removed the Baltic people from their homelands by deporting them to Siberia, causing masses of other people to relocate in the Republics.

Today is an infamous day in Baltic States history.

Yesterday, the New York Times reported that a 6-week-old Soviet anti-Zionist Committee had been formed which contends that Soviet Jewry immigration has virtually ceased, purportedly because those who wanted to leave have already left.

Mr. Speaker, there is a correlation between that committee's allegations in Moscow and the work of our House Post Office Subcommittee on Investigations, in which we have been looking into the matter of Soviet interference with U.S. mail to Iron Curtain countries. We have found that there has been substantial interference, which we believe is an attempt to cut off the lifeline of those Soviet citizens wishing to emigrate to the United States and elsewhere.

In our recent investigation of Soviet interference, we have accumulated over 200 documents thus far. One-third of those documents pertain to the Baltic States of Lithuania, Latvia, and Estonia.

We have also documented evidence that packages are being confiscated, that postage surcharges are being imposed in an effort at harassment and we have recent reports that the Soviets have lists of citizens who are prohibited from receiving letters from the United States, and lists of persons who are not allowed to mail out.

Our Postal Investigations Subcommittee will be conducting hearings later on this year on this issue in San Francisco and in Washington to consider the evidence and witnesses from many American ethnic groups on their experiences in trying to get mail into the Baltic Republics.

With regard, to the puppet anti-Zionist committee set up in Moscow, I should like to repeat here on the floor what I said at a press conference earlier today on behalf of the Human Rights Caucus:

STATEMENT OF CONGRESSMAN BENJAMIN A. GILMAN

The allegations coming from a six-week-old anti-Zionist Committee in Moscow are ridiculous.

To claim that Jewish immigration has virtually ceased—all because those who wanted to leave have already left—is absurd.

As a member of the Foreign Relations Committee and as a member of the Post Office and Civil Service Committee—the latter of which has been investigating Soviet interference with U.S. mail directed to Soviet citizens—I have arrived at several conclusions:

First, there is an unprecedented escalation in Soviet interference with the mail. The reason for this is that to make application to emigrate, Soviet Jews must include a handwritten invitation from a sponsor in America.

If they don't have the invitation, they can't make application. If they don't get their mail, they can't receive an invitation. The catch 22 is as simple as that.

The Sub-committee on Investigations has documented nearly 200 cases of mail interference. And we will hold hearings on the issue next month in San Francisco.

My second observation is that the very creation of the anti-Zionist Committee makes me suspect of its motives, its membership and its goals.

The Committee's allegations of secret cooperation between Zionism and Nazism should be rejected out of hand.

Clearly, the overall Soviet game plan is to (1) cut off the "lifeline" for its citizens who wish to emigrate; and (2) pump disinformation into those who stay behind, as well as to the rest of the world.

Mr. Speaker, on this occasion in which we underscore the oppression of Soviet Citizens in the Baltic States, it is incredible that we are once again confronted with new evidence of Soviet interference in human rights. It is clearly more than just another "crackdown". It appears to be something more extensive.

Our House Subcommittee on Postal Investigations would welcome any evidence of mail tampering which other members of the Congress might be able to gain through their on-going communication with ethnic, scientific, religious and human rights groups.

□ 1540

Mr. DONNELLY. Mr. Speaker, will the gentleman yield?

Mr. COURTER. Under my reservation of objection, Mr. Speaker, I yield to the gentleman from Massachusetts.

Mr. DONNELLY. Mr. Speaker, as a sponsor of House Joint Resolution 201, the Baltic Freedom Day resolution, along with Congressman RITTER, Congressman HYDE, and 230 House Members, I am very pleased that the House is taking action on this worthy legislation today and I thank the committee for its attention to this matter.

It is of great importance to the brave people behind the Iron Curtain that we pass this resolution, and commemorate June 14 as Baltic Freedom Day. Enactment of this legislation for the second consecutive year demonstrates that our Government and the people it represents care deeply about the cause of freedom in the Baltic States of Latvia, Lithuania, and Estonia that we stand in solidarity with the people of the illegally occupied Baltic States, and call once again upon the Soviet Union to remove its forces from the nations of Latvia, Lithuania, and Estonia.

House Joint Resolution 201 states that, "the Congress recognizes the continuing desire and the right of the people of the Baltic States for freedom and independence from the domination of the U.S.S.R." It was on June 14 in 1940 that the Soviet Army brutalized and deported thousands of Baltic families to the barren wastes of Siberia. Let us not forget the infamy and inhumanity that the people of Latvia, Lithuania, and Estonia were subjected to on that dark day. But in remembering the legacy of the Soviet occupation of the Baltic States, let us also remember, that to this day, the struggle for freedom and independence continues undaunted, and remains very much alive, in the Baltic States.

We in Congress will continue to do all we can to keep the plight of the people of Latvia, Lithuania, and Estonia an active concern in the community of nations and particularly in the United States.

Mr. Speaker, I thank the gentleman for yielding under his reservation, and I thank the gentlewoman from Indiana for bringing this resolution to the House.

Mr. COURTER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 201

Whereas the people of the Baltic Republics of Lithuania, Latvia, and Estonia have cherished the principles of religious and political freedom and independence; and

Whereas the Baltic Republics have existed as independent, sovereign nations belonging to and fully recognized by the League of Nations; and

Whereas the people of the Baltic Republics have individual and separate cultures, national traditions, and languages distinctively foreign to those of Russia; and

Whereas the Union of Soviet Socialist Republics (U.S.S.R.) in 1940 did illegally seize and occupy the Baltic Republics and by force incorporate them against their national will and contrary to their desire for independence and sovereignty into the U.S.S.R.; and

Whereas the U.S.S.R. since 1940 has systematically removed native Baltic peoples from their homelands by deporting them to Siberia and caused great masses of Russians to relocate in the Republics, thus threatening the Baltic cultures with extinction; and

Whereas the U.S.S.R. has imposed upon the captive people of the Baltic Republics an oppressive political system which has destroyed every vestige of democracy, civil liberties, and religious freedom; and

Whereas the people of Lithuania, Latvia, and Estonia find themselves today subjugated by the U.S.S.R., locked into a union they deplore, denied basic human rights, and persecuted for daring to protest; and

Whereas the United States stands as a champion of liberty, dedicated to the principles of national self-determination, human rights, and religious freedom, and opposed to oppression and imperialism; and

Whereas the United States, as a member of the United Nations, has repeatedly voted with a majority of that international body to uphold the right of other countries of the world, including those in Africa and Asia, to determine their fates and be free of foreign domination; and

Whereas the U.S.S.R. has steadfastly refused to return to the people of the Baltic States the right to exist as independent republics separate and apart from the U.S.S.R. or permit a return of personal, political, and religious freedoms: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress of the United States recognizes the continuing desire and the right of the people of Lithuania, Latvia, and Estonia for freedom and independence from the domination of the U.S.S.R. and deplores the refusal of the U.S.S.R. to recognize the sovereignty of the Baltic Republics and to yield to their rightful demands for independence from foreign domination and oppression and that the fourteenth day of June 1983, the anniversary of the mass deportation of Baltic peoples from their homelands in 1941, be designated "Baltic Freedom Day" as a symbol of the solidarity of the American people with the aspirations of the enslaved Baltic people and that the President of the United States be authorized and requested to issue a proclamation for the observance of Baltic Freedom Day with appropriate ceremonies and activities.

The SPEAKER pro tempore. The gentlewoman from Indiana (Mrs. HALL) is recognized for 1 hour.

Mrs. HALL of Indiana. Mr. Speaker, the people of the Baltic Republics of Lithuania, Latvia, and Estonia have cherished the principles of religious and political freedom and independence. The Baltic Republics have existed as independent, sovereign nations belonging to and fully recognized by the League of Nations. For these and other reasons, the Congress of the United States should recognize the continuing desire and the right of the people of Lithuania, Latvia, and Estonia for freedom and independence from the domination of the U.S.S.R.

● Mr. ZABLOCKI. Mr. Speaker, I rise in support of House Joint Resolution 201, a resolution designating June 14, 1983, as "Baltic Freedom Day." This joint resoution serves to remind us of the unfortunate plight of the peoples of the Baltic Republics of Lithuania, Latvia, and Estonia who have been subjugated by the Soviet Union since 1940. For over 40 years they have been denied civil liberties, freedom of religious expression, and the right to self-determination.

June 14 marks the 22d anniversary of the mass deportation of Baltic peoples from their homelands, by designating June 14 as Baltic Freedom Day, the Members of the House of Representatives champion the rights of the Baltic people to enjoy rights conferred under international law.

I commend the gentleman from Massachusetts, the Honorable BRIAN DONNELLY, for introducing this resolution which I am glad to cosponsor. I urge its immediate adoption.●

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO FILE A REPORT ON H.R. 3151

Mr. ANDREWS of Texas. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation may have until midnight tonight to file a report on the bill, H.R. 3151, the Jack Watson Post Office.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. COURTER. Mr. Speaker, reserving the right to object, under my reservation I would just like to make an inquiry as to whether the minority has been notified.

Mr. ANDREWS of Texas. Mr. Speaker, if the gentleman will yield, the answer is "Yes."

Mr. COURTER. They have no objection?

Mr. ANDREWS of Texas. They have no objection.

Mr. COURTER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

NATIONAL PARALYZED VETERANS RECOGNITION DAY

Mrs. HALL of Indiana. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 258) designating August 3, 1983, as "National Paralyzed Veterans Recognition Day," and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

Mr. COURTER. Reserving the right to object, Mr. Speaker, I take this time simply to say that the minority has looked at this and we have absolutely no objection whatsoever.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

There was no objection

The Clerk read the joint resolution, as follows:

H.J. RES. 258

Whereas among those Americans who have answered their country's call to service in defense of its freedoms, there are thousands who, as a result of service in our Nation's military forces, have suffered the catastrophic disability of paralysis;

Whereas despite the extreme severity of this disability, these veterans have succeeded in leading useful and productive lives, in part through Federal programs for their readjustment but, more significantly, by drawing upon a special brand of heroism;

Whereas our country now enjoys the blessing of peace, and it is appropriate that all Americans recognize the special debt owed to those who have been paralyzed in the defense of our freedoms during the wars of this country; and

Whereas the sacrifices and contributions that these veterans have made and the service rendered by the many veterans who later suffered paralysis from nonservice related causes are deserving of national recognition: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That August 3, 1983, is designated as "National Paralyzed Veterans Recognition Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States and interested groups and organizations to set aside this day to honor the sacrifices and services of paralyzed veterans in an appropriate manner.

The SPEAKER pro tempore. The gentlewoman from Indiana (Mrs. HALL) is recognized for 1 hour.

Mrs. HALL of Indiana. Mr. Speaker, thousands who have served in the defense of this country's freedom suffered the catastrophic disability of paralysis. In part through Federal programs but largely by drawing on a special brand of heroism, these veterans have succeeded in leading useful and productive lives. All Americans owe a special debt to those who have been paralyzed while serving during the wars of this century.

Mr. Speaker, I urge adoption of this resolution which authorizes and requests the President to issue a proclamation to honor these veterans on August 3.

Mr. Speaker, I yield 5 minutes to my colleague, the gentleman from Massachusetts (Mr. MOAKLEY).

Mr. MOAKLEY. Mr. Speaker. I would like to take this time to thank the gentlewoman from Indiana for her support as a cosponsor of House Joint Resolution 258 and for her assistance as chairman of the Subcommittee on Census and Population in promptly presenting the resolution to the House for consideration.

Mr. Speaker. I rise today to urge my colleagues to join with me in supporting this resolution which gives special recognition and thanks to the thousands of men and women who unselfishly defended this Nation in times of turmoil and who suffered severe injuries resulting in the catastrophic disability of paralysis. These veterans are most deserving of this special tribute, not only for their sacrifice to our country, but also for the debilitating physical impairment with which they must live. Equally important, however, we should recognize and commend the remarkable adjustment these individuals have made. Their strength and determination have enabled them to successfully overcome their handicaps and to lead meaningful and productive lives. These valuable members of our society should be an example to all of us for their courage and unselfishness.

I thank the 249 Members who have cosponsored this measure and have indicated their support for House Joint Resolution 258 and for the paralyzed veterans of America. I believe that designation of August 3 of this year as National Paralyzed Veterans Recognition Day in conjunction with the issuance of the special commemorative stamp by the U.S. Postal Service would be a most fitting tribute to those who have sacrificed so much for our country. Mr. Speaker, I appreciate this opportunity to speak on behalf of this resolution and our paralyzed veterans and I am confident that this measure will be supported enthusiastically by the Members of this body.

Mr. Speaker, I insert at this point in the RECORD, comments of major veterans service organizations on this resolution:

PARALYZED VETERANS OF AMERICA,
Washington, D.C., May 24, 1983.

Hon. JOE MOAKLEY,
Chairman, Subcommittee on Rules of the House, House Committee on Rules, U.S. House of Representatives, Washington, D.C.

DEAR REPRESENTATIVE MOAKLEY: On behalf of the members of Paralyzed Veterans of America, I greatly appreciate your introduction of House Joint Resolution 258 which would designate August 3, 1983, as "National Paralyzed Veterans Recognition Day."

PVA, a Congressionally chartered veterans' service organization, has a 37 year history of representing the needs of veterans who have incurred spinal cord injury or dysfunction. PVA has worked with many other national organizations to promote the interests of all veterans who have suffered paralysis. Our twofold goal is to ensure that the best possible medical care and rehabilitation is available while all possible efforts are made to develop cures and treatments for these costly and catastrophic medical conditions.

PVA strongly believes that the passage of House Joint Resolution 258 is especially important to raise the public awareness of the sacrifices and needs of America's veterans who are paralyzed. Equally important is that this Resolution illuminates the capabilities and successes of paralyzed veterans rather than their disabilities.

Again PVA thanks you for your efforts on behalf of the nation's paralyzed veterans and for your introduction of House Joint Resolution 258 designating August 3, 1983, as "National Paralyzed Veterans Recognition Day." If successfully enacted, this measure should go far in demonstrating the nation's concern and appreciation to paralyzed veterans who have served and sacrificed for their country.

Sincerely yours,

PAUL M. CHEREMETA,
National President.

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
Washington, D.C., May 6, 1983.

Hon. JOE MOAKLEY,
Chairman, Subcommittee on Rules of the House, Committee on Rules, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I have noted your introduction of H.J. Res. 258 to authorize and request the President to issue a proclamation designating August 3, 1983 as National Paralyzed Veterans Recognition Day.

On behalf of the more than 2.5 million men and women of the Veterans of Foreign Wars of the United States and our Ladies Auxiliary, I wholeheartedly support the passage of this resolution to recognize the great sacrifice made by our nation's paralyzed veterans in service to our country.

With best wishes and kind regards, I am

Sincerely,

JAMES R. CURRIEO,
National Commander-in-Chief.

DISABLED AMERICAN VETERANS,
Washington, D.C., May 17, 1983.

Hon. JOHN J. MOAKLEY,
U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMAN MOAKLEY: The Disabled American Veterans is pleased to lend its strong support to House Joint Resolution 258—a bill which would set aside August 3, 1983 as National Paralyzed Veterans Recognition Day honoring the thousands of American veterans who have suffered devastating injuries resulting in paralysis.

America owes no greater debt of gratitude to those who have served in the Armed Forces than to its veterans who became paralyzed during the course of their military service to the nation. Passage of your bill would, of course, pay tribute to the sacrifices made by paralyzed veterans but, as importantly, would also recognize their success in overcoming their severe impairments and their determination to live productive lives.

On behalf of the more than three-quarters of a million members of the DAV, particularly those within our ranks who are paralyzed veterans, I wish to thank you for your strong efforts to give national recognition to America's paralyzed veterans. You have our wholehearted support!

Cordially yours,

EDWARD G. GALIAN,
National Commander.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. MOAKLEY. I yield to my colleague and cosponsor of the bill, the gentleman from Mississippi (Mr. MONTGOMERY).

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I certainly rise in strong support of this Paralyzed Veterans' Recognition Day on August 3, 1983.

I would like to take this opportunity to thank the gentleman from Massachusetts (Mr. MOAKLEY) for his strong leadership in getting this bill before the House, and also the gentlewoman from Indiana (Mrs. HALL), the chairman of the Subcommittee on Postal Operations and Services of the Committee on Post Office and Civil Service.

Mr. Speaker, as chairman of the Committee on Veterans' Affairs, it has been a pleasure for me to work closely with paralyzed veterans throughout the country. Thousands of paralyzed veterans belong to the Paralyzed Veterans of America, ably led by its national president, Mr. Paul Cheremeta, Mr. Jack Powell, executive director, and Mr. Doug Vollmer, legislative director. This organization has provided strong leadership and input into legislation we have enacted over the years. PVA is a very active organization which fosters the highest ideal of the disabled in the work force, and through its generous funding of spinal cord injury research, the organization has enhanced the lives of veterans and all disabled people.

Mr. Speaker, in working with this fine organization, and the other outstanding veterans organizations who are vitally interested in helping the catastrophically disabled veteran, I have come to appreciate and value the contributions of our Nation's handicapped people more than ever before. They should be recognized for their great work.

I am, therefore, pleased to join the distinguished gentleman from Massachusetts and others in support of the resolution that would set aside August 3 as a special day in honor of our Nation's paralyzed veterans.

Mr. DONNELLY. Mr. speaker, will the gentleman yield?

Mr. MOAKLEY. I yield to the gentleman from Massachusetts (Mr. DONNELLY), a cosponsor of this bill.

Mr. DONNELLY. Mr. Speaker, I thank the gentleman for yielding.

Let me echo the words of my friend, the gentleman from Mississippi, in congratulating my colleague, the gentleman from Massachusetts, for his leadership in bringing this very important resolution before the House; also the members of the Post Office and Civil Service Committee and its Subcommittee on Census and Population.

This is a very important resolution. I think that it is important for the Congress of the United States to recognize the contributions that paralyzed veterans have made to this society and also show that there is a commitment in this institution that the programs that are available to these individuals will be continued, they will be strengthened and that there is hope in the future and that this Congress will not forget what they have given fighting for freedom and the type of leadership and courage that they show in their day-to-day lives.

I again congratulate the gentleman.

Mr. MOAKLEY. Mr. Speaker, once again I would like to thank the gentlewoman from Indiana for her support and her leadership in this effort.

● Mr. BILIRAKIS. Mr. Speaker, I am honored to be a cosponsor of legislation to pay tribute to the paralyzed veterans of this Nation whose service and sacrifice on behalf of our great land must never be forgotten.

While exact figures are hard to come by, it is estimated that there are as many as 30,000 paralyzed veterans in the country. These men and women must constantly face the difficulties and challenges of their paralysis and the many medical and emotional hardships that accompany a devastating injury. It is fitting that the sacrifices, the needs, and the deep courage of these veterans be publically recognized.

Equally important, however, is the need to recognize the tremendous capabilities and successes of paralyzed veterans. We can all be humbled and encouraged by the determination of these special veterans to be active and productive citizens and their refusal to give up the fight in the face of great adversity.

Paralyzed veterans have continued to serve the Nation in the various veterans organizations, providing help and service not only to those veterans who suffer paralysis, but to all veterans, and to all Americans. The Paralyzed Veterans of America is one such organization and its 11,000 members can be proud of their work on behalf of veterans through their programs in the area of service, sports, advocacy, research, and legislation. This congressionally chartered group has 34 chapters and 50 service offices nationwide which provide assistance to all veterans and which serve as resource and support centers for paralyzed veterans.

We owe these men and women not only our gratitude, but our admiration as well, and this resolution is a small but significant means of honoring the paralyzed veterans of this country. I am proud to give it my strong support.●

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALASKA STATEHOOD DAY

Mrs. HALL of Indiana. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 42) designating Alaska Statehood Day, January 3, 1984, and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

Mr. COURTER. Reserving the right to object, Mr. Speaker, I will not object, but I would just like to mention the fact that this, once again, as well as the prior three resolutions which came before, is a good resolution. I support it. The minority is involved with it. We have no objection.

I would also like to commend the gentleman from Alaska for sponsoring it and note that today here is Washington, D.C. is "Don Young Day," because he is now today 50 years of age.

Mr. Speaker, at this time it gives me great pleasure to yield to the great gentleman from Alaska (Mr. DON YOUNG).

Mr. YOUNG of Alaska. Mr. Speaker, I thank the gentleman for those kind remarks.

This is a day of celebration on my behalf.

Mr. Speaker, 25 years ago this month, Congress approved the Alaska Statehood Act, paving the way for Alaska's entry into the Union as the 49th State. On July 7, 1958, President Dwight D. Eisenhower signed the statehood bill, providing the final action needed to complete the act. Alaska formally entered the Union 6 months later, January 3, 1959. This legislation, House Joint Resolution 161, commemorates 25 years of Alaska statehood and designates January 3, 1984, the silver anniversary of Alaska's formal entry into the Union, as Alaska Statehood Day.

Statehood for Alaska did not come easily. Most citizens of the lower 48 knew very little about the territory, a situation which persists today. Alaska was unknown and misunderstood. Charges were made that Alaska could not support itself. Alaskans, however, knew the vast potential of their land, and fought hard for statehood recognition. They reacted with unrestrained joy to the news of the signing of the Statehood Act. Bold, half-page headlines declared, "we're in," residents danced in the streets, and church bells and factory whistles spread the news.

Alaska has made impressive progress in the first 25 years of statehood. For an initial investment of just over $7 million, the United States has reaped a bonanza in return. Alaska produces one-eighth of the Nation's gold; one-fifth of the Nation's oil; and two-fifths of its harvested fish. Seventy-four percent of the Nation's Outer Continental Shelf, containing vast amounts of resources lies off Alaska's coast. The State has developed a fine system of State universities, and communication and transportation facilities. Alaskans are a proud people, proud of their land and their resources, and proud to be Americans. Our strengths come from our people and our resources, and our ability to make the best use of each. Alaskans are noted for their determination, their originality, and their fierce dedication to the principles of freedom. Alaskans believe in America and in the principles of American democracy. Alaskans participate in their government; fully 75 percent of the registered voters in Alaska participated in the last general election. We are a growing State, with a vision for the future. Alaska looks forward to the next 25 years of statehood, and to continued progress.

I am certain that my colleagues join me in recognition of 25 years of Alaska statehood, and I ask their support in approving this measure.

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Mr. COURTER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. RES. 42

Whereas July 7, 1983, marks the twenty-fifth anniversary of enactment of the Alaska Statehood Act as approved by the United States Congress and signed by President Dwight D. Eisenhower;

Whereas the Alaska Statehood Act authorizes the entry of Alaska into the Union on January 3, 1959;

Whereas the State of Alaska is still growing and developing based on the principles established by the Alaska Statehood Act;

Whereas the Alaska Statehood Act is the foundation of the union between the State of Alaska and the United States of America which has been to the benefit of both parties;

Whereas many commitments between Alaska and the Federal Government are still being fulfilled;

Whereas the State of Alaska is a storehouse of this Nation's natural resources;

Whereas Alaska provides one-eighth of the Nation's gold; one-fifth of the Nation's oil production; and two-fifths of its harvested fish all to the benefit to the Union;

Whereas Alaska possesses ten of the sixteen strategic minerals needed for our Nation's security;

Whereas the Federal Government collects $3 in taxes from Alaska for every $1 it spends there;

Whereas the United States has reaped economic rewards from Alaska many times greater than its original $7,000,000 investment;

Whereas the people of Alaska contribute to the cultural diversity and cultural resources of this Nation; and

Whereas the Alaska Statehood Act authorized Alaska's entry into the United States of America and provided the basis for these benefits shared by Alaska and the Union: Now therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That January 3, 1984, be known as "Alaska Statehood Day" in honor of the silver anniversary of the entry of Alaska into the Union. The President is requested and authorized to issue a proclamation calling upon the people of the United States; and the Federal, State, and local governments to observe "Alaska Statehood Day" with the appropriate ceremonies and recognition.

The SPEAKER pro tempore. The gentlewoman from Indiana is recognized for 1 hour.

Mrs. HALL of Indiana. Mr. Speaker, July 7, 1983, marks the 25th anniversary of the enactment of the Alaska Statehood Act as approved by the U.S. Congress and signed by President Dwight D. Eisenhower. The Alaska Statehood Act authorized the entry of Alaska into the Union on January 3, 1959. This resolution would designate January 3, 1984, as Alaska Statehood Day in honor of the silver anniversary of the entry of Alaska into the Union.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. HALL of Indiana. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the various resolutions just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

There was no objection.

THE REAL SPACE WAR

(Mr. AKAKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. AKAKA. Mr. Speaker, according to the U.S. Department of Defense, the Soviet Union has an operational capability to destroy satellites in near-Earth orbit by using a type of antisatellite (ASAT) called a killer satellite. The United States had an operational ASAT system using ground-based missiles, but it was deactivated in 1975; a new ASAT device using miniature homing vehicles launched from F-15 aircraft is now being developed. The Soviets continue to test their ASAT system and President Reagan has reaffirmed the U.S. commitment to developing an operational ASAT system.

During 1978 and 1979, the United States and Soviet Union held ASAT limitation talks, but no further talks have been scheduled. In the fall of 1981, the Soviets introduced a draft treaty at the United Nations to ban weapons from space, although it apparently would not include the ground or airbased systems now in use or development.

The question is: Should the United States develop an operational ASAT capability, or should the focus instead be on renewing the stalled ASAT limitation talks, or should there be some combination of the two approaches?

In the absence of an ASAT limitation treaty, should the United States place more emphasis on means to insure survivability of critical military satellites and their associated ground stations and data links?

Is space the proper high ground for war? What will be the effect of placing antisatellite weapons in space, both from the perspective of geopolitical stability and national defense?

To help you answer these and other questions, the Congressional Space Caucus will host a debate on ASAT's on Monday, June 13 at 3 p.m. in 2168 Rayburn. Dr. Richard Garwin, physicist and defense consultant, will present the case against ASAT's. Dr. Colin S. Gray, president of the National Insitute for Public Policy, will present the case for development of this new weapon. Since this issue will be hotly debated soon during the course of floor debate on the DOD authorization bill, I urge you not to miss this debate.

Prior to the debate at 3 p.m., there will be a briefing on ASAT's by the Office of Technology Assessment, the Congressional Research Service and the GAO. The briefing will cover United States and Soviet space systems, and will also include a discussion of what an ASAT system would cost. The ASAT briefing will be held in 2257 RHOB at 11 a.m. There can be no doubt that this issue is of critical importance to the future of our space-faring nation. I urge you and your staff to attend both the briefing and debate on Monday, June 13.

Remember to write on your calendar that Monday, June 13 is ASAT day—everything you always wanted to know about ASAT's and were afraid to ask.

You will shortly be receiving another "Dear Colleague" in the mail with a fact sheet attached, summarizing the pros and cons of ASAT's. I urge my colleagues to give this issue the consideration it deserves.

I include the Washington Post editorial on antisatellites for insertion in the RECORD, as follows:

THE REAL SPACE WAR

President Reagan's proposal of last March to study shooting down Soviet missiles in space anticipated a time and a technology far in the future. But another kind of "space war" is becoming possible in the here and now: weapons to shoot down the satellites on which both great powers increasingly depend for communication and intelligence. The Soviet Union already has launched (non-nuclear) weapons meant to kill low-orbiting American satellites. The United States is ready to flight-test its own first satellite killers. A down payment of $19 million, on a program that could yet cost billions, is due to be voted on in the House this week.

It is a serious business. One side's possession of effective anti-satellite weapons could theoretically let it "blind" the other—deprive it of the means to control its own strategic forces and detect its foe's. Just the fear that one side might attempt such a blinding strike in a crisis could force decisions of irreversible consequence. Yet Moscow and Washington have been unable to take the risk in hand.

Carter-era negotiations tripped over verification, among other things. Anti-satellite weapons, it turns out, are small and light and can be launched as easily and quickly as the satellites they are aimed at. A relative handful of them could threaten a major share of a great power's missile-detecting or guiding satellite capacity, making reliable verification essential.

The Carter administration had hoped that a discreet brandishing of American technological capacity, combined with active negotiations, would induce Moscow to rein in its own anti-satellite work. This policy did not fare well, and now the Reagan administration is heading toward deployment of the first American satellite killers. At the same time, it hangs back from resuming negotiations.

The new American weapons are considered to be substantially superior to the Soviet weapons already in orbit. We should proceed with caution in deploying them. Meanwhile, a new approach to negotiations should be devised. Reagan officials say talks should not resume until the United States is "ready with verifiable proposals that will enhance national security." Why is the administration, in its third year, not ready? If it is too hard now to negotiate limits on deployment, why not try to limit tests? In this branch of weaponry as in others, the administration has yet to find an effective, confidence-inspiring balance of arms building and arms control.

INTRODUCTION OF CAPITAL PUNISHMENT BILL

(Mr. SUNDQUIST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SUNDQUIST. Mr. Speaker, today I am introducing a bill permitting the capital punishment penalty for certain Federal crimes, and to allow a life sentence without parole for those capital cases where the death penalty is not sought. The intention of my legislation is to clearly establish the constitutional procedures whereby the imposition of the death penalty would be allowed.

The Members of this body are aware that there are a number of Federal crimes now on the books which already carry the death penalty. The Supreme Court itself has ruled in favor of capital punishment in several specific instances. A decade of decisions by the High Court, though, has clearly shown that certain specific standards must be met before capital punishment can be imposed. My legislation is aimed at meeting these objectives.

By approving responsible guidelines, we remedy the unconstitutional delay in carrying out these sentences.

The standards to be met are laid out clearly in this bill. Under it, a separate sentencing hearing will be held after a guilty verdict has been rendered for a crime which carries the death penalty. The penalty must be appropriate to the gravity of the offense. Aggravating and mitigating circumstances must be considered. The penalty must be discretionary rather than mandatory. All reasonable requirements are clearly presented.

The purpose of the provision is to insure that while there are sufficient guidelines to guard against complete discretion in imposing a death sentence, there is also assurance that each case will be considered individually in light of aggravating and mitigating circumstances. It is important, again, to note when considering legislation on capital punishment that the Supreme Court has never declared the death penalty itself unconstitutional.

Mr. Speaker, an important byproduct of the introduction of this legislation and other similar legislation addressing this issue is the focus it gives on the need for a death penalty. We, as our Nation's legislators, have a special duty to show support for the imposition of the death penalty in certain cases—as well as life sentences without parole. In doing so, we support our basic belief that it is society's primary responsibility to protect its members so that they might live in safety.

This is an issue which deserves the widest attention and discussion, for it is one which goes to the heart of our moral and societal order. Murder is the foremost breach of that order.

I wish to stress that this legislation would not automatically call for the death penalty in each instance where there had been a killing. The death penalty would be considered only in a limited number of cases where the killing had been "in an especially heinous, cruel, or depraved manner." By that, I mean that the circumstances, for example, involved torture, the deliberate prolonging of suffering, or severe physical abuse.

Is there then a crime so wanton, so horrible as to justify the imposition of the death penalty? Both the late Senator John L. McClellan in debate in 1974, and Senator STROM THURMOND in his statement earlier this year made when introducing his own comprehensive legislation to establish constitutional procedures for the imposition of the death penalty, provided examples of crimes so grievous that the death penalty is the only appropriate response.

I will take the liberty of repeating some of these examples here, for they illustrate my point in a graphic way:

What other punishment is "just" for a man, found to be sane, who would stab, strangle and mutilate eight student nurses?

What other punishment is "just" for men who would invade the home of members of a rival religious sect and shoot to death men, women and children, after forcing a mother to watch as her three young children were drowned?

What other punishment is "just" for people who would force a 24-year-old woman to douse herself with gasoline so that they could turn her into a human torch and watch as she burned to death?

What other punishment is "just" for a man with an incredible history of violence, rape and murder, who caps his vicious career by getting a young woman with her three children to stop in response to his pretense of a disabled car and who rapes and kills her and then drowns her three children in a creek?

Mr. Speaker, I must echo the statement of Senator THURMOND and others, that "people who commit crimes like these have forfeited their own right to life."

I am aware that there is some debate regarding whether or not capital punishment is an effective deterrent against crimes as reprehensible as those described above. There is testimony supporting both sides of that debate. However, my major focus in supporting a death penalty does not rest on the argument of possible deterrence alone. It rests on my belief that such a penalty is justified because in some cases it is simply just. It may or may not deter others, it will not bring the victim back, but it is a legitimate expression of the moral outrage felt by a society whose moral fiber is based on law. The type of action against which this bill is directed is that which is so repulsive as to threaten to undermine the fabric which binds us as a civilized society. As the Supreme Court stated in the case of *Gregg* v. *Georgia*, 42 U.S. 153 (1976):

In part, capital punishment is an expression of society's moral outrage at particularly offensive conduct. This function may be unappealing to many, but it is essential in an ordered society that asks its citizens to rely on legal processes rather than self-help to vindicate their wrongs.

And again,

The instinct for retribution . . . serves an important purpose in promoting the stability of a free society governed by law. When people begin to believe that organized society is unwilling or unable to impose upon criminal offenders the punishment they "deserve," then there are sown the seeds of anarchy—of selfhelp, vigilante justice, and lynch law.

According to the "Uniform Crime Reports" for the year 1982, there was one violent crime committed every 24 seconds, including a murder every 23 minutes, forceable rape every 6 minutes, one robbery every 55 seconds, and one aggravated assault every 49 seconds. Since 1977, the number of murders increased by almost 20 percent. Crime index offenses are up 22 percent and the rate per 100,000 inhabitants is up 15 percent. Indeed, as we perceive an increasing lawlessness and brutality in our communities, there is an increasing number of Americans who support the death penalty for murder. A March 1981 Gallup poll indicated that two out of every three—or 66 percent—favor the death penalty, up from 49 percent just 10 years ago. The 1081 figures represent the apex of a steady uptrend in their sentiment over the last decade.

If human life is indeed precious, then the law which forbids the taking of human life must be a most awesome expression of society's revulsion for any violation of this tenent. This is a legitimate function of the death penalty, and it has been so supported by the Supreme Court.

Through our acceptance of sound laws providing for capital punishment and life imprisonment without parole, we promote respect for the criminal justice system and for human life. We express society's judgment that certain crimes, to quote Supreme Court Justice Potter Stewart, "are in themselves so an affront to humanity that the only adequate response may be the penalty of death."

We must make the clearest statement that the abhorrent type of behavior I described earlier absolutely will not be tolerated, that those who violate this precept will be dealt with surely and severely, and that this behavior may well mean that they forfeit their own right to live.

THE NEXT MOVE IS MOSCOW'S

(Mr. LAGOMARSINO asked and was given permission to address the

House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, in today's lead editorial in the Los Angeles Times, they praise the President's arms control arrangement announced yesterday. The Los Angeles Times has not exactly been in the forefront of those leading the cheers for Ronald Reagan so I think it is significant as to what they have said.

The title of the editorial is, "The Next Move Is Moscow's."

The editorial follows:

[From the Los Angeles Times, June 9, 1983]

THE NEXT MOVE IS MOSCOW'S

The Administration's new bargaining position at the strategic arms reduction talks in Geneva opens the door to serious negotiations and ultimate agreement if the Soviets are willing, as they say they are, to establish a new, lower balance in long-range nuclear weapons on each side.

In announcing a major change in the original U.S. proposals at the START negotiations Wednesday, President Reagan pointed out that the new package reflects suggestions urged on the Administration by the Scowcroft advisory commission and by key members of Congress.

Noting that U.S. negotiator Edward Rowny has been instructed to be flexible in exploring any new proposals by the Soviet side, Reagan urged Moscow not to allow "this new opportunity to be lost."

The new U.S. proposal aims at a U.S.-Soviet agreement based on warheads instead of missile numbers in order to encourage both sides to move toward reliance on single-warhead strategic nuclear missiles and away from their more threatening, destabilizing arsenals of multiple-warhead missiles.

Soviet leader Yuri V. Andropov has expressed an interest in the warhead-counting approach to an agreement on Euromissiles, which is being negotiated separately. It remains to be seen whether Moscow is willing to extend the same principle to limitations on intercontinental-range missiles.

The Soviet Union has 2,348 long-range, strategic nuclear missiles compared with 1,572 on the American side. Because of their emphasis on extra-heavy missiles, the Soviets have an almost three-to-one advantage in throw-weight—the combined weight of the warhead and guidance devices. They also have a narrow lead in missile-deployed warheads.

The numerical advantage passes to the United States if you include our B-52s but exclude the Soviet Backfire bombers.

Reagan's original START proposal called on each side to reduce its arsenal of missile warheads by roughly one-third, to 5,000—no more than one-half of which could be land-based. It would have limited each side to 850 land- and sea-based ballistic missiles. The question of bombers and cruise missiles was left open.

This proposal was criticized by the Soviets and some U.S. analysts because it would have required the Russians to accept a greatly disproportionate cut in their land-based missiles. (This would not be true, it should be remembered, except for the massive Soviet buildup in land-based missiles in recent years.)

In any event Reagan, responding to public and congressional pressures for a more flexible posture, has now altered the U.S. proposal to make things easier for the Soviets.

The President sticks by his proposal for a reduction to 5,000 strategic warheads on each side as a negotiating goal. But he abandoned the ceiling of 850 missiles. The new figure has not been disclosed, but is said to be around 1,200—which should be within negotiating distance of the Soviet proposal of a 1,450-missile ceiling.

Reagan says that his Administration is giving priority attention to incorporating congressional proposals for a "build-down" provision under which each side would destroy two existing nuclear warheads for each new one deployed.

Earlier, the sincerity of the President's interest in arms-control agreements was open to question. Having made the changes in the U.S. negotiating posture that critics called for, he must now be given the benefit of the doubt.

The fact is that the new proposal is extremely open-ended. It is not a take-it-or-leave-it proposition. The Soviets, for example, are invited to make their own choice between directly addressing the problem of unequal throw-weights or taking care of it in limitations on missiles and warheads.

Reagan's proposal is fair, reasonable and flexible. The next move is the Russians'.

ECONOMIC GROWTH AND RETIREMENT SECURITY ACT OF 1983

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CORCORAN) is recognized for 5 minutes.

Mr. CORCORAN. Mr. Speaker, I am introducing a bill today to amend the Internal Revenue Code to increase the limits on Individual Retirement Account (IRA) contributions and to increase the IRA contribution limit available to homemakers and lesser earning spouses.

I know I speak for all of my colleagues when I express my continued concern about the state of our economy. We are beginning to climb out of the recession that has plagued our Nation for the last several years, although the path is long and hard. We all want to do what we can to speed the recovery, but it is imperative that we do this without spurring inflation and driving interest rates up again, putting into motion yet another disastrous cycle of stagflation. A very direct means of accomplishing this is through expansion of IRA's.

Individual retirement accounts provide a generous bounty. They enable Americans to better provide for retirement, and in so doing, they reduce the pressure on private retirement plans and social security to provide total retirement protection in later years of life. IRA's increase personal savings over the long haul, providing an excellent source for additional capital to fuel private sector growth. And by increasing available capital, they reduce the pressure toward higher interest rates. Although IRA's reduce revenues to the Treasury in the short run, the money saved is taxed upon dispersal. Thus, it is a revenue deferral, not a revenue loss. Best of all, IRA's work. People understand them and use them.

The rate of personal savings in the United States is a disgrace when compared with other industrialized, free nations. In 1981, Canadians saved 12.4 percent of personal income, West Germans saved 15,3 percent, Japanese saved 19.8 percent, and Americans saved a paltry 6.4 percent. The results are that money is tight, interest rates are high, people are unable to buy homes, and businesses are unable to finance growth or even maintain existing operations. People are forced to rely more on social security and private pension plans than they would like to. Benefit changes and plan foldings become crises of existence.

My bill provides an avenue for addressing these problems. The Economic Growth and Retirement Security Act of 1983 will gradually increase the amount individuals can invest in IRA's. The current $2,000 maximum contribution will be raised to $3,000 in 1984, $4,000 in 1985, and $5,000 in 1986. This will have the salutary effect of increasing long-term savings in the United States, putting downward pressure on interest rates and increasing available financing.

In addition, to help provide for the many people who most need help in retirement as they have little or no retirement protection of their own, my bill modifies the method by which IRA contributions are determined. Under existing law, an individual can contribute a portion of gross income not to exceed $2,000 each year to an IRA. For spouses with no income, the primary wage earner can contribute $250 per year; $250 per year. Is it any wonder that the women who raised us and the women who are raising our children make up the vast majority of the elderly poor? And they will continue to do so unless we begin to recognize the value of their contributions.

My legislation provides that the lesser earning spouse will be able to draw on the gross income of the primary wage earner in funding an IRA, to the extent that the primary wage earner does not contribute all of his or her gross income to his or her own IRA. For example, if the primary wage earner earns $15,000 gross income and the secondary wage earner earns $1,000, under existing law, the primary wage earner can contribute up to $2,000 to an IRA. The secondary wage earner can only contribute a maximum of $1,000. Under the Economic Growth and Retirement Security Act, if the primary wage earner put the maximum $3,000 in 1984 in an IRA, the secondary wage earner would be able to draw on the remaining $12,000 gross income to increase his or her IRA to the $3,000 maximum. Likewise,

if the spouse earned no wages, he or she would be able to contribute the maximum $3,000 from the remaining $12,000 gross income.

It is time that we acknowledge the need to encourage saving, to encourage the development of personal retirement plans, and to provide for those of us who have had no opportunity to prepare for retirement with dignity. As a question of national policy, it is apparent that all of these goals are necessary to a healthy nation. As a question of efficiency, IRA liberalization addresses these goals more directly and more thoroughly than any other means. I urge my colleagues to cosponsor this legislation and to support it at the first opportunity. The language of this bill follows for my colleagues' information.

H.R. 3266

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Economic Growth and Retirement Security Act of 1983".

SEC. 2. CERTAIN MARRIED INDIVIDUALS ELIGIBLE FOR DEDUCTIONS FOR RETIREMENT SAVINGS ON BASIS OF EARNED INCOME OF THEIR SPOUSES.

(a) IN GENERAL.—Subsection (c) of section 219 of the Internal Revenue Code of 1954 (relating to special rules for certain married individuals with regard to deduction allowable for retirement savings) is amended to read as follows:

"(c) SPECIAL RULES FOR CERTAIN MARRIED INDIVIDUALS.—

"(1) IN GENERAL.—In the case of an individual described in paragraph (2) with respect to the taxable year, the amount of the limitation determined under subparagraph (B) of subsection (b)(1) shall be the sum of—

"(A) the compensation (if any) includible in such individual's gross income for the taxable year, plus

"(B) the compensation includible in the gross income, for the taxable year, of such individual's spouse reduced by the amount allowable as a deduction under subsection (a) to such spouse for such taxable year.

"(2) An individual shall be described in this paragraph if—

"(A) such individual files a joint return for the taxable year, and

"(B) the amount of compensation (if any) includible in such individual's gross income for the taxable year is less than the compensation includible in the gross income, for the taxable year, of such individual's spouse."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1983.

SEC. 3. INCREASE IN LIMITATION ON DEDUCTION FOR RETIREMENT SAVINGS FROM $2,000 TO $5,000 IN 3 STEPS.

(a) IN GENERAL.—Subparagraph (A) of subsection (b)(1) of section 219 of the Internal Revenue Code of 1954 (relating to maximum amount of deduction for retirement savings) is amended by striking out "$2,000" and inserting in lieu thereof "$5,000".

(b) PHASE-IN OF INCREASE IN LIMITATION ON DEDUCTION.—In the case of taxable years beginning in 1984 or 1985, there shall be substituted for the $5,000 amount in subparagraph (A) of section 219(b)(1) of such Code, as amended by subsection (a), amounts determined as follows:

Taxable years beginning in:	Amount:
1984	$3,000
1985	4,000.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) IN GENERAL.—Section 408 and section 409 of such Code (relating to individual retirement accounts and retirement bonds) are each amended by striking out "$2,000" each place such term appears in the following provisions of such sections and inserting in lieu thereof "$5,000":

(A) Paragraph (1) of section 408(a).

(B) Paragraph (2) of section 408(b).

(C) The last sentence of section 408(b).

(D) Section 408(j).

(E) Paragraph (4) of section 409(a).

(2) PHASE-IN OF INCREASE IN AMOUNTS UNDER PARAGRAPH (1).—In the case of taxable years beginning in 1984 or 1985, there shall be substituted for the $5,000 amount in each provision described in paragraph (1), as amended by such paragraph, amounts determined as follows:

Taxable years beginning in:	Amount:
1984	$3,000
1985	4,000.

(3) INCREASE IN AMOUNT EXCEPTED FROM TAX TREATMENT OF DISTRIBUTION RULE.—

(A) IN GENERAL.—Subparagraph (A) of subsection (d)(5) of such section 408 of such Code is amended by striking out "$2,250" and inserting in lieu thereof "$5,250".

(B) PHASE-IN OF INCREASE UNDER SUBPARAGRAPH (A).—In the case of taxable years beginning in 1984 or 1985, there shall be substituted for the $5,250 amount in subparagraph (A) of section 408(d)(5) of such Code, as amended by subparagraph (A), amounts determined as follows:

Taxable years beginning in:	Amount:
1984	$3,250
1985	4,250.

(d) EFFECTIVE DATE.—This section, and the amendments made by this section, shall apply to taxable years beginning after December 31, 1983.

BUDGET DEFICITS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina (Mr. CAMPBELL) is recognized for 30 minutes.

Mr. CAMPBELL. Mr. Speaker, I am sure that every Member of this body would agree with me that the projected budget deficits are excessive, to say the least. It is obvious that we must reduce the deficits if we are to have a sustained economic recovery.

There are many examples of how the deficit is damaging our economy. As we all know, the FHA rate for home mortgages was recently raised to 12 percent from 11½ percent because of looming large deficits, and although interest rates have dropped considerably in the last 2 years, consumer loans and home mortgages rates remain at unacceptably high levels because of the projected deficits.

Many concerned citizens, businessmen, associations, and Members of this body have called for a reduction in the projected $200 billion deficits. There has also been an overwhelming amount of debate and literature on the best way to reduce the deficits. In fact, some groups that have traditionally supported large Federal programs and increased Federal spending are reevaluating their policies because of the lopsided Federal balance sheet.

We have made changes in the social security system and other areas that have resulted in budget savings. And while I certainly support a major increase in defense spending, I also believe that we have taken a necessary step by reducing that increase to a real growth rate of 5 or 6 percent. The mistake that was made, I believe, was not applying the savings from this reduction toward the deficit, instead of increasing domestic spending.

Mr. Speaker, it is clear that Congress must reduce the deficits. However, there has been a considerable amount of objection to new taxes, elimination of recent tax reforms, and cuts in Federal spending. In part, I agree with this objection—new taxes through elimination of existing reforms could abort the economic recovery. How then are we to achieve reduced deficits?

I believe that one of the causes of these enormous deficits is the indexing of entitlements which often causes increases that are greater than the wage increases of working Americans. Indexing entitlements has also left little flexibility for Congress to provide adequate funding for important discretionary programs such as rehabilitation, education, and job training—programs which, in my opinion, actually need funding increases. As Congress instituted more and more entitlement programs, we abdicated our control over a vast portion of Federal spending. Adding automatic COLA's exacerbated the problem dramatically. As a former member of the Appropriations Committee, I was continually frustrated by our committee's lack of control over three-fourths of the Federal budget. These so-called uncontrollables must be brought under control for two reasons: One is to reduce the huge deficits, and two, we need to regain control over the Federal budget. If this does not transpire in the near future, Congress will be under even greater pressure to reduce already underfunded discretionary programs.

If entitlement programs were taken off of automatic pilot, then we could target resources better. For instance it might be better to fund a program to help people help themselves instead of merely maintaining them with an entitlement for subsistence as many of our programs do. Programs such as job training, vocational rehabilitation, handicapped programs, these are upward mobility programs that help people become self-sustaining.

Some of my distinguished colleagues would prefer to raise taxes to cover

the costs of these programs, while others favor reduced spending. I do not believe we can continue to raise taxes on the already overburdened taxpayer. I strongly support the third year 10-percent reduction in individual income taxes and tax indexing, and I recognize that it will be difficult to significantly pare spending for programs more than we already have done. however, the Democratic budget proposes large tax increases, large domestic spending increases, and large deficits, which in my opinion is not only misguided, but detrimental to the national economy.

I am sure that all of my colleagues are aware that tax indexing is scheduled to be implemented in 1985. As a proponent of this concept, I believe that taxpayers need to be protected from inflation just as entitlement beneficiaries are by COLA's. Indexing would provide this same protection by adjusting the tax tables to reflect increases in the inflation rate.

However, I believe that we can reduce the deficits by billions of dollars without cutting 1 cent from Federal programs and without imposing new taxes on the American taxpayer. Presently, all entitlement programs contain a 3-percent threshold on cost-of-living adjustments. In other words, if the inflation rate is 2.9 percent, a COLA is not awarded. However, if the inflation rate is 3.1 percent, the full 3.1-percent increase in benefits is given, since this is over the 3-percent trigger.

Tax indexing does not work in this manner. Under indexing, the tax tables will be adjusted to reflect any increase in the inflation rate.

Mr. Speaker, in light of these threatening deficits, I am suggesting that annual adjustments for both entitlement programs and tax indexing be tied to a 3-percent trigger and only that amount over 3-percent increase in the CPI be indexed. In other words, if the inflation rate is 8 percent, entitlement COLA's would be adjusted by 5 percent, and the tax tables would likewise be adjusted by 5 percent. This would have minimal impact on most people, but the savings from this adjustment in the COLA's and tax indexing is phenomenal.

Over a 4-year period, from fiscal year 1985 through fiscal year 1988, the savings resulting from the 3-percent trigger applied to tax indexing alone would be $57 billion. The savings over the same period of time for the 3-percent trigger applied to entitlement programs would be $68.5 billion. The total savings from the 3-percent triggers on the revenue and spending sides would be $125.5 billion over a 4-year period. This is the kind of deficit reducer that our Government needs. We need to show the American people that this body is willing and capable of taking definitive and responsible action by reducing these unacceptable deficits, and very frankly, I believe Americans would be willing to accept the impact on them, knowing it is across the board and fairly shared by both recipient and taxpayer.

This proposal recognizes that citizens and taxpayers need to be protected from the ravages of inflation. Inflation has been and may continue to be, a problem confronting our Nation—unless we implement a sound fiscal policy that incorporates lower deficits. Inflation is currently at its lowest level in many years, but based on the inflation projections of the Congressional Budget Office through fiscal year 1988, we can still save $125 billion with this minor adjustment—even with inflation rates averaging in the low 4-percent range.

Mr. Speaker, I ask my colleagues to carefully consider this proposal, and I challenge this body to take definitive action to reduce these excessive deficits but only through reductions in spending or a balanced approach. Without objection, I wish to insert a chart in the RECORD showing the projected savings from this proposal, as estimated by the Congressional Budget Office and the Joint Tax Committee.

Savings when 3-percent adjustment is added to tax indexing (Joint Tax Committee projections).

Fiscal year:	Savings (billions)
1985	$3.6
1986	10.0
1987	17.4
1988	26.0
Savings over 4 years	57.0

Savings from entitlement programs, including social security, when 3-percent adjustment is added to entitlement programs (CBO projections)[1]

Fiscal year:	Savings (billions)
1985	$5.1
1986	13.0
1987	21.1
1988	29.3
Savings over 4 years	68.5

[1] These figures do not include the 6-month delay in the COLA that was recently enacted. If this is factored in these projections, the savings are greater.

Note: Total savings for plan incorporating social security to $125.5 billion (4 years).

Savings from entitlement programs, not including social security, when 3-percent adjustment is added to entitlement programs

Fiscal year:	Savings (billions)
1985	$1.2
1986	3.8
1987	6.2
1988	8.8
Savings over 4 years	20.0

Note: Total savings for plan not incorporating social security is $77 billion (4 years).

□ 1600

I will be glad to yield to the gentleman from California.

Mr. PASHAYAN. I would like to thank the gentleman for his remarks, remarks that I certainly adhere to. I would like to ask the gentleman to focus on one of his remarks. That was the subject of indexing.

I was wondering whether the gentleman agreed with me that by retaining the indexing feature of the Tax Recovery Act, the Economic Recovery Act, that we are in fact, protecting, most greatly, the lower and middle-income working people of this country who, after all, are the ones who have been paying an undue burden of the taxes for so many years. I was wondering whether the gentleman agreed with me on that.

Mr. CAMPBELL. The gentleman is absolutely correct. When we passed the changes in the tax law it was proposed—at that time I agreed with it—by the Democratic side that we reduce the top tax rate from 70 to 50 percent, in other words, cut the tax on the rich people.

Then we indexed. We had a 10 percent across-the-board tax cut that we tried to get. We wound up getting 23 percent. The rich have already gotten theirs. The middle-income American is the one that is due the next tax cut. Right now—this July. And we have to keep that. If we do not keep it, what you are doing is raising taxes on people who make under $100,000 but over $30,000 as a family. That is middle-income America. So we have to keep that.

Indexing protects lower and middle-income America. Those are the people who are being pushed up by bracket creep. I propose to keep all of that intact, but I propose to trigger it on the same basis that we trigger our entitlement expenditures.

Mr. PASHAYAN. In other words, does the gentleman agree that another way to phrase his very good remarks on what he was saying would be by saying that the upper income taxpayers are oftentimes already paying in the highest tax brackets anyway, so the bracket creep does not apply to them, but it does apply to the lower and middle-income families because they in fact are being pushed up and when they get a raise in their wages or salaries or income they lose more because they are pushed in a higher tax bracket than they gain in the increase in their wages, salaries or income because of inflation. And indexing, of course, protects them against that increased tax rate.

Mr. CAMPBELL. The gentleman is absolutely correct. People who are in the top tax bracket do not gain anything on indexing. Indexing protects people who are climbing the ladder of success in the country.

Mr. PASHAYAN. Does the gentleman not find it strange then that many of those who oppose indexing

are the very ones who claim to be in favor of the middle-income wage earner; does the gentleman not find that rather strange? I do, at least.

Mr. CAMPBELL. I find that to be rather strange. As a matter of fact, I think that once they examine it they may change their argument a little bit. Facts speak very loudly.

The truth is that people often oppose an idea without really knowing what it is. And when they make the argument that indexing helps people who are wealthy, then they are making exactly the wrong argument because it does not at all.

Mr. PASHAYAN. The gentleman mentioned they may change their arguments. I personally hope that they would change their minds rather than just the arguments.

Mr. CAMPBELL. It is also interesting to me that the same people who do generally oppose indexing or oppose tax are generally the ones who vote for every spending program that comes through here. They also want to keep an automatic tax increase coming in.

Why do they want to keep that automatic tax increase? Because they do not have to vote a new tax and they can go home and say, "I didn't vote to raise your taxes even though I voted to spend all this money." Because it was automatically going up.

If we get off of automatic pilot just a little bit on our entitlements and on our taxes and we make the politicians start voting for the new taxes every time they have to put on a new spending program, we are going to have a whole lot more fiscal responsibility in this country.

Mr. PASHAYAN. The gentleman's statement has not only raised a lot of individual particular points but it was a grand sweep. Let me ask the gentleman to focus once again on something he mentioned and that is the impact of the third phase of the tax reduction that takes place on this July 1, just less than 30 days away.

Would the gentleman state perhaps in different words the effect that is going to have on middle-income taxpayers. This is a 10-percent reduction in their income taxes. And in particular could the gentleman highlight once again so we all make sure where we are on this just exactly why is it that this particular tax reduction is going to be relatively more favorable to the lower and middle income than to the upper income people.

Mr. CAMPBELL. I would be glad to. First, let me say, when we started this the top tax rate was 70 percent. And it was proposed on the Democrats side that that be reduced to 50 percent. That helped everyone in the top tax brackets immediately right off the bat.

Mr. PASHAYAN. That was 2 years ago.

Mr. CAMPBELL. That is correct. That was 2 years ago.

Then we changed again and we had our first tax cut of 5 percent which really was wiped out because there had been an increase in taxes for social security. Then we got our first 10-percent tax cut in place.

Now, the increase in social security taxes and bracket creep and all of these combined have virtually kept the taxpayer about even. This is the first real tax cut that the people, the average income American, working family of two, making in the low $30,000 is going to get. If you take it away, that is who you are taking it away from. You are not taking it away from the guy making $125,000 a year. He has already got his. He has already been cut. He was cut from the 70 to 50 percent. So this is middle-income America that they are talking about taking the tax cut away from.

Mr. PASHAYAN. Once again, does the gentleman not find it strange that many of those who would remove this very tax cut the gentleman has just so brilliantly described that would remove it from the law, are those same people once again not unlike the indexing feature who claim to be the champions of the lower and middle-income working people of this country, does the gentleman not find that a little on the strange side?

Mr. CAMPBELL. I find that extremely strange and there is no question that they try to parade as that. However, I think that the American people are beginning to realize that you just cannot continue to soak middle America in order to spend for every program that people dream up in the Congress of the United States.

My grandmother told me when I was a little boy, she said:

"If you go through life trying to spend your money on what you need instead of what you want you will always have some that you have saved for a rainy day."

And I really did not understand what all that meant as a little boy.

Mr. PASHAYAN. I was given the same advice.

Mr. CAMPBELL. But I will tell the gentleman right now, we spend on what we want, not on what we need in this country often and we need to get back to that old principle of spending for needs and needs only.

Mr. PASHAYAN. Or at least a better balance than we have today.

Mr. CAMPBELL. Certainly a better balance.

Mr. PASHAYAN. I appreciate the gentleman's remarks. And once again, not to elongate this, I think the gentleman's statement is an important statement. I have heard many people say that they have not visibly seen any of the results of the income tax reduction over the last 2 years, but I think the gentleman is exactly right. The reason they have not seen it was because the social security tax, payroll tax, was going up at the same time. I am sure the gentleman would agree—I do not mean to put the words in the gentleman's mouth—but I feel strongly that he would agree with me when I say that had it not been for the income tax reduction, the first two installments, the third of which as we say is coming on this July, but had it not been for those first two installments the overall effect on the income of the lower and middle-income worker would be their taxes would have gone up. And at least the income tax reduction permitted them to stay even.

Mr. CAMPBELL. The gentleman is absolutely correct with one exception. The tax cut of the 25 percent which comes out to the 23 percent actually across the board allowed the working taxpayer making less than $50,000 a year to stay even. The upper income taxpayer was reduced by the 70 to 50 percent reduction.

So had we not done that, the taxes on that taxpayer, on the working taxpayer, from around $10,000 to $50,000, would have gone up about 15 percent over the last 2 years.

Mr. PASHAYAN. During this 2 years, and in balance would have remained the same, but for the first two installments of the income tax reduction.

Mr. CAMPBELL. That is correct. This one is an actual and real tax cut because it comes at a time that there are no new taxes going on for social security and other programs and inflation is at the lowest point that it has been in ages.

□ 1620

Mr. PASHAYAN. Well, once again I should like to thank the gentleman for his most timely remarks, and I think he has stated the proposition very well indeed.

Mr. CAMPBELL. I thank the gentleman for his contribution.

Mr. PASHAYAN. I hope some minds have been changed, owing to the remarks made by my friend, the gentleman from South Carolina, and maybe, because of the effort he has put in—I know he has put in considerable research—a few more in this town will acknowledge that it is desirable indeed for us to retain both this third phase of the income tax reduction and the indexing feature of the law.

Mr. CAMPBELL. We should retain them both, and if we trigger any type of index, apply it across the board, but any savings should be applied to the deficit until such time as we bring it under control, and then we can allocate our resources. You have to move a step at a time. The problem is that we have been in a position of wanting to continue to spend without ever

wanting to bring the whole thing under control.

Mr. PASHAYAN. It is perhaps a natural temptation. I think the gentleman is right, that we will have to take that away form ourselves, really.

Mr. CAMPBELL. That is correct.

LEE L. VERSTANDIG

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky (Mr. SNYDER) is recognized for 5 minutes.

● Mr. SNYDER. Mr. Speaker, I am pleased to learn that this administration and the Nation will continue to enjoy the every able services of Lee L. Verstandig, newly appointed as Assistant to the President for Intergovernmental Affairs.

The recent accomplishments of Lee Verstandig are surely fresh in the minds of my colleagues. At President Reagan's request, he took charge of the embattled Environmental Protection Agency at perhaps its most turbulent period, first as Assistant Administrator for Legislation, and soon thereafter as Acting Administrator of EPA.

As Assistant Administrator, he quickly set about the task of restoring the Agency's public credibility, reestablishing a dialog with Congress, improving morale within the Agency, and strengthening its relations with State and local governments and environmental and business interest groups.

When he assumed the duties of Acting Administrator, he quickly put the Agency back on course, instituted an Agency-wide management reorganization, and prepared William D. Ruckelshaus for his Senate confirmation and transition to the Agency. It was an exceptionally complex task and required the talents of an exceptionally competent administrator.

Certainly it was not by accident that President Reagan selected Lee Verstandig for the difficult job at EPA. His outstanding record of accomplishments at the Department of Transportation had preceded him. As Assistant Secretary of Transportation for Governmental Affairs, under Secretary Drew Lewis, Lee Verstandig received extremely high marks for his direction of the Department's relations with Congress, State and local governments, and special and public interest groups, as well as its technology and assistance planning efforts.

He provided substantial input into the deregulation of the inter-city bus industry; enactment of landmark aviation legislation which will modernize the Nation's air traffic control system; transfer of the Maritime Administration to the Department of Transportion; and passage of the 1982 Surface Transportation Act, which will assist in improving the Nation's deteriorating transportation infrastructure.

The President's selection of Lee Verstandig as his assistant for Intergovernmental Affairs is a wise and altogether appropriate decision. His outstanding professional career covers an extremely broad range, stretching from his days as a member of the faculty at Brown University, to his service as administrative assistant to Senator JOHN CHAFEE, and eventually to a number of important posts in the executive branch.

Lee Verstandig's extensive experience uniquely qualifies him for his new position at the White House, and certainly his track record throughout an enormously successful public and academic career gives all of us reason to applaud his selection.●

THE 10TH ANNUAL STAN MIKITA HOCKEY SCHOOL FOR THE HEARING IMPAIRED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, I rise to bring the attention of my colleagues to the 10th annual Stan Mikita Hockey School for the Hearing Impaired in Northbrook, Ill.

The school has been held each year for the last nine summers at an ice rink in the Chicago area. More than 250 boys and young men ages 9 through 24 have participated in rigorous training sessions coached by Chicago Blackhawk star Mikita, his former teammates Elmer "Moose" Vasko and Gene Ubriaco along with Chicago Blackhawk power skating coach Wally Kormylo, and Jeff Sauer, hockey coach at the University of Wisconsin, and other professional players from throughout the National Hockey League.

The Mikita Hockey School was not founded to produce professional quality athletes; its goal, instead, is to bring into the lives of the hearing-impaired a new confidence and understanding of their own abilities and those skills needed to prosper in their education and in their careers.

On June 17, 1983, the Chicago Park District in cooperation with the American Hearing Impaired Hockey Association and the McFetridge Parents Hockey Association will present the U.S. National Deaf Hockey Team versus Chicago McFetridge Patriots at the McFetridge Sports Center.

I congratulate the young players, their coaches, and all of those who are instrumental in the success of this program, and I send to all of them my warmest best wishes for many more years of success.

The names of the team members of the 1983 Stan Mikita Hockey School for the Hearing Impaired and the names of members of the Chicago varsity team follow:

CHICAGO PARK DISTRICT ALL STAR HOCKEY TEAM

McFetridge Hockey Team: Brian Wahnon, Jamie Parker, Chuck Wood, Brian Buicane, Steve Holter, Tim Daily, Ron Kifttel, Roger Pertynski, Dan Ilkich, Charlie Popov, Tony Orlando, Jeff Rollocheck, Phil Grace, Mike Waldron, Tom Keczenarek, Joe Calabresz, Bill Mologousise, Randy Johnson, Stan Dubicke, and Brian Dorfman.

TENTH ANNUAL STAN MIKITA HOCKEY SCHOOL FOR THE HEARING IMPAIRED

Player and age:

Brett Belzer, Glenview, Illinois 60025, 17.

Phil Cachey, Oak Lawn, Illinois 60453, 18.

Jim Cammarata, Mt. Prospect, Illinois 60056, 17.

Alfred Casaccia, Encino, California 91436, 19.

Bobby Cisluycis, Staten Island, New York 10302, 19.

Cindy Cisluycis, Staten Island, New York 10302, 17.

Johnston Cole, Glenview, Illinois 60025, 10.

Michael Collins, University City, Missouri 63130, 16.

John Dalton, Hull, MA 02045, 13.

Sean Dee, Cheektowaga, New York 14215, 17.

Michael DeVries, Madison, Wisconsin 53716, 20.

Edward Gardner, Last Elmhurst, New York 11369, 18.

Ken Gentzke, Eoneoye, New York 14471, 15.

Elijah Gold, Ithaca, New York 14850, 12.

Mark Grant, Brunswick, Maine 04011, 11.

Eric Gross, Littleton, Colorado 80123, 9.

Joseph Hartge, Bloomingdale, Illinois 60108, 15.

David Hegarty, Newburyport, MA 01950, 12.

John Hickey, Medford, MA 02155, 19.

Robert Knox, Brunswick, Maine 04011, 14.

Matthew Kraker, Amherst, MA 01002, 15.

Bill Kwarciany, Jr., Gladstone, Michigan 49837, 15.

Jeffrey LeRoy, Erie, PA 16508, 11.

Kevin LeRoy, Erie, PA 16508, 14.

James Liebrecht, DeWitt, Michigan 48820, 14.

William Loftus, Summit, New Jersey 07901, 15.

Paul Malaney, Norwell, MA 02061, 17.

Michael Maynard, Madison, Wisconsin 53714, 13.

Bill Mellen, Lowell, MA 01852, 18.

Tony Meister, Buffalo, New York 14207, 18.

Keith Mischo, Green Bay, Wisconsin 54303, 22.

Gary Montalbano, Framingham, MA 01701, 19.

Rick McGaughey, Holbrook, Massachusetts 02343, 21.

Mick McLaren, Londonberry, N.H. 03053, 16.

Marc Nash, St. Paul, MN 55105, 14.

Kenneth Newman, Plymouth, Minnesota 55441, 21.

Daniel Newman, Plymouth, Minnesota 55441, 15.

Bobby Norton, Acton, Massachusetts 01720, 15.

Anthony Pietraniello, Staten Island, New York 10306, 18.

Mickey Pilson, Ardsley, New York 10502, 18.

Don Polaski, Rehoboth, MA 02769, 24.

Carey Siegel, Chicago, IL 60645, 25.

Jim Siciliano, Longmeadow, MA 01106, 18.

Wayne Smooker, North Patchogue, Long Island, N.Y. 11772, 18.
Ken Stehle, Florissant, Missouri 63033, 19.
John Stinson, Hayward, Wisconsin 54843, 13.
James Tourangeau, Gladstone, Michigan 49837, 14.
Jason Vendola, Orland Park, Illinois 60462, 13.
Wendell Waldroup, Jr., Lowell, Michigan 49331, 18.
Jason Weaver, Knoxville, TN 37914, 15.
Steve Young, Florissant, Missouri 63031, 17.
David Zimmerman, Minot, North Dakota 58701, 18.●

THE WAR POWERS RESOLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 30 minutes.

Mr. GONZALEZ. Mr. Speaker, today's news brings with it word that two Israeli soldiers have been killed in Beirut. My heart goes out to these men, to their families. They were killed by a remote control bomb, dead because their heads happened to be exposed when the bomb was triggered against the armored vehicle in which they were riding. The incident is, of course, not the first, nor, tragically, will it be the last of killings in Beirut.

It is a reminder that we have yet to clearly delineate the American purpose in Beirut. We have yet to receive from the President and the administration any meaningful compliance with the War Powers Resolution, and with each passing day the danger grows greater.

What are our political objectives in Lebanon? And why is it necessary for our troops to be there? We need to ask ourselves here and now if we would be willing to endure warfare for the sake of whatever these objectives, yet undefined, are, for, as the military historian S. L. A. Marshall has written:

> Disaster is less likely to derive from one gross blunder than from reasoned calculations which slip just a little.

In this case we do not know what the reasoned calculations are, let alone whether they are reasonable or not, whether they are supported by the people of this country, or whether indeed they are attainable without bloodshed.

Meanwhile, in Central America, events move apace. In the last few days there have been drastic diplomatic moves in which the Government of Nicaragua expelled two American diplomats because of their charge, quite absurd to us, that they attempted to poison one of their leaders.

But I think it stresses what I have been trying to say for months, and that is the fact that we do not perceive that part of the world as it really is. Right now the most popular novel best seller in Mexico—not Nicaragua, not Panama, but Mexico, our next door neighbor—is a novel depicting a treacherous Mexican President who was compelled to sell out to the United States. The opening chapter shows a scene in which the President goes to his bedroom when he discovers a lethal poisonous breed of snake that is so excited that it had to have been imported into Mexico, and it turns out to be a CIA plot.

Now, this looks ridiculous to us. But this is the image, the perception, that exists now in Latin America, and not just in Mexico. And this is taken for granted. This, because of other things that have happened, many of which have never even been reported in our country, that this image and misperception of America on their part occurs to match our misperceptions.

But this Nicaraguan explusion, I think, glaringly and dramatically demonstrates this. For what is our reaction? We then tenfold the ante, this game of tit for tat, so that the Nicaraguans expel two of our ambassadorial-level diplomats and we come in and turn out 10 of theirs. And what is the reason we give? That these 10 Nicaraguan diplomats, ranging from New Orleans up to California and here, Houston, Tex., were conducting espionage against the United States.

Now, this really makes us the laughing stock of the world. What in the world could the consul in New Orleans, who, incidentally, has been now seeking refuge in our country, have been conducting by way of espionage? The latest hit on Basin Street Blues? I do not know. It just seems that a retaliation of this nature, for a small country, in effect, arrogates that country to a higher level than it deserves, and one which shows clearly the bankruptcy of our policy, if we can call such a thing a policy, this passes for administration conduct.

At this point, Mr. Speaker, I insert into the RECORD the Richard Cohen column in today's Washington Post, which very, very eloquently brings out the situation, in which he points out what a silly game this is and how disadvantageous it is to the United States:

SILLY GAMES
(By Richard Cohen)

It is not all that important, I suppose what a government says when it engages in the game of tit for tat. This is the game being played by America and Nicaragua in which one country and then the other takes turns kicking out each other's diplomats.

It is a silly and depressing game, made all the more silly and depressing because merely by playing it, we lose.

The game started, you will recall, when Nicaragua accused three American diplomats of attempting to assassinate the country's foreign minister, Miguel d'Escoto, by passing him a poisoned bottle of brandy.

As assassination plots go, this one is so absurd as to be unbelievable—even if the CIA years ago did have a very clever plan to slip Fidel Castro a mickey to make his beard fall out. Still, the Nicaraguan charges are hard to believe.

But then so are the American ones. In retaliation for giving our three diplomats the boot, the State Department ordered Nicaragua to close its consulates in six U.S. cities—New York, Miami, San Francisco, Houston, New Orleans and Los Angeles—saying they had been used for spying. It expelled about 21 diplomats, a retaliation ratio, if there is such a thing, of about seven to one.

This is the game we have played for years with the Soviets, but as silly as it is, they are at least our size and their "spies" are very often the real McCoy.

Nicaragua is a different case entirely. It is a smaller country, in fact a very small one, which either by design or out of fear threw a clumsy insult our way and—to the reported consternation of its own people—got taken seriously.

By doing this, not only have we inflated Nicaragua's standing but we also have diminished our own by playing its game and saying things for which we are not willing to offer any evidence. After all, if these consulates were spy centers, why were they allowed to operate all this time and what exactly were the Nicaraguans spying on in New Orleans? Dixieland jazz?

If this sinking to the other guy's level were limited to mere rhetoric, it would be bad enough. But the administration seems determined to see much of Latin America through some sort of magnifying glass, blowing threats out of proportion and giving these regimes a standing and popularity that they would otherwise not have. The Sandinista regime in Nicaragua is either a brat or a paranoid of a regime, but it is not exactly a world power.

Nevertheless, it has somehow become public enemy number one, so threatening to hemispheric peace that the arrival of every Soviet boat is photographed from above and defensive artillery is shown to the American people as if it were MXs aimed at Lafayette Park. So great is the perceived danger that our government has been frank about its intentions. The Sandinista regime has to go.

In fact, all across the board we are yelling and screaming about countries that until recently were considered little more than settings for dippy musicals and whose most lethal weapon were rum drinks.

Now one kind of naivete has been replaced by another. Grenada all of a sudden is an enemy, armed to the teeth with, of all things, a world-class airport. Surinam, a thuggish regime to be sure but hardly a threat, has got to go and Castro has been turned into some sort of tropical version of the Godfather—up to his beard in the dope traffic.

All of this has made wonderful headlines. None of this, though, has been proven. The distinction between truth and propaganda has become blurred and a great government has engaged in shouting matches on late-night television with representatives of governments no one ever heard of. Sometimes, it seems that the fate of the Western Hemisphere will be settled on Nightline.

There is a total loss of perspective here, no recognition of who we are and what we stand for. We are paying our adversaries compliments by our willingness to adopt their tactics, treating them as major threats. We match their machismo with ours—and then some—fighting their fight on their terms. It is a fight we can only lose. After all, we are better than they are. It is time we acted that way.

Even as these events have been unwinding, the President has sent more

troops to Honduras, there to greatly increase the training activity on behalf of Salvadoran troops and thus slip by questions and concerns about our commitment in El Salvador.

I am reminded, with all of this, of the war powers resolution, as I have been trying to bring out, because it arose from Presidential blunders and miscalculations.

Ten years ago the Congress realized that open-ended military commitments, made unilaterally by our Presidents, could lead to catastrophe, as happened in Vietnam and a couple of other places.

Those who do not remember history so well say that Congress passed the Gulf of Tonkin resolution and so was a party to the commitment of troops to Vietnam later. But the fact is that these are individuals who are ignorant of the circumstances of the consideration and approval of the Gulf of Tonkin resolution.

I happened to be right here on this floor at that time, and I raised, I think about the only questions to the then chairman of the Foreign Affairs Committee, Dr. Morgan of the great State of Pennsylvania. What these individuals do not realize and do not remember is the fact that months passed between the resolution's approval, which, as explained to me by Dr. Morgan, was seen and understood as routine backing for possible retaliatory action and nothing more, at the most, and, at the request of the President, who was asking for moral support, under the shadow of an action against our national interest in the then charged attack on one of our ships in the bay.

When I read the language of the resolution, the plain import of the language, I became troubled, and I went to Dr. Morgan and I asked him about it. The exact words I used were these:

"Hey, Doc, what is the meaning of this resolution? Why are we having to pass it?

I said,

This is mighty strong language. It looks to me like we are sanctioning a backdoor declaration of war.

The good chairman replied and said,

Do you want to deny Lyndon Johnson what we have given John Kennedy in the case of Berlin, President Eisenhower in the case of Lebanon?—coincidentally.

And I said,

What do you mean?

He said,

This is a pro forma resolution of moral support for the President under the exigencies of the moment.

I said,

Oh, in other words, this is an identical resolution to that which the Congress has passed in the cases you say of President Eisenhower and President Kennedy?

□ 1630

He nodded his head. I returned to my seat. At that time we did not have electronic voting, so I had plenty of time to look and ponder. They used to call the rollcall of every 435 names by voice twice. I was still in such grave doubt I returned to the chairman, but by then he was kind of short tempered and dismissed me and did not want to discuss anything further, so I came back to ponder what I should do.

Up to then nobody had voted "no" on the resolution. So I finally waited, because I was seriously considering voting "no," and then, feeling insecure in view of the explanation given by the chairman, I had great inward doubt, when finally the Clerk called the last name for the second time. So I then came to the well to be recognized in order to register my vote, Speaker McCormack chairing and presiding.

At that moment the doors burst open and Representative Adam Clayton Powell of New York rushed in. He saw me standing and he said, "Hey, what is this all about?" I tried to explain, as the Speaker was looking to me to recognize me, and under my breath I said, "Well, this is a resolution from the Foreign Affairs Committee." So the Speaker said, "The gentleman from New York," and Mr. Powell then looked around and he said, "Well, just vote me present," and walked away.

Then the Speaker recognized me and I voted "aye." If you look at the record for that day's vote, you will see that the only non-aye vote was Mr. Powell's who voted present, and that was the reason for it; not on the basis of any particular principle involved, but because he simply had come in late in time to register his vote, did not understand it, could not justify voting either way, so he voted present.

But this same resolution, because of what I felt then was a plain, obvious purport in content of the words, was used later by the then-Secretary of State under Mr. Johnson, to argue the case for the tremendous incursion by way of our troops into South Vietnam.

So these folks do not remember that there were months that passed between the approval of this resolution which, as I say, was considered pro forma, and the time when American troops actually landed in Vietnam in that form of combat units. That commitment was clearly beyond the political objectives understood by the Congress. It was probably also beyond the objectives of the President at the time he asked for the resolution. I do not think that President Johnson had the intent at that time to permit half a million troops to Vietnam.

Speaking for myself, I knew that the Government of France, for instance, and no government which had been engaged in Vietnam before, had committed formal troops, or much less conscripts, to what they call Indochina. In fact, in 1950 the French Parliament passed an absolute prohibition against the use of conscripts. But we are the only country in the history of the world. Even the Romans in the time of their emporium, did not use free-born Romans. They did not impress them. They impressed slaves. England, at the height of its colonial empire, never conscripted to go and send the troops over to India, but we did. We sent conscripts, unwilling Americans, in an undeclared war.

Now, this was the issue that I singlehandedly raised from the very beginning right here on this floor. The record will show that when the draft extension bill came up in 1967, I offered an amendment which, in effect, was really reiterating what the original conscription act of 1941 contained, and the only reason why it passed by one vote in 1941 was because the Congress, the House, put a clause saying that under no circumstances would an unwilling conscript be sent to serve outside of territorial United States then unless there was a declaration of war or specifically provided so by the act of Congress. That was the only issue I raised of any real persistence on my part.

No, I was not one of those that went around ranting and raving and yelling and doubling my fist and saying, "Hey, hey, LBJ; how many babies have you killed today?" But I did everything, as I am trying to do now in this case, to speak out.

I did join Senator Gruening, Ernest Gruening in the Senate, who was one of the outspoken opponents from the very beginning, with Senator Morse of Oregon, against what turned out to be our commitment in Vietnam, in a resolution in which we asked that the United States withdraw unilaterally and proceed only if we had what—a decent respect for the opinion of mankind by getting the United Nations to come in.

What I have been advocating since April 1, 1980, and mind you, that was not President Reagan, that was President Jimmy Carter, in the case of Central America, and specifically El Salvador, was for us to proceed under American leadership and exercise an American leadership collectively through the OAS, the Organization of American States, which I am still asking.

My position is that we ought to withdraw every single military and proceed under a combined multinational approach through the OAS. Our absence and our abdication of our responsibility of exerting leadership is a tremendous price, as history will show and as the future will develop unquestionably for this terrible, terrible abdication of leadership.

So we have created a vacuum, and into that vacuum have rushed five of

the surrounding countries: Mexico, Panama, Costa Rica, Colombia, and Venezuela. They call it the Contadora group. What do they say? You do not read anything about their meetings. They have already met five times to see how they can collectively initiate something to being about stability and peace in that area, stop the bloodshed. The bloodletting is terrific. Most of the bloodletting, 95 percent of it, is being committed with our arms, not with Cuban or Chinese. Oh, yes, some of them are arms that we left in Vietnam that have come back by way of Czechoslovakia and a few other countries, but they are American made. Both sides are killing 95 percent of the time, if not 99, with American-made armament.

So the point I am driving at is this: Congress allowed the war in Vietnam to develop because we failed to clearly define the authority we were giving the President. Later, Congress refused to accept responsibility for its failure. The Presidents have long, long, and even a Supreme Court decision, have long, long pointed out that the matter of foreign affairs is primarily the responsibilty of the Presidents. That is true. And when Presidents do not get their foreign aid bill, they cry about it and exercise that power. And it is true. From the beginning, constitutionally and historically, the area of foreign affairs is primarily a Presidential terrain. However, the Congress cannot escape its part of the responsibility, for it has the control of the purse strings and also the constitutional power of the declaration of war. The President does not have it; only the Congress. And by indirection it has been delegated. That is the point I am trying to make. But the fact that Congress, at the critical time, does not define its responsibility does not lessen that responsibility later as the Presidents blunder.

□ 1640

Why is that? The reason is, and this has been true since we have had the history of mankind in warfare, no leader can lead a people into war if the people do not have the will, and the great people in a country such as ours can hardly be coalesced and unified in a cause that they themselves have not had explained or rationalized or clearly defined.

This is why I am speaking the way I am about our yet to be defined commitment in Lebanon and Beirut. When the President was asked, "Mr. President, how long are we going to have Marines in Beirut?"

He said, "I don't know. It depends on the Lebanese Government."

So that this again is precisely what is happening in Lebanon and in El Salvador today. We have not authorized any combat action, but there is every possibility of it and we have had casualties. We have not defined the purpose or scope of these commitments. We have not suggested any limits, and so we invite the President to take us over into the abyss.

What every Member of the House must ask is this. If we had a son to serve, would we be willing that he die in Lebanon or in El Salvador?

We cannot morally by action or inaction commit any life to grave risk that we would not assume for ourselves. We cannot assume the cynicism of comfortable imperialists, a breed well understood by Menachim Begin, who wrote of his experience in the Irgun this way:

When a nation reawakens, its finest sons are prepared to give their lives for its liberation. When empires are threatened with collapse, they are prepared to sacrifice their non-commissioned officers.

In short, Congress cannot afford the luxury of saying that our commitments are nothing. We have to understand what they are and ask whether they are commitments we know will have the full support of all or most of all the people of this great country.

In the case of El Salvador, we know that the people of that country do not support any kind of incursion such as we have foisted, not the people.

We know that the people of this country do not support a military commitment. We know that there is not even much support for the aid that is already being extended. I have talked to Salvadorans who tell me that there are quite a number of cases in which the arms that we have sent to the government that this administration is supporting have been turned over by Army officers of the Salvadoran forces to the rebels, guerrillas, Marxists, whatever you want to call them.

What they tell me is, "Senor Gonzalez, if only your country would leave us alone, let us fight it out, this thing will be over with."

If not, there will be another 40,000 dead, as there have been already in just the smallest country in the area of the Western World, that is El Salvador.

We know that there is not much support even for that extended now, because our people also are well aware of that Government of El Salvador. It is certainly not being attacked by troops from other countries. There have been vague allegations about the importation of foreign arms, but no one yet has evidentiary facts to show that any Cuban soldier or Russian, much less, or any foreign troops are aiding and abetting the cause of the rebellion in El Salvador. There is no question about it at this point and up to now, an indigenous rebellion, just like the one in 1932.

Our people are well aware that not a one of us would choose to live under that kind of regime, which even today is more interested in murky power struggles than in carrying out the horrendous task of rehabilitating and redeeming itself.

In the case of Lebanon, it is not likely that our people are very much aware even of the fact that we have troops, much less the likelihood that they will remain for another year and a half. That is just in Beirut.

I do not even hear a mention about the 2,000 airborne we have up the desert about 500 miles above Beirut.

Now, the big difference there is that the Congress committed them, an historical commitment, never before once done so by any Congress since 1789.

I doubt also that more than 1 in 100 or more than a handful of my own colleagues knows that American policy assumes a growing role for our troops in Lebanon during these immediate coming days and that the likelihood of attacks on our personnel will grow as this commitment grows.

I do not know of anybody in this Congress that has been given the details of the secret agreements made by our President, I presume, unless his Secretary of State has not communicated. It would not surprise me. That has happened before.

The extent, the content and the range of those secret agreements have still not been divulged, much less to the Congress that I know of; but I do know that they involve a tremendous exponential increase in the nature of our commitment. If, for example, Israeli troops leave Beirut, our troops are expected to patrol in areas now patrolled by them. It could just as easily have been an American group that was struck by yesterday's attack as it could have been, as it tragically was, but their mission is clear; ours is not, as is evidenced by the turmoil that existed here just a few minutes ago, even between components of the Israeli Army and the Marines—unimaginable, yet it happened.

Much more to the point, even in Israel itself, there is a devisive feeling about the commitment in Lebanon. If the American role grows, if our soldiers then suffer, what is to be done? Had two marines died last night, what would our President be saying today? Would he be saying the same thing as after the destruction of the American Embassy with 16 American lives extinguished, and what was his reaction?

He said, "We are not going to let a bunch of murderers deter us. As a matter of fact, we will double our purpose"—whatever that is. "We will reinforce. We are not going to abandon."

That is fine, but that still does not define the role or the policy, and at that point would hardly be the time to ask the question. The time to ask is now, as I have been saying for the last weeks. The time to define roles is now. That is what we should have learned with the Bay of Tonkin resolution, to

ask questions before and not after the troops land on the beach, to define our purposes before we are committed and not to try to rationalize afterward, to ask ourselves the hardest questions of all. Is this the place? Is this particular political objective one that I would die for or be maimed for?

□ 1650

That is why we have had a war powers resolution adopted. That is why we ought to insist on using it now while it is being violated, before it is too late either in Lebanon or in El Salvador.

I yield back the balance of my time.

REFORM OF TRADE REMEDY LAWS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. GIBBONS) is recognized for 5 minutes.

● Mr. GIBBONS. Mr. Speaker, last month, the Subcommittee on Trade of the Committee on Ways and Means, which I chair, completed extensive hearings on possible options to reform our trade remedy laws. These hearings covered 7 full days and included testimony from administration officials, Members of Congress, domestic industries, importers, organized labor, retailers, trade lawyers, academians, and several other interested persons. We heard dozens of recommendations relating to both administrative and legislative improvements. Many recommendations received widespread support, while others were more controversial in nature and seemed to appeal only to a narrow constituency. A vast majority of the witnesses, however, agreed that changes are now needed to make our trade remedies, particularly antidumping and countervailing duty laws, less costly, less complex, and more effective. Consequently, there are several possible changes in these laws which I am anxious to see made and which I believe the Committee on Ways and Means should report to the House.

The subcommittee staff is now in the process of cataloging and analyzing the large number of recommendations. Based on this review, I plan to introduce legislation implementing what I believe to be the most important and reasonable procedural and substantive changes to improve enforcement of these very important unfair trade laws. I believe that such changes will accomplish a number of important and necessary goals: to improve access to trade remedies for all domestic industries potentially affected by unfair trade; to provide a more administerable, less costly procedure for all groups, domestic and foreign; and to deter the spread of unfair trading practices by our trading partners, particularly such measures as industrial targeting and other subsidy schemes.

I believe that constant improvement and refinement of our trade laws presents the best hope for preserving an open, liberal trading system while at the same time confronting the spread of unfair foreign competition and the changing conditions of international trade.

The United States is generally recognized to have the fairest and most accessible system of trade laws in the world. This system, which is based on the simple but practical principle of "free but fair trade," has benefited us greatly. We must not dismantle it. We must, in fact, make certain that such laws remain evenhanded, objective, transparent, and consistent with our GATT obligations. But, we must also improve such laws to keep pace with the changing times and to carry out the job they were designed to do. Our recent hearings indicated a need for legislation—and I want to reassure my colleagues that I intend to act quickly in improving these laws so that we ensure the fair conduct of international trade and the competitiveness of American industries.●

CAN OUR ECONOMY PICK UP IF HOUSING IS DOWN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. COYNE) is recognized for 5 minutes.

Mr. COYNE. Mr. Speaker, positive economic indicators have received much attention in recent weeks as each of us look for some signs of an economic turnaround. The health of the Nation's housing industry is generally agreed to be one of the most important indicators of long-term economic growth and recovery by all knowledgeable observers.

The decision by the Department of Housing and Urban Development to raise the FHA-VA interest rate from 11½ percent to 12 percent is a sign that the current upturn, while welcome indeed, may be shorter and less vigorous than needed.

The rise in the FHA-VA rate reflects the fact that the Department of Housing and Urban Development had pegged the rate artificially low in light of market conditions. The result was 7 or 8 points charged to sellers and homebuilders, a factor which discourages new loans.

The signs for a robust return of housing over the next 6 months are discouraging. An April conference board report indicates that only 2.6 percent of consumers plan on buying a home in that time period. This compares to 2.7 percent in March and 2.1 percent in April 1982.

The increase in interest rates undercuts one of the positive aspects of the generally discouraging announcement of April housing starts. While starts for that month dropped by 8 percent, to a seasonally adjusted annual rate of 1.49 million, building permits rose 7 percent.

If interest rates continue to rise, it is a safe bet that builders will not make use of those permits.

What could be termed the housing undertow in our economy is a dangerous current that may determine whether we have a healthy recovery. A poor performance in the housing sector, it seems certain, is a critical indicator of what we may expect in other areas.

At this point, I would like to share with my colleagues an article from the Washington Post of June 8 which describes the mortgage interest rate increase and which includes the reactions of realtors, homebuilders and others:

[From the Washington Post, June 8, 1983]

FHA LIFTS MORTGAGE RATE TO 12 PERCENT

(By Ann Mariano)

The interest rate on FHA- and VA-insured home mortgages will be raised to 12 percent today, the Department of Housing and Urban Development said yesterday. The announcement touched off fears of further damage to the already faltering housing recovery.

The rate was cut only a month ago to 11½ percent, the lowest level in nearly three years. The new rate of 12 percent is for 30-year, level-payment loans, and the rate for graduated-payment loans is being raised from 11¾ percent to 12¼ percent.

The HUD announcement said the hike reflects events in the mortgage market, where interest rates have been creeping up in the past few weeks.

Both FHA Commissioner Philip Abrams and a spokesman for the nation's mortgage bankers attributed the increases—which have pushed rates on conventional loans to 13 or 13¼ percent—to investors' fears that the federal budget deficit will continue to grow, eating up money available to borrowers.

The rate increase "stinks, that's what it does," said Michael Sumicrast, chief economist for the National Association of Home Builders. "We desperately need stability in the financial markets. We cannot have these ups and downs in the mortgage market. It upsets people; it upsets buyers."

Housing sales have slowed in recent weeks, and "it doesn't take very long to really upset the whole" housing recovery, Sumicrast said.

Sale of new one-family houses dropped to a seasonally adjusted annual rate of 573,000 in April, down from a peak of 611,000 in January and from the March rate of 597,000, according to the Census Bureau and HUD.

A spokesman for the National Association of Realtors called the FHA-VA increase "very disappointing."

"Frankly it scares us, and I guess it ought to scare a lot of the general public," said the spokesman, Bill Atkinson. "What we are seeing . . . is the reaction of financial markets to the federal deficit. Congress and the administration are not making any headway on bringing deficits down."

Interest rates on conventional loans are dangerously near the 14 percent threshold

"above which mortgage demand gets choked off fairly quickly," said Mark J. Riedy, executive vice president of the Mortgage Bankers Association.

Before today's increase, closings on home sales already "were falling off and applications for loans had started to fall off." he said.

Many industry leaders say potential buyers are kept away by the high number of discount points being charged before today's rate increase.

Lenders want to sell the loans they make to investors in the secondary mortgage market, and they must produce a yield competitive with other types of investments to make these loans saleable. To produce the yield, lenders must give investors a discount. then lenders try to get this money back by charging points to either the home buyer's or sellers. A point equals one percent of the mortgage amount. Riedy said today's rate hike "probably knocked out at least 3 points in FHA and VA mortgages."

EQUAL PAY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. LEHMAN) is recognized for 5 minutes.

Mr. LEHMAN of Florida. Mr. Speaker, tomorrow will be the 20th anniversary of the Equal Pay Act. Unfortunately, pay equity does not look much better than it did 20 years ago. In 1960, working women received 60.8¢ to every dollar earned by men. In 1981, women were making 59.2¢ to the male dollar. During a time of technological progress, we continue to economically oppress our female laborers. Whereas women comprise 43 percent of our work force, few have entered skilled blue-collar jobs where the Equal Pay Act would enable them to receive the high wages paid to men in these jobs. While all persons should be free to enter the occupation of their choice, they should also be able to expect payment based upon skill, effort, and responsibility rather than gender. There exist many reasons for the continued wage gap. Among these reasons are violations of the Equal Pay Act, lack of unionization among women, and job segregation.

In an effort to examine pay differentials, joint labor/management committees have been developed in many areas to evaluate job requirements and tasks. During an evaluation, points are assigned for designated work factors: skill, effort, responsibility, and working conditions. A consistent pattern of inequitably low pay for working women has been revealed in this process. In Minnesota, registered nurses—female dominated—and vocational education teachers—male dominated—both scored 275 evaluation points. The registered nurses' monthly salary was $1,723, and the vocational education teachers earn $2,260 per month. In San Jose, Calif., a senior legal secretary—female—and a senior carpenter—male—were both evaluated at 226 points. The senior legal secretary made $665 per month, while the senior carpenter made $1,040 per month.

Equity in blue-collar jobs is most frequently secured by unions, but only 15 percent of all workingwomen are union members. These women earn 33 percent more than nonunion women. However, unionized women are often fired as "troublemakers" and replaced by nonunion workers.

Still, the most serious cause of the wage gap remains job segregation. Stereotypes about women's capabilities and the appropriateness of male and female jobs dominate the job market. Traditional educational and employment practices channel men and women into different jobs. Women are hired for traditional female occupations which too often do not offer opportunities for promotion.

On this 20th anniversary we should dedicate ourselves to the enforcement of the Equal Pay Act and make the promise of equal pay for equal work a reality in this country.

INTRODUCTION OF REVISED COMPREHENSIVE OIL SPILL LIABILITY LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. STUDDS) is recognized for 15 minutes.

● Mr. STUDDS. Mr. Speaker, today I am introducing, along with Representatives JONES of North Carolina, YOUNG of Alaska, FORSYTHE, and BIAGGI, a revised bill to establish a comprehensive oil pollution liability and compensation scheme for the United States.

This bill reflects a compromise between H.R. 2222 and H.R. 2368, two pieces of legislation which had earlier been introduced on this subject, and contains sections of yet another, H.R. 2115, which had much in common with both of the other bills. The new legislation also reflects the testimony presented to the Subcommittee on Coast Guard and Navigation at its hearing on this subject on April 20.

Our decision to introduce a new bill dealing with oil pollution liability stems from the complexity of the legislation, and from the nature of the changes which have been agreed upon between myself and the ranking minority member of the Coast Guard Subcommittee, Mr. YOUNG of Alaska. The large number of changes required in the text of H.R. 2222, the bill which I had earlier introduced, and H.R. 2368, Mr. YOUNG's bill, would have made the amending process unduly complicated and difficult for either Members or the public to understand. By combining our compromise text in one bill, prior to a planned subcommittee markup on June 21, we hope to permit other Members and interested persons to comment on the proposal in a timely way.

The following is a discussion, in outline, of the major issues which were considered in arriving at the text contained in the bill being introduced today.

FUND ESTABLISHMENT AND FUNCTIONS

H.R. 2222 and H.R. 2368 both establish an oil spill liability and compensation fund. The fund is derived from the oil industry and thus complements the concept of strict liability. Both bills pay for essentially the same damages and cleanup. The major purposes of the fund is to be a backup for large spills not compensated for by a polluter under the limits of liability established by the legislation.

The major differences between the bills is the type of fund established. H.R. 2222 establishes a public fund in the Treasury administered by the Department of Transportation. Moneys would be raised through a tax on oil that would terminate in 5 years. H.R. 2368 establishes a private corporate entity to administer the liability and cleanup fund. It would be regulated by the Secretary of Transportation and is modeled after the existing private fund in the Trans-Alaska Pipeline Act. Moneys in this fund would be derived from a fee on oil. The fee would only be in effect when the fund falls below $100 million. The money in the fund could be invested to increase the fund to $200 million. Any excess investment income after that point would be rebated on a pro rata basis to the private entities who contributed to the fund. Generally, the private fund would have all the lawful powers needed to administer this fund and carry out its functions and duties, including the organization, staffing, procedures and other activities relating to the purpose of the trust fund. Finally, the private fund would be available to pay for immediate response for cleanup, claims for damage, the cost of administration, and the initial and annual contributions to an international fund if two global oil pollution conventions are adopted by the United States.

The new bill adopts the concept of the private fund in H.R. 2368 with modifications. One of the most important modifications relates to the composition of the board of directors of the trust fund. The number of board members would remain at nine but are distributed as follows: Three would represent those contributing to the fund, three would represent potential claimants to the fund, which would include, but not be limited to, State or local governments, and three would be required to have particular knowledge and experience in the field of oil spill liability and compensation. The terms of the directors would be raised from 3 to 6 years and the basis for removal from office would be expanded to include incompetence in addition to neglect of duty and malfeasance in

office. The level of the fund that triggers the fee mechanism would be raised from $100 million to $200 million and the level of the fund at which any rate of excess investment would occur would be raised from $200 million to $300 million. In addition, the availability of the fund for immediate payment of removal costs was added to the disbursement provision. Other restrictions and safeguards regarding the fund apply including the requirement for an independent annual audit to be reviewed by the General Accounting Office.

In H.R. 2368, the trust fund is responsible for designating a polution source and, if the designated responsible party fails to act, advertises the designation and claims procedures. H.R. 2222 provides for the Government to carry out these functions.

The new bill basically adopts the approach in H.R. 2222 with regard to designation. The feeling is that the Government is in the best position to detect spills, or receive the notice of one, and to make the designation.

RELATION TO INTERNATIONAL CONVENTIONS

Both H.R. 2222 and H.R. 2368 include provisions to implement two international conventions dealing with oil pollution liability and compensation. The new legislation includes similar provisions, except that several modifications were made to reflect drafting assistance provided by the Coast Guard, and for the purpose of clarifying the intent of the text.

Provisions concerning the international conventions constitute a separate title IV in the new bill. Language has been included providing within the context of the conventions:

(1) for a waiver of sovereign immunity from oil pollution claims submitted against U.S.-owned public vessels which are being used commercially;

(2) for the implementation of financial responsibility requirements;

(3) for the recognition by U.S. courts of judgements reached in the courts of other states;

(4) for the location of the International Trust Fund, for purposes of venue, in the District of Columbia; and,

(5) for required technical changes.

The intent of the authors of the legislation remains to exclude from the text of this bill any language contained in the two international conventions which is clearly self-executing in nature. The language included in the bill, therefore, is either essential to the implementation of the conventions by the United States, or necessary to clarify the method by which certain provisions would be implemented.

DEFENSES TO LIABILITY

H.R. 2222 and H.R. 2368, like much other pollution liability legislation, adopts a standard of strict liability for pollution incidents with certain specifically enumerated exceptions to that liability. These exceptions include instances where a particular incident was caused by an act of war, by an overwhelming natural phenomenon, or by a third party.

The two bills differ, however, in the wording which determines the ability of a spiller to make use of a defense to liability. In H.R. 2222, the spiller—or "responsible party"—is liable unless an incident is caused solely by one of the causes listed as an eligible defense. In H.R. 2368, a responsible party may escape liability in all cases to the extent that an incident is caused by such a defense, a less stringent test.

The issue of defenses of liability was discussed in nearly all the testimony received during the public hearing on this legislation before the Subcommittee on Coast Guard and Navigation. The authors of this bill ultimately decided to accept a general recommendation contained in the testimony of a representative of the American Petroleum Institute:

The petroleum industry believes it to be paramount importance that uniform international tanker liability and compensation schemes be established.

Accordingly, the new legislation adopts language in its section on defenses to liability which closely mirrors that contained in the International Convention on Civil Liability for Oil Pollution Damage. The new language will require a responsible party, in order to escape liability, to prove that the incident—

(A) resulted from an act of war, hostilities, civil war, insurrection or a natural phenomenon of an exceptional, inevitable and irresistible character, or

(B) was wholly caused by an act or omission of a third party person other than—

(i) a responsible party;

(ii) an employee or agent of a responsible party; or

(iii) one whose act or omission occurs in connection with a contractual relationship with a responsible party.

A responsible party is also permitted, with respect to a particular claimant, to escape liability to the extent that the economic loss from an incident was caused by the claimant.

One other change was made to this section in response to testimony received at the subcommittee's hearing. The Center for Law and Social Policy suggested that a responsible party be prohibited from making use of a defense to liability in the event he has failed to comply with his legal obligation to report the oil spill to the Coast Guard. This change has been incorporated into the new legislation.

LIABILITY LIMIT FOR OFFSHORE FACILITIES

The liability limit for facilities operating under the Outer Continental Shelf Lands Act (OCSLA) is $75 million in H.R. 2222, and $35 to $50 million in H.R. 2368. In the new bill, the liability limit will be set at $50 million.

Establishing a proper limit on liability for offshore oil facilities is not an easy task. Experience indicates that spills of significant size from offshore facilities are quite rare. Since the offshore oil pollution fund was created in 1978, for example, no claims for damages for spills from facilities have been filed. Nevertheless, the threat of a catastrophic spill from an OCS facility continues to exist. The Santa Barbara oil spill of 1969, and the IXTOC oil blowout of 1979 demonstrate the potential for an OCS spill to generate enormous pollution cleanup and damage costs.

It is not possible to establish a liability limit high enough to cope with a catastrophic spill, and yet also equitable given the excellent pollution safety record of the offshore oil industry, as a whole. The $50 million figure included in this legislation is, therefore, a compromise which places a liability burden on all OCS operators sufficient to encourage them to demonstrate care in their operations, and which will certainly prove adequate to deal with all but the most serious incidents, but which is lower than that proposed in H.R. 2222.

SCOPE OF COVERAGE

H.R. 2368 applies to oil pollution incidents from vessels and from all oil storage, production and transportation facilities, whether located onshore or offshore. H.R. 2222, however, only covers pollution from vessels and from facilities licensed under the Deepwater Port Act, or which are being used in activities carried out under the Outer Continental Shelf Lands Act. The new legislation adopts the less comprehensive approach taken in H.R. 2222.

Good arguments can be made in behalf either of including or excluding from coverage onshore facilities and offshore facilities located in State waters. The decision to exclude is tentative, and the sponsors reserve the right to alter this provision as the legislative process moves forward. There is a need for greater input from the administration, from State governments, and from the private sector concerning the wisdom of applying a Federal oil liability and compensation scheme to facilities which might arguably better be dealt with at the State or local level, and which may already be satisfactorily covered under the Federal Water Pollution Control Act.●

PRESIDENT'S NEW ARMS CONTROL POLICY HOLDS GREAT PROMISE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. NEAL) is recognized for 5 minutes.

● Mr. NEAL. Mr. Speaker, I received with cautious optimism the President's pronouncement that he has revised his instruction to his START negotiators to "reflect concerns and recommendations of the Scowcroft Commis-

sion, the Congress, and others." While endorsing the MX missile, the Commission underscored the critical need to reach an arms control agreement to help assure our national security. The President laid most of the blame for failure to reach an agreement thus far on the Russians, but appeared to concede that U.S. intransigence was also a factor. Indeed, he has instructed his negotiators to be more flexible at the negotiating table. This is a positive development, Mr. Speaker, and indicates that President Reagan may well join every other President since World War II in endorsing the importance of arms control.

Mr. Speaker, the President's public statement is heartening, but Congress and the American people will want to see substantive progress before long in reaching an accord with the Soviet Union. It is well understood, Mr. Speaker, that the President made a deal with Congress to alter his negotiating position in exchange for congressional support for development and testing of the MX missile. It should be clearly understood by the administration that continued congressional support for the MX is not assured. A great many Members of Congress, including myself, reluctantly voted for the missile on the basis of the President's promise to pursue arms control more vigorously. We intend to hold the President to that agreement.

Up to this point, Mr. Speaker, the President's attitude toward nuclear war and arms control could be characterized as nothing short of cavalier. The President and others in his administration spoke of firing nuclear warning shots, and the possibility that nuclear war is survivable and, indeed, winnable, even going so far as to characterize nuclear war as an unfortunate event. If the President has truly embraced the Scowcroft Commission in full, it represents a remarkable change in attitude and presents a real opportunity for reaching an accord with the Soviet Union and reducing the threat of nuclear war.

The text of the President's statement on his new arms control policy appeared in the Washington Post of June 9, 1983. It is important, Mr. Speaker, that his statement be made a part of the official public record. Therefore, I am inserting the full text in the CONGRESSIONAL RECORD. I am also inserting the Post editorial that appeared in the same edition and which clearly states the meaning and promise of the President's new arms control policy.

The President argued strenuously that he required the MX missile to bargain with the Russians for reductions in the Soviet nuclear arsenal. Our hope, Mr. Speaker, is that the President succeeds in negotiating reductions in the Soviet nuclear arsenal and eliminates the need for the MX.

The text and editorial follow:

[From the Washington Post, June 9, 1983]

REAGAN OUTLINES NEW PLAN FOR ARMS REDUCTION TALKS: OUR GOAL IS TO MAINTAIN A STABLE NUCLEAR BALANCE IN ORDER TO REDUCE THE RISK OF WAR

(The text of President Reagan's statement yesterday on nuclear arms)

The Strategic Arms Reduction Talks, or START, officially resumed today in Geneva. I would like to speak for a moment about my hopes for these important negotiations and about changes which I have decided to make in our START proposal.

Such changes reflect concerns and recommendations for the Scowcroft Commission, the Congress, and others. They offer the prospect of new progress toward a START agreement.

Before discussing these specifics, I would like to comment on what I see as very positive developments taking place both here and abroad. I am happy to say that today there is a growing sense that we are making progress. I just met in Williamsburg with the leaders of the major industrialized nations, and I was struck there not only by the facts and figures pointing toward economic recovery, but also by a spirit of optimism and cooperation which was remarkable.

This same spirit is visible in our discussions of security issues. In NATO, as in our other alliances, there is a new feeling of partnership. The Atlantic alliance is alive and well, and its close consultations are a source of strength and participation for each of its members.

At least as important, and very gratifying to me, is the new spirit of bipartisanship on national security issues which is increasingly evident in both houses of Congress. When I established the Scowcroft Commission I could not then foresee the impact that this outstanding panel would have. Clearly, the commission's work, which went beyond MX to address critical issues of deterrence and arms control, has become a major stimulus to the rethinking of national policy.

The commission's report challenged some favorite assumptions, and called for changes in our strategic planning. At the same time, it expressed support for my administration's most heartfelt objectives in arms control: deep reductions, modernization for stability's sake, and the elimination of the first-strike threat.

I have pledged to Congress my full support for the Scowcroft Commission recommendations and my intention to incorporate them in our START proposal. So that we can continue to benefit from the wisdom of its counsel, I intend to ask the commission to continue to serve. Its bipartisan membership will thus be able to provide timely advice to me, both with respect to the adoption of its proposals into our defense program and our arms control policies.

In recent weeks, I and officials of my administration have had an extensive series of private meetings with many members of Congress. We have reviewed implications for the START negotiations of the Scowcroft Commission recommendations and also of the "mutual guaranteed build-down" advocated by a number of distinguished members of the Congress.

The review of our START position was capped by four recent meetings—three yesterday and one today. Yesterday morning, at a meeting of the National Security Council, my senior advisers and I reviewed major implications and options. We also considered a range of congressional viewpoints. Yesterday afternoon, I met with groups of senators and congressmen whose interest and expertise in arms control I value highly. I discussed with them the major issues before us. This morning, I met with the leadership of both houses of Congress. And throughout the START negotiations, the administration has consulted with our allies.

Three full rounds of START negotiations are now behind us. It is my judgment that these rounds have been useful and have permitted us to cover necessary ground. However, due largely to Soviet intransigence, we have not yet made meaningful progress on the central issues.

I remain firmly committed to take whatever steps are necessary to increase the likelihood of real, substantive progress towards an agreement involving significant reductions in U.S. and Soviet strategic nuclear arsenals, and in the national security interests of both sides. Above all, our goal is to maintain a stable nuclear balance in order to reduce the risk of war. Our efforts in the START negotiations must be guided by that objective.

The report of the Scowcroft Commission offers us a new opportunity for progress. It has provided a consistent and coherent framework to guide our thinking about the fundamental elements of our national security policy—deterrence, defense and arms control. But, more than that, it has provided the basis for renewed, bipartisan support for that policy.

To capitalize on this critical opportunity and on the basis of the widest possible range of advice, I have directed new steps toward progress in achieving real arms reductions at the START negotiations. The purpose of this guidance, provided to Ambassador Ed Rowny, our chief START negotiator, is to adjust the U.S. START position to bring it into line with the Scowcroft Commission's recommendations and to provide additional flexibility to our negotiators in pursuing our basic goals.

Although we have put forth a comprehensive proposal on limiting strategic ballistic missiles and bombers, our primary aim in the START negotiations has been, and continues to be, to reduce the threat posed by the most destabilizing systems, namely ballistic missiles. To achieve that aim, measures that constrain the number and destructive capability and potential of ballistic missile warheads are essential.

Our proposed limit of 5,000 total ballistic missile warheads—a reduction by one-third of the current level—remains the central element of the U.S. START position.

The U.S. START position tabled in previous negotiating rounds includes another constraint. It would have limited each side to no more than 850 deployed ballistic missiles. This measure was never viewed as being as useful or important a constraint as the limit on total ballistic missile warheads.

The Scowcroft Commission report specifically suggested that it should be reassessed since it could constrain the evolution we seek toward small, single-warhead ICBMs.

Acting upon the Scowcroft Commission's recommendation, I have now directed our negotiators to adjust our position deployed ballistic missiles by relaxing our current proposal for an 850 deployed ballistic missile limit.

At the same time, the U.S. remains firm on the point that the destructive capability and potential of ballistic missiles must be addressed in START.

Our current position includes a network of constraints designed to lead to a more stable

strategic balance at reduced force levels—while addressing the destructive potential of missiles.

The Soviets and others have complained that these constraints are designed to dictate Soviet force structure according to U.S. standards. This is not the case. We believe, as does the Scowcroft Commission, that stability can be increased by limitations on the destructive capability and potential of ballistic missiles. As a consequence, we will continue to propose such constraints which indirectly get to the throw weight problem while making clear to the Soviets our readiness to deal directly with the corresponding destructive capability if they prefer.

There may be more than one way to achieve our objective of greater stability at reduced levels of arms. So I have instructed Ambassador Rowny to make clear to the Soviet delegation our commitment to our fundamental objectives, but I have also given him the flexibility to explore all appropriate avenues for meeting our goals. I sincerely hope that the Soviet Union will respond with corresponding flexibility.

Finally, high-priority work is continuing on how the mutual and guaranteed build-down concept proposed by several United States senators can be applied in our quest for significant and stabilizing strategic arms reductions.

These actions reflect a bipartisan consensus on arms control, and new flexibility in the negotiations—steps to be viewed seriously by the Soviets and all others who have a stake in world peace. To the leaders of the Soviet Union, I urge that this new opportunity not be lost. To America's friends and allies around the world, I say that your steadfast support for the goals of both deterrence and arms control is essential in the future. To Congress and to the American people, I say let us continue to work together in a bipartisan spirit so that these days will be spoken of in the future as the time when America turned a corner.

Let us put our differences behind us. Let us demonstrate measured flexibility in our approach, while remaining strong in our determination to reach our objectives of arms reductions, stability, and security. Let us be leaders in the cause of peace.

[Editorial from the Washington Post, June 9, 1983]

TWO NEGOTIATIONS

Any American president dealing with the Russians must conduct two sets of negotiations simultaneously. This is the reality, sometimes the curse, of diplomacy in a democratic society. The bargaining that must go first, since otherwise there is no foundation for the second, is with his own citizens and allies. The second is with the Kremlin. Yesterday President Reagan went a long way toward completing that vital first set of negotiations. He presented the outlines of the altered proposals on limiting intercontinental missiles that his negotiators have carried back to the START table in Geneva.

"When I established the Scowcroft Commission," Mr. Reagan said, "I could not then foresee the impact that this outstanding panel would have." He was referring to the bipartisan presidential group whose balanced recommendations on arms and arms control, as filtered through an attentive Congress, have now become administration policy. For these recommendations, which have provided Mr. Reagan the politician's dream gift of a second chance, too little credit has been given to Brent Scowcroft and his colleagues. They did a terrific job. You could say, of course, that it is easier to give good advice than to take it. Mr. Reagan has taken it, where a more prideful man might have hesitated to make the implicit confession of earlier error.

The upshot is that Mr. Reagan now has a negotiating position that has been tested and improved in the American political fires. It is an advantage that will not help him so much in the ratifying stage, where he did not stand to need help anyway if he got that far, as in the negotiating stage, where he needs a great deal of help. The support that his new position and, perhaps even more, his newly projected flexibility will bring him should make it harder for the Soviets to go over his head to the American public, as they like to do.

Two broad questions still need to be asked about Mr. Reagan's newly enunciated START position. Would an agreement based on it make the United States more secure? By and large the people knowledgeable about defense believe it would. Is it negotiable? That is, can it be matched to the Soviet Union's own definition of its self-interest? We think it can be. Our distinct impression is that Mr. Reagan is becoming, by political necessity if not by personal choice, a believer in arms control as one essential element in strengthening American security. Gone from his latest statement is his frequent past intimation that arms control was unnecessary, perhaps even a peril. His appeal to the Soviets can be usefully underlined: "To the leaders of the Soviet Union, I urge that this new opportunity not be lost."●

COMPREHENSIVE DRUG PENALTY ACT OF 1983

(Mr. HUGHES asked and was given permission to extend his remarks at this point in the RECORD.)

● Mr. HUGHES. Mr. Speaker, today I am introducing the Comprehensive Drug Penalty Act of 1983. This bill is the result of a thorough examination by the Subcommittee on Crime of the problems confronted by Federal law enforcement agencies in their attempts to take the profits out of drug dealing and is a substantial reform of penalties and forfeiture procedures. The net result of the subcommittee's inquiries reemphasized the fact that the single most important crime problem confronting this country is the vast increase in drug trafficking in recent years. The subcommittee heard testimony that we are now faced with a situation where drug dealers have been able to accumulate huge fortunes as a result of their illegal activities, and the sad truth is that the financial penalties for drug dealing are frequently only seen by dealers as a cost of doing business. Under current law the maximum fine for many serious drug offenses is only $25,000. Moreover, the Government's ability to obtain civil or criminal forfeiture of the profits or proceeds of drug dealing has been hampered by a number of deficiencies.

An overview of the problems of any economic attack on the illegal drug business presented by Government officials at these hearings produced a clear consensus about the need for change. What was less clear was the path to achieve that reform. Most observers agreed that prosecutors face three major problems: Ambiguous statutes, problems in tracing the proceeds of drug trafficking, and difficulties in proof. The solutions to these dilemmas were numerous and pursuit of them created a divergence of views. For example, while it may be desirable to expand the authority of the Government to seize property involving drug trafficking, one must also be careful to protect the rights of innocent third parties.

However, the Subcommittee on Crime and the full Committee on the Judiciary were able to fashion H.R. 7140 to deal with these complex issues in the 97th Congress in a truly bipartisan fashion. H.R. 7140 was then placed on the suspension calendar and was passed by the House of Representatives without dissent on September 28, 1982. A compromise version of this bill along with other bills (H.R. 3963, the anticrime package) passed the House and Senate late in the lameduck session of the 97th Congress by the margin of 271 to 72 in the House and unanimously in the Senate. Unfortunately, the President, primarily on an issue unrelated to this bill—and against the advice of a bipartisan delegation from Congress, decided to pocket veto the anticrime package.

As a result of the President's ill-advised veto, we are forced to process this much needed legislation again in the 98th Congress.

The following are the essential elements of the new Comprehensive Drug Penalties Act of 1983 which is essentially the same as H.R. 7140 in the 97th Congress:

First, the bill substantially increases maximum permissible criminal fines in drug cases and establishes a new alternative fine concept under which drug offenders can be fined up to twice their gross profits or proceeds where the alternative fine would be greater than that specified in the crime itself. The new maximum fine limits were developed in large part by the Judiciary Committee during the consideration of the Criminal Code revision in the 96th Congress. The alternative fine concept was recommended in the final report of the National Commission on Reform of Federal Criminal Laws—the Brown Commission.

Second, it amends the present civil forefeiture law (21 U.S.C. 881) to permit the civil forfeiture of land and building used, or intended to be used, for holding of storage of controlled substances when such use constitutes a felony. Current law is unclear as to whether warehouses or other buildings can be forfeited.

Third, the bill changes certain venue authority to allow the Justice Department to bring civil forfeiture actions in the district where the defendant is found or where the criminal prosecution is brought.

Fourth, it sets aside up to $10 million per year in fiscal year 1984 and fiscal year 1985 from forfeiture dispositions into a revolving fund to be used for drug law enforcement purposes.

Fifth, the bill provides, for the first time, criminal forfeiture provisions for all felony drug cases.

Sixth, it outlines authority for courts to restrain the transfer of property which might be subject to forfeiture and to order the seizure of such property in order to insure its availability for a forfeiture proceeding. Remission and mitigation provisions are also provided in order to protect the interests of innocent property owners.

It also details procedures for allowing temporary restraining orders in ex parte hearings under extraordinary circumstances.

Seventh, the bill creates a permissive presumption in criminal forfeiture cases that all property acquired by drug offenders during the period of the violations or shortly thereafter is subject to forfeiture if no other likely source for such property exists. These provisions follow closely the U.S. Supreme Court opinion in *Ulster County Court, N.Y.* v. *Allen*, 442 U.S. 140 (1979).

In this fashion we have attempted to balance the strong societal interest in eradicating trafficking in illegal drugs with the constitutional rights of our citizens. In the Comprehensive Drug Penalty Act of 1983, we are satisfied that a proper balance has been struck, and look forward to hearing the assessments of interested parties on this bill. Anyone with views on this legislation should communicate directly with the Subcommittee on Crime, Committee on the Judiciary, 207 Cannon House Office Building, Washington, D.C. 20515 or telephone (202) 225-1695. A hearing on this subject is scheduled for June 23, 1983. Anyone wishing to testify should contact the subcommittee.●

TWENTIETH ANNIVERSARY OF EQUAL PAY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. LEVIN) is recognized for 5 minutes.

● Mr. LEVIN of Michigan. Mr. Speaker, I rise to commemorate the 20th anniversary of the Equal Pay Act. I appreciate my colleague from New York taking this opportunity to remind us of the continued need for concern about the question of economic equity. Passage of this act in 1963 spurred the important task of breaking down the system of wage discrimination on the basis of sex. Numerous cases in which women and men performed equal work but were receiving unequal pay have been rectified by the courts in the past 20 years.

What we face today is the difficult step beyond the question of equal pay for equal work. At issue is the way in which we determine the value of and compensation for any given job. The Equal Pay Act mandates that a male salesperson, for example, may not be paid more than a female salesperson, but we have not yet confronted the inequality which results from sex segregation in different jobs. Employment in America occurs along a two-tracked job structure. While men are trained and hired as managers, engineers, professors, chemists, electricians, and plumbers, the clerical and lower echelon service professions are primarily relegated to women. In 1979, women made up 80 percent of clerical workers, a category including secretaries, bank tellers, billing clerks, and cashiers. They make up two-thirds of school teachers and 91 percent of registered nurses, dietitians, and therapists.

In these jobs, pay averages $4,000, a year less than in male-dominated jobs. We send a message daily to employees across the United States that work as a teacher, a secretary, or a nurse is far less valuable than the work of an accountant, an electrician, or a construction worker. For example, despite the fact that a nurse's work is vital to the life of patients in a hospital, salaries of experienced staff nurses average less than $17,000 a year. One study showed that a pharmacist with similar skill, effort, and responsibility may be making $10,000 more than a comparably experienced nurse.

Despite the fact that a teacher may hold an advanced degree, the starting salary for a teacher with a master's degree in 1981-82 was $14,000—in contrast to an engineer with a comparable degree starting at $25,000. The average salary for a teacher is $19,000, with higher salaries in secondary schools than in the elementary schools which have 98 percent female teachers. The low pay, of course, makes it difficult to integrate men into the elementary schools, as men gravitate toward the higher-paying administrative positions.

A serious problem resulting in part from this indirect discrimination is that working women face increasing poverty. Three-fifths of working women earn less than $10,000 a year. Many of these poorly paid women are single parents struggling to raise families. Women can no longer afford to be treated as secondary or supplementary earners because their incomes are essential to their families' livelihoods.

What is required now is a reconsideration of the way in which the value of work is assessed. We must begin by pushing for vigorous enforcement of the Equal Pay Act and of title VII of the 1964 Civil Rights Act, which bans sex discrimination in compensation. The courts have held that these acts provide a basis for the requirement of equal pay for comparable work by women and men. If the work of individuals in service and clerical professions is to be granted its full value, we must also direct our efforts to increasing social recognition of the existence of inequities in wages resulting from deeply rooted sexual stereotyping. A number of States, including my own State of Michigan, have initiated job evaluation research to examine wage depression in female-dominated jobs. Ending pay inequity will require an acknowledgement that the work traditionally done by women secretaries, bank tellers, nurses, receptionists, waitresses, telephone operators, and teachers is vital to the U.S. culture and economy. On the anniversary of this landmark legislation, let us affirm our commitment to economic equity by giving workers in these professions the salaries they have earned.●

CAMPAIGN FINANCE REFORM AMENDMENTS OF 1983

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ANTHONY) is recognized for 5 minutes.

● Mr. ANTHONY. Mr. Speaker, there is growing concern among us who serve in the U.S. Congress and the public about the escalating costs of campaigning and the influence and impact of political action committees in election contests.

I share that concern. That is why I joined with my colleague, Representative MIKE SYNAR of Oklahoma, in introducing the Campaign Finance Reform Amendments of 1983.

This legislation is designed to reduce the influence of political action committees and to increase the influence of individuals in campaign financing.

Let me say that I do not believe that political action committees are evil or corrupt. I do not believe their intent is to corrupt politicians or the political process.

I am told that I received more PAC contributions than any candidate for Congress in my home State of Arkansas last year. Many of those PAC's that contributed to my campaign were formed by people who live and work in the State of Arkansas. They formed committees, studied voting records, and gave to the candidate who had best represented them and their interests in the past. I was proud to receive their support.

But we must also face the fact of the tremendous growth in political action committees and the amount of money they give to political campaigns, as

well as the escalating cost of campaigns. In 1974, PAC's gave $12.5 million to House and Senate candidates. Six years later, the amount of money PAC's gave to congressional campaigns had increased by almost five times to $55 million. By 1982, PAC contributions increased to $85.7 million. In 1974, there were only 608 PAC's. By 1982, that number had grown to 3,371.

There are many who believe that PAC's buy access and influence by their contributions. There are some who believe PAC's are only rewarding persons of like views for their past stands. Whatever the intent of PAC giving, in the public's mind, those contributions are undermining public credibility in our election process. And I believe that it is having a detrimental effect on us, as elected representatives, because we are having to spend more and more time on fundraising to finance the astronomical costs of our campaigns.

The public does see a need for reform and change in our method of financing campaigns. In a Louis Harris and Associates, Inc., survey last November, the public endorsed, by 84-14 percent, the view that those who contribute large sums of money have too much influence over government. Sixty-two percent, in the same poll, felt that excessive campaign spending in national elections is a very serious problem.

But while the public sees a need for reform, about the only overwhelming consensus on the issue of reform is opposition to public financing of congressional campaigns. A February 1983 poll by Civic Service, Inc., showed the public disapproving of public financing of congressional campaigns by a 56-24 percent margin.

From my own experience, and the experience of my colleagues with whom I have talked, we, too, see a need for a change. We see a need to limit the cost of campaigns. I do believe that escalating campaign costs can be attributed, in no small part, to the growth of PAC's and the money PAC's contribute to political campaigns.

I believe that my colleagues agree with me that we must limit in some way the growth and growing influence of political action committees on the election process—not because they are inherently bad, but because they are supplanting the traditional role and the responsibility of the individual and of political parties in our election process.

We need to restore the balance between the concerns of the individual and the concerns of special interest. We need to spend less time raising money among those who can afford to give and more time with those who cannot afford to give to congressional campaigns.

I believe that by imposing a ceiling on the amount of PAC contributions and increasing the amount individuals can give, we will begin to restore the balance. Our bill increases the amount individuals can contribute from $1,000 to $2,500. Basically, it limits House candidates to receiving $75,000 and Senate candidates to receiving between $75,000 and $500,000 from PAC's.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CHENEY (at the request of Mr. MICHEL), for today and the balance of the week, on account of a death in the family.

Mr. MACKAY (at the request of Mr. WRIGHT), after 2:30 p.m. today, on account of necessary business.

Mr. KOLTER (at the request of Mr. WRIGHT), for this week, on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

The following Members (at the request of Mr. MOLINARI) to revise and extend their remarks and include extraneous material:)

Mr. CORCORAN, for 5 minutes, today.
Mr. CAMPBELL, for 30 minutes, today.
Mr. SNYDER, for 5 minutes, today.

(The following Members (at the request of Mr. DYSON) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 30 minutes, today.
Mr. GIBBONS, for 5 minutes, today.
Mr. COYNE, for 5 minutes, today.
Mr. LEHMAN of Florida, for 5 minutes, today.
Mr. STUDDS, for 15 minutes, today.
Mr. AUCOIN, for 5 minutes, today.

(The following Member (at the request of Mr. COYNE) to revise and extend his remarks and include extraneous material:)

Mr. NEAL, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. COLEMAN of Missouri, on House Resolution 207 in the House today.

(The following Members (at the request of Mr. MOLINARI) and to include extraneous matter:)

Mr. BROOMFIELD in three instances.
Mr. MOLINARI.
Mr. FIELDS in two instances.
Mr. FISH.
Mr. LAGOMARSINO in five instances.
Mr. DANIEL B. CRANE.
Mr. LEWIS of Florida.
Mr. MORRISON of Washington.
Mr. MICHEL.
Ms. SNOWE.
Mr. GOODLING.
Mr. GILMAN in three instances.
Mr. YOUNG of Alaska.
Mr. O'BRIEN.

(The following Members (at the request of Mr. DYSON) and to include extraneous matter:)

Mr. SABO.
Mr. LELAND.
Mr. HOYER in two instances.
Mr. FAZIO.
Mr. WEISS.
Mr. HERTEL of Michigan.
Mr. GUARINI.
Mr. LEHMAN of California.
Mr. EVANS of Illinois.
Mr. CLAY.
Mr. AUCOIN.
Mr. UDALL in two instances.
Mr. SCHUMER.
Mr. GEPHARDT in two instances.
Mr. MINISH.
Mr. RATCHFORD.
Mr. MCDONALD.
Mrs. LLOYD.
Mr. GARCIA.
Mr. FORD of Michigan.
Mr. MARKEY.
Mr. LIPINSKI in two instances.
Ms. MIKULSKI.
Mr. ZABLOCKI.
Mr. PANETTA.
Mr. JONES of Oklahoma.
Mr. STARK in two instances.

ADJOURNMENT

Mr. COYNE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 52 minutes p.m.), under its previous order, the House adjourned until Monday, June 13, 1983, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1333. A letter from the District of Columbia Auditor, transmitting a report issued by his office entitled, "Revenue Report for April 1983," pursuant to section 455 of Public Law 93-198; to the Committee on the District of Columbia.

1334. A letter from the Secretary of Education, transmitting the annual report of the National Technical Institute for the Deaf for fiscal year 1982, pursuant to section 5(b)(3) of Public Law 89-36; to the Committee on Education and Labor.

1335. A letter from the Chairman, National Commission for Employment Policy, transmitting the eighth report, entitled "The Work Revolution," pursuant to section 505 of Public Law 93-203, as amended; to the Committee on Education and Labor.

1336. A letter from the Secretary of Energy, transmitting a report on energy

conservation and solar energy in Federal buildings and on the coordination of Federal energy conservation factors and data pursuant to section 550 of Public Law 95-619 and section 597 of Public Law 96-294; to the Committee on Energy and Commerce.

1337. A letter from the Assistant Secretary for Health, Department of Health and Human Services, transmitting a report on revised records systems, pursuant to 5 U.S.C. 552a(0); to the Committee on Government Operations.

1338. A letter from the Assistant Secretary for Health, Department of Health and Human Services, transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1339. A letter from the Assistant Secretary for Health, Department of Health and Human Services, transmitting notice of a proposed altered system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1340. A letter from the Director, NAF Financial Management, Office of the Adjutant General, Department of the Army, transmitting the annual report for the U.S. Army nonappropriated fund (NAF) employee retirement plan for the fiscal year ending September 30, 1982, pursuant to Public Law 95-595; to the Committee on Government Operations.

1341. A letter from the Director, Federal Prison System, Department of Justice, transmitting the 1982 annual report of the Board of Directors of the Federal Prison Industries, Inc., pursuant to 18 U.S.C. 4127; to the Committee on the Judiciary.

1342. A letter from the Executive Office of the President (Office of Management and Budget), transmitting notice of proposed draft legislation to simplify the authorizations for reduced-rate postage supported through appropriated funds, to enable the extent of public support for eligible mailings to be more visible and more easily understood by the public, and for other purposes; to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DINGELL: Committee on Energy and Commerce. Supplemental report on H.R. 2867 (Rept. No. 98-198, Pt. II). Ordered to be printed.

Mr. DE LA GARZA: Committee on Agriculture. H.R. 1875. A bill to amend the Agricultural Act of 1949 to modify the dairy price support program for the 1983 through 1985 fiscal years, and for other purposes; with amendments (Rept. No. 98-237). Referred to the Committee of the Whole House on the State of the Union.

Mr. HEFNER: Committee on Appropriations. H.R. 3263. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1984, and for other purposes (Rept. No. 98-238). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 3151. A bill to name the U.S. Post Office Building to be constructed in Fort Worth, Tex., as the "Jack D. Watson Post Office Building" (Rept. No. 98-239). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

[Omitted from the Record of June 8, 1983]

By Mr. HANCE (for himself, Mr. LOEFFLER, Mr. HIGHTOWER, Mr. STENHOLM, Mr. SAM B. HALL, JR., Mr. PICKLE, Mr. RALPH M. HALL, Mr. FROST, Mr. VANDERGRIFF, Mr. JONES of Oklahoma, Mr. ENGLISH, Mr. WATKINS, Mr. ANDREWS of Texas, Mr. RICHARDSON, Mr. DOWDY of Mississippi, Mr. PATMAN, Mr. SYNAR, Mr. COLEMAN of Texas, Mr. KAZEN, Mr. BROOKS, and Mr. BRYANT):

H.R. 3253. A bill to repeal the crude oil windfall profit tax; to the Committee on Ways and Means.

[Introduced June 9, 1983]

By Mr. HEFNER:

H.R. 3263. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1984, and for other purposes.

By Mr. BIAGGI:

H.R. 3264. A bill to amend the Federal Aviation Act of 1958 to require commercial passenger-carrying aircraft to be equipped with smoke detectors and automatic fire extinguishers in all aircraft lavatories and galley areas; to the Committee on Public Works and Transportation.

By Mr. COELHO:

H.R. 3265. A bill to amend the Internal Revenue Code of 1954 to provide that losses attributable to disasters determined to warrant assistance under the Disaster Relief Act of 1974 shall be allowable as a deduction without regard to whether they exceed 10 percent of the adjusted gross income of the taxpayer; to the Committee on Ways and Means.

By Mr. CORCORAN:

H.R. 3266. A bill to amend the Internal Revenue Code of 1954 to provide that certain married individuals shall be eligible for the deduction for retirement savings on the basis of earned income of their spouses and to increase in three steps the limit on deductions for retirement savings from $2,000 to $5,000; to the Committee on Ways and Means.

By Mr. FIELDS:

H.R. 3267. A bill relating to the effective date of the provision in the Economic Recovery Tax Act of 1981 which permits elections under section 2032A of the Internal Revenue Code of 1954 to be made on late estate tax returns; to the Committee on Ways and Means.

By Mr. GEJDENSON:

H.R. 3268. A bill to amend the Internal Revenue Code of 1954 to provide that the principal campaign committee of a candidate for State or local office will be subject to tax at the graduated corporate tax rates; to the Committee on Ways and Means.

By Mr. GEKAS:

H.R. 3269. A bill to amend title 31, United States Code, to provide for the carryover of unobligated appropriated amounts from any fiscal year to the succeeding fiscal year and a corresponding reduction in appropriations for such succeeding fiscal year; to the Committee on Government Operations.

By Mr. PASHAYAN:

H.R. 3270. A bill to establish a seasonal agricultural foreign worker program; jointly, to the Committees on the Judiciary, Ways and Means, Education and Labor, and Agriculture.

By Mr. GEPHARDT (for himself, Mr. ANTHONY, Mr. AUCOIN, Mr. BATES, Mr. BEILENSON, Mr. BERMAN, Mrs. BOXER, Mr. BROWN of California, Mr. COELHO, Mr. COLEMAN of Texas, Mr. D'AMOURS, Mr. DWYER of New Jersey, Mr. EVANS of Illinois, Mr. FAZIO, Ms. FERRARO, Mr. FLIPPO, Mr. FRANK, Mr. HUGHES, Mr. KOGOVSEK, Mr. LEVINE of California, Mr. LOWRY of Washington, Mr. MCNULTY, Mr. MINISH, Mr. MOODY, Mr. MORRISON of Connecticut, Mr. PANETTA, Mr. REID, Mr. SABO, Mr. SIKORSKI, Mr. STAGGERS, Mr. TALLON, Mr. WOLPE, Mr. WIRTH, Mr. VALENTINE, and Mr. CARR):

H.R. 3271. A bill to broaden the base of the individual and corporate income taxes, to significantly reduce tax rates, to flatten out the rate schedules of the individual income tax, and to simplify the tax laws by eliminating most credits, deductions, and exclusions; to the Committee on Ways and Means.

By Mr. HUGHES (for himself, Mr. FISH, Mr. SAWYER, and Mr. SENSENBRENNER):

H.R. 3272. A bill to amend the Controlled Substances Act and the Controlled Substances Import and Export Act to improve forfeiture provisions and strengthen penalties for controlled substances offenses, and for other purposes; jointly, to the Committees on the Judiciary and Energy and Commerce.

By Mr. MCNULTY:

H.R. 3273. A bill to establish a commission to investigate the relocation of governmental functions outside the immediate vicinity of the District of Columbia, and for other purposes; to the Committee on Government Operations.

By Mr. OBEY:

H.R. 3274. A bill to increase the penalties for violations of the Taft-Hartley Act, to prohibit persons, upon their convictions of certain crimes, from holding offices in or certain positions related to labor organizations and employee benefit plans, and to clarify certain responsibilities of the Department of Labor; to the Committee on Education and Labor.

By Mr. QUILLEN:

H.R. 3275. A bill to amend the Internal Revenue Code of 1954 to provide that disability income shall not be subject to income tax withholding; to the Committee on Ways and Means.

By Mr. SABO:

H.R. 3276. A bill to provide for certification and require the offering of qualified health plans, to provide Federal assistance to States to establish a program of assistance for low-income persons to purchase comprehensive health insurance and a program for coverage of catastrophic health care expenses, and for other purposes; to the Committee on Energy and Commerce.

By Mr. SEIBERLING:

H.R. 3277. A bill to improve the regulation of civilian nuclear powerplants and to provide economic incentives for their safe operation and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STUDDS (for himself, Mr. JONES of North Carolina, Mr. YOUNG of Alaska, Mr. FORSYTHE, and Mr. BIAGGI):

H.R. 3278. A bill to provide a comprehensive system of liability and compensation for oilspill damage and removal costs, and for other purposes; jointly, to the Committees on Public Works and Transportation and Merchant Marine and Fisheries.

By Mr. SUNDQUIST:

H.R. 3279. A bill to amend title 18, United States Code, regarding sentencing for capital offenses; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

188. The SPEAKER presented a memorial of the Legislature of the State of Nevada, relative to the conveyance of additional land; to the Committee on Interior and Insular Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 81: Mr. ALBOSTA.

H.R. 82: Mr. ALBOSTA.

H.R. 408: Mr. MCCOLLUM and Mr. TORRICELLI.

H.R. 656: Mr. GRAY, Mr. EDGAR, Mr. FOGLIETTA, Mr. WEISS, Mr. FISH, Mr. FAUNTROY, Mr. SOLARZ, Mr. BONIOR of Michigan, Mr. CORRADA, Mr. MORRISON of Connecticut, Mr. ROWLAND, Mr. KILDEE, Ms. FERRARO, Mr. ROYBAL, Mr. SABO, Mr. HUBBARD, Mr. DYSON, Mr. BIAGGI, Mrs. SCHNEIDER, and Mr. FEIGHAN.

H.R. 800: Mr. FOLEY, Ms. KAPTUR, and Mr. SLATTERY.

H.R. 953: Mr. NEAL, Mr. ANTHONY, Mr. BRYANT, and Mr. LELAND.

H.R. 954: Mr. HORTON and Mr. CARNEY.

H.R. 1020: Mr. TORRICELLI, Mr. FORD of Tennessee, Mr. SAVAGE, Mrs. HALL of Indiana, Mr. MACKAY, Mr. DELLUMS, Mr. MCKINNEY, Mr. COYNE, and Mrs. SCHROEDER.

H.R. 1183: Mr. FROST.

H.R. 1199: Mr. ST GERMAIN and Mr. BREAUX.

H.R. 1676: Mr. BATEMAN, Mr. FLORIO, Mr. MCEWEN, Mr. MCHUGH, and Mr. TORRICELLI.

H.R. 1691: Mr. CRAIG and Mr. WALKER.

H.R. 1823: Mr. SIMON.

H.R. 1824: Mr. LEHMAN of California and Mr. WOLPE.

H.R. 1870: Mr. BEREUTER, Mr. BETHUNE, Mr. BRITT, Mr. CLARKE, Mr. COATS, Mr. COURTER, Mr. CROCKETT, Mr. DAVIS, Mr. DICKINSON, Mr. DOWDY of Mississippi, Mr. DREIER of California, Mr. DYSON, Mr. GUNDERSON, Mr. HAMMERSCHMIDT, Mr. JOHNSON, Mr. KAZEN, Mr. KOSTMAYER, Mr. LELAND, Mr. LEVINE of California, Mr. MARTIN of New York, Mr. MARTINEZ, Mr. MCEWEN, Mr. MICA, Mr. MOORE, Mr. NICHOLS, Mr. PICKLE, Mr. RITTER, Mr. ROBERTS, Mr. DENNY SMITH, Mr. SOLOMON, Mr. STAGGERS, Mr. STENHOLM, Mr. STRATTON, Mr. TAYLOR, Mr. BILIRAKIS, and Mr. MOLLOHAN.

H.R. 1885: Mr. SKELTON.

H.R. 2014: Mr. FAZIO, Mr. LELAND, Mr. REGULA, and Mr. SCHEUER.

H.R. 2053: Mr. LUJAN and Mr. PICKLE.

H.R. 2088: Mr. MCKINNEY, Mr. TOWNS, and Mr. FISH.

H.R. 2099: Mr. NEAL, Mrs. JOHNSON, Mr. MCCOLLUM, Mr. FRENZEL, Mr. BIAGGI, and Mr. PATTERSON.

H.R. 2100: Mr. NEAL, Mr. BIAGGI, and Mr. PATTERSON.

H.R. 2118: Mr. MARRIOTT and Mr. GINGRICH.

H.R. 2124: Mr. FRANKLIN, Mr. WILLIAMS of Ohio, Mr. HUNTER, Mr. DICKS, Mrs. JOHNSON, Mr. GEJDENSON, Mr. DANIEL B. CRANE, and Mr. CRAIG.

H.R. 2154: Mr. HOYER, Mr. WILLIAMS of Ohio, Mr. ROYBAL, and Mr. SAVAGE.

H.R. 2186: Mr. WEAVER and Mr. BOSCO.

H.R. 2193: Mr. GOODLING.

H.R. 2323: Mr. WILLIAMS of Montana and Mr. WISE.

H.R. 2382: Mr. HATCHER, Mr. MOORHEAD, Mr. HEFNER, Mr. STANGELAND, Mr. ROBINSON, Mr. NICHOLS, Mr. ROEMER, Mr. KASICH, Mr. TAYLOR, Mr. CRAIG and Mr. MADIGAN.

H.R. 2468: Mr. WORTLEY, Mr. LELAND, Mr. REGULA, Mr. CHAPPELL, Mr. FRANK, Mr. LONG of Maryland, Mrs. MARTIN of Illinois, Mr. WYLIE, and Mr. GREEN.

H.R. 2498: Mr. WILLIAMS of Montana.

H.R. 2746: Mr. FAUNTROY, Mr. OWENS, Mr. STOKES, Mr. FORD of Michigan, Mr. SCHUMER, Mrs. BOXER, Mr. GARCIA, Mr. CORRADA and Mr. DASCHLE.

H.R. 2819: Mr. STARK, Mr. OBERSTAR, Mr. MATSUI, Mr. CLAY, Mr. FRANK, Mr. WALGREN, Mr. KOLTER, Mr. FAUNTROY, Mr. VENTO, Mr. EDGAR, Mr. BORSKI, Mr. DWYER of New Jersey, Mr. WILLIAMS of Montana, Mr. WISE, Mr. CARR, Mr. ASPIN, Mr. MORRISON of Connecticut, Mr. CROCKETT, Mr. TORRICELLI, Mr. D'AMOURS, and Mr. STAGGERS.

H.R. 2847: Mr. ALBOSTA.

H.R. 2871: Mr. BEREUTER, Mr. DREIER of California, and Mr. MORRISON of Washington.

H.R. 2883: Mr. HERTEL of Michigan, Mr. BREAUX, and Mr. PEPPER.

H.R. 2911: Mr. MORRISON of Connecticut, Mr. HUGHES, and Mr. DANIEL B. CRANE.

H.R. 3028: Mr. KEMP, Mr. PHILIP M. CRANE, Mr. KINDNESS, Mr. BROWN of Colorado, Mr. ROE, Mr. WON PAT, Mr. ACKERMAN, Mr. MORRISON of Washington, Mr. MRAZEK, Mr. PARRIS, Mr. YOUNG of Alaska, Mr. WEISS, Mr. YATES, Mr. FISH, Mr. TOWNS, and Mr. GILMAN.

H.R. 3050: Mr. BOSCO, Mr. FLIPPO, Mr. FOWLER, Mr. FRENZEL, Mr. HAMMERSCHMIDT, Mr. KILDEE, Mr. MCCLOSKEY, Mr. OBEY, Mr. ROTH, Mr. SHARP, Mr. SHUSTER, and Mr. SWIFT.

H.R. 3184: Mr. ADDABBO, Mr. GARCIA, Mr. OTTINGER, Mr. SOLARZ, Mr. WALGREN, Mr. SMITH of Florida, Mr. FORSYTHE, Mr. CROCKETT, Mr. TORRICELLI, and Mr. WINN.

H.R. 3224: Mr. AUCOIN, Mr. GARCIA, Mr. HARKIN, Mr. HAWKINS, Mr. KOSTMAYER, Mr. LELAND, Mr. MILLER of California, Mr. MOAKLEY, and Mr. WALGREN.

H.J. Res. 153: Mr. ROBINSON, Mr. FORD of Tennessee, and Mr. WAXMAN.

H.J. Res. 201: Mrs. MARTIN of Illinois.

H.J. Res. 227: Mr. REID, Mr. COELHO, Mr. PASHAYAN, Mr. LEWIS of California, Mr. BROWN of California, Mr. CHAPPIE, Mr. MATSUI, Mr. PATTERSON, Mr. AKAKA, Mr. FLIPPO, Mr. BETHUNE, Mr. DOWNEY of New York, Mr. SHELBY, Mr. SIMON, Mr. LEWIS of Florida, Mr. WON PAT, Ms. SNOWE, Mr. LELAND, Mr. RANGEL, Mr. MADIGAN, Mr. FISH, Mr. ARCHER, Mr. ZABLOCKI, Mr. KASICH, Mr. ANDERSON, Mr. PRICE, Mr. HOWARD, Mr. LENT, Mr. WORTLEY, Mr. HEFNER, Mr. MARTIN of New York, Mr. NOWAK, Mr. LATTA, Mr. WEAVER, Mr. MURTHA, Mr. HILER, Mr. BEDELL, Mr. TAUKE, Mr. FOGLIETTA, Mr. WIRTH, Mr. STRATTON, Mr. LEVITAS, Mr. WHITEHURST, Mr. EMERSON, Ms. MIKULSKI, Ms. OAKAR, Mr. WAXMAN, Mr. BARNARD, Mr. SYNAR, Mr. RAHALL, Mr. KOSTMAYER, Mr. PORTER, Mr. FUQUA, Mr. NATCHER, Mr. BRITT, Mr. MONTGOMERY, Mr. PERKINS, Mr. PATMAN, Mr. LOTT, Mr. MCNULTY, Mr. FEIGHAN, Mr. FOLEY, Mr. DUNCAN, Mr. WHITTAKER, Mr. BARNES, Mr. MAVROULES, Mr. WOLPE, Mr. TRAXLER, Mr. ALBOSTA, Mr. SILJANDER, Mr. CONYERS, Mr. VANDER JAGT, Mr. GUNDERSON, Mr. DOWDY of Mississippi, Mr. COUGHLIN, Mr. SMITH of Iowa, Mr. ROBERTS, and Mr. GRAY.

H.J. Res. 228: Mr. SKELTON and Mr. CARR.

H.J. Res. 258: Mr. MINETA, Mr. DORGAN, and Mr. SISISKY.

H. Con. Res. 39: Mr. ADDABBO, Mr. DOWNEY of New York, Mr. MAZZOLI, Mr. MCCAIN, Mr. MORRISON of Washington, Mr. MURPHY, Mr. OXLEY, and Mr. WON PAT.

H. Con. Res. 115: Mr. BILIRAKIS and Mr. HARTNETT.

H. Res. 39: Mr. HANSEN of Idaho.

H. Res. 182: Mrs. BOXER, Ms. OAKAR, Mr. MITCHELL, Mr. BERMAN, Mr. BIAGGI, and Mr. LELAND.

H. Res. 191: Ms. MIKULSKI, Mr. HORTON, Mrs. BOXER, Mr. STARK, and Mr. HERTEL of Michigan.

PETITIONS, ETC.

Under clause 1 of rule XXII,

118. The SPEAKER presented a petition of the House of Representatives of the Republic of Cyprus, relative to the maintenance of peace; which was referred to the Committee on Foreign Affairs.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1590

By Mr. DE LA GARZA:

—On page 14, after line 2, insert the following new section:

COMMODITY SUPPLEMENTAL FOOD PROGRAM

SEC. 8. (a) Effective on October 1, 1983, section 5 of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c, note) is amended by striking out, in subsection (a), "amount appropriated for the provision of commodities to State agencies." and inserting in lieu thereof "sum of (1) the total amount appropriated for the commodity supplemental food program, and (2) the value of bonus commodities, as defined by the Secretary, which are included in food packages distributed to program participants."

(b) The provisions of this section shall become effective on October 1, 1983.

SENATE—*Thursday, June 9, 1983*

(Legislative day of Monday, June 6, 1983)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the Honorable TED STEVENS, a Senator from the State of Alaska.

The PRESIDING OFFICER. The Chaplain delivering the opening prayer will be Rabbi David A. Nelson, Congregation Beth Shalom, Oak Park, Mich., at the request of Senator CARL LEVIN, of Michigan.

PRAYER

The Rabbi David A. Nelson offered the following prayer:

O Lord our God, bestow upon the Members of this body, wisdom, insight, and courage equal to their responsibilities.

We pray this day that peace may prevail in our personal relationships with our families, our friends and our fellow human beings. Would that there be a lessening of hatred and mistrust in the world due to our efforts as we try to fulfill the word of the psalmist:

"Shun the evil way and practice goodness; seek peace and pursue it."

When this day's work is done, may we feel that we have done all in our power to make the world of human relationships more harmonious through our quest and desire for peace. May You, our Father, who are the source of peace, send the desire for peace into the hearts of all.

O Lord, grant that our beloved country continue to be a mighty force for righteousness among people, even seeking to provide more adequate forms of freedom and justice for all its citizens and ever advancing the cause of democracy and peace among all the nations of the world.

May the Lord endow us with strength, may the Lord bless us all with peace. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 9, 1983.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TED STEVENS, a Senator from the State of Alaska, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. STEVENS thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDING OFFICER (Mr. MURKOWSKI). The majority leader is recognized.

Mr. BAKER. Mr. President, I must remark first on the remarkable brevity of the tenure of service of the assistant majority leader in the chair. I calculate it to be about 10 seconds, and that may be a record. However, I am happy to see his colleague, the junior Senator from Alaska, as the distinguished occupant of the chair.

RABBI DAVID A. NELSON

Mr. BAKER. Mr. President, I take this opportunity to congratulate Senator LEVIN on providing for us the distinguished Chaplain this morning and to extend a warm welcome to Rabbi Nelson for his appearance here in the service of the Senate.

SENATE SCHEDULE

Mr. BAKER. Mr. President, after the two leaders are recognized under the standing order, two Senators will be recognized on special orders of not to exceed 15 minutes, the distinguished junior Senator from Illinois (Mr. DIXON) and the distinguished senior Senator from Arkansas (Mr. BUMPERS).

After the execution of the special orders, there will be a time for the transaction of routine morning business to extend not past the hour of 11 a.m. in which Senators may speak for not more than 2 minutes each.

At 11 a.m., Mr. President, the Senate will commence with the consideration of the supplemental appropriations bill, H.R. 3069. For the benefit of those who did not stay late last evening, I might say that we ran into a bramble patch on trying to arrange a unanimous-consent agreement on the method of handling the supplemental appropriations bill, and that must still be resolved this morning. But it appears almost certain, virtually certain, that the Senate will take up the supplemental appropriations bill today, with or without a proviso against amendments relating to withholding of taxes on interest and dividends. That is the issue yet to be resolved. The Senate will stay on the supplemental appropriations bill all day today and into the evening tonight.

This is Thursday and I regret that we will have two late nights in a row, but Thursday is our regular late night and Senator HATFIELD, the chairman of the Appropriations Committee, believes, and I agree, that it is important that we finish, if possible, the supplemental appropriations bill, at least through third reading, this week.

His plan, and one I endorse, Mr. President, is to stay late tonight on the supplemental appropriations bill, at least until 10 p.m., and be on the supplemental appropriations bill tomorrow as long as necessary in order to get the bill to third reading, if possible. The votes on Friday, if any are ordered, will be postponed to occur at a time to be determined on Tuesday.

Mr. President, on Monday, Senators will recall that we are already scheduled to take up the cable television bill. Votes will not occur on Monday, either. They will be stacked to occur on Tuesday, as well.

The net effect of that is that next Tuesday is going to be a big vote day. We will come in early and try to take care of the cable TV rollcalls as they are ordered and later in the day to take care of any votes that are ordered on the supplemental appropriations bill, including, I trust, final passage.

After that, Mr. President, we may or may not take up the interest and dividend repealer sent to us by the House of Representatives, depending on whether we deal with it in the supplemental appropriations bill. If we do not, it will be the intention of the leadership to take up the House-passed bill on repeal of interest and dividends following disposition of the supplemental appropriations bill.

Mr. President, by then, presumably Wednesday, I hope that the Appropriations Committee of the Senate will have sent us either one or two of the regular appropriation bills, HUD and legislative appropriations. If they are here and on the calendar by the middle of next week, it would be the intention of the leadership on this side to proceed to both of those appropriation bills in turn.

Mr. President, I believe I have no further need for my time under the standing order.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Mr. President, I yield so that the Chair may admit a messenger from the House of Representatives.

MESSAGES FROM THE HOUSE

At 10:08 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1271. An act with regard to Presidential certifications on conditions in El Salvador;

H.R. 2148. An act to reenact the Follow Through program with certain technical changes, to authorize appropriations for such program for fiscal years 1984 and 1985, and for other purposes;

H.R. 2207. An act to reenact the Emergency School Aid Act;

H.R. 2355. An act to establish an emergency program of job training assistance for disabled veterans and veterans of the Vietnam era; and

H.R. 3132. An act making appropriations for energy and water development for the fiscal year ending September 30, 1984, and for other purposes.

THE APPROPRIATION BILLS

Mr. BAKER. Mr. President, this is the third of the 13 regular appropriation bills, that we have received from the House of Representatives, and once again, I commend the House and express my gratitude, for sending this bill to the Senate. I am sure that all Senators are grateful for these bills, as they must originate from the House, they necessarily set the agenda of the Senate for their consideration.

One wag this morning remarked that the House is getting more like the Senate. I am not sure our colleagues in the House will appreciate that. But his observation was that the House yesterday spent all day debating another bill, the Treasury-Postal Service appropriations bill, adopted a series of amendments, and then defeated the bill by more than 100 votes on final passage.

Mr. President, I now yield to the acting minority leader any portion of my time under the standing order which may remain.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. Mr. President, on behalf of the minority leader, I yield back such time as may be available.

RECOGNITION OF SENATOR DIXON

The PRESIDING OFFICER. Under the previous order, the Senator from Illinois is recognized for not more than 15 minutes.

CABLE TELECOMMUNICATIONS ACT OF 1983

DIXON AMENDMENT NOS. 1324 AND 1325

(Ordered to lie on the table.)

Mr. DIXON submitted two amendments intended to be proposed by him to the bill (S. 66) to amend the Communications Act of 1934; as follows:

On page 32, beginning with line 14, strike out all through line 20 on page 33.

On page 33, line 21, strike out "(2)" and insert in lieu thereof "(b)".

On page 34, line 10, strike out "(e)" and insert in lieu thereof "(c)".

On page 34, line 15, strike out "(f)" and insert in lieu thereof "(d)".

On page 34, line 21, strike out "(g)" and insert in lieu thereof "(e)".

On page 35, line 3, strike out "(h)" and insert in lieu thereof "(f)".

On page 36, beginning with line 18, strike all through line 16 on page 37, and insert in lieu thereof the following:

"SEC. 609. (a) In any case in which a cable system operator submits an application to the franchising authority for the renewal or other extension of such operator's franchise authorization, the franchising authority shall grant such renewal or other extension if it finds that—

(1) the cable system operator has substantially complied with the material terms of such franchise and with applicable law,

(2) the cable system operator has not been convicted of a felony;

(3) there has been no material change in the legal, technical, or financial qualifications of the cable system operator that would substantially impair the continued provision of service by such operator;

(4) the facilities to be provided for such operator, including facilities for governmental access, are reasonable in light of the community need for and cost of such facilities;

(5) the signal delivered by the cable system within the control of the cable system operator, has generally met technical standards as established by the Commission; and

(6) the proposals contained in the renewal application are otherwise reasonable.

On page 37, strike out line 23.

On page 38, line 1, strike out "request" and the comma immediately before "accept".

On page 38, line 1, strike out the comma immediately after "accept" and strike out "or consider".

On page 38, line 3, strike out "approved" and the period and insert in lieu thereof "approved; and ".

On page 38, between lines 3 and 4, insert the following new paragraph:

"(3) may not accept any bid that does not ensure that the original franchisee receives fair market value for any assets to be acquired by the proposed new franchise holder.

On page 39, line 3, strike out "de novo".

On page 39, line 4, strike out all beginning with "jurisdiction" through line 5 and insert in lieu thereof "jurisdiction, and such review shall be limited to issues of law and procedure.".

Mr. DIXON. Mr. President, I submit two amendments to Senate bill, S. 66, for printing.

The Cable Telecommunications Act of 1983 as now written is not an entirely satisfactory piece of legislation. For example, Mr. President, not one community in my State has written or contacted me in favor of this bill. However, many have expressed opposition to S. 66. I ask unanimous consent that a sample of the letters from communities throughout my State be printed in the RECORD at the conclusion of my remarks.

In addition, I also ask that an editorial from the June 8 edition of the Chicago Sun-Times be reprinted. It makes a number of salient points about S. 66.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DIXON. Mr. President, I find it ironic at a time when we in Congress are trying to shift regulatory responsibility to State and local jurisdictions that we are now presented with legislation imposing new Federal rules on these governmental bodies. This legislation would impose unilateral changes in cable contracts that have been painstakingly negotiated in such sensitive areas as franchise renewal and rate regulation.

Cable operations are a monopoly not subject to effective competitive in many instances. Local government is in the best position to determine whether regulation is appropriate, and in what form and under what conditions it should be suspended or eliminated.

As cable television has developed throughout our States, local communities have clearly acted in a responsible manner in granting needed rate increases. But rate regulation is an integral enforcement mechanism for many franchisers. Therefore, if S. 66 is to pass, I would urge my colleagues to support my amendment, which would delete the automatic rate increase provision of S. 66.

Section 609, "Renewal and Expansion Procedures," is flawed because it is anticompetitive. This section will deter new entrants and minimize competition among existing cable companies, while protecting incumbent operators from pressure to upgrade their systems at the time of franchise renewal. Furthermore, it invites costly litigation. Section 609 not only preempts the substantive criteria for granting renewals and the procedure to be followed, but overturns the traditional deference of the courts to a community's legislative decision by granting a right to de novo review.

My amendment gives the incumbent operator a predictable procedure to follow and the opportunity to justify renewal in light of past performance and future promises. The burden lies with the operator, not the local community.

The cable industry has not demonstrated any abuse by local regulators of the present renewal process. Almost all franchises are renewed today. Cable incumbents do not need a presumption of renewal to have an inherent economic advantage over challengers. Such a presumption makes it almost impossible to eject a poorly performing operator from a community.

Renewal is an appropriate time for a community to review the overall quality of service it has received. This process allows the study of the alternatives to existing facilities, as well as possible improvements in the system and service to adjust to future community needs. Failure to renew is extraordinary because the existing operator has strong competitive advantages—such as an in-place facility—over any outside bidder. My amendment will insure that in the extraordinary circumstance where a franchise is not renewed, the original franchise holder must receive fair market value for any assets that are to be acquired by the new franchise holder.

The amendment strikes the committee provision for de novo review, while allowing judicial review limited to the issues of law and renewal procedures. De novo review creates an expensive legal tangle with the difficult burden of proof on local communities.

Many local communities have participated for over a year or more in expensive studies on the best cable operation for their citizens. S. 66 dilutes the value of these plans and substitutes requirements that do not reflect the will of the local community. Local government has proved itself to be the proper level at which to evaluate the quality of service, to establish the reasonableness of rates, and to protect the consumer. Effective competition in the cable industry should be the main ingredient in determining what is best for a local community, be it rural or urban.

If we are to make changes in cable television in our Nation, we must do so only in a fair and equitable manner. I offer these amendments in that spirit, and request that my colleagues strengthen this bill by adopting these amendments.

EXHIBIT 1

VILLAGE OF ELMWOOD PARK,
Elmwood Park, Ill., May 4, 1983.

Hon. ALAN DIXON,
U.S. Senate,
Washington, D.C.

DEAR SIR: At a Village meeting on the 2nd of May, our Board of Trustees passed a resolution indicating our opposition to Senate Bill 66 regarding Cable Television. A copy of this resolution is enclosed.

We have spent a considerable amount of time in researching the many aspects of a cable system for our community and feel that we are in a better position to regulate an effective cable system for our residents than a bureau that is far removed from us.

We ask that you review the resolution and keep our concerns in mind when you are called upon to cast your vote.

Yours very truly,

RICHARD B. NUZZO,
Village Manager.

CITY OF DEKALB,
DeKalb, Ill., May 4, 1983.

Hon. ALAN DIXON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR DIXON: The City of DeKalb, along with many other communities throughout the United States, is in opposition to both Senate Bill No. 66 and the proposed cable television compromise as proposed by a joint committee in which the National League of Cities participated.

Enclosed herewith is a copy of a letter from the chairman of our Cable Television Advisory Board to our congressman, Tom Corcoran.

We urge your support of our position which opposes the elimination of local regulation of cable television matters.

Sincerely,

JOHN G. CARTWRIGHT,
City Manager.

CITY OF DEKALB,
DeKalb, Ill., May 4, 1983.

Hon. THOMAS CORCORAN,
Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN CORCORAN: Thank you for your letters in reply to those sent by me for the DeKalb Cable TV Advisory Board and by John Cartwright for the DeKalb City Council. You note that since the drafting of Senate Bill #66 there has been a compromise proposed by a joint committee in which the National League of Cities participated. You ask whether our objection is to the original bill alone or also to the compromise.

Please permit me to say, speaking for the officials of DeKalb, that the compromise participated in by the National League of Cities does not meet with our satisfaction. It retains the essential objectionable features of Senate Bill #66 and provides us with little relief from the oppressive features of the original bill.

As noted in our earlier communications, rate regulation is the only device available to the City of DeKalb to insure compliance with the terms of its franchise. The fact that there will be a short period of relief from the elimination of rate regulatory powers vested in the City under the terms of the compromise (because of the grandfather clause in the compromise) does not meet the fundamental concern that we have about our relationship with our franchise holder, Warner, Amex Cable Communications, Inc., during the remainder of the life of our current franchise which runs to 1991.

An even larger problem exists for the City of DeKalb, and we are sure for other cities as well, insofar as the DeKalb-Warner franchise is, as franchises go, and old one. When written in 1976, as a revision of a much earlier franchise, it was not well drawn from the City's point of view. What was a weak franchise in 1976 is now a very poor franchise when compared with those written by other cities since 1976. If our current franchise is automatically renewed in 1991, the citizens of DeKalb will be stuck with an unconscionably poor cable system well into the next century. Automatic renewal of the existing franchise would be unreasonable.

DeKalb officials would hope that in any legislation passed by the Congress, rate regulation would be left with local communities and that refranchising would not be automatic. At least, in the case of refranchising, it should be stipluated that refranchising would have to be on a "most favored basis" so that communities like DeKalb would not be disadvantaged in perpetuity. Refranchising should permit cities to acquire as of right updated systems, improved services and competitive rates for services rendered.

We know that while the National League of Cities committee entered into the compromise to Senate Bill #66, many major cities, and no doubt smaller ones like DeKalb, have objected to that compromise. We would hope that you would support our position both in committee and on the floor when the legislation materializes in the House of Representatives. Moreover, we request that no action be taken by the House committee until the meeting of the U.S. Conference of Mayors on June 11 in Denver, so that the testimony of that conference may be entered into the record.

Sincerely,

MARTIN DAVID DUBIN,
Chairman DeKalb Cable TV Advisory Board.

VILLAGE OF LONG GROVE,
Long Grove, Ill., April 28, 1983.

Re: Senate bill 66, the Cable Telecommunications Act of 1983.

Senator ALAN J. DIXON,
230 South Dearborn Street, Room 3996,
Chicago, Ill.

DEAR SENATOR DIXON: The President and Board of Trustees of the Village of Long Grove would like your support to defeat Senate Bill 66, The Cable Telecommunications Act of 1983.

Attached you will find a checklist of problem areas that we see with this Act. As the County of Lake does not approve of this Act, neither does the Village of Long Grove. The Village of Long Grove participated for over a year in a countywide study of the kind of regulations and franchising tools to use in obtaining proper local control and service in the area of telecommunications. We in fact approved the same regulations that Lake County adopted.

We wish that you look at any bill controlling this subject, and keep the local concerns in mind and the items listed on the attached sheet.

Thank you for your time and efforts.

Yours.

D. M. "CAL" DOUGHTY,
Village Administrator.

Franchise renewal process: Limits local ability; almost total protection to cable operator.

Franchise fee of 3 percent, to be used for cable purposes: Nullifies; FCC to set single national limit within 180 days of S. 66 enactment.

Protection of subscriber privacy: Preempted by federal standards.

IN GENERAL

Total Lake County effort to secure: good services; reasonable rates; protection to the public; proper business climate; open franchise process; competition for franchise, null and void!

Proper and reasonable regulations and requirements for franchise, null and void!

Local contractual arrangements mutually agreed upon, null and void!

Please note:

1. Lake County was complimented by cable operators and others for its cable ordinance and a well-conducted franchise process.

2. The preemption and nullification of local authority, determinations and agreements by unilateral federal action is a significant blow to the national-local role in serving the public.

VILLAGE OF GLENVIEW,
Glenview, Ill., April 19, 1983.

Senator ALAN J. DIXON,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR DIXON: This letter is to inform you of the Village of Glenview's opposition to the National League of Cities (NCL) and the National Cable Television Association (NCTA) recommendation to the Senate as a substitute for S. 66. We see this legislation stripping localities of the right we currently have to regulate cable television. Further, the Village feels this legislation on balance, favors the cable television industry, and it is not a basis for a sound national public telecommunication policy.

In summary, we urge you to express to the Senate Commerce Committee, our opposition to the NLC/NCTA agreement.

Sincerely,

THOMAS E. SMITH,
President.

CITY OF GALESBURG,
February 24, 1983.

DEAR SENATOR DIXON: The National Federation of Local Cable Programmers has informed us of the reintroduction of a cable TV regulation bill (SB. 66), substantially similar to last year's SB. 2172. We are most concerned about the provisions of this bill and how they affect local government.

Concerning the particular items of the bill which may adversely affect us, we would be opposed to these changes:

Rate Regulation—While we do not regulate rates locally, we will renegotiate our franchise with this point in mind. Not to arbitrarily keep rates low, but to make rate increases justifiable as cable TV moves from strictly entertainment media to a "utility" concerned with services and information.

Franchise Fees—The current system of negotiated franchise fees gives both parties the opportunity to deliver service, i.e., the company supplying cable services with the fee being used for general government operations affected by cable as well as working on public access, emergency service, etc. Why is there a need for an arbitrary fee base for all local governments?

Channel Usage for Public Purposes—Some basic requirements for a public channel to allow some uniformity may be needed but beyond that, the negotiation process between local needs and the company should be allowed to occur.

Franchise Renewals—We believe the authority to grant and revoke franchises, allowing cities to establish ownership restrictions and qualifications on the franchises, is important. As we learned during our recent lawsuit, the only final action that cities can take if the cable company does not perform is the suspension of the franchise; and therefore, automatic renewals would leave municipalities with "toothless" agreements.

Broadband Authority—While we do not currently regulate our cable company's broadband service, it would be a subject of future franchises. Again, the local need should be addressed through negotiations.

Finally, making the provisions of such a bill effective in 90 days after passage may be unrealistic. Most such sweeping changes require more time to implement at the local level.

The City of Galesburg and Northwest Illinois TV Cable Company have implemented better and broader service for area residents. The local Cable Television Commission was created to intercede for and represent the public in all areas except rates. To date, it has been successful, particularly in the areas of cable disputes and public access. We would not wish to see this progress reversed by this limiting legislation. The City Council and the Cable Commission have continued to favor local controls as the most effective and efficient method instead of State or Federal regulations.

On another matter, we are concerned about the Administration's proposals on public transit financing. The Section 18 funds for small cities show a reduction of $22.8 million for FY 84 from amount authorized under the Public Transportation Assistance Act of 1982. With the new 5% gas tax, we would hope adequate funding at the proposed level would be available. We have raised fares from 25¢ to 50¢ to improve revenues, and we expect further increases to make up for Federal funding losses will substantially reduce ridership. There would be a possible reduction in our handicapped transportation service as well as regular mass transit.

Thank you for your attention to these important matters.

Sincerely,

LAWRENCE A. ASARO,
City Manager.

VILLAGE OF RICHTON PARK,
Richton Park, Ill., March 16, 1983.

Senator ALAN J. DIXON,
Hart Senate Office Building,
Washington, D.C.

SENATOR DIXON: We have been advised that Senate Bill #66 proposes to severely restrict or eliminate the franchising authority of local government as well as local authority in rate regulation, cable services and facilities, and franchise fees. It is our opinion that the participation of local governments in the regulation of cable franchise services is an important part of establishing and developing a community identity through the use of the local government access, educational access and public access channels. These services would probably not be offered due to a lack of economic return to the cable companies; as a result, our citizens depend on the ability of local government to collect franchise fees and administer cable television franchises which require these services.

In a period of time when the federal government is deregulating and cutting back on categorical grant programs and considering the cutback of entitlement programs, I would suggest that the federal intervention in cable regulation be held at its current level or defer totally to local governments, especially with respect to SMATV systems. To attempt to regulate an industry which has thousands of franchises in geographically dispensed areas from Washington, D.C. is administratively impossible and stifles local options which are made possible by rapidly advancing technology. Consequently, we would urge you to cast a negative vote to Senate Bill #66 when it reaches the Senate floor.

Sincerely,

FRANK ANNERINO,
Chairman, Cable TV Commission.

VILLAGE OF PARK FOREST,
Park Forest, Ill., March 10, 1983.

Senator ALAN DIXON,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR DIXON: The President and Board of Trustees of the Village of Park Forest has unanimously passed the enclosed resolution in opposition to Senate Bill 66.

This bill severely limits the Village's authority to enforce contractual obligations undertaken by the cable franchisee. In addition, this legislation would curtail development of an important local communications medium and restrict local origination and public access programming.

In our one short year of experience with cable, local programming has become an important means for discussion of public issues and provision of information to residents.

We urge you to vigorously oppose Senate Bill 66.

Very truly yours,

JOHN PERRY,
Acting Village Manager.

RESOLUTION

Whereas, Senate Bill 66 would severely limit the Village of Park Forest authority over its cable franchisee; and

Whereas, Park Forest residents are involved in local programming having requested it be part of the franchisee's proposal and this is anchored in the franchise ordinance; and

Whereas, Park Forest benefits greatly from the use of government and community access since there are few other local media communication tools available in the Village:

Now, therefore, be it resolved by the President and Board of Trustees of the Village of Park Forest that they urge the Senate to vote against Senate Bill 66 since it severely limits the Village's ability to regulate the cable company, will limit our communication ability in the Village and may take away the advantages of local programming as requested when the franchise was awarded.

Be it further resolved that a copy of this resolution be transmitted to Senators Dixon and Percy.

Adopted this 28th day of February, 1983.

Approved:

RONALD BEAN,
Village President.

COUNTY OF LAKE,
Waukegan, Ill., March 18, 1983.

Re S. 66, the Cable Telecommunications Act of 1983.

DEAR SIR OR MADAM: Attached for your information is a Resolution of the Lake County Board adopted March 8, 1983 to express opposition to the federal legislation referenced above. A review of the resolution will result in your understanding of, and possibly your agreeing with, Lake County's opposition to this bill.

Please note that a recent series of events may have clarified the status of this legislation. After months of negotiation on cable legislation, the National League of Cities (NLC) and the National Cable Television Association (NCTA) appear to have reached a compromise on a number of cable issues of concern to both local government and the cable industry.

The NLC Board has approved the compromise proposal while the NCTA Board approval is expected March 22. Such a compromise, which is expected to be incorporat-

ed into S. 66, may make the bill, at least in part, more acceptable to local government. It is too soon to make any predictions however.

Sincerely,

GLENN E. MILLER,
Chairman, Lake County Board.

COUNTY BOARD, LAKE COUNTY, ILL.,
March 8, 1983.

MR. CHAIRMAN AND MEMBERS OF THE COUNTY BOARD: Your Financial and Administrative Committee presents herewith a Resolution expressing the opposition of the County of Lake to federal S. 66, The Cable Telecommunications Act of 1983, and requests its adoption.

Respectfully submitted,

FINANCIAL AND ADMINISTRATIVE COMMITTEE.

RESOLUTION

Whereas, S. 66, The Cable Telecommunications Act of 1983 has been introduced in Congress to establish a federal policy concerning cable communications; and

Whereas, S. 66 would, in the name of promoting growth in the cable industry, preempt the authority of the County of Lake under Illinois statutes and the Lake County Cable Television Ordinance to grant and administer cable television franchise; and

Whereas, S. 66 would nullify and make void not only local objectives concerning cable communications, but would also nullify and make void contractual relationships of County-awarded franchises; and

Whereas, S. 66 is based upon S. 2172, a similar bill which was introduced in the previous session of Congress, and to which the opposition of the County of Lake was made known to the United States Senators from Illinois on July 13 and August 31, 1982; and

Whereas, it is the feeling of your Financial and Administrative Committee that to contemplate that Lake County objectives and contractual relationships with cable franchises could be nullified so drastically and suddenly is beyond comprehension under the intent of the new federalism policies being currently recommended.

Now, therefore, be it resolved, by this County Board of Lake County, Illinois, that the County of Lake expressly opposes S. 66, The Cable Telecommunications Act of 1983, as an improper and unilateral action by the federal government and that S. 66 can only be viewed as being contrary to established local authority, responsibility and effort; and

Be it further resolved, that the Lake County Board expressly states that the major provisions as contained in S. 66 require further study and public discussion, and for Congress to even consider such a bill, with the prior realization of the detrimental impact S. 66 would effect on local authority, is at the very least premature; and

Be it further resolved, that the impact of S. 66 on the County of Lake and its cable television franchises, all as outlined on the attachment hereto and which is hereby made a part of this Resolution, be communicated as appropriate to more fully present the impact such bill would impose on the County of Lake; and

Be it further resolved, that the County Clerk is hereby authorized and directed to transmit a certified copy of this Resolution to the County Administrator, the respective municipalities in Lake County which have or may exercise their statutory authority to franchise cable television, the Governor, of the State of Illinois, United States Senators Alan Dixon and Charles Percy, the Urban Counties Council of Illinois, the National Association of Counties, the National League of Cities, and, as sponsor of S. 66, to U.S. Senator Barry Goldwater.

Dated, at Waukegan, Lake County, Illinois, on this 8th day of March, A.D., 1983.

LAKE COUNTY, ILL. EFFECT OF S. 66, THE CABLE TELECOMMUNICATIONS ACT OF 1983 ON CABLE TELEVISION FRANCHISES AWARDED BY LAKE COUNTY ENVIRONMENTAL IMPACT STATEMENT

Franchise item and impact of S. 66 if adopted

Exercise of authority to franchise under Illinois Statutes: Preemption of basic local powers by exclusive jurisdiction of federal governments; Local ability seriously eroded.

Existing cable ordinance and franchise agreements: Nullifies important local cable rules and contractual requirements; Given 90 days to bring into compliance.

"Basic Service" definition; To receive up to 45 channels: Limited to retransmission of broadcast signals only; does not include access channels.

Rate review/regulation for non-premium cable services following agreed upon time frame of rate freeze: Nullifies local ability to oversee rates for other non-premium satellite delivered programming now included in basic service rates; prohibits local ability for related services, i.e. installation, converters, added outlets, etc.

36 channel subscriber system minimum: Null and void.

Tiered service structure: Null and void.

36 channel institutional network: Null and void.

Interconnection of systems: Null and void.

Connections to public facilities: Null and void.

Regional interconnect channel: Null and void.

Interactive services and channels: Null and void.

9 access channels; not under cable operator control: Only 4-5 required; FCC has ability to reduce further or eliminate; Cable operator has ability to reduce further; under cable operator control; grandfathered until renewal or extension.

Access facilities, staff assistance equipment (studio(s), portapaks, etc.): Null and void.

Leased access channel(s): Eliminated if program distributors have channel arrangements.

Franchise renewal process: Limits local ability; almost total protection to cable operator.

Franchise fee of 3%, to be used for cable purposes: Nullifies; FCC to set single national limit within 180 days of S. 66 enactment.

Protection of subscriber privacy: Preempted by federal standards.

In general

Total Lake County effort to secure: good services; reasonable rates; protection to the public; proper business climate; open franchise process; competition for franchise: All null and void.

Proper and reasonable regulations and requirements for franchise: Null and void.

Local contractual arrangements mutually agreed upon: Null and void.

Please note:

1. Lake County was complimented by cable operators and others for its cable ordinance and a well-conducted franchise process.

2. The preemption and nullification of local authority, determinations and agreements by unilateral federal action is a significant blow to the national-local role in serving the public.

RESOLUTION 1982-83-16—A RESOLUTION OPPOSING S-66 WHICH WOULD PROVIDE FOR FEDERAL REGULATION OF CABLE TELEVISION (CATV)

Whereas, the DuPage Mayors and Managers Conference is a corporate entity chartered within the State of Illinois and the County of DuPage, representing thirty-four municipalities with a combined population of over 530,000 citizens; and

Whereas, the DuPage Mayors and Managers Conference is organized among other reasons to discuss and direct the concerns of municipal officials toward mutual problems and to seek resolution of such problems; and

Whereas, the regulation of cable television has traditionally been the province of local government; and

Whereas, S-66, sponsored by Senator Goldwater, would render full regulatory authority to the Federal Communications Commission (FCC) unless specifically delegated, thus stripping local governments of the traditional right of local regulation; and

Whereas, municipalities would lose all jurisdiction over rate regulation with the exception of rates for "must carry", off the air signals; and

Whereas, municipalities would be prohibited from requiring cable operators to set aside more than ten percent of available channels for public, educational or governmental access, with the possibility of operators being exempted from the 10 percent figure if the FCC determines a sufficient number of alternatives to local access channels exist; and

Whereas, S-66 would virtually mandate automatic franchise renewal and may impede the efforts of municipalities to secure technological upgrades at the time of renewal; and

Whereas, the FCC would have the responsibility to set a national franchise fee that would cover the cost of system regulation only; and

Whereas, negotiations between the National League of Cities and the cable television industry are currently underway which may lead to a compromise position that is mutually acceptable;

Now, therefore, be it resolved that the DuPage Mayors and Managers Conference strongly opposes S-66, as was the case with the bill's predecessor S-2172 (Resolution 1982-83-04 attached herein) and urges its legislative representatives to oppose this bill; and

Be it further resolved that copies of this resolution be sent to Senators Percy, Dixon, and Goldwater, Representatives Hyde, Corcoran, and Erlenborn, the National League of Cities, and Illinois Municipal League.

Passed and approved by the DuPage Mayors and Managers Conference on this 16th day of March, 1983.

JANICE GERZEVSKE,
President.

[From the Chicago Sun-Times, June 8, 1983]

FINE-TUNE CABLE BILL

Within a week, the Senate is scheduled to take up a bill that would set national regulations for cable television. We recently outlined some of the serious problems in the current version of the bill, sponsored by Sen. Barry Goldwater (R-Ariz.). Now we're

happy to report that Sen. Alan J. Dixon (D-Ill.) has responded.

Dixon is proposing a series of amendments to correct some of the worst flaws, chief among them a pre-emption of local control over francise renewals and the rates cable companies can charge their customers.

Those issues are especially important to Chicago, which is now negotiating its first cable contracts. The work of the negotiators would be in vain if the unamended bill passes. Other cities large and small across the country have also voiced these concerns.

Illinois Bell has raised another: The bill would allow cable companies to compete, essentially without regulation, against services offered by phone companies, which are highly regulated. We think that would be unfair.

If all these problems can be corrected, the bill might be acceptable. If not, it should be tabled. There is no emergency demanding its passage this session.

Mr. DIXON. Mr. President, May I inquire about the time remaining to the Senator from Illinois after presenting those remarks?

The PRESIDING OFFICER. The Senator from Illinois has 10 minutes remaining.

Mr. DIXON. I thank the Chair.

URGE PRESIDENT REAGAN TO RETAIN PAUL VOLCKER

Mr. DIXON. Mr. President, the question of whether the President of the United States will reappoint Paul Volcker to another term as Chairman of the Federal Reserve Board has attracted considerable attention. Numerous newspaper articles, columns, and editorials have been written, and the issue is widely regarded as the most important economic decision facing the President today.

I understand the sensitive political and economic considerations that President Reagan is weighing, and I am sure that he is getting more advice than he can possibly digest on the questions involved. Nonetheless, as a member of the Senate Banking Committee, which exercises oversight over the Federal Reserve Board and which will have to hold hearings and initially pass on the appointment of a new Chairman, I feel compelled to add my views.

I am expressing my opinion because I feel strongly in the matter—I strongly believe that Chairman Volcker deserves to be and should be reappointed. I do not support his reappointment because I have agreed with every decision he has made or because his views and mine on major monetary policy issues are identical. Far from it.

As I am sure Chairman Volcker would say if he were asked, he and I have disagreed at times. At the semiannual Banking Committee hearings on the conduct of monetary policy, Chairman Volcker has been strongly questioned by me and by other members of the committee.

Because of his numerous appearances before the Banking Committee over the last 2½ years, and from many other contacts, however, I have come to know him and to appreciate his talents and abilities.

Paul Volcker is a man of enormous gifts, and he has conducted himself admirably in very, very difficult conditions. Frankly, in our current economic situation, I would not wish the chairmanship of the Fed on anyone, and if Paul Volcker were to decide to retire from public service, I would not blame him at all. In fact, his willingness to serve as Chairman over the past 4 years, to make the very difficult decisions involved, and to hang-tough through a continuing firestorm of criticism from all points of the political compass without resigning is perhaps the only major reason I would question his judgment and urge he not be reappointed, because surely no one exercising good judgment would want his job.

The bottom line, Mr. President, is that Paul Volcker has done a job that no one else could have done. He has played an irreplaceable role in wringing inflation out of the American economy, and the failure of Congress and the President to solve Federal budget problems is far more to blame for the current recession than any action the Fed has taken.

There is a long list of reasons for keeping Paul Volcker as Chairman. Often cited, for example, is the special confidence that financial markets have in him. But I think the main reason for keeping him is well-expressed in the maxim, "If it isn't broke, don't fix it." Paul Volcker has demonstrated his ability to do a very good job in a very difficult position. His record justifies reappointment in the absence of a major philosophical difference with President Reagan. After all, the Federal Reserve Board is not like the Department of the Treasury; it is not part of the President's Cabinet. The Federal Reserve is an independent body, and since the President supports current Fed policy, there is no strong reason to replace the current Chairman.

Most importantly, reappointing Chairman Volcker gives us a chance to say that we approve of excellence in Government, and that we are willing to recognize and reward that excellence. His reappointment would not signal Presidential or congressional approval of what are still too-high interest rates; it would signal the intention to keep monetary policy consistent, and it would acknowledge his contributions to our economic policy.

I urge the President, therefore, to reappoint Paul Volcker to another term as Chairman of the Federal Reserve Board. I hope and confidently expect that his reappointment would command strong bipartisan support in the Senate. It will surely have mine.

I yield back the remainder of my time. I thank the Chair.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR BUMPERS

The PRESIDING OFFICER. Under the previous order, the Senator from Arkansas is recognized for not to exceed 15 minutes.

THE DPT VACCINE

Mr. BUMPERS. Mr. President, in the spring of 1982, on the local NBC affiliate, there was a documentary shown on the dangers of the DPT vaccine—a vaccine which we give children to protect them against diphtheria, pertussis, and tetanus. That show was narrated by Lea Thompson, a woman who had obviously done a great deal of work in preparing the program. This program emphasized the fact that the pertussis (whooping cough) vaccine is not 100 percent safe. It showed that some children are brain damaged as a result of taking the vaccine. That statement by itself is true, however, there is more to the story than this.

Just 3 days ago on June 6, 1983, the same correspondent, Lea Thompson, did approximately a 10-minute segment on the Today show. It was essentially a condensed repeat of the same program that the local NBC affiliate had shown last spring—again pointing out that pertussis vaccine is not risk free. I happened to watch the Today show Monday morning and I caught that segment of the show. Most of the program was devoted to the proposition that if a child has the DPT shot, there is a chance that he or she will have a reaction and, on infrequent occasions, will be permanently brain damaged.

Mr. President, what do you think that does to the parents of this country, when they hear a layman who puts together a program with this kind of information. I talked to Dr. Lou Cooper with the American Academy of Pediatrics who also appeared on the show. He talked to Miss Thompson after the program and she gave him the impression that she was really trying to be absolutely fair in her presentation. She may have been trying, and I am not here to castigate her or NBC, but to try to set the record straight and give a more balanced presentation.

I will tell you what the other side of the picture is, Mr. President. When I was a child, whooping cough was not uncommon, because that was before the pertussis vaccine was ever developed. In the 1920's and the 1930's, we used to have 100,000 to 200,000 or more cases of whooping cough a year. Thousands of children, mostly infants, died every year of whooping cough. The program on NBC pointed out the risks of a reaction if you take the pertussis shot. However, I believe they did not adequatey show that risks of the disease are greater than those associated with the vaccine.

Studies estimate that there will be 1 neurological illness attributable to DPT vaccine for every 110,000 doses administered and there will be 1 case of permanent neurological incidence attributable to the vaccine out of every 310,000 doses administered.

The one thing NBC did not develop well enough last Monday, as well as last spring, is that the incidence of brain damage in children that get whooping cough is 1 in every 8,000 cases.

For those parents who are confused and distressed about whether or not to give their child the DPT shot, all I say to them is, ask your doctor. Do not ask Lea Thompson or NBC; ask your doctor: "Should I have my child immunized?" I venture to say not 1 out of 100,000 doctors would recommend against the shot, because the odds are more favorable for the vaccinated child.

Mr. President, in the 1970's, England experienced a controversy about pertussis vaccine. I do not know whether it was the result of some kind of sensational report or not, but many people of England began to believe that pertussis vaccine was dangerous and consequently immunization levels fell from approximately 80 percent of all the children in England to approximately 30 percent; that is, only 30 percent were protected against whooping cough.

Here is what happened. From 1976 to 1981, following the decline in pertussis immunization acceptance there was a 2.3-fold increase in the rate of whooping cough for children under 1 year; a 4.4-fold increase in the rate of disease in children from 1 to 4 years of age; and a 1.8-fold increase in the rate of disease for children 5 to 9 years of age.

In 1980, 95 percent of the children in the United States had completed a primary series of vaccinations by the time of school entrance.

What I came here this morning to say, Mr. President, is that if news reports should cause a dramatic drop in the immunization levels for DPT, we may see an outbreak of whooping cough in this country. According to current statistics, approximately 1 out of every 8,000 children would be permanently brain damaged from the disease. If a child is immunized, the risk of permanent brain damage from the shot is 1 out of every 310,000 doses. Obviously the risks associated with immunizations are much less than the risks associated with the disease. However, I want to emphasize that pertussis vaccine is not perfect. We should and must do all we can in the field of research to make it as safe as possible.

Also, doctors should, and I believe most of them do, tell parents about the risks of the vaccine. Every parent is entitled to know what the risks are before their child is immunized.

All I am saying, is you are flirting with a time bomb when you do not carefully report all of the statistics on risks involved with both the vaccine and the disease. With this knowledge, parents can then make a well-informed decision. Personally, I always had my children immunized. I do not want to say that there are no risks, with the vaccine. However, the alternative is much worse. For us to now start in the direction of nonimmunization, after the monumental efforts we have made in this country to conquer some of these childhood diseases, would be a terrible travesty.

Mr. President, I want to cite just a couple of statistics, and I ask unanimous consent that these statistics be inserted in the Record immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BUMPERS. This table shows what we have done since 1975, when Congress finally started appropriating enough money for childhood immunization; and when HHS, then HEW, finally started developing programs to make sure children were immunized.

In 1975, we had 16,652 cases of rubella. That is the kind of measles that, if contracted by a pregnant woman, she is very likely to have a deformed baby. Incidentally, a substantial number of people institutionalized in this country are there because of some syndrome from a childhood disease.

In 1982 we had 2,283 cases of rubella, which represented a 800-percent drop in this disease since 1975.

In 1975 there were 24,374 cases of measles reported. This is the kind of measles I had in the second grade when there was not a vaccine. In 1977, we had 57,345 cases of measles. Now, think about that—57,345 cases of measles, and in 1982 we had 1,697 cases reported. Measles is almost eradicated in this country, and Congress ought to take some pride in that because they appropriated the money for the immunization programs.

In 1975, there were almost 60,000 cases of mumps in this country and in 1982 there were 5,196 cases.

Mr. President, I use these statistics to simply show the monumental progress that has been made in this country in eliminating preventable childhood diseases. I must say that Miss Lea Thompson's motives may have been absolutely pure, but I think she did a disservice to the Nation and a disservice to parents as well, who may be terribly stressed as a result of such a one-sided presentation.

EXHIBIT I.—APPROPRIATIONS FOR CHILDHOOD IMMUNIZATION PROGRAM AND NUMBER OF CASES OF CHILDHOOD DISEASES FROM 1975 TO 1982

	1975	1976	1977	1978	1979	1980	1981	1982 [1]
Rubella	16,652	12,491	20,395	18,269	11,795	3,904	2,077	2,283
Measles	24,374	41,126	57,345	26,871	13,597	13,506	3,124	1,697
Tetanus	102	75	87	86	81	95	72	81
Mumps	59,647	38,492	21,436	16,817	14,225	8,576	4,941	5,196
Pertussis	1,738	1,010	2,177	2,063	1,623	1,730	1,248	1,784
Diphtheria	307	128	84	76	59	3	5	3
Polio	8	14	18	15	34	9	6	7
Appropriation for fiscal year (in millions)	$7.5	[2]$8.2	$14.5	$33.0	$46.9	$30.3	$30.4	34.6

[1] Provisional data.
[2] Includes transitional year.
Source: Incidence figures from Center for Disease Control.

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend

beyond 11 a.m. with statements therein limited to 2 minutes each.

SENATOR MATHIAS DESERVES GREAT CREDIT FOR IMF VICTORY IN SENATE

Mr. PROXMIRE. Mr. President yesterday the Senate passed the bill providing for the replenishment of the International Monetary Fund. This was not an easy measure for Members of Congress to understand or explain to constituents. It was, however, specially necessary, not only to provide emergency credit assistance to lesser developed countries, but also to prevent the possible collapse of our good friend Mexico which is our third most important trading partner. In the accolades that were handed out when we finally passed this legislation, one Senator who richly deserved credit was neglected. In my judgment, this Senator did more than anyone else to provide a solid record for understanding why this legislation is essential for this country's political and military as well as economic interest. The quiet hero of last night's victory was the Senator from Maryland, CHARLES MCC. MATHIAS. Back at the beginning of the year, Senator MATHIAS held a blizzard of hearings in his subcommittee of the Foreign Relations Committee with a series of extraordinarily well informed and persuasive witnesses. At Senator MATHIAS' invitation I had a chance to attend virtually all of those hearings, as well as the subsequent hearings in the Senate Banking Committee. The Mathias hearings established a strong, in fact, an overwhelmingly persuasive record that we should go ahead with the $8.5 billion replenishment. Last night the favorable vote on this issue was, in my judgment, the result of the solid, thorough work done by Senator MATHIAS in his hearings early this year. He played a quiet, inconspicuous role in the debate on this bill on the floor, but he deserves the credit for a vital victory for this Nation's foreign as well as commercial policy.

SATELLITE KILLERS COULD END OUR NUCLEAR DETERRENT WARNING SYSTEM

Mr. PROXMIRE. Mr. President on Tuesday and Wednesday of this week I spoke on the floor of the Senate about the tremendously complex and elaborate system we have developed for a warning system to inform the President in the event an enemy should launch a nuclear missile attack on the United States. The generals in command of our Colorado mountain retreat where we have concentrated our nuclear warnings complex spoke of the absolute, rock-ribbed reliability of the system of that command. The supporters of this vital warning system assure us that it is virtually mistake proof. Many of us may seriously doubt that. At any rate, we place a tremendous faith on this, the heart and brain of our nuclear deterrent.

On June 5 the New York Times reported that both this country and the Soviet Union are now actively engaged in developments that may soon make this warning system and any similar warning system that informs the Soviet leaders of the beginning of a nuclear attack absolutely useless. Here is why: First, what is at the heart of the elaborate and painstakingly constructed warning systems on both sides? Answer—satellites out in space that can report the movement of missiles launched anywhere on Earth, also they can disclose any significant increase in heat or any explosion that might indicate the launching of a missile, and can trace the path of the missile from the moment it leaves its launcher until it smashes into its target.

The President of the United States must rely on this warning system and this Nation must depend on it for our protection. But last Sunday, Charles Mohr reported in the New York Times that the satellite killers now well along in testing and at least on our side ready to be operational by 1987 could have a devastating effect on arms control and defense against nuclear attack. Here is why as Mohr puts it:

> The military uses of space have already become so vital that satellites can fairly be called the strategic nervous system of the two major powers. Communications, surveillance, early warning against nuclear attack or conventional mobilization, monitoring of each side's weapons testing programs and thus of arms control treaties, all depend heavily on satellites. A panel of scientists recently wrote that whatever hope exists that a wide-ranging armed clash between the two powers can be contained or avoided depends almost entirely on the confidence provided by 24-hour, instantaneous satellite surveillance.

Mr. President, we will have this issue before us in the near future, as Mr. Mohr points out, the military procurement bill which the Congress is currently considering may carry initial procurement funds for the satellite. We have already provided more than $200 million in research money. The Defense Department estimates the cost of the weapons system at $3.6 billion. But the GAO indicates the cost could move as high as $15 billion

We have resolutions pending to urge the administration to negotiate a treaty with the U.S.S.R. banning killer satellites. The administration has asked that we slow down on these resolutions and first work out the technical problems involved in verification.

Mr. President, I ask unanimous consent that the article by Mr. Mohr headlined, "Preparing for Conflict on Orbiting Battlefields" be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 5, 1983]

FIRST FUNDS FOR SPACE WEAPONS SCHEDULED FOR VOTE THIS WEEK—PREPARING FOR CONFLICT ON ORBITING BATTLEFIELDS

(By Charles Mohr)

WASHINGTON.—Sometime this summer an Air Force F-15 jet fighter is scheduled to launch a two-stage rocket in the first flight test of an American antisatellite weapon. For 15 years the Soviet Union has been testing—but with a failure rate of close to 50 percent—a less sophisticated and less capable satellite killer.

Even when "perfected," many authorities say, both weapons seem likely to have limited ability to attack the full range of targets in space. But their advent appears to bring the United States and the Soviet Union to the starting gate of an expensive extension of the arms race.

The Air Force says its system—which may not be fully operational until 1987—would cost $3.6 billion, but according to some legislators a secret report by the General Accounting Office predicted that the cost could rise to $15 billion or more. When the House of Representatives resumes debate on the military procurement authorization bill this week it is due to vote on an amendment to strike out $19.4 million in initial procurement funds. Nearly $200 million for research and development would be untouched, but liberals favoring the amendment argue that it was unwise to begin actual procurement and take the first, small step toward expanding the arms competition to space.

One of the main arguments against proceeding with antisatellite weaponry is that the military uses of space have already become so vital that satellites can fairly be called the strategic nervous system of the two major powers. Communications, surveillance, early warning against nuclear attack or conventional mobilization, monitoring of each side's weapons testing programs and, thus, of arms control treaties, all depend heavily on satellites. A panel of scientists recently wrote that whatever hope exists that a wide-ranging armed clash between the two powers can be contained or avoided depends almost entirely on the confidence provided by 24-hour, instantaneous satellite surveillance.

The scientific panel, sponsored by the Union of Concerned Scientists, last month proposed prompt negotiations with the Soviet Union on a treaty to ban the testing of antisatellite weapons and the destruction of or interference with space objects. Resolutions urging similar action are pending in both houses of Congress.

Reagan Administration officials, however, made clear they oppose quick initiation of such negotiations. One reason given is a preference that all technical problems involved in treaty verification be resolved before talks begin.

The scientists and many retired military officers argue that the United States is much more dependent on present space satellite sensors than the Soviet Union and has more to gain by a treaty banning satellite killers. These spokesmen also say that the prohibition on testing would prevent the development of reliable weapons and could be verified with confidence.

Satellites circle the earth at varying orbits. Many of the most valuable American satellites are at "geosychronous" or stationary orbit at about 22,500 miles—including the three infrared satellites that would give early warning that the Soviets had fired missiles. Some satellites are even higher and some are at semisynchronous altitude at about 12,000 miles. Other reconnaissance satellites are in low earth orbit of about 1,000 miles. The present Soviet satellite killer, which is launched by the rocket motors of a SS-9 ICBM and which weighs several thousand pounds, can only reach low orbit objects and must go into orbit itself to do so.

Dr. Richard L Garwin, a physicist and military affairs consultant, said that it might be possible to endanger high orbit satellites with "space mines," or satellites with explosive charges, that could be parked in orbit close to their targets until needed. Earth-based lasers may also within a few years have adequate capacity to damage sensitive electronic and optical equipment on satellites. But for now attention is focused on less exotic weaponry.

The United States version is about 18 feet long and 20 inches in diameter, weighing 2,600 pounds altogether. The system consists of a two-stage rocket booster on which a homing vehicle is mounted. After release from the F-15, rocket motors will, if all goes well, carry the homing vehicle into space and accelerate it to a speed of more than 30,000 miles per hour. Guidance equipment on the boosters aim the vehicle on an approximate interception path toward the space object selected as a target.

The cannister-shaped homing vehicle—the business end of the weapon—is about 12 inches in diameter and 13 inches long. It has no explosive warhead but is designed to destroy a satellite by the force of a high-speed impact. It is equipped with eight small telescopes that gather infrared light waves from the target. Around the waist of the vehicle are 56 small rocket tubes used to adjust the vehicle's course.

COMPLEX AND HARD TO DODGE

The American satellite killer is more complex than the Soviet version. A so-called "direct ascent" weapon, it does not have to go into orbit but streaks straight for its target. It can eventually be launched from fighter bases all over the world.

Its speed is so great that it can overtake a target from any direction and its size and supercooling will give it a very small radar and infrared "signature." These factors will make it difficult for defensive sensors on targeted satellites to spot it and initiate evasive action.

But in its present form, with two relatively small booster rockets, the United States weapon will not be able to reach high orbit satellites. Some experts believe the capability to do that could be attained in the future by launching it from the earth with a large third rocket. In any case, according to the Union of Concerned Scientists, many of the Soviet Union's militarily valuable satellites, are in low orbit or in highly elliptical orbits in which they dip to low altitudes in each circuit of the earth.

The Soviet satellite killer has a conventional explosive warhead. Nuclear explosions in space, which are prohibited by two treaties, would have devastating effects on satellites thousands of miles away and even out of line of sight of the nuclear blast. However, no one can now foresee a way in which such nuclear devices could be used without destroying the attacker's own satellites and "sterilizing" space.

ATROCITIES IN UGANDA

Mr. PROXMIRE. Mr. President, no subject has been pending before the Senate as long as the Genocide Convention. Last Saturday's Washington Post reported on two massacres in Uganda which show the need for immediate ratification of the treaty.

Although the reports are unconfirmed, up to 250 civilians may have been murdered. Sources near Kampala say that on May 24, the bodies of 50 men were dumped out of a truck.

Kampala has been the scene of fighting between the Ugandan Army and guerrillas. Accounts are unclear as to which tribe the men belonged.

The second incident occured in Luwero, where over 100 Buganda villagers were massacred at a camp for displaced persons. There are suspicions that the Army may have been responsible for the killings.

Mr. President, these heinous acts are reminiscent of past events in Uganda under the regime of Idi Amin. There can be little doubt that the murders of thousands of Acholi and Langhi tribe members constituted genocide.

Despite the lack of confirmation of the recent reports from Uganda, they undoubtedly raise the specter of genocide for two reasons. First, the massacres appear to be directed at noncombatants and, second, they appear to be motivated by tribal animosity.

Mr. President, we must not sit by passively while people are slaughtered. We must act now and use every tool at our disposal to prevent such atrocities in the future. The executive branch, particularly the State Department, must protest in the strongest terms.

But responsibility is not limited to the State Department, we in the Senate can strengthen their hand.

Mr. President, over 90 nations have ratified the Genocide Treaty, showing their belief that international law can be an effective tool in promoting world peace. The treaty declares that an act committed with the intent to destroy a national, ethnical, racial, or religious group is a crime punishable under international law. I strongly urge the U.S. Senate to ratify this treaty as quickly as possible.

SOVIET ANTI-ZIONIST COMMITTEE

Mr. SPECTER. Mr. President, I rise today to comment on a subject in an article that appeared on Tuesday, June 7 on the front page of the New York Times concerning the official Soviet Anti-Zionist Committee. The committee, set up 6 weeks ago, publicly claimed that emigration from the Soviet Union had virtually halted only because most Soviet Jews who wanted to leave had already gone. That claim is patently false.

I cannot think of a more shocking claim except perhaps one made by the committee's chairman, a retired Soviet general, that "Zionism is increasingly modeled on the ideas and methods of Hitler." Consider the irony of that invidious comparison.

Such distasteful deceit is indicative of the depths to which Soviet emigration policy has now descended. The Kremlin obviously decided to establish this committee in an effort to attempt to justify the sharp curtailment of the emigration of Soviet Jews. Its false claims should not go unchallenged.

Without question there are several hundred thousand Soviet Jews struggling to emigrate. The National Conference on Soviet Jewry estimates that by late 1979, 300,000 Jews had asked relatives abroad to send invitations to emigrate. These invitations are a prerequisite to applying for an exist visa. Another estimate put the number still seeking to leave at 200,000.

Between 1979 and 1982, Jewish emigration decreased by 95 percent in a systematic denial of the right to emigrate declared by the Helsinki Final Act. Last year, fewer than 3,000 were permitted to leave; in 1979 the number was 51,000.

I myself visited the Soviet Union less than 1 year ago and met in both Moscow and Kiev with numerous Soviet Jews seeking to emigrate. These refuseniks told of living in constant fear and suffering official oppression. In both cities Jews appeared tense and uneasy. I heard many stories of Jews refused exit visas for years without explanation, even though separated from families. In Moscow, refuseniks were willing to meet with me in large groups while in Kiev they would only meet in private homes in very small groups.

They identified their priorities as: First, change in the overall Soviet policy to permit mass migration; and second, pressure for action on notorious cases, such as Anatoly Shcharansky's.

The Soviet officials at that time acknowledged to me denying to Jews the right to emigrate on the grounds that such efforts to leave the U.S.S.R. were treasonous and could only lead to a dangerously increasing number of emigration requests.

The establishment of this new anti-Zionist committee makes it even clearer that the Soviet Union is not interested in a fair and humane policy for Soviet Jewry. At a time when U.S.-U.S.S.R. relations are so strained, the Soviet Government refuses to liberalize its emigration policy. Yet its officials have been informed by many, including this Senator, that doing so would lessen tensions without requir-

ing any effort or cost by the Soviet Government.

According to the National Conference on Soviet Jewry, since 1979, letters of invitation to emigrate sent by relatives to the hundreds of thousands of Jews who wish to leave have been effectively blocked by Soviet authorities. This action further interferes with the rights of Soviet Jews. It further confirms that the Soviet Government will apparently resort to any means, however devious, to block emigration.

In addition to firsthand evidence from my trip, day after day I receive letters on behalf of Soviet Jews. Just this week letters were received concerning Dr. Iosef Begun and Lev Elbert. The plight of Anatoly Shcharansky, Ida Nudel, and Leonid Brailovsky and other celebrities should remind us that many thousands more in the U.S.S.R. await freedom.

Mr. President, racist propaganda such as that emanating from the Soviet Union's Anti-Zionist Committee underscores the urgent need for continued vigilance by top American officials for every opportunity to press Secretary General Andropov on this critical issue of assuring the legal rights of emigration of Soviet citizens.

I ask unanimous consent that the relevant New York Times article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOVIET SAYS THE JEWS WHO ASKED TO LEAVE HAVE LARGELY GONE

(By Serge Schmemann)

Moscow, June 6.—Leaders of an official Anti-Zionist Committee set up six weeks ago said today that they were satisfied that Jewish emigration had effectively stopped because most Soviet Jews who wanted to leave had gone.

Speaking at a news conference, Samuil L. Zivs, the group's first deputy chairman, said assertions in the West that thousands of Jews still sought to emigrate represented "juggling of figures by Zionist propaganda."

[The National Conference on Soviet Jewry, a New York-based group that monitors emigration statistics, says that by late 1979 at least 300,000 Jews had asked relatives abroad to send invitations to emigrate. It is not known how many of these have since gone or still want to leave.]

Mr. Zivs, brandishing letters from abroad that he said had been forwarded to him by Jews, said Zionists were sending thousands of unsolicited invitations to Soviet Jews and then contended that these Jews wanted to emigrate.

Invitations from relatives in Israel and elsewhere are the first step in the emigration procedure, and Jewish sources have said that the Soviet authorities have effectively blocked the passage of the forms through the mails.

The emigration of Soviet citizens in general is restricted. Mr. Zivs, a 61-year-old jurist who is with the Institute of State and Law, affirmed the official position in saying that exceptions for Jews had been intended to reunify families separated by World War II.

"Family reunification has essentially been completed," he said, "and for this reason, emigration has diminished."

Another reason for the decline, he said, is the smaller number of Jews "who succumb to Zionist lures, who become victims of Zionist propaganda and as a result leave our country."

"I would put it this way," he said. "The vast majority of those who wanted to leave have received permission."

According to figures compiled by Western organizations, Jewish emigration dropped from a high of 51,320 in 1979 to 2,688 last year. There are about 1.8 million Jews in the Soviet Union.

So far this year, 421 emigrations have been recorded through April. The news conference seemed to substantiate the fear of would-be emigrants that the new committee had been established to justify the curtailment of emigration by portraying Jews as content and loyal.

In reporting on the news conference, the official Tass press agency said the "exceptionally wide support" shown for the new organization "actually expresses the public mandate of the committee—the right to speak on behalf of the entire multi-ethnic Soviet public."

OFFICIAL SPOKESMEN FOR JEWS

Western diplomats said that the officials of the group, including Mr. Zivs and the chairman, Col. Gen. David A. Dragunsky, were expected to act as spokesmen for Soviet Jews.

Mr. Zivs said the committee would try to help Soviet citizens see through the "lies of Zionist propaganda and enticements." He said the group had received letters from Jews at home and abroad asking for such help, including one from an émigré in Brooklyn who asked the group to "protect us against Zionism and American imperialism."

Much of the news conference was given over to polemics against Zionism.

General Dragunsky, 73, a retired tank corp officer who appeared in military uniform and read from a prepared statement, traced Soviet opposition to Zionism back to Lenin. The general called Zionism "chauvinistic and racist," and a "man-hating ideology" indistinguishable from Nazism.

"The past year has made perfectly clear that Zionism is increasingly modeled on the ideas and methods of Hitler," General Dragunsky said.

Participants in the two-hour news conference denied that there was Soviet discrimination against Jews. General Dragunsky said the Anti-Zionist Committee and the Soviet public "oppose chauvinism in all forms, whether as anti-Semitism or as Zionism." His colleagues identified Jews in various walks of life in an attempt to dismiss notions of official discrimination.

ANTI-ISRAELI BOOK AT ISSUE

Mr. Zivs sought to distance the committee from some crude anti-Israeli publications like a recent book by Lev A. Korneyev called "The Class Essence of Zionism," which argues, among other things, that Jews themselves are partly responsible for the history of anti-Semitism.

Mr. Zivs said the committee "will struggle against improper expositions in such booklets that unfortunately do appear."

Another member of the panel, Yuri A. Kolesnikov, a writer, borrowed some ideas from the Korneyev book to argue that Zionists had been busy during World War II not with defending European Jews but with assuring the settlement of Palestine.

"This is why we have the right to pass the harshest judgment on Zionists," he said. "In those days they not only failed to defend their co-religionists, but betrayed them, wholly in league with the Gestapo and the SS."

Mr. Kolesnikov did not stop there, and went on to insist on the verity of the contention occasionally heard in the Soviet Union that Israel executed Adolf Eichmann "to make sure he would not be seized by another nation and make public the sacred secrets of cooperation between Zionism and Nazism."

REQUESTS PUT AT 300,000

The National Conference on Soviet Jewry, a New York-based group that monitors emigration statistics, estimates that, by late 1979, at least 300,000 Jews has asked relatives abroad to send the invitations needed for emigration before the Soviet authorities began blocking such invitations.

"For the last three and a half years, people have been unable to apply to leave because they were not allowed to receive letters of invitation," said Jerry Goodman, the group's executive director.

It is not known how many of the 300,000 applicants as of late 1979 have since left or still want to emigrate.

Mr. Goodman said that, before the tighter rules went into effect, 10,000 to 20,000 Jews who had received letters of invitation and had applied to leave had been turned down for reasons of state security or without explanation.

During the mid-1970's, Soviet authorities paid little attention to the source of the letters of invitation, which were often sent not by relatives but by organizations in Israel or other countries supporting the idea of emigration.

Israel and the Soviet Union have no diplomatic relations, and Soviet emigrants, after obtaining their exit visas, are given Israeli entry visas by the Dutch Embassy in Moscow.

The Greater New York Conference on Soviet Jewry organized a rally in New York on May 22 to demand free emigration for Soviet Jews. The rally, which was attended by tens of thousands of people, followed a World Conference on Soviet Jewry in Jerusalem earlier this year. Mr. Goodman said after that conference that the establishment of the Soviet Anti-Zionist Committee was a "propaganda device."

NEW ORLEANS SHIPBUILDER WRITES PERTINENT LETTER

Mr. LONG. Mr. President, we U.S. Senators receive literally thousands of letters each week—sometimes thousands in a single day—from constituents who take time to recommend ways in which they feel government can better serve the interests of the people.

Some of these communications recommend more government, some less. Some want more emphasis on the military part of the budget, less on the so-called entitlements side. Others want it just the opposite. Some wish to eliminate foreign aid; some would like to double it. Some are concerned with one narrow issue; others seek to have us attack a number of interconnecting problems at once.

In all this avalanche of mail, it is seldom that a Senator receives a letter which is so well thought out and so pertinent to various issues of the day that he wishes to share with all of his colleagues the benefits of its recommendations.

Today, I call the Senate's attention to such a letter. It is a document which was actually addressed first to President Ronald Reagan, with copies sent to me and to several other members of the Louisiana, Mississippi, and Alabama delegations. I ask unanimous consent that this letter be printed in full in the CONGRESSIONAL RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. LONG. The author of this letter is Mr. Harold Halter of New Orleans, who operates shipyards in all three States. Mr. Halter is deeply concerned about what has happened to his businesses and his employees—many of them now former employees, unfortunately—over the past 3 or 4 years. His letter explains that while he once had over 3,000 employees, that figure is now below 1,000 and falling.

While Mr. Halter's boatbuilding business is particularly dependent on the good health of the offshore energy industry, his recommendations have relevance to many other industries as well. His suggestions touch on many aspects of our trade and tax laws in ways which go far beyond his own operations on the gulf coast.

The ideas expressed by Harold Halter in his May 2, 1983, letter to President Reagan represent many of the same initiatives which I and other Senators from the coastal and energy-producing States have been urging on the Congress through the years. In a nutshell, their goals are energy independence, national security, trade balance, job creation, and general economic prosperity.

It is indeed encouraging to know that business leaders back home are thinking in such comprehensive, far-reaching terms. In so doing, they greatly assist those who represent them in Congress. I commend his views to my distinguished colleagues.

The letter follows:

(Exhibit 1)

HALTER MARINE INC.,
New Orleans, La., May 2, 1983.

The PRESIDENT,
The White House
Washington, D.C.

MR. PRESIDENT: In the televised rebuttal to your State of the Union Address, the Democrats enumerated five programs they endorse to revitalize the economy of the United States. One of those programs called for the United States to become a net energy exporter by the year 2000. The Democrats stated that $60 billion dollars a year was being spent abroad for foreign crude. This clearly is one of the largest factors creating the current disastrous deficits in our balance of payments.

We have witnessed the deterioration of this country's basic industries including steel, automobile manufacturing, machine tools, etc., to name a few. If government and management of major and independent oil companies do not work together, we could see the demise of another of this country's major industries and one of our largest international industries. It must be remembered that the United States' oil and service companies and their suppliers control the drilling and production technology worldwide and employ millions of people throughout the nation in conjunction with this effort. In today's business environment many of these drilling and service companies are barely surviving and a record number have filed for bankruptcy. Now is the time for us to develop a plan to become energy self-sufficient, which, in addition to helping these companies survive, will allow U.S. companies to maintain their technological lead in this most critical industry.

It is precisely because this country did not have a plan seven years ago that we experienced a shortage of crude oil, which led to the disastrous 1000% increase in oil prices. Industry had warned many years prior to the shortage that the United States would experience a disruption in supply and disastrous price increases as a consequence of this country's dependence on foreign oil. While the price of oil is falling today, it will only serve to create an even greater disaster as our dependency on foreign oil imports increases. This disaster can be averted with proper planning between government and industry. In producing a plan businessmen, military leaders and politicians could work together to simulate an emergency situation where up to eighty percent of our current energy imports would be cut off immediately. A bi-partisan plan to become self-sufficient over a period of years with intermediate goals at two years, five years and ten years could be designed based upon what is learned in this simulation. Nothing happens without planned goals and we must start setting them now while we have temporary breathing room.

Some essential elements of that plan should include:

1. The vigorous push for the phased decontrol of natural gas pricing from the wellhead to the consumer. Any natural gas deregulation legislation must allow for old contracts for the purchase of natural gas at below market prices to be renegotiated from the wellhead to the consumer.

Decontrol of the airline industry has already improved service and lowered costs to customers. Eventually, it will do the same for the oil and gas industry while increasing employment and eliminating inequities such as higher prices placed on citizens of producing states while those in consumer states pay less.

2. The enactment of new incentives to encourage domestic exploration for oil and gas reserves particularly in those areas which will generate new revenue for the government. Since the U.S. Government owns most of the land where remaining oil and gas reserves are located, the U.S. Government will be the big winner in any movement that increases domestic oil and gas exploration and development.

Last year, although more oil and gas wells were completed than in any other single year in the history of the United States, total reserves did not increase in spite of the fact that energy demand declined approximately seven percent from their prior year. This trend must be halted or there will be no reserves in times of crises or embargo. Other countries have devised cost-sharing or royalty formulas that create incentives to encourage exploration. Today, they are reaping the royalties from these policies. Canada and the United Kingdom are two prime examples of this. By paying a portion of the exploration cost in the Arctic, Canada is encouraging companies to explore in an area that might otherwise go unexplored. The Canadian government will be repaid through increased production royalties.

When the British Government decided to create incentives designed to encourage oil and gas exploration, they developed a plan that in ten years, resulted in the addition of more new reserves than the United States had experienced in thirty years.

3. The levying of import fees on foreign oil to discourage its use while reducing dependence on outside sources. The additional revenues could be used to help the disadvantaged with energy costs and to aid the coal industry in an effort to increase the level of exports of coal thereby helping to reduce our trade deficit while creating new jobs.

4. The repealing of the Fuel Use Act, an ill-conceived piece of legislation which requires all utilities to convert from natural gas to alternative fuels by 1990. The premises on which this legislation was introduced are no longer valid today.

5. The implementation of a plan that would allow American companies that have untaxed foreign earnings to bring home those dollars tax free for a period of two years provided that funds are invested in capital goods or oil and gas exploration. This should speed up economic recovery by creating millions of jobs and increase badly needed U.S. dollars in our monetary system to help lower interest rates.

6. An amendment to the windfall profits tax legislation to provide a credit against the tax for amounts invested in oil and gas exploration above some base year level.

7. The restoration of the depletion allowance to the percentages that would encourage the capital required to accomplish the goal of energy self-sufficiency.

8. A plan to encourage the expanded use of natural gas as an energy source. Natural gas is the country's cleanest fuel available, and greater use of it would tend to lower the price of crude oil and gas since, in many instances, it is produced as a by-product of crude oil.

9. Legislation that would require all steel used in the domestic exploration and production of oil and gas be manufactured in the United States.

10. Legislation that would require that a defined percentage of all crude oil imported into the United States be transported in American ships.

11. A plan to convert the billions of dollars presently tied up in lease bonuses and acquisition costs into exploration dollars thereby creating new jobs and additional revenues for the U.S. Treasury.

12. Budgeting additional funds for the National Science Foundation which now has only a $60 million budget to spend in the development of undersea mining and deep sea drilling technology. A two to three billion dollar a year investment spent through the universities and corporations would be an investment that would be returned tenfold. We know more about outer space than inner space, and talk of high technology, yet do nothing to encourage it.

13. The repeal of those provisions of the Foreign Corrupt Practices Act which render

U.S. firms uncompetitive in conducting business overseas. Other nations have a distinct advantage when competing with U.S. companies abroad. They are allowed to do business within the accepted manner and customs in other countries, while the U.S. companies must apply U.S. standards and practices to foreign cultures. It is a form of business arrogance and ignorance that is costing us untold billions of dollars in our balance of payments, as well as millions of jobs, while allowing others to improve their economic and political positions with their foreign trade partners.

14. The implementation of a program designed to increase the level of awareness among the American people about their government, and their economic system. A better understanding of such simple concepts as inflation, balance of trade, balanced budget and other commonly used terminology will enable Americans to better understand the adjustments that they will be asked to make during the next two decades as we struggle to rebuild this country's economic base and restore it to its former might.

While not being a total cure, if enacted, these proposals could accomplish the following:

1. Assist in restoring the jobs of millions of Americans in the steel, automobile, machine tools, and housing industries. While some indicators are pointing to an economic recovery, the need to create jobs is overwhelming. It is our feeling that, not only will the recovery be weak, but current unemployment numbers do not reflect the realities of the number of people out of work.

2. Add billions of dollars to the U.S. Treasury and correct the current deficits in the balance of payments.

3. Reduce our dependence on foreign oil.

4. Help the U.S. Oil and Gas Industry and Service Companies maintain their world leadership positions.

5. Assure that this country and its national security will not be endangered by potentially hostile suppliers of oil. We cannot take the risk of having a nation without energy to fuel its defense or feed its people.

The American people have always responded to a disaster in a courageous manner. Americans working with industry saved Europe during World War II. The level of production achieved during that four year period by working together was no less than a miracle. With the proper planning now we can once again respond to a crisis and simultaneously provide a stimulus to our economy. In my conversations with business executives I am convinced they are willing to make the sacrifices required to produce a bi-partisan plan.

I know my views represent those of a business segment that has a vested interest, but I think that I also articulate the views of the silent 2,000 employees I have had to pare from my work force.

I have shipyards located in three states. Those congressmen and senators representing constituents where my yards are located are concerned about our recent layoffs. I think I may be of assistance in enlisting their support in this effort. Additionally, if I can be of any assistance in enlisting the support of my business associates, I would be honored to do so. I look forward to your reply.

Respectfully yours,

HAROLD P. HALTER,
Chairman of the Board.

SENATOR MILTON R. YOUNG

Mr. BURDICK. Mr. President, I express my sorrow at the passing of my good friend and former colleague, Senator Milton R. Young of North Dakota, who passed away May 31.

It was my privilege to serve in the Senate with Milt for more than 20 years. I can truly say that we were friends, despite our political differences.

We knew Milt in North Dakota as "Mr. Wheat" because of his strong advocacy of farm legislation and his undying devotion to the well-being of the family farmer.

Milt served in the Senate longer than any other North Dakotan and his tenure, from March 12, 1945, to January 1981, was the longest continuous service attained by any Republican U.S. Senator.

The North Dakota press has printed a number of worthy stories about Senator Young and his career. I think Carl Flagstad of the Minot Daily News, who is one of the sages of North Dakota journalism, has written an especially good story that captures much of the spirit of Milt Young, and I would like to share it with my colleagues. I ask that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Minot (N. Dak.) Daily News, June 1, 1983]

YOUNG RECALLED AS DIGNIFIED, KIND

(By Carl Flagstad)

Only three weeks ago a letter arrived at The News from retired Senator Milton R. Young, a simple thank-you message for an article that had appeared remembering his efforts to save John Moses Hospital from closure in 1955.

Young knew death was not far away when he wrote that letter. He closed with the comment that "my health situation is making it difficult for me to write many letters but I couldn't resist letting you know that all the nice things you had to say have not gone unnoticed or unappreciated."

He was that sort of man, courteous, kind and dignified. He was also immensely proud of being a United States senator. Around the state, news people almost invariably referred to him as "Uncle Milt," but one would never say that to his face.

On first meeting, Young seemed an unlikely person to be senator. He didn't fit the image—no shock of bushy, white hair, no deep sonorous voice. Tall and sort of craggy looking, Young resembled a farmer who had just donned his Sunday meeting clothes after coming out of the fields. Besides that, he stuttered, and that affliction stayed with him all his life.

Nobody ever rated him a great orator, nor did he attempt to make any dramatic speeches on the Senate floor. But Milton Young, especially as he gained seniority with the passing years, became a power to be reckoned with in Congress during committee session, where the real work is done.

And he worked unabashedly for North Dakota. Monuments to his efforts stand all over the state. John Moses Air Force Regional Hospital in Minot is one example. He was instrumental in getting it built and he stared down the Veterans Administration when it attempted to close in 1955.

Young was also partially responsible for getting the Air Force to locate the base near Minot. A huge generating station bears his name; the Omega naval tower stands at LaMoure; Minot's highest structure, the Milton R. Young Towers, bears his name, a tribute to a senator from grateful citizens in this city he often visited.

He will be remembered most for his unceasing efforts on behalf of farmers. He was one himself and he knew the trials and tribulations of farming in North Dakota with its erratic weather. Until his dying day, Milton Young was a fervent supporter of the Garrison Diversion project and, to a high degree, the reason it is still alive can be credited to his work in Washington.

Gerry McKinney, the most vocal critic of Garrison in Manitoba, may have expressed the ultimate tribute. Teaming with Sen. Quentin Burdick, D-N.D., three years ago, Young saved Garrision by attaching an appropriations rider to a massive omnibus bill providinig funds for such diverse things as relief for Cuban refugees and black lung research. Much as he may have wanted to, Jimmy Carter, whose hostility to Garrision was well known, couldn't strike out that Garrison sum. He had to accept the entire bill or veto everything. Carter swallowed his pride and signed. Garrison was saved and up in Brandon, McKinney commented wryly "that old man, Senator Young, he sure knows his way around there in Washington."

Young also was the father of target price legislation for farmers and a multitude of other bills, all aimed at aiding agriculture, especially in North Dakota. And always on the horizon he foresaw the day when Garrison Diversion would bring Missouri water into wide areas of the state.

There were some misses like his concentration on getting a NavStar station built at the old radar station at Fortuna. The Defense Department hemmed and hawed while Young hammered away on the subject. Finally the Pentagon accepted Fortuna but then put the whole matter into limbo.

Nor, it is suspected, was Young at all enchanted when the anti-ballistic missile complex he had labored to get built near Nekoma was closed within a day or so after it became operational.

Senatorial rage also was expressed on the dismal day that Young, accompanied by some high brass, traveled to a missile site of the Grand Forks complex, there ostensibly to view the launch of a Minuteman from a silo. It was an unarmed missile, intended to be launched for a flight of only a short distance. It fizzled completely. Young stormed back to Washington to vent his wrath on any quaking Air Force generals he might encounter.

And there certainly is one admiral who has probably never forgotten Milton Young. At the time the admiral was commandant of the Naval Academy, which, in a long-ago year, sent greetings to a young Minoter informing him he had been selected for entrance to the academy. However, no orders arrived and inquiries to the academy produced the adrupt response that a mistake had been made—the boy had finished second, not first, and therefore wasn't accepted. Sorry, said the academy, that's the way the ball bounces.

It didn't bounce that way for Senator Young when he got into the act.

"Read that thing you got from the academy to my aide," he said. "Read every word, every comma, every period. We'll see what they have to say."

Armed with the information, Young got the commandant on the hook, informing him, if the admiral didn't already know it, that he was not only on the Senate Armed Services Committee but also on the Appropriations Committee and, while he was senator, no North Dakota boy was going to be penalized by somebody else's goof-up. The admiral agreed hastily and the boy went to Annapolis.

Politically, Young thought of himself as a liberal Republican while his foes classified him as ultra-conservative. He was a founding father of the old Republican Organizing Committee in the state and, with the exception of John Moses, was the first senator to go to Washington since 1916 who had not been identified with the Nonpartisan League.

And for all those nearly 36 years he never forgot the bitter experiences he and others had gone through in the "Dirty Thirties," experiences he hoped to avert for farmers of other generations. He remembered in conversations the days of 25-cent wheat and nickel oats; he recalled having to borrow food and seed money just to exist, and he mentioned having lost some farmland himself in the Depression through foreclosures.

Years ago some friends of Milton Young may have delivered the perfect epitaph, more than 30 years before his death.

"Milt Young is a prince of a man," they said, "everybody likes him."

He went on to become the fifth longest serving senator in the nation's history, in consecutive terms.●

SPRINGFIELD: THE REBIRTH OF A CITY

Mr. KENNEDY. Mr. President, a few years ago some observers predicted the demise of the New England economy. By the 1980's, they said our economy would consist of little more than some boarded-up mills and a few weather-beaten fishing vessels.

But in the words of Winston Churchill "Never before has the opposite of the truth been spoken with such precision." Massachusetts is alive and well and making the successful transition to a new economy. Its new industries have helped Massachusetts achieve the lowest unemployment rate of any industrial State in the Nation. Even the fabled Japanese and German industrialists can sometimes be seen roaming the Commonwealth to learn how we achieved such success.

A hallmark of the Massachusetts economic renaissance is the city of Springfield, the second largest city in the Commonwealth. In many ways it is a classic, old American city; it is situated on a river and it achieved its early growth and prosperity through textiles and other manufacturing.

In recent years, the decline of these industries hurt the city's economy severely. But Springfield is a city that would not accept decline. With community leaders like newspaper publisher David Starr, Mayors Charlie Ryan and Teddy DiMauro, organizations such as the Springfield Chamber of Commerce, Springfield has experienced a rebirth.

In 1975, a partnership of business, government, and labor was formed, to coordinate a strategy to secure capital, to direct it to the most promising sectors of the city's economy, and to initiate infrastructure improvements to lure new businesses to the area. I am proud to have worked with the city's leaders, and my able colleague in the House, Congressman EDWARD BOLAND, to obtain the over $55 million Federal funds that served as seed money for the revitalization of the city.

The payoff has been dramatic: A new downtown has been built, the city's unemployment rate has been held down to 3 points less than the national average throughout the recession, and last year Springfield was the only city in the Frost Belt to be among the top 10 gainers in retail sales.

Today, Springfield's success story was described in some detail in a story by Fox Butterfield in the New York Times. I urge my colleagues to read this article. It not only reveals the road to success for one American city; it points the way for the revitalization of urban areas all across our Nation.

I ask unanimous consent that the full text of the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SPRINGFIELD, MASS., TAKES NEW HEART

(By Fox Butterfield)

SPRINGFIELD, MASS., June 3.—A few years ago, Main Street here was a decaying monument to the economic forces that have swept 20th century America: the exodus of Northern industry to the South and West and the flight of city people to the suburbs.

Main Street's once stately brick buildings had turned into empty storefronts of dilapidated, vandalized hulks, the shoppers had disappeared, and only the red-light district seemed to flourish after 5 P.M.

But over the last five years, despite the national recession and cutbacks in Federal aid for urban renewal, a group of local business and government leaders has rejuvenated downtown Springfield, creating a model that is being increasingly studied by other middle-size cities.

As an indication of their success, unemployment has been held below 7 percent, and last year Springfield was the only city in the Frost Belt to be among the top 10 gainers in retail sales.

OFFICES, APARTMENTS, SHOPPING

A $30 million, 17-story office building has risen on the long-vacant lot next to City Hall. An abandoned toy factory has been turned into 200 renovated apartments with exposed brick walls and pine plank floors. Four empty buildings have been pulled together to make a shopping arcade, complete with openair restaurants that line a closed-off street.

Springfield's turn-of-the-century Greek revival Symphony Hall has been refurbished, a $17 million combination parking garage and performing arts theater is near completion, and work is beginning on a new $11 million home for Springfield's leading tourist attraction, the Basketball Hall of Fame, in a restored park along the banks of the Connecticut River.

Up the hill above Main Street, the Digital Equipment Corporation has converted part of the old sprawling Springfield Armory, where the Springfield rifle was made, into a $25 million computer manufacturing facility. It employs 1,000 people, the majority of them residents of the local black neighborhood.

In all, $500 million has been invested in Springfield over the last five years by private businesses and the city, state and Federal governments, according to Mayor Theodore E. Dimauro. "That's an enormous amount for a city of our size that isn't a state capital," Mr. Dimauro said.

Springfield is the second-largest city in Massachusetts, with a metropolitan area population of 528,000, and the fourth biggest in New England, after Boston, Providence and Hartford.

In many ways it is also a classic New England city. Built on a river, it enjoyed a golden age between the Civil War and the 1920's. The Springfield Armory prospered as the main government arms supplier, Dr. James Naismith invented basketball in a local Y.M.C.A., and in 1901 the Duryea brothers built the first American automobile here.

Milton Bradley, the toy manufacturer, Spaulding, the sporting goods company, and Smith & Wesson, the gun builder, all established headquarters in Springfield.

Springfield's revival, after a decline of five decades, is attributed to an unusual coalition of business, government and the press. The catalyst was the closing of the city's largest department store in 1975, a severe economic and psychological below that meant another empty city block.

MORTGAGE POOL FORMED

At the time, recalled David Starr, the publisher of the Springfield newspapers, former Major Charles V. Ryan Jr. proposed that the city's two insurance companies and 11 banks form a mortgage pool. The pool would lend money at two to three points below market rates to developers approved by a civic coalition known as Springfield Central.

Mr. Starr, an energetic, articulate man who is senior editor of the Newhouse group's 27 newspapers, was impressed by the idea and urged it on James R. Martin, the chairman of the Massachusetts Mutual Insurance Company, Springfield's largest employer. The next day, the story now goes, Mr. Martin put in $5.2 million as seed money and soon had $15 million in commitments from the other concerns for the mortgage pool.

Although the first project, turning some old office buildings into rental housing, was run by the Springfield Institution for Savings, the other banks and insurance companies overcame their normal competitiveness and put their share of pool money into it.

As a master plan for redevelopment was worked out and consultants from around the country were hired to see how Springfield could put to use its crumbling brick buildings or its neglected river frontage, the work was coordinated by Springfield Central. "For several years we met every Friday morning from 7:30 to noon," Mr. Martin recalled.

"We had to have some shouting matches," Mr. Martin said, "but nobody ever welshed on their commitments." Peer pressure was

strong, he said, and so was the coverage by Mr. Starr's papers, which made urban renewal a major topic.

In Mr. Starr's view, the businessmen were "really protecting their whole economic base," though he also gave them high marks for cooperation and imagination.

At the same time, Mayor Dimauro set up a group to expedite government clearances for redevelopment projects. He also provided generous tax abatements and helped bring in $30 million in Urban Development Action grants and Community Development grants from the Department of Housing and Urban Development.

"It didn't hurt to have our man in Washington," the Mayor added, referring to Representative Edward P. Boland, a Democrat from Springfield, who is chairman of the House Appropriations subcommittee on H.U.D. and Independent Agencies.

But Mr. Starr pointed out that, unlike some other cities, Springfield enjoyed a renewal financed largely by private money, which has accounted for 75 percent of the funds invested in the downtown area. "It's a lot healthier for the country this way," he said.

BUYING TWO BARS

To clear out the city's red-light district, Springfield Central last fall even borrowed $350,000 from the mortgage pool to buy the last two bars where prostitutes had hung out. The bars remain shuttered, but an alley abutting them where customers in the past had sometimes been mugged has been repaved with new bricks and wrought iron fence posts, and a 91-unit apartment complex has been fashioned out of 19th century warehouses next door.

Springfield still has some problems, Mr. Starr and the others concede. With all the new construction, including two office towers as well as a $14 million Federal office building, there is now a four-year supply of good office space. In the popular mind, the old image of the seedy downtown still lingers and Springfield has not attracted a major department store.

But Mr. Starr believes there is an important lesson for America in Springfield's success, and he and other city leaders have been to Cleveland, Rochester, Bridgeport, Conn., and Washington over the 1st year to share their story. "What Springfield really says is that it can be done if there are enough people in the community willing to work at it," he says.

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I believe the Chair will lay before the Senate the supplemental appropriations bill.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

SUPPLEMENTAL APPROPRIATIONS, 1983

The PRESIDING OFFICER. Under the previous order, the hour of 11 a.m. having arrived, the Senate will resume consideration of the pending business, H.R. 3069, which the clerk will state by title.

The legislative clerk read as follows:

A bill (H.R. 3069) making supplemental appropriations for the fiscal year ending September 30, 1983, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. BAKER. Mr. President, will the Senator yield to me for a moment?

Mr. HATFIELD. Yes.

Mr. BAKER. I thank the Senator for yielding.

It has been called to my attention that there is pending now a unanimous-consent request that I made last evening, and, absent other arrangements, that must be presented by the Chair to the Senate for further action. I do not believe we are quite ready to do that yet. I think there were certain negotiations and inquiries to be conducted by the Senator from Kansas (Mr. DOLE) and the Senator from Montana. I hope they would agree to this.

I ask unanimous consent that the Chair refrain from presenting that unanimous-consent request until the hour of 12 noon today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I thank the Chair and I thank the manager of the bill.

Mr. HATFIELD. Mr. President, the regular supplemental for fiscal year 1983 was passed by the House of Representatives on May 25 and reported from our Appropriations Committee the following day.

The report was printed and available to all Senators last Thursday, June 2.

The committee has recommended a total budget authority of $15,651,348,582 in program supplementals and pay compared to the President request of $15,005,000,808. Thus the committee's recommendations exceed the President's fiscal year 1983 supplemental request by $651,342,774 in budget authority. This amount represents the net effect of additions to the President's request totaling $1,217,398,774, and reductions from the request of the President totaling $566,056,000.

Mr. President, I wish to interrupt my presentation to recognize on the floor today a very distinguished gentleman from the House of Representatives who served as chairman of the House Appropriations Committee for many years—in fact, his name was synonymous with appropriations—from the State of Texas, Congressman Mahon.

The House-passed bill is much smaller at $4,809,430,665, because the House did not include a number of the President's requests, including $8.464 billion for the IMF, $1.3 billion for uncashed social security checks, $151 million for food stamps, and $152 million for the SBA. Given the range of difference between the two bills, I expect our conference will result in some significant changes to the bill as reported from our committee.

It is my hope that we can reduce the overall cost of the bill in the conference.

I want to be clearly on record at this point that I am concerned that we are over the President's request by a significant amount, the $651 million figure that I have already referred to.

I wish to assure my colleagues that we will resist substantial add-on amendments here on the floor and that we will very definitely press to reduce this overall figure in the conference.

I am very hopeful that we can send a bill down to the President that will earn his signature or merit his signature. I do not want to go through this whole exercise for nothing. The President has made it very clear that the bill is in excess of his request level and, therefore, the bill, at the moment, is vulnerable to veto. But I am certain that there are ways—and I have already discussed this matter with a number of the subcommittee chairmen—that we can reduce this bill substantially in conference and it is my expectation we will accomplish that.

I strongly and emphatically believe that the President's advisers are very, very wrong in counseling a veto on this measure for other reasons. Mr. Stockman has complained that this bill is more than a billion dollars over the President's request. But I might say for the RECORD he blithely ignores our reductions when he makes that calculation and indicated to me in computing this or in analyzing this bill he did not count the reductions, only used half the ledger, only counted the add-ons.

He seems to argue that only congressional priorities cause deficits, that the only thing in the budget to cause deficits is the nonmilitary programs, and that somehow the Presidential requests, such as $8.4 billion for the IMF, $453 million for Pershing II procurement, and $156 million for foreign military assistance do not produce deficits.

In short, Mr. President, Mr. Stockman is using only one side of the ledger, as I have indicated—a half ledger.

It is absolutely clear that his reported objections to this bill are not based on dollars, but on programs. Billions for certain programs is OK, millions for others is not.

I do not dispute the President's right to veto any bill because he objects to the mix of programs—that is his right—the allocation of dollars, and not necessarily the total budget amount. He has the right to veto any bill for any reason, or for no reason at all. But Congress has the equal right to make its own determinations on spending priorities. I need not remind my colleagues of this basic constitutional premise—the President proposes and the Congress disposes.

Mr. President, I will have more to say at a later date on the subject of threats to veto fiscal year 1984 bills that have not yet even been reported by our committee, and the fundamentally mistaken notion that the appropriations process is primarily responsible for burgeoning Federal spending and a tremendous deficit. For now, I will reiterate my commitment to restrain spending in this bill both here and in conference, but will vigorously oppose a veto of this bill if it is sent to the President in substantially the same form as it is now before the Senate.

I want to say that I believe, after discussions with Mr. Stockman and other members of the White House staff yesterday, that we have a better understanding and I think a much more accurate picture of just precisely where this bill is and what it represents and what the objections of the White House may be. I want to say again, in spite of my differences on occasion with Mr. Stockman, I have found him to be a man that you can resolve problems with and work out difficulties. I will still nominate him for the most able Director of OMB during my tenure in the Senate.

And so, in spite of differences that do arise, I would not want to imply in any way that there is any kind of a rupture in our working relationship and that we are not working in the same efforts and objectives to accomplish fiscal control and yet at the same time exercise fiscal priorities.

So, with those few comments, I yield to my very dear friend and very able ranking member of the minority party of our committee, Senator STENNIS of Mississippi, for any comments he may wish to make at this time.

Mr. STENNIS addressed the Chair.

The PRESIDING OFFICER (Mr. ABDNOR). The Senator from Mississippi.

Mr. STENNIS. Mr. President, I thank the Senator from Oregon for his very generous remarks about these matters and departments, about the bill, and about me. I certainly back him in most of his proposals and in the points that he has made here with reference to this bill.

I join with the Senator from Oregon in his remarks about our distinguished visitor here, Mr. George Mahon, a former Member of Congress from Texas and long time chairman of the House Committee on Appropriations. It was good to see him and his presence here brought back a flood of warm memories. It is especially appropriate to see him on an occasion when we have such a large appropriation bill under consideration. George Mahon is one of the biggest men that has been around here in my time.

Mr. President, I wish to say, also, about this so-called supplemental bill that we used to call this a deficiency bill because it does prove that to be a fact of life; that is these different departments in the course of the year they do have deficiencies in certain programs and program changes without anyone being at fault, and a change in the funds is necessary.

Of course, these are extraordinary times. We are watchful and careful about the deficits and balancing the budget as near as possible and other points that are related thereto.

This bill could be held as being outside of reason as it is so much more than the House bill. Just let me point out, Mr. President, there are $8.5 billion in here that is not covered by the House for the International Monetary Fund. We had it up all week in one form or another. Of course, percentagewise, that runs the bill up and that is a large sum of money itself, one that I was not happy about but I wound up supporting the authorization figures.

Another item here is for $1.3 billion, Mr. President. That relates to the social security trust funds. Actually, it is a fact of life that that payment is made in accordance with the budget request and relates to uncashed Treasury checks. That is $1.3 billion. It is, in effect, a transfer of funds. That is another thing that runs it over the House bill.

Now, as always, this bill will takes its final form in conference where every major item in it will be well represented by proponents and opponents.

I am very glad indeed that the Senate is going to have a chance to deliberate as much as it wants to in passing on the items in this bill. It will be helpful to us on the committee. I think every member of our Appropriations Committee has made some contribution to the bill.

Mr. President, the bill under consideration, H.R. 3069, is a so-called catch-all appropriation bill. That catch-all term means that it provides supplemental appropriations for the fiscal year 1983 for nearly every function of Government, either for a general program supplement or for increased pay costs. The bill as reported to the Senate by the committee carries over $15,650 million in new budget—obligation—authority, an increase of over $651 million over the budget estimates considered by the committee. This is about $10.8 billion more than the House-passed bill. However, the House did not consider many large budget estimates that we considered which amount to about the same as the increase.

Additionally, Mr. President, other totals carried in the bill affecting appropriations include $407 million in appropriations to liquidate contract authority; $111.6 million in increases in limitations; $150 million in increases in limitations on borrowing authorities; $398 million in loan guarantees; $321 million in changes in limitations on direct loans; and $5 billion in limitations on guaranteed loans; among other general provisions and administrative provisions affecting Government financing and fiscal authority.

Mr. President, I will not undertake to elaborate or itemize all of the various items or changes in the bill made by the committee. Instead, I will just summarize or highlight a few of the major items and point out why we have these large increases that make up for the differences between the committee bill as reported here and the bill as passed by the House.

First of all, let me point out that a large part and dollar amount of the bill is for items considered to be relatively mandatory under existing law. These amounts are for entitlement-type programs such as $1,189,484,000 for the food stamp program; $615 million for the unemployment trust fund; $342 million for the civil service retirement and disability fund; $186 million for the black lung disability trust fund; and $791.6 million for increased pay costs carried under title II of the bill.

Other large items and differences are in title I under general program supplementals include $300 million for the Farmers Home Administration's water and sewer facilities and rural water and waste disposal grants; $152 million for the Small Business Administration's business loan and investment fund, and $464.7 million, slightly less than requested for the Department of Defense supplementals. This is principally $453.6 million for the Pershing II missile procurement.

Mr. President, the single largest item and major money difference in the bill is the committee's inclusion of the President's budget request for $8.5 billion for the International Monetary Fund. Also, the committee included the amount of $322 million for the economic support fund, a reduction of $32 million below the President's request. For military assistance, $155 million is recommended, a reduction of $32 million below the budget estimate submitted by the President. The committee has included $263.4 million for the Veterans' Administration for construction of VA hospitals. Another major change, Mr. President, is the appropriation of $1.3 billion for payments to the social security trust fund

in accordance with the President's budget request. This large amount is to cover the uncashed Treasury checks over the last 50 years and carries out the provisions of the recent Social Security Reform Act authorization.

Mr. President, this is just a brief summary of the major items in the bill. It is a large, complex, and difficult bill too.

I want to congratulate the chairman of our committee and the membership. We had a long and careful markup meeting on this bill with outstanding attendance and good debate. It is a larger amount than some would have provided and less than others would have provided, but it does represent the committee's consensus. I urge the Senate's careful consideration of the committee's recommendations and I hope that any amendments to be offered will be brought to our attention as soon as possible.

Mr. HATFIELD. Mr. President, I thank the Senator from Mississippi. I am always delighted to work with him and the very able staff of this committee as well.

Mr. President, I have a series of procedural actions to take to get the bill before us in the proper form for amendment. This has been cleared on both sides of the aisle.

First of all, Mr. President, I move that in accordance with section 904 of the Budget Act to waive section 311 of that act with respect to the pending measure, H.R. 3069, as reported by the Committee on Appropriations and any amendments thereto.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. HATFIELD. Mr. president, I move to reconsider the vote by which the motion was agreed to and, Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I am now going to move to a request relating to the committee amendments.

I ask unanimous consent that the committee amendments to H.R. 3069 be considered and agreed to en bloc, with the exception of the committee amendments on page 6, lines 14–17—and this is basically a procedural amendment which will have to be set aside—on page 14, lines 1–9, which is the B–1 bomber, and on page 63, line 22 through line 2 on page 64, which is the coal leasing provision.

These are the only ones that have been requested by Members of the Senate. We have invited Members to include any exceptions they wanted to make and this is the list.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. May I inquire what the request was, Mr. President?

Mr. HATFIELD. The request was as stated, that the committee amendments be considered and agreed to en bloc with the exception of the committee amendments on page 6, lines 14–17, which is a procedural amendment used to set aside each time because we are not adopting all amendments en bloc; on page 14, lines 1–9, the B–1 bomber provision, and on page 63, line 22 through line 2 on page 64, which is the coal leasing amendment. Those are the ones which Members have asked to be excepted.

Mr. STEVENS. Those are excepted?

Mr. HATFIELD. Excepted from the committee amendments being adopted en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 2, strike line 14, through and including line 21;

On page 3, line 4, after the sum, insert "and for insured real estate loans, $100,000,000";

On page 3, after line 5, insert the following:

RURAL DEVELOPMENT INSURANCE FUND

For additional water and sewer facility loans to be insured, or made to be sold and insured, under this fund in accordance with and subject to the provisions of 7 U.S.C. 1928 and 86 Stat. 661–664, $225,000,000.

RURAL WATER AND WASTE DISPOSAL GRANTS

For additional grants pursuant to sections 306(a)(2) and 306(a)(6) of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1926), $75,000,000, to remain available until expended, pursuant to section 306(d) of the above Act.

On page 4, line 3, strike "$1,038,484,000", and insert "$1,189,484,000";

On page 4, line 4, strike "$160,000,000", and insert "$151,000,000";

On page 4, strike line 23, through and including "other" on line 25, and insert "$17,000,000 shall be available for rehabilitation of";

On page 5, after line 2, insert the following:

OFFICE OF INTERNATIONAL COOPERATION AND DEVELOPMENT

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses, Office of International Cooperation and Development", to provide for the Caribbean Basin Initiative, $500,000.

On page 5, line 15, strike "$1,000,000", and insert the following:

$5,000,000, to remain available until expended, to become available only to the extent necessary to meet unanticipated costs of emergency activities not provided for in budget estimates.

STANDARD LEVEL USER CHARGES

(TRANSFER OF FUNDS)

For an additional amount for payment of standard level user charges of the Food and Drug Administration, $500,000, which shall be derived by transfer from "Salaries and expenses".

COMMODITY FUTURES TRADING COMMISSION

For an additional amount for necessary expenses for the "Commodity Futures Trading Commission", $965,000, for investigations, registration, litigation travel, agricultural options development, and automated data processing.

On page 7, strike line 1, through and including line 5;

On page 7, line 9, strike "$26,700,000", and insert "$48,873,000";

On page 7, line 10, after "expended", insert the following":

of which $20,000,000 shall be for the establishment of a fund for the residents of the Pribilof Islands: Provided, That such sum shall be available only upon the enactment into law of authorizing legislation: Provided further, That no additional Federal funds shall be made available for this purpose.

On page 7, after line 21, insert the following:

RELATED AGENCIES

SMALL BUSINESS ADMINISTRATION

BUSINESS LOAN AND INVESTMENT FUND

For additional capital for the "Business loan and investment fund", authorized by the Small Business Act, as amended, $152,000,000, to remain available without fiscal year limitation.

DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

WORKING CAPITAL FUND

For additional requirements of the "Working capital fund", $900,000, to be derived from current operating income.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For an additional amount for "Salaries and expenses, General Legal Activities", $5,211,000, of which not to exceed $3,800,000 for asbestos litigation support contracts shall remain available until September 30, 1984.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS AND MARSHALS

For an additional amount for "Salaries and expenses, United States Attorneys and Marshals", $5,992,000.

SUPPORT OF UNITED STATES PRISONERS

For an additional amount for "Support of United States Prisoners", $1,500,000.

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

Funds advanced to "Salaries and expenses, Community Relations Service" shall be made available until expended to make payments in advance for grants, contracts, and reimbursable agreements and other expenses necessary under section 501(c) of the Refugee Education Assistance Act of 1980, Public Law 96–422, for the processing, care, maintenance, security, transportation and reception and placement in the United States of Cuban and Haitian entrants.

INTERAGENCY LAW ENFORCEMENT

ORGANIZED CRIME DRUG ENFORCEMENT

Of funds available under the above heading, $9,619,000, for undercover operations, and $14,000,000 for purchase of automated data processing and telecommunications equipment shall remain available until September 30, 1984.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $1,000,000: Provided, That during fiscal year 1983 there is authorized to be purchased for police-type use (not to exceed one thousand six hundred and

twenty of which thirteen hundred are for replacement only) passenger motor vehicles.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

Of funds available under this heading, $27,177,000, for work under section 501(c) of the Refugee Education Assistance Act shall remain available until expended.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses, Federal Prison System", $3,734,000.

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $7,985,000, to remain available until September 30, 1984.

ACQUISITION, OPERATION, AND MAINTENANCE OF BUILDINGS ABROAD

For an additional amount for "Acquisition, operation, and maintenance of buildings abroad", $22,256,000, to remain available until expended.

On page 10, line 22, strike "and", through and including line 24, and insert "to remain available until expended";

On page 11, after line 1, insert the following:

ARMS CONTROL AND DISARMAMENT AGENCY

For an additional amount for "Salaries and expenses", $564,000.

On page 11, line 8, after the sum, insert "and in addition $4,900,000 in gains in foreign currency";

On page 11, line 22, strike ", and", through and including line 24, and insert a period;

On page 12, line 3, strike "$10,800,000", and insert "$11,833,000";

On page 12, line 21, strike "$6,190,000", and insert "$1,190,000";

On page 12, after line 24, insert the following:

Obligations incurred or to be incurred hereafter for termination liability in connection with the TAKX and T-5 programs, for which the Navy has already entered into agreements to charter (including conversion or construction related to such agreements or charters) shall, so long as the Government remains liable for termination costs, be considered as obligations in the current Operation and Maintenance, Navy, appropriation account, to be held in reserve in the event such termination liability is incurred, for the purposes of title 31, United States Code, in an amount equal to 10 percent of the outstanding gross termination liability.

On page 14, line 13, after "1985", insert the following:

Provided, That funds available under this heading in Public Law 97-377 may be used for the purchase of six vehicles for physical security of overseas personnel, notwithstanding price limitations applicable to passenger vehicles, but not to exceed $100,000 per vehicle.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

For an additional amount for "Research, development, test and evaluation, Navy", $1,500,000, to remain available for obligation until September 30, 1984.

On page 15, line 1, strike "ADMINISTRATIVE", and insert "GENERAL";

On page 15, strike line 20, through and including page 16, line 3;

On page 16, after line 9, insert the following:

No funds available to the Department of Defense during the current fiscal year may be used to enter into any contract with a term of three years or more, inclusive of any option for contract extension or renewal, for any vessels, aircraft or vehicles, through a lease, charter, or similar agreement, that imposes an estimated termination liability (excluding the estimated value of the leased item at the time of termination) on the Government exceeding 50 percent of the original purchase value of the vessel, aircraft, or vehicle involved for which the Congress has not specifically provided authority in an appropriation Act for the obligation of 10 percent of such termination liability.

None of the funds appropriated by this Act may be obligated or expended to formulate or carry out any requirement that, in order to be eligible to bid on a Department of Defense contract for the supply of commercial products or services, an individual or firm that is a small business concern (as defined in section 3 of the Small Business Act) must (1) be in the business of selling to the general public the products or services for which bids are being solicited and maintain a ready supply of such products or services for sale to the general public, or (2) submit a bid sample of the products or services as a precondition to submitting a bid on the contract.

The amount that may be transferred pursuant to section 732 of the Department of Defense Appropriation Act, 1983, is hereby increased to $1,700,000,000.

None of the funds appropriated in this Act may be obligated or expended in any way for the purpose of the sale, lease, rental, or excessing of any portion of land currently identified as Fort DeRussy, Honolulu, Hawaii.

On page 18, strike line 2, through and including page 24, line 22, and insert the following:

Section 107 of Public Law 97-88 pertaining to maintenance and operation of the Chicago Sanitary and Ship Canal of the Illinois Waterway in the interest of navigation includes the Control Structure and Lock in the Chicago River, and other facilities as are necessary to sustain through navigation from Chicago Harbor on Lake Michigan to Lockport on the Des Plaines River.

Not to exceed $500,000 shall be available for channel clearing of Bayou Rigolette as determined advisable by the Chief of Engineers in the project Aloha-Rigolette Area, Grant and Rapides Parish, Louisiana, authorized by the Flood Control Act approved August 18, 1941.

The Wallisville Reservoir, Texas, project, authorized by section 101 of the River and Harbor Act of 1962 (Public Law 87-874), is hereby modified with respect to its physical elements and planned operation as recommended in the Wallisville Lake, Texas, Post-Authorization Change Report, July 1981, as supplemented, July 1982. Notwithstanding the above modifications, provisions of the Contract for Water Storage, Salinity Control, and Recreation in Wallisville Reservoir (Contract Numbered DACW64-67-C-0108 signed by the Secretary of the Army, 2 February 1968) between the United States Government and the city of Houston, the Trinity River Authority of Texas, and the Chambers-Liberty Counties Navigation District, shall govern non-Federal participation: *Provided,* That total project cost as cited in said contract shall be understood to consist of (1) costs, exclusive of land costs, actually incurred by the United States in connection with construction of elements currently in place and to be used in the modified plan, including interest during construction; (2) the actual cost of lands used in the modified plan; and (3) completion costs of the modified plan, including interest during construction.

The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to prepare and submit to Congress a feasibility report on the water resource needs in the vicinity of the Homochitto and Buffalo Rivers, Saint Catherine and Coles Creeks, Bayou Pierre, and other major tributaries draining into the Mississippi River between Bayou Pierre and the Buffalo River, Mississippi, to recommend remedial measures for flood control, bank stabilization sedimentation, and related purposes.

The Secretary of the Army is authorized, notwithstanding any other provision of law, to widen, as necessary for safe passage, the navigation opening of Franklin Ferry Bridge, Jefferson County, Alabama. The work herein authorized shall be accomplished at Federal expense; however, no construction to widen the navigation opening shall begin nor contract for alteration of the bridge may be awarded until the owner shall agree that upon completion of the alteration to thereafter operate and maintain the Franklin Ferry Bridge as altered. There is hereby authorized to be appropriated not to exceed $4,000,000, which includes $1,000,000 previously appropriated, to carry out this section. Amounts authorized by this subsection shall be available until expended.

The Columbia River at the mouth, Oregon and Washington, project authorized by the River and Harbor Act of July 5, 1884, as amended, is modified to provide for deepening of the northernmost 2,000 feet of the channel cross section to 55 feet at Federal expense: *Provided,* That $5,300,000 of "Construction, general" funds shall be made available to undertake this project modification.

The Ventura Marina project authorized by section 101 of the River and Harbor Act of 1968 (Public Law 90-483), as modified, is hereby amended to authorize the Secretary of the Army, acting through the Chief of Engineers to reimburse the Ventura Port District from available Operation and Maintenance, General, funds for work performed by the Port just prior to February 25, 1983, in the area normally maintained by the Corps of Engineers. None of the funds appropriated in this or any future Act for the Ventura Marina, California, project may be used to reimburse local interests for any work performed unless such work has the prior approval of the United States Army Corps of Engineers and the Appropriations Committees.

The Secretary of the Army, acting through the Chief of Engineers, is directed to reimburse to local and State interests those sums of monies (in total not to exceed $3,500,000) expended by them in construction of Flat River Channel improvements to the extent that such construction is incorporated into the Bayou Bodcau and Tributaries project authorized by Public Law 89-298, approved October 27, 1965.

Section 164 of the Water Resources Development Act of 1976 (Public Law 94-587) as amended by section 3 of Public Law 97-140, is further amended—

(1) by inserting the following after the first sentence: "The Secretary of the Army, acting through the Chief of Engineers, shall

construct an approach roadway from the end of the Washington State Route 129 overpass of such bridge to Sixteenth Avenue in the city of Clarkston, Asotin County, Washington,"; and

(2) in the last sentence, by striking out "$23,200,000" and inserting in lieu thereof "$24,000,000".

Contracts for architect and engineering services, and surveying and mapping services, shall be awarded in accordance with the IX of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 541 et seq.)

Section 1114 of title 18, United States Code, is amended by inserting "any civilian official or employee of the Army Corps of Engineers assigned to perform investigations, inspections, law or regulatory enforcement functions, or field-level real estate functions," immediately after "National Park Service,".

Notwithstanding subsection 5901(a) of title 5, United States Code (80 Stat. 508), as amended, the uniform allowance for uniformed civilian employees of the United States Army Corps of Engineers may be up to $400 annually.

The United States Army Chief of Engineers may accept the services of volunteers and provide for their incidental expenses to carry out any activity of the Army Corps of Engineers except policy making or law or regulatory enforcement. Such volunteers shall not be employees of the United States Government except for the purposes of (1) chapter 171 of title 28 of the United States Code, relating to tort claims, and (2) chapter 81 of title 5 of the United States Code, relating to compensation for work injuries.

The project for navigation at Moriches and Shinnecock Inlets, New York, authorized in section 101 of the River and Harbor Act of 1960 (Public Law 86-645), and the items of local cooperation pertaining thereto, are hereby modified to the extent necessary to require the Secretary of the Army, acting through the Chief of Engineers, to provide for the construction of the Navigation feature independent of other features.

Section 104(b) of the River and Harbor Act of 1958, Public Law 85-500, as amended by section 302 of the River and Harbor Act of 1965, Public Law 89-298, is further amended by striking out "$5,000,000" and inserting in lieu thereof "$10,000,000".

The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to design and construct and undertake measures necessary to provide a level of protection as the Chief of Engineers determines necessary to prevent recurring flood damages along the Pearl River in the vicinity of Jackson, Mississippi, substantially in accordance with preliminary plans developed by the Mobile District Engineers, at a currently estimated cost of $26,500,000 including $2,300,000 made available in this appropriation for advanced engineering and design. Expenditures by the Pearl River Basin Development District in constructing improvements at the Mississippi Highway 25 Bridge, an integral part of the plan authorized herein, shall be credited toward the local share of the project costs. Prior to implementation of the work authorized herein, non-Federal interests must agree to provide the requirements prescribed in section 3 of the Flood Control Act of 1936, as amended.

The Secretary of Army acting through the Chief of Engineers is directed to start construction of the Crater Lake phase of the Snettisham hydroelectric project authorized by the 1962 Flood Control Act funds appropriated in fiscal years 1982 and 1983.

On page 31, strike line 12, through and including page 34, line 2, and insert the following:

The Secretary of the Interior is hereby authorized to engage in feasibility studies of the following proposals:

(1) Pilot Butte powerplant, Riverton unit, located in Fremont County, Wyoming;

(2) Northwest Oklahoma Water Supply project, located in Cimarron, Texas, Beaver, Harper, Woods, Ellis, Woodward, and Dewey Counties, Oklahoma;

(3) Siletz River Basin project, located in Lincoln and Polk Counties, Oregon;

(4) Water conservation and efficient use program, All-American canal relocation project, located in Imperial County, California; and

(5) Gibson Dam powerplant, located on the Sun River in Lewis and Clark Counties, Montana.

The interest rate used for computing interest during construction, and interest on the unpaid balance of the interest-bearing reimbursable costs of the WEB pipeline project shall be no more than 5 percent per year.

Appropriations for the Bureau of Reclamation shall be available for purchase of one aircraft.

The Secretary of the Interior shall, under the general investigations authority, engage in a joint, State-led study with the State of Nebraska of cost effective alternatives to the Norden Dam, O'Neill unit of the Pick-Sloan Missouri River Basin program, Nebraska; and shall use available funds to initiate such study. No funds shall be expended for any construction activity for the Norden Dam, O'Neill unit prior to the completion of this study.

On page 35, line 22, strike "$30,000,000", and insert "$15,000,000";

On page 36, line 3, strike "$2,988,000", and insert "$3,988,000";

On page 36, line 5, strike "$500,000", and insert "$1,000,000";

On page 36, after line 25, insert the following:

None of the funds appropriated by this Act, or by any other Act, or by any other provision of law, shall be available for the purpose of restarting the L-Reactor operations of the Savannah River Plant, Aiken, South Carolina, until such time as the Department of Energy prepares and completes an environmental impact statement pursuant to section 102(2)c of the National Environmental Policy Act of 1969. For purposes of this paragraph the term "restarting" shall mean any activity related to the testing or operation of said L-Reactor that would result in the transportation of or emission of any radioactive wastes, effluents, gasses, or other radioactive materials, including, but not limited to:

(A) any actual testing of the water intake, cooling, and discharge systems for said reactor; and

(B) any fuel loading operations for said reactor.

Consistent with the National Environmental Policy Act of 1969, and in consultation with State officials in South Carolina and Georgia and with the public, the preparation and completion of the environmental impact statement called for in this paragraph may be expedited and the Secretary of Energy may reduce the public comment periods, except that the public comment periods shall not be reduced to less than forty-five days.

On page 38, line 9, strike "$245,000,000", and insert "$125,000,000";

On page 38, after line 11, insert the following:

INTERNATIONAL MONETARY FUND

INCREASE IN UNITED STATES QUOTA

For an increase in the United States quota in the International Monetary Fund, the dollar equivalent of 5,310,800,000 Special Drawings Rights, to remain available until expended: *Provided*, That such funds may be made available for obligation only upon enactment of authorizing legislation.

GENERAL ARRANGEMENTS TO BORROW

For an increase in loans to the International Monetary Fund under the General Arrangements to Borrow, the dollar equivalent of 4,250,000,000 Special Drawing Rights less $2,000,000,000 previously appropriated by the Act of October 23, 1962 (Public Law 87-872, 76 Stat. 1163), pursuant to the authorization contained in section 17 of the Bretton Woods Agreements Act and merged with this appropriation, to remain available until expended: *Provided*, That such funds may be made available for obligation only upon enactment of authorizing legislation: *Provided further*, That official United States Government debt reschedulings of debtor countries shall be submitted to the Appropriations Committees of both Houses of Congress.

On page 39, strike "for", through and including the sum on line 12, and insert the following: $17,686,000, of which $16,000,000 is available only for payment to the International Fund for Agricultural Development, and $1,686,000 is available only for payment to the Expanded Program on Immunization Revolving Fund of the Pan American Health Organization.

On page 39, after line 20, insert the following:

AGRICULTURE, RURAL DEVELOPMENT, AND NUTRITION

For an additional amount for "Agriculture, rural development, and nutrition, Development Assistance", $5,000,000: *Provided*, That these funds are available only for Belize.

On page 40, line 6, strike "Costa Rica", through and including the sum on line 12, and insert the following: the "Economic Support Fund", $322,500,000, to remain available until March 31, 1984: *Provided*, That of this amount $150,000,000 shall be available only for assistance to Lebanon.

On page 40, after line 15, insert the following:

OVERSEAS PRIVATE INVESTMENT CORPORATION

The Overseas Private Investment Corporation is authorized to make such expenditures within the limits of funds available to it and in accordance with law (including not to exceed $30,000 for official reception and representation expenses), and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act (31 U.S.C. 9104), as may be necessary in carrying out the program set forth in the budget for fiscal year 1983.

During fiscal year 1983 and within the resources and authority available, gross obligations for the amount of direct loans from the Direct Investment Fund shall not exceed $15,000,000.

During the fiscal year 1983, total commitments to guarantee loans shall not exceed

$120,000,000 of contingent liability for loan principal.

On page 41, strike line 8, through and including line 16;

On page 41, line 20, strike "Thailand", through and including the second sum on line 22, and insert "Military Assistance', $155,650,000";

On page 42, strike line 2, through and including line 11, and insert the following: "Foreign Military Credit Sales", for commitments to guarantee loans, $398,000,000 of contingent liability for loan principal: *Provided,* That of this sum $100,000,000 shall be available only for assistance to Lebanon.

On page 42, strike lines 19 and 20;

On page 43, line 18, after "17)", insert the following: *Provided,* That notwithstanding the above the Department shall carry out the budget program in accordance with the following under this heading: (A) the budget program set forth in the first proviso under the heading Annual Contributions for Assisted Housing (Disapproval of Deferral) in Public Law 98-8 (97 Stat. 13, 16, 17) is hereby amended to provide for assistance under section 5 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437c), for additional section 8 housing of up to six thousand units under loan management, up to seven thousand units under property disposition, and up to nine hundred new or substantial rehabilitation units to be made available to satisfy an existing consent decree, settlement agreement, and setaside pursuant to court order, respectively, in litigation in which the Department of Housing and Urban Development is a party; for up to one hundred additional public housing units for conversions from assistance under section 23 of such Act as it existed immediately before enactment of Public Law 93-383 (88 Stat. 633); and for amendments, $24,500,000 of contract authority and $245,000,000 of budget authority for existing units; (B) that the Secretary of Housing and Urban Development is authorized to deviate from the values set forth in such budget program and to adjust such values, other than the totals of contract authority and budget authority set forth in Public Law 98-8 (97 Stat. 13, 17), as may be necessary to reflect the foregoing amendment; and (C) that notwithstanding the limitation on the use of recaptured budget authority in the third proviso under this heading in Public Law 97-377 (96 Stat. 1830, 1907), the Secretary of Housing and Urban Development shall have the authority to use such recaptured budget authority to the extent necessary to provide the additional section 8 units under loan management and the additional public housing units reflected by the foregoing amendment.

On page 46, line 25, after "rescinded", insert the following: *": Provided further,* That notwithstanding any other provision of law the 90 per centum limitation contained in the third proviso shall be implemented on October 1, 1983 and remain in effect thereafter.

On page 47, strike line 4, through and including line 9;

On page 47, line 18, after "1984", insert the following: *Provided,* That funds heretofore provided under this heading in Public Law 97-272 shall remain available for obligation for the fiscal year ending September 30, 1984, and shall be used by the Secretary for fiscal year 1984 requirements in accordance with section 9(a), notwithstanding section 9(d) of the United States Housing Act of 1937, as amended.

On page 47, line 24, insert the following:

FEDERAL HOUSING ADMINISTRATION FUND

For an additional amount for commitments to guarantee loans to carry out the purposes of the National Housing Act, as amended, $5,000,000,000.

On page 48, strike line 5, through and including page 49, line 7;

On page 49, line 11, strike "$6,800,000", and insert "$11,128,000";

On page 49, after line 17, insert the following:

CONSUMER INFORMATION CENTER

Notwithstanding any other provisions of law, there is hereby established in the Treasury of the United States a Consumer Information Center Fund, General Services Administration, for the purpose of disseminating Federal Government consumer information to the public and for other related purposes. There shall be deposited into the fund for fiscal year 1983 and subsequent fiscal years: (A) Annual appropriations from the general funds of the treasury for Consumer Information Center activities; (B) User fees from the public; (C) Reimbursements from other Federal agencies for costs of distributing their publications; and (D) Any other income incident to Consumer Information Center activities. Moneys deposited into the fund shall be available for expenditure for Consumer Information Center activities in such aggregate amounts as are specified in annual apropriations Acts. Any unobligated balances at the end of a fiscal year shall remain in the fund and shall be available for authorization in appropriation Acts for subsequent fiscal years. This fund shall assume all the liabilities, obligations, and commitments of the said Salaries and Expenses, Consumer Information Center account. The revenues and collections deposited into the fund shall be available for necessary expenses of Consumer Information Center activities in the aggregate amount of $6,797,000 during fiscal year 1983: *Provided,* That revenues and collections accruing to this fund during fiscal year 1983 in excess of $6,797,000 shall remain in the fund and shall not be available for expenditure except as authorized in appropriation Acts.

On page 51, after line 3, insert the following:

GENERAL PROVISIONS

SECTION 1. (a) Subject to valid existing rights, administration of the following described lands is hereby transferred to the Veterans Administration for use as an addition to the Sitka National Cemetery: That tract of unimproved land lying easterly of existing structures which is a portion of the lands described in Public Land Order numbered 1707 of August 6, 1958, provided that the actual description of the lands to be administered by the Veterans Administration shall be determined by a survey made and approved by the Secretray of the Interior, after consultation with the Secretary of Agriculture. The actual description shall be published in the Federal Register by the Secretary of the Interior as a Public Land Order.

(b) The lands described in subsection (a) of this section are a portion of the lands reserved by Executive Order numbered 8854 of August 16, 1941, for use of the United States Coast and Geodetic Survey as a magnetic and seismological observatory site. Subsequently, a portion of the lands described in Executive Order numbered 8854 was transferred by Public Land Order numbered 1707 of August 6, 1958, to the jurisdiction of the Forest Service, Department of Agriculture for use as an administrative site in connection with the administration of the Tongass National Forest. Lands described in subsection (a) of this section are hereby deleted from Executive Order numbered 8854 and Public Land numbered 1707.

SEC. 2. (a) Subject to valid existing rights and the provisions of subsections (c) and (d) of this section, administration of the following described public lands is hereby transferred to the Veterans Administration for use as an addition to the Sitka National Cemetery: That tract of land lying southerly of existing structures which is a portion of the lands described as tract numbered 2 of Presidential Proclamation 2965 of February 25, 1952, provided that the actual description of the lands to be administered by the Veterans Administration shall be determined by a survey made and approved by the Secretary of the Interior. The actual description shall be published in the Federal Register as a Public Land Order.

(b) The lands described in subsection (a) of this section are a portion of the lands described as tract numbered 2 which was reserved by Presidential Proclamation 2965 on February 25, 1952, as an administrative site for the Sitka National Monument. Lands described in subsection (a) of this section are hereby deleted from Presidential Proclamation 2965.

(c) A right-of-way for a road across the lands described in subsection (a) of this section to the residence located on the lands described in Section 3 of this Act shall be provided and maintained by the Veterans Administration.

(d) In the event that the Administrator of the Veterans Administration determines that all or any part of the lands described in subsection (a) of this section are no longer needed for National Cemetery purposes, those lands no longer needed shall be returned to the jurisdiction of the Secretary of the Interior.

SEC. 3. Tract numbered 2 of Presidential Proclamation 2965 is hereby modified to include the following described lands: That tract of land containing the existing structures which is all the remaining portion of the lands described as tract numbered 2 of Presidential Proclamation 2965 of February 25, 1952, not transferred by subsection 2(a) of this Act, and lands lying northerly of the existing structures to the southerly boundary line of Public Land Order numbered 1707, provided that the actual description of these lands shall be determined by a survey made and approved by the Secretary of the Interior. The actual description shall be published in the Federal Register as a Public Land Order.

On page 54, strike line 4, through and including line 6;

On page 54, after line 6, insert the following:

PAYMENTS IN LIEU OF TAXES

Notwithstanding any other provision of law: (1) 31 U.S.C. 6901(2) is amended to read as follows:

"(2) 'unit of general local government' means:

(A) a county (or parish), township, borough existing in Alaska on October 20, 1976, or city where the city is independent of any other unit of general local government, that: (i) is within the class or classes of such political subdivisions in a State that the Secretary of the Interior, in his discretion, determines to be the principal provider or providers of governmental services within the State; and (ii) is a unit of general government as determined by the Secretary of

the Interior on the basis of the same principles as were used on January 1, 1983, by the Secretary of Commerce for general statistical purposes. The term 'governmental services' includes, but is not limited to, those services that relate to public safety, environment, housing, social services, transportation, and governmental administration;

(B) the District of Columbia;

(C) the Commonwealth of Puerto Rico;

(D) Guam; and

(E) the Virgin Islands."

(2) Section 6903(a)(4) is repealed.

(3) The United States shall not be subject to any cause of action or any liability for distribution of payments made prior to January 1, 1983, under the Act of October 20, 1976 (90 Stat. 2662), as amended, or regulations pursuant thereto.

On page 55, strike line 13, through and including line 16;

On page 55, strike line 18, through and including line 20;

On page 55, strike line 23, through and including line 4 on page 56, and insert the following:

Of the funds appropriated under this head in the Department of the Interior and Related Agencies Appropriation Act, 1983 (Public Law 97-394) and proposed for recision as R83-16, $63,600,000 is hereby deferred and shall not become available for obligation until enactment of the Department of the Interior and Related Agencies Appropriation Act, 1984: *Provided*, That $14,000,000 shall be available from the Highway Trust Fund to liquidate contract authority provided under section 105(a)(8) of Public Law 94-280 for engineering services, roadway and bridge access, and pilot tunnel bore work for the Cumberland Gap Tunnel, as authorized by section 160 of Public Law 93-87.

On page 56, line 23, strike "$30,000,000", and insert "$64,000,000";

On page 56, line 24, strike "3,000,000", and insert "$8,000,000";

On page 57, line 2, after "Virginia", insert the following: ($3,000,000), and Ash Meadows, Nevada ($5,000,000); and of which $6,200,000 is hereby transferred to "Land acquisition," Forest Service for Sawtooth National Recreation Area, Idaho ($4,000,000), and for payment to Pocahontas and Webster Counties, West Virginia ($2,200,000);

On page 57, line 10, strike "; $4,300,000", through and including "law" on line 16, and insert ": $34,000,000 is for Redwoods National Park, California";

On page 57, line 17, strike "$986,000", and insert "$1,800,000";

On page 58, after line 3, insert the following:

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

ABANDONED MINE RECLAMATION FUND

For an additional amount for "Abandoned Mine Reclamation Fund," $54,730,000, to remain available until expended.

On page 58, line 13, strike the sum, and insert the following: $45,350,000: *Provided*, That $31,350,000 of such amount shall be available until expended for transfer to the State of Alaska to assist in the basic operation and maintenance of Bureau-owned schools which are transferred to the State, such sum to be in addition to assistance otherwise available under the Act of April 16, 1934 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.), or any other Act to such schools on the same basis as other public schools: *Provided further*, That after June 30, 1984, the Bureau of Indian Affairs shall operate no more than ten day schools in Alaska: *Provided further*, That the Bureau of Indian Affairs shall not operate any day schools in Alaska after June 30, 1985: *Provided further*, That notwithstanding the provisions of Public Law 97-394, the Bureau of Indian Affairs shall operate the Mount Edgecumbe boarding school in Alaska until June 30, 1984.

On page 59, strike line 12, through and including line 23, and insert the following:

For deposit into the Papago Trust Fund established pursuant to Public Law 97-293 (96 Stat. 1283), $15,000,000, to remain available until expended.

On page 60, strike line 5, through and including line 10, and insert the following:

For deposit into the Cooperative Fund established for the benefit of the Papago Tribe of Indians pursuant to section 313, Public Law 97-293 (96 Stat. 1284), $5,250,000, to remain available until expended.

On page 60, after line 16, insert the following: "(INCLUDING DISAPPROVAL OF DEFERRAL)":

On page 60, line 19, strike "$3,188,000", and insert "$12,058,000";

On page 60, line 20, after "expended", insert the following: *Provided*, That the proposed deferral of $3,188,000 in obligational authority provided under this head in Public Law 97-394 (deferral D83-55), as set forth in the message transmitted by the President to the Congress on February 1, 1983 under section 1013 of the Impoundment Control Act of 1974 (Public Law 93-344), is hereby disapproved.

On page 61, strike line 13, through and including line 17;

On page 61, after line 18, insert the following:

STRATEGIC PETROLEUM RESERVE

For expenses necessary to carry out the provisions of sections 151 through 166 of the Energy Policy and Conservation Act of 1975 (Public Law 94-163), $370,000,000, to remain available until expended.

On page 62, after line 1, insert the following: "(DISAPPROVAL OF DEFERRAL)";

On page 62, strike line 3, through and including line 12, and insert the following:

The unreported deferral of $800,000,000 in obligational authority provided under this head in prior Acts, as set forth in the message transmitted by the General Accounting Office to the Congress on May 5, 1983, under section 1015(a) of the Impoundment Control Act of 1974 (Public Law 93-344), is hereby disapproved.

ADMINISTRATIVE PROVISIONS, DEPARTMENT OF ENERGY

Notwithstanding section 303(3) of Public Law 97-257, funds provided for Economic Regulatory Administration by this or any other Act shall be used: (1) to maintain not less than three hundred and eighty full-time permanent Federal employees, of which not less than forty employees shall be assigned to the Office of Fuels Conversion, for the fiscal year ending September 30, 1983; and (2) to maintain not less than three hundred and five full-time equivalent Federal employees, of which not less than twenty-seven employees shall be assigned to the Office of Fuels Conversion, for the fiscal year ending September 30, 1984.

On page 63, line 11, strike "$19,359,000", and insert "$23,734,000";

On page 63, strike line 12, through and including line 20;

On page 64, strike line 3, through and including line 16;

On page 66, strike line 7, through and including line 15;

On page 66, after line 15, insert the following:

The Senate finds that the Forest Service's proposal of March 15, 1983, to consider six million acres of the national forest for possible sale has met with considerable opposition; and the national forests are an important part of the national heritage of the United States; and the national forests provide and protect important resources; and the national forests provide unique opportunities for recreation; and it is inconsistent with past management practices to dispose of large portions of our national forests. It is, therefore, the sense of the Senate that it is not in the national interest to grant the authority to sell significant acreage of the national forest until such time as the Forest Service specifically identifies the tracts which are no longer needed by the Federal Government; inventories the tracts as to their public benefit values; provides opportunities for public review and discussion of the tracts; and completes all necessary environmental assessments of such sales.

On page 68, line 9, after "Institute", insert "for research into acquired immune deficiency syndrome";

On page 68, line 14, after "Institute", insert "for research into acquired immune deficiency syndrome";

On page 68, line 19, after "Stroke", insert "for research into acquired immune deficiency syndrome";

On page 69, line 4, after "Diseases", insert "for research into acquired immune deficiency syndrome";

On page 69, line 10, after "health", insert "for research into acquired immune deficiency syndrome";

On page 69, after line 11, insert the following:

ASSISTANT SECRETARY FOR HEALTH

HEALTH MAINTENANCE ORGANIZATION

LOAN AND LOAN GUARANTEE FUND

For an additional amount for "Health Maintenance Organization Loan and Loan Guarantee fund", $2,650,000 to be used solely for obligations resulting from defaulted loans guaranteed by this fund.

SOCIAL SECURITY ADMINISTRATION

PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

For an additional amount for "Payments to Social Security Trust Funds" for expenses authorized by section 152 of Public Law 98-21, $1,300,000,000.

GENERAL PROVISIONS

From the Rural Development Loan Fund under the Community Economic Development Act of 1981, $10,000,000 in available appropriations shall be obligated in the form of loans only by September 30, 1983, and $10,000,000 in available appropriations or the remaining balance of the fund, whichever is the lesser amount, shall be obligated in the form of loans only in each succeeding fiscal year. Loans shall be made to nonprofit organizations with previous experience in administering rural Development Loan Fund loans and which had, by the end of fiscal year 1982, disbursed half or more of their available Rural Development Loan Funds.

From the Community Development Credit Union Revolving Loan Fund, the entire remaining balance of the Fund as of September 30, 1983, shall be obligated on or before September 30, 1983. No such obligations

shall be made in the form of loan guarantees.

On page 69, after line 19, insert the following:

DEPARTMENT OF EDUCATION

EDUCATION FOR THE HANDICAPPED

For an additional amount for section 611 of the Education of the Handicapped Act, $47,900,000.

REHABILITATION SERVICES AND HANDICAPPED RESEARCH

For an additional amount for centers for independent living under part B of title VII of the Rehabilitation Act of 1973, $2,120,000: *Provided*, That the amount appropriated under this paragraph shall be available for special projects under the Rehabilitation Act of 1973 that were reduced by reason of the first proviso under the heading "Rehabilitation Services and Handicapped Research, Department of Education", contained in Public Law 93-377, if the condition of that proviso has been met.

For an additional amount to the National Institute of Handicapped Research for the establishment and support of two research and training centers, $1,500,000, to remain available until expended, one-half of which shall be available for the establishment and support of a research and training center in pediatric rehabilitation at the University of Connecticut Health Center in Farmington, Connecticut, pursuant to section 204(b)(1) of the Rehabilitation Act of 1973, and one-half of which shall be available for a research and training center on the rehabilitation needs of the Pacific Basin to be located at the University of Hawaii.

On page 72, strike line 1, through and including line 9:

On page 72, after line 11, insert the following:

SENATE

EXPENSE ALLOWANCES OF THE VICE PRESIDENT, THE PRESIDENT PRO TEMPORE, MAJORITY AND MINORITY LEADERS, AND MAJORITY AND MINORITY WHIPS

For an additional amount for "Expense Allowances of the Vice President, the President Pro Tempore, Majority and Minority Leaders, and Majority and Minority Whips", $2,500 for the Majority Whip and $2,500 for the Minority Whip; in all $5,000: *Provided*, That, effective with the fiscal year 1983 and each fiscal year thereafter, the expense allowance of the Majority and Minority Whips of the Senate shall not exceed $5,000 each fiscal year for each Whip.

SALARIES, OFFICERS AND EMPLOYEES

ADMINISTRATIVE, CLERICAL, AND LEGISLATIVE ASSISTANCE TO SENATORS

For an additional amount for "Administrative, clerical, and legislative assistance to Senators", $197,000.

CONFERENCE COMMITTEES

For an additional amount for the Conference of the Majority and Conference of the Minority, $50,000 for each such committee; in all $100,000.

EXPENSE ALLOWANCES OF THE SECRETARY OF THE SENATE, SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE, AND SECRETARIES FOR THE MAJORITY AND MINORITY OF THE SENATE

For an additional amount for "Expense allowances of the Secretary of the Senate, Sergeant at Arms and Doorkeeper of the Senate, and Secretaries for the Majority and Minority of the Senate"; $1,000 for each such officer; in all $4,000: *Provided*, That, effective in the case of fiscal years beginning on or after October 1, 1982, the first sentence of section 119(a) of Public Law 97-51 (2 U.S.C. 65c) is amended by striking out "$2,000" and inserting in lieu thereof "$3,000".

CONTINGENT EXPENSES OF THE SENATE

MISCELLANEOUS ITEMS

For an additional amount for "Miscellaneous Items", $240,000.

On page 75, line 4, strike "$100,000", and insert "$175,000";

On page 75, after line 5, insert the following:

SENATE OFFICE BUILDINGS

For an additional amount for "Senate office buildings", $250,000, to remain available until expended.

An additional amount not to exceed $210,000 of the unobligated balance of the appropriation for Senate Office Buildings for the fiscal year 1983 shall remain available until expended.

On page 75, strike line 17, through and including line 21, and insert the following:

Notwithstanding any other provision of law, to enable the Architect of the Capitol, under the direction of the Commission on the West Central Front of the United States Capitol, to restore the West Central Front of the United States Capitol (without change of location or change of the present architectural appearance thereof) in substantial accordance with the "Restoration of the West Central Facade" report dated March 1978, $48,000,000, remain available until expended: *Provided*, That the Architect of the Capitol, under the direction of such Commission and without regard to the provisions of section 3709 of the Revised Statutes, as amended, is authorized and directed to enter into such contracts, incur such obligations, and make such expenditures for personal and other services and other expenses as may be necessary to carry out this paragraph: *Provided further*, That any general construction contracts entered into under authority of this paragraph shall be for a firm fixed price, supported by standard performance and payment bonds, and shall be awarded competitively among selected responsible general contractors approved by such Commission and upon the approval by such Commission of the amount of the firm fixed price contracts.

On page 76, after line 19, insert the following:

ADMINISTRATIVE PROVISIONS

SEC. 901. (a) Effective October 1, 1982, the allowance for administrative and clerical assistance of each Senator from the State of Texas is increased to that allowed to Senators from States having a population of fifteen million but less than seventeen million, the population of said State having exceeded fifteen million inhabitants.

(b) Effective October 1, 1982, the allowance for administrative and clerical assistance of each Senator from the State of Colorado is increased to that allowed to Senators from States having a population of three million but less than four million, the population of said State having exceeded three million inhabitants.

SEC. 902. The Secretary of the Senate is authorized to withhold from the salary of each Senate page who resides in the page residence hall an amount equal to the charge imposed for lodging, meals, and related services, furnished to such page in such hall. The amounts so withheld shall be transferred by the Secretary of the Senate to the Clerk of the House of Representatives for deposit by such Clerk in the revolving fund, within the contingent fund of the House of Representatives, for the page residence hall and page meal plan, as established by H. Res. 64, Ninety-eighth Congress.

SEC. 903. (a) Notwithstanding any provision to the contrary in any contract which is entered into by any person and either the Administrator of General Services or a contracting officer of any executive agency and under which such person agrees to sell or lease to the Federal Government (or any one or more entities thereof) any unit of property, supplies, or services at a specified price or under specified terms and conditions (or both), such person may sell or lease to the Congress the same type of such property, supplies, or services at a unit price or under terms and conditions (or both) which are different from those specified in such contract; and any such sale or lease of any unit or units of such property, supplies, or services to the Congress shall not be taken into account for the purpose of determining the price at which, or the terms and conditions under which, such person is obligated under such contract to sell or lease any unit of such property, supplies, or services to any entity of the Federal Government other than the Congress. For purposes of the preceding sentence, any sale or lease of property, supplies, or services to the Senate (or any office or instrumentality thereof) or to the House of Representatives (or any office or instrumentality thereof) shall be deemed to be a sale or lease of such property, supplies, or services to the Congress.

(b) The provisions of this section shall take effect with respect to sales or leases of property, supplies, or services to the Congress after the date of enactment of this section.

SEC. 904. (a) Subject to subsection (b) of this section and notwithstanding any other provision of law—

(1) the compensation of the Librarian of Congress shall be at an annual rate which is equal to the annual rate of basic pay payable for positions at level III of the Executive Schedule under section 5314 of title 5, United States Code, and

(2) the compensation of the Deputy Librarian of Congress shall be at an annual rate which is equal to the annual rate of basic pay payable for positions at level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(b) The limitations contained in section 306 of S. 2939, Ninety-seventh Congress, as made applicable by section 101(e) of Public Law 97-276 (as amended by section 128(a) of Public Law 97-377) shall, after application of section 128(b) of Public Law 97-377, be applicable to the compensation of the Librarian of Congress and the Deputy Librarian of Congress, as fixed by subsection (a) of this section.

(c) The provisions of subsection (a) shall take effect on the first day of the first applicable pay period commencing on or after the date of the enactment of this Act.

On page 79, at the beginning of line 16, insert "SEC. 905";

On page 79, at the beginning of line 22, insert "SEC. 906";

On page 80, at the beginning of line 5, insert "SEC. 907";

On page 80, strike line 11, through and including page 82, line 3;

On page 82, line 12, strike "$5,000,000", and insert "$10,000,000";

On page 82, line 17, strike "5,000,000", and insert "$10,000,000";

On page 83, after line 2, insert the following:

FACILITIES AND EQUIPMENT

Of the funds available under this heading, $5,000,000 shall be available from existing appropriations for the Secretary of Transportation to enter into grant agreements with two universities or colleges to conduct demonstration projects in the development, advancement, or expansion of an airway science curriculum and such money, which shall remain available until expended, shall be made available, under such terms and conditions as the Secretary of Transportation may prescribe, to such universities or colleges for the purchase or lease of buildings and associated facilities, instructional materials, or equipment to be used in conjunction with the airway science curriculum.

On page 83, beginning on line 22, strike "guaranteed principal and interest and storage", and insert "necessary expenses";

On page 84, after line 22, insert the following:

ACCESS HIGHWAYS TO PUBLIC RECREATION AREAS ON CERTAIN LAKES

Appropriations under this heading for fiscal year 1981 shall remain available until September 30, 1984.

INTERCHANGE RECONSTRUCTION DEMONSTRATION PROJECT

The Secretary of Transportation is authorized to carry out a demonstration project for the purpose of demonstrating state-of-the-art methods which can be applied to the reconstruction of a substandard interchange at the intersection of Vista Boulevard and Interstate Route 80 near Sparks, Nevada. The project shall include the improvement to safe standards of an existing bridge within the interchange and crossing over the Interstate route; the elimination of an atgrade crossing of a railroad on an approach to, and in the immediate vicinity of, the interchange; the improvement of ramps to eliminate serious geometric deficiencies relating to truck turing movements; and other work as considered necessary to complete the project. There is authorized to be appropriated to carry out this project, out of the Highway Trust Fund, not to exceed $6,366,139 for the fiscal years beginning after September 30, 1982. Funds authorized for this project: (1) shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of this project shall be 100 per centum of the total cost thereof and such funds shall remain available until expended, and (2) shall not be subject to any obligational limitations.

On page 88, strike line 1, through and including line 8;

On page 88, strike line 10, through and including line 15, and insert the following:

Notwithstanding section 144 of title 23, United States Code, and any other provision of law, the Secretary of Transportation shall make available, upon request of the State of Georgia, under such section 144, an amount not to exceed $5,000,000, from funds appropriated in this Act or previous Acts, such sum to initiate the design and engineering phase of the Eugene Talmadge Memorial Bridge replacement project in Savannah, Georgia.

On page 89, line 1, strike "AGENCY", and insert "AGENCIES";

On page 89, after line 1, insert the following:

MOTOR CARRIER RATEMAKING STUDY COMMISSION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Of the funds made available under the heading of Department of Transportation, Office of the Secretary, Salaries and Expenses, for Fiscal Year 1983 for the Motor Carrier Ratemaking Study Commission, unobligated balances available as of September 30, 1983, shall remain available until expended.

On page 89, after line 21, insert the following:

OFFICE OF THE SECRETARY

Of the sums appropriated for Office of the Secretary, Salaries and Expenses, not to exceed $22,000 may be used for official reception and representation functions.

Of the sums appropriated for International Affairs, not to exceed $73,000 may be used for official reception and representation functions.

On page 90, line 21, strike "$1,027,000", and insert "$8,102,000";

On page 91, after line 2, insert the following:

Georgia: Atlanta, Courthouse and Federal Office Building, $7,075,000.

On page 91, line 22, strike "$2,050,673,500", and insert "$2,057,748,500";

On page 92, after line 10, insert the following:

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Personnel Management pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, not to exceed $1,500 for official reception and representation funds.

On page 92, strike line 22, through and including line 3 on page 93;

On page 93, after line 17, insert the following:

Section 3641 of title 39, United States Code, is amended to add the following subsection.

"(g) The Board of Governors of the Postal Service may establish temporary changes in postage rates and fees for postal services, after not less than ten days' notice in the Federal Register, if the Board determines that such changes are necessary to effectuate the policies of the Postal Reorganization Act and if the Postal Rate Commission has not transmitted a recommended decision on changes in such rates and fees within ninety days of the Postal Service having requested it to do so, but no such temporary rate or fee may exceed the permanent rate or fee that the Postal Service has requested the Postal Rate Commission to recommend.".

After fifteen (15) days from the date of enactment of this Act, none of the funds appropriated by this Act for use by the Office of Management and Budget shall be expended or obligated until such time as the Office of Managment and Budget has completed its technical review of those Reclamation Safety of Dams modification reports submitted to it by the Bureau of Reclamation as of May 25, 1983, and such reports have been sent to Congress pursuant to the requirements of Public Law 95-978.

CHAPTER XII

DISTRICT OF COLUMBIA

DISTRICT OF COLUMBIA FUNDS

GOVERNMENTAL DIRECTION AND SUPPORT

(RESCISSION)

Of the funds appropriated for "Governmental direction and support" for fiscal year 1983 in Public Law 97-378, $2,759,000 are rescinded.

ECONOMIC DEVELOPMENT AND REGULATION

(RESCISSION)

Of the funds appropriated for "Economic development and regulation" for fiscal year 1983 in Public Law 97-378, $2,538,800 are rescinded.

PUBLIC SAFETY AND JUSTICE

For an additional amount for "Public safety and justice," $9,130,600.

PUBLIC EDUCATION SYSTEM

(RESCISSION)

Of the funds appropriated for "Public education system" for fiscal year 1983 in Public Law 97-378, $1,871,100 are rescinded.

HUMAN SUPPORT SERVICES

For an additional amount for "Human support services" $2,087,400.

TRANSPORTATION SERVICES AND ASSISTANCE

(RESCISSION)

Of the funds appropriated for "Transportation services and assistance" for fiscal year 1983 in Public Law 97-378, $544,600 are rescinded.

ENVIRONMENTAL SERVICES AND SUPPLY

(RESCISSION)

Of the funds appropriated for "Environmental services and supply" for fiscal year 1983 in Public Law 97-378, $5,504,500 are rescinded.

PERSONAL SERVICES

(RESCISSION)

Of the funds appropriated for "Personal services" for fiscal year 1983 in Public Law 97-378, $8,748,800 are rescinded.

ENERGY ADJUSTMENT

For an additional amount for "Energy adjustment" $2,078,500.

WASHINGTON CONVENTION CENTER ENTERPRISE FUND

For an additional amount for "Washington convention center enterprise fund" $680,700.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For an additional amount for "Lottery and charitable games enterprise fund" $1,500,000.

GENERAL PROVISION

Title 11, section 11-1732(d) of the District of Columbia Code, is amended by striking out "1983" and inserting in lieu thereof "1984".

On page 97, after line 6, insert the following:

SENATE

"Salaries, officers and employees", $7,027,000;

"Office of the Legislative Counsel of the Senate", $47,000;

"Office of Senate Legal Counsel", $12,000;

"Senate Policy Committees", $78,000;

"Inquiries and investigations", $1,764,000;

On page 98, after line 7, insert the following: "Senate office buildings $480,000;";

On page 98, line 19, strike "$7,480,000", and insert "$8,050,000";

On page 98, line 25, strike "$344,000", and insert "$396,000";
On page 100, strike lines 6 and 7;
On page 103, line 13, strike "$2,651,000", and insert "$1,651,000";
On page 103, line 14, strike "$657,000", and insert "$357,000";
On page 103, line 18, strike "$29,941,000", and insert "$18,941,000";
On page 103, line 19, strike "$4,403,000", and insert "$3,281,000";
On page 104, line 3, strike "$1,230,000", and insert "$930,000";
On page 104, strike lines 6 and 7;
On page 104, line 9, strike "$1,330,000", and insert "$665,000";
On page 104, strike line 10, through and including line 13;
On page 105, line 11, strike "$875,000", and insert "$560,000";
On page 105, strike line 15;
On page 105, line 16, strike "of which", through and including line 18;
On page 105, line 23, strike the sum, through and including line 24;
On page 106, strike line 10;
On page 106, after line 10, insert the following:
"National Cancer Institute", $1,532,000;
"National Heart, Lung, and Blood Institute", $968,000;
"National Institute of Dental Research", $864,000;
"National Institute of Arthritis, Diabetes, and Digestive and Kidney Diseases", $2,621,000;
"National Institute of Neurological and Communicative Disorders and Stroke", $1,599,000;
"National Institute of Allergy and Infectious Diseases", $2,097,000;
"National Institute of General Medical Sciences", $504,000;
"National Institute of Child Health and Human Development", $1,338,000;
"National Eye Institute", $680,000;
"National Institute of Environmental Health Sciences", $1,000,000;
"Research Resources", $226,000;
On page 107, line 4, strike "to be", through and including line 5;
On page 107, line 6, strike "to be", through and including line 7;
On page 107, strike line 10;
On page 107, line 12, strike "to be", through and including line 13;
On page 107, strike line 15;
On page 107, line 16, strike ", of which", through and including line 18;
On page 109, line 4, strike "$6,462,000", and insert "$1,530,000";
On page 109, line 6, strike "$15,029,000", and insert "$9,019,000";
On page 109, line 12, strike "$9,895,000", and insert "$6,895,000";
On page 110, strike lines 15 and 16;
On page 110, line 20, strike "$100,000", and insert "$200,000";
On page 110, line 24, strike "$7,634,000", and insert "$7,334,000";
On page 113, strike line 3;
On page 113, line 4, strike ", to be", through and including line 6;
On page 113, line 8, strike "INCLUDING";
On page 113, line 9, after the sum, insert "to be derived by transfer from 'Retired Pay' ";
On page 113, line 11, strike "$12,550,000", and insert "$10,000,000";
On page 113, strike line 23;
On page 114, line 1, strike ", to be", through and including line 3;
On page 114, strike line 5;
On page 114, line 6, strike ", to be", through and including line 8;
On page 114, strike line 10;
On page 114, line 11, strike ", to be", through and including line 13;
On page 114, line 15, insert "INCLUDING";
On page 114, line 18, strike "and", through and including line 20;
On page 115, strike line 2;
On page 115, line 3, strike "to be", through and including line 5;
On page 116, after line 13, insert the following:

OFFICE OF REVENUE SHARING

"Salaries and expenses", $255,000; *Provided*, That of the funds heretofore provided under this heading in Public Law 97-272, $400,000 shall remain available until September 30, 1984;
On page 116, line 23, strike "$181,445,000", and insert "$180,168,000";
On page 118, line 16, strike "$600,000", and insert "$400,000";
On page 118, strike lines 22 and 23;
On page 119, line 4, strike "$1,233,000", and insert "$3,233,000";
On page 119, line 17, strike "$2,050,673,500" and insert "$2,057,748,500";
On page 120, after line 5, insert the following:

CONSUMER INFORMATION CENTER

"Salaries and expenses", $31,000;
On page 121, strike lines 3 and 4;
On page 121, line 12, after "management),", insert "to remain available until September 30, 1984";
On page 121, line 15, strike "$2,770,000", and insert "$3,470,000";
On page 122, line 6, strike "$2,000,000", and insert "$1,300,000";
On page 122, line 8, strike "$6,580,000", and insert "$3,780,000";
On page 122, line 10, strike "$3,190,000", and insert "$2,890,000";
On page 122, line 12, strike "$409,000", and insert "$259,000";
On page 122, after line 14, insert the following:

SELECTIVE SERVICE SYSTEM

"Salaries and expenses", $564,000;
On page 122, line 23, strike "$8,810,000", and insert "$9,500,000";
SEC. 403. Amounts certified pursuant to section 1311 of the Supplemental Appropriations Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961, as amended, for the same general purpose as any of the subparagraphs under "Agency for International Development" in prior appropriations Acts, are, if deobligated, hereby continued available for the same period as the respective appropriations in such subparagraphs for the same general purpose and for the same country as originally obligated: *Provided*, That the Appropriations Committees of both Houses of the Congress are notified fifteen days in advance of the deobligation or reobligation of such funds.
SEC. 404. The Secretary of the Treasury shall instruct the United States executive director of the International Monetary Fund to use the voice and vote of the United States to oppose any assistance by the International Monetary Fund, using funds appropriated or made available pursuant to this Act, for the production of any commodity for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

Mr. HATFIELD. Mr. President, I further ask unanimous consent that the bill as amended be considered as original text for the purpose of further amendment, with the understanding that no points of order be considered waived by reason thereof, and that the excepted committee amendments may be temporarily laid aside by agreement of the floor managers.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Now, Mr. President, we have the bill before us in proper parliamentary form in order to consider amendments. I understand the Senator from Alaska is ready to offer his first amendment. I would like to ask the Senator if he has some idea of the time which will be required.

Mr. STEVENS. There will not be a need for a great amount of time. I think the chairman will be able to accept my amendment.

AMENDMENT NO. 1326

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Is the manager of the bill setting aside the first committee amendment?

Mr. HATFIELD. Mr. President, I ask unanimous consent that the committee amendments be temporarily set aside in order that the Senator from Alaska may proceed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STEVENS. How will I get the B-1 amendment up under the current procedure? When does it come up?

The PRESIDING OFFICER. The committee amendments will be considered in the order in which they appear in the bill.

Mr. STEVENS. I thank the Chair.

The PRESIDING OFFICER. The manager has asked that the committee amendments be temporarily set aside.

Mr. STEVENS. Following this amendment, it will be my intention to ask the manager to let us go to the B-1 amendment.

The PRESIDING OFFICER. The amendment proposed by the Senator from Alaska will be stated.

The legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposes amendment No. 1326.

Strike all page 93, line 18 through page 94, line 5.

Mr. STEVENS. Mr. President, this amendment strikes the provision which I offered in committee concerning the timing of temporary postage rate adjustments. I had planned to offer a clarifying amendment which would have limited this provision to a

specific timeframe based on the unique economic circumstances at hand. It would have been limited both on the front and back ends, so that a rate adjustment could not have come any sooner than permitted under present law, and so that this authority would have expired after the current dilemma is over.

Unfortunately, there is considerable confusion over the intent, the effect, and the reasons this language was added on the appropriation bill. Because of these factors, there has developed considerable opposition which in my view will delay the enactment of this legislation.

Therefore, I am offering an amendment to delete my own amendment which was added in the committee.

This is unfortunate because the result will be that the public will face a rate increase sooner than would have been necessary if this provision could have been adopted. Despite substantial success in holding costs down and maintaining stable rates for 2 to 3 year periods, the Postal Service faces rising costs like every other segment of our society and will have to have another rate increase within the near future in order to avoid incurring deficits. I am sure eveyone here would like to delay in any increase in postage rates as long as possible. So would I. Under present law, it takes a minimum of 10 months to a year for rates to be changed after the Postal Service files proposed changes with the Postal Service Commission. Given the uncertainty of the economic picture a year or two ahead, it appears that the Postal Service will probably be filing its rate proposals shortly, despite what will soon be 2 years of surplusses at the current rate.

If the Postal Service could wait as late as 90 days before a rate increase is needed before its case is filed, it could delay filing a rate case if there is continued improvement in the economy and if the inflation rates do not rise over the next year and a half.

The rate increase requested would be lower, if the Postal Service could wait until the very last minute to file plus they could be implemented later. But without the margin of safety that a temporary rate authority would provide, the Postal Service cannot gamble with its hard-won financial stability on a projection of what will occur in the future based upon an optimistic view. As a matter of fact, the Postal Service must be responsible, it must prepare its postal rate on a worst-case projection.

I am one of those who is encouraged by the direction the economy is moving in. I believe we are now seeing the beginning of a long, sustained recovery period. But without the added safety margin which the temporary rate authority would provide, a rate increase will occur sooner than would otherwise be necessary if the Postal Service could wait for the recovery that, as I say, now appears certain but is not absolutely certain.

Every month a rate increase can be delayed would save the mailing public about $300 million. I want to point out there is a possibility that the Board of Governors could approve a rate increase during their next special meetings on June 13 and 14. The 13th or 14th of June, Mr. President, the Board of Governors will hold a special meeting. I hope a rate increase here will not be approved, but the possibility exists. As I say, prudence will probably require that action. It is because we had such a short time to act to allow the Board of Governors some breathing room and not force them to act as soon as next week that I urged the adoption of this language in the supplemental appropriations bill.

I have received a request from my good friend who is chairman of the House committee, who indicates that he does not approve the concept of this kind of legislation on an appropriations bill. It is, admittedly, legislation on an appropriations bill.

It is with reluctance that I ask the Senate to strike the provision from the language of the bill. It would have been subject to a point of order. This will prevent a long-drawn out entanglement, with the votes I think I can anticipate.

Again, Mr. President, let me make certain that those listening understand we are in a portion of the economic cycle where it is not possible for a prudent manager such as the Postmaster General to accurately predict what will be the revenues of the Postal Service if a substantial increase in our economy takes place—for example, on the basis of his current costs that are coming due, project for certain what additional revenues he will need. Those revenues could increase because the Postal Service, as all other very large institutions in this country, could see additional revenues develop in this case as a result of increased mail volume which will result in using the additional capacity of the system that is not now currently being utilized. We are putting into place new technology, new machines that can increase productivity by a factor of 10, but the workload is not there yet to use the total capacity of those new machines associated with the ZIP+4 concept. If the economy picks up and if the mail system is used to a greater extent, which we believe it will be, those revenues from increased volume could well come about in large part because of the increase in the business cycle.

Since we cannot be assured that that will take place, the Postmaster General will have no alternative but to file for a rate increase. I think that is unfortunate.

I hope that, perhaps, having moved to take this amendment out, both the House and the Senate will recognize the situation and we may have substantive legislation come forward to deal with the question and not legislation on an appropriations bill.

Mr. President, I have explained this to the best of my ability. I hope the chairman will understand the reluctance with which I offer an amendment to delete my own amendment, but I do ask him to accept the amendment.

Mr. HATFIELD. Mr. President, first, I want to say to the Senator from Alaska that he has carried the burden of this issue for a number of sessions through a number of appropriations measures. It is complex. Yet, on the other hand, I have been able to understand it and I think the Senator from Alaska has made it amply clear. Sometimes, clarity is something that is determined by desire rather than by a presentation—a desire to hear rather than a presentation by the Senator from Alaska. I cannot help saying that the Senator from Alaska has made it amply clear each time he has raised this. He is faced with a difficulty and I want him to understand that I want to cooperate with him fully and I am happy to accept his amendment.

This has been cleared on both sides of the aisle, Mr. President, so I move the adoption of the amendment.

The PRESIDING OFFICER. Is there further debate?

The question is on agreeing to the amendment.

The amendment (No. 1326) was agreed to.

ORDER OF BUSINESS

Mr. STEVENS. Mr. President, may I ask the distinguished chairman if he will set aside the first committee amendment in order that the Senate may address the second committee amendment, which is the amendment pertaining to the multiyear contracting authority for the Department of Defense for the B-1B? I would be happy to enter into a time agreement with my good friend. I should think an hour equally divided would be sufficient. We have argued this at length. I do not know what the Senator from Louisiana wishes.

Mr. JOHNSTON. Mr. President, I would certainly like to enter a time agreement, but not at this point. I have a number of cosponsors and I have not consulted with them as to how much time they would want. I think an hour would probably be too little, but I would be in hope that after we have debated this for a period of time, we could then enter a time agreement. I would not expect it to be in excess of 2 hours total, hopefully as little as 1 hour.

Mr. STEVENS. I suggest the absence of a quorum, Mr. President.

Mr. HATFIELD. Mr. President, will the Senator withhold that?

Mr. STEVENS. I do withhold it.

Mr. HATFIELD. Mr. President, I request now on behalf of the floor managers that we temporarily lay aside the first committee amendment and present the second committee amendment from the exceptions.

The PRESIDING OFFICER. The Senator does have that authority.

SECOND EXCEPTED COMMITTEE AMENDMENT

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

On page 14, line 1, insert the following:

AIRCRAFT PROCUREMENT, AIR FORCE

Funds available in the appropriation "Aircraft procurement, Air Force, 1983/1985" may be used to initiate multiyear procurement of B-1B aircraft: *Provided*, That no multiyear contract may be awarded until forty-five days after receipt by the Committees on Armed Services and on Appropriations of the Senate and House of Representatives of written notification by the Secretary of Defense of the negotiated terms of such multiyear contract.

Mr. HATFIELD. Mr. President, we seem to have an agreement between the managers of the amendment to vote at 2 p.m. on this amendment. If the debate is completed before that time, we would then temporarily lay it aside and consider some other amendments.

At this time, Mr. President, I ask unanimous consent that the committee amendment dealing with the B-1 bomber be disposed of by a vote at 2 p.m.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. Reserving the right to object, does the Senator from Louisiana seek some kind of allocation of the time that would be used between now and 2 p.m.? I am perfectly happy to leave it as it is and let any Member, who wishes to speak, speak.

Mr. JOHNSTON. Under the present formulation, it would be equally divided.

Mr. HATFIELD. Equally divided.

Mr. JOHNSTON. Yes, Mr. President, that would be suitable. I believe that ought to give us plenty of time. I am agreeable.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. JOHNSTON. Yes, Mr. President.

Mr. STENNIS. Would that conclude the amendment, does the Senator mean?

Mr. JOHNSTON. It concludes the amendment and the vote.

Mr. STENNIS. I have no objection.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HATFIELD. I thank the Chair.

Mr. STEVENS. Mr. President, I assume the chairman will control the time. Will the Senator yield me some time?

Mr. HATFIELD. Mr. President, I yield the control of the time on this side to the Senator from Alaska on this amendment. The Senator from Louisiana will control the time on the minority side.

Mr. STEVENS. I thank the Senator.

Mr. President, I yield myself such time as I may need.

It seems to me to make good sense to provide the Department with multiyear contracting authority that is in the President's fiscal year 1983 supplemental budget request for the B-1B. By doing so, we insure that the projected savings on this system will be fully achieved in producing our strategic bomber.

But most important, and I emphasize this to the Senate, we should not let the Air Force off the hook on the $20.5 billion cost ceiling that the President has certified.

Now, let me emphasize that last point. The Senate will recall that the first appropriation for the B-1B program in the fiscal year 1982 carried an amendment requiring the President to certify the program cost. When that certification was made and accepted, the multiyear procurement was an integral part of that certification. The Congress knew that and we accepted that certification. We accepted it on the basis of multiyear procurement. If we now hesitate on this essential part of the production startup, we would be breaking up the whole package which led to the certification at $20.5 billion. The Senate must realize what the result of abandoning multiyear procurement would be. Costs will rise. There will be no question about it. And we would not be able to complain about the cost overruns because the Air Force would be telling us very simply that we refused to give them the basic tool that was involved in the certification process to hold costs down.

Now, in the course of the debate on this, both in the subcommittee and in the full committee, we have had arguments pro and con. We have read the GAO letters, we have had Air Force briefings, and we have had hearings. There does not seem to be much to gain from further agonizing over this program every step of the way. There are Senators who oppose the B-1 program in its entirety, and I certainly respect that position. But the Congress has overwhelmingly supported the strategic bomber for 2 years, and we have appropriated more than $6 billion. There is every indication that Congress will continue to support the building of these bombers. The subject of further appropriations is not before the Senate now. What we are arguing about is whether existing appropriations should be available for initiating the multiyear contracting authority that is, as I said, an integral part of the certification of the $20.5 billion ceiling on the B-1 bomber.

This multiyear contracting authority is not an irrevocable commitment to the B-1 multiyear contracting. However, we will have that interesting argument before us again in a few weeks when we take up the 1984 appropriation that will come from the committee. With it will come the first major front-end funding for multiyear procurement. What we are doing now with this bill is giving the Air Force the green light to use about $185 million of existing appropriations already made for the fiscal year 1983 for economic quantity purchases that are necessary on long-lead items. If they do not get this authority now, a measurable portion of the available savings will begin to erode.

Again let me state multiyear contracting will actually occur in 1984. By this bill language, the Air Force must give us a 45-day review of the negotiated contract terms. Congress will have an opportunity to review that multiyear contract. In the subcommittee, we have committed to have a hearing to review the multiyear contract proposal.

I can tell the Senate that as long as I have been on the Appropriations Committee, particularly the Defense Appropriations Committee, if the committee has raised serious objections to any contract term, the Air Force has been willing to listen to the committee and to delay the initiation of a contract to which the committee has objected. The multiyear approach would be jeopardized if we do not start it now, but Congress will still have a role in reviewing and giving the full approval to the multiyear appropriation when we get to the 1984 bill.

Mr. President, I am hopeful that the Senate will approve this committee amendment which initiates the process of multiyear contracting by making available $185 million of existing appropriations for these economic quality purchases by the Air Force of necessary long lead items.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. JOHNSTON. Mr. President, let us get straight what is involved in this committee amendment and what is not involved. First of all, the term "multiyear contracting" is not terribly clear, and I think it is important to explain what it is. I guess the best way to explain is by reference to something that does not have to do with defense at all, and the example I would use is the WOPS or Washington Power Authority which not too many years ago put under contract five nuclear powerplants. They put all five under contract and now have found that they do

not have the money to finish any of them, and WOPS is in very deep financial trouble.

That is what you call multiyear contracting, putting a number of units under contract at one time before you have the money to cover the total cost, in that case all five units.

Now, the usual way that the Congress provides for the purchase of an airplane is by annual contracting where the obligation of the Government is not beyond that which is appropriated for beyond the quantity specified. In this case, the President has asked for and the Senate committee has approved the following language:

Funds available in the appropration "Aircraft Procurement, Air Force 1983 through 1985" may be used to initiate multiyear procurement of B-1B aircraft.

It goes on to say that no contract can be awarded until 45 days after the receipt by the Committees on Armed Services and on Appropriations of the Senate and House of a written notification by the Secretary of Defense of the negotiated terms of such multiyear contracts.

What this does is two things: It is designed, of course, for the quantity purchase of a number of different items. For example, rather than paying for, let us say, three sets of engines, if that is what we were going to buy, on the B-1B, you might buy 50 sets of engines before you have the money to complete the entire airplane. That is where the Air Force claims it can make some $800 million worth of savings, and that is where I submit we could get huge cost overruns, No. 1, and huge cancellation costs, No. 2.

So what we are faced with is the question of whether we are going to set the scene for, No. 1, big cost overruns, or, No. 2, huge cancellation costs in the event that the Congress should decide later on that it does not want to build all of the planes which the Air Force has committed to order.

Now, this proposal was submitted to the House Committee on Appropriations and was specifically rejected. The language used in the House report is very important, and I commend this language to my colleagues. The House said as follows, and I am quoting from the House Appropriations Committee report:

In the FY 1983 Supplemental Appropriation request, the Air Force requested language to initiate multiyear procurement of B-1B aircraft. The Committee denies this request without prejudice because it believes the B-1B program does not meet both legislated and DoD criteria for multiyear procurement.

On November 2, 1981, an OSD Cost Analysis Improvement Group (CAIG) report suggested that the B-1B program could cost as much as $26.8 billion in fiscal year 1981 constant dollars if certain costs omitted from the program were to be included. These costs included such items as additional testing, depot support requirements, additional initial spares, suggested underestimation of avionics costs, interim contractor support, simular costs, and a suggested underestimation of engineering change order costs.

The CAIG report also questioned the seven percent savings claimed for multiyear procurement based on the production of nine, 36 and 46 bombers in each of three years. The CAIG report cited criteria published in a Deputy Secretary of Defense Memorandum of May 1, 1981, with respect to multiyear procurement policy. These policy criteria state there should be a reasonable assurance that cost estimates for both contract costs and anticipated cost-avoidance are realistic, that the aircraft should be technically mature, and have completed RDT&E (including development testing or equivalent). The CAIG concluded that the $800 million multiyear procurement savings in fiscal year 1981 constant dollars should not be included in the cost estimates for the B-1 program.

Mr. President, the report goes on to point out that the initial bids by the contractors—let me read this paragraph:

Air Force testimony indicated that one of four B-1B associate contractors submitted a firm proposal that is 55.7 and 44.8 percent higher than Air Force budgeted amounts on an annual and multiyear basis, respectively, and for the ceiling prices, the proposal was 83 and 82 percent higher than the Air Force budgeted amounts.

What the House is saying there, Mr. President, is that the cost estimates already received are almost 56 and 45 percent higher than Air Force budgeted amounts.

The Department of Defense and Congress have legislated with respect to multiyear contracting and have a number of criteria that should be met prior to the initiation of multiyear contracting.

The two principal requirements are that there be a clear cost estimate on which the Air Force can rely and that there be what is called a stability of design or assurance that the design of the aircraft or weapons system, or whatever it is, be stable and not be subject to change.

The reasons for these are perfectly obvious. Congress should not be asked to buy a pig in a poke, to buy a machine the cost of which is not clear and the nature of which is not clear.

What the House committee has said, and what the Air Force's own internal studies have shown, is that the cost not only is not a clear and liquidated amount, but also, the very bids received by the contractors on these machines are 45 and 56 percent higher than the budgeted amounts.

So, for us to say that we can count on the $20.5 billion certified amount as being the cost of 100 B-1B bombers, when the contractors themselves are submitting bids that average more than 50 percent higher than the budget amounts, I think is an exercise in futility and ignorance of the most degree by the Senate, were we to adopt that approach.

Second, with respect to the stability of design, we have here a machine that has never been flown. The B-1B has yet to have the first test flight. To be sure, a different airplane that is similar in many respects to the B-1B has many hours of test flight. The B-1 and the B-1A have both been flown many hours. They look somewhat similar. They have many similar parts. But they are vastly different airplanes.

The B-1 was initially designed to fly at mach 2.2, at 2.2 times the speed of sound. It was designed to fly very high above what we thought then was the ceiling of Soviet antiaircraft missile capability. During the time the B-1B was in development, however, the Soviets developed the ability to shoot down an airplane and to acquire it on its radar at almost unlimited altitudes. So the ability of the B-1 to dash at 2.2 mach and to fly at very high levels became obsolete and no longer was needed by the Air Force.

Therefore, the plane was redesigned essentially to fly within airline altitudes and airline speed—that is, at a speed of about mach 1 or less—and to go in actually on the deck, to fly at airline altitudes until hostile territory was reached, and then to go in on the deck at about 500 feet.

In order to make these changes, they changed it from the flexible wing, whereby the wing would be swept back at high speeds, to fixed wing. The plane was also redesigned to have what we call Stealth qualities, to reduce the radar crossection of the B-1 to a smaller radar crossection and to use new materials in the process.

What we have on this airplane is 20 percent new items on the air frame itself, 40 percent new items on the defense system avionics, and 70 percent new equipment on the offensive radar. So we have a high percentage of brand new equipment which has never been flown, has never operated as one group.

Mr. President, cost overruns have been not just a possibility and not just an occasional occurrence but also an annual, measurable occurrence in DOD contracting. It has averaged 3 to 5 percent a year above inflation since 1970. That is annual, measurable. Those are Air Force figures. And that is on the production of weapons which began in a stable design.

However, where you take a brand-new machine, Mr. President, and put it under contract before the first one is flown, it is absolutely certain that there will be huge changes in the design of this machine; and that, in turn, will give us cost overruns. As I say, the scene is already set for cost overruns.

Mr. President, I am advised that this is a flexible wing on the B-1B, so I misspoke myself on that. It is, howev-

er, 20 percent new items on the airframe, as well as 40 percent new defensive avionics and 30 percent new offensive radar.

Mr. President, what is not involved in this question is whether or not the B-1B should be built.

I happen to take the view that the B-1B is obsolete, that we have a better machine which is called the Stealth bomber that is perhaps 2 years behind the B-1B. That is an argument for another day and another forum.

I am sure that those who oppose the B-1B under any circumstance would also oppose multiyear contracting.

However, Mr. President, those who support the B-1B should also oppose multiyear contracting because it involves putting the 50th plane under contract before the first one is test flown. It involves buying a set of machines, the cost of which is not yet liquidated or not yet clear.

Mr. President, I am very concerned as are——

Mr. CHILES. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. CHILES. I do not wish to interrupt him in his thought or anything, but I was in the Appropriations Committee when the Senator from Louisiana raised this issue. It was not one that I had focused in on or spent much time on.

I listened to the debate in there. I became convinced that the Senator from Louisiana had a very good point.

I simply wish to ask him has anything changed from that debate. It seems at that time this was not a decision that we had to make right now. It was something that could be made closer to the time that we had the regular bill, more in the time when we would have a little more information as to whether we were ready.

Now, multiyear contracting I think can have some great benefits. I think the Senator from Louisiana agrees with that, and there are times that we can enter into that and make some real cost savings. That should be after we know exactly what we have decided we are going to and we have locked everything in.

To lock that in and to run the risk of the penalties, as the Senator from Louisiana pointed out—that is what really got my attention, and I worked a little on procurement matters over the years that I have been in the Senate—just would not make sense until we know that we are ready with our design, we are ready with every facet before we lock that in.

It seemed to me, as I recall, first, we did not have to make that decision now. We could have the same kind of savings that we are talking about later down the road.

And, second, we are running a risk if we do that now when everything else is not right. We do not know. We have still some unanswered questions out there, and it would just be wiser and more prudent, as managers of the people's money, to not make this decision now but to wait until it is a more ripe decision.

Mr. JOHNSTON. Mr. President, I appreciate the Senator from Florida having made the point he does. It is an unanswerable point.

The Air Force does not plan to award multiyear contracts for defensive or offensive avionics and engines until February 1984 or airframes until October 1984.

There is, therefore, no need for this authority at this time.

Mr. CHILES. Mr. President, as I recall, there was another point that was raised by the proponents, and that was that if they did not have a certain amount of funds, though, they could not even go forward with determining the process of whether they wanted to do that.

I check my memory further. As I recall the Senator from Louisiana offered to say we will go ahead and allow you to have those funds for looking into this, anything that is necessary to go through what will be the preliminary procurement process, but do not make the decision now until we get closer to the time where it has to be made and until we have much more information which we would be able to have.

Is that right?

Mr. JOHNSTON. The Senator is exactly correct.

Mr. President, this question of putting things under contract before we know whether we can pay for them is a very difficult and serious question right now.

There was an article the other day in the Washington Post, May 22, that said:

Air Force, Citing Costs, Seeks to Cancel Projects.

That is the headline.

Let me read this to my colleagues:

The Air Force has proposed dropping several major items from its research and procurement programs because not even President Reagan's large defense buildup will provide enough money for all the new weapons now contemplated.

The article goes on to say that:

Critics have said for some time that the services are starting more weapons programs than even the Reagan defense budget can cover, so that at some point either the budget or some of the weapons will have to give. The new Air Force document is a clear indication that some generals have come to the same conclusion, looking at the fiscal years 1985 through 1989.

I have not seen this so-called secret Air Force document, but I can tell you that on the Budget Committee if you project out the numbers there is not enough money to pay for all these systems. Indeed, our projections on the Budget Committee show that the difference between a 5-percent real increase in the defense budget, which appears that the conference committee may come up with, or at least that is the indication—5 percent, by the way, is much higher than the House of Representatives and a little lower than the Senate—as opposed to the 10 percent what the President proposes, the difference between that 5 and 10 percent is made up of two items, the MX missile and the B-1 bomber, or items of similar magnitude.

If this Senate agrees to the 5 percent, there is not enough money for some weapons systems in the budget. Indeed, if the Senate agreed to what we had agreed to on the floor before, the 6.5 percent, there is not enough money for all the weapons systems that have been ordered.

What this article is saying is that there is not even enough money to pay for all these weapons systems even with the full Reagan increase, which is 10 percent plus inflation, or 14 percent nominal. This article is saying we do not even have enough money under that condition. And here we are being asked to go into multiyear contracting to order 50 bombers before the first one is flown, without reference to what the cost will be, indeed with internal Air Force audit reports showing that the cost is considerably more than that which has been submitted to us and where the bids from the contractors themselves are averaging 50 percent and more above that which is budgeted.

Mr. President, I do not understand why this Senate would do that, especially where it is not necessary, especially when it is not necessary as part of this supplemental to make those savings that the President claims that the Air Force claims, which have been disputed, by the way, by GAO and by internal Air Force studies.

The first flight testing of this machine, Mr. President, would not occur until March 1985. We have another $1.6 billion of research and development tests and evaluation to do.

Why are we doing $1.6 billion of research and development tests and evaluation if this is a firm design and a known machine?

Mr. CHILES. I think the Senator from Louisiana is so much on point there. It seems to me we wish to make savings where we can.

But to lock in multiyear purchases before we have locked in the design, before we know exactly what we are going to do, before we have tested and know what we are buying, this is the kind of thing we have been through time after time after time. Everyone of you in here has decried the cost overruns, everyone in here has complained about the waste and the inefficiency and the overruns in the Department of Defense. Not only we, but the President at the time he was running, and

everyone else, always talk about it. But here it looks as if we are about to jump back into the same trap again.

How in the world can we be critical of the Defense Department, how can we be critical of cost overruns, how can we be critical of these things if we are going to say, "Here is what we want you to do. We want you to lock this in today before you have to, before it is right, before it is ready, before we know whether this is what we want to finally commit?"

A number of us, I think, supported the B-1 a year ago when we had to make a decision because we were not sure how soon Stealth would come on, and that is the one unanswered question.

So we have said, "All right, we cannot just say we are going to charge on Stealth. We have got to at least know how the framework is going to go, so let us say the B-1 updated, going forward in its design phases," even recognizing we may want to purchase some of them.

But again, if Stealth comes on as fast as some people tell us it can, it probably will be something that will be better and more cost-effective, and given the kind of constraints that the Senator is talking about, which is going to happen with some kind of constraints over the amount we can purchase, and I agree with the secret report, and I think we had reports in the committee that we do not have a 10 percent—there is not enough money to purchase all of the particular weapons that we have now agreed to already, so we are going to have to look at these things.

So I think the Senator from Louisiana has a very good point. This is not when the Senate should be doing this. I wish we had a full Senate here to hear his argument, because I think this is one the Senate ought to look at very, very carefully.

Mr. JOHNSTON. Mr. President, I wonder if the Senator from Florida recalls that letter we got from the Director of the Congressional Budget Office a month or two ago in which she looked at procurement as a percent of the defense budget, and she pointed out that in 1979, 24 percent of the defense budget was taken up by procurement; that is, $31 billion of the $128 billion; but that 24 percent of the proportion of the defense budget for procurement grows to 29.5 percent in 1982, to 34 percent in 1984, and to 37.8 percent in 1987. In other words, the proportion of the defense budget going to defense procurement goes from 24 percent to almost 38 percent in the period 1979 to 1987 without there being a corresponding decrease in the proportion of the budget which is made up of readiness requirements. Indeed, readiness requirements will be at least as high in demand as they are now. Personnel costs are not going down except at a time of recession. Maintenance and operation of these expensive machines are certainly not less—they are more—and all of the other costs of readiness from ammunition to hip boots are going to be going up just as fast as they always do.

But the Reagan defense budget projects out these expensive weapons systems to go from 24 percent to 38 percent, and it is no wonder that the Washington Post is citing this so-called secret Air Force document to the effect that there is not going to be enough money as it is, even with all of the Reagan budget, to pay for it starting in 1985.

Mr. CHILES. I think the Senator from Louisiana makes what has to be the conclusion to the point he makes as to what does happen is that readiness does get squeezed. It is always what happens. It has happened every time. It has happened to the point where we know that is one of the most critical areas we have, our readiness.

There will not be enough money for training; you will not be able to let pilots fly, they will be sitting in a simulator, perhaps, at best. You will not be able to fire weapons, you will not be able to go into the field with actual maneuvers, and you will have a hard time in keeping the morale up, and we will have a continuous squeeze in readiness, spare parts, fuel, those things which are so critical.

Mr. JOHNSTON. We may have what has happened in the State of Washington. I alluded to it first with the so-called Washington Public Power nuclear reactors where they ordered five at a cost of about $20 billion, and they found that they cannot pay for any of them. So they have canceled two outright. The other three they do not have the money to pay for, and there the largest public power instrumentality in the Nation may go bankrupt without money to pay for them because they put all five under contract before they had the money.

I do not know what happens with the B-1. If you find you do not have the money for the B-1 and the Trident submarine and the MX missile and the M-1 tank and F-15, F-16, F-17, and F-18, speedup of the cruise——

Mr. CHILES. Speedup of the cruise missile.

Mr. JOHNSTON. Speedup of the cruise missile, then what do you do? I mean, we cannot declare national bankruptcy. I guess you go out and slow down or stop the lines or whatever, or maybe you do as we did last spring where at Fort Polk or Fort Hood they cut off the heating in the midst of winter because they did not have enough money to heat Fort Polk down in my State. Maybe they were trying to make a point with me on readiness, and they sure made it.

Mr. CHILES. I thank the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I understand the Senator from Alaska would like some time at this point, so I yield the floor.

The PRESIDING OFFICER (Mr. GORTON). The Senator from Alaska.

Mr. STEVENS. Mr. President, I think it is interesting to listen to the argument that the Senators from Louisiana and Florida have just made. If the Senate wants to compare costs in terms of 1984 dollars, under President Carter's MX program the cost of the MX in the shelters would have been $55.4 billion. He did not have a B-1 program. But under President Reagan's program of 100 MX's in the Minuteman silos at a cost of $18.6 billion in 1984 dollars and 100 B-1B bombers at a cost of $25.4 billion in terms of 1984 dollars, the total cost will be $44 billion. In others words, there has already been effected at $11.4 billion savings in the two weapons systems that the Senator from Louisiana is talking about, $11.4 billion by the change brought about in the MX and B-1 along with it.

Today we are considering the DOD request to initiate multiyear procurement for the B-1B. As you are aware, this body mandated a $20.5 billion acquisition program for the B-1B. Now this same body is deliberating the very instrument that can ensure the achievement of that mandate—multiyear procurement.

Allow me to summarize in detail the issues which we are considering:

The DOD is requesting authority to initiate multiyear procurement to realize savings to the Government of $800 million—in fiscal year 1981 dollars—and over $1.2 billion in the then-year dollars.

Approval of the B-1B request will allow the Air Force to obligate $185 million of already appropriated fiscal year 1983 funds for economic order quality (EOQ) purchases to protect maximum MYP savings. There are no additional funds required. EOQ purchases will be used in the production of future B-1B aircraft approved by Congress should MYP not be authorized in future budgets.

Approval does not commit the Congress to the procurement of any specific number of B-1B aircraft. Under the provisions of the B-1B MYP contracts, the Government will be obligated to procure only those aircraft approved as a result of the annual budget process.

No unfunded cancellation costs exist in the B-1B MYP contracts. There is no financial penalty to the Government—other than loss of savings and increased overhead—should Congress approve this request and then decide to disapprove MYP in future budgets. The B-1B program is funded to termination for EOQ purchases and fully funded on an annual basis for MYP.

No additional funds will be required beyond those appropriated in the annual budget process.

Given the extensive development already accomplished on the B-1 program, the limited nature of the remaining development, and the priority of the B-1B, this program clearly satisfied MYP criteria. Positive action on the supplemental request will enable us to continue the successful execution of this vital weapon system program.

A positive vote for this program allows us the best of both worlds. We maintain our annual review through the budget process while taking the opportunity to achieve maximum savings. I feel this request for initiation of B-1B multiyear procurement through the purchase of EOQ items is justified and deserving of our support.

MEETING B-1B COST ESTIMATES

The cost of 100 B-1B bombers is $20.5 billion in constant fiscal year 1981 dollars.

The B-1B is not a new concept still under development, nor is it an unproven weapon system in transition. It is an established, multirole derivative of the original B-1, a concept long under review, and a mature and stable solution to our shortfall in strategic deterrent capability. The B-1B has been carefully and deliberately updated and modernized to give it a 30-year useful life, and an ability to penetrate present and predicted Soviet air defenses well into the 1990's, as reiterated by Defense Secretary Weinberger and Mr. Casey of the CIA.

Production of the B-1B takes advantage of an investment of nearly $6 billion, in fiscal year 1981 dollars, which was spent in the original B-1 development program. When President Carter canceled production of the original B-1, he directed that development of the aircraft and electronics equipment should continue. As a result of this continue work, the Air Force had over 10 years of experience in the B-1 program to draw from in deciding just what the B-1B capabilities and mission should be.

The B-1B program got off to a fast start because of several carryovers from that original program that President Carter wisely carried out, even though he canceled the B-1's. The four B-1's built during the initial production period flew 1,895 successful flight test hours, gaining valuable data over a large range of speeds and altitudes, and under varying conditions. This data proved very valuable in making decisions to update the aircraft to the B-1B version. Many of the people in the contractor plants and Air Force officers worked in experience on the management and production teams in the B-1B program. Fortunately, when the initial production line was closed, Rockwell kept much of their tooling and raw materials. This allowed them to move quickly in bending metal after the new contract was signed in January of this year.

The result of this earlier effort is that the major development of the B-1B has been completed. The airframe was tested out, and it requires little alteration in the new program. The engines have been through three stages of modification and improvement during the last 10 years—we know we have good durable engines. The new B-1B will have proven state-of-the-art offensive avionics for its navigation and bombing, including an adaptation of the improved F-16 radar. The defensive avionics for the B-1B were proven in the bomber penetration tests, during which these modern avionics systems were tested against surrogate Soviet defenses. These tests showed a remarkable performance against all known and predicted Soviet defensive capabilities. There are no new inventions necessary to be developed and proven for the B-1B. All the systems are proven state-of-the-art. Development is completed, and only integration of these systems into the B-1B remains.

Even with this level of proven, successful performance, the Department of Defense has set up a rigorous, emphatic management program for the B-1B. On November 4, 1981, Deputy Secretary of Defense Frank Carlucci issued a memo invoking strong management controls on the B-1B program. One result of these controls is a restriction of costs to the $20.5 billion estimate, in fiscal year 1981 dollars. The Air Force has chartered a B-1B General Officer Steering Group that meets about once a month to act as the focal point for control of the B-1B requirements and program content. The Secretary of Defense has also established a requirement to be briefed on the status of the program every 2 weeks. The degree of control over the program is exemplified in the Department of Defense policy that no changes will be made to the B-1B baseline configuration without the personal approval of the Secretary of Defense.

On January 18, 1981, President Reagan signed a letter of certification in which he stated:

> Due to the extensive development already accomplished on the original B-1 aircraft I am confident in certifying that a 1986 Initial Operating Capability is achievable, and that the acquisition of 100 B-1B aircraft is feasible within the $20.5 billion (in constant 1981 dollars) budget estimate. In keeping with the importance of this program, the Secretary of Defense has implemented strong cost control procedures to ensure that the estimate is not exceeded. It is achievable on time and within the specified cost, however, only if Congress appropriates the money in the amounts and on the schedule advanced by the Administration.

Since the 1981 B-1B production decision, the contractors have established strong momentum in achieving positive, demonstrated performance. As much as 24 percent of the program cost are now on fixed price incentive firm target contracts which, in themselves are very strong motivation for the contractors to bring the program in below the $20.5 billion estimate. Also, the Air Force is now for firm multiyear proposals for the remainder of the program. The four associate contractors are ahead of their schedules, and actual costs are lower than projected at this stage of the program.

Considering the administration's commitment to the program, the rigorous program management procedures, and the firm contractual status the B-1B program should set an example for major acquisition programs by meeting the established baseline cost estimate on time and within its budgeted cost. The contractors are demonstrating that they are committed to maintaining their ahead-of-schedule momentum and keeping costs down. The Air Force and the Office of the Secretary of Defense are demonstrating that they are committed to rigorous cost management and to avoiding changes to the program. Now, Congress must demonstrate its commitment to rebuilding the strategic deterrence of our Nation by providing the necessary funding and authorization for the B-1B program.

B-1B MULTIYEAR PROCUREMENT

The Department of Defense is requesting multiyear procurement (MYP) for the B-1B bomber using their appropriated fiscal year 1983 funds. This supplemental bill will authorize the Department to save their program $800 million through the program life and thus insure that the $20.5 billion program ceiling that this body has placed on the program will be achieved. As you recall, the administration—the President—has certified that 100 B-1B bombers will not exceed $20.5 billion. But let me remind you—we are not without responsibility to the program. We must provide the legislation necessary for the DOD to produce this sorely needed strategic bomber at the least expensive and most expeditious way.

There are some who say that this program is not ready for multiyear procurement. To the contrary, the Secretary of Defense and the Secretary of the Air Force have both assured us that this program is an excellent candidate and ready for this cost-saving acquisition procedures. The B-1B meets MYP criteria.

MYP is of benefit to the Government—the DOD estimates savings of $800 million or $1.2 billion when expressed in then-year dollars.

The requirement for the B-1B is stable—we have instructed the DOD to produce this bomber by 1986. The law has not changed.

The funding for this program is stable. The administration has not changed their $20.5 billion estimate and, in fact, the program is currently under budgeted cost.

The design, or configuration, of the B-1B is stable. The B-1B is very similar to the program that was canceled in 1977. In fact, most of the airframe and the engines are unchanged. All changes to the confirmation must be approved by the Secretary of Defense. To date, only changes that result in reduced cost and enhanced operational capability are considered. Finally, the Air Force has high confidence in their cost estimate and the ability of their contractors to build the aircraft. The same contractors that built the first four B-1A aircraft are building the B-1B.

I can assure you, the B-1B is a known quantity. It is ready to take advantage of the benefits of MYP—$800 million in benefits. Positive action is needed in this supplemental request to provide the maximum savings expected from the program. I strongly urge support of B-1B multiyear procurement. It will enable us to rapidly rebuild our strategic deterrence and enhance our efforts for meaningful arms control efforts in Geneva—at the lowest possible expensive.

Mr. President, my good friend argues that 20 percent of the airframe has not been flown because 80 percent comes from the B-1. Turn that around and say that 80 percent of this airframe is already proven. It is like stretching any of the aircraft that have been stretched, whether it is a DC-8, a DC-10. All of them have been stretched, and at least 20 percent added to the airframe. They were never tested before they were flown and actually put into production.

This aircraft, the B-1, has been flown and the B-1B is not as much different from the B-1 as the B-52G is from the prior models of the B-52. All of these airframes go through a process of development.

My real point to the Senator is that if we are to have the savings that we contemplated by requiring the President to certify in terms of 1981 dollars, what would be the ceiling for this program? We must achieve this $800 million savings through multiyear procurement.

We need to have the ability to obligate $185 million of the already appropriated 1983 funds. There are no additional funds requested by this amendment. It is necessary to start the long leadtime items. Those long leadtime items will be used in any event even if the Congress does not approve multiyear contracting starting in the 1984 bill.

The long leadtime money will not be wasted. It will be dedicated toward the procurement of items that will be needed on an annual procurement basis should Congress decide later not to use a multiyear procurement method. I firmly believe in the multiyear procurement method and I am hopeful the Senate will approve it.

The PRESIDING OFFICER. Who yields time?

Mr. JOHNSTON. Mr. President, we have heard talk here today about a certification by the President that this program will come in at a cost of $20.5 billion. What is the significance of that certification? Is it enforceable? Does it give the Congress any protection whatsoever? The answer to that is, surely, "No."

That certification is not in the nature of a set of bids from a contractor which, if accepted, lead to an enforceable contract to produce 100 planes within the designated cost. To the contrary, all it represents is the figures given to the President by the Air Force, which is most anxious to put this machine under contract.

If you look at the actual facts, the Air Force itself does not really believe that they can produce these machines for $20.5 billion.

Mr. STEVENS. Mr. President, will the Senator yield for just 1 moment?

Mr. JOHNSTON. Yes.

Mr. STEVENS. Mr. President, I designate Senator RUDMAN of the Appropriations Committee to manage the time on this side.

The PRESIDING OFFICER. The Senator has that right.

Mr. JOHNSTON. Mr. President, as I pointed out, the Air Force itself does not really believe that this set of machines can be produced for $20.5 billion. The Air Force Systems Command's own study, dated February 9, 1983, indicates a cost of $290 million per copy, or $29 billion for the machine.

As I pointed out, the GAO studies, GAO in connection with DOD studies, identify another $1.4 billion in costs not included in the estimate. The CAIG study just recently referred to shows $26.8 billion. That is the cost analysis improvement group. That is in 1981 dollars.

So, Mr. President, what does it mean when the President disregards the Air Force's own internal studies and says we can make the B-1 bomber for $20.5 billion? I mean, why does he not take the Air Force's own reports that point out $29 billion or the CAIG study, which is another Air Force report, which says $26.8 billion? Why not look at the GAO report and at least include that $1.6 billion in costs which were not even considered by the Air Force?

No, indeed, Mr. President, what the $20.5 billion means is that in some future year, maybe when we have a new President, maybe indeed after the next election if President Reagan should get reelected, somebody will come in and say, "Oh, this is not $20.5 billion as certified but some greater sum, maybe $29 billion, maybe $40 billion." How do we know?

I am sure there will be very good excuses about how we needed to change this or change that. And indeed that is exactly what is going to happen here. It is not a stable design. It must be changed. And the scene is set for cost overruns. The scene is set for cost overruns, Mr. President, even without the changes. We already have the bids for the contractors, two bids at least, which are coming in averaging 50 percent above budget costs.

Now how can we as a Senate say that this is really a liquidated, firm cost estimate when the Air Force's internal reports say no, when the bids from the contracts say no, and when DOD says no? I mean, what is the basis for that? The fact of the matter is there is no basis.

There is a rush pellmell to judgment in this case—not a rush to judgment, a rush to contract—because the Air Force wants to put these under contract now, not to save money. No, indeed, we can wait, clearly we can wait until the regular appropriations bill. We could probably wait until next year's appropriations bill, if at that time we think multiyear contracting is good, and get all the savings from it at that time.

The reason, Mr. President, is that this is rush pellmell to contract is that the Air Force is afraid the Congress might change its mind. The Air Force is afraid that the Congress might say, we cannot afford this system and therefore we have either got to pare it down in quantity or maybe even go to the Stealth. You know there is a lot of talk about Stealth. But let us quote Secretary Weinberger who said before the Senate Armed Services Committee on October 5, 1981: "Our vigorous ATB" or advanced technology bomber program "will lead to that plane's deployment under current plans beginning in 1989."

Now, Gen. Richard Ellis, then commander in chief of the Strategic Air Command, stated before the House Armed Services Committee last year, "Conversely, opting for the B-1 at this time could preclude procurement of a more advance aircraft available by 1990."

So, Mr. President, we are being asked prematurely to make a choice at this particular point betweeen the ATB, or the Stealth, as it is called, and the B-1, and the Air Force says lock them in now before they have a chance to look at the real cost of the B-1 program, before that cost officially escalates from $20.5 billion, where it is now "certified" by the President, to a higher figure, maybe $29 billion, as indicated by the Air Force Systems Command's own internal study, or maybe to $40 billion which has been

widely speculated among staff members of the U.S. Senate.

The Air Force wants to lock us in before we know what those increased costs are. The Air Force wants to tie us into the B-1 irrevocably. I understand it is not irrevocable. You can always get out of a multiyear contract by paying the termination cost.

But what happens on these multiyear contracts, Mr. President, it is just like the two carriers. I voted for the two carriers. We voted to put both carriers under contract, I believe it was 2 years ago. And when some of our colleagues started to look at the question of whether we ought to have two carriers or one carrier in this current year on the question that we could not afford both, they found, according to testimony from the U.S. Navy, that it costs as much to terminate as it would cost to finish the two carriers. Now that is the fact, even though we had a fixed design and a fixed cost on the carriers. In other words, we found that you cannot cancel the two carriers without incurring as much cost as you do by finishing them.

Now that is the situation with the B-1, I fear; that is, if we have these multiyear contracts, we sign the contract, not with a fixed cost but with some unknown cost, then we get into it and we find that the Air Force does not have enough money to finish this system and take care of all of its other needs. Then somebody says, "Well, let us go in and scale back the B-1 program. Maybe 100 B-1's is too much. Maybe let us scale it back to 50. Or maybe we don't want the B-1 at all. Maybe we want to wait until 1989 and take the Stealth."

Then, at that point, we may well find that it costs as much to cancel the B-1 as it would to finish all 100 planes, precisely what happened on the two carriers.

Mr. President, we do not have to make that decision at this point. We can wait for the design and the cost estimates to mature. We can wait. We have, I understand, four main contractors on the B-1 program. We have heard from one of them whose cost estimates are average 50-some percent above the budgeted amount. Why not wait until we hear from some more of them before we rush pellmell into making this decision? Why not wait for some of that $1.6 billion, which has already been budgeted for research and development, testing, and evaluation, to be spent and get the results of it and evaluate them? Why not do that before rushing pellmell into putting all of these bombers under contract?

As I quoted here on the floor a moment ago, the Air Force does not plan to put under contract the airframe or the offensive or defensive avionics until the end of the calendar year 1984. So, again, what is the rush?

The only reason for the rush is to lock it in now before we know what the cost is or before we have the test and evaluation results.

Mr. President, we are told that there is an $800 million savings by multiyear contracts. The GAO looked into that question and on September 13, 1983, said that the methodology employed by the Air Force in estimating the $800 million saving was very unreliable; that they did not discount for the time value of money, among other things. Also, of course, Mr. President, the fact that in order to make whatever savings there are, and $800 million is more savings than will be made, you do not need to put this program under multiyear contract at this time. What the GAO states is, "To come closer to achieving the $800 million savings, the Air Force may seek congressional approval for multiyear procurement authority through a supplemental request for fiscal year 1983. If approval is granted, the Air Force would authorize contractors to purchase economic order quantities of items and materials considered stable and available at a cost savings" as opposed to the multiyear contracting.

Mr. President, the problem of ordering weapons systems, the cost of which we do not know, the design of which is not firm, and which exceed the budget proposals or budget limitations of the Senate Budget Committee, the floor of the Senate, the House Budget Committee and the floor of the House, and which, indeed, exceed the President's own budget, which is higher than any of the other figures, I think is tremendously unwise, particularly when it is unnecessary.

So, Mr. President, I submit that the Senate ought to follow the lead of the House and disallow at this time multiyear contracting.

Mr. President, I suggest the absence of a quorum.

Mr. STENNIS. Will the Senator withhold that?

Mr. JOHNSTON. Yes.

Mr. BAKER. Mr. President, there is supposed to be a presentation of a unanimous-consent request from last evening at 12 o'clock. I have consulted with the Senator from Montana (Mr. MELCHER) or rather the Democratic cloakroom has, and with the minority leader, and for a variety of reasons it appears it would be better to postpone the presentation of that request until after the B-1 vote.

Therefore, I ask unanimous consent that the order not be presented or the request not be presented at that time but be presented immediately after the vote on the B-1 amendment which is presently ordered for 2 p.m., but if it occurs sooner, it will still occur right after the rollcall vote. I make that request, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Will the Senator yield to me?

Mr. JOHNSTON. I yield to the distinguished Senator from Mississippi.

Mr. STENNIS. Mr. President, I commend the Senator from Louisiana for the splendid work he has done in this field. I have heard him speak on this subject before in the committee, and I heard his remarks this morning. He has rendered a very fine service in this complex field.

I am among those who have ordinarily supported new weaponry that is first class. The B-1 is certainly a first-class weapon. I have followed the development of this aircraft over the years now, for a good number of years. I have also supported other weapons such as the triad complex, and, of course, we had the MX debate the other day.

I realize, Mr. President, that as fine as these weapons may be, and whatever arguments may be made in their individual behalf, we are going to have to slow down somewhere, we are going to have to put some kind of a limit on these numerous weapons. We have to slow down in some of these fields, without abandoning the safety concept or defense power to spare, without taking undue chances. I think we have to make a start in trying to hold down these total expenditures. Costs are still rising rapidly. That is true of most all weapons.

I went through all of the fight about the B-1 being canceled a number of years ago. I supported the B-1, but I thought at the time about the enormous increase in the cost and it has increased by leaps and bounds. One of the main contributing factors was the fact that it finally lost out in the budget, not as a weapon but it lost out in affordability in the budget field, and it was finally canceled, over my protests.

Now we are back here today. Now we already have made handsome strides forward with another bomber. I do not find any evidence against it or any evidence about its shortcomings. There is a very brief time lapse between when the two of them would be ready.

I think it is time that we paused to catch our breath, rather than anticipate by at least a year, this matter of the purchase plan and so forth.

I think the Senator has proved his case splendidly. As in committee, I voted with him there and I expect to vote today not to abandon the B-1 but just not to take this unnecessary forward step at this time.

So those are my sentiments, Mr. President. I shall stand on that.

I thank the Senator for yielding to me. I also thank him for the very fine service he has rendered in this field.

Mr. JOHNSTON. Mr. President, I thank the distinguished Senator from Mississippi.

Will the Chair tell me how many minutes remain on each side?

The PRESIDING OFFICER. Twenty-two minutes, five seconds to the Senator from Louisiana; 57 minutes, 22 seconds to the Senator from New Hampshire.

Mr. RUDMAN. Mr. President, I yield such time as is needed to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. GARN. Mr. President, there has been a great deal of debate, particularly in the last year, over the size of the defense budget. I am one who has consistently felt that, during the decade of the seventies, we cut back entirely too much. In fact, 9 out of 10 years of the decade of the seventies, there was a negative real decrease in the defense budget—as much as 9.2 percent in 1 year.

Year after, we cut back. A good deal of the talk about the increasing defense budget and the huge size of the buildup simply does not recognize that, that it is recouping for a decade when we cut them we should not have been doing so.

Despite the fact that I have continued to be in support of larger defense budgets to defend this country, I have also stated that there is waste in the military and there are areas where we could save money. One of those areas has been in procurement. I have felt that our budgeting procedures have been a good part of the increase in cost in procurement of weapons systems. Congress itself has been a good deal responsible for this.

When you authorize a weapons program and then you cut back the rate of production to considerably lower than the most efficient rate of production, the unit cost goes up. That has happened in weapons system after weapons system because of the inefficiency of our purchasing. So what we are advocating here today is that we attempt to save some money, an estimated $1.2 billion in then-year dollars, by starting the process of multiyear procurement on the B-1B.

We have already found out how much additional it has cost us by the decision of President Carter not to go ahead with the B-1. We are trying to recoup that and trying to save some money over a period of years by starting multiyear procurement or authorizing the possibility of multiyear procurement.

I want to emphasize that in the subcommittee and in the full committee, in response to the argument that this committed us finally to multiyear procurement, it was made clear it did not do do. Senator STEVENS made a commitment as chairman of the subcommittee that during the 45-day period in which Congress had a chance to review contracts or binding commitments, he would not allow the process to go forward and maybe, if we would insist upon a vote, he would guarantee that the subcommittee at least, and I am sure the full committee chairman would be agreeable to what Senator STEVENS committed to, would not proceed without having the opportunity of a vote before the subcommittee and the full committee. I think that is a very important point to make.

Mr. JOHNSTON. Would the Senator yield on that point?

Mr. GARN. I am happy to yield for a question.

Mr. JOHNSTON. Senator STEVENS said we would not proceed unless we had the opportunity for a vote. He did not say the Air Force would not proceed unless the Senate voted or if the Senate voted no. Is that not correct?

In other words, the Air Force did not agree to be bound by or to wait for the Senate to vote yes on this matter.

Mr. GARN. Under the law, Mr. President, they have to be bound by the Senate if we refuse to appropriate the funds. They cannot go forward with it. That argument was made in the subcommittee.

No, Senator STEVENS cannot commit the Air Force but we have the power of the purse strings. During that time, if we decide we do not want them to do it, we just do not give them the money. That is very effective. It works well with my wife and my children.

Furthermore, I want to stress that approval of this request does not commit Congress to the procurement of any specific number of B-1B's. There is no financial penalty to the Government other than loss of savings and increased overhead should Congress approve this request and then decide to disapprove multiyear procurement in future budgets.

To those who say this has committed us, I say it simply has not. Congress does have total control over those contracts if they are negotiated and we decide not to add the funds, not to give the Air Force the money to do so.

I hope we will. That commitment is there in the Appropriations Committee. It does give Congress control over whether they do or not go forward. I certainly think it is worth saving the $1.2 billion, and we should take this first step—I emphasize "first step"—with later control by the Congress to decide if we want them to proceed.

I happen to think that multiyear procurement would solve a lot of problems in military budgets. If Congress would change our procedures, we would be amazed, I think. It is my belief we could save 25 to 30 percent in procurement if we would go to multiyear procurement contracts.

I thank the Senator from New Hampshire for yielding.

Mr. JOHNSTON. Mr. President, I ask for the yeas and nays on the committee amendment at 2 p.m.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. RUDMAN. Mr. President, it is my understanding that the chairman of the committee will return to the floor very shortly. It is our intention—I believe this has been agreed to—to set this amendment aside to return to at 20 minutes to 2, with 10 minutes equally divided at that time, and that another amendment will be taken up as soon as the chairman returns.

Mr. JOHNSTON. Mr. President, that is agreeable with me. If that is not in the form of a unanimous-consent request, I am agreeable to one.

Mr. RUDMAN. I put that as a unanimous-consent request. That is 20 minutes equally divided.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. RUDMAN. Mr. President, I now ask that the pending committee amendment be laid aside so the Senate can then turn to the Jackson amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GARN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE PROPOSED LIMITATION ON OUTSIDE EARNED INCOME

Mr. GARN. Mr. President, this is a rather unusual procedure. I am about to speak against an amendment that has not yet been offered. The distinguished Senator from Washington is considerate enough to recognize that I as chairman of the HUD Independent Appropriations Subcommittee have a markup session of our subcommittee on HUD, an independent agency, starting at 1 o'clock. The Senator from Washington is not quite prepared to call up his amendment but has been kind enough to let me speak against it before he has offered it and spoken in favor of it. I will not characterize the subject of his two amendments; I will allow him to do that, other than to simply say in general that they provide limitations on earned income. It never seems to be brought up by the press that there never has been a limitation on just speaking income. It has been a limitation on all outside earned income, including speaking income—a rather dramatic limitation. I think most of the American people would be rather upset if we even considered passing any laws that set a certain

amount of income that they could legally earn.

Now, the arguments that are made against Senators and Congressmen earning outside income is, first of all, that obviously it must influence us; that we must be having our votes purchased in some way because we accept money from speaking engagements. And yet there is no limitation whatsoever on unearned income.

If you are rich in this body, if you are one of those fortunate enough to have had wealthy, successful parents or in some other way you have garnered some money, then you can draw a million and a half, $2 million a year from oil and timber interests, from trusts, from your rich wife or whatever, and it does not count. You do not even have to disclose it in detail. All you have to do is put it in big broad categories and it will show that, well, I am worth somewhere between $10 million and $50 million, some categories that are meaningless. You do not have to disclose the details of those holdings at all. Somehow, if you receive a few hundred thousands bucks a year in dividends from an oil company or timber interests or banks or something else, that does not influence your vote. I do not say that it does. I am just saying I think it is rather ludicrous, this constant attack on earned income but unearned income is fine. If you are rich, continue to be rich, get richer, enjoy life, have a great time being a Senator. It is sort of a toy if you are rich. You can just play at being a Senator—no indications of any limitations whatsoever, no indications of any improper activities. But you go out and give a speech to some group and you are paid as high as $2,000 for that speech and despite the fact that the law requires that it be disclosed in detail as to the amount, whether they paid for your hotel bill, if it was out of town, on what date, to whom, total and complete disclosure available to everyone and certainly made evident by the press not just once a year when the disclosures come, but over and over and over again.

In fact, in my own State it has been done so much in the last year that one person called me up and said, "I understand you made over $500,000 giving speeches last year." I said, "No, I certainly did not." Well, each time the press reported my actual income, he added it together. It became cumulative, so that he thought I had made over $500,000 from giving speeches.

There is something terribly wrong, in my opinion, when we start passing laws limiting anybody's income in this country. This is not taxpayers' money, and it is fully disclosed, fully and completely disclosed. When Common Cause wants to continue to indicate that there is something wrong, there is something very arrogant, something very elitist, something very egotistical about the fact that they are going to judge better than anyone else in this country, any of our constituents, whether we should be elected or not. I think the matter of outside income, earned or unearned, is a matter for the constitutents in each of our States to judge, as long as it is fully and completely, in great detail, disclosed.

If these amendments pass, there are going to be other amendments on this floor. There are going to be amendments to limit unearned income to 30 percent. We will treat the rich boys the same as the poor boys on this floor and we are going to have full disclosure. We will have amendments to see if the rich boys want to disclose every stock and every dime of income and every source. So let us do it one way or the other. Let us treat everybody equally. We ought to have full disclosure on everybody in the Senate or none—have that detailed disclosure on those who are fortunate enough to have inherited a wealth of gifts or wherever else they got it.

That is a key. Someone said this is a ticking time bomb. It is a ticking time bomb because the press is making it so. We see a few editorials. We hear comments from TV news, with commentators that make a couple of million bucks a year running around getting all sorts of honorariums. They have more influence on public policy than we do. They do not disclose $15,000, $20,000 a speech for getting up and making some innocuous remarks because they are a TV star. That is all right. They can write editorials and have statements about how we should not do this. They are so damned pure, it is unbelievable.

Good heavens, what pure ethics among the press, all the freebies they can get. They do not report to anybody on anything—they can hide their sources on all this. But, boy, what a double standard they have on disclosure. Let us have some equality, if we are going to impose limits. So if these amendments by the distinguished Senator from Washington pass, we are going to have amendments all the time on unearned income. We are going to have limits and we are going to have amendments. We are going to make these people vote on full disclosure, every detail, so their constituents can judge.

Let us talk about this ticking time bomb. I suggest that is a matter between any Senator and his constituents. If I want to carry around a ticking time bomb, that should be my business. If any Senator really does not like taking honorariums, he does not have to. There has never been a requirement that you had to take one. If you want to play the political game and follow Common Cause and the Washington Post and everything, it is very easy; you simply say, "I refuse to take those dirty things, I am not going to do it or I will donate them to charity." It is very easy for an individual Senator to do that, but I resent my colleagues trying to impose on the future of my children what my income will be. That should be an individual decision for each one of us, each one of us and with our constituents.

In 1980, I had an opponent who made this one of his major campaign issues because he could not find much else to talk about in the campaign. Maybe that is why I got 74 percent of the vote, because he could not come up with real issues, but he had TV ads on week after week and they were black and white, interestingly enough, so they looked sinister, and day after day these were run. It showed a man with his hand out, and he did not call them honorariums. He called them corporate tips.

Well, you cannot have any more disclosure than that. Not only did I disclose it my first term, I gave it to the press in total, gave it to them the whole 5 years. But then my opponent disclosed it over and over in a very sneaky way and I got 74 percent of the vote. Maybe I would have gotten 80 percent without that. I do not know.

The point I am trying to make is not to brag about by how high a percentage I was elected. My point is to simply say that that issue was fully disclosed to my constituents. They chose to reelect me to represent the State of Utah despite the fact I had some outside earned income. They knew about every darned dime of it.

So the Senator from Washington can do anything he wants. He has been very generous; I am very well aware that in his entire time in the Senate, every bit of his speaking income has been donated to charity. I have also been donating more than $30,000 a year on the average to worthwhile Utah charities that have been very glad that I have been out speaking and donating that income to them.

I did not have to. The Senator from Washington does not have to. But that is an individual choice. He can continue to do that. I can continue to keep some and give some away. But I really do not understand why he or Common Cause or anyone else wants to tell me or any other Senator what our income can be.

Each of us can express our own individual feelings. He chooses to donate his entirely to charity. Others can say, "I will not take it."

To me, it is not the business of Common Cause to tell me what my income can be. It is their business and that of others to say that we should fully disclose it to our constituents. That is the answer to this so-called ethical problem—full disclosure, honesty, integrity; and let our constitu-

ents within our States decide whether they want to reelect us or not.

I cannot tell you how much I resent the fact—not for me; I am just fine—but people in this body and outside of it who want to pass a law to place a limit on the opportunities for my children to be educated.

I remember when I was mayor of Salt Lake City that my policemen were not adequately paid, and somebody said, "You should pass a law not allowing the Salt Lake City policemen to moonlight. Do not let them work at the airport off hours. Do not let them work on Saturdays as security guards."

That is baloney. We are not paying our police adequately. We need good policemen. It is unfortunate that we cannot pay them more adequately. But I am not going to pass a law that limits their ability to take care of their children. If they want to work evenings and weekends, that is their business, and I think the same principle applies here. It is nobody's business what each of us makes, other than to disclose it because we are public officials.

To pass laws that limit our ability to take care of our families is objectionable in principle, regardless of where it is attempted to be imposed.

Let us be realistic about this. I hope my colleagues will not run in the face of Common Cause, be intimidated by a few editorials. We cause our own problems. We faced this issue in August of 1981. We removed the limit at that time. The law does require full and complete disclosure. So we are here nearly 2 years later fighting it over and over again because of the rush to respond to a few editorials.

Maybe that is one of the big problems today: We are so intimidated by the press, the all-powerful press, who sit back and disclose nothing, tell nothing, and then get a bee in their bonnet—"Boy, are they going to get it!" They write a few editorials, and some of us panic and run or are intimidated.

Let us go with a little commonsense. Let us go with a little principle around here and rely on the intelligence of our constituents, with full disclosure, to decide whether they want us to serve or whether they do not, rather than trying to impose arbitrary limits because it makes some of us look good to do so, I guess.

Again, I do not want any of my remarks to be interpreted personally with respect to the Senator from Washington for offering this amendment. There is no Member of this body for whom I have more respect. We have worked closely on military issues for years. I have the highest regard for his integrity and the fact that he has been able to donate all of his honoraria to charity.

On the other hand, removing any personal references, I cannot tell you how much I resent the principle of attempting to pass laws that place limitations. If we continue to do this, what we will have is a body of ultra-rich, those with unearned income, more and more millionaires, multimillionaires in the Senate, and those who do not have the ability to make 60 grand on the outside, so it is the best job they ever had.

You are going to keep out the middle, the competent, intelligent, capable ones, who do not happen to be millionaires but have the ability to do much better on the outside. I am not sure that is the kind of Senate we want, either the ultrarich or the ultraignorant who cannot do well on the outside; but I think that is where we are headed.

I thank the Senator from Washington for letting me go through this unusual procedure so that I can get to my markup and see if we can find some money for the housing programs in this country.

(Mrs. KASSEBAUM assumed the chair.)

Mr. JACKSON. Madam President, I thank the Senator from Utah. I appreciate his candor and his forthrightness. There is nothing at all personal involved in this matter, so far as I am concerned.

AMENDMENT NO. 1327

(Purpose: To equalize the pay for and limitations on honoraria of Members of Congress)

Mr. JACKSON. Madam President, I call up my amendment which is at the desk.

Mr. HATFIELD. Madam President, I ask unanimous consent that we set aside the pending committee amendment and make available the amendment offered by the Senator from Washington.

The PRESIDING OFFICER. The Senator has that right.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from Washington (Mr. JACKSON) proposes an amendment numbered 1327.

Mr. JACKSON. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 82, after line 3 insert the following new section:

SEC. . (a) For the purposes of this section—

(1) "charitable organization" means an organization described in section 170(c) of the Internal Revenue Code of 1954;

(2) "honorarium" means a payment of money or anything of value to a Member for an appearance, speech, or article, by the Member; but there shall not be taken into account for the purposes of this section any actual and necessary travel expenses incurred by the Member to the extent that such expenses are paid or reimbursed by any other person, and the amount otherwise determined shall be reduced by the amount of any such expenses to the extent that such expenses are not paid or reimbursed;

(3) "Member" means a United States Senator, a Member of the House of Representatives, a Delegate to the House of Representatives, or the Resident Commissioner from Puerto Rico; and

(4) "travel expenses" means, with respect to a Member, the cost of transportation, and the cost of lodging and meals while away from his or her residence or the metropolitan area of Washington, District of Columbia.

(b)(1) Notwithstanding any other provision of law, except as provided in paragraph (2), on and after January 1, 1984, a Member shall not accept honoraria which are attributable to any calendar year and total more than the amount that is equal to 30 percent of the aggregate salary paid to such Member for service as a Member during such calendar year.

(2) An individual who becomes a Member on a date after the first day of a calendar year shall not accept honoraria which are attributable to the remaining portion of that calendar year on and after the date such individual becomes a Member and total more than the amount that is equal to 30 percent of the aggregate salary paid to the Member for service as a Member during such calendar year.

(3) A Member shall not accept honoraria which are attributable to the period beginning July 1, 1983, and ending December 31, 1983, and total more than the amount that is equal to 30 percent of the aggregate salary paid to the Member for service as a Member during such period.

(4) For the purposes of this subsection, and honorarium shall be attributable to the period or calendar year in which payment is received.

(c) Any honorarium paid by or on behalf of a Member to a charitable organization shall be deemed not to be accepted for the purposes of subsection (b).

(d) Notwithstanding any other provision of law, in the case of a Member who is serving in the office or position of Senator, President pro tempore of the Senate, Majority Leader of the Senate, or Minority Leader of the Senate during a calendar year, the annual rate of pay that is paid to such Member for such service shall not be less than the annual rate of pay payable for such position on December 17, 1982, increased by 15 percent and rounded in accordance with section 5318 of title 5, United States Code.

(e) The Commission on Executive, Legislative, and Judicial Salaries shall include in the first report required to be submitted by it after the date of the enactment of this Act a recommendation for an appropriate salary for Members, which recommendation shall assume a prohibition on the receipt of honoraria by Members.

(f) Subsections (a) through (d) of this section shall take effect with respect to service as a Member performed on or after July 1, 1983.

Mr. JACKSON. Madam President, my amendment is very simple. It provides that there shall be a limitation on outside earned income from honoraria for Members of Congress equal to 30 percent of official pay. It also provides that the official pay of Senators will be increased by 15 percent to be equal with the official pay of Mem-

bers of the House. Both provisions would be effective July 1, 1983. Honoraria donated to charitable organizations would not be counted toward the 30-percent cap on outside income from honoraria.

Madam President, last December the Senate abolished—for the first time—all limits on outside earned income from honoraria for Senators and refused to accept a 15-percent pay increase provided for by the House in the continuing appropriations resolution. Simply stated, the essence of that decision was that Senators should receive a pay increase but we should not receive it from the taxpayers to whom we are accountable, we should receive it from the special interest groups which lobby the Congress.

I am convinced the Senate made a serious mistake by taking this action, and there is growing and I think justifiable criticism that it has undermined the integrity of the Senate. There is a general perception that we have opened the door to undue influence and serious conflicts of interest. This is a scandal waiting to happen; and unless we reverse the decision of last December, it surely will happen, probably sooner than later. This is a problem that will not go away, and we must do something about it.

This morning's Washington Post editorialized as follows on my amendment:

> Currently, there is no limit on Senators' outside income, and some senators get a sizable percentage of their income—in some cases, more than half—in fees from organizations almost all of which have interests in legislation. This is a seamy situation * * * and the importance of honoraria to many senators creates the impression of undue influence and the suspicion that legislative decisions are up for auction.

Madam President, I ask unanimous consent that the entire editorial be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. JACKSON. Madam President, the issue is not a pay raise. The Senate has decided on several occasions that such a raise is merited. First we provided a special tax benefit for Members of Congress of about $10,000. After a good deal of public outcry about a "backdoor" pay raise, we repealed that. Then in December we provided that Senators could earn their pay raise from interest groups in honoraria.

No, the issue is not a pay raise. The issue is how are we going to earn our pay raise: Through backdoor tax benefits, through interest group fees, or straightforwardly by providing for an increase in salary tied to a limitation on honoraria which is absolutely essential to preserve the integrity of this body.

I think that the House of Representatives has acted much more reasonably and responsibly than we have on this issue. My amendment would simply end the historical anomaly which we created last December and bring the Senate and the House under essentially the same rules on both honoraria and salary. My amendment would simply give the Senate parity with the House.

Madam President, the Executive orders and regulations which govern employees of the executive branch and the canons of judicial ethics which govern the judicial branch simply do not permit officers of the United States and Federal judges to receive honoraria from groups under the circumstances which Senators receive honoraria. Listen to Executive Order 11222, issued May 8, 1965:

> It is the intent of this section that employees avoid any action which might result in or create the appearance of, using public office for private gain * * * losing complete independence or impartiality of action * * * or affecting adversely the confidence of the public in the integrity of government.

Further, the Executive order states:

> An employee shall not engage in any outside employment, including teaching, lecturing, or writing, which might result in a conflict, or an apparent conflict, between the private interests of the employee and his official government duties and responsibilities * * *.

In addition, the following Office of Personnel Management regulation applies to agency heads, Presidential appointees in the Executive Office of the President, and each full-time member of a committee, board, or commission appointed by the President: Such employees of the executive branch—

> Shall not receive compensation or anything of monetary value for any consultation, lecture, discussion, writing, or appearance the subject matter of which is devoted substantially to the responsibilities, programs, or operations of his agency, or which draws substantially on official data or ideas which have not become part of the body of public information.

A Federal judge may under canon 5 of the Code of Judicial Conduct for United States Judges adopted by the Judicial Conference accept fees not exceeding the amount which would be paid to a nonjudge for the same or similar services. A Federal judge may speak, lecture, and teach on matters related to the law but the Judicial Conference's strict interpretation of the canons of judicial conduct precludes judges from receiving any form of compensation for services which are related to normal judicial duties. As a practical matter, this limits judges to teaching, and not many engage in that.

At my request the Administrative Office of the U.S. Courts has collated data concerning the receipt of speaking fees by the 192 justices and judges who make up the Supreme Court of the United States and the courts of appeals of the United States. The total amount of honoraria received by all of these judges for 1982 was approximately $94,000 or an average of $490 per judge. This is about one-fiftieth of the average amount received by Senators.

Finally, I point out to my colleagues that in addition to the historical anomaly of receiving different pay than the House, we are presently in a situation where approximately 26,500 employees of the Federal Government, including the military, earn more than a Senator. I would point out that several employees of the Senate who serve us in our offices and on the floor of this body are included among those who earn more than Senators because the cap on their salaries was raised last December. I have several documents which provide a listing of the categories of civilian and military personnel who earn more than a Senator and I ask unanimous consent that they be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. JACKSON. Madam President, finally, I shall point out to my colleagues a few facts about executive level compensation in the private sector. The 1982 executive compensation comparison prepared by Hay Associates, a leading consulting firm in the area of analyzing private sector executive pay scales, lists the average total compensation realized for various corporate management officials as follows: chief executive officers, $503,000; chief operating officers, $372,000; chief administrative officers, $235,800; chief financial officers, $201,000; treasurers, $119,000; head of legal, $169,000.

I will not read the full list but I will point out that the average head of computer operations for a large company in the private sector earns $95,000, or about 50 percent more than Senators. I ask unanimous consent that the entire summary of executive compensation in the industrial sector from the "Hay Executive Compensation Comparison" be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. JACKSON.. Madam President, may I conclude by saying do you not think that our constituents have some legitimate cause to wonder what is in this job for us if our pay is not comparable even to mid-level management in both the Federal Government and the private sector? And when they read the reports which are appearing in the newspapers of Senators receiving large amounts of fees from special interest groups, do you not think they have

grounds for suspicion, in the words of the Post editorial, that "legislative decisions are up for auction."

I just think this is an intolerable situation which we cannot allow to continue. I urge Senators to join with me in conforming to essentially the same rule that has been adopted by the House. I think it is reasonable and responsible and we would be wise to join with our colleagues from the other body.

I give a special thanks to Common Cause which has endorsed my amendment, and ask unanimous consent to have printed in the RECORD at the conclusion of my remarks a copy of a letter from the president of Common Cause, Fred Wertheimer, expressing their support for my effort.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. JACKSON. Madam President, I also ask unanimous consent to have several documents printed in the RECORD at the conclusion of my remarks which I now send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 4.)

Mr. JACKSON. Madam President, I conclude my remarks.

EXHIBIT 1

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, D.C., June 7, 1983.

To: Hon. HENRY JACKSON; Attention: Joel Merkel

From: Carolyn Merck, Specialist in Social Legislation, Education and Public Welfare Division

Subject: Federal Civilian Workers Receiving Top Pay

In response to your request, I have compiled the number of employees in the executive branch of the Federal Government earning salaries at or above $60,663 annually. The data shown below are as of March 31, 1983.[1] Neither Federal judges nor military personnel are included in these numbers.

Executive Levels I–V	757
Senior Executive Service and Senior Foreign Service	6,334
Other Foreign Service	207
Merit pay employees,[2] GS–15 and up	[4] 1,888
Nonmerit pay employees,[3] GS–15 and up	2,434
Subtotal	[5] 11,620
Physicians and dentists, Department of Medicine and Surgery, Veterans' Administration	[6] 6,734
Total	[7] 18,354

[1] The data represent the pay status of the work force as of March 31, 1983. However, employees promoted into the top pay level between March 1982 and March 1983 are excluded, and those leaving government service during that year are included.

[2] Merit pay employees are those in grades GS–13 through 15 who are in supervisory positions and whose pay increases are based on a performance review system rather than on in-grade step increases.

[3] Nonmerit pay employees are those in grades GS–13 through 15 who are not in supervisory positions and whose annual pay raises include in-grade step increases.

[4] Includes 166 people in special pay status.

[5] Source: Office of Personnel Management, Central Personnel Data File and Executive Personnel Management and Development Information System.

[6] Includes *Full-time* staff of the Veterans Administration (VA) only. The number of *all* Federal medical personnel is approximately 10,300. Salaries include base pay plus physicians' special pay. The number of VA physicians earning over $60,663 in base pay alone was 3,381.

[7] Excludes 1,140 people in the legislative branch.

In addition, an estimated 400 Federal retirees (including some retired Members of Congress) received annuities higher than $60,663, as of September 30, 1982.

People call me at 287–5885 if you have any questions.

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., February 18, 1983.

Memorandum for: Senator JACKSON.

From: Senate Armed Services Committee—Minority Staff.

Re: Military Personnel Compensation.

You recently asked for information on military personnel whose annual compensation is more than the $60,662.50 annual salary of a U.S. Senator.

For this analysis I have used Regular Military Compensation (RMC) as the annual compensation for the military. RMC is defined in law, and includes basic pay, basic allowance for quarters and variable housing allowance, basic allowance for subsistence, and the federal tax advantage accruing because the allowances are not subject to federal income tax. I have not included special or incentive pays such as sea pay, flight pay, etc., because right now we don't have any method of determining which individuals actually receive one or more of these pays. My analysis also does not consider the fact that many military members pay no state income taxes.

The point of all this is that I consider my assumptions—and final results—conservative.

Rank and Number Military Members Receiving RMC Exceeding $60,662.50.

(Pay scales based on October 1, 1982; strength based on FY 1983 President's Budget)

Rank	RMC	Number
O–10 Chief of Staff (General/Admiral)	$84,975	5
O–10 (General/Admiral)	84,984	29
O–9 (Lieutenant General/Vice Admiral)	85,510	122
O–8 (Major General/Rear Admiral)	84,308	380
O–7 (Brigadier General/Commodore)	75,049	541
O–6 Over 26 years (Colonel/Captain)	65,310	6,320
O–6 Over 22 years (Colonel/Captain)	(*)	792
Total		8,189

*The $60,662.50 threshold cuts through this group. I have prorated those whose RMC is above $60,662.50.

Summary Points on the Above Chart

Over 8,000 senior military officers receive annual regular military compensation greater than the annual salary of a U.S. Senator.

All flag and general officers, and approximately half of the colonels and captains, in the military services receive more annual compensation than a U.S. Senator.

Most colonels and captains stationed in the Washington, D.C. metropolitan area receive more annual compensation than a U.S. Senator. (This is because the variable housing allowance, which is based on local housing costs, is so high for the Washington, D.C. area.)

I reemphasize the conservative nature of my analysis. GAO has been working on a study to actually allocate special and incentive pays by grade. When this is completed in the next few weeks, it may well show some O–5's (lieutenant-colonels, commanders) who receive more annual compensation than a U.S. Senator. I will let you know when this is available.

The Office of Personnel Management has promised to send me comparable data on the federal civilian workforce, but I haven't received it yet. I'll let you know when and if I receive it.

SUMMARY OF EXECUTIVE COMPENSATION IN INDUSTRIAL ORGANIZATIONS

The principal analyses in the Executive Compensation Comparison are designed to focus on 22 generic positions in industrial organization. The analyses for each position show base salary midpoints; annual base salaries; annual total cash compensation; relationships of compensation to organization size and to job size; relative percentage changes from the previous year; and prevalence and application of longer-term incentive plans and of perquisites.

A series of summary tables has been prepared to facilitate inspection and comparisons of specific compensation facts across the generic positions. Greater detail about the facts for a given position is included in the analysis covering that position. Methods which were used to develop analyses are explained in the Technical Appendix.

SUMMARY A.—ELEMENTS OF TOTAL REMUNERATION FOR INDUSTRIAL EXECUTIVE POSITIONS

[Dollar amounts in thousands]

Position	No. of incumbents	Average Hay points	Average annual base salary midpoint	Average annual base salary	Average total cash compensation	Average total realized compensation	Average annual present value of cash and longer term compensation
Chief executive officer	195	2,531	$271.8	$279.8	$386.7	$503.1	$603.5
Chief operating officer	108	2,024	225.3	225.5	309.3	372.9	429.5
Chief administrative officer	71	1,135	129.7	137.3	179.7	235.8	246.9
Chief financial officer	204	1,078	125.3	127.1	165.2	201.7	230.6
Treasurer	158	710	83.9	81.3	100.0	119.2	126.0

SUMMARY A.—ELEMENTS OF TOTAL REMUNERATION FOR INDUSTRIAL EXECUTIVE POSITIONS—Continued

[Dollar amounts in thousands]

Position	No. of incumbents	Average Hay points	Average annual base salary midpoint	Average annual base salary	Average total cash compensation	Average total realized compensation	Average annual present value of cash and longer term compensation
Controller	221	667	80.5	78.8	96.8	110.6	124.7
Tax manager	146	570	71.7	71.2	85.2	102.6	105.0
Head of computer operations	170	570	70.8	68.4	80.4	94.6	98.2
Head of engineering	116	607	73.5	71.9	86.6	100.0	102.0
Head of legal	189	897	105.7	108.3	139.2	169.4	118.1
Head of personnel	210	730	88.0	86.0	106.2	129.3	139.9
Head of public relations	118	646	83.2	82.4	100.4	122.0	125.1
Head of purchasing	117	535	67.7	66.7	78.5	90.4	102.4
Head of research/development	82	788	93.4	92.3	112.5	123.3	149.1
Head of corporate planning	128	734	91.1	87.4	110.1	121.9	138.2
Medical director	43	592	79.3	83.7	94.4	117.7	112.2
Head of manufacturing line/staff	108	777	95.6	90.9	112.1	132.0	138.5
Head of marketing and/or sales	231	751	88.7	90.2	110.8	119.7	145.7
Group head	326	1,332	148.0	142.7	191.3	242.8	240.4
Subsidiary head	262	1,025	118.9	118.0	158.6	188.9	189.9
Division head	678	796	91.9	87.5	109.8	133.1	145.0
Head of international	42	1,100	127.7	121.8	156.8	171.5	193.6

EXHIBIT 3

COMMON CAUSE,
Washington, D.C., June 7, 1983.

DEAR SENATOR: This week when the Senate considers the Supplemental Appropriations Bill, Senator Henry Jackson will offer an important amendment to address the growing problem of honoraria. We strongly urge your support for this amendment.

As you know, there is no overall limit on the amount of honoraria that Senators can receive. The Senate first delayed and then repealed the 15 percent limit on outside earned income contained in the 1977 Ethics Code and also repealed the $25,000 limit on honoraria that had been part of the campaign finance laws for years.

This has resulted in a tremendous growth in the amount of honoraria received by Senators. In 1982 Senators received $2.4 million in honoraria, a 47 percent increase over the $1.6 million Senators received in 1981. Further, the Senate's refusing a pay increase and opting for no overall limit on honoraria has resulted in Senators getting more and more personal income from special interests. In fact, five Senators in 1982 received speaking fees in excess of their Senate salaries. The New York Times recently observed that speaking fees in 1982 "became so large a tail that they [the fees] threaten to wag a Senator's public salary of $60,662."

Common Cause strongly believes that something must be done to correct this untenable situation. Honoraria create real conflicts of interest as well as the appearance of conflict. As the Washington Post recently noted, "The importance of honoraria to many Senators creates the appearance of undue influence and the suspicion that legislative decisions are up for auction." A recent Common Cause study showed that honoraria often come from groups that have a direct interest in legislation before Congress and are often directed to those Senators who serve on the committees with specific responsibility for legislation affecting that interest. These real and apparent conflicts of interest damage public confidence and severely undermine the institutional integrity of the Senate.

Senator Jackson's amendment takes a first major step toward correcting this problem. The Jackson amendment states that Senators who agree to limit their honoraria to 30 percent of their salaries will receive the same pay increase as that received by the House last year. Those Senators who choose not to limit their honoraria would not receive the salary increase.

Common Cause believes that we should be paying our highest elected representatives reasonable salaries for their jobs and not allowing them to hold their services out to private interests. That is why in the past we have supported limits on honoraria and periodic increases in congressional pay. And, that's why we strongly support the Jackson amendment.

Although we will continue to work vigorously for an across-the-board limit on honoraria in the Senate, we believe the Jackson amendment is an important step forward in dealing with the honoraria problem. We strongly urge you to vote for the Jackson amendment when it comes to the floor this week.

Sincerely,

FRED WERTHEIMER,
President.

EXHIBIT 4

[From the Washington Post, June 9, 1983]

SENATORS' BACKDOOR PAY (CONT'D.)

Should senators be paid by the taxpayers who hire them or by lobbying groups that have their own special interests? That is an issue scheduled to come before the Senate soon, when it votes on an amendment by Sen. Henry Jackson to the supplemental appropriations bill. The amendment would bring Senate pay in line with that of the House of Representatives: senators' salaries would be raised from $60,662 to $69,800, but the amount of outside income they could earn would be limited to 30 percent of the salary. Currently, there is no limit on senators' outside income, and some senators get a sizable percentage of their income—in some cases, more than half—in fees from organizations almost all of which have interests in legislation.

This is a seamy situation. It is out of line with historical practice for the two houses to be paid differently. And the importance of honoraria to many senators creates the impression of undue influence and the suspicion that legislative decisions are up for auction. Some senators argue, plausibly, that they need more money, but the right way for them to earn it is by straightforwardly raising their salary. To those senators who think that is politically dangerous, we commend the example of the House, which voted for a pay raise last December even though all its members must seek reelection every two years.

In the long run the only way for members of Congress to keep their salaries reasonably in line with their needs and with inflation is to get in the habit of voting, year after year, for reasonable pay increases. That is surely less dangerous politically than the spectacle of senators' deriving large proportions of their income from people pushing legislation.

Sen. Jackson also has a fallback amendment; it would give each senator an option: accept a 30 percent ceiling on honoraria but get the salary increase, or accept unlimited honoraria but no salary increase. This would make each senator directly accountable to the voters for his choice. But it is one of those solutions that complicate rather than simplify the problem. The spectacle of some members of Congress earning large sums from lobbying organizations would still be there, and in the hurly-burly of compaigns would tend to harm all members. The better solution is the simpler one: the Senate should show the same political courage the House did by limiting outside earnings and raising the salary to a reasonable level.

[From the New York Times, Jan. 4, 1983]

RESTORE THE LID ON SENATE INCOME

Confusion in the closing days of the 97th Congress helped to obscure a bit of Senate hypocrisy on the question of its own members' pay.

A House bill raised Congressional pay by 28 percent and thus allowed for comparable and critically important pay raises for Federal executives. It also reimposed a limit on legislators' outside income from speechmaking and other activities. Before the Senate passed the bill into law, however, it piously rescinded the raise for its members while excising the limit on outside earnings.

The limit had been lifted in 1981, reviving concern that Congress would now be vulnerable to the blandishments of special interests that offer generous honoraria even for the dullest speeches. The experience that year argues strongly for a new limit. (The totals for 1982 are not yet known.)

The lawmakers may have a right to earn fees for personal appearances—though some of them make a point of donating the fees to charity. The problem arises when such fees become so large a tail that they threaten to wag a senator's public salary of $60,662. The House's limit, 30 percent of its new salary of $77,662, can at least preserve the appearance of no conflict.

Some senators are inclined to rake in outside fees in a very big way, from sources that ought to raise eyebrows. In 1981, Senator Garn of Utah topped the outside earnings list with $48,000; his fees came mainly

from trade associations representing airplane manufacturers, bankers, automobile dealers and builders. Two dozen other Senators netted more than $25,000 in outside income that year, mostly from special interest groups.

The Senators should give themselves a raise in 1953 and reimpose a limit on outside fees immediately. However much the public may bridle at higher salaries, it will bridle more when it understands that it is lobbyists, not taxpayers, who will now be supplying the raise.

DISHONORARIA

(By Mark Green and Michael Waldman)

The proliferation of political-action committees in Washington, and House members' recent $9,000 pay increase, have understandably attracted press and public attention. But the lifting of limits on what Senators can personally earn from outside honorariums may well be the worst legacy of the 97th Congress.

In December 1981, in a 30-second-long parliamentary maneuver, with no debate, the House doubled the amount that Representatives (who then earned $60,662—and now earn $69,800) could keep from outside speeches, to $18,200 a year. In October 1981, the Senate repealed outright its $25,000 limit but at the same time pledged to reimpose the limit starting in January 1983. However, by a 54 to 38 vote in the lame-duck session, the Senate changed its mind and killed that reimposition. Now a Senator can earn $60,662 as an office-holder and, say, $120,000 as a lecturer on business and government to business groups.

Congressional critics worry that honorariums will rival political-action committees for pernicious influence. To a seven-term Representative, David R. Obey, Wisconsin Democrat, the honorarium problem is "the single most dangerous thing that's happened since I've been here." William M. Brodhead, Michigan Democrat, cites the fee spree as a major reason he quit the House after four terms. Representative Michael L. Synar, Oklahoma Democrat, calls the payments "dishonoraria."

The system's defenders on the Hill say it enables members to meet a wider variety of people than they would normally meet and to hear differing views. But few are fooled about what's up. From now on, special-interest groups will frequently invite well-placed Senators and Representatives to concocted conferences and lunches where they deliver "speeches" in order to be handed, say, a $2,000 check for personal use. The office-holder then cashes his check, if not his conscience, for the groups often will return later for his ear, sympathy and vote. The nice name for the honorarium is "lecture fee." The not-nice description is "legal graft."

Listen to Mr. Brodhead: "If somebody invites you to go up to New York a few months from now, you think, 'Hey, that's great.' You think about what you want to say. Then you go up there and it's just a few guys who want to rap, and then they bring up a piece of legislation that's before your committee—and you know what's going on." More and more, such "speeches" are taking place near the Capitol. Richard Conlon, staff director of the Democratic Study Group, an organization of House Democrats, says, half in jest, "I'm going to do a study of honoraria to find an honorarium that is not trying to influence legislation!"

Even before the lame-duck session's action, Senators' dependence on outside special-interest fees was growing. Last year's figures aren't in yet, so let's look at 1981's. Steven D. Symms, Idaho Republican, personally netted $47,200. Alan Cranston, California Democrat, earned $30,600. Richard G. Lugar, Indiana Republican, made $8,500 speaking to five special-interest groups in 30 hours in Minnesota. Alfonse M. D'Amato, New York Republican, made $25,250.

The prospect of a Congress employed partly by taxpayers and partly by private interests is reminiscent of a Gilded Age of politics, in which even J. P. Morgan referred to Senators in his pay as "gougers and highwaymen."

As surely as there are quorum calls in Congress, these "dishonoraria" could well create a caste system there. Partly leaders and committee members dealing with finances and taxes would get the lion's share of the fees. A Democratic Study Group report shows that many honorariums already go to members of "money" committees such as Ways and Means, Commerce, and Banking—and very little to those on the Judiciary and Foreign Affairs Committees. Thus, party leaders and chairmen of important committees may soon earn double the income of constitutionally equal colleagues. When committees convene or floor votes are held, we'll see non-honorarium members dutifully doing most of the work while their fortunate colleagues are out of town earning their primary income.

If judges earned as much in fees from defendants as they did from their public salaries, it would be scandalous. So why should legislators be allowed to sell their offices for private gain? If the public had to choose, doubtless it would prefer somewhat higher salaries, for they would make legislators feel indebted to all taxpayers rather than to a few wealthy interests. As Mr. Conlon of the Democratic Study Group put it: "'Lecture fees' has the connotation of someone going around to ladies' tea clubs and colleges. The press has to call them what they are: They're special-interest payments."

[From the Washington Post, May 8, 1983]

THE SENATORS' DILEMMA: HOW TO HIDE A PAY RAISE

(By Martin Schram)

With a forcefulness that caught all by surprise, a committee of House and Senate conferees fell into impassioned colloquy last year while searching for ways to provide more funds for worthy college students.

Not more funds for federal student loans; cuts in that program and others had already sailed through matter-of-factly earlier in the day. They were seeking more funds for themselves—for their own childrens' education. In particular, they were spurred by the fervent appeal of Sen. Jake Garn (R-Utah) that it is impossible for him to make it on a senator's salary, what with three children in college and four more headed there.

When they finally solved their problem in the last days of the lame-duck Congress of 1982, they did it by writing into law a bicameral travesty.

Consider it: As now provided by acts of Congress, House members apparently are valued more highly than senators—$9,000 a year higher. For the first time, senators and representatives no longer earn equal salaries.

Similarly, as now provided by acts of Congress, House members apparently are not to be trusted as highly as senators. House members need a rule limiting their outside income to hold them in ethical check; senators need no such rule, presumably because they are above ethical reproach.

This ludicrous state of affairs grew out of a problem that is real enough: The job of senator or congressman requires a top-quality salary to assure that top-quality people will be willing to serve. But it degenerated into a contest of top-quality name-calling; upper house versus lower house, shirts versus skins.

"Sanctimonious!" said Rep. Vic Fazio (D. Calif.), of the Senate's early insistence that the best way to increase congressional income was to wipe out the limit on honorariums from special interests. That would do the House no good, he argued, because House members are not as famous as senators and cannot earn enough that way.

"A rip-off!" said Sen. William Proxmire (D-Wis.), outraged by the House's original proposal to grant an exclusive tax break of $75 a day for members of both chambers (to defray the expense of maintaining residences in both Washington and their home states).

What ultimately happened was this:

House members did the honorable (if impolitic) thing. They voted forthrightly to raise their salaries to $69,800, an increase of 15 percent from the $60,662.50 that both senators and congressmen had been paid.

Senators, however, had no stomach for such straightforward behavior. They voted instead to get rid of the ceiling on outside income that they themselves had decreed back in the 1970s, amid ruffles and flourishes about "ethics reforms." With that ceiling scheduled to take effect this year, they suddenly decided that members could take as many honoraria from private groups (up to $2,000 per occasion) as they could get their hands on.

So House members now owe their pay increases to the taxpayers, to whom they are accountable (they remain governed by a House rule restricting outside income to $18,200). Senators, however, owe their increases to special interest groups, to whom they are no doubt grateful.

Fazio, chairman of the House subcommittee on legislative appropriations and the driving force among the House conferees, says he really did not think things would turn out the way they did.

"Most of us were incredulous when the Senate would not do it the right way—would not take the raise," he says. "But I was damned if we were simply going to sit by and take their proposal for outside income in ways that were . . . irrelevant for House members, and then have them sanctimoniously reject raises for us.

"In the long haul, we'll be judged to have done the positive thing. I frankly expected there would be people over there in the Senate who would say, 'Let's get our act together and have the courage of our convictions. Let's follow the lead of the House and vote ourselves a pay raise.'"

Jake Garn was not surprised. "I'd keep telling Congressman Fazio, 'You can send that bill for a raise over every week, and it will be defeated [in the Senate]'," Garn says.

Garn is both a champion father and the Senate's champion honoraria taker. In 1981, he got $78,000 in speaking fees, gave $30,000 to charity and kept $48,000 for himself.

"I've never made any apologies for honorariums," Garn says. "They're not taxpayers' money. You report all the money you receive, and then your constituents can judge exactly what you're doing . . . If you're a millionaire and can clip coupons a

la Ted Kennedy or John Heinz, so be it. If not, then you need outside income."

A brief digression:

In 1977, the Senate enacted a code of ethics that declared that full disclosure alone is not enough. It clamped a $9,100 ceiling on outside income, deferring it so that the elder statesmen could get their fiscal affairs in order.

"I believe that there is a real potential for conflict of interest when a senator takes large sums of money for speaking to groups who have a direct interest in legislation before this body," said Sen. Dick Clark (D-Iowa). Added Sen. Gaylord Nelson (D-Wis): "when the public loses confidence in public institutions, there is nothing left. That is a very fragile cloak that covers this institution, and we in government are obligated to take whatever actions we can to maintain it and restore it."

It was not a smooth passage, however, as evidenced by a sharp exchange between long-time allies. Sen. Gaylord Nelson (D-Wis.) became unsettled because Sen. Edmund Muskie (D-Maine) had voted against a pay raise but favored unlimited honoraria.

Nelson: "The senator from Maine voted against the pay raise and then comes here to the chamber shedding hot tears, flooding the chamber with this lament [that] . . . we do not have enough income."

Muskie: "The Senator . . . is putting a cap on my income and he has not given a damn . . . as to what the consequences on my personal financial life or that of my family may be. He has not asked me, for example, whether the choice will be to send my son to a first-rate law school or to a third-rate, whether or not my wife can buy a new wardrobe this year or have to wait until next year . . . We are being thrown to the * * *."

On Capitol Hill, ethics is a sometime thing.

In voting themselves $12,900 raises back in 1977, the senators and representatives also clamped on strict ethics codes, limiting their outside earned income to 15 percent of their federal salaries. In the House, that ceiling was doubled, to 30 percent, two years ago. But in the Senate, it remained at 15 percent—the $9,100.

The ceiling, however, never went into effect. it was about to last December when the senators voted, 54 to 38, to scrap the rule. (This wasn't the first time. In 1976 Congress passed a law limiting honoraria of senators and congressmen to $25,000 a year; it was repealed in 1981.)

Fourteen of the senators who voted in 1977 for a ceiling on outside income switched and voted to make the sky the limit instead. The list of flip-floppers includes several who are running for president: Alan Cranston, John Glenn, Ernest Hollings and Gary Hart.

Hart's vote merits special attention, because he alone of that Senate group has converted his presidential campaign into a crusade against the evils of special interests (Cranston, Glenn and Hollings say they'll take all of the special interest contributions they can get). As a candidate for president, Hart has now vowed to take none of the special interests' money for his campaign; as a senator, he has voted to allow himself to take unlimited special interest money for his personal use.

The explanation is one of those wondrous works of political art. Hart believed there should be a firm, low ceiling on honoraria back in 1977, his press secretary, Kathy Bushkin, explained. But the Senate had deferred the ceiling and gradually raised it.

"And once it got up to $25,000, he felt it was a meaningless cap, because it was so high already," she said. Moreover, Hart had decided that if the ceilings were lifted further, he would join those taking more money than the old ceiling provided. "So he said it would be hypocritical," Bushkin concluded.

The taking of honoraria in exchange for speeches is a time-honored tradition, practiced not only by those who make laws but also by those who watch the lawmakers, including many of Washington's most prominent journalists. There is a considerable debate, however, over allowing those who make the nation's laws to acccept money from groups with a special interest in legislation before the Congress—and especially before the committees on which they serve.

Congress has barred executive branch officials from accepting honoraria, in order to assure that there is no conflict of interest. Congress feels it is part of the job of an assistant secretary of the Treasury, for example, to explain government policy to banking groups—and that federal salaries are adequate compensation for such speechmaking.

But a different standard is applied to those federal employees who happen to be members of Congress. Garn has accepted thousands of dollars from groups with banking interests while serving on the banking committee.

"I make no apologies," he says, "Executive branch guys are not elected. This is a matter of a personal thing between my constituents and me. The absolute key is full disclosure. . . . Maybe they (the banking interest groups) think they are getting access. But I'll see anyone whether I am getting money from them or not."

Proxmire, who also serves on the banking committee, scoffs at such logic. "You're much more likely to be sensitive to the concerns of the people who paid you to speak," he says. "I never take (honoraria for) a speech where there's a conflict of interest. What these (banking committee) guys do when they speak before the American Banking Association and the savings and loans and the unions with banking interests—the conflict couldn't be more conspicuous."

The plain truth is that letting the special interests pay for the raises that senators were afraid to vote themselves is bad business. The ethics considerations that were valid in the 1970s are valid today. And the special relationship that the Jake Garns of the Senate have with their constituents should be strong enough to allow them to vote themselves the raises they deserve.

A pay raise carries with it certain political liabilities. "There's a lot of heat," says Rep. Fazio. "It's still continuing. People have a National Inquirer view of a congressman's life in the big city. We're not all dressed in tuxedos every night, eating canapes at an embassy. But when I go to my town hall meetings and people are up in arms because we're . . . cutting cost-of-living increases of federal benefits, it's always put to me in the context of, 'And you just voted yourself a raise!' I just hope we did it in a way that will be of some courage to people in the future."

Noble, but not likely. Not as long as the dominant view is held by senators such as Garn, who see no incongruity in voting sharp cuts in federal aid for loans to send needy kids to college, and then pleading the case for more honoraria for speechmaking to send his kids to college.

"I'm not talking about taxpayers' money," Garn says. "I'm talking about outside income. If I were talking about increasing my salary with taxpayers' money, I'd say, 'Yes, that's a true conflict.' It would be [a conflict] if I said, 'Hell, let's cut student loan programs, but let's vote ourselves more money for our own kids' education.' "

So out of all this comes a moral for parents beset by tuition woes: Let them make speeches. And so it was on that day last June when members of the House-Senate conference committee on the urgent supplemental appropriations of 1982 could move impassively through votes on student loans and housing subsidies and other programs—and then plunge into debate on the only matter that seemed to move them to strong feelings: raising their own incomes.

It tells you something about the mindset of our elected leaders. What it comes down to, says Garn, recalling the emotion the issue engendered, is that senators are people, too.

"It is human nature for people to get more excited about things that affect them personally," he remarks. "I do not think we can be more perfect in our feelings about taking care of our families than anyone else—be they butchers, bakers or bricklayers.

[From the Everett (Kans.) Herald, Feb. 13, 1983]

CONGRESS SHOULD PAY ITSELF

Voting a congressional pay raise is never easy, particularly in a recession when many Americans are out of work. So it's understandable—and wrong—that 2nd District Rep. Al Swift has joined in sponsoring a constitutional amendment to relieve Congress of the sometimes unpleasant responsibility to set its own salaries.

The amendment, cast as Senate Joint Resolution 1 and House Joint Resolution 113, would establish a presidentially appointed salary commission of nine members serving staggered six-year terms. The Constitution provides that "senators and representatives shall receive a compensation for their services, to be ascertained by law and paid out of the Treasury of the United States."

The salary-setting amendment has developed a curious following in the Senate where it originated, principally sponsored by Sens. Russell Long, Howard Baker, Robert Dole, Lawton Chiles, Daniel Patrick Moynihan and Alan Cranston. In the House, Rep. Bob Livingston of Louisiana has teamed up with Swift to sponsor the measure.

Maybe the congressional pay amendment is another misbegotten manifestation of the times. This is the era of constitutional amendments: to ban abortion, to balance the budget, to allow organized prayer in public schools.

Amendment proponents voice three arguments to support relieving Congress of paying itself. They argue, first of all, that representatives and senators are in conflict of interest by voting their own pay raises. Second, they argue that the time-consuming, and often stormy debate over pay hikes distracts Congress from many more important matters. And third, amendment backers argue that the pay-setting exercise darkens the already dark cloud of low public esteem that envelops Congress.

On its face, the conflict-of-interest argument looks valid. But consider that voters know in advance of electing members of Congress that the job on Capitol Hill includes determining congressional salaries.

The Constitution's framers, moreover, were wise to set it up that way. An elected body, not an appointed one, should ultimately be accountable to the electorate for what government spends on itself.

It's the measure of Congress, not the Constitution, when the House and Senate spend hours needlessly squabbling about salaries. The public's poor regard for Congress, we'd bet, would not be improved if its pay were placed in the hands of a commission.

Still, Congress has taken a bum rap on pay raises. In 1969, members received $42,500 a year. The retail purchasing power in 1969 dollars of the current House salary of $69,000 is about $25,000. Senators are paid $8,400 less than House members but senators have a more liberal policy on receiving fees on the lecture circuit. The point is that members would have to pay themselves about $120,000 a year to equal the purchasing power of what they earned 13 years ago.

So yes, Congress is shamefully underpaid. The job's responsibilities are awesome and arduous. And keep in mind the cost of maintaining two homes, one of them in the dreadfully expensive Washington, D.C., area.

No, we aren't proposing that members of Congress promptly enrich themselves by $40,000 a year, although executives holding comparable positions in the private sector are currently earning about $100,000 to $110,000. But don't cheapen the Constitution with this foolish amendment on congressional pay.

[From the Tacoma (Wash.) Tribune, May 26, 1983]

SPEECH EARNINGS ENRICH SENATORS

The new unlimited access to outside income from speaking engagements continues to pay off handsomely for members of the U.S. Senate. Many of them are now collecting more in speech fees than they are paid in salary.

A U.S. Senator is paid $60,662 a year. But Sen. Robert Dole of Kansas, for example, also received $134,250 last year in payments for speech and writing assignments. He wasn't alone, either. Disclosure forms reveal at least six other Senators received fees (they are called "honoraria") that totaled more than their annual salaries.

The potential for abuse is obvious. An organization or group wishing to influence a Senator need only offer him a fat fee for a few brief remarks. Whether any Senator is so inclined is not the point. The prospect is there, and the Senators have only themselves to blame for any suspicion that may exist because of the fees.

Because the U.S. Senate was fearful of public reaction to a pay raise, it opted instead to remove a $25,000 ceiling it had imposed on "honoraria." That happened in 1981, and speech-fee income for Senators has been rising steadily ever since.

Disclosure forms show they collected $2.4 million in honoraria last year, an increase of 39.3 percent from 1981.

To their credit, many of them give part or all of their honoraria to charity. Washington's Sen. Henry M. Jackson, for example, donated all his 1982 fees of $34,650 to a student-aid fund. It is a practice that Jackson has quietly followed for many years. On the other hand, Sen. Dole contributed $51,500 of his speaking fees, which left him a tidy $82,750 to pocket.

The dangerous conflict-of-interest situation presented by the Senate's unlimited access to "honoraria" should not be allowed to continue. So long as it exists, the Senate leaves itself open to public suspicion and contempt.

Mr. HATFIELD. Does the Senator know of any other speakers on his side?

Mr. JACKSON. I do not.

Mr. CHAFEE addressed the Chair.

Mr. HATFIELD. Madam President, I say to the Senator that we are not under any time agreement.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. CHAFEE. Madam President, I rise in opposition to both the amendments of the Senator from Washington.

What we have here, it seems to me, is a proposal that there be a double standard for the Members of Congress, that is, those who are extremely wealthy can have unlimited amounts of outside unearned income derived from securities, rents, or whatever it might be. But under the proposal of the Senator from Washington—the first amendment that he proposes—those who serve in the Senate or in Congress would be limited to the pay currently being received in the House of Representatives, about $69,000, plus 30 percent of that.

This is an amendment that is fine for those who come to the Senate as millionaires, but which penalizes those who have no source of outside unearned income.

Madam President, we have debated ad nauseum in this Chamber what is a suitable amount for our pay.

If the amount that was being paid to Senators in 1969 when it went to $42,500, were increased in accordance with the Consumer Price Index, we would be earning about $118,000 today.

Well, such has obviously not taken place, Madam President. Our pay is much lower than that. But now we have a proposal that there be restrictions that one's honoraria be limited to 30 percent of the Senate salary. I do not think that is fair, particularly in view, as I mentioned previously, of the large outside unearned incomes that are permitted to those who are wealthy enough to have them.

Let me just direct a few remarks, if I may, to the business of honoraria and what it does to people. Somehow there is the implication that if you are out earning honoraria, how you are being bought, or in the alternative that you are not devoting adequate time and energy to your role as a U.S. Senator.

Let me just give a couple of examples. Two of the most productive Members of this U.S. Senate have been Senator Muskie, who left here and went on to become Secretary of State, and Senator Hubert Humphrey, later Vice President of the United States and then later a U.S. Senator again.

No one would question the contributions that those men made to the U.S. Senate in originality, in work, in dedication, or in attention to their Senate duty. But listen to these statistics, Madam President: In 1969, Senator Muskie earned in honoraria $80,000—$80,000 in 1969 dollars. That would translate, in today's dollars, to $232,000. No one said he was not paying attention to his duties.

What about Senator Humphrey? In 1971 he made $83,000. That would translate in today's dollars to about $236,000. Well, there is nobody in this Chamber who comes even close to that in honoraria earnings, $236,000 for one, $232,000 for the other, each of them among the most productive Members of this U.S. Senate, whose integrity was beyond question, whose contribution to this body, to the laws of the land, to the welfare of the United States goes unchallenged.

Now, Madam President, I would like to ask the sponsors of this amendment whether there are going to be back-to-back votes, or depending on the outcome of the first proposal, will the second be offered as a fallback position.

Mr. JACKSON. My understanding is we are not at this point under the unanimous-consent agreement on a back-to-back voting situation. There will be a separate vote on this amendment. Depending on what happens to this amendment, as I have previously stated I will offer my second amendment which will be the same as the first amendment except there will be an option for those who do not choose to be covered by the cap on honoraria to so indicate and they can continue to earn unlimited honoraria but they would not receive a pay increase to the same figure which applies to the House.

Mr. CHAFEE. I understand that. Let us turn to the second amendment, the so-called fallback amendment. If I might, I would describe this as the WSRB, the wealthy Senators relief bill. This amendment provides, as I understand it, that those Senators who choose to forgo the higher salary currently in effect in the House can then continue to receive unlimited honoraria.

This is really a splendid amendment for those who are wealthy. This is the best of all worlds. The wealthy person does nothing and gets the higher pay. But consider this: That same person goes on for the rest of his other life with the higher pension which is based on the higher pay. This is a winner all the way around for the rich person.

Mr. JACKSON. Will the Senator yield?

Mr. CHAFEE. The rich Senator who does not have to go out, and does not choose to go out, and supplement his

income is permitted to receive both a higher salary and a higher pension.

Mr. JACKSON. Will the Senator yield?

Mr. CHAFEE. Yes.

Mr. JACKSON. How would my good friend from Rhode Island explain to his constituents the policy that is now in existence in the Senate that in order to have comparable pay with the House you have to go out into the private sector and get fees in order to equal that amount? Now, the truth is that the ones who may need this money are not millionaires. The ones who are getting the large speaking fees are not millionaires, so if they want to go that route under my second proposal they will have that right. But we are in a deplorable situation when we tell the country the only way you are going to get a pay adjustment in the U.S. Senate is to go to the lobbyists or special interest groups? That is where we are now. I would ask the Senator how would he explain the difference in policy between the House and the Senate. The House authorized the pay raise in accordance with what they felt was meritorious but for the Senate to get a pay adjustment equal to the House and, shall we say, above our own staff. We are told to get it from interest groups. The Senator knows, of course, that there are over 1,000 members of the staffs on Capitol Hill who are getting more pay than Senators. I think a pretty sharp and smart person is going to ask what is in it for the Senators to get less pay than their own staff. Is there a special advantage? Yes. You can earn unlimited honoraria. That is all I have to say.

Mr. CHAFEE. I could not agree more with the distinguished Senator from Washington. It is ridiculous that now the House of Representatives receives a higher pay, and the Senators are meant to be troubadours and go around and speak to make up the difference. That is foolish and I am opposed to that and consistently have been opposed to it.

Mr. JACKSON. What is the Senator going to do about it?

Mr. CHAFEE. What should be done here is to permit the Senate to have the same pay as the House of Representatives. If the House chooses to restrict itself with this 30-percent limit, that is its business. But we have had the same pay as the House for years and have not had restrictions. This is a new twist. We had the same pay as the House of Representatives up until last year and we had no percentage limitations, nor did we in former days.

I read this letter from Common Cause and it says, "The $25,000 limit on honoraria has been part of the campaign finance law for years." Well, it has been part of the campaign finance law, but not for as long as the letter would imply. It cannot be said to have been a fixture of the law.

Mr. JACKSON. Just for the purpose of the record, will the Senator yield?

Mr. CHAFEE. Certainly.

Mr. JACKSON. I think my good friend from Rhode Island would agree we put a cap on and they take it off. We put a cap on and we take it off. There has not been any consistent policy in regard to a cap or a no cap situation. I think my colleague would agree. For the record, there was a $15,000 cap in the election law from 1974 to 1976. In 1976 it was raised to $25,000 where it remained until it was repealed in 1981. In 1977, in return for a pay increase, the Senate by rule adopted a 15-percent honoraria cap scheduled to go into effect in 1979. After being in effect for 2 months it was delayed until January 1983 and last December we repealed it.

Mr. CHAFEE. Yes.

Mr. JACKSON. We have not followed the general policy consistently of a cap or a no cap.

Mr. CHAFEE. I certainly agree with that. That is why I find this statement in the letter from a man I have great respect for, from the president of Common Cause, unfortunate.

The problem, according to Common Cause, is the growing problem of honoraria. I do not agree there is a problem. Each of us has run for office, each of us has to file full disclosure of honoraria we receive. If there is a problem our constituents can do everything about it. They know where these honoraria come from. There is a limitation on the individual amount of the honoraria. Go back to the old days—and no one is more familiar with the history of this Chamber than the distinguished senior Senator from Washington—he can remember when there was no limitation on the amount of an individual honorarium; is that not correct?

Mr. JACKSON. The Senator is correct. But I made the decision when I came to the Senate 30 years ago, when we had no formal code of ethics or anything else. Just being a country boy I understood in my own mind what I thought should be done and the result was that I never accepted a dollar for my own personal use of any honoraria since I entered the Senate 30 years ago.

Mr. CHAFEE. That is fine.

Mr. JACKSON. We did not have a code then and I think in the end the tragedy is that we now have to have a dozen codes. You do not know what to do unless you look it up in some book. I think that is a sad commentary on events. I think my colleague would agree.

Mr. CHAFEE. I think that how a Senator chooses to handle his affairs is up to that Senator. I would point out that the laws are far stricter now than they were in the former days, when there was no limit and no disclosure—no limit either in total or on the amount for individual speeches. Now it is limited and it has been limited ever since I have been in this Chamber, and perhaps prior thereto. But I think the key thing is the disclosure, and that was touched on by the senior Senator from Utah earlier, as I understand it.

I will particularly address the subject of the second so-called fallback amendment. In my judgment, Madam President, that is the worst of all worlds. That is the most unfair. It permits the wealthier Senators who do not need the income from honoraria, who do not have children they are trying to send through college, or whatever, it permits those Senators, because they have no need for outside earned income from other sources—because they were fortunate enough to be born rich or to have acquired substantial assets during their lifetime—those Senators can receive the higher pay.

But I point out this fact, and I think it is quite important: the higher pay means a higher pension. And so those Senators go on to the higher pensions and thus end up in the higher bracket throughout their entire lives, as opposed to those Senators who, in order to support their families or to educate their children, feel the necessity to go out and earn these honoraria but accept a lower rate of Senate pay in order to do so.

So, Madam President, I am opposed to both the amendments. If somebody wants to come forward in this Chamber and support a pay in the form that it was in the former days, say index the pay of 1969 according to the CPI and vote for that, fine. I will vote for it.

But until something substantial is done—until Senators are paid perhaps half the pay of the average New York Yankee, or a third of the pay of the average player in the National Basketball Association—I wish to record myself in opposition to both of the amendments.

Mr. JACKSON. Madam President, we were talking about Senator's needs for honoraria. Of course, I have put in the RECORD the rules that apply to the judiciary and the executive branch. The Senator from Rhode Island undoubtedly knows that in the executive branch Presidential appointees cannot accept fees for any matter relating to their duties. The regulations and the conflict of interest statutes, of course, bar it. I know the Senator is aware of that. So we have a special Senate standard in the legislative branch which I think raises some fundamental problems.

But the heart of it is that we are saying in the Senate, but not the House, that the only way you are going to get a pay adjustment—we are establishing that precedent—that to get a pay adjustment you go out and

hustle in the private sector to make up the difference. That is what the rule is right now.

Mr. CHAFEE. That's right. And if the Senator's proposition were to increase the pay to the same as the House of Representatives, I would vote for it with enthusiasm.

Mr. JACKSON. How many Senators do you think will vote for a straight pay raise?

Mr. CHAFEE. I do not know. We have been around and around in this Chamber on that. There seems to be extreme reluctance. I know that when I first came here filled with the courage of 6 years to go, I voted for a pay increase, a substantial one. I not only voted for it, I took it.

Mr. JACKSON. May I say to my friend that where we are now is that we have unlimited pay increases if you want to go out in the private sector, even when our primary responsibility and duty is right here.

Mr. CHAFEE. Well, Madam President, I would just like to touch on that. That is a common accusation that somehow when we go out throughout the length and breadth of this marvelous land, that we are not spending time on matters we should be. Speaking for myself, I do not miss Senate votes to make speeches.

Let me just say this, Madam President: I have done my share of traveling and I will honestly testify to this body that it is a two-way street. Not only does one go out there and give his talks, but also one learns from those he or she speaks to.

I think it is an obtuse person who goes out to speak to a group or to whatever it might be, who does not come back with some added knowledge.

Now, you might say that you could go out and get that knowledge anyway. Well, there would be far less of an incentive to go traveling across the country, to Chicago or to Denver, down to Florida, or on to California—wherever it might be—if we knew that there was nothing in it for us except a free plane ride. And yet, from these trips, I, at least, have learned a lot and they have been valuable to my understanding of issues that face this country.

Furthermore, everything we do is on the public record. There is no secret about it. It is spread right out there. And if anybody misses it, our local newspapers pick it up for them.

So, Madam President, I do not think this is a good proposal. I wish he would have proposed that we just accept the same salary as that of the U.S. House of Representatives. I would vote for it. But he proposes limitations that I do not feel are satisfactory.

For those reasons, Madam President, I would vote against it.

Mr. GRASSLEY. Mr. President, I regret that the issues of congressional pay and honoraria income have to be debated yet again by this body. Since serving in the House of Representatives since 1975, I have consistently opposed increases in pay for Members of Congress and consistently supported limits on honoraria income. Most recently, on December 20, 1982, I voted against the conference report to the continuing resolution, Senate Joint Resolution 631, in part, because it included a 15-percent pay raise for Members of the House and 33,000 senior Federal executives and civil servants. I felt that that action was ill timed then and I feel that any provision to increase salaries, be it through a limit of honoraria or any other manner, is ill timed today.

In the Senate version of the continuing resolution at that time, the Members of this body held firm and refused to allow our salaries to be raised to the level of our colleagues in the House. It was clear just 6 months ago that we could not justify a pay increase at this time of economic hardship and burgeoning Federal deficits. I see no justification now.

This amendment offered by the Senator from Washington would allow a Senator to receive a pay increase of 15 percent if he would limit his honoraria to 30 percent of his salary. Members who choose not to limit their honoraria would not receive a salary increase.

I recognize that the desire of my distinguished colleague is to restore a reasonable cap to honoraria income, which I fully support. However, I cannot support an accompanying pay increase and cost to the Federal Treasury that would replace those outside earnings.

Additionally, I believe that this amendment would set a bad precedent by allowing different pay raises and honoraria limits for individual Senators. It does not seem reasonable to me that decisions as important as salary levels and outside earnings limits should be elective. Furthermore, such a change would contribute to the public's impression that Congress refuses to deal with this volatile issue in an open, responsible, and direct way.

Therefore, Mr. President, I would urge my colleagues to join me in opposing this amendment.

SECOND EXCEPTED COMMITTEE AMENDMENT

The PRESIDING OFFICER. The time being 1:40, if there is no further debate at this particular moment, I believe it was ordered that we would go back to the question to recur on the second committee amendment on page 14, lines 1 through 9, with 20 minutes of debate evenly divided.

Mr. HATFIELD. Madam President, the Chair has stated the proposition correctly. We are now on the B-1 bomber amendment, which is the second committee amendment. The Senator from Alaska (Mr. STEVENS) and the Senator from Louisiana (Mr. JOHNSTON) are in charge of the time.

I now suggest the absence of a quorum, equally divided to be charged against both sides.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATFIELD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Madam President, I ask for the yeas and nays on the first Jackson amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. JOHNSTON. Madam President, I yield myself 5 minutes.

Madam President, the question involved in this amendment is multiyear contracting for the B-1 bomber. The first question is: Does the B-1 bomber meet at least two principal tests for multiyear contracting; that is, does it have stability and design and is the cost fixed and determined? The answer to both of those questions is no, and the record is very clear on both of those subjects.

On the question of the fixing of the designs, the Air Force admits—in fact, the Secretary and the Chief of Staff of the Air Force have, in effect, certified—that at least 20 percent of the airframe, 30 percent of the offensive radar, and 40 percent of the defensive avionics are brand new on this plane.

So, in effect, Madam President, we have a brand new plane that has never been flown before. Consequently, it is not fixed in design and does not, therefore, meet the rules of the Senate, the rules of the Congress, or the rules of the Air Force itself.

Second, is it cost fixed as certified by the President at $20.5 billion? The answer is surely no. The Air Force itself estimates the cost in its own internal studies. In one study, the cost analysis improvement group estimated at $26.8 billion, and in the Air Force Systems Command it is estimated at $29 billion.

GAO certifies another $1.6 billion not included in the President's request.

So, Madam President, we are being asked prematurely to put under multiyear contracting the B-1 system before we know the cost and before the system is stable in design.

There is no need to do that at this time. The Air Force would not put either the airframe or the avionics under contract during the period of time covered by this supplemental appropriation bill. The only reason to do it now is to stampede us into getting locked into a system before we know

the cost and before we know the stability in design.

Madam President, I think it is very unwise for us to do that at this time and totally unnecessary.

Before I yield the floor to my distinguished colleague, I would simply point out that we are buying more weapons systems than we can pay for; that if we cancel both the B-1 and the MX missile, we would bring procurement costs down to 5 percent plus inflation. If we proceed with both systems, we insure that the budget must be 10 percent plus inflation for these next few years.

Madam President, the Budget Committee, I am reliably informed, will not approve more than 5 percent plus inflation when they come to the Senate with a bill. Indeed, the Senate itself has approved 6.5 percent during the first year, that is, fiscal year 1984, 6 percent in fiscal year 1985, and 5.5 percent in 1986, if I am correct. The Senate, of course, is much above the House.

So there is no way, even without a cost overrun, even if we stay within the budgeted amounts, that we can pay for the weapons systems that we are now prepared to order.

The further question therefore posed at this time is, should we proceed to order weapons systems before the design is fixed, before the cost is ascertained, and, indeed, when every indication is that the cost will exceed that budgeted? The first two bids of the contractors have already come in at an average of 50 percent above the budget cost. The Air Force's own internal reports indicate a cost in one case of $9 billion above that budgeted, and in another case over $6 billion above that budgeted. The question is, should we come in and prematurely put under multiyear contract with great termination costs, at this time, when it is not necessary to do so because it is not necessary to act within this timeframe in order to realize whatever savings there are?

Madam President, I think it would be very unwise for the Senate of the United States to reverse the action of the House of Representatives which turned the administration down on this request. It would be very unwise for us to do that and get ourselves locked into expensive systems prematurely before we know what they are going to cost.

Madam President, I yield the floor.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Madam President, I think it is important to remind the Senate that we are considering an amendment to the supplemental appropriations bill to deal with funds already appropriated. We are not yet dealing with the 1984 issue. Many of the statements made by my good friend from Louisiana undoubtedly will be raised at the time that bill is before us. But this bill contains no additional funds for the B-1. It is a bill that contains an amendment to allow the use of $185 million to initiate multiyear procurement concepts.

The Senator from Louisiana articulately argues his position, but he is one who opposed the system to begin with. To now argue against the concept that will save us at least $800 million in this procurement process, I think, is unwise. I can understand the Senator may oppose the procurement money for the B-1 in 1984. I assume he will do that. But the process that we are trying to get approval of now is one of cost containment. It was, in fact, an amendment that we agreed to during the authorization of the B-1B brought to us by the opponents of the B-1B who doubted the figures that we brought to the Senate in terms of the estimates for the cost of this new system.

When the President certified that cost of $20.5 billion in terms of 1981 dollars, he did so on the assumption that the Congress would permit multiyear procurement procedures to be followed in connection with the B-1B. That will save at least $800 million in 1981 terms.

Madam President, there is built into this $20.5 billion a contingency figure. As a matter of fact, in hearings before our subcommittee I questioned the Department of Defense and the Air Force intensively over the size of that contingency within the $20.5 billion. Not only is there an allowance for some inflation, but also $3 billion for contingencies. That is part of the process that the President required in certifying for the first time. This is the first time any President has certified that the Presidency of the United States will maintain cost controls and not allow this system to cost more than $20.5 billion, in terms of 1981 dollars.

It is a system that is needed. The Senate should be reminded that of the B-52 bombers which are flying today, the latest of those bombers was constructed before any of the pilots who are flying them today were born.

How many Members of this body would like to be driving to work in a car that was built the year before they were born? How many people just involved in flying an airplane on a daily basis—and I remind Senators that some 75 percent of all intercity travel today is by aircraft—how many people would like to fly in planes built the year before they were born? That is what we are asking the people to do who are maintaining the security of this country.

We have delayed and delayed for over 10 years the acquisition of the B-1B or manned bomber. I happen to believe strongly in the manned bomber concept. You can always believe in the concept of the manned bomber.

You do not have to blow it up in order to get it out of harm's way if it has been sent by mistake, or if there has been a change in international policy. Somehow or other, the whole concept of control, as far as our defense policy, ought to envision a manned bomber force.

The opponents say, oh, but we have another one coming downstream. We do have another one coming downstream. I think that it, too, will be delayed. It will be delayed by the necessity of technological breakthroughs if nothing else. But it will be delayed by funding just as this one is delayed by funding. This is an attempt now, once again, to inject delay into the B-1B procurement program, which in and of itself would increase the cost.

It is our committee's proposal that there is no reason for further delay.

Madam President, the maintenance cost on the B-1 will be less than the maintenance cost on the B-52 fleet. If we look at the actual argument of the Senator from Louisiana, he says we can save money, in effect, by stopping the B-1 right now. But there is nothing before us that would stop the B-1. Instead, he should look at what I mentioned before. That is, under the last administration's MX proposal, 200 MX's placed in those multiple protection silos, President Carter would have spent $55.4 billion for the MX. This administration has cut the cost of the MX to $18.6 billion—I am talking about 1984 dollars. And even with the B-1 bombers, the total cost for the defense of this country will be $11.4 billion less by virtue of what we have done in the last 2 years in revamping the MX and, once again, commencing the B-1.

I remind the Senate that even though President Carter cancelled the B-1, he kept the research going that was necessary to achieve the production of a manned bomber in the immediate future. This money that is before us now is for long-leadtime items that came out of the research that was done during the Carter administration on what was necessary for a manned bomber for this country.

I firmly believe that this committee amendment should be approved. I want to urge the Members of the Senate to approve it. It is necessary to continue what we imposed on the executive branch. That is cost containment as we acquire the B-1B.

How much time remains, Madam President?

The PRESIDING OFFICER. There are 5 minutes remaining.

Mr. JOHNSTON. Madam President, at the conclusion of the time, I am going to make a point of order on two bases: First, that this is legislation on an appropriations bill; second, that it

contains a contingency. The contingency, of course, is that it cannot be used until 45 days after receipt by the committee. It is very clear that this is legislation on an appropriations bill. Moreover, there is no House legislation to which this could be germane.

Furthermore, Madam President, it attempts to affect money appropriated not in this bill but in previous years. I make that point now because, of course, a point of order is not debatable, but it is quite clear that there is no language in the House bill to which this could be germane. Indeed, there is no money appropriated for this purpose in the House bill. It attempts to affect moneys previously appropriated.

Madam President, having said that, and in case that, for any reason, the point of order would not be sustained, I want to close by making one very important point.

The Washington Post of May 22 contains an article entitled "Air Force, Citing Cost, Seeks to Cancel Projects." The first paragraph tells the tale. It says as follows:

> The Air Force has proposed dropping several major items from its research and procurement programs because not even President Reagan's large defense buildup will provide enough money for all the new weapons now contemplated.

Even if you take President Reagan's 14 percent or 10 percent-plus-inflation figure, Madam President, there is not enough money to pay for all the weapons system we have now, even assuming that there is no cost overrun. To assume that there is not going to be a cost overrun when the Air Force's own study by the Air Force Systems Command says $29 billion; the Department of Defense study by CAIG, which is Cost Analysis Improvement Group, in February stated $26.8 billion. So by $8.5 billion and by over $6 billion, the Air Force's own studies say it is not going to come in at cost. The GAO says you do not include $1.6 billion in additional cost.

Madam President, for us to say in advance of there ever being a test of this program that we are going to come in at some artificial budget, which is completely at odds with what experience is and what the initial estimates are, is clearly unwarranted by the Senate.

So, Madam President, for that reason and because it is completely unnecessary to make this decision at this time, I believe that the Senate should say no, as did the House, to multiyear contract authority.

Madam President, if my colleague wants to yield back the remainder of his time, I am prepared to make that point of order at this point.

Mr. STEVENS. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Madam President, I ask unanimous consent that the quorum call be rescinded.

Mr. STEVENS. I object.

The PRESIDING OFFICER. Objection has been heard.

The assistant legislative clerk resumed the call of the roll.

Mr. JOHNSTON. Mr. President, has the hour of 2 o'clock arrived?

The PRESIDING OFFICER (Mr. HECHT). There is a quorum call in progress. A quorum call does not automatically expire.

The assistant legislative clerk resumed the call of the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. STEVENS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STEVENS. Is it in order at this time to offer a substitute to the pending amendment?

The PRESIDING OFFICER. It is.

Mr. JOHNSTON. Point of order, Mr. President.

The PRESIDING OFFICER. The Senator will state his point of order.

Mr. JOHNSTON. Mr. President, the pending committee amendment is legislation on an appropriations bill.

The PRESIDING OFFICER. The point of order is well taken.

Mr. STEVENS. Mr. President, I will just offer another amendment.

Mr. President, the committee is recommending $468.2 million in supplemental appropriations for the Department of Defense in chapter III of the bill. Most of this funding is for Pershing II missile production that was deferred in the regular bill. The amount we recommend is $5 million below the House allowance and $30 million under the budget request.

Generally, we are recommending the Senate go along with most of the House provisions. We would agree to the House allowances for NATO host nation support, Pershing II missile procurement, contract liquidation cash for the Navy, specialty metals language, and "buy American" provisions for certain Air Force leasing of aircraft. We have also agreed with the House not to repeal a restriction on equipment pre-positioning in Europe—POMCUS—since this action really has no impact in the current fiscal year.

Let me briefly highlight the changes we do recommend as they affect the budget requests and House actions:

POMCUS

First, on POMCUS, we recommend deferring the $5 million requested in the budget and approved by the House because we are not convinced this funding is needed in fiscal year 1983. POMCUS sites 5 and 6 in Europe cannot be filled before March of next year—halfway into fiscal year 1984—and we suggest deferring this funding until we take up the 1984 bill.

NAVY LEASING

We also agree, with modifications, with House language requiring the Navy to post obligational authority equal to 10 percent of the estimated termination liability of certain ship charters. This is an effort to force upfront budgeting on these kinds of leases, and the only changes recommended are perfecting in nature.

PERSHING

The House reduction of $25 million in the Pershing request was not appealed, and we are going with the House number to save time and effort later in conference.

B-1B MULTIYEAR

Now, on the budget request for multiyear contracting authority for the B-1B strategic bomber: I recommend we support the President on this issue. I know there are some who feel differently, and I am sure we will be exploring this issue in depth shortly. For now I just want to say I think it is essential that we give the Air Force the contracting tools it needs to keep this program within the $20.5 billion cost ceiling the President has certified.

ARMORED VEHICLES

We have no formal budget request, but the Air Force is asking us to write in the necessary authorizing language to permit purchase of armored vehicles. The Air Force is the only service that missed out on the language requirement through an oversight. They wanted eight vehicles costing up to $125,000. We recommend authority only for the six needed overseas pending Department development of a guidance policy for these cars. We also recommend keeping the cost to $100,000 per vehicle.

LASER RESEARCH

For Navy research and development, we recommend a budget add-on of $1.5 million to take advantage of recent developments in the laser communication system for submarines. We have learned this extra funding will enable the Navy to make the tests needed to develop a decision on the direction of this program. I think this is a wise and timely investment.

LEASING CONTROLS

We are recommending a new general provision that takes the House one step further in establishing congressional controls over the burgeoning practice of leasing in lieu of procurement. The military services are beginning to utilize leasing not only for ships but for aircraft and other vehicles. As things stand now, the services can often go ahead with these leases and make multimillion dollar commit-

ments without any specific prior approval from Congress. That leaves us basically the role of bill payer after the Government has been obligated.

The proposed language would require up-front budgeting by the services equal to 10 percent of the estimated termination liability. The military services will have to get an initial OK from Congress under this provision, and that restores some control to this side-door procurement practice.

TRANSFER AUTHORITY

In a budget amendment that only arrived last month, the Department is seeking an additional $1 billion in authority to transfer funds between appropriation accounts. We already gave them a $400 million increase in the regular bill, but we do recognize they have a problem. We recommend only a $500 million increase, however, to restrain some of the tranfers now being proposed. We think a total of $1.7 billion is more than enough to meet the Department's legitimate requirements.

Those are the highpoints, Mr. President. I will be pleased to answer any questions on chapter III.

PROPOSED UNANIMOUS-CONSENT AGREEMENT

The PRESIDING OFFICER. The question occurs on the unanimous-consent agreement offered by the majority leader on last evening.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, let me make sure I understand where we are. The Chair has ruled that the point of order was well taken and that the committee amendment failed; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. BAKER. Now the Chair is presenting to the Senate a unanimous-consent request which I made last night which was not acted on by the Senate prior to the hour of recess; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. BAKER. Mr. President, neither the Senator from Montana nor the Senator from Kansas, who are principally involved in this matter, are on the floor at this moment. There are others involved—the Senator from Missouri and the Senator from Utah.

Mr. President, just so we do not slip a stitch someplace and have everybody available, I ask unanimous consent the Chair postpone and defer presentation of that request until 2:30 p.m.

Mr. DANFORTH. Mr. President, reserving the right to object, I wonder if the majority leader would mind, if we are going to shift that time backward, shifting it backward a little further. I have an office packed with people right now. Could we make it, say—is 4 p.m. too late?

Mr. BAKER. It is not too late for me.

Mr. President, let me do this. I am going to suggest the absence of a quorum just for a moment while we try to clear that on both sides.

Mr. STEVENS. Could I proceed with the other amendment?

Mr. BAKER. The Senator cannot because there is an order to be presented now.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the request of the majority leader to vitiate part of the agreement.

Mr. BAKER. Mr. President, let me restate the request for the benefit of all Senators. It will not take but a minute.

Last evening, after the last vote, I propounded a unanimous-consent request, which was granted, which provided that no amendments dealing with interest and dividend withholding would be in order to the supplemental appropriations bill, and other provisions.

There arose then a misunderstanding about the effect of that order, and I then propounded a second unanimous-consent request that would vitiate that portion of the previously granted request.

There was a good bit of conversation about that. To make a long story short, I asked the Senate to recess over until today so we could sleep on the request and try to sort it out.

I do not know that I have improved myself with the Senate much by that time, but anyway that is where we are now. The request now pending is the request I made last evening as to the prohibition against an amendment dealing with interest or dividend withholding to the supplemental appropriations bill, and a second part of the request was that H.R. 2973, the House-passed bill dealing with dividend and interest withholding, would be made pending after we dispose of the supplemental appropriations bill.

Those were the two elements of the request last evening which is now pending.

Mr. LONG. Mr. President, if the Senator will yield, he dropped that part about withholding.

Mr. BAKER. Yes; both those parts.

Mr. DANFORTH. Mr. President, reserving the right to object, I fully appreciate the position that the majority leader is in. The word that was used repeatedly last night was "graciousness." He is being gracious to the Senator from Montana. I wish to be also.

The problem is that this request, in my opinion, really materially changes the position that we on our side of the issue are presently in and because of that, with great reluctance, I am compelled to object.

The PRESIDING OFFICER. Objection is heard.

Mr. LONG. Mr. President, if that is going to be the case, I think that I will be compelled to make a point of order that there was no agreement. I know the Chair announced there was an agreement, but I was here and I know exactly what happened.

I know that the majority leader asked to change his own unanimous-consent request after the Chair announced it was agreed to. It was because one of our Members, Senator MELCHER, was here, and he was not willing to agree to what was being agreed to.

We were trying to persuade him that he should agree to it, but he was not willing to agree. And the majority leader modified his request and in modifying it said nothing whatever about the item that Mr. MELCHER was concerned about.

So the Chair announced that the consent was given and then Mr. MELCHER discovered that it contained something that he was strongly opposed to and so as a practical matter, Mr. President, that Senator never did agree to that. There was no meeting of the minds.

Mr. President, it seems to me that in a situation like that we did not have any unanimous-consent because we had a Senator right here in the Chamber at the time who was not willing to agree.

It was clear from the very moment that that occurred that he made the point to the majority leader and others that he was here to object to that very request, the part that involved his interest, and when the Chair announced the agreement, the very mover of the unanimous-consent request himself asked to rescind it on the basis that there was not the understanding and not the agreement that the Chair said there was.

We do not have any unanimous consent. We do not have any meeting of the minds because we had a Senator right here who intended to object to it all the time.

It seems to me, Mr. President, it would be easier to solve this matter by us showing each other the courtesy that we have the right to expect. Otherwise, when I know we did not have consent, I know we did not have unanimous consent, it seems to me it would be appropriate that we do not have any unanimous-consent agreement.

Mr. METZENBAUM. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. A point of order is pending.

The Senator will state his parliamentary inquiry.

Mr. METZENBAUM. Mr. President, is it a fact that the unanimous-consent agreement was publicly stated as having been entered into? I think that is the only question before us at the moment.

The PRESIDING OFFICER. The Journal of the Senate is conclusive, and the Journal shows that a unanimous consent was granted.

The point of order is not well taken.

Mr. BAKER. Mr. President, it would not be productive use of our time this afternoon, I think, to go back over the entire set of circumstances from last evening. I regret that the situation unfolded and developed as it did, and I do not doubt for a minute that the Senator from Montana did not understand the provision that he objected to was included, but the fact of the matter is it was, and I hope the Senator from Montana and the Senator from Louisiana will extend me the same understanding and that is that I honestly thought we had an agreement. Indeed, I am sure the minority leader will have no objection to me saying that in our last consultation I asked him, "Do you think we can get this agreement?" And he said, "I do not know whether you can or not. You might go ahead and put it."

I put it. It was not objected to. I thought hooray for the eloquence of that silence.

But the fact of the matter is it does not do any good to argue about it now. It was granted, and there is an objection. I believe there was an objection by the Senator from Ohio.

Mr. METZENBAUM. I would have objected.

Mr. BAKER. And the Senator from Missouri and others.

Let me make a proposition right now to sort of calm things down. I will continue to work with the Senator from Montana and the Senator from Louisiana to try to find some way to reconcile their concerns in this respect. But there is no point in us trying to pursue it now.

The Chair I believe is absolutely correct and I think it would be a devastating precedent were it to be ruled differently. The Chair is absolutely correct in saying that the ruling of the Chair is conclusive on the question of whether unanimous consent is granted, and the Chair has indicated that it was and indeed it was.

But, Mr. President, I am not here to try to gain an advantage from a parliamentary standpoint. I am here to try to help the Senate work its will on a variety of complex issues.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. LONG. Mr. President, the Senator from Louisiana has complete confidence in the Senator from Tennessee. He is a man of honor and I say this without any qualification whatever. He is a man of complete honor. I have never known him to be dishonest or deceitful about any representation he made to the Senate. And what he says here is true insofar as he states the facts.

But I am sure the leader himself knows that when this type thing happens it makes it difficult to get unanimous-consent agreements in the future because people feel that if they are not fully protected or if they do not object out of an abundance of caution that their rights will be sacrificed, such as in the case where a Senator was not prepared to agree to a matter at all, he had never heard the full request, and when the man who made the request agreed and understood that is what the situation was, and then one of his troops comes up and says, "I'm sorry"—not sorry—"I insist that you comply with the unanimous-consent request," when there never was any unanimous consent.

I was once a minute clerk in the State legislature, and I know how many times the minutes can be wrong, having been a minute clerk; how many times the record can be wrong. I was here and saw it happen. We did not have a meeting of the minds, and we should not do business that way.

I will help the Senator work it out if I can, but it will make it very difficult for me to give unanimous consent.

Mr. BAKER. I do not want to have this degenerate into the way I am afraid it is about to, but I cannot desist from making this statement that I am about to make. I do not know whether there was a meeting of the minds. I know the Senators involved were on the floor at the time this was put.

Mr. President, I am not going to stretch it out any further. Last night I raised no question about, no issue of fact about, whether the Senator from Montana was here or not. But I am saying, Mr. President, on my own responsibility that that request was put in the presence of those who were involved in that debate last night.

Mr. BYRD. Mr. President, will the Senator yield to me?

Mr. BAKER. Yes.

Mr. BYRD. Mr. President, I am not going to enter into any fight with either of the Senators. I was here also. The request was put, there was no objection. The Chair stated the facts and it was so ordered.

I was looking at the Senator from Montana (Mr. MELCHER) expecting him to object, and he did not.

I thought, well, he is about to waive. As it turned out, he had not been here for the entire request. He was here only to hear the first part of the request, and he only heard part of the request.

The majority leader is right. He put the request. Nobody objected. I started to reserve the right to object to protect the Senator from Montana, but he was here and I felt inasmuch as he did not object it was all right. So the unanimous-consent request was granted.

Mr. BAKER. Mr. President, what is the business before the Senate?

AMENDMENT NO. 1327

The PRESIDING OFFICER. The question recurs on the amendment of the Senator from Washington (Mr. JACKSON). The yeas and nays have been ordered.

Mr. JACKSON. Mr. President, will the Senator yield? I have had no request for time on this side, and I am prepared to vote.

Mr. HATFIELD. Mr. President, we are prepared to vote on this.

Mr. BAKER. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BAKER. There are two Jackson amendments. Which is the one we are going to vote on?

Mr. HATFIELD. The first one.

The PRESIDING OFFICER. Amendment No. 1327.

Mr. BAKER. Mr. President, will the Chair please state to the Senate a description of that amendment.

Mr. JACKSON. May I just summarize it for the majority leader?

Mr. BAKER. Yes.

Mr. JACKSON. This amendment does two things: It places a cap on the honoraria the same as the House, which is 30 percent of the official salary, and it provides for the same salary payment as has been given previously and is now applicable to the House of Representatives.

I have a couple of other amendments after that.

Mr. BAKER. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. EXON (when his name was called). Present.

Mr. FORD (when his name was called). Present.

Mr. HEFLIN (when his name was called). Present.

Mr. RIEGLE (when his name was called). Present.

Mr. SASSER (when his name was called). Present.

Mr. ZORINSKY (when his name was called). Present.

Mr. STEVENS. I announce that the Senator from Minnesota (Mr. BOSCHWITZ) and the Senator from Arizona (Mr. GOLDWATER) are necessarily absent.

I further announce that, if present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

Mr. BYRD. I announce that the Senator from New Mexico (Mr. BINGAMAN), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Ohio (Mr. GLENN), and the Senator from Colorado (Mr. HART) are necessarily absent.

The result was announced—yeas, 20, nays 67, as follows:

[Rollcall Vote No. 127 Leg.]

YEAS—20

Andrews	Kasten	Moynihan
Bentsen	Kennedy	Proxmire
Burdick	Lautenberg	Randolph
Byrd	Mathias	Sarbanes
Chiles	Matsunaga	Trible
Inouye	Melcher	Weicker
Jackson	Metzenbaum	

NAYS—67

Abdnor	Grassley	Nunn
Armstrong	Hatch	Packwood
Baker	Hatfield	Pell
Baucus	Hawkins	Percy
Biden	Hecht	Pressler
Boren	Heinz	Pryor
Bradley	Helms	Quayle
Bumpers	Hollings	Roth
Chafee	Huddleston	Rudman
Cochran	Humphrey	Simpson
Cohen	Jepsen	Specter
D'Amato	Johnston	Stafford
Danforth	Kassebaum	Stennis
Denton	Laxalt	Stevens
Dixon	Leahy	Symms
Dodd	Levin	Thurmond
Dole	Long	Tower
Domenici	Lugar	Tsongas
Durenberger	Mattingly	Wallop
Eagleton	McClure	Warner
East	Mitchell	Wilson
Garn	Murkowski	
Gorton	Nickles	

ANSWERED "PRESENT"—6

Exon	Heflin	Sasser
Ford	Riegle	Zorinsky

NOT VOTING—7

Bingaman	DeConcini	Hart
Boschwitz	Glenn	
Cranston	Goldwater	

So Mr. JACKSON's amendment (No. 1327) was rejected.

AMENDMENT NO. 1328

(Purpose: To equalize the pay for and limitations on honoraria of Members of Congress)

Mr. JACKSON. Mr. President, I call up my second amendment, amendment No. 1328.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Washington (Mr. JACKSON) proposes amendment No. 1328.

Mr. JACKSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 82, after line 3 insert the following new section:

SEC. . (a) For the purposes of this section—

(1) "charitable organization" means an organization described in section 170(c) of the Internal Revenue Code of 1954;

(2) "honorarium" means a payment of money or anything of value to a Member for an appearance, speech, or article, by the Member; but there shall not be taken into account for the purposes of this section any actual and necessary travel expenses incurred by the Member to the extent that such expenses are paid or reimbursed by any other person, and the amount otherwise determined shall be reduced by the amount of any such expenses to the extent that such expenses are not paid or reimbursed;

(3) "Member" means a United States Senator, a Member of the House of Representatives, a Delegate to the House of Representatives, or the Resident Commissioner from Puerto Rico; and

(4) "travel expenses" means, with respect to a Member, the cost of transportation, and the cost of lodging and meals while away from his or her residence or the metropolitan area of Washington, District of Columbia.

(b)(1) Notwithstanding any other provision of law, except as otherwise provided in this section, on and after January 1, 1984, a Member shall not accept honoraria which are attributable to any calendar year and total more than the amount that is equal to 30 percent of the aggregate salary paid to such Member for service as a Member during such calendar year.

(2) An individual who becomes a Member on a date after the first day of a calendar year shall not accept honoraria which are attributable to the remaining portion of that calendar year on and after the date such individual becomes a Member and total more than the amount that is equal to 30 percent of the aggregate salary paid to the Member for service as a Member during such calendar year.

(3) A Member shall not accept honoraria which are attributable to the period beginning July 1, 1983, and ending December 31, 1983, and total more than the amount that is equal to 30 percent of the aggregate salary paid to the Member for service as a Member during such period.

(4) For the purposes of this subsection, an honorarium shall be attributable to the period or calendar year in which payment is received.

(c) Any honorarium paid by or on behalf of a Member to a charitable organization shall be deemed not to be accepted for the purposes of subsection (b).

(d) A Senator may file with the Secretary of the Senate in accordance with subsection (g) an election to accept honoraria attributable to a calendar year or other applicable period described in subsection (b)(2) or (b)(3) and is more than the maximum amount allowable under subsection (b). Subsection (b) shall not apply with respect to honoraria attributable to a calendar year or other applicable period described in subsection (b)(2) or (b)(3) in the case of any Senator who files such an election for such calendar year or period.

(e) Notwithstanding any other provision of law, in the case of a Member who—

(1) is serving in the office or position of Senator, President pro tempore of the Senate, Majority Leader of the Senate, or Minority Leader of the Senate during a calendar year; and

(2) does not file an election authorized by subsection (d) for such calendar year,

the annual rate of pay that is paid to such Member for such service shall not be less than the annual rate of pay payable for such position on December 17, 1982, increased by 15 percent and rounded in accordance with section 5318 of title 5, United States Code.

(f) Notwithstanding subsection (e), any Member who is serving in an office or position referred to in subsection (e)(1) and does not file an election under subsection (d) for a calendar year or other applicable period described in subsection (b)(2) or (b)(3) and accepts honoraria which are attributable to such calendar year or period and total more than the maximum amount allowable under subsection (b) shall be entitled to receive pay for serving in such office or position during such calendar year or period at the annual rate of pay computed as provided by law without regard to subsection (e). Such Member shall pay to the United States an amount equal to the excess of the amount paid to such Member for serving in such office or position during such calendar year or period over the amount which such Member is entitled to be paid for serving in such office or position during such calendar year or period, as provided in the first sentence of this subsection. Any sum payable by an individual to the United States under the preceding sentence shall be a claim of the United States against such individual and may be collected as provided by law.

(g) A Senator desiring to file an election authorized by subsection (d) shall file such election—

(1) for the period specified in subsection (b)(3), before July 5, 1983;

(2) for any calendar year beginning after December 31, 1983, on January 1 of such calendar year in the case of any individual who is serving in a position described in subsection (e)(1), on such day; and

(3) in the case of any individual who begins to serve in a position described in subsection (e)(1) on a date after the first day of a calendar year, on the day that such individual begins to serve in such position.

(h) The Commission on Executive, Legislative, and Judicial Salaries shall include in the first report required to be submitted by it after the date of the enactment of this Act a recommendation for an appropriate salary for Members, which recommendation shall assume a prohibition on the receipt of honoraria by Members.

(i) Subsection (e) shall take effect with respect to service as a Member performed on or after July 1, 1,983.

Mr. JACKSON. Mr. President, for the benefit of my colleagues, I want to state that I have a series of amendments. I have several more amendments to offer so that Members will have an opportunity to vote on every conceivable alternative because I understand various reasons are given for opposing this amendment or that amendment. So it will cover everything from a pay increase to a straight cap on honoraria so that there will not be any doubt where we all stand and we will be able to have those votes.

I know it may not be pleasant, but we are going to make that attempt because there have been so many courageous comments on the floor, I thought we ought to have a vote on the comments.

I yield without losing my right to the floor for 2 minutes to the Senator from New York.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I yield to the Senator from Kansas.

Mr. DOLE. Mr. President, I am going to send an amendment to the desk that deals with faculty housing. That amendment is going to be accepted following a colloquy with the Senator from New York that clears up a problem we have. I send the amendment to the desk.

The PRESIDING OFFICER. There is an amendment pending.

Mr. DOLE. I ask unanimous consent that it be temporarily set aside.

The PRESIDING OFFICER. Is there objection?

Mr. HATFIELD. Objection.

The PRESIDING OFFICER. The objection is heard.

Mr. HATFIELD. Mr. President, let me reserve the right to object till I get something clear.

Mr. MOYNIHAN. Mr. President, it is my understanding that this is not a matter on which there is any controversy in the Senate and that it will be accepted by the managers of the legislation.

The PRESIDING OFFICER. The Senator from New York has the floor.

Mr. HATFIELD. Mr. President, I asked to reserve the right to object.

The PRESIDING OFFICER. The objection was heard.

Mr. MOYNIHAN. Mr. President, may we make a unanimous-consent request that the amendment be in order and that the present amendment be set aside so the amendment of the distinguished Senator from Kansas might be taken up?

Mr. JACKSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JACKSON. Under the agreement with the Senator from New York, I continue to hold the floor, do I not?

The PRESIDING OFFICER. The Senator is correct.

Mr. JACKSON. Mr. President, if this is going to take more than 2 minutes, I shall have to object.

Mr. HATFIELD. Mr. President, I should like to ask the Senator from New York and the Senator from Kansas if they would withhold on this. We are trying to accommodate a schedule here. For these to be interrupted, it is very difficult.

Mr. MOYNIHAN. Mr. President, may I say I am happy to do it. The amendment is that of the Senator from Kansas.

Mr. HATFIELD. I would like to have some order on these amendments. We are trying to do all the honoraria and get them out of the way. If we could keep limits on these amendments, I think it would work much more expeditiously.

Mr. MOYNIHAN. I am happy to do it.

Mr. HATFIELD. I urge that we continue with the Jackson amendment.

The PRESIDING OFFICER (Mr. QUAYLE). The Senator from Washington is recognized.

Mr. JACKSON. Mr. President, my second amendment is similar to my first one in all respects except that it contains a provision allowing Senators to elect not to be limited by the 30-percent cap on honoraria for personal use. Senators making this election would be allowed to earn unlimited honoraria but they would not be entitled to the 15-percent salary increase provided for by my amendment.

I think the issues are really the same on this amendment as they were on the first amendment. Is the Senate going to say that those Senators wishing to have a pay increase should receive it from special interest groups rather than from the taxpayer? That is essentially the situation as it exists today and those of us who do not believe that Senators should be excessively dependent on special interest groups for compensation are simply asking that we be allowed to be governed by a rule similar to that which applies to the House of Representatives.

I think that the House has acted reasonably, responsibly, and straight forwardly in saying no, Members of Congress should not receive the bulk of their pay from special interest groups.

I hope that Senators will join with me in allowing those Senators who wish to be governed by the House approach to do so. Senators who do not wish to be limited in their honoraria would not be required to be under this amendment.

Again, I thank Common Cause which has endorsed this amendment; not because it is perfect, but because it is a step in the right direction.

Mr. President, I want to say in the debate here, the charge was made that Members do not earn enough to get their kids through school out of their pay; therefore, they have to go out into the private sector to get compensation. They now have a chance to exercise that option and still say to the country that there are those who believe that pay increases should come out of the Treasury and we will not require Members of this body to go out and hustle—hustle, Mr. President—to get honoraria in order to equal the pay of the House. I think we have reached a deplorable state.

I am ready to vote.

Mr. GARN. Mr. President, I made my speech earlier, but I resent some of the remarks by the Senator from Washington, particularly the last one on hustle. This Senator has been here 9 years. This Senator has never requested a speech or an honorarium from anyone. The rest of his rhetoric is fine if he wants, but I resent the word "hustle." This Senator, at least, and I do not know about the rest of my colleagues, but this Senator has never asked or requested a speech or a honorarium. I turn down more speaking invitations than I accept.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. DOLE. I yield to the Senator from Washington.

Mr. JACKSON. I raise the question, maybe I am naive, but if there is someone in this body who will stand up and say that when they make a speech in a far away place—I have the vague impression that there is an indication there is an honorarium. Maybe I do not understand.

Mr. GARN. Will the Senator yield for one more comment?

Mr. DOLE. Yes, Mr. President.

Mr. GARN. I suggest the Senator from Utah and most other Senators probably give on the order of 40 or 50 speeches a year for nothing. There are a lot of speeches around the country that are given that do not involve honoraria—far, far more than those that honoraria are expected for—to far away places, even to Utah.

Mr. DOLE. Mr. President, I want to check to see whether this amendment covers campaign contributions from special interest groups. I do not want to leave anybody out. Does this amendment limit campaign contributions to Senators who run for reelection? I know some Members feel uncomfortable about taking honoraria, but they rake in millions in campaign contributions. Maybe we ought to address that problem in this amendment if we could offer something to reduce the cost of running for office.

Mr. JACKSON. I would join on a limitation right now on PAC donations. Does the Senator want to offer it? I shall join it.

Mr. DOLE. We should address the whole limit, maybe by setting a limit on how much we can spend on elections. We are supposedly influenced when we give a speech to some group, but we are not influenced when that group gives us $5,000 in a campaign contribution. Some of us are uncomfortable taking honoraria. I am uncomfortable taking campaign contributions, so I compromised. I decided to take both. [Laughter.]

Each Senator ought to be the judge of potential influence. If we decide that somebody has a matter before our committee and that might influence our committee vote, we do not take a honorarium or we ask to give it to someone else who can use it, such as charity to aid the handicapped or

some similar group. The same is true of campaign contributions.

You cannot participute in a fair debate of this issue. This is a big media event. Roger Mudd is going to report tonight that we are going to cut off honoraria for Senators as he collects his $2 million a year.

We shall probably bring this issue up every year until all Senators are in the category that they do not need the money. This is a debate about the haves and have nots. I am not suggesting anybody here is in a poverty classification. Nevertheless I do suggest there is a kind of double standard for some.

I do not have anybody in mind, particularly the Senator from Kansas. During this debate I have been checking the facts about Senate honoraria. I did pretty well last year. Some have already noted that in fact I have provided a sort of protective umbrella for others. Some have told me privately, just keep on talking, because if reports talk about you, they won't talk about us. Nevertheless I have tried to be circumspect in what I have done. I figured that I would give one-third to the Government, one-third to me, and one-third to charitable organizations. That is how it worked out. I am sorry I could not do more for the Government and for the charitable organizations, but I worked pretty hard to do what I have been able to do.

But, as I understand it, this amendment would not really address the big concern about influence. We ought to be talking about political action committees and campaign contributions in the millions and millions of dollars. Some who said that we ought to put a lid on honoraria probably received $5 million to $8 million in campaign contributions from special interest groups. I assume everybody who makes a campaign contribution should be classified as having a special interest.

I find that incumbents do better in campaign contribution routine than do newcomers trying to break into the political picture.

When we address the subject of honoraria, we take on each other. When we address campaign contributions, I think we address everyone. We also raise the question whether we ought to require public financing, and whether we ought to require radio and television to provide more free air time. While I feel strongly that we must address campaign contributions one of these days, I do not have an amendment. We just cannot reach in and pick out some amendment.

I am a little sensitive about people talking about special interest groups when they are picking up millions of dollars in their campaign coffers. Most Senators cannot run without taking any special interest money, although there is one who can, the distinguished Senator from Wisconsin (Mr. PROXMIRE). But this Senator writes books which are not subject to an honoraria limit. Maybe the honoraria on books would not make any difference. But in any event, there are always certain items of income that we look at that may or may not be covered.

I am prepared to vote on this amendment. I assume we will have a chance to vote on other amendments. But I strongly believe that if we are going to debate honoraria issues on an appropriations bill, we bring out a whole new campaign financing reform bill and maybe include it as a part of this bill.

Mr. JACKSON. I have no further request for time. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD (when his name was called). Present.

Mr. HEFLIN (when his name was called). Present.

Mr. STEVENS. I announce that the Senator from Minnesota (Mr. BOSCHWITZ) and the Senator from Arizona (Mr. GOLDWATER) are necessarily absent.

I further announce that, if present and voting, the Senator from Arizona (Mr. GOLDWATER), would vote "nay."

Mr. BYRD. I announce that the Senator from New Mexico (Mr. BINGAMAN), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Ohio (Mr. GLENN), and the Senator from Colorado (Mr. HART) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 13, nays 78, as follows:

[Rollcall Vote No. 128 Leg.]

YEAS—13

Andrews	Kennedy	Proxmire
Burdick	Lautenberg	Tsongas
Inouye	Mathias	Weicker
Jackson	Matsunaga	
Kasten	Melcher	

NAYS—78

Abdnor	Dixon	Hollings
Armstrong	Dodd	Huddleston
Baker	Dole	Humphrey
Baucus	Domenici	Jepsen
Bentsen	Durenberger	Johnston
Biden	Eagleton	Kassebaum
Boren	East	Laxalt
Bradley	Exon	Leahy
Bumpers	Garn	Levin
Byrd	Gorton	Long
Chafee	Grassley	Lugar
Chiles	Hatch	Mattingly
Cochran	Hatfield	McClure
Cohen	Hawkins	Metzenbaum
D'Amato	Hecht	Mitchell
Danforth	Heinz	Moynihan
Denton	Helms	Murkowski
Nickles	Riegle	Stevens
Nunn	Roth	Symms
Packwood	Rudman	Thurmond
Pell	Sarbanes	Tower
Percy	Sasser	Trible
Pressler	Simpson	Wallop
Pryor	Specter	Warner
Quayle	Stafford	Wilson
Randolph	Stennis	Zorinsky

ANSWERED "PRESENT"—2

Ford	Heflin

NOT VOTING—7

Bingaman	DeConcini	Hart
Boschwitz	Glenn	
Cranston	Goldwater	

So Mr. JACKSON's amendment (No. 1328) was rejected.

Mr. JACKSON and Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, if the Senator from Washington will permit me to intervene a moment, I rather suspect we will get on with this next vote very promptly. I urge Senators to stay here in the Chamber and to wait.

We have maybe 35 more amendments on this bill to deal with and we are going to be here until 10 p.m., at least, or later.

So I urge Senators to try to arrange their schedules so they can stay in the Chamber as long as possible.

I will say as the leader's lament, in checking with the Journal clerk we have not yet had the first regular 15-minute rollcall vote. Not a one has been conducted within 15 minutes. Every one of them has been over. We had some 10-minute votes that were within 15 minutes, but never a 15-minute vote. And that is a sad commentary on our ability to conduct the affairs of the Senate.

I urge Senators to remain here to the extent they may do so and limit their debate as much as practicable and get on with the business at hand.

Mr. JACKSON. Mr. President, I say to the majority leader that I think he will agree that we used virtually no time on this amendment.

Mr. BAKER. Yes.

Mr. JACKSON. I do not think we used more than 10 minutes. I will take about 3 minutes on the next amendment.

AMENDMENT NO. 1329

Mr. JACKSON. Mr. President, I call up my amendment which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Washington (Mr. JACKSON) proposes an amendment numbered 1329.

Mr. JACKSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is as follows:

On page 82, line 3, insert the following:

Notwithstanding any other provision of law, effective July 1, 1983, in the case of a Member who is serving in the office or position of Senator, President pro tempore of the Senate, Majority Leader of the Senate, or Minority Leader of the Senate during a calendar year, the annual rate of pay that is paid to such Member for such service shall not be less than the annual rate of pay payable for such position on December 17, 1982, increased by 15 percent and rounded in accordance with section 5318 of Title 5, United States Code.

Mr. JACKSON. There have been comments in the Senate that we ought to have just a pay raise that equals the House figure and, at the same time, give us equal or greater pay than various people in the Civil Service and the military, who now get more pay than a Senator. I understand there are also over 1,000 members of the staffs on the Hill who get more than Senators.

If Senators are really serious, I want to give them that opportunity to vote on the amendment. It would be effective July 1.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. JACKSON. I am ready to vote.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Washington. The clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Oklahoma (Mr. NICKLES), are necessarily absent.

I further announce that, if present and voting, the Senator from Arizona (Mr. GOLDWATER), would vote "nay."

Mr. BYRD. I announce that the Senator from New Mexico (Mr. BINGAMAN), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), and the Senator from Hawaii (Mr. INOUYE), are necessarily absent.

The PRESIDING OFFICER (Mr. MATTINGLY). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 3, nays 88, as follows:

[Rollcall Vote No. 129 Leg.]

YEAS—3

Chafee	Mathias	Matsunaga

NAYS—88

Abdnor	Boren	Cohen
Andrews	Bradley	D'Amato
Armstrong	Bumpers	Danforth
Baker	Burdick	Denton
Baucus	Byrd	Dixon
Bentsen	Chiles	Dodd
Biden	Cochran	Dole
Domenici	Kasten	Randolph
Durenberger	Kennedy	Riegle
Eagleton	Lautenberg	Roth
East	Laxalt	Rudman
Exon	Leahy	Sarbanes
Ford	Levin	Sasser
Garn	Long	Simpson
Gorton	Lugar	Specter
Grassley	Mattingly	Stafford
Hatch	McClure	Stennis
Hatfield	Melcher	Stevens
Hawkins	Metzenbaum	Symms
Hecht	Mitchell	Thurmond
Heflin	Moynihan	Tower
Heinz	Murkowski	Trible
Helms	Nunn	Tsongas
Hollings	Packwood	Wallop
Huddleston	Pell	Warner
Humphrey	Percy	Weicker
Jackson	Pressler	Wilson
Jepsen	Proxmire	Zorinsky
Johnston	Pryor	
Kassebaum	Quayle	

NOT VOTING—9

Bingaman	DeConcini	Hart
Boschwitz	Glenn	Inouye
Cranston	Goldwater	Nickles

So Mr. JACKSON's amendment (No. 1329) was rejected.

● Mr. NICKLES. Mr. President, during the vote on the Jackson amendment No. 1329, vote No. 129, I was unavoidably detained. Had I been present, my vote would have been "no."●

Mr. JACKSON addressed the Chair.

Mr. HATFIELD. Will the Senator yield?

Mr. JACKSON. I yield.

The PRESIDING OFFICER. The Senate will be in order.

Mr. HATFIELD. Mr. President, I ask unanimous consent to set aside the committee amendment temporarily so that the Senator from Washington can offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1330

(Purpose: To equalize the limitations on honoraria of Members of Congress)

Mr. JACKSON. Mr. President, I call up my amendment which is at the desk.

The assistant legislative clerk read as follows:

The Senator from Washington (Mr. JACKSON) proposes an amendment numbered 1330.

Mr. JACKSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 82, after line 3, insert the following new section:

SEC. . (a) For the purposes of this section—

(1) "charitable organization" means an organization described in section 170(c) of the Internal Revenue Code of 1954;

(2) "honorarium" means a payment of money or anything of value to a Member for an appearance, speech, or article, by the Member; but there shall not be taken into account for the purposes of this section any actual and necessary travel expenses incurred by the Member to the extent that such expenses are paid or reimbursed by any other person, and the amount otherwise determined shall be reduced by the amount of any such expenses to the extent that such expenses are not paid or reimbursed;

(3) "Member" means a United States Senator, a Member of the House of Representatives, a Delegate to the House of Representatives, or the Resident Commissioner from Puerto Rico; and

(4) "travel expenses" means, with respect to a Member, the cost of transportation, and the cost of lodging and meals while away from his or her residence or the metropolitan area of Washington, District of Columbia.

(b)(1) Notwithstanding any other provision of law, except as provided in paragraph (2), on and after January 1, 1984, a Member shall not accept honoraria which are attributable to any calendar year and total more than the amount that is equal to 30 percent of the aggregate salary paid to such Member for service as a Member during such calendar year.

(2) An individual who becomes a Member on a date after the first day of a calendar year shall not accept honoraria which are attributable to the remaining portion of that calendar year on and after the date such individual becomes a Member and total more than the amount that is equal to 30 percent of the aggregate salary paid to the Member for service as a Member during such calendar year.

(3) A Member shall not accept honoraria which are attributable to the period beginning July 1, 1983, and ending December 31, 1983, and total more than the amount that is equal to 30 percent of the aggregate salary paid to the Member for service as a Member during such period.

(4) For the purposes of this subsection, an honorarium shall be attributable to the period or calendar year in which payment is received.

(c) Any honorarium paid by or on behalf of a Member to a charitable organization shall be deemed not to be accepted for the purposes of subsection (b).

(d) The Commission on Executive, Legislative, and Judicial Salaries shall include in the first report required to be submitted by it after the date of the enactment of this Act a recommendation for an appropriate salary for Members, which recommendation shall assume a prohibition on the receipt of honoraria by Members.

Mr. JACKSON. Mr. President, this amendment places a 30-percent cap on outside income from honoraria effective July 1, 1983. It would not provide for a pay increase. Senators would be limited to 30 percent of their current salary in honoraria, or about $18,000.

May I just summarize what I have tried to do here? It is to give Senators an opportunity to go on record on how they stand on all of these various options.

The first one, just to refresh the recollection of Senators, provided for an honoraria cap and the salary being set for Senators the same as the House of Representatives. That was the first one.

The second amendment was the same as the first amendment except that it gave Members the option of not being subject to an honoraria cap and not receiving the same salary as the

Members of the House but they would have to so elect to do it.

The third was a straight pay increase, which we just voted on, with no honoraria cap.

This amendment now pending is a straight honoraria cap, with no pay increase.

I have been hearing a lot of discussion, mostly off the floor of the Senate, that we should have an honoraria cap, that what we are doing is wrong. I have heard it off the floor, I must say. But I think it is worthwhile for each Senator to be able to respond for the RECORD so that we know the positions. I think it is a fair thing to expect of Members of this body.

I am prepared to vote, Mr. President. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate?

SEVERAL SENATORS. Vote. Vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from Arizona (Mr. GOLDWATER) are necessarily absent.

Mr. BYRD. I announce that the Senator from New Mexico (Mr. BINGAMAN), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART) and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 51, nays 41, as follows:

[Rollcall Vote No. 130 Leg.]

YEAS—51

Abdnor	Helms	Nunn
Andrews	Jackson	Pell
Baucus	Jepsen	Percy
Biden	Johnston	Pressler
Boren	Kassebaum	Proxmire
Bradley	Kasten	Pryor
Bumpers	Kennedy	Randolph
Burdick	Leahy	Riegle
Byrd	Levin	Sarbanes
Chiles	Long	Sasser
Eagleton	Matsunaga	Simpson
East	Mattingly	Specter
Exon	Melcher	Stennis
Ford	Metzenbaum	Thurmond
Grassley	Mitchell	Trible
Hawkins	Moynihan	Warner
Heflin	Nickles	Zorinsky

NAYS—41

Armstrong	D'Amato	Domenici
Baker	Danforth	Durenberger
Bentsen	Denton	Garn
Chafee	Dixon	Gorton
Cochran	Dodd	Hatch
Cohen	Dole	Hatfield
Hecht	Mathias	Stevens
Heinz	McClure	Symms
Hollings	Murkowski	Tower
Huddleston	Packwood	Tsongas
Humphrey	Quayle	Wallop
Lautenberg	Roth	Weicker
Laxalt	Rudman	Wilson
Lugar	Stafford	

NOT VOTING—8

Bingaman	DeConcini	Hart
Boschwitz	Glenn	Inouye
Cranston	Goldwater	

So the amendment (No. 1330) was agreed to.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr EXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. HATFIELD. May we have order.

Mr. BAKER. Mr. President, will the Senator yield to me for a moment?

The PRESIDING OFFICER. There will please be order in the Chamber.

The majority leader is recognized.

Mr. BAKER. Mr. President, I thank the Chair.

If I may have the attention of the Senate for a moment, it is 4:30 p.m. My guess is we are going to be in for a long time trying to get as far on this bill as we can. This is a major issue to be disposed of, and now that I suppose is behind us and we will move on to something else.

Senators once more should be on notice that the Senate will be in at least until 10 o'clock tonight. We will be in on this subject tomorrow, and I hope Senators will give attention to what I am about to say, and I hope no one will be surprised.

Mr. President, I hope that we are able to reach third reading on this bill tomorrow. Under the order previously entered, any votes ordered tomorrow will occur on Tuesday; but, notwithstanding, it is possible to finish this bill so far as amendments are concerned, and I expect general debate during the day on Friday. That is the wish of the chairman of the Appropriations Committee, and I support him in that effort.

So Senators should know that if they have amendments, they should offer them today or be prepared to offer them tomorrow, because I suspect that the managers of the bill will try to get us to third reading on tomorrow.

The PRESIDING OFFICER. The Senate will be in order. Those desiring to talk will please go somewhere else.

Mr. HATFIELD. Mr. President, I should like to get a list of amendments that Senators expect to offer.

May I have the attention of the minority side of the Senate? I should like to ask both sides to take an inventory now of the amendments that are expected to be offered by Members of the Senate.

Mr. JOHNSTON. Mr. President, may I ask, on the Democratic side, how many amendments remain to be offered?

Mr. LEAHY. Mr. President, will the Senator yield?

Mr. HATFIELD. Mr. President, if the Senator will yield, I wonder if the Senator will get this list without doing it publicly at this point, so that we can proceed.

Mr. President, may we have order?

The PRESIDING OFFICER. There will please be order in the Chamber. Those talking in the well and other places will please leave the Chamber.

Mr. HATFIELD. Mr. President, when we asked that the committee amendments be adopted en bloc, we had certain exemptions. One of those exemptions dealt with the B–1 bomber. Because the Chair ruled that it was subject to a point of order on the basis that it was legislation on an appropriation, that amendment fell.

The Senator from Alaska and the Senator from Louisiana, who were debating that amendment, understand that we will have that amendment now reoffered by the Senator from Alaska in a new form that supposedly will meet the Parliamentary test.

The other exemption was on page 63, line 22, through line 2 on page 64. That exemption was requested by the Senator from Arkansas (Mr. BUMPERS).

It is not now necessary to continue that exemption, so I ask for the adoption of that amendment, because the Senator from Arkansas is ready to offer an amendment standing on its own, dealing with the coal leasing issue.

Mr. BUMPERS. Mr. President, apparently the chairman misunderstood me. I do have an amendment, but it is an amendment to the committee substitute to which I am objecting. So we will simply send that as though we are debating the amendment, and we will do that immediately.

Mr. HATFIELD. I am sorry. I thought the Senator indicated striking the amendment did not in any way hamper his opportunity to offer a freestanding amendment.

Mr. BUMPERS. I apologize to the chairman, because I did first approach him on that basis. I thought I had gotten back to him on that, but apparently I had not.

Mr. JOHNSTON. Mr. President, will it be possible to consider the B–1 bomber amendment at this point, so that I can rush to catch an airplane?

Mr. HATFIELD. It will be possible. We will be pleased to accommodate the Senator, to take up that amendment, as soon as the Senator from

Alaska is in the Chamber. He will offer the amendment.

Mr. BUMPERS. Mr. President, while we are waiting, I will be happy to enter into a unanimous-consent agreement on the time.

Mr. HATFIELD. Mr. President, we have checked on both sides of the aisle, with the two Senators who are the principals in connection with the coal leasing amendment, and we have an agreement of a half-hour equally divided.

Therefore, I ask unanimous consent that that amendment be considered in the time frame of one-half hour, equally divided between the Senator from Arkansas (Mr. BUMPERS) and the Senator from Wyoming (Mr. WALLOP).

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AMENDMENT NO. 1331

(Purpose: To allow certain veterans a residential energy credit)

Mr. HATFIELD. Mr. President, while we are waiting for Mr. STEVENS, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Oregon (Mr. HATFIELD) proposes an amendment numbered 1331.

Mr. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 94, after line 15, add the following:

SEC. . For purposes of applying section 44C of the Internal Revenue Code of 1954, paragraph (10) of section 44C(c) of such Code (relating to property financed by subsidized energy financing) shall not apply with respect to any financing for energy conservation or renewable energy source expenditures which was provided—

(1) before January 1, 1983,

(2) under a State program in existence before 1978, and

(3) with respect to any residence the first mortgage on which is financed by the proceeds of any qualified veterans' mortgage bond (within the meaning of section 103A(c)(3) of such Code).

Mr. HATFIELD. Mr. President, I offer an amendment to H.R. 3069, the fiscal year 1983 supplemental appropriations bill. This amendment is of a technical nature and is relatively noncontroversial. It is intended to address a problem of great concern to veterans in the State of Oregon who have been affected by a much delayed opinion on energy tax credits by the Oregon District Office of the Internal Revenue Service. This opinion, which was issued on December 31, 1982, has concluded that veterans in the State who took out home improvement loans to weatherize their homes or build solar panels under the Oregon veterans farm and home loan program cannot also claim energy tax credits under the Windfall Profits Tax Act of 1980. This decision is based on the view of the IRS that the Oregon veterans farm and home loan program has as a principle purpose to "provide subsidized energy financing." While I strongly disagree with this contention and I believe a strong case can be made for the position of the State of Oregon, that is not a matter I intend to address today.

There are two matters that are of concern to me, though. First, that the IRS decision is retroactive to passage of the Windfall Profits Tax Act. Second, that it was made 10 months after the Oregon attorney general issued an opinion that veterans could utilize the Oregon veterans farm and home loan program and still claim energy tax credits. This situation raises significant questions pertaining to the fairness and equity of the Federal Government's actions and the impact these actions have on veterans in Oregon. This confusion has resulted in approximately 5,000 Oregon veterans being in a position of having to repay the IRS up to $2,000-plus interest for claiming the energy tax credits after acting in good faith based on the Oregon attorney general's opinion.

Let me assure my colleagues, several efforts have been pursued by members of the Oregon delegation to have the Commissioner of the IRS utilize the discretion available to him under section 7805(b) to not have the decision apply retroactively. Utilization of this discretionary authority would insure that Oregon veterans would not be detrimentally impacted by the district director's opinion. He has refused to exercise this authority. Thus, many Oregon veterans who acted in good faith will have to suffer significant financial penalty.

In closing, I do not seek to eliminate this provision or to make any major revision in tax policy. That would clearly be inappropriate on an appropriations bill. All I seek is to make this decision effective on the date of the district director's decision. This would insure that Oregon veterans would not be harmed by its retroactive application and would restore a sense of fairness in the perception of Oregon veterans toward the Federal Government.

Mr. President, I have discussed this amendment with the Senator from Kansas, the chairman of the Finance Committee.

What this amendment does is to reenact what we have already enacted once on the floor of the Senate, which fell in conference; and that was to deal with a special, unique problem in the State of Oregon in connection with the matter of veterans' home loan programs.

We passed the Windfall Profits Tax Act in 1980, which provided for tax deductions for energy conservation and solar energy. The act was in effect for about 2 years when on December 31, 1982, the district office of the IRS gave an opinion that the veterans who had already obtained loans in the previous 2 years could no longer take those deductions, and, therefore, were obligated to pay up to $2,000-plus interest, to the Federal Government. The veterans took those deductions based on the opinion of the attorney general of the State of Oregon who had ruled on this in early 1982, indicating that they could take such deductions.

I am not trying to change the IRS code. My concern is that the IRS made it retroactive after veterans had claimed those reductions for 2 years. In this amendment, which I offer in behalf of Senator PACKWOOD and myself, as we tried to do before, we are trying to strike the retroactivity of that particular ruling as it applied to these veterans' home loan programs that are already in place in Oregon.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. HATFIELD. I yield.

Mr. DOLE. Mr. President, as Senators may recall, we passed a similar amendment in 1982. That amendment was much broader and this is a much narrower amendment than the previous measure, H.R. 4717.

I think the House might be more receptive. As discussed by the distinguished chairman of the committee, it will allow veterans who obtained energy loans before January 1, 1983, which were financed by tax-exempt emergency bonds to receive the full energy tax credit. I think there has been some confusion, and this would clarify it.

We support the efforts of both Senators from Oregon, and this Senator is willing, on behalf of the Finance Committee, to indicate our approval again of this approach.

Mr. HATFIELD. I thank the Senator from Kansas.

Mr. PACKWOOD. Mr. President, will the Senator yield?

Mr. HATFIELD. I yield.

Mr. PACKWOOD. I thank my distinguished colleague, and I thank the Senator from Kansas for supporting this amendment.

Mr. President, the Internal Revenue Service, in its ruling, was clearly out of line. In the bond program in Oregon, less than 1 percent of the loans go for the energy saving provisions, and only those eligible for the veterans' loans can even take advantage of the energy saving provisions.

The IRS ruled that less than 1 percent of the money was a principally energy saving program rather than a home loan program and said that those who received it would not be eligible for the tax credits. That is not what we intended. The Senate has passed broader exemptions before.

I strongly support the efforts of my senior colleagues in this endeavor.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1331) was agreed to.

Mr. HATFIELD. Mr. President, I ask the Chair to set aside temporarily the committee amendments in order that the Senator from Alaska may offer an amendment.

The PRESIDING OFFICER. The Senator has that right.

AMENDMENT NO. 1332

Mr. STEVENS. Mr. President, I send to the desk an amendment on behalf of a majority of the Appropriations Committee.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposes an amendment numbered 1332. After page 13, line 23, insert.

AIRCRAFT PROCUREMENT, AIR FORCE

For an additional amount for "Aircraft procurement, Air Force," $185,000,000 to be available until September 30, 1985, for B-1B multiyear procurement pursuant to section 2301 of title 10, United States Code, as amended: *Provided*, That $185,000,000 appropriated under this head in Public Law 97-377 is rescinded.

Mr. STEVENS. Mr. President, this amendment will replace the amendment that has been deleted pursuant to the point of order raised by the Senator from Louisiana earlier today.

Its intent and purpose is identical to what the committee originally recommended.

What it does is add $185 million to this bill for the commencement of the multiyear procurement pursuant to existing law, and it then rescinds $185 million from the moneys that were appropriated in fiscal year 1983 Department of Defense budgets.

Mr. TOWER. Mr. President, I intend to vote for the committee amendment to the supplemental appropriations bill concerning the procurement of the B-1 bomber.

I want the record to reflect that in doing so, however, I am voting for the preservation of the option of multiyear funding—a decision which we will shortly have to make in connection with the fiscal year 1984 defense authorization bill.

It is regrettable, indeed, that the Congress appears bent upon adopting fiscal year 1984 budget ceilings which may force us to return to business as usual in defense procurements. By business as usual I mean a return to the all-too-often practiced standard operating procedure from which the Reagan administration has made such a commendable effort to depart. At the level of approximately 5 percent real growth we will, in all likelihood, be compelled to resume a start-stop-start approach to key programs, to stretch out weapons acquisitions, and to procure systems at inefficient, uneconomical production rates.

I have historically opposed such wasteful practices in defense procurement. One of the consummate ironies of the budget process is the fact that the most striking result of the efforts of those who wish to reduce wasteful defense spending by applying across-the-board reductions or lowered defense budget ceilings is that the cost charged to the taxpayer for providing for the national defense becomes vastly greater than need be.

It is with the utmost regret that I must put the Senate on notice that its Armed Services Committee will shortly be reporting a fiscal year 1984 defense authorization bill which will reflect some of these inefficient and wasteful procurement practices. We are likely to do so for one reason—the budget resolution will not provide sufficient funds to permit us to make, in all cases, the kinds of up-front investments and procurements of economic order quantities—as requested by the administration—that can achieve significant future savings.

Mr. President, in view of the fact that the budget conferees have not yet completed their action and their ultimate position on defense spending, therefore, has not been approved by either House, and, since the Armed Services Committee has yet to conduct its markup of the annual authorization bill, I am unprepared at this time to comment on the final disposition of the B-1B multiyear program in our bill. For the reasons I have mentioned, it may prove to be the case that the savings which can be realized in the outyears, if multiyear procurement arrangements are entered into now, will have to be foregone.

Notwithstanding this possibility, I believe it is only prudent to preserve the option to enter into such arrangements until a decision on B-1B multiyear procurement is made on the annual authorization bill. The cost of preserving this option is negligible, as has been indicated today by the distinguished Senator from Alaska. On the other hand, should we fail to protect this option today and decide, in connection with the fiscal year 1984 authorization bill, to approve a multiyear approach to B-1B procurement, the cost will be very great indeed.

Consequently, Mr. President, I urge my colleagues at this time to support the committee position on B-1B economic order quantity procurement. Ample opportunity will be provided when the Senate takes up the fiscal year 1984 authorization bill to debate fully the merits of pursuing a multiyear procurement approach once the budgetary circumstances under which we will have to operate become more clear. Until such time, commonsense dictates that we must protect our options—especially since doing so is virtually cost free.

Mr. STEVENS. I believe the issue has been argued at length.

If my friend from Louisiana would agree after whatever comments he wants to make, I think it should be submitted to the Senate for its disposition.

Mr. JOHNSTON. Mr. President, this matter has been indeed debated previously.

I strongly opposed it in committee as did all Democrats in subcommittee and I think all but one in the full committee.

Mr. President, the issue here is whether we put under multiyear contracting the B-1 bomber when it is not necessary to do that at this time, when that aircraft procurement will not be ready until next calendar year and when the estimate for cost exceeds substantially the budgetary amount.

I think this is premature, Mr. President, and could be a very, very costly mistake for the Senate to make. I hope we will vote no on this amendment.

I ask for the yeas and nays.

Mr. STEVENS. Mr. President, to make sure the Members of the Senate understand this, this in effect will mean that $185 million from the amount that is already authorized for the level for spending for the Department of Defense for 1983 will be used for long leadtime procurement to initiate the multiyear procurement concept.

The Senate will be asked to vote on putting the B-1B procurement as a whole under multiyear procurement in the 1984 bill which will be before us later in the year.

This merely means we can start the long leadtime procurement which will save us in the end $800 million if we pursue this case.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from Utah (Mr. GARN), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Idaho (Mr. MCCLURE), are necessarily absent.

Mr. BYRD. I announce that the Senator from New Mexico (Mr. BINGAMAN), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator

from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

I further announce that, if present and voting, the Senator from Ohio (Mr. GLENN), would vote "yea."

I further announce that, if present and voting, the Senator from New Mexico (Mr. BINGAMAN), would vote "nay."

The PRESIDING OFFICER (Mr. PRESSLER). Are there any Senators in the Chamber wishing to vote?

The result was announced—yeas 52, nays 38, as follows:

[Rollcall Vote No. 131 Leg.]

YEAS—52

Abdnor	Hecht	Roth
Andrews	Heflin	Rudman
Armstrong	Helms	Sasser
Baker	Humphrey	Simpson
Bentsen	Jepsen	Specter
Boren	Kasten	Stafford
Cochran	Laxalt	Stevens
Cohen	Long	Symms
D'Amato	Lugar	Thurmond
Denton	Mathias	Tower
Dixon	Mattingly	Trible
Dole	Metzenbaum	Wallop
Domenici	Murkowski	Warner
Durenberger	Nickles	Weicker
East	Packwood	Wilson
Exon	Percy	Zorinsky
Gorton	Quayle	
Hatch	Randolph	

NAYS—38

Baucus	Hatfield	Melcher
Biden	Hawkins	Mitchell
Bradley	Heinz	Moynihan
Bumpers	Hollings	Nunn
Burdick	Huddleston	Pell
Byrd	Jackson	Pressler
Chafee	Johnston	Proxmire
Chiles	Kassebaum	Pryor
Danforth	Kennedy	Riegle
Dodd	Lautenberg	Sarbanes
Eagleton	Leahy	Stennis
Ford	Levin	Tsongas
Grassley	Matsunaga	

NOT VOTING—10

Bingaman	Garn	Inouye
Boschwitz	Glenn	McClure
Cranston	Goldwater	
DeConcini	Hart	

So Mr. STEVENS' amendment (No. 1332) was agreed to.

Mr. STEVENS. Mr. President, I move to set aside the pending committee amendment and yield to the Senator from Kansas (Mr. DOLE).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I will just take a minute to explain what I am about to do. Earlier we were going to offer an amendment with reference to faculty housing, to strike out certain language on faculty housing. I will offer that amendment at this time, if that is agreed upon by the distinguished Senator from New York and others who have an interest in faculty housing. After the amendment is adopted, we will have a brief colloquy and that will take care of the matter.

AMENDMENT NO. 1333

(Purpose: To strike the provision prohibiting the Internal Revenue Service from enforcing any ruling relating to campus lodging for university employees)

Mr. DOLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) proposes an amendment numbered 1333.

On page 93, strike out lines 4 through 16.

Mr. STENNIS. Mr. President, will the Senator yield? We do not have a copy of the amendment.

Mr. BUMPERS. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator from Arkansas has a point of order.

Mr. BUMPERS. Mr. President, was not the remaining exempted committee amendment the pending business?

The PRESIDING OFFICER. The Senator from Alaska has just set aside the remaining committee amendment. Authority had been granted previously for the managers of the bill to set that amendment aside.

Mr. BUMPERS. That is fine with me.

Mr. STENNIS. Mr. President, if the Senator will yield.

The PRESIDING OFFICER. The Senator from Kansas has the floor.

Mr. STENNIS. Mr. President, we do not want to be too strict on anything, but it seems to me that it is time for us to go to the bill now, more or less in the regular order, and take up these committee amendments.

Mr. STEVENS. Mr. President, that is our intention. We have some items here that are noncontroversial and will not require a vote. We are trying to figure out what amendments are to be offered. The chairman has agreed to yield first to the Senator from Kansas and then to the Senator from North Dakota for noncontroversial amendments. Then, at that time, I think we intend to proceed to the remaining committee amendments.

Mr. STENNIS. Unless there is some strong reason, I will object to suspending the rule. The Senator from Arkansas has been waiting.

Mr. STEVENS. Mr. President, I had no notice the Senator from Arkansas had an amendment he wished to bring in.

The PRESIDING OFFICER. The Senate will be in order. Will the conversations along the back of the Chamber please move into the cloakroom? The Senate will be in order. Will the conversations back in this area please move into the cloakroom? Will staff please end the conversations or go into the cloakroom?

The acting majority leader.

Mr. BUMPERS. Mr. President, will the acting majority leader yield for an observation?

Mr. STEVENS. I yield to my friend.

Mr. BUMPERS. The distinguished floor manager, the chairman of the Appropriations Committee, and I had an agreement just before this that we would go ahead and take up the committee amendment which we have been setting aside after each amendment. But let me say I have absolutely no objection now. It is a short amendment, and the Senator from North Dakota has a short amendment also. I have no objection to that. Then we can go with the committee amendment on which we have a time agreement.

Mr. STEVENS. That is my understanding.

Mr. DOLE. Mr. President, let me explain what the amendment does. The amendment will strike lines 4 through 16 on page 93 of the Treasury, Postal Service, and general Government title of the fiscal year 1983 supplemental appropriations bill. This provision would deny the IRS funding to enforce, assess, or collect taxes involving the value of campus lodging furnished by an educational institution to an employee at less than fair market value. The issue involved here is not one of funding, it is a part of the general issue of how fringe benefits should be treated for Federal income tax purposes. This issue should not be addressed in a supplemental appropriations bill.

HISTORY OF FRINGE BENEFITS

The issue of whether or not fringe benefits are subject to taxation has had a long history with which I am sure all of my colleagues are familiar. During 1975, the Treasury Department published a discussion draft of proposed regulations concerning fringe benefits. After considerable controversy the discussion draft was withdrawn, and the Treasury Department and the IRS commenced further work on fringe benefit regulations in 1977. This led to a congressional moratorium in 1978 which prohibited the IRS and Treasury from issuing any regulations concerning the taxation of fringe benefits. The congressional moratorium was extended in 1979 and 1981. The current moratorium expires December 31, 1983.

The purpose of the moratorium was to prevent the IRS from deviating from the present administration of the income tax laws as they concern the taxation of fringe benefits as compensation. The Treasury Department could not alter or deviate in any significant way from the historical treatment of fringe benefits. In order to give Congress more time to study the fringe benefit issue, the moratorium has been extended.

FRINGE BENEFIT HEARINGS

This Senator, as chairman of the Committee on Finance, has already announced that the committee will hold hearings on June 23 on the issue of fringe benefits and the effect of the current moratorium on regulations. The proper tax treatment of employer-provided housing at less than fair market value will be one of the many fringe benefit issues on which the hearing will focus. In addition, the employer-provided housing is not just a problem in educational institutions, many other employers provide employees with housing at less than fair market value. These taxpayers should be given an opportunity to be heard. The problems of one class of taxpayers should not be addressed without providing equal tax treatment for similarly situated taxpayers.

EQUITY PROBLEMS WITH PROVISION IN SUPPLEMENTAL APPROPRIATIONS BILL

I understand the concern of some Members over this issue, but I do not believe that it is necessary to address the tax treatment of specific fringe benefits on a supplemental appropriations bill. The supplemental appropriations bill expires on September 30, 1983, therefore, the prohibition would last only 3 months at most. In addition, this provision will create unequal treatment for different faculty members depending on where in the process of assessing and collecting delinquent taxes their particular case is. Presumably those taxpayers who have already been assessed a delinquency would be afforded little, if any, relief because the IRS does not itemize delinquent tax account information. Once a tax is assessed, the file is closed. These and other issues concerning the fair treatment of all similarly situated taxpayers must be considered. This provision will also impact other sections of the Tax Code, such as the exclusion from income for certain employer-provided lodging, and the definition of wages for FUTA and FICA tax purposes. All of these effects must be considered when addressing the tax treatment of a specific fringe benefit.

There has been an inevitable lack of uniformity of treatment of taxpayers who receive different types of noncash benefits even though the benefit may have approximately the same economic value. The Finance Committee hearings are the first step toward addressing this confusion and uncertainty. The absence of clear rules has already made it impossible for the IRS to administer the laws in a fair and even-handed fashion.

CONCLUSION

Therefore, I offer an amendment striking the provision of H.R. 3069 concerning the denial of funds to enforce, assess, or collect taxes involving the issue of the value of campus lodging furnished by an educational institution.

I assure both the proponents and opponents of this issue, that it will be addressed in the June 23, Finance Committee hearing and will be resolved in the context of other fringe benefit issues.

Mr. MOYNIHAN. While the point made by the Senator from Kansas is well taken, it also spotlights for the moment the underlying problem faced by certain educational institutions with traditional faculty housing programs and provides an opportunity to discuss this issue briefly with the chairman of the Finance Committee. I know that Senators WEICKER, KENNEDY, and HEINZ share my interest in this matter.

I believe that the chairman is aware that the Finance Committee last fall unanimously approved my proposal to include faculty housing provided by a college or university at cost to certain employees within the moratorium on fringe benefit regulation. Does the Chairman recall that legislation?

Mr. DOLE. Yes; as I remember, we approved that amendment as part of H.R. 7094, which did not receive full Senate action before we adjourned.

Mr. MOYNIHAN. The Senator from Kansas is correct. He may recall that one of the purposes of this legislation was to recognize that the colleges and universities which had not been withholding taxes on faculty housing rented at reasonable levels, but below commercial market value, should not be retroactively held liable for those taxes. The congressional fringe benefit moratorium, in this view, was intended to include the traditional faculty housing programs of the kind in place at Wellesley, Amherst, Smith, and Wesleyan, among others. These programs have been around for some time, and the schools charge reasonable rentals; they do not provide free housing.

Mr. DOLE. I agree with the Senator from New York that there has been considerable confusion concerning the scope of the congressional fringe benefit moratorium. We have scheduled hearings on the fringe benefit question for June 23, and we will certainly address the matter of faculty housing when we develop legislation on the subject.

Mr. MOYNIHAN. Let me take this one step further. Even if the Congress ultimately decides to impose taxes on these and other forms of fringe benefits currently covered by the moratorium, does not the Senator from Kansas believe that this legislation will only apply prospectively?

Mr. DOLE. I believe that we may be able to do something to address this narrow problem. But it does seem to me that we should take care of this matter at the same time we consider the more general fringe benefit question.

Mr. MOYNIHAN. With that basis of understanding, I do not believe there will be any opposition to the Senator's amendment. I do have every intention to continue to press the Finance Committee and the Senate on the underlying faculty housing issue, including not only the retroactive point but also the recognition of the basic principle that when educational institutions charge costs for housing, then no taxable fringe benefits are provided.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

Without objection, the amendment is agreed to.

The amendment (No. 1333) was agreed to.

Mr. MOYNIHAN. Mr. President, this is a matter which is properly before the Committee on Finance, or will come before the committee in the course of this session of the Congress. We have already stated our views on this matter in a previous Congress, and I am sure that view will persist.

The PRESIDING OFFICER. The acting majority leader.

Mr. STEVENS. Mr. President, I again ask unanimous consent that the pending committee amendment be set aside temporarily in order that the Senator from North Dakota may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1334

(Purpose: To provide $6 million to the Bureau of Indian Affairs for contract support)

Mr. ANDREWS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from North Dakota (Mr. ANDREWS), for himself, Mr. D'AMATO, Mr. ABDNOR, Mr. DOMENICI, Mr. BURDICK, Mr. MURKOWSKI, Mr. BINGAMAN, Mr. COCHRAN, and Mr. MELCHER, proposes amendment No. 1334.

Mr. ANDREWS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 58, line 13, strike the numeral "$45,350,000" and insert in lieu thereof: "$51,350,000".

Mr. ANDREWS. Mr. President, this amendment to H.R. 3069, making supplemental appropriations for the fiscal year ending September 30, 1983, and for other purposes, will provide an additional $6 million for the payment of overhead costs for Indian tribes and tribal organizations to administer contracts under Public Law 93-638, the Indian Self-Determination and Education Assistance Act. These amounts

are already due to the tribes under indirect cost negotiations carried out in accordance with established Federal procedures.

However, the Bureau of Indian Affairs (BIA) estimates that there is a shortfall in the line item for contract support—a shortfall of $9,800,000. Although this amendment provides only $6 million additional funding, the BIA should be able to pick up the $3,900,000 from other sources, as it did last year. Mr. McCLURE, chairman of the Subcommittee on Interior Appropriations, has looked at this matter, and will propose language at the conference, if this amendment is accepted, that will enable the BIA to pick up the shortfall from available funds.

Without this amendment, many of the tribally operated programs will close down, causing severe hardship in Indian country. The tribes, who negotiated the contract support amount in good faith, will feel the pinch of this shortfall. In the case of contract schools, for example, the shortfall could mean opening school later in the fall or not purchasing schoolbooks for the children—obviously a drastic impact on the lives of the tribal members.

I know that there have been many questions about the level of contract support and the increases over the past years. The Select Committee on Indian Affairs held oversight hearings on this issue during the 97th Congress, and we continue to look at this matter. The committee is awaiting the Inspector General's report on indirect costs, and I am hoping that the report will offer some guidance to us so that we can meet the problems head on and insure that the tribes continue to run the programs and that the service level remains constant.

By accepting this amendment today, we merely fulfill the commitment we made in 1975 when we passed the Indian Self-Determination and Education Assistance Act. We have encouraged tribal management of Federal programs and we must provide the funds for the support of these programs.

This amendment, Mr. President, has been cleared by the minority.

Mr. McCLURE. Mr. President, the distinguished Senator from North Dakota is correct in his statement. There is an unmet requirement for additional contract support funds as the indirect cost rates approved by the Inspector General's office significantly exceeded the Bureau of Indian Affairs' original estimate.

The $6 million figure is, I believe, a fair one. The total estimated by the Bureau is $9,800,000. Last year, however, the Bureau was able to use more than $4 million of funds derived from other sources to meet the contract support shortfall. If this amendment is adopted, I will propose to the conferees that language be included in the conference report allowing the Bureau to transfer other funds to this account during the fourth quarter if those funds are not required for the purpose for which the original appropriation was made.

The Senator's amendment would provide for a 20-percent increase in contract support over the amount spent by the BIA in fiscal year 1982. Between fiscal year 1982 and 1983, the volume of contracts has increased only 2 percent so the overhead costs are increasing far out of proportion to the direct costs.

In accepting the amendment of the Senator from North Dakota, I would ask for his assistance both as a member of the Interior Appropriations Subcommittee and as chairman of the Select Committee on Indian Affairs in attempting to reach an agreement on obtaining a better degree of control over indirect costs when we act on the fiscal year 1984 appropriation bill.

Mr. ANDREWS. I share the concerns of the distinguished Senator from Idaho and assure him that I and my staff will work closely with him and his staff to insure that the questions and concerns with the increase in contract support will be addressed.

Mr. ANDREWS. Mr. President, I move adoption of the amendment.

Mr. STEVENS. Mr. President, we are prepared to accept the amendment.

Mr. STENNIS. Mr. President, we accept the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 1334) was agreed to.

Mr. STEVENS. Mr. President, the pending business is the next committee amendment; is that correct?

The PRESIDING OFFICER. There are two pending committee amendments.

Mr. STEVENS. What is the first amendment?

The PRESIDING OFFICER. The first amendment is on page 6, lines 14 through 17.

Mr. STEVENS. Mr. President, I ask unanimous consent that that amendment may be temporarily set aside in order that we may consider the third excepted amendment, the coal-leasing amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1335

(Purpose: To delay further Federal coal leasing scheduled for fiscal year 1983)

Mr. BUMPERS. Mr. President, I send an amendment to the desk as a substitute to the committee amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Arkansas (Mr. BUMPERS), for himself and Mr. JACKSON, proposes an amendment numbered 1335.

Mr. BUMPERS. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the language proposed to be stricken beginning on line 22, page 63, and continuing through line 2, page 64, substitute the following: "None of the funds in this or any other Act shall be expended for the sale or lease of coal on public lands during the remainder of the fiscal year ending September 30, 1983, except for emergency leasing as defined in 43 CFR 3425.1-4, and lease modifications as defined in 43 CFR 3432. Funds may be expended for coal lease exchanges pursuant to: Public Law 95-87 (91 Stat. 445); Public Law 96-401 (94 Stat. 1701); Public Law 96-475 (94 Stat. 2269); Public Law 96-476 (94 Stat. 2272); Public Law 96-492 (94 Stat. 2565) or Public Law 95-554 (92 Stat. 2073).".

Mr. STEVENS. Is there a time limit on this amendment?

The PRESIDING OFFICER. There is a 30-minute time limit, equally divided.

Mr. STEVENS. The Senator from Wyoming will manage the time on this side.

Mr. BUMPERS. Mr. President, since there will be only 15 minutes, and my colleague from Washington (Mr. JACKSON), Mr. METZENBAUM from Ohio, and Mr. DIXON from Illinois all wish to be heard, I will be very brief.

Last spring, the Bureau of Land Management offered leases for 1.6 billion tons of coal in the Powder River Basin. The GAO subsequently investigated that sale at the insistence of the House Interior Committee and they reported back that the Bureau of Land Management, because it does not have a suitable method for determining fair market value, actually leased that coal for $100 million less than it should have brought.

I am not here to debate the merits of whether we ought to go forward with the coal leasing program or not. All I am here to do is to propose a temporary moratorium on coal leasing for the next 4 months in order to give the Bureau of Land Management of the Department of the Interior time to comply with the objections that were made by GAO.

Mr. President, I might say at this point that we have 18 billion tons of Federal coal under lease right now. Think about that—18 billion tons under lease right now. The Office of Technology Assessment has just issued a report saying that roughly 15 billion tons of that is economically and environmentally recoverable.

Last year, we mined 108 million tons of coal from Federal lands. We produced a little over 800 million tons of coal nationwide.

My point in bringing this up is to simply point out that if we continue mining coal on Federal lands at the same rate we did last year, we have a 173-year supply of reserves left, just from the leases already in existence. So, certainly deferring further coal leasing for 4 months so that the Bureau of Land Management can develop better methods of determining fair market value does not seem too much to ask.

A lease sale is scheduled to go forward in July of this year in the Fort Union region, which lies in Montana and North Dakota; 500 million tons to be offered in that sale are in new production tracts, even though the Montana State Director of the BLM has said these tracts are tracts that industry is not interested in. He was recently quoted as saying that "the basic approach of the Secretary now is to get a lot of coal out in private hands so that a number of companies can start competing with it."

Obviously, no damage is going to be done by postponing the Fort Union sale. I think the Senate will feel better and the American people will be better served if we first let BLM come up with a better bidding procedure and methods for determining fair market value.

We are producing 100 to 150 million tons of coal right now that there is no market for. There are 75,000 unemployed coal miners in this country; 31 percent of all the coal miners in the country are out of work.

So, Mr. President, I think most people have read enough about this in the paper. It has been a miniscandal of sorts. I am not debating that. All I am saying is this—let us defer further new leasing until the end of this fiscal year, which is September 30, and see if BLM cannot come up with a leasing procedure which will conform with the law.

In the 1976 coal leasing amendments we required specifically that the coal must be sold to the highest bidder, and it must bring fair market value. GAO says that the 1.6 billion tons leased last year, which went for about $67 million, brought $100 million less than the fair market value of the coal.

Mr. President, I ask unanimous consent to have printed in the RECORD pertinent material relating to the amendment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY

The coal lease exchanges for which funds may be expended under this amendment are authorized by:

(1) Section 510(b)(5) of the Surface Mining Control and Reclamation Act of 1977 (P.L. 95-87);

(2) Sections 1 and 2 of the Act of October 9, 1980 (Northern Cheyenne Indian Reservation Leases) (P.L. 96-401);

(3) Section 1 of the Act of October 19, 1980 (Bisti Exchange) (P.L. 96-475);

(4) Section 1 of the Act of December 2, 1980 (Ute Mountain Ute Tribe Land Conveyance) (P.L. 96-492);

(5) Section 4 of the Rattlesnake National Recreation Area and Wilderness Act of 1980 (P.L. 96-476); and

(6) Section 1 of the Act of October 30, 1978 (P.L. 95-554).

43 CFR 3425.1-4 and 43 CFR 3432

§ 3425.1-4 EMERGENCY LEASING

(a) An emergency lease sale may be held in response to an application under this subpart if the applicant shows:

(1) That the coal reserves applied for shall be mined as part of a mining operation that is producing coal on the date of the application, and either:

(i) The Federal coal is needed within 3 years (A) to maintain an existing mining operation at its current average annual level of production on the date of application or (B) to supply coal for contracts signed prior to July 19, 1979, as substantiated by a complete copy of the supply or delivery contract, or both; or

(ii) If the coal deposits are not leased, they would be bypassed in the reasonably foreseeable future, and if leased, some portion of the tract applied for would be used within 3 years; and

(2) That the need for the coal deposits shall have resulted from circumstances that were either beyond the control of the applicant or could not have been reasonably foreseen and planned for in time to allow for consideration of leasing the tract under the provisions of § 3420.3 of this title.

(b) The extent of any lease issued under this section shall not exceed 8 years of recoverable reserves at the rate of production under which the applicant qualified in paragraph (a)(1) of this section. If the applicant qualifies under both subparagraphs (A) and (B) of paragraph (a)(1) of this section, the higher rate applies.

[44 FR 42615, July 19, 1979, as amended at 47 FR 33141, July 30, 1982]

SUBPART 3432—LEASE MODIFICATIONS

§ 3432.0-3 AUTHORITY

(a) The regulations of this subpart are issued under the authority of the statutes cited in § 3400.0-3 of this title.

(b) These regulations primarily implement section 3 of the Mineral Leasing Act of 1920, as amended by section 13 of the Federal Coal Leasing Amendments Act of 1976 (30 U.S.C. 203).

§ 3432.1 APPLICATION

(a) A lessee may apply for a modification of a lease to include coal lands or coal deposits contiguous to those embraced in a lease. In no event shall the acreage in the application, when combined with the total area added by all modifications made after August 4, 1976, exceed 160 acres or the number of acres in the original lease, whichever is less.

(b) The lessee shall file the application for modification in the Bureau of Land Management State Office having jurisdiction over the lands involved (43 CFR Subpart 1821), describing the additional lands desired, the lessee's needs or reasons for such modification, and the reasons why the modification would be to the advantage of the United States.

[44 FR 42628, July 19, 1979, as amended at 44 FR 56340, Oct. 1, 1979]

§ 3432.2 AVAILABILITY

(a) The authorized officer may modify the lease to include all or part of the lands applied for if he determines that: (1) The modification serves the interests of the United States; (2) there is no competitive interest in the lands or deposits; and (3) the additional lands or deposits cannot be developed as part of another potential or existing independent operation.

(b) Coal deposits underlying land the surface of which is held by a qualified surface owner, and which would be mined by other than underground mining techniques, may not be added to a lease by modification.

(c) The lands applied for shall be added to the existing lease without competitive bidding, but the United States shall receive the fair market value of the lease of the added lands, either by cash payment or adjustment of the royalty applicable to the lands added to the lease by the modification.

§ 3432.3 TERMS AND CONDITIONS

(a) The terms and conditions of the original lease shall be made consistent with the laws, regulations, and lease terms applicable at the time of modification except that if the original lease was issued prior to August 4, 1976, the minimum royalty provisions of section 6 of the Federal Coal Leasing Amendments Act of 1976 (30 U.S.C. 207; 43 CFR 3473.3-2) shall not apply to any lands covered by the lease prior to its modification until the lease is readjusted.

(b) Before a lease is modified, the lessee shall file a written acceptance of the conditions imposed in the modified lease and a written consent of the surety under the bond covering the original lease to the modification of the lease and to extension of the bond to cover the additional land.

(c) A lease modification shall not be made until the authorized officer has complied with the procedures and standards set out in § 3425.3 of this title.

BUMPERS/JACKSON REBUTTAL IN RESPONSE TO INTERIOR MEMORANDUM OF JUNE 3, 1983

The Department of Interior has circulated a memorandum outlining the "adverse consequences" of a moratorium. The following is a point-by-point rebuttal of Interior's assertions with respect to the Bumpers/Jackson amendment:

Fewer leases would be available with the new environmental safeguards and stringent diligent development requirements contained in new leases. New leasing allows environmentally preferable coal leases to compete with older leases which did not receive the careful planning now required of coal leases. Consequently, the environmental costs would likely be increased.

Response: The Office of Technology in "An Assessment of Development and Production Potential of Federal Coal Leases" did an analysis of the development potential of Federal reserves already under lease, taking into account environmental compatibility: Only ". . . 5 percent of currently leased Federal reserves appear undevelopable because of poor property characteristics, remote location, or environmental prohibition." OTA concludes that of these reserves, "less than 1 percent . . . appear likely to be subject to complete prohibition from mining."

Coal reserves in old leases with higher mining costs would be forced into production instead of lower cost coal potentially available in new leases.

Response: This point raises the issue of mine production capacity. If the Depart-

ment issues additional leases in a region where there is already overcapacity, this may result in mines producing at undercapacity which is uneconomical. Clearly a coal mine operating at full capacity is generally more cost-efficient than one operating at 30 percent capacity. In the Powder River Basin alone there was, prior to the April 1982 sale, approximately 75 million tons of overcapacity in annual production from currently operating Federal mines.

Competition among coal suppliers would be reduced. Existing levels of industry concentration of coal ownership would be perpetuated.

Response: Again we can turn to the recent Powder River sale as a prime example of a lease-sale in which existing levels of industry concentration of coal ownership were perpetuated. Competition among coal producers was not significantly increased by the Powder River sale which added only one new leaseholder to the twenty leaseholders and non-Federal coal developers in the Basin. Audrey Buyrn, Program Manager of the Materials Program in OTA addresses this question in her June 24, 1982 testimony before the House Subcommittee on Mines and Mining. She points out that, ". . . the sale appears to have enhanced the competitive position of existing leaseholders with operating mines with respect to lessees with undeveloped leases and bidders who won new production tracts not associated with operating mines."

Windfall profits on old leases would more likely be generated because of the reduced availability of new leases. Past speculators in old leases would reap larger gains via lease transfer or reassignment because industry would not be able to shop as competitively in the marketplace for new leases and reserves.

Response: With the current oversupply situation this would not be the case. Overloading the market with new Federal leases at depressed prices will not correct the problem of companies receiving "windfall profits" from transferring leases.

Federal monopoly powers would create a risk that a shortage of desirable Federal coal would drive up coal prices in the market segment served by western coal and, indirectly, the prices of electricity and manufactured goods to American consumers.

Response: The assertion that the Federal Government can lease coal as a monopolist is based on a number of false assumptions. First, it assumes that there is a scarcity of coal. The United States' coal reserves, are estimated at 475 billion tons, or close to one-third of the world's recoverable coal reserves. At this time we have approximately 18 billion tons of coal under Federal lease.

Second, the monopolist argument discounts the fact that significant quantities of non-Federal coal are available from private and State sources. Lastly it assumes that the savings accrued from receiving low bonus bids from coal leases are passed onto the consumer. Ralph Nader, in a May 17 letter to Secretary Watt, addresses the consumer benefit argument: "When the Government leases coal for prices well below those on the private market, the revenues that should have gone to the Treasury accrue, not to the consumer, but to the coal corporation."

Substantial Federal leasing revenues would be lost. The coal leasing program provided $123 million in bonus revenues from January 1981 to October 1982 and $101 million in royalty revenues in fiscal years 1981 and 1982. These revenues are shared 50/50 with the States.

Response: The Bumpers/Jackson amendment will not affect royalty revenues received by the Federal Government. Royalties are received for coal already under lease. Interior's claim that revenues would be lost if sales are postponed is not a valid concern. The loss of revenue sustained by the Federal Treasury due to long-run shortcomings in the valuation, leasing, and fair market value determination procedures is far more significant than the potential revenue loss resulting from the postponement of the Fort Union Sale. The General Accounting Office has strongly urged Interior to postpone upcoming sales until these problems are remedied.

Displacement of imported fuels currently used for power plants or other heat processes would be reduced, thereby harming national economic strength by increasing imports.

Response: This would only be true if the Bumpers/Jackson amendment provided for a long-term moratorium. Coal mines from upcoming lease-sales will not begin production until years from the time of lease issuance. Thus a short-term halt in coal leasing would not increase our dependency on foreign fuels. Additionally this point fails to consider our existing oversupply situation. Because of the current glut of coal, utilities in past months have been abrogating coal contracts with coal companies in order to buy cheaper coal on the spot market.

America's ability to compete in foreign markets and with foreign manufacturers in American markets would be reduced because of less competitive coal prices.

Response: A short-term hiatus in Federal coal leasing as proposed by the Bumpers/Jackson amendment would have no bearing on America's ability to compete in foreign markets.

Emergency leasing to meet bypass needs and to maintain existing operations could be precluded.

Response: The Bumpers/Jackson amendment expressly provides for funds to be expended for emergency leasing to meet bypass needs and to maintain existing operations.

The potential for permanently bypassing 46 million tons of coal in the Fort Union region increases.

Response: Coal reserves that qualify as a bypass situation as defined in CFR 3425 will not be precluded from being leased under the Bumpers/Jackson amendment.

Issuance of preference right leases for which applications have been pending 10 or more years could be precluded.

Response: The processing of preference right lease applications (PRLAs) remains one of the more controversial aspects of the Federal Coal Program. The Bureau of Land Management has momentarily suspended the processing of PRLAs while the Department attempts to address the complaints raised by the Natural Resources Defense Council, the Environmental Defense Fund, and the National Wildlife Federation regarding procedures for processing the PRLAs. The groups allege improper compliance with the National Environmental Policy Act of 1969, processing of PRLAs in an inconsistent manner; failure to prepare EISs when necessary; and preparation of inadequate environmental analyses.

Lease exchanges directed by Congress in areas such as the Bisti Wilderness Study Area could not be issued.

Response: The Bumpers/Jackson amendment provides funding for all lease exchanges authorized by Congress to be issued. This would include the Bisti Wilderness Study Area.

Create further risk that insufficient Federal leasing was artificially restricting coal supplies in some regions or areas. Because of the dominant coal ownership position of the Federal Government, the result would be monopoly pricing.

Response: The history of Federal coal leasing contradicts Interior's claim that the Federal Government is in a position to price coal as a monopolist. It is true that the Government is in a position of dominant coal ownership, however, the remaining 40 percent of coal owned by non-Federal sources accounts for a substantial amount of coal.

Promote greater use of and dependence on foreign energy supplies.

Response: This is not a relevant point since the Bumpers/Jackson amendment only provides for a three month postponement of the Fort Union sale in Montana and Wyoming which would not interrupt the rate of current coal production. Only 111 leases are in production out of 616 existing Federal coal leases.

Mr. BUMPERS. Mr. President, I yield 3 minutes to my colleague from Washington, Senator JACKSON.

Mr. JACKSON. Mr. President, on April 28, 1982, the Department of the Interior engaged in the largest coal lease sale in the history of the United States. Both a General Accounting Office and House investigation of this coal lease-sale conclude that leases were sold at—I emphasize this—significantly less than fair market value. This constitutes a violation of the Federal Coal Leasing Amendments Act of 1976.

The Department plans to lease an additional 16 billion tons of coal by the end of fiscal year 1984 when we have 18 billion tons of coal under Federal lease in an already glutted coal market. The controversies generated by the Powder River sale and the alarming magnitude of the Department's future lease-sale plans indicate that it is time to reassess our country's demand for Federal coal, and the manner in which the coal program is being implemented, before additional coal sales are held.

I am cosponsoring Senator BUMPERS' amendment in order to provide us with a brief hiatus in Federal coal lease sales. During this time, the Department should reassess the management of our Federal coal reserves, and report its conclusions to Congress and the public.

Specifically, our amendment would restrict funds until the end of fiscal year 1983. This would postpone the sale planned for this July in the Fort Union region of western North Dakota and eastern Montana.

This amendment will not halt the development of coal resources in this country. It simply allows a reassessment of coal development objectives and leasing procedures. With this in mind, it is important to note that the issuance of bypass and emergency leases will be allowed to continue. Coal

exchanges authorized by Congress will also be allowed to proceed. Further, the amendment would not prevent the Department from continuing land use planning and environmental analyses on lands proposed for future development.

Again and again, Interior officials cling to the argument that the coal program does not need major changes. They cite revisions made in the October 1982 sale as an adequate response to the problems at hand. Yet, GAO and other experts firmly refute this claim. They insist that Interior needs time to strengthen the serious weaknesses evident in their leasing, valuation, and fair market determination procedures.

With 18 billion tons of Federal coal under lease, this country can afford to take time out in the shortrun to correct problems potentially devastating to the longrun success of the Federal coal program. Out of 616 Federal leases, only 111 are producing coal. OTA makes clear that only 5 percent of these existing Federal leases appear undevelopable due to poor property characteristics, remote location, or environmental prohibition.

Mr. President, this is an issue which warrants and has received bipartisan support in the Congress. Only this week the House Appropriations Interior Subcommittee voted across party lines to establish an independent Presidentially appointed commission directed with examining and resolving problems in the Federal coal program. This commission would be modeled after the Linowes Commission which was set up to investigate shortcomings in minerals royalty collection.

Interior must show Congress it is willing to reconcile the potential conflict between leasing and mining coal while at the same time assuring a fair return to the American people and adequate protection to the environment.

Congress, as always, reserves the right to take stock of the relative success of a particular program. This of course extends to our interest in the Department's coal program. We are custodians of the public lands. As such, we are obliged to see that the resources owned by all the American people are not sold to private interests without regard to first, timely and orderly development; second, environmental protection; and third, the receipt of fair market value.

I urge my colleagues to vote for the amendment under consideration.

Mr. President, to me, this amendment makes sense, it is full of prudence, and I commend the Senator from Arkansas. I hope the amendment will be adopted.

Mr. BUMPERS. I thank the Senator very much.

Does the opposition wish to go forward?

Mr. WALLOP. Mr. President, I yield myself 5 minutes or such portion of that as I may use. There are a number of points that must be made concerning any proposed moratorium on coal leasing. Let me touch briefly on these points now and ask unanimous consent to submit further information for the RECORD at the conclusion of my remarks supporting those points.

THE PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

The major points would be these. The first is that I disagree with the conclusion of the Senator from Arkansas and the GAO and state categorically that the Department of the Interior did receive fair market value in the Powder River sale. This is the conclusion of the professional career employees of the Department of Interior. Among documents I wish to have printed is one from the Acting Deputy Minerals Manager for Mining, Minerals Management Service, North Central Region, U.S. Department of the Interior, Mr. Douglas Hileman, who makes the following statement:

> The market value of coal lands in the Powder River coal region in 1982 dropped to about 50 percent of its 1980 value partly because of the recession and partly because for the first time in many years, enough coal reserves would be available with the proposed sale to let the market operate without an artificial shortage. While the competition was limited, coal from the Gillette mines sold for up to $10.00 per ton. Just before the sale, coal prices at the mine dropped to about $6.50 per ton. Since the taxpayer was ultimately paying for the coal through their power bills, the lower coal costs saved the public hundreds of millions of dollars.
>
> It is my opinion that coal prices have leveled off and we will not see another dramatic rise unless coal leasing is stopped and another artificial shortage is created.

Second, there was no leak of confidential information prior to the sale.

Third, opponents of coal leasing, despite what they say and despite what this amendment amounts to, because of actions in the House, are not talking about a moratorium for a short period of time but one that could last for a year or longer. I submit that the last one we had lasted 11 years and is one of the reasons for such high prices for coal to American consumers.

This leasing schedule was established in the previous administration by Secretary Andrus and it called for 1.5 to 2 billion tons to be made available for prompt leasing. Those officials do not support a moratorium.

In the recent past, an active coal leasing program was recommended by this very same GAO—who, incidentally, do not have coal experts or people who understand the coal leasing business making these conclusions.

The Council on Wage and Price Stability, under the Carter administration, recommended it; the Department of Justice recommended it; and others did as well.

Mr. President, it takes nearly a decade to put a mine into operation because of laws passed in Congress. We are not talking about an already glutted coal market, we are talking about a market a decade from now.

The Federal Government owns approximately 60 percent of the coal in the West and it controls 80 percent of it by virtue of landownership patterns. No Federal leasing means that very little new western coal will be available, and this moratorium will block off nearly 3 billion tons of privately held coal because of land patterns and mining operation.

Any moratorium will inevitably reduce the returns to the Treasury and, at the same time, increase prices to the consumer. Approximately 1.1 percent of all the Federal revenues that are collected by the Government from coal comes from the up front money, the bid bonuses. The rest of it comes from actually mining that coal.

These bonus bids are not the substantial returns to the Treasury. Rather, the royalty payments, made by those operating coal leases, are the substantial returns.

Mr. President, one relationship that must be kept in mind here is the need to guarantee the Federal Government—that is, the American taxpayer—that he get a fair return for its resources and that at the same time, the consumer—that is, that same taxpayer—is protected against the creation of artificially high prices due to a failure to continue a reasonable leasing program. This program is environmentally sound, having been cleared already, by the Congress.

Mr. President, the Governor of my State, a member of the party of the Senator from Arkansas, has asked that this moratorium not take place. The Governor of North Dakota, Governor Olson, has written the same kind of letter. Each of those gentlemen believes that it is shortsighted and bad in the interest of their States and bad in the interest of the American consumer to create a moratorium and an artificial shortage at this time.

EXHIBIT 1

[Memorandum]

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF LAND MANAGEMENT,
Casper, Wyo., May 5, 1983.

To: Inspector General, U.S. Department of Interior.

From: Acting Deputy Minerals Manager, Mining, Minerals Management Service North Central Region.

Subject: Fair Market Value in Powder River Coal Sale.

Michael Martin, Special Agent for the Office of the Inspector General, asked me to express my opinion about the economics of coal lands at the time of the April 1982 coal sale.

I have worked for 14 years as a mine manager or engineer in the coal industry and 18

years primarily with coal in the Federal government. I have regularly visited the mines in the Powder River region during the last 13 years. I have worked with economic evaluation procedures in coal for several years.

It is my professional opinion that the Federal government received fair market value for the coal lands sold in the April 1982 sale. Sale prices in 1980 reached an artificial high because very little Federal coal with competitive interest had been sold by the Federal government for about 10 years. Many people were also concerned that the sale would be stopped by environmental groups. In 1980, several large companies were competing for very few blocks of coal which were for sale and wanted to buy coal lands before the shortage became more acute. One company official stated that having a coal lease in the Gillette area was like having a membership in a private hunting club.

The market value of coal lands in the Powder River coal region in 1982 dropped to about 50 percent of its 1980 value partly because of the recession and partly because for the first time in many years, enough coal reserves would be available with the proposed sale to let the market operate without an artificial shortage. While the competition was limited, coal from the Gillette mines sold for up to $10.00 per ton. Just before the sale, coal prices at the mine dropped to about $6.50 per ton. Since the taxpayer was ultimately paying for the coal through their power bills, the lower coal costs saved the public hundreds of millions of dollars.

It is my opinion that coal prices have leveled off and we will not see another dramatic rise unless coal leasing is stopped and another artificial shortage is created. We received fair market value for the coal lands sold in April of 1982 and would have received very little more if we had delayed the sale.

The following 20 major companies did preliminary work in the Powder River region prior to the sale and were interested in coal reserves in the area: 1. Sohio, 2. Shell, 3. Exxon, 4. ARCO, 5. Amax, 6. Mobil, 7. Sun, 8. Occidental, 9. Tenneco, 10. Belco, 11. Texas Energy (Hampshire), 12. Cities Services, 13. Gulf, 14. El Paso, 15. Kerr-McGee, 16. NERCO, 17. Peabody, 18. Decker, 19. Texasgulf, and 20. Kansas City Power & Light.

Only four of these major companies submitted bids during the coal sale simply because no bargains were available. The four bids from these companies were as follows:

1. Shell was the only bidder on the Spring Draw tract at the minimum of 8 cents per ton. They have developed a mine with 63 million tons of reserves adjacent to this tract and would have been willing to pay more than market value to provide coal for their $100 million surface plant.

2. Texas Energy was the only bidder on the Rocky Butte tract at 2.5 cents per ton on the first sale and 5.0 cents per ton on the second sale. They have invested millions in the acquisition of surface and plant sites in this area and they too would have been willing to pay more than market value to acquire coal adjacent to their proposed synfuels plant. Their project proposal ranked among the top 5 contenders in 1982 to receive Federal government assistance for their project. Without coal their proposal would not have rated consideration for this government money.

3. Amax Coal Company was the only bidder at 8 cents per ton on the 90 million ton Rawhide tract adjacent to their Eagle Butte mine. The reserves made a valuable addition to the mine but had very little value to another company.

4. Decker Coal Company did not bid on the North Decker tract adjacent to their mine but did bid .004 cents per ton for the West Decker tract.

If bidding has started at the minimum of $25 per acre on the Spring Draw, Rocky Butte, and Little Rawhide tracts, the fair market value as determined by the market alone would have likely been much less than the amount we received at the sale.

The Keeline tract was one of the most attractive blocks of coal in the sale because it was in an area where additional coal lands could be purchased in three directions and it was equally valuable to all the companies. Two companies bid on this tract and the high bid was .95 cents per ton.

The Coal Creek (small business) tract received spirited bidding from two companies. It sold for .58 cents per ton.

This sale was highly publicized. We can assume anyone interested in buying coal in the Powder River Basin was at the sale. They showed almost no interest in some very attractive coal lands such as the Rocky Butte tract with its 445 million tons of coal and Keeline with its attractive location. The companies with maintenance tracts or with a vital interest in some of the competitive tracts met our minimum requirements because they had no choice. The two tracts with true competitive bidding sold for .95 and .58 cents per ton. We might have received more than true market value for the large tracts.

Our confidential information shows a coal lease issued in Utah in 1962 sold later in that year for $60,000 or about $42 per acre. In June of 1976 this tract was sold as part of a larger tract for $2,000 per acre and in 1978 it was sold for $10,750 per acre. It would probably sell today for about $1,500 per acre.

Some representative coal sales in the Gillette, Wyoming area are as follows:

Date (Lease)	Bid per acre	Cents per ton	Number of bidders
June 1965 (Wyoming 0313666)	$25.55	$0.02	2
March 1966 (Wyoming 0321779)	30.05	.03	3
June 1967 (W 3446)	53.13	.05	3
August 1967 (W 5036)	165.86	.09	6
June 1970 (W 29328)	52.00	.05	3
December 1970 (W 8385)	505.00	.42	10
April 1982 (W 78631)	14,000.00	8.00	1
April 1982 (W 78634)	7,025.00	8.00	1
April 1982 (W 78633)	4,593.00	5.01	1
April 1982 (W 78629)	3,125.00	2.52	1
April 1982 (W 78635)	500.00	.95	2

The original minimum acceptable bids calculated by the Casper office were allegedly leaked to the public in March of 1982. I do not believe this compromised the sale. If the companies calculated the total reserves on the tracts from this information, it would give them a month more than their competitors to use the government numbers in their own discounted cash flow models. This was really very little advantage because anyone familiar with the geology of the area would calculate reserves very similar to the numbers published by the Government.

DOUGLAS H. HILEMAN.

JUNE 7, 1983.

Re Senator Bumpers' Coal Leasing Amendment.

To: Members of the Senate.

From: Hilton Davis, Vice President, Legislative and Political Affairs, U.S. Chamber of Commerce.

I understand that, when the FY 1983 Supplemental Appropriations bill (H.R. 3069) reaches the Senate floor, Senator Bumpers, and possibly others, intend to offer an amendment to prohibit the Department of the Interior from continuing its schedule of lease sales for coal and offshore oil and natural gas. On behalf of the more than 216,000 members of the U.S. Chamber of Commerce, I respectfully urge you to oppose any such amendment.

The Chamber is greatly concerned that an interruption in lease sales will inhibit the development of domestic energy resources. This would result in higher energy prices in the long run, a worsening of our balance of payments, fewer jobs for Americans and a serious loss of revenue to the U.S. Treasury. Bonuses and royalties from offshore oil and gas production provide the Treasury with a volume of revenue second only to funds collected by the Internal Revenue Service.

The compelling reasons to continue offshore oil and gas leasing extend beyond a need for revenue. Energy consumption in the United States, by conservative estimates, will continue to grow by at least one percent annually through the year 2000. However, over the past decade, oil production on the outer continental shelf actually declined. The U.S. share of worldwide offshore production, which was 21.7 percent in 1970, dropped to only 7.6 percent in 1980. Almost half of our oil supplies in the year 2000 will have to come from as yet undiscovered resources, and an offshore frontier area leased today takes anywhere from four to twelve years to commence production.

The need to maintain federal coal lease sales is no less urgent. From 1971 to 1981, the Interior Department leased virtually no coal. In the West, 80 percent of the coal is controlled by the federal government—some 200 billion tons—of which only a small fraction has been leased. The Federal Coal Management Program must be allowed to continue on schedule to ensure the long-term development of environmentally preferable coal tracts leased under today's rigid environmental safeguards and to meet future coal demand. Today, coal is used to generate more than 50 percent of our electric power, and that figure is expected to be much larger in the future. More coal will be needed for new power plants.

Despite today's temporary abundance of oil and gas, the U.S. energy outlook basically remains unchanged from that of the early seventies. There is still a likelihood of a severe shortage of petroleum-based liquid transportation fuels. Now, as then, an affordable and certain supply of energy is an essential key to economic growth and national security.

For these reasons, I respectfully urge you, as the Senate considers the FY 1983 Supplemental Appropriation, to oppose Senator Bumpers' amendment and any other efforts to delay the development of this country's energy resources on federal lands.

June 6, 1983.

DEAR SENATOR: The Western Regional Council, a coalition of business interests active in the eight Rocky Mountain States, urges you to oppose attempts to place a

moratorium on Federal coal leasing during Floor consideration of the fiscal year 1983 Supplemental Appropriations bill.

On May 26, the Senate Appropriations Committee deleted from the bill a House provision to ban further coal leasing through the remainder of the fiscal year 1983 except for emergency and maintenance tract sales. It is expected that the House language will be offered during Senate Floor action on the Supplemental this week. We ask you to vote against any suspension of Federal coal leasing.

Leasing of Federal coal has only recently resumed after a ten year hiatus. During those ten years, significant new Federal laws were enacted to provide for a responsible leasing process and to protect against speculation. The laws provide a fair return to the government for the public's resource and require that surface mined lands be reclaimed. They also require timely development of leased coal lands. If for some reason a lease is not developed, the lease will revert to the Government thereby fully protecting the Governmental and public interest. Regulations developed during the last Administration and the Reagan Administration reflect those laws.

During recent years, the domestic coal market has been affected by the recession and reduced energy demands. The current coal market cannot by itself, however, be an indication of what the market will be in the future. The legal requirements of the new environmental laws enacted in the past decade usually mean long lead times between leasing and actual mine start up. A company bidding on a lease today must consider many variables and assumes large risks in deciding to proceed in planning that there will be a market available for that coal in the next ten years.

That risk, of course is fully assumed by the bidders. The Federal Government will receive the bonus bid from the sale and the Federal Government will receive the royalty when the lease is developed. It is that royalty which will provide the greatest return to the Government over the life of the lease, not the front end bonus bid.

Differences in the conclusions of reports done by the House Appropriations Committee and the General Accounting Office on the Powder River sale demonstrate the difficulties in both pre-sale and post-sale evaluations. Furthermore, the GAO Report suggests changes to fine tune the leasing program, recommendations which do not warrant a program shutdown. We believe the leasing program is a process which can and will work for the mutual benefit of all concerned parties—the Federal government, the public, industry, and the nation's energy security.

If the leasing process is halted now, we may again face a long period of uncertainty and another drawn out halt in leasing of Federal coal reserves. Keeping in mind the lead time necessary today to bring a lease into production, we do not believe the public interest is served by an outright ban on lease sales and urge you to vote against any such moratorium.

Respectfully yours,

JAMES C. WILSON,
Chairman,
Coal Ad Hoc Committee.

NATIONAL COAL ASSOCIATION,

Hon. MALCOLM WALLOP,
U.S. Senate,
Washington, D.C.

DEAR MALCOLM: During consideration of the FY-'83 Supplemental Appropriation, Senator Bumpers may offer an amendment to delete funding for certain critical aspects of the Federal Coal Management Program. The National Coal Association urges, in the strongest possible terms, that you oppose these amendments which would institute a defacto moratorium when barely three years have passed since the previous ten-year moratorium came to an end.

Opponents of the coal leasing program argue that time is needed to correct the alleged improprieties occurring in the Powder River sale. More generally, they argue that DOI is flooding the market with Federal coal during slack times, thereby precluding the government from receiving an adequate return on its mineral assets.

If indeed there were irregularities in the conduct of the Powder River sale, there are far more appropriate means for addressing the problem than the cessation of the leasing program. Because of the long lead time necessary to bring a leased tract into commercial production, it is essential that Federal coal leasing proceed. The coal being leased today will not aggrevate today's slack market but will assure uninterrupted supplies to meet the needs of the mid- to late-1990s.

Lastly, and most importantly, there is a fundamental misunderstanding in the public domain concerning the role of coal leasing. This is reflected in the assumption that the Federal Government should be getting as much money as possible from the coal lessees (accomplished by artificially constraining access to new coal reserves) instead of ensuring ready access to new coal reserves in order to foster the competition and stable prices for coal which will form the basis for the widest possible markets for coal given competing fuels, economic growth and environmental regulations.

The arguments for the proposed amendments to delete or defer funding for the Federal Coal Management Program are indefensible. Furthermore, it would be shortsighted and ill-advised to prejudice the entire leasing program because of the alleged improprieties occurring in this sale. Consequently, I urge you to oppose any such amendments.

Sincerely,

CARL E. BAGGE.

INTERNATIONAL UNION
OF OPERATING ENGINEERS,
Washington, D.C.

Because the Senate will be voting on a coal leasing moratorium during its consideration of the Supplemental Appropriation Bill for 1983. I want to provide you with the views of the International Union of Operating Engineers with regard to a leasing moratorium.

We are unalterably opposed to a coal leasing moratorium of any duration. This opposition is based on the following.

First, if our nation's energy needs of the 1990's are to be met, we must be leasing now so that coal can be available a decade from now. As you know, lead times for getting large coal mines into operation vary between 9 and 12 years.

Second, coal leasing moratoriums have a way of perpetuating themselves, as the 1971 moratorium lasted for a decade. To legislate a near term moratorium clearly sets the stage for this to happen again.

Third, continued leasing will be an important factor in bringing the depressed coal industry back to a healthy state. Current annual coal production is about 820 million tons. This must increase to nearly 1.5 billion tons by 1995 to meet domestic and export needs.

If I can be of further assistance please feel free to contact me.

Sincerely,

J. C. TURNER,
General President.
JOHN J. BROWN,
Director of Legislation.
JAMES THOMAS,
Assistant Director
of Legislation.

MAILGRAM

On the basis of current known information, we are opposed to a moratorium on federal coal leasing by the Department of the Interior.

It is our current policy to stimulate rapid and adequate development of all domestic sources of energy and to free this country from its high rate of dependency on foreign energy resources. Another moratorium would be counter productive to that purpose.

Of the 200 billion tons of coal reserves on the federal lands, only 18 billion tons have been leased and of these 18 billion tons, only 9.7 billion tons are in approved or pending mine plans.

If there are problems or questions concerning the coal bidding process, these can be dealt with without interrupting the leasing program. If the accepted bids are considered to be too low, the rental/royalty rate could be raised when the lease is renewed. It must be kept in mind that the bulk of the federal revenue received from leasing does not come from the bids.

NATIONAL CATTLEMEN'S
ASSOCIATION.
PUBLIC LANDS COUNCIL.
NATIONAL WOOL GROWERS
ASSOCIATION.

WASHINGTON, D.C., *June 7, 1983.*

To Becky Shoemaker: Here are materials that Diane mentioned to you.

DEAR SENATOR: Edison Electric Institute joins with American Mining Congress and the five endorsing associations in a recent letter dated June 7, 1983, asking for the defeat of the "Bumpers" amendment for a temporary moratorium on coal leasing.

By voting against the "Bumpers" amendment, you will be supporting your electric utility consumer.

Sincerely,

WILLIAM MCCOLLAM,
President.

We wish to express our support for the continuation of funding, both in the fiscal year 1983 supplemental and in the fiscal year 1984 appropriations measures, for mineral leasing activities administered by the Department of the Interior.

More specifically, we urge you to support funding measures for the leasing of Federal coal and for leasing oil and gas on the Outer Continental Shelf, and to oppose efforts to mandate leasing moratoriums in these vital areas.

The Nation's economy and our national security rely heavily upon energy resources from the public domain. Stability in the

supply of these resources, and freedom from Government manipulation of their availability to the private sector, are critical to orderly long-term resource development and energy self-sufficiency.

Vigorous leasing will ensure ample energy supplies and enhance competition in the energy industry. It will benefit consumers through lower end-use prices, reduce dependence on foreign oil, retain jobs at home, expand exports abroad, and increase revenues for the Federal Government and the energy producing states.

The continued viability of the OCS and Federal coal leasing programs requires a commitment to restoring vigor to our national economy and the protecting ourselves from disruptions in energy supplies. We, therefore, urge you to support these essential programs in the 1983 and 1984 appropriations measures.

Sincerely,

J. ALLEN OVERTON, Jr.,
President,
American Mining Congress.
RICHARD L. LESHER,
President,
U.S. Chamber of Commerce.
CARL E. BAGGE,
President,
National Coal Association.
CHARLES J. DIBONA,
President,
American Petroleum Institute.
ALEXANDER B. TROWBRIDGE,
President, National
Association of Manufacturers.

WILLIAM J. WALDRIP,
President,
National Cattlemen's Association.

AMERICAN MINING CONGRESS,
Washington, D.C., June 7, 1983.

Hon. JAMES A. MCCLURE,
U.S. Senate,
Washington, D.C.

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ALEXANDER B. TROWBRIDGE,
President, National
Association of Manufacturers.

ROCKY MOUNTAIN ENERGY,
June 7, 1983.

Re Federal Coal Leasing.

Hon. Lawton Chiles,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CHILES: Rocky Mountain Energy, a major coal producer, urges you to oppose attempts to place a moratorium on federal coal leasing during floor consideration of the FY 1983 supplemental appropriations bill. On May 26, the Senate Appropriations Committee deleted from the bill a House provision to ban further funding for coal lease sales. It is expected that the House language will be offered during Senate action on the supplemental appropriation later this week. We ask you to vote against any suspension of federal coal leasing.

With the Federal government owning or controlling a large percentage of Western coal, some form of an ongoing federal coal leasing program is mandatory. Leasing federal coal has only recently resumed after a ten year hiatus. During that time the leasing program was debated and litigated extensively, and a workable and defensible program has evolved.

Just as the leasing program has gotten back on track, the domestic coal market has softened due to the recession and reduced energy demands. Current market condition, however, cannot be an accurate indicator of future demand. As a matter of sound public policy, federal coal should be made available in a variety of qualities in a number of locations to ensure consumers can purchase the most economical coal for their needs. There is no evidence to suggest the Government can properly ration the amount of leases made available to precisely meet projected demand. That should be a function of the marketplace.

During the past 10 years, the program that has emerged from Congress provides (1) for a fair return to the government for use of the public's resource; (2) requires timely development of leased coal lands; and (3) requires that environmental concerns be internalized in the leasing process. In addition, other new laws require prompt and complete reclamation of all disturbed lands.

Two points are particularly important here. First, the royalty will provide the greatest return to the government over the life of the lease, not the bonus bid. Secondly, under the "due diligence" requirements of the Federal Coal Leasing Amendment of 1976, leases not producing in commercial quantities within ten years will revert to the federal government with no loss to the public. This surrendered coal can then be leased again producing another bonus bid.

There are different approaches to valuing coal and they produce different opinions of value. The GAO opinion, in their recent study, differs from that of the Interior Department. We do not happen to agree with the GAO calculations.

In any event, the bonus bid differences amount to only about 10 cents per ton. It is important to remember that royalties, rather than bonus bids, will be the significant revenue producer, amounting to $1 to $1.25 per ton in the case of the Powder River Basin.

But royalties cannot be collected unless the coal is under lease. A leasing moratorium might prevent the nation from recognizing this royalty income.

Accordingly, we urge you to vote against any moratorium on federal coal leasing.

Thank you for your attention to this important matter.

Sincerely,

EUGENE A. LANG.

Letters also sent to the following Senators:

Dennis DeConcini, Max S. Baucus, Quentin Burdick, Russell B. Long, Dale L. Bumpers, Gordon Humphrey, John Heinz, William S. Cohen, Bob Packwood, Arlen Specter, Nancy Kassebaum, John C. Danforth, Lloyd Bentsen, John Melcher, Gary Hart, Jennings Randolph, J. Bennett Johnston, Charles Percy, and Robert C. Byrd.

ANACONDA MINERALS CO.—COMMENTS ON THE FEDERAL COAL LEASING PROGRAM

We are concerned about the efforts to halt funding for the federal coal leasing program and we would like to talk about how such efforts, if implemented, will impact our coal operations in the Powder River Basin of Wyoming.

By way of introduction, Anaconda Minerals Company has four coal projects in the Western United States, two large surface mines in Wyoming, one underground mine in Utah, and one underground mine in Colorado—all producing coal from federal leases.

Our 1982 production in Wyoming alone was 18 million tons with 17 million tons from the Black Thunder Mine and one million tons from the Coal Creek Mine. This tonnage represents about 15 percent of all federal coal produced in the United States and about 30 percent of all federal coal produced from the State of Wyoming.

We purchased our first Wyoming federal lease in 1966. Since that date we have invested approximately $300 million to construct and operate both mines, and we currently employ about 600 people at these operations.

We would like the federal government to demonstrate its good faith by continuing to make federal coal available now and in the future. A start and stop leasing program will not serve the long-term interests of the nation.

The obligation is to the ultimate consumer of that coal—the American public. Enough federal coal must be made available to maintain competitive pricing for the coal and coal products produced and sold by industry.

For our part, a moratorium since 1971 has been long enough. We need additional federal coal at Black Thunder in order to be an active participant in the marketplace in the years ahead.

The moratorium on federal coal leasing during the 1970s dramatically illustrates that leasing delays can become semipermanent. Despite the fact the present coal leasing program became effective in August 1979, land use planning for coal in the Thunder Basin National Grasslands—where

the Black Thunder Mine is located—was not ready for additional coal leasing activities until last year.

From our standpoint, the moratorium on coal leasing for the Black Thunder area has lasted twelve years. Now we face the possibility of yet another indefinite delay by the efforts to halt funding for the coal leasing program.

We have demonstrated our good faith as a federal coal producer over the years with large investments of time and money into our Wyoming operations. We think we have performed reasonably well and the public interest is being served:

We are competitive in the marketplace.

Federal coal is being developed and it's available for our country's energy needs—now and in the future.

The government has and will continue to receive production royalty payments for its coal.

We mine coal in an environmentally sound manner.

1. By 1984, we believe we will be ready to add reserves to our Black Thunder Mine.

If we are the successful bidder for the Thundercloud tract, existing regulations would require approximately five to six years before all approvals and permits could be obtained and actual mining could commence.

If we are not the successful bidder, we must again express interest in other tracts as the planning cycle of the Federal Coal Management Program returns to the phase calling for expressions of interests—approximately every two years.

Any halt to the program now will prevent us from effectively planning for our future coal needs and how we can obtain additional reserves. The present, soft coal market is not of major concern to us in this regard, since we must be planning now for the reserves we wish to mine within the next eight to ten years.

2. We do not wish to be a one lease, one mine federal coal operator. Our investment in the Black Thunder Mine was made with some expectation that adjacent federal coal would be available at some future date.

Our expression of interest was considered, modified slightly by the BLM, and delineated as the Thundercloud tract. It is presently a candidate for the 1984 lease sale, along with 30 other coal tracts in Wyoming and Montana.

Despite the current, soft market for coal from an industry-wide perspective, there is demand for specific tracts of coal that are attractive for reasons of coal quality, mineability, and location. In our case, the Thundercloud tract offers an opportunity to add reserves to the Black Thunder Mine that are attractive for all these reasons.

Moreover, we are not alone in our interest in the Thundercloud tract. This tract has been the subject of two Exploration Licenses—one in 1982 and one this year. An Exploration License is granted by the BLM to allow private parties to explore unleased federal coal deposits to obtain geological data. Kerr-McGee Coal Corporation applied for a license in 1982 and our Company joined the program. This year we applied for a license and have been joined by Northwestern Resources Company and Kerr-McGee. Thus, there is competitive interest in Thundercloud. If the tract is offered for lease, we would not expect to be the sole bidder.

Our concerns with the efforts to halt funding for the federal coal leasing program are these:

We are not speculators in federal coal leases. We have made substantial commitments to mine federal coal and we would like assurances from our lessor—the federal government—that we will have continuing opportunties to bid for additional coal to maintain our operations and compete in the marketplace for customers.

At our Black Thunder Mine, we have remaining reserves of 700 million tons of which only 200 million tons have not been committed to sales contracts. Since the mine facilities are built on top of about 100 million tons, this leaves only 100 million tons left to sell. A new, twenty year contract of five million tons per year would fully commit the Balck Thunder reserves.

Since the reserves at Black Thunder are some of the best quality coal in the Powder River Basin, we have asked that additional coal, adjacent to and north of Black Thunder, be put up for sale in 1984. Our request for additional coal was submitted to the Bureau of Land Management (BLM) in response to a call for expressions of interest by the BLM in August 1982. This is the first opportunity we have had to officially express interest in unleased federal coal near Black Thunder since the leasing moratorium of 1971—a time period of 12 years.

[From the Wall Street Journal, June 8, 1983]

REVIEW AND OUTLOOK

When a "scandal" story about the government's coal leasing program broke in Washington this week we suspected someone might be softening up the opposition for a congressional vote. No doubt it is mere coincidence, however, that Sen. Dale Bumpers, Democrat of Arkansas, plans to introduce a measure today calling for a "temporary" moratorium on federal coal leasing. The last "temporary" moratorium, passed in 1971, lasted 11 years and cost consumers dearly by reducing competition against OPEC oil.

Sen. Bumpers is not without allies. Last year a similar amendment lost by one vote on the Senate floor. Today's vote could go either way.

As for the "scandal," it is much ado about not very much. Two companies—Amax Coal Co. and Arco Coal Co.—were vying for the same tract of land, called Duck Nest Creek, in Wyoming's Powder River Basin. The Interior Department decided to award Amax the contract because the company already held rights to the surrounding acreage and, in the view of Interior conservationists, could get more coal out of the site more cheaply.

They now are being accused of not charging Amax as much as they could have obtained from Arco. That may or may not be true but even if it is, money from the sale of coal leases is a drop in the bucket compared to the 12.5% production royalties paid to the federal Treasury—and like amounts to state and local governments. If Interior was right about higher Amax production, the deal looks less questionable.

And of course, the Amax-Arco scrap contains no justification at all for the Bumpers exercise in competition reduction. Scandalmongering, we fear, has come to be a sad substitute for policy debate in Washington.

[From the Washington Times, June 8, 1983]

THE COLD WINTER OF 1993

In the name of "the national interest," Congress is about to give some coal producers a chance to make some truly stupendous profits. And eventually drive through the roof the price we all pay for energy.

The Democrats don't like the bids Jim Watt's Interior Department has been getting for the coal it leases to private developers. They'd rather the Treasury demand—fruitlessly, we might add—some windfall profits of its own than see Watt get any credit for reducing our need for foreign energy. That's why some congressmen want to stop federal auctions of coal reserves.

Last year's Powder River auction netted 50 percent—$15 million—more than Interior's career civil servants thought was the minimum the government should accept for the 10 tracts leased.

Coal lease prices are lower than they've been, but—much as he might like to—Watt can't take the credit. The world oil glut, accompanied by reduced consumption, is what has driven energy costs down. And resumption of the federal coal leasing program after a 10-year pause has reduced coal prices by increasing the amount available for commercial exploitation.

It's an ironclad fact of economic life that a producer won't mine coal at all if he can't recover his costs. One of those costs is the price he paid for the right to dig the stuff in the first place. Even if Interior had been able to get the $60 million more a congressional staff study wanted, or the $100 million more the Government Accounting Office would have liked, it would all have come out of consumers' pockets eventually—with years of interest expense added on.

If Interior had demanded those high prices, there probably would have been no sale. The price of coal in other producers' hands would rise accordingly. But, assuming for the sake of argument there had been a sale, the coal would remain uneconomical to mine until energy prices once again zoomed up. And if prices stay low, the expensive coal will stay in the ground.

It's bad enough Congress has to work with staff and GAO reports second-guessing the career geologists and other technical experts at Interior. Monday's sensationalized Washington Post story charging the department with having manipulated coal leases to favor Amax Corp. at ARCO Corp.'s expense doesn't advance the cause of right reason much, either.

As we understand it, the only pressure on Interior to split the Duck Nest Creek tract came from the Cheyenne Indian tribe, which wants to resolve a dispute with Amax. A dispute Congress solved only halfway a while ago, leaving it to Interior to pick up the pieces.

One of Interior's filed managers was angry at some state officials, and to spite them originally recommended that the two separate parcels of the Duck Nest Creek tract be auctioned as a single unit. The recommendation was approved before Washington learned of the personality conflicts. When they came to light, Interior's professionals took a second look and realized the tract was really two parcels, not one. Watt followed their advice.

The Post would have had its readers conclude that Watt and his deputies "once again" overrode the department's career staff for the benefit of private businessmen. But it's clear to us that, once again, Watt's done the right thing.

[From the Washington Post, May 14, 1983]

COAL LEASING: THEY RUINED OUR PROGRAM

(By Cecil D. Andrus)

It is gratifying to see, in The Post's editorial about Secretary of the Interior James Watt's mismanaged federal coal-leasing pro-

gram, concern for a closer relationship between our country's energy needs and the rate of federal coal leasing ["Mr. Watt's Coal Sale," May 6]. However, The Post errs in blaming Watt's excesses on frustrations over "hemming and hawing" about coal leasing during the Carter administration.

On the contrary, federal coal leasing had been halted by earlier Republican administrations; their eventual attempts to start a leasing program ended in court-imposed failure. The Carter administration, under my direction at Interior, successfully started a coal-leasing program that is now, unfortunately, beginning to fall under the weight of a new round of senseless conflicts brought on by the Reagan administration.

It was the Nixon administration, in 1971, that imposed a moratorium on federal coal leasing. The Ford administration continued the moratorium, then tried in 1975 and 1976 to begin a new leasing program. That program was opposed by the governors of all the western states where federal coal is found, was opposed by western ranchers and farmers, and was challenged by environmental lawsuits that persuaded the federal courts, shortly after I became interior secretary in 1977, to order a halt to the program.

Out of that tangled legal, political and administrative failure we began to put together a program that would work. Within two years, we designed a program and carried out the legally required environmental studies. The federal court found the program legally sound, the governors, who had participated in developing the new system, all strongly supported it, and the environmental critics of coal leasing could find no cause for further litigation. With the program approved, the Interior Department was finally able to begin the job if identifying and offering for sale specific tracts of federally owned coal.

Thanks to our program, the coal companies that had for a decade been unable to secure new federal reserves were able to plan on competing in lease sales that began in early 1981 and, on the schedule that we set, continue. Not every company could plan on getting everything it wanted. And a few people in the industry were unhappy that we acknowledged that ranchers, farmers and the general public have legitimate interests in the way public lands are managed. But most of the leadership of the coal industry was happy to have the program under way.

The problems now faced by the industry result from efforts by James Watt and the Reagan administration to rekindle the conflicts created by earlier Republican administration—fights with the governors, efforts to ignore the rights of ranchers, hostility toward environmental standards and a sad disregard for the public trust the federal government is responsible for when transferring public resources to private ownership.

Our economy needs coal, and the coal industry needs access to the billions of tons of federally owned reserves under the public lands of the West. But as a result of the Reagan administration's conflicts and failures, there is talk now in Congress and in some state capitals of calling a halt to further coal lease sales, at least until after Congress can impose some order on the present chaos. I personally believe that repeating the earlier Republican moratorium would be a serious mistake—that the excesses and errors Watt has brought to the program can be corrected without bringing the whole system to a halt.

I hope we all keep one thing in mind: while honest reconciliation of diverse interests is a difficult and seemingly inefficient approach, the end results are more likely to bring real benefits to everyone concerned than are the results of the paralyzing conflicts brought on by the single-minded zeal of those who recognize the legitimacy of only their own interests. Whether Watt and his colleagues believe it or not, we can lease and mine coal at the same time protecting people and the environment—and if we try to do it any other way, America's coal industry will produce much more conflict than it does coal.

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, D.C., June 9, 1983.

DEAR COLLEAGUE: In recent weeks, much discussion has occurred concerning the Department of the Interior's Federal lands coal leasing program and a possible moratorium on such leasing. As can so often be the case in highly publicized and politicized debates such as this, misleading information has been circulated which we believe essentially ignores this nation's absolute need to continue a strong, agressive coal leasing program. To the end of continuing this extremely necessary program, it is important to understand the consequences a proposed moratorium will have on consumers, jobs, the environment, and the Nation's economic and strategic security. Please consider the following major points:

The Federal Government controls 80 percent of the coal in the West: 60 percent through direct ownership and 20 percent through land ownership patterns. This is, obviously, bordering on a monopoly.

By leasing as a monopolist, the Federal Government can drive up prices paid by coal consumers, which will result in increased electricity rates and costs of manufactured goods.

Under a moratorium, fewer leases would be available and those that are available would not have the new DOI environmental safeguards now in place and stringent deligent development requirements contained in new leases. New leasing allows environmentally preferable coal leases to compete with older leases which did not receive the careful planning now required of coal leases. Consequently, the environmental costs would likely be increased.

Federal monopoly powers would create a risk that a shortage of desirable Federal coal would drive up coal prices in the market segment served by western coal and, indirectly, the prices of electricity and manufactured goods to American consumers.

Substantial future Federal leasing revenues would be lost. The coal leasing program provided $123 million in bonus revenues from January 1981 to October 1982 and $101 million royalty revenues in fiscal years 1981 and 1982. These revenues are shared 50/50 with the States.

The House and GAO reports alleging a failure to achieve fair market value are based on disputes between investigative staff and professional field appraisers over technical appraisal methods.

GAO auditors in our opinion improperly substituted or ignored the technical assumptions of Interior professional appraisers after the sale has occurred.

The Interior Department received $65.8 million in high bids for the tracts offered in the April 28 Powder River sale. The total minimum acceptable bids for these tracts calculated by Department appraisers equaled $55.3 million.

The primary criterion used by the Interior Department in making its final bid acceptance and rejection decisions was the minimum acceptable bids calculated by experienced field appraisers. This point has not been emphasized in either the House investigative or GAO report.

Land ownership patterns preclude development of private and State-owned coal without concurrent leasing of interspersed Federal tracts.

Long lead times are requird to develop coal mines. On again-off again leasing forces uneconomic and unsound decisions by industry and government. Local governments need time and continuity to provide the public infrastructure to accommodate growth.

As reported in an editorial in today's Wall Street Journal, it is clear that a moratorium is nothing more than an "exercise in competition reduction." It is also clear that a proposed moratorium is more than the temporary, three month issue it has been touted to be. The House Interior Appropriations subcommittee just yesterday included a further coal leasing moratorium of at least seven months (beginning no earlier than October 1, 1983) during the subcommittee markup of the fiscal year 1984 Interior Appropriation Act. I should also mention that the last temporary moratorium on Federal coal leasing, passed in 1971, lasted eleven years and cost consumers dearly by reducing competition against OPEC oil.

It appears possible this issue will be hotly debated during consideration of the fiscal year 1983 Supplemental Appropriations Act and I urge your support in defeating any proposed amendment calling for a moratorium on Federal coal leasing. If you or your staff desire any further information, please don't hesitate to contact Frank Cushing (X47262) or Gary Ellsworth (X47146).

Sincerely,

JAMES A. MCCLURE.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., June 3, 1983.

A MEMORANDUM TO ALL MEMBERS OF THE CONGRESS OF THE UNITED STATES

In the weeks ahead you will be presented with various bills and amendments which will require you to vote in support of, or in opposition to, another moratorium on the leasing of Federal coal reserves.

The Administration opposes all efforts aimed at establishing a leasing moratorium.

Any moratorium in fiscal year 1983 would impact the Fort Union lease offering in Montana and North Dakota which is directly contrary to the recommendation of the Regional Coal Team and the wishes of the States (see attached letter from Governor Olson). Additionally, there is no reason to expect that a short-term moratorium would not be extended again as it was in the past decade. We have worked very closely with the coal State Governors on coal leasing and have had their support for the coal leasing program. As pointed out by Governor Herschler (letter attached), another moratorium will adversely impact everyone's interest, including the sale or lease of State and privately owned coal which is needed to form logical mining units. A moratorium is the wrong signal to send to the American public who must anticipate, years in advance, environmental protection, investment, transportation, and employment strategies.

We strongly believe that establishing a moratorium, even for a short term, is shortsighted and unnecessary. Such action will serve to the detriment of this Nation's longrun efforts to become more energy independent, to provide jobs and economic security, and to protect the environment and American consumers. A summary of our reasons for opposition and a more detailed explanation of our conclusions are attached for your review.

Sincerely,

JIM WATT,
Secretary.

Attachments:
1. Governor Olson letter.
2. Governor Herschler letter.
3. Executive summary.
4. Impacts of a Leasing Moratorium.

STATE OF NORTH DAKOTA,
EXECUTIVE OFFICE,
Bismarck, N. Dak., May 20, 1983.

Hon. JAMES G. WATT,
Secretary of the Interior,
U.S. Department of the Interior,
Washington, D.C.

DEAR JIM: I am pleased to see that the Fort Union coal lease sales for North Dakota and Montana are still on schedule. You and I both agree on the need to make these reserves available for the future energy needs of this country.

Also, in my work with the western governor's group, I have appreciated the effort you and David Houston have made to respond to our concerns regarding the proposed changes to the regulations on coal leasing.

This cooperation and responsiveness are greatly appreciated and have enabled us to deal quickly and expeditiously with concerns that, through normal channels, might never be resolved. At the same time the coal team mechanism, as it now functions, has allowed me to express my view to the Department of the Interior through my representative on the team, who in turn has kept me apprised of the issues being discussed concerning the Fort Union leasing process. As a result, we in North Dakota have been able to make known our commitment to as well as our concerns about large scale coal development in our state.

Through these discussions we have come to understand the concerns on the federal level. That is why I support your commitment to proceed on schedule with the sale of coal leases including those in the Fort Union Region which directly affects North Dakota.

Jim, I support your stand on the leasing of coal reserves and appreciate your responsiveness to North Dakota concerns.

Kindest regards.

Sincerely,

ALLEN I. OLSON,
Governor.

WYOMING EXECUTIVE DEPARTMENT,
Cheyenne, Wyo., May 24, 1983.

Hon. SIDNEY YATES,
Chairman, House Appropriations Subcommittee on Interior, Washington, D.C.

DEAR CHAIRMAN YATES: I am writing in response to a growing movement in the U.S. House of Representatives to curtail or place a moratorium on federal coal leasing in the Western United States. I am concerned that if Congress halts the Department of Interior's coal leasing activities that the ability of Wyoming to meet a portion of this nation's coal-based energy demands may be jeopardized. We need to plan many years in advance to provide the public services necessary to accommodate coal development. Stop and start leasing does a great disservice to Wyoming and the nation.

I can partially understand your frustration in dealing with Interior officials stationed on the Potomac. I have many, if not more, of the same frustrations. However, at the state level, the coal leasing program works and actually benefits the State of Wyoming. At least we have a say in what coal tracts will be available for leasing, and we also have a say in improving the chances for developing state owned coal. The current situation is a marked improvement over previous federal coal leasing efforts. I would hate to see a program that works shelved because of alleged excesses at the Department level.

I would strongly urge your Committee to continue funding the Bureau of Land Management's coal leasing program. If your Committee identifies particular problems with Interior's pricing and fair market value determination procedures, require Interior to report back to your Committee in six months with an approach your Committee feels is satisfactory and meets the spirit and intent of the Federal Coal Leasing Amendments Act of 1976.

Curtailing the leasing program would not force Interior to improve their performance to meet your concerns. It will only result in a stop and start coal leasing program which will not benefit anyone. Further, I don't believe that legislation is necessary to secure the changes your Committee desires.

On a directly related note, it is extremely difficult to say whether or not the Department received fair market value on the bonus bids received at the April and October, 1982 Powder River Coal Sale. However, one thing is perfectly clear, the U.S. Treasury received more in bonus bids from the Powder River sale than all other previous federal coal sales combined. Additionally, bonus bids will comprise less than ten percent of the total revenues the federal government will receive from the sale and development of the lease. One other point, the rental rate and/or royalty rate could be adjusted upward at lease renewal time if it is thought that the received bonus bid is low. As mentioned earlier, you could also require Interior to modify their coal price calculations to meet your concerns.

In closing, I would hope that you carefully consider your decision on coal leasing funding. If the Department is to blame, require it to improve its performance. The federal coal leasing program works for Wyoming and for the people of the United States. Don't shoot the horse because the jockey is causing a problem.

Yours sincerely,

ED HERSCHLER.

EXECUTIVE SUMMARY: MORATORIUM ON COAL LEASING

FORMULA FOR MONOPOLY

The Federal Government controls 80 percent of the coal in the West: 60 percent through direct ownership and 20 percent through land ownership patterns.

Restrictive leasing policies for Federal coal reserves creates windfall profits for private coal owners and holders of existing Federal leases.

By leasing as a monopolist, the Federal Government can drive up prices paid by coal consumers, which will result in increased electricity rates and costs of manufactured goods.

ADVERSE CONSEQUENCES OF A MORATORIUM

A moratorium would have many unfortunate consequences, including the following:

Fewer leases would be available with the new environmental safeguards and stringent diligent development requirements contained in new leases. New leasing allows environmentally preferable coal leases to compete with older leases which did not receive the careful planning now required of coal leases. Consequently, the environmental costs would likely be increased.

Coal reserves in old leases with higher mining costs would be forced into production instead of lower cost coal potentially available in new leases.

Competition among coal suppliers would be reduced. Existing levels of industry concentration of coal ownership would be perpetuated.

Windfall profits on old leases would more likely be generated because of the reduced availability of new leases. Past speculators in old leases would reap larger gains via lease transfer or reassignment because industry would not be able to shop as competitively in the marketplace for new leases and reserves.

Federal monopoly powers would create a risk that a shortage of desirable Federal coal would drive up coal prices in the market segment served by western coal and, indirectly, the prices of electricity and manufactured goods to American consumers.

Substantial Federal leasing revenues would be lost. The coal leasing program provided $123 million in bonus revenues from January 1981 to October 1982 and $101 million in royalty revenues in FY's 1981 and 1982. These revenues are shared 50/50 with the States.

Displacement of imported fuels currently used for power plants or other heat processes would be reduced, thereby harming national economic strength by increasing imports.

America's ability to compete in foreign markets and with foreign manufacturers in American markets would be reduced because of less competitive coal prices.

Emergency leasing to meet bypass needs and to maintain existing operations could be precluded.

The potential for permanently bypassing 46 million tons of coal in the Fort Union region increases.

Issuance of preference right leases for which applications have been pending 10 or more years could be precluded.

Lease exchanges directed by Congress in areas such as the Bisti Wilderness Study Area could not be issued.

Create further risk that insufficient Federal leasing was artificially restricting coal supplies in some regions or areas. Because of the dominant coal ownership position of the Federal Government, the result would be monopoly pricing.

Promote greater use of and dependence on foreign energy supplies.

THE INTERIOR DEPARTMENT RECEIVED FAIR MARKET VALUE IN THE POWDER RIVER SALE

The House and GAO reports alleging a failure to achieve fair market value are based on disputes over technical appraisal methods.

GAO auditors are improperly substituting or ignoring the technical assumptions of Interior professional appraisers after the sale has occurred.

The Interior Department received $65.8 million in high bids for the tracts offered in the April 28 Powder River sale. The total

minimum acceptable bids for these tracts calculated by Department appraisers equaled $55.3 million.

Contrary to the House investigative and GAO reports, the primary criterion used by the Interior Department in making its final bid acceptance and rejection decisions was the minimum acceptable bids calculated by field appraisers.

NO "CONFIDENTIAL INFORMATION" WAS DISCLOSED PRIOR TO THE SALE

The Interior Inspector General recently concluded that no leak of coal tract value data occurred prior to the sale, contrary to wide previous belief. GAO could find no evidence that allegedly leaked data affected the bidding or final sale results.

Government appraisers have testified that they were under no pressure from their Washington Office or from industry or lower appraisal values.

THE IMPORTANCE OF CONTINUED LEASING

The coal States have supported all previous sales including the Powder River sale. Wyoming is supporting the Interior Department in Federal court concerning receipt of fair market value in the Powder River sale.

Land ownership patterns preclude development of private and State-owned coal without concurrent leasing of interspersed Federal tracts.

Long lead times are required to develop coal mines. On again-off again leasing forces uneconomic and unsound decisions by industry and government. Local governments need time and continuity to provide the public infrastructure to accommodate growth.

A leasing moratorium would damage consumers, jobs, environment, and the Nation's economic and strategic security.

FEDERAL COAL MANAGEMENT PROGRAM—IMPACTS OF A LEASING MORATORIUM

Various bills and amendments have recently been introduced in the Congress which would place a moratorium on the leasing of Federal coal reserves. Approval of a moratorium could have severe and long-lasting impacts on this Nation's economy, environment, and consumers.

America has abundant energy resources, especially coal, but they must be made available to the American consumers. Energy development is critical to consumer interests, national defense interests, and the advancement of international affairs. Coal development can assist in the strengthening of America through the creation of jobs and economic security, fuel for industry, and for electricity to heat and cool our homes, businesses, and schools. Coal can also contribute, through exports, to our balance of trade. The Federal Government, with sound management of its coal resources, can make a major contribution toward increasing American energy independence.

The Interior Department has responsibility for leasing Federal coal lands and has developed an environmentally sensitive and economically sound leasing program. The Federal Coal Management Program is designed to give the Nation a greater assurance of being able to meet its national energy objectives, provide a means to promote a more desirable pattern of coal development with environmental protection, assure that State and local governments participate in decisions about where and when Federal coal production will take place, and increase competition in the coal industry.

Through the Federal Coal Management Program, coal leasing and development are being done in an environmentally sensitive manner which minimizes the economic and administrative burden on both the public and the Government while assuring a fair return to the Treaury for use of the Nation's coal resources.

The existing Federal Coal Management Program was initiated in 1979, after a 10-year moratorium, and the first leases were issued in 1981. Leasing is scheduled through a systematic process which provides for land use and environmental planning, full public participation, and close consultation with local governments and State Governors. Only after 4 to 6 years of planning are any tracts offered for lease. All new leases are offered competitively, and when issued have diligent development provisions which provide that the successful bidder must be producing coal in commercial quantities by the end of 10 years or the lease (plus the bonus bid and rental income) is forfeited and the lease is returned to the Government.

A FORMULA FOR MONOPOLY

In terms of western coal resource ownership, the Federal Government is close to a monopolist. In the West, over 80 percent of the coal is controlled by the Federal Government: 60 percent through direct ownership and 20 percent because of interspersed land ownership patterns. Of the 200 billion tons of coal reserves on Federal lands only 18 billion tons have been leased to supply the American consumer. The Congressional Office of Technology Assessment estimates that as much as 4 billion tons of the currently leased coal is unlikely or unable to be produced under current standards. Of the 18 billion tons under lease, 9.7 billion tons are already committed to approved or pending mine plans.

Most people agree that the supply of federally-leased reserves is holding down western coal prices—and, of course, the recession has contributed some further downward pressure. Rather than a cause for concern, however, these developments should be regarded as a sign of success. The purpose of Federal coal leasing should be to make ample supplies of coal reserves available to promote competition in the market to ensure that consumers can choose from among alternative supply sources. This is a strategy in the national interest, which will make competitive coal prices available to utilities and other coal buyers, and eventually to the consumers of the Nation.

Many people make the serious mistake of drawing analogies between the proper behavior of private coal holders and of the Federal Government. Private coal owners naturally seek to make the greatest profit from their coal—by developing it or selling it for the highest price possible. The Federal Government could behave in this way too. But there is a word for such behavior—monopoly. The Federal Government could increase prices paid for a tract by restricting supply and driving prices up, but multiple-use management for all Americans does not mean maximizing revenue. Although presumably not intending such a result, many current critics of Interior Department coal leasing policies are coming perilously close to advocating that the Government pursue a monopoly leasing and pricing strategy.

SLOW LEASING REWARDS PAST SPECULATORS

It is particularly ironic that the recent report by the House Appropriations Committee's surveys and investigations staff complains of large speculative gains to holders of existing leases and preference right lease applications. There is no surer way to eliminate the gains of past speculation than to lease substantial new amounts of Federal coal. Efforts to limit further Federal leasing are instead almost sure to increase private speculative gains. The beneficiaries from expanded Federal coal leasing are not the coal industry; indeed, many individual members of industry who already own Federal leases will lose if further Federal leasing spurs lower coal reserve values and lower coal prices.

Many critics of Federal coal leasing contend that there is already an oversupply of Federal coal reserves available as a result of past coal leasing and suggest that existing reserves are easily sufficient to supply projected production levels well into the 1990's. Further Federal leasing under this logic is, therefore, not needed and will overload the coal markets and depress prices further. These same critics also argue that the Interior Department did not achieve fair market value on highly valuable Federal leases currently being sold under its leasing program.

These lines of criticism are clearly incompatible. If the coal market is greatly oversupplied with available reserve including Federal leases, then the fair market price of new Federal reserves will be depressed. The prices of new Federal lease reserves will also be low partly because their acquirer must develop them within 10 years—a very uncertain prospect in a market surfeited with reserves. In addition, lease transfers and reassignments are hardly likely to obtain high prices in an oversupplied and depressed market either. On the other hand, if lease transfers and reassignments are capturing high prices, and large speculative gains are being reaped, as suggested by the critics, there is no better evidence of strong demand for leases and the need to pursue further Federal leasing rapidly and aggressively.

This contradictory logic is common. The recent public discussion of the Interior coal leasing program has been pervaded by arguments that there is low demand for Federal leases but that leases are very valuable, actively sought, and the source of huge speculative gains.

COAL EXPERTS RECOMMEND MORE LEASING

In June 1979, Secretary Andrus stated in a memorandum to President Carter that "I gave my approval to a new Federal coal program that will make 1.5 to 2.0 billion tons of coal available for prompt leasing and, in the long run will clear the way for leasing up to 200 billion tons of coal." While the previous Administration was able to make little progress towards this goal (only one lease sale of 88 million tons on January 13 and 14, 1981) the current Administration has leased 2.3 billion tons, closely in line with the original Andrus target.

In addressing this target, many experts criticized the Interior Department for the lack of aggressive leasing. Speaking of the Interior leasing program, the Antitrust Division of the Justice Department in 1980 said that it "may substantially impair efficiency and increase the likelihood of noncompetitive conduct. While these problems are inherent in the leasing target approach, they could be mitigated substantially by setting the targets at two or three times the level indicated by the present procedure." In January 1981 the Antitrust Division recommended that "at least five billion tons of coal would have to be leased in the upcoming Powder River sale to guard against serious adverse efficiency and competitive consequences"—over three times the amount

leased in the 1982 Powder River sale. The Justice Department has been concerned that lack of substantial new leasing would perpetuate existing concentrations of coal reserve ownership in the West, leaving insufficient competition and denying entry opportunities for new coal producers. Past speculative purchasers of old Federal coal leases would be rewarded with windfall profits, because new coal entrants would have nowhere else to turn.

In January 1981 the Council on Wage and Price Stability thought the leasing targets were set too low to protect consumers and advised the Interior Department that the leasing system "severely limits—without adequate justification—the quantity of Federal coal that can be offered in a given sale." The result would be to create "artificial scarcities in western coal reserve markets and, thereby, raise coal prices." There were similar complaints from the Department of Energy.

In 1980 the General Accounting Office, after analyzing a proposed 1981 lease sale, concluded that "our analysis indicates that Interior's leasing target should be about three times greater than it is." A leasing moratorium would work directly contrary to all of these recommendations and decrease competition to the direct detriment of American consumers.

ADVERSE ECONOMIC AND ENVIRONMENTAL IMPACTS OF NOT LEASING

A failure to lease new Federal coal is also likely to compel the development of inferior Federal coal deposits. Most of the existing Federal leases were issued in the 1960s or earlier. Industry has been picking and choosing from this inventory for the past 15 years as it opened new mines. It stands to reason that the coal leased long ago, but still not committed to any mine after all this time, is of lesser quality. Similarly, preference right lease applications are based on prospecting permits that were issued for land outside the prime known coal areas. Thus far, more than half of the 50 preference right lease applications disposed of since 1979 were rejected or withdrawn; only 23 resulted in leases.

It is also the case that the coal leased long ago was leased with little consideration for environmental consequences—before the passage of the National Environmental Policy Act of 1969. By contrast, the current Federal Coal Management Program contains numerous provisions for environmental protection, including application of unsuitability criteria during land use planning and detailed studies of site specific environmental impacts at proposed coal mining locations. The coal mine sites that pass through the multiple environmental screens of the current program are likely to be much more environmentally acceptable than the sites of old Federal coal leases. Curtailing new leasing, however, will force development of the old Federal leases. New leasing not only makes good economic sense; it also makes good environmental sense.

THE NEED FOR A COMPETITIVE MARKET

Some advocates of a leasing moratorium seem to want a central planning procedure by which the Government examines every possible coal site in each region (Federal and non-Federal), prepares detailed analyses of the environmental and economic characteristics of each site, and then directs coal mining to the best of all the sites. While this sounds very good in theory, it would require vast budgetary and personnel resources, to say nothing of the questionable accuracy of the resulting information. Government simply is not very good at estimating matters such as the relative profitability of alternative coal mining sites. The success of the American economic system is that it leaves such calculations to the private market. That is the intended purpose of the Federal coal program as well—first screen out and remove from consideration for leasing all environmental problem sites, then offer coal for lease at the remaining environmentally acceptable sites and let the market decide which of these are most economic to develop.

Under this concept the role of the Federal Government is to make wide opportunities available. The Government should not be trying to decide the final results—that is the proper function of the market in response to economic realities.

Another reason for promoting competitive markets is to ensure that utilities seeking new coal contracts can shop among a multiplicity of potential suppliers. A utility should be able to find a number of coal suppliers to meet its needs, even when the utility may require a special location and have fairly specialized coal requirements. All this requires that substantial amounts of Federal coal be under lease. Reality here suggests that if you have contractors demanding a certain amount of coal, and substantially more than that amount is leased, the market then has competition which leads to innovative mining techniques and cost reduction.

One crude but useful measure of coal development opportunity is the level of Federal coal reserves that are already leased and are thus available for new contracting, but are not committed to any existing approved or pending mine plan. This represents the stock of Federal coal reserves still available to new market entrants to form new mines, as well as to existing mines to expand their operations. It is thus a measure of market competitiveness. Since 1978, despite the leasing of more than 2 billion tons of Federal coal that has occurred, the total amount of already leased, but still uncommitted, Federal coal reserves has declined from 7.8 to 7.7 billion tons. As shown in the table below, in some individual regions the decline in uncommitted market reserves has been much sharper. In short, markets in some regions are becoming less, not more, open to new entry. In the Green River-Hams Fork region, however, new leasing has expanded the available reserves to form new mines and made the regional market more competitive.

TABLE 1.—LEVELS OF LEASED BUT UNCOMMITTED FEDERAL COAL RESERVES

[In millions of tons]

Region	1978 Uncommitted[1] Federal reserves	1983 Uncommitted[2] Federal reserves	Change
Fort Union	(2)	333	(1)
Powder River	3,857	3,215	−642
Green River-Hams Fork	262	912	+650
Uinta-Southwestern Utah	2,638	2,839	+201
San Juan River	303	106	−197
Other regions	(1)	257	(1)
Federal total	7,782	7,663	−119

[1] The Congressional Office of Technology Assessment estimates that as much as 4 billion tons of this total is unlikely or unable to be developed.
[2] Could not be disclosed because of confidentiality requirement.

HARMFUL EFFECTS OF A MORATORIUM

A full leasing moratorium would not only bar leasing for new mine production but would also prohibit emergency leasing to avoid bypass of coal or to maintain an existing mining operation. Issuance of preference right leases would also be precluded. The issuance of a preference right lease is a matter of legal right for those who can show a sufficiently valuable deposit under applications made 10 or more years ago. In 1979 the Interior Department adopted a policy requiring completion of the processing of these applications by 1984.

A moratorium would also bar coal exchanges required by other legislation. For example, the Interior Department is under explicit Congressional direction to complete exchanges for coal leases in the Bisti Wilderness Study Area of New Mexico and to provide leases in exchange for coal rights in alluvial valleys where mining is prohibited by the Surface Mining Control and Reclamation Act of 1977.

If Federal coal is bypassed due to a leasing moratorium, there could be a permanent failure to recover Federal coal near existing mines. Because of interspersed land ownership patterns, scattered Federal coal tracts may be bypassed by existing mining operations. In 1978, the Lasson Mine in Divide County, North Dakota, bypassed 80 acres of Federal land with 587,000 tons of coal because of the Federal Government's failure to lease. In this instance, not only did American consumers permanently lose the coal, but the Treasury also lost $700,000 in foregone royalties.

In the Fort Union lease offering proposed For Fiscal Year 1983 there are several tracts containing in excess of 46 million tons of recoverable reserves which could begin being bypassed before the end of the fiscal year. Additionally, because of the interspersed land ownership patterns, much of the coal in the Fort Union region is privately owned. Private ownership of mining units ranges from 40 to nearly 90 percent. The private coal often cannot be developed without Federal leasing because it is nearly impossible to establish a logical mining unit without obtaining private, State, and Federal coal reserves.

THE INTERIOR DEPARTMENT RECEIVED FAIR MARKET VALUE IN THE POWDER RIVER SALE

Recent reports of the surveys and investigations staff of the House Appropriations Committee and of the General Accounting Office have asserted that the Interior Department did not receive fair market value for Federal coal leases sold in the Powder River Basin in a sale on April 28, 1982. However, the record shows that, in total, the Interior Department received substantially more than its professional field appraisers estimated the tracts were worth. The contrary reports are the result of modifying or ignoring the technical assumptions and economic methods of the professional field appraisers of the Interior Department.

In fact, the Appropriations Committee investigative staff reported that the original minimum acceptable bids (MABs) calculated by Interior appraisers were a "fully supportable and documented estimate of fair market value." The sum of the MABs for leases offered in the April 28 Powder River sale and then sold was $55.3 million. The high company bids accepted by the Interior Department equalled $65.8 million, exceeding the MAB estimates of Department appraisers by 19 percent. These calculations include a correction in the MAB for the spring Draw tract reported by the Department field appraisers as of May 4, 1982. This correction was discussed extensively in the

House Appropriations Subcommittee hearing of April 27, 1983. Although no mention of this correction is made in the House Appropriations Committee investigative report, the GAO report acknowledges and accepts it.

The GAO reports a subsequent correction made by Interior field professionals on the Spring Draw tract. This correction was discovered several months after the Powder River sale and after bid acceptance decisions had been completed. Using GAO's final figures, the total high bids accepted by the Interior Department equalled 95 percent of the final appraised values developed by Interior's field professionals. Attached hereto is a table on Powder River Sale Results which clearly shows the pre-sale estimates of value (frequently referred to as minimum acceptable bids or MABs), Entry Level Bids, and bids received.

The GAO statement that the Interior Department did not receive fair market value in the Powder River sale is based on GAO's respecification of Interior appraisal models. The grounds for this respecification involve technical disputes among professionals as to the most appropriate method to estimate tract value. For example, GAO asserts that no adjustment should be made for the projected size of a coal mining operation in making a comparability analysis. Interior field appraisers assert that, while such adjustments require professional judgment, they are a necessary element of a valid appraisal.

It is GAO's responsibility to raise any technical issues it finds as to appropriate ways of estimating fair market value. However, it is altogether a different matter to come in after-the-fact and second-guess the Interior professional appraisers for their calculations in a past sale. Different appraisers will always obtain somewhat different results. Appraisal problems were greatly complicated in the Powder River sale by the small amounts of private coal in the region and the absence of federal leasing during the 12 previous years.

In fact, Interior appraisers were able to find only one comparable tract. This tract, which sold for $68 million in 1980, subsequently sold for $23 million in 1982 (after the Powder River sale). Although GAO knew of this decline in the value of the comparable tract, it did not factor it into the GAO revised calculations of fair market value.

NO "CONFIDENTIAL INFORMATION" WAS DISCLOSED PRIOR TO SALE

The recent report of the Department's Inspector General concludes that, contrary to earlier belief, Interior tract value data was not leaked to industry prior to the Powder River sale. Neither the General Accounting Office nor the Inspector General were able to find any evidence that leaked data affected the bidding or the final results of the Powder River sale. The Inspector General's report was provided to both House and Senate Committees. Admittedly, the Interior Department may have erred in not launching its own formal investigation earlier. We are currently reexamining our procedures to provide tighter controls against the possibility of leaks and automatic referral of any indications of the possibility of a leak to the Inspector General.

The Interior Department also could have provided better documentation for its adoption of any entry level bidding system prior to the Powder River sale. Under the procedures adopted, the entry level bid was intended to avoid setting a minimum bid level at such a high level that the Interior Department could never discover the extent of market demand for leases. The entry level bid was not intended to represent fair market value and the high bid for the Rocky Butte tract was rejected at the April 28, 1982, sale even though it exceeded the entry level requirement.

A substantially higher number of firms expressed interest in leasing than actually bid in the Powder River sale which resulted in less bidding competition than expected. Consequently, the Department could not use the sale results for comparability analysis to the degree expected. The fallback benchmark for bid acceptance then became the MABs prepared by Department field appraisers. Both the Appropriations Committee investigative report and the GAO report failed to acknowledge that the MABs of the field appraisers provided the ultimate basis for Interior bid acceptance—rejection decisions. This was clarified for the House and Senate Committees and documentary evidence was provided to the Committees. A copy of the May 4, 1982, postsale evaluation report prepared by the field professional staff was provided as confirmation of this important fact. Recommendations for bid acceptance were made by professional appraisers on the basis that, ". . . those bids meet or exceed our pre-sale estimate of value and post-sale analysis has not altered any of those values." Using a more rigorous application of the post-sale criteria for evaluating the bids, the Minerals Management Service headquarters sustained the field appraisers recommendation for acceptance of ten bids and rejection of one, even though the rejected bid exceeded the entry level bid requirement.

In summary, the Interior Department could have improved the conduct of the Powder River sale in several respects, but the Department did receive fair market value as estimated by professional field appraisers and pursuant to established procedures. We will continue to review and improve the technical appraisal procedures and make adjustments as we gain experience from additional leasing.

THE IMPORTANCE OF CONTINUED LEASING

It is unfortunate that, because of the controversy generated by the Powder River sale, the Congress is now considering a moratorium on Federal coal leasing for 1983 and beyond. A moratorium would have many unfortunate consequences, including the following;

Fewer leases with the new environmental safeguards and stringent diligent development requirements new leases contain would be available. New leasing allows environmentally preferable coal leases to compete with older leases which did not receive the careful planning now required of coal leases. Consequently, the costs associated with environmental damage would likely be increased by a moratorium.

Coal reserves in old leases with higher mining costs would be forced into production instead of lower cost coal potentially available in new leases.

Competition among coal suppliers would be reduced. Existing levels of industry concentration of coal ownership would be perpetuated.

Windfall profits on old leases would more likely be generated because of the reduced availability of new leases. Past speculators in old leases would reap larger gains via lease reassignments because industry would not be able to shop as competitively in the marketplace for new leases and reserves.

Federal monopoly powers would create a risk that a shortage of desirable Federal coal would drive up coal prices in the market segment served by western coal and, indirectly, the prices of electricity and manufactured goods to American consumers.

Substantial Federal leasing revenues would be lost. The coal leasing program provided $123 million in bonus revenues from January 1981 to October 1982 and $101 million in royalty revenues in Fys 1981 and 1982. These revenues are shared 50/50 with the States.

Displacement of imported fuels currently used for power plants or other heat processes would be reduced, thereby harming national economic strength by increasing imports.

America's ability to compete in foreign markets, and with foreign manufacturers in American markets, would be reduced because of less competitive coal prices.

Coal leased under the Federal Coal Management Program is closely scrutinized for environmental suitability and each tract may be evaluated in there, and frequently four, Environmental Impact Statements. Additionally, we have very stringent reclamation standards which ensure that tracts can be restored after mining. There is wide public participation, including States and local governments, in leasing decisions. Past leasing actions (including the Powder River lease sale) have been taken with the agreement of affected States. The State of Wyoming has joined with the Interior Department to defend the results of the Powder River sale—including fair market value—in Federal court.

The Federal Coal Management Program should provide a stable continuing supply of coal to the market. After a 10-year moratorium during the 1970s on Federal coal leasing, the coal markets need the reassurance that a continuing supply will be forthcoming. The full Federal planning for lease sale requirtes 4 to 6 years; decisions to make coal available cannot be implemented on short notice.

The current leasing of Federal coal is to supply market demands in the 1990s. Short-term market conditions at the present time provide little if any evidence of the demand for coal in the 1990s. For all these reasons, it is urgent that the Congress not adopt a new moratorium on Federal coal leasing. It would be damaging to consumers, jobs, environment, and this Nation's economic and strategic security.

POWDER RIVER SALE RESULTS 1982

Tracts	Final MAB	Entry level bid	High bid	Net gain/loss from MAB
High Bid Accepted, Apr. 28, 1982				
Keeline	$80,950	$80,936	$1,619,000	+1.54
West Decker	1,000	1,000	20,000	+.02
Coal Creek	25,825	25,817	351,220	+.33
Cook Mountain	52,400	4,450,000	4,450,000	+4.40
Little Rawhide	12,059,090	7,208,000	7,420,000	−4.64
Spring Draw	[1] 12,791,080	25,806,690	25,901,175	+13.84
South Duck Nest	3,588,940	3,574,517	3,606,250	+.17
Colstrip A&B	40,825	40,810	41,642	
Colstrip C	22,325	22,314	22,771	
Colstrip D	56,250	56,245	57,375	
Subtotal	28,718,685	41,266,329	43,489,433	+14.77
Bid Rejected, Tract Reoffered, Oct. 15, 1982				
Rocky Butte	26,567,176	11,167,742	22,337,600	−4.23
Total	55,285,861	52,434,071	65,827,033	+10.54

POWDER RIVER SALE RESULTS 1982—Continued

Tracts	Final MAB	Entry level bid	High bid	Net gain/loss from MAB
Offered, Apr. 28, 1982				
North Decker	6,433,776	3,291,300	(2)	
Spring Creek	6,835,807	2,767,800	(2)	

[1] Corrected for stripping ratio error by field appraisers on May 4, 1982.
[2] No bids received.

Mr. WALLOP. Mr. President, I yield to the Senator from North Dakota.

Mr. BURDICK. Mr. President, I yield myself 5 minutes.

Mr. President, after considerable thought and study, I will cast my vote today against any proposal to impose a moratorium on Federal coal leasing during the remainder of this fiscal year. My colleagues should be aware that my State of North Dakota is one of two States which would be most directly affected by such a proposal. The only major Federal coal-lease sale remaining in fiscal year 1983 is the Fort Union regional coal-lease sale; the Fort Union region straddles the North Dakota-Montana border and includes tracts in both States. Despite some of the recent reports about the administration of this program, it is still highly beneficial to the Federal Government, the coal States, the industry, and the public and should not be halted so precipitously. As Governor Ed Herschler of Wyoming so succinctly put in a recent letter,

Don't shoot the horse because the jockey is causing a problem.

I have previously stated that I had planned to support a partial moratorium, but the assurances given by Secretary Watt have made a moratorium unnecessary. One of my concerns was the inclusion of bypass and emergency leasing. Other concerns involved development in the immediate vicinity of the Roosevelt National Park, the possible destruction of historic sites in North Dakota, and the environmental implications for wetlands near the Garrison Dam.

Yesterday I received a letter from Interior Secretary Watt containing concessions which have allayed my fears and concerns over this legislation. Quoting from the letter, Secretary Watt says:

First, while I have not yet selected which tracts will actually be offered for lease, I have deleted several tracts from further consideration at this time. The tracts deleted include the North Wibaux Beach, Zenith, Garrison, and Sakakawea. Additionally, I have deleted two sections of the Dunn Center tract.

The National Park Service expressed concern that air emissions from the Zenith, North Wibaux Beach, and South Wibaux Beach tracts, should they be leased and subsequently developed with local or on-site processing facilities, could adversely impact the air quality values of Theodore Roosevelt National Park. Consequently, the Zenith and North Wibaux Beach tracts will be dropped from the Fort Union I lease offering. A notice will be provided in the offering for South Wibaux Beach tract which informs potential bidders that the lessee will be required to protect the air quality values of Theodore Roosevelt National Park. This is consistent with the recommendation of the Regional Coal Team.

Similarly, I have directed BLM to delete the sections in the Dunn Center tract with the flint quarry sites eligible for listing on the National Register of Historic Places. Because of concerns voiced by the Secretary of the Air Force on potential impacts that development of the Garrison and Sakakawea tracts could have on missile silos nearby, I have temporarily withdrawn those tracts until we conclude further study jointly with the Air Force.

I also had some concern over reports that previous leases, particularly in the Powder River basin, had been entered into for less than the fair market value. The Secretary answered this assertion as follows:

Regarding our fair market value determinations for leases, please be assured that we received fair market value for Powder River Basin leases. The sum of minimum acceptable bids for leases offered in the April 28 Powder River sale and then sold was $55.3 million. The high company bids accepted by the Interior Department equalled $65.8 million, exceeding the minimum acceptable bid estimates of Department appraisers by 19 percent.

Consistent with our statutory obligation to achieve fair market value, we will continue our practice of reserving the right to reject any and all bids and I assure you that we will reject any bid which does not achieve fair market value.

A delay in coal leasing would have a particularly onerous effect on North Dakota since our mining situation is rather unique. North Dakota's coal is of the lignite variety and it is not economically feasible to pay shipping costs to a processing plant. Therefore, when a new mine is developed, a processing plant is generally constructed at the mine site. My colleagues are well aware of the time involved in getting the proper clearances and permits to construct a powerplant. In the Nokota project, for example, it took 6 years just to get approval of the air quality permit. The projected time to get the mine and plant operating is about 10 years. Although the current demand for coal is not great, we cannot afford to be shortsighted. When the demand is again an issue, we do not want to be faced with years of clearances before we can convert our North Dakota coal into energy that is needed now.

Once before, the Federal Government imposed what was said to be a temporary moratorium on leasing but which took a decade to remove. Interior Secretary Rogers C. B. Morton's informal moratorium in 1971 became a formal moratorium in 1973 and a court-ordered moratorium in 1977. We simply cannot afford to have that happen again. Not only was our coal locked up for a lengthy period of time, not only were mines opened on old tracts that were leased without the careful planning and environmental analysis required after the moratorium began, but the Federal Government lost several generations of mineral expertise which has been difficult to replace. In my own State today, the Bureau of Land Management has built an able team of people trained in mineral economics, mineral engineering, and related disciplines in the 20-person office in Dickinson.

This leasing program provides unprecedented opportunities for State involvement. My State has clearly taken advantage of those opportunities and has helped Interior officials to craft the Fort Union regional coal-lease sale to reflect State interests. As a result, I have received a telegram today from Governor Allen Olson expressing the State's position that the Fort Union sale should occur on time and that no leasing moratorium should be imposed. The Governor also shares my concern about the unusually long leadtime involved in the development of energy resources in North Dakota and the need for an orderly development due to the checkerboard mineownership between private, State, and Federal interests. I support the Governor's position and, for this reason as well, I must vote against the moratorium provision.

Mr. President, I ask unanimous consent that the letter from Secretary James Watt, dated June 8, 1983, and the telegram from Governor Allen Olson be made a part of the RECORD.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., June 8, 1983.

Hon. QUENTIN N. BURDICK,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BURDICK: In further response to our recent conversations regarding the Fort Union regional coal lease offering scheduled for this summer, there are several facts which I should bring to your attention.

First, while I have not yet selected which tracts will actually be offered for lease, I have deleted several tracts from further consideration at this time. The tracts deleted include the North Wibaux Beach, Zenith, Garrison, and Sakakawea. Additionally, I have deleted two sections of the Dunn Center tract.

The National Park Service expressed concern that air emissions from the Zenith, North Wibaux Beach, and South Wibaux Beach tracts, should they be leased and subsequently developed with local or on site processing facilities, could adversely impact the air quality values of Theodore Roosevelt National Park. Consequently, the Zenith and North Wibaux Beach tracts will be dropped from the Fort Union I lease offering. A notice will be provided in the offering for South Wibaux Beach tract which informs potential bidders that the lessee will be required to protect the air quality values of Theodore Roosevelt National Park. This

is consistent with the recommendation of the Regional Coal Team.

Similarly, I have directed BLM to delete the sections in the Dunn Center tract with the flint quarry sites eligible for listing on the National Register of Historic Places. Because of concerns voiced by the Secretary of the Air Force on potential impacts that development of the Garrison and Sakakawea tracts could have on missile silos nearby, I have temporarily withdrawn those tracts until we conclude further study jointly with the Air Force.

Regarding our fair market value determination for leases, please be assured that we received fair market value for Powder River Basin leases. The sum of minimum acceptable bids for leases offered in the April 28 Powder River sale and then sold was $55.3 million. The high company bids accepted by the Interior Department equalled $65.8 million, exceeding the minimum acceptable bid estimates of Department appraisers by 19 percent.

Consistent with our statutory obligation to achieve fair market value, we will continue our practice of reserving the right to reject any and all bids and I assure you that we will reject any bid which does not achieve fair market value.

I appreciate your continued interest in the coal leasing program and hope this clarification is helpful. If we can be of further assistance, please contact me.

Sincerely,

JIM WATT,
Secretary.

[Western Union Telegram]

JUNE 9, 1983.

Hon. QUENTIN N. BURDICK,
U.S. Senate,
Washington, D.C.

It is important to North Dakota that the Fort Union Coal Lease sales remain on schedule during 1983 and 1984. The Fort Union Regional Coal Team identified tracts for leasing which for the most part are necessary to support production maintenance for existing coal conversion facilities in the State.

As you know, because of the checker board mineral ownership pattern in North Dakota, orderly development requires the leasing of federal coal in mining areas where private and state coal has been leased and is being mined to serve North Dakota energy facilities. Unlike other western states, our lignite coal must be mined and converted at or near the mine site due to its lower BTU and higher moisture content. As a result, nearly ten years of lead time is required for the development of energy facility plans and the processing of state and federal permits.

I agreed with the Coal Team's selection and recommended their approval to Secretary Watt. The Secretary approved the Coal Team's selection including new production tracts. Secretary Watt has since deleted the Garrison and Sakakawea tract and two sections of the Dunn Center tract containing potential archaeological significance. The only major new production tract remaining in the scheduled 1983 sale is the Dunn Center tract. This tract is necessary to support the development of the proposed Nekota Coal to Methanol Plant in Dunn County. This proposed facility has received an air pollution control permit to construct and a state water appropriations permit.

Even with the leasing of federal coal in the Dunn Center tract, necessary impact mitigation strategies will be developed through federal, state, and local regulatory mechanisms prior to commencement of production.

It is my understanding that Secretary Watt is implementing procedures which will assure fair market value received at the sale. I support this action and urge you to also support the scheduled leasing of federal coal in the Fort Union Region.

ALLEN I. OLSON,
Governor of North Dakota.

Mr. HATCH. Mr. President, the proposed moritorium on coal leasing is shortsighted and not in the best interest of the State of Utah or this Nation.

Secretary Hodel, in a recent speech, expressed his opinion that the same forces who have struggled to stop nuclear energy have now decided to shift their activities to stop the efficient use of coal. Coal mining is not a start and stop operation. The proper development of a mine takes years.

The same is true of establishment of a leasing program, you just cannot stop a leasing program today and then in 6 months or a year start it up again. People vital to the leasing process will have new assignments. The present leasing operation program is a product of many years of cooperation between State and Federal officials. I repeat, it cannot be started and stopped on a whim.

Let us not tinker with our energy resources. The moritorium is not a good idea and must be abandoned.

I support my Governor and also the Governors of many of the States in this matter. In that regard I believe my Governor's excellent testimony should be read by all of my colleagues. Governor Matheson makes a very good case for our joint position. I commend his leadership in this area.

Mr. President, I ask unanimous consent to have printed in the RECORD the testimony of Gov. Scott M. Matheson before the House Committee on Insular and Interior Affairs Subcommittee on Mining, Forest Management and Bonneville Power Administration.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY OF GOV. SCOTT M. MATHESON

Mr. Chairman and members of the committee, I welcome the opportunity to speak to you today both as a Governor of a western coal producing State and as former chairman of the western coal export task force.

As you know, coal is an abundant natural resource in the West, comprising nearly 50 percent of the recoverable national coal reserves—reserves which have just begun to be tapped.

During the 1970's, the coal industry in the United States experienced an unprecedented boom with national production increasing by 38 percent from 1972 to 1982. During that same period, coal production in the Western United States increased fourfold from 52 million tons per year in 1972 to 221 million tons per year in 1982. The Utah coal industry, as a case in point, increased production from 5 million tons in 1972 to 17 million tons in 1982 for a 340-percent increase. While the growth in coal production can be attributed to many factors, the primary causes were an expansion of utility demand for western coal and rapid escalation of world oil prices. In 1972, 42 million tons or 82 percent of all western coal production was used to generate electricity. By 1982, that figure had risen to 206 million tons or 93 percent of total production.

When addressing the market prospects for western coal, one must ask whether electrical power demand will sustain this phenomenal growth pattern or whether new markets of equal importance will emerge? The answer to this question depends on several major underlying factors affecting western coal demand. Future growth in western coal production will be sensitive to world oil price stability, electricity demand, industrial growth, coal-based synthetic fuels, changes to the Clean Air Act, congressional and regulatory decisions affecting coal transportation rates and methods, nuclear power policy and export trends. These factors will determine the future of western coal both at home and abroad.

The western coal industry is currently experiencing spot layoffs and mine closings resulting primarily from the worldwide economic recession. In Utah, eight mines are closed and several others have cut production. Additionally, utility and mine stockpiles are well above optimal levels and current coal production is well below capacity.

Rising oil prices and supply instability from the Persian Gulf States have been the major driving forces behind worldwide coal development over the last decade. The world spot price of oil appears to have stabilized, at least temporarily at $29 per barrel. While lower oil prices offer consumers and industry relief from spiralling energy costs, they also make coal as a fuel source, less attractive to utility and industry users. A strong economic recovery worldwide will put upward pressure on oil prices, making coal more attractive as a fuel source.

The national annual growth rate in electricity demand was nearly 7 percent prior to 1973. Since 1973, growth in electricity generation has been less than 2.5 percent per year and in 1982, the U.S. Department of energy reported that electricity demand declined for the first time since World War II. Little increase in coal usage by utilities can be expected in 1983 unless there is a significant and sustained upturn in the economy. Long-term forecasts for electricity demand vary from 1.5 percent per year to 3.3 percent per year through 1995 with the more recent forecasts tending toward the lower figure.

Utility forecasts in the mid-1970's for electricity demand growth were overstated and highly optimistic. Revision of these forecasts to project more reasonable growth rates has led numerous utilities to delay or cancel proposed generation facilities.

Future western coal demand may, to a large extent, be influenced by utility conversions to coal. As of January 1, 1981, the western region had over 25,000 mw of oil and gas fired power capacity. While it may be reasonable to assume that much of this capacity will be phased out over the next few decades, several factors could forestall a major conversion to coal. First, the poor financial condition of electrical utilities in general makes it difficult to secure the capital necessary for conversions. Second, a national Governors' association survey concluded that proposed budget cuts in EPA funds for State air programs would result in significant permitting delays. Third, utility decisions to convert to coal will depend

upon the relative long-run cost differential between coal and alternative fuels. Finally, in most cases, rate regulation currently provides no incentive for utilities to convert to coal. It is difficult to determine the impact of these constraints on utility conversions to coal but they will most likely impede rapid coal conversions.

Another major market for western coal could prove to be the industrial sector. Industrial coal demand is comprised of steel, cement and other industrial users. While the outlook for steel in the West does not appear particularly bright over the next decade, the cement industry may become a major user of western coal. As the population continues to grow in the southern and western regions, cement production will increase to supply the expanding population with housing, buildings and other community infrastructure. Since cement production is one of the most energy intensive heavy industries, coal can be expected to capture a substantial portion of this potential market in the West. However, two factors could reduce coal demand from the cement and other industrial users. First, the financial burden on industries to secure the needed investment capital and secondly, the uncertainty surrounding the implementation of mandatory scrubbing requirements on new and coverted industrial boilers may discourage coal conversions.

Under current policies, the prospects for a significant coal-based synthetic fuels industry before 1995 are not good. Recent oil price cuts, abundant natural gas supplies, long lead times for permitting and construction, and unfavorable economics all contribute to the relative unattractiveness of a coal-based synthetic fuels industry. However, when the economics do change, western coal will have a major new market.

Probably the most difficult potential market to ascertain for western coal is the eastern utility and industrial market which can be influenced by potential changes to the Clear Air Act. Two major changes under consideration, implementation of a major sulfur dioxide reduction program to control acid rain and modification of the existing percentage reduction requirements for coal burning utilities, could substantially increase the demand for low sulfur western coal.

Legislative proposals to control acid rain are based upon reduction of total loadings of sulfur dioxide and nitrogen oxides. Projections based upon implementation of acid rain controls have shown that western coal's market share in the east could increase from 39 percent to 105 percent over the base case projection of 74 million tons per year by 1995. The 39 percent figure reflects implementation of local coal content provisions in conjunction with emissions legislation to protect the high sulfur coal fields in the East and Midwest. The bulk of the increased demand for western coal would be for high Btu low sulfur coal.

Two factors could substantially undermine the use of western coal in the East: The use of mandatory technology controls and local coal content provisions in the Clean Air Act. The use of mandatory technology controls on existing plants that are required to reduce emissions would essentially eliminate any new demand for western coal. I should add that it would be particularly unfair for the Congress to ask western utility ratepayers to finance new pollution control equipment on existing eastern and midwestern powerplants, as some Members of Congress have suggested. Implementation of local coal content provisions could substantially impact the national coal market, again lowering the demand for western low sulfur coal.

A second revision to the Clean Air Act that could increase the demand for western coal is the elimination of the percentage reduction requirement for new and existing boilers. Even elimination of percentage reduction requirements would not have a significant impact on western coal development until the late 1990's, however, because of long lead times required to bring new powerplants on line. But by the year 2000, the impacts upon western coal demand from this revision could be significant. Economic studies project an increase in western coal demand of between 33 and 113 million tons per year by the year 2000 if the current percentage reduction requirement is relaxed. Of course, the acid rain provisions and the percentage reduction requirement involve political and economic uncertainties and trade-offs. Congressional action is always hard to forecast, and in the case of the Clean Air Act, it is nearly impossible. We cannot make reliable estimates of the demand for western coal until these issues are resolved. Naturally, I urge quick action by the Congress and hope you will address these issues.

The future course of nuclear power is difficult to chart at this time due to uncertain economic, regulatory and institutional factors. It should be noted that the coal demand projections that I mentioned assume a 60 percent increase in electricity generated by nuclear power by the year 2000. A substantial increase in nuclear power over and above the given estimate would significantly retard future coal demand growth. Conversely, if the given estimate turns out to be high, coal along with other fuels would likely benefit.

When speaking of expanding or developing domestic or export markets for western coal, transportation plays a major role. Because western coal must travel significant distances to either domestic or foreign markets, transportation costs will be a determining factor in the extent of market penetration.

A recent proposal by the Interstate Commerce Commission concerning new guidelines for captive coal traffic would have a negative impact on the competitiveness of western coal in domestic markets. The captive nature of the majority of western coal operations with its lack of shipping alternatives would result in abnormally high shipping charges for domestic coal users, higher utility bills, and the delay or cancellation of conversions to coal. Therefore, it will be in the Nation's best interest to keep coal transportation costs at reasonable levels.

Coal slurry pipeline legislation, currently being debated in Congress, may offer some coal operations an alternative to captive rail transportation. Of particular interest to Utah is the recent aquatrain proposal that could ship western coal to domestic and export markets. As currently envisioned, it would utilize highly saline waters from the Upper Colorado River Basin thereby reducing the salt loading in the river. I also understand there have been some recent revisions to this proposal which will be discussed later in this hearing. While the Aquatrain proposal, and slurry pipelines generally, will not solve all of the transportation problems which affect the marketability of western coal, they clearly deserve our careful attention and may prove promising for the future competitiveness of western coal in domestic and export markets. We should also note that even if some form of coal slurry pipeline legislation were to pass this year, they would not be available as an alternative transportation mode until the late 1980's at the earliest.

Since the Western Coal Export Task Force completed its work in December 1981, the export market for western coal to the Pacific Basin has softened considerably. In 1981, the Western States exported over 5 million tons of coal to the pacific basin. In 1982, this figure dropped to about 3 million tons. 1983 will likely see another drop in Utah coal export. We expect that less than one-half million tons will be shipped this year. The Utah coal operators, who have been the major western coal exporters, have told me that there are presently no export supply agreements for fiscal year 1983-84 and that none are anticipated at this time. This drop in export tonnage has been due, in part, to the general worldwide economic recession, but mostly due to the premium price of western coal in the Pacific Basin market. Coal buyers in the Pacific Basin can purchase coal from Australia and South Africa at substantially lower prices leaving the Western United States as a marginal supplier.

Lower oil prices and stable supplies have led to a slowdown in present and projected utility and industry coal conversions in the pacific basin. Recent Pacific Basin coal demand forecasts for 1990 are considerably lower than the levels projected in the Westpo study completed in late 1981. We intend to update the Westpo demand study and will have firmer figures by the end of the summer.

The West possesses an ample supply of high Btu, low sulfur coal which could fulfill a considerable portion of the projected Pacific Basin demand. For the Western United States to realize its full potential in the coal export market, coal mining costs, transportation costs and port costs must be kept at reasonable and competitive levels. Furthermore, port capacity must be increased considerably over present levels to be able to realize the projected export tonnages.

There are several developments that could serve to retard the growth in export coal traffic from the Western United States. They are:

Further decline in world oil prices; the Interstate Commerce Commission's decision to deregulate export bound coal by rail; and potential emergence of China as a major coal supplier protectionist trade legislation.

Conversely, several potential developments would encourage increased export levels such as:

Passage of coal slurry pipeline legislation to keep overland transportation costs at reasonable and competitive levels; port legislation that would provide for deepening of potential west coast coal ports; increasing world oil prices; and free market approach to trade legislation.

Whether or not western coal will be able to make significant inroads in the Pacific Basin coal market will depend upon the economics of western coal delivered to the Pacific Basin and trade negotiations presently underway between the United States and Japan. Based upon the present outlook for western coal exports presented here today, I will formally request the United States-Japan Energy Working Group to ask Japan to commit a percentage of its coal needs to Western U.S. coal in order to lay the groundwork for eventual stable coal export levels from the Western United States to

the Pacific Basin and to help ease the trade tensions that exist between our two countries.

If the present economic conditions and uncertainties hold, the Western United States will continue to be a marginal supplier to the Pacific Basin market. Only when western coal can effectively compete on the world market will substantial tonnages be exported.

In summary, the immediate outlook for prosperity in the western coal industry is rather uncertain, but long-term prospects due in part to potential changes in the Clean Air Act, competition in transportation and an improvement in general economic conditions could lead to a considerably brighter picture. A major factor determining the expansion of western coal will be transportation costs to both domestic and foreign markets. If these costs cannot be kept at reasonable levels through either regulatory or congressional action, the bright future of western coal may never materialize.

At the same time, we should not underestimate the impact which Federal energy policies can have on coal demand. The litany of economic problems which have plagued the coal industry in the 1980's has been compounded by a steady decline in Federal interest and support for coal development. Energy expert Daniel Yergin noted in 1983 that "in the years since [1980], the bullish rhetoric and expectations have run into a rather more bearish reality. Part of this change resulted from sluggish economic growth; part from surprisingly effective energy conservation. In addition, the Reagan administration's radical shift in energy policy reduced near-term hopes for coal and expectations for the growth of coal production have diminished. . . . Given the policies of the Reagan administration, coal's future, more than ever before, will depend on coal intrinsic market attractiveness and its basic attributes."

Finally, Mr. Chairman, I would like to depart from the issue of coal marketing and coal exports briefly to discuss one coal related issue which has received a great deal of public and congressional attention during the last few weeks. As you know, there is considerable concern over the potential loss of revenue associated with some coal lease sale practices in the Powder River Basin sale. As States, we share in the proceeds from coal lease sales, and in Utah, as in most Western States, those mineral leasing proceeds are the financial basis for our efforts to mitigate the socioeconomic impacts of energy development. We have a strong interest in maximizing the public return from those sales and would support any congressional action to strengthen existing practices and insure full market value in all subsequent sales.

At the same time, I must express my opposition to a moratorium on any further coal leasing. You may not know that the coal leasing program, as currently operating, is the product of many years of discussion, negotiation and cooperation among Western Governors and the Department of the Interior. This process began as a cooperative effort between Interior Secretary Andrus and the Western Governors and we have worked diligently with this administration to maintain a strong State voice in coal leasing decisions. The coal leasing process, which revolves around joint decisionmaking authorities by Federal/State regional coal teams, has proven successful, and in my opinion, it would not be wise to bring that entire process to a halt. Unfortunately, we have had experience with leasing moratoriums before. The last "temporary" moratorium lasted ten years and we need the flexibility for additional leasing to accommodate emergency situations, to provide for specific needs of coal quality and location, and to improve the local pattern of coal development from both an environmental and economic perspective.

Again, we fully support your efforts to guarantee that the Federal Government and the States are fully compensated in coal lease sales. But I do not believe that the coal program must be halted to provide those guarantees. As you consider corrective action, I hope that you will allow the planning and environmental processes of the coal leasing program to continue and that we will be able to proceed with our next Utah coal lease sale on schedule.

Thank you.

(By request of Mr. BUMPERS, the following statement was ordered to be printed in the RECORD:)

● Mr. BINGAMAN. I support the Bumpers-Jackson coal leasing amendment which will prevent the Department of the Interior from selling Federal coal leases on public lands through September 30, 1983. The amendment would not, however, preclude leasing coal for necessary bypass or emergency situations and would not prevent the Department from continuing necessary land use planning and environmental analysis on lands proposed for future development.

Although I generally oppose an arbitrary moratorium on coal leasing, I am persuaded that this 3½ month delay in selling new leases is both justified and necessary. My concern in the Interior Department's coal leasing program has been in three major areas:

The timeliness and magnitude of Government action given the relative soft demand in the market for coal.

Providing an adequate return to the public for the release of these public resources at this time.

Recognizing the public concern and commitment to protecting environmental, cultural and scientific values.

In response to these and other concerns, the General Accounting Office (GAO) initiated an investigation into the Federal coal lease program. The report issued by the GAO recommends that further coal lease sales be halted until the Department "corrects deficiencies in its valuation, leasing, and fair market value determination procedures." I have met with officials from GAO who outlined a specific set of steps that the Department should take to correct existing problems. I support these corrective actions and would urge the Department to take them as soon as possible. Unfortunately, I have seen no indication that these steps have been taken. Therefore, while I am hesitant to support any congressional interference in the administrative actions of Federal agencies, a delay at this time seems appropirate and in the national interest.

My support for this amendment in no way lessens my commitment to developing coal as a significant part of our Nation's energy mix. The coal leasing program is an important step toward helping our country reduce its dependence on foreign fuels.

In light of the many questions raised on the Powder River sale, it is not responsible for Interior to conduct another sale until existing procedures and policies are replaced. My support or opposition to further delays by the Congress will be based on how the Department implements the GAO recommendations. These recommendations include:

A detailed analysis of the economic and geologic variables affecting the value of a Federal coal lease, including how changes in one variable affect others;

New internal procedures for conducting coal lease valuations, including criteria for comparable sales analyses—refining the technique used to develop original minimum acceptable bids for the April 1982, Powder River sale;

New guidelines for using untried or experimental bidding systems—such as entry level and intertract bidding—at regional coal lease sales, including limits on the percentage of the leasing target permitted under such experimentation;

Minimum regulator selling prices for coal leases in each Federal coal region on a cents per ton basis; and

Revised fair market value determination procedures that include specific quantitative tests, first, applicable whether or not adequate bidding competition is present, and second, placing greater reliance on prior comparable sales and recent arm's length sales in the absence of bidding competition at the actual sale.

When the Department of Interior has implemented the GAO recommendations I will be pleased to support the coal leasing program. Until that time, I must support a delay in new lease sales. Of course, as the Department of Interior conducts its evaluations of potential sites for lease sales there may be conflicts with environmental, cultural, and scientific values that must be resolved before leasing on those tracts can take place. Potential conflicts have been identified in the San Juan Basin in my home State of New Mexico.●

Mr. WALLOP. Mr. President, I reserve the remainder of my time.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. METZENBAUM. Mr. President, I ask that the Senator from Arkansas yield me 3 minutes of his time.

Mr. BUMPERS. Mr. President, I yield 3 minutes.

Mr. METZENBAUM. Mr. President, the issue on this measure not only has to do with the matter of coal leasing, it has to do with the question of integrity in Government, the question of whether people in this country can and will continue to have confidence in their Government officials. More and more people are becoming skeptical as to whether or not their Government acts in their best interests.

The issue that we have before us today and the issue that is underlying this entire matter is: Does the public have confidence that the coal leasing program is being properly managed? I think that you can say without any fear of contradiction that most people in this country do not think it is, because somehow they have come to the conclusion that $100 million less than the Government is entitled to has been paid for the coal leases that have already been entered into.

The basic question in addition to that is: Why are we leasing coal in the amount proposed by this administration? Are the procedures that are being followed in the best interests of the Government and consumers?

I think you can pretty generally agree that there is not any good, logical reason to be leasing all of this coal. There is a surplusage of coal in the country at the moment.

Second, the procedures will not bear the scrutiny of the American people and certainly have not borne the scrutiny of the General Accounting Office.

Somehow or other the Secretary of the Interior, who came into office under the aura of being in favor of the free enterprise system, is doing an awful lot to destroy that very system, because when you destroy confidence of people in their government, when people feel that their government is not getting a fair dollar value for the Government's assets, then you are hurting the system. You are hurting the way people think about their government. Whether or not you think he did right or he did not do right—and I for one believe he did very wrong—no matter what your conclusion is, certainly there can be no harm done in this delay that is called for in the proposal of the Senator from Arkansas, the Senator from Washington, myself, and some others.

There is not any logical reason under the Sun except one why the Secretary of the Interior, hellbent for election, comes to the conclusion it has got to be done.

The PRESIDING OFFICER. The Senator has used 3 minutes.

Mr. METZENBAUM. It is not right and the procedures are not fair.

Mr. BUMPERS. Mr. President, I yield 3 minutes to the Senator from Illinois (Mr. DIXON).

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DIXON. Mr. President, I am appalled, as we all should be, by the reports that the Department of the Interior, under the leadership of Secretary James Watt, is now giving away Government coal reserves at bargain basement prices.

This is not the first time, Mr. President, I have expressed concern about this problem. Only 6 weeks ago, on April 26, I introduced legislation with a similar intent; the halting of coal lease sales for 1 year and the creation of a select committee of the Senate to carefully and thoughtfully review the leasing practices of the Department. Last December 14, I joined my distinguished colleague from Arkansas, Senator BUMPERS, in voting for an amendment to cut the appropriation for the Department of Interior funds for the leasing programs within the Department.

Hindsight indicates we were on the right track, Mr. President. Last year our effort failed by only one vote. Had we gotten that one vote, we might have saved millions of dollars for our citizens—dollars that are now generously being given away.

The General Accounting Office report requested by my distinguished colleague from Montana, Senator BAUCUS, and the House Committee on Interior and Insular Affairs, indicates there may have been a $100 million windfall through coal rights granted by the Department in the Powder River basin alone. This is no less than a massive ripoff of our American taxpayers, who own this land and own this coal.

I feel strongly that we should try again to take a good look at this problem, especially since it appears the Department of the Interior is on a course of action that is neither wise policy nor good business.

I rise today, Mr. President, to urge support of this amendment. A report by the House Interior Subcommittee and other published reports indicate that something is drastically wrong with the Department's leasing policies. We have already had our Teapot Dome scandal in this country. Let us not stand idly by while another scandal slowly engulfs us. Let us act now.

We need to act quickly, Mr. President, because the Department of the Interior is planning to sell 700 million tons of coal in Montana and North Dakota next month—700 million tons of coal for which the Department's own experts agree there is no market. This amendment will prevent the wholesale giveaway of this coal.

Our Government has no business, Mr. President, in flooding our markets with coal, giving unfair advantage through questionable appraisals or sweetheart deals at the expense of our taxpayers. We simply cannot allow these practices.

This amendment, Mr. President, gives us time to review the policies of the Department, time to make sure that the taxpayers of this country are not being ripped off. It will not end coal lease planning, environmental analysis and data gathering. It will not interfere with ongoing mining operations. Necessary bypass and emergency leases would be allowed to continue as before. The amendment will not terminate the Federal coal program, as has been charged by the administration. It will simply stop the Department of the Interior from granting any new leases until this mess the Department has created can be cleaned up and sorted out.

I make these points as a Senator from a coal State, Mr. President. I would be remiss were I not to object to what the Department of the Interior is doing and, worse yet, plans to do.

I would be remiss because we have 5,600 unemployed coal miners in Illinois. I would be remiss because our coal production is down in Illinois by 3½ million tons. I cannot in good conscience, Mr. President, condone policies and practices which do grievous harm to my State. I am sure that my colleagues from other coal-producing States share my concerns.

We must, all of us, keep in mind that most of the Western coal in this country is on public lands. Most of the Eastern coal in our Nation is on privately owned land. How we handle and balance these two situations is a matter of vital national concern. A government monopoly is no less a danger to our economic well-being throughout our 50 States than a business monopoly.

We need immediate action to forestall the continuation of what is obviously a bad program. Nothing less will do.

Mr. President, a vote for this amendment is a vote for a responsible coal leasing policy.

The PRESIDING OFFICER. Who yields time?

Mr. WALLOP. I yield to the Senator from North Dakota.

Mr. ANDREWS. Mr. President, coming from one of the States in which most of these leases are located, I suggest that we address the problem of who these gigantic corporations are that are going to rip off the taxpayer. They are co-ops owned by those they serve, nonprofit organizations that are going to bid on this coal we need to have in North Dakota if we are going to keep agriculture going. We need it for energy, because it is the only way we can get energy produced here without paying through the nose to the OPEC countries.

If we heat our farm homes in the Dakotas, Nebraska, and Oklahoma with energy from coal, we do not have to pay homage to those characters in

the Middle East who are ripping off our economy generally and despoiling our economy.

That is why I support the senior Senator in this matter. It will protect our cooperative generating facilities that we need in the upper Midwest.

Mr. President, I find it hard to believe that some Members of this Senate can forget so soon how badly we need energy self-sufficiency. Two or three years ago, we were dedicated to developing alternative energy. Coal is something we have in abundance—it is ours, it is here, and it converts into that electricity which our network of rural electric cooperatives need to serve the countryside.

With new technology, Mr. President, much of that coal we are talking about in Fort Union is part of the planning for a very sizable plant to convert lignite coal to methanol. Sponsors of that project have an eager and willing buyer—yes, another rural electric co-op—which wants to use methanol as a supplemental fuel to establish peaking power for their turbines.

That new plant, carefully designed and well along in the permitting process, will produce methanol for a growing worldwide market; in fact, at full production, that plant, partially dependent on the coal this amendment would preclude from mining, would supply about 1 year's incremental growth, or 12 percent, of the expected world demand. Its production capacity will be 86,940 barrels of methanol per day.

Methanol, as most of my colleagues know, has dozens of uses—as a gasoline or diesel substitute, in autos and trucks; for grain drying, farm vehicles, home heating; in the mining, construction and railroad industries as diesel replacement; as a chemical feedstock in the petro chemical industry, and many more.

Mr. WALLOP. Mr. President, I yield 1½ minutes to the junior Senator from Wyoming, my colleague, Senator SIMPSON.

Mr. SIMPSON. I thank my good friend from Wyoming.

Mr. President, I appreciate the opportunity to share my views regarding the need to proceed with a timely and orderly method of coal leasing. I strongly feel that if this issue was being solely decided on the merits of coal leasing there would be very little debate and we would approve the current coal leasing program by a wide majority. Unfortunately, this is not the case, the coal leasing issue is overshadowed by some of those who are hammer and tong after the present Secretary of the Interior—Jim Watt. I do not want to participate in this debate from a partisan or personality viewpoint. But I do want to participate in it as an advocate—and one who is vitally interested in the wise and prudent planning and development of our Nation's natural resources.

A few short years ago, this country was reeling from the effects of our overdependence on foreign sources of energy. We were held hostage to the base desires and price controls of a few powerful individuals halfway across the world. Inflation—due to the high cost of imported energy—was running rampant with no end in sight. As in times of all crises, the country examined its then present energy policies and developed a program that would reduce our dependence of imported energy sources. A major part of this program included the leasing and development of our vast coal reserves.

I might add, this was a plan that was not developed by only one administration or by one political party, it was developed by many concerned Americans and it pointed a way out of our heavy dependence on foreign oil.

When this overall plan was developed, the Nation had just endured a painful 10-year moratorium on Federal coal leasing. Domestic and foreign markets for our coal had fallen off dramatically, since the Federal Government had not been active in wisely and carefully leasing the coal reserves. A new moratorium, however brief, could jeopardize the coal market that is only just now beginning to recover.

Many have said that a moratorium should be encouraged because the coal market is soft, and a pause in the leasing will benefit the Government because the coal market may improve—thus bringing in higher bonus bids for the coal. We cannot afford to wait that one out. Actual production of coal lags several years behind the leasing. We are in a unique and promising situation where—if we act wisely and prudently—the coal industry will prosper and assist us in becoming less dependent on foreign energy.

In the total U.S. energy picture, coal is expected to progress from the 27 percent of the energy mix in 1981, to 33 percent by the year 2000. It is predicted that demand for U.S. coal, including exports, will climb from about 850 million tons in 1981 to 1.1 billion tons in 1990 and to 1.5 billion tons by the turn of the century.

In order for the U.S. coal industry to take its place among the world's leading coal producers, the Federal Government must take positive steps to foster this growth.

The Federal Government owns one-third of all of the Nation's coal and also indirectly affects the use of at least an additional 20 percent of all of the coal in the West. Approximately 75.6 million acres of coal lands are owned and administered by the Federal Government and are located almost entirely in the West. These western Federal coal lands contain as much as 60 percent of the total western coal reserve base.

In the fiscal year 1982, 104.4 million tons of Federal coal were mined in Wyoming. This production accounted for approximately 12 percent of the total U.S. production—up from 11 percent in fiscal year 1981. Total U.S. production in fiscal year 1982 was approximately 868.7 million tons. As of September 30, 1982, there were 616 Federal coal leases in effect, of which 39 were issued in fiscal year 1982. We are now at the crossroads in the field of continued Federal leasing. Any moratorium at this time will needlessly hinder the wise and vital coal leasing programs.

If, Mr. President, the continuation of coal leasing is so important to our Nation's energy policy, why should there then be a moratorium being proposed to halt this process? Aye, there is the rub—because the issue swirls not around the merits of the coal leasing program, but around the personality of the Secretary of the Interior.

This Senate is fully aware of the studies that were recently completed by the House Interior Appropriations Subcommittee and the General Accounting Office regarding the April 1982 coal lease sale in the Powder River basin. I am certainly aware of that sale and the consequences of those studies, for that is my home State. I dare not—and would not—ignore the impact which these studies might have on the economies of those that live in Wyoming and the Nation. We in Wyoming are very concerned about the orderly development and protection of natural resources that are located within the boundaries of the State of Wyoming. The studies seem to indicate that the Federal Government may not and I emphasize may not have received all the funds it could have achieved under optimum conditions. Estimates from the studies allege that there could have been possibly $60 to $100 million more dollars received for bonus bids. Indeed this is a considerable sum—but is it a sum worth jeopardizing the entire future of the coal leasing program especially when we know that the "big buck" return to the Federal Government is from the production royalties and not bonus payments? I think not. Certain studies indicate that the Federal Government is possibly losing anywhere between $10 and $25 billion yearly through fraud and waste in the much needed social programs. But is there a movement to place a complete moratorium on these necessary and important programs? I should hope not.

The Wyoming congressional delegation is certainly not alone in this belief. Mr. President, I would quote from a letter regarding this issue received from Hon. Ed Herschler, Governor of the State of Wyoming, to Mr. SIDNEY YATES, chairman of the House

Appropriations Subcommittee on Interior.

At the State level, the coal leasing program works and actually benefits the State of Wyoming. At least we have a say in what coal tracts will be available for leasing, and we also have a say in improving the chances for developing State owned coal. The current situation is a marked improvement over previous Federal coal leasing efforts. I would hate to see a program that works shelved because of alleged excesses at the Department level.

Curtailing the leasing program would not force Interior to improve their performance to meet your concerns. It will only result in a stop-and-start coal leasing program which will not benefit anyone. Further, I do not believe that legislation is necessary to secure the changes your committee desires.

On a directly related note, it is extremely difficult to say whether or not the Department received fair market value on the bonue bids received at the April and October 1982, Powder River coal sale. However, one thing is prefectly clear, the U.S. Treasury received more in bonus bids from the Powder River sale than all other previous Federal coal sales combined. Additionally, bonus bids will comprise less than 10 percent of the total revenues the Federal Government will receive from the sale and development of the lease. One other point, the rental rate and/or royalty rate could be adjusted upward at lease renewal time if it is thought that the received bonus bid is low. As mentioned earlier, you could also require Interior to modify their coal price calculations to meet your concerns.

Mr. President, I completely and heartily concur with Governor Herschler's remarks.

The proposed moratorium would have no beneficial effects for anyone. This week I have received letters from the American Iron & Steel Institute, the Chamber of Commerce of the United States of America, Western Regional Council, National Coal Association, Edison Electric Institute, National Cattlemen's Association, National Woolgrowers Association, and others representing a wide cross section of our Nation's population, urging support in preventing a coal leasing moratorium—even a short or temporary one. I do hear these concerns and will adhere to them. These associations are concerned with a wide variety of interests, ranging from the employment of their members and the increasing cost of utility rates. Any moratorium on Federal coal leasing will only encourage the high unemployment that is already plaguing the country—and especially the State of Wyoming. Coal will increasingly play a vital role in supplying the Nation with electricity. Any moratorium that will hinder the orderly development of coal will only assure higher and higher utility rates for the U.S. consumer. Certainly a regrettable and absurd result.

Much has been and will certainly continue to be said that this is merely a temporary moratorium. Probably no word in the Federal Government vocabulary more correctly translates to the equivalent of eternity than does the word "temporary." Regardless of the outcome of this vote, the issue of a moratorium of Federal coal leasing will confront us again and again. We saw it last December when we approved the Interior appropriations bill and I am certain we will see it again when we act on the same appropriations bill later this year. The question basically boils down to this: Is there really any adequate national interest reason to establish a moratorium on coal leasing? There is not—none. I am not a spokesman for the Department of the Interior and for the procedures they used to establish the fair market value of the coal leases in the Powder River sale. I understand that they indicate that it might have been handled in a better way and that they are certainly considering new appraisal and bid methods that may be more adequate. Certainly the GAO recommendations should be considered in any future lease sales. But a moratorium would not enhance one whit Interior's effort to improve the leasing process. A moratorium will not return one last bit of coinage nor make up for any part of the possible loss of $100 million of bonus bid of the Powder River sale. It just makes no sense at all, but I am also fully aware that that caution fails at least several times a day to impress many of us the Senate membership: I earnestly urge my colleagues to clearly look at the unfortunate long-term effects that this amendment would have on the Nation and vote against it.

Mr. President, let us review the bidding for a moment. The bid bonuses on this issue were some 4¼ cents in the last bidding process. During the tenure of Secretary Andrus, the bonus bids, receipts to the United States, were one-fourth of 1 cent. So this Secretary of the Interior has brought in about 16 times more on the bonus receipt than Secretary Andrus.

And please recall that the greatest "leaser" of all time in the Secretary of the Interior ranks was Stewart Udall. He put more leases out during his short tenure as Secretary of the Interior than any other Secretary.

The big money for the Government of the United States will not come from bonuses. It will come from production, and the only way to get production is to mine coal.

So commonsense—I have heard it used in this debate—can work as long as you leave Jim Watt out of the equation, because he seems to bring up a kind of saliva test that some always flunk here.

I hope we might just concentrate on the issue of coal leasing and not on any judgment against Jim Watt, and then we might reach a logical conclusion.

If you leave out prejudice against the Secretary of the Interior, however, and look at our national interests and our national defense, it is important that we have coal leasing; and we have to proceed with that, because it takes 10 years from leasing to production.

Mr. WALLOP. I reserve the remainder of my time.

A NEEDED POSTPONEMENT IN INTERIOR'S COAL LEASE SALE PROGRAM

Mr. BAUCUS. Mr. President, I indorse the amendment offered by my colleagues, Senators BUMPERS and JACKSON. A postponement in the Department of the Interior's headlong rush to lease every ton of coal in sight, regardless of demand or fair market value, is badly needed. We need to catch our breath, carefully examine this program, and make Uncle Sam a prudent businessman instead of the fairy godmother for major coal companies.

In documents circulated by the Department of the Interior yesterday, this amendment was painted as the sure way to bring America to its knees by pulling the plug on energy production. A brief review of the facts prove that to be flat wrong.

This is not a moratorium. As a supporter of this amendment, I can assure you that I am not interested in another 10-year moratorium on coal leasing. This amendment would take us only until October of this year. That time is needed, according to the GAO, for the Department of the Interior to institute reforms before diving into another huge sale in the Fort Union region.

Energy production is insured. Everyone of us would like to see the Nation turn away from dependence on foreign energy sources. By developing western coal resources, we can do it. With more coal reserves than any other State, Montana is prepared to do its part.

But 18 billion tons of Federal coal is already under lease with only 104 million tons produced last year. This does not indicate a desperate shortage of coal for the remainder of fiscal year 1983.

Montana's Governor supports this action. Despite statements contained in a memorandum to Congress from the Department of the Interior, I was informed by Montana Gov. Ted Schwinden, today, that he supports this postponement. Because of Governor Schwinden's extensive involvement, I ask unanimous consent that his letter be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BAUCUS. In addition, I have talked with the office of Gov. Richard D. Lamm of Colorado and have been told the following:

Governor Lamm feels it is necessary for Congress to act to insure that the public receives a fair return for leases

of public coal. There have been no major coal sales in Colorado since 1981 so Colorado has not experienced the troubling low bids reported for coal sales in other States. Furthermore, Colorado has resolved a number of issues with the Department of the Interior concerning public and State involvement in coal leasing and land use planning. The State supports these aspects of the coal leasing program.

But Governor Lamm feels that serious problems remain. The Governor has repeatedly questioned the philosophy of the current administration to lease massive quantities of Federal coal resources. Colorado has not worked with the Interior on fair market value issues but feels that further steps must be taken now to substantially improve this part of the coal leasing program.

On another point, I want to emphasize that jobs are not jeopardized by the amendment. Coal mining activity now being conducted will not be stopped by this amendment. Emergency and bypass leases will be available that will allow all mining operations to continue at current production levels.

There is no demand for new production leases. The market for western coal has been extremely soft for nearly 2 years. Serious questions exist about whether or not there is any interest in the 700 million tons of coal proposed for sale in the Fort Union sale. A brief postponement in the sale offering will allow Congress time to work through the report of the GAO and consider the need for legislative changes that would allow leasing procedures to more closely reflect the actual needs of the industry.

Fair market value is the law. Regardless of the Department's managerial philosophy that flooding the market with coal works to the public's benefit, the Federal Coal Leasing Amendments of 1976 require that the Federal Government receive fair market value for leases. This program is admittedly complex. However, the GAO report of May 11, 1983, estimated that the Powder River sale brought $100 million less than GAO's estimates of fair market value.

The Department disputes GAO's findings. That is understandable. But until the differences are resolved, we should not allow another potential giveaway to occur.

I recognize that, in the long term, far more revenues will be realized by the Federal Government from the royalties on production than from the bonus bid on lease sales. Perhaps this means that the law should be changed in some fashion. However, until Congress has time to make such changes, we must be reassured by the Department that fair market value is to be received for future leases.

In sum, supporting this amendment will not curtail coal production, nor will it result in any job losses. It will allow time for reforms in our coal leasing program that will give the taxpayers fair market value for their coal. Furthermore, it will give us time to assess the logic of dumping huge amounts of Federal coal on a very soft market.

EXHIBIT 1

OFFICE OF THE GOVERNOR,
Helena, Mont., June 9, 1983.

Senator MAX BAUCUS,
U.S. Senate,
Senate Hart Office Building, Washington, D.C.

DEAR SENATOR BAUCUS: This letter is in response to your inquiry about the potential impact of a postponement on the 1983 Fort Union coal lease sale on Montana. We have repeatedly questioned the amounts of coal this administration is putting on the currently depressed coal market. With the recent release of the subcommittee's investigative report and the GAO report alleging government mismanagement, the coal leasing program is in need of congressional review. Whether the findings in these reports are real or only perceived, Congress must restore public confidence and trust in the coal leasing program.

Repeating the earlier moratorium would be a serious mistake. Delaying the 1983 coal lease sale until Congress resolves the conflicts and errors would be appropriate. I continue to believe that the coal leasing program can be corrected without bringing the entire system to a halt and without disrupting existing mining operations. Bypass, emergency and maintenance leasing should continue and funding for the planning process, including Regional Coal Team deliberations, should be appropriated. Postponing the planned 1983 Fort Union coal lease would not, in my opinion, jeopardize the coal leasing program. On the contrary, it would allow Congress to exercise its oversight role over guaranteeing the government transfer of public resources to private ownership in a fair and equitable manner.

Sincerely,

TED SCHWINDEN,
Governor.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the names of the following Senators be added as cosponsors of the amendment: Mr. METZENBAUM, Mr. DIXON, Mr. BAUCUS, and Mr. SARBANES.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that this amendment be put aside until tomorrow.

Mr. BUMPERS. Mr. President, we have an agreement to vote on this on Tuesday.

Mr. STEVENS. I renew my request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WALLOP. Mr. President, I earlier asked unanimous consent to have printed in the RECORD a number of items concerning this proposal to impose a coal leasing moratorium. These items include a series of letters in opposition, some editorials in opposition, an article in opposition written by Cecil Andrus, who was Secretary of the Interior under the Carter administration; a "Dear Colleague" letter from Senator MCCLURE and miscellaneous other information from the Department of the Interior.

Mr. President, I yield back whatever time I have remaining.

The PRESIDING OFFICER. All time has been yielded back.

Under the previous order, the amendment will be set aside until tomorrow.

Mr. STEVENS. Mr. President, we are awaiting a Senator to offer another amendment, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WALLOP. Mr. President, will the Senator withhold that?

Does the Senator from Arkansas wish to ask for the yeas and nays?

The PRESIDING OFFICER. A quorum call is in progress.

Mr. WALLOP. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WALLOP. Does the Senator want to ask for the yeas and nays?

Mr. BUMPERS. Mr. President, I ask for the yeas and nays on the preceding amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WALLOP. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, we have a minor technicality involved in the Bumpers amendment, if I may have the attention of the Senator from Arkansas for a moment.

The Bumpers amendment was put over until tomorrow. The yeas and nays were ordered today. Technically, that would produce a vote tomorrow, but we also have an order that no votes will occur tomorrow and they will be stacked until Tuesday.

Mr. President, I ask unanimous consent that notwithstanding that the yeas and nays were ordered today, they be considered as having been ordered as of the time for the consideration of the bill, resuming consideration of the amendment, tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, is it in order to orally enter a notice of reconsideration?

The PRESIDING OFFICER. The Senator may enter a motion to reconsider orally without objection.

Mr. STEVENS. It is entering a notice of reconsideration is it not?

Mr. STENNIS. Mr. President, if the Senator will yield, what is the inquiry, please?

Mr. STEVENS. What was the ruling of the Chair?

Mr. STENNIS. Mr. President, are we in actual session without a quorum in progress? If so, I wish to ask whoever has the floor to restate what his inquiry is.

Mr. STEVENS. Mr. President, I did make an inquiry, I say to the Senator from Mississippi, as to what was the proper form to enter a notice that I intended to reconsider the previous vote.

The PRESIDING OFFICER. The Senator may orally state that he is entering a motion to reconsider a particular vote.

Mr. STEVENS. That may be done orally?

The PRESIDING OFFICER. The Senator is correct.

Mr. STEVENS. Mr. President, I wish to give notice that I enter a motion to reconsider votes No. 127 and No. 128.

The PRESIDING OFFICER. The motions have been entered.

Mr. STENNIS. What was the motion related to? The Senator gave the number as I heard it but did not identify it otherwise.

Mr. STEVENS. Those honorarium votes, Senator JACKSON's amendments previously voted today.

Mr. STENNIS. How many?

Mr. STEVENS. Two.

Mr. STENNIS. The first two, the last two, which?

Mr. STEVENS. The first two.

Mr. STENNIS. Does the record show the number?

Mr. STEVENS. Yes, it does. I just stated the numbers.

Mr. STENNIS. All right. That is all, Mr. President.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. TRIBLE). Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask that the committee amendment be temporarily laid aside in order that the Senator from Kansas (Mr. DOLE) may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. I am not asking unanimous consent. It is merely a request from the managers of the bill.

The PRESIDING OFFICER. The Senator is correct.

AMENDMENT NO. 1336

Mr. DOLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Kansas (Mr. DOLE) proposes an amendment numbered 1336:

Page 12, after line 15, insert the following new item:

GENERAL PROVISIONS

Notwithstanding any other provision of law, the Administrative Office of the United States Courts, or any other agency or instrumentality of the United State, is prohibited from restricting solely to staff of the Clerks of United States Bankruptcy Courts the issuance of notices to creditors and other interested parties. The Administrative Office shall permit and encourage the preparation and mailing of such notices to be performed by or at the expense of the debtors, trustees or such other interested parties as the Court may direct and approve. The Adminstrator of the United States Courts shall make appropriate provisions for the use of and accounting for any postage required pursuant to such directives.

Mr. DOLE. Mr President, let me say, first of all, there are no funds involved in this amendment. All the amendment does is simply nullify an arbitrary ruling by the Administrative Office of U.S. Courts which would put a major Kansas City employer out of business.

For many years, bankruptcy court clerks in many districts have utilized private companies to aid in mailing out notices of bankruptcy proceedings to creditors. One such company located in Kansas City (Electronic Processing, Inc., owned by Claude Rice and Jay Breidenthall) handles this business for over 100 clerks' offices in the largest municipalities in the country.

Recently, the Administrative Office of U.S. Courts, Bankruptcy Division, without any notice to any of us on the Judiciary Committee, and to this Senator, chairman of the Courts Subcommittee, arbitrarily issued a directive which would terminate all contracts with private employers on June 30. The company most directly affected is the Kansas City company.

Mr. President, this amendment would prohibit the Administrative Office from restricting the authority of the individual clerks' offices to enter into contracts with private sector employers for the distribution of bankruptcy notices.

There is a problem with regard to the administration of the Nation's bankruptcy courts caused by the rising number of bankruptcies. Business failures in the first 4 months of this year rose 40 percent above the same period in 1982, which was a record year, in itself.

There are ways to ease the administrative burdens on the courts. One method used by trustees is the employment of expert, private contractors who serve notices of bankruptcies and provide other information to creditors. Most of the cost of these services have been borne by the estates at no cost to the courts.

On June 2, 1983, without explanation, the Administrative Office of the United States Courts informed all clerks that they are no longer to allow private contractors, retained by debtors and trustees, to use the courts' Government postage privileges to mail information to creditors.

For years, the clerks would allow these contractors to use Government postage privileges only for the materials developed for and mailed in behalf of the court. Were the clerks to undertake the substantial clerical and administrative services performed by the contractors, the taxpayers would pay. Because trustees retain the contractors, their services are paid from funds in respective bankruptcy estates.

My amendment prohibits the Administrative Office from restricting the issuance of bankruptcy notices and other materials to creditors and other interested parties to court employees.

Mr. President, it is my understanding that this amendment, because it involves no funds, is not controversial, and I hope the amendment will be agreed to. It is also my understanding that the amendment has been cleared.

Mr. STENNIS. Yes, Mr. President, we approve the amendment. I do not hear any objection on this side.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Kansas.

The amendment (No. 1336) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1337

(Purpose: To amend section 203(h) of the National Housing Act)

Mr. HATFIELD. Mr. President, on behalf of Senator GARN, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oregon (Mr. HATFIELD), on behalf of Mr. GARN, proposes amendment numbered 1337.

Mr. HATFIELD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 48, between lines 4 and 5, insert the following:

SECTION 203(h) LIMIT

Section 203(h) of the National Housing Act is amended by striking out "$14,400" and inserting in lieu thereof "the applicable maximum dollar limit under subsection (b)".

Mr. HATFIELD. Mr. President, I offer this amendment on behalf of Senator GARN who has been called away from the Chamber.

Section 203(h) of the National Act provides emergency authority to the Secretary of HUD to insure replacement single family residences or residences destroyed in natural disasters up to 100 percent of the assessed value of the property, but not to exceed $14,400.

It is very obvious, Mr. President, that this particular cap of $14,400, which was established in 1969, has created little use of this clause or this provision of the law.

So, the amendment would merely lift that cap to $67,500, which is the same cap that is in section 203(b), or the basic single family residential insurance program of the existing act. In other words, it is making it similar to the cap in the other part of the act.

This would be for those who have suffered disasters in any part of the country—Mississippi, Utah, wherever there has been such a disaster. It is really a technical amendment in the sense it is merely changing the cap to make it more of a practical help that could be rendered to those people who have suffered the destruction of their homes because of natural disasters.

The ranking minority member of the Banking Committee, Senator PROXMIRE, has indicated through a message that he does not support this amendment, but he is not going to oppose the amendment. He is not opposed to it on the equity factor or the fairness of it, but he believes that the authorizing committee should handle this; that it is legislating on appropriation and so forth. I think I have stated his position clearly. But, as I say, he is not going to oppose it.

Senator GARN, of course, is chairman of that committee on which Senator PROXMIRE sits as the ranking minority member. Senator GARN's view is that with the disasters that are upon us there is this kind of thing that exists in many parts of the country today where people cannot avail themselves of this assistance. Therefore, the emergency character of this requires it to be acted upon here in the supplemental bill. So I present this on his behalf for those reasons.

INSURANCE FOR FLOOD VICTIMS

Mr. RIEGLE. Mr. President, I am aware that this amendment is urgently needed to meet the needs of families affected by the flooding in Utah and I strongly support the Senator's effort to respond to this real human tragedy and this real human need.

This matter falls under the jurisdiction of the Banking Committee and would ordinarily be included in authorizing legislation—the housing bill reported from the Banking Committee is pending on the legislative calendar.

The housing bill has been under some cloud recently with some saying that the bill might not even come to the Senate floor, which would be the second year in a row in which Congress has not enacted a housing bill. It is very important that S. 1338 be brought to the Senate floor and to reach agreement with the House as soon as possible.

Title VII of the Housing Act of 1983 includes a mortgage default assistance program that is as important to people in Michigan in Pennsylvania and other States as this provision is to the people of Utah. While I want to respond in this way to the people of Utah I hope the chairman will recognize the needs of our States when the housing bill does come to the floor.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. HATFIELD. I am happy to yield.

Mr. STENNIS. Mr. President, in the last 10 days, I spent several days in my home State going back and forth from various areas that have been flooded because of extraordinary rainfall and overflows. This is a very timely amendment. You might say it is a necessary amendment in view of the high prices and high cost of rebuilding and repair and so forth.

So when I heard about the amendment, I looked it up and I heartily approve of it from a practical and necessary standpoint. I hope it can be adopted. I do not know of anyone that is opposed to it.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment offered by the Senator from Oregon.

The amendment (No. 1337) was agreed to.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, this ought to be a propitious time because it is near the dinner hour and Members have things to do, but it seems to me we ought to be here doing what needs to be done, and that is pass the supplemental appropriations bill.

I do not see many Senators on the floor. I see the distinguished President pro tempore, and on the Democratic side I see the Senator from Kentucky (Mr. HUDDLESTON) and the Senator from Arkansas (Mr. BUMPERS), but powerful few others are here.

Mr. President, if we are going to finish this bill and stay late tonight to assist in doing it, we really need to have Senators come over here and offer their amendments. We are going to go at least until 10 o'clock tonight. The manager of the bill has reassured me that that is what he wants to do and I have told him I will ask the Senate to stay as long as he thinks we can make progress on this measure. The managers on both sides are anxious to get as far along as possible.

Mr. President, if we do not get somebody over here pretty soon to offer amendments, the first step to take, I suppose, would be to have a live quorum to try to discuss this matter in a reasonable way with out colleagues. The second thing to do after that, if we still do not get amendments, is to try to arrange for third reading. Now, that is harsh, but I do not know anything else to do.

It is often said that the Senate cannot be pushed to do anything it does not want to do. But, on the other hand, Senators have been on notice for days that we were going to be in late tonight, that we were going to work on this bill, that we were going to be in tomorrow, and that we hoped to get to third reading tomorrow.

Mr. President, I urge Senators who have amendments—and, by the way, there are more than 40 amendments that were given to the leadership that Senators intend to offer and we barely made a dent in that.

If Senators have amendments they want to offer, I urge them to come to the floor as soon as possible and, in the meantime, on our side at least, to call the cloakroom and let us know they are coming, because if we do not get some action pretty soon, I think it will be necessary to try to compel the attendance of Members.

Mr. WEICKER. Will the Senator yield?

Mr. PERCY. Will the Senator yield?

Mr. BAKER. Yes, I yield first to the Senator from Connecticut.

Mr. WEICKER. Mr. President, I intend to be relieving the distinguished Senator from Oregon at his chair in this matter. When I take over that chair, I intend to raise the section on Labor-HHS, with all the education amendments, science amendments, health amendments, and everything else. If no one is here, I am going to go ahead and pass them as noncontroversial amendments. So anybody that has any problem with that section—it is the biggest section with the exception of defense on the bill—he better get on the floor, because in 1 hour's time I intend to be done with my section of this bill.

Mr. BAKER. Yes, I yield now to the Senator from Illinois.

Mr. PERCY. Mr. President, I agree with the majority leader that we ought to get these amendments up. I have about six or seven amendments. I would be prepared to take them up right now. One of them would deal with the subcommittee of the distinguished Senator from Connecticut. I think he would consider accepting the amendment. I would be prepared to go ahead and finish up all of my amendments.

Mr. LEAHY. Will the majority leader yield?

Mr. BAKER. Yes.

Mr. LEAHY. Mr. President, I have an amendment here that I would be happy to also bring up right now and enter into a time agreement of a relatively short time of 40 minutes or so.

Mr. BAKER. Mr. President, that is good progress. I recommend that the manager of the bill arrange with the Senator from Vermont to go forward with his amendment.

Mr. WEICKER. Mr. President, I will first recognize the Senator from Illinois for what apparently is a noncontroversial amendment and then we can go immediately to the Senator from Vermont.

AMENDMENT NO. 1338

(Purpose: To assure that certain funds relating to employment and training assistance remain available until September 30, 1984)

Mr. PERCY. Mr. President, on behalf of myself and Senator DIXON, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois (Mr. PERCY), for himself and Mr. DIXON, proposes amendment No. 1338.

Mr. PERCY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 67, between lines 10 and 11, insert the following:

EMPLOYMENT AND TRAINING ASSISTANCE

Funds appropriated under the heading Employment and Training Assistance in Public Law 97-257 shall remain available for obligation until September 30, 1984.

Mr. PERCY. Mr. President, this amendment is straightforward and simple and I hope the manager of the bill will find it acceptable. The amendment simply carries over into 1984 a $4 million appropriation—previously approved by the Congress—for repair and renovation money for the Joliet Job Corps Center in Joliet, Ill. Unfortunately, we cannot get the bids, contracts, and work begun before September 30, 1983, and without this amendment, the appropriation will lapse.

The Job Corps Center in Joliet was opened on July 1, 1979, and in November 1981, was substantially destroyed by fire. As a result, the center can serve only 150 of the 400 people originally intended. Since enrollees are not only from Illinois, but from the surrounding States as well, the reduced capacity of the Joliet center has affected the region adversely at a time of high unemployment.

The Jobs Corps is currently conducting a search for a new site in the Joliet area. I understand they are close to making a site decision and all this amendment does is to assure that the funds for renovation, previously appropriated and approved, will be available when they are needed.

My distinguished colleague and friend, Congressman GEORGE O'BRIEN, has been very active in the House on behalf of this project. It is important to him and it is vitally important to the greater Joliet area.

Mr. WEICKER. Mr. President, this amendment does not add any funds to the bill. It merely provides another year for the Labor Department to obligate $4 million appropriated last September in the 1982 Supplemental Appropriations Act for construction of facilities in the Joliet, Ill., Job Corps Center. These funds were appropriated to replace facilities destroyed by fire in the Joliet Job Corps Center. It appears the Labor Department needs more time to complete contractual arrangements.

I very much appreciate my distinguished colleague, the Senator from Illinois, Senator PERCY, bringing this to the attention of the committee.

I also discussed the matter personally with Congressman O'BRIEN. I urge adoption of the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1338) was agreed to.

Mr. PERCY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PERCY. Could I ask the floor manager of the bill when would be an appropriate time for me to take up five or six other amendments, one of which deals with a subcommittee headed by Senator KASTEN? The other amendments I do not believe are controversial.

Mr. WEICKER. If the Senator from Illinois would just stay on the floor while the Senator from Vermont is offering his amendment, I can meet with the Senator from Illinois and get right to his business.

Mr. PERCY. I thank the Senator.

Mr. WEICKER. I yield to the Senator from Vermont.

AMENDMENT NO. 1339

Mr. LEAHY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Vermont (Mr. LEAHY), for himself, Mr. STAFFORD, Mr. BOREN, Mr. PRESSLER, Mr. PRYOR, Mr. HUMPHREY, Mr. MELCHER, and Mr. BURDICK, proposes an amendment numbered 1339.

Mr. LEAHY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Delete pages 40, 41, 42 and insert the following:

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For an additional amount for "Payment to the Foreign Service Retirement and Disability Fund", $1,134,000.

ECONOMIC SUPPORT FUND

For an additional amount for the "Economic Support Fund", $300,500,000, to remain available until March 31, 1984: *Provided*, That of this amount $150,000,000 shall be available only for assistance to Lebanon.

OVERSEAS PRIVATE INVESTMENT CORPORATION

The Overseas Private Investment Corporation is authorized to make such expenditures within the limits of funds available to it and in accordance with law (including not to exceed $30,000 for official reception and representation expenses), and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act (31 U.S.C. 9104), as may be necessary in carrying out the program set forth in the budget for fiscal year 1983.

During fiscal year 1983 and within the resources and authority available, gross obligations for the amount of direct loans from the Direct Investment Fund shall not exceed $15,000,000.

During the fiscal year 1983, total commitments to guarantee loans shall not exceed $120,000,000 of contingent liability for loan principal.

MILITARY ASSISTANCE FUNDS APPROPRIATED TO THE PRESIDENT

MILITARY ASSISTANCE PROGRAM

For an additional amount for "Military Assistance", $41,000,000.

FOREIGN MILITARY SALES CREDIT

During fiscal year 1983, for an additional amount for "Foreign Military Credit Sales," for commitments to guarantee loans, $158,000,000 of contingent liability for loan principal: *Provided*, That of this sum $100,000,000 shall be available only for assistance to Lebanon.

INTERNATIONAL MILITARY EDUCATION AND TRAINING

For an additional amount for "International military education and training", $1,000,000.

Mr. LEAHY. Mr. President, I can explain this amendment very quickly. It is an amendment to cut $376 million from the foreign aid section of the supplemental appropriations bill. It is a matter that has bipartisan support. I will shortly give the names of the cosponsors of the amendment. In fact, I should note, Mr. President, the amendment is offered for myself and Senators STAFFORD, BOREN, PRESSLER, PRYOR, HUMPHREY, and MELCHER.

Mr. President, I have read reports that the President of the United States is deeply concerned about the supplemental bill because it is $650 million over budget. Like all other Americans, I share his concern. I share his concern about maintaining budget discipline. Thus, I offer today, along with my good friends on both sides of the aisle, an amendment to meet the President more than halfway in his budget goal. We all want to bring that budget down and bring it down to the area that he is aiming for. Thus our amendment to cut $376 million from the foreign aid section.

I say as a longtime supporter of foreign aid that I feel if you cannot vote against some of your own favorite programs, then you cannot talk about budget discipline. So I am perfectly willing to vote against some of the programs I have liked, as well as some of those I do not like, to be able to bring this fiscal house into order.

We have just come from a long debate on the budget. Our conferees are still wrestling with the hard choices. I have seen their pictures in the paper. It is obvious from looking at them how hard they are working. They are grim, determined, in shirtsleeves, with the cares and woes of running this country showing on their faces, Mr. President.

How do we bring down a $200 billion deficit? Two hundred billion dollars.

We see this number so often it has kind of lost its impact. But back in Vermont, at least, $200 billion is still a good amount of money. It was even back when $200 billion was worth $200 billion. It is still a lot of money. But no amount of money is going to make a $200 billion deficit disappear; only some hard and difficult votes are going to do that.

The Budget Director, Mr. Stockman, has said "If we do not change our current policy, we will have $200 billion deficits as far as the eye can see."

Many of us on both sides of the aisle have made hard budget choices over the past 2 years. We have cut back on domestic spending, we have tightened programs, we have reduced benefits, we have restrained ourselves from the congressional reflex of providing more money for even more programs. Why, we have even gone to the difficult task of voting against a pay raise.

All of us have seen our favorite projects, wherever they might fall in that particular category, and programs conform to this budget discipline. Frankly, in some cases, in all seriousness, Mr. President, that has resulted in better programs.

I wish I could say the same about our foreign assistance program. Although the Congress responded with fiscal restraint last year, the State Department has come back in the supplemental and simply asked for what they did not get 6 months ago.

Both the Republican and Democratic conferees were concerned this would happen. Let me read what they said in the conference report on the continuing resolution:

> A number of accounts within the foreign assistance program, both military and economic, are well below the administration's request. During these times of constraint on the domestic budget, high deficits, and budgetary limitations, the conferees cannot . . . recommend higher levels . . . any supplemental request must be in response to serious emergency needs. A simple rerequesting of those items which the conferees have not provided . . . will not be considered genuine needs resulting from foreign policy problems.

I agree with this concern.

A supplemental appropriations is a special appropriations measure. It is to provide additional funds in the middle of a fiscal year for emergency situations, unforeseen events. We passed our foreign aid appropriations measure in December. I remember it well. We will do the fiscal year 1984 bill in a very few short months. Yet, we received this supplemental request 1 month after the fiscal year 1983 passed.

Was it a fast-breaking emergency situation all over the world between December and January that we had not anticipated, that we had not provided for? Or is it possible that the State Department is taking us for a little bit of a ride on this request?

I can think of at least one emergency: Lebanon. I support that request. It has been authorized by the Foreign Relations Committee. The distinguished chairman is on the floor here now. That has been authorized. I do not think anybody disagrees with that. That should pass.

But over $80 million of the rest of this request for other programs in other countries has not even been authorized. We are appropriating and it has not even been authorized.

Moreover, this supplemental is not justified, especially in light of the $200 billion deficit.

How are we ever going to bring these deficit numbers down if we give every agency every penny they ever ask for?

The budget discipline that we applied to domestic programs should also apply to foreign aid. If we are going to cut our programs here at home, let us cut our programs abroad at the same time. You cannot have it both ways. We cannot say we do not have any money to take care of our problems at home but we have money to take care of the problems of every other country in the world.

Budget discipline, as I said, that we applied to domestic programs should also apply to foreign aid, especially to this attempt by the State Department to get more money this year above and beyond what we provided them just 6 months ago.

The bill before us today provides almost $900 million more in foreign aid for the current year. This is broken down among three accounts: Economic support fund, military assistance program, and the foreign military loan guarantee programs. Aside from a small request for an agriculture program in Belize, the bill includes no additional bilateral development assistance.

The amendment I have introduced on my behalf and on behalf of my distinguished colleagues would trim these figures down in size. While we are not trying to wipe out the supplemental funds, we do want to make some contributions to getting the supplemental under the President's budget goals and to get the overall deficit down. We are not going to get the deficit down by spending more; we will get the deficit down by spending less. It is axiomatic.

Our amendment would cut $375 million from foreign aid. We would keep the provision for Lebanon, but there would be no additional earmarks by country. We agree that the administration does need some flexibility in meeting foreign policy needs, and thus we allow room for discretion by the President and the Secretary of State.

Mr. President, we feel that this is a sensible amendment, a budget-conscious amendment. We are trying to hold the line on spending.

We are trying to do what the President is asking us to do. We are trying to give bipartisan support to the White House. We are going against the grain and aganst the tendency we all have to provide more and more for Government programs. But, especially on this supplemental bill, it is time to call a halt to this unthinking spend-

ing, to aim for a moderate alternative that will help us meet the President's budget limits and help us all lower our overwhelming budget deficit.

Mr. ZORINSKY. Mr. President, I rise in support of the amendment by the Senator from Vermont (Mr. LEAHY). Year after year, we continue to pour ever-increasing amounts of money down the bottomless pit of the foreign aid program. Somewhere along the line we have got to stop.

Two years ago the Reagan administration came to town with a mandate to cut Government spending. I agreed with at least that part of the mandate. Yet if Congress today approves this supplemental appropriation, total foreign aid expenditures will have increased 36 percent in just those 2 years. While almost every category of Government spending has been reduced, while businesses and banks go broke, while farmers have their farms sold out from under them, foreign aid continues its never-ending spiral upward. Where will we stop?

Mr. President, last year in the continuing resolution, Congress reduced the administration's request for foreign aid and indicated clearly that only emergencies would be considered for supplemental appropriations this year. Despite that, this bill restores security assistance funding to the level of the administration request—and the only emergency is the request for $251 million for Lebanon. Some may argue that Zaire is an emergency—to which I would reply: It is a permanent emergency brought about by the flagrant, continuous, and unabashed corruption of the regime there. The Congress should be embarrassed to throw away $7 million of the taxpayers' money on economic support for the unsupportable Government of Zaire.

Mr. President, I also share the concern of Senator LEAHY over the balance in this bill between military and development assistance. Passage of this bill will mean that military assistance has increased 79 percent since fiscal year 1981, while development assistance increased only 6 percent. The problems in most of the world today are not military problems. They are problems of poverty, disease, hunger, unemployment. And these problems are not susceptible to military solutions. Unless we address these problems, suffering and instability in much of the world will continue, waves of immigrants to this country will continue, and the absence of adequate markets for U.S. goods abroad will continue.

Mr. President, with considerable regularity, I have opposed foreign aid programs, not because I am against helping the less fortunate of the world but because this promise of help is rarely fulfilled, while the taxpayers' dollars are scattered to the four winds, ultimately ending up in the coffers of some tyrant or dictatorial regime. All in all, it tends to be a pretty unsavory business, one which eventually comes back to haunt us and damage our interests around the world. Despite such conditions, U.S. assistance continues year after year, decade after decade, ever upward. The amendment of Senator LEAHY is a very modest step back from extravagance and waste, and a modest step toward fiscal restraint and sound policy which our constituents support. I commend him for this proposal, and urge my colleagues to support it.

● Mr. PRYOR. Mr. President, I compliment the Senator from Vermont and am proud to join him as a cosponsor of this amendment.

Last month I offered an amendment to the budget resolution recommending a $900 million cut in the international affairs function, to come from our military assistance programs. These include:

Military assistance program, grants which allow foreign governments to buy U.S. equipment;

Foreign military sales credits, forgiven loans and loan guarantees which allow foreign governments to buy U.S. military equipment and training; and

Economic support fund, grants and loans to our allies to free up their own budgets for military expenditures.

Although my amendment was defeated, many Senators indicated that they, too, were concerned with our emphasis on military, rather than economic, assistance and with the total dollar amounts we are sending abroad for military purposes. Many Senators told me at that time that they felt that my cut was a bit too drastic and that they would prefer to approach this issue on an authorization or appropriations bill.

Senator LEAHY's amendment today gives them that opportunity.

This amendment is a modest and reasonable one:

It cuts funding only from military programs, not developmental assistance, which directly addresses the serious economic needs of the developing nations.

The cuts are small, a total of only $376 million. This cut would still permit an increase in this supplemental of $300 million in the military assistance program, $41 million in foreign military sales credits, and $158 million in the economic support fund.

These cuts fit into executive and congressional concern over budget totals. The President has indicated that he might well veto a supplemental which exceeds his request, and this amendment subtracts from the bill's total.

Last year the conferees on the continuing resolution strongly recommended that in view of our large budget deficits we resist any supplemental foreign assistance requests except in the case of an emergency. Today our budget deficit looms even larger, and the administration has not made the case for any emergency assistance.

Mr. President, I also support this amendment on philosophical grounds.

Traditionally, the ratio of our economic assistance to security assistance has been about 50:50. At the end of 1981 that ratio had shifted to 57 percent to 43 percent. If this supplemental is approved as reported, it will mark an increase in security assistance since 1981 of 64 percent, with virtually no increase in development assistance.

Senators should keep these figures in mind as we watch the development of events in Central America. We appear to be embarking on a lengthy and expensive program of military assistance to El Salvador, Honduras and perhaps other nations in the region—a program which may well be necessary but which might have been avoided if we had had the foresight to strengthen the economic base in those countries and avoid the unrest that results from poverty and lack of economic opportunity. These conditions are the breeding ground for communism, and I, for one, am seriously concerned about Communist influence so close to our borders.

I might add that if we had not been so generous with our military support of the Somoza regime, the Sandinista Government might never have come into being. For this reason I think we need to be more selective in the governments we choose to support with U.S. arms.

In my mind, this amendment also takes a small step toward combating the arms merchant mentality of the shapers of this Nation's foreign policy.

In the decade from 1965 to 1975, we saw a quadrupling of worldwide arms sales. Since that time, arms sales have increased geometrically and, in all likelihood, will continue to do so. Arms sales and gifts worldwide (official and unofficial) may amount to $200 billion, about the same as transfers of food.

Most of the increase in arms sales and gifts have gone to Third World countries, whose arms purchases are increasing by 25 percent each year. And I am talking about sophisticated arms, not just cast-off tanks and rifles. Unfortunately, it is these Third World nations which have the most unstable governments and are most likely actually to use those weapons—either against their own people or against their neighbors.

What is our Government's role in this rapid world armament process? We supply about 45 percent of all arms to the Third World—far more than the Soviet Union. In 1981–82 we sent an all-time high of $21.5 billion worth of arms overseas.

These arms transfers harm our own security by disseminating sensitive technology to foreign governments, by diverting skilled technicians from our own Armed Forces, and by risking the eventual use of our own arms against us in the future.

Moreover, too much of our military aid has gone to governments that do not come close to meeting American standards of human rights and self-determination. I believe the American people are embarrassed by our military support for these governments and want it to stop.

For all of these reasons, I support the Leahy amendment and hope the rest of our colleagues will join us in voting for this modest cut.●

Mr. LEAHY. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WEICKER. Mr. President, I had expected the chairman of the subcommittee to be here to express objection to the amendment. I see that he has now arrived. I shall yield to the distinguished Senator from Wisconsin.

I understand that the Senator from Vermont proposes a reduction of $376 million. Is that correct?

Mr. LEAHY. Yes, Mr. President.

Mr. WEICKER. That is broken down as economic support, $22 million; military assistance programs $114 million; foreign military sales credits, $240 million. Are those figures correct?

Mr. LEAHY. Yes, Mr. President.

Mr. WEICKER. That is the matter that is before the Senate at this time. I notice the distinguished Senator from Wisconsin is here. I know the Senator from Illinois has another series of amendments coming up that relate to the subcommittee which the Senator from Wisconsin chairs. I might suggest to the distinguished Senator from Wisconsin, if he cares to take over this seat, he can handle these matters here.

Mr. KASTEN. Mr. President, I would like to suggest the absence of a quorum for a moment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I ask unanimous consent that the pending amendment be set aside so I may offer an amendment on behalf of Senators HUDDLESTON and MCCLURE, at the conclusion of which we shall turn immediately to the amendment of the Senator from Vermont.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1340

Mr. WEICKER. Mr. President, I send an amendment to the desk in behalf of Senator HUDDLESTON and Senator MCCLURE and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Connecticut (Mr. WEICKER), for Mr. HUDDLESTON and Mr. MCCLURE proposes, an amendment numbered 1340.

On page 56, line 11, strike all after the word "That" through line 16 and insert the following in lieu thereof: "For payment of obligations incurred for engineering services, roadway and bridge access and pilot tunnel bore work for the Cumberland Gap Tunnel, as authorized by section 160 of Public Law 93-87, $14,000,000 to be derived from the Highway Trust Fund and to remain available until expended to liquidate contract authority provided under Section 104(a)(8) of Public Law 95-599.".

Mr. WEICKER. Mr. President, the amendment is technical in nature. The committee reported bill provided $14 million to liquidate contract authority provided for the construction of the Cumberland Gap tunnel. However, the committee reported bill has an out-of-date citation. This amendment updates that citation appropriately without changing the effect of that amendment.

Mr. STENNIS. Mr. President, I know of no objection. There is no objection on this side of the aisle.

The PRESIDING OFFICER. Is there further debate? The question is on agreeing to the amendment.

The amendment (No. 1340) was agreed to.

Mr. WEICKER. Mr. President, I wonder if my good friend from Vermont—I have another technical amendment—might delay his amendment for 30 seconds more so that I may report the following technical amendment.

Mr. LEAHY. Certainly.

AMENDMENT NO. 1341

(Purpose: Technical Amendment)

Mr. WEICKER. Mr. President, on behalf of the Senator from Alaska (Mr. STEVENS), I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Connecticut (Mr. WEICKER), on behalf of Mr. STEVENS, proposes an amendment numbered 1341.

Mr. WEICKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 15, line 18, strike all after "section" through "1976" on line 19 and insert in lieu thereof the following: "2457 of title 10, United States Code".

Mr. WEICKER. Mr. President, this is a purely technical amendment to correct an obsolete citation in the House-passed bill. The amendment in no way changes the intent to the House provision.

I move the adoption of the amendment.

Mr. STENNIS. We agree, Mr. President.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1341) was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STENNIS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WEICKER. Mr. President, prior to going back to the Leahy amendment, would it be appropriate at this time to reconsider the vote by which the Huddleston-McClure amendment was agreed to?

The PRESIDING OFFICER. It would be appropriate.

Mr. WEICKER. I so move.

Mr. STENNIS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1339

Mr. BAKER. Mr. President, I understand that the yeas and nays have been ordered on the Leahy amendment; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. I am advised by the author of the amendment and the manager on this side that they are agreeable to a time limitation of 20 minutes equally divided or thereabouts.

Mr. President, I ask unanimous consent that the time remaining between now and 7 p.m. be equally divided between the author of the amendment and the manager on this side, and that the vote occur at 7 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. KASTEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. KASTEN. Mr. President, as I understand this amendment, it would cut a total of $367 million from the overall security assistance program, and specifically it would reduce the economic support fund by an additional $22 million, the military assistance program by a total of $114,650,000, and the foreign military sales credit program by an additional $240 million.

Mr. President, the committee has already reduced these requests by $190,350,000. Further, and this point should be emphasized, in all three of these accounts, including the supplemental amounts provided by the committee, we are well below the original administration request in each case.

I understand that one of the basic arguments being made in favor of the amendment is that the committee position is inconsistent with language contained in the joint explanatory statement of the committee of conference on the continuing resolution. I was the author of that language, and I flatly disagree that the committee action in this supplemental is inconsistent with that language. Specifically, that language stated, and I would like to read all of that language, as only part of it was contained in the dear colleague letter. That language is as follows:

A number of accounts within the foreign assistance program, both military and economic, are well below the administration's request. During these times of constraint on the domestic budget, high deficits, and budgetary limitations, the conferees cannot at this time recommend any higher levels. However, should serious and far reaching foreign policy problems develop as a result of these recommendations, the appropriations committees of the House and Senate would be willing to consider additional requests in a supplemental. However, any such supplemental request must be in response to serious emergency needs. A simple re-requesting of those items which the conferees have not provided under the regular fiscal year 1983 budget estimates will not be considered genuine needs resulting from real foreign policy problems.

First of all, the administration did not simply request those amounts it did not receive under the continuing resolution. Indeed, where it seemed to the committee that a case could be made that the supplemental requests were not of an emergency nature, we recommended reductions. While certainly there is room for disagreement over how much of an emergency these various requests represent, I do not find our recommendations inconsistent at all, and furthermore, the important aspect of these recommendations to the Senate and to the United States as a whole is should they be approved based on merit. I would be quite willing to discuss each of these, but let me mention a few.

I think there is general agreement that the Lebanon assistance is an emergency. I think there is general agreement that requests for Central America are emergencies. Surely the requests for Thailand, which has seen a build-up of forces on its border, Pakistan which continues to suffer hostile actions on its border and the influx of Afghan refugees are emergencies. The amount in the bill for Morocco is simply reinstating the money borrowed from that country when the appropriations committee agreed with the reprograming for El Salvador, an agreement which assumed Morocco would be reimbursed in the supplemental.

The economic conditions in Tunisia, Zaire, and Sudan are surely emergencies. Most of the small amounts which are going to African countries are particularly needed because of the widespread drought in that continent—I would refer the Senator to the article in the New York Times just this Tuesday.

Mr. President, I do not want to belabor the point. I guess that some might make the argument that the money in the bill for the soft loan window of the World Bank is not an emergency, but my chairman of the full committee, the distinguished Senator from Hawaii and others thought it important to include this amount. So if we are going to cut the committee's recommendations, I really think we should be debating each case. Do we want to cut assistance to Korea, for example, assistance which in effect aids our own troops stationed in that country? Do we want to cut assistance to Cyprus, which I know so many in this body feel strong about? Do we want to cut economic assistance to Turkey, which, by the way, had a total request from the administration of $130 million, $55 million economic and $65 million in military, and we only recommend $45 million in economic, a country so vital to NATO and which is in dire need of military force improvement. Do we want to cut assistance to Sudan, a country which suffers from the double plight of severe economic conditions and a hostile neighbor?

Mr. President, these are the questions that must be addressed in the debate over this assistance. And if these are the questions that my colleagues ask themselves, I have no doubt that they will reject this amendment.

Mr. President, I reserve the remainder of my time. I yield the floor at this time.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, I cannot disagree with my good friend from Wisconsin that we have problems with some of these other countries, but we are talking about supplemental military assistance, for example, to countries like Tunisia, Senegal, Nigeria, the Dominican Republic, Jamaica, and so on. We are talking about $876 million above the regular appropriation.

Now, even with my cut, we are giving $0.5 billion more than we gave in the regular appropriation. This is, after all, only a supplemental, and we are giving $0.5 billion even if my amendment is agreed to.

I am sure there are problems in these other countries. I am sure India has problems. I am sure Africa has problems. I am sure that South America perhaps has problems, but Vermont, West Virginia, Mississippi, Wisconsin, California, Illinois, Nebraska, and every other State that we represent have problems and every single one of us have had to be cutting on programs that involve our State and our neighbor States. Every single one of us have had to vote to cut programs that we like.

Quite frankly, even though I like some parts that are in this foreign aid bill, we have to put cuts everywhere. We cannot have sacred cows. If we have problems at home, we cannot afford more and more spending abroad.

I ask unanimous consent that the distinguished Senator from West Virginia (Mr. RANDOLPH) be added as a cosponsor to this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. President, the issues are very simple. The President of the United States is $650 million over. I am giving everybody a chance to at least support President Reagan halfway on that and give him back a little more than half of what he wants cut out of this bill, give him $376 million back in savings and come that much closer to saving the $650 million that the President says we must save.

I reserve the remainder of my time.

The PRESIDING OFFICER. Is there further debate?

Mr. KASTEN. Will the Senator yield for a question?

Mr. LEAHY. Yes.

Mr. KASTEN. In the bill we have outlined country by country the basic numbers. Has the Senator gone through country by country to show where he would make the cut? One of the problems, as the Senator knows, being an active member of the subcommittee, is that we start cutting and it is not too long into the program and all of a sudden we get into Egypt, we get into Israel, we get into some of the basic programs. I just wonder if the Senator could, for the purposes of letting us know what he is doing, go through and show us which countries are involved. I understand the Central America part of it with the military assistance.

Mr. LEAHY. First, the bill does not go country by country, so it would be impossible to point out where it does.

Mr. KASTEN. In the report which the Senator——

Mr. LEAHY. We have report language, but I am going to the bill. The bill only mentions Lebanon. We do not touch that.

In fact, that is one of the reasons we do not say to leave the discretion which I think the State Department would need to be able to spend $11 billion that they have in the appropriations bill and the $500 million they would still get with my amendment. Had the bill gone down amounts country by country, specifically country by country, then I would have addressed that. It does not, and there is no way of amending report language; so I do not seek to amend the report language.

Mr. KASTEN. As the Senator knows, because he is an active member of the subcommittee, what we do seek to do is to insist or at least work with the State Department so that they do go by our country-by-country analysis which we have in the report language.

I am suggesting to the Senator that the problem we come up against is that, very quickly, we start to get into very important countries. For example, would the Senator make a big cut in Greece or in Turkey? We have some very important things going on there right now. What more can we do to Portugual or some other places where we have important base rights?

I think the Senator has a responsibility to explain to the Senate where you can find those, because we are already below the administration request—what they say they need, their bottom line.

Mr. LEAHY. The Appropriations Committee goes substantially beyond what was even authorized, so we are appropriating money not yet authorized.

It certainly has not been my experience in Congress that the State Department has followed specifically what we have put in our report language or treated as more than just a suggestion. We have had late-night sessions, trying to figure out some ways to get them to follow that.

I would be happy if this were to go through. I could go to conference, when a new report will be drawn, and sit down and try to designate where that will be going. I leave that discretion to the administration. After all, it was the President who said we are $600 million over in his budget. I am still trying to give him as much discretion as possible.

I will vote for the $500 million increase that we are going to be giving the President of the United States above the $11 billion we already have in foreign aid in this overall bill. If, in exercising their discretion, they cannot find a way to take care of the needs of all these countries out of $11.5 billion, then I suggest it is time for some other countries to pick up the load and let us start worrying about our problems at home.

Mr. KASTEN. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Wisconsin has 50 seconds.

Mr. KASTEN. I yield the time I have remaining to the chairman of the Foreign Relations Committee.

Mr. PERCY. I thank my distinguished colleague.

Mr. President, I should like to address a question to the Senator from Vermont, who has offered the amendment.

Is one of the principal arguments that the distinguished Senator has used for his amendment the fact that we have not enacted authorizing legislation and that it would be, in a sense, authorizing on a supplemental appropriation bill?

Mr. LEAHY. No; there are parts of it that have not been authorized. It was in response to the distinguished chairman of the subcommittee, my good friend from Wisconsin, who asked about the specifics. A lot of this bill is very general. For example, IDA has been cut substantially from the administration's request, a move sponsored by the distinguished floor manager.

The PRESIDING OFFICER. All time of the Senator from Wisconsin has expired.

The Senator from Vermont has time.

Mr. LEAHY. On my time, I say that he has not specified where those cuts would go, hoping for proper discretion as to how they would absorb the $125 million cut. I thought that was a good example. I am simply trying to follow it.

On my time, I yield to the distinguished Senator from Illinois.

Mr. PERCY. I will take a minute to advise my distinguished colleague that the concern he did express in his comments before would be taken care of by an amendment I intend to offer after disposition of the pending amendment. The amendment, at the end of chapter 5, would add the following:

Funds in this chapter may be made available for obligation only upon enactment of authorizing legislation. Funds in this chapter shall remain available until expended.

So if this would be accepted by the floor manager of the bill—and I hope he will accept it—this would take care of part of the concerns expressed by my distinguished colleague.

Mr. LEAHY. I would not want to lead my friend from Illinois astray.

I would be happy to cosponsor his amendment in that regard, but that is not the purpose of my concern. My concern is the actual number of dollars we are going to spend.

My concern is that the administration has told us we are $600 million over and that we had better cut that or we will have a bill that will be vetoed. I am trying to cut out more than half the concern the White House has by cutting this down, getting that ceiling down.

Certainly, the authorizing committee should then be able to look at whatever figures we have, authorize accordingly, and the State Department and the White House will have a great deal of discretion in there.

We simply have report language now, which is a general road map. We all know that report language will change, because we have to go to conference with the House. Their report language is one thing; our report language is another. We have to write a third piece of report language. I will be happy to work with my colleagues on that.

I simply want to say that enough is enough. I think the American taxpayers have had it up to here, and there is a time when we have to say, "Halt, enough."

We will still continue to be the most generous nation on Earth. We will still, I am sure, be trying to solve the problems of nations all over the world. We do pretty good. We should be proud of our generosity. No nation in recorded history has been as generous as has the United States.

We also have a responsibility to our people at home, and we know we will have to cut and cut and cut. I think that some of the people abroad who are not carrying the burdens that American taxpayers carry ought to share a bit of that.

We will give them the $11.5 billion. Let us not give them $11.8 billion. It is a small cut. It is really a very small cut in the overall foreign aid bill. It is going from $11.8 billion down to $11.5 billion.

The reason why it has such bipartisan support in this body is that it demonstrates to everybody that if we are going to cut at home, we are going to cut abroad. If we are going to make Americans feel the pinch, then everybody else is going to share in the pinch.

Does the Senator think there is any other country facing the problems the United States is facing that is going to dig into their pocket for $11.5 billion to help us out? Of course not. In fact, they are not helping some of their own countries as much as we are. I say give them $11.5 billion in foreign aid, but do not give $11.8 billion. That is all.

Mr. STENNIS. Mr. President, is there any time remaining?

Mr. LEAHY. Does anybody else need time on either side?

Mr. STENNIS. I will use a minute.

Mr. LEAHY. I yield.

Mr. STENNIS. Mr. President, I have not studied this type of appropriation for this year; but during the regular 1983 budget, we had more than $11 billion, as I understand it, and this is just an additional sum, a supplemental sum.

I have given it a lot of attention over the years, without trying to master the subject of these appropriations, and I am glad I have and I am glad our country has.

But our problem here at home is getting the money spent correctly and there is the same problem here.

I think we are just giving them all that they could spend or would like to spend. It is very freely spread around and more is spent than is necessary.

I believe the only way to get a real economical approach by this group is for them to be right down to the nub and be a little scarce with the money. In that way we make the dollars go further.

I commend that thought.

I yield the floor.

The PRESIDING OFFICER. All time has expired.

The question is on agreeing to the amendment of the Senator from Vermont.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from Utah (Mr. GARN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Idaho (Mr. MCCLURE), the Senator from Oregon (Mr. PACKWOOD), and the Senator from Vermont (Mr. STAFFORD) are necessarily absent.

Mr. BYRD. I announce that the Senator from New Mexico (Mr. BINGAMAN), the Senator from Arkansas (Mr. BUMPERS), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Louisiana (Mr. LONG), and the Senator from Arkansas (Mr. PRYOR) are necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico (Mr. BINGAMAN) would vote "yea."

The PRESIDING OFFICER. Are there other Senators in the Chamber wishing to vote?

The result was announced—yeas 39, nays 45, as follows:

[Rollcall Vote No. 132 Leg.]

YEAS—39

Andrews	Bentsen	Boren
Baucus	Biden	Burdick
Byrd	Hollings	Nunn
Chiles	Huddleston	Pell
Dixon	Humphrey	Pressler
Dodd	Kennedy	Proxmire
Durenberger	Lautenberg	Randolph
Eagleton	Leahy	Riegle
Exon	Levin	Sarbanes
Ford	Melcher	Sasser
Grassley	Metzenbaum	Stennis
Hatfield	Mitchell	Weicker
Heflin	Moynihan	Zorinsky

NAYS—45

Abdnor	Hawkins	Percy
Armstrong	Hecht	Quayle
Baker	Heinz	Roth
Bradley	Helms	Rudman
Chafee	Jackson	Simpson
Cochran	Jepsen	Specter
Cohen	Kassebaum	Stevens
D'Amato	Kasten	Symms
Danforth	Laxalt	Thurmond
Denton	Lugar	Tower
Dole	Mathias	Trible
Domenici	Matsunaga	Tsongas
East	Mattingly	Wallop
Gorton	Murkowski	Warner
Hatch	Nickles	Wilson

NOT VOTING—16

Bingaman	Glenn	McClure
Boschwitz	Goldwater	Packwood
Bumpers	Hart	Pryor
Cranston	Inouye	Stafford
DeConcini	Johnston	
Garn	Long	

So Mr. LEAHY's amendment (No. 1339) was rejected.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. QUAYLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I ask the Chair to set aside the committee amendment temporarily in order that the Senator from Florida may offer an amendment.

The PRESIDING OFFICER. The Senator from Florida.

AMENDMENT NO. 1342

(Purpose: To prohibit the use of funds to reduce to less than 10 the number of full-time employees at a Veterans' Administration office at Jacksonville, Florida)

Mrs. HAWKINS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Florida (Mrs. HAWKINS) proposes amendment numbered 1342.

Mrs. HAWKINS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . None of the funds appropriated by this Act or any other Act may be obligated or expended to reduce the number of full-time employees performing the functions of the Loan Guaranty Division of the Veterans' Administration in the office of such division located in Jacksonville, Florida, to less than 10.

Mrs. HAWKINS. Mr. President, the amendment I offer today concerns a matter important to veterans of my State and the mortgage banking industry which works with them when veterans purchase homes. The Veterans' Administration, despite the opposition of many in Florida, insists on reducing the number of employees now working in its Jacksonville office from 82 to 5 while raising by a like amount the number working in its St. Petersburg office. My amendment requires that at least 10 employees remain in the Jacksonville office and not be transferred.

I believe the VA plan is unreasonable for several reasons. First, the VA has ignored the human factor. To accomplish its aims, the families of loyal, dependable VA employees will have to be uprooted and moved hundreds of miles. In the process, these families will be forced to sell their homes at a time when housing prices are slumping. They will also have to purchase new ones, financed at much higher rates than they now pay on their existing mortgages. While the VA has agreed to provide partial relocation assistance, it is inadequate. The final outcome will be straightforward. Move and take a loss on the sale of your home or lose your job. This is the fate awaiting up to 77 employees who must make this decision no later than July 15. Twenty-eight have already decided to give up their jobs.

Second, the move will force service disruptions in an essential program. The Loan Guarantee Office deals almost exclusively with mortgage banks. It does not work directly with individual veterans who have mortgage applications pending. Four major mortgage banks in Florida are located in Jacksonville. None have similar facilities in St. Petersburg. Obviously, efficiency is enhanced when those who are working on joint projects over an extended period of time work in the same city. In fact, this was the reason why the VA originally moved its office from St. Petersburg to Jacksonville some years ago. Their reasoning was correct then and it remains sound today.

Third, the move will not result in substantial savings, according to the GAO which studied the proposed move. Their study cut in half the projected savings forecast by the VA. One reason for the modest savings estimates is that the move will not materially change the number of persons working in these two offices combined. After the move, there will be 113 where there are now 118. So, the savings really are insignificant compared to the threat created to the vitality of this veterans program.

With time running out, however, little can be done to help many of those employees who have already accepted their marching orders and are

in the process of moving or resigning. However, I would like to try. For that reason, the amendment requires the VA to maintain at least 10 people in their Jacksonville office. I urge the Senate to support this equitable approach to resolve this people issue and to help the veterans of Florida.

Mr. President, the amendment I offer today is a noncontroversial amendment that involves veterans in the State of Florida and the service that we are able to render the veterans.

I cleared this with Senator GARN, who has left the Chamber, and with the majority and minority managers of the bill. I believe that my colleagues will find it noncontroversial.

Mr. HATFIELD. Mr. President, the Senator is correct. This matter has been discussed with the chairman of the subcommittee, Senator GARN, and with the minority manager.

Mr. STENNIS. Mr. President, we have no objection on this side of the aisle and we support the amendment.

Mr. HATFIELD. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Florida (Mrs. HAWKINS).

The amendment (No. 1342) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STENNIS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mrs. HAWKINS. I thank all Senators.

Mr. HATFIELD. Mr. President, again I ask that the committee amendment be temporarily set aside in order that the Senator from Illinois (Mr. PERCY) may offer an amendment.

Mr. President, may I put the Senator on notice again that we are wasting an awful lot of time waiting for Senators to arrive and for amendments to be brought up. The leader, a while ago, indicated that there would be an effort to move to third reading by tomorrow. I wish to put the Senate on notice that if Senators are not here to call up their amendments, I will call up the amendment. We will call up their amendments and dispose of them rather rapidly, because we are going to be here in session until 10, perhaps 11, perhaps 12 o'clock tonight.

We are going to finish this bill tomorrow. Senators will have to be on the floor ready to offer their amendments because we have not had a 15-minute rollcall yet. I asked for regular order and I am going to demand regular order at the end of the 15-minute period. If Senators are not here, that is just too bad. But we are going to move this bill. So I think the Senate should be on due notice.

Mr. President, I believe we have temporarily set aside the committee amendment so the Senator from Illinois may offer his amendment.

The PRESIDING OFFICER. That is correct. The Senator from Illinois is recognized.

AMENDMENT NO. 1343

Mr. PERCY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois (Mr. PERCY) proposes amendment numbered 1343.

Mr. PERCY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of Chapter V, add the following new sentences:

"Funds in the chapter may be made available for obligation only upon enactment of authorizing legislation. Funds in this chapter shall remain available until expended."

Mr. PERCY. Mr. President, I have previously discussed this amendment. It simply provides at the end of chapter V to add new sentences as follows:

Funds in this chapter may be made available for obligation only upon enactment of authorizing legislation. Funds in this chapter shall remain available until extended.

I trust that the amendment will be accepted by the managers of the bill.

Mr. KASTEN. Mr. President, this is basically a technical amendment and the committee has no objection to it.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Illinois (Mr. PERCY).

The amendment (No. 1343) was agreed to.

Mr. PERCY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KASTEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1344

Mr. PERCY. Mr. President, on behalf of myself and Senator KASSEBAUM, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois (Mr. PERCY), on behalf of himself and Mrs. KASSEBAUM, proposes amendment numbered 1344.

Mr. PERCY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On Page 40, line 15, after the word "Lebanon," strike the period and insert a semicolon and add the following: *"Provided further,* That $7,000,000 shall be available for Zaire only if Zaire has reached an agreement for assistance with the International Monetary Fund, and that until such agreement has been reached such funds shall be available only for assistance to other African countries."

Mr. PERCY. Mr. President, I offer this amendment on behalf of myself and Senator KASSEBAUM, the chairman of the African Affairs Subcommittee of the Foreign Relations Committee. We simply provide that $7 million shall be available for Zaire only if Zaire has reached an agreement for assistance with the International Monetary Fund, and that until such agreement has been reached such funds shall be available only for assistance to other African countries.

Mr. President, this amendment could be voted upon and accepted, or we could just simply establish legislative history at this particular point with the floor manager of the bill, that is, the chairman of the Subcommittee on Foreign Relations of the Appropriations Committee. He is familiar with the amendment and I believe is in general agreement with it.

Mr. President, I think it would be useful to clarify the position of the Foreign Relations Committee and the administration with regard to the disbursement of ESF to Zaire.

Zaire, like many African countries, faces serious economic problems. Like many African countries, these problems can be attributed in large part to unwise policies and mismanagement.

As these countries now seek to change their ways and strengthen their economies, they are increasingly turning to the IMF for assistance—and agreeing to some rather stringent austerity measures in the process.

In fact, an IMF agreement has come to symbolize the resolve of a government to do something about its economic problems.

Zaire has reached agreements with the IMF in the past, but has then fallen out of compliance with the conditions of the agreement.

In light of this, the position of the Foreign Relations Committee has been that ESF for Zaire would not be a prudent use of U.S. resources in the absence of compliance with an IMF accord: The International Security Enhancement Act of 1982 approved by the Foreign Relations Committee prohibits the use of economic support funds for Zaire unless the Secretary of State certifies that Zaire has reached a new agreement with the IMF.

The administration has committed to honoring this directive: In his testimony of March 8, 1983, before the

SFRC, Assistant Secretary of State Chet Crocker stated:

> We are aware that this Committee indicated last year that it wished us not to expend ESF monies in Zaire until a record of compliance with the IMF is established.

Therefore, Mr. President, I would like to offer an amendment linking ESF for Zaire to an IMF agreement, and allowing the $7 million contemplated for Zaire to be used for other worthy African programs in the absence of an IMF agreement.

As you know, Mr. President, the need for ESF-type assistance is very great in many African countries which are taking difficult steps to improve their economies.

I hope the amendment will have the support of the managers of the bill.

Mr. KASTEN. Mr. President, the chairman of the Foreign Relations Committee would like to condition the assistance provided concerning an agreement with the IMF, the International Monetary Fund. The problem I have with the amendment is that we would, in effect, be giving an international agency control over our bilateral assistance program, which I do not think we want to do as a matter of policy.

I understand the concerns of the chairman of the Foreign Relations Committee, and I look forward to working with him, the Senator from Kansas, and others, who are concerned about the overall financial order in Zaire.

It is my hope that we would not have to technically condition this. Of course, the amendment is also legislation on an appropriations bill. I would hope that the chairman would be willing to withdraw his amendment. However, I do want to work with the Senator from Illinois, the Senator from Kansas, and others, in getting the kind of economic stability that we all would like to work for, for Zaire.

Mr. PERCY. Mr. President, I ask my distinguished colleague whether or not this can be put into the statement of the managers at the conference, which I think would satisfy us.

Mr. KASTEN. Mr. President, the House has not approved any request for Zaire. I cannot speak for the conference or for Chairman LONG. I can speak for myself and say that I would be anxious to work with the Senator and our combined staffs to see if we can have the conference report include some sense of the economic instability that we see in Zaire.

Mr. PERCY. I thank my distinguished colleague.

Mr. President, with the assurances received by the Senator from Illinois, on behalf of himself and the distinguished Senator from Kansas, I ask unanimous consent that I may withdraw the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is withdrawn.

Mr. KASTEN. Mr. President, I would like to say to the Senator from Illinois, the chairman of the authorizing committee, that I very much appreciate his cooperation and I do look forward to working with him in this regard.

Mr. PERCY. I thank my distinguished colleague.

Mr. KASTEN. Mr. President, chapter V of the supplemental appropriations bill contains the committee's recommendations with respect to supplemental requests for foreign assistance. The overall total appropriations provided in the chapter represent a decrease to the request of approximately $170 million.

The major items under the chapter are as follows:

First of all, the committee is recommending approval of the International Monetary Fund quota increase. The recommendation by the committee is subject to a number of conditions and policy directives. Those restrictions and policy directives are as follows:

First, the recommendation is wholly subject to enactment of the authorizing legislation.

Second, the committee has included bill language which requires that all official U.S. Government debt reschedulings be submitted to the appropriations committees in an effort to try to get a better handle on this particular aspect of the Third World debt, and

Third, there is bill language which requires the United States to oppose IMF loans which support industries which produce commodities for export which are in surplus and which are in competition with hard pressed U.S. industries—we especially have in mind the steel and copper industries.

Mr. President, while the IMF matter has been a controversial one, as we have seen during consideration of the authorizing legislation, most of the matters of controversy have been dealt with in excellent fashion by the chairman and ranking member of the Banking Committee, Senators GARN and PROXMIRE. I compliment both of these gentlemen for the fine work they have done on this matter.

The second major element of the foreign assistance chapter is the emergency request for assistance to Lebanon. The committee is recommending approval of that request which consists of $150 million in economic assistance and $101 million for military assistance. These funds will be used to help rebuild that country which has suffered so much devastation over the last 8 years. The FMS loan guarantee will assist Lebanon in rebuilding its armed forces, and thereby help cement its sovereignty.

The third major element of the foreign assistance package is the provision of security assistance for various countries of special, political, and security relationship to the United States. This assistance will be going to such countries as Thailand, Korea, Morocco, Turkey, El Salvador, Tunisia, Costa Rica, and Honduras, all countries which are particularly in need of this assistance and which have a special security relationship with us.

Mr. President, these are the major items in the legislation under chapter V which I urge my colleagues to approve.

Mr. HATFIELD. Mr. President, I ask that the committee amendment be temporarily set aside in order that the Senator from Nebraska may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Nebraska.

AMENDMENT NO. 1345

(Purpose: To limit the time period for the study authorized for the Norden Dam, O'Neill unit of the Pick-Sloan Missouri River basin program, Nebraska.)

Mr. ZORINSKY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> The Senator from Nebraska (Mr. ZORINSKY), for himself and Mr. EXON, proposes an amendment numbered 1345.

Mr. ZORINSKY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 35, line 3, after the period insert the following: "The study period shall not exceed 18 months.".

Mr. ZORINSKY. Mr. President, the amendment I am introducing today for Senator EXON and myself is very short, simple, and noncontroversial. It further clarifies the provision relating to the Norden Dam, O'Neill Unit that appears on pages 34 and 35 of the Senate version of H.R. 3069.

The language of the bill provides for a study of cost-effective alternatives to the Norden Dam and provides that the study shall use available funds. Also, no construction on the Norden Dam may take place during this study. Our amendment clarifies this provision by adding a sentence placing an 18-month time limit on this study.

Our purpose in adding this provision is solely to make clear to all parties our intent that this study be conducted efficiently and expeditiously. Whatever conclusion is reached as a result of the study, we feel that some reasonable time limit is preferable to having an unrestricted, open ended study that might only delay further proceedings on this project.

We have projections from both the Bureau of Reclamation and the Governor of Nebraska that 18 months will

be sufficient time for them to complete the study. In fact, it appears that the assessment may take well less than the 18-month period we are allowing. No one we have spoken to regarding this study has said 18 months will not be sufficient time to do the job.

Mr. President, this addition only makes good sense and I would strongly suggest that we dispense with this matter quickly and get on with H.R. 3069. We have cleared the amendment with the majority and minority managers of the bill, and they have no objections. Mr. President, I move that the amendment be adopted.

The PRESIDING OFFICER. Is there further debate?

Mr. HATFIELD. Mr. President, the amendment offered by the Senators from Nebraska has been reviewed by the committee staff, I believe, on both sides of the aisle and has been cleared. The committee will accept the amendment.

Mr. STENNIS. The Senator is correct.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I want to add my support to the amendment offered by my colleague, Senator ZORINSKY. It is an important amendment to the people of Nebraska. I hope the amendment we are offering will be accepted on both sides. It is a technical amendment, but it is an important technical amendment.

What we are trying to do is to move along as speedily as we can on the water interests of our State. The amendment we are offering is well timed and, we think, well founded.

Mr. STENNIS. Mr. President, this amendment is acceptable to this side of the aisle.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Nebraska.

The amendment (No. 1345) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ZORINSKY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, are there any other Senators on the floor who are ready to proceed with an amendment?

If not, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. Mr. President, there was a discussion on the unanimous-consent procedure last evening when asked for by the majority leader as to whether or not there should be a prohibition of an amendment on this supplemental appropriation bill dealing with withholding funds within the bill for the Treasury Department, the Internal Revenue Service, pertaining to mandatory withholding on interest and dividends as enacted in section 301-308 of the Tax Equity and Fiscal Responsibility Act of 1982.

The agreement we are operating under is that there will be no such amendment offered. I mentioned at the time that I would be interested in such a restriction on further spending for this purpose if it were the judgment of the Senate that these sections of the Tax Equity Act of 1982 would either be repealed or modified to prevent implementation of the requirement of withholding on the interest and dividends.

I made the point that if that is truly going to happen on July 1, that it is not going to go into effect, it seems logical and reasonable—in fact, very prudent—that there be no more spending by the Treasury or the IRS on the implementation procedures that would be required should it go into effect. The chairman of the Committee on Finance made a suggestion that a letter be obtained from the Department of the Treasury on this matter to perceive if they are spending money for this purpose during this time. I have the letter before me and I shall enter it into the RECORD, from John Chapoton, Assistant Secretary of the Treasury for Tax Policy.

There is money being spent right now. The IRS is processing undue hardship extension requests for payor institutions. So far they have received 8,400 such requests, and they are indeed processing them, which, of course, is an expenditure of money.

In addition, they have ongoing a number of operations required to implement the law, including the revision of the 1040 series of forms instructions, the issuance of publications explaining withholding, the revision of the return processing procedures, and programing changes to the IRS computer system.

They are still sending out the mailers with checks from the Federal Government explaining the system. They say they will not print any more, but there are still some being sent out.

The sum and substance of it, Mr. President, is that there is money being spent foolishly if these sections of the law are going to be repealed. I regret that we are not addressing that by restricting that expenditure and saving the taxpayers' money and saving the Treasury Department, the IRS, and much of the public a great deal of confusion.

I ask unanimous consent that the full text of the letter I read from be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE TREASURY,
Washington, D.C., June 9, 1983.

Hon. JOHN MELCHER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MELCHER: This is in response to your request for a description of the steps which are being performed by the Internal Revenue Service to implement mandatory withholding on interest and dividends as enacted by sections 301 through 308 of the Tax Equity and Fiscal Responsibility Act of 1982.

The Service is currently processing as rapidly as possible undue hardship extension requests from payor institutions. To date, approximately 8,400 requests have been received. These include requests from banks, savings and loans and other financial institutions.

In addition, there are a number of ongoing operations required to implement this law, including the revision of the 1040 series of forms and instructions, the issuance of publications explaining withholding, revision of return processing procedures, and programming changes to the IRS computer system. These projects are in various stages of completion.

Since March the Service has provided taxpayers receiving refund checks with stuffers explaining who will be exempt from withholding and how to make application for exemptions. No more stuffers will be printed. Virtually all of the refund checks to be sent through the end of June have already been mailed.

Sincerely,

JOHN E. CHAPOTON,
Assistant Secretary (Tax Policy).

Mr. MELCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask that the Chair set aside the committee amendment temporarily in order that the Senator from Illinois may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Illinois is recognized.

Mr. HATFIELD. Mr. President, I am going to propound a time agreement that has been cleared on the amendment by Mr. PERCY, that it be 15 minutes equally divided between Mr. KASTEN and Mr. PERCY; and that the vote be stacked on Tuesday next with the other votes that are being stacked at that point.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Illinois.

AMENDMENT NO. 1346

(Purpose: To provide for funding of a U.S. payment to the International Atomic Energy Agency)

Mr. PERCY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Illinois (Mr. PERCY) proposes an amendment numbered 1346.

Mr. PERCY. I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 39, line 12, strike out "$17,686,000, of which" and insert in lieu thereof "$22,186,000, of which $4,500,000 is available only for payment to the International Atomic Energy Agency.".

Mr. PERCY. Mr. President, the amendment I am offering would restore to title V of the supplemental appropriations bill the sum of $4.5 million for voluntary contributions from the United States to the International Atomic Energy Agency (IAEA). The amount of this appropriation was approved by our colleagues in the House, but was deleted during consideration of the bill in the Appropriations Committee.

There are strong reasons why this money should be restored. First, the IAEA performs absolutely vital functions. It carries out the mission of safeguarding the civilian nuclear power facilities—hundreds of them—in many nations around the world. The Agency's safeguards program is at this time the best mechanism we have available for detecting a diversion of nuclear materials from these civilian facilities to some clandestine military or terrorist purpose. I am sure that none of us in this Chamber would like to see the safeguards program—so vital to our interests—weakened in any way. Second, the ability of the United States to achieve its goals in the IAEA depends on our ability to work with other member nations, so that they may achieve their objectives. Our contributions for technical assistance are an important means for demonstrating this cooperation.

The Foreign Relations Committee has followed recent developments at the IAEA very closely. We have been most concerned by actions last year which reflect an increasing politicization in the Agency. Last year, on the last day of the general conference of the Agency in September, there was an attempt to deny the credentials of the Israeli delegation. The proposal was put to a vote and defeated when the final tally resulted in a tie, which under the Agency's rules meant the proposal was rejected. Later, in what the United States regarded as an irregular procedure, the voting was reopened and the vote of a member nation not present at the original vote was counted. This made a majority for the motion to deny Israel's credentials to sit in that meeting. The United States walked out in protest. We were joined by many of our allies. I said then and I say again today that this action by the general conference was deplorable. It was just one more effort by certain dissident member nations to inject political issues into the discussions of an agency which has been, and which we believe should remain, a technical—not a political—body.

Immediately after the walkout in September of last year, the United States carried out an extensive reassessment of our role in the IAEA. The question of whether there are viable alternatives was seriously examined. The reassessment looked at the Agency's goals and those of the United States and compared the two. Finally the President decided we should resume our participation, that the IAEA is important to our security interests, and that, at least in the immediate future, no reasonable alternative is available. When we resumed participation in February of this year, it was with the understanding that every effort should be made to reduce political bickering unrelated to the Agency's functions.

During the reassessment, Congress considered the fiscal year 1983 budget. In December, as part of the continuing resolution, we agreed to language which reduced the amount available for voluntary contributions to the IAEA in fiscal year 1983 from the $14.5 million originally requested by the President, to the level of $10 million. At the same time, the continuing resolution imposed a condition: The $10 million appropriated could not be expended unless or until the IAEA certified that Israel was entitled to fully participate in the Agency's activities.

At the meeting of the Board of Governors of IAEA last February, the question of this requirement in our law came up very early. On February 23, the Director General of the IAEA, Dr. Hans Blix sent a letter to the Secretary of State, which reads as follows:

On February 23, 1983, the Board of Governors of the IAEA met and considered the status of Israel as a member of that Agency. I have been authorized by a decision of the Board of Governors to certify on behalf of the IAEA that it is the position of the Board that the State of Israel is entitled to participate fully as a member nation in the activities of the IAEA.

On March 1, 1983, Secretary Shultz formally transmitted Dr. Blix's letter to the Speaker of the House and the President of the Senate, thus satisfying the requirements of the law. Such a certification from an international organization is not an everyday occurrence. I believe we can read this as an example of the importance which member states attach to the participation of the United States in the Agency.

Mr. President, I am impressed by the seriousness the administration attaches to this matter. I have received a letter from the Secretary of State which says, in part:

The loss of these funds would have serious, adverse consequences as far as our interests are concerned. It would mean a serious setback to our efforts to strengthen the IAEA, an agency which the President has said is critical to our national interest.

The Secretary also notes that:

There has been strong bipartisan support for IAEA in the Congress in the past and repeated requests that we increase our contributions. Deep cuts at this time—and this is a deep cut, more than 30 percent—would certainly diminish our ability to influence the direction of the Agency.

Mr. President, we must remember in deciding this question that in many ways the IAEA was created and supported in the early years by the United States. The Congress exercised particular leadership in the effort. The statute creating the Agency was negotiated in large measure by the United States, and in 1956, the Senate ratified it. Shortly thereafter, Congress passed the IAEA Participation Act. Sterling Cole, an American Congressman and former chairman of the Joint Committee on Atomic Energy, became the Agency's first Director General in 1957. Another important step occurred in the late 1960's, when through the joint efforts of the United States and the Soviet Union, the Treaty on Nonproliferation of Nuclear Weapons was negotiated and opened for signature. The treaty, ratified by the Senate more than a decade ago, greatly expanded the importance of the Agency's activities and laid renewed emphasis on the vital safeguards program. More recently, in the Nuclear Nonproliferation Act, the Congress recognized the importance of the IAEA and its functions to achievement of our nonproliferation objectives.

Mr. President, the disturbing events which occurred last September at the IAEA's general conference must be evaluated in light of this historical commitment to the Agency and the vital functions it carries out. Looking toward the future, our commitment is—if anything—more important than it has been in the past: This summer, the United States will be involved in an international conference on the peaceful uses of nuclear energy. More importantly, 1985 is the year set for review of progress on the Nonproliferation Treaty. There is no good reason to open the United States to criticism in those forums. The safeguards program of the IAEA is widely viewed as a pioneering effort in the field of arms control and international cooperation. We should not thwart our own best interests—both security in-

terests and international political interests—by failing to live up to our commitments.

In summary, Mr. President, although the dollar figure in this amendment is small, its importance is great. In many ways, it is a symbol of our renewed commitment to the Agency's technical programs and to continued international cooperation in this vital area. I urge my colleagues to restore the full level of funding requested by the President, and to vote for this amendment.

I ask unanimous consent that the Secretary of State's letter and other documents be printed in the RECORD at this point.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF STATE,
Washington, D.C., June 7, 1983.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate.

DEAR MR. CHAIRMAN: I want to bring to your attention a matter which is of great importance to the Department and to ask for your assistance in working out a solution. I refer to the Senate version of the Supplemental Appropriations Bill for fiscal year 1983 (S. 3069) which unfortunately does not contain the $4.5 million for the International Atomic Energy Agency (IAEA) requested by the President.

Last year, the President requested a total of $14.5 million as our voluntary contribution to the IAEA. The Congress appropriated only $10 million for IAEA for 1983 in the Continuing Resolution last December because of concerns about the rejection of the Israeli delegation's credentials at the September 1982 General Conference of IAEA. The use of the $10 million was conditioned on a certification from the IAEA that Israel was entitled to participate fully as a member state. In February, this condition was satisfied by a letter from the Director General of IAEA certifying to Israel's full participation in the Agency. On March 1, the Department transmitted the Director General's letter to the Speaker of the House of Representatives and the President of the Senate. In the same month, the President, in his request for supplemental funding for fiscal year 1983, proposed the restoration of $4.5 million for IAEA, to bring the total funding level up to his original request of $14.5 million.

The House version of the Supplemental (H.R. 3069) approved by the House on May 25, contains the $4.5 million. The Senate Appropriations Committee, however, deleted this item when it marked up the Supplemental on May 26. We hope that this item can be restored when the Senate takes up the Supplemental in the next few days.

The loss of these funds would have serious, adverse consequences as far as our interests are concerned. It would mean a serious setback to our efforts to strengthen the IAEA, and agency which the President has said is critical to our national interest. There would be immediate consequences, of course, in the current Agency programs which we help to support: fellowships, paying for U.S. experts in nuclear safety, and the so-called "Footnote A" technical assistance projects. But beyond the projects themselves, cuts now would give the appearance that our country was backtracking on its support for technical assistance within the Agency. Inevitably, there would be renewed pressure within the agency to include all technical assistance activities in the assessed budget, a proposition we have successfully resisted for many years. There might also be pressure to reduce the funds in the Agency budget for safeguards or other activities which we regard as vital.

There has been strong bipartisan support for IAEA in the Congress in the past and repeated requests that we increase our contributions. Deep cuts at this time—and this is a deep cut, more than 30 percent—would certainly diminish our ability to influence the direction of the Agency. If the cut recommended in the Senate bill stands, it would have a severe impact on our important global nuclear non-proliferation efforts, and it could very well result in irreparable harm to the Agency.

For these reasons, Mr. Chairman, I ask that you and your colleagues take steps to restore the $4.5 million for U.S. voluntary contributions to IAEA in the Supplemental Appropriations bill.

Sincerely yours,

GEORGE P. SHULTZ.

U.S. SENATE,
Washington, D.C.

DEAR COLLEAGUE: I am writing to seek your support for an amendment I will offer to the fiscal year 1983 Supplemental Appropriation Bill to restore $4.5 million requested by the President for the International Atomic Energy Agency (IAEA). Restoring these funds is vital to our non-proliferation efforts and an important sign to other countries that the United States remains committed to maintaining the integrity of the IAEA.

Since the IAEA was established in 1956, the United States has been among its strongest and most important supporters. The Agency's safeguards program is in many cases the only means of assuring that nuclear materials and technology are not diverted to make nuclear bombs from the more than 800 nuclear facilities around the world. I have been seriously concerned that the IAEA's safeguards efforts has not received adequate support, and I am thoroughly convinced that now would be the wrong time—in every way—to cut back funding for the Agency.

Restoring the full level of funds requested by the President will also provide support for technical assistance projects, U.S. experts provided to the IAEA, and fellowships for study in the U.S. carried out under IAEA auspices. The technical assistance projects are in nations with which the United States has good relations and which support our efforts to reduce politicization of the Agency. The U.S. can select recipients for this assistance, and in doing so, gives preference to countries which adhere to the Treaty on the Nonproliferation of Nuclear Weapons. These funds are an important means of supporting legitimate activities of interest to IAEA member nations. Supporting these programs will help to counter the constant claim of some developing nations that the IAEA's technical assistance program—which benefits them most—receives insufficient support compared to the safeguards program. If technical assistance is cut, they may seek to divert funds from the safeguards effort to support technical assistance projects.

It is particularly important to U.S. nonproliferation objectives that the Congress recognize and acknowledge the interests of all IAEA member countries. We need their support for the IAEA activities which we believe are most important—particularly a fully funded and effective safeguards program. I hope you will give me your support in restoring full funding for the IAEA and its programs that are so crucial to our national security.

Sincerely,

CHARLES H. PERCY.

INTERNATIONAL ATOMIC
ENERGY AGENCY,
THE DIRECTOR GENERAL,
February 23, 1983.

The SECRETARY OF STATE OF THE UNITED STATES OF AMERICA,
Washington, D.C.

DEAR MR. SECRETARY: On February 22, 1983, the Board of Governors of the IAEA met and considered the status of Israel as a member of that Agency. I have been authorized by a decision of the Board of Governors to certify on behalf of the IAEA that it is the position of the Board that the state of Israel is entitled to participate fully as a member nation in the activities of the IAEA.

Yours sincerely,

HANS BLIX.

THE SECRETARY OF STATE,
Washington, D.C., March 1, 1983.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

DEAR MR. SPEAKER: Section 159 of Public Law 97-377, the fiscal year 1983 Continuing Resolution, provides that funds in that law may not be made available for payment to the International Atomic Energy Agency (IAEA) unless the IAEA Board of Governors certifies to the United States Government that Israel "is allowed to participate fully as a member nation in the activities of that Agency," and the Secretary of State has transmitted that certification to the Speaker of the House of Representatives and the President of the Senate.

The enclosed letter from IAEA Director-General Hans Blix, which contains the certification referred to in section 159, is hereby transmitted in fulfillment of that provision of law.

Sincerely yours,

GEORGE P. SHULTZ.

THE SECRETARY OF STATE,
Washington, D.C., March 1, 1983.

Hon. GEORGE BUSH,
President of the Senate.

MR. VICE PRESIDENT: Section 159 of Public Law 97-377, the fiscal year 1983 Continuing Resolution, provides that funds in that law may not be made available for payment to the International Atomic Energy Agency (IAEA) unless the IAEA Board of Governors certifies to the United States Government that Israel "is allowed to participate fully as a member nation in the activities of that Agency," and the Secretary of State has transmitted that certification to the Speaker of the House of Representatives and the President of the Senate.

The enclosed letter from IAEA Director-General Hans Blix, which contains the certification referred to in section 159, is hereby transmitted in fulfillment of that provision of law.

Sincerely yours,

GEORGE P. SHULTZ.

U.S. COMPLETES ASSESSMENT OF IAEA

(By Richard T. Kennedy)

(Statement to the board of governors of the International Atomic Energy Agency (IAEA) in Vienna on February 22, 1983. Ambassador Kennedy is U.S. permanent representative to the IAEA and Ambassador at Large and special adviser to the Secretary on nonproliferation policy and nuclear energy affairs.)

I wish to advise the board of certain decisions recently taken by my government. As you all are aware, last September the United States suspended its participation in the IAEA. Since that time, my government has been engaged in an extensive review and assessment of the IAEA and the future role of the United States in this agency. I would like to use this opportunity to share with you briefly some of the conclusions which we have reached from our intensive study, which is now completed.

Let me begin by recalling for the governors the message President Reagan sent to the delegates on the occasion of the 26th general conference. At that time the President said:

The United States is determined to work with other countries to assure that this agency can successfully meet the challenges ahead—from strengthening technical cooperation for sharing the benefits of nuclear energy to finding ways of improving further the technical and institutional safeguards against its misuse. It is our profound hope that others will share this determination—for it would be a tragedy for succeeding generations if we permit this organization to be weakened or undermined by political issues and concerns, which, however strong the emotions they arouse, are extraneous to the central technical purposes for which the agency was founded.

It was with these thoughts in mind that our assessment was conducted. Our assessment underscored two basic points.

First, it is overwhelmingly clear that the IAEA has played and should continue to play a critical role in support of very substantial interests of all of its member states. The IAEA has contributed in a major way to progress in the expanded and safe use of nuclear-generated electric power and through its other development programs such as those in medicine, industry, agriculture, health, and safety. At the same time, we are all beneficiaries of the assurance provided through the application of international safeguards that nuclear material is not being misused for illicit and destructive purposes. Perpetuation of this assurance is essential if progress in peaceful nuclear development is to continue.

We, therefore, need to work together to improve the effectiveness of IAEA technical assistance programs, to improve the agency's safeguard system, and to maintain an effective secretariat. The director general is aware of the concerns we have expressed, and I am confident that we can achieve these needed improvements if we all exert our best efforts to that end.

The second major point emerging from our assessment is that, just as we are all the beneficiaries of the work conducted by the IAEA, we will all pay a considerable price if the viability and effectiveness of the IAEA are threatened. Yet it is clear to us that the growing trend toward controversy and divisiveness over political issues extraneous to the work of the IAEA is such a direct threat. We believe that unless this tendency is promptly checked, it will render the IAEA ineffective and will fatally corrode the enthusiasm with which member states have participated here for the last 25 years.

This is not to say that there will not continue to be legitimate differences among us regarding the allocation of agency resources and the relative emphasis placed on its programs. There are, of course, legitimate differences in perspectives and interests among the member states of the agency. We must not, however, abandon debate of issues germane to the IAEA in favor of debate of controversial political issues which should be addressed elsewhere. To do that would be to abandon our mutual and important interests in the IAEA.

In short, the agency must respect the statute and not, for reasons of political expediency, act in ways that are inconsistent with that statute. The agency's role in promoting the peaceful uses of nuclear energy during this critical period depends entirely on the credibility of its technical expertise.

As members of the IAEA's governing body, we bear a singular responsibility for determining the agency's future course. I believe we should make a determined effort to reestablish the tradition of member state cooperation which characterized its first 25 years. I look forward to working actively toward this end with you.

My government and, we are confident, other concerned governments will be watching carefully to see which direction the agency pursues in the months ahead. We hope and trust that the agency can put behind it the unfortunate political wrangling of the recent past and get back to the basic purposes which brought us all together in the first place.

The United States for its part then is prepared to renew its commitment to the IAEA and its important programs. Within the constraint of U.S. law, the United States intends to support fully these programs. At the same time, I must note that our commitment must depend on the degree to which other members are also determined to return this agency to its status as an effective international technical organization. It is our deep desire that all member states will join with us in this sincere effort. Together we can strengthen this unique international organization and see that the agency lives up to the principles contained in its statute.

The PRESIDING OFFICER. Who yields time?

Mr. PERCY. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. GLENN addressed the Chair.

Mr. PERCY. How much time do I have remaining?

The PRESIDING OFFICER. The Senator from Illinois has 2 minutes and 39 seconds remaining. The Senator from Wisconsin has 8½ minutes.

Mr. PERCY. I yield to Senator GLENN, who I believe should, and I ask unanimous consent that he be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. How much time does the Senator want?

Mr. GLENN. How much time does the Senator have?

The PRESIDING OFFICER. The Senator has 2 minutes and 39 seconds.

Mr. GLENN. A couple of minutes.

Mr. STENNIS. Will the Chair repeat that?

The PRESIDING OFFICER. The Senator from Illinois, the Chair advises the Senator from Mississippi, has 2 minutes and 39 seconds.

Mr. STENNIS. How much time does the Senator want?

Mr. GLENN. We only have 2 minutes and 39 seconds, so I will take most of that.

Mr. President, I appreciate the distinguished chairman of the Foreign Relations Committee giving me time to speak on what I consider to be a very, very vital function. I wish we had a lot more time on this because it is so important.

One of the first amendments I ever had passed under my own steam when I first came to the Senate was on additional funding for IAEA inspectors. I cannot imagine not giving money like this for inspection purposes. We have little enough confidence in matters nuclear around the world right now, and the one thin red line we have guarding against surreptitious use of nuclear facilities for other than peaceful purposes is the International Atomic Energy Agency in Vienna. They do not have enough inspectors. With the spread of nuclear plants around the world, legitimate nuclear electrical-generating plants, the thin red line of inspection that is our guarantee against those plants being misused has become more and more thin through these years.

I have long been an advocate of more inspection and of a strengthened IAEA. It is the only agency that we have that can watch over matters nuclear around the world and try to give us adequate warning if there is misuse of spent fuel in those facilities, or if some country is acquiring reprocessing equipment or uranium enrichment equipment through which nuclear weapons can be made through surreptitious practices.

I am very glad that the Senator from Illinois, who has long distinguished himself by taking the lead in this important area of nuclear nonproliferation and with whom I worked on the Nuclear Nonproliferation Act of 1978, has brought up this amendment. But I think this is a bare minimum. I wish it was many times more, because I think to really let the world know what is going on in the nuclear field we need a great deal more inspection than just that which will be provided by this particular piece of legislation and this particular bit of additional funding. It is a bit and only a bit. If we were really to have the number of inspectors and equipment and research that is needed to really stem the proliferation of nuclear weapons technology around the world, the added cost would be many times what the Senator is proposing. I urge my colleagues

to vote for this. We need to support the nuclear nonproliferation efforts of the IAEA in Vienna. We need to support them with this modest amount that we are giving now. It is only what I consider a downpayment on what they should have. We may disagree with some of the things they have done, but they are the only international agency whose purpose is to protect us against the spread of nuclear weaponry.

I yield the remainder of my time while urging my colleagues to support the amendment of the distinguished Senator from Illinois. It is well deserving of support. I hope we can have an overwhelming majority.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. KASTEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. KASTEN. Mr. President, this amendment would add $4.5 million for the United Nations International Atomic Energy Agency. As the chairman, the distinguished Senator from Illinois, and the Senator from Ohio will remember, this matter was considered on the floor in connection with the continuing resolution.

At that point we went through negotiations with the administration. It involved in some cases people on the Foreign Relations Committee. We ended up with a Kasten-McClure amendment, and this was based on the problems that they had with the membership with the State of Israel. We made an agreement, and that was that they would get $10 million if they met certain requirements certifying that Israel was a full and participating member.

Now they have, as the Senator from Illinois pointed out, certified that Israel is a full and participating member, but the agreement that we reached on the floor of the Senate and that all Senators voted for was that they would get $10 million, not $14.5 million, if they certified that Israel was a full and participating partner.

So, rather than the zero funding which had been provided by the committee, we would in effect be providing IAEA with $10 million, providing the matter of Israel membership in that organization was corrected.

That has gone forward. The $10 million has now gone to IAEA. Frankly, I would not have supported the Kasten-McClure amendment, the compromise amendment that we reached, if we had known that at a later date people would be coming forward for $4.5 million in additional funds. The agreement that we reached on the floor of the Senate was for $10 million, not $14.5 million. I think we ought to continue to work with the agreement that we as the Senate agreed to in terms of developing and building a compromise.

I agree that this U.N. agency has made progress, clearly it has. Nonetheless, I believe that we are too close to the previous inexcusable action by that agency to award it with an increase in funding at this time.

Mr. GLENN. Will the Senator yield?

Mr. KASTEN. I might also add that we are working now with the 1984 bill and the administration has asked for some $185 million in our upcoming contributions. Our efforts here ought to be aimed at getting other countries in the world to participate in this U.N. agency rather than continuing to increase our own share.

I am pleased to yield to the Senator.

Mr. GLENN. I ask the Senator, is it not true that the previous agreement was done at a time when the administration was holding back on support for the IAEA?

Mr. KASTEN. The agreement was reached in the Senate, and we have changed the number of requests that have come to us from the administration, but we made an agreement of $10 million if we got that certification. We got that certification. They got their $10 million, and now we are back trying to say, "Well, we made that agreement but let us go for another $4.5."

Mr. GLENN. The point I was making though was that the agreement with the administration and the support from the administration came at a time when we were making the point as far as support of Israel goes. But that point has been passed now. I think, as the Senator from Illinois correctly pointed out, this $4.5 million is at the request of the administration. The problem with Israel and the representation has been passed, and the administration thinks, as I understand it, that this is a bare minimum. I believe we are past the hurdle that the Senator talks about.

Mr. KASTEN. The Senator is in part correct. The administration always supported $14.5, and the administration was opposed to the efforts that we took in the Senate which made even the $10 million conditional upon certification of Israel.

The State Department was opposed to that, too. They did not want us to say anything about the fact that they had thrown Israel out of the conference. We, in the Senate, decided we would do that and decided to make the $10 million contingent upon certification. We did, and we followed through, and now we are trying to break the compromise.

The Senator is correct: The administration requested $14.5 million, and we had zero until we got on the floor of the Senate and came up with a compromise.

Mr. GLENN. The only other thing is that the number of inspections per nuclear electrical generating plant around the world, I think, averages one a year or one every year and a half. It is such a thin line.

The Senator properly states the hope that other nations will be supportive of this, too. I think that with this amount of money, the best thing we can do is to encourage other nations to come in, by our example in voting this extra money, because we have practically no inspections, for practical purposes, at many of these plants.

I hope we can set an example and hold down the possibility of nuclear weapons capability expanding to more and more nations. That is what this is all about. This is a minimal amount to help guarantee the surveillance that will prevent that kind of spread of nuclear weapons.

Mr. KASTEN. I share the concerns and goals of the Senator from Ohio. If there is to be an additional amount, we can make it available in the fiscal year 1984 regular bill. This is not an emergency at the moment, and we in the Senate should keep in place the compromise we agreed to.

Mr. PERCY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. PRESSLER). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. PERCY. This will be voted on, on Tuesday.

Mr. President, I cannot imagine any funds that could be better used and appropriated by Congress than for the purpose of trying to stop the proliferation of nuclear weapons throughout the world.

I commend my distinguished colleague, Senator GLENN, who has worked with me for years in the Governmental Affairs Committee in cosponsoring the Non-Proliferation Act. That is law. That is the policy of the United States of America, agreed to by the President.

But we depend on the IAEA to implement this policy worldwide. It is the only international agency that has the technical knowledge, the wherewithal, to do this job.

What are we talking about? We are talking about $4.5 million to prevent a nuclear holocaust that could destroy all mankind.

Talk to anyone in Illinois, Wisconsin, Ohio, or wherever. What are they worried about? What are the young people on our campuses worried about? They are worried that sometime in their lifetime there is going to be some mistake, some miscalculation, and someone will send one of these weapons up, and it will start a nuclear war.

We have one international agency working to prevent this from happening. As the Secretary of State says in his letter, the loss of these funds

would have serious adverse consequences.

I thank my distinguished colleague.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The question recurs on the first committee amendment.

Mr. HATFIELD. Mr. President, I ask again, on behalf of the managers of the bill, Mr. STENNIS and myself, to temporarily set aside the committee amendment in order that the Senator from Massachusetts (Mr. KENNEDY) may offer an amendment.

Mr. STENNIS. If the Senator will yield, I had an idea we were going to vote on this matter tonight.

Mr. HATFIELD. Not until Tuesday.

Mr. STENNIS. All right.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the amendment to be offered by the Senator from Massachusetts be limited to 20 minutes, equally divided. I believe this is a satisfactory arrangement. I therefore propose this time agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1308

(Purpose: To provide an appropriation for a National Summit Conference on Education)

Mr. KENNEDY. Mr. President, I have an amendment at the desk, No. 1308, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY), for himself and Mr. HOLLINGS, Mr. RANDOLPH, Mr. PELL, Mr. PRYOR, Mr. MATSUNAGA, and Mr. CHILES, proposes an amendment numbered 1308.

Mr. KENNEDY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 38, between lines 3 and 4, insert the following:

NATIONAL SUMMIT CONFERENCE ON EDUCATION

For conducting a National Summit Conference on Education, $500,000, which shall be held within 90 days after the date of enactment of this Act, and shall be subject to the following conditions:

(1) The Conference shall consist of not less than 200 individuals and shall be representative of teachers, parents, school administrators, college faculty and administrators, school board members, State education officials, State legislators, Governors, students, and business and labor. The Conference participants, as a whole, shall be racially and politically balanced.

(2) One-fourth of the participants in the Conference shall be appointed by the President, one-fourth of the participants shall be appointed by the President from among recommendations made by the Governors of the States, one-fourth of the participants shall be appointed by the Speaker of the House of Representatives, and one-fourth of the participants shall be appointed by the Majority Leader of the Senate. Each Governor shall recommend no more than two individuals.

(3) The President of the United States, the Speaker of the House of Representatives, the Majority Leader of the Senate and the Governors of the States, as a group, shall each designate two individuals to serve on an Executive Committee. The Committee shall be responsible for selecting a presiding officer for the Conference.

(4) The Conference shall develop specific recommendations for action in response to the findings of the National Commission on Excellence in Education, including recommendations relating to student achievement, student discipline, teacher quality and compensation, curriculum content, the role of the federal, state and local governments and of private institutions in improving the educational system of the United States and the resources needed to implement such recommendations.

(5) The Conference shall prepare and transmit its recommendations to the President, the Congress and the Governors of the States no later than January 15, 1984.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, I offer this amendment on behalf of myself and Senators HOLLINGS, PELL, CHILES, PRYOR, RANDOLPH, and MATSUNAGA.

I yield myself such time as I might use.

Mr. KENNEDY. Mr. President, 2 months ago, the National Commission on Excellence in Education issued a report entitled, "A Nation at Risk: The Imperative for Educational Reform." This report is not new to any Members of this body. Nor is it new these days to many members of the public. It has been quoted extensively on the floor and during committee meetings and discussed in detail by the media.

The message of the Commission is a simple, but important message for all Americans. The Commission found that America's public schools were in serious trouble. Quite simply, they were not doing their job and as a result America's next generation was not receiving an effective education. And the failure of our schools would lead inevitably to disaster in our economy and disaster in our society.

This pessimistic note was also sounded in subsequent reports by other blue-ribbon panels, which were also examining the state of American education. Like the Commission, their reports contained eloquent descriptions of the problems facing the schools. But they all demonstrated only where our Nation should be going to produce better schools. What it did not tell us was how to get there. What we need now is a national summit conference on education drawing broadly on individuals with varied experiences and interests in the field of education to develop the blueprint needed to respond to the problems in our schools.

My amendment appeared in yesterday's RECORD and it is not a particularly complicated proposal. This amendment has been endorsed by a number of the most important education organizations in this country, including the American Federation of Teachers, the National Education Association, the National Parent-Teacher Association, the American Association of School Administrators, the National School Board Association and the Chief State School Officers. I ask unanimous consent to insert in the RECORD the letters of endorsement from these organizations.

Mr. President, I ask unanimous consent to have printed in the RECORD, at the conclusion of my statement, the letters of endorsement from these organizations.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit 1.]

Mr. KENNEDY. Mr. President, for the benefit of my colleagues, let me briefly summarize my amendment.

This amendment would appropriate $500,000 to convene a national summit conference on education. The conference would be composed of no fewer than 200 individuals representing a diversity of interests and experiences in the field of education. They would include teachers, parents, students, school administrators, college faculty, and administrators, business and labor leaders and local, State and Federal policymakers.

The participants would be selected in the following manner:

One-quarter by the President of the United States; one-quarter by Speaker O'NEILL; one-quarter by the Senate majority leader, Senator BAKER; and one-quarter by the President from a list submitted by the Governors of the various States.

It is essential that the group of participants selected, as a whole, be politically and racially balanced and that all viewpoints are represented in the group. It will be up to the individuals selecting the participants to insure that this occurs. Governors, for example, should consult with other State office-holders and with local education officials in making their recommendations. It is particularly important for this conference not to be overburdened with too many participants representing any single interest or level of Government.

The President, the Speaker, the Senate majority leader and the Governors shall each designate two individuals to serve on an eight-person executive committee. The committee will be responsible for selecting a chair for the conference. The committee will also select any staff needed to prepare

for the conference and to assist the participants.

If this amendment is accepted here and by the House of Representatives and if this bill is eventually signed by the President, the conference would occur in September. The final conference recommendations will be transmitted to the President, Congress, and the Governors of the States by January 15, 1984. This may not appear to be a lot of time for such an ambitious effort, but I do not think that our Nation possesses a lot of time to respond to the problems cited by the Commission and the other panels. The spadework has been done. We must now proceed to develop an effective and comprehensive plan of action.

The report of the national commission concluded by noting that:

It is the America of all of us, that is at risk; it is to each of us that this imperative is addressed. It is by our willingness to take up the challenge, and our resolve to see it through, that America's place in the world will be either secured or forfeited. Americans have succeeded before and so we shall again.

These are optimistic sentiments but I believe that they can be borne out if we are willing to meet together, talk together, and work together to restore excellence in American education. Our school system attained greatness because it was placed above politics and outside the arena of petty partisan disputes. It attained greatness because Americans universally embraced the concept that a quality education was an imperative. That greatness can be restored. The enactment of this amendment is the next step in that quest. I urge my colleagues to support this amendment.

EXHIBIT 1

NATIONAL EDUCATION ASSOCIATION,
Washington, D.C., June 7, 1983.

Hon. EDWARD M. KENNDY,
U.S. Senate, Russell Senate Office Building, Washington, D.C.

DEAR SENATOR KENNEDY: The National Education Association—our country's largest organization of teachers and others in the field of education—believes that a national dialogue to develop workable solutions in response to the findings of the National Commission on Excellence in Education is both needed and appropriate.

We welcomed the conclusions of the Commission on Excellence's report. We believe that the findings of this prestigious group of educators and public officials have underscored what our Association has been saying for many years now—that education for our nation's youth is a vital national priority. And we need a strong national commitment to excellence in our schools.

It is with this in mind that we fully support and encourage the convening of a bipartisan, broadly based National Summit Conference on Education to discuss practical means for implementation of the Commission's report and the resources necessary to accomplish this.

With best regards.

Sincerely,

LINDA TARR-WHELAN,
Director of Government Relations.

AMERICAN FEDERATION OF TEACHERS,
Washington, D.C., June 8, 1983.

DEAR SENATOR: The American Federation of Teachers, AFL-CIO, strongly supports Senator Kennedy's amendment to H.R. 3069, the Supplemental Appropriations Bill. This amendment provides funds for a national summit conference on education where everyone concerned with improving the quality of American education can meet to recommend solutions to our educational problems.

The AFT strongly opposes the amendment being offered by Senator Bumpers for the purpose of changing the ESEA Chapter I formula. Major changes in any formula should only be implemented after the implications of such hearings have been examined through the normal hearing process. This has not been the case with the Bumpers Amendment.

I urge you to vote against the Bumpers Amendment.

Sincerely,

ALBERT SHANKER,
President.

NATIONAL SCHOOL BOARD ASSOCIATION,
Washington, D.C., June 8, 1983.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KENNEDY: The National School Boards Association supports funding to continue the work of the National Commission on Excellence in Education. Your amendment to the FY 1983 Supplemental Appropriations bill to fund a National Summit Conference on Education, at which the nation's most knowledgeable and respected thinkers would have the opportunity to address the Commission's recommendations, is a necessary next step. The Commission's report struck a responsive chord in our membership and generally in the public mind. Our local school board members intuitively understand, along with the rest of the American people, that without a national commitment to our educational system, any plan for economic recovery has no long-term viability.

The National Summit Conference on Excellence should be quickly convened. At stake is our future prosperity and freedom in the United States.

Very truly yours,

THOMAS A. SHANNON,
Executive Director.
M. JOAN PARENT,
President.

AMERICAN ASSOCIATION
OF SCHOOL ADMINISTRATORS,
June 8, 1983.

Hon. EDWARD M. KENNEDY,
U.S. Senate, Russell Senate Office Building, Washington, D.C.

DEAR SENATOR KENNEDY: On behalf of the American Association of School Administrators (AASA) I would like to express our support for the national summit conference you are proposing. AASA has long asked that education be put back on the public agenda and this conference is a good vehicle to continue the dialogue the President has recently joined.

Our concerns about the summit have been that everyone, including the President and governors as well as the House and Senate, should be equally involved in the venture. Further, that strident voices on the left or right should be included but not out of proportion to their numbers. A second concern has been the need to develop specific solutions to recommendations of recent reports on education and to avoid more generalities.

The finance and governance of public schools is a very complex enterprise in which the federal role must be defined and national leadership exerted.

We commend you and your colleagues on the bold move to continue the dialogue to put education on the public agenda where it belongs.

Sincerely,

PAUL B. SALMON, Ed.D.,
Executive Director.

Mr. KENNEDY. Mr. President, how much time do I have?

The PRESIDING OFFICER. Four minutes and 55 seconds.

Mr. KENNEDY. I yield 1 minute to the ranking minority member of the education committee.

Mr. PELL. Mr. President, the real strength of our Nation is the total of the education and the character of her people, not the means of construction or weapons of destruction.

What we are seeing now is apparently a backing up of our educational progress. We must reverse this trend, and I think that this amendment offered by the Senator from Massachusetts is an excellent amendment, which will focus attention on a very real problem, the problem that needs attention, and I urge my colleagues to support it.

Mr. KENNEDY. Mr. President, I reserve the remainder of my time.

Mr. President, I ask unanimous consent that the names of Senators BRADLEY, MITCHELL, SARBANES, and BOREN be included as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I rise to oppose the amendment of the distinguished Senator from Massachusetts.

Let me say at the outset that no one is more admiring than I of the continuing efforts of the Senator from Massachusetts in all areas of education and obtaining that which is necessary for those who want to learn in this Nation regardless of their condition.

But let me point out to my colleagues the following facts:

No. 1, the National Commission on Excellence in Education has not even completed its work. They are holding regional meetings right now to go ahead and get further specific input.

No. 2, what is being proposed here are 2 days of conferences and 4 months of writing up a report—$500,000 more to write another report when we have not even gotten the final results of the Commission itself.

I just do not think there is any question about what is needed in this Nation when it comes to education and what is needed certainly is both program effort and monetary effort.

I do not want to waste $500,000 on another report. Let it go into education.

The President indicates the problem is with the Federal Government. I could not disagree with him more. He gives the impression that for some reason or another all the money being spent comes from the Federal Government when only 10 percent comes from the Federal Government and it goes to the retarded, to the economically disadvantaged, those constituencies which do not have the votes at the local and the State level.

So certainly he gives a wrong impression as to the state of facts to the American people. Indeed, if you remove the Federal commitment, those few who have been helped and those programs which have been invariably a success will be removed from the scene.

Certainly no one is arguing for the President's point of view, which is to sit there and smack his lips over a report that condemns education and then indicating that the fault lies with the Federal Government.

What is clearly needed certainly is not evaluation of the curriculum of all of our schools, and I can promise you that someone will be standing up on this floor, I hope—I know—asking for the billions of dollars to correct the deficiencies cited in the original report—billions, never mind $500,000.

But I just do not want anyone to feel that the problem is being remedied by another report and $500,000 that is a duplication of the present effort.

I do not like to argue with my good friend because we are on the same side of so many issues that impact education. This might be some great gimmick in terms of public relations, but it certainly has nothing to do with bettering education in this country.

I, along with the rest of the members of the Appropriations Committee, am sitting here day in and day out, being forced to whack away and whack off programs that are of clear benefit to thousands of Americans.

If the Senator from Massachusetts wishes to talk about a program he should talk about early intervention, where nearly $1 million was wiped out in last year's budget, twice as much as the $500,000 he asks for in yet another report.

Any time the Senator from Massachusetts wishes to stand up here with me and go ahead and ask for the billions that are necessary to do the job for education in this country he and I will stand side by side, and I know that we feel the same way, so there is no argument there.

But in a time of a tight budget, when another study would be a total duplication of effort, I ask that the amendment of the distinguished Senator from Massachusetts be defeated.

Mr. KENNEDY. Mr. President, I wish my good friend, the distinguished colleague from Connecticut, would read my amendment because in my hand I hold the Commission recommendations. There are no field hearings going on on this particular issue. This is a final report, and I include it by reference rather than ask that it be printed in its entirety in the RECORD—"A Nation At Risk." There is the report, Mr. President, in its finality—finality.

Here is American competitive challenge, a need for national response.

One was set up by the President; the second by the 20th Century Fund.

This is the 20th Century Fund report on elementary and secondary education.

The third report is a report to the President of the United States on higher education and completed in April of this year.

All three reports have been completed.

What this Commission asks is that we have a commission that is established to make recommendations to Congress, to the States of this Nation, and to the local governments on how to implement it.

These are three final reports, all talking about the crisis of education but without specific recommendations how they are going to be implemented.

My amendment says to this group look at three distinguished reports, remarkably similar in terms of their recommendations, and give us some guidance, some guidance to Congress, some guidance to the State, some guidance to local school boards, some guidance to parents, some guidance to teachers about where the responsibility lies on how to be able to implement it.

It seems to me that is a useful and worthwhile investment of $500,000. Granted, if the administration wanted to do it I am sure they would have the resources within their budget in various discretionary funds to be able to do it.

But that kind of specificity does not exist today, and this amendment is asking for that recommendation for the Congress of the United States. Then the Congress of the United States can either decide to endorse it or they can decline it, but at least it lets us have for the Congress of the United States the best minds able in this country to guide us on how we can implement these outstanding reports.

I withhold the remainder of my time.

Mr. WEICKER. Mr. President, the communication reads as follows:

> What to do about "the rising tide of mediocrity" in American education will be the topic of a day-long forum Thursday, June 9, when the National Commission on Excellence in Education meets in Hopkins, Minn., just outside Minneapolis.

It goes on to say:

> The first meeting on implementing recommendations of the Commission was held last month in East Lansing Michigan.
>
> Other Commission forums are scheduled for Albuquerque, New Mexico, on June 23 and Salt Lake City, Utah, on June 24.
>
> Dates have not yet been set for hearings scheduled for Pittsburgh, Pa.; Portland, Maine; Raleigh, N.C., Wichita, Kans.; Atlanta, Ga., Los Angeles, Calif., and Houston, Tex.

So all this activity continues to flow from the National Commission on Excellence in Education.

In addition, I would cite to my good friend from Massachusetts the fact that the Student Financial Aid Commission, which was set up by this Congress, is due to put forth its report on June 30, 1983. I will tell you I would like to get all of the cumulative amount of reports and commissions and put them into education.

I know how popular it is going to be for somebody to say, "I voted for $500,000 to do a little more studying." Let us get the education done. Let us have the billions that are necessary to produce the kind of excellence that everybody is talking about.

Insofar as my job is concerned as chairman of the Labor-HHS-Education Subcommittee of the Appropriations Committee, you will never find me lacking in my support for educational funds. But I find this, quite frankly, falls just as far short in terms of achieving that end as I find the President's remarks to fall short relative to the recommendations of the commission as to what has to be done.

Mr. KENNEDY. Mr. President, have I got a couple of minutes?

The PRESIDING OFFICER. One minute and 9 seconds.

Mr. KENNEDY. I think I can make it.

The fact is, Mr. President, the Senator from Connecticut is referring to the studies which are being done in-house by the Department of Education, which studies are limited and closed in nature, both, by the participation of the various groups that are involved in education.

What we are asking is a broadly based kind of review that can give us the recommendations on how to implement the three reports that have already been done.

I have little confidence, Mr. President, in a Department of Education that in its publication put out on the course of the review of these various reports says, "Closing the Department of Education would be the best thing to happen to education in decades." That is the group that is conducting the review on these three studies.

What I am asking for is that we have the kind of distinguished educators who are involved in these kinds of panels to make recommendations to Congress, to the States, to the local communities on how to implement what needs to be done to strengthen the quality of education in our society

in our country. It is basically that simple.

● Mr. PRYOR. Mr. President, I am pleased and privileged to join my colleagues in an amendment to appropriate $500,000 for convening a national summit conference on education. This is being offered to the Emergency Supplemental Appropriations Act, H.R. 3069.

We hear a great deal about summit conferences on various matters, all of them relevant and crucial issues to the Nation. But I know of no area of more importance to the American people than education.

The summit conference defined in this legislation would be a logical followup to the recent National Commission on Excellence in Education. This group's detailed report includes a full and impressive list of the problems faced by our public schools. It defines the issues and it offers suggested avenues of improvement and correction.

What the report does not offer is a specific plan for implementing its general recommendations. I believe that this amendment would provide exactly the machinery needed for putting these recommendations into motion. Here is what our amendment includes:

A convening of the conference within 90 days of enactment of the supplemental appropriations bill.

A participation of no less than 200 people with diverse backgrounds and a strong interest in improving the educational system.

A fair means of selection, with participants chosen by the President, the Speaker of the House, and the Senate majority leader along with suggestions by the Governors of the various States.

Let me say that this amendment has enjoyed the endorsement of many important organizations with a commitment toward education. These include the American Federation of Teachers, the National Education Association, the National Parent-Teacher Association, the American Association of School Administrators, and the chief State school officers.

These groups know the urgency of this amendment and why action must be taken now. In fact, the title of the National Commission's report is most appropriate: "A Nation At Risk." We all know what is meant by risk factors, and when it comes to the training and education of our young people no risk should be taken.

According to the National Commission, American education has deteriorated so drastically in the past 20 years that "our very future as a nation and people" is threatened. We face a "rising tide of mediocrity" that has to be reversed. Specific recommendations made by the Commission include a seven-hour school day, an academic year of 11 months, more homework and required courses for high school students, higher teacher pay, and higher standards for all grades of public school.

Some startling facts and figures have been revealed in this report:

For instance, remedial courses in math have increased by 72 percent since 1975—and these are high school level courses being offered in college.

Second, about 13 percent of all 17-year-olds can be considered functionally illiterate by simple tests of reading and writing.

Finally, the average achievement of high school students on most standard tests is lower than 26 years ago—when sputnik was launched and we all became aware of new educational needs.

Words like "shoddiness" and "frustration" and "deficiency" run throughout the Commission's report. I believe that this amendment will go a long way toward correcting these weaknesses. It will bring together the best minds and the most highly trained educators in the country. And it will challenge all of us to do what is right for our educational system.●

Mr. HATCH. Mr. President, while I congratulate my colleague from Massachusetts and his cosponsors on their concern for the improvement of education in the United States and on the sincerity and timeliness of their proposed summit conference, I must vigorously oppose it both because I have serious reservations about its merits and because there is no good reason why it should not proceed through the authorizing committee rather than seeing enactment as an appropriations rider.

This national summit conference is at first glance innocuous, but I am concerned that it could form a watershed in the Federal control of education. First, section 4, the operative section, instructs the summit conference to "develop specific recommendations for action in response to the findings of the National Commission on Excellence in Education." This assumes that the findings of the National Commission are not to be questioned, simply acted upon. I am most impressed with the Commission's report, but it is one of a number of valuable assessments—it is not the Bible. It deserves close consideration, not blind acceptance.

Next, the conference is directed on the basis of the Commission's report to develop specific recommendations for action on student achievement, student discipline, and curriculum content. If specific national recommendations on student achievement issue from such a prestigious body, can national standards, and then national tests, be far behind? Are we ready for national standards on student discipline? Do we really want national pronouncements on what schools are to teach in social studies, political science, sex education and psychology courses, or even in biology and literature?

Not only is the national summit conference to tell us the answers, including how to compensate teachers, but it will also tell us where the money is to come from. Will there be 50 different recommendations, one for each State, or one for each of the country's 16,000-odd school districts? Of course not, there will be at most some generalities about percentages, increases, and so forth. But the specificity will come, make no mistake, at the Federal level, where as all good lobbyists know, you only have one power center to work on. You can bet that we are going to be told, as the special interest never tire of instructing us, that the tab must be picked up by the inexhaustible Federal treasury "because no one else can afford it," and they will be quite specific about that.

Worse yet, the national summit conference is instructed to spell out just what the various Federal, State and local roles in education are specifically. This is a classically political and constitutional judgment in the pure sense, and are these 200 individuals—with no requirement of legal training, for example—better situated to make these delicate judgments than are the members of legislative bodies?

It may be argued that this national summit conference will only make recommendations, but you may be sure that its pontifications will sway many minds simply because of its high profile and prestige, which is exactly what the legislation intends.

Why is this proposal being offered as a rider to an appropriations bill rather than being sent through the authorizing committee? Because, it is said, the idea was just recently developed and there is some urgency to it. Well, the advent of an appropriations bill always seems to generate new, important ideas on the spur of the moment. But this is not the way to do business in the Senate.

We have here no natural disaster, no international emergency. Education in this country needs focused attention, but it is not in danger of imminent self-destruction if this proposal is sent through committee. Senator KENNEDY himself has formally called for hearings on the National Commission's findings, and I am sure he has no doubt that hearings will be held.

For these reasons, Mr. President, I urge my colleagues to reject this amendment.

THE EDUCATION SUMMIT CONFERENCE

Mr. CHILES. Mr. President, I am very pleased to join my colleagues in sponsoring the amendment calling for an education summit conference. I think such a conference is a positive first step in implementing the recom-

mendations of the National Commission on Excellence in Education.

The Commission report, "A Nation At Risk: The Imperative for Educational Reform," tells us in no uncertain terms where we stand in American education. We have got a new "window of vulnerability," and it is the classroom window. The report also tells us where we should be to regain and hold our lead in education. An education summit conference is the best way to quickly respond to the report and get from here to there.

The conference should pull together leaders of public and private education at all levels, business and industry, labor and public interest groups, parents and students. It should sort out the very positive and forward-looking recommendations of the Commission in terms of what should be done specifically—at the Federal, State, local, public, and private level—to get us on the road to educational recovery.

Usually summit conferences involve defense or the economy. It is plain to see that education is just as critical to our national security as military hardware and just as important to economic competitiveness as a sound monetary policy. Literacy, problem-solving and decisionmaking skills, competency in the basics, career preparation, productivity—these are more intangible than the MX missile or a microcomputer, but I would hate to try to build and operate a high technology weapons system or a factory without a work force with these skills. It is time we translated intangible qualities—that are essential to our human capital—into concrete results in the schools.

I see an education summit conference as a good way to avoid the quick-fix solutions to this problem. We started hearing the easy answers as soon as the Commission report came out: "Enact tuition tax credits and tuition vouchers; do away with the Department of Education" was the response from one side. "Spend more money on education" was the reply from the other.

I do not think we want to abandon our system of free, public education and access to higher education. After all, it helped make us one of the world's industrial and technological leaders. I do not think the American people are willing to abandon the Federal role in education after we have made such gains in access for disadvantaged and handicapped students. On the other hand, I do not think the American people want more Federal intervention in private education through taxpayer subsidies. In short, we are going to want to overcome the weaknesses and build on the strengths of our education system with our reforms. Unlike our foreign competitors, we are not going to adopt nationalized education or a rigid tracking system where a preschool test determines whether a child has the opportunity to be a welder or a scientist. Therefore, we should not abandon the positive aspects of our own educational traditions.

To those whose answer to the fix we are in is simply spend money, I would say that the years of decline in education have coincided with the years of greatest growth in spending on education in our history. That does not mean the money caused the problem. That does not mean we should not have paid the price for access for all children to free, public education. What it means is, money alone does not buy quality education. Money plus commitment, plus support and involvement in the public schools by parents and the community, plus well-integrated curricula and sound education research, plus highly skilled, well-motivated teachers and administrators, plus disciplined and directed students—all this adds up to quality education.

Democracy is great at responding to crises. We have a crisis at hand, and I think we will respond. I think we will respond most adequately if we have, not only this education summit conference, but rational, positive discussion and action at the State and local levels as well on the prescription for reform. The medicine might not be easy to take, or inexpense, but a healthy education system and learned, skilled populace is worth the pain and the price.

Mr. HOLLINGS. Mr. President, I am pleased to join several of my colleagues today in offering an amendment to provide $500,000 for a National Summit Conference on Education. This conference would convene no later than 90 days after enactment of the fiscal year 1983 supplemental appropriations bill and would consist of at least 200 participants from different backgrounds but sharing the strong commitment to improving the quality of education in America.

The recent reports by the National Commission on Excellence in Education, the New York Stock Exchange, the Twentieth Century Fund, and others make the need for such a comprehensive conference abundantly clear. I believe maintaining and upgrading the quality of education is fundamental to sustaining our free and democratic nation. Our citizens can only acquire the knowledge, information, and sophistication they need to make our system work through education. And, the quality of that education plays a vital role in our economic productivity, our ability to compete internationally and the strength of our national defense. A truly bipartisan meeting of individuals concerned primarily with the future of this nation's educational system is a realistic approach to building the consensus behind specific proposals designed to remedy the crisis in education we face today.

The time to act is now. We have been challenged by the many reports to meet the shortcomings in our system of education. The sooner we respond to this challenge, the sooner we can obtain the results we desire. The National Summit Conference on Education will give significant direction to our efforts.

Mr. MATSUNAGA. Mr. President, as a cosponsor of the Kennedy amendment, I rise to urge my colleagues to adopt the amendment which would provide for a national summit conference to develop educational solutions to the startling problems raised in the report of the National Commission on Excellence in Education.

Mr. President, I have no doubt that every one of my colleagues here today is painfully aware of the findings of the Commission on Excellence in Education. The Commission's report warns us that our Nation is at risk. Throughout the world, other countries are surpassing our achievements in commerce, industry, science, and technological innovation. The root of our problem is the shocking state of our educational system; an educational system that has been swept by a rising tide of mediocrity.

The Commission reports to us that some 23 million American adults are functionally illiterate by the simplest tests of everyday reading, writing, and comprehension. Additionally, about 13 percent of all 17-year-olds can be considered functionally illiterate. College board achievement tests have also shown consistent declines in recent years.

Mr. President, the findings are clear. Indeed, there is probably unanimous agreement that action must be taken to address this most serious state of affairs. However, there is no such consensus on what those actions should be.

I believe that we must tackle this problem head on; that is, in a deliberate and organized fashion. For this reason, I have cosponsored this proposal for a summit conference. This forum will allow for a thorough assessment of both the problems with our educational system, and the best approach to regain excellence in our educational system.

The conference participates will be representatives of teachers, parents, school administrators, college faculty and administrators, school board members, State education officials, State legislators, Governors, students, business, and labor. This is a most appropriate group of participants to examine this issue of vital concern to our future as a nation.

Mr. President, this is a small expenditure to make in order to provide a meaningful approach toward regaining

our educational superiority and to reverse the dangerous deterioration of academic delivery and standards in this country. I urge my colleagues to take positive action for our future and adopt this amendment.

Mr. KENNEDY. I am prepared to vote, and I am prepared to yield back the remainder of my time.

Mr. WEICKER. I do not want to take unfair advantage. The Senator has no time to yield back. I have got 3 minutes to go ahead here and stump on this issue. But I think, in the interest of all our colleagues, I should yield back our time and get to a vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from Utah (Mr. GARN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Idaho (Mr. MCCLURE), and the Senator from Wyoming (Mr. WALLOP) are necessarily absent.

Mr. BYRD. I announce that the Senator from New Mexico (Mr. BINGAMAN), the Senator from Arkansas (Mr. BUMPERS), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Colorado (Mr. HART), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from New York (Mr. MOYNIHAN), and the Senator from Arkansas (Mr. PRYOR) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 38, nays 48, as follows:

[Rollcall Vote No. 133 Leg.]

YEAS—38

Baucus	Ford	Metzenbaum
Bentsen	Glenn	Mitchell
Biden	Heflin	Nunn
Boren	Hollings	Packwod
Bradley	Huddleston	Pell
Burdick	Jackson	Randolph
Byrd	Kennedy	Riegle
Chiles	Lautenberg	Sarbanes
Cohen	Leahy	Sasser
Dixon	Levin	Stennis
Dodd	Long	Tsongas
Eagleton	Matsunaga	Zorinsky
Exon	Melcher	

NAYS—48

Abdnor	Hatfield	Pressler
Andrews	Hawkins	Proxmire
Armstrong	Hecht	Quayle
Baker	Heinz	Roth
Chafee	Helms	Rudman
Cochran	Humphrey	Simpson
D'Amato	Jepsen	Specter
Danforth	Kassebaum	Stafford
Denton	Kasten	Stevens
Dole	Laxalt	Symms
Domenici	Lugar	Thurmond
Durenberger	Mathias	Tower
East	Mattingly	Trible
Gorton	Murkowski	Warner
Grassley	Nickles	Weicker
Hatch	Percy	Wilson

NOT VOTING—14

Bingaman	Garn	McClure
Boschwitz	Goldwater	Moynihan
Bumpers	Hart	Pryor
Cranston	Inouye	Wallop
DeConcini	Johnston	

So Mr. KENNEDY's amendment (No. 1308) was rejected.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. CHAFEE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WEICKER. Mr. President, at the present time the distinguished Senator from New Jersey is trying to work certain matters out with our colleagues. I would like to recognize a few Senators who have some noncontroversial amendments.

Mr. RANDOLPH. Mr. President, a point of order. The Senate is not in order. We cannot hear.

The PRESIDING OFFICER. The point of order is well taken. The Senate is not in order. The Senate will be in order.

Mr. WEICKER. Mr. President, I yield to the distinguished Senator from Mississippi.

AMENDMENT NO. 1347

(Purpose: To provide an additional $10 million for emergency repairs to watersheds, including repairs to local roads and bridges, damaged by recent floods)

Mr. COCHRAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Mississippi (Mr. COCHRAN), for himself and Mr. EAGLETON, proposes an amendment numbered 1347.

Mr. COCHRAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 5, after line 2, insert the following new paragraph:

For an additional amount for emergency measures to repair flood damage as authorized by sections 403-405 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203-2205), $10,000,000, to remain available until expended.

Mr. COCHRAN. Mr. President, the purpose of this amendment is to add some money to this bill for the Soil Conservation Service to commence emergency repairs to local roads, bridges, and other flood control structures that have damaged in recent weeks because of severe flooding around the country. We anticipate there are going to be some requests for emergency assistance. Some have already been received by the Department of Agriculture. These requests will exceed the amount of money available for this kind of work.

We are confronted with an emergency. Each day, the television and newspapers carry stories of more flooding in the Southern States of Arkansas, Louisiana, and Mississippi; of devastating mud slides and flooding in the Western States of California, Utah, and Nevada; and in other parts of the country. These are only the beginning of serious problems that should peak within 2 to 3 weeks. "The worst is yet to come," we are told by Weather Service experts.

Destruction of property and threat of loss of life are making life unbearable for thousands of families. Farmers are left with severe planting problems that could impair crop production. The difficult task of picking up the pieces of disrupted lives is eased in many cases by assistance from the Department of Agriculture through emergency repairs to watersheds, including repairs to local roads and bridges, damaged by the floods. Such emergency operations have proven to be very effective.

Over the past few days, as chairman of the Appropriations Subcommittee on Agriculture, Rural Development, and Related Agencies, I have been in contact with the Department in regard to the status of their emergency operations. This year, the Department has received $17,500,000 for emergency operations—$7,500,000 of which was provided in the emergency jobs bill, Public Law 98-8. As of the end of last week, less than $4 million remains. This is not likely to be sufficient funding to respond to anticipated requests from all over the country. California, alone, is expected to submit requests in the amount of $2 million. My State of Mississippi has pending requests between $2 million and $3 million.

Therefore, I propose to increase the Department's emergency operations funding level by $10 million. This is authorized by section 403-405 of the Agricultural Credit Act of 1978 and is to remain available until expended.

Senator EAGLETON, ranking minority member of the subcommittee, joins in sponsoring this amendment, and I would urge its adoption at this time.

We have discussed the amendment with the managers of the bill, Mr. President, and we understand that it can be accepted. We very much appreciate the cooperation of the leadership in this regard.

Mr. WEICKER. Mr. President, I have no objection to the amendment. I commend the distinguished Senator from Mississippi for bringing it to the attention of the committee.

Mr. STENNIS. Mr. President, if the Senator will yield, I can certainly certify to some of the facts to which the Senator from Mississippi has referred. It is a very distressing situation. There

is a dire need. I am glad that something can be done. I know of no opposition on this side.

Mr. WEICKER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1347) was agreed to.

Mr. WEICKER. Mr. President, I yield to the distinguished Senator from Rhode Island.

AMENDMENT NO. 1348

(Purpose: To assure payment of local health planning funds to Rhode Island, Hawaii, and several other jurisdictions)

Mr. CHAFEE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Rhode Island (Mr. CHAFEE), for himself, Mr. INOUYE, and Mr. MATSUNAGA, proposes an amendment numbered 1348.

Mr. CHAFEE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 70 after line 18, insert the following:

Sums appropriated under section 101(e)(2) of Public Law 97-377 for health planning activities may be used for carrying out such activities for fiscal year 1983 under section 935(b) of the Omnibus Reconciliation Act of 1981.

Mr. CHAFEE. Mr. President, this amendment I submit on behalf of myself and the two distinguished Senators from Hawaii.

This amendment is needed to assure that Rhode Island, Hawaii, the Trust Territories of the Pacific, and others get their local health planning funds in fiscal year 1983.

The 1981 Reconciliation Act provided authority for the allocation of these funds in fiscal year 1982 to jurisdictions which do health planning only from the State level.

The fiscal year 1983 continuing resolution fully intended to continue all health planning authority, but agency officials now say more specific language is needed to do the job for Rhode Island, Hawaii, and others.

The jurisdictions involved discovered their problem only recently and have requested our assistance with the necessary conforming language.

The amendment does not involve any additional funding.

Mr. President, it is my understanding that this is agreeable to both the majority and minority managers on this piece of legislation. Unless there are questions, I move adoption.

Mr. MATSUNAGA. Will the Senator yield?

Mr. CHAFEE. I certainly will.

Mr. MATSUNAGA. Mr. President, this is merely to correct an inadvertent omission, as I understand it. I urge the managers on both sides of the aisle to accept the amendment.

Mr. CHAFEE. Mr. President, we have discussed this with the minority side and with the majority.

Mr. WEICKER. Mr. President, both in terms of geography and in terms of partisanship, this spans the United States of America from Rhode Island to Hawaii. I am more than delighted to accept the amendment of my distinguished colleagues.

The PRESIDING OFFICER. Is there further discussion? If not, the question is on agreeing to the amendment.

The amendment (No. 1348) was agreed to.

Mr. CHAFEE. I thank the majority and minority managers for their assistance in this matter.

ORDER FOR RECESS UNTIL 11 A.M. TOMORROW

Mr. BAKER. Will the Senator yield to me?

Mr. WEICKER. I yield, Mr. President.

Mr. BAKER. Mr. President, I am advised by the managers of the bill that we shall have another vote or two, they anticipate, tonight—maybe more than that. I hope so. In any event, there will be more rollcall votes tonight, and I expect us to be in for another hour or so.

Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 11 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1349

(Purpose: To assure an equitable allocation of funds to institutions under the supplemental educational opportunity grant program)

Mr. WEICKER. Mr. President, I yield to the Senator from Vermont.

Mr. STAFFORD. Mr. President, I call up an amendment that I have at the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Vermont (Mr. STAFFORD), for himself, Mr. PELL, Mr. LEAHY, Mr. CHILES, and Mr. CHAFEE, proposes an amendment numbered 1349.

Mr. STAFFORD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 71, after line 25, add the following:

For an additional amount for subpart 2 of part A of title IV of the Higher Education Act of 1965, relating to Supplemental Educational Opportunity Grants, $4,600,000: *Provided*, That, notwithstanding section 413D(b)(1)(B)(ii) of the Higher Education Act of 1965 and section 10 of the Student Financial Assistance Technical Amendments Act of 1982, funds appropriated under this heading and any funds appropriated for fiscal year 1983 for such subpart 2 that are not obligated or committed for the fiscal year 1983 shall be allocated in a manner designed to ensure that all eligible institutions receive a minimum funding level based upon a uniform State percentage for such fiscal year.

Mr. STAFFORD. Mr. President, I offer this amendment on behalf of myself, Mr. CHAFEE, Mr. CHILES, Mr. LEAHY, and Mr. PELL. I have offered this amendment to repair a technical deficiency in the translation of the so-called Rudman language in recent appropriations legislation into statutory language in last year's student financial assistance technical amendments (Public Law 97-301). If uncorrected, this technical problem may result in the elimination of almost 500 schools from the SEOG program in the 1983-84 academic year beginning in September.

As my colleagues will recall, Mr. President, the Rudman language provides for ratable reductions in State allotments for the campus-based student aid programs when appropriations levels fall below, in the case of SEOG, $370 million. The combination of the Rudman language and the institutional hold-harmless provisions of the SEOG statute would preclude certain institutions of higher education—principally proprietary and vocational-technical schools and community colleges—which were not recipients of SEOG funds in the 1979-80 academic year from receiving SEOG allotments in the 1983-84 academic year. This could happen even though these schools may have received SEOG funds in other years. Current law provides a minimum allocation for each institutional equal to the amount it received and used from the 1979-80 award year. Each State's allotment and its aggregate minimum institutional allocations are both fixed amounts. In those States where the institutional allocations exceed the former, every institution which did not participate in the 1979-80 award year would not be funded in 1983-84.

Mr. President, at this point I ask unanimous consent that a table outlining the number of institutions in each State affected be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Number of institutions benefited by Stafford-Pell SEOG amendment

California	73
Connecticut	6

District of Columbia	6
Florida	53
Idaho	1
Illinois	58
Indiana	14
Iowa	13
Kansas	10
Maine	4
Maryland	16
Massachusetts	16
Minnesota	12
Mississippi	7
Missouri	13
New Hampshire	6
New Mexico	6
New York	60
Ohio	31
Oregon	4
Pennsylvania	40
Puerto Rico	7
Rhode Island	6
Vermont	3
Washington	17
West Virginia	5
Wisconsin	3
Guam	1
Total institutions in 28 States...	489

Schools in Vermont affected: Fanny Allen Nursing School, Winooski; Putnam Memorial Nursing School, Bennington; Thompson Nursing School, Brattleboro.

Mr. STAFFORD. Mr. President, this amendment would add $4.6 million to the SEOG program and provide technical language so that these schools could be funded. It is also necessary because the Department of Education, for the second time in 2 years, has sent out tentative SEOG awards to schools as if current law did not exist. Tentative awards were provided to these schools in April even though this problem had not been corrected—and these schools, having received this information from the Department of Education, rightfully expect to receive these funds in order to help their needy students. While I believe that the Department had the best intentions with respect to insuring that students at these schools receive their fair share of SEOG funds, I am concerned that the Department, in sending out these tentative awards, contravened the letter of the law. This also occurred last year, when the Department sent out awards under an anticipated change in the law, rather than under current law. I believe that this is a most inappropriate practice, and must be ended.

I know that the distinguished chairman of the Subcommittee on Labor, Health and Human Services, and Education, who is also a member of our Education Subcommittee in the Labor and Human Resources Committee, would like to see this corrected, appropriately, in authorizing legislation. However, due to time constraints, and the fact that the Department has sent out these tentative awards, we must make this correction now, on this legislation. I assure my friend and colleague that on the next appropriate authorizing vehicle—most likely the student loan consolidation bill which must be acted upon by August 1—we will make a permanent correction in the SEOG language. I appreciate my colleagues' interest in this matter, and I trust that I will have their support.

In brief, Mr. President, without these technical corrections, some nearly 500 schools which expect to receive these funds on the basis of tentative awards from the Department of Education will not get this money.

Mr. President, I hope the subcommittee chairman and the managers of the bill might be able to accept this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. WEICKER. Mr. President, it is my understanding that this amendment calls for $4.6 million, which money is to be applied to some 400 institutions.

Mr. STAFFORD. That is correct, Mr. President.

Mr. WEICKER. I wonder if the Senator would then state for exactly what purpose the money is to be used?

Mr. STAFFORD. There are actually 489 schools that will be receiving this sum of $4.6 million. They are scattered across the country. The $4.6 million would be going into student education opportunity grants, which are for the purpose of providing part of the college assistance program that allows needy students who otherwise could not go to college an opportunity to do so.

Mr. WEICKER. If this money were not included in the supplemental, then it would be denied those students and would probably, at least in some instances, make it impossible for them to continue their education.

Mr. STAFFORD. I say to my dear friend, the manager of the bill, it would mean that 489 institutions would not have any money to offer needy students in the form of student education opportunity grants.

Mr. WEICKER. Mr. President, I concur with the amendment of the distinguished Senator from Vermont and urge its passage.

Mr. STENNIS. I agree, Mr. President.

Mr. WEICKER. I yield back the remainder of my time.

Mr. STAFFORD. I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1349) was agreed to.

Mr. WEICKER. I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1350

(Purpose: To provide for a consulting architect to assist the Commission on the West Central Front of the United States Capitol in directing the Architect of the Capitol on the restoration of the West Central Front of the United States Capitol)

Mr. WEICKER. Mr. President, I yield to the distinguished Senator from New York for the purpose of offering an amendment.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. D'AMATO. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New York (Mr. D'AMATO) proposes an amendment numbered 1350.

Mr. D'AMATO. I ask unanimous consent that futher reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 76, line 18, strike out the period and insert in lieu thereof the following: ": *Provided further,* That, the Commission on the West Central Front of the United States Capitol shall appoint, from among private individuals who are qualified, by reason of education, training, and experience, a consulting architect who shall assist the Commission in directing the Architect of the Capitol with respect to the restoration of the West Central Front of the United States Capitol: *Provided further,* That the Architect of the Capitol shall keep the consulting architect appointed under this paragraph fully and currently informed of the progress of the restoration of the West Central Front of the United States Capitol: *Provided further,* That the consulting architect for the restoration of the West Central Front of the United States Capitol appointed under this paragraph shall be paid for his services (out of the sum appropriated by this paragraph) at such rate of pay as the Commission considers appropriate, but not exceeding a rate equal to the daily equivalent of the rate of basic pay payable for grade GS-18 under the General Schedule under section 5332 of title 5, United States Code.".

Mr. D'AMATO. Mr. President, my amendment relates to the restoration of the west front of the Capitol. The committee has provided $48 million for the restoration of the west front. As my colleagues surely know, the dispute over the west front has been before the Congress for well over a decade, but at last the fundamental disagreement between the two Houses on whether to restore or extend the west front has been resolved. By an overwhelming vote, the House has rejected the extension scheme championed by the Architect of the Capitol. Finally, restoration of this last exposed face of the original Capitol can proceed.

The question now before the Senate, and eventually the conferees on the bill, is how do we best assure that the restoration project proceed promptly, within the amounts to be appropriated, and with the top quality workmanship we owe our preeminent national shrine.

The committee bill makes good strides: it requires a firm fixed price contract, supported by standard performance and payment bonds, and permits the Commission on the West Central Front to competitively award a contract from bidders invited by the Commission to participate. This latter provision was viewed by Ammann & Whitney, the New York company which developed the restoration plan, to be essential to guarantee quality workmanship.

One element remains to be added to the bill to assure that this project is successful, and that is to place the West Front Commission in a position to take an active role in monitoring the progress of the reconstruction.

Mr. President, the amendment which the clerk has reported is not the amendment which I had hoped to offer today. It is a pale shadow of my original amendment. My original amendment would have directed the Commission on the West Front to appoint a special architect to oversee the restoration project, using the services and facilities of the Architect of the Capitol. I still believe it to be justified, for three reasons.

First, the restoration of the west front is probably the most important Capitol Hill construction to take place during any of our careers in the Senate. It will be highly demanding technically, and require the utmost care, sensitivity, and attention to detail. It will be a full time job to supervise the project properly. The current Architect of the Capitol supervises over 2,000 employees, oversees a budget which will in fiscal year 1984 approach $95 million, and is responsible for all 273 acres of the Capitol Grounds, plus the Supreme Court complex. It is too much to expect that the restoration project can possibly command a sufficient amount of his attention.

Second, the Architect of the Capitol has been so closely identified with the extension proposal, that it would be a mistake to ask him now to direct the restoration proposal he has so vehemently fought. Both Houses of Congress have now taken a position independent of the Architect, and indeed directly contrary to his, and I therefore believe Congress should appoint a qualified individual more sympathetic to this project.

Finally, it is no secret that major Capitol Hill construction projects in recent years have seen horrendous cost overruns. According to a 1981 GAO report, the four most recent major Capitol construction projects have cost $180 million more than the original estimates because of delays and management problems in the Office of the Architect of the Capitol. Even if we exclude changes in these projects mandated by the Congress, the overruns are inexcusable. These four projects—the Hart Building, Madison Library Building, House Office Building Annex 2, and Capitol Power Plant modifications—were originally estimated to cost $156 million, but in reality cost over $326 million, well over double the original estimate. In these times of fiscal constraint we can ill afford millions in overruns for Capitol construction projects.

However, Mr. President, I have discussed this amendment and my views with the majority leader, a member of the West Front Commission, and the pending amendment is a modification of my original one. This amendment would direct the Commission to appoint a consulting architect for the restoration project, who would fulfill a watchdog role. He would serve as a consultant to the Commission, to be paid for the days he serves, at the standard consultant rate. This would not involve additional appropriations, as his salary would be drawn from the $48 million to be appropriated for the west front. I am confident that he would actually save funds through insuring the project proceed in a cost effective manner.

Mr. President, I have the utmost respect for all six members of the Commission. But let us face reality. The Vice President, Speaker of the House, and majority and minority leaders of both Houses are six of the busiest men in Washington. It is inconceivable that they will have the time to carefully scrutinize the progress of reconstruction of the west front. Appointment of a consulting architect, whom the Architect of the Capitol would be required to keep fully informed about the project, will enable the Commission to carry out the legal mandate we place on them to direct the Architect of the Capitol in this project.

The objective of the consulting architect would be to insure that the west front restoration proceeds on a timely basis, with top quality workmanship, and at cost. Without the appointment of such an official, I fear that we will see the same cost overruns that we have witnessed on past Capitol construction projects.

Mr. President, I urge the adoption of this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. WEICKER addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. WEICKER. Mr. President, I support the amendment of the distinguished Senator from New York, as does, indeed, the committee. On the other hand, my good friends on the minority side are doing everything they can at this time to clear this amendment with their membership. I wonder if it might not be in the interest of all concerned that we temporarily lay it aside while this is being attended to. I ask the distinguished Senator from New York that we do that.

Mr. D'AMATO. Absolutely. Mr. President, let me add that Senator HOLLINGS, who is the distinguished minority member on the Legislative Appropriations Subcommittee, supports this amendment. However, I will agree to lay this amendment aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1351

(Purpose: To provide an additional appropriation of $2,500,000 for regional resource centers under the Education of the Handicapped Act)

Mr. WEICKER. Mr. President, I yield to the distinguished Senator from Utah.

Mr. HATCH. Mr. President, on behalf of myself, Mr. STAFFORD, Mr. LEAHY, Mr. CHILES, Mrs. HAWKINS, Mr. RANDOLPH, and Mr. MATSUNAGA, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Utah (Mr. HATCH), for himself, Mr. STAFFORD, Mr. LEAHY, Mr. CHILES, Mrs. HAWKINS, Mr. RANDOLPH, and Mr. MATSUNAGA, proposes an amendment numbered 1351.

Mr. HATCH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the resolution, insert the following new section:

SEC. ——. There is appropriated $2,500,000 for section 621 of the Education of the Handicapped Act, relating to regional resource centers, which is an addition to the amounts otherwise available for that section for fiscal year 1983.

Mr. HATCH. Mr. President, this amendment restores $2.5 million to the appropriation level for the regional resource centers under the Education for the Handicapped Act bringing it up to a mark of $5.38 million.

Regional resource centers were originally created to improve the distribution of educational services and techniques available for persons working with handicapped children. RRC's were responsible for helping State and local education agencies provide a free, appropriate individualized education for our Nation's handicapped children. Today, RRC's train special education personnel, demonstrate educational methods, plan and coordinate pro-

grams, and develop and disseminate special education materials and information. They are the only agency which provides technical assistance for special education at the regional level.

In October 1979, the U.S. Department of Education commissioned the Communication Technology Corp. of New Jersey to evaluate the RRC program. Their study found that the RRC program has been very successful at both the State and local level in building increased knowledge of and capacity for implementing Public Law 94-142. They have been particularly effective in providing a framework by which consumer groups can be linked with new technologies and practices to help solve problems which remain in providing special education to our handicapped children. In addition, the RRC's have acted as a liaison between the Office of Special Education and the State (SEA's) and local education agencies (LEA's).

During fiscal year 1981, the RRC's were given an appropriation of $7.656 million. In fiscal year 1982, the appropriation was reduced to only $2.88 million because RRC's did not provide direct service delivery. As a result, RRC's have had to make major cuts in many essential services. I commend Senator WEICKER, as chairman of the Subcommittee on the Handicapped, for recently adding back moneys for RRC's. He has been a champion for the disabled and on the committee has influenced me a great deal. In S. 1341, authorizations for RRC's were set at $5.7 million for fiscal year 1984 with a 5 percent increase for the next 2 years. This action, however, will not correct the fiscal year 1983 funding problem. Consequently, an addback of $2.5 million is desperately needed and I urge my colleagues to vote for this amendment.

I ask unanimous consent to have printed in the RECORD a letter to Senator HATFIELD from the Committee on Labor and Human Resources in connection with this amendment.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMITTEE ON LABOR AND HUMAN RESOURCES,
Washington, D.C., May 17, 1983.

Hon. MARK HATFIELD,
U.S. Senate,
Washington, D.C.

DEAR MARK: During your mark-up of the fiscal year 1983 supplemental appropriations bill, we ask that you give strong consideration to the need for additional funding for the Regional Resource Centers program (RRC's). Specifically we request that $2.5 million be added to the $2.88 million already appropriated in fiscal year 1983. Note that this is still well below the fiscal year 1981 level of $7.656 million.

RRC's are essential in that they give the necessary technical assistance to local and state agencies which provide services for handicapped children and youth. Reductions in the level of funding have unintentionally gone too far and have severely curtailed the RRC's ability to perform their mission. This oversight has been corrected in a pending Education of the Handicapped Act reauthorization, but the current lack of necessary funds can only be rectified through your supplemental appropriations bill.

Since Public Law 94-142 is still intact and regulations must be adhered to, State Education Agencies (SEAs) and Local Education Agencies (LRAs) will continue to need technical assistance in federally mandated areas. The rationale for a higher funding level for RRC's is found in their unique national role in the special education system. The current RRC network of 12 centers constitutes the only technical assistance arm of Special Education Programs. Without adequate funding, the following types of technical assistance will not be adequately available to SEAs and the LEAs: interagency collaboration, procedural safeguards for parents and school personnel, development and use of Individual Educational Plans (IEPs) assessment of students with special needs, placement in the Least Restrictive Educational (LRE) setting, and identification of exceptional children who have special needs. These are areas which, because of their level of importance, simply cannot be adequately addressed by the individual states, where the major emphasis must be on instructional services for children.

In moving to reduce the federal presence at the state level, we must not overlook the legitimate and essential role of the federal government. The Administration agrees that there are three types of educational activities in which a more active federal role is desirable. They are: (1) information gathering and dissemination; (2) consultation and technical assistance in dealing with on-site teaching problems and (3) educational research and development. Since the RRC programs focus on attaining these three goals, this is not the time to weaken the federal government's support of and service to SEAs and LEAs by reducing RRC's budget.

As outlined above, we believe that a fiscal year 1983 budget of $5.38 million for RRCs (the $2.88 million already appropriated plus the $2.5 million supplemental) is altogether reasonable and defensible. We strongly urge you to provide this vital and badly needed funds for Regional Resource Centers in the supplemental appropriations bill.

Sincerely,

Orrin G. Hatch, Chairman, Paula Hawkins, John Glenn, Robert T. Stafford, Jake Garn, Lawton Chiles, Patrick Leahy, Wendell Ford, Walter D. Huddleston, Howard M. Metzenbaum, Chuck Grassley, and J. Bennett Johnston, U.S. Senators.

Mr. WEICKER addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. WEICKER. I thank my good friend for his very gracious remarks.

I support his amendment. Regional Resource Centers have been instrumental in implementing education for the handicapped programs. Their appropriations have been reduced since 1981 by approximately $4.7 million, partly due to the assumption that the school districts which have been operating EHA programs for several years should not need a great deal of technical help.

However, Senator Hatch has made a very persuasive case. The program should be closer to the fiscal year 1981 level, and I urge the adoption of the amendment.

Mr. BYRD. Reserving the right to object, I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1351) was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATCH. I thank my colleagues.

AMENDMENT NO. 1352

(Purpose: To provide for confirmation of the repayment contract of the Dallas Creek participating project of the Upper Colorado Storage project)

THE PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. ARMSTRONG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

THE PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Colorado (Mr. ARMSTRONG), for himself and Mr. HART, proposes an amendment numbered 1352.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that further reading of this amendment, which I have sent to the desk on behalf of myself and my colleague from Colorado (Mr. Hart) be dispened with.

THE PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 35, between lines 5 and 6, insert the following:

"In accordance with the repayment contract for the Dallas Creek participating project of the Upper Colorado River storage project, entered into January 14, 1977, and entitled "Re-Payment Contract Between the United States of America and the Tri-County Water Conservancy District", the portion of the costs of such project, including interest on construction costs, allocated to municipal and industrial use which exceeds $38,000,000 shall not be reimbursable.".

Mr. ARMSTRONG. Mr. President, I will only take a moment to explain this amendment. It concerns the repayment contract between the United States and the Tricounty Water Conservancy District for the Dallas Creek project in western Colorado. This contract puts an absolute ceiling on the district's financial obligation and differs from standard contracts which require a renegotation of costs to local water users in the event of cost overruns.

In this case, that absolute ceiling was an item explicitly negotiated between the Bureau of Reclamation and

the Conservancy District. My staff has worked with the regional directors of the Bureau of Reclamation to determine that this arrangement, that is, the absence of a renegotiation clause, is in fact literally unique among repayment contracts entered into by the Bureau. Its unique status has been verified in writing by the Office of Management and Budget Director David Stockman.

The background is this, Mr. President:

In exchange for leaving the customary renegotiating clause out, the Bureau received a very generous cost-escalation provision of some 36 percent; at the time, this was thought to be more than enough to meet any cost overruns. Indeed, it looked then like a good bargain for the Federal Government.

But, after the contract was executed, the Teton Dam collapse prompted the Bureau to redesign the Dallas Creek project and add new structural guarantees of dam safety. Largely as a result of this subsequent delay, and the expensive design changes, the portion of the project costs ordinarily allocated to local water users exceeded the $38 million ceiling and are now expected to be around $73 million.

Although the repayment contract makes it clear that the conservancy district cannot be held responsible for any of the construction costs beyond the agreed $38 million, there is at least a possibility that further construction of the project may be delayed or foregone unless the district agrees to renegotiate the contract. This would be unfair to all parties, because stopping construction would involve the waste of the money and efforts that have already been invested, and it would postpone the day when pressing local water needs would be met.

To put the case in its context, a bargain is a bargain. It was agreed to by everyone. The contract is valid and enforceable; because it is unique, it sets no precedent for any other project whatsoever.

Time is of the essence in this matter, and the only reason why I have offered this amendment is not that I think there is any doubt about the validity of the contract, but simply to make it clear that if someone wished to raise a question of the validity of the contract, it would not be sustained.

The water users have no doubt, the administration has no doubt, the committee which has studied this matter has no doubt, and our colleagues in the other body have no doubt that in fact what I have represented is the case.

So we are taking what attorneys say is a belt and suspenders approach—that is, simply to avoid any possibility of a lawsuit.

Before I yield the floor, let me sum up by saying that when this proposal was introduced as an independent bill, S. 662, it was approved by the Senate Committee on Energy and Natural Resources. It has been cleared by the administration in that form, and it appears in the House-passed version of this legislation. I see no reason why it would not be well to put it in at this time, and I ask for its adoption.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. ARMSTRONG. I yield.

Mr. HATFIELD. I believe that the budgetary impact, the overall budgetary impact, of this amendment is between $30 million and $35 million. Is that correct?

Mr. ARMSTRONG. No, I do not believe that is correct. As a matter of fact, we think there is no budgetary impact in it whatsoever, for this reason: It is the position of the water users, of the administration, and really of everyone who has looked at it that the contract which has been entered into is valid. If the contract were not valid, then of course what the Senator has stated would be correct.

Our desire is to avoid any question of litigation or any attempt by the Federal Government to go back on its word. Even if the contract were not valid, and I am assured by legal counsel that it is—that is, not only counsel who have an interest in it but also counsel for those who have a contrary interest; that is to say, the Federal lawyers—it would be my belief that we have entered into a deal and we should honor it, even if we were not legally obligated to do it, which I think we are.

Mr. HATFIELD. If we did proceed on the Senator's amendment, what fiscal impact would it have on future receipts so far as the Government is concerned?

Mr. ARMSTRONG. Mr. President, it is my belief that this amendment has no fiscal impact in any case. The only impact I can see is this: That, absent this amendment, if someone were tempted to file a lawsuit, even though it would sustain the position which this amendment suggests, and which we are assured is valid, in delaying the construction of the project, even though our point of view were vindicated, it might well raise the cost. We believe that in that event, that cost increase would fall upon the Federal Government, not on the local water users' share. To that extent, as to a potential lawsuit, it might be a cost saving. That is not something I can predict.

The adoption of this amendment, in my opinion, would have no adverse effect on the Federal budget.

Mr. HATFIELD. Has the Senator from Colorado had an opportunity to review the supplemental appropriations bill we now have pending before us?

Mr. ARMSTRONG. I have reviewed it to some extent.

Mr. HATFIELD. The Senator is aware of the general scope of this bill which totals $15.6 billion. Can the Senator from Colorado give any indication of how he looks upon this appropriation measure in overall terms so far as final passage is concerned?

The PRESIDING OFFICER. Those conversing will please move into the cloakroom. The Senators cannot be heard. Will those conversing on my left please move into the cloakroom?

Mr. HATFIELD. Did the Senator understand my question?

Mr. ARMSTRONG. All too well, I did understand the question. I hope the Senator from Oregon will not press it. It seems to me to be a particularly inopportune question at this moment. If the Senator really wants me to elaborate on that, I could, and I might be willing to do so at substantial length, but I do not think this is the moment to do so.

Mr. HATFIELD. Will the Senator indicate how important this project is to him?

Mr. ARMSTRONG. I am happy to indicate that it is an important issue to me.

Would the Senator care to elaborate as to what he is getting at? Would he be more specific?

Mr. HATFIELD. I am anxious to know what kind of priority the Senator from Colorado is placing on this amendment, whether it is a serious amendment about which he feels very strongly.

We worked very carefully with all Senators, trying to accommodate them through the appropriations process, and this is legislation on an appropriations bill. This amendment is an authorization matter.

As the Senator knows, we face a very serious challenge, probably, in the conference committee. I want to know a little about how hard we should press for this and how we shall defend it and advocate it.

We have a rocky road ahead on this, I say to the Senator from Colorado. It does have a budgetary impact, immediately down the road, according to our study of this amendment, of some $30 million or $35 million. That, in itself, is a very significant item to add to this bill, which is $365 million over the President's level, and therefore there is the possibility of a veto.

All these are factors that I have found frequently in the past when Senators have offered amendments, and later discovered that they were not serious about them because they did not support the vehicle to which the amendment was offered. We are expected to take the brunt on that kind of decision or criticism, and we go

to conference and are expected to advocate or defend those amendments.

I say to the Senator from Colorado that, so far as I am concerned, and I think I speak for both sides of the committee, the Democratic and the Republican sides, the committee has had a very serious review of this kind of role we have been placed in, and we are not ready to continue that role—the so-called free riders.

Mr. ARMSTRONG. Mr. President, the last thing the Senator from Colorado would wish to do is impose an undue burden upon the Senator from Oregon, the chairman of the Appropriations Committee.

What is the Senator's desire? Does he wish that I withdraw the amendment?

Mr. HATFIELD. The amount will be in conference, as the Senator knows. It is in the House version and, therefore, is a conferenceable item. I am very eager to accommodate the Senator from Colorado as I have attempted to accommodate all Senators.

I am merely pursuing this line of questioning to understand just how meaningful this is and how strong the Senator feels about this amendment.

I have had Senators say: "I have to offer an amendment, and you know I am sort of comme ci, comme ça. I am not necessarily that eager about the amendment, but I have to offer it on behalf of my constituents."

I am trying to get a reading because we are getting this bill loaded down with amendments that do have a budgetary impact.

I have been down at the White House trying to get some kind of a reading as to what we are going to get from the White House ultimately on this bill. I am told we are going to have to probably reduce it by some $600 million. Therefore, I am pursuing this as I have with every other Senator in the Chamber or off the Chamber, wherever I can buttonhole them. As manager of the bill, I do not have an opportunity to buttonhole them off the Chamber. Consequently, I am anxious to know how strongly we should pursue this.

Mr. ARMSTRONG. Has the Senator from Oregon ever heard the Senator from Colorado make the statement he attributed to the Senator?

Mr. HATFIELD. What?

Mr. ARMSTRONG. Has the Senator from Oregon ever heard the Senator from Colorado make the statement he has just attributed to an unidentified Senator about this amendment or any other amendment?

Mr. HATFIELD. No; I have not. I have not handled that many amendments of the Senator from Colorado.

Mr. ARMSTRONG. Mr. President, I do feel strongly about this. This is a serious amendment. I would not take the time of the Senate at 20 minutes past 9 on an evening where I as other Senators are expected to be in some other location rather than the Chamber to propose a frivolous amendment.

It is an important amendment, an amendment we feel strongly enough about that we presented it to the people who are in position to be knowledgeable about it. They have agreed to it. The administration agrees to it. The House of Representatives has agreed to it.

We think it is a matter of justice. We think it has no budgetary impact.

I can be very direct about it. If the Senator from Oregon wishes to oppose it, it will be my intention to withdraw it tonight. I do not think that the foundation has been properly laid for me to present this amendment if it is to be a matter of controversy, but I promise the Senator that my colleague from Colorado, Mr. HART, and I are serious about this. If it is his desire to oppose it, I understand that, and it will be my purpose to do everything I can to acquaint every Member of the Senate with the merits of the issue. On its merits it deserves to be passed. That is why the Energy Committee passed it. That is why OMB passed it. That is why the House of Representatives passed it. And that is why I would hope it would be passed by the Senate.

Clearly it will not add anything to the Senator's burden in conference because the House of Representatives has already approved this. This is not going to be something that is going to make his life more difficult which in any case I have no desire to do.

For the moment, my disposition is to either go forward or if the Senator has a reservation about the desirability of the merits of the amendment, I will be happy to withdraw it and submit it tomorrow or Tuesday or some other more appropriate occasion.

Mr. HATFIELD. Do I understand the Senator then has checked with the authorizing committee and it is perfectly all right with the authorizing committee to put this authorization on the appropriations bill?

Mr. ARMSTRONG. No; I would not represent that. That issue had not occurred to me, I am frank to say.

I say that the amendment in the form of a separate bill was on May 20 approved by the authorizing committee. It is my assumption they would have no objection to that. I have not specifically checked that with the committee, but I am happy to do so.

Mr. HATFIELD. I say the Senator is very gracious and very cooperative, and I am very grateful that he has indicated his interest in pursuing this or not pursuing it depending on the position of the chairman of the committee.

I am sorry Senator MCCLURE is not here as the chairman of the authorizing committee. I do not at this moment plan to oppose the amendment. I am merely trying to make sure I understand clearly the direction the amendment is moving and the importance of the amendment to the Senator from Colorado, the budgetary impact, and the authorization character of the amendment.

Mr. ARMSTRONG. Mr. President, let me make this offer then so that there is no misunderstanding about it. If it is the disposition of the chairman to go forward and if the Senate should agree to this and if upon discussion with the Senator from Idaho he feels that it should not be offered on this bill, I would be happy to move to reconsider that so that the issue can be brought back before us, but as I pointed out it was approved by the Committee on Energy and Natural Resources on May 20, and I have no reason to think there would be any matter of controversy about that. Again I will be guided by his advice. If he wishes me to withdraw it tonight, I will be happy to check that with Senator MCCLURE and take it up tomorrow or Tuesday or whenever it is more conveniently in order.

Mr. METZENBAUM. Mr. President, will the Senator from Colorado yield for a question?

Mr. ARMSTRONG. I am happy to yield for a question.

Mr. METZENBAUM. Mr. President, does the Senator from Colorado not agree that this is legislation on an appropriation bill?

Mr. ARMSTRONG. I think it is. I think it is probable that if a point of order were made against this amendment on those grounds it might be so ruled. Of course, there are many points within this bill where such point of order might lie and many areas against which points of order could be made.

It is a regrettable but nonetheless common practice. The way we do much of our business in this Chamber is legislation on appropriations bills.

Mr. METZENBAUM. Mr. President, I do not know of any Member of the Senate from whom I have more respect than the distinguished Senator from Colorado. But in connection with this particular matter he and I have differed now not for some weeks, not only for some months, but I guess it actually goes back last year as well.

What we are talking about here I do disagree with him on this point, and that is the response to the distinguished chairman of the Appropriations Committee. He indicated it would not have a budgetary impact. I am not prepared to address myself as to whether it will or it will not, but I will say that it will cost the Federal Government money, about $35 million of money and whether or not that shows up in the budget or not is something that I suppose relates to—well, I guess I have difficulty in comprehend-

ing how if it costs $35 million it does not have a budgetary impact because to me even $35 million is still money.

I wish to point out to the distinguished Senator from Colorado that this was part of the bill—it was S. 662—in the Energy Committee, and Senator CHAFEE, Senator HEINZ, and myself filed minority views with respect to that bill. We stated as follows, and it is not too long:

We are strongly opposed to S. 662. The legislation would put Congress in the strange position of validating what may well be an illegal contract. The contract for the Dallas Creek project waives the normal requirement that local water users repay the costs of municipal water supply projects. Its ratification would set a dangerous precedent which could come back to haunt the American taxpayer.

The Dallas Creek contract limits the local water district's liability for municipal and industrial (M&I) costs to $38 million. The current cost overrun is nearly 100 percent, or about $35 million. Thus, the contract provides no assurance that the full M&I costs will ever be repaid.

It is not clear why the Bureau of Reclamation signed a contract which on its face is in clear violation of the Water Supply Act of 1958. That law explicitly states that all costs allocated to M&I users shall be repaid in full, with interest.

It is clear that enactment of this bill would deprive the Treasury of at least $35 million, plus interest which would be due if the same repayment requirement applied to every other project were upheld on the Dallas Creek project.

Supporters claim that this legislation simply confirms the original contract. But Congress does not normally "confirm" or "ratify" water supply contracts. Why is it doing so in this case? The obvious answer is that this contract is legally suspect.

If this is, in fact, a valid contract, as supporters say, it should be able to withstand a legal test if one is mounted. But Congress should not—nor is there a need to—short circuit the judicial machinery.

We are also told that the local district is not responsible for the cost overruns and should therefore not be required to pay for them. We view this as a weak argument. The fact is local districts are almost never the cause of cost overruns on Bureau projects. If this defense were carried to its logical conclusion, there would never by any repayment by beneficiaries on any projects beyond preliminary cost estimates.

Finally, the Dallas Creek legislation would set a dangerous precedent. It is worth noting that the Army Corps of Engineers has executed more than 160 contracts pursuant to the Water Supply Act. If the Congress gives the Dallas Creek users an exception, it is inviting other districts to seek similar preferential treatment.

For these reasons, we oppose S. 662.

Mr. President, what we are really talking about here is $35 million. What we are talking about is the question of whether or not the users are going to bear the burden of their water supply costs or whether we are going to put that onto the Federal Government, and I think that is a very profound question. That is a question that has a broad impact and that is not a question, in my opinion, that appropriately should be debated in connection with the supplemental appropriations bill.

It is a fact that there is a separate bill pending and the separate bill that is pending will probably at some point come to the floor and we will have an adequate opportunity to debate it at length. But at this hour of the night I do not believe it is the appropriate time to engage in a lengthy debate.

I read the minority views with respect to the bill as it came out of committee in order that I might be as succinct as possible. Because I feel that this does not belong on the appropriations bill, because I think the basic thrust of this legislation will cost $35 million which should not be borne by the taxpayers, because I believe that those who are the water users ought to bear the burden themselves, I advise my good friend from Colorado that I am prepared to raise the point of order but would prefer that he withdraw the amendment since he seemed somewhat willing to do so in the colloquy he had with the chairman of the Appropriations Committee. But if he does not see fit to withdraw it, then I will have no alternative but to raise the point of order which I prefer not to do.

Mr. ARMSTRONG. I might respond briefly to the issues raised by the Senator from Ohio and I think we can accommodate ourselves to the situation this evening.

First, whether or not this has any budgetary impact depends on whether or not we have a valid contract here. If the contract is valid, if the deal that was made between the Federal Government and the local water users is valid when it does not have any budgetary impact except to this extent: If we tempt somebody into a lawsuit that delays the project that could add to the cost of the project. It would not change the share or the dollar amount to local water users because the entire amount of any cost overruns arising out of further delay, if the contract is valid, would be borne by the Federal share, not by the local water users. So that is the root of the contention that there is no budgetary impact.

Is this a valid contract and why did we enter into such a contract and does it set a precedent? I think we can dispose of those issues very quickly. It does not set a precedent because this contract is literally unique. There is no other contract like this, I am advised by the people who have jurisdiction over this, the lawyers who work on such things.

Well why then did we enter into such a unique contract? Let me stress this unique contract was not entered into by the current administration but by the prior administration. They thought it was a valid thing to do, they thought it was a legal thing to do. The current administration has signed off on it. They testified to the validity of this contract. The reasons involved have to do with a bargaining process between the local water users and the Bureau of Reclamation.

In essence the nub of it is this: When the water users were negotiating with the Bureau the terms of the repayment contract they pointed out their community had finite resources and could not afford an open-ended commitment. Their share was then estimated at $28 million. Local landowners offered a cost escalation clause of 36 percent providing that the resulting amount of $38 million would be the absolute ceiling and that they would not be called upon to increase their contribution.

I do not know whether that was a good bargain or not. I was not in on it. I did not know anything about it. I did not represent the area at the time. I was not a Member of the Senate. I was serving in the other body and represented a portion of the State that was not affected. I never heard of it at that time. But the administration then in power thought they were making a good deal. The local landowners thought they were making a good deal.

I think even if we did not have a valid contract, to renege on a commitment of that kind would be reprehensible. But in any case, the legal experts who have looked at it think the contract is valid and have so testified. They are on record; that is to say that OMB has signed off, the Bureau thinks the contract is valid, the authorizing committee has approved it, and so it seems to me that there is little doubt that it would withstand a legal test. So that comes back to the question of why should we act if the contract is valid? It is simply to close the door to any remaining question that would have to be settled in a lawsuit which might delay the construction and add to the cost of the project.

Mr. NICKLES. Will the Senator yield?

Mr. ARMSTRONG. Let me just finish because I am about to yield the floor. In view of the fact that questions have been raised, and somewhat to my surprise, I must say I am very surprised at the direction of the discussion tonight, and I have not had a chance to consult about the potential conflict on this with my cosponsor, Senator HART, who is not here. I assumed this would be handled as a routine matter and it really has not appealed to me as something that would be controversial and I am not disposed to press to a conclusion something in which he has a great interest as well as I and to do so without seeking his counsel and so in a moment I will withdraw it and offer it later. But I really urge—by the way, I shall put in the RECORD the documentation of the

claims that I have made about the testimony that has been submitted. That is already a matter of public record, it is not something that becomes a public record when I insert it in the RECORD of this proceeding but so that all Senators may judge for themselves whether or not this is a good idea to do.

(By request of Mr. ARMSTRONG, the following statement was ordered to be printed in the RECORD:)

● Mr. HART. Mr. President, I join my distinguished colleague from the State of Colorado in sponsoring this amendment to provide for confirmation of the original repayment contract for the Dallas Creek participating project of the Colorado River storage project. This amendment is identical to legislation which Senator ARMSTRONG and I have introduced and which the Senate Energy Committee recently approved and reported to the full Senate. An identical bill was reported by the Energy Committee last year and had the support of the administration, the Governor of Colorado, both Senators, and Congressman KOGOVSEK who represents Colorado's Third District. Moreover, identical language passed the House several weeks ago and was included in the House version of the supplemental sent to the Senate.

The amendment we are offering today is designed to eliminate speculation about whether or not the Federal Government will honor its commitments. This amendment merely reaffirms the terms of the original repayment contract negotiated in good faith between the Tri-County Water Conservancy, local sponsor of the project, and the U.S. Bureau of Reclamation. It does not change the original contract in any way nor does it set a precedent for resolving any repayment contract problems with other Bureau projects since the original contractual agreement—which includes an absolute ceiling on the repayment obligation for municpal and industrial water—is unique among Bureau projects nationwide.

As originally negotiated, the repayment contract limits the district's repayment obligation to $38 million for the municipal and industrial water supply of the Dallas Creek project. This limit on the district's repayment obligation is different from the usual repayment contract's requirement that water users repay the entire amount of the construction costs allocated to them, even if this requires a renegotiation of the original contract terms. The limit in this case was an item explicitly negotiated between the Bureau of Reclamation and the conservancy district, and was accepted by the Bureau as a condition of the contract between the United States and the district.

After the repayment contract was negotiated and executed, the Teton Dam collapse prompted the Bureau to redesign the Dallas Creek project to add new structural guarantees of dam safety. Without these changes in project design and the delays prompted by them, the poriton of the project costs allocated to the Tri-County District would not have exceeded the $38 million limit on the district's repayment obligation. Unfortunately, because of these design changes and delays alone, the costs of the projects are now expected to reach as high as $76 million.

Although the repayment contract makes it clear the Conservancy District shall not be responsible for any of the construction costs beyond the $38 million, there is a real possibility that further construction of the project may be delayed or abandoned unless the Conservancy District renegotiates the contract and agrees to repay the entire construction costs. This would clearly be in violation of the contractual obligations of the United States. Further, it would be unfair to all parties, since stopping construction would involve the waste of the money and efforts which have already been committed to completion of the project and would prevent pressing local water needs from being met.

Mr. President, Dallas Creek is truly a unique situation meriting legislative relief. This amendment will neither add nor subtract from the bargain struck between the Conservancy District and the Federal Government back in 1977. Instead, it will preserve the specific legal content of the bargain, eliminating the confusion and speculation that has surrounded Dallas Creek for many years. Prolonged litigation over the contract's validity will not be advantageous to any party. Furthermore, should the contract be judicially declared invalid, the district will be without its water, but in no way responsible for the $38 million, let alone the additional costs which prompt this amendment.

In order to prevent termination of construction of the project, now nearly 50 percent complete, congressional action is needed to reaffirm terms of the original contract. The Dallas Creek project, when complete, will provide a multipurpose water storage project in west central Colorado, serving the Colorado counties of Montrose, Ouray, and Delta. In addition, this project is integral to the overall success of the entire upper Colorado storage project.

The amendment before us today will remove all doubt as to the limit of Tri-County's obligation. Fairness and equity, let alone the U.S. clear contractual agreement, speak persuasively for prompt and favorable action.

Senator ARMSTRONG has spoken in greater detail about this amendment and the Dallas Creek project, and I commend and support his efforts on behalf of Dallas Creek and the compelling case he will present for prompt passage of this amendment. Mr. President, I encourage all Senators to take a close look at the issue at hand and urge fairness and equity and the clear commitment of the United States guide their thoughts and actions on this amendment.●

Mr. ARMSTRONG. I would be pleased to yield to my friend from Oklahoma.

Mr. NICKLES. I thank my good friend, the Senator from Colorado, for yielding.

Mr. President, I rise in support of the Senator from Colorado and his efforts to enact legislation regarding the Dallas Creek project.

I heard the distinguished chairman of the Appropriations Committee talk about the financial impact of the project. As he knows, I am probably as concerned as anyone with respect to financial impact. The Water and Power Subcommittee, of which I am chairman, did hold a hearing on Dallas Creek just a few weeks ago. I went into that hearing, perhaps a little skeptical of the project, because I thought it might be a $35 million bailout for the water users and beneficiaries in that part of the State of Colorado.

But I found the facts to be exactly as the Senator from Colorado has stated them. I do not think there will be any financial impact on this bill one way or the other due to passage of this amendment because the Dallas Creek contract does specifically state that the limit of the water users liability will not exceed $38 million—whether this legislation passes or not. So I do not see any real change in what it will cost the taxpayers of this country.

Certainly it is the Senator's prerogative to decide whether or not he wants to try to attach it to the supplemental we have before us tonight. It is in the House-passed bill, and I see no harm in it being put on this bill. That is his decision to make, and I will certainly concur in whatever decision he does make.

There will be no additional financial impact on our deficit situation. I think OMB came up with that conclusion. I think the Bureau of Reclamation also came up with that conclusion. They said, "We signed a contract that is going to limit the users' liability to $38 million." It was a valid very specific contract. It was not open-ended.

The Bureau has not made other contracts such as this. We questioned them specifically time and time again during our hearing on this point. We asked them how many other contracts would be brought back to us saying they had overrun their cost limitations. The Bureau said there were no other contracts.

So I concur with the Senator's statements. I believe they are exactly factual. I hope whenever he decides to bring this issue before the Senate that a majority of our Members will also concur with him. I believe we should vote to uphold the sanctity of this contract which was signed in 1977 and allow this project, which is well along its way, to be completed at the lowest possible cost.

I thank the Senator.

Mr. ARMSTRONG. Mr. President, I very much appreciate the observations of the Senator from Oklahoma. I thank him for his interest in this problem. Nonetheless, for the reasons I previously stated, I do not withdraw the amendment with the understanding that I expect to offer it before we have concluded the deliberations on this bill and after I have had a chance to consult with others who are interested.

The PRESIDING OFFICER. The amendment is withdrawn.

The Senator from Oregon.

Mr. HATFIELD. Mr. President, on behalf of the managers of the bill, I now ask the Chair to set aside the committee amendment and the D'Amato amendment in order that the Senator from New Jersey (Mr. BRADLEY) may offer his amendment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the pending committee amendment be temporarily set aside so that the Senator from California may offer an amendment.

Mr. DANFORTH. Will the Senator from California yield so that I may ask the manager of the bill if it is the intention to have any further rollcall votes tonight?

Mr. HATFIELD. Yes. As soon as the Senator from New Jersey (Mr. BRADLEY) is ready to offer his amendment, probably within 5 minutes, we will have a rollcall vote on that amendment.

AMENDMENT NO. 1354

Mr. WILSON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from California (Mr. WILSON), for himself and Mr. CRANSTON, proposes amendment No. 1354.

Mr. WILSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 64, between lines 16 and 17, insert the following:

In order to provide for the acquisition of Sweeney Ridge, California: (a) The Secretary of the Interior is authorized and directed to acquire, by negotiated purchase, the lands and waters in San Mateo County, California, comprising the area known as "Sweeney Ridge" and generally depicted on the map entitled "Sweeney Ridge Addition, Golden Gate National Recreation Area", numbered NRA, GG-80,000-A, and dated May, 1980. The Secretary shall update, or cause to be updated, an appraisal of the value of Sweeney Ridge, California, within 30 days of the date of enactment of this bill.

(b) If, within the sixty-day period following the date of the enactment of this bill, the Secretary of the Interior receives a written request from the owner or owners of the lands and waters referred to in subsection (a) to enter into negotiations with respect to the purchase, by the Secretary of the Interior, of the lands and waters referred to in subsection (a) of this section, the Secretary shall promptly enter into negotiations with such owner or owners for the purpose of purchasing such lands and waters.

(c) Upon the acquisition of such lands and waters, the Secretary shall publish, in the Federal Register, a notice to that effect. On and after such date of publication, the lands and waters so acquired by the Secretary shall be deemed a part of the Golden Gate National Recreation Area and shall be administered by the Secretary in accordance with the laws and regulations applicable to other lands and waters comprising such Recreation Area."

Mr. WILSON. Mr. President, the amendment before you is one that I have offered on behalf of my colleague from California (Mr. CRANSTON) and myself. It has the support of the chairman of the Appropriation Subcommittee, Senator MCCLURE.

I will not take the time of the Senate this evening to dwell at length upon what I think is an act that needs redress. I will simply say that the Congress has, in the past, appropriated money for an express purpose, the acquisition of property in the bay area of San Francisco that would provide an addition to the Golden Gate National Recreation Area. The appropriation to purchase Sweeney Ridge was made in the fiscal year 1982 Interior and Related Agencies Appropriations Act. To emphasize the importance of the acquisition, the committee reports of the Senate and House Appropriations Committees specifically earmarked $9.6 million for the Golden Gate National Recreation Area, Sweeney Ridge.

Mr. President, I recite that history because even though this has had the full support and is the express will of the Congress, and despite the unity between all parties, in spite an expenditure of time and energy, locally, here on this floor and in the House of Representatives, the will of Congress has thus far been thwarted. A Sweeney Ridge purchase offer by the Department of the Interior, which was based upon an outdated appraisal, was treated as it should be, as being made not seriously and not in good faith. Congress, having appropriated $9.6 million to acquire Sweeney Ridge, has subsequently been advised by the Park Service that an agreement could not be reached and that the funds appropriated by Congress for Sweeney Ridge should be reprogramed.

Mr. President, what we have witnessed for 2 years is the thwarting of the will of Congress. It has gone on too long. The act of appropriating money is not an instruction by Congress to departments and the Federal Government to ignore or flout the express will of Congress, or to substitute bureaucratic judgment for an act of Congress. It is, I repeat, Mr. President, the express will of Congress to acquire Sweeney Ridge.

The amendment before you today will effect Congress will. It directs the Secretary of Interior to obtain an updated appraisal and then to acquire, through negotiations, the Sweeney Ridge tract.

The Secretary is directed to enter into negotiations when he recieves a written request to do so from the property owner within 60 days.

There is precedent for this type of action, Mr. President. It is to be found in the establishment of the Sleeping Bear Dunes National Lakeshore in Michigan. In this act, the Secretary is directed to negotiate with private property owners to purchase the property in question at fair market value within 1 year of the initiation of negotiations.

In that instance, failing a negotiated agreement, the Secretary was directed to proceed with condemnation proceedings. We are not doing that here.

The chairman of the subcommittee, the Senator from Idaho (Mr. MCCLURE) assures me that he does not think that is necessary. His word is more than good enough for this Senator.

I ask, on behalf of Senator CRANSTON and myself, with the concurrence of Senator MCCLURE, that the Senate adopt this amendment to the supplemental appropriation bill so that we may effect our will and get on with this acquisition, some 2 years late, before it costs us more money. Indeed, an offer has already been made at less than Congress has appropriated for this purpose.

By adopting this amendment, I suspect, Mr. President, that we will save the taxpayers money and save for future generations a needed addition to urban recreational areas that will serve not just those within the bay area but those from all across the country.

Mr. President, I ask for the support of my colleagues. I thank the distin-

guished chairman of the Appropriations Committee for his courtesy.

Mr. HATFIELD. Mr. President, the Senator from Idaho is the subcommittee chairman. Basically, this is really sort of a reversal of our normal experience, where the face value goes upward rather than downward. So it is a unique situation. On both sides of the aisle we are ready to accept this amendment.

Mr. STENNIS. Mr. President, I am glad to announce support for the amendment on this side of the aisle. The Senator from California (Mr. CRANSTON) is detained and could not be here. He has authorized me to expressly announce his support in the RECORD for this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1354) was agreed to.

Mr. HATFIELD. I move to reconsider the vote by which the amendment was agreed to.

Mr. WILSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, again I ask the Chair to lay aside temporarily the committee amendment and the D'Amato amendment in order that the Senator from New Jersey may offer his amendment.

I might announce that there is no time limitation, but I understand there will be a required vote.

Does the Senator wish to offer his amendment and then ask for the yeas and nays?

Mr. BRADLEY. I am prepared to enter into a time agreement of 20 minutes equally divided.

Mr. HATFIELD. Would the Senator from Pennsylvania be willing to enter into a time agreement on this amendment?

Mr. SPECTER. Mr. President, 20 minutes equally divided would be satisfactory.

Mr. HATFIELD. Mr. President, I ask unanimous consent that on the Bradley amendment the time be limited to 20 minutes equally divided, with the Senator from New Jersey (Mr. BRADLEY) in control of his time and the Senator from Pennsylvania (Mr. SPECTER) in control of the opposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1355

(Purpose: To strike out provisions relating to the Delaware Water Gap National Recreation Area)

Mr. BRADLEY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Jersey (Mr. BRADLEY), for himself, Mr. LAUTENBERG, Mr. D'AMATO, and Mr. MOYNIHAN, proposes amendment No. 1355.

Mr. BRADLEY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 64, strike out lines 17 through 6 on page 66.

Mr. BRADLEY. Mr. President, this amendment deals with a problem that is of singular importance to New Jersey and New York. The House-passed bill contains a provision which closes Route 209, a federally owned road, to all commercial traffic. There is one exception to this ban: Commercial traffic originating in the sponsor's district may continue to use the road upon payment of a user fee.

Mr. President, this provision reflects the legislative process at its worst. The problem the House bill addresses is not confined to one State. Indeed, it has major regional impacts. Yet the solution the House adopted ignores these regional impacts. Instead, it deals with the issue in a fragmented, ad hoc fashion that is detrimental to important interests in New Jersey and New York. Banning commercial traffic on Route 209 may alleviate safety concerns for residents in a small area of Pennsylvania, but it would do so by shifting the problem onto residents of neighboring States.

Mr. President, this approach to regional transportation and safety issues is simply unacceptable to the Senators from New York and New Jersey.

To make matters worse, the House provision was adopted with no consideration of the effects it would have on neighboring States. If traffic is excluded from Route 209, it must use some other roads. These roads will be in New Jersey and New York. Yet, there has been no study of what effect this diversion will have on these States. In fact, no one has ever identified the alternative routes, let alone considered the impact increased commercial traffic will have on the safety and well-being of the communities through which it passes.

For this reason, Mr. President, the State of New Jersey, under Gov. Thomas Kane, has initiated a lawsuit challenging the adequacy of the environmental impact statement that accompanied the U.S. Park Service original decision to prohibit traffic on Route 209. The bill before us would preempt New Jersey's right to a judicial decision on this issue and make a mockery of the legislative process as well.

Mr. President, I am sympathetic to the problem that commercial traffic on Route 209 poses for Pennsylvania, but I am not willing to let Pennsylvania deal with its problems by dumping them onto the people of neighboring States.

What we need to do is get the three affected States together to address the regional dimension of the problem and to come up with a regional solution. Striking the House-passed provision will allow time to work things out in a manner satisfactory to all three States.

Mr. President, how much time remains?

The PRESIDING OFFICER. Seven minutes and one second.

Mr. BRADLEY. Mr. President, I yield 4 minutes to my distinguished colleague (Mr. LAUTENBERG), who joins me in this amendment, along with Senator D'AMATO and Senator MOYNIHAN.

Mr. LAUTENBERG. Mr. President, I commend my colleague (Mr. BRADLEY) for offering this amendment. There are serious problems of highway safety and congestion in the counties of both New Jersey and Pennsylvania at question here.

The provision in this bill struck by the Bradley amendment would interfere with the kind of deliberations which should take place among the affected States in the interest of insuring public safety and the necessary flow of commerce. I am pleased to support the amendment.

I thank the Senator very much. I yield back my time.

The PRESIDING OFFICER. Who yields time? The time is being charged equally.

Mr. SPECTER. Mr. President, the senior Senator from Pennsylvania is on his way to the floor. In the interim, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time? Time is being charged equally at this moment.

Mr. SPECTER. That is acceptable.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BRADLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. without objection, it is so ordered.

Mr. BRADLEY. Mr. President, how much time remains on the side of the proponents of the amendment?

The PRESIDING OFFICER (Mr. WILSON). Five minutes and twenty seconds.

Mr. BRADLEY. Mr. President, this amendment has no budgetary impact. If the provision were added in the Senate, it would clearly be legislation on an appropriations bill. This is a provision which clearly denies the State of New Jersey its right to judicial review of this decision. I hope that we can get a fair understanding that to support what is in the bill now and

to vote against this amendment basically eliminates the right of the State of New Jersey to judicial review of this decision.

I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. BRADLEY. I ask that the quorum call be charged to the opponents of this amendment.

The PRESIDING OFFICER. Is there objection?

Mr. SPECTER. Yes, Mr. President, I object to that. The generosity of the Senator from New Jersey is notable in suggesting that the time be charged to the opponents' side. To alleviate the stalemate, Mr. President, I yield myself at this moment 4 minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I suggest that the distinguished Senator from New Jersey—may we have order, Mr. President?

The PRESIDING OFFICER. There will be order in the Senate.

Mr. SPECTER. Mr. President, I suggest to the distinguished Senator from New Jersey that he has misstated the underlying facts of this matter. The issue involved here is one which is controlled essentially by the National Park Service, which, under its rules and regulations, having taken this portion of U.S. Route 209, has banned truck traffic. That being so, the objections which have been made by the Senator from New Jersey have no validity, because the truck traffic would then proceed wherever it would choose to unless the State of New Jersey decides to take action to ban truck traffic from the State of New Jersey, which it could pursue to whatever rights it has if the State of New Jersey chooses to do so.

When the Senator from New Jersey makes the bald assertion that this legislation denies the State of New Jersey its rights under a lawsuit, that suggests a fundamental misunderstanding of the legal procedures in that litigation.

The State of New Jersey has instituted suit to stop the ban on the traffic, but in making that application, the State of New Jersey had a full opportunity to seek a stay and to seek temporary injunctive relief to stop the ban and to stop the traffic from coming through New Jersey if that were justifiable under the merits of the case. That ban has not been stayed and that temporary injunctive relief has not been ordered by the court, which is a conclusive demonstration that the arguments of the Senator from New Jersey are ill founded.

Simply stated, there is not the prejudice and the harm to the State of New Jersey which the Senator from New Jersey has asserted in his arguments.

It is undisputed that there has been an environmental impact study on the ban on highway traffic on Route 209. The extent of that environmental impact study I am not in a position to say with certainty, so I shall not say. But I believe it to be true that that study took into account what would happen in New Jersey, and that environmental impact study having been made and having been the foundation for the National Park Service taking over on Route 209 and issuing this ban is reasonably sound evidence for the conclusion that the State of New Jersey is not going to be prejudiced.

Now, that brings us to the basic consideration of what is the purpose for the ban of truck traffic on Route 209. The purpose is the extraordinary danger posed by that traffic. Over the course of the last 10 years, there have been more than 150 deaths on that highway. It is an extraordinarily dangerous situation, and I can represent to this body the danger from my personal inspection of Route 209 and from an open house town meeting which I held on Route 209 during the month of April. I went there and——

The PRESIDING OFFICER. The time the Senator has yielded to himself has expired.

Mr. SPECTER. I yield myself 2 additional minutes. As I was saying, several hundred people assembled in East Stroudsburg, Pa., and at that time I heard testimony, albeit not under oath, from the citizens of that area about the tremendous danger to personal safety, to schoolchildren, to pedestrians, to other motorists occasioned on Route 209 by that very extensive truck traffic. That is the reason that the traffic has been banned.

Now, the Senator from New Jersey rises and says that there will be a danger in New Jersey, but that statement is his bald statement unsupported by an evidence in the record and unsupported by any conclusions or any findings. There has been ample time for the State of New Jersey to make whatever claims it has to the National Park Service to stop the banning of the truck traffic. New Jersey has either not done so or has been unsuccessful in doing so.

The Appropriations Committee has considered this matter and has followed substantially the determination of the House of Representatives in following the ban on the truck traffic for good and sufficient reason. I suggest to you, Mr. President, that the finding of the Appropriations Committee should not be disturbed on the showing which has been made, unsubstantial as it is, I respectfully submit, by the proponents of this amendment. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. BRADLEY. I yield 3 minutes to the Senator from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. I thank the Senator.

The distinguished Senator from Pennsylvania says that there is death and destruction on the highway that now is used by these trucks. I am sure he would not have that destruction moved to roads in New Jersey, though he describes the comments of Senator BRADLEY as arbitrary. The National Park Service clearly has not identified an appropriate alternative. This provision now takes the burden of heavy truck traffic, on the order of 1,500, 2,000 trucks a day with the safety problems that my distinguished colleague from Pennsylvania admits to, and shifts that from a road that is considerably better. I invite the Senator from Pennsylvania to inspect the roads that would be most likely used in New Jersey and see how much more inadequate they are to handle this traffic.

I ask the distinguished Senator from Pennsylvania if this ban will apply to all trucks that use that highway?

Mr. SPECTER. I am delighted to respond to that question. The ban does not apply to all trucks. On the face of the language, I think it is known to the Senator from New Jersey, but I am glad to state if for the RECORD, that there is an exception for a company which is headquartered there, Roadway, where there are some 900 or approximately 1,000 jobs involved, and it does not apply to traffic which is used for local deliveries, which I think is preeminently reasonable by any standard.

Mr. LAUTENBERG. Trucks from New Jersey, New York, and other States need the shortest access route, albeit inadequate, until a major north/south highway is completed somewhat east of that. I yield back the remaining time to Senator BRADLEY.

Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. BRADLEY. Mr. President, the important point the Senate must realize is that this is not a battle between New Jersey or Pennsylvania or New York and New Jersey and Pennsylvania but this is a question of whether we are going to give all three States the opportunity and the time to try to work out what is a very serious transportation problem. If we do not pass this amendment, the Senate will have joined with the House to preemptorily stop a judicial process before any decision could be rendered.

Mr. President, no one denies that this road in Pennsylvania is danger-

ous, but the point is we need a regional solution. We need time for three States to work it out. Mr. President, the State legislature of Pennsylvania refused to ban traffic on Route 209. When the Governor chose to give the land to the National Park Service, he sought first that an alternate route be established. No alternate route was established, and ultimately he gave it to the Park Service.

Mr. President, it was at that point that New Jersey asked the National Park Service to delay implementation of a ban for at least 180 days until their case could be made that no account was taken of the regional impact of this situation.

Mr. President, this action taken by the House would simply stop that review process in midstream.

Mr. President, I ask that the Senate please give all the States pursuant to the desire of the Governor of New Jersey and the State Legislature in New York time to work out this regional problem.

Mr. President, I am pleased to yield a minute to the Senator from New York.

The PRESIDING OFFICER. That is generous but the Senator does not have a minute to yield.

Mr. SPECTER. Mr. President, how much time remains?

The PRESIDING OFFICER. For the Senator from Pennsylvania, 3 minutes and 45 seconds; for the Senator from New Jersey, about 30 seconds.

Mr. BRADLEY. I yield the remaining 30 seconds to the Senator from New York.

Mr. SPECTER. Did the Chair not declare, Mr. President, that there was no time remaining for the proponents of the amendment?

The PRESIDING OFFICER. No; there remain to the proponents approximately 30 seconds.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. D'AMATO. Mr. President, let me simply say that the issue here is whether we are going to legislate away the problems of one jurisdiction at the expense of another. New York and New Jersey are going to be impacted unless this amendment passes. The approach in the bill in its present form is wrong. The House erred imposing the restriction of this road. The Senate Appropriations Committee erred in accepting the House approach. The county of Orange in New York will be particularly impacted. It is a legislative abuse to undertake this issue in this appropriations bill.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. D'AMATO. The George Washington Bridge and the Henry Hudson Parkway will be affected if this amendment fails. I would hope that my colleagues would support this amendment and permit the courts to handle this matter. They should be the ultimate authority.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, picking up on the last suggestion by the distinguished Senator from New York, let the courts handle the matter, I would be agreeable to that. In effect the courts have handled the matter, because the State of New Jersey has taken the matter to the courts and has had an opportunity to apply for temporary injunctive relief, a restraining order to stop the ban, and the courts have not stopped the ban.

So, taking the assertion of the Senator from New York, this amendment should be defeated.

The plain fact of the matter is that there has been ample opportunity for consideration of this issue by all parties concerned, and the National Park Service has made a determination that truck traffic should be banned, and that is what is being implemented by the bill which has been approved by the Approriations Committee.

I say in conclusion, Mr. President, that I regret the necessity to present to this body, at this late hour, this issue, which might be viewed as parochial. I attempted to reach an agreement on a delay here which would have taken this matter to the appropriations bill for the fiscal year 1984, but I was unsuccessful in having that suggested agreement implemented. So that on the application of the Senator from New Jersey, this matter has been pressed, and this body has been called upon for a vote on this matter, notwithstanding my preference not to have that done.

In essence, there is a serious problem of safety which has been demonstrated on Route 209, and that is the reason why the National Park Service has taken jurisdiction over this highway and has banned truck traffic. That is the reason why the Appropriations Committee has voted to have this ban stay in effect. I submit that this body, at this time, should not alter that determination and should reject the amendment by the Senator from New Jersey.

Mr. BRADLEY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Does the Senator yield back his time?

Mr. SPECTER. How much time do I have remaining?

The PRESIDING OFFICER. One minute and thirty seconds.

Mr. SPECTER. I think the case is so strong on my side that it is not necessary to use all the time. I therefore yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment of the Senator from New Jersey. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DENTON (when his name was called). Present.

Mr. STEVENS. I announce that the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Utah (Mr. GARN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Idaho (Mr. MCCLURE), the Senator from Vermont (Mr. STAFFORD), the Senator from Idaho (Mr. SYMMS), and the Senator from Wyoming, (Mr. WALLOP), are necessarily absent.

Mr. BYRD. I announce that the Senator from New Mexico (Mr. BINGAMAN), the Senator from Arkansas (Mr. BUMPERS), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Colorado (Mr. HART), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Michigan (Mr. LEVIN), the Senator from New York (Mr. MOYNIHAN), and the Senator from Arkansas (Mr. PRYOR), are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 61, nays 20, as follows:

[Rollcall Vote No. 134 Leg.]

YEAS—61

Andrews	Hatfield	Murkowski
Baucus	Hawkins	Nickles
Bentsen	Hecht	Nunn
Boren	Heflin	Packwood
Bradley	Helms	Pell
Burdick	Hollings	Percy
Byrd	Huddleston	Pressler
Chafee	Jackson	Proxmire
Chiles	Jepsen	Quayle
Cohen	Kassebaum	Randolph
D'Amato	Kasten	Riegle
Danforth	Kennedy	Rudman
Dixon	Lautenberg	Sarbanes
Dodd	Leahy	Sasser
Domenici	Long	Simpson
Eagleton	Lugar	Stennis
Exon	Matsunaga	Tsongas
Ford	Mattingly	Weicker
Glenn	Melcher	Zorinsky
Gorton	Metzenbaum	
Grassley	Mitchell	

NAYS—20

Abdnor	Hatch	Stevens
Armstrong	Heinz	Thurmond
Baker	Humphrey	Tower
Biden	Laxalt	Trible
Cochran	Mathias	Warner
Dole	Roth	Wilson
East	Specter	

ANSWERED "PRESENT"—1

Denton

NOT VOTING—18

Bingaman	Garn	McClure
Boschwitz	Goldwater	Moynihan
Bumpers	Hart	Pryor
Cranston	Inouye	Stafford
DeConcini	Johnston	Symms
Durenberger	Levin	Wallop

So Mr. BRADLEY's amendment (No. 1355) was agreed to.

Mr. BRADLEY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, may we have order?

The PRESIDING OFFICER. There will be order in the Senate. Please clear the well. The Chair will ask Senators to take their seats. Those wishing to have conversations, please take them to the cloakroom.

The majority leader.

SENATE SCHEDULE FOR TOMORROW

Mr. BAKER. Mr. President, I thank the Chair.

If the managers will bear with me for a moment, I see the minority leader is on the floor and I would like to discuss the schedule for the Senate tomorrow.

ORDER FOR PERIOD FOR ROUTINE MORNING BUSINESS ON TOMORROW

Mr. President, an order has been entered for the Senate to convene at 11 a.m. I anticipate that on tomorrow we will be back on this bill about 11:30 a.m. after the two leaders are recognized. Let me do it this way: Mr. President, I ask unanimous consent that on tomorrow, after the recognition of the two leaders under the standing order, that there be a period for the transaction of routine morning business to extend from that time until not later than 11:30, and in which Senators may speak for not more than 3 minutes each.

ORDER TO RESUME CONSIDERATION OF SUPPLEMENTAL APPROPRIATIONS BILL ON TOMORROW

Mr. President, I further ask unanimous consent that at the hour of 11:30 a.m. the Senate resume consideration of the supplemental appropriations bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BAKER. Very well.

Mr. President, may I inquire of the managers how many amendments they are aware of that we yet must deal with on this bill?

Mr. HATFIELD Mr. President, we have two amendments to be offered by Mr. BUMPERS, one by Mr. HELMS, one by Mr. BAUCUS, one by Mr. TOWER, one by Mr. WEICKER, one by Mr. GORTON, one by Mr. METZENBAUM, two by Mr. BOREN, one by Messrs. RUDMAN-EAGLETON, and one by Mr. DOLE, for a total of 12.

We will handle three of those tonight before we adjourn, so that at this point there would be only nine amendments that have been at least announced to the leadership, to the managers of the bill.

Mr. STENNIS. We have the same figures.

Mr. BAKER. I thank both managers.

Mr. President, let me state what I would hope we are able to do tomorrow. I have indicated on previous days that I hope we could get to their reading tomorrow. Third reading is not technically possible since we put over votes until Tuesday, but what I would hope we can do, if I can have the attention of the manager on this side for just a second, is sometime tomorrow, early tomorrow, by noon I hope, we can get an order that no other amendments except the amendments listed would be in order, so that we would know where we stand before we leave this bill and go to cable TV on Monday.

I do not know of any other amendments, but I am making this announcement now so that Senators will be aware that I would like to make that request on tomorrow, and if the minority leader is agreeable in general principle to the time I would like to make that request, which is around noontime.

So, Mr. President, my earlier announcement about third reading is not technically possible, but this is the effective equivalent of that. Once again I hope that around noontime tomorrow we could marshal our list and come up with a concluding list of amendments to be dealt with and then put down an order that no other amendments would be in order.

Mr. President, there will be no further rollcall votes tonight. But, as the manager on the majority side has indicated, he wishes to deal with some other amendments by voice vote, and I am perfectly happy with that arrangement.

I now yield the floor.

Mr. HATFIELD. Mr. President, I ask the Chair to set aside temporarily the committee amendment and the D'Amato amendment in order that the Senator from North Carolina (Mr. HELMS) may offer an amendment.

The PRESIDING OFFICER. Without objection.

AMENDMENT NO. 1356

Mr. HELMS. Mr. President, I have an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS), for himself and Mr. EAST, proposes an amendment numbered 1356:

On page 30, after line 25 insert the following: The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to solicit bids from private concerns for operation and maintenance dredging with hopper-type dredges at Oregon Inlet, North Carolina consistent with the objectives of the Manteo (Shallowbay) Bay project.

Mr. HELMS. Mr. President, this amendment will not require the expenditure of additional funds.

Mr. President, the purpose of this amendment is to clarify authority of Corps of Engineers to contract with private concerns for dredging at Oregon Inlet, and to instruct the Corps to solicit bids for hopper-type dredging.

This has been cleared on both sides.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. HATFIELD. Mr. President, this matter has been discussed with the proposer of this amendment, Mr. HELMS, and we have worked with him in developing the language that would be acceptable.

The Senator from Mississippi accepts it.

Mr. STENNIS. Yes, we are in accord with the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina.

The amendment (No. 1356) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. I want to thank the able managers of the bill for their cooperation. Thank you very much.

Mr. HATFIELD. Mr. President, once again I ask that the committee amendment and the D'Amato amendment be temporarily laid aside in order that the Senators from Washington (Mr. GORTON and Mr. JACKSON) may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1357

(Purpose: To modify the navigation project on the Cowlitz River, Washington, to authorize the Secretary of the Army to implement interim measures to control floods in the lower Cowlitz River area and improve navigation on the Columbia River)

Mr. GORTON. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington (Mr. GORTON) for himself and Mr. Jackson proposes an amendment numbered 1357.

Mr. GORTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 30, after line 25, at the appropriate place in the bill insert the following new section:

SEC. ( ). To assure adequate flood protection for developed areas in the vicinity of the Cowlitz and Toutle Rivers, Washington, and to improve navigation in the Columbia River, the navigation project on the Cowlitz River, Washington, authorized by the first section of the Act entitled "An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved June 25, 1910 (36 Stat. 665), is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to implement and maintain flood control measures on the Cowlitz and Toutle Rivers by dredging or other means determined by the Secretary to be necessary to assure flood protection for developed areas in the vicinity of such rivers against a one-hundred-year flood on the lower Cowlitz River and to reduce sedimentation flow and the chance of blockage on the Columbia River.

SEC. ( ). The authorization provided in the first section of this Act shall remain in effect until such time as permanent solutions and measures for flood control and navigation as identified in the chief of Engineers' Cowlitz and Toutle Rivers final feasibility report, to be submitted to the President and the Congress by the Secretary of the Army, are fully implemented.

Mr. GORTON. Mr President, together with my distinguished senior colleague from the State of Washington (Mr. JACKSON) I am offering this amendment to provide interim authority for the Corps of Engineers to perform flood protection work in the Cowlitz River area of Washington State.

Three years have passed since the eruption of Mount St. Helens and yet the problems facing the communities below the mountain along the Cowlitz and Toutle Rivers are as great as ever. These communities still face serious flood threats from the buildup of sedimentation in the rivers. I would like to bring to the attention of my colleagues the May 23, front page article in the Washington Post which describes these problems in great details.

The May 18, 1980, eruption deposited a 3 billion cubic yard debris avalanche in the upper Toutle Valley. The Corps of Engineers estimates that, of that debris, 400 million cubic yards of sand-size material will erode and cause significant channel infilling over the next 20 years, creating the potential for serious flooding along the Cowlitz and Toutle Rivers. The corps estimates that 20 to 25 million cubic yards of this material will enter the Cowlitz and Columbia Rivers each year for the next five years. The communities of Longview-Kelso and Lexington have close to 100-year flood protection now while Castle Rock has 10-year protection. One storm can drastically change these numbers so a margin of safety needs to be maintained.

At the request of President Reagan, the corps is currently conducting a comprehensive study which will recommend a permanent solution to these flood control problems.

The study will be submitted to the President in November of this year, but it could take years before the recommendations are authorized and put in place. This amendment provides the interim authority the corps needs to continue flood protection work until the recommendations from the corps study can be fully implemented.

Since the eruption, flood prevention work has been funded under the corps emergency account. This has been a problem because the Office of Management and Budget believes that Mount St. Helens no longer qualifies as emergency. Recent eruptions of Mount St. Helens and the continuing volume of sediment being carried down from the mountain clearly indicate the serious flood danger that still exists for residents living in the communities along the Cowlitz and Toutle Rivers.

This amendment will resolve the continuing emergency problem and will insure that lives and property will be protected until the recommendations for the corps comprehensive flood protection plan can be implemented. I urge may colleagues to join me in supporting this amendment.

The PRESIDING OFFICER. The Senator from Washington.

Mr. JACKSON. Mr. President, I am pleased to join in Senator GORTON'S amendment to provide interim authority for the corps to perform flood protection work in the Cowlitz River area.

It has been 3 years since the May 18, 1980, eruption. The corps has spent $312 million to date for emergency dredging and levee protection. Yet the communities along the Cowlitz River still live with the threat of flooding.

The President, in responding to the threat, has requested and the corps is presently conducting a comprehensive study which will recommend a permanent solution to their flood control problems.

The plan will be submitted to the President by November of this year. Three is uncertainty as to what happens next. We assume it will be subsequently submitted to the Congress as a request for authorization.

But this schedule could take years before a long-term strategy is authorized and put in place. And the communities who live along the Cowlitz River—such as Longview-Kelso, Castle Rock, and Lexington—cannot afford to wait that long.

Mr. President, at the present time, the communities at Longview-Kelso and Lexington have 100-year flood protection while at Castle Rock the current level of flood protection is about 10 years. But one storm event can change these numbers dramatically. So it is extremely critical that a margin of safety be consistently maintained.

Therefore, Mr. President, I urge adoption of this amendment.

I understand this has been cleared all the way around.

Mr. HATFIELD. Mr. President, that is correct. The proposed amendment by the Senators from Washington has been cleared. It is but an interim authority that is being extended here until the final report of the corps is made.

This is a vital riverway that has to be handled because of the continuing activity of the mount, and I am very happy to accept it on the part of the majority.

Mr. STENNIS. It is agreeable to this side.

The PRESIDING OFFICER. Is there additional debate? If not, the question is on agreeing to the amendment of the Senator from Washington.

The amendment (No. 1357) was agreed to.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I again ask the Chair to lay aside temporarily the committee amendment and the D'Amato amendment in order that the Senator from Oklahoma (Mr. BOREN) may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Oklahoma.

AMENDMENT NO. 1358

(Purpose: To direct use of already authorized funds under the Flood Control Act of 1938)

Mr. BOREN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma (Mr. BOREN) proposes an amendment numbered 1358.

Mr. BOREN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

Funds for the Wister Lake project, Oklahoma, authorized pursuant to the Flood Control Act of 1938 (Stat. 1218) shall be used to reduce sedimentation impacts by raising the level of the conservation pool permanently by 3 feet and seasonably by an additional 3.4 feet and the Secretary of the Army, acting through the Chief of Engineers, is hereby authorized to take such

measures as are necessary to carry out this directive.

Mr. BOREN. Mr. President, I ask unanimous consent that my colleague from Oklahoma (Mr. NICKLES) be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOREN. Mr. President, this amendment deals with the Wister Lake project in Oklahoma. There has been continuing sedimentation problems at Wister Lake, constructed as part of the general comprehensive plan for flood control and other purposes in the Arkansas River basin pursuant to the Flood Control Act of 1938. This sedimentation interferes with authorized water supply purposes of the project and is particularly a problem during periods of low flow. Therefore, we need to take action to allow for raising the top of the conservation pool permanently by 3 feet and seasonally, from June 1 to December 1, by an additional 3.4 feet.

We also need, as we accomplish this increase in the conservation pool, to have the necessary geological studies and monitoring included so that we insure the safety of the structure. The towns of Poteau, Okla., and Heavener, Okla., and the surrounding areas are dependent on Wister Lake for their water supply. Sedimentation has become a real problem and this action is certainly necessary. I have observed the problem myself in the area. I have talked with many local residents.

This does not require an additional appropriation. The language of the amendment simply says that out of the funds already authorized this action shall be taken. I have discussed this amendment with the distinguished chairman of the committee and with the ranking member, the distinguished senior Senator from Mississippi, and I believe that it is agreeable both to the chairman and to the ranking member.

Mr. HATFIELD. Mr. President, the Senator from Oklahoma has cleared this with the majority side of the aisle and we have been aware of this particular project and the problem it has represented for the people of Oklahoma. The Congressman from that district, Mr. WATKINS, has raised this issue personally with me. I am very happy to work with the Senator from Oklahoma (Mr. BOREN) in trying to resolve this problem. It is a legitimate issue that he raises. It does not have budgetary impact and, therefore, I would be willing to accept it.

Mr. STENNIS. That is agreeable on this side.

Mr. HATFIELD. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma (Mr. BOREN).

The amendment (No. 1358) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BOREN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, that concludes the amendments that we will consider for tonight. We now have a list of amendments that we have been notified about, a total of 11 which will be taken up tomorrow. If any votes are required on any of the 11, they will be ordered for Tuesday. I urge Senators who are included in this list to be on the floor ready to offer their amendments sometime around 11:30 to noon and afternoon, because many of these will go very rapidly. Others will take a little longer time. Voice votes will be in order tomorrow in order to dispose of amendments that do not require a rollcall.

Again, I emphasize there are amendments to be offered by Mr. BUMPERS, two of them, by Mr. BAUCUS, Mr. TOWER, Mr. WEICKER, Mr. METZENBAUM, Mr. BOREN, Mr. RUDMAN and Mr. EAGLETON have a joint amendment, Mr. DOLE, Mr. HATCH, and Mr. BAKER.

Mr. President, I yield the floor at this time.

Mr. BAKER. Mr. President, do I understand now from the managers that there is nothing further to be done on the bill tonight?

Mr. HATFIELD. That is correct.

Mr. BAKER. I thank both managers.

Mr. HELMS. Mr. President, I cannot support the Senate Appropriations Committee decision to increase the food stamp spending above the already excessive level established by the House of Representatives.

The Senate provision proposes to add $1.2 billion for the remainder of the current fiscal year bringing the total to an alltime high of $12.8 billion. It is true that this $1.2 billion level represents the administration's request. However, this was a January request, made before the considerably improved economic outlook of the past several months. Unemployment had improved since that time, resulting in the April 1 estimate by the Office of Management and Budget of $1,038 billion recommended by the House. Since April, the economic outlook has continued to improve, making further obsolete the original $1.2 billion request. I see no reason to provide a higher level of Federal spending than current economic conditions would warrant.

The estimates from the Office of Management and budget for calendar year 1983, and as reestimated on April 1, are as follows:

PERCENT UNEMPLOYMENT

	January	April 1
Quarters of Calendar year 1983:		
1st	10.9	10.2
2d	10.9	10.2
3d	10.6	9.8
4th	10.4	9.7

Unemployment for May was down to 10.1 percent, and both the administration and the Congressional Budget Office estimate further reductions in unemployment through the end of the fiscal year and the calendar year.

I have no doubt, Mr. President, that if Congress appropriates this amount, it will be spent. The pressure will be off of the bureaucrats—both Federal and State—to operate the program efficiently during the closing months of the current fiscal year.

If we determine that this amount will be insufficient, it is always possible that the amount can be increased. We have plenty of appropriations bills for fiscal year 1984 which are going to be trundling through the House and Senate in the coming months to which an increase, if necessary, could be attached.

Mr. President, I do want to commend the members of the Appropriations Committee for the inclusion of the language which directs the Secretary of Agriculture to take all regulatory and administrative methods available to him under the law to curtail fraud, waste, and abuse in the program. Indeed, a portion of the appropriation is to be set aside until the Secretary has undertaken such activities.

Obviously, there are a number of activities which the Secretary can, and should, take to insure that the food stamp program is run as efficiently and effectively as possible.

It is clear that there are regulatory improvements that can be made. Many of these were identified last year by a task force appointed by the Secretary. The food stamp regulatory review task force identified numerous areas within administration of the program in which regulatory changes could be made to tighten up the program's administration.

Some of these were undertaken last year by the Department in response to the legislative changes incorporated in the Omnibus Budget Reconciliation Act of 1982.

Others remain to be implemented, and I would hope that the Secretary would review those cost-saving improvements that were recommended, and move toward speedy implementation.

The Senate Committee on Agriculture, Nutrition, and Forestry last year specified that regulations which limit State initiatives should be revised to permit, or in some cases require State actions.

For instance, one of the most frequently mentioned limitations that has been imposed on States has been that of requiring local officials to take the initiative to set up a second interview—both for certification and recertification—when the recipient fails to come in for the first interview.

The past policy has been to require the State to initiate contact to establish another interview appointment. In light of the other demands on caseworkers, however, and in view of the recipient's own interest in establishing or renewing his eligibility, it seems unnecessary and unreasonable to require the agency to initiate cumbersome procedures to set up a second appointment. More recipient responsibility should be required by eliminating the requirement for States to initiate second interviews.

IMPROVED VERIFICATION

Probably most important, the Secretary should reexamine the area of verification of information submitted by recipients. This up front verification has consistently been mentioned by the Department, the Office of Inspector General, and countless State and local officials as the most important area for eliminating fraud in the program.

If initial verification cannot be obtained, the chances of detecting fraudulent food stamp participation are diminished significantly.

The General Accounting Office reported during our hearings last year that a majority of several States it had surveyed were not verifying important aspects of eligibility—including household size, liquid resources, shelter costs, utility expenses, and dependent care expenses.

Several witnesses, including the General Accounting Office, have stated that verification procedures in the aid to families with dependent children program are more effective than food stamp procedures. Steps should be taken to insure that food stamp verification is at least as sound as that required in AFDC.

The Food Stamps Act expressly requires the Secretary to establish appropriate procedures for verification. This is an area in which the Secretary should consider substantial improvements.

EXPEDITED SERVICES

One of the areas most subject to abuse—both in verification and subsequent steps—is the provision of expedited services. Under this provision, recipients are entitled to receive food stamp benefits within 5 days of application.

The difficulty arises when caseworkers are unable to verify all of the recipient information before they are required to issue benefits. The Secretary needs to examine this area carefully to insure that verification procedures are not sacrificed for expediency. Many caseworkers report that expedited cases prove to be fraudulent—but by the time that is discovered, the recipient has long since left the area, with the food stamps.

Questions have also been asked about the existing exemption from photo identification requirements for expedited households.

Additionally, the Secretary should examine the practice of excluding expedited service cases from quality control data. The exclusion of these cases—which can be as much as 70 percent of all new cases—may bias the results of the quality control, and not accurately reflect the true situation with regard to overissuance errors. There is no statutory justification for the exclusion of these cases from quality control statistics.

PHOTO IDENTIFICATION

The Secretary should also reconsider the many waivers which have been granted from photo identification requirements. The Inspector General's most recent report—for the 6 months ending March 31—recommends tighter enforcement of the photo identification requirement, noting that photo identification addresses several problems simultaneously—verification, issuance, and actual coupon usage.

Additionally, the Secretary must begin to enforce the error rate sanction system. Thus far, all sanctions assessed against the State have been waived. The Secretary should consult with the Inspector General before routinely granting further waivers. The thrust of the legislation governing food stamp overissuances has been clear that States are to be held financially liable for these overissuances, and should be required to reimburse the Federal Government for overissuances.

Much of the thrust of the existing regulations frankly reflects the philosophy of the Carter administration. Every benefit of the doubt is given to the recipient, few to the caseworkers or fraud investigators charged with administering the program.

The Secretary should reconsider such policies which impede good administration. The current practice of permitting as much as 1 month to go by before a recipient has to submit verification information is both unnecessary and administratively very cumbersome. Participation in the food stamp program carries with it responsibilities. Recipients should be responsible enough to fulfill the appropriate requirements of the program, including the provision of all necessary information in a timely manner.

These are just a few examples of regulatory provisions which should be examined. There are many more. As noted earlier, the recommendations of the food stamp regulatory task force should serve as a useful source. Additionally, the President's Private Sector Survey on Cost Control has recently reported several recommendations which could be implemented by regulation.

I hope that the Secretary will also expedite the regulations necessary to implement those pilot projects testing the concept of electronic food stamp benefits. Kentucky has undertaken a very innovative proposal which may well serve as a model for the rest of the country.

The Secretary should also exercise oversight over the various regions to standardize the implementation of the monthly reporting system which is to begin on October 1. Congress has granted the Secretary sufficient flexibility such that he should be able to permit significant State consolidation and consistency with other monthly reporting systems, primarily in AFDC. These alternatives will permit exemptions from monthly reporting and permit in lieu thereof less frequent intervals for reporting—perhaps 6 months or so—depending on the likelihood of the household to have changes in income.

I again commend the managers of the bill for initiating this important language to exhort the Secretary to greater diligence through regulatory and administrative methods. The administration must act to close loopholes which may have been created through regulation, which were never contemplated by the statutory provisions of the Food Stamp Act of 1977.●

COLLOQUY ON CARRY FORWARD OF JOB TRAINING FUNDS

● Mr. QUAYLE. I know that the distinguished chairman of the Appropriations Subcommittee on Labor, HHS, and Education is aware of a special problem presented by the transition from the Comprehensive Employment and Training Act (CETA) to the Job Training Partnership Act (JTPA) on October 1, 1983. Unless an administrative solution is found, there may be a lapse in funding for training programs at the start of fiscal year 1984. This is a unique problem for employment and training programs. It has not been a problem in the past and will not occur in the future after the transition is accomplished.

The Labor Department has proposed an administrative solution to this problem which, I believe, is consistent with the letter and spirit of the Job Training Partnership Act. Under the proposal, Governors and prime sponsors will be provided authority to reallocate up to 30 days of funds from CETA grants to the Governor's JTPA grant, in advance of September 30, 1983. The Governor would then utilize these funds during the first weeks of October to insure that all service delivery areas have funds to continue program operations, starting on October 1.

This proposal would expedite the implementation of the new program and is in accordance with the intent of Congress regarding the transition from CETA to JTPA.

As chairman of the Labor, HHS, Education Appropriations Subcommittee, could you assure me that this administrative solution is consistent with the continuing resolution that is currently funding the program?

Mr. WEICKER. Yes, I can assure the Senator from Indiana that the administrative procedure he has outlined would not conflict with the provisions of Public Law 97-377, the continuing resolution under which we are now operating. I understand that the Department of Labor's proposal would expedite the implementation of the new program to meet the October 1 commencement date without a break in services to program participants. I thank Mr. QUAYLE for clarifying this very important issue which has recently been brought to our attention by the U.S. Conference of Mayors, the League of Cities, and the National Association of Counties. It is gratifying that the Labor Department promptly responded to our request to resolve this problem.

Mr. QUAYLE. I thank the distinguished Senator from Connecticut for his time and kind consideration.●

Mr. LEVIN of Michigan. Mr. President, I want to take this opportunity to commend the members of the House and Senate Appropriations Committees for their decision to provide additional moneys for the commodity supplemental food program (CSFP) in the fiscal year 1983 supplemental appropriations bill. The bill includes additional funds for the administrative expenses incurred by local programs in storing and distributing bonus commodities in the regular food packages during fiscal year 1982. While the jobs bill included a provision which provided a temporary solution to the inequities in the administrative funding formula for CSF programs by increasing funding for fiscal year 1983, it did not include funds to compensate local programs for their past losses. I am hopeful that the Congress will soon authorize a permanent change in the administrative funding formula for CSFP to solve this problem.

The supplemental appropriations bill also includes additional funding to accommodate caseload expansion by Focus: HOPE into Pontiac, Mich., which has one of the highest unemployment rates in the Nation. Focus: HOPE and other CSF programs throughout the country have been successful in distributing USDA commodities to malnourished mothers, infants, and preschoolchildren. With the assistance of over 1,000 volunteers each month, Focus: HOPE distributed over 21 million pounds of commodities in food packages during 1982. Expansion into Pontiac will allow Focus: HOPE to provide essential nutritional supplements in a cost-efficient manner to those needy persons who qualify for the program.

Mr. President, an April 15, 1981, New York Times article by William Serrin describing Focus: HOPE stated that—

The key to the program, highly praised in Detroit and by food activists across the country, is creativity.

I am pleased that the supplemental appropriations bill reflects the importance of providing an adequate level of funding for CSF programs so that they can continue to provide essential services in a creative and cost-effective way.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business for not more than 5 minutes in which Senators may speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEE VERSTANDIG

Mr. BAKER. Mr. President, I want to take this opportunity to commend President Reagan for naming as his new Assistant for Intergovernmental Affairs, Lee Verstandig. I have known Lee for many years, and I have always been impressed with his resourcefulness, dedication, and insight. For those of us who have worked with Lee, this newest addition to an already distinguished career comes as no surprise.

It was just over 2 years ago, Mr. President that I was privileged to swear Lee in as Assistant Secretary of Transportation for Governmental Affairs. He handled that position as he has handled so many others in public and academic service, with wisdom and intelligence.

It was just several months ago, that President Reagan asked Lee to serve as Acting Administrator of the EPA, and I remember being impressed with how quickly Lee moved to restore the daily management of the Agency.

Lee has been active in national and Rhode Island politics for over two decades. He served as administrative assistant and legislative director for Senator CHAFEE from 1977 to 1980. Before that, he spent 17 years in the academic community where he was associate dean of academic affairs at Brown University and a professor of history and political science at Roger Williams College. Lee earned his BA from Franklin and Marshall College, and received a master's degree from the University of Tennessee and a Ph. D. from Brown University.

The most outstanding feature of his background however, is that he is a native of Memphis, Tenn., and on behalf of his home State, I want to extend to him our congratulations, friendship, and support throughout this new challenge.

FUNDING FOR AFRICAN REFUGEES AND ANTI-PIRACY ACTIVITIES

Mr. PERCY. Mr. President, I understand that the House supplemental bill provides, on a "no-year" basis, $15 million in unobligated funds for resettlement services and facilities for refugees and displaced persons in Africa, and $5 million to help combat pirates who have been attacking the vessels of people escaping from Vietnam.

There are no comparable provisions in the bill we are considering today, but I hope that the Senate conferees will give favorable consideration to these provisions.

The refugee funds will allow the continuation of important programs which take account of the probability that substantial numbers of these refugees and displaced persons will be unable to return to their homelands in the foreseeable future.

These programs have a development orientation and would provide such assistance as semipermanent housing, medical facilities, replenishment of herds for displaced nomads, small scale agricultural and forestry activities, and nonformal vocational training. These activities promote self-reliance and productivity and will help ease the serious burden which the host governments have generously shouldered.

I understand that procedural problems on the Hill and in the executive branch explain the lack of an administration request for these funds, but that State and AID have no objections. In fact, they apparently have been able to develop a number of appropriate projects.

The second provision in the House bill, $5 million for antipiracy activities, addresses a serious and continuing problem in the Gulf of Thailand and nearby waters. Pirates prey on Vietnamese refugees as they attempt to escape by sea toward freedom. Some authorities estimate that up to two-thirds of the boat refugees have been brutally attacked by pirates. Further, these desperate people face the possibility of being adrift without food or water, as merchant seamen steam past them without stopping. We have a humanitarian obligation to try to assist.

In sum, I believe the funds provided in the House appropriations bill for African refugee activities and for improvement of security in the Gulf of Thailand to combat piracy are fully justified and urgently needed. I hope that they will be looked on favorably by the Senate conferees. Thank you.

RESTORATION OF THE WEST FRONT OF THE CAPITOL

Mr. PERCY. Mr. President, the Senate supplemental appropriations bill for 1983 addresses many important issues. The question of whether to restore or extend the west front of the Capitol Building is one of the most pressing matters that this bill addresses. It is clear that something must be done immediately to reach a final agreement concerning this historic facade. The terrible condition of the west front has been apparent now for many years. It is truly a disgrace that the Capitol Building—a building that has become both a national and worldwide symbol of our Nation, its history, and the freedom that endures in our country—has been allowed to deteriorate to such an unconscionable state. I have always maintained that we must take immediate action to restore and preserve this great building.

A restoration of the west front of the Capitol would insure the historic and architectual continuity with the original Capitol. For the west front is the last evidence of that building for which George Washington laid the cornerstone in 1793. If we act to preserve the west front, we can also prevent the destruction of the historic Olmsted Terraces. These terraces, designed by Frederick Law Olmsted in the late 1800's to complement his plan for the Capitol Grounds, provide Americans with a sweeping view of the Mall and many of our most important national buildings. To hide, or relocate, or destroy these terraces would be to erase the work of one of America's greatest landscape architects. It was Olmsted who designed the beautiful Central Park in New York. There is no doubt in my mind that any plan than one to restore the west face of the Capitol is a plan that destroys a piece of our history.

I was pleased with the May 25 vote by the House of Representatives which approved a plan to restore our Capitol's west front. This was a reversal of the previous House position in favor of an entirely new west front. The Senate Appropriations Committee has approved $48 million for a similar restoration project. I might add that this figure is well below the $73 million that the Capitol Architect requested to extend the Capitol Building and hide the west front. It now remains for those of us in the Senate, who feel as I do, to insure the integrity of this great symbol of freedom.

This has been an issue of great debate not only here in Washington, but across the Nation. Restoration of the west front has drawn the attention of a number of national organizations. The National Trust for Historic Preservation, the American Institute of Architects, and the Daughters of the American Revolution have all played an important role in voicing concern for the integrity of the Capitol Building. The efforts of these three groups, and many other conscientious Americans, have been instrumental in bringing this issue the national attention that it truly deserves. Without such leadership a piece of our history might have been lost for all time.

This legislation provides for the immediate restoration and preservation of the historic west front. For us to overlook the horrid condition of our Nation's Capitol is to denigrate what has come to represent the underlying principals of the American system. Extension of the Capitol Building is not the answer; for that will result in the entombment of the west front. The time for restoration and preservation is long overdue.

THE SERVICE INDUSTRIES DEVELOPMENT ACT

Mr. PRESSLER. Mr. President, yesterday Senator INOUYE and I introduced the Service Industries Development Act. This bill is identical to the one we introduced during the last Congress and which was unanimously approved by both the Commerce Committee and the full Senate. Unfortunately, the bill died in the House.

This legislation helps fill a glaring void in the oversight and planning activities of the Federal Government as they relate to the service industries. I feel that it is absolutely essential that we recognize the vital importance of service industries to our economy, and treat them accordingly.

It is for this reason that I have decided to offer an amendment to this act in the Commerce Committee tomorrow which calls for expedited development of a formalized framework within the General Agreement on Tariffs and Trade (GATT) for the resolution of service sector trade disputes. One need only look to the recent case in France regarding the protectionist restrictions placed on outbound tourism related expenditures. It is now virtually impossible for a French citizen to take a vacation in our country. This has cost the U.S. travel and tourism industry millions of dollars in tourism related revenues. Had GATT been able to address this issue, we might have been able to retain this trade. As the situation now stands, this unilateral action on the part of the French Government has not only cost the United States millions of dollars in receipts, but also much needed tax revenue and jobs for U.S. workers.

These types of actions are especially harmful in areas like my home State of South Dakota where tourism is our second largest industry. In South Dakota, we are presently working hard to get more foreign tourists to visit our beautiful State. We have many great attractions, and a rich culture and heritage which foreigners would be interested in experiencing. But protectionist actions on the part of foreign governments halt State promotion before we can even begin.

This is just one small, isolated example of the many service industry related trade problems we encounter in the world market. But it is an excellent illustration of why this type of legislation is so urgently needed today. Despite this lack of support from the Federal Establishment, service industries such as tourism, transportation, advertising, insurance, and communications have grown to the point where they now comprise two-thirds of our gross national product. The trend toward service-oriented business is obvious, this situation is not unique to the United States. It is global. As it continues to grow, it will become increasingly important to protect effective and free competition with our foreign trading partners. This legislation is an important step toward realizing that goal.

The main reason service industries have been overlooked by Federal planners is that most of our economic projections are still based on the premise that manufacturing comprises the bulk of our economic activity. This premise is obviously faulty when, by most any measurement, the service sector is now twice the size of manufacturing in this country.

Another reason manufacturing interests receive more attention is that this sector is generally not as healthy as the service sector. However, if the success of the service industries in the United States is to continue we must definitely devote more time and resources to this area.

Already, disturbing signs of stagnation are appearing in the service sector—especially in the area of exports. The trade surplus in our service account, although still very large, remained virtually unchanged between 1980 and 1981. This fact does not bode well for future expansion of the service sector itself, and is obviously worrisome in terms of our future export potential.

I am convinced that even with a little stimulation from the Federal Government, service exports could be increased to the point where our current account would show a large and consistently growing surplus.

On the positive side, the problems confronting U.S. service firms have been receiving more attention in the press lately. This is an important step in raising the consciousness of both the public and Government officials regarding the crucial role service industries play in our economy.

It is important that we not be the last participant in the international trade arena to realize the importance of service industries. This is especially

true because it is our strong suit in international trade. For this reason I hope that the measure Senator INOUYE and I are introducing today will receive prompt attention. It provides the necessary framework within which the Federal Government can pursue a coordinated policy on service industries.

I have been gratified that the Secretary of Commerce, Malcolm Baldrige, has taken such an active interest in the whole international trade area. It is also encouraging to note the cooperative attitudes taken by both Secretary Baldrige and U.S. Trade Representative Bill Brock in working together in this area.

Much needs to be accomplished if we are to maximize our trade potential in the service sector, but it is my belief that we now have the type of people in place who are capable of doing the job. The structure provided by this legislation will, I am confident, assist them with their task.

MESSAGES FROM THE HOUSE

At 10:08 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1271. An act with regard to Presidential certifications on conditions in El Salvador;

H.R. 2148. An act to reenact the Follow Through program with certain technical changes, to authorize appropriations for such program for fiscal years 1984 and 1985, and for other purposes;

H.R. 2207. an act to reenact the Emergency School Aid Act;

H.R. 2355. An act to establish an emergency program of job training assistance for disabled veterans and veterans of the Vietnam era; and

H.R. 3132. An act making appropriations for energy and water development for the fiscal year ending September 30, 1984, and for other purposes.

At 4:28 p.m., a message from the House of Representatives, delivered by Mr. Berry, announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 42. Joint resolution designating Alaska Statehood Day, January 3, 1984; and

S.J. Res. 75. Joint resolution to provide for the designation of June 12 through 18, 1983, as "National Scleroderma Week."

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3223. An act making appropriations for Agriculture, rural development, and related agencies programs for the fiscal year ending September 30, 1984, and for other purposes.

At 5:55 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its clerks, announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 201. Joint resolution designating June 14, 1983, as "Baltic Freedom Day."

HOUSE MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as follows:

H.R. 2148. An act to reenact the Follow Through program with certain technical changes, to authorize appropriations for such program for fiscal years 1984 and 1985, and for other purposes; to the Committee on Labor and Human Resources.

H.R. 2207. An act to reenact the Emergency School Aid Act; to the Committee on Labor and Human Resources.

H.R. 3132. An act making appropriations for energy and water development for the fiscal year ending September 30, 1984, and for other purposes; to the Committee on Appropriations.

H.R. 3223. An act making appropriations for Agriculture, rural development, and related agencies programs for the fiscal year ending September 30, 1984, and for other purposes; to the Committee on Appropriations.

HOUSE MEASURE PLACED ON CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 2355. An act to establish an emergency program of job training assistance for disabled veterans and veterans of the Vietnam era.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1210. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on a foreign military assistance sale to Greece; to the Committee on Armed Services.

EC-1211. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on a foreign military assistance sale to Turkey; to the Committee on Armed Services.

EC-1212. A communication from the Acting Assistant Secretary of the Army for Manpower and Reserve Affairs transmitting a draft of proposed legislation to remove certain eligibility requirements for enrollment in Senior Reserve Officers' Training Corps' advanced training; to the Committee on Armed Services.

EC-1213. A communication from the Deputy Assistant Secretary of Defense for Administration transmitting, pursuant to law, listings of DOD contracts over $25,000 negotiated in the first half of fiscal year 1983; to the Committee on Armed Services.

EC-1214. A communication from the Vice President for Government Affairs of Amtrak, transmitting, pursuant to law, a report for the month of March 1983 on itemized revenues and expenses of the corporation; to the Committee on Commerce, Science, and Transportation.

EC-1215. A communication from the Administrator of NASA transmitting, pursuant to law, a report on the proposed use of certain research and development funds for installation of support facilities, Site 1, Air Force Plant 42, Palmdale, Calif.; to the Committee on Commerce, Science, and Transportation.

EC-1216. A communication from the Administrator of NASA transmitting, pursuant to law, a report on the proposed use of certain research and development funds for the construction of solid rocket booster surface preparation and thrust vector control deservicing/disassembly facilities at Kennedy Space Center, Brevard Co., Fla.; to the Committee on Commerce, Science, and Transportation.

EC-1217 A communication from the Chairman of the Federal Maritime Commission transmitting, pursuant to law, a report on the Commission's enforcement experience relative to the Budget Reconciliation Act of 1981; to the Committee on Commerce, Science, and Transportation.

EC-1218. A communication from the Secretary of Energy transmitting, pursuant to law, the tenth annual report on Federal Government Energy Management; to the Committee on Energy and Natural Resources.

EC-1219. A communication from the Secretary of the Interior transmitting, pursuant to law, a report on preserving and conserving the intangible elements of our cultural heritage; to the Committee on Energy and Natural Resources.

EC-1220. A communication from the Acting Director of the Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on a refund of excess royalty payments to ARCO Oil and Gas Co., Mobil Oil Corp., and Shell Oil Co.; to the Committee on Energy and Natural Resources.

EC-1221. A communication from the Acting Director of the Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on a refund of excess royalty payments to Chevron U.S.A. Inc.; to the Committee on Energy and Natural Resources.

EC-1222. A communication from the Acting Director of the Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on a refund of excess royalty payments to ARCO Oil and Gas Co., Mobil Oil Corp., Amoco Production Co., and Gulf Oil Corp.; to the Committee on Energy and Natural Resources.

EC-1223. A communication from the Acting Director of the Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on a refund of excess royalty payments to Anadarko Production Co., Chevron U.S.A. Inc., Koch Exploration Co., Shell Oil Co., Gulf Oil Corp., and El Paso Natural Gas; to the Committee on Energy and Natural Resources.

EC-1224. A communication from the Secretary of Energy transmitting, pursuant to law, the quarterly report on the Strategic Petroleum Reserve; to the Committee on Energy and Natural Resources.

EC-1225. A communication from the Secretary of Energy transmitting, pursuant to law, a report on Biomass Energy and Alcohol Fuels; to the Committee on Energy and Natural Resources.

EC-1226. A communication from the Assistant Secretary for Territorial and International Affairs, Department of the Interior, transmitting, pursuant to law, a report on a plan for the deficit elimination for the Territory of the Virgin Islands; to the Committee on Energy and Natural Resources.

EC-1227. A communication from the Federal and State Cochairmen of the Alaska Land Use Council transmitting, pursuant to law, a report on the activities of the Alaska Land Use Council for 1982; to the Committee on Energy and Natural Resources.

EC-1228. A communication from the Director of the Bureau of Land Management, Department of the Interior, transmitting, pursuant to law, legal descriptions for the Steese National Conservation Area and the White Mountains National Recreation Area; to the Committee on Energy and Natural Resources.

EC-1229. A communication from the Secretary of Energy transmitting, pursuant to law, the Department's Annual Report on Public Utility Regulatory Policies; to the Committee on Energy and Natural Resources.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-199. A joint resolution adopted by the General Assembly of the State of Colorado; to the Committee on Armed Services:

"HOUSE JOINT RESOLUTION No. 1020"

"Whereas, On September 1, 1982, the United States Air Force Space Command under the direction of General James V. Hartinger was activated at Peterson Air Force Base in Colorado Springs; and

"Whereas, The establishment of the Space Command to manage and protect assigned operational space assets, to provide for strategic defense, and to assist in the exploration of space represents a bold and proud step for the Air Force and the country; and

"Whereas, The seven thousand members of the Space Command will provide coordination of satellite surveillance and protection and operational control for America's space shuttle fleet and future space craft; and

"Whereas, As guardians of the high frontier, the Space Command will play the leading role in the defense of the United States and the free world; and

"Whereas, The location of the Space Command in Colorado is the most recent reflection of the long and warm relationship between the citizens of Colorado and the military; now, therefore,

"Be It Resolved by the House of Representatives of the Fifty-fourth General Assembly of the State of Colorado, the Senate concurring herein, That we do hereby send greetings to the Secretary of the Air Force and the members of Congress thanking them for siting the United States Air Force Space Command in Colorado Springs and commit the people of Colorado to supporting this significant step into space.

"Be It Further Resolved, That copies of this resolution be transmitted to the Secretary of the Air Force, the Congress, the Commander of the Space Command, the Secretary of Defense, and the President of the United States."

POM-200. A joint resolution adopted by the Legislative Assembly of the State of Oregon; to the Committee on Commerce, Science, and Transportation:

"SENATE JOINT MEMORIAL 9

"Whereas the economy of the United States is dependent upon domestic and international trade; and

"Whereas waterborne commerce plays a dominant role in foreign trade in the United States; and

"Whereas the ports in the United States represent a definable industry which directly employs over 1 million persons; and

"Whereas the Federal Government collects over $6 billion annually in customs duties at seaports in the United States; and

"Whereas the Congress is presently discussing legislation involving shallow-draft and deep-draft user charges; and

"Whereas a body of data and testimony was established during the last session of the Congress of the United States indicating the adverse regional impacts of a segmented waterway user charge proposal affecting port systems, communities which operate port facilities, as well as the overall transportation system of the United States and the national economy; and

"Whereas the primary objective of any transportation or port development legislation should be to improve the nation's transportation system and to improve our position in world markets; now, therefore,

"Be It Resolved by the Legislative Assembly of the State of Oregon:

"(1) That the Congress of the United States is memorialized, if any legislation relating to maritime transportation or port development is enacted, to adopt legislation that shall:

"(a) Maintain a vigorous, competitive transportation system;

"(b) Maintain the existing maritime transportation as part of the federal waterways system with charges administered by the Federal Government;

"(c) Minimize inflation, economic dislocation and unnecessary increases in fuel consumption;

"(d) Minimize the impact on the ability of the United States to act competitively in world markets;

"(e) Minimize shift of cargo to Canada or other foreign ports; and

"(f) Minimize disruption to the relative competitive position of ports.

"(2) That the Congress of the United States is further memorialized, in adopting any legislation authorizing user charges, to require that user charges:

"(a) Be imposed on a partial cost recovery basis and that the level of partial recovery be determined by the results of the studies of the impact of user charges on the national economy;

"(b) Be assessed on a uniform nationwide basis;

"(c) Be phased in over a period of years; and

"(d) Be subject to further study with regard to need, desirability and alternatives.

"(3) A copy of this memorial shall be sent to the President of the United States and to each member of the Oregon Congressional Delegation."

POM-201. A resolution adopted by the Assembly of the State of New York; to the Committee on Commerce, Science, and Transportation:

"LEGISLATIVE RESOLUTION

"Whereas, On March eleventh, nineteen hundred eighty-three, a public meeting was held by Long Island business, labor and government leaders on a proposal to convert the Long Island Expressway into a federal highway; and

"Whereas, The Long Island Expressway, Long Island's most vital highway has not been receiving the amount of Federal aid it needs to adequately service the approximately one-quarter million vehicles which daily use this road; and

"Whereas, This designation would bring an additional $15 million a year to Long Island in extra transportation aid; and

"Whereas, The proposed designation has the support of Long Island's Federal, State, and local officials, and Lieutenant Governor Alfred DelBello; and

"Whereas, If the Federal government approves the designation, badly needed road repair could be scheduled for the Long Island Expressway and service roads could be completed; and

"Whereas, It is the sense of this Legislative Body that the major road for Long Island must be properly maintained and that his Legislative Body also realizes Long Island does not receive its fair share of Federal highway monies; now, therefore be it

"Resolved, That this Legislative Body calls upon Congress to approve the proposed interstate designation for the Long Island Expressway; and be it further

"Resolved, That this Legislative Body also calls upon Governor Mario M. Cuomo to help fight for this designation; and be it further

"Resolved, That a copy of this Resolution, suitably engrossed, be transmitted to the Honorable Mario M. Cuomo, Governor; the Speaker of the United States House of Representatives; the President Pro-Tem of the United States Senate; the New York Congressional Delegation and the Secretary of the United States Department of Transportation."

POM-202. A joint resolution adopted by the General Assembly of the State of Tennessee; to the Committee on Energy and Natural Resources:

"SENATE JOINT RESOLUTION No. 74

"Whereas the announcement by President Reagan that he wants decontrol of natural gas prices is not what administration officials advocated when they began considering the decontrol issue two years ago; and

"Whereas instead of rapidly eliminating all price controls on natural gas and allowing producers to charge whatever the market would bear, the latest proposal calls for a stepped-up effort by federal agency regulators to monitor and reduce price increases that pipelines are allowed to pass on to consumers; and

"Whereas in his announcement he asserted that passage of his decontrol plan would decrease average natural gas prices by as much as 10 percent in the next year or two, but consumer organizations are quick to predict that decontrol will sharply increase the price of gas by as much as an estimated 60 percent; and

"Whereas phased deregulation has not worked too well and despite expanding suppliers, prices have been going up at different rates in different parts of the country; and

"Whereas the administration's record on behalf of consumers is not one that leads many to believe that federal regulators would be aggressive in trying to hold gas prices down, as higher prices have resulted in consumer resistance, with the result that

increasing suppliers, falling demand and rising prices are occuring at the same time; and

"Whereas public clamor over gas price increases of 25 percent or more this winter has state utility regulators and lawmakers coming out in opposition to any decontrol measure that would allow producers to substantially increase prices; and

"Whereas others view decontrol as serving the consumer interest as decontrol of oil has done during the past two years; and

"Whereas the General Assembly recognizes that this is a complicated issue; Now, therefore, be it

"Resolved by the Senate of the General Assembly of the State of Tennessee (the House of Representatives concurring), That we urge the Congress to carefully study this complex subject and enact a law which recognizes the best interests of the Tennessee consumer and the energy security of the nation; and be it further

"Resolved, That a copy of this resolution be forwarded to President Ronald Reagan and to the members of the Tennessee Congressional Delegation, Washington, D.C."

POM-203. A resolution adopted by the House of Representatives of the State of Hawaii; to the Committee on Energy and Natural Resources:

"HOUSE RESOLUTION

"Whereas the State of Hawaii and all of her people proudly share, endorse, and encourage American ideals and principles of justice through law, and profoundly believe that an unresolved injustice to one is a harm endured by all; and

"Whereas such a harm to Native Hawaiians has occurred without redress or remedy; and

"Whereas Native Hawaiians have been included and identified as Native Americans in recognition of their unique and special relationship with the United States as an indigenous people; and

"Whereas as a result of the good conscience of the American people, speaking through the Congress, redress and remedy have been granted to other Native Americans for injustices and harm done them; and

"Whereas the Congress of the United States has indicated its interest in the pursuit of seeking resolution to possible claims by Native Hawaiians for the losses and damages which resulted from the overthrow of the legal government of the Kingdom of Hawaii in 1983; and

"Whereas the Congress enacted Public Law 96-565, Title III, and thereby established a Native Hawaiians Study Commission to advise the U.S. Senate Committee on Energy and Natural Resources and the U.S. House Committee on Interior and Insular Affairs on issues of concern to Native Hawaiians; and

"Whereas the Legislature of the State of Hawaii also has an abiding and deep commitment to the fulfillment of national purposes relating to Native Hawaiians and truly affecting all of the citizens of Hawaii; and

"Whereas it is, therefore, appropriate for this Legislature to express its formal beliefs in the matter of Native Hawaiian claims against the United States for actions which occurred in 1893, and subsequently with American annexation of the Islands of Hawaii in 1898; and

"Whereas based upon a careful examination of historical records and accounts the Legislature of the State of Hawaii has determined there is sufficient reason to believe that:

"(1) The United States, through its representatives in the State and Navy Departments, did encourage and actively supported rebellion against the legitimate government of the Kingdom of Hawaii;

"(2) The involvement of U.S. Minister John L. Stevens was crucial to the success of the rebellion, and that his refusal to remain neutral in the domestic affairs of the Kingdom and, instead, to become an active agent in the planning and military force supporting the insurrection by ordering the landing and placement of American marines in a manner and position unmistakeably intended to intimidate the Queen of Hawaii and her government;

"(3) Without such armed American support, the insurgence would have failed for a lack of popular support and insufficient arms; and

"(4) Such actions by the American minister and forces was a breach of international law, of treaties with the Kingdom of Hawaii, and was characterized by President Grover Cleveland in his "Executive Message to Congress" (December, 1893) as an illegal and immoral act of war against a feeble and trusting nation; and

"Whereas because of these American actions the Queen yielded her authority and that of her government to the United States through Minister Stevens, who did not forward her plea for review by the United States but acted to recognize a provisional government composed of leaders of the insurrection and to declare an American protectorate over the Islands; and

"Whereas these actions were augmented two weeks later by the occupation of American troops in all government buildings of the Hawaiian Islands at the request of the provisional government from a fear of being unable to maintain control; and

"Whereas these actions culminated in the assertion of control by the subsequent Republic of Hawaii over the crown, government, and public lands of the Kingdom of Hawaii; and

"Whereas such lands and sovereignty represented the traditional and ancestral land rights and titles of the Native Hawaiian people; and

"Whereas these ancestral rights and lands were ultimately ceded to the United States by a government whose existence was dependent upon the actions and agents of the United States; and

"Whereas this transfer occurred without the consent of the Native Hawaiian people, without compensation for their interests, and without any explicit protection of their interests; and

"Whereas through amendments to the State Constitution in 1978, the people of the State of Hawaii ratified and formally acknowledged the rights of Native Hawaiians to a legislatively determined pro rata share of the proceeds of such lands ceded to the United States and returned as a public trust to the State of Hawaii in the Admission Act of 1959; and

"Whereas in the ratification of another constitutional amendment in 1978, the people of Hawaii also established an Office of Hawaiian Affairs to administer the proceeds from this trust, and explicitly empowered the Office to be the receptacle for all moneys or lands granted to the Native Hawaiians as restitution by the United States for damage incurred by the actions which resulted in the overthrow of the Kingdom of Hawaii; and

"Whereas these State Constitutional provisions, and their codification in the Hawaii Revised Statutes as Chapter 10, do indeed endorse and encourage Native Hawaiian rights and interests as a significant, proper, and public purpose: Now, therefore, be it

Resolved by the House of Representatives of the Twelfth Legislature of the State of Hawaii, Regular Session of 1983, That the Congress of the United States is respectfully urged to acknowledge the illegal and immoral actions of the United States in the overthrow of the Kingdom of Hawaii in 1893, and to indicate its commitment to grant restitution for the losses and damages suffered by Native Hawaiians as a result of those wrongful actions; and be it further

Resolved, That certified copies of this Resolution be transmitted to the President pro tempore of the U.S. Senate, the Speaker of the U.S. House of Representatives, the Chairperson of the U.S. Senate Committee on Energy and Natural Resources, the Chairperson of the U.S. House Committee on Interior and Insular Affairs, the members of the Hawaii Congressional delegation, the Chairperson of the Native Hawaiians Study Commission, and to the Chairperson of the Board of Trustees of the Office of Hawaiian Affairs."

POM-204. A resolution adopted by the Council of the County of Maui, Hawaii, urging Congress to acknowledge the illegal and immoral actions of the United States in the overthrow of the Kingdom of Hawaii in 1893, and to indicate its commitment to grant restitution for the losses and damages suffered by Native Hawaiians as a result of those wrongful actions; to the Committee on Energy and Natural Resources.

POM-205. A resolution adopted by the Chesapeake Water Pollution Control Association supporting (1) a Federal and State funding commitment to training of wastewater facilities operators, (2) operator training and certification requirements to be utilized as enforcement measures, and (3) a Federal requirement that States commit to training and certification through funding and enforcement; to the Committee on Environment and Public Works.

POM-206. A resolution adopted by the Legislature of the Territory of Guam; to the Committee on Environment and Public Works:

"RESOLUTION No. 143

"Be it resolved by the Legislature of the Territory of Guam:

"Whereas, the Environmental Protection Agency which is charged with the enforcement of the Clean Air Act has taken action to enforce the law with respect to the major power plant serving the Territory of Guam; and

"Whereas, the cost of construction of the plant was $36,000,000 and the Territory has yet to make any payments on the principal amount borrowed for construction; and

"Whereas, the cost of a salt-water scrubber which must be installed to meet EPA's requirements is estimated to be $22,000,000; and

"Whereas, the purchase of the scrubber and the required annual maintenance of $10,000,000 would place an intolerable burden on the people of the Territory—almost doubling current exhorbitant power rates; and

"Whereas, Guam meets all current federal and local ambient air quality standards; now, therefore, be it

"Resolved, that the Legislature requests the United States Congress, on behalf of the Territory, to enact legislation exempt-

ing Guam from Sections 111 and 123 of the Clean Air Act; and be it further

"Resolved, that the Environmental Protection Agency is requested to conduct a thorough study on the actual harm done to the populated areas of the Territory before imposing the burdensome requirement of installation of a scrubber; and be it further

"Resolved, that the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the Speaker of the House of Representatives; the President Pro Temp of the Senate; to the Chairman of the House of Interior Committee; to the Secretary of the Interior; to the Administrator of the Environmental Protection Agency; to Guam's Representative to Congress; and to the Governor of Guam."

POM-207. A resolution adopted by the House of Representatives of the State of Hawaii, to the Committee on Finance:

"HOUSE RESOLUTION

"Whereas, on February 24, 1982, the President of the United States proposed a three-pronged initiative to promote economic revitalization in the Caribbean Basin countries which included $350 million in financial aid, a twelve-year period of duty-free treatment of Caribbean products imported by the United States, and a program of tax credits and other incentives to induce American firms to invest in Caribbean nations; and

"Whereas, in September of 1982, the $350 million financial aid portion of the initiative was approved by Congress, but the remaining portions were not well received by many congressmen who felt that it was unconscionable to promote trade and tax concession measures to improve the Caribbean economy at the expense of our own economy which is suffering from high unemployment and other ailments; and

"Whereas, despite numerous attempts to stop the passage of the trade and tax portions of the Caribbean Basin Initiative, the House of Representatives, during the waning days of the 97th Congress, passed the Caribbean Basin Economic Recovery Act (H.R. 7393) which is now in the Senate Finance Committee for consideration; and

"Whereas, the Legislature recognizes that the Caribbean Basin region forms the third border of the United States that contains vital sea lanes through which most of our oil imports must flow, that it is an important market of American exports, and that during its economic crisis, it is susceptible to terroristic and subversive exploitation by Cuba and other nations; therefore, this Act is important to promote the achievement of economic and political stability for the Caribbean countries; and

"Whereas, the Legislature, however, is painfully aware that Hawaii's struggling agricultural industry is highly vulnerable to the effects of that portion of the Act which affords duty-free entry of Caribbean products into the United States because the climatic conditions in Hawaii are very similar to that of the Caribbean Basin; and

"Whereas, although the Act contains special rules to limit the eligibility of sugar for duty-free treatment to assure that imports will not interfere with or impair the price support program for sugar, Hawaii is still in a tenuous position since the federal price support program does not afford Hawaii's ailing sugar industry sufficient protection against the effects of glut in the marketplace; and

"Whereas, other agricultural and horticultural products in Hawaii such as pineapple, macadamia nut, papaya, and ornamental plants and flowers also could be seriously affected since the Caribbean Basin has the potential to compete in these products; and

"Whereas, serious concern has also been expressed regarding the adverse effects of the Act on the American tuna industry which is already depressed with plant closures and layoffs attributable to increasing levels of foreign processed tuna, and Hawaii is among the states that will be affected; and

"Whereas, with Hawaii's agricultural farm value dropping to one of the lowest points in several years, we can ill afford to be under cut at the market place by duty-free imports; and

"Whereas, the Federal government must be sensitive to, and appreciate the interest, economy, and concerns of its member states and territories; and

"Whereas, one year has elapsed since the President proposed the initiative, and the concerns regarding the harmful economic effects of the trade and tax incentives have still not been satisfactorily addressed; now, therefore,

"Be it resolved by the House of Representatives of the Twelfth Legislature of the State of Hawaii, Regular Session of 1983, that this Legislature expresses its vehement opposition to the President's Caribbean Basin Initiative and requests the Hawaii Congressional delegation to assiduously protect Hawaii's economic interest by fighting against the passage of the Caribbean Basin Economic Recovery Act; and

"Be it further resolved that certified copies of this Resolution be transmitted to Senator Daniel Inouye, Senator Spark Matsunaga, Congressman Daniel Akaka, Congressman Cecil Heftel, The President of the United States, the President Pro Tempore, the Speaker of the House of Representatives, and the Chairperson and members of the Senate Finance and House Ways and Means Committee."

POM-208. A resolution adopted by the Senate of the State of Texas; to the Comittee on Finance:

"SENATE RESOLUTION

"Whereas, Section 310(b) of the Tax Equity and Fiscal Responsibility Act of 1982 requires that bonds issued by states and their political subdivisions be in registered form in order for interest earned on the bonds to be exempt from federal income taxation; and

"Whereas, This provision, by eliminating the tax-exempt status of interest earned on bonds issued in bearer form, is erosive of the long-standing constitutional doctrine that state transactions be immune from federal taxes; and

"Whereas, The power to finance governmental operations being an essential attribute of state sovereignty, the provision has been challenged judicially by South Carolina and other states as a significant infringement on the exercise of state borrowing powers and thereby as violative of the 10th Amendment to the United States Constitution; and

"Whereas, In Texas, where the overwhelming majority of governmental bonds have been issued in bearer form, in most cases in issues of small amounts by small political subdivisions, the new law will increase interest rates quoted by bidders on bearer bonds or will cause enormous increases in handling costs as the state and its subdivisions move toward the issuance of registered bonds; and

"Whereas, The provision, which is to take effect July 1, 1983, will have an adverse effect on state and local finances and will prove injurious to future bond sales, creating a two-tier market as investor preferences shift to billions of dollars of outstanding securities issued in bearer form; and

"Whereas, Being part of a federal budgetary initiative designed to close various forms of tax evasion, the provision fills federal coffers only with the side effect of emptying those of state and local governments and thus is tantamount to a unilaterally imposed form of reverse revenue sharing; and

"Whereas, The impending effective date of the new provision creates an imperative that legislative leaders in this state join in a campaign to repeal this misguided amendment to federal tax law; now, therefore, be it

"Resolved, That the Senate of the State of Texas, 68th Legislature, hereby memorialize the United States Congress to repeal Section 310(b) of the Tax Equity and Fiscal Responsibility Act of 1982 relating to the registration of state and local government bonds as a requirement for tax-exempt status on bond interest; and, be it further

"Resolved, That the Texas Secretary of State forward official copies of this Resolution to the President of the United States, to the President of the Senate and Speaker of the House of Representatives of the United States Congress, and to all members of the Texas delegation to the Congress, with the request that it be officially entered in the Congressional Record as a memorial to the Congress of the United States of America."

POM-209. A concurrent resolution adopted by the Legislature of the State of Hawaii; to the Committee on Foreign Relations:

"HOUSE CONCURRENT RESOLUTION

"Whereas, although the United States, along with Great Britain, and the Soviet Union signed and ratified a Nuclear Test Ban Treaty in 1963 banning atmospheric, outer space and underwater testing, nuclear weapons testing in the Pacific Basin continues; and

"Whereas, France, one of the international community's largest producer and supplier of nuclear weaponry has conducted nuclear testing that virtually destroyed one Pacific atoll and currently is threatening to do the same to another while leaking radioactive materials into the seabed; and

"Whereas, as an intrinsic part of the Pacific Basin community, residents of Hawaii are deeply affected by the apparent insensitivity of the nuclear powers' unclear and inconsistent policies regarding nuclear weapon testing; and

"Whereas, the potential and actual hazardous and destructive effects of nuclear testing on the environment and all forms of life must be averted; and

"Whereas, the well-being of the people of the Pacific Basin demands that the leaders of our nation make every possible effort toward keeping the Pacific Basin free of all nuclear weapon testing; now, therefore,

"Be it resolved by the House of Representatives of the Twelfth Legislature of the State of Hawaii, Regular Session of 1983, the Senate concurring, that President Ronald Reagan, Secretary of State George P. Schultz, and the United States Congress work toward the banning of all forms of nu-

clear weapon testing in the Pacific Basin; and

"Be it further resolved that certified copies of this Concurrent Resolution be transmitted to President Ronald Reagan, Secretary of State George P. Schultz, the Speaker of the U.S. House of Representatives, the President of the U.S. Senate, members of Hawaii's Congressional delegation, the President of France, Francois Mitterrand, and the Prime Minister of Great Britain, Margaret Thatcher."

POM-210. A resolution adopted by the House of Representatives of the State of Hawaii; to the Committee on Foreign Relations:

"HOUSE RESOLUTION

"Whereas, the Reagan Administration has publicly advocated peace and cooperation among nations and the defense of the nation and its allies warrant the nation's priority; and

"Whereas, the nation has developed its nuclear capabilities far beyond the need of defense furthering the nation into a dangerous course toward the unimaginable horror and destruction of a nuclear war; and

"Whereas, a nuclear war would result in death, injury, disease, pollution, and suffering on a scale unprecedented in human history and the contamination of food, air, water, and other basics of life, the destruction of virtually all forms of living organisms for countless generations to come and the loss of essential medical facilities, supplies, personnel, and support systems resulting in certain agonizing death for the few survivors of an initial nuclear strike; and

"Whereas, the State of Hawaii faces a uniquely ominous threat from the perils of nuclear war and radiation due to its geographic isolation, the location of military bases within the State, and the basing, storage, and maintenance of nuclear weapons and nuclear powered ships at Pearl Harbor and other military sites; and

"Whereas, the well-being of the people of Hawaii, the United States, and the world demand that the leaders of every nation assume the responsibility to avert the certain extinction of life on earth in the event of a nuclear war; now, therefore,

"Be it resolved by the House of Representatives of the Twelfth Legislature of the State of Hawaii, Regular Session of 1983, that it urges the United States and the Soviet Union to immediately begin serious negotiations with the goal of implementing major, mutual, and verifiable reductions in the existing stockpiles of nuclear warheads, missiles, and other delivery systems; and

"Be it further resolved that certified copies of this Resolution be transmitted to President Ronald Reagan, to the Secretary of State, to the President of the United States Senate, to the Speaker of the United States House of Representative and to the members of Hawaii's congressional delegation."

POM-211. A resolution adopted by the House of Representatives of the State of Hawaii; to the Committee on Foreign Relations:

"HOUSE RESOLUTION

"Whereas, President Reagan has called for an additional $110 million in military aid and the deployment of additional advisers to the war-torn nation of El Salvador; and

"Whereas, every human being is entitled to basic needs—food, shelter, health care, freedom from fear, and a secure environment—the deprivation of which is in itself a violation of human rights, a situation that has existed for decades throughout Central America and is a cause for unrest; and

"Whereas, the American people have voiced their opposition to the continued escalation of American involvement in the affairs of an independent, sovereign nation in small town meetings, in city council resolutions, in state party conventions, in state legislatures, in polls and surveys, and in numerous other forums; and

"Whereas, United States policy in Central America has been one of increasing militarization of the region; and

"Whereas, the bi-annual certification process upon which continued American aid is contingent has in actuality shown little genuine progress in meeting basic requirements: compliance with internationally recognized human rights; government control over military forces; economic and political reforms; and free elections with meaningful discussion with all segments; and

"Whereas, the disruption of El Salvador through civil strife has resulted in 40,000 deaths, mostly of innocent civilians, in the past three years alone and in the flight of several hundred thousand refugees both within El Salvador and abroad, although the population of the entire country numbers only 5 million; and

"Whereas, there have been cases of human rights violations ranging from the torture, mutilation, and murder of individuals to massacres of entire villages, including the killing of American journalists, aid workers, and nuns documented by respected, impartial, international humanitarian organizations; and

"Whereas, the government of El Salvador has less than protected the operation of a free press; and

"Whereas, the government of El Salvador has not progressed as expected because of the repeal of enabling laws which allowed the break up of large landholdings into peasant cooperatives and the purchase of land parcels by tenant farmers and sharecroppers; and the evictions by former large landowners of those who had initially benefitted from this program; and

"Whereas, the standard of living of the people of El Salvador is extremely low, with a 50 percent child (under five years old) mortality rate, 72 percent infant malnutrition rate, 40 percent unemployment rate, and an average 46-year life span, and drastic reforms are necessary to ameliorate these conditions; now, therefore, be it

"Resolved by the House or Representatives of the Twelfth Legislature of the State of Hawaii, Regular Session of 1983, That it expresses its opposition to military aid to the government of El Salvador for the purpose of waging war against its own people; and be it further

"Resolved, That if aid is given to El Salvador, that it be for humanitarian purposes, such as food, shelter, and medical aid; and be it further

"Resolved, That the United States recognize the inherent right of self-determination of the people of El Salvador; and be it further

"Resolved, That the United States government is urged to work for a negotiated political resolution which shall include all segments of the community whch enjoy widespread popular support, as opposed to a military resolution which only prolongs the civil war and the suffering of the Salvadorean people; and be it further

"Resolved, That certified copies of this Resolution be transmitted to President Ronald Reagan, the President and Majority Leader of the United States Senate, the Speaker and Majority Leader of the United States House of Representatives, and the members of Hawaii's congressional delegation."

POM-212. A resolution adopted by the Senate of the State of Colorado; to the Committee on Foreign Relations:

"SENATE MEMORIAL No. 1

"Whereas, As secretary of the Swedish legation in Budapest, Hungary, in 1944, Raoul Wallenberg, a prominent businessman, was responsible for saving almost one hundred thousand European Jews from Nazi death camps; and

"Whereas, When Russian soldiers entered the city of Budapest, Raoul Wallenberg attempted to negotiate for restoration of the rights of the victims of the war but, in violation of diplomatic immunity and international law, was taken into custody by the Soviets in January, 1945; and

"Whereas, Swedish interrogation of wartime captives released from Soviet prisons in the early 1950's produced evidence that Raoul Wallenberg had been incarcerated in a Soviet gulag; and

"Whereas, There is recent evidence to support the hope that Raoul Wallenberg still lives; and

"Whereas, United States Congressman Tom Lantos and his wife, Annette, are among the men, women, and children whose escape from eastern Europe was made possible by Raoul Wallenberg; and

"Whereas, On October 5, 1981, Raoul Wallenberg was made an honorary citizen of the United States, an honor shared only by Winston Churchill; now, therefore, be it

"Resolved by the Senate of the Fifty-fourth General Assembly of the State of Colorado, That Raoul Wallenberg shall not be forgotten and that the Congress of the United States is hereby respectfully memorialized to initiate immediate action to ascertain whether Raoul Wallenberg is still alive and to seek the release of Raoul Wallenberg from the present Soviet Government, be it further

"Resolved, That copies of this Memorial be transmitted to the President of the United States, to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, to the Secretary of State of the United States, to each Member of the Congress of the United States from the State of Colorado, and to the presiding officers of each state legislature in the United States."

POM-213. A resolution adopted by the Council of the city of Warren, Ohio calling for a halt in the nuclear arms race; to the Committee on Foreign Relations.

POM-214. A resolution adopted by the Tribal Council of the Penobscot Nation forbidding the establishment of a nuclear waste dump on any of the lands of the Penobscot Nation or on any lands where the presence of a nuclear waste dump would have an adverse effect on Penobscot lands; to the Select Committee on Indian Affairs.

POM-215. A joint resolution adopted by the General Assembly of the State of Colorado; to the Select Committee on Indian Affairs:

"SENATE JOINT MEMORIAL No. 2

"Whereas various federal and state acts and court decisions have resulted in uncer-

tainty over the status and jurisdiction of Indian country; and

"Whereas Colorado has a great interest in resolving the uncertainty over the boundaries of the Southern Ute Indian Reservation and over the status of unrestricted lands therein and avoiding long and costly litigation over issues dependent on reservation or Indian country status; and

"Whereas such uncertainty could be resolved by congressional adoption of legislation containing in substance the following provisions or similar legislation which accomplishes the same purposes:

(1)(a) "Indian trust land" means:

(I) Land held in trust by the United States for the Southern Ute Indian Tribe or for individual Indians; and

(II) Land owned by the United States and reserved for use or actually used in the administration of Indian affairs.

(b) Rights-of-way bounded on both sides by Indian trust land shall be Indian trust land. Other rights-of-way shall not be Indian trust land.

(2) For purposes of jurisdiction over Indians and Indian property, the Southern Ute Indian Reservation in the State of Colorado and Southern Ute Indian country shall have the following limits:

Bounded on the north by the southern boundary of the cession by Ute Indians ratified by the Act of April 29, 1874, ch. 136, 18 Stat. 36, described in Article I of said cession agreement.

Bounded on the west by the eastern boundary of the Ute Mountain Ute Indian Reservation;

Bounded on the south by the boundary line between Colorado and New Mexico, in accordance with the Treaty of March 2, 1868, art. 2, 15 Stat. 619;

Bounded on the east by the southernmost 15 miles of the eastern boundary of the lands reserved to the Ute Indians by the Treaty of March 2, 1868, art. 2, 15 Stat. 619; except that the lands east of said boundary in Township 32 North, Range 1 West, New Mexico Principal Meridian, that are held in trust by the United States for the Southern Ute Indian Tribe shall be included in the Reservation.

(3) For purposes of jurisdiction over persons other than Indians and the property of such persons, the Southern Ute Indian Reservation and Southern Ute Indian country shall consist only of Indian trust land within the limits described in paragraph (2) herein at the time of the act, omission, transaction, or status in question.

(4) Notwithstanding paragraph (2) herein, any federal laws regulating the sale, possession, introduction, or manufacture of alcoholic beverages and trading with Indians on Indian reservations or in Indian country shall apply only to Indian trust land.

(5) The State of Colorado shall exercise civil and criminal jurisdiction within the boundaries of the Town of Ignacio, Colorado, and any other incorporated area which may come into existence as if it had assumed jurisdiction pursuant to the Act of August 15, 1953 (67 Stat. 588), as amended by the Act of April 11, 1968 (82 Stat. 79): Now, therefore, be it

"Resolved by the Senate and the fifty-fourth General Assembly of the State of Colorado (the House of Representatives concurring herein), That the Congress of the United States is hereby urged to enact legislation to define the boundaries of the Southern Ute Indian Reservation as Indian country in the State of Colorado and to clarify the jurisdiction therein in substantial conformance with this Memorial; and be it further

"Resolved, That copies of this Memorial be sent to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States and to each member of Congress from Colorado."

POM-216. A petition from a citizen of Afton, Oklahoma urging the Congress to reject the "Gay Bill of Rights"; to the Committee on the Judiciary.

POM-217. A resolution adopted by the General Assembly of the State of Iowa; to the Committee on Veterans' Affairs:

"SENATE RESOLUTION 14

"Whereas the needs of Vietnam-era veterans were recognized on January 12, 1980 when the first Iowa-based veterans center was opened in Des Moines, Iowa; and

"Whereas, the veternas centers were established to recognize the sacrifices made by these American veterans and to help those veterans having psychological and readjustment problems, in order to assist them in their efforts to become productive members of society; and

"Whereas the veterans centers are staffed by Vietnam-era veterans who are qualified in all areas to serve the needs of follow Vietnam-era veterans; and

"Whereas over ten thousand Vietnam-era veterans and their family members have utilized the facilities of the veterans centers in Des Moines and Sioux City; and

"Whereas a crucial need exists for the continuation of the veterans centers beyond the scheduled funding expiration date of September 30, 1984; Now therefore, be it

Resolved by the senate, That the Iowa Senate urges the Congress of the United States to continue the federal funding of veterans centers; and be it further

Resolved, That copies of this resolution be sent to members of the Iowa Congressional Delegation, the President of the United States, the President of the United States Senate, and the Speaker of the United States House of Representatives.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HATCH, from the Committee on Labor and Human Resources:

Janet L. Norwood, of Maryland, to be Commissioner of Labor Statistics, Department of Labor.

(The above nomination was reported from the Committee on Labor and Human Resources with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. PERCY, from the Committee on Foreign Relations, without amendment:

Treaty Doc. 97-23. International Convention on the Simplification and Harmonization of Customs Procedures (Convention) which entered into force on September 25, 1974, with Annexes and Reservations to the Annexes (Exec. Rept. No. 98-9).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. THURMOND (for himself and Mr. HOLLINGS):

S. 1438. A bill to amend the River and Harbor Act of 1968, to provide for remedial works and preventive measures associated with the Cooper River Rediversion Project; to the Committee on Environment and Public Works.

By Mr. PRYOR:

S. 1439. A bill to amend the agricultural Act of 1949 to permit the Secretary of Agriculture to use surplus Government-owned commodities to make disaster payments for the 1983 crops of wheat, feed grains, cotton, and rice; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HATCH:

S. 1440. A bill to clarify the circumstances under which a trademark may be canceled; to the Committee on the Judiciary.

By Mr. TRIBLE (for himself and Mr. STEVENS):

S. 1441. A bill to require certain safety equipment on vessels and mobile offshore drilling units, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. DURENBERGER:

S. 1442. A bill to suspend for a 2-year period the duty on the chemical commonly known as Flecainide acetate; to the Committee on Finance.

S. 1443. A bill to amend the Tariff Act of 1930 regarding same condition drawbacks and same kind and quality drawbacks, and for other purposes; to the Committee on Finance.

By Mr. MELCHER:

S. 1444. A bill to deny most-favored-nation status to any country that in the judgment of the President denies religious freedom to its citizens; to the Committee on Finance.

By Mr. COCHRAN (for himself and Mr. STENNIS):

S. 1445. A bill to provide assistance for transportation improvement projects; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTION

By Mr. THURMOND (for himself and Mr. HOLLINGS):

S. 1438. A bill to amend the River and Harbor Act of 1968, to provide for remedial works and preventive measures associated with the Cooper River rediversion project; to the Committee on Environment and Public Works.

COOPER RIVER REDIVERSION PROJECT

Mr. THURMOND. Mr. President, I am pleased to have my distinguished colleague from South Carolina, Senator HOLLINGS, join me in introducing legislation to authorize the Corps of Engineers to design and construct remedial works in the impoundment system of the South Carolina Public Service Authority, also known as Santee-Cooper.

Mr. President, the Federal Energy Regulatory Commission has recently conducted seismic stability studies of

the Pinopolis West Dam, and the North Dam of the Santee-Cooper system. As a result of those studies, it was determined that neither of those dams could be expected to withstand an earthquake of intensity equal to the one which struck Charleston, S.C. in 1886.

Santee-Cooper personnel, working in conjunction with the Federal Energy Regulatory Commission, performed an extensive geotechnical investigation of the Santee-Cooper system, assuming the occurrence of a similar earthquake in the vicinity. From that study, it was concluded that failure of the Pinopolis West Dam would cause a flood that would seriously damage or destroy the Charleston Naval Shipyard, the Naval Weapons Station, the Polaris Submarine Base, the Charleston Air Force Base, the North Charleston Army Depot, and the Coast Guard base. The Cooper River Rediversion Canal, which is an authorized corps project nearing completion, would be drained, rendering the St. Stephen's Generating Plant useless. Loss of life and property, both individual and Government, would be catastrophic. In addition, the increased water flow through the Cooper River and Charleston Harbor would would likely cause extensive harbor silting, rendering the harbor relatively useless for months. If the North Dam, on the Santee River, were to fail, the Cooper River Rediversion Canal would be drained, also rendering the St. Stephen's generating plant useless.

Preliminary engineering studies indicate that the likelihood of failure of the West Dam could be minimized through one of several alternative methods of strengthening the dam. The studies reveal that, although there is not an economically feasible method of reinforcing the North Dam, downstream effects of dam failure could be minimized through the installation of a gate-closure system in the rediversion canal. This gate would prevent the waters of Lake Moultrie from flowing back through the canal in the case of dam failure.

Cost for design and construction of these protective measures is estimated to be in the vicinity of $22 million. The purpose of this legislation is to authorize $22 million for this essential remedial work, as an addition to the Cooper River rediversion project of the Corps of Engineers. A substantial amount of time and effort has already been put into the rediversion project by the Corps of Engineers, including expenditures of $156 million from a projected $168 million. In view of this and the tremendous loss of life and property that would result from the failure of these dams, it is prudent and necessary to take these preventive measures as soon as practicable. I might add that the Charleston District of the Corps of Engineers has agreed that these improvements should be made in the interest of public safety.

Mr. President, Senator HOLLINGS and I commend this measure to our colleagues for their consideration. We believe that it provides, on balance, a very reasonable solution to a potentially disastrous situation.

Mr. President, there are three letters which are most informative on the background of this issue. I refer to a letter from the South Carolina congressional delegation to the Chief of the Corps of Engineers; the response by Maj. Gen. John F. Wall; and a letter from the Honorable Richard W. Riley, Governor of South Carolina, to Lt. Gen. Joseph K. Bratton.

I ask unanimous consent that copies of these letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE PRESIDENT PRO TEMPORE,
U.S. SENATE,
May 6, 1983.

Lt. Gen. JOSEPH K. BRATTON,
Chief, U.S. Army Corps of Engineers,
Washington, D.C.

DEAR GENERAL BRATTON: As you may know, questions have been raised by the Federal Energy Regulatory Commission (FERC) concerning the potential instability of the Pinopolis West Dam and Santee North Dam in the event of a severe earthquake. These dams, licensed by the FERC, are part of the South Carolina Public Service Authority (Santee Cooper) Hydroelectric Project near Charleston, South Carolina.

The potential failure of these structures directly implicates the viability and utility of the Corps' Rediversion Project now in progress. We understand that the Corps currently estimates that this project will cost $170,000,000 in total, of which more than $100,000,000 already has been spent.

Because of the effect of the seismic problems on federal interests in the area, including Charleston Harbor and the Rediversion Project, we propose that funding for the necessary remedial work be incorporated in the Corps' Rediversion Project.

Pursuant to investigations undertaken by its Staff and seismic consultants, the FERC has determined that the dams in question probably would fail if an earthquake as severe as the Charleston Earthquake of 1886 were to recur. Working in conjunction with the FERC's Staff and consultants, Santee Cooper and its consultants performed extensive in situ and laboratory geotechnical investigations, on the basis of which it has been concluded that:

1. The stability of the Pinopolis West Dam cannot be assured under conditions equivalent to the FERC's specification of the forces generated by the Charleston Earthquake of 1886. Failure of this dam would create a flood that would seriously damage or devastate the Charleston Naval Shipyard, the Naval Weapons Station, the Polaris Submarine Base, the Charleston Air Force Base, the North Charleston Army Depot and the U.S. Coast Guard Base. The harbor itself might be closed to navigation for many months. Civilian and military populations downstream of the dam could sustain catastrophic losses. If the Pinopolis West Dam were to fail, the Corps' Rediversion Canal would be dry and the associated St. Stephens generating plant would be useless. The heavy flow of water into the Cooper River and Charleston Harbor (which the Rediversion Project is intended to divert) would once again cause heavy siltation in the harbor. The failure of the Pinopolis West Dam and its consequences could be prevented by one of several available means of strengthening the dam. Santee Cooper's principal consultant, the Harza Engineering Company, has proposed a design phase of work to determine which of these several available methods is best.

2. The failure of the Santee North Dam would pose no significant threat to life or to military installations. It would cause the Diversion Canal to run dry and would render the St. Stephens generating plant useless. It is not economical to prevent this failure (the Benefit-Cost Ratio of reconstructing the North Dam is estimated to be 0.047 to 0.0110). The effects of the failure could be mitigated economically by constructing a gate closure system in the Diversion Canal that would prevent the waters of Lake Moultrie from flowing back through the canal should the North Dam fail. The gate would permit continued operation of the Corps' generating station at St. Stephens and preserve the water supply for Charleston including the military installations on the Cooper River.

Santee Cooper and its consultants have estimated the cost of these two improvements to be $22,000,000. It is our strong conviction that to safeguard the federal Rediversion Project, the military uses of Charleston Harbor, and the important military bases in Charleston, it is imperative that these improvements be funded by the Corps as part of the Rediversion Project. We are prepared to recommend to the appropriate committees of both Houses of Congress that provision for this work be included in the current civil works appropriation, in addition to amounts previously requested for the Rediversion Project for FY 1984–85.

We suggest that the work be carried out by agreement between the Corps of Engineers and Santee Cooper, under which the construction work shall be performed by Santee Cooper in accordance with plans prepared or approved by the Corps and FERC.

It is our understanding that the Charleston District of the Corps has agreed that these improvements should be made in the interest of public safety and has forwarded the matter to Atlanta. We urge you to support these improvements as an addition to the Rediversion Project.

A summarization of seismic safety problems of the Santee Cooper Project, and containing more detailed technical information, is enclosed, along with a draft of suitable appropriation language which we hope you will see fit to support.

Thank you for your most careful consideration of this proposal, and we look forward to hearing from you as soon as possible.

Sincerely,

Strom Thurmond, U.S. Senator; Ernest Hollings, U.S. Senator; Thomas F. Hartnett, Member of Congress; Floyd Spence, Member of Congress; Butler Derrick, Member of Congress; Carroll Campbell, Member of Congress; John Spratt, Member of Congress; Robin Tallon, Member of Congress.

DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, D.C., May 26, 1983.

Hon. STROM THURMOND,
U.S. Senate,
Washington, D.C.

DEAR SENATOR THURMOND: This is in reply to the May 6, 1983, letter with enclosure, from the South Carolina Congressional delegation, and subsequent meeting of May 24 with members of the delegation, regarding potential instability of the non-Federal Santee Cooper project dams.

I understand that review of the Consultants report prepared for the South Carolina Public Service Authority will be completed by the Federal Energy Regulatory Commission (FERC) in the very near future. The Authority also plans future tests to determine if the proposed plans are the correct solution. Once these activities are complete, the Authority would be expected to file an application to amend its FERC license, to include the necessary remedial work. This is the normal required procedure since FERC is responsible for determinations regarding dam safety of these projects and the licensee is responsible for the work.

Although the Congressionally authorized Cooper River Rediversion project and the non-Federal Santee Cooper project are somewhat linked hydraulically, they are separate projects with separate purposes, and separate ownership and maintenance responsibilities.

Additional Congressional authority would be necessary to authorize and provide Federal funding to be used on this non-Federal project. I am enclosing draft language that would provide this authority, in response to the request from your delegation at the meeting on May 24. This language, if adopted and enacted by the Congress, would provide the authority for the Corps of Engineers to design and construct the remedial work.

This draft language is provided as a legislative drafting service only and does not constitute any comments on the merits of the proposal. It is the policy of the Department of the Army to comment on the merits of legislation only in response to a request from the Chairman of the Committee to which the legislation has been referred for consideration and after clearance by the Office of Management and Budget.

This letter is being provided to each Member of the South Carolina Congressional delegation.

Sincerely,

JOHN F. WALL,
Major General, U.S. Army,
Director of Civil Works.

STATE OF SOUTH CAROLINA,
OFFICE OF THE GOVERNOR,
May 23, 1983.

Lt. Gen. JOSEPH K. BRATTON,
Chief, U.S. Army Corps of Engineers,
Washington, D.C.

DEAR GENERAL BRATTON: On May 6, 1983, the United States Congressional Delegation from South Carolina wrote to urge the United States Army Corps of Engineers to support Federal funding of certain safety improvements to the hydroelectric project operated by the South Carolina Public Service Authority near Moncks Corner, South Carolina. It was requested that the Corps assume responsibility for funding this project through its Rediversion Project near St. Stephen in Berkely County, South Carolina.

As explained in that letter, the Corps' commitment to the Rediversion Project, and its responsibility for maintaining navigation in Charleston Harbor, give it a vital interest in securing the completion of these safety improvements. In addition, the existence of a number of critical defense facilities located along and near the Cooper River and in Charleston Harbor, make it particularly appropriate for the United States both to prevent earthquake-induced failure of the Pinopolis West Dam and to prevent the loss of the fresh water reservoir impounded by that dam in the event of failure of the Santee North Dam. I do not need to emphasize to you the seriousness of the damage to defense facilities which would result from the failure of the Pinopolis West Dam. As to the earthquake-induced failure of the Santee North Dam, unless measures are taken to prevent the fresh water reservoir behind the dam from draining back through the Diversion Canal into the Santee River, the Bushy Park reservoir would suffer from salt water intrusion which could impair the water supply to the defense facilities.

The State of South Carolina urges the Corps to recognize its responsibility for the improvements necessary to prevent the risk of great harm to these important Federal interests, and to assume the financial burden.

Yours sincerely,

RICHARD W. RILEY.

By Mr. PRYOR:

S. 1439. A bill to amend the Agricultural Act of 1949 to permit the Secretary of Agriculture to use surplus Government-owned commodities to make disaster payments for the 1983 through 1985 crops of wheat, feed grains, cotton, and rice; to the Committee on Agriculture, Nutrition, and Forestry.

AGRICULTURAL DISASTER PAYMENT-IN-KIND ACT OF 1983

● Mr. PRYOR. Mr. President, in recent weeks we have all seen the horrible damage that can result from flooding. Almost daily the newspapers and television stations carry stories about the human suffering and property destruction that has occurred in many States as a result of this natural disaster. Many Western States have experienced flooding due to warmer weather coming behind large winter snows. The problem in the South and Southeast, however, has been an unusually large amount of rain in the first 5 months of the year.

Last week when I was in Arkansas, I saw many areas completely under water. Thousands of acres of excellent farmland have been flooded. In two counties in eastern Arkansas about 20,000 acreas of wheat, virtually ready for harvest, was destroyed when floodwaters covered an area of 20 square miles. In other counties in the State, the problem is just as severe because many farmers have not been able to get into the fields to plant this year's crop. In short, Mr. President, this is a very serious situation which is made more difficult since it comes on the heels of several years of declining income for our Nation's farmers.

Mr. President, under existing law there are at least two things that can be done to deal with the problems many of our farmers are experiencing. First, if a disaster declaration is made, producers who have sustained losses above a certain level will be eligible for emergency loans from the Farmers Home Adminstration (FmHA). Second, the Secretary has the authority, under the 1981 farm bill (Public Law 97-98) to make disaster payments to farmers who have been prevented from planting their crop, or who have lower yields than normal, due to a natural disaster.

Mr. President, under existing law disaster payments are authorized for the 1982-85 crops of wheat, feed grains, cotton, and rice. A provision in the statute limits these payments, however, if Federal crop insurance is available to the farmer. But, the law contains a provision that allows the Secretary to make these payments if certain conditions are met. Generally, these are the existence of an economic emergency caused by the natural disaster, and the fact that crop insurance is either not available, or not sufficient to alleviate the economic problems caused by the disaster.

Mr. President, the flooding that has occurred in many parts of the country should be sufficient to trigger a disaster declaration. This will allow FmHA emergency loans to be made available to farmers. It also seems that disaster payments could be used to assist farmers who have lost a crop in the ground or have been prevented from planting a crop due to the flooding. I am concerned that U.S. Department of Agriculture officials might be unwilling to make cash disaster payments, even though a sufficient basis for making them might exist. Without any disaster assistance I am afraid many of these farmers will be out of business. The 1980 embargo and 2 straight years of low commodity prices have put them in serious financial shape, and if no assistance is forthcoming in this instance, we will lose many hardworking men and women who have been farming for many years.

Today, Mr. President, I am introducing a bill which will give the Secretary an additional tool in dealing with this, and future, farm disasters. The Agricultural Disaster Assistance-in-Kind Act of 1983 would give the Secretary of Agriculture the authority to make disaster payments with surplus commodities instead of cash. There are points I would like to make in regard to this bill. First, it does not deal with this disaster declaration process and the decision of whether or not disaster payments should be made. Second, the bill does not require that assistance-in-kind be paid. It only gives the Secretary the authority to do so, and therefore, represents an additional tool he

can use when a farm disaster occurs. Also, I think it is important to note that this program could be used in the future to assist farmers who lose their crops, and have no forms of disaster assistance.

Mr. President, this bill is straightforward, does not cost any money and simply gives the Secretary another option when a disaster occurs. Since it amends the 1981 farm bill, it applies to the 1983-85 crops of wheat, feed grains, cotton and rice. I urge my colleagues will seriously consider this proposal. Also, I urge the Secretary take prompt action to help alleviate many of the problems our farmers are experiencing as a result of this latest disaster.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1439

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agriculture Disaster Payment-In-Kind Act of 1983".

DEFINITIONS

SEC. 2. Effective only for the 1983 through 1985 crops of wheat, feed grains, cotton, and rice, section 408 of the Agriculture Act of 1949 (7 U.S.C. 1428) is amended by adding at the end thereof the following new subsection:

"(n) 'surplus government-owned commodities' means barley, corn, cotton, dry edible beans, flaxseed, grain sorghum, oats, rice soybeans, sunflower seeds, wheat, or any other agricltural commodity, which is owned and held by the Commodity Credit Corporation and not obligated for any other purpose under any other provision of law.".

WHEAT

SEC. 3. Effective only for the 1983 through 1985 crops of wheat, section 107B(b)(2) of the Agricultural Act of 1949 (7 U.S.C. 1445b-1 (b)(2)) is amended by adding at the end thereof the following new subparagraph:

"(E) The Secretary may use cash or surplus government-owned commodities, or both, to make disaster payments required under subparagraph (A) or (B).".

FEED GRAINS

SEC. 4. Effective only for the 1983 through 1985 crops of feed grains, section 105B(b)(2) of the Agricultural Act of 1949 (7 U.S.C. 1444d(b)(2)) is amended by adding at the end thereof the following new subparagraph:

"(E) The Secretary may use cash or surplus government-owned commodities, or both to make disaster payments required under subparagraph (A) or (B).".

COTTON

SEC. 5. Effective only for the 1983 through 1985 crops of cotton, section 103(g)(4) of the Agricultural Act of 1949 (7 U.S.C. 1444(g)(4)) is amended by adding at the end thereof the following new subparagraph:

"(E) The Secretary may use cash or surplus government-owned commodities, or both to make disaster payments required under subparagraph (A) or (B).".

RICE

SEC. 6. Effective only for the 1983 through 1985 crops of rice, section 101(i)(3) of the Agricultural Act of 1949 (7 U.S.C. 1441(i)(3)) is amended by adding at the end thereof the following new subparagraph:

"(E) The Secretary may use cash or surplus government-owned commodities, or both to make disaster payments required under subparagraph (A) or (B).".●

By Mr. HATCH:

S. 1440. A bill to clarify the circumstances under which a trademark may be canceled; to the Committee on the Judiciary.

TRADEMARK GENERIC STANDARD

● Mr. HATCH. Mr. President, I am introducing legislation today that will foster uniformity in national trademark law which is threatened by the absence of a standardized test to determine whether a trademark has become generic. The existing law, amended in 1946, 15 U.S.C. 1064(c) states that a trademark can be canceled "at any time if the registered trademark becomes a common descriptive name of an article or substance." The purpose of the 1946 amendment was:

First, to modernize the trademark statutes so they will conform to legitimate present day business practices; second, to remedy constructions of present acts which have in several instances observed and perverted their original purpose. * * * and third, to simplify trademark practice to secure trademark owners in the goodwill which they have built up, and to protect the public from imposition by the use of counterfeit and imitated marks and false trade descriptions.

Senate Report No. 1333, 79th Congress, 2d Session, 5 (1946).

While the legal standard enunciated by the courts to enforce this statute has always been based on the level of consumer understanding of the trademark, a recent decision in the ninth circuit has drastically deviated from the accepted standard. The ninth circuit court determined genericness by what motivated the public to buy the product. *Anti-Monopoly* v. *General Mills Fun Group,* 684 F. 2d 1316 (9th Cir. 1982). This new test has caused an uproar: First, it creates a conflict over what legal standard protects a trademark and, consequently, disrupts predictability; and second, it may cause the loss of valuable trademarks that would be preserved under the long established legal standard.

In fact, one of the most well-known trademarks known to us all from childhood called Monopoly has now become a generic term because a motivational survey was used to determine whether Parker Bros.' Monopoly was a common descriptive name.

Before the Anti-Monopoly decision, there was no conflict between the legal standards used to determine the validity of trademarks.

The landmark decision of *Bayer Co.* v. *United Drug Co.,* 272 F. 505, 509 (1921) set a legal standard many courts follow today at least in part. Judge Learned Hand articulated a standard for determining genericness based on the level of consumer understanding. If the buyer understands the name of the product to mean only the kind of genus of goods sold, the term is generic and not entitled to protection. But if the term meant not only the goods sold but something more than that then the seller deserves protection.

Kellogg Co. v. *National Biscuit Co.,* 305 U.S. 111 (1938) eased the requirements for a trademark to become generic by requiring the trademark owner to show "the primary significance of the term in the minds of the consuming public is not the product, but the producer." This decision has been followed by the majority of courts to some degree. *Feathercombs Inc.* v. *Solo Products Inc.,* 306 F. 2d 252, 256 (1962) determined that in order for a trademark to become generic "the principal significance of the word must be its indication of the nature or class of an article rather than an indication of its origin." Though these standards have varied slightly, one important criteria for all these tests remained consistent—the generic term was determined by the consumer's level of understanding.

But this cannot be said to be true of all the standards today.

The court in Anti-Monopoly, Inc. against General Mills Fund Group, Inc., used a motivational survey to arrive at their decision. The result was that Monopoly is no longer a trademark for Parker Brothers. Monopoly has now been decided by the court to be generic. This new test differs from the established standard.

What motivates an individual to buy a product is legally immaterial to the question at hand. The outcome of such a survey does not show whether a trademark has become generic. A survey by General Mills points this out. They asked the public if they bought Tide detergent because they wanted a Procter & Gamble product or they bought Tide because it does a good job; 68 percent said they bought Tide because it does a good job. Consequently, using this motivational test Tide would become generic as well as most popular quality brands.

This motivational test threatens fair competition. It puts in jeopardy the good reputation sellers have created with their products and destroys everything sellers have spent in time and money to create. The Anti-Monopoly decision has shook many including the U.S. Trademark Association. They believe as I do that the motivational test is a significant threat to the entire trademark system.

The basic purpose of the Federal Trademark Act is twofold:

One is to protect the public so it may be confident in purchasing a product bearing a particular trademark which it favorably knows, it will get the product which it asks for and wants to get. Second, where the owner of a trademark has spent energy, time and money in presenting to the public the product, he is protected in his investment from its misappropriation by pirates and cheats.

Senate Report No. 1333, 79th Congress, 2d Session 5 (1946). Furthermore, it allows the consumer to hold the producer accountable in the marketplace for an inadequate product.

According to the CONGRESSIONAL RECORD the purpose of the original bill was to "encourage the maintenance of quality by securing to the producer the benefit of the good reputation which excellence creates." They attempted to protect trademarks to "protect the public from deceit, foster fair competition, secure communities the advantages of reputation and good will" from those whose products lack these qualities. Id. at 4.

I feel strongly that in order to carry out the congressional intent further legislation is necessary. Without legislation there will be no consistency between judicial circuits and geographical regions when determining whether a trademark has become a generic term.

Predictability is in jeopardy. Trademarks which once would have been protected by the traditional legal standard set by Kellogg now fall prey to a motivational test which will eliminate them. In the Anti-Monopoly case the test used was a motivational survey which asked the customer whether he bought the game Monopoly because, "I like Parker Brothers' products" or "I bought Monopoly because I wanted the game Monopoly and I don't care who makes it." Since the majority of people bought Monopoly because they were motivated by the game not the source, the court held Monopoly had become generic. This approach is legally unsound. Judge Nies stated that this motivational survey has led "some courts into an esoteric and extraneous inquiry focusing on what motivates the purchasing public to buy particular goods." *In Re DC Comics,* 689 F. 2d 1042, 1054 (C.C.P.A 1982) (concurring opinion).

Notwithstanding judicial reactions like that of Judge Nies, the concern of the U.S. Trademark Association that there is "a danger that courts will accept without question the validity of survey methodology approved by another court" has already proven reasonable. *CPG Products Corp.* v. *Anti-Monopoly,* Amicus Curiae No. 82-1075 Oct. 1982. Within 2 months, a ninth circuit court referred to the survey as one conducted "according to accepted principles." *Prudential Insurance* v. *Gibraltar Financial Corp.,* 694 F.2d 1150, 1156 (9th Cir. 1982).

Thus, the standard for this important legal distinction could depend on which court or judge who hears the case. This has created a conflict between legal standards as well as a conflict between circuits. The foundation of predictability has begun to crumble and may take with it many valid trademarks if we do not act now to give support to the long-established legal standard.

It is for these reasons Mr. President that I propose an amendment to 15 U.S.C. § 1064(c) which would set a standardized test for determining a common descriptive term so that a seller's trademark would not be threatened by distinction because the standard used by the court he was brought before used one test rather than another.

I propose an amendment to 15 U.S.C. § 1064(c) which should be inserted in section 1064(c) stating:

* * * that no registration of a mark shall be cancelled on the grounds that such mark has become a common descriptive name unless it is clear that in the minds of the consuming public the mark fails to indicate the source or quality of goods or services on which it is used. Purchaser motivation shall not be used to determine whether a mark is generic.

This addition to the present statute would prevent other competitors from easily taking advantage of a seller's good reputation which the seller spent time and money to create. My bill would continue to stimulate competition rather that frustrate it by taking the seller's well known and respected mark and giving it to his hungry competitors.

Furthermore, my legislation protects the trademark which may not be recognized quickly by source but does represent a superior quality. If the consumer identifies the quality of the goods, this is carrying out the function of a trademark in todays commercial society. If we permit motivational survey to be used, trademarks representing quality would be an endangered species.

My bill creates a consistency necessary for interstate commerce which flourishes at this time. The Senate report of the 79th Congress which amended the Federal Trademark Act, stated that since trade is no longer local, but national "it would seem as if national legislation along national lines securing to the owners of trademarks in interstate commerce definite rights should be enacted and should be enacted now." Senate Report No. 1333, 79th Congress, 2d session, 5 (1946).

I fear as do many others that without this amendment many more trademarks are on the brink of distinction. Must we wait until the numbers increase and do billions of dollars worth of damages to respectable established manufacturers before we act or do we cure the problem now when it comes to our attention, when it has just begun to hurt our respected trademark owners. I feel confident by acting now my bill will not only give the protection to our manufacturers and consumers, but it will also foster fair competition in our society as undoubtedly the Trademark Act intended in the first place.●

By Mr. DURENBERGER:

S. 1442. A bill to suspend for a 2-year period the duty on the chemical commonly known as Flecainide acetate; to the Committee on Finance.

SUSPENSION OF DUTY ON FLECAINIDE ACETATE

● Mr. DURENBERGER. Mr. President, I am introducing legislation today to temporarily suspend for 2 years the duty on flecainide acetate. This is a major new drug used to treat disorders of heart rhythm and it has been approved by the FDA.

The first four steps in producing the drug take place in the United States but the final step is performed in England. Though only one step is done in England, there is a full value tariff of 8 percent levied when the drug is brought back into the United States.

This duty suspension would broaden the market for the drug and enable a domestic manufacturing operation to be established for the fifth step of the production process.

This amendment would reduce health care costs and increase U.S. employment. I urge my colleagues to support it.●

By Mr. DURENBERGER:

S. 1443. A bill to amend the Tariff Act of 1930 regarding same condition drawbacks and same kind and quality drawbacks, and for other purposes; to the Committee on Finance.

TECHNICAL AMENDMENTS TO THE SAME CONDITION DRAWBACK LAW

● Mr. DURENBERGER. Mr. President, I am offering legislation today to make two technical changes in the same condition drawback law. These changes will provide more job opportunities in the United States and save a great deal of unnecessary paperwork and inventory expenses.

The same condition drawback law allows a company to receive a drawback on the duty paid on an item if the item is reexported within 3 years in the same condition, or if only incidental operations such as testing or packaging is performed on it.

These changes would allow packaging to be eligible for same condition drawback. This greatly enhances our position as an inventory holding, testing, and packaging location for products that may be produced all over the world.

The proposed changes would also allow drawback treatment on materials which are identical in kind and number to the materials originally im-

ported, but which might not be the exact materials which were imported. This change is a logical and cost-saving step to help reduce unnecessary inventory and transportation costs.

The same condition drawback law has proven to be helpful to a number of our companies engaged in international economic activity and these changes would improve the workings of that law. Congressman FRENZEL, the original author of the same condition drawback law, has introduced these changes in the House of Representatives.●

By Mr. MELCHER:

S. 1444. A bill to deny most favored nation status to any country that in the judgment of the President denies religious freedom to its citizens; to the Committee on Finance.

DENYING TRADING STATUS TO COUNTRIES THAT DENY RELIGIOUS FREEDOM

● Mr. MELCHER. Mr. President, today I am introducing legislation to deny "Most Favored Nation" status to any country that in the judgment of the President denies religious freedom to its citizens.

My bill provides that no country shall receive any of the advantages of most-favored-nation status that denies its citizens, either directly or indirectly, religious freedom in the judgment of the President of the United States. The President may use his discretion and not deny most-favored-nation status to a country that he deems is making a bona fide effort to effectuate religious freedom. Further, the President must make an annual report to the appropriate committees in Congress with reference to any action taken under the law.

Mr. President, as a leading free nation of the world, we have a duty to take cognizance of the increased religious persecution in some of the Eastern bloc countries and have the responsibility to act against this persecution.

There have been numerous cases in recent years in the Soviet Union, Poland, and other Eastern bloc countries where individuals, families, and even whole congregations have been refused the right to practice their religion in peace and have suffered state-directed persecution.

It is a basic tenent of the United States and that religious freedom is a basic human right. We should not conduct business as usual with governments that refuse to permit religious freedom for their citizens. I believe we should take a stand, here and now, to do what we can to guarantee this basic human right to the people of the world.

I hope that my colleagues will join me in passing this bill to spotlight the restrictions on religious freedom in some Eastern European countries. We believe the protection of religious freedom is a top priority item and that passage of this bill will help to alleviate those conditions.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1444

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That to assure the continued dedication of the United States to fundamental human rights, and notwithstanding any other provision of law, on or after the January 1, 1984, products from any nonmarket economy country shall not be eligible to receive nondiscriminatory treatment (most-favored-nation treatment); such county shall not participate in any program of the Government of the United States which extends credits or credit guarantees or investment guarantees, directly, or indirectly; and, the President of the United States shall not conclude any commerical agreement with any such country, during the period beginning with the date on which the President determines that such country—

(1) Denies its citizens, either directly or indirectly, religious freedom in the judgment of the President of the United States. *Provided further,* if the President in the exercise of his discretion finds that a country is making a bona fide effort to effectuate religious freedom, then he may grant non-discriminatory treatment to that country.

(2) The President shall make an annual report to the appropriate committees of Congress with reference to any action taken under this Act.●

By Mr. COCHRAN (for himself and Mr. STENNIS):

S. 1445. A bill to provide assistance for transportation improvement projects; to the Committee on Finance.

MULTIMODAL TRANSPORTATION IMPROVEMENT ACT OF 1983

● Mr. COCHRAN. Mr. President, I am introducing legislation today for myself and Senator STENNIS, that will provide a comprehensive approach to the problem of funding future improvement projects for rail, highway, air, and water transportation. This legislation is similar to a bill I introduced last year.

The Multimodal Transportation Improvement Act recognizes the importance of this Nation's multimodal transportation system and the need to insure a direct source of funding to provide some of the investment dollars that will be required to keep the system operating efficiently in the years ahead. The legislation would require that a portion of customs receipts, which are derived in large measure from the ability of our transportation system to generate and sustain the movement of export and import cargo, would be made available on an equitable basis to fund projects for improvement and maintenance of each mode—rail, highway, air and water.

Under present law, amounts equivalent to a percentage of customs receipts are made available for specific purposes. For example, 30 percent of receipts are available for appropriation to activities of the Department of Agriculture. This legislation would continue to recognize this and any other statutory requirements tied to customs receipts. This legislation would simply recognize rail, highway, air and water transportation as generators of customs revenues and provide that amounts equivalent to their respective contributions to the movement of cargo be made available for projects to improve each mode.

The proportional amount of receipts to be made available for each mode would be determined by the Secretaries of Treasury and Commerce based on the annual cargo ton-miles contributed to the national economy by each of the modes of transportation.

If this legislation had been in effect during fiscal year 1982, the following amounts would have been available for appropriation based on customs receipts.

	Percent	Amount (billions)
Rail projects	20	$1.74
Highway projects	13	1.13
Waterway projects	20	1.74
Airport projects	1	.09
USDA	30	2.61
Customs Bureau and other	16	1.39

I believe it is time we recognized the existing interdependence, competition, and economic contributions of our multimodal transportation system. For too long we have attempted to address our transportation funding problems on an individual modal basis by devising specific policies and funding mechanisms for each. Whether by user fee, land grant, loan guarantee, or other Federal subsidy, each mode has been the recipient of assistance in one form or another. This legislation can serve as a positive first step in developing a comprehensive solution to funding future transportation improvement projects, without disrupting the efficiency and competition that now exists.●

ADDITIONAL COSPONSORS

S. 250

At the request of Mr. PROXMIRE, the names of the Senator from New Hampshire (Mr. HUMPHREY) and the Senator from Indiana (Mr. LUGAR) were added as cosponsors of S. 250, a bill to abolish the Synthetic Fuels Corporation.

S. 430

At the request of Mr. TSONGAS, the name of the Senator from Hawaii (Mr. MATSUNAGA) was added as a cosponsor of S. 430, a bill to prohibit employ-

ment discrimination on the basis of sexual orientation.

S. 497

At the request of Mr. HUMPHREY, the name of the Senator from Oklahoma (Mr. NICKLES) was added as a cosponsor of S. 497, a bill to amend title 39 of the United States Code to provide that drug abuse oriented advertisements and shipments of drugs in response to drug abuse oriented advertisements shall be nonmailable matter.

S. 540

At the request of Mr. GOLDWATER, the name of the Senator from Illinois (Mr. PERCY) was added as a cosponsor of S. 540, a bill to amend the Public Health Service Act to establish a National Institute of Arthritis and Musculoskeletal and Skin Diseases, and for other purposes.

S. 616

At the request of Mr. BUMPERS, the names of the Senator from Missouri (Mr. EAGLETON) and the Senator from South Carolina (Mr. HOLLINGS) were added as cosponsors of S. 616, a bill to promote the use of solar and other renewable forms of energy developed by the private sector.

S. 617

At the request of Mr. BUMPERS, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 617, a bill to promote the use of energy-conserving equipment and biofuels by the Department of Defense, and for other purposes.

S. 618

At the request of Mr. BUMPERS, the names of the Senator from Missouri (Mr. EAGLETON) and the Senator from South Carolina (Mr. HOLLINGS) were added as cosponsors of S. 618, a bill to revise certain Federal training and economic development programs to create jobs and develop skills in renewable energy and energy conservation industries, and for other purposes.

S. 619

At the request of Mr. BUMPERS, the names of the Senator from Missouri (Mr. EAGLETON), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Maryland (Mr. SARBANES) were added as cosponsors of S. 619, a bill to reauthorize, extend, and enhance existing Federal programs to encourage conservation and the use of renewable energy by this Nation's consumers.

At the request of Mr. TSONGAS, the names of the Senator from New York (Mr. D'AMATO), the Senator from Hawaii (Mr. INOUYE), the Senator from Florida (Mrs. HAWKINS), the Senator from Michigan (Mr. LEVIN), and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of S. 619, supra.

S. 780

At the request of Mr. SARBANES, the name of the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of S. 780, a bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to require the Administrator of the Environmental Protection Agency to maintain a facility for the biological testing of pesticides under such act.

S. 786

At the request of Mr. PRESSLER, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 786, a bill to amend title 38, United States Code, to establish a service-connection presumption for certain diseases caused by exposure to herbicides or other environmental hazards or conditions in veterans who served in Southeast Asia during the Vietnam era.

S. 891

At the request of Mr. BUMPERS, the names of the Senator from Georgia (Mr. NUNN), and the Senator from Michigan (Mr. RIEGLE) were added as cosponsors of S. 891, a bill to develop additional procedures for Federal land sales.

S. 980

At the request of Mr. WALLOP, the names of the Senator from South Carolina (Mr. THURMOND), and the Senator from Nevada (Mr. LAXALT) were added as cosponsors of S. 980, a bill to amend the Federal Mine Safety and Health Amendments Act of 1977 to provide that the provisions of such act shall not apply to the surface mining of stone, clay, and sand work.

S. 994

At the request of Mr. MITCHELL, his name was added as a cosponsor of S. 994, a bill to prohibit the production of lethal binary chemical munitions by the United States and to call on the President to continue and intensify recently begun efforts in the committee on disarmament with the Government of the Union of Soviet Socialist Republics and other countries to achieve an agreement establishing a mutual, verifiable ban on the production and stockpiling of chemical weapons.

S. 995

At the request of Mr. EXON, the name of the Senator from Arkansas (Mr. BUMPERS) was added as a cosponsor of S. 995, a bill to amend title 38, United States Code, to modify the rule for the commencement of the period of payment of certain adjustments in compensation in the case of hospitalized veterans.

S. 1090

At the request of Mr. WALLOP, the names of the Senator from Montana (Mr. BAUCUS), and the Senator from South Dakota (Mr. ABDNOR) were added as cosponsors of S. 1090, a bill to establish a National Outdoor Recreation Resources Review Commission to study and recommend appropriate policies and activities for government agencies at the Federal, State, and local levels and for the private sector, to assure the continued availability of quality outdoor recreation experiences in America to the year 2000, and for other purposes.

S. 1144

At the request of Mr. HEINZ, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 1144, a bill to suspend periodic reviews of disability beneficiaries having mental impairments pending regulatory reform of the disability determination process.

S. 1195

At the request of Mr. BENTSEN, the names of the Senator from North Dakota (Mr. BURDICK), and the Senator from Maine (Mr. COHEN) were added as cosponsors of S. 1195, a bill to amend the Internal Revenue Code of 1954 to promote the contribution of scientific equipment to elementary and secondary schools and universities and to foster university research and scientific training.

S. 1302

At the request of Mr. HEINZ, the names of the Senator from New Jersey (Mr. BRADLEY) and the Senator from Virginia (Mr. TRIBLE) were added as cosponsors of S. 1302, a bill to amend title XVIII of the Social Security Act with respect to purchase and rentals of durable medical equipment.

S. 1305

At the request of Mr. PACKWOOD, the names of the Senator from Rhode Island (Mr. CHAFEE), the Senator from Arizona (Mr. GOLDWATER), and the Senator from South Carolina (Mr. HOLLINGS) were added as cosponsors of S. 1305, a bill to amend the Internal Revenue Code of 1954 to extend the energy tax credit for investments in certain classes of energy property, and for other purposes.

S. 1306

At the request of Mr. MATHIAS, the name of the Senator from West Virginia (Mr. RANDOLPH) was added as a cosponsor of S. 1306, a bill to amend the patent law to restore the term of the patent grant for the period of time that nonpatent regulatory requirements prevent the marketing of a patented product.

S. 1345

At the request of Mr. PELL, the name of the Senator from Michigan (Mr. RIEGLE) was added as a cosponsor of S. 1345, a bill to provide that former provisions relating to the trigger under the Federal-State Extended Unemployment Compensation Act of 1970 shall apply until the national unemployment rate falls below 8 percent, and to restore the former definition of insured unemployment rate.

S. 1355

At the request of Mr. SPECTER, the names of the Senator from Oregon (Mr. PACKWOOD), and the Senator from Ohio (Mr. GLENN) were added as

cosponsors of S. 1355, a bill to amend the Small Business Act to provide assistance to small business concerns in acquiring procurement information and contracts from the United States.

SENATE JOINT RESOLUTION 55

At the request of Mr. MATHIAS, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of Senate Joint Resolution 55, a joint resolution to recognize the pause for the Pledge of Allegiance as part of National Flag Day activities.

SENATE JOINT RESOLUTION 56

At the request of Mr. GRASSLEY, the names of the Senator from Minnesota (Mr. DURENBERGER), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Idaho (Mr. SYMMS), the Senator from North Dakota (Mr. BURDICK), the Senator from Georgia (Mr. NUNN), the Senator from Washington (Mr. GORTON), and the Senator from Arizona (Mr. DECONCINI) were added as cosponsors of Senate Joint Resolution 56, a joint resolution to designate the month of August 1983 as "National Child Support Enforcement Month".

SENATE JOINT RESOLUTION 86

At the request of Mr. TOWER, the names of the Senator from Texas (Mr. BENTSEN), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from Mississippi (Mr. COCHRAN), the Senator from Missouri (Mr. DANFORTH), the Senator from Minnesota (Mr. DURENBERGER), the Senator from North Carolina (Mr. EAST), the Senator from Kentucky (Mr. FORD), the Senator from Washington (Mr. GORTON), the Senator from Utah (Mr. HATCH), the Senator from Nevada (Mr. HECHT), the Senator from North Carolina (Mr. HELMS), the Senator from Alabama (Mr. HEFLIN), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Indiana (Mr. LUGAR), the Senator from Maryland (Mr. MATHIAS), the Senator from New York (Mr. MOYNIHAN), the Senator from Georgia (Mr. NUNN), the Senator from Tennessee (Mr. SASSER), the Senator from Virginia (Mr. TRIBLE), the Senator from Massachusetts (Mr. TSONGAS), and the Senator from California (Mr. WILSON) were added as cosponsors of Senate Joint Resolution 86, a joint resolution to designate the week of June 12, 1983, through June 16, 1983 as "National Brick Week".

SENATE JOINT RESOLUTION 109

At the request of Mr. D'AMATO, the names of the Senator from South Carolina (Mr. THURMOND), and the Senator from Indiana (Mr. LUGAR) were added as cosponsors of Senate Joint Resolution 109, a joint resolution designating the week beginning June 19, 1983, as "National Children's Liver Disease Awareness Week."

SENATE CONCURRENT RESOLUTION 21

At the request of Mr. COHEN, the names of the Senator from Michigan (Mr. LEVIN), and the Senator from Pennsylvania (Mr. HEINZ) were added as cosponsors of Senate Concurrent Resolution 21, a concurrent resolution expressing the sense of the Congress respecting the administration of title X of the Public Health Act.

SENATE RESOLUTION 122

At the request of Mr. MOYNIHAN, the name of the Senator from Hawaii (Mr. INOUYE), was added as a cosponsor of Senate Resolution 122, a resolution expressing the sense of the Senate that the President should reduce imports of apparel so that imported apparel comprises no more than 25 percent of the American apparel market.

SENATE RESOLUTION 125

At the request of Mr. LEVIN, the name of the Senator from Wyoming (Mr. SIMPSON) was added as a cosponsor of Senate Resolution 125, a resolution expressing the sense of the Senate that the Government of the Soviet Union should allow Ida Nudel to emigrate to Israel, and for other purposes.

AMENDMENT NO. 1308

At the request of Mr. KENNEDY, the name of the Senator from New Jersey (Mr. BRADLEY) was added as a cosponsor of Amendment No. 1308 proposed to H.R. 3069, a bill making supplemental appropriations for the fiscal year ending September 30, 1983, and for other purposes.

AMENDMENTS SUBMITTED

CABLE TELECOMMUNICATIONS ACT

DIXON AMENDMENTS NOS. 1324 AND 1325

(Ordered to lie on the table.)

Mr. DIXON submitted two amendments intended to be proposed by him to the bill (S. 66) to amend the Communication Act of 1934.

(The text of the amendments and the remarks of Mr. DIXON appear earlier in today's RECORD.)

SUPPLEMENTAL APPROPRIATIONS, 1983

STEVENS AMENDMENT NO. 1326

Mr. STEVENS proposed an amendment to the bill (H.R. 3069) making supplemental appropriations for the fiscal year ending September 30, 1983, and for other purposes; as follows:

Strike all page 93, line 18 through page 94, line 5.

JACKSON AMENDMENT NO. 1327

Mr. JACKSON proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 82, after line 3 insert the following new section:

SEC. . (a) For the purposes of this section—

(1) "charitable organization" means an organization described in section 170(c) of the Internal Revenue Code of 1954;

(2) "honorarium" means a payment of money or anything of value to a Member for an appearance, speech, or article, by the Member; but there shall not be taken into account for the purposes of this section any actual and necessary travel expenses incurred by the Member to the extent that such expenses are paid or reimbursed by any other person, and the amount otherwise determined shall be reduced by the amount of any such expenses to the extent that such expenses are not paid or reimbursed;

(3) "Member" means a United States Senator, a Member of the House of Representatives, a Delegate to the House of Representatives, or the Resident Commissioner from Puerto Rico; and

(4) "travel expenses" means, with respect to a Member, the cost of transportation, and the cost of lodging and meals while away from his or her residence or the metropolitan area of Washington, District of Columbia.

(b)(1) Notwithstanding any other provision of law, except as provided in paragraph (2), on and after January 1, 1984, a Member shall not accept honoraria which are attributable to any calendar year and total more than the amount that is equal to 30 percent of the aggregate salary paid to such Member for service as a Member during such calendar year.

(2) An individual who becomes a Member on a date after the first day of a calendar year shall not accept honoraria which are attributable to the remaining portion of that calendar year on and after the date such individual becomes a Member and total more than the amount that is equal to 30 percent of the aggregate salary paid to the Member for service as a Member during such calendar year.

(3) A Member shall not accept honoraria which are attributable to the period beginning July 1, 1983, and ending December 31, 1983, and total more than the amount that is equal to 30 percent of the aggregate salary paid to the Member for service as a Member during such period.

(4) For the purposes of this subsection, an honorarium shall be attributable to the period or calendar year in which payment is received.

(c) Any honorarium paid by or on behalf of a Member to a charitable organization shall be deemed not to be accepted for the purposes of subsection (b).

(d) Notwithstanding any other provision of law, in the case of a Member who is serving in the office or position of Senator, President pro tempore of the Senate, Majority Leader of the Senate, or Minority Leader of the Senate during a calendar year, the annual rate of pay that is paid to such Member for such service shall not be less than the annual rate of pay payable for such position on December 17, 1982, increased by 15 percent and rounded in accordance with section 5318 of title 5, United States Code.

(e) The Commission on Executive, Legislative, and Judicial Salaries shall include in the first report required to be submitted by it after the date of the enactment of this Act a recommendation for an appropriate salary for Members, which recommendation shall assume a prohibition on the receipt of honoraria by Members.

(f) Subsections (a) through (d) of this section shall take effect with respect to service as a Member performed on or after July 1, 1983.

JACKSON AMENDMENT NO. 1328

Mr. JACKSON proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 82, after line 3 insert the following new section:

SEC. . (a) For the purposes of this section—

(1) "charitable organization" means an organization described in section 170(c) of the Internal Revenue Code of 1954;

(2) "honorarium" means a payment of money or anything of value to a Member for an appearance, speech, or article, by the Member; but there shall not be taken into account for the purposes of this section any actual and necessary travel expenses incurred by the Member to the extent that such expenses are paid or reimbursed by any other person, and the amount otherwise determined shall be reduced by the amount of any such expenses to the extent that such expenses are not paid or reimbursed;

(3) "Member" means a United States Senator, a Member of the House of Representatives, a Delegate to the House of Representatives, or the Resident Commissioner from Puerto Rico; and

(4) "travel expenses" means, with respect to a Member, the cost of transportation, and the cost of lodging and meals while away from his or her residence or the metropolitan area of Washington, District of Columbia.

(b)(1) Notwithstanding any other provision of law, except as otherwise provided in this section, on and after January 1, 1984, a Member shall not accept honoraria which are attributable to any calendar year and total more than the amount that is equal to 30 percent of the aggregate salary paid to such Member for service as a Member during such calendar year.

(2) An individual who becomes a Member on a date after the first day of a calendar year shall not accept honoraria which are attributable to the remaining portion of that calendar year on and after the date such individual becomes a Member and total more than the amount that is equal to 30 percent of the aggregate salary paid to the Member for service as a Member during such calendar year.

(3) A Member shall not accept honoraria which are attributable to the period beginning July 1, 1983, and ending December 31, 1983, and total more than the amount that is equal to 30 percent of the aggregate salary paid to the Member for service as a Member during such period.

(4) For the purposes of this subsection, an honorarium shall be attributable to the period or calendar year in which payment is received.

(c) Any honorarium paid by or on behalf of a Member to a charitable organization shall be deemed not to be accepted for the purposes of subsection (b).

(d) A Senator may file with the Secretary of the Senate in accordance with subsection (g) an election to accept honoraria attributable to a calendar year or other applicable period described in subsection (b)(2) or (b)(3) and is more than the maximum amount allowable under subsection (b). Subsection (b) shall not apply with respect to honoraria attributable to a calendar year or other applicable period described in subsection (b)(2) or (b)(3) in the case of any Senator who files such an election for such calendar year or period.

(e) Notwithstanding any other provision of law, in the case of a Member who—

(1) is serving in the office or position of Senator, President pro tempore of the Senate, Majority Leader of the Senate, or Minority Leader of the Senate during a calendar year; and

(2) does not file an election authorized by subsection (d) for such calendar year,

the annual rate of pay that is paid to such Member for such service shall not be less than the annual rate of pay payable for such position on December 17, 1982, increased by 15 percent and rounded in accordance with section 5318 of title 5, United States Code.

(f) Notwithstanding subsection (e), any Member who is serving in an office or position referred to in subsection (e)(1) and does not file an election under subsection (d) for a calendar year or other applicable period described in subsection (h)(2) or (b)(3) and accepts honoraria which are attributable to such calendar year or period and total more than the maximum amount allowable under subsection (b) shall be entitled to receive pay for serving in such office or position during such calendar year or period at the annual rate of pay computed as provided by law without regard to subsection (e). Such Member shall pay to the United States an amount equal to the excess of the amount paid to such Member for serving in such office or position during such calendar year or period over the amount which such Member is entitled to be paid for serving in such office or position during such calendar year or period, as provided in the first sentence of this subsection. Any sum payable by an individual to the United States under the preceding sentence shall be a claim of the United States against such individual and may be collected as provided by law.

(g) A Senator desiring to file an election authorized by subsection (d) shall file such election—

(1) for the period specified in subsection (b)(3), before July 5, 1983;

(2) for any calendar year beginning after December 31, 1983, on January 1 of such calendar year in the case of an individual who is serving in a position described in subsection (e)(1), on such day; and

(3) in the case of any individual who begins to serve in a position described in subsection (e)(1) on a date after the first day of a calendar year, on the day that such individual begins to serve in such position.

(h) The Commission on Executive, Legislative, and Judicial Salaries shall include in the first report required to be submitted by it after the date of the enactment of this Act a recommendation for an appropriate salary for Members, which recommendation shall assume a prohibition on the receipt of honoraria by Members.

(i) Subsection (e) shall take effect with respect to service as a Member performed on or after July 1, 1983.

JACKSON AMENDMENT NO. 1329

Mr. JACKSON proposed an amendment to the bill H.R. 3069 supra; as follows:

Notwithstanding any other provision of law, effective July 1, 1983, in the case of a Member who is serving in the office or position of Senator, President pro tempore of the Senate, Majority Leader of the Senate, or Minority Leader of the Senate during a calendar year, the annual rate of pay that is paid to such Member for such service shall not be less than the annual rate of pay payable for such position on December 17, 1982, increased by 15 percent and rounded in accordance with section 5318 of title 5, United States Code.

JACKSON AMENDMENT NO. 1330

Mr. JACKSON proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 82, after line 3 insert the following new section:

(a) For the purposes of this section—

(1) "charitable organization" means an organization described in section 170(c) of the Internal Revenue Code of 1954;

(2) "honorarium" means a payment of money or anything of value to a Member for an appearance, speech, or article, by the Member; but there shall not be taken into account for the purposes of this section any actual and necessary travel expenses incurred by the Member to the extent that such expenses are paid or reimbursed by any other person, and the amount otherwise determined shall be reduced by the amount of any such expenses to the extent that such expenses are not paid or reimbursed;

(3) "Member" means a United States Senator, a Member of the House of Representatives, a Delegate to the House of Representatives, or the Resident Commissioner from Puerto Rico; and

(4) "travel expenses" means, with respect to a Member, the cost of transportation, and the cost of lodging and meals while away from his or her residence or the metropolitan area of Washington, District of Columbia.

(b)(1) Notwithstanding any other provision of law, except as provided in paragraph (2), on and after January 1, 1984, a Member shall not accept honoraria which are attributable to any calendar year and total more than the amount that is equal to 30 percent of the aggregate salary paid to such Member for service as a Member during such calendar year.

(2) An individual who becomes a Member on a date after the first day of a calendar year shall not accept honoraria which are attributable to the remaining portion of that calendar year on and after the date such individual becomes a Member and total more than the amount that is equal to 30 percent of the aggregate salary paid to the Member for service as a Member during such calendar year.

(3) A Member shall not accept honoraria which are attributable to the period beginning July 1, 1983, and ending December 31, 1983, and total more than the amount that is equal to 30 percent of the aggregate salary paid to the Member for service as a Member during such period.

(4) For the purposes of this subsection, an honorarium shall be attributable to the period or calendar year in which payment is received.

(c) Any honorarium paid by or on behalf of a Member to a charitable organization shall be deemed not to be accepted for the purposes of subsection (b).

(d) The Commission on Executive, Legislative, and Judicial Salaries shall include in the first report required to be submitted by it after the date of the enactment of this Act a recommendation for an appropriate salary for Members, which recommendation shall assume a prohibition on the receipt of honoraria by Members.

HATFIELD AMENDMENT NO. 1331

Mr. HATFIELD proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 94, after line 15, add the following:

SEC. . For purposes of applying section 44C of the Internal Revenue Code of 1954, paragraph (10) of section 44C (c) of such Code (relating to property financed by subsidized energy financing) shall not apply with respect to any financing for energy conservation or renewable energy source expenditures which was provided—

(1) before January 1, 1983,

(2) under a State program in existence before 1978, and

(3) with respect to any residence the first mortgage on which is financed by the proceeds of any qualified veterans' mortgage bond (within the meaning of section 103A (c)(3) of such Code).

STEVENS AMENDMENT NO. 1332

Mr. STEVENS proposed an amendment to the bill H.R. 3069, supra; as follows:

After page 13, line 23, insert:

AIRCRAFT PROCUREMENT, AIR FORCE

For an additional amount for "Aircraft procurement, Air Force," $185,000,000 to be available until September 30, 1985, for B-1B multiyear procurement pursuant to Section 2301, Title 10, U.S.C. as amended: *Provided*, That $185,000,000 appropriated under this head in Public Law 97-377 is rescinded.

DOLE AMENDMENT NO. 1333

Mr. DOLE proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 93, strike out lines 4 through 16.

ANDREWS (AND OTHERS) AMENDMENT NO. 1334

Mr. ANDREWS (for himself, Mr. D'AMATO, Mr. ABDNOR, Mr. DOMENICI, Mr. BURDICK, Mr. MURKOWSKI, Mr. BINGAMAN, Mr. COCHRAN, and Mr. MELCHER) proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 58, line 13, strike the numeral "$45,350,000" and insert in lieu thereof: "$51,350,000".

BUMPERS (AND JACKSON) AMENDMENT NO. 1335

Mr. BUMPERS (for himself and Mr. JACKSON) proposed an amendment to the bill H.R. 3069, supra; as follows:

In lieu of the language proposed to be stricken beginning on line 22, page 63, and continuing through line 2, page 64, substitute the following:

"None of the funds in this or any other Act shall be expended for the sale or lease of coal on public lands during the remainder of the fiscal year ending September 30, 1983, except for emergency leasing as defined in 43 CFR 3425.1-4, and lease modifications as defined in 43 CFR 3432. Funds may be expended for coal lease exchanges pursuant to: Public Law 95-87 (91 Stat. 445); Public Law 96-401 (94 Stat. 1701); Public Law 96-475 (94 Stat. 2269); Public Law 96-476 (94 Stat. 2272); Public Law 96-492 (94 Stat. 2565 or Public Law 95-554 (92 Stat. 2073).".

DOLE AMENDMENT NO. 1336

Mr. DOLE proposed an amendment to the bill H.R. 3069, supra; as follows:

Page 12, after line 15, insert the following new item:

GENERAL PROVISIONS

Notwithstanding any other provision of law, the Administrative Office of the U.S. Courts, or any other agency or instrumentality of the United States, is prohibited from restricting solely to staff of the Clerks of U.S. bankruptcy courts the issuance of notices to creditors and other interested parties. The Administrative Office shall permit and encourage the preparation and mailing of such notices to be performed by or at the expense of the debtors, trustees, or such other interested parties as the court may direct and approve. The Administrator of the U.S. Courts shall make appropriate provisions for the use of and accounting for any postage required pursuant to such directives.

GARN AMENDMENT NO. 1337

Mr. GARN proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 48, between lines 4 and 5, insert the following:

SECTION 203(h) LIMIT

Section 203(h) of the National Housing Act is amended by striking out "$14,400" and inserting in lieu thereof "the applicable maximum dollar limit under subsection (b)".

PERCY (AND DIXON) AMENDMENT NO. 1338

Mr. PERCY (for himself and Mr. DIXON) proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 67, between lines 10 and 11, insert the following:

EMPLOYMENT AND TRAINING ASSISTANCE

Funds appropriated under the heading "Employment and Training Assistance" in Public Law 97-257 shall remain available for obligation until September 30, 1984.

LEAHY (AND OTHERS) AMENDMENT NO. 1338

Mr. LEAHY (for himself, Mr. STAFFORD, Mr. BOREN, Mr. PRESSLER, Mr. PRYOR, Mr. HUMPHREY, and Mr. MELCHER) proposed an amendment to the bill H.R. 3069, supra; as follows:

Delete pages 40, 41, 42 and insert the following:

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For an additional amount for "Payment to the Foreign Service Retirement and Disability Fund", $1,134,000.

ECONOMIC SUPPORT FUND

For an additional amount for the "Economic Support Fund," $300,500,000, to remain available until March 31, 1984: *Provided*, That of this amount $150,000,000 shall be available only for assistance to Lebanon.

OVERSEAS PRIVATE INVESTMENT CORPORATION

The Overseas Private Investment Corporation is authorized to make such expenditures within the limits of funds available to it and in accordance with law (including not to exceed $30,000 for official reception and representation expenses), and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act (31 U.S.C. 9104), as may be necessary in carrying out the program set forth in the budget for fiscal year 1983.

During fiscal year 1983 and within the resources and authority available, gross obligations for the amount of direct loans from the Direct Investment Fund shall not exceed $15,000,000.

During the fiscal year 1983, total commitments to guarantee loans shall not exceed $120,000,000 of contingent liability for loan principal.

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT MILITARY ASSISTANCE PROGRAM

For an additional amount for "Military Assistance", $41,000,000.

FOREIGN MILITARY SALES CREDIT

During fiscal year 1983, for an additional amount for "Foreign Military Credit Sales," for commitments to guarantee loans, $158,000,000 of contingent liability for loan principal: *Provided*, That of this sum $100,000,000 shall be available only for assistance to Lebanon.

INTERNATIONAL MILITARY EDUCATION AND TRAINING

For an additional amount for "International military education and training", $1,000,000.

WEICKER (FOR HUDDLESTON AND McCLURE) AMENDMENT NO. 1340

Mr. WEICKER (for Mr. HUDDLESTON and Mr. MCCLURE) proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 56, line 11, strike all after the word "That" through line 16 and insert the following in lieu thereof:

"For payment of obligations incurred for engineering services, roadway and bridge access and pilot tunnel bore work for the Cumberland Gap Tunnel, as authorized by Section 160 of Public Law 93-87, $14,000,000 to be derived from the Highway Trust Fund and to remain available until expended to liquidate contract authority provided under Section 104(a)(8) of Public Law 95-599."

WEICKER (FOR STEVENS) AMENDMENT NO. 1341

Mr. WEICKER (for Mr. STEVENS) proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 15, line 18, strike all after "section" through "1976" on line 19 and insert in lieu thereof the following:

"2457 of title 10, United States Code"

HAWKINS AMENDMENT NO. 1342

Mrs. HAWKINS proposed an amendment to the bill H.R. 3069, supra; as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . None of the funds appropriated by this Act or any other Act may be obligated or expended to reduce the number of full-time employees performing the functions of the Loan Guaranty Division of the Veterans' Administration in the office of such division located in Jacksonville, Florida, to less than ten.

PERCY AMENDMENT NO. 1343

Mr. PERCY proposed an amendment to the bill H.R. 3069, supra; as follows:

At the end of Chapter V, add the following new sentences:

"Funds in the chapter may be made available for obligation only upon amendment of authorizing legislation. Funds in this chapter shall remain available until expended."

PERCY (AND KASSEBAUM) AMENDMENT NO. 1344

Mr. PERCY (for himself and Mrs. KASSEBAUM) proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 40, line 15, after the word "Lebanon," strike the period and insert a semicolon and add the following:

"Provided further, That $7,000,000 shall be available for Zaire only if Zaire has reached an agreement for assistance with the International Monetary Fund, and that until such agreement has been reached such funds shall be available only for assistance to other African countries."

ZORINSKY (AND EXON) AMENDMENT NO. 1345

Mr. ZORINSKY (for himself and Mr. EXON) proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 35, line 3, after the period insert the following: "The study period shall not exceed 18 months.".

PERCY AMENDMENT NO. 1346

Mr. PERCY proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 39, line 12, strike out "$17,686,000, of which" and insert in lieu thereof "$22,186,000, of which $4,500,000 is available only for payment to the International Atomic Energy Agency,".

COCHRAN (AND EAGLETON) AMENDMENT NO. 1347

Mr. COCHRAN (for himself and Mr. EAGLETON) proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 5, after line 2, insert the following new paragraph:

For an additional amount for emergency measures to repair flood damage as authorized by sections 403-405 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203-2205), $10,000,000, to remain available until expended.

CHAFEE (AND OTHERS) AMENDMENT NO. 1348

Mr. CHAFEE (for himself, Mr. INOUYE, and Mr. MATSUNAGA) proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 70 after line 18, insert the following:

Sums appropriated under section 101(e)(2) of Public Law 97-377 for health planning activities may be used for carrying out such activities for fiscal year 1983 under section 935(b) of the Omnibus Reconciliation Act of 1981.

STAFFORD (AND OTHERS) AMENDMENT NO. 1349

Mr. STAFFORD (for himself, Mr. PELL, Mr. LEAHY, Mr. CHILES, and Mr. CHAFEE) proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 71, after line 25, add the following:

For an additional amount for subpart 2 of part A of title IV of the Higher Education Act of 1965, relating to Supplemental Educational Opportunity Grants, $4,600,000: *Provided,* That, notwithstanding section 413D(b)(1)(B)(ii) of the Higher Education Act of 1965 and section 10 of the Student Financial Assistance Technical Amendments Act of 1982, funds appropriated under this heading and any funds appropriated for fiscal year 1983 for such subpart 2 that are not obligated or committed for the fiscal year 1983 shall be allocated in a manner designed to ensure that all eligible institutions receive a minimum funding level based upon a uniform State percentage for such fiscal year.

D'AMATO AMENDMENT NO. 1350

Mr. D'AMATO proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 76, line 18, strike out the period and insert in lieu thereof the following: ": *Provided further,* That, the Commission on the West Central Front of the United States Capitol shall appoint, from among private individuals who are qualified, by reason of education, training, and experience, a consulting architect who shall assist the Commission in directing the Architect of the Capitol with respect to the restoration of the West Central Front of the United States Capitol: *Provided further,* That the Architect of the Capitol shall keep the consulting architect appointed under this paragraph fully and currently informed of the progress of the restoration of the West Central Front of the United States Capitol: *Provided further,* That the consulting architect for the restoration of the West Central Front of the United States Capitol appointed under this paragraph shall be paid for his services (out of the sum appropriated by this paragraph) at such rate of pay as the Commission considers appropriate, but not exceeding a rate equal to the daily equivalent of the rate of basic pay payable for grade GS-18 under the General Schedule under section 5332 of title 5, United States Code.".

HATCH (AND OTHERS) AMENDMENT NO. 1351

Mr. HATCH (for himself, Mr. STAFFORD, Mr. LEAHY, Mr. CHILES, Mrs. HAWKINS, Mr. RANDOLPH, and Mr. MATSUNAGA) proposed an amendment to the bill, H.R. 3069, supra, as follows:

At the end of the resolution, insert the following new section:

"Sec. . There is appropriated $2,500,000 for section 621 of the Education of the Handicapped Act, relating to regional resource centers, which is an addition to the amounts otherwise available for that section for fiscal year 1983."

ARMSTRONG (AND HART) AMENDMENT NO. 1352

Mr. ARMSTRONG (for himself and Mr. HART) proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 35, between lines 5 and 6, insert the following:

"In accordance with the repayment contract for the Dallas Creek participating project of the Upper Colorado River storage project, entered into January 14, 1977, and entitled "Re-Payment Contract Between the United States of America and the Tri-County Water Conservancy District", the portion of the costs of such project, including interest on construction costs, allocated to municipal and industrial use which exceeds $38,000,000 shall not be reimbursable.".

CABLE TELECOMMUNICATIONS ACT OF 1983

DIXON AMENDMENT NO. 1353

(Ordered to lie on the table.)

Mr. DIXON submitted an amendment intended to be proposed by him to the bill, S. 66, supra, as follows:

On page 36, beginning with line 18, strike all through line 16 on page 37, and insert in lieu thereof the following:

SEC. 609. (a) In any case in which a cable system operator submits an application to the franchising authority for the renewal or other extention of such operator's franchise authorization the franchising authority shall grant such renewal or other extension if it finds that—

(1) the cable system operator has substantially complied with the material terms of such franchise and with applicable law;

(2) the cable system operator has not been convicted of a felony;

(3) there has been no material change in the legal, technical, or financial qualifications of the cable system operator that would substantially impair the continued provision of service by such operator;

(4) the facilities to be provided for such operator, including facilities for governmental access, are reasonable in light of the community need for the cost of such facilities.

(5) the signal delivered by the cable system within the control of the cable system operator, has generally met technical standards as established by the Commission; and

(6) the proposals contained in the renewal application are otherwise reasonable.

On page 37, lines 17 and 18, after "renewal" strike "at least" and insert "between 18 and".

On page 37, strike out line 23.

On page 38, line 1, strike out "request" and the comma immediately before "accept".

On page 38, line 1, strike out the comma immediately after "accept" and strike out "or consider".

On page 38, line 3, strike out "approved" and the period and insert in lieu thereof "approved; and".

On page 38, between lines 3 and 4, insert the following new paragraph:

"(3) may not accept any bid that does not ensure that the original franchisee receives fair market value for any assets to be acquired by the proposed new franchise holder.

On page 39, line 3, strike out "de novo".

On page 39, line 4, strike out all beginning with "jurisdiction" through line 5 and insert in lieu thereof "jurisdiction, and such review shall be limited to issues of law and procedure.".

Mr. DIXON. Mr. President, I submit an amendment to Senate bill S. 66 for printing.

This amendment is similar to an amendment I previously introduced today. However, this amendment contains additional language which says that a cable systems operator must file for renewal between 18 and 24 months before the expiration of the franchise. This modification of the time schedule would allow for the renewal test to be triggered near the termination of the franchise, allowing reasonable time for consideration of all options.

Mr. President, I ask unanimous consent that letters from the National Conference of State Legislatures, the city of Wheaton, and the city of Evanston in Illinois, the Northwest Municipal Conference, and the American Public Power Association, as well as an editorial from the June 9 edition of the New York Times, be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL CONFERENCE OF STATE LEGISLATURES,
Washington, D.C., June 7, 1983.

DEAR SENATOR: On behalf of the National Conference of State Legislatures I urge you to oppose S. 66 the Cable Telecommunications Act of 1983 as reported. The bill preempts state and local authority to regulate the provision of cable television and cable related services in the public interest.

The definition of "basic telephone service" in S. 66 would allow cable television companies to offer unregulated local telephone and data transmission services. Existing local telephone service would remain subject to state regulation.

State governments would be preempted from overseeing cable television service in S. 66. Cable TV enjoys the unique capability to provide through a single cable a wide variety of services including television, voice communication, data transmission, alarm services, and shopping and banking at home. No other utility can compete with cable's ability to provide this service combination at this time.

The Senate should not be considering a curtailment of state authority to regulate public utility telecommunications at this time. The cable industry has not demonstrated that current state and local regulation has restrained its current ability to grow at a rapid pace. Recent federal actions implementing the divestiture of AT&T and the Federal Communications Commission's access charge decisions will mean profound changes in the telephone industry. Before the federal government pursues a new initiative in the telephone policy area, we should evaluate the impact of the already mandated changes.

Several senators will offer amendments to the bill. I urge you to support those amendments that would protect the authority of states and local governments to regulate cable television and cable related services.

Very truly yours,

PHILIP J. ROCK,
President, Illinois State Senate,
Chairman, State-Federal Assembly.

CITY OF WHEATON,
Wheaton, Ill., May 26, 1983.

Hon. ALAN J. DIXON,
U.S. Senate Office Building,
Washington, D.C.

DEAR SENATOR DIXON: Recently the Wheaton City Council and administrative staff reviewed Senate Bill 66, which is substantially based on agreements reached between the National League of Cities and the National Cable Television Association. We understand that Senate Bill 66 was approved by the Senate Committee on Commerce, Science, and Transportation on April 21, 1983, and will be considered by the full Senate sometime in the near future.

In addition to reviewing Senate Bill 66, the City Council and administrative staff also reviewed those concerns expressed by a number of cities in opposition to the bill, along with the draft amendments proposed by the U.S. Conference of Mayors. While Senate Bill 66 does appear to address a number of valid concerns raised by the cable television industry, the bill also fails to adequately address a number of important areas which pertain to the ability of local governments to negotiate franchise agreement terms which satisfy local needs. Specifically, the City of Wheaton would like to express the following concerns in regard to Senate Bill 66:

1. The City of Wheaton's primary concern with Senate Bill 66 is in regard to the grandfathering provisions. It is our understanding that the bill would go into effect on the date of enactment, and that existing franchise requirements concerning programming, services, facilities, equipment, and access channels are grandfathered for the term of the franchise. The City of Wheaton is currently involved in the cable television franchising process, and has already issued a Request for Proposals (RFP) to interested cable television companies. Responses by cable television companies to the City's RFP are due on June 1, 1983, and the City anticipates awarding a cable television franchise and executing a franchise agreement sometime in the fall of 1983.

The City's RFP document was designed to setforth in detail the City's basic requirements for a cable television system, as well as provide the basic framework for a subsequent cable television franchise agreement. Therefore, the City would strongly recommend that Senate Bill 66 should also grandfather those franchise processes in which an RFP has been issued or franchise applications have been accepted.

2. Language contained in Senate Bill 66 allows cable operators to remove enhanced services, facilities, and equipment, if there has been a significant change in circumstances since the operator offered such items (Section 613). The City strongly disagrees with this provision of the bill, and supports the principle that facilities and categories of service should be subject to negotiation between the City and the cable television company. The City is opposed to the cable operator having discretion to eliminate services, and belief that a City should have the authority to negotiate those services appropriate for their community.

The City also strongly supports the negotiation of all types of access channels to satisfy local needs, and local authorities should be able to insure third party access to the system on a non-discriminatory basis (Sections 613 and 614).

3. Section 609 of Senate Bill 66 contains language which creates a "presumption of renewal" for the cable operator, and also provides for "de novo" court review of denials of renewal (and requires the existing franchise to remain in effect until completion of such court review). The City of Wheaton is strongly opposed to the provisions of Section 609 and feels that the bill should not establish specific renewal criteria.

The City feels that the re-franchising process provides a meaningful competitive incentive to the cable operator to fulfill existing franchise commitments and offer new services as they become economically and technically feasible. The City is also concerned that the "presumption of renewal" language may have antitrust implications in the future.

4. Section 607 of Senate Bill 66 contains language which allows the cable operator to automatically increase basic service rates under specified conditions. While the City of Wheaton intends to take a passive roll with respect to the regulation of subscriber basic service rates, the City is opposed to provisions which would remove the City's existing authority to regulate those basic service rates. The City of Wheaton desires to retain its regulatory authority in order to insure that the rates actually imposed by the cable operator are consistent with the City's basic objectives for the cable television system.

In addition, Section 603 of Senate Bill 66 revises the definition of basic service to exclude tiers offered at a discount rate. The City strongly feels that basic service should be defined according to each franchise agreement.

5. The language contained in Senate Bill 66 defines the purpose of the bill to establish a national policy for broad-band telecommunications. The City is opposed to exclusive federal jurisdiction over telecommunication services and would suggest that jurisdiction should be shared among various levels of government. In addition, Senate Bill 66 does not address a number of federal jurisdiction matters such as minimum technical standards, minimum standards for interconnection of cable systems, and municipal regulation of alternative service providers.

The City of Wheaton recognizes the efforts of the National League of Cities and National Cable Television Association to reach agreement on cable television legislation, however, the concerns identified above are based on the City's belief that Senate Bill 66 would reduce the authority of the City to insure the best possible cable services for our residents.

We urge you to withhold your approval of Senate Bill 66 in its current form and also would ask that you urge your colleagues to do likewise. Thank you for your consideration.

Sincerely,

ROBERT J. MARTIN,
Mayor.

CITY OF EVANSTON,
Evanston, Ill., June 2, 1983.

Hon. ALAN J. DIXON,
Hart Senate Office Building,
Washington, D.C.

DEAR SENATOR DIXON: The attached resolution was adopted by the Evanston City Council on May 23, 1983, and is being forwarded to you in accordance with the contents of the resolution.

Please give it your careful consideration.

Yours truly,

SANDRA W. GROSS,
City Clerk.

A RESOLUTION URGING OPPOSITION TO SENATE BILL 66—PROPOSED FEDERAL LEGISLATION RELATING TO CABLE TELEVISION

Whereas, federal legislation relative to cable television has been introduced on April 21, 1983, by the Senate Commerce Committee for consideration by the United States Senate; and

Whereas, this proposed bill would preempt certain regulatory authority of local governments over cable television operations and increase the authority of the Federal Communications Commission over local activities; and

Whereas, the City of Evanston entered into a franchise agreement with a cable operator on September 11, 1981, based on certain mutually agreed upon provisions, and sanctions; and

Whereas, said franchise agreement is designed to provide for a community communications network and entertainment programming based on certain rates and levels of service; and

Whereas, S. 66 would limit local regulatory authority, restrict the ability of local government to respond to the needs of the community; and

Whereas, the City of Evanston considers the exercise of local regulatory powers to be of great importance to adequately protect the interests of the community; and

Whereas, this bill, S. 66, requires further study, consideration and public testimony;

Now, therefore, be it resolved by the City Council of Evanston, Illinois:

1. That the City Council opposes passage of S. 66, as it is written;

2. That the City Council, on behalf of its cable subscribers and access users, urges delay on any action to pass such legislation in the present proposed form;

3. That the Illinois Congressional delegation are encouraged to oppose Senate Bill 66;

4. That copies of this resolution be sent to representatives of the Illinois Congressional delegation by the City Clerk of the City of Evanston.

NORTHWEST MUNICIPAL CONFERENCE,
Mount Prospect, Ill., June 2, 1983.

Hon. ALAN J. DIXON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DIXON: As Chairman of the Northwest Municipal Cable Consortium, I would like to encourage you to oppose any version of the pending S. 66 that does not incorporate amendments speaking to several specific municipal concerns. The Cable Consortium is an intermunicipal body of ten municipalities responsible for regulating and working with one of the largest cable communications systems in the Chicago suburbs, and investigating and encouraging use of the many services cable can provide both to municipalities and the public.

We find we have a good relationship with local cable companies, and uniformly find that we can best protect the public interest through the Agreements we negotiated openly and willingly with the companies.

Is is our understanding that you have already interceded to stop a vote on S. 66 prior to debate. At a time when many legislators appear to be unaware of the complex difficulties S. 66 can cause, we very much appreciate your assistance.

We endorse the amendments put forward by the U.S. Conference of Mayors and largely endorsed by the National League of Cities, according to its newsletter of May 30. We are especially concerned that S. 66 currently converts any franchise to a perpetual monopoly in its Franchise Renewal section, and virtually eliminates rate regulation, inasmuch as almost all cable systems meet the irrelevant test of receiving four broadcast signals. It is also important that municipalities continue to have the authority to insure nondiscriminatory access to the cable system, both through Public Access and Leased Access channel requirements.

Again, let me express our appreciation for your efforts thus far.

Sincerely,

GERALD FARLEY,
Trustee, Mount Prospect.

AMERICAN PUBLIC POWER ASSOCIATION,
Washington, D.C., June 6, 1983.

Hon. ALAN J. DIXON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DIXON: The American Public Power Association, representing over 1,750 local publicly owned electric utilities throughout the country, opposes S. 66, the Cable Telecommunications Act of 1983. The bill is scheduled for floor consideration June 13. We urge you to vote against it.

The bill, representing a "compromise" between the National League of Cities and the National Cable Television Association, is very controversial and, in fact, opposed by many local governments. It affects significant numbers of entities who were not parties to the negotiations. For example, S. 66 will have a detrimental effect on public power systems' use of cable technology, and yet, our national organization representing public power systems had no hand in the formulation of a compromise.

Over the last several years, public power systems have become increasingly interested in using cable technology to deliver utility services effectively. Although cable technology has vast potential to deliver public services and to transmit essential data, S. 66 completely ignores the public service and monopoly aspects of cable. It states as a matter of federal law that cable is not a common carrier, and therefore does not have to offer service to all at fair and nondiscriminatory rates. In addition, the bill severely restricts a local community's ability to negotiate renewals and buybacks so that in most instances municipal ownership would be prevented. While hampering municipal ownership, the bill also eliminates local regulation of the cable industry.

We understand that several amendments may be offered to improve the bill for local governments. While any improvements are welcomed, APPA does not feel the bill can be improved to the necessary level, and we therefore oppose the entire bill because it infringes so drastically upon the prerogatives of local government.

Enclosed is a fact sheet on S. 66 which outlines APPA's concerns more completely.

Sincerely,

ALEX RADIN,
Executive Director.

[From the New York Times, June 9, 1983]

DON'T RUSH THE FEDERAL CABLE RULES

The companies that wire homes and offices for cable television say Congress should free them from local regulation that limits their growth. But many cities, including New York, argue that the proposed relief would usurp local powers to bring a financial windfall to powerful cable interests.

To compound the conflict, the newly regional Bell telephone companies insist that the proposed bill would give cable operators an unfair advantage in future telecommunications services. They say it would rob Bell of revenues it wants to hold down the price of local telephone service.

The stakes in this debate are probably exaggerated. Given the speed of technological change, it is probably wise to delay any Federal legislation until the regualtory problems—and remedies—are better understood.

Cable operators want the Feds to limit the franchise fees that communities can collect to 5 percent of gross revenues. They also want to limit the grounds on which franchise renewals may be denied. And they want no limits on cable charges in most places. Without these protections, the cable companies contend, it will be hard to raise the capital to complete the wiring of American homes.

Officials in many cities reply that the cable operators merely want to expand their freedom to reduce the quality or raise the prices of services. Yet the board of the National League of Cities, representing hundreds of communities, supports the legislation for tactical reasons. It thinks the proposed Federal limits would actually help the cities to set other conditions for cable operators and to forestall less desirable action by Congress.

Some independent analysts go even further, believing that the profit bloom is off the cable rose. They think cities can no longer expect better deals than the proposed law would allow and that it would actually help to have the law clarify other questions, like the degree to which antitrust law applies to franchise negotiations.

The already closely regulated telephone companies object to any arrangement that leaves their potential cable competitors without comparable regulation. Though they are assured a monopoly in two-way voice telephone service, they expect cable to crowd them in other areas, like high-speed data communication among computers. Already inhibited by the terms of their separation from A.T. & T., they and their residential phone customers have some reason for concern.

On present evidence, all these arguments seem premature. The proposed law would not greatly damage local interests in franchise terms. And the threat to telephone companies, while real, is probably a decade away. But neither would the law do much to speed the development of cable services.

What should therefore tip the balance strongly against the bill is the obvious un-

certainty about the industry's technological and economic future. It is not yet known, for example, whether direct broadcast satellites will compete with cable and change the regulatory question altogether. Nor is it clear whether the new born regional phone companies will need regulatory help to sustain a high quality of service at fair prices.

Caution would seem to be the most desirable national strategy. In two or three years, the sort of regulation that suits cable will be better understood. And little or nothing will be lost by waiting.

SUPPLEMENTAL APPROPRIATIONS, 1983

WILSON (AND CRANSTON) AMENDMENT NO. 1354

Mr. WILSON (for himself and Mr. CRANSTON) proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 64, between lines 16 and 17, insert the following:

"In order to provide for the acquisition of Sweeney Ridge, California: (a) The Secretary of the Interior is authorized and directed to acquire, by negotiated purchase, the lands and waters in San Mateo County, California, comprising the area known as 'Sweeney Ridge' and generally depicted on the map entitled 'Sweeney Ridge Addition, Golden Gate National Recreation Area', numbered NRA, GG-80,000-A, and dated May, 1980. The Secretary shall update, or cause to be updated, an appraisal of the value of Sweeney Ridge, Calfornia, within 30 days of the date of enactment of this bill.

"(b) If, within the sixty-day period following the date of the enactment of this bill, the Secretary of the Interior receives a written request from the owner or owners of the lands and waters referred to in subsection (a) to enter into negotiations with respect to the purchase, by the Secretary of the Interior, of the lands and waters referred to in subsection (a) of this section, the Secretary shall promptly enter into negotiations with such owner or owners for the purpose of purchasing such lands and waters.

"(c) Upon the acquisition of such lands and waters, the Secretary shall publish, in the Federal Register, a notice to that effect. On and after such date of publication, the lands and waters so acquired by the Secretary shall be deemed a part of the Golden Gate National Recreation Area and shall be administered by the Secretary in accordance with the laws and regulations applicable to other lands and waters comprising such Recreation Area."

BRADLEY (AND OTHERS) AMENDMENT NO. 1355

Mr. BRADLEY (for himself, Mr. LAUTENBERG, Mr. MOYNIHAN, and Mr. D'AMATO) proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 64, strike out lines 17 through 6 on page 66.

HELMS (AND EAST) AMENDMENT NO. 1356

Mr. HELMS (for himself and Mr. EAST) proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 30, after line 25 insert the following: The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to solicit bids from private concerns for operation and maintenance dredging with hopper-type dredges at Oregon Inlet, North Carolina.

GORTON (AND JACKSON) AMENDMENT NO. 1357

Mr. GORTON (for himself and Mr. JACKSON) proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 30, after line 25 insert the following new section:

SEC. . To assure adequate flood protection for developed areas in the vicinity of the Cowlitz and Toutle Rivers, Washington, and to improve navigation in the Columbia River, the navigation project on the Cowlitz River, Washington, authorized by the first section of the Act entitled "An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved June 25, 1910 (36 Stat. 665), is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to implement and maintain flood control measures on the Cowlitz and Toutle Rivers by dredging or other means determined by the Secretary to be necessary to assure flood protection for developed areas in the vicinity of such rivers against a one-hundred-year flood on the lower Cowlitz River and to reduce sedimentation flow and the chance of blockage on the Columbia River.

SEC. . The authorization provided in the first section of this Act shall remain in effect until such time as permanent solutions and measures for flood control and navigation as identified in the Chief of Engineer's Cowlitz and Toutle Rivers final feasibility report, to be submitted to the President and the Congress by the Secretary of the Army, are fully implemented.

BOREN AMENDMENT NO. 1358

Mr. BOREN proposed an amendment to the bill H.R. 3069, supra; as follows:

At the appropriate place in the bill, insert the following:

"Funds for the Wister Lake project, Oklahoma, authorized pursuant to the Flood Control Act of 1938 (Stat. 1218) shall be used to reduce sedimentation impacts by raising the level of the conservation pool permanently by 3 feet and seasonably by an additional 3.4 feet and the Secretary of the Army, acting through the Chief of Engineers, is hereby authorized to take such measures as are necessary to carry out this directive."

NOTICES OF HEARINGS

SUBCOMMITTEE ON ENERGY, NUCLEAR PROLIFERATION, AND GOVERNMENT PROCESSES

Mr. PERCY. Mr. President, the Subcommittee on Energy, Nuclear Proliferation, and Government Processes, of the Committee on Governmental Affairs, will hold a hearing at 9:30 a.m. on Friday, June 10, 1983, in room 342 of the Dirksen Senate Office Building. The subcommittee will be receiving testimony from Secretary Hodel on the Department of Energy.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a hearing before the Committee on Energy and Natural Resources to consider S. 1132, to amend the Federal Power Act to specify the annual charges for projects with licenses issued by the Federal Energy Regulatory Commission for the use of Federal dams and other structures. The hearing will be held on Monday, July 25, beginning at 10 a.m. in room SD-366 of the Dirksen Senate Office Building.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C. 20510.

For further information regarding this hearing you may wish to contact Mr. Howard Useem at 224-5205 or Mr. Russell Brown at 224-2366.

SUBCOMMITTEE ON ENERGY CONSERVATION AND SUPPLY

Mr. WEICKER. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Subcommittee on Energy Conservation and Supply to consider the President's proposed budget for fiscal year 1984 for the Energy Information Administration. The hearing has been scheduled for Friday, June 24, beginning at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Subcommittee on Energy Conservation and Supply, Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C. 20510.

For further information regarding this hearing you may wish to contact Mr. Jack Gleason of the subcommittee staff at 224-3794.

SUBCOMMITTEE ON PUBLIC LANDS AND RESERVED WATER

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of public hearings before the Senate Subcommittee on Public Lands and Reserved Water, on Tuesday, July 5, 1983, in Missoula, Mont., and on Thursday, July 7, 1983, in Anaconda, Mont., and on Saturday, July 9, 1983, in Great Falls, Mont., the subcommittee will receive testimony on the U.S. Forest Service wilderness and nonwilderness recommendations in the State of Montana made pursuant to the roadless area review and evaluation studies and the recommendations to Congress.

On July 5 hearing will be held at the Federal building, 200 East Broadway,

Missoula, Mont., from 9 a.m. to 4 p.m. Testimony will be received on the Lolo, Flathead, Kootenai, Idaho Panhandle, and the Bitteroot National Forests' recommendations. Those wishing to testify in Missoula should contact the office of Senator MELCHER, P.O. Box 8568, Missoula, Mont. 59807, phone (406) 329-3528. Those wishing to testify must sign up in advance no later than Friday, June 24.

The July 7 hearing will be held at the Anaconda High School little theater auditorium, Anaconda, Mont. from 9 a.m. to 4 p.m. Testimony will be received on the Beaverhead, Gallatin, and Deerlodge National Forests' recommendations. Those wishing to testify in Anaconda should contact the office of Senator MELCHER, 55 West Granite, Butte, Mont. 59701, phone (406) 723-8211. Those wishing to testify must sign up in advance no later than Friday, June 24.

The July 9 hearing will be held at the College of Great Falls, Providence Forum of the McLaughlin Center, Great Falls, Mont. from 9 a.m. to 4 p.m. Testimony will be received on the Bob Marshall Wilderness Area recommendations, the Lewis and Clark, Helena, and Custer National Forest recommendations. Those wishing to testify in Great Falls, should contact the office of Senator MELCHER, 104 4th Street North, Great Falls, Mont. 59401, phone (406) 452-9585. Those wising to testify must sign up in advance no later than Friday, June 24.

Oral testimony will be limited to no more than 5 minutes and possibly less depending on the number of witnesses who wish to testify. Witnesses may be placed in panels. Because of the number of witnesses expected to testify individuals are requested to select the forest in which they have an interest and testify on the appropriate day.

For further information regarding these hearings, please contact Senator MELCHER's offices at the above listed numbers or Mr. Tony Bevinetto of the subcommittee staff at (202) 224-5161.

Witnesses are requested to bring 15 copies of their testimony with them to the hearing.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MATHIAS. Mr. President, I wish to announce that the Committee on Rules and Administration will meet on Tuesday, June 14, 1983, at 10:30 a.m., in SR-301, Russell Building, to receive testimony on H.R. 3034, to provide for appointment and education of congressional pages, and for other purposes.

I encourage all Senators and other interested parties to present their views on the page program and this legislation to the committee. Those Senators and individuals wishing to testify or to submit a statement for the record should contact Anthony L. Harvey of the Rules Committee staff on 224-9078.

Mr. President, on Wednesday, June 15, 1983, at 10 a.m., the Committee on Rules and Administration will conduct a business meeting in SR-301, Russell Building. The committee will be considering legislative and administrative items currently pending on its agenda. These include the following: Senate Resolution 66, to establish regulations to implement television and radio coverage of the proceedings of the Senate; Senate Resolution 150, a resolution authorizing the printing of additional copies of the Joint Economic Committee print entitled "Changing Economics of Agriculture: Challenge and Preparation for the 1980's"; and an evaluation of the procedures currently in effect for use of the Senate subway during the 1-month trial period authorized by the committee.

For more information concerning this meeting, please contact Carole Blessington of the Rules Committee staff on x40278.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Thursday, June 9, at 10 a.m., to hold an oversight hearing on the oversight of Army tests measurement diagnostic evaluation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, June 9, at 11 a.m., to hold an informal briefing, executive session on USIA update.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, June 9, at 2 p.m., to consider the nomination of L. Paul Brenner III, of Connecticut, to be Ambassador to the Kingdom of the Netherlands.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, June 9, at 2 p.m., to hold a hearing to continue review of S. 338, a bill dealing with competition and Government contracting.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

EMERGENCY AGRICULTURAL CREDIT ACT OF 1983

● Mr. SASSER. Mr. President, the current recession has left no segment of our economy unscathed. But perhaps the hardest hit have been our Nation's farmers. Three devastating years of high interest rates and low market prices have led to near depression conditions in the farming community. Last year net farm income sank to $19 billion, down from $25.1 billion in 1981 and $20.1 billion in 1980. Even with implementation of this year's PIK program, prospects are not much brighter for 1983. There are estimates that prices received by farmers this year could remain below the 60 percent of parity level.

With farm income remaining low many farmers will face difficulty meeting their loan and interest payments necessary for continued operation. Indeed, the financial hardship felt by many farmers stands to worsen. This continued deterioration can be seen in the fact that where 30 years ago farmers had $1.11 in cash assets against $1 in debt they now have 9.6 cents in cash assets for each $1 of debt. Further evidence of the soaring financial difficulties in the farm sector can be seen in the national farm debt of nearly $200 billion.

The upshot of these disheartening figures, Mr. President, is that many American farmers are on the brink of financial ruin. Some 28 percent of all Farmers Home Administration borrowers are delinquent on their loans. This compares with a delinquency rate of 13 percent in 1979, 4 short years ago. The dollar amount of FmHA loans that are delinquent has tripled in the past 3 years.

In the last fiscal year 8,227 FmHA farm borrowers discontinued operations nationwide. In Tennessee, 160 FmHA borrowers left farming in fiscal year 1982. Many of these were farmers who were foreclosed upon. This grim trend continues unabated into this year as well.

These figures from the Farmers Home Administration are even more shocking when one realizes the increasing importance FmHA has played in farm financing in the past few years. FmHA borrowers currently number about 271,000 or roughly 11 percent of this Nation's farmers. FmHA's share of all farm lending has increased from 6 percent in 1978 to almost 13 percent as of January 1, 1982. In this same period, FmHA's loan portfolio more than doubled leaping from $10 to $24 billion.

Many farmers experiencing financial difficulties are well-educated young farm operators just starting out in the farming industry. These men and

women have not built up the necessary equity to survive the perils of these bad years. Yet, these individuals are by no means poor farmers or managers. Quite the contrary, they are the future of our farming industry.

Clearly, credit assistance is necessary to help these farm managers caught in the squeeze of the recession, through no fault of their own, to avoid foreclosure or liquidation. That is why S. 24 is such an important piece of legislation.

This bill provides a mechanism whereby efficient farm operators can avoid foreclosure on their FmHA loans. The bill established calls for deferral of the payment of principal and interest and the foregoing of foreclosure on FmHA loans where the borrower shows that first, he has exercised good management practices; second, due to circumstances beyond the borrower's control, he is temporarily unable to continue making payments on the principal and interest on his loan; and third, he has a reasonable chance of repayment of the loan after the deferral period.

S. 24 is aimed specifically at FmHA borrowers facing imminent foreclosure yet avoids creating a windfall situation that would perpetuate credit problems in the farm sector of the economy. The criteria set forth in the bill for the deferrals seeks to protect those farmers who are good managers and would be able to make a go of their operations were it not for our current recession.

S. 24 is significant in another aspect in that it extends the economic emergency loan program. Economic emergency loan were authorized in 1978 as a means to enable farmers to continue their operations through periods of economic hardship. The type of economic crisis envisioned when this program was instituted still exists, Mr. President.

Indeed, since the last extension of authority for the economic emergency loan program the conditions of the agricultural economy have deteriorated further. Interest expenses alone reached $23.1 billion for American farmers in 1982. USDA estimates placed the total farm debt for 1982 at $215 billion. Finally, banks across the country report worsening financial conditions for their farm borrowers between 1981 and 1982.

The economic emergency loan program was enacted to combat this sort of emergency. Yet the present administration has refused to release the money it had the authority to disperse under this program. We can only hope that Secretary Block will soon realize that the EE program can effectively assist farmers in maintaining their farming operation during this period of severe economic pressures.

In summary Mr. President, S. 24 is the type of legislation which is urgently needed by our Nation's farmers. The House has already acted on similar legislation, fully realizing that the economic plight of America's farmers demands steps such as those contained in S. 24. I urge my colleagues to lend their support to S. 24 in an effort to help our farmers start out on the road to economic recovery.●

RESISTANCE INTERNATIONAL

● Mr. ARMSTRONG. Mr. President, lovers of freedom from Afghanistan, Angola, Bulgaria, Cape Verde, China, Cuba, Czechoslovakia, Mozambique, Nicaragua, Poland, Romania, Russia, the Ukraine, Vietnam, and Yugoslavia gathered in Paris last week to form Resistance International and to launch "a counteroffensive against Soviet imperialism."

The founders of Resistance International include the prominent Soviet human rights advocate Vladimir Bukovskiy; the Cuban poet Armando Valladares, and Eden Pastora, the hero of the Sandinist revolution in Nicaragua. Forty prominent international figures, including French philosopher Raymond Aron and Nazi-hunter Simon Wiesenthal, have signed on as a committee of support.

Resistance International calls upon men of good conscience in every free land to join with them in actively fighting the evils of global totalitarianism. They take a clear stand. They declare that evil must be fought; not tolerated, compromised with, or appeased.

I ask that that declaration, which was translated from the French by David Jensen of my staff, be printed in the RECORD.

The declaration follows:

RESISTANCE INTERNATIONAL—DECLARATION OF PRINCIPLE

Slowly but surely, the totalitarian system is extending its domination over the world. After having brought Viet Nam, Cambodia, Laos, Ethiopia, Angola, South Yemen and finally Afghanistan into submission yesterday, today it poses a menace—everyday more obvious—to such countries as, notably, El Salvador, Argentina and Thailand.

Certainly, the West can, in the course of this decade, avoid a direct confrontation with global totalitarianism at a cost of unilateral concessions; but in the end, cut off from its energy sources and its vital trade routes, it will be forced to remove this mortal threat or surrender.

The strategy of totalitarianism is clear: bring the world to its knees without risking confrontation, by subjecting humanity to the blackmail of world war. This strategy has already permitted it to win a major battle in the minds of men: the War of Words. A victory which, as such, can become a determining factor for the next ten years, with unforeseeable implications.

We understand that, in the current circumstances, governments of democratic countries, for political and economic reasons, are obliged to sit down at the negotiating table with representatives of totalitarian countries; they nevertheless are abandoning, consciously or not, oppressed peoples to their destiny. This is why we are taking the responsibility for laying the foundation of a dialogue among these peoples, beyond States and governments, to attempt to restore to them one of the fundamentals of free existence: Hope.

Mindful of the complexity of the modern world's problems—economic decline with all its implications, tragic contractions in the birth of the Third World, decay of spiritual and democratic values—we nevertheless consider that the principal menace to freedom today is Soviet imperialism, of which the avowed end is to conquer the world.

Of course it goes without saying that, while focusing our struggle essentially against Soviet imperialism, we support in other respects all the struggles in the world against oligarchies and military dictatorships, to the extent that these struggles avail themselves of the values of freedom.

Within these guidelines, we, representing in exile political, religious and social currents in totalitarian countries, are taking the initiative to create a Resistance International to face the menace of general enslavement with the united front of our Resistance.

Resistance International establishes the following objectives for creating one organizational structure, uniting the representatives in exile of resistance movements against totalitarianism:

To assure effective coordination of all strategies against the totalitarian offensive, to the extent that they are dependent on the defense of human rights or are political in nature;

To lend material and political support to all resistance movements in totalitarian countries;

To aid the victims of dictatorial regimes and defend the rights of refugees;

To collect and disseminate all news bulletins coming out of totalitarian countries;

To put forward a political philosophy and new means of action; and

To become recognized by international organizations as a public institution and political representative.

At this crucial time for the future of mankind, we are calling for the union of all those who cherish freedom, without obligation of political uniformity. On this genuine unity of action depends the salvation of us all.

Declaration adopted by the following representatives of resistance movements:

Angola, Jose Furtado.
Bulgaria, Tsenko Barev.
Cape Verde, Annibal Montenegro.
Cuba, Armando Valladares, Hubert Mathos, Martha Frayde.
Rumania, Paul Goma.
Russia, Vladimir Bukovsky.
Ukraine, Petro Grigorenko.
Vietnam, Vo Van Ai, Phuong Anh.
Yugoslavia, Mikhailo Mikhailov.●

MRS. BROOKE ASTOR FOCUSES ATTENTION ON PUBLIC LIBRARY SYSTEM

● Mr. COHEN. Mr. President, Mrs. Brooke Astor's noteworthy record of philanthropy and public service is well known. For the past 25 years she has been a conspicuous leader as a trustee of many of New York City's foremost medical and artistic institutions.

It has recently come to my attention that Mrs. Astor has decided to resign most of her trusteeships and to dedicate herself to the task of expanding support and raising funds for the New York Public Library.

Mrs. Astor is a summer resident of Northeast Harbor, Maine and is a longtime friend and part-time constituent of mine. I would like to take this opportunity to commend Mrs. Astor for her fine record of public service and wish her success in her newest endeavors.

I submit for the RECORD a recent New York Times article, which summarizes Mrs. Astor's new plans.

The article follows:

[From the New York Times, May 14, 1983]

MRS. ASTOR TURNS PHILANTHROPIC WORK TO LIBRARY

(By Deirdre Carmody)

Brooke Astor, one of New York City's most active philanthropists for the past quarter-century and a longtime trustee of many of its leading institutions, has resigned from most of the boards on which she has served to devote herself to the New York Public Library.

"I've given a great deal of my time over the years because I'm interested in the quality of life in the city," Mrs. Astor, who is in her 70's, said recently.

"I've made this change suddenly—I suppose it's the effect of spring and the sap is rising," she added. "But I get around to all parts of the city, and when I see these people sitting around hopelessly, I keep saying to myself, "What can I do for them?"

So after years of involvement in medicine and the arts, Mrs. Astor has decided to concentrate her energy on helping encourage literacy through the library.

Recently, she said, she re-read George Orwell's "1984" and it affected her deeply.

The best way to prevent this grim vision of the enslavement of the mind from coming true, she decided would be to encourage literacy. "I think the library can have even more impact on the life of New York," she said. "I'm going to visit every single branch library and be briefed on what I can do."

Dr. Vartan Gregorian, president of the New York Public Library, said Mrs. Astor would "help us broaden our visibility support base for the library."

"She will help us insure the library's future through recruitment of Friends of the Library and helping the board raise sufficient money to endow our unique collections," he said. "She has helped all the institutions she's been connected with through her ideas, presence, recruiting, contacts and because people value her judgment. She is a symbol."

QUITTING THE CROWN JEWELS

Mrs. Astor recently resigned from the institutions she calls the city's "crown jewels." They are the Metropolitan Museum of Art, where she had been a trustee for 19 years and to which the Astor Foundation, of which she is president, has contributed almost $17 million; the Rockefeller Institute, of which she had been a board member for 11 years and which has received about $9 million from the Astor Foundation, and the Pierpont Morgan Library, where she had been a trustee for seven years and to which the foundation has given almost $2 million.

A few months ago, she also resigned from the board of overseers of the Cornell University Medical Center. She said, however, that she would not leave the board of the New York Zoological Society.

She remains president of the Astor Foundation, which she said would continue to support the institutions it has helped in the past. Last year, the foundation gave $6.5 million in grants to New York City institutions.

Mrs. Astor's husband, Vincent, died in 1959 and left her in charge of the foundation.●

THE FERTILIZER INSTITUTE CELEBRATES 100TH ANNIVERSARY

● Mr. HUDDLESTON. Mr. President, I have recently learned that The Fertilizer Institute is celebrating its 100th anniversary. The institute has rendered a tremendous service to the agricultural community by educating our Nation's leaders on the necessity of a viable fertilizer industry. Its efforts have helped to foster economic growth for our Nation's agricultural producers. The American farmer and the fertilizer industry are truly partners in a joint venture as providers of food. The Fertilizer Institute has been an effective force in Washington in serving the needs of not only the fertilizer industry, but the farmers as well.

I am pleased to have this opportunity to congratulate the Fertilizer Institute on its 100th anniversary, and I submit for the record the following article from the Fertilizer Progress magazine, commemorating this occasion.

The article follows:

YOUR FERTILIZER ASSOCIATION: A CENTURY OF PROGRESS

(By Russell Coleman and Lewis B. Nelson)

The first national trade association to represent the fertilizer industry and to operate on a continuing basis was born in Baltimore, Md., on May 1, 1883. This organization, the National Fertilizer Association (NFA), is considered the trunk of The Fertilizer Institute's "family tree."

Prior to the formation of NFA, several local organizations (called exchanges) operated in the 1860s and 1870s, mainly in East Coast port cities where shipments of guano and Chilean sodium nitrate entered the U.S. market. The primary purpose of these local exchanges was to stabilize prices and to protect members from fraud (primarily the adulteration of guano). Benefits derived from these local exchanges prompted some manufacturers to initiate plans for a national association with broader objectives.

PLANTING THE SEED

Several attempts were made to establish such an organization. In 1876, the "National Fertilizer Association of Chemical Manufacturers" was formed "to interchange opinions, overcome antagonisms among companies and to unite on matters of common concern, mainly tariff and trade regulations." After a brief existence, this association died. These earlier organizations demonstrated the value of working cooperatively and ultimately led to the formation of the first National Fertilizer Association.

At its first formal meeting in Baltimore in August 1883, the NFA membership selected Charles Richardson of Walton, Whann & Co., in Philadelphia as its president, William H. Grafflin, Patapsco Guano Co., Baltimore, as treasurer and A. de Chequier, Baltimore Chemical and Fertilizer Exchange, as secretary. The objectives of the association were "to bring the firms and corporations of the fertilizer industry into friendly contact, to facilitate the exchange of opinions, and to act concertedly upon matters affecting the industry." At that time, committees were appointed to coordinate matters of mutual interest, such as transportation, trade rules, state laws and chemical analysis. Yearly reports were issued on fertilizer movement and trade. After five years of useful work, the first National Fertilizer Association ceased to exist, "due to two seasons of bad harvest and other drawbacks." The industry had no trade organization for the next five years.

COMMON GOALS REALIZED

In 1893, 12 manufacturers from Ohio, Indiana, Illinois, western New York, Kentucky and Tennessee organized "The Fertilizer Manufacturers Association in the West." At its first annual convention in Buffalo, N.Y., in 1894, W.T. Wuichet, James McCallum & Co., Dayton, Ohio was elected president and A.T. Whitman, Northwestern Fertilizer Co. of Chicago was named chairman of the executive board. By 1901, companies in "nonwestern states" expressed an interest in membership, and the name was shortened to the "Fertilizer Manufacturers Association." This organization assumed the role of a national fertilizer trade association and, throughout the 20th century, the trade has always had one or more associations.

At Norfolk, Va., in 1907, the association changed its name back to the "National Fertilizer Association," with C.A. Alling, Darling & Co., Chicago, serving as its first president. Meanwhile, the Southern Fertilizer Association had been organized at Old Point Comfort, Va., in 1906, with C.G. Wilson, Virginia-Carolina Chemical Co. of Atlanta as its first president. Because the South was by far the largest fertilizer consuming region of the nation, a regional association had great appeal. It soon became evident that the NFA and Southern Fertilizer Association had identical objectives and that there was duplication in effort and membership. Thus, they began to hold separate annual meetings but on the same date, at White Sulphur Springs, W. Va. In 1925, the two associations merged. The name, National Fertilizer Association, was retained but the word "Incorporated" was added.

This new unified association elected Spencer L. Carter, Virginia-Carolina Chemical Co. of Richmond as its first president and employed Charles J. Brand as its full-time secretary-treasurer. Brand was well known and widely-respected because of his reputation as a fertilizer advisor to the government during the First World War and later as a top administrator in the USDA. In 1925, NFA, Inc. had 161 active members and 76 associate members.

The association's principal objectives were: to discourage the government from operating the wartime nitrate plants at Muscle Shoals, Ala., to lower freight rates; gather fertilizer statistics; eliminate unnecessary fertilizer grades; and support agronomic educational programs. The NFA, Inc. usually held its annual meeting at The Greenbrier in White Sulphur Springs, W. Va., and a fall convention in Atlanta. (That sounds like a replay of The fertilizer institute's agenda for 1983.)

EMPHASIS ON AGRONOMICS

A major part of the national association's program from 1911 to 1969 included an emphasis on agronomic educational programs to increase fertilizer consumption. The programs aimed at convincing the farmer that he could improve his economic position by using more fertilizer.

The idea of industry participating in agronomic education originated in 1911 during a Chicago meeting of leading fertilizer manufacturers. The program was supported and implemented by NFA when it formed the Middle West Soil Improvement Committee. It was funded by manufacturers in the Midwest and headquarters were established in Chicago. Henry A. Bell, a former professor of agronomy, was employed as a full-time director. The committee's principal objective was to work closely with agricultural interests in the region, especially Land Grant colleges and experiment stations, to increase fertilizer consumption. A Southern Soil Improvement Committee, patterned after the Middle West Committee, was established in 1913. Four years after the NFA and southern associations merger in 1925, the soil improvement committees also merged.

Under Charles Brand's leadership, the NFA, Inc. expanded its activities, especially in agronomic education, until lightning struck the family tree with the Great Depression. NFA was forced to reduce its budget substantially during the 1930s. At its lowest point in 1931, active membership had dropped to 132 and its rate of dues had been reduced to ¾ cents per ton (from 4 cents per ton earlier). During the decade of the depression, NFA's activities were curtailed, and its research, educational and public relations programs were crippled. But despite its austerity budgets, the association had been firmly rooted and remained relatively healthy. It grew in stature by increasing its prestige with government and industry.

A PERIOD OF TURMOIL

During the late '30s, storm clouds again began to gather over the association. The production of phosphate by the Tennessee Valley Authority during the decade provided enough "thunder" to warn of an approaching storm. Certain industry leaders were concerned that TVA would start a "downpour" of government competition and that industry would be inundated.

Before this competitive storm became a reality, the association and its members were charged with antitrust violations by the U.S. government. This action struck without warning in the spring of 1941 and almost uprooted the family tree. The case was essentially put to rest before the U.S. entered World War II, and the organization remained bruised but intact.

During the war years, 1942-45, activities of the association were dominated by government regulations. Fertilizer materials needed for the war effort were allocated, causing frequent shortages and disruption in the domestic fertilizer market. During this period, the National Fertilizer Association served primarily as liaison between the government and industry, but annual meetings of members were restricted or prohibited by the government. In order to be informed, members of the industry were anxious to belong to NFA and to support its programs. In 1941, the association membership numbered more than 300 companies, representing approximately 80 percent of the industry's tonnage.

Then, in 1944, the "cloudburst" from government's competitive threat finally struck. Senator Hill of Alabama introduced legislation in the Congress to establish a "National Fertilizer Policy and Program" which would produce and distribute fertilizer in direct competition with the industry. The initial proposal was to build one phosphate plant in Mobile, Ala., under TVA's jurisdiction. But the bill was modified, for the government to build two others in the West, one to produce phosphate and the other potash. The entire membership of NFA was opposed to this threat but could not agree on a plan to stop it. Some individuals, wounded by the anti-trust settlement, were still unhappy with NFA management—and discord increased with the threat of government competition. One group of members resigned from NFA and formed the American Plant Food Council. The principal purpose of the APFC was to defeat the "Hill Bill." Clifton A. Woodrum, a prominent member of Congress from Roanoke, Va., was selected as its president in 1945. APFC initiated a public relations program to improve the industry's image and supported a limited educational program with USDA and the Land Grant colleges, but its principal thrust was in the legislative and regulatory fields.

LEADERSHIP CHANGES, NEW DIRECTIONS

The "Hill Bill" was narrowly defeated in 1946 and, although introduced again in 1947, it was never seriously considered afterward. But the legislative storm severed some of the largest branches of the family tree. As a result, its "caretaker" for 20 years was forced to resign; Charles J. Brand took early retirement on April 1, 1945. Daniel S. Murph, a former judge who had worked on the NFA staff for many years, was elected executive secretary and treasurer, a post he held for two years. In April 1947, M. H. Lockwood of Eastern States Cooperative was employed as president of NFA. He served until June 1948 before moving to Chicago as vice president of a major fertilizer company.

In November 1948, Russell Coleman, director of the Mississippi Agricultural Experiment Stations, was elected president, Under Coleman's leadership, the NFA strengthened its research and educational programs with the Land Grant colleges and the USDA, and established a cooperative program between industry and TVA. By that time, industry began to recognize that TVA was "here to stay"; that it had no further plans to compete with industry; and that its fertilizer laboratories and test-demonstration programs could become assets rather than liabilities.

MERGER BRINGS STRENGTH

A period of friendly cooperation ensued between NFA and APFC and, when woodrum died in 1950, a serious attempt was made to bring the two associations back together again. However, the bitter discord which took place in the early 1940s was too fresh on the minds of some antagonists and the merger attempt failed. Instead, the APFC selected Paul T. Truitt, who had been eminently successful as president of National Association of Margarine Manufacturers, to replace Woodrum. From 1950-55, the APFC continued its program, emphasizing government relations, while NFA's program continued to stress research and development. Then in 1955, the two associations merged into the National Plant Food Institute, with both Coleman and Truitt serving as executive vice presidents, reporting to an elected chief executive from industry. E. A. Geoghegan of Southern Cotton Oil Co., New Orleans, served as NPFI's first chairman and J. A. Howell of Virginia-Carolina Chemical Co., Richmond, as its first president.

After the merger of NFA and APFC, the Middle West Soil Improvement Committee, which was an effective force in stimulating fertilizer consumption in the midwestern states, merged into NPFI and the midwest office in Chicago was expanded. Other regional offices were established in the Northeast, Southeast, Southwest and West. New personnel were employed in these regions to work closely with Land Grant colleges, bankers, and farmer organizations in key states. The objective of this expanded program was to convince farmers that their economic welfare could be improved by judicious use of fertilizer. Research which had begun in 1911 and, had continued throughout the years started to pay off—fertilizer consumption increased substantially in all regions, and the Midwest supplanted the South as the principal consuming area.

In 1960, Coleman resigned from NPFI to become president of the newly-formed Sulphur Institute. Paul Truitt was elected president of NPFI and directed its program until he retired in 1968. The battered "family tree" was restored to health and the united association functioned effectively.

TFI TAKES FIRM ROOT

After an extensive search for Truitt's successor, Edwin M. Wheeler was selected as NPFI's president in September 1968. Wheeler, a successful lawyer, had been assistant to the president of the Santa Fe Railroad. He was determined to change the Institute's emphasis and further improve its image. In 1970, the Agricultural Nitrogen Institute merged with NPFI to form The Fertilizer Institute. (The National Fertilizer Solutions Association was invited to merge with TFI, but declined.)

In the succeeding years, the Institute expanded its staff and activities, especially in the public relations and government affairs fields. The old regional and state offices of NPFI were eliminated, while agricultural research and educational programs were deemphasized. Instead of functional TFI regional and state offices, the organization established affiliations and working relationships with those state associations supported and controlled by the local industry.

During Wheeler's aggressive 15-year tenure, TFI instigated new member services, including improved statistical reports and informative bulletins on legislative and regulatory processes. Through staff efforts and a larger budget, The Fertilizer Institute became a more effective vehicle to carry the industry's story to Congress and the American public.

In January 1983, Wheeler took early retirement and in March, Gary D. Myers, who had previously served TFI as its executive vice president and chief lobbyist, was selected as the new president. Since Myers had helped organize TFI's staff and operational structure from the time of the 1970 merger, he was considered eminently qualified to carry out the Institute's objectives and purposes.

THE TEST OF TIME

The first century of the association's life has remained true to the old adage, "History repeats itself." Since 1883, there have been extended periods of peaceful operations followed by short periods of turmoil among members and staff. The membership has oscillated in its expectations and demands from the association. For example, in periods when farmers have increased their fertilizer consumption, the membership

often has voiced its opinion: "No more agronomic education." When farmers have slowed down or cut back on fertilizer usage, the members have demanded an expanded educational program to stimulate fertilizer consumption. In each instance, the association has been flexible and responsive to its member's changing needs. The trunk of the family tree, the NFA—a tree planted 100 years ago—is still alive and growing as The Fertilizer Institute. As is common among all trees, new branches continue to come alive, others die and some are pruned. This has been the history of our trade association. But despite all adversities, the "family tree" has stood the test of time.●

THE HOLOCAUST IN INDOCHINA

● Mr. ARMSTRONG. Mr. President, this week's news brings graphic reminders of the holocaust which occurred—and which is still going on—in Indochina since the Communist victory there in 1975.

Al Santoli, writing in the New Republic, describes the massacre by Vietnamese armored forces of helpless Cambodian refugees in makeshift camps along the Thai border just 2 months ago. More chilling still, Mr. Santoli provides evidence that the North Vietnamese Communists are imposing in Cambodia now their version of the "Lebensraum" scheme Hitler planned, but did not live long enough to implement in Poland and western Russia.

William Branigan, writing in the Washington Post of May 23, describes how Cambodian children in the Khao-I-Dang refugee camp in Thailand remember the Khmer Rouge, whom many who opposed U.S. involvement in Indochina described as "liberators" when they seized power in 1975.

I ask that these articles be printed in the RECORD. I hope all my colleagues will read them carefully, and to ponder carefully whether those who are being described in some quarters as "liberators" in Central America might not, if we permit them to triumph, turn out to be the Khmer Rouge and the Vietcong of the 1980's.

The articles follow:

[From the New Republic, May 30, 1983]

THE NEW INDOCHINA WAR

(By Al Santoli)

ARANYAPRATHET, THAILAND.—The killing begins again. At Phnom Chat, about two kilometers inside Cambodia near Taphraya District, it is two hours before dawn on March 31. Without warning, the silent cluster of grass huts and blue plastic tent shelters that house twenty thousand sleeping Cambodian refugees erupts in violent explosions. As Vietnamese artillery shells slam into the panic-stricken community, half-dressed parents and startled grandparents grab crying children and throw what belongings they can carry into cloth sacks. They begin a two-mile race against the rising flames and the flying shrapnel as their fragile world collapses around them. The long tragedy of Indochina follows right behind.

As the terrified people arrive at the shallow antitank ditch that marks the border of Thailand and should mean safety, the ground beneath their feet explodes. They have stumbled into a Thai defensive minefield. As they stagger across it, Vietnamese artillery continues to crash in from above. Those who look back toward the Phnom Chat camp see their straw houses swallowed in flame and crushed by a squadron of Soviet-built tanks. Border officials later confirm refugee report that Vietnamese soldiers who swept into the area shot the wounded who could not make it to the border. An estimated three thousand villagers from nearby hamlets were taken prisoner by the Vietnamese and moved to an unknown location. With most of the resistance forces in the area moving into the nearby forest to regroup for counterattacks, the mass of refugees wait for Thai border guards to grant them permission to cross onto Thai soil.

Some four hundred thousand refugees, one out of every fifteen Cambodians still alive in Indochina, live in temporary United Nations-supplied camps and villages on either side of the Thai border. Some wait hopelessly for resettlement in Western countries, although the U.S. refugee program, paralyzed by internal conflict, has been insensitive to the dimensions of the problem. Many others still dream of going back to their original homes in Cambodia, free of both of Khmer Rouge and the Vietnamese invaders. They place their hopes in the anti-Communist leadership of Prince Norodom Sihanouk and his prime minister, Son Sann. The camps under their direction house the majority of refugees.

Though the forces of the Khmer Rouge outnumber the non-Communist resistance by a ratio of three to two, and are better armed (by the Chinese), they have little political power and little control over the civilian camps. It is the revered image and international statesmanship of Sihanouk and of Son Sann (see "The Quiet Cambodian," by Elizabeth Becker, TNR, January 20, 1982) that the Vietnamese fear most.

In the four-and-a-half years since the Vietnamese invaded Cambodia in December 1978, they have been able militarily to occupy the country, but they and the puppet government they installed have not won what the Americans used to call the hearts and minds of the people. Resistance throughout the countryside has been growing considerably, especially since the return of Sihanouk and Son Sann.

In October 1979, when Son Sann united sixteen independent anti-Communist resistance bands, some of which had been fighting the Khmer Rouge since 1975, his force numbered barely two thousand men. Today the combined force of Son Sann's Khmer People's National Liberation Front (KPNLF) and Sihanouk's National Army numbers close to twenty thousand, and it is still growing.

Despite the presence of two hundred thousand Soviet-armed and Soviet-advised Vietnamese troops, and with little aid from the outside world, each year resistance activities increase, even near the capital and the Vietnamese border. In an eerie echo of earlier wars, the Vietnamese control the day but fear the night. In Phnom Penh and in provincial capitals, early evening curfews are enforced. The current Phnom Penh government, which calls itself the People's Republic of Kampuchea and which is made up largely of former Khmer Rouge who threw in with the Vietnamese, depends almost entirely on Vietnamese troops for its survival.

Except for the terror attacks on civilian camps, this war has not gone well for the Vietnamese. They have taken tens of thousands of casualties, and officials in Hanoi admit that troop morale has faded. Phanat Nikhom camp in Thailand holds hundreds of Vietnamese military deserters. Nguyen Xuan Han, a defector who fought against the Americans in Vietnam and marched victoriously into Saigon in 1975, told Ronald Yates of the Chicago Tribune last May: "The war will never end in Cambodia. Instead, the blood of Vietnam turns the rice paddies red and Cambodia has become Vietnam's grave." Another Vietnamese, Mr. Pham, said: "The Cambodian nationalist soldiers are tough. They believe they are fighting to keep their culture from ending. And they are right. What Hanoi is doing is not according to the socialism I was taught. Instead it is just killing off our young people."

The army of Heng Samrin's puppet government has tried conscripting men from 14 to 45 years of age, and women from 18 to 45. But many defect because they do not want to fight their own people. Those caught trying to flee to resistance-controlled areas have been severely punished by the Vietnamese. Some have been executed.

It is extremely doubtful that the resistance fighters alone can drive the Vietnamese from Cambodia. The hope is that the increasing pressure may help bring about a political solution. To achieve political credibility at the United Nations, and because the lack of material support from the West forced them into dependency on China, Sihanouk and Son Sann had no choice but to form a coalition with the Khmer Rouge resistance, whose front man is Khieu Samphan. Sihanouk has called the Khmer Rouge, who killed six of his own children, "monsters." He says this complicated an uneasy alliance, formed in June 1982, is necessary for the fight against the Vietnamese, though cooperating with the Khmer Rouge is "an endless nightmare."

The resistance has inflicted a series of diplomatic defeats on the Vietnamese. The United Nations, the nonaligned nations summit meeting in New Delhi, and the ASEAN-EEC (Association of South East Asian Nations-European Economic Community) meeting all called for the complete withdrawal of all foreign forces—meaning Vietnamese and Soviet—from Kampuchea, and for U.N.-supervised elections to restore Cambodia as a neutral, independent state with the right to self-determination. Yet today, as in the Cambodian legend, the Khmer people are trapped between the Vietnamese tiger and the Khmer Rouge crocodile. The United States, still traumatized by the Vietnam experience, has done nothing to strengthen Sihanouk and Son Sann, and has remained noncommittal except for support for Thailand and some aid to the refugees.

This spring in Washington, as the cherry trees began to blossom and rallies for survivors of the European Holocaust were being prepared on the Mall, all hell broke loose on the Thai-Kampuchean border. I was traveling on that border, visiting with Western relief workers, Buddhist monks, Thai officials (both civilian and military) who are all-powerful in these regions, Laotian and Cambodian refugees, rice farmers, and groups of Son Sann's fighters. When the attacks on the refugee camps began, I was accompanying a Thai friend who had been initiated into the fighting the day before when a Vietnamese rocket exploded a few meters from his car as he was driving near a district capital, Aranyaprathet, ten kilometers

inside Thailand. It was around noon on the second day when we came upon what resembled a procession of the living dead, driven by the crack of gunshots and the thump of artillery. The twenty thousand Cambodian refugees—mostly women, children, and old people—were stretched across three kilometers of the flat, barren fields of Thab Siam, pushed by Thai border guards in green baseball caps to keep moving away from the fire. I will never forget those desperate faces.

In the confusion, children were separated from their families. They kept moving as in a trance, through a ground-covering cloud of dust and sweat. Young mothers were running with infants held close to their breast. Tearfully they tried handing their babies to the few Western observers and relief workers there, hoping their children might be spared this terror. Grandparents collapsed on the trail from exhaustion, heatstroke, heart attacks; their wailing families huddled around them, with no water or shade to revive them. By the end of the day more than two hundred were dead and many more wounded.

On April 3 the Vietnamese attacked the refugees loyal to Prince Sihanouk at O'Smach, killing another three hundred and adding to the terror by pushing defenseless women and children into small bunkers and throwing hand grenades in after them, killing, blinding, and wounding a large number of refugees. Some of the wounded later crawled to the border, but an accurate accounting of the dead is impossible as long as a large force of Vietnamese tanks and artillery sits in the charred ruins of the refugee camp called Sihanouktown. The Vietnamese force was supported in the terror attack by some Cambodian troops from the Phnom Penh puppet army; this was seen as an added slap in the face of Prince Sihanouk, who was planning a visit to the camp.

This recent round of attacks is also directed at Thai villages and military installations. The Vietnamese hoped to "teach the Thais a lesson," and push them away from the border. The Thai Air force took action near Sihanouktown when a force of five hundred Vietnamese soldiers entered Thailand to cut a vital road leading to O'Smach in order to prevent relief groups from assisting the refugees. Many of the fleeing civilians were wandering in shock and fear through the forests and minefields. Five Thai soldiers were killed in the fighting, and more than a dozen were wounded.

With the Vietnamese building an airfield for MIG jet fighters within fifty kilometers of Thailand and fortifying tank bases all along the border, the Thais have good reason for concern. According to both Thai and U.S. officials, Soviet military supplies continue to flow into Vietnam at the estimated rate of $3–$6 million a day. The Vietnamese continue to claim that they are in Cambodia to save the people. But after four years of occupation and aggression, it is clear that their real intention is to absorb Cambodia into Vietnam and serve as an arm of Soviet expansion in the region.

Nguyen Tuong Lai, whom I talked with in Switzerland, was the chief of Viet Cong counterintelligence after the Tet offensive. Disillusioned with the growing repression imposed by Hanoi, he fled Vietnam in 1978 after learning of the plans to invade Cambodia. "Many Party members questioned the reasons and merits for going into Cambodia," he told me. "Many of us felt it was because of our own Party's dictates from the Soviet Union. After twenty-one years of war, another battle was beginning. I felt it was not good for the reconstruction of Vietnam.

Today Vietnam maintains the fourth largest army in the world, but its home economy languishes as resources are channeled into the military. Significant Western aid has been withheld until Vietnam's forces withdraw from Cambodia.

Another Vietnamese boat person I spoke to, Mr. Ngoc, remembers discussions with former North Vietnamese army officers who were imprisoned in 1977 for opposing the planned Cambodian invasion. They told him that the reason the Party gave them for the invasion was that Vietnam needed the Cambodian land to grow rice and, eventually, to resettle millions of Vietnamese. Nguyen Cong Hoan, a legislator in the National Assembly of the Socialist Republic of Vietnam until he fled in 1977, recalls the first session of the National Assembly in Hanoi in 1976: "The Vietnamese do not want to stop fighting after the conquests of Laos and Cambodia. Tran Quyn, then secretary to the current Party leader, Le Duan, told me: 'The liberation of Thailand will be next. It is a historical necessity and responsibility of the Vietnamese Communist Party.' "

Since the fall of the Angkor empire, Cambodians have feared their powerful neighbor to the east. Vietnam. After Cambodia achieved its independence from France, the 1954 Geneva Convention guaranteed its neutrality. In 1970, the American war in Vietnam caused the overthrow of Prince Norodom Sihanouk, who had ruled as king since his enthronement in 1941. Sihanouk's replacement by the Lon Nol regime led to the coming to power of the Cambodian Communist Party (Khmer Rouge), led by Pol Pot and supported by the North Vietnamese.

In Cambodia the old war's end came on April 17, 1975, as the Khmer Rouge forces stole into Phnom Penh. Up to that point an estimated six hundred thousand people had died in the fighting. Journalist Denis Cameron recalls the scene in the capital on the evening of April 16, as the word of massacres by Pol Pot's forces began circulating:

"Several scores of refugee villages had entered the grounds of the Hotel le Phnom and sat mutely on the grass surrounding the swimming pool. Their silence and expressionless gaze caused a dining Italian photographer, seated at an outdoor table wolfing a steak, to begin screaming at the waiters, demanding that the hunger-stricken observers be thrown out so he could 'eat in peace.' A pair of French reporters smiled in grim satisfaction as the government rout worsened. Days later, a jubilant French teacher hooted with glee, proclaiming it to be a 'marvelous revolution.' "

By the third day following the takeover, the Khmer Rouge were marching the residents of Phnom Penh to the countryside to slave labor camps, turning the capital, once a beautiful city, into an errie ghost town. Throughout the country the Khmer Rouge murdered professionals, Catholic priests, and entire families of the educated; and Buddhist peasants were worked to death in the fields. An estimated two million people, a full third of Cambodia's population, were consumed in the holocaust. (See "The Killing of Cambodia," by David Hawk, TNR, November 15, 1983).

During this time Cambodia was closed to Western observers. Propagandists in China and Vietnam ridiculed accounts of Khmer Rouge wrongdoing, calling them C.I.A. propaganda. By late 1978 the Khmer Rouge, having decimated their own nation, were raiding both the Vietnamese and Thai borders. The Sino-Soviet split had widened, and with it the Sino-Vietnamese split. Given the ambitions of the Soviet Union and Vietnam in the region, an invasion of Cambodia (now called Kampuchea) was inevitable.

Vietnamese tanks and infantry made lightning attack in December 1978. By mid-January the Vietnamese had conquered Phnom Penh. Though they claimed to be liberating the Kampuchean people from the Khmer Rouge, they installed Heng Samrin, who had only recently broken with Pol Pot due to intraparty rivalry, as their puppet ruler, and they installed many other Khmer Rouge throughout a government that was in reality run by Vietnamese advisers. Pol Pot escaped into the forest with thirty thousand troops.

Although the mass graves ended with the Pol Pot regime, the Vietnamese Heng Samrin government instituted a more subtle form of control—starvation. During the first year of the Vietnamese occupation, farming was severely restricted, which created a famine throughout Cambodia. The Heng Samrin government denied that there were food shortages and prohibited international aid or observers. When some international relief was finally permitted representatives of the relief agencies were denied access to the countryside. Stephen Morris, an expert in Soviet-Vietnamese relations, states in a recent Op-Ed piece for the New York Times. "In the first year of the Hanoi-backed Heng Samrin regime, the population of Cambodia fell by 700,000 due to starvation. Hanoi's ruthless imperial drive killed as many Cambodians in one year as died in the five years 1970 to 1975. This death toll was equal to the worst year of the Pol Pot regime. In this way, the Vietnamese further decimated the Cambodian people and secured their hold on the country."

Elizabeth Becker, who reported from Cambodia in the early 1970s and later at the end of Pol Pot's regime, returned to Phnom Penh in early 1983. In a definitive series in The Washington Post, she observed that though there had been a short-lived recovery in Phnom Penh, freedom of speech and travel are prohibited. Though traditional dancing is allowed, the Buddhist religion, the traditional heartbeat of this once gentle culture, is suppressed. Temples are used for political indoctrination meetings. There is a high death rate among children in the cities due to a vicious cycle of malnutrition, unsanitary conditions, and disease. Although little aid comes from Communist countries, Cambodians are obliged to praise them as their saviors. The slighting of non-Communist aid reflects Vietnamese concern about anything that might weaken their hold on the country. Although the country needs a major transfusion, Hanoi has tightened the rules to make it more difficult for aid to be provided. Moreover, the United States had led an international blockade of aid to Cambodia, on the grounds it would only help the Vietnamese occupiers. Caught in the squeeze, according to Becker, many relief agencies are phasing out their aid here, though some relief workers stay on out of humanitarian loyalty to the suffering Cambodians.

Malnutrition is on the rise, and the Vietnamese troops get first crack at available food. Quantities of rice are shipped to Vietnam, where passive resistance to collectivization, and shipment of their crops to the Soviet Union, left the food production system crippled. Last January Vietnamese

officials publicly thanked the Heng Samrin government for sending them four thousand metric tons of rice. At the same time hundreds of Cambodian refugees arriving at the Thai border told officials that their rice crops had failed again this year, while Vietnamese forces warned them against seeking food or medical relief from international agencies. To emphasize this point, Vietnamese artillery had periodically shelled border relief areas since November. United Nations studies estimate that half a dozen provinces will suffer food shortages this year.

The Heng Samrin government recently signed an agreement with Vietnam to have Vietnamese settle in Cambodia. Some people place the number at up to one hundred fifty thousand. Thai and Western intelligence sources believe the number to be much higher. These farmers and fishermen have settled into the Mekong and the Tonle Sap areas—the most fertile—while whole villages of Cambodian farmers have been moved to "strategic hamlets" in more barren regions. Even with Vietnamese troops lining the border, the refugee population continues to grow. Border officials believe the reason for the current Vietnamese attacks on the refugee population is not so much for military purposes as to convince the Cambodian people by terror that they must accept Vietnamese colonization.

The attacks on Thailand can be seen as part of a Soviet effort to dominate the region. To put regional pressure on Japan and China, they seek to control military seaports in Cambodia to complete a naval southern strategy, blocking the Strait of Malacca and oil and trade routes in the Indian Ocean and southern Pacific. At the outset of the current Vietnamese offensive, Soviet Deputy Foreign Minister Mikhail Kapitsa personally warned Singapore officials that if they continued their support for the Cambodia coalition, Vietnam would back terrorists to destabilize the ASEAN countries. Singapore publicly chastised Kapitsa for this threat and was supported with anti-Soviet responses from all the ASEAN governments.

The current Vietnamese military campaign is expected to last until the monsoon rains begin in mid-June, when their tanks and trucks will be unable to operate in the mud and a superficial troop withdrawal will be feigned. The next target of the Vietnamese onslaught is the defenseless refugee camp at Nong Samet. This sprawling complex includes a schoolyard, churches, and a Red Cross aid station, and houses some seventy-seven thousand civilians, including nearly thirty thousand young, children. Large families live in highly flammable grass huts and blue plastic tents in an open field in Cambodia—a two-mile run from the Thailand border.

Because of the crowded border situation, and fearing Vietnamese incursions, the Thais will not allow the camp to be evacuated until after it is attacked. Since most artillery and tank barrages begin in the middle of the night, large numbers of innocents will probably be killed or injured.

At present the Vietnamese are massing more than six thousand troops, with tanks and artillery, for an assault. All that stands between them and the camp are fifteen hundred of Son Sann's brave but poorly armed KPNLF resistance troops. They have little food, medicine, or ammunition, and no antitank capability.

When I asked the KPNLF commander what he intended to do with no help in sight, he replied: "We will wait, we will fight, we will not abandon defenseless civilians—if we die it will not be as refugees in a foreign country, but in our own country, on our own soil. What I say reflects not only my personal view, but that of all Khmers who love freedom. Some of my forces and I may die, but we will not be defeated."

The day I departed Nong Samet, I took a walk through the crowded camp. Children surrounded me whenever I stopped. Seeing an American gave them hope. As a cross fire of Vietnamese and Thai artillery whistled overhead, they grabbed my hands tightly or held onto my legs. Explosions could be heard on all sides of the camp as resistance forces clashed with the encroaching Vietnamese.

Nong Samet also holds a thousand South Vietnamese refugees who walked nearly four hundred dangerous miles across Cambodia to reach "freedom" in Thailand. They are liked by neither the Thais nor the Cambodians, and resettlement in a third country is not very likely. In January at Nong Chan, they were locked up in a corral when the Vietnamese army attacked the camp. Left behind by the other refugees, they had to break down the gate as the camp was burning down around them and tanks were rolling in.

One of the Vietnamese children, a small, skinny boy about 12 years old, followed me around the dusty streets on Nong Samet, crying "America is Number One." I thought wildly of trying to adopt the boy on the spot, maybe smuggling him out under the backseat of our Land Rover, but a Thai friend convinced me that we could never sneak him through the military checkpoints. Remembering what I had witnessed at the Phnom Chat attacks, I began crying as I envisioned the slaughter that could happen at Nong Samet.

A nurse from the American Refugee Committee confided that she was concerned about the psychological stress imposed upon the refugees, most of whom had escaped from other horrors, and who wake up each day not knowing if it will be their last.

As I was leaving Nong Samet, an old man stopped me and said, in desperate broken English, "We are afraid. We are here, almost all children, women, old people. We escaped to Thailand to find freedom. Here everybody gives us food, but why can't they take us to a safe place? We hear explosions all around our camp. We are afraid. We don't like the Vietnamese Communists, but the people here are like me—I am old. I cannot take the weapon and fight. We are terribly frightened."

Arriving in Bangkok frantic to get help for the people of Nong Samet, I immediately went to a reporter for a major American daily newspaper at his Western-style villa. I handed him photographs of the Nong Samet children, which he gladly accepted. I begged him to print them immediately in order to draw international attention to the danger, and perhaps prevent their deaths. He replied coldly. "No, I'm going to hold onto them until after the camp is hit. This way I'll have the exclusive pictures." I found myself deeply depressed by his response—not because it was so important in itself as because it seemed to represent something larger and even more chilling: the "realistic" selfishness with which all the major powers in the region seem to view the suffering of the Cambodian people, and the ghastly tragedy that is befalling a gentle country.

[From the Washington Post, May 23, 1983]

KHMER ROUGE'S LEGACY OF TERROR

(By William Branigin)

KHAO-I-DANG CAMP, THAILAND.—In one recent drawing, a youth sits under a tree by a river in a seemingly peaceful, idyllic scene. But his thoughts carry him back to Cambodia where, with ribs showing and a sad expression on his face, he sits forlornly before an empty rice pail.

Other drawings are more graphic.

They depict executions, torture and starvation at the hands of the Communist Khmer Rouge who formerly ruled Cambodia.

Several show people tied to trees and being stabbed or shot by figures clad in black. Others portray mass graves, emaciated people working in fields, pregnant women being disemboweled.

This is the troubled art of Cambodian children. But even more troubling than the art itself is that the drawings are not of the imagination. Rather, they are memories of scenes witnessed or experienced by the children themselves, children who have been orphaned and in some cases saw their parents' executions.

More than four years after the Khmer Rouge were driven from power, the Cambodian children still suffer from painful memories. Many are still tormented by sights of the brutal deaths of parents and siblings, and many are still struggling to work out their anguish. You can see the trauma in the pictures they draw, in the periodic nightmares and bouts of depression they suffer, in the faces that cloud over when distressful memories intrude.

More than other Cambodian refugees, these "unaccompanied minors"—so called because all may not actually be orphans but may have relatives they do not know are still alive—are living reminders of the horrors of the Khmer Rouge.

These horrors tend to fade into abstraction as new violence and upheaval disrupt the lives of Cambodians and as the Khmer rouge seemingly gain international acceptance, if not respectability, as part of a coalition of Cambodian "resistance" groups opposing the Vietnamese occupation of their country. But the horrors refuse to fade from the memories of those who suffered.

The memories are important not only because the children could grow up to affect the future of Cambodia. They also underscore the complications of the search for a settlement in Cambodia and illustrate why that remains one of the world's most intractable problems.

The horror of life under the Khmer Rouge "will always be with the children, no matter how old they get or where they go," said a western social worker at this refugee camp. "They can't erase it."

When the guerrillas led by Pol Pot took power in April 1975, they began a brutal experiment in social engineering designed to destroy the old Cambodia and reshape a radical new Communist society from scratch.

Many children were separated from their families as the Khmer Rouge took them away to work in "mobile teams" far from their homes. They lived in groups of up to 100 other children and worked "incredibly long hours," said the social worker, who did not want to be named.

"They were forced to dig ditches, build roads and plow fields," she said. Often they were beaten to make them work harder or

as punishment for minor offenses. Many died.

Most of the children ranged in age from 8 to their teens, but some were as young as 6. "Quite often siblings were also separated," she said.

"They were only fed at most watery rice twice a day, sometimes with vegetables," the social worker said. "They never had enough to eat."

When the Vietnamese invaded in December 1978 and routed the Pol Pot regime the following month, many of the children were forced to flee along with the Khmer Rouge guerrillas. In addition to the deaths at the hands of the Khmer Rouge, they now also saw people killed by the advancing Vietnamese, who often would shell the retreating columns of refugees and Khmer Rouge soldiers.

When the children arrived at the Thai-Cambodian border, many were among the most malnourished of the skeletal figures with bloated stomachs who managed to make it that far.

As refugee workers began to sort them out, 3,500 Cambodian children who arrived without parents were placed in holding centers inside Thailand. Over the next three years, 1,500 of them were reunited with relatives in Thailand, in camps on the border or in western resettlement countries.

Thousands of other parentless children joined nonrelated families, were forced into Khmer Rouge-controlled camps or enlisted in the non-communist Cambodian resistance factions battling the Vietnamese.

Reliable figures are impossible to come by, but it is estimated that tens of thousands of children may have been orphaned after 1975 as their parents were executed or died of illness, starvation or overwork under the Khmer Rouge. In all, the terrible Khmer Rouge experiment is believed to have cost the lives of 1 million to 2 million Cambodians.

Of the children who made it to the Thai camps, hundreds were sent abroad over the years to begin new lives with foster families. Now, according to the Bangkok office of the U.N. High Commissioner for Refugees, there are fewer than 700 unaccompanied minors in two camps, including 270 in this sprawling refugee holding center about 18 miles north of the Thai border town of Aranyaprathet.

Under a new policy, the U.S. government is about to expand its processing of unaccompanied minors from Indochina for emigration to the United States, according to American officials in Bangkok. In addition to Cambodian children, minors in Thai camps from Vietnam and Laos also will be given special consideration under the new guidelines, officials said.

Despite periods of depression or anxiety, refugee workers say, the Cambodian children generally show what one called "remarkable resilience." By and large, they do not seem to harbor feelings of revenge as it is understood in the west. Rather, many are imbued with a burning desire to succeed, to make good their lives.

An example is a 15-year-old boy from Siem Reap whom refugee workers called Than. He is determined to be a doctor and wants to go to a western country to study. He has told social workers he wants to go back to Cambodia eventually when he has gained the knowledge to help his people.

Currently the unaccompanied minors get a "degree of priority" in processing for resettlement in the United States, an American refugee official said. But once they reach the age of 18 they are no longer eligible for special consideration and become, in the eyes of immigration officials, part of the general Khaoi-i-Dang camp population of 58,000. If the youth has brothers or sisters, they too are no longer considered unaccompanied minors since they now are under the care of a relative of legal age.

Thus the inevitable process of growing up works against the children's chances to begin a new life, no matter what they may have been through as minors.

A case in point is the story of a boy called San. As the Khmer Rouge were being routed in 1979, he left his mobile team to find his family. Arriving home, he found that his father and elder brother had been killed, his mother disemboweled, and a sister raped and thrown in jail, where she died. San was 14.

He then managed to locate two younger brothers aged 9 and 13 and two sisters aged 11 and 12. He brought the four of them plus a friend from his native Battambang Province to the Thai border. At the border he saw his friend blown up and killed when he stepped on a land mine.

According to refugee workers, San has looked after his younger brothers and sisters ever since. But now he is over 18 and no longer qualifies as an unaccompanied minor. He has a fiancee in the United States, from whom he has been separated for over a year.

Indeed, refugee workers say, separations are especially painful when the youths are split up by resettlement.

"Because the children don't have families, friendships are very strong," one refugee worker said. She told of one 15-year-old boy who cried every night for six weeks when his two best friends left Khao-i/Dang. She said that when the boys lose hope and become depressed, they often threaten to return to the border and become soldiers.

Many become depressed for long periods and unable to work or study, she said. For some, the grief is compounded by frustration at being confined to Khao-i-Dang.

One 19-year-old girl ran away to the border in January. She is believed to have gone to Nong Chan, a refugee camp that was overrun by the Vietnamese in early February. She left behind a 12-year-old brother, Peuth, and a 10-year-old sister, Pov. Their parents died of starvation in 1979, but the children managed to recover from severe malnutrition when they arrived at the border in December of that year. Now in their fourth year at Khao-i-Dang, they wait together for an opportunity to leave.

Another who wants to leave is an 11-year-old girl named Ra, who saw her mother killed by a Vietnamese shell as the Khmer Rouge were herding refugees toward the border. She says she does not like Khao-i-Dang anymore, but will not say why. She also avoids answering a question about whether she wants to return to Cambodia.

Likewise, many of the children still cannot talk about their experiences in Cambodia. For some, it is only their art that allows them to express themselves.

According to Neil Bootby, a child psychologist who worked at Khao-i-Dang from July 1981 to February 1982, Jewish children freed from Nazi concentration camps behaved much like the Cambodians, spending hours making repetitive drawings of their past. Unlike adults, he wrote, the children often do not talk about their fears until they are put down on paper.

Even then, the trauma sometimes may still be too great. A Time magazine report last year described a girl at Khao-i-Dang who drew a picture of a mysterious circular device when she arrived at the camp at age 8. Two years went by before she explained the device; it was a portable guillotine, and the children of her work group were forced to use it on each other.●

MAINE MARITIME MUSEUM

● Mr. COHEN. Mr. President, the Maine Maritime Museum, which is located in Bath, Maine, and is recognized today as one of America's finest museums, can trace its origins to the formation of the Maine Research Society of Bath in 1962. The research society's original goal was the compilation and publication of a major history of the city's maritime past. During the society's research, however, many generous citizens of Bath and the surrounding areas donated paintings, documents and other artifacts to the society. In 1964, the Maine Maritime Museum was founded by the society to house and display the ever-increasing volume of donated items.

Today, the museum's collection has expanded to the point where it now takes 12 buildings to house it and the museum's budget has grown to nearly three-quarters of a million dollars.

In a fine article that was published in the May, 1983 issue of the U.S. Naval Academy Alumni Association's Shipmate, David Schultze discusses the museum's conspicuous success and many contributions. In his article entitled "The Maine Maritime Museum: Preserving the Past * * * Inspiring the Future," Mr. Schultze traces the history of the museum and reviews some of the museum's many exhibits and programs. Mr. Schultze, 19, is currently attending the Maine Reach School at Wicasset and has recently completed a 2-month internship at the Maine Maritime Museum.

I ask that Mr. Schultze's fine article be printed in the RECORD.

The article follows:

THE MAINE MARITIME MUSEUM: PRESERVING THE PAST . . . INSPIRING THE FUTURE

(By David Schultze)

(David Schultze, 19, was graduated from Edina High School in Minneapolis MN in 1982 and has since been attending the Maine Reach School at Wicasset, with intern duty at the Maine Maritime Museum last January and February. He will enter college this Fall and hopes to become a photo-journalist.)

The Maine Maritime Museum owes its existence to a devoted group of local amateur historians who wished to preserve the heritage of America's greatest shipbuilding city—Bath, Maine. Encouraged by one of their number, Mark Hennessey, who was researching a major history of the city's maritime past, the group formed the Marine Research Society of Bath in 1962. The Society's goal was to provide the means to subsidize the writing of the history and to see to its publication.

Support for the Society was immediate and enthusiastic and the long-awaited prep-

aration of the history could begin. In 1964, Hennessey quit his reporter's job and began writing. Tragically, he died less than a year later—scarcely enough time to have made a dent in the monumental task.

The Society perservered, however, and secured the assistance of William Avery Baker, who assumed the authorship. The dream was fulfilled in 1973 with the publication of "A Maritime History of Bath, Maine and the Kennebec River Region," a two-volume set.

Concurrent with the decade long effort to publish the history, the small Marine Research Society became the recipients of repeated generosity from citizens of Bath and surrounding areas, and families with ties to Bath's past shipbuilding or shipowning enterprises. Wishing to see the artifacts of that past preserved, they donated paintings, documents and more to the Society. Increasingly awash in things they couldn't display, the Society formed the Bath Marine Museum in 1964 and opened a storefront museum downtown.

Soon thereafter a shipowner's home, a large mansion on Washington Street, was donated to the Museum by the Sewall Family. Today this building, the Sewall House, remains the headquarters of the organization which has grown to become the Maine Maritime Museum. Now supported by over 3500 dedicated and generous members from all regions of the country and around the world, and with a budget approaching three-quarters of a million dollars, the Maine Maritime Museum is recognized as one of America's finest.

Physical expansion has been equally rapid, and the Museum now consists of four separate sites dispersed throughout the "Shipbuilding City", numbering a dozen buildings in all. With few exceptions, the sites, building and artifacts (15,000+) were donated. Exhibits at the four sites—the Sewall House, the Apprentice Shop, the Winter Street Center, and the Percy and Small Shipyard—reveal to young and old alike Maine's most exciting heritage, its maritime history.

The majority of the formal exhibits, selected from the first-rate collection of maritime paintings, models, photographs, logbooks, navigational instruments, and more, are displayed at the Sewall House, an 1844 shipowner's home, and Winter Street Center (1844), a former Congregational church listed on the National Register of Historic Places. These two buildings, both with strong ties to Bath's maritime history, present exhibits explaining the history of the city, some of its foremost shipbuilding families, and the life of a shipyard worker. Also found at Winter Street is the Museum's newest exhibit, "A Century of Maine Steamers". Depicted here are the steamers which carried passengers and freight from Boston and New York to Maine between the 1830s and 1930s.

Not all exhibits are of defunct firms or vanished trades, however. Bath has been world-renowned as a shipbuilding city since 1840, and the great concerns of the past—the Sewalls, the Donnells, the Blaisdells—may be gone but the Bath Iron Works continues the tradition by producing ships, both military and commercial, at a rapid pace. For many years the company has enjoyed a solid reputation for quality, cost and production performance.

An exhibit in Sewall House traces the history of BIW since its beginnings as the Bath Iron Works, Limited, in 1890, when the company signed a contract for two gunboats, *Machias* and *Castine*. Over the intervening years the company has built numerous vessels: destroyers, torpedo boats, frigates, yachts, trawlers, and cargo ships. Between 1941 and 1945 the Iron Works produced seventy-six destroyers for the U.S. Navy, more than the entire Japanese output during that period. Currently the Iron Works is finishing up a successful program of Fast Frigate production and preparing to commence building the Aegis class of cruisers.

In the BIW exhibit the record of the company is presented through an outstanding collection of photographs and models, making this room invaluable for those seeking information on vessels built at BIW. One special attraction of this exhibit is a set of models depicting the yachts built by the Iron Works. Foremost among these yachts was the *Corsair IV* built for J.P. Morgan. A model of the vessel, designed by Gibbs and Cox, is one of the finest ship models found in the Museum's collection.

In the Museum archives, also located in Sewall House, are stored thousands of documents, photos, films, maps, plans, and logbooks relating to Maine's maritime history. Extensive archival material from BIW is also held here. The Museum's archives are climate controlled and protected by state-of-the-art fire detection and suppression systems.

The Apprentice Shop, an educational program offered by the Museum, teaches the art of building and repairing wooden boats to men and women who come from all over the U.S. to serve as apprentices for periods ranging from 12 to 18 months. Working with techniques and skills which are in many respects unchanged since the nineteenth century, six apprentices under the direction of Willits Ansel learn first hand the patience and care required of craftsmen. Visitors to the Apprentice Shop appreciate the ways of wooden boat builders and gain a deeper understanding of the maritime traditions.

In the Museum's collection are two large boats built by the Apprentice Shop, the 26' *Tancook Whaler* and the 27' *Key West Smackee*. With warm weather this Spring the Apprentices will recommence construction of a 40' *Pinky*. In addition to these boats the Museum's small craft collection contains over eighty small work and pleasure boats built or used in Maine. Extensive research into the use and construction of these boats has been undertaken by the Museum at various times, resulting in several publications and a substantial collection of source material for the future.

The small craft collection is housed on Museum property adjacent to Percy and Small, the last of the four sites. Located at the southern end of the city, the Percy and Small site is now a major visitor entrance to the Museum, and is connected to the other three sites by a tour boat, the *Sasanoa*. During the summer months visitors can enjoy the Kennebec river on a cruise which takes them past the Bath Iron Works and along the famous Long Reach, where the majority of Bath shipbuilding firms were once located. The ride is included in the admission price, and evening cruises are available by special arrangement.

Also listed on the National Register of Historic Places, Percy and Small is one of the Museum's foremost attractions. The shipyard is the only American shipyard remaining intact which built four, five and six-masted vessels. Between 1896 and 1920 forty-four vessels were built and launched into the merchant trade from the Percy and Small yard. The four, five and six-masted schooners built there, including the *Wyoming*, at 3730 tons the largest wooden sailing vessel ever used in America, represented the practical upper end of wooden shipbuilding technology. The use of heavy powered machinery was blended with the traditional hand skills which for generations had earned this region a reputation for outstanding shipbuilding.

Percy and Small, the focus of major development efforts over the past decade, combines this unique historic setting with significant educational and museological programs. The shipyard is almost completely restored to its 1910 operating condition, with machinery contemporary with that found at the turn of the century. This machinery supports the Museum's expanding program of large vessel reconstruction.

A new fitting out pier, resembling in nearly every detail a pier which stood at the Percy and Small riverfront in 1910, has recently been completed with financial support from the Michigan-based Kresge Foundation. The pier, complete with derrick pole and small boat launching ramp copied from the original, will accommodate large vessels visiting the Museum, provide river access to visitors, and allow for greater in-the-water display of boats from the collection. The pier is the only one of is kind on the river, with the exception of those owned by the Bath Iron Works.

On the rebuilt north ways at the shipyard lie two historic vessels, the steam tug *Seguin* and the Schooner *Bowdoin*. The *Seguin* is the sole remaining vessel of the 5,000 or more built along the Kennebec, and is the oldest registered wooden steam tug in the United States. It, too, is listed on the National Register.

The *Bowdoin*, which is not owned by the Museum, was the last wooden sailing ship built for Artic exploration. Under the command of Admiral Donald MacMillan USNR, the eighty-eight foot vessel made numerous trips to the Arctic. Now owned by a nonprofit educational organization, the *Bowdoin* is undergoing restoration to her original condition. When the work is completed—with luck, she might be launched this Summer—the *Bowdoin* will again sail as a seagoing school for sail training and scientific study.

Future plans for Percy and Small include rebuilding the original blacksmith shop and constructing a major permanent exhibit on Lobstering and The Maine Coast on nearby property.

Each May the Museum hosts international maritime scholars at its Maritime History Symposium. The three-day program, a combination of lectures, discussions and films—and several popular social events—has been extremely successful.

From its start as the dream of a few dedicated men and women, the Maine Maritime Museum has grown in twenty years to be recognized as one of America's foremost museums. It well repays the efforts of a visit. The Museum is located in Bath, fifty minutes north of Portland and two-and-a-half hours from Boston. For visitation and membership information, or a list of publications, please write The Maine Maritime Museum, 963 Washington Street, Bath ME 04530; (207) 443-6311.

PROHIBITION OF EXPENDITURES FOR BINARY CHEMICAL WEAPONS

Mr. MITCHELL. Mr. President, I have asked unanimous consent that I be added as a cosponsor of S. 994, introduced by Senator PRYOR. This legislation would prohibit the expenditure of funds for the production of binary chemical weapons and call on the President to intensify international efforts to achieve a ban on the production of all chemical weapons.

Binary weapons represent a new generation of lethal chemical weaponry. These new weapons would be composed of two separate and sealed containers of harmless, nontoxic chemicals which, when in flight in an artillery shell or bomb, mix to form a toxic nerve gas. Present stocks of chemical weapons consist of lethal nerve gas mixed and contained in a single unit.

This legislation is necessary because the administration now is requesting approximately $134 million for the procurement of binary chemical equipment and munitions, despite the fact that Congress rejected this program last year. I strongly oppose this administration request. President Reagan's proposal to manufacture chemical weapons would end a 14-year-old moratorium on the production of such weapons, initiated by President Nixon and supported by Presidents Ford and Carter.

I believe it is imperative that the United States refrain from producing these chemical weapons. I also believe it is essential that we continue our discussions with the Soviet Union on a comprehensive chemical weapons ban and continue our recently begun efforts to develop a veritifable ban on chemical weapons in the Committee on Disarmament in Geneva.

Since the horror of chemical weapons became apparent in the trenches of France during the First World War, the international community has made strenuous efforts to curb the use of nerve gas and other lethal chemical and biological weapons. These efforts led to the Geneva Protocol of 1925 which prohibits, in effect, the first-use in war of "poisonous, asphyxiating or other gases." There are now 118 parties to the protocol including the Soviet Union and the United States, which ratified the agreement in 1975. In 1976 President Ford launched bilateral negotiations with the Soviet Union on a comprehensive chemical weapons ban. These talks had made considerable progress in 1980 when both sides accepted the principle of onsite inspection. The present administration, however, let the talks lapse and it has indicated no indication to resume them.

The administration has, however, indicated its interest in multinational discussions on this subject and I commend the administration for the constructive steps it has taken. Last February Vice President Bush made a trip to Europe and addressed the Committee on Disarmament concerning chemical weapons. Also, in February, the United States presented to the 40-nation committee this country's detailed views on the content of a complete and verifiable chemical weapons convention.

I believe that passage of Senator PRYOR's bill would encourage the administration to continue these and other international efforts to develop a comprehensive ban on the development, production, and possession of chemical weaponry.

Mr. President, I have several reasons for opposing the production of new chemical weapons in the United States.

My first reason stems from my belief that our varied array of existing weapons systems provides a formidable deterrent to any Soviet use of chemical warfare against us or our allies. Included in this array is our present stockpile of chemical weapons, stored across the country and in other parts of the world, that is large enough to permit 50 divisions to wage chemical warfare for 100 days.

The second reason is based on the fact that the production of binary weapons would threaten the stability of the NATO alliance. Western Europe would be a major potential battlefield for chemical weapons. Many of our European allies have firmly rejected deployment of new chemical weapons. NATO's North Atlantic Assembly passed a resolution in 1981 warning that "proposals to deploy new offensive chemical weapons in Europe would provoke strong reaction among European public opinion." A controversy over the use of chemical weapons would detract from more pressing NATO issues.

The third reason for my opposition to the manufacture of these weapons concerns the likelihood that such manufacture would precipitate a chemical weapons arms race that could spread throughout the world. Chemical weapons are relatively cheap and easy to make. If the United States decides to engage in producing binary weapons, what would prevent other nations, even those that are small and poor, from following our example? A 1978 study by the Carnegie Foundation, Chemical Weapons and Chemical Arms Control, cautioned that the nonproliferation thus far of chemical weapons was largely attributable to the fact that the United States, the weapons trend-setter for the world, had eschewed these weapons.

A chemical arms race between the Soviet Union and the United States would certainly be more likely if the United States commences to manufacture a new chemical weapon. The two nations have made considerable progress on a preliminary agreement to limit their production of these dangerous products. Rather than encouraging the Soviets to reach a meaningful agreement, a U.S. decision to produce binary weapons is likely to destroy the unofficial moratorium that exists at the present time.

These are the principal reasons for my opposition to the manufacture of binary weapons in the United States. Congress must prevent the expenditure of millions of dollars on chemical weapons that stir fear in the minds of people throughout the world. Instead of appropriating money to produce these weapons of dubious military value, Congress should encourage the President to make every possible effort to achieve a verifiable ban on chemical weapons.

THE GUARDIAN ANGEL—IDA NUDEL

● Mr. DURENBERGER. Mr. President, I am pleased to participate in the Senate vigil on Soviet Jewry. I have a longstanding interest in the plight of the Soviet refuseniks and others who would like to leave the Soviet Union and be free to practice their religion and exercise their civil liberties.

One of the most outstanding examples of the courage and faith that Soviet Jews have demonstrated through the years is Ida Nudel. Her tireless efforts to assist other activists have earned her many nicknames, including the special name of "Guardian Angel." For more than 12 years she has tried to convince Soviet authorities to grant her an exit visa. Her efforts have resulted in harassment, imprisonment in Siberia, and even a denial of a residence permit.

Ida was arrested and banished to internal exile in Siberia because she hung a banner from her home which called upon the government to grant her an exit visa. After 4 years in Siberia she was released, but the harassment did not stop. All Soviet citizens are required to have a residence permit for the city where they live, as well as hold a job. Ida Nudel was denied both of these. She moved from town to town looking for a place to live and finally has settled in Bendery in Moldavia province. Originally, she had hoped to live in Moscow or Riga but Soviet authorities wanted to restrict her access to other cultural activists and she has been threatened with arrest should she try to enter Moscow. Soviet authorities summoned her to the police station and questioned her about her lack of employment. Although she had been looking, she had been unable to find an employer willing to take her. Finally, she found work as a professional fence painter, hardly the kind of work an el-

derly woman in poor health could be expected to carry out.

I have contacted the Soviet Ambassador, Anatoly Dobrynin, about Ida Nudel's request for an exit visa, but to date the authorities have refused to comply with her petition. Her sister, Elena Fridman, and I have corresponded regularly about Ida so that I have been able to stay informed about what is happening to her. In her latest letter to me, Elena told me that an American Embassy staff member in Moscow traveled to Bendery and tried to meet with Ida, but was turned back by Soviet authorities.

The story of Ida Nudel's efforts is at once both encouraging and discouraging. Despite the indignities she has been subjected to and the inhuman conditions of exile in Siberia, she has remained a beacon of hope for the other refuseniks. Her efforts to help them are remarkable and are known throughout the world. She simply refuses to take "no" for an answer and will continue her efforts so long as she is able. At the same time, her 12-year struggle is discouraging proof of the Soviet Government's refusal to comply with the Helsinki Accords which guarantee basic human freedoms. I call upon the Soviet Government to grant Ida the exit visa that she has fought so hard to obtain. The granting of the permit would be a signal to the international community that the Soviet Union will comply with agreements to which it is a signatory.

Even if the Soviet authorities refuse her this permission, we can take heart that Ida Nudel's efforts have had a profound impact on many other lives. She has given courage to many Soviet Jews who will not give up hope of finally emigrating to Israel where they will be free to practice their religion and culture as they have a natural right to do.●

RESOLUTION OF THE CONVENTION OF THE EPISCOPAL DIOCESE OF VERMONT ON THE NUCLEAR ARMS RACE

● Mr. LEAHY. Mr. President, the growing discussion by churches of the moral issues of the nuclear arms race is an extraordinarily important development. Religious dialog about the agonizing moral dilemmas of nuclear deterrence means that the impetus for meaningful arms control transcends traditional political and security concerns. It also indicates that public interest in controlling and reducing the terrible nuclear threat will not fade. The nuclear arms race, in all its manifest futility and irrationality, has collided with profound moral and ethical questions.

At its 193d convention, the Episcopal diocese of Vermont adopted a resolution calling on the President to engage in meaningful negotiations with the leaders of the Soviet Union for a cessation of the nuclear arms race. As a supporter of a mutual, verifiable nuclear freeze, I am proud of this action. I ask that the text of the resolution be included in the RECORD at this point.

The resolution follows:

APPENDIX D-2: RESOLUTION ON PEACE

Whereas we are all God's children;

Whereas Christ came and preached the gospel of peace, breaking down the dividing walls of hostility that separate the creatures of God (Ephesians 2:15-16);

Whereas by Christ's death and resurrection we have all been made forever one and reconciled to God; and

Whereas the Church's mission is to seek and foster reconciliation throughout the world under the banner of the Prince of Peace as children of one God (Collect No. 4 BCP, page 815);

Now therefore be it resolved that the 193rd Convention of the Diocese of Vermont call upon our leaders to engage in meaningful negotiations with the Soviet Union, in a fair and sincere effort to reach a mutually acceptable and verifiable agreement on the cessation of creation, testing and deployment of new weapons and weapon systems of mass destruction and, further to attempt to negotiate subsequent agreements for gradual, mutual verifiable reduction of all weapons of indiscriminate destruction; and that this Convention call forth to the Government of the United States to prepare a no-first-strike policy. We urge the President of the United States and his Administration not to increase our nuclear arsenal before attempting a mutual and verifiable reduction of nuclear arms.

And be it further resolved that authenticated copies of this Resolution be forwarded by the Secretary of the Convention to the Presiding Bishop, each member of the Vermont Congressional Delegation, the President of the United States, the Secretary of Defense and the Secretary of State.●

THE ANTHONY E. MALITO, JR., SCHOLARSHIP FUND

● Mr. D'AMATO. Mr. President, in an era of skyrocketing educational costs for families throughout our country, it is with great pride and personal pleasure that I salute the activities of a family from Malverne, Long Island, whom I have known for many years as friends and neighbors.

Robert J. Malito and his family have established the very first scholarship fund at the new CUNY Law School at Queens College in memory of his late brother, Tony. This scholarship, the Anthony E. Malito, Jr., scholarship fund, will distribute $1,000 each year to a needy and deserving student who has shown both academic excellence, noteworthy citizenship, and a special aptitude and interest in public service law. The new CUNY Law School, dedicated as it is to public service and public interest law, provides a specialized curriculum designed to encourage young men and women to take their law backgrounds into government and to seek career rewards in government and public service. This scholarship aids those who may not be financially capable of assuming the enormous burden of the costs of higher education and encourages a continued interest in government service by young people attending this law school.

I am personally pleased to report the establishment of this scholarship fund because Bob Malito, his wife, Margaret, and his mom and dad, Phyllis and Anthony Malito, have been personal friends of mine for many years. Bob serves as a pro bono special adviser and counsel to me and has offered invaluable assistance and advice during my years of government service. This scholarship fund was established in memory of his late brother, Tony, a professional engineer by training and vocation. Just prior to his death in 1966, he served with distinction as a community liaison in Queens County to our colleague, the late Senator Kenneth B. Keating of New York. Tony Malito had a deep and abiding interest in government and public service and is justly and warmly remembered for the establishment of this scholarship fund.●

ABUSES OF PSYCHIATRY IN THE SOVIET UNION

● Mr. PELL. Mr. President, earlier this year the All-Union Scientific Society of Neuropathologists and Psychiatrists of the U.S.S.R. withdrew from the World Psychiatric Association (WPA), to which it has belonged since 1967. In a letter to the WPA's executive committee, the society stated that it had decided to withdraw because the WPA was participating in a "slanderous campaign alleging that psychiatry is being abused in the U.S.S.R. for political purposes." The society charged that the American Psychiatric Association, with the support of the U.S. Department of State, has been actively involved in this campaign which is blatantly political in nature.

It is true that the American Psychiatric Association, which is a medical specialty society representing over 28,000 psychiatrists in the United States, has often expressed concern that psychiatry is being abused in the Soviet Union for political purposes. However, these expressions of concern are not rooted in politics or dictated by the State Department. The American Psychiatric Association is not an official or quasi-official agency of the U.S. Government but rather is a private, nonprofit, nongovernmental organization. Several other psychiatric associations including the Royal College of Psychiatrists in Britain and the Danish Psychiatric Society, many human rights groups throughout the World, and many governments have also registered protests about the Soviet abuse of psychiatry. In fact, within the Soviet Union itself, a citizens group, the Working Commission

to Investigate the Use of Psychiatry for Political Purposes, was organized in January 1977 to publicize the Soviet practice of using psychiatry as a method of reprisal against political or religious activists in the Soviet Union.

Despite ongoing international protest, the Soviet Union continues to use psychiatry for political purposes. Soviet authorities still engage in the practice of confining sane human rights activists to psychiatric hospitals. Indeed, a network of prison-type psychiatric hospitals, known as special psychiatric hospitals, has expanded in recent years, and today hundreds of courageous individuals are incarcerated in 12 of these hospitals throughout the Soviet Union. In addition, other political or religious activists are confined in hundreds of ordinary psychiatric hospitals located in every Soviet urban center. Recently, Amnesty International reported that at least 300 prisoners of conscience are known to have been incarcerated in Soviet psychiatric hospitals since 1969. Soviet authorities have also imprisoned members of the Working Commission To Investigate the Use of Psychiatry for Political Purposes. By issuing bulletins describing hundreds of cases of psychiatric abuse in the U.S.S.R., many of which were unknown in the West, the Commission played an important role in focusing Western attention on this issue.

As a member and former cochairman of the Commission on Security and Cooperation in Europe, I am deeply concerned about the Soviet Government's practice of using psychiatry as a tool to silence Soviet human rights activists. I commend the American Psychiatric Association for speaking out against Soviet abuses of psychiatry. By withdrawing from the World Psychiatric Association the Soviet Society has tacitly admitted the justice of those who charge the Soviet Union with the systematic abuses of psychiatry for political purposes. I sincerely hope that through efforts such as those made by the American Psychiatric Association these abuses can be brought to an end.

WE MUST ALL WORK TO IMPROVE EDUCATION

● Mr. BIDEN. Mr. President, the state of education in America has been a prime topic of discussion in all quarters of this country in the 2 months since the National Commission on Excellence in Education released its report. This debate has been facilitated by the active coverage the press has given to this most critical issue.

In this spirit, the New York Times Magazine recently published a thoughtful article by Dr. Leon Botstein, president of Bard College. Dr. Botstein's piece, entitled "Nine Proposals to Improve Our Schools," provides much nutritious food for thought for anyone seriously interested in educational excellence.

That is not to say that I agree completely with all nine proposals. A number of them, including better pay and more respect for teachers and the teaching profession, greater emphasis on basic reading and writing skills, the assumption of more responsibility for our schools by business and industry leaders, higher admissions and performance standards in our colleges and universities, and encouraging the elderly to participate more actively in education are worthy of early consideration and action in the appropriate forums. Others, such as the exemption from income taxes of salaries earned by teachers, the abolition of departments of education on our Nation's campuses, and the abolition of the senior year for high school students may not be practical or require further study.

The major point of the article, Mr. President, is that there are a great many reasons for our current predicament, and that true educational reform will require a joint effort involving all parties concerned. We must replace the finger pointing that has occured since the release of the Commission's report with a genuine spirit of cooperation and trust.

Most importantly, we must avoid simple answers. Unfortunately, President Reagan has fallen victim to this temptation with his assertion that blame for the decline in educational performance can be traced to Federal funding of education programs. I do not claim that the record on Federal involvement in education is perfect, but it is important to remember that these funds have been concentrated mostly in areas the State and local authorities were unwilling or unable to address. Fully 82 percent of all Federal education funding goes into student aid programs, handicapped education and rehabilitation, title I compensatory education and impact aid.

Can anyone seriously argue that these needs were being met before the Federal Government got involved? Can anyone prove that spending on these programs has led to falling SAT scores? Does anyone truly believe that States or the private sector will be able or willing to fill the void in these areas if the Federal role is eliminated?

Dr. Botstein's article is an attempt to move the debate onto higher ground by making us realize that the problem is many faceted, and that the solution will require great effort. I commend it to my colleagues.

Mr. President, I ask that Dr. Botstein's article be placed in the RECORD.

The article follows:

[From the New York Times Magazine, June 5, 1983]

NINE PROPOSALS TO IMPROVE OUR SCHOOLS

(By Leon Botstein)

"During the Middle Ages everybody was middle aged. Middle Evil society was made up of monks lords and surfs. . . . In the 1400 hundreds most Englishmen were perpendicular. . . . Finally, Europe caught the Black Death. The bubonic plague is a social disease. . . .

The Middle Ages slimpared to a halt. The renasence bolted in from the blue. Life reeked with joy. . . . It became sheik to be educated. . . . Theologically, Luthar was into reorientation mutation. . . . The Popes, of course, were usually Catholic. Monks went right on seeing themselves as worms. . . . At war people get killed, and then they aren't people any more, but friends."

This compilation of sentences written by freshmen at two Canadian universities—culled by Andrers Henriksson, an obviously frustrated professor of history—was sent to me recently by a historian at Bard College. It was intended to cheer me up: Crippled literacy among freshmen was not peculiar to our campus or our country.

The awful truth is that today virtually every college and university in the United States—and apparently in Canada as well—has inherited the legacy of inferior secondary school education. Dartmouth College, for example, is among the most selective of colleges, but, argues the director of a Dartmouth writing clinic, "Very few freshmen can write their own language without serious errors (not to mention confused thought)."

A report, "A Nation at Risk," issued in April by a blue-ribbon National Commission on Excellence in Education, described a nationwide educational catastrophe. It urged higher standards and more demanding requirements in high school; more assigned homework; a longer school day and year; new textbooks, and higher pay for teachers. The commission recommended that the Federal Government intervene and help. But talking about the report at a press conference last month, President Reagan said that "education is not the prime responsibility of the Federal Government," and that more money was not the answer for improvement. He added that "we created the greatest public school system the world has ever seen and then have let it deteriorate and I think you can make a case that it began to deteriorate when the Federal Government started interfering in education."

Public anxiety about education is growing so rapidly that Albert Shanker, president of the American Federation of Teachers, asked teachers not to resist current efforts at reform. In this clamor, unfortunately, the disaster in our schools is still being underestimated, as is the effort needed to solve the problem. Before higher standards can be mandated and the calendar extended, the root causes of the ignorance and halting literacy certified by our schools must be addressed.

What can be done? As a step toward remedying the desperate situation, nine proposals will be offered; not all of them are new, but they can be a basis for debate and discussion that, I hope, will result in action and reform.

At the heart of the near-illiteracy of many high-school graduates and college freshmen is not deprivation or lack of talent but a failure to recognize that language has con-

sequences and meaning. During the 12 years of schooling before college, many students do not learn to think or to use written words. Schooling has not led them to understand that without an extensive command of language there can be no serious thinking. Before we can satisfy the growing public demand for scientific education in our schools, we must first overcome the failure of our schools to teach the fundamental skills of thinking.

Studies by the National Assessment of Educational Progress—mandated by Congress—have revealed a decline in inferential reasoning in the 1970's among 17-year-olds, only a third of whom spent an hour or more on homework each day in 1980. One report, issued in 1981, said that the ability of 13-year-olds to write an effective, persuasive letter declined between 1969 and 1978. Persuasive writing among 17-year-olds also declined in the late 1970's.

Finding it virtually impossible to cope with so many students with inadequate academic skills, colleges and universities have been forced, even unwittingly, to lower not only their entrance standards, but the standards for exit as well. Remedial courses are commonplace. Although automatic entrance to California's university and college system requires at least a B average in high school, in 1981 more than 55 percent of all freshmen were required to take "bonehead" (remedial) English.

For the minority of Americans who do not graduate from high school or who do not go to college after high school, matters are worse. Some training manuals in the Army are now in comic-book form and are written for the sixth or seventh grade.

The severity of the crisis in the nation's schools is felt most by employers. They fail to get adequately educated personnel. Xerox, for example, trains its own workers well beyond the specific technical skills of Xerox's business. Inadequate education even for technical tasks extends as well to the professions. Shearman & Sterling, New York's largest law firm, now employs a former Temple University English faculty member to help its young lawyers improve their writing.

Not only do our students fail to learn how to read and write, but the situation in mathematics and science is even more frightening. Among recent high-school graduates entering their freshmen year in the New Jersey state system in 1982, 39 percent could not demonstrate competence in sixth-grade mathematics as defined by computation; only 38 percent demonstrated that level of skill.

Today, fewer than half of the nation's public high schools require more than a year of science and mathematics. Fewer than 1 in 10 high school students now study physics. Only 16 percent take one year of high school chemistry. In college, remedial mathematics enrollment has jumped more than 70 percent between 1975 and 1980.

Since 1972, the number of math teachers produced by American colleges has fallen 79 percent; the number of science teachers, 64 percent. Half of the new science and math teachers hired in 1981 lacked qualifications sufficient for certification. Of the math and science teachers in Los Angeles County from the seventh through the 12th grades, one-third had neither an undergraduate nor graduate major in science or mathematics. Last year, 32,000 classes in science and mathematics were planned but scrapped for lack of teachers and resources.

Over the last 100 years, bemoaning the state of American education has become a periodic national ritual. In the late 19th century, American education was unfavorably compared with that of England and Germany. A reform of the American university system along German lines—one calling for better graduate schools and higher standards of scholarship—was urged and partially undertaken.

During the 1930's, reformers as opposed to one another as John Dewey and Robert M. Hutchins called for massive reforms of the public-school system. At the University of Chicago, Hutchins introduced stiff general education requirements and admitted students who had finished the 10th grade, claiming that their time would be better spent skipping the last years of high school.

In 1957, the Soviet Union's success with Sputnik triggered a national crusade to improve education. Johnny did not seem to be able to read, and he was certainly not able to keep up with the Russians. This was a time when the children of the postwar baby boom were going to school, and it is not surprising, therefore, that the 1960's became a decade of intense attention to education. Federal support increased dramatically.

Today, the crisis is different and worse. Only the current fear of Soviet supremacy and America's economic weakness threatens to end more than a decade of declining concern for public education. In 1983, not only can't Johnny read, but he has high-school and college diplomas that show he can. We are living a bad joke: We are handing out more diplomas at all levels of schooling than ever before but have less and less to show for it.

The most familiar explanation for the deplorable state of American education—offered by critics like Diane Ravitch of Teachers College at Columbia University, Chester E. Finn Jr. of Vanderbilt University and some neo-conservatives—is that the radicalism of the 1960's helped undermine both the educational tradition and serious efforts at reform. In addition, say such critics, concerns for issues of social justice (affirmative action and acute sensitivities to race questions) came into conflict with the academic standards and caused the erosion of those standards. Finn also finds fault with teachers' unions, which, during the 1960's and 70's, often became political lobbies and pressure groups for higher pay and job security rather than advocates of better schools.

Such explanations, however, may be more polemical than helpful. Other factors were at work. With the growth of suburbs after World War II, the cities lost large numbers of their middle-class residents and the financing—and standards—of urban school systems declined. But even in the new model suburban school systems, school performance was affected by some of the realities of postwar America. Television became a national preoccupation; a sustained economic prosperity meant a greater emphasis on the material gains that seem to come so easily rather than on intellectual gains. It is likely that higher rates of divorce and family mobility (for example, frequent job transferrals of company employees) had a particularly disruptive effect on children. To accommodate the baby boom, many communities could put schools together in a hurry, but teachers good enough for a first-rate elementary and secondary school system could not be trained so quickly.

In some regions of the country, the postwar dream of the fine suburban school system came true: New Trier in Illinois, Scarsdale in New York, Shaker Heights in Ohio. But the current crisis has spread to those areas as well, just as it has touched the most selective colleges. Chappaqua, N.Y., a community of affluent professionals scrupulous about educational standards, has one of the nation's best suburban school systems. It has few disciplinary problems and the teachers are considered better than average.

Yet, in a 1980 study of 253 essays by Chappaqua's high-school juniors, the majority were, by national standards, judged average. Spelling errors, lapses in logic, poor construction and an absence of insight were rampant. Chappaqua discovered it had, despite its poverbial suburban advantage, a serious problem in the quality of the basic thinking and writing skills of its 16-year-olds. After two years of studying the situation, Chappaqua will be ready to implement changes in September.

Not all of the following nine proposals require more money, although a larger national investment in education cannot be avoided. To reach a proper standard, today's schools will need more and better paid teachers, improved equipment, new teaching materials. The President's blue-ribbon commission has made proposals similar to mine, such as strengthening high-school requirements in English and social studies, and improving teachers' salaries, though it did not say how. What may strike some people as radical are the proposals for disbanding departments of education and having teachers face recertification, along with exempting them from Federal income tax. At some point, the property-tax system of local support for schools should be changed. California tried to do this in the courts in the 1970's. There is no cheap way out of today's educational crisis.

1. We must pay teachers more.

There are about 2.7 million elementary and secondary school teachers. The average salary for elementary school teachers is $18,500; for secondary school, it is $19,500. College graduates can earn much more in careers in industry and the other professions. If we wish to recruit teachers who are of the same caliber as our lawyers and doctors, starting salaries and top ranges of pay must improve. Low-interest college loans and scholarships for students who commit themselves to teaching must be made available.

In order to keep the best teachers in the school systems, promotions and pay incentives—similar to the professional ranks in universities—should be adopted. Today's ambitious classroom teachers (if they stay in education) are usually promoted out of the classroom into administrative posts because of better pay and the promise of advancement.

To achieve immediate progress in the pay and status of teaching, the salaries of teachers in our public schools should be exempted from Federal income tax. If tax breaks can be given to corporations and individuals for capital investments, depreciation, business losses and interest charges, why not give tax breaks for investments in "human capital"?

Increasing Federal budget outlays for education is close to impossible; however, forgoing revenue on behalf of education might be easier—and quicker—to accomplish. Initially, only new teachers entering the profession would receive tax exemptions. To become eligible, those who are already in the school system would be required to pass examinations based on new criteria outlined in the next proposal.

These teachers' incomes would increase by a third. Since there are between 60,000 and 100,000 new hirings each year in our public schools, the initial loss in tax revenue would be about $500 million. The cost in tax revenue would reach about $10 billion a year—which is between 3 and 4 percent of the defense spending for fiscal 1984. This extra cost would not fall on already overburdened property taxpayers in local school districts, but on a graduated system of Federal income tax.

2. Teachers must be regularly recertified in their subject area.

A massive effort to retrain teachers must be undertaken if the quality of teaching English, mathematics and science is to improve. Legislation for the regular recertification of all current elementary and high-school teachers should be passed. Law and medical science both change quickly, and these professions now perceive the need to verify the continuing competence of practitioners 10, 20 and even 30 years after the completion of initial training. Since they are subject to licensing by the State, all professions, including teaching, should be subject to regular recertification.

Funds for "in-service training" and the taking of extra classes by teachers are available in most states. Such training is usually restricted to education courses. However, to qualify for a promotion or the tax exemption offered to new teachers, secondary-school teachers ought to complete an in-service retraining program and pass examinations in the subject they are teaching, and not in educational methods or psychology. For elementary school teachers, multiple subjects would have to be covered, but on a more limited scale. Such retraining would also wean our school teachers from an excessive reliance on mediocre textbooks and teacher guides.

Training programs could take place during the summer or in the evenings; sabbaticals for re-education should be funded. Teacher training programs should be designed in cooperation with the academic departments of universities and colleges.

3. Separate schools of education and departments of education should be disbanded.

This proposal is old but still radical. The blame for the inadequate training of our teachers is often placed at the door of our schools of education. In America today, future teachers are usually education majors who are enrolled in separate schools or departments, and who have programs radically different from English, math or physics majors pursuing other careers. Too often, say critics, teachers' colleges place too great an emphasis on pedagogical techniques and psychological studies, and do not pay enough attention to training teachers in the subject matter they are supposed to teach.

Education-department faculty should be distributed throughout the academic departments. The undergraduate major in education should be abolished. Educational psychology should be part of the psychology department. The substantive training of an elementary-school mathematics teacher, therefore, should be that of a major in mathematics.

The future mathematics teacher should first be certified by a mathematics department, as a mathematician, then as a teacher. The student who wishes to go on to teaching should be required to take, afterward, the minimum of methods and psychology courses.

The same should apply to graduate training and to master's degrees for teachers. All training programs should be followed by an apprenticeship in the schools, a job supervised by experienced teachers.

Gene Lyons' 1979 exposé in Texas Monthly of the poor quality of education offered in teachers' colleges in Texas helped spur the Texas legislature in 1982 to increase the subject-matter course requirements for state certification.

4. Society must respect schoolteachers as professionals.

We as a nation simply do not honor teaching. When was the last time an ambitious parent said of a newborn baby, "I hope he grows up to be a schoolteacher"? It would appear that this country has taken to heart the cliché: "He who can, does; he who can't, teaches." This has not been the tradition in Europe, Japan or the Soviet Union.

There are ways to rectify the situation. Not every good teacher is a "born teacher." Attachment to a subject can make a teacher; it can carry over to students. But enthusiasm for the subject can be sustained only by constant contact with the discipline. The existing professional societies should welcome elementary and secondary school teachers into their organizations as equals. University faculty should abandon their traditional disdain for teachers. In Europe and the Soviet Union, high-school physics teachers, for example, have more in common with university physics teachers or engineers than they do with their fellow high school teachers in music.

Professional pride in a subject area must be nurtured among teachers. This involves ready access to research and meetings as well as opportunities to participate in a field and to seek advancement within a discipline's professional community.

Leadership on this front must come from the professional fraternities and from such organizations as the National Academy of Sciences and the American Academy of Arts and Sciences. Together with university faculties, they should produce new journals for and by elementary- and secondary-school teachers.

Teachers must remain active in their fields. And they should demonstrate the very skills they demand of their students. All teachers of English, for instance, must write regularly and have the chance to be published. To free teachers to concentrate on their academic competency, we must reduce the non-teaching demands on their time, adjust their teaching load and the size of their classes. At the end of each day, the halls empty out of both teachers and students; seminars and intellectual exchange among teachers are not regular aspects of life within the school.

Finally, more autonomy from administrators and regulations must be given to teachers in the classroom, an autonomy befitting a serious professional.

5. Business and industry should assume a greater responsibility for the schools.

Businesses can contribute materials and trained personnel. Part-time teaching in the schools by industry professionals should be started. Retraining programs for schoolteachers on industry premises—sponsored by industry—can be arranged. Opportunities for shared employment—part-time in the industry and part-time in the classroom—should be encouraged. Education programs, particularly in vocational skills, which bring children out of the classroom into direct contact with the equipment, expertise and environment of the work place, can be organized. Tax breaks could be legislated for serious industry investment in our schools, analogous to the tax incentives that industry now gets from gifts to colleges, museums and public television.

6. Children should start school earlier, at age 4, and high school should end after a student completes the 11th grade.

New York's Commissioner of Education, Gordon M. Ambach urged this reform early this year. It is another old but still radical idea. The new chancellor of the New York City school system, Anthony J. Alvarado, has called for full-day kindergarten programs for all the city's children. The nation now supports a fragmentary and unevenly distributed system of day-care centers. As single parenting and households with two working parents become more common, more day care will be needed. Since there is evidence that young children can learn sooner and faster, schools should include child care and learning programs for 4-year-olds.

There is also evidence that today's 16-year-old is capable of doing college work. Teenagers mature earlier than they did 50 years ago; they also develop a superficial worldliness sooner. The senior year in high school has become a proverbial waste of time: Students spend too much time taking weak elective courses.

For the college-bound student, earlier college entrance would provide an opportunity that is commonplace in Europe—access to college-level materials of the sort used in a *lycée*, a secondary school maintained by the government for preparing students for a university.

Today, early-college experiments are all doing well. Project Advance of Syracuse University is reaching 4,000 high-school seniors with college courses, and Simon's Rock of Bard College, in Great Barrington, Mass., each year enrolls an average of 115 students who have finished the 10th or 11th grades.

Earlier college education and earlier high-school graduation would probably reduce the high-school dropout rate. It would also open up an extra year for serious vocational training, an opportunity for government and industry to train students who do not continue their schooling beyond high school.

7. America's universities and colleges must commit their resources to help improve our schools.

If universities and colleges were to demand a basic level of math proficiency, skills in reading and writing, a fundamental command of foreign language for admission, pressure would be brought to bear to get the job done during high school. As part of their admission requirements, colleges should stress achievement, motivation and actual grades rather than so-called aptitude tests. They should phase out remedial programs over a five-year period, giving notice to high schools that they must resume the task of teaching the three R's.

A recent report on school-college cooperation—sponsored by The Carnegie Foundation for the Advancement of Teaching—recommends that universities and colleges adopt school districts. Through its Yale-New Haven Teachers Institute, for example, Yale University has offered some form of retraining to 40 percent of New Haven's middle- and high-school teachers. The university uses modest resources; the program has an annual budget of $375,000 and the cooperation of about seven faculty members each year.

Universities could have select graduate students tutor very bright and very slow high-school students. Laboratory facilities could be made more available. Libraries could be opened to school-teachers and their pupils.

Izaak Wirszup, an eminent teacher of mathematics at the University of Chicago, has crusaded for improvements in high-school mathematics treaching. Jules Prown, the American art historian at Yale, has taught in the Yale-New Haven program. They are but two examples of distinguished scholars and teachers who have realized how crucial rescuing America's schools has become to their own work in the university.

At the same time, colleges and universities must put their own houses in order. The B.A. degree from all types of technical and liberal arts programs should signify a high standard of literacy, a capacity to reason and a reasonable knowledge of history, science, foreign language, mathematics, philosophy, the arts and literature.

8. We must find ways to engage retired professionals in improving the schools.

The "graying" of America is an opportunity. Years of observing "Senior Seminars" at Bard has taught me how active, literate and overlooked many older people are, and how eager they are to be useful. The age difference between those over 65 and those under 20 helps: The older person is less like a parent and more like a grandparent. The tutoring and "babysitting and paper pushing" that take preparation time away from teachers could be done by retired people working part-time. Incentives for volunteer work and adjustments in Social Security regulations must be made to encourage the involvement of this energetic, vital and forgotten resource for education.

9. The way English and social studies is taught in high schools must change.

The literacy we now achieve is marginal and adequate only for the most basic aspects of daily work and leisure. Before the computers that are now being urged on students can be properly used, literacy and the capacity to think must be taught. All students, no matter their future careers, should learn to love language, to use it to reason, to view writing and critical reading as routes to expressing their ideas. Daily writing assignments are essential; papers should be brief and corrected immediately. Students should be encouraged to write for pleasure as well as for an audience other than the teacher.

In the teaching of reading to adolescents, reading aloud should be encouraged. Even memorization of classic pieces of prose and poetry might make students more discerning about writing. Very early in their education, students should be taught line-by-line textual analysis—for content, form, style and, in particular, the use of words. How arguments are put together—the character of assumptions—the character of assumptions (implied and overt), premises, conclusions, inferences—needs to be taught.

Textbooks should be replaced as much as possible with materials from original works. If assignments are given on excerpts from well-known works, such as "The Federalist Papers," the entire work should be made available to the student. Students should learn how to go beyond the assignment, how to exercise curiosity.

Bruno Bettelheim observed that the ludicrous content of modern primers could easily deter a young child from wanting to read. The bland prose of most textbooks on exciting subjects like world history and American history and American Government rarely encourages anyone to want to know more. Students should be introduced from the start to the very best in literature, philosophy, historical writings and political debate. No piano teacher, even for the least talented child, delays introducing the student to Mozart, Beethoven, Bartok or Stravinsky.

In the early 1970's, Ivan Illich popularized the radical idea of "deschooling society" with a book of the same title. Reschooling is actually what is now required for the cultivation of independence, curiosity and the capacity to reason, investigate and create.

In the 19th century, advocates of literacy assumed that reading and writing were essential to modern factories and offices, government bureaus and to an economy dependent on trade, credit and planning. They also believed, as did Jefferson and Madison, in linking literacy with freedom, education with effective democracy. In the process of electing officials. amending constitutions, serving as jurors and dealing with the law, the ability to read and write—and thereby think and form opinions—was deemed necessary. A democracy had an obligation to teach its citizens those skills.

Before mass education, the citizen without any literacy coveted and admired what he lacked. Today, the citizen who has gone to school and feels educated, precisely because he possesses a certified but partial literacy, may be more difficult to convince of future dangers and opportunities because he no longer sees so clearly what he does not know.

It is only a nationwide reschooling of America, led by all political parties and all Americans, and financed by all sectors, particularly the Federal Government, that can dispel the specter of the nation drifting toward mediocrity, uniformity and passivity.●

SOYBEAN FARMERS USE SELF-HELP PROGRAMS

● Mr. GRASSLEY. Mr. President, in this time of record budget deficits brought about by special interest groups who increasingly turn to the Federal Government for one bailout or another, I call my colleagues' attention to the Nation's soybean industry as one excellent exception to the rule. Instead of demanding Federal assistance to solve their problems, U.S. soybean farmers are working to solve their own problems, using their own money to develop and expand foreign markets, to fund needed research on production and utilization, and to promote domestic sales of their product.

Soybean farmers do not have nor do they want expensive price support programs. There is no soybean target price, soybean reserve, set-aside, paid diversion, or other supply control program. All soybean farmers have asked for is a market-oriented soybean loan program with the loan level pegged at 75 percent of the price received by farmers for soybeans during the last 5 years, excluding the high and low valued years. That is the program soybean farmers want, and the record proves the wisdom of their decision. We currently have huge surpluses of wheat, rice, cotton, and corn in the United States, largely created by the loan levels of those commodities being so high as to stimulate increased production here and abroad and interfere with sales abroad.

That is not the case with soybeans. Because the soybean loan level is market oriented, the price in the marketplace is the only factor affecting a farmer's decision whether or not to produce soybeans. Furthermore, the soybean loan is not so high that it interferes with export sales. The projected soybean carryover this fall will only equal about 18 percent of annual demand, by far the lowest of the major commodities grown in the United States.

The reason the soybean industry continues to be successful is its self-financed export promotion programs. Using funds collected from producer approved statewide soybean checkoff programs from 24 States including my State of Iowa, U.S. soybean farmers, through the American Soybean Association, are carrying out over 200 different market development projects in 76 countries. Those projects are centered around the concept of teaching overseas customers to use soybeans and soybean products efficiently to increase production of livestock and poultry, and for use in human diets. Their premise is that a customer who uses soybeans to profitably increase production will be a customer for soybeans in the future. Considering that U.S. soybean farmers in 1982 exported 55 percent of their record crop at a value of $8.4 billion is proof enough of their success in the export arena. A Chase Econometrics study in 1982 showed that each dollar spent on overseas market development during the last decade increased soybean export revenue by $66.40.

I commend the soybean farmers of Iowa and the Nation for their commitment to export market development and the success they have achieved. By choosing to finance their future out of their own pockets, the Nation's soybean farmers are an example worth emulating by all.●

THE RETIREMENT OF AN OUTSTANDING PUBLIC OFFICIAL

● Mr. PELL. Mr. President, John Q. Calista, the director of the Pawtucket Redevelopment Agency in Pawtucket, R.I., recently announced his retirement after several decades of outstanding public service. During this period, Pawtucket had truly been a progressive model city in its downtown revitalization programs. Anyone comparing the Pawtucket of 21 years ago with the thriving downtown area today could not ignore the tremendous improvements that have been made. One of the great catalysts in this

period of innovation has been Mr. Calista. His contribution to the rebirth of Pawtucket has been immeasurable and I would like to share with my colleagues an editorial which appeared recently in the Providence Journal praising Mr. Calista's work.

If there is no objection, I ask that the text of the editorial, entitled Pawtucket's Magician: John Q. Calista, appear in the RECORD.

The editorial follows:

PAWTUCKET'S MAGICIAN: JOHN Q. CALISTA

Over the last three decades, Pawtucket's municipal government has been a far cry from the corrupt administrations that used to run the city. Much of the improvement stems from tighter standards imposed by a home-rule charter, of which Pawtucket has one of the state's first. But credit goes also to a succession of good officials and one of these is John Q. Calista Jr., community development director the past 21 years.

Under Mr. Calista, the Pawtucket Redevelopment Agency has been principally responsible for restoring vitality and livability to what was a decaying old factory town. When he took over, downtown was turning into a slum, neighborhoods were deteriorating and people who could were getting out. A New England version of the South Bronx seemed not far off. Yet to tour Pawtucket today is to get an entirely different impression.

With the help of $60 million in federal renewal aid and cooperation from City Hall, the Calista-run PRA has produced a sparkling new downtown, has revived residential areas and is currently promoting a rebirth of retailing in the city's center. Problems common to every older city remain, but they are more manageable thanks to the hustle and dedication of officials like Mr. Calista. At age 62, he has announced his imminent retirement. As he leaves, he deserves applause for a job well done.●

LEE VERSTANDIG

● Mr. LUGAR. Mr. President, this week a number of my colleagues have come to the floor to praise Lee Verstandig, who was recently appointed to the position of Assistant to the President for Intergovernmental Affairs.

I speak today to add my voice to the loud chorus of praise that is being heard over this appointment. The President has made an excellent choice.

I first worked with Lee when he assisted Senator CHAFEE in the Senate. When he accepted his job with DOT, I was happy for him, but was sorry to see him go. He had always been an astute political strategist and a tireless worker for the Senate Republicans.

At DOT I found that the Senate's loss was the Nation's gain and my gain as well. As chairman of the Senate Subcommittee on Housing and Urban Affairs, I was charged with the responsibility of reauthorizing the mass transit programs. Given the budget situation, the change in political philosophies, and the wide range of views on the future of transit across the Nation, it was not an easy task. But in the end we did pass a mass transit authorization bill that made major improvements in the program. This bill was passed in large part because Lee Verstandig understood the Congress, the substance of the debate, and was able to convert that understanding into legislative proposals.

Now the President has asked Lee to assist him in his work with States and local governments. As a former mayor and as past president of the National League of Cities, I know that he will be a star in this role.

His appointment is particularly important because the President's New Federalism proposal offers the first real opportunity in a decade to sort out the responsibilities of the various levels of government and to rationalize Federal assistance to local government. Lee's skills will bring the sophistication and skill needed to move this exciting proposal from theory to law.●

DEFICIT OF CANDOR

● Mr. BIDEN. Mr. President, the Washington Post in its lead editorial last Thursday noted that President Reagan is suffering from a "deficit of candor" when he blames the Congress for the huge budget deficits. The Post went on to point out that the President's "woefully incompatible set of defense and taxing policies" are a cause for the deficits of more than $200 billion this year and a projected total deficit of more than $1 trillion in the next 5 years.

President Reagan took office with the promise to balance the budget and produce a surplus. As a candidate he expressed his horror at the $1 trillion of national debt accumulated over the last 200 years. Left unchanged, his present budget policies will add another trillion dollars to the debt by the end of his term. If you stacked a pile of $1,000 bills 67-miles high you would then have the equivalent of the accumulated deficits during his Presidency. It is this contrast between promise and reality that lies at the heart of the budget debate.

Where do these deficits come from? The President would have us believe that the source of these deficits is runaway domestic spending and not his combination of tax cuts and defense increases. However, the much respected and nonpartisan Congressional Budget Office has projected that by the end of the period 1982–88 Congress will have cut $387 billion from nondefense programs. The magnitude of these cuts is indicated by the fact that they exceed the entire budget of the Federal Government in 1976. In the years 1981 and 1982 alone, Congress reduced domestic spending by $62.5 billion.

The fact is that Congress has cut heavily into domestic spending and additional cuts will be forthcoming. I voted for some of these cuts because a number of the programs were badly administered and needed reduction. Yet despite all the cuts, record deficits continue. Even if we were to eliminate all domestic programs, except for such functions as social security and other retirement programs, health care for the elderly and some veterans benefits, we would still end up with a deficit. The choices are limited and very clear. If the defense programs cannot be reduced and entitlements cannot be touched and the interest on the national debt cannot be cut, then either we slash all other programs—the rest of the Federal Government from welfare to space, food stamps to highways, from agriculture to justice—or raise revenues.

I have maintained consistently that we need a new approach to our budget problems. We cannot continue the policies of the past 2 years—increasing Federal spending with huge arms expenditures and decreasing revenues with excessive and unfair tax cuts has made the budget deficits bigger and bigger. It has brought us the longest recession since the 1930's with unemployment and business failure at record highs. President Reagan is now presiding over the largest deficits in our history. These deficits threaten to keep interest rates high, stunt an incipient recovery and perpetuate unemployment. We must reduce the deficits and reverse the present trends. If we do not, many economists believe that the budget deficit will grow to a staggering $250 billion by 1988.

As the Post editorial points out:

The President now denies that he is in any way to blame for the consequences (of his policies). That's not a pleasant situation for Congress, which must now take on the unfair but necessary burden of putting the treasury back on a sound fiscal basis.

Mr. President, I ask to have printed in the RECORD the entire editorial and the two charts showing the deficits and spending cuts prepared by the Congressional Budget Office.

The material follows:

DEFICIT OF CANDOR

In his public pronouncements of the past few days, President Reagan has reaffirmed his belief in the danger of big federal deficits. He has also made it quite clear that, after almost 2½ years in office, he accepts no responsibility for the recordbreaking deficits the country now faces. This position is, at best, disingenuous.

On Monday, the president depicted deficit spending as "one of the most alarming dangers to our republic." The cause of those deficits? Why, nothing besides "uncontrolled spending and . . . addiction to big government." Since the president is himself the major proponent of vast increases in defense spending, it is clearly domestic spending that he finds out of control. And who is to blame for that? Why, no one but Congress.

In the opening statement of his press conference Tuesday, the president asserted that if the "hardwon recovery" is reversed, it will be the fault of the budget committees

because they rejected his "common-sense budget." But all of the budget resolutions being debated by Congress would produce lower deficits than the president's budget. What he doesn't like about them is that they achieve that result by slowing the rapid increase in defense buying and by scaling back his tax reductions.

It is true that none of the resolutions gives the president the net savings in domestic spending he wants—and the House-passed resolution calls for substantial increases. But there are good reasons for congressional reluctance to cut back more on environmental enforcement and abatement efforts, welfare benefits for the nation's poorest families, child nutrition and emergency jobs.

Still, what if Congress threw caution to the winds and accepted all the president's requested domestic changes—including a *big increase* in politically popular water projects? In the face of a projected deficit topping $200 billion, the president asked for net domestic savings of about $17 billion next year. Not inconsequential, but hardly enough to save the republic from being washed away in a sea of red ink.

The president did recognize that something other than Congress—specifically, the deep recession—has contributed to the massive deficits now being piled up. But to him the recession was simply "falling off the cliff"—an unfortunate occurrence unconnected to any of his own policies and unforeseen by "all the economic advisers there are." This will surprise the host of conventional economists who warned that the administration's peculiar combination of tight money and loose fiscal policy would produce exactly what occurred—a deep recession.

Having talked Congress into a woefully incompatible set of defense and taxing policies, the president now denies that he is in any way to blame for the consequences. That's not a pleasant situation for Congress, which must now take on the unfair but necessary burden of putting the Treasury back on a sound fiscal basis.

INCREASE IN THE DEFICIT

[Fiscal years; billions of dollars]

	1982	1983	1984	1985	1986	1987	1988	Total
Tax reduction	38	68	93	121	154	178	207	+860
Defense spending increases	1	15	27	47	65	65	65	+285
Nondefense spending cuts	−42	−47	−56	−59	−61	−61	−61	−387
Net change in deficit due to policy action	−3	36	64	109	158	182	211	+757

Source: CBO baseline budget projections for fiscal years 1984 and to 1988.

BUDGET CUTS: FISCAL YEAR 1982–85 MEANS-TESTED PROGRAM REDUCTIONS

[In millions of dollars]

Program	Dollar change	Percentage change
Employment and training programs [1]	−7,607	−36
Public Service Employment (CETA)	−16,947	−99
Job Corps	−177	−7
Work incentive program	−556	−33
Community services block grants	−1,036	−40
Grants to States for social services (title XX)	−3,083	−23
Student financial assistance	−3,952	−22
Compensatory education (title I)	−2,646	−17
Head Start	−11	−3
Child welfare services	−115	−15

BUDGET CUTS: FISCAL YEAR 1982–85 MEANS-TESTED PROGRAM REDUCTIONS—Continued

[In millions of dollars]

Program	Dollar change	Percentage change
Medicaid	−3,915	−5
Health Services Administration [2]	−1,545	−25
Low-income energy assistance	−713	−9
AFDC and child support enforcement	−4,762	−13
Supplemental security income	−176	−1
Food stamps and nutrition assistance for Puerto Rico	−6,970	−13
Child nutrition	−5,347	−29
Veterans' pensions	−128	−1
Subsidized housing programs	−2,204	−6
Legal Services Corporation	−483	−32
Low-income weatherization	−173	−22

[1] Excludes Job Corps, Public Service Employment, and Young Adult Conservation Corps.
[2] Includes Maternal and Child Health, Community Health Centers, and Family Planning.

Source: Congressional Budget Office.●

RECESS UNTIL 11 A.M. TOMORROW

Mr. BAKER. Mr. President, I am advised that the minority leader is not here and there is nothing cleared by both sides that can be transacted of a routine nature.

Therefore, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 11 a.m. tomorrow.

The motion was agreed to; and, at 10:55 p.m., the Senate recessed until Friday, June 10, 1983, at 11 a.m.

EXTENSIONS OF REMARKS

TRIBUTE TO THE HONORABLE TOM STEED

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. BIAGGI. Mr. Speaker, this morning our distinguished colleague from Oklahoma, Mr. JONES, announced a very sad piece of news—the passing last night of our former colleague from Oklahoma, Tom Steed.

For more than 30 years, Tom Steed served the House and the people of the Fourth District of Oklahoma with unusual skill and distinction. Tom spent most of his life as a son of Oklahoma after having been born in the neighboring State of Texas on a farm near Rising Sun. Tom's home was Shawnee, Okla., and Tom was a loyal and active resident of the town. He served for 4 years as the managing editor of the Shawnee News and Star.

Tom, before coming to Congress, had a distinguished career in the Armed Forces, serving as a second lieutenant in the Office of War Information.

Tom's lengthy career in the House was replete with accomplishment. An indication of his commitment and dedication to his work was when he sought and was granted a seat on the House Appropriations Committee, on which he eventually became chairman of its Subcommittee on Treasury and Postal Service.

Tom was a gentleman in the finest sense of the word, and all of us who had the pleasure to know and work with Tom know this to be the truth. Despite the daily pressures, Tom's sense of humor was remarkable, always brightening one's day with a funny remark or story. He was also highly skilled and competent in his chairmanship of the Treasury-Postal Service Subcommittee. When his bill came to the floor each year, it was a fine product—one not ofttimes radically changed by amendment.

When Tom retired at the end of the 96th Congress, we felt the loss. Today, we do more deeply and I want to express my condolences to his lovely wife Hazel and the other members of his family. The people of Oklahoma and the Nation, as well as the Members of this House, were well served by Tom Steed. His legacy will endure.●

FLORENCE RIFORD: PHILANTHROPIC FIREBALL

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. LOWERY of California. Mr. Speaker, in recent months increasing public attention has focused on the plight of the victims of Alzheimer's disease. Over 1.5 million Americans have been stricken by this mind-ravaging disease, the primary cause of senility. Alzheimer's disease is the fourth leading cause of death among older Americans, and is responsible for almost one-half of all nursing home admissions, at an annual cost of almost $20 billion a year.

There is no known cure for Alzheimer's disease. No known treatment to stop the unrelenting process of mental deterioration. Efforts to increase public awareness and understanding of the effects of the disease have successfully aroused the sympathies of millions of Americans. However, few have leaped to the challenge of discovering a cure for this tragic disease as has one of my constituents, Mrs. Florence Riford of La Jolla, Calif.

No stranger to philanthropic activities, Mrs. Riford recently donated land worth an estimated $1 million to the University of California, San Diego School of Medicine. Proceeds from the land's lease and sale will finance a faculty position—the Florence Riford Chair for Alzheimer's Disease Research—at the UCSD Institute for Research on Aging. Income from the endowment will fund doctoral and postdoctoral fellowships for young scientists to do research on Alzheimer's disease. As Dr. Daniel Steinberg, acting director of the institute, said, Mrs. Riford's gift makes it possible to attract and keep the most gifted minds working on this devastating disease of the elderly.

This gift is only the most recent in a series of donations made by Mrs. Riford to the San Diego community in recent months. Last March, she donated a piece of land valued at $2 million to the city of San Diego as a site for a new branch library. She has also established scholarship funds at three high schools in La Jolla, Calif., and a similar fund for high school students in her hometown of Tonganoxie, Kans.

Additionally, Florence Riford is the benefactor of the Florence Riford Senior Club. In 1972, she bought an old convalescent home, had it remodeled, and transformed it into a senior citizens club. Owned by La Jolla seniors, the club offers classes, lectures, and dinners to 400 elderly La Jollans 5 days a week.

Florence Riford refuses to give her exact age. The elderly La Jollan merely states, "I'm old enough to want to go ahead and give whatever I want to give away and get my affairs in order."

Mrs. Riford's particular method of getting her affairs in order will serve as a living legacy for present and future generations of old and young alike. Mr. Speaker, Florence Riford's spirit of generosity and benevolence should serve as an example to us all.●

THE ADMINISTRATION'S VIEWS ON THE SIXTH U.N. CONFERENCE ON TRADE AND DEVELOPMENT

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. BONKER. Mr. Speaker, the sixth meeting of the U.N. Conference on Trade and Development (UNCTAD) began this week in Belgrade. At UNCTAD VI, the United States and other industrialized countries will have the opportunity to exchange views with the developing nations on a variety of issues in the areas of international trade, finance and monetary policy, commodities, and development. The discussions and actions taken at UNCTAD VI will set the developing countries' international economic agenda for the coming 4 years, and could have an important impact on our interests in promoting a strong and stable global economic and trading system.

As chairman of the International Economic Policy and Trade Subcommittee, which oversees UNCTAD, I believe the United States should use the occasion of UNCTAD VI to engage in serious discussions with the developing countries and to seek ways in which we can cooperate with them to resolve common problems. However, some of the developing countries' proposals at UNCTAD VI are simply incompatible with our interests. The United States should resist, for example, efforts to create new global trade and monetary organizations and measures that would require the industrialized nations to commit massive amounts of

resources for new commodity price support schemes.

Mr. Speaker, I wish to submit for the RECORD excerpts from a statement by Mr. Gordon Streeb, Deputy Assistant Secretary of State for International Economic and Social Affairs, on the administration's position on major issues that UNCTAD VI will address. I applaud the positive attitude the administration is taking toward this Conference, and hope that it will be translated into successful actions in Belgrade.

The sixth session of the United Nations Conference on Trade and Development, known in shorthand as UNCTAD VI, will take place in Belgrade June 6-30. While UNCTAD VI is one of a number of meetings being held this year at which we will address critical questions facing the economies of developed and developing countries, nevertheless we view it as a significant event. UNCTAD's importance to developing countries as a platform to voice their views on economic issues affecting them, and the high profile the Conference will thus attain, underline its importance in the ongoing North/South economic dialogue. We look forward to the opportunity it offers for the discussion of fundamental issues which affect the prosperity of all nations, particularly the developing nations. We go both to listen carefully to the views of others and to present those which we hold ourselves.

The Administration has prepared intensively for UNCTAD VI, giving careful, in-depth study to all issues we expect to arise at Belgrade. We plan to field a delegation which, while relatively small, will be fully capable of addressing the complexities of each issue and of setting forth the nuances of U.S. positions. Deputy Secretary of State Kenneth Dam's leadership of our delegation will underline the importance we place on a successful outcome. When he is not present at the Conference, I will be working as head of delegation.

A key element of our preparation has been the extensive series of consultations, both formal and informal, we have held with other industrialized countries, primarily through the OECD. Our goal has been to mold a common Western approach to problems to be addressed at UNCTAD. For the most part we have been successful in formulating common positions; where we have agreed to disagree, we have nevertheless benefitted from a full and friendly exchange of views.

We have also held numerous consultations with key developing countries. Though our differences in may cases remain fundamental, we feel that their clarification has been helpful.

I am pleased to say that we can go to UNCTAD with a message of hope. The resumption of growth in the US has long been recognized as a critical factor in restoring growth to the world economy. Our own economic recovery is now underway, and indications are it will be stronger than we had earlier thought. The recession from which we are just emerging has shown that our institutions have a resiliency that guarantees their long-term strength. We believe our resumed growth will be solid, non-inflationary and sustainable.

Important as resumed U.S. growth is to spurring global recovery, it is certainly not in itself sufficient to do so. Equally important is the resumption of growth in our major industrialized partners. I am pleased to say that the signs here are good as well. The Williamsburg Summit has shown that there is unity among the major Western countries and Japan behind the pursuit of policies that will foster long-term growth. The demonstration of this unity is a significant contribution to restoring confidence in our market based system.

The challenge we face is how to translate that growth into world-wide recovery. It is a challenge which we must meet because our own sustained growth is fully linked to long-term world-wide growth; today, our ability to trade to a large extent determines our ability to grow. Our response to the challenge—affirmed at Williamsburg—is to assure that our markets remain open to spur an export-led recovery throughout the free world. In doing so, we fulfill a major responsibility to those who look to us for help. Our fulfilling this responsibility is not enough, though, to globalize the process of recovery and renew development. The countries of the South must do their part, primarily by adopting economic policies which allow them to take advantage of our open markets by being conducive to market-oriented expansion. If to do their part countries must make significant policy adjustments—as is the case for many—international financial institutions will have to be prepared to provide necessary support. We have taken steps to assure they have the resources to do their job. For the poorest countries, official development aid will continue to be a vital component of this support, to help them to set a course for self-sustaining growth.

What I have just outlined in brief demonstrates our understanding of the reality of interdependence. We recognize fully the common interests of North and South in seeing a resumption of world-wide growth and development. The approach this understanding implies is one of mutual advantage. It is a practical one in line with our philosophical convictions.●

A TRIBUTE TO FRED B. BURKE

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. EDGAR. Mr. Speaker, on June 6, Fred B. Burke passed away while working in his Washington office. I have lost a friend. The Congress has lost the services of a remarkable talent, a mind that consistently showed us how to solve problems that seemed unsolvable, how to reconcile interests that seemed unreconcilable.

Fred Burke was a lobbyist, a lobbyist not for private interests seeking a profit, but for public interests seeking an improved quality of life for our citizens. For many years, Fred represented the United States Conference of Mayors and the American Public Transit Association. He was the champion of the public transportation industry, and by extension the champion of millions of Americans, many of them poor, who depend on buses and trains that were quickly vanishing from the urban scene before Fred got to work.

Urban mass transportation in the United States today is a public service, publicly funded, as it is throughout the world. It is essential to our cities and to the businesses found there. The Congress of the United States failed to recognize this need until a scant 20 years ago and the industry was at death's door. Several times during the past two decades, the Congress has enacted legislation to rebuild our transit systems, and each time it was Fred Burke, more than any single person, who kept us on track and fashioned compromises despite the conflicting demands of different interests and different locales.

Fred's ability to shape legislation was so profound, I sometimes wondered aloud what my role was as an elected legislator long involved in this field. But I was always glad that he was there, representing our cities, showing us creative ways to resolve problems through legislation.

In the final analysis, I believe Fred's work confirms the importance of the Federal legislative process and all that we in this House do, because the legislation he helped write has made a visible difference to our cities and the people who live in them. And he also has shown us how one person can, in fact, make our country a better place in which to live.●

PRESIDENT PROMOTES ORAL REHYDRATION

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. KEMP. Mr. Speaker, 6 weeks ago, President Reagan called our attention to the increasingly realistic prospects for a health revolution in the poorest countries of the world. He was referring to such health innovations as oral rehydration therapy (ORT)—a home treatment for diarrhea. Dehydration due to diarrhea is a major contributor to deaths among as many as 40,000 infants and young children each day in the developing world. Yet a simple mixture of salts, sugar, and water offers tremendous hope for preventing death from this common yet often fatal disease.

This week, in recognition of the enormous potential of oral rehydration therapy, the U.S. Government under the aegis of the Agency for International Development is sponsoring an international conference on oral rehydration therapy. The conference will bring together experts from the United States and dozens of less developed countries to discuss the progress made in saving lives with oral rehydration therapy.

The United States can be proud of its involvement in the development of

oral rehydration therapy. As the President noted, U.S. support was behind the development and early testing of oral rehydration salts. Our support continues today through our funding for the work of the International Center for Diarrheal Disease Research in Bangladesh, and through our support of numerous AID programs around the world which include oral rehydration therapy.

It is important to continue AID support for these endeavors. But it is equally important that the American people reinforce the U.S. commitment to this important initiative by contributing to the humanitarian efforts of UNICEF, WHO, and of course the many U.S. organizations now involved in promotion of oral rehydration therapy.●

VOLUNTEER WORK OF BERNIE MORRISSEY AND MAJ. LAURENCE BURGESS RECOGNIZED

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. WOLF. Mr. Speaker, recently the President took special note of the contributions of the thousands of our Nation's citizens who give so much to their communities in volunteer work. The 10th District of Virginia is fortunate to be among those areas and I appreciate this opportunity to share with my colleagues the achievements and accomplishments of two of my constituents whose volunteer efforts have greatly contributed to the quality of life in northern Virginia: Mr. Bernie Morrissey and Maj. Laurence Burgess.

Mr. Bernie Morrissey of Herndon, Va., is a graduate civil engineer employed by the George Hyman Construction Co., and has been active in the Virginia Jaycees for over 5 years. As a charter member of the Dranesville chapter, he has served as the vice president, president, and chairman of the board. During his leadership tenure, the Dranesville Jaycees grew from a fledgling organization to a significant community resource of valued civic leadership. He initiated major fundraising projects that resulted in the immediate and tangible betterment of such groups as the Boy Scouts, Juvenile Diabetics Association, and the Northwest Center for Community Mental Health.

During this past year, Mr. Morrissey undertook the chairmanship of the fundraising campaign for Camp Virginia Jaycee, a facility owned and operated by the Jaycees for mentally retarded citizens of Virginia. Since April 1982, Mr. Morrissey has made nearly 50 visits to civic organizations throughout the Commonwealth enlisting their support for this unique and vital enterprise. During January, Mr. Morrissey chaired a special statewide fundraiser for this project. The results are impressive: Over $110,000 was raised in a single month.

Maj. Laurence Burgess, also of Herndon, is a career Marine Corps officer and has been active in the Virginia Jaycees for 5 years. As a member of the Dranesville chapter, he has served as a local director, treasurer, and vice president. During his tenure the Jaycees have become a significant resource to valued civic leadership. His fundraising initiatives also include projects to benefit the Boy Scouts and the Northwest Center for Community Mental Health, as well as the Vietnam Veterans Memorial Fund.

Additionally, Major Burgess has served as a member of the Television Impact Committee of the Diocese of Arlington, while helping to establish the neighborhood watch program in the Hiddenbrook community of Fairfax County. He has chaired a major, standing committee within his community's homeowners association, served in a leadership capacity of the National Military Intelligence Association and is a member of the board of editors of the Marine Corps Gazette.

Both Mr. Morrissey and Major Burgess are valued civic leaders and assets to northern Virginia and it is with regret that the northern Virginia community will be losing their services. Both men are being transferred from the area this month, Mr. Morrissey to Boston, Mass., and Major Burgess to North Carolina. On behalf of the citizens of northern Virginia, I want to express appreciation to these two fine individuals whose dynamic participation and willingness to involve themselves and their families in the community distinguish them as the very example of the American volunteer spirit and wish them the very best as they carry that spirit to their new communities.●

THE 75TH ANNIVERSARY OF THE TOTOWA FIRE DEPARTMENT

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. MINISH. Mr. Speaker, I am pleased to take a few moments before the House today to mark an important celebration in honor of the Totowa Fire Department, of Totowa, N.J. This Saturday, June 11, the fire department will celebrate their 75th anniversary. Since 1908, the Totowa Fire Department has provided outstanding emergency services to the residents of Totowa Boro.

The Totowa Fire Department was originally founded with only 12 to 15 firemen, today, the company can boast 100 firemen and 7 pieces of equipment. In fact, the Totowa Fire Department has been recognized for owning some of the most advanced and modern pieces of fire fighting equipment in the North Jersey area.

One of the special capabilities of the fire department, of which they are justifiably very proud, is a hazardous chemical response team. The Totowa Fire Department is one of the few in our State who possess the specialized equipment and abilities to work with hazardous chemical waste.

The Totowa Fire Department stands on call for all of the towns in Passaic County, and for many towns in Essex and Sussex County as well. If there is a chemical spill, leak, or other emergency in this area, the Totowa Fire Department has the proper equipment, protective clothing, and newest types of meters to detect and treat the hazardous waste. In this capacity, the fire department has worked with the New Jersey Department of Environmental Protection, the EPA, and the State Police. Moreover, members of the department have become very knowledgeable about this important matter and have been lecturing throughout the area on this topic.

I would like to emphasize that this outstanding fire company is completely staffed by volunteers. These dedicated men, sacrifice their own free time, to admirably protect the people of Totowa. The town of Totowa has 11,500 residents, with a daytime population of over 50,000 due to the number of businesses and factories in the town. I would also like to give special thanks to the fire chief, Allen Del Vecchio, for his superior work in the department as well as for his work in coordinating the 75th celebration.

Mr. Speaker, I am proud to honor this fine fire department and believe that the people of Totowa Boro can be proud of the department's 75 year history and of its present accomplishments as well.●

VOICE OF DEMOCRACY CONTEST WINNER

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. TRAXLER. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its ladies auxiliary conduct a Voice of Democracy contest. This year more than 250,000 secondary school students participated in the contest competing for the five national scholarships which are awarded as top prizes. The contest theme this year was "Youth—America's Strength."

The winning contestant from each State is brought to Washington, D.C., for the final judging as a guest of the Veterans of Foreign Wars.

I am very proud that this year's winning speech from Michigan was delivered by one of my constituents—Ms. Nancy K. Mead of Clio, Mich.

Mr. Speaker, I would like to share Ms. Mead's inspiring speech with the Members of this distinguished body, and am therefore submitting her speech to be printed in the CONGRESSIONAL RECORD.

YOUTH—AMERICA'S STRENGTH

(By Nancy K. Mead)

I live on a large farm in the Midwest, and in an apartment building in New York. I come from the country, the cities, the suburbs, and small towns. I am both rich and poor. I am America's strength . . . I am youth.

I have plans for my future and yet I do not. I have adults in my life now to guide me, but I will not always. The day is fast approaching when I become an adult myself, and that is frightening. Often I feel like I do not quite know how to be an adult. There is not one certain thing that young people learn in order to grow up. But I have an advantage over the youth of other countries in that I am going to become an American adult. And that one word, American, gives me a strength the youth of other countries do not have.

The greatest advantage of being a young American is the freedom to choose my own future. I can be anything I want. American schools can train me for any career I choose, and America has a vast range of careers to choose from. Another great advantage is that all my life I have been conditioned to be my own person, and be as independent as I can. Other countries just cannot compare with that because there is no other country that gives such freedom to the people, young or old.

Young Americans even have the advantage in their own country, over preceding generations. I am not like my grandparents who lived two generations ago in the Roaring Twenties. Times were good then, many people were prosperous, and the economy was stable. Those people grew up relaxed and worry-free. But then their dreams were broken by the Stock Market crash. The next generation came out of Great Depression days. They saved and hoarded, went without and knew what hunger meant. Jobs were scarce and people were afraid to dream of prosperity and happiness. Those were two things that seemed very far away. That generation became my parents. But I'm not like them, either.

I am the following generation—today's youth. In all probability, I am going into a depression that has been predicted for years. Teachers and parents have warned me about it for so long that I accept it as part of my future. I face problems with the government, the economy, and foreign countries. But I am the generation that is best equipped to handle it.

First, I have the strength, eagerness, and freshness of youth. My ideas are new and untried. I cannot wait to get out into my own life! My dreams of America have not been broken like those of two generations ago. I am not afraid to dream like the last generation was during the Depression. I am young and strong and can work hard. I believe in the American dream, that is, if you believe in something and never stop, work for it and never quit, then someday it will be yours. Many older people have lost faith in that dream, just because of the everyday pressures of living. I have not lost faith yet, and I hope I never do.

Today, I am youth. Tomorrow, I will be the ambassador to a country that averts a war. I will be the governor who provides jobs for the people in my state. I will be the worker who builds a car and the person who drives it. I will be the farmer who grows food and the consumer who buys it. Today, I am a young person in America. I am spread out all over the country, not unified and not very experienced. But when tomorrow comes, I will be the strength of America.●

CITY OF HOPE

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. BERMAN. Mr. Speaker, I rise today to call to the Members' attention the upcoming City of Hope National Biennial Convention, to be held July 9 to 11 in Beverly Hills, Calif.

The City of Hope is one of the world's foremost medical centers and research institutes. The advances made through the patient care and research performed at the City of Hope are applied internationally in hospitals and universities. This has led some to refer to the City of Hope as a hospital without walls.

The City of Hope is actively involved in studying ways of making health care more efficient, economical, and progressive. Researchers there are pioneering new methods of inpatient treatment and hospital management in order to alleviate skyrocketing health care costs.

Perhaps the greatest contribution being made by the City of Hope, Mr. Speaker, is its ongoing research into the causes, treatments, and cures for catastrophic diseases. Its research scientists were the first to synthesize a gene that successfully produced human insulin. They have developed innovative tests for diagnosing hereditary diseases in newborn babies, blindness and cataracts in youngsters, and for emphysema in adults. They have also introduced new and more effective techniques for surgery, radiation, and chemotherapy.

As the 1,200 delegates gather for the convention from all over the Nation, I would like to take the opportunity to commend the City of Hope and all of those associated with it for the compassionate and diligent work on behalf of all people. I wish all those attending the best of luck in their role of charting the course for the City of Hope in the coming years. Let us all look to the City of Hope as an ideal example of what can be accomplished when we set out to help our fellow human being.●

THE FIGHT AGAINST AIDS MUST BE INTENSIFIED

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. BIAGGI. Mr. Speaker, today out of a sense of profound conern, I am introducing two bills whose objectives are to intensity our Federal Government's commitment for finding a cure for the dreaded disease known as AIDS.

The first bill calls for $20 million to be directed to the Center for Disease Control for epidemiological and medical research on the cause, transmission, treatment, and prevention of acquired immune disorders and related opportunistic infections. The second bill would provide $40 million for basic scientific and medical research to be conducted through the National Institutes of Health on the cause, transmission, treatment, and prevention of acquired immune disorders and related opportunistic infections.

These are commitment of funds necessary to try and tackle what must be called a burgeoning health menace in our Nation. An average of between three and four people a day are being struck down by the dreaded AIDS. More than 80 percent of those persons who acquired AIDS 2 years ago are now dead. There are more than 1,400 known cases of AIDS reported to the CDC. More people have been killed by AIDS than were killed by toxic shock syndrome and Legionnaires disease combined.

While it has been felt that AIDS was restricted to a particular group of individuals in our Nation—recent research points to a much wider segment of people being affected by AIDS including women and children. The problem grows with each passing day—it is approaching epidemic proportions in this Nation and the faster and more decisively we act the more cases we might be able to avert.

I am hopeful that a realistic appropriation of funds can be provided to the CDC and the NIH for the coming fiscal year as we try to demonstrate our concern about and commitment to finding a cure to AIDS. I have testified before the Labor-HHS Subcommittee of the House appropriations bill on this subject and will work for inclusion of sufficient funding for AIDS research and treatment when the HHS appropriations bill reaches the House floor.●

TRADE WITH JAPAN: THE NTT PROCUREMENT AGREEMENT

HON. TIMOTHY E. WIRTH
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. WIRTH. Mr. Speaker, the Subcommittee on Telecommunications, Consumer Protection and Finance, which I am privileged to chair, has been holding a series of workshops across the country. These workshops—which are being held, incidentally, in cooperation with the Department of Commerce—are designed to accomplish several things.

First, the subcommittee has been conducting an ongoing investigation into the implementation of the NTT procurement agreement. This agreement, signed in 1980, was designed to open up the Japanese telecommunications market to U.S. manufacturers. It expires at the end of the year. By bringing together groups of U.S. companies which have tried to sell to Nippon Telephone & Telegraph, the subcommittee will increase its understanding of the effectiveness of the agreement.

In addition, the various U.S. companies involved have had an opportunity to meet with the NTT officials who make purchasing decisions, and improve their ability to export.

Finally, the Japanese have gained an understanding of the seriousness with which the NTT agreement is taken by the United States, which should increase the number of sales to Japan.

Congressman ED MARKEY chaired the Boston Workshop. During the course of the session, Mr. Edmund B. Fitzgerald of Northern Telecom, Inc., gave the keynote address. Although I was not in attendance, Congressman MARKEY has made a copy of the address available to me. I have read it, and believe it is one of the most articulate expressions of a CEO on international trade that I have ever seen. Mr. Fitzgerald has done a very effective job of framing complicated issues in a levelheaded and nonconfrontational fashion.

Mr. Speaker, I ask unanimous consent that the text of Mr. Fitzgerald's speech be included at this point in the RECORD, and I commend his remarks to my colleagues' attention:

ADDRESS OF EDMUND B. FITZGERALD, CHAIRMAN OF THE BOARD, NORTHERN TELECOM, INC.

All of us are familiar with Murphy's infamous law which states "if anything can go wrong, it will go wrong." There is a corollary to this law which further states that "left to themselves, things tend to go from bad to worse." Additionally many feel that Murphy was an optimist.

As regards U.S. trade and investment policy, it is clear to me that the U.S. is not going to leave international trade issues "to themselves" in that there is a solid perception in Washington, D.C., and throughout the U.S. that left to themselves trade issues will go from bad to worse.

Certainly Congressman Wirth, Congressman Markey and the other members of the Telecommunications Subcommittee give every indication through this series of seminars that the Telecommunications Subcommittee is concerned about the NTT procurement agreement. I want to commend Chairman Wirth and his subcommittee for focusing on the importance of the NTT agreement and for focusing on the benefits of open competition to both nations. It is important that the Members of Congress recognize the crucial importance of market access because without free and open participation in each other's telecommunications markets, the U.S. and Japan will continue to experience the difficulties inherent in protectionism and will continue to experience severe tensions in our trading alliance. In truth, the NTT procurement market has become the lightning rod for U.S.-Japan trade tensions.

Major Japanese manufacturers have been enormously successful in the U.S. communications marketplace. Companies like NEC, Hitachi, Oki, Fujitsu currently pursue successful marketing strategies in the open U.S. marketplace. These strategies benefit from significant periods of U.S. marketing investment by these suppliers.

U.S. manufacturers believe that it is only elementary fairness that we enjoy equal access to the NTT market. We know that NTT plans to significantly enhance their network over the next 20 years to effectively integrate their information network system. We know that NTT is committed to the use of digital technology. We recognize that we must make the same marketing investments in Japan that the Japanese suppliers have made in the U.S. A number of us have, in fact, already begun this process. However, to date, we lack concrete evidence that even if we offer competitive products supported by appropriate marketing resources that we, in fact, can do business with NTT.

The NTT communications network system represents a hallmark opportunity for Japan to demonstrate equal market access. The NTT procurement agreement could be the framework for this opportunity, but the key ingredient must obviously be implementation. The current verbal assurance that the NTT procurement market is open must be supported by sales awards to U.S. companies who offer globally competitive products and who have done the homework required to fully understand the NTT requirements.

As a businessman who has engaged in international trade over a period of many years, I find myself increasingly drawn into public debate over U.S. industrial and trade policy. It is in that context that I am here today—as a businessman concerned with his government's international trade and investment policies.

What I need to do today is reflect what I believe to be the view of U.S. telecommunications equipment manufacturers.

I am also here today because at Northern Telecom we believe that the NTT procurement agreement cannot be permitted to expire. While I recognize the frustration felt by many, I am convinced that the constraints on access to the NTT market are in the process of being eased. But as indicated before, the process desperately needs concrete evidence of awards.

I can assure you that we at Northern Telecom are committed to achieving success in the NTT market. We pioneered the development and implementation of digital telecommunications technology, and today we manufacture and supply the industry's most extensive line of digital switching and transmission systems. We currently have installed or have on order more than 12 million equivalent lines of fully digital switching and transmission systems.

Our customers include AT&T, GTE, and most of the Bell operating companies; in all 33 of the 35 largest telephone companies, and specialized common carriers such as MCI, SBS and SPCC. We also sell to the U.S. Government, its Department of Defense, the Federal Reserve System and to hotels, motels, universities, hospitals, banks and major industrial companies. In almost all of these markets, we successfully compete against Japanese suppliers.

It is for these reasons we feel we have the ability to successfully compete with Japanese suppliers in the NTT market.

Much of the international trade news recently has been dominated by angry or frustrated voices. Many U.S. businessmen believe we are doubly cursed by constraints on market access abroad and by domestic barriers to our ability to be globally competitive.

Virtually every soverign nation has identified high technology industries as strategic national industries. Every industrialized nation wants the high technology companies within its borders to be world-class competitors. And in every capital the high technology debate revolves around a similar topic: what should the government do to protect and promote our high technology companies?

Rightly or wrongly, there is a widespread belief in the U.S. private sector that the world trading system is unfair. The belief seems to be that U.S. high technology companies will not be able to compete internationally unless the U.S. Government becomes pro-active and pro-competitive in matching the pro-competitive activities of other governments.

At the same time, many people in the U.S. today are calling for protestionist measures. We have apparently learned nothing since the Smoot-Hawley days or many of us have chosen to forget Smoot-Hawley under the pressure of current world events.

Throughout the world, national economies are still reeling from the global recession. While many economic indicators seem inclined upward, each country is under intense domestic pressure to protect its own industries. Every politician listens to the grassroots whether in Washington, D.C., or Tokyo. It is inevitable that governments, including the U.S. Government, will continue to play an active role in supporting industry (particularly high technology industry) in the years ahead.

My own view is that the U.S. Government must take the domestic steps necessary to improve our global competitiveness, and it must continue to work within the framework of existing international trading agreements to assure that U.S. producers enjoy the same opportunities to enter foreign markets as foreign producers enjoy to the U.S. market.

If we do not enjoy the same opportunities, I am persuaded that the grassroots demand for protectionism will intensify in the months ahead. The importance of international trade to U.S. prosperity is reasonably well understood by many Americans. Workers and their families of exporting companies are aware of the fact that one of every

seven manufacturing jobs depends on international trade. But we should never forget that only ten percent of our firms are involved in export.

So, while it is accurate to describe world trade as important to the growth and future of the U.S., the simple fact is that the vast majority of Americans are not well aware of the economic benefits of free-world trade. Politically, "Buy American" would win overwhelmingly over export expansion.

Even though the political benefits of protectionism must be appealing, I am convinced that the U.S. Congress and the Reagan administration will favor an extension of the NTT procurement agreement. Even though there is little satisfaction with it to date, I believe most businessmen and leaders in government would prefer to focus attention on positive steps to remove restrictive procurement practices. Terminating the agreement would simply add another impediment to our marketing task, and those of us who are currently marketing telecommunications equipment worldwide to nationally owned telephone systems do not need another impediment.

Rather than terminate the agreement, I believe the U.S. Government should work with NTT to establish some mutually agreeable "mileposts of openness." My own view is that the senior mangement of NTT, including the representatives here today, has fully accepted the spirit of this agreement and is committed to making its intent come true. However, I am fearful that the same spirit has not permeated the operating levels of the organization and that the middle managers, contracting officers and engineers have yet to be moved by the same spirit. Reorienting the priorities of a massive organization is not a simple task. In this country I am sure that AT&T would fully endorse that sentiment. Within NTT the task is further exacerbated by a fear at the operating level of having to do business and process documentation in a language other than Japanese. Although the reasons for slow progress are understandable, they can't be permitted to foil the intent of the agreement. Jointly agreed upon "mileposts of openness" should give us a more objective basis for analyzing future progress.

It is essential that those of us in the U.S. and in Japan who recognize the pervasive benefits of international trade do everything possible to assure an understanding of the economic interdependence that exists in the world today. A world that has been in a protracted recession and a world which is seeing a rise in economic nationalism is a world that must find bilateral and multilateral solutions in its trading disagreements.

Many of us in the U.S. believed and hoped that the NTT procurement agreement would help in easing the strains in the U.S.-Japan relationship but it appears that most U.S. businessmen do not believe the NTT agreement has brought down the marketplace barriers at NTT.

The NTT agreement was negotiated by the U.S. Government to gain access to the NTT market for U.S. producers, and while progress has been made in the process for gaining access, there has been little progress in contract awards. Japan's image in the U.S. is unfortunately still that of a mammoth exporter with a closed home market.

While I do not ascribe to that image, the fact remains that the depth of feeling against Japanese trading policies in the U.S. is intense. We have 1984 Presidential candidates campaigning against Japanese imports and we have powerful Congressmen eager to enact protectionist measures in the U.S. Congress. On the Japanese side, the belief seems to be that U.S. politicians are attempting to make Japan a scapegoat. Others seem to believe the problem will go away when the U.S. economy improves. The U.S.-Japan relationship in recent months has been characterized primarily by misunderstanding, misinformation, rhetoric and symbolism. But symbolism and rhetoric are a part of the real world.

The rising tide of emotionalism shows no signs of abating. Japan in general and NTT in particular cannot afford a protectionist war. Neither can the United States. No two nations would be so decimated by protectionism as Japan and the United States. The hostility and resentment in the U.S.-Japan relationship must be addressed by our political leadership and by the private sector. NTT could make a major contribution to the improvement of the U.S.-Japan relationship by making merited purchasing decisions in favor of U.S. suppliers. I certainly credit NTT for the significant progress it has made in process changes to open its markets to U.S. suppliers in these past two years. But I do not believe it unjust to suggest that we have not achieved the level of market access originally intended by the procurement agreement. I would say to our leaders in the U.S. Government: You must continue to encourage NTT and Japan to give us the same opportunities within NTT as the Japanese companies enjoy in the U.S. telecommunications markets.

To the executives of NTT I would say, many U.S. companies produce globally competitive telecommunications equipment. We have proven this in world markets other than Japan. You have every right to demand that, as suppliers, we fully understand your needs and that we are as easy to do business with as your alternate sources. But when we satisfy these criteria, we are deserving of your business. If I may paraphrase an American slang expression "try us, you might like us."●

AN ADDRESS BY MENACHEM ROSENSAFT

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. LANTOS. Mr. Speaker, the recent gathering of Holocaust survivors here in Washington produced many moving, emotional moments. But none was more touching than an address given by Menachem Rosensaft, chairman of the Network of Children of Jewish Holocaust Survivors. Both of his parents survived Auschwitz and Bergen-Belsen, certainly an extraordinary circumstance.

Mr. Rosensaft was born in the displaced persons camp in Bergen-Belsen on May 1, 1948. Today, he is an attorney in New York City. His organization includes 35 second-generation groups throughout the United States and Canada.

As the introduction of Mr. Rosensaft's remarks indicates, the speech was indeed a fitting climax to the commemoration of the 40th anniversary of the Holocaust.

I commend the remarks, as reprinted in the Jewish Week of New York, to my colleagues' attention.

[From the Jewish Week, May 6, 1983]

ROOTS IN THE ASHES

(By Menachem Z. Rosensaft)

I was born in Bergen-Belsen. That is the essence of my being.

My cradle stood only a few hundred yards from the mass graves in which Anne Frank and tens of thousands of other European Jews lie buried anonymously. My parents survived the horrors of Auschwitz; my grandparents did not. I am alive; my five-year old brother perished in a gas chamber.

We, the sons and daughters of the survivors of the Holocaust, are the bridge between two worlds. Many of us bear the names of grandparents whom we have never met. That is our heritage. For us, the Holocaust is not an abstract historical phenomenon. It is our past, our parents' lives, our grandparents' death. For us, the number 6,000,000 is not merely a dispassionate statistic. It is our families, multiplied, and multiplied, and multiplied. It is my grandparents, and hundreds of thousands of Jewish grandparents. It is my parents' brothers and sisters, and millions of Jewish brothers and sisters. It is my mother's son, and more than one million other Jewish children. It is shadows and echoes, nightmares and lullabies.

For us, the cataclysm that engulfed the world four decades ago is both real and surreal. Our very existence symbolizes the indestructibility of the Jewish people. Thus, the birth of each one of us gave meaning to our parents' survival and constituted an absolute victory ove those who had sought to destroy European Jewry.

But at the same time, there is an intangible dimension to our consciousness which permeates our lives. Sometimes, when I am alone, I see, or imagine that I see, the fading image of a little boy named Benjamin. Forty years ago, on Friday, April 11, 1943, that little boy was alive in the Ghetto of Sosnowiec, in southern Poland. On August 4 it will be precisely forty years since my brother was murdered by the Germans at Auschwitz. I am haunted by his face, his eyes, and I listen to a voice I never heard.

But do I see him, or is it merely my own reflection? Are my tears mine, or are they his? I do not know. I shall never know. And it is because of him, and because of every one of the annihilated members of our families who are an intrinsic part of our lives, that we, the Second Generation, are here together with our parents at this unique Gathering.

However, we must now prove ourselves worthy of our collective identity. We were given life and placed on earth with a solemn obligation. Our parents survived to bear witness. We, in turn, must be their attestors. Our task is to remind the world of the Holocaust in order to prevent its recurrence.

As a result, it is not sufficient for us to mourn and remember. We do not have the right to be exclusively retrospective or introspective, to concentrate solely on the past or on ourselves. While the commemoration of the Holocaust lies at the heart of all our activities, that alone cannot justify our existence as human beings and Jews. As the heirs of the 6,000,000 Jews who perished during the Holocaust, we constitute a moral force whose voice can have an impact on mankind. We must—and we shall—raise this

voice on behalf of all, Jews and non-Jews alike, who are subjected to persecution and oppression anywhere in the world, or who are threatened by annihilation.

We have learned from our parents' tragic experiences that the greatest crime is indifference to the suffering of others. Because of who we are, we may never be passive, or allow others to be passive, in the face of anti-semitism or any other form of racial, ethnic or religious hatred, for we know only too well that the ultimate consequence of apathy and silence was embodied forever in the flames of Auschwitz and the mass graves of Bergen-Belsen.

In this regard, our obligation is clear. So long as Jews will be persecuted, whether in the Soviet Union or Ethiopia, whether in Arab countries or elsewhere, so long as the enemies of our people persist in their efforts to destory us, so long as the State of Israel remains threatened, so long as human beings anywhere will be oppressed, our voice will be heard and our presence will be felt.

We, whose roots are embedded in ashes, will never forget that above all else, we are our brothers' keepers.●

TIP O'NEILL HAS HIS TAX TARGETS MIXED UP

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. KEMP. Mr. Speaker, the evidence continues to mount that the $700 cap on the third year of President Reagan's tax-rate cuts, proposed by the Democratic leadership, is a foolish idea.

In an outstanding editorial today, the New York Post points out that the plan—

Far from hitting the rich, would hit millions of middle class families.

It would hit a single income earner who does not itemize deductions at $31,150 gross income. It would hit a one-income family of four which does not itemize at $39,250 gross. . . . How wrong can (Speaker Tip) O'NEILL get when he says that the $700 cap is a way of raising $6 billion by imposing this burden on "people best able to pay it" without political risk to the Democrats.

In fact, the cap would hit a two-income family at roughly a joint income of $50,000. There are three-and-one-half million taxpayers in that category—and millions likely to move into it soon.

How long has O'NEILL been under the impression that a man and wife earning $25,000 each on the Detroit assembly lines—or any other work, for that matter—would be able to afford this kind of levy?

This is exactly the question we must ask our Democratic colleagues: Why do they want to tax working middle class Americans, and especially working couples?

I would like to commend this article to the attention of my colleagues.

The article follows:

TIP O'NEILL HAS HIS TAX TARGETS MIXED UP

Speaker TIP O'NEILL is saddling the Democrats in Congress with a certain loser with his proposal to put a $700 limit on the scheduled July 1 tax cut. He says it would help lower the budget deficit by soaking the rich but he is way off target.

His plan has nothing to do with soaking the rich. They have already had their tax cut.

The top tax rates were reduced from 70 per cent to 50 per cent on Jan. 1, 1982. What's more, they were cut through a proposal initiated not by President Reagan, but by a Democrat, Michigan Rep. Bill Brodhead, now retired, and fully supported by the Democrats.

How right they were to do so!

The tax collection from this category of taxpayers was expected to fall from $77 billion in fiscal 1981 to about $72 billion in 1982 as a result of the rate reduction. In fact, it increased to $85 billion, 10 per cent more than the year before.

O'Neill's plan, far from hitting the rich, would hit millions of middle class families.

It would hit a single income earner who does not itemize deductions at $31,150 gross income. It would hit a one-income family of four which does not itemize at $39,250 gross. Where deductions are itemized the cap would begin at $37,430 gross and $45,550 gross respectively.

The hardest hit, of course would be two-income families—the fastest growing category of taxpayers in the country.

How wrong can O'Neill get when he says that the $700 cap is a way of raising $6 billion by imposing this burden on "people best able to pay it" without political risk to the Democrats.

In fact, the cap would hit a two-income family at roughly a joint income of $50,000. There are three-and-one-half million taxpayers in that category—and millions likely to move into it soon.

How long has O'Neill been under the impression that a man and wife earning $25,000 each on the Detroit assembly lines—or any other work, for that matter—would be able to afford this kind of levy?

O'Neill's plan would also increase dramatically the marginal tax rates of millions of taxpayers. For a family with $35,200 taxable income—that is, after all deductions—the present tax bracket increases from 28 per cent to 33 per cent for any further income. O'Neill's plan would take the bracket to 37 per cent in one swoop—a one-third increase.

Nor would the plan "restore fairness."

If you have an income below $35,200 you would get the 10 per cent cut on July 1 and therefore the full 23 per cent Reagan tax rate reduction over three years since Jan. 1, 1981. If your income is above $109,000—thanks to the original reduction of the top rate to 50 per cent—you would also have it.

If you are anywhere in between—as millions of American families are—your tax cut would be only 15 per cent.

O'Neill is championing a loser. Robert Dole, Republican chairman of the Senate Finance Committee, says the July 1 tax cut is the "safest bet in town." Dan Rostenkowski, Democratic chairman of the House Ways and Means Committee, rightly fears that O'Neill's cap would simply paint the Democrats as a party of tax raisers.

The Democrats are hitting at windmills. Their plan will never get to the point where Reagan will even need to veto it.●

INTRODUCTION OF H.R. 3255

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. JONES of North Carolina. Mr. Speaker, today I am introducing legislation to give the Secretary of Agriculture the authority to include all fish and fish products in export promotion programs carried out by the Commodity Credit Corporation.

The United States has registered a fishery trade deficit for over 35 years. In 1960, the trade deficit for fishery products was $258 million and by 1980 it was $2.6 billion. The more disheartening part of this story is that this country has large amounts of underutilized fishery resources within the 200-mile fishery conservation zone. These resources are, however, being utilized by heavily subsidized foreign fishermen, are often exported to other countries, and even come back to this country as imports.

Much of this resource base could, with the proper environment, be harvested and processed by our own fishing industry and sold as export product to the rest of the world. The potential for export trade in U.S. fishery products is enormous but its development is generally impeded by the lack of credit financing for the shipment of large amounts of raw product and a large and often overwhelming financial burden which is imposed on the exporter and importer while their relatively high-value finished products are in shipment or awaiting customs clearance.

Section 1 of the proposed legislation would give the Secretary of Agriculture the authority to include all fish products in export programs of the Commodity Credit Corporation Charter Act such as the food for peace program and programs to promote the development of overseas markets for U.S. agricultural commodities.

Section 2 of the bill would amend the Agricultural Trade Development and Assistance Act of 1954, commonly referred to as Public Law 480, to authorize the Secretary of Agriculture to include fish and fish products in programs designed to expand export markets for U.S. commodities, programs to use the abundant agricultural productivity of the United States to combat hunger and malnutrition, programs designed to encourage the economic development of foreign countries and to prevent the waste of commodities. It would also delete the requirement that specific appropriations are necessary to include fish and fish products in programs for disaster relief and exchange for strategic materials.

Section 3 of the proposed legislation would give the Secretary of Agricul-

ture the authority to include fish and fish products in programs designed to promote the export of agricultural commodities such as the export credit revolving fund and the export credit sales program.

Section 4 of the bill would amend section 135 of the Omnibus Budget Reconciliation Act of 1982 to permit fish and fish products to benefit from special funding for export programs.

Mr. Speaker, the inclusion of fish and fish products within the export programs carried out by the Secretary of Agriculture under the Commodity Credit Corporation would serve to create badly needed jobs here in the United States and would encourage the full development and utilization of the fishery resources within our 200-mile fishery conservation zone. It has long been established that fish and fish products are a nutritious and sound food commodity. These products can help to meet a growing protein need for an ever-increasing world population.

I am most hopeful that this measure will help stem the tide of larger and larger fishery trade deficits which has been characteristic of the past three decades. While this country is rich in fishery resources, our utilization of these resources has been poor and it is time that we use these resources in a manner that will decrease our fishery trade deficit and benefit the citizens of this Nation.

This bill creates no new programs. It merely allows our underdeveloped fishing industry to benefit from the existing infrastructure which has aided export of American farm products for many years. I urge my colleagues to join me in supporting this important legislation.●

WASHINGTON WATER WEEK

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. ZABLOCKI. Mr. Speaker, yesterday marked the beginning of "Washington Water Week," a week in which there will be many activities to better inform Congress and the public of the serious need for safe drinking water and proper sanitation in the United States and worldwide.

The voluntary organization Global Water under the leadership of its esteemed president, Dr. Peter Bourne, has planned the weeklong event in order that more attention will be given to this issue of importance to every country in the world, and I hope my colleagues will share in this educational campaign.

Certainly, we should take steps to assure that a future adequate water supply is available worldwide, and that easy access to safe drinking water is afforded to all people. In our own country, we should work toward developing a comprehensive water policy and we should use our expertise and good will to enable other countries to do the same. Developing countries can use our talents and our help.

Mr. Speaker, Global Water should be commended for bringing attention to the water issue and I am confident that their educational efforts will serve us all.●

MADISONVILLE TAKES TENNESSEE BASEBALL CROWN

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. DUNCAN. Mr. Speaker, The most common challenge in sports can be found in the phrase "Wait till next year." It expresses the frustrations of one season and the hopes of another.

Two years ago the Madisonville High School Golden Tornadoes went to the finals of the class A Tennessee baseball playoffs. The team won the first game against Memphis Skyview, and, according to Coach MacColey, were "a strike away" from winning the second game and the title. Madisonville lost that game, however, and like many before it vowed to wait till next year.

This is "next year" and the Tornadoes have captured the class A title by defeating Memphis Skyview 7–6 on May 27. The victory represented more than revenge for the 1981 loss. It also represented the first State championship of any kind for the Monroe County school.

Only one senior played in the Madisonville lineup, and a key player was injured in a previous playoff game. The Golden Tornadoes had only four hits, but they were able to pull ahead in the final inning, and hold on to defeat Skyview by one run. It was a display of courage and perseverance that brought the crown to Madisonville.

I would like to take this opportunity to congratulate the players, coaches, and fans who have been responsible for the success of this team. There is a great deal of community spirit and pride that has gone into this championship. I believe that is fitting for the sport that is America's pastime.

Baseball has always brought people together. It encourages both team play and individual accomplishments. As a team, Madisonville High School showed itself to be the best in its class. As individuals, Randy Dockery was able to win the game by forcing a Skyview player to popup with a runner on third base, for the final out; and Tracy Patterson hit a two-run homer to score the winning run. This combination of teamwork and individual accomplishment is what makes a winner in baseball.

Madisonville has displayed these traits. I have no doubt that all those who have played a part in this championship season will cherish the memories. They will remember the team victories, and the individual play that brought this championship to the Golden Tornadoes. And they will no longer have to wait till next year.●

INDIAN POINT AND THE NUCLEAR INDUSTRY

HON. CHARLES PASHAYAN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. PASHAYAN. Mr. Speaker, with the accident at Three Mile Island, both the Congress and the Nuclear Regulatory Commission concluded that extensive emergency planning was necessary to protect public health and safety against the unlikely event of a nuclear accident. In the NRC Authorization Act for Fiscal Year 1980, and again in the Authorization Act for Fiscal Years 1982 and 1983, the Congress provided for the adoption of radiological emergency responses plans covering the areas surrounding the Nation's nuclear powerplants. Congress fashioned requirements only with respect to new nuclear plants; the NRC broadened the scope of planning requirements to include existing plants.

Both Congress and the NRC envisioned a strong local role in the development and implementation of evacuation and other emergency planning. Emergency planning, after all, is much the province of local authorities and emergency service personnel. Recent events suggest, however, that we have been too sanguine about the ability and the willingess of local authorities to fulfill their important responsibilities within the framework established by Congress and the NRC. Indeed in some instances, most notably at Indian Point in Buchanan, N.Y., the local authorities appear to be using their control over local emergency facilities and service personnel adversely to the interests of utilities and the other Government entities with which they are expected to cooperate.

The situation at Indian Point, in brief, is this: officials of Rockland County, a county adjacent to an operating nuclear powerplant, have not yet developed their own emergency response plans and have refused to participate in drills to demonstrate the adequacy of the State's plan. Because of NRC regulations, a plant may not operate where there is no approved plan in place. Unless the State can

compensate for the county's inaction by providing sufficient substitute personnel to respond effectively to an emergency, or the county finally agrees to cooperate in implementing the State plan, the Indian Point operating licenses will be suspended by the NRC on June 9.

This particular problem is a danger at 37 of the 53 nuclear sites througout the Nation where State emergency plans have yet to be approved and perhaps even at the remaining sites—given that cooperative local officials are always subject to replacement by uncooperative ones. If, in the case of any site, local authorities refuse to participate in the planning process, or are unable for whatever reason to provide the funding, direction and coordination necessary to develop or implement proposed plans, then nearby reactors may not operate. As vividly demonstrated in the Indian Point situation, this regulatory structure places the utilities at the mercy of local authorities.

Indian Point is not the only site at which the problem has already affected the nuclear industry. At sites in Kentucky and Massachusetts, local authorities reportedly have used their leverage over utilities to obtain agreements to provide funding for emergency planning. While it may be appropriate for the utilities—and hence their ratepayers—to absorb some of the planning costs, I question the appropriateness of local entities using their power as a bargaining chip to extract concessions, financial and otherwise, from utilities. Even more alarming are reports that some local entities—notably, municipalities surrounding the Seabrook plant in New Hampshire and the proposed Shoreham unit in Suffolk County, N.Y.—are intent on using the planning process not merely to extract concessions but actually to stop plants from operating.

Congress obviously did not establish emergency planning requirements for the purpose of shutting down powerplants. Its purpose was to assure that maximum safety could be achieved consistent with the development of nuclear power as an important energy source. It is only consistent with that purpose that Congress act to remedy the defect in the regulatory process which permits local entities to apply pressures to achieve their own ends. I sincerely hope that we can move rapidly.●

PERSONAL EXPLANATION

HON. RICK BOUCHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. BOUCHER. Mr. Speaker, I regret that because of a previous commitment to speak today on the campus of Virginia Polytechnic Institute and State University in Blacksburg, I was absent for the vote on final passage of the fiscal year 1984 Agriculture Appropriations Act. Had I been present, I would have voted in favor of this important legislation.

I was particularly pleased to note that the committee recommended an appropriation of $4.5 million for the Virginia-Maryland Regional Veterinary School which is being constructed at Virginia Tech. This appropriation represents a recognition of the strong Federal interest in the construction of the new school of veterinary medicine, and I commend the committee for its action.●

GETTING THE FOOD TO THE POOR

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mrs. KENNELLY. Mr. Speaker, I, like many of my colleagues, have become deeply concerned about the growing problem of hunger and malnutrition in our country. In the city of Hartford, which I represent and which ranks fourth in the Nation in poverty, there have been many generous efforts made to provide assistance for needy men, women, and children, through churches and voluntary food banks. However, in Hartford, as is true nationwide, volunteers alone cannot meet the tremendous demand for food assistance that exists. Over the last 2 years, the Salvation Army in Hartford faced an appalling 400-percent increase in requests for help from its food pantry. A shortage of food resulted, forcing the pantry to limit its resources to families, ending its assistance to single men.

This is particularly frustrating when we see massive amounts of surplus commodities being held in storage by the Federal Government. It is even worse because in Connecticut a comprehensive plan to distribute commodities is already in place, through the joint efforts of the Governor and the private sector. Unfortunately, although the USDA has called the plan an excellent one, we have yet to receive more than a token amount of commodities to implement it.

I am firmly convinced that available food will not be released in adequate amounts unless Congress mandates the USDA to take action. We should not allow food to spoil in storage while so many people go hungry, and so I urge my colleagues to support a bill that will soon be on the floor, H.R. 1590, the Emergency Food Assistance and Commodity Distribution Act of 1983. It is not a total answer to the problems of hunger in our country. But at least it is something we can do now, in a time of urgent need.

I also call to my colleagues' attention a Washington Post article by Colman McCarthy, "Getting Food to the Poor," which provides additional information on the need for this bill.

GETTING THE FOOD TO THE POOR

On June 27 a different kind of food line is scheduled to be formed. A congressional delegation, led by Rep. Tony Hall (D-Ohio), will tour the Department of Agriculture's limestone-cave food warehouses in Kansas City, Mo. A week later, on July 4, a group of demonstrators organized by the Community for Creative Nonviolence, which has been feeding hundreds of the hungry in Washington every day for 10 years, will be at the site for a protest.

The caves hold 315 million pounds of surplus dairy food. Among the 600 federal food warehouses, the Kansas City operation is one of the largest. The congressional group and the demonstrators want to learn why there is not a correspondingly large vision about getting the food to the poor.

The USDA announced in May that its cheese giveaway program is about to be sliced thinner: from 55 million pounds in March to 25 million pounds by August. That comes out to less than a pound of cheese per month per poor person. The USDA claims commercial sales are being hurt. But to date, neither the USDA nor cheese companies have offered Congress any exact data on how the poor are hurting the dairy industry. Only scare talk has been heard.

Despite the disbursement of 270 million pounds of cheese in the first 15 months of the program, the surplus grows. In May 1982, the federal pantry held 683 million pounds. By last month, there were 803 million pounds. Surpluses in butter and dry milk are also up.

The bulging food bins mean increased storage costs: from $270 million in 1982 to an estimated $380 million this year. While the Reagan administration spends more than $1 million a day in storage fees, emergency food programs for the poor have their own statistics of increase. The Center on Budget and Policy Priorities in Washington reports that in more than half of the 181 programs it surveyed the number of people coming for food rose by more than 50 percent in a recent one-year period. The newcomers to hunger were mostly people victimized by the billions of dollars in cuts in nutrition programs from food stamps to school lunches.

Hard times are one thing, but the Reagan administration is attacking the poor with a policy of miserliness. What other conclusion can be reached? Reagan officials set out to decimate food and nutrition programs to which they were ideologically opposed. Starvation diets for food programs were the extension of the Reagan philosophy of no free lunches. Now, two years later, a policy of denial is paired with a program of plenty: The food warehouses get bigger while the food lines get longer.

The Reagan administration is now trying to convince the country that the recession-depression is over and economic recovery is well on the way. It will have to go some ways to persuade Sen. John Danforth (R-Mo.). After a visit to food programs in Missouri, he told a Senate subcommittee that he had a "great sense of alarm" over the

spreading hunger and malnutrition he sees in his state.

When the administration began cutting food programs, it told the churches and service organizations to get involved. They already were, long before the Reaganites postured as the inventors of voluntarism. But even heroic efforts of people who run the food banks and soup kitchens have been doomed. The groups regularly come to Congress to say in their exhaustion that they have no money for the administrative costs of getting surplus food from the government to the poor.

Second Harvest, a national foodbank organization, reports a typical case: "Forty-three agencies in Cincinnati, Ohio, distributed cheese during the first distributions. All but one quit due to costs and inadequate resources. The remaining agency, the Free Store, has absorbed the costs of over $8,000 for storage alone at the expense of other program expenditures."

A few days ago, the House Agriculture Committee unanimously passed a commodity distribution bill offered by Rep. Leon Panetta (D-Calif.). It would provide up to $50 million a year to help states and service groups pay the administrative costs of food distribution. The bill extends and broadens the temporary food emergency legislation that was in the jobs bill but expires in September. The administration, which successfully weakened that bill, says it "will probably oppose" the Panetta bill.

Undeterred by this negative record, Richard Lyng, a former meat industry lobbyist who is second in command at USDA, claims the administration is "giving away more food than ever." The boast is hollow, because Congress, heeding the pleas of local groups who face the poor everyday, has forced the surplus giveaways.

At best, those giveaways do little to offset the takeaways: the cuts in established programs like food stamps. The new affront to the poor is that the government's leftovers are becoming luxuries.●

HUMAN GENETIC ENGINEERING

HON. ALBERT GORE, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. GORE. Mr. Speaker, I want to call to my colleagues' attention a petition that was released this morning concerning the matter of human genetic engineering. The petition, signed by a number of eminent clergymen and individuals, calls for a prohibition on genetic engineering of human germline cells. Although just released today, the petition is part of a significant, ongoing debate on the issue of human genetic engineering that is beginning to test the ethical framework of our society and highlights the need for a body to examine the issues in detail, as I have proposed in legislation now pending.

The signing of such a petition by so many respected clergymen reflects, in my opinion, the very real and legitimate concern that the new genetic technologies could be severely misused. Particularly, there are fears that the onset of human genetic engineering for any purpose will inevitably lead to new forms of eugenics and efforts to create perfect human beings.

I share the concerns of the signers of the petition to a great extent. The prospect of using human genetic engineering to achieve such a result is as abhorrent to me as it is to them and many others in our society.

At the same time, however, some forms of genetic engineering may be desirable. For example, there is hope—and the very real possibility—that devastating diseases, such as sickle cell anemia, Tay-Sachs, and even cancer, could be cured through gene therapy and forever eliminated. Do we really want to say, here and now, that we should not seek these cures?

The issues raised by the clergymen's petition highlight the great ethical issues raised by the prospect of human genetic engineering. As the debate already stimulated by the petition reveals, our social and legal institutions are presently ill-equipped to answer these serious ethical questions.

Because of my concerns on these issues, I have introduced legislation to create a President's Commission on the Human Applications of Genetic Engineering. The commission is an independent, advisory body, composed of both scientists and nonscientists, that is intended to monitor developments in human genetic engineering and address exactly the sort of issues raised by the petition. The commission is the product of 3 days of hearings that were held last November by the Science and Technology Subcommittee on Investigations and Oversight, which I chair. Some of the signers of the petition were invited to testify at the hearing. The testimony at the hearing overwhelmingly supported the creation of such a commission, and this latest development demonstrates clearly how greatly this commission is needed. The legislation is scheduled to come before the full House later this month, and I urge my colleagues to support it at that time.

Mr. Speaker, the possibility of human genetic engineering will present our society with some of the most difficult issues that we have ever faced. In many ways, we will have to grapple with one of the most fundamental questions of all: What does it mean to be human? It is essential that we begin now to prepare ourselves for the debate that lies ahead. I believe that the commission that I have proposed is a step in that direction.●

UNITED NATIONS GENERAL ASSEMBLY ADOPTS RESOLUTION ON CYPRUS

HON. GERALDINE A. FERRARO

OF NEW YORK

HON. BARBARA B. KENNELLY

OF CONNECTICUT

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Ms. FERRARO. Mr. Speaker, on May 13, the United Nations General Assembly overwhelmingly adopted a draft resolution on Cyprus deploring the lack of progress in reunification talks and demanding immediate withdrawal of all occupation forces from the island.

Having visited Cyprus during the congressional recess in April, we are convinced of the compelling case for withdrawal of the approximately 20,000 Turkish troops still occupying the island since Turkey's invasion of Cyprus in 1974.

The U.N. resolution—which also calls for a prompt and peaceful settlement of the Cyprus question—was adopted by a vote of 103 to 5. Twenty countries abstained, including the United States. We find this abstention by the Reagan administration regrettable.

A separate vote occurred on operative language recommending that the Security Council examine and adopt appropriate measures to implement relevant U.N. resolutions on Cyprus—within a fixed time frame—with 86 countries voting in favor, 8 against, and 25 abstentions.

This latest U.N. resolution on Cyprus, in conclusion, encourages the Secretary-General "to undertake such actions or initiatives as he may consider appropriate * * * for promoting a just and lasting solution of the problem and to report to the General Assembly at its 38th session on the results of his efforts."

For those who believe in fundamental human rights and fundamental freedoms, this latest U.N. action will hopefully renew and intensify efforts for a peaceful Cyprus solution. The full text of the recently adopted U.N. resolution on Cyprus follows:

QUESTION OF CYPRUS—ALGERIA, CUBA, GUYANA, INDIA, MALI, SRI LANKA, AND YUGOSLAVIA: DRAFT RESOLUTION

The General Assembly,

Having considered the question of Cyprus,

Recalling its resolution 3212 (XXIX) of 1 November 1974 and its subsequent resolutions on the question of Cyprus,

Recalling the high-level agreements of 12 February 1977 and 19 May 1979,

Reaffirming the principle of the inadmissibility of occupation and acquisition of territories by force,

Greatly concerned at the prolongation of the Cyprus crisis, which poses a serious threat to international peace and security,

Deeply regretting that the resolutions of the United Nations on Cyprus have not yet been implemented,

Recalling the idea of holding an international conference on Cyprus,

Deploring the fact that part of the territory of the Republic of Cyprus is still occupied by foreign forces,

Deploring the lack of progress in the intercommunal talks,

Deploring all unilateral actions that change the demographic structure of Cyprus or promote faits accomplis,

Reaffirming the need to settle the question of Cyprus without further delay by peaceful means in accordance with the provisions of the Charter of the United Nations and the relevant United Nations resolutions,

1. Reiterates its full support for the sovereignty, independence, territorial integrity, unity and non-alignment of the Republic of Cyprus and calls once again for the cessation of all foreign interference in its affairs;

2. Affirms the right of the Republic of Cyprus and its people to full and effective sovereignty and control over the entire territory of Cyprus and its natural and other resources and calls upon all States to support and help the Government of the Republic of Cyprus to exercise these rights;

3. Condemns any act which tends to undermine the full and effective exercise of the above-mentioned rights, including the unlawful issue of titles of ownership of property;

4. Welcomes the proposal for total demilitarization made by the President of the Republic of Cyprus;

5. Expresses its support for the high-level agreements of 12 February 1977 and 19 May 1979 and all the provisions thereof;

6. Demands the immediate and effective implementation of resolution 3212 (XXIX), unanimously adopted by the General Assembly and endorsed by the Security Council in its resolution 365 (1974) of 13 December 1974, and of the subsequent resolutions of the Assembly and the Council on Cyprus which provide the valid and essential basis for the solution of the problem of Cyprus;

7. Considers the withdrawal of all occupation forces from the Republic of Cyprus as an essential basis for a speedy and mutually acceptable solution of the Cyprus problem;

8. Demands the immediate withdrawal of all occupation forces from the Republic of Cyprus;

9. Commends the intensification of the efforts made by the Secretary-General, while noting with concern the lack of progress in the intercommunal talks;

10. Calls for meaningful, result-oriented, constructive and substantive negotiations between the representatives of the two communities, under the auspices of the Secretary-General, to be conducted freely and on an equal footing, on the basis of relevant United Nations resolutions and the high-level agreements, with a view to reaching as early as possible a mutually acceptable agreement based on the fundamental and legitimate rights of the two communities;

11. Calls for respect of the human rights and fundamental freedoms of all Cypriots, including the freedom of movement, the freedom of settlement and the right to property and the instituting of urgent measures for the voluntary return of the refugees to their homes in safety;

12. Considers that the de facto situation created by the force of arms should not be allowed to influence or in any way affect the solution of the problem of Cyprus;

13. Calls upon the parties concerned to refrain from any unilateral action which might adversely affect the prospects of a just and lasting solution of the problem of Cyprus by peaceful means and to cooperate fully with the Secretary-General in the performance of his task under the relevant resolutions of the General Assembly and the Security Council as well as with the United Nations Peace-keeping Force in Cyprus;

14. Calls upon the parties concerned to refrain from any action which violates or is designed to violate the independence, unity, sovereignty and territorial integrity of the Republic of Cyprus;

15. Reiterates its recommendation that the Security Council should examine the question of implementation, within a specified time-frame, of its relevant resolutions and consider and adopt thereafter, if necessary, all appropriate and practical measures under the Charter of the United Nations for ensuring the speedy and effective implementation of the resolutions of the United Nations on Cyprus;

16. Welcomes the intention of the Secretary-General, as expressed in his report,[1] to pursue a renewed personal involvement in the quest for a solution of the Cyprus problem and, in view of this, requests the Secretary-General to undertake such actions or initiatives as he may consider appropriate within the framework of the mission of good offices entrusted to him by the Security Council for promoting a just and lasting solution of the problem and to report to the General Assembly at its thirty-eighth session on the results of his efforts;

17. Decides to include in the provisional agenda of its thirty-eighth session the item entitled "Question of Cyprus" and requests the Secretary-General to follow up the implementation of the present resolution and to report on all its aspects to the General Assembly at that session.●

[1] A/37/805 and Corr.1.

TRIBUTE TO MSGR. BELA VARGA

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. GREEN. Mr. Speaker, today I would like to pay tribute to Msgr. Bela Varga on the occasion of his 80th birthday, which will be celebrated on the evening of June 28. It is most appropriate that we in the Congress honor this Hungarian priest, who throughout his life has fought for the values we all cherish so dearly: freedom, justice, and human dignity.

Throughout World War II, Monsignor Varga risked peril by giving refuge to those who fled Nazi persecution and the Holocaust. Under his direction and guidance, the Church of the Sacred Cross, located in the Hungarian town of Balatonboglar, became a haven for over 50,000 people of various nationalities and religious backgrounds. Later, he helped Jews, Poles, Hungarians, and others who sought liberty, escape to safety in the West.

After World War II, Monsignor Varga struggled against Communist oppression in Hungary, until he was forced to flee in 1947. Today, he lectures and writes to spread the message that the Hungarian people yearn for the freedom that was blatantly and ruthlessly taken from them by two great past and present tyrannies, Nazi Germany and the Soviet Union.

It is truly an honor to speak of Monsignor Varga and his struggle for human rights. It is with great pleasure that I bring this happy occasion to my colleagues' attention.●

FOXBORO'S OPEN LETTER TO CONGRESS

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. FRANK. Mr. Speaker, on May 11 of this year, the annual town meeting of the town of Foxboro adopted a resolution which contains an open letter to the Congress. In this resolution, the people of Foxboro noted that they had, in their town meeting, been forced to curtail expenditures they might otherwise have preferred to make because of budgetary constraints. And they quite understandably and correctly ask that the Congress follow their example.

I was particularly interested to note point 3 of the town meeting's open letter to Congress in which they asked us to eliminate "pork barreling." This plea that we eliminate projects which are not in the national interest is particularly relevant to us on a week in which we considered the energy and water appropriation. While the subcommittee on energy and water presented us with a bill that is a much better product than many we have got in the past, this reminder of the social costs of pork barreling is an important one for all of us to note. I am particularly pleased, Mr. Speaker, that the House, Monday, adopted the amendment presented by the gentlemen from West Virginia (Mr. WISE) and supported by myself and others which eliminated the further expenditure of tens of millions of dollars for the Stonewall Jackson Dam. I believe there are other projects in both the military and nonmilitary area which similarly cost the taxpayers more money than is justified for the return they will get: The Clinch River breeder nuclear reactor, the MX missile, the excessive agricultural subsidies.

As the town meeting in Foxboro reminds us, it is incumbent upon all of us in this era of $200 billion budget deficits to do everything possible to eliminate wasteful and unjustified

Federal spending. Mr. Speaker, I ask that the resolution adopted by the town meeting of Foxboro be printed here.

The resolution follows:

RESOLUTION

We, the taxpayers of Foxborough, have just made some hard decisions in keeping Foxborough taxes in line with our ability to pay.

Resolved, That the Board of Selectment submit the following letter to the Congress of the United States of America.

OPEN LETTER TO THE CONGRESS

We, the voters attending the annual meeting in the town of Foxborough, Massachusetts, respectfully submit the following request to the whole Congress.

1. Push for cost reductions in Government operations. At least $60B of cost savings has been identified by a group of experts in a report to the administration.

2. Reduce the size of Government. Government has proven to be the most expensive way to provide services to those who need them: subcontract such services to private enterprise and demand close accounting of costs.

3. Eliminate "pork barrelling". We cannot afford projects which are not in the national interest.●

"WASHINGTON WATER WEEK"

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. JONES of Tennessee. Mr. Speaker, the United Nations has declared the 1980's as the International Drinking Water Supply and Sanitation Decade. In support of this program, Global Water, a private voluntary organization dedicated to the conservation and improvement of water supplies worldwide, is sponsoring "Washington Water Week," June 7-12, 1983, in an effort to better inform Congress and the American public of the need for safe drinking water and proper sanitation.

We can and should take steps to insure that every American has access to clean drinking water and that efforts are made in the developing countries also to improve their water supplies and sanitation facilities. Almost 15 million Americans lack easy access to safe drinking water. We must develop a comprehensive water policy in this country before the situation reaches a critical level. The problems in the Western States are only the beginning unless action is taken soon.

I would like to thank Global Water for giving new visiblity to water problems and for sponsoring Washington Water Week. They have my support and I hope my colleagues will lend theirs as well.●

THE HEALTH CARE COST CONTROL ACT OF 1983

HON. JAMES M. SHANNON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. SHANNON. Mr. Speaker, I am today introducing a bill that will make major reforms in our Nation's efforts to control skyrocketing costs of health programs. The Health Care Cost Control Act of 1983 is a comprehensive plan to contain costs of public and private health programs while at the same time protecting consumers of health care. This legislation is an essential first step toward achieving the dual goals of bringing Federal health expenditures under control and making affordable health care to those now protected in whole or in part by private insurance.

America, which has made enormous medical and scientific advances in dealing with illnesses and crippling disease, today faces a situation in which millions of Americans are being priced out of the health care market. Large numbers of our people do not have health care protection because of their inability to obtain needed coverage. At the same time, excessive health care inflation has been hurting business and industry, hampering the progress of labor management negotiations, and crippling Federal, State, and local budgets.

The cost of medical care increased 11 percent in 1982. This was nearly three times as much as the overall Consumer Price Index increases. The cost of private health insurance rose more than any other medical service last year, nearly 16 percent.

Business and organized labor have joined Government in decrying the excessive increases in health care costs over the past decade. However, the efforts to contain those increases have been fragmentary and largely unsuccessful. That is why I am proposing an alternative to further slashes in benefits, reductions in eligibility, and denial of services to those who need them. In the past, the cutback approach has been harmful to beneficiaries, and has failed to achieve the desired cost savings.

The legislation I am proposing today, which is derived from a plan developed by the Health Security Action Council and which is comparable to the control of health's escalating costs (CHEC) legislation—S. 814—introduced in the Senate by Senator EDWARD KENNEDY, is a constructive alternative to efforts which to date have been tried and failed.

EXAMPLES OF THE PROBLEM, AND OPTIONS FOR SOLVING IT

The financing crisis facing the medicare system is a clear-cut example of what happens when inflation in health costs is left unchecked. Even with the recently enacted changes in hospital reimbursement, medicare's health insurance trust fund will be out of funds by as early as 1987. The Congressional Budget Office concludes that by the end of 1995 the fund could have a cumulative deficit of more than $300 billion.

These figures present a serious crisis in the making for 30 million elderly and disabled Americans on medicare. Each year 450,000 more people reach the age of 65. They are already paying out of pocket 20 percent of their incomes to hold on to medicare benefits. Threatened as they are by present and proposed new reductions in benefits, they are telling us they cannot take further cuts.

Conventional wisdom suggests that the only ways to solve medicare's problems are through reduced benefits or increased revenues, or some combination of the two. I am proposing a third way. Improved effective cost containment.

Medicaid faces similar problems. But since medicaid is paid for by the Treasury's general fund, its difficulties are less visible. They are nonetheless serious, and could continue to add billions to the deficit.

The plan I am introducing today takes an approach that is more effective and more equitable. This legislation will:

Put a brake on runaway health care inflation—and provide substantial savings to Federal, State, and local governments, and to the American consumer of health care;

Encourage States to develop their own, creative approaches to health care cost containment, by providing incentives and substantial flexibility;

Create new incentives for efficiency in health care by moving the health care system toward prospective payment for all payors;

Protect the quality of health care for the elderly and disabled, by holding the line against further medicare cuts that threaten to relegate senior citizens to second-class care; and

Put an end to massive cost shifting to employers and workers—who must pay increasingly higher insurance premiums.

This plan, rather than shift billions in new costs to the elderly, is a constructive alternative to the administration's unfair plan of attack against medicare and medicaid. This approach will actually save billions—over $11 billion in the first 3 years in hospital expenses alone, according to preliminary estimates by the Center for Hospital Finance Management at Johns Hopkins University.

There are three features of this bill which deserve particular attention. They have to do with the need to in-

clude all payors, with State flexibility, and with physicians' fees.

The all-payors approach is at the heart of this proposal. Prospective reimbursement would be applied across the board.

We took a step in the right direction this spring when we replaced cost-based reimbursement with prospective reimbursement for hospitals. However, this legislation, which was part of the social security package, applies only to medicare part A payments.

If we do not go further now, we can expect hospitals to use their ingenuity to game the system, making a profit from medicare where they can, and shifting the cost to private payors rather than cutting inefficiency and waste. Until the positive incentives of prospective payment are extended to all payors, the promise of significant cost savings through greater efficiency cannot be achieved.

A second feature of the bill is that it encourages State flexibility. The legislation emphasizes creativity and ingenuity, by allowing the individual States to devise payment systems to meet unique local needs. Without dictating the method of prospective payment, this bill simply asks the States to stay within an overall target for all hospital revenues and for the medicare program.

Physicians' fees are a third area addressed by the legislation. Although many Americans may have adequate coverage for meeting hospital costs, they have far less comprehensive insurance protection for doctors' visits and for outpatient services like lab tests. This bill contains provisions that would control the growth of out patient and physician costs.

It does this through the State cost-containment systems. Maximum fee schedules would be established. These schedules would be created through negotiations involving physicians, consumers, the State, and other interested parties. The fee schedules would represent the maximum that a physician or other service provided could receive. The schedules would aggregate the amount that is paid by the insurers and the the patients themselves.

This program has already been endorsed by the AFL-CIO, the United Auto Workers, the National Council of Senior Citizens, the Save Our Security Coalition, and a number of other organizations.

I have no doubt that any bill that moves in the direction outlined here will meet with strong opposition. But I believe that the time for fundamental changes has arrived. The American people will not accept an alternative which decimates health services, or which leaves the cost of those services beyond their reach. They are ready for us to put some sense back into the way health services are paid for. In the long run, that's the very best approach to keep the system strong, and our people healthy.

A summary of the bill follows:

SUMMARY OF THE MAJOR PROVISIONS OF CHEC

(Cost Containment program consists of two phases—a transitional Federal program (Phase I) and State Oriented Prospective payment System (Phase II)

PHASE I

Hospitals

Ninety days after CHEC is enacted, a new limit will be placed on the permissible rate of increase of hospital revenue, from all sources, the permissible rate of increase is determined by a formula that is based on increases in the hospital's market basket and increases in its wage rate. The Secretary has authority to adjust the rates and the base year in certain circumstances, e.g., in the case of a hospital which has new construction costs, when that construction has been approved by the appropriate state agency.

Medicare will continue to pay according to existing reimbursement limits during the transitional period, with the following modifications: The section 223 limits, now at 120 percent of mean would be adjusted to 110 percent of mean on October 1, 1983 (as opposed to 115 percent in current law); the target rates would be reduced from market-basket +1 percent to market basket; and return on equity would be phased out over a two-year period. Savings to Medicare are approximately $500 million annually from those provisions.

States with existing all payers cost containment systems operating under a waiver from the Department of HHS would be permitted to continue those demonstrations during the transitional phase, and beyond, so long as the rates of growth of hospital revenues in the states does not exceed what would otherwise be required under Phase II.

Physicians

Physicians fees and the charges associated with outpatient services would also be controlled under this program. The bill establishes a maximum permissible rate of increase for physician fees, which is designed to allow physicians to recoup increased expenses due to inflation in the cost of overhead and goods and services.

Physicians could not charge, in the aggregate, more than the maximum fee established by this bill. In other words, assignment would be mandatory.

Enforcement

The bill provides for civil penalties, up to 150 percent of the overcharges, from any person whose revenues and/or fees exceed the maximum permissible under the Act. A mechanism is provided to allow hospitals and physicians who inadvertently exceed the revenue limits in one year to reduce their revenue the following year and apply the overcharges to that following year. Thus flexibility is provided to assure that providers may adjust to unforseen fluctuations in their revenues.

A state, if it wishes to do so, may apply to administer the Phase I program. States which administer the Phase I program receive an increase in their Medicaid payments equal to two percentage points additional on their federal medical assistance percentage.

PHASE II

Phase II is the state oriented phase of the cost containment program.

Administration

At any time a state may apply to operate its own cost containment program. States are given broad flexibility in designing and implementing their own cost containment system. The system may be mandatory or voluntary. The principal requirements are:

The program must cover at least 75% of all payers;

The program must provide for some form of prospective reimbursement;

All payers must be treated equitably—undue differentials not based on economic considerations are not permissible.

Hospitals

Each state establishes its own methodology for determining permissible rates of increase for hospital costs. The methodology is developed by economists representing affected parties (consumers, labor, business, insurers, providers) and must be approved by the Secretary of HHS so long as the overall rate of increase does not exceed the permissible rate of increase using the Phase I formula plus 1.5% (for increase in intensity). This additional 1.5% will allow states to accommodate new technology and help reduce unjustified differentials among payers.

1. Medicare would participate in the state system just like any other payer. The only requirement for Medicare is that the overall Medicare payment to the state could not exceed the amount Medicare would pay under existing law over a 3-year period. (The state would not have to meet the lower target rates and 223 limits established by this bill.)

2. The federal medical assistance percentage for Medicaid would be increased by two percentage points in any state with a Phase II cost containment program.

3. The cost of uncompensated care must be apportioned equitably among all payers.

Physicians and other services

Physicians, outpatient services and diagnostic and x-ray services would also be subject to limits under Phase II. Unlike Phase I, those limits would not be based on a formula. Rather, there would be maximum fee schedules derived from negotiations between providers, consumers, the state and other interested parties. The Phase I limits would be the starting point for these negotiations.

Cost containment in states which elect not to set up a statewide system

If, after October 1, 1984, a state has not elected to set up its own program, the Secretary has two choices. He may continue to operate the Phase I limits in the state, or alternatively, may develop a prospective reimbursement system for the state. This prospective system may apply to one or more of states which do not choose to set up their own system.

LONG-TERM CARE

The Secretary is directed to study the applicability and appropriateness of extending the cost containment program to nursing home care. The Secretary is also given authority to enter into demonstration projects for non-institutional long-term care, so long as the demonstration does not result in a reduction in the number and types of benefits of beneficiaries.●

ACID RAIN

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. HAMILTON. Mr. Speaker, I am inserting my Washington report for Wednesday, June 8, 1983, into the CONGRESSIONAL RECORD:

ACID RAIN

Acid rain emerged in the last decade as a major environmental concern. At issue is the need to weigh the benefits of guarding the environment against the costs of abating acid rain. Also at issue is the strength of the scientific evidence upon which abatement strategies are based.

Acid rain contains significant amounts of sulfuric or nitric acid. It is formed when sulfur dioxide and nitrogen oxides from buring fossil fuel combine with water vapor in the atmosphere. Coal-fired electric power plants are the main source of sulfur dioxide. They also emit nitrogen oxides, as do industrial facilities and vehicles of all kinds. Acid rain is harmful because it may be 10 to 100 time more acid than normal rain.

Acid rain affects most severely those geographic areas where the rocks and soils lack the alkalinity of limestone and therefore cannot neutralize acid. In the 31 eastern states, 25 percent of the land is sensitive to acid. New England, New York, the Southeast, and many western sites are the hardest hit. Ohio, Pennsylvania, Indiana, and Kentucky, on the other hand, generate the most sulfur dioxide. These emissions may cause much of the acid rain in the eastern United States.

The effects of acid rain are clearest in lakes and streams, where increases acidity either threatens or has resulted in the extinction of fish and lower organisms. Small, slow-draining lakes are the first to acidify or "die", but gradually increasing acidity in streams and larger lakes is adding to the number considered "dead". It is estimated that 3,000 lakes and 23,000 miles of streams in the eastern United States, are at risk in that they no longer have the capacity to neutralize acid. The effects of acid rain on soils and plants also are important. Sterility of soil due to leaching of nutrients, a slower rate of composting, and the susceptibility of plants to harmful bacteria and fungi are a few of them. One study concluded that the productivity of soybean fields fell by 10 percent when they received water with an acidity like that found in rain on Long Island.

Several methods are in use or are available to control emissions of sulfur dioxide and nitrogen oxides. To control sulfur dioxide, coal can be physically cleaned before burning, and its smoke can be "scrubbed" with special devices in smokestacks. Nitrogen oxides also can be removed from smoke by "scrubbing", and their production can be reduced with a special burner. These methods vary in their efficiency and cost. New technologies include the chemical cleaning of coal, a multi-stage, limestone-injection burner, and fluidized bed combustion. These technologies are promising, and they should be studied fully.

It is hardly surprising that various federal agencies are examining the problem of acid rain. An interagency task force is doing the same. The legislative tools needed to address the problem are at hand. The Environmental Protection Agency could use its authority under the Clean Air Act to tighten existing limits or set new ones for various emissions. Opinions differ, however, as to the role the federal government should play.

Strict limits or emissions, especially of sulfur oxide, and backed by environmentalists. To them, the need for abatement is more a matter of political will than of scientific evidence. They assume that what is known now is sufficient to begin to remedy the problem. They display a sense of urgency because of what they take to be long-term changes in the acidity of our lakes, streams, and soils. They fear a rapid buildup of acidity due to the stepped-up use of coal. Proponents of strict limits also emphasize the unusual geographic aspect of the problem of acid rain. They point out that 75 percent to 90 percent of the sulfate concentrations in some eastern states may originate in other states. Tall smokestacks constructed to cut local pollution and satisfy the requirements of the Clean Air Act are thought to have contributed to this dispersion of pollution. Strict limits, the proponents say, will abate emissions substantially without large increases in utility rates. They add that this abatement will improve our relations with Canada, which just enacted tough laws and blames us for "exporting" acid rain. A Canadian government minister recently called acid rain the most important foreign policy issue between his nation and ours.

Legislation mandating a massive reduction in emissions of sulfur dioxide and nitrogen oxides faces strong opposition. Opponents argue that scientific information on the transformation of these substances into acid rain is insufficient to prove that cutting the emissions would be the best solution. They contend that scientists do not yet know enough to justify the imposition of costly controls on electric power plants. They challenge assumptions about the "normal" acidity of rain, and they cite studies to show that the situation in some areas is stable. They call proposed abatement plans inequitable, noting that an unfair burden would be placed on the Midwest, where implementation would have to be the most vigorous. In the Ohio River Valley, for example, the fear is that costly controls on electric power plants would drive utility rates even higher. Some opponents maintain that strict limits on emissions might result in a switch to low-sulfur western coal, not in more effort to cut emissions. The Midwest's high-sulfur coal industry would be disrupted, putting coal mine employees out of work in a region already reeling from the recession. Opponents of strict limits also point to the role of local pollution in places like Pennsylvania, where 50 percent of the acid rain may arise locally.

Those for and against strict limits on emissions have valid concerns. Due to a lack of scientific consensus, however, uncertainty about the severity of the acid rain problem complicates the task of policymakers. The problem presents some very difficult choices, especially for those of us in the Ohio River Valley upon whom strict limits would impose a heavy burden of higher costs and lost jobs. I believe that while there is a risk in taking action without perfect knowledge, evidence of acid rain's harmfulness is piling up, and there is a risk as well in too long a delay. More study is needed, but we must begin shaping a plan to abate the emissions that cause acid rain.●

FLAT RATE INCOME TAX—THE TIME HAS COME

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. PHILIP M. CRANE. Mr. Speaker, in recognition of the considerable popular interest in a major reform of our Nation's tax system, I offer the following reflections.

REFLECTIONS ON THE FLAT RATE INCOME TAX

I. OVERVIEW

The current income tax system is a burden on the economy. Steeply progressive marginal rates penalize hard work, savings and investment. Tax preferences such as deductions, exclusions, and credits encourage the sheltering of taxable income at the expense of increased productivity. Social programs targeted through the tax code produce a misallocation of resources, wasting both capital and entrepreneurial talents. Arbitrary provisions in the tax code discriminate against the source of income, the size of income, and marital status. The insensitivity of the progressive rate structure to the effects of inflation pushes taxpayers into higher and higher tax brackets even though their real incomes have remained the same. The costs of compliance, administration, and enforcement require more and more revenues, taking increasing amounts of capital away from productive economic use. The complexity of the Code, together with the inequitable distribution of the tax burden among taxpayers, contributes to the expanding size of the underground economy and diverts hundreds of billions of dollars outside the tax system.

The American economy cannot expect complete recovery from recurring recessions while constrained by the current progressive income tax system. Radical reform is needed. The current personal income tax with graduated marginal rates should be repealed. America needs an income tax system that raises the necessary federal revenues without destroying the incentives required for our free-market economy to flourish. We need a system that embodies the time-honored goals of simplicity, efficiency, and equity: an income tax simple enough for all taxpayers to understand; an income tax that distorts economic decisions as little as possible; an income tax that provides confidence that all taxpayers, without exception, are paying their fair share of taxes.

America needs a single-rate, proportional, or flat-rate income tax system. This new system would repeal personal tax preferences, including deductions, exclusions, and credits. It would insulate the poor from any tax liability by an increase in the zero bracket amount and/or personal exemptions. It would replace the current frenzied search for marginally productive tax avoidance shelters with incentive to seek the most productive investments. It would increase savings, improve capital formation, and create jobs from the resultant rejuvenated economy. At this would bring about more taxable income, which in turn would produce increased revenue. But before elaborating on how the country can gain, let us review what has caused much of our pain.

II. PROBLEMS WITH THE PROGRESSIVE INCOME TAX

The current progressive tax system owes its prominence to having been enacted under false pretenses. When the United States adopted graduated income taxes in 1913, marginal tax rates ranged from 1 percent to 7 percent, and proponents promised that rates would remain moderate. U.S. Senator William E. Borah (R-Idaho), in explaining the burden of a progressive income tax, recognized the future upward spiraling course that tax rates would take: "We will simply have found a new source of revenue to feed our insatiable, unconscionable, and scandalous desire to spend money." Within 5 years the rates were increased to a new range of from 6 percent to 77 percent. It became clear that once the principle of progressivity was accepted, there would be no assignable limit beyond which progressive rates might not be carried with equal justification. By 1943, the rates had risen to 91 percent. Thus, in the space of a single generation, that which nearly all the supporters of the original progressive tax structure asserted could not happen, came to pass.

Defense of the status quo is far easier than promotion of the un-tried. Supporters of progressivity waxed eloquent in justifying their cause. Social reformers asserted that the tax burden should be distributed according to "ability to pay" in order to secure "equality of sacrifice." They argued that successive and equal increases of income added successively smaller increments to an individual's total utility. Further, they maintained that an extra dollar of income was of greater value to a person with a low income than an extra dollar to a person with a high income.

This theory of diminishing marginal utility grew out of aesthetic judgments by 19th century utilitarian philosophers. However, modern developments within the field of utility analysis have completely destroyed the foundations of this theory. Utility is a purely subjective concept. The government cannot scientifically measure and compare the utility schedules of different people. Any effort to do so must be based on arbitrary, pseudo-scientific superstitions and prejudices which cannot stand rational analysis.

Marginal rates as high as 70 percent or 90 percent cannot be justified on the basis of capacity to pay. Such severely confiscatory rates could only be justified as a means of altering the free market distribution of income. The redistribution of income concept cannot be defended on the basis of any scientific argument, but must be recognized as a theory of social engineering designed by utopian ideologues to equalize the human condition. The levellers' distaste for free-market distribution of economic benefits led them to impose upon society a pattern of distribution that would—as President Johnson once revealed—"take from the 'haves' and give it to the 'have-nots' . . ."

However, steep progressive marginal rates have only created the illusion of a shift in the tax burden onto the shoulders of the wealthy. In fact, higher income taxpayers do not pay taxes anywhere near the high marginal rates imposed upon them. For example, in 1980, people with incomes of $200,000 and up faced marginal tax rates of 70 percent, yet their effective tax rate averaged only 32 percent and a surprising number paid no income taxes at all.

The illusion created by steep graduated marginal rates tempted a transitory political majority to impose tax rates on others which that majority believed it would never have to pay itself. However, as nominal incomes quadrupled, the middle income taxpayers found themselves confronted with marginal rates originally intended only for the rich. In 1965, a family of four with the median income faced a marginal tax rate (levied on each additional dollar earned) of 17 percent. By 1980, the rate was 24 percent. The middle class family with twice the median income was subject to a 22 percent marginal rate in 1965, and a 43 percent rate in 1980. Most of this increase was caused by inflation, pushing taxpayers into higher tax brackets while their real incomes remained the same.

As taxpayers found themselves being pushed into successively higher tax brackets while their real disposable income remained constant, the pressure to find tax shelter relief, or to avoid paying taxes altogether, grew. As more people found shelters to avoid taxes, national taxable income dwindled. This in turn pressured Congress to increase the marginal rates to raise necessary revenues. With a diminishing tax base and rising marginal rates the middle income group has been increasingly squeezed. It is the middle income taxpayers who pay the bulk of the income tax, over 60 percent, as shown by the IRS's "Statistics of Income Report of 1978". Is it any wonder that more and more taxpayers are bitter over the present income tax system?

Progressive marginal rates have been a disaster for our economy, playing a major role in its decline and stagnation. Progression distorts economic decisions. Workers are encouraged to substitute leisure for work because of the penalty that graduated rates impose on attempting to move up the income scale. Why take a second job to increase household income if one must surrender an increasingly larger portion of it to the government? Large pay raises produce the same effect.

Progressivity also encourages taxpayers to substitute tax deductible expenditures for taxable expenditures. While these "loopholes" reduce the effects of progressivity, they are inefficient and inequitable. The value of the tax deduction is directly proportional to the tax bracket of the individual. For example, a charitable contribution of $2,000 is worth $1,000 of tax savings to a 50 percent bracket taxpayer, while only worth $400 to a 20 percent bracket individual.

High marginal rates encourage taxpayers to invest in tax "shelters" to avoid taxes, as opposed to investments that generate taxable income. These tax shelters generally provide a low return to society and waste important capital resources. Tax shelters also lead to over-investment in areas deemed preferential by Congress, at the expense of capital formation in other areas. Instead of allowing the marketplace and the principles of profit and efficiency to determine investment choices, economic decisions are determined by the tax code and the arbitrary preferences of Congress provided therein. Thus, the vast resources of the American economy are misallocated, the capital needs for expansion of industry are not met, and the special interest lobbies proliferate in their understandable zeal to get a piece of the action.

The current income tax system discriminates against savings and investment. Consumption is favored over savings. Those who are in position to save the most are taxed the most. All savings and investments are taxed twice, first when earned, and second when paid out in the form of interest or dividends. When government taxes an activity enough, people will refrain from that activity. That is why the personal savings rate in the United States, i.e., the proportion of current income saved for future investment in productive capital, is the lowest of all the developed nations in the world. By punishing savings and risk taking, steep progressive rates slow down capital formation, the total volume of new ventures in the economy, and job formation. Discouraging savings saps our economic health and contributes to higher interest rates with their concomitant costs to consumers, businesses, taxpayers, and workers.

The progressive income tax system has also made a substantial contribution to the increasing government spending in the United States. The tax expenditure budget, including all the tax preferences in the Internal Revenue Code which permit foregone tax revenues, is a massive, hidden, unknown cost, going unchecked. Graduated rates free the legislative process to use the tax system to meet the demands of special interest groups, while promising that the increased tax burden will fall only on the upper income groups. Unfortunately, it doesn't work that way. This tyranny of a political majority over the upper income minority has allowed Congress to spend without fear of political reprisal. Thus the progressive tax system has been a vehicle of political favoritism and fiscal irresponsibility.

President Reagan recently pointed to the vast complexity of the progressive income tax. The Internal Revenue Code now comprises 2119 pages of laws passed by Congress. The IRS has published over 10,000 pages of accompanying regulations to help explain the Code. Few Americans can understand the Code, much less comply with it. Tax interpretation and compliance requires a myriad of tax specialists. In 1977, 43 percent of all taxpayers hired professionals to help them fill out their tax returns. In 1981, Americans spent an estimated $60 billion to complete their tax forms. This is a substantial, wholly unproductive resource drain on the economy.

The administrative burden on the IRS is immense. The Office of Management and Budget estimates that about one half of all government-created paperwork stems from tax forms. That work load consumes some 650 million hours annually. Besides collecting revenues, the IRS is also responsible for a welter of social policy decisions, including the employment status of workers, the purpose of organizations, the presence of discrimination, and others. The IRS is neither equipped nor trained to deal with so much responsibility and law-making authority. Each new change Congress makes only compounds the existing problem.

There is a growing feeling that the personal income tax is not only incomprehensible to taxpayers, but also too complex for the IRS as well. In 1980, The Washington Post conducted a survey of 11 IRS offices nationwide, submitting 170 questions dealing with various provisions of the income tax Code. Of the 170 questions, an average of ⅓ were answered incorrectly by IRS officers.

The baroque complexity of the system breeds understandable disrespect. There are currently over 100 special tax provisions called "tax expenditures," whose combined benefits have been estimated at roughly $250 billion. Middle income groups see tax "loopholes" for higher income brackets, and generous income transfers for those below

them. The more that people see others getting special tax breaks, the more they want their own—or they feel justified in outright cheating. One off-shoot of this disrespect is the huge underground economy, whose size IRS Commissioner Egger estimates exclusive—of illegal income—at $300 billion annually, and some researchers estimate it may be $500 billion or more. Chiseling and cheating are on the rise, but more importantly, have gained increasing respectability. A public opinion survey conducted in 1980 by the IRS found that as many as one fourth of the taxpayers had deliberately underreported at one time or another.

No one can adequately assess the current tax system's fairness. However, it is easy to find many areas where the system is glaringly unfair.

The principle of horizontal equity, i.e., the idea that individuals with the same income be subject to the same tax liability, is violated under the current system. Persons with similar incomes can have markedly different tax obligations, depending on the expertise of one's tax advisor. For example, in 1979, while 20,000 families with adjusted gross incomes of more than $100,000 paid income taxes of more than 40 percent of that income; another 20,000 families in the same high bracket paid income taxes of less than 15 percent. Neither group paid the 70 percent rate then effective in law, nor even the lower 50 percent rate enacted in 1981.

Vertical equity involves tax liabilities among people with unequal incomes. The interpretation of vertical equity under our current system has been that tax burdens should be distributed according to taxpayer's ability to pay, grounded in the concept of diminishing marginal returns. I have already discussed why this theory is no longer valid; however, I would like to point out the vertical inequity of the current system. In theory, the progressive tax system is supposed to take less of a percentage of income from a family making $30,000 than from a family making $300,000. However, with all the tax preferences available to higher income taxpayers, the opposite results. Many high income taxpayers end up paying a smaller percentage of their income. For example, in 1976, there were 89 tax returns with an average income of $350,000, with no income tax liability.

Most of the progression in the income tax rates occurs at the lower end of the rate scale. The rate of progression is significantly greater on the first $50,000 in taxable income than it is on the next $50,000. Thus it puts the burden on wealth in the making, not on wealth already in existence. It is the worker trying to move up the income scale who shoulders the greatest burden. This greatly restricts millions of hardworking, ambitious Americans from upward mobility.

The combination of progressive tax rates and inflation works a terrible hardship on most Americans. Inflation-induced increases in income push taxpayers into higher marginal income tax brackets. For most individuals, the increase in income tax liability is proportionately greater than the inflation-induced increase in income. As a result this bracket creep reduces the real after-tax purchasing power of the taxpayers.

During the past six years, bracket creep has added nearly 2 percent of personal income to federal tax receipts. The average personal income tax rate in the U.S. (personal income tax payment/personal income) was 12 percent in 1981 compared to 10.2 percent in 1976. During that time, Congress passed no new tax increases. Bracket creep alone increased the government's tax receipts.

Progressivity, moreover, has placed a heavy tax burden on the two worker family. In most cases, two-income earning individuals who file a joint return pay more in income taxes than they would if they were to file separate returns as singles. This phenomenon, known as the marriage penalty tax, is the result of the different marginal tax rate schedules for joint and single returns. The marriage penalty tax creates a disincentive for married couples to increase their household incomes by having the nonworking spouse join the work force.

The Reagan Administration was voted into power in 1980 on a promise for change. A program was started to revitalize the American economy, founded on two fundamental principles: first, the reduction of federal spending and its preemption of the economy's productive capability; second, to moderate the adverse effect of our tax system on incentives to work, save, invest, and innovate.

The spending cuts passed through Congress and the Economic Recovery Tax Act represented a good first step in meeting these goals. However, today it is clear that much more reform is necessary to get the economy back on the track. What is needed is a single, proportional, or flat rate income tax system.

III. A FLAT RATE TAX

A flat rate tax offers a stable and predictable guide for containing government spending and freeing the economy from the restrictions which hamper its growth.

A flat rate tax embodies the principles of simplicity, efficiency, and fairness.

A flat rate tax will have only one purpose: to raise adequate revenue to run the government. All aspects of social engineering and income distribution would be removed from the tax system.

A flat rate income tax will be simple enough for all Americans to understand. Compliance costs would be minimal. All income groups would face the same low flat rate, providing taxpayers with a stable, consistent tax burden.

A flat rate tax will bring about a dramatic decrease in the resources needed to administer and interpret the tax code. The policy making and law making functions now handled by the IRS would be eliminated. The IRS would simply handle tax collection, returning all questions of social policy to Congress and the agencies most suited to deal with them. This would reduce the size and the cost of one of America's most onerous agencies.

Eliminating tax preferences will provide a much simpler income tax system. Eliminating progression in the rate structure would kill the motivation to reinstate those preferences.

Economic efficiency in the market place will be greatly improved. No longer would the income tax by used as a penalty or a reward to influence the direction of society's allocation of resources. The market place would direct the flow of capital where the return on investment and productivity are the greatest. Left alone, such markets would satisfy consumer preference in the least expensive, most efficient manner.

Repealing the graduated rate structure will enhance productivity, reward hard work, and stimulate individual initiative. Workers moving up the income scale would no longer be penalized, thus expanding social mobility. One uniformly low marginal rate would provide an incentive to all taxpayers.

A flat rate tax will all but eliminate the use of tax avoidance shelters, permitting taxpayers to capture a larger proportion of their income. Taxpayers could substitute their low-yield tax shelter investments for those producing high yielding taxable income. Capital formation would be impressively augmented.

The current discrimination against savings will be removed, and the benefits of future consumption would be felt throughout the economy. Again, capital formation would be greatly increased.

Repealing all personal deductions, exclusions, and credits will make the federal government more accountable for its expenditures. The tax expenditure budget would be transformed into direct expenditure outlays. Taxpayers would know how much each social policy directive costs per annum, and those now continued year after year would be revealed and examined.

A flat rate tax system will end the practice of political favoritism through the tax code. Congress would no longer be able to use a temporary majority to increase the tax burden on a minority. All taxpayers would have to share the burden of increased government spending, thereby minimizing the possibility of any increase.

Tax equity will be greatly improved under the flat rate tax. Horizontal equity would be preserved because two taxpayers with the same income would incur the same tax liability. The expertise of one's tax advisor would no longer determine one's tax liability. All taxpayers would pay the same marginal tax rate.

The principle of vertical equity will be much more consistent under the flat rate tax. An individual with 10 times the income of another would incur 10 times the tax liability. Taxpayers would not have to worry about upper income individuals using the tax system to reduce their tax liability.

Repealing the progressive rate structure will eliminate bracket creep. Salaries, ballooned by inflation, would no longer push taxpayers into higher marginal rates. On each additional dollar earned, the tax bite would remain at the same low proportional rate.

The marriage penalty tax will also be eliminated. Couples combining their incomes would not be penalized on the basis of their marital status.

The trend toward an increasing underground economy will be reversed by a flat rate tax. More Americans would be inclined to report their income accurately, knowing that fairness and equity were the rules of the day.

Progressivity is a notion whose time has passed. America's conscience has attacked discrimination against religion, race, sex, and age. Progressive marginal rates provide the only legal discrimination still embraced by our society. We must recognize the graduated rate structure for what it is—the violation of the fundamental principle of equity before the law.

Karl Marx recognized the graduated income tax as a measure by which the proletariat would use its political supremacy to wrest, by degrees, all capital from the bourgeoisie, to centralize all instruments of production in the hands of the state. We must not proceed down this road.

Let us return to the American worker the fruits of his labor. Once we recognize the harmful, dangerous, misinterpreted effects of our progressive income tax system, it will

be easy for us as a nation to turn to a tax system which restores the fundamental respect of personal property and upholds the principles of equity, efficiency, and simplicity.

IV. CORRECTING MISINFORMATION

As the flat rate tax idea has gained popularity over the summer, opponents of the concept have spread some misinformation. Statistical studies from the Congressional Budget Office and the Congressional Research Service have alleged that a flat rate tax would redistribute the tax burden from higher income groups to the lower and middle income brackets. These studies are empirically incorrect, and the assumptions used in arriving at their conclusions are clearly erroneous.

The first major fallacy in these studies is the use of adjusted gross income (AGI) as the tax base against which the flat rate tax would be applied. Adjusted gross income is a narrow tax base which excludes many items that would be included in a flat rate tax base. Such items as mortgage interest, charitable contributions, government transfer payments, workman's compensation, moving expenses, and interest on State and local government bonds would be added to the definition of taxable income. All of the flat rate proposals call for a dramatic broadening of the tax base. For example, my bill, H.R. 542, uses personal income as a tax base. Had personal income been used as the tax base in 1980, taxable income would have been increased by $548 billion representing more than a 25 percent increase in the tax base, as compared to AGI. A flat rate tax of 12 percent against personal income would have raised as much tax revenue in 1980 as was raised from the elaborate system of brackets, differential marginal tax rates, exemptions deductions, and loopholes that constituted our tax system in 1980, and that continue in effect today. None of the true flat rate proposals currently before Congress uses AGI as a base. Arguments seeking to refute the flat rate approach supported by statistics drawn from an AGI-base model are not reflective of the rationale explicit in the flat rate concept. To accept such arguments is counter to the facts and, therefore, a misrepresentation.

Another major misrepresentation is the claim that a flat rate tax would dramatically shift the tax burden from the rich to the middle and lower income taxpayers. Once more, the facts refute the charges.

Low income taxpayers would pay less under H.R. 542, the flat rate tax bill, than they currently pay under the progressive income tax. Although the flat marginal rate might represent a higher percentage than their average effective tax rate today, an increase in the personal allowances and/or the zero bracket amount would release the lower income groups from most tax liability.

As for the middle income taxpayers, they are already carrying the burden of the current progressive tax system. Americans whose adjusted gross income was between $15,000 and $50,000 accounted for 60 percent of the income tax burden, paying an average of about 25 percent of their incomes in taxes while constituting only 45 percent of all taxpayers. An effective rate of 25 percent is above the flat rate tax that would generate current tax revenues. Consequently, the shift in tax burden would represent significant relief to this group.

As has been noted earlier, progressive marginal rates are most burdensome to the middle income groups, who are hardest hit by the effects of bracket creep and the marriage penalty tax. A flat rate tax would stabilize the tax burden of the middle income groups by eliminating bracket creep, the marriage penalty tax, and the penalty for moving up the income scale.

Contrary to the views of some analysts, a flat rate tax would shift the tax burden toward the higher income taxpayers. Simple economic theory suggests that the higher income groups would report dramatically more taxable income and, therefore, pay a larger percentage of tax revenues. This is because the incentive effects of a flat, proportional tax are greatest for higher income taxpayers. The larger the share of additional earnings that the taxpayer can capture, the greater the incentive to work, save, and invest. They will be more likely than those with lower incomes to shift resources from various forms of tax avoidance into the generation of taxable income. Predictably, taxable income will grow most rapidly in higher income brackets, and tax revenues will parallel this growth. All taxpayers will respond to the incentive created by one low marginal tax rate, but the highest income brackets will generate the largest increase in their proportional share of tax revenues.

This kind of reaction to a significant tax cut is borne out by the experiences of the federal tax cuts of the 1920s and the 1964 tax cut. During the 1920s, Secretary of the Treasury Andrew Mellon reduced the top marginal tax rate from 73 percent in 1921 to 25 percent in 1926. In 1921, tax returns with an income of $100,000 or more comprised only 28.1 percent of the total income tax revenues. By 1926, this same group accounted for 50.9 percent of the total federal income tax revenues collected!

The Kennedy tax cut of 1964 provided a more moderate reduction in the marginal rates. Even though the marginal tax rate of taxpayers with incomes of $50,000 or more declined, the constant dollar growth rate of revenues collected in this category rose substantially. In 1963, before the tax cut, the 5 percent of returns with the highest incomes accounted for 35.6 percent of income tax revenues. By 1965, this group paid 38.5 percent of income tax revenues.

Figures will soon be available on the effects of the Kemp-Roth proportional tax cuts. The statistics will undoubtedly show that the percentage of tax paid by the highest income taxpayers will have increased.

Given such a major transformation of the income tax system, there are bound to be some winners and some losers. The elimination of the tax expenditure budget will have major positive effects on our economy. But any tax expenditures deemed necessary and appropriate can be placed on the direct expenditure side of the budget.

In the interest of returning fairness and equity to the tax code, in the interest of rejuvenating American entrepreneurial spirit, in the interest of stimulating our economy and providing more jobs, we need a flat rate income tax system. Its realization will make us all better off.●

GREEN REINTRODUCES RESOLUTION CALLING FOR DOCTOR GLUZMAN'S EMIGRATION FROM THE SOVIET UNION

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. GREEN. Mr. Speaker, today I am reintroducing a resolution calling on the Soviet Union to allow Dr. Semyon Gluzman and his family to emigrate to Israel. I would like to thank the 73 Members who are original cosponsors of the bill.

I introduced a similar bill on Dr. Gluzman's behalf in the 97th Congress. The bill, House Joint Resolution 230, had over 80 cosponsors and was enacted as Public Law 97-209. I believe the Congress action on the bill to some degree spurred the Soviets to release Dr. Gluzman from internal exile in Siberia last May. The bill I am introducing is revised slightly to reflect the fact that Dr. Gluzman is no longer a prisoner of conscience, but rather is a refusenik wishing only to emigrate to Israel with his family.

I have followed Dr. Gluzman's case since coming to the Congress in 1978 and have the utmost respect for the enormous courage and dignity with which he has faced the repressive Soviet system that has punished him so harshly for upholding his personal code of ethics. Gluzman was found guilty on October 19, 1972 of "anti-Soviet agitation and propaganda." A trained and talented psychiatrist, Gluzman was tried because he refused to cooperate with the KGB in branding dissidents as psychotics and contested the official diagnosis of a famous Ukrainian dissident, Gen. Pyotr Grigorenko, as insane. According to Gluzman, "Psychiatry is a branch of medicine and not of penal law," and he chronicled Soviet psychiatric abuses in several samizdat articles. For these crimes, Gluzman was arrested in May 1972, tried in an empty classroom, and sentenced to 7 years of hard labor and 3 years in exile. While in prison Gluzman continually agitated for freedom with hunger strikes, and other acts of passive resistance.

Gluzman was released from internal exile in May 1982. In the past dissidents have been able to leave the U.S.S.R. after serving their sentences, but unfortunately this has not occurred recently. Gluzman tried to emigrate to Israel from Siberia, but was unsuccessful and returned to his native Kiev. He applied there for an exit visa, and was again denied, as well as refused permission to register as a resident. Unless registered, a Soviet citizen officially does not exist, and is ineligible for rationing, an ID card,

and work. Without a job, a Soviet can be arrested for parasitism. Gluzman spent several months in this perilous state of bureaucratic limbo, and was harassed and beaten by authorities during this period. He is reportedly now registered in Kiev, but cannot work as a psychiatrist, having been allotted a menial job in a factory.

The Soviets have denied the Gluzmans the right to live full lives in the U.S.S.R. It is our duty to see to it that the Soviets uphold internationally recognized standards of human rights and allow the Gluzmans to emigrate. I would like to encourage my colleagues to cosponsor this resolution on the Gluzmans' behalf, and to express again my deep appreciation to all my colleagues who have already cosponsored the bill. I submit the resolution to be printed in the RECORD at this point. Thank you.

Joint resolution imploring the Union of Soviet Socialist Republics to allow Doctor Semyon Gluzman and his family to emigrate to Israel

Whereas Doctor Semyon Gluzman upheld the highest standards of his psychiatric profession in refusing to cooperate with the KGB in certifying human rights advocates as mentally ill;

Whereas, subsequently, the doctor was arrested on charges of being a Zionist propagandist and an anti-Soviet agitator and found guilty and sentenced to prison for seven years, to be followed by three years in exile, on October 19, 1972;

Whereas in May 1982 Dr. Gluzman was released from internal exile and in June returned from Siberia to his native Kiev;

Whereas Soviet authorities have harassed Dr. Gluzman and denied him permission to practice his profession;

Whereas Doctor Gluzman's family received an invitation to join relatives in Israel; and

Whereas, in conformance with international standards of human rights, Doctor Semyon Gluzman should be allowed to emigrate with his family to the State of Israel: Now therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That President Yuri Andropov of the Union of Soviet Socialist Republics should immediately grant permission for Doctor Semyon Gluzman and his family to emigrate to Israel: and be it further

Resolved, That a copy of this resolution be forwarded to the Secretary of State of the United States of America for conveyance to President Yuri Andropov of the Union of Soviet Socialist Republics.●

DIVORCE AND CHILDREN

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. WOLF. Mr. Speaker, the Census Bureau estimates that only one-half of all children born this year will spend their entire childhood living with both natural parents. Single-parent families increased by 97 percent from 1970 to 1981. Approximately 1.2 million children are involved in divorce actions annually.

The June 5 Parade magazine included an article focusing on the long- and short-term effects of divorce on children. Research scientists conducted a long-term study on 60 families and found that a third of the children observed were "unhappy, still angry at one or both parents, still yearning for the presence in the family of the departed parent, still lonely, needy, and feeling deprived and rejected" 5 years after their parents' divorce.

Following is the text of this article, "Should Parents Stay Together for the Children's Sake?" which I commend to the reading of my colleagues.

[From the Washington Post, Sunday, June 5, 1983]

SHOULD PARENTS STAY TOGETHER FOR THE CHILDREN'S SAKE?

(By Marie Winn)

With divorce at an all-time high (nearly half of all American marriages are believed to end in separations), increasing attention is being given to the question of children's well-being. Are they best off in a household where parents stay together although at odds with one another? Or do they fare better when parents separate rather than endure an unhappy home atmosphere? In this article, adapted from a chapter in her new book. "Children Without Childhood" (Pantheon Books), Marie Winn, author of the widely discussed book "The Plug-In Drug" and the mother of two sons, examines this question and comes up with what may be a surprising answer.

Hardly anyone these days proposes that parents ought to stay together for the children's sake. While the conventional wisdom of the past had it that parents owed it to their children to stay married even if they were totally miserable with each other, a decided shift in thinking about the impact of divorce on children set in at the beginning of the 1970s, just as the divorce rate was beginning its upward climb. Nobody denied that divorce was hard on kids or that it would cause anguish and leave psychological scars. But gradually people stopped believing that divorce was the worst alternative and that if children were to grow up well, they had to grow up in a family that was intact.

The new credo goes like this: An unhappy marrage is bound to bring unhappiness to the children trapped within it. If the parents are miserable, this will make the children equally miserable. Therefore it is better for parents to divorce and strike out for more personal happiness than to perpetuate an unhappy marriage "for the children's sake."

Today's child experts have consistently supported the new attitude. Psychoanalyst Peter Neubauer points out: "In the past, when divorce was not acceptable for social or religious reasons, the internal conflict was often incredible, though the intact family was maintained. The continuation of an unhappy marriage may have just as detrimental an effect on the children in the family as a divorce, maybe more so."

Obviously, nobody denies that it is best of all for children to grow up with a mother and father happily married to each other. "We know that a warm, loving, intact family is the best thing for a child—you don't need a professional to tell you that," Dr. Neubauer continues. "But did such a thing exist on a greater scale in the past? I don't think so."

Parents of the past, however, usually stayed together regardless of whether they were blissfully happy. Even when they were desperately unhappy, they put up with their discontents in order to preserve stability for the children. This reflected a protective attitude that prevailed in a time when children were still seen as innocent special creatures. Today's parents, faced with the more worldly children of the television generation, no longer perceive them as a species apart. They believe it is better to share their burdens with their kids and to be open with them about their problems.

Consequently, they have grown less and less willing to sacrifice their dreams of perfection and happiness, to bear each other's idiosyncrasies, differences, demands, foibles or weaknesses in order to preserve their marriage for the children's sake.

While few deny that an unhappy couple may better their own lot by divorce, there is room for doubt about whether this holds true for the children. Reports on a long-term study of 60 families called the California Children of Divorce Project, which began in 1971, strengthen this doubt. The research scientists Judith S. Wallerstein and Joan Berlin Kelly found that most of the couples involved in the project were still glad, after five years of separation, that they had divorced. The majority of the partners, especially the women, felt better off for having ended the marriage, in spite of various economic hardships their divorces had caused.

Wallerstein and Kelly, whose findings were subsequently published in scientific journals and a book, Surviving the Breakup, admitted to some surprise in finding that "many marriages that had been unhappy for the adults had been reasonably comfortable, even gratifying for the children." The researchers observed that "few of the children concurred with their parents' decision or experienced relief at the time of the separation." Over one-half "did not regard the divorced family as an improvement over their predivorce family."

Furthermore, the authors wrote unequivocally: "Unlike the adults, who felt considerably improved after the divorce, the children and adolescents did not, as a group, show an improvement in their psychological health during the years following the separation." So much for the notion that the continuance of an unhappy family may be more detrimental to a child's mental health than a good, clean divorce.

Finally, although the authors found that one-third of the youngsters were "lively, well-adjusted, and contented with the general tenor of their lives" five years after their parents' divorce, they found an equal number who were "unhappy, still angry at one or both parents, still yearning for the presence in the family of the departed parent, still lonely, needy, and feeling deprived and rejected." Moreover, although a number of these children were found to cope well and behave normally in spite of their parents' divorce, the authors nevertheless wrote that they believed that all "had the sense of having sustained a difficult and unhappy time in their lives which had cast a shadow over their childhood or their adolescence . . . for all, a significant part of their childhood had become a sad and frightening time."

"I felt like I was being thrown out into the world before I was ready!" cries a 13-year-old about her divorcing parents. And indeed, as the California study articulates about virtually all the children involved: "These youngsters felt that the time available to them for growing up had been dramatically foreshortened. They felt hurried and pressed to achieve quickly the independence which is usually achieved over several years. They felt deprived of playtime and a sense of leisure."

Divorce also had negative effects on the children's schoolwork and social relationships. "After 10 years, the parents are not fighting anymore," says Wallerstein, "but in many cases the children are still suffering. Some of their emotional problems are obvious. Others lurk like buried land mines."

Today, as more and more parents divorce, searching for a more fulfilling marital relationship, it is necessary to look honestly at an incontrovertible fact: Children are different from adults, and what is good for adults does not necessarily work to children's advantage. Overlooking this fact must be seen for what it is—a rationalization. As married couples do improve their situations and have a chance of greater happiness the second time around, greater numbers of children are suffering the consequences—a diminished childhood. Perhaps this understanding will help parents achieve a better balance between their very understandable strivings for personal happiness and their deep desire that their children grow up well.●

LIBERAL DEMOCRATS CONCERNED ABOUT THE DEFICIT ARE LIKE WHISKEY DEALERS SUPPORTING PROHIBITION

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. GINGRICH. Mr. Speaker, I want to draw your attention to an article that was published in the Washington Times yesterday. The author, Steven Beckner, does a good job of explaining the confusing about-face of the liberal Democrats on the issue of large deficits.

Think about it—liberal Democrats concerned about deficits. It is as confusing to me as if we were back in the 1920's and whiskey dealers came out in favor of prohibition.

But, maybe Mr. Beckner has put his finger on it. After all, liberal Democrats are, first and foremost, politicians. And they are doing just what politicians do—taking whatever issue is politically right at the moment and endorsing it as their own idea. So, maybe it is not so confusing after all.

The article follows:

TIP O'NEILL'S ODD BRAND OF FISCAL CONSERVATISM

(By Steven K. Beckner)

Campaign '84 is under way, make no mistake, and the issues are overwhelmingly economic, in more than one sense.

For the next 17 months we will watch the Republicans running on the theme of recovery, as they quietly pray that nothing happens to the economy before November 1984 to trip them up in mid stride.

Meanwhile, the Democrats will wave the red-ink soaked rag of budget deficits in the voters' faces, holding the president responsible for his alleged fiscal irresponsibility and pointing to all the economic evils that budget deficits entail.

One is reminded of President Nixon's 1971 announcement that "we're all Keynesians now"—to which some retorted, "speak for yourself."

Today, an apt rephrasing would be "we're all fiscal conservatives now."

Yesterday, at a conference sponsored by the American Stock Exchange, none other than House Speaker Thomas P. "Tip" O'Neill, at his rumbling, bumbling best, laid the Democrats' revised standard version of the old-time fiscal religion on a slightly shell-shocked group of businesssmen.

O'Neill, who has spent about 40 years in Congress helping to build up a virtually unassailable array of social programs, now laments "the prospects of staggering mega-deficits in the budget of the United States for the rest of this decade."

O'Neill and his Democratic colleagues have suddenly become concerned with deficits as a percentage of GNP in relation to the rate of savings. "The deficit as a percentage of GNP will increase from 3.6 percent in 1982 to 6.1 percent in 1983 and stay above 5 percent until 1988," said economist O'Neill, observing cogently that this is "disturbing" because "the savings rate in the United States is between 6 and 8 percent."

Because of this phenomenon, explained the august Speaker of the House, "The United States government will be borrowing at a level almost equal to all domestic personal savings for the next five years. That means the federal government will be competing with businessmen, homebuyers and state and local governments for loans. If funds are short the federal government may crowd out the businessman who wants to expand or the family that wants to buy a house."

"Crowding out" yet. Bill Simon, we hardly knew you.

But what's being done? There's President Reagan, marauder of the poor and defenseless, heartless comrade of the rich and powerful, doing what? Why, "refusing to compromise" on the budget, trying to "scuttle" the sacred budgetary process, threatening to "strike a fatal blow to the recovery."

Without bastions of fiscal conservatism like "Tip" O'Neill, it would be a dark day indeed for the United States. Luckily he and his colleagues among the Democratic leadership are there to rescue us from neo-deficitism.

In their bold and far-sighted, yet fiscally conservative, budget resolution, the Democrats promise to give us $30 billion in new taxes in 1984 and $120 billion over three years. That would mean slicing into the third tax cut and perhaps indexation too and would leave people less to save, spend or invest.

But that's a narrow way to look at it. The important thing is that the federal government would have more to spend, and that will reduce interest rates.

Understand?●

SUPPORT VOICED FOR FLORIO AUTO BILL

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. FLORIO. Mr. Speaker, I would like to bring two documents to the attention of my colleagues.

The first is a copy of a letter from Chrysler Corp., in which Chrysler endorses legislation I recently introduced, H.R. 3113, the Domestic Automobile Industry Revitalization Act.

The second is a copy of a memorandum from the Congressional Research Service of the Library of Congress stating that my proposal "would not seem to conflict with any obligations set forth in that agreement," that is, the General Agreements on Tariffs and Trade, or GATT.

Both documents support my contention that my bill, and amendments based on it which I plan to offer to the domestic content bill, permit flexible import relief to be imposed in a manner which is GATT legal. I believe this approach is superior to the manner in which the domestic content bill, H.R. 1234, requires vehicle manufacturers to adhere to rigid formulas no matter what the trade position of our automobile industry is.

Mr. Speaker, the text of these documents follows:

CHRYSLER CORP.,
Washington, D.C., June 7, 1983.

Hon. JAMES J. FLORIO,
Chairman, Subcommittee on Commerce, Transportation and Tourism, Committee on Energy and Commerce, Washington, D.C.

Dear Mr. CHAIRMAN. Thank you very much for your letter of June 3 soliciting the views of Chrysler on your legislation designed to improve the competitiveness of the U.S. auto industry. Let me say at the outset that we are grateful to you for the personal time and effort you have devoted toward the difficult problems facing our industry, especially the continued onslaught of imported auto sales in the U.S. We are also appreciative of the courtesies you have extended to us in your Subcommittee proceedings.

We have looked at your proposed legislation, as you asked, and commend you for the excellent manner in which you have addressed the procedural mechanisms by which import injury can be gauged and the remedies available when such injury is established. As we indicated when we appeared before your Subcommittee earlier this year, we do not believe existing procedural options are adequate to redress the problem of Japanese auto sales in the United States. Your legislation contains significant improvements in this area, and those proposals should be adopted by the Congress no matter what remedies are enacted.

It is our view that the deep and serious problems in our economy resulting from auto imports stem not only from a blind yielding to the notion of free trade, while

others only pay lip service to the principle, but also from our own failure to develop an appropriate response. It is possible, we believe, to honor our international treaty agreements, to press for reduced trade barriers, and to take those measures here at home that are essential to own economic well-being. Your legislation brings these goals together, and we wish you success in your efforts to improve our trade laws and to help the domestic auto industry.

Sincerely,

R. A. PERKINS.

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, D.C., June 6, 1983.

To: House Energy and Commerce Committee.

From: American Law Division.

Subject: Remedial Actions For Import Injury To The Domestic Automobile Industry (Title II, H.R. 3113, 98th Congress) And Compatability With Obligations Under The General Agreement On Tariffs And Trade.

This memorandum is furnished in response to your request for a brief analysis of the above-stated subject. The proposed legislative scheme would not seem to conflict with any obligations set forth in that Agreement.

Title II of H.R. 3113, the proposed "Domestic Automobile Industry Revitalization Act", provides for "remedial actions" (domestic content ratios, increased tariffs, quotas, and tariff-rate quotas) if the United States International Trade Commission determines that there is a serious injury, or threat thereof, to the domestic automobile industry by entering automobile products.

Some ambiguity surrounds the precise legal nature of the General Agreement on Tariffs and Trade (GATT). GATT came into force for the United States on January 1, 1948, pursuant to a Protocol of Provisional Application to which the United States agreed to by way of an executive agreement. Some courts apparently refuse to give full legal effect to GATT since Congress never ratified it. See, e.g., *Sneaker Circus, Inc.*, v. *Carter*, 457 F. Supp. 771, 795 (E.D.N.Y. 1978), aff'd 614 F.2d 1290 (2d Cir. 1979). Nevertheless, GATT specifically provides in Article XIX for the suspension of its obligations in the event that imports of a given product cause or threaten serious injury to domestic producers of the same or competitive products. This so-called "sectoral safeguard" measure is set forth in article XIX; 1(a):

"ARTICLE XIX—EMERGENCY ACTION ON IMPORTS OF PARTICULAR PRODUCTS

"1. (a) If, as a result of unforeseen developments and of the effect of the obligations incurred by a contracting party under this Agreement, including tariff concessions, any product is being imported into the territory of that contracting party in such increased quantities and under such conditions as to cause or threaten serious injury to domestic producers in that territory of like or directly competitive products, the contracting party shall be free, in respect of such product, and to the extent and for such time as may be necessary to prevent or remedy such injury, to suspend the obligation in whole or in part or to withdraw or modify the concession."

The requirements in the phrase "as a result of unforeseen developments and of the effect of the obligations incurred. . . under this Agreement" are apparently of no practical significance and, in fact, no such requirements were inserted in the safeguard clauses of the Polish, Romanian and Hungarian accession protocols. E. McGovern, International Trade Regulation—GATT, the United States and the European Community (1982), at 230. Likewise, in Title II of the Trade Act of 1974, 19 U.S.C. §§ 2251-2270, which is the present United States legislation implementing the escape clause provisions of Article XIX, import relief carries no prerequisite that increased imports be the result of unforeseen developments or of GATT obligations. Note, Orderly Marketing Agreements: Analysis of United States Automobile Industry Efforts to Obtain Import Relief, 6 HASTINGS INT'L & COMP. L. REV. 161, 170 (1982).

Article XIX:2 sets out the procedure that must be followed before action can be taken under paragraph 1, i.e., to "give notice in writing to the contracting parties as far in advance as may be practicable and shall afford the contracting parties and those contracting parties having a substantial interest as exporters of the product concerned an opportunity to consult with it in respect of the proposed action." Further, Article XIX:3 provides for possible compensatory (retaliatory) action to be taken by nations affected by safeguard measures.

DANIEL HILL ZAFREN,
Specialist in American Public Law.●

OUR DEEPENING INVOLVEMENT IN CENTRAL AMERICA

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1983

● Mr. MILLER of California. Mr. Speaker, I believe that there is a lot more going on with our Central America policy than many of us are able to pay attention to. In the last 2 weeks alone, we have learned that the head of the U.S. Southern Command, Lt. Gen. Wallace H. Nutting, favors a substantial, and preferably open-ended, increase in U.S. military aid and advisers in El Salvador. We read that the Reagan administration will soon triple the number of U.S. advisers in Honduras—bringing the total to close to 300—for the purpose of training Salvadorans at a new U.S.-funded base. This runs directly counter to recommendations by congressional committees, and has been opposed by important sectors of Honduras democratically elected Congress.

It appears also that U.S. advisers in El Salvador will be deployed to provincial capitals, which brings them even closer to the war, and raises the risk that U.S. personnel will again become military targets.

Moreover, according to recent press accounts, U.S. AC-130 cargo planes based in Panama take off almost every night loaded with ammunition, and return shortly before dawn with the ammunition gone. A mechanic who worked on the planes, according to a U.S. pilot, has said that 40-mm cannons on the C-130's need new barrels almost every day, a sign that they are being heavily used.

Taken separately, none of these incidents would necessarily be very significant, but together they begin to form a pattern: The United States may be becoming far more directly involved in the Central American war than the administration cares to admit.

I believe that all of us must pay careful attention to events of this kind. Otherwise the policy will elude our control and lead to a consequence which many of us fear—direct U.S. military involvement in the raging conflict in Central America.

[From the Washington Post, May 23, 1983]

GENERAL URGES AID TO CENTRAL AMERICA

(By Karen DeYoung)

QUARRY HEIGHTS, PANAMA.—Stopping Marxist expansion in Central America requires a substantial, ideally open-ended increase in U.S. military aid and military trainers on the ground in El Salvador, and may ultimately require a willingness to use U.S. troops, according to the commander of U.S. forces in Latin America.

"From my point of view, in a military judgment," said Lt. Gen. Wallace H. Nutting, head of the U.S. Southern Command, "we have not done what is required."

In an end-of-tour interview at his headquarters here last week, Nutting, 54, described his nearly four years in Panama as filled with frustration, initially over American unwillingness to recognize the problem in Central America, and more recently, failure to achieve consensus on what should be done about it.

Central America is at war, Nutting said. The United States, like it or not, "is engaged in that war." He said the moment of crisis that he predicted when "nobody listened" is now at hand and "the alternatives . . . are starkly clear . . . . If we give up, it may be the last time."

Although the Reagan administration "has said that we will not allow a Marxist government to take office in San Salvador, our government as a whole and our people as a whole have not followed up that commitment with a willingness to take those steps necessary to bring that about," Nutting said.

Referring to current restrictions on the number of U.S personnel and resources provided, he said, "as long as those limits on our willingness to engage in the ultimate resolution of the problem are evident to the guerrillas, they will persist. They have the example of Vietnam to refer back to. If, as some people claim, that war was lost in Washington, they hope they can win in Washington too."

U.S. debate over levels of assistance, human rights and covert action not only give the guerrillas heart but debilitate the Salvadoran armed forces, he said.

During Nutting's tour, the Southern Command has become the operational hub of the rapidly escalating U.S. effort to contain the spread of revolution on the Central American isthmus. Consisting of 9,000 Army, Navy and Air Force personnel, the command's primary task is defense of the Panama Canal, but it has administered the distribution of hundreds of millions of dollars of military aid to El Salvador and overseen a total of up to 150 U.S. military trainers in El Salvador and Honduras.

Nutting echoed Reagan's pledge that the use of U.S. troops is not currently under consideration. "When you talk about intro-

ducing U.S. combat forces in El Salvador," he noted, "you have to do it with great concern about the narrow path the United States walks in Latin America, for all the reasons of history.

"And for a whole lot of reasons, we should not want to intervene. That's another lesson of Vietnam."

But, he said, "the guerrillas are winning the psychological war." The U.S. debate must be ended and an open-ended commitment pledged, and with national consensus behind free presidential hand, if the guerrillas "are to be convinced they can't win" militarily, he added.

The longer the United States waits to make such a commitment, Nutting said, the higher the cost will be. Asked how high, short of sending U.S. troops, he said, "Nobody knows. That's part of the complexity of this form of warfare, because the ultimate cost is dependent, to a certain extent, upon the evident commitment to prevent them from taking power.

"If we make the evident commitment without limit, then the cost will go down. I can't say at this moment that 150, 200, 500 or 1,000 trainers in El Salvador is sufficient. I'm pretty sure after a couple of years of experience that 55 is not."

A current congressional understanding prohibits the administration from sending more than 55 U.S. military trainers to El Salvador, a figure Reagan has said he could live with.

Nutting said, "If we are willing to throw $3 billion or $4 billion a year at the problem in Israel . . .—you know we are arguing over a national security interest of the equivalent proportion—. . . we're talking about very minuscule amounts of resources."

Among other points Nutting made:

The flow of arms to Salvadoran guerrillas, which the United States blames on Nicaragua, is "slowing down" at the moment, but the arms are "still essential" to the guerrilla war effort. U.S. efforts to interdict it have met with difficulty but "you have to make an attempt, and you have to make it expensive and worrisome and time-consuming for the opposition."

U.S.-trained battalions in El Salvador have "done a good job" although they cover only 10 percent of a force that itself will have to be expanded this year. Nutting said he "probably shouldn't discuss" the current military situation there. "I was quoted a couple of years ago saying there was a stalemate and that if you are not winning you're losing," he said. "And that kind of discussion on my part doesn't help things . . ."

Structural changes and the development of an adequate command structure within the Salvadoran armed forces have been slow in coming. "I guess one would have to say they haven't taken any decisive action," Nutting said.

A "generational change" in the Salvadoran military may be required before its human rights performance improves significantly or its political role is downgraded. In terms of continued U.S. training, he said, there is an ongoing "need to appeal to their soldierly interests and instincts to continue to work in an evolutionary way to improve their ability."

Although the administration has described Nicaragua as the catalyst for guerrilla war in El Salvador, Nutting said the situation may be the reverse, with the ultimate "unraveling" of Marxist leadership in Nicaragua depending "to some extent on what happens in El Salvador. If El Salvador is sorted out, I think it still might be possible that Nicaragua can be salvaged," he said, "without an invasion." He said the Sandinista example "probably" will have to be removed if Marxist revolution in other Central American countries is to be definitively stamped out.

The administration has described its support of rebel activities in Nicaragua as "support of actions designed to interdict the flow of arms and supplies and not to overthrow the government of Nicaragua and I have to believe that," Nutting said. But the rebels themselves are fighting, "I'm sure, to change the government in Nicaragua. I certainly would be if I were them."

A tall man of erect bearing, with a lengthy Army career spanning Korea, Vietnam and Western Europe before he took over in Central America, Nutting took command here Sept. 30, 1979.

Sitting in the office he is vacating for Lt. Gen. Paul F. Gorman, Nutting returned repeatedly to his concern that the United States in Central America is fighting a battle it does not understand.

The Soviets and the Cubans who have now established a beachhead in Nicaragua, he said, "understand our system better than we do. . . . They take steps to take advantage of the difficulty we have in making decisions, establishing a consensus."

"There clearly is a war going on . . . a highly politicized form of warfare. It's not a military battle alone by any means. It is political, psychological, economic and it's military, and frankly, we, the United States, institutionally do not understand it and we are not organized very effectively to cope with it.

"Our value system doesn't allow us to conduct psychological operations and use information for political purposes," Nutting said, and the United States is susceptible to those tactics when they are used by the Soviets and Cubans.

Such tactices, he said, include "impugning U.S. government officials, deriding and degrading the U.S. government and its values, attacking the armed forces and government in El Salvador as gross violators of human rights . . . They recognize that we are sensitive to human rights violations, therefore they work that for all its worth, through the press, and get people in the United States understandably upset . . . then they begin to raise questions about whether or not we should support people who violate human rights."

Most outside observers and many U.S. officials believe the Salvadoran armed forces are responsible for the majority of what San Salvador Archbishop Arturo Rivera y Damas has said have been more than 30,000 civilians "killed outside of combat" over the past 3½ years. "I'm oversimplifying," Nutting said of his description of the source of human rights criticism. But the debate in the United States "and the threat to cut off support . . . affects morale and therefore commitment" within the Salvadoran armed forces. "I don't argue about the human rights issue. I've devoted my life to the protection of human rights."

"You have to understand," Nutting said, the Salvadorans "can't change overnight."

[From the New York Times, May 27, 1983]

REAGAN TO TRIPLE TEAM OF ADVISERS SENT TO HONDURAS

(By Philip Taubman)

WASHINGTON, May 26.—The Reagan Administration has gained approval from Honduras to triple the number of United States military advisers there and open a training base for Salvadoran soldiers in Honduras, a senior Defense Department official said today.

The training plan runs contrary to a nonbinding policy statement adopted by the Senate Foreign Relations Committee earlier this year that stipulated that future United States training of Salvadoran troops should be done at installations in the United States.

The Reagan Administration has an agreement with Congress not to station more than 55 United States military advisers in El Salvador. In the past the training of Salvadoran officers and enlisted men was done primarily in El Salvador and the United States. Small numbers of Salvadoran troops also received training at United States bases in Panama.

BASE ON CARIBBEAN COAST

Under the new training agreement which was approved by the Honduran military commander, Gen. Gustavo Alvarez Martinez, during an unpublicized visit to Washington last week, the United States will send more than 100 military advisers to a base at Puerto Castilla on the Caribbean coast, the senior Defense Department official said. The Pentagon reported today that there were now 62 American advisers in Honduras.

The senior official added that the agreement, which takes the form of an amendment to a military assistance pact signed by the United States and Honduras in the 1950's, was also approved by the civilian President of Honduras, Roberto Suazo Cordova, and other Honduran political leaders.

THE OPENING WEDGE

The Reagan Administration has placed no limit on the number of military advisers the United States can station in honduras. The total has fluctuated in recent years, reaching nearly 100 in March 1982, and going even higher for brief periods during joint United States-Honduran military exercises, according to the Pentagon.

Senator Joseph R. Biden, Jr., a Delaware Democrat on the Foreign Relations Committee, said today: "Any effort to circumvent policy guidelines laid down by the Foreign Relations Committee risks destroying the bipartisan unanimity the committee recently achieved on El Salvador. We do not want training missions to become the opening wedge for deeper, direct United States involvement in conflict in Central America."

A senior Defense Department official said the Honduran base, scheduled to begin operations early this summer, would also be used to train Honduran troops and military forces from other Central American nations. He said the Honduran Government planned to make a formal announcement about the training agreement in the next few days.

A battalion of Salvadoran soldiers will be among the first groups to be trained at the Honduran base, the Defense Department official said. A Salvadoran battalion has 950 to 1,000 men, he said.

The United States has trained three Salvadoran infantry battalions, one at Fort Bragg, N.C., and two in El Salvador. Last year the Defense Department also trained 477 Salvadoran officer candidates at Fort Benning, Ga.

The department announced on Monday that it would begin training another 525 Salvadoran officer candidates at Fort Benning later this month.

Defense Department officials consider the training agreement with Honduras to be a significant step toward developing improved

relations between El Salvador and Honduras, which fought a war in 1969.

There is still considerable animosity between the two nations, particularly between their military leaders, and Honduras insisted as a condition for agreeing to the training of Salvadoran soldiers that the United States increase its training of Hondurans, a senior Administration official said.

Pentagon officials said it was a positive development that the Honduran base would be used as a regional training center, providing instruction for troops from other, unspecified Central American nations.

The base at Puerto Castilla, according to the Defense Department official, will be made up of a "tent city" put up by the United States. He said work on the base would begin within the next few weeks and training should begin by the end of June.

[From the New York Times, May 24, 1983]

ROLE IN PANAMA OF U.S. MILITARY CAUSING STRAINS

(By Philip Taubman)

WASHINGTON, May 23—United States relations with Panama have been strained in recent months by increased American use of bases in Panama for a variety of military missions in Central America, according to American and Panamanian officials.

The tensions, which officials from both countries describe as serious, center primarily on the use of Howard Air Base as a staging area for United States arms shipments to El Salvador and covert intelligence missions in Central America.

Panama, which has joined other Latin nations in an effort to encourage a negotiated settlement to the region's problems, has repeatedly objected through private channels to the Reagan Administration's stationing of reconnaissance aircraft at Howard, American officials said.

Defense Department officials said Panamanian leaders had complained that the increased American presence in Panama threatened to undermine Panama's standing among its Latin neighbors and could spur anti-American sentiment in Panama. The officials said Panama, because of its long history of cooperation with the United States and its role as site of the American-built Panama Canal, was acutely sensitive about its relations with Washington.

The basing of four AC-130 reconnaissance planes at Howard Air Base since early this year has been a particularly touchy issue with the Panamanians, the Defense Department officials said, because the large, noisy aircraft attract attention and are involved in sensitive missions.

The four aircraft, which are Lockheed C-130 cargo planes that have been modified to carry electronic surveillance equipment and small weapons, including 40-millimeter cannon, have been used in a clandestine effort to monitor guerrilla activities in El Salvador, the officials said.

The Panamanians don't like us keeping the planes there," a senior Defense Department official said, "but they agreed on the condition that their presence not be publicized."

He added, "Headlines about them will make it politically untenable for the Panamanians."

FLIGHTS ALMOST EVERY NIGHT

An American pilot who was recently stationed at Howard said the four planes took off almost every night, often loaded with ammunition, and did not return until shortly before dawn. He said the Air Force crews that flew the planes did not wear any unit insignias or other forms of identification while they were aboard the planes.

In addition, the pilot said, when the planes return to the base the ammunition is gone. He said a mechanic who worked on the planes had asserted that the guns on the planes needed new barrels almost every day, a sign that they were being heavily used.

A senior Defense Department official confirmed the pilot's account, but said the planes were not involved in any combat missions. He said the planes conducted training exercises at night, using a proving ground in Panama to test the guns. He said no ammunition was carried when the planes flew reconnaissance missions.

An intelligence official said the reconnaissance flights were primarily made at night at low altitude over guerrilla-controlled areas in El Salvador and were part of an American effort to provide tactical battlefield intelligence to the Salvadoran military in its war against the insurgents.

The pilot also said Howard Air Base has been used as a transshipment point for American military equipment destined for El Salvador and Honduras. In recent weeks, he said, the base has been "swarming" with United States military aircraft hauling weapons and ammunition. This account was also confirmed by the Defense Department.

Defense Department officials said some of the flights to Honduras had involved shipments of weapons and ammunition that were part of the covert American support for anti-Government forces in Nicaragua.

A senior official at the Panamanian Embassy in Washington said his Government was "concerned" by the growing American use of Howard. The diplomat said his Government was prepared to ask the Americans to reduce their presence if heavy activity continued.

The diplomat said there was also concern in Panama about use of its port facilities for visits by United States Navy vessels involved in collecting intelligence about Nicaragua. The Defense Department has deployed several ships, including at least one destroyer outfitted with electronic eavesdropping equipment, in the waters off Nicaragua to monitor Nicaraguan communications, an American intelligence official said.

COMMAND BASED IN PANAMA

The United States Southern Command, the headquarters for United States military forces in Latin America, is based in Panama. The headquarters has gained visibility in recent years as the United States military role in Central America has increased.

The Reagan Administration has used American military installations in Panama for training limited numbers of Salvadoran armed forces. Defense Department officials said they would like to expand such training, but could not do so because the bases in Panama were too small and any expansion would be unacceptable to the Panamanian Government.

Earlier this year Brig. Gen. Rubén Dario Paredes, the national guard commander who is considered to be Panama's real leader, criticized the United States Ambassador, Everett Ellis Briggs, for having had unauthorized contacts with Panamanian military leaders.

In December the President of Panama, Ricardo de la Espriella, said serious problems threatened the 1978 Panama Canal treaties with the United States and could provide a focus for anti-American sentiment in Panama, where there had been periodic nationalist outbursts against the United States in the past.

[From the Washington Times, June 7, 1983]

HONDURANS SCORE PLAN FOR TRAINING

TEGUCIGALPA, HONDURAS.—A faction inside the Honduran ruling party strongly attacked the already approved plan to open a U.S. military school to train Salvadoran troops in Honduras, a document released yesterday said.

The head of the Innovation and National Unity Party, an opposition party, also attacked the plan as "high treason" and raised the possiblity of forming a broad bloc to oppose the installation.

The United States is sending 100 military advisers to Honduras later this month to begin the program to train 2,500 Salvadoran troops at a school to be opened on the Atlantic coast.

The agreement, approved by Honduran President Roberto Suazo Cordova, was signed by the head of the Honduran armed forces during a recent visit to Washington, without first getting Honduran congressional approval.

Gen. Gustavo Alvarez, commander-in-chief of the Honduran armed forces, also approved the training of other Central American military and security forces at the school.

The Popular Liberal Alliance, one of two blocs inside Honduras' ruling Liberal Party, charged in a manifesto, "The negotiations for installment of a military base contradicts the official position of the Foreign Ministry."

The Tegucigalpa branch of the alliance, known by its acronym Alipo, said in the document distributed to reporters that the government had "abandoned the peace initiative" it presented in March 1982.

"The support offered by the Honduran armed forces to the Salvadoran army in its war against the guerrillas" negates the peace plan Honduras presented to the Organization of American States, Alipo charged.

Alipo, itself divided in two factions, is in the minority inside the Liberal Party, controlled by the Rodista Liberal Movement of the president.●

REPEAL PRICE-ANDERSON ACT

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. SEIBERLING. Mr. Speaker, today I am introducing legislation which I believe is long overdue. The bill would amend the Price-Anderson Act by removing the ceiling on tort liability for nuclear accidents, a ceiling which now has an absolute limit of $560 million. Senator GARY HART is introducing an identical bill in the Senate.

The legislation we sponsor would also eliminate reference in the Price-Anderson Act to "extraordinary nuclear occurrences," thereby requiring that plant owners waive certain defenses otherwise available to them under tort law when faced with claims resulting from any nuclear powerplant accident. In addition, the bill would

lift the present 20-year statute of limitations on claims arising from a nuclear accident. The bill would not affect the existing provision which provides that the cost-sharing arrangement between the insurance companies and the Government with respect to absolute liability which shall remain subject to the ceiling of $560 million.

Mr. Speaker, as I have said, this legislation is long overdue. The $560 million limit was set over 25 years ago when the nuclear power industry was in its infancy. The notion behind the limitation was that no utility would invest in a nuclear power facility if it faced exposure to unknown levels of liability if the new technolgy should result in an accident. To encourage the growth of the industry, the Congress adopted what was to be a short-term policy to protect the industry's financial base by limiting normal tort liability, and thereby preventing citizens from seeking legal remedies in the court. This protection has not been extended to any other industry.

The public policy goal has been achieved. Although the industry, in the past decade, has not grown as fast as observers originally predicted, nuclear power does provide over 10 percent of the electricity consumed in the country. And although there have been many incidents where powerplants have reached critical stages of operation, there has been no accident in the nuclear industry which has resulted in loss of life or extensive damage to privately owned property.

It is well known that the closest we have come to a serious failure of safety at a nuclear powerplant is the 1978 accident at Three Mile Island in Pennsylvania. Now, over 5 years after the accident, the costs of cleaning up the facility remain unknown, but without a doubt they will exceed $1 billion. However, we also have an estimate of the amount of damages to personal property had Three Mile Island resulted in the worst case scenario, a core meltdown. The Federal Insurance Administration estimated that under such a scenario, property loss alone would have cost $17 billion. I would point out that this figure assumes that no personal injuries would have been sustained and there would have been a complete and uneventful evacuation of the area around the plant, a likelihood that I believe is remote since the industry has had serious problems in developing acceptable evacuation plans for areas surrounding plants such as Shoreham and Indian Point.

If you or I had been able to make a claim for property damage at Three Mile Island under the scenario examined by the Federal Insurance Administration, we would, under the Price-Anderson Act, have received only 3 cents for every dollar of damage we claimed. That means a resident who lost a $100,000 house would only receive $30,000 in damages. And I would point out that that resident would continue to be liable for mortgage payments, and, under standard homeowners' insurance policies, would not receive any additional compensation for property loss.

The irony is that the nuclear industry has a better safety record than the chemical industry and the airline industry both of which thrive without a protective limit on normal tort liability that is provided for the nuclear industry under the Price-Anderson Act. There also appears to be no evidence that the insurance industry could not provide coverage for nuclear powerplant accidents, since utilities now, on the average, insure the nuclear power facilities themselves for $1 billion. If insurers are willing to insure the facility, it seems to me that there is also a market for insuring against normal tort liabilities which could arise from a nuclear accident.

I think this is particularly true based on the most recent analysis of performance safety in the nuclear industry. The Rasmussen reactor safety study of 1975 estimated that the chance of a serious nuclear accident—a core meltdown—based on the examination of 500 reactor years, would be between 1 in 1 million and 1 in 10 million per year.

The enactment of the bill that Senator HART and I introduce would ratify this safety assessment, improve public confidence in the nuclear industry, and remove the risk of damage for loss from those who reside near a facility to the industry itself. It would also serve as a meaningful incentive for safety by companies that are engaged in the industry, and give them the maximum incentive to produce the safest possible operation of nuclear power facilities.

Mr. Speaker, as a member of the House Interior and Insular Affairs Subcommittee on Energy and the Environment, I have sat through many hearings which have as their subject the operational failures of certain nuclear powerplants, or the failure of quality assurance programs at others, that could ultimately endanger public health and safety. So far, the industry has been able to avoid the worst case scenario, but I believe that for the nuclear industry to play out its full potential in our Nation's energy future, it must have a zero defect status. I believe that the nuclear industry—if it operates in the safest possible manner—will play an important part in meeting our energy demands. I believe enactment of this measure will bring us closer to that realization and I commend the attention of every Member of the House to the merits of this bill.●

SEBCO: REBUILDING THE SOUTH BRONX

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. GARCIA. Mr. Speaker, there is hope emerging in the Bronx these days and it is the result of the tireless work of such individuals as Father Louis Gigante and the South East Bronx Community Organization, commonly known as SEBCO.

We in the Bronx have long had to live with America's premiere image of urban decay which while accurate in physical description, nevertheless has masked the achievements and determination of the people of the Bronx who have refused to allow their neighborhoods to die. These people are today beginning to reap the benefits of their endeavors and have to show for their efforts new homes, new businesses and restored neighborhoods.

They have accomplished their goals with government help and by leveraging private commitments and resources. In these efforts, SEBCO has shown just how workable and beneficial Federal housing programs can be, especially the heavily criticized section 8 construction and rehabilitation programs.

In the past few years, SEBCO, a coalition of several church groups and neighborhood organizations have worked to bring in excess of 1,100 new housing units to the South Bronx by constructing and rehabilitating 27 buildings. Today, SEBCO while continuing its rental housing programs, is expanding by assisting in the development of single family residences for young moderate income families pursuing the same dream found throughout America—home ownership.

SEBCO has indeed been a pivotal force in the redevelopment of my community. Its success has been in fusing Government assistance and the involvement of private resources with its own community development plan, ideas, support and energies. It has grown to be less reliant on the government and has positioned its own resources in support of its daily existence. It remains a model for all community groups struggling throughout urban America.

I am including in today's RECORD a copy of SEBCO's new pamphlet describing its history, its accomplishments and its future.

SEBCO DEVELOPMENT INCORPORATED—REBUILDING THE SOUTH BRONX

WHAT IS SEBCO?

In an attempt to fight the blight and deterioration that had settled on the Hunts Point Community of the Bronx, SEBCO Development Inc. came into existence. In the Fall of 1968, thirteen groups and organiza-

tions, among them churches, business institutions and local civic associations formed the South East Bronx Community Organization.

With aid from the former Model Cities Program, SEBCO worked with urban planners and technicians in developing schools and recreational facilities, repairing streets and infrastructures, and laying the foundation for renovating and developing neighborhood housing.

However, frequent meetings and numerous proposed projects led to unfulfilled goals. Funds were unrealized and SEBCO's membership declined. Five organizations out of thirteen remained: St. Athanasius, Simpson Street Development Association (SISDA), Casita Maria, SISDA Youth Inc., and St. John Chrysostom.

By 1975 SEBCO's future changed dramatically. Plans for SEBCO's first federally subsidized project for 361 housing units were realized. SEBCO I and SEBCO II were built. Another allocation for 200 units was received in 1977 and by December 1978, SEBCO II was under construction.

SEBCO, with a staff of three, opened its own office in the SEBCO I Houses in January of 1978. Its accomplishments led to the hiring of new staff members to assist in tenanting, community organizing, management, maintenance, and housing development. At that time, SEBCO was able to establish its own Social Service Community Organization Unit which was able to provide aid to tenants.

OUR ACCOMPLISHMENTS

In late 1978, many proposals for HUD Section 8 subsidies were approved. These approvals included SEBCO VI (100 units), Maria Estela Houses I (236 units), and Aldus III (173 units), which were codeveloped with Property Resources Corporation.

The organization, growing rapidly, and in anticipation of a need for its own management, maintenance and security systems, began investigating a series of alternatives. By the Spring of 1980, SEBCO Management Co. Inc. became a reality and soon thereafter, SEBCO Security Co. Inc. followed. Both subsidiaries became profit making organizations, and have had significant impact on the continuing development of the neighborhood as well as the future sustenance of SEBCO Development Inc., (the non-profit organization).

In 1981, SEBCO's growth continued. Aldus III and Maria Estela Houses opened and were tenanted in the Summer of 1981. Continuing plans for the development of a senior citizens building with 35 housing units were well underway.

SEBCO's most recent accomplishment is the development with the South Bronx Development Office and Property Resource Corporation, of 24 single-family homes.

The SEBCO neighborhood now has 27 new and rehabilitated buildings with approximately 1,100 housing units. The corporation employs over 80 people. Combined with Property Resources Corporation, SEBCO has been responsible for the employment of over 200 community residents.

THE FUTURE IS BRIGHT

Currently, SEBCO is engaged in the development of 290 apartments, SEBCO IV, Aldus I, Hunts Points I with Renata Construction; and is involved with Property Resources in an additional 100 units, namely Maria Estela II. SEBCO is committed to the completion of three Section 8 projects: Banana Kelly SEBCO (68 units), Erma Cava II (125 units), Senior Citizen Housing on Southern Boulevard, and SEBCO Homes For The Elderly (96 units), on Aldus Street.

SEBCO continues toward a promising future. A condominium/co-op on Southern Boulevard, 42 single-family homes on Tiffany and Fox Streets, and the rehabilitation of single-family homes on Faile Street are within its reach. SEBCO's goals include the exploration of the feasibility of the development of commercial property to induce the further involvement from the business community.

SEBCO has been a pivotal component in the development of its community. Its main course has been to stimulate and directly develop a neighborhood. Its success has been in fusing government assistance and the involvement of private resources with its own community development plan, ideas, support and energies. It has grown to be less reliant on government, and has positioned its own resoures in support of its daily existence.

SEBCO has grown in five short years from a community, non-profit sponsor of housing, to a development company and business. It has succeeded beyond a simple community organization that is capable of earning money. This tangibly benefits the neighborhood in jobs, commerce, business, and housing for its people.●

CUBA'S MASTER PLAN

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. LAGOMARSINO. Mr. Speaker, a recent commentary by William Randolph Hearst, Jr., in the Los Angeles Herald Examiner offers a brief, but useful summary of the Soviet/Cuban plan for taking control of Central America. For anyone who doubts the domino theory, the evidence the Cubans offer themselves make it apparent they believe in the domino theory. I urge my colleagues to consider Mr. Hearst's remarks.

The commentary follows:

[From the Los Angeles Herald Examiner, June 5, 1983]

CUBA'S MASTER PLAN

(By William Randolph Hearst, Jr.)

A somber report was circulated by our government the other day about Cuba fomenting subversion in Central America. This has been a comradely plan, synchronized between the Soviet Union and its surrogate in the Caribbean, Fidel Castro. It began four years ago when Yuri Andropov directed the KGB, which runs Castroite secret services in Havana.

By this time, many of us are aware that Castro has been paying for Soviet aid with Cuban legions assigned abroad to Africa and the Middle East. The casualties the Cubans suffered in foreign fields doing service for a foreign master are considerable.

More important for the average American is what Castro is doing in Central America, closer to him and closer to us but 6,000 miles or so from the USSR. Castro and Co. managed to seize the fruits of a revolt from folks of all classes in Nicaragua. In turn, these Marxists feed Soviet and Cuban supplies to guerrillas trying to oust a freely elected government next door in El Salvador.

Then their program is to turn neighboring Honduras inside out and install a communist regime. If it sounds like dominoes, that is because, as President Reagan has said, it *is* dominoes. In the first place, Central America is an isthmus of seven small countries with a population of nearly 23 million, the largest being Guatemala. The biggest prize, after communist conquest of Central America, is Mexico. That's at the end of the line after the others are absorbed.

Losing control of Central America to a militantly hostile anti-U.S. ideology means that we'd have to find other routes via the Caribbean or mount a huge offensive to remove the enemy. As President Reagan reminded us, that sea route accounts for about 50 percent of our trade with the West and imports coming here.

The importance of the region is pointed up daily in the press, but the warring factions and their names confuse folks. For years I have known that we paid too little attention to the area, indeed to all of Latin America. To try to sort things out in a primer sense, I consulted my old friend and colleague, Seymour Freidin.

We both were war correspondents during World War II, and Sy subsequently roamed Eastern Europe and much of the world. He became foreign editor of the old New York Herald Tribune and subsequently went abroad for the Hearst Newspapers. His travels and studies frequently took him to Central and Latin America. I asked him, therefore, if he'd share some of his understanding with me in terms that you could quickly grasp rather then have your eyes glaze over.

Freidin says that right off the bat, we should name the seven countries comprising Central America. Here goes: Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Panama and little Belize, with a tiny population of 144,000, which was once British Honduras. All but Belize wrested independence from Spain more than a century ago and have frequently fought each other since. A decade ago, for instance, El Salvador and Honduras actually fought a long-forgotten "soccer war."

It's not comic opera any more. A dictatorship that refused any real reforms in Nicaragua was overthrown. The revolution was waged by all segments of society against Anastasio Somoza, who fled. But Soviet-Cuban chicanery stole the revolution from the people who fought it. The result? A Marxist junta in Nicaragua which has Cuban, North Korean, Eastern bloc and even PLO "advisers."

The communist Nicaraguan regime has grandly taken over the name "Sandinistas," after a national hero of 60-odd years ago. Gen. Augusto Cesar Sandino led insurrectionists during a U.S. Marine occupation. He was, from most accounts, a nationalist. In 1934, after asking his troops to lay down their arms, Sandino left the presidential palace and was murdered.

Having betrayed the revolution that ousted Somoza by bringing in Castro and his gang, the new Nicaraguan junta promptly tried to steal popularity by naming itself for Sandino. Hence, we have Sandinista. Yet a dogged revolutionary who vows to bring down the regime is leading troops against it. He is known as Commander Zero. He fought against Somoza and was horrified to see Cubans and Eastern bloc atheist "advisers" infiltrated into Nicaragua.

The Nicaraguan junta has lately been heavily supplied by the Cubans and Rus-

sians with arms, more through the first four months of 1983 than all of last year. Weapons are shipped clandestinely to guerrillas next door in El Salvador. The Soviet-Castro blueprint is for overwhelming El Salvador and then to charge into Honduras.

Then we come to the use of the term "guerrilla," a form of irregular troops whose origins are in Spain during the Napoleonic campaigns. In Central America, the Cuban-Russian guerrillas are outlaw forces seeking to overthrow an elected government by wearing down its troops and U.S. determination to help.

Should El Salvador go by the boards, then Honduras becomes a sitting duck for communist expansion. Directly to the west, traditionally democratic Costa Rica—which still doesn't have an army—is easy prey. And after Honduras is toppled, Guatemala, sitting adjacent to Mexico and the most populous state in Central America awaits impalement on the hammer and sickle. As you can see, Nicaragua is the focal point on which the Soviet-Castro program operates.

Now let's take a look at what terrorists are up to in trying to force the U.S. out of Puerto Rico. Last week FALN terror chief Willie Morales was captured in Mexico after a blazing gun battle. The FALN demands independence from the U.S. which repeatedly has been rejected by a huge majority there. Morales led terrorists in New York and Chicago in wanton bomb attacks, one of which killed several diners and maimed many.

Morales made his way to Mexico, where he had been in contact with Nicaraguan Communists, agents of the Cuban DCI secret service, PLO gunmen and assorted Latin American terrorists on the lam.

There you have it. If you have any question, write me and I'll ask Sy to reply.●

EQUAL PAY ACT ANNIVERSARY

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. LELAND. Mr. Speaker, I rise today to join my colleagues in commemorating the 20th anniversary of the passage of the Equal Pay Act.

Approved in 1963, and finally implemented in 1964 as an amendment to the Fair Labor Standards Act, the Equal Pay Act "prohibits discrimination on the basis of sex in the payment of wages for equal work on jobs that require equal skill, effort, and responsibility performed under similar working conditions." The Equal Pay Act is now enforced by the Equal Employment Opportunity Commission.

Taken one step further, the Supreme Court has upheld the position that jobs of men and women need be only "substantially equal"—not identical—for the purpose of comparison under the law. It is indeed unfortunate that many women still suffer from pay discrimination 20 years after the passage of the Equal Pay Act, and after the Supreme Court decision.

Women still earn only 60 percent of what men with the same level of education earn. Although more women are working than ever before, the majority still occupy low-level, low-paying jobs concentrated within a range of fewer than 20 occupations. The stark reality of women in the labor force is—is that women receive fewer increases in income over their lifetime, resulting in an ever-widening earnings gap.

If women were paid the wages that similarly qualified men earn, about half of the families now living in poverty would not be poor. Black and Hispanic women are increasingly the victims of pay inequities. It is ironic that these individuals are the very ones that depend on their earnings to make ends meet. Frequently, these women are the heads of households, and therefore, provide the only means with which to survive.

I sincerely hope that this observance of the 20th anniversary of the Equal Pay Act will draw attention to the enforcement of this law in the workplace. While the passage of this measure was significant, we must continue to insure that women, all women, are equitably compensated in the labor force. The mere fact that over $7 million in backpay has been awarded to women between the years of 1980–82, should encourage all individuals to become vigilant in this important quest.●

KING KAMEHAMEHA DAY

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. HEFTEL of Hawaii. Mr. Speaker, on June 11, the State of Hawaii will honor King Kamehameha the Great, who nearly 200 years ago unified the Hawaiian Islands.

King Kamehameha organized a government which endured through decades of increasing world contact. As king, he nurtured and strengthened Hawaiian culture, encouraged industry, promoted agriculture, and protected his people. The kingdom he established lasted for nearly a century.

Kamehameha was more than a great warrior and administrator, he was an insightful lawmaker. His "Mamalahoe ke Kanawai"—the "Law of the Canoe Paddle"—gave all of his people a rule by which to live. I would now like to share that rule with my colleagues:

Know ye and reverence your God, have an understanding heart that you may regard the small man as you would the big man. Love ye one another lest your affections be spent on a dog. Let the old man, the old woman, and the little children sleep on the king's highway unmolested. To heed is to live; to destroy is to die.

King Kamehameha died in 1819 at Kailua, Hawaii, strong in the faith of his ancestors and beloved by his people. I invite you to attend the ceremony that the Hawaii State Society will conduct in Statuary Hall this Sunday at 1 p.m. to honor this great ruler.●

PERSONAL EXPLANATION

HON. SID MORRISON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. MORRISON of Washington. Mr. Speaker, last week I attended field hearing in Washington State on wilderness legislation, an issue of great importance in Washington. Because of my attendance at these hearing, I was not present and, therefore, unable to cast votes taken on June 2 and June 3, 1983. Had I been present, I would have cast the following votes:

Rollcall No. 146: Motion that the House resolve itself into the Committee of the Whole for further consideration of the bill (H.R. 3133), making appropriations for the Department of Housing and Urban Development and independent agencies. "Aye."

Rollcall No. 147: Amendment to H.R. 3133 by Mr. WIRTH. "Aye."

Rollcall No. 148: Motion that the Committee of the Whole rise. "No."

Rollcall No. 149: Amendment to H.R. 3133 by Mr. DANNEMEYER. "Aye."

Rollcall No. 150: Motion that the Committee of the Whole rise. "No."

Rollcall No. 151: Passage of H.R. 3133. "Aye."

Rollcall No. 152: Amendment to H.R. 3135 by Mr. WALKER. "Aye."

Rollcall No. 153: Passage of S. 639, the Lebanon Emergency Assistance Act. "Aye."

Rollcall No. 154: Approval of the Journal. "Aye."

Rollcall No. 155: Resolving into Committee of the Whole House on the State of the Union. "Aye."

Rollcall No. 156: Amendment to H.R. 3135 by Mr. GREGG. "Aye."

Rollcall No. 157: Amendment to H.R. 3135 by Mr. BARTLETT. "No."

Rollcall No. 158: Amendment to H.R. 3135 by Mr. HUNTER. "No."

Rollcall No. 159: Amendment to H.R. 3135 by Mr. HILER. "No."

Rollcall No. 160: Amendment to H.R. 3135 by Mr. BROWN. "No."

Rollcall No. 161: Final passage of H.R. 3135. "No."●

FLORIDA UNDER FIVE FLAGS

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. LEWIS of Florida. Mr. Speaker, I would like to extend my congratulations and heartfelt thanks to the organizers of the Florida State Society's presentation of "Florida Under Five Flags" on June 8.

Pageant Chairman Dick Sewell, Congressman DON FUQUA, his wife and Florida State Society President Nancy Fuqua, Hazel and Dudley Griner of Cross City, Fla., and Jim and Patsy Woodroffe of Tampa, Fla., brought to Capitol Hill a colorful pageant depicting the Sunshine State's exciting past under the flags of Spain, Great Britain, France, the Confederacy, and the United States of America.

More than 100 distinguished Floridians traveled to Washington to portray the historical figures who shaped Florida from the days when Indians were its only residents to its present status as Spaceport Earth.

Almost 1,000 people enjoyed the dynamic pageant and reception and a fun-filled north Florida fish fry.

I commend my good friends the Fuquas, the Griners, the Woodroffes and Dick Sewell for truly making June 8 "Florida Day in the Nation's Capitol.●

STATEMENT OF THE HONORABLE CLAUDINE SCHNEIDER

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mrs. SCHNEIDER. Mr. Speaker, forward-looking politics lost one of its most committed and effective proponents on May 1, when Suzette Tapper died of a cerebral hemorrhage. For 20 years Suzette applied her wit and wisdom to the struggle for equal rights for women, environmental protection, and the increased use of renewable energy. Her career is an emblem of the efforts of the 1960's and 1970's to create a just, safe, and sustainable society.

She began working in the early 1960's as an organizer for the American Bar Association in Illinois, where she led the successful fight for the passage of the first Illinois judicial reform law. She married her husband, David, in 1966 in the home of Sam Witwer, on whose Senate campaign she was working at the time. When they moved to New York, Suzette began organizing for the National Organization for Women. She came up with the idea for a green T-shirt with the text of the equal rights amendment printed on the front—a T-shirt classic that raised money and consciousness.

Suzette organized more than political campaigns during this period. She co-produced three of David's documentary films. The last, "Bound for Freedom," is the story of two British boys who were indentured servants until the age of 21. The film, which attempted to break through racial blinders to reveal the horrors of slavery, was shown on network television.

No one as committed as Suzette was to politics could avoid Washington forever, and in 1976 she moved to Washington to work as an organizer for Zero Population Growth. She moved over to Environmental Action next year, where she concentrated on mobilizing local environmental activism. Suzette's appetite for political challenges carried over into the rest of her life. In spite of a severe asthma condition, Suzette decided to learn to scuba dive while at Environmental Action. She took lessons, passed her exam, and enjoyed a view of the depths that no one else in her position would even have dreamed of.

Suzette's work at Environmental Action led her into the movement to develop renewable energy, and in 1980 she moved to Solar Lobby. True to form, Suzette took on the most difficult challenges. She lobbied for the Solar Energy and Energy Conservation Bank, which would enable low-income people to borrow the money to make solar and conservation improvements in their homes, and the passive solar tax credit, which would stimulate the use of the most cost-effective solar technology. Thanks in large measure to Suzette's persistence, the Solar Bank will begin operating in a few weeks.

Perhaps even more important that Suzette's actual lobbying was the experience and good judgment she brought to planning Solar Lobby strategy. In a world of headstrong, hyperkinetic lobbyists, Suzette was the voice of planning. She knew that organizations with limited resources must use their time carefully. And she loved to talk politics.

Suzette's children, Seth and Gwen, are probably already brilliant political strategists because Suzette did not stop planning when she left the office. She talked to her children for hours about political intrigue. Seth and Gwen may already know more than they want to know about the power plays of American politics.

The thread that runs through all Suzette's activities is her desire to make ordinary people aware of their political rights and responsibilities. Her most recent projects at Solar Lobby were to revamp the activist network and to strengthen local involvement in the Solar Political Action Committee.

When someone dies, we always ask ourselves what that person would like us to do in her memory. Well, Suzette took care of that. When the Solar Lobby was cleaning out her desk, they found a familiar political button, yellow letters on a purple background: "Don't Mourn, Organize!"●

HOW THE LEFT FORGES GRASSROOTS PRESSURE TO SWAY CONGRESS ON EL SALVADOR

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. LAGOMARSINO. Mr. Speaker, I wish to call to the attention of my colleagues a commentary by Virginia Prewett appearing in the June 3 edition of the Washington Times. Her views on the orchestrated lobbying campaign to sway Congress on U.S. policy toward El Salvador raise some serious questions about the underlying movement to shape America's Central American policies.

[From the Washington Times, June 3, 1983]

HOW THE LEFT FORGES GRASSROOTS PRESSURE TO SWAY CONGRESS ON EL SALVADOR

(By Virginia Prewett)

White House moves to "Reaganize" the State Department's team for Latin America, if they go far and deep enough, should be a long stride toward stopping the Soviet/Cuban drive to crowd the United States out of the Caribbean and Central America. The steps may even help Reagan deal with his other chief obstacle, the "Munich mood" in Congress, as columnist Georgie Anne Geyer aptly calls it.

Our Congress's "Munich mood" is no accident. It has been carefully induced by leftist pro-guerrilla propagandists skillfully adapting an old Capitol Hill tradition: lobbying. Their astonishingly successful lobbying device has been the setting up of a coordinated nationwide network to pressure members of Congress with instant mail.

Ronald Reagan was elected in 1980 by carrying 44 states. When Reagan in early 1981 asked Congress for military aid for El Salvador against the guerrillas, letters to Congress were triggered to cripple his request and for a time this gave pause even to the White House. Reagan's 44 million mandate was overriden by an estimated 10,000 cards and letters to congressmen; Capitol Hill calls half that number a freshet of mail, if not a flood.

Such is the distortion that has grown up over the perceived importance of a letter to a member of Congress as compared with a vote for a president. It reveals a grotesque vulnerability, one that foreigners can manipulate in disregard of our strict laws on foreign agents' lobbying.

It happens to be possible to document how this 1981 letter-lobby against aid to El Salvador was indeed cocked and primed by a single foreign agent. In 1981, the State Department released a captured Salvadoran guerrilla document, a detailed report to his covert apparatus by one Farid Handal, then and now a kingpin in the communist-dominated guerrilla front. Farid is a brother of Shafik Handal, a ranking communist military leader as head of the outlaw Salvadoran Communist Party. The Handals are second-generation Palestinian Salvadorans.

Farid's report, dated April 5, 1980, tells who he saw in Washington, New York, Chicago, Los Angeles and San Francisco. First, he "coordinated" existing pro-guerrilla groups of Latin Americans. Then he contacted Cuba's spymasters at the U.N., what he called the "Balc Kokus" (Black Caucus)

on Capitol Hill, the Institute for Policy Studies, U.S. Communist Party members, National Council of Churches officers, the U.S. Peace Council, West Coast labor leaders, PLO agents in Washington, and many communist-prone links to U.S. college councils.

In the footprints of Farid (code-named "Ismael") there sprang up CISPES, the Committee in Solidarity with the People of El Salvador—in fact in "solidarity" with Farid Handal. CISPES's web soon fed U.S. leftists disinformation fresh from "Ismael's" propaganda mill, set up in Mexico City. Through campus chapters and leftist factions of the Catholic church, CISPES orchestrated the 1981 wave of anti-aid mail to Congress—and more since.

This fakery of a broad U.S. following for the communist guerrilla cause has been an extraordinary umbrella for direct lobbying of our Congress. Salvadoran guerrillas themselves now strut through our Capitol's marble halls. One result revealed by a bulletin of the bipartisan New World Dynamics is that an important House committee chairman on hemispheric affairs says publicly that he is in frequent touch with Nicaragua's Sandinista envoy here, while boycotting administration top-secret briefings on Central America.

Letters from members of Congress answering requests for support for El Salvador from that country's pro-democratic Women's Front (Frente Feminina) reveal how some are taken in. One said that the representative opposes military aid for El Salvador because Salvadoran peasants were "shoved" off their communal (Indian) lands in the late 1880s. The lawmaker, from our West, entirely overlooked how in that era no country surpassed the United States in shoving Indians off their lands.

The same congressional anti-Salvador reply says that in 1932, when Salvadoran peasants "took several town halls," the military slew 15,000 to 20,000. The number cited strikingly parrots the notoriously inflated communist claim on this incident.

Here enters Farabundo Marti, for whom one Salvadoran communist guerrilla army is named. He surfaced as a Comintern (Soviet) agent in Mexico in 1927. The law-student son of a-well-to-do Salvadoran family, Marti and a small radical student cadre incited Indian peasants to rebel in 1931, promising them white men's houses and women.

As Indians did in our many wars with them, and as communist guerillas do today in El Salvador, Guatemala, Colombia and Peru, the Salvadoran Indians attacked isolated farms, butchering families. They terrorized outlying towns and finally San Salvador, the capital.

The military in 1932 quelled the uprising bloodily, much as smaller "peasant" uprisings have been wiped out in Mexico since as late as 1950, and as U.S. troops avenged Custer by massacring Oglala Sioux men, women and children at Wounded Knee in 1890.

None of these episodes casts credit on the nation where they occurred. But none justifies abandoning El Salvador today to communists, who have spilled rivers of blood in countries we have already abandoned to them.

Next the congressional brainwasher's reply said that in the past five years, up to 40,000 Salvadorans—around 8,000 yearly—have been killed, "mostly by rightest (sic) death squads."

Always the revealing undocumented belly-stab at "rightists." This is the left's codeword for the free-enterprise sector. The data thus cited would have us believe that more than 5,000 heavily armed communist guerrillas fighting 22,000 troops kill only a handful yearly, while 8,000 people are "mostly" slain by the never-seen, never-counted, never-named, never-proven "rightist death squads."

This nonsense signed by an elected U.S. lawmaker is typcial of the propaganda that inundates our Congress. Its pro-communist informants are not only brainwashing some Congress members, they are making them look ridiculous.●

GARRISON DIVERSION UNIT

HON. WILLIAM (BILL) CLAY

OF MISSIOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. CLAY. Mr. Speaker, I want to commend my colleagues for their stand last December when this body voted overwhelmingly to cut funds for the controversial Garrison diversion unit, a billion-dollar boondoggle located in North Dakota.

It is a shame that appropriations were restored during last year's conference committee. It is a shame that the will of the majority of the Members of this body was thwarted.

The project stands at a turning point now. We rounded that bend to a degree last year when we overwhelmingly deleted funds for Garrison. But just around the corner looms Lonetree Reservoir, a project feature that could be built this summer if funds are made available.

Lonetree Reservoir is a symbol of this project. The reservoir represents the intent of the Department of the Interior to build Garrison over the objections of Canada, countless environmental groups and the taxpayers of this country. The project feature was originally designed to hold irrigation water for the entire 250,000-acre project, at a cost of approximately $48 million. Yet if Canadian concerns prevail and the Bureau of Reclamation is able to build only phase I of the project (which does not enter the Hudson Bay watershed), then the reservoir becomes a very large, very expensive, and unnecessary aspect of phase I. And this particular part of the project will be expensive in other terms: It is a major feature that not only opens the door to irrigation in the Hudson Bay watershed, thus continuing the threat to Canada's fishing industry, but it also will innundate Sheyenne National Wildlife Refuge.

The reservoir will stand as a great gapping water trap, syphoning off taxpayers' dollars, and locking the Congress into throwing good money after bad as year after year the project proponents push to link the various canals and laterals to this pivotal feature.

We will have a chance to take a stand once again against this project when Congressman SILVIO CONTE offers a motion to bind the House conferees this year to our overwhelming rejection last year of funding for Garrison. I will be supporting Mr. CONTE's efforts and I urge my colleagues to carry our December commitment one step further and vote to bind the conferees.●

DE NORMANDIE: SYMBOL OF EXCELLENCE

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. O'BRIEN. Mr. Speaker, 1983 marks the 80th anniversary of the Chicago-based De Normandie Co.—a company that has been deeply committed to personal, innovative service for five generations now. When Joseph and Ida De Normandie started this small neighborhood linen and laundry supply company in 1903, they probably had no idea that one day it would become an industry leader in the Chicago area. But that is exactly what it is today; the result of hard work and an undying pursuit of excellence.

As times have changed, so too has the De Normandie Co. Trucks have replaced the old gray mare and original wooden-wheeled delivery wagon and state-of-the-art machines and technology now do the work that Joseph and Ida did by hand. Rather than resist change; the De Normandie Co. has skillfully adapted to and confronted the new challenges of the future. And they have prospered as a result. In addition, the company has chosen to stay within the Chicago area rather than give into the temptation of expanding across the country. They remain personally involved with the business and its customers, a quality which is more and more rare these days.

I am sure my colleagues will agree that family run businesses have made this country what it is today. Indeed they represent the unbridled spirit of the entrepreneur. The De Normandie Co. has exemplified this very spirit for 80 years.●

BIRTH OF THE STATE OF ISRAEL

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. FEIGHAN. Mr. Speaker, I am proud to join my colleagues to com-

memorate the birth of the State of Israel.

May 14 is a special day—a proud day, a day when we look back and remember the birth of the State of Israel 35 years ago. We look back and commemorate the founding of a new nation—a new nation founded not only for people of the Jewish faith, but a nation created to be a haven for all people of all religions—a sanctuary where all people—Jews, Christians, and Moslems—could live and worship in harmony.

But the vision of peace which gave birth to the founding of Israel has never been completely realized. Israel is a country that has faced constant strife as it struggles to survive the hardships of war and the pain of international terrorism.

Israel is a country surrounded by threats to its freedom—an island in a sea of hostility—a nation vulnerable at all its borders.

Israel also remains the strongest democracy in the Middle East. Israel remains our most steadfast ally and friend in that troubled region. The United States has always been able to depend upon Israel—and it always will. For, in Israel, justice and authority does not depend on the barrel of a gun: it is derived from a constitution and a belief in ideals and a way of life much like our own.

America must never forget that Israel is the only nation between the Mediterranean and the Persian Gulf with which we have a long-abiding, historic kinship.

We must not leave Israel isolated in the arena of international politics.

We must, instead, bear constant witness to its struggle for survival.

On the anniversary of the founding of this great nation, we must remember that our solemn duty permits nothing less.

Thank you, Mr. Speaker.●

THE ANNIVERSARY OF THE EQUAL PAY ACT

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. GUARINI. Mr. Speaker, I rise today to join my colleagues in commemorating the 20th anniversary of the Equal Pay Act. This act has been a central element in the body of law designed to achieve economic equity for women in American society.

The Equal Pay Act of 1963 requires employers to pay men and women equal salaries when their jobs require equal skill, effort, and responsibility. It reflects the principle embodied in the well-known slogan, "equal pay for equal work." Its existence has been vital to efforts to eliminate the depressed living standards and unequal economic circumstances which result from reduced wages for female employees.

In a 1970 landmark case, the court found that positions meriting equal pay need only be substantially equal, not identical. This interpretation has made possible a broader application of the Equal Pay Act, allowing for salary comparisons between women and men working under similar but not identical conditions. To date, over $175 million has been awarded to victims of pay discrimination under the Equal Pay Act.

While the Equal Pay Act and other laws have gone a long way toward eliminating many blatant forms of job discrimination, a large gap remains between the average earnings women and men take home. Women continue to earn approximately 59 cents for every dollar men receive. Despite equal employment opportunities and antidiscrimination laws, that gap has not improved since enactment of the Equal Pay Act.

Twenty years after passage of the Equal Pay Act, we are focusing attention on an analysis of this enduring discrepancy between women's and men's earnings. With the Equal Pay Act as a foundation and a springboard, initatives are being examined which may address and remedy this lasting barrier to full economic equity for women.●

MR. VANCE'S STRANGE PERCEPTIONS

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. MICHEL. Mr. Speaker, in the Washington Times of June 8, 1983, former Secretary of State Cyrus Vance was interviewed by a Times reporter. Vance was asked whether Soviet forces in Eastern Europe are "principally intended to hold down Eastern Europe?" Then he was asked: "Are the Soviet nuclear forces there principally to deter NATO from intervening when Moscow puts down dissidence in Eastern Europe?"

Vance answered:

I think their conventional forces are there as a deterrent to NATO's intervening in Eastern Europe or to any NATO attack, although they must recognize this is only a very remote possibility. I think their nuclear weapons are there as a counterpart to the other party's forces.

The former Secretary of State's view that overwhelming Soviet conventional forces in Eastern Europe are there as a deterrent to possible NATO attack is strange, to say the least. The size, the known strategic goals and the kinds of weapons systems the Soviets have there are unmistakably offensive in nature, not defensive. To suggest that this massive conventional Soviet buildup is only to deter NATO is to accept the Soviet assertion that they have built the largest military force in history purely for defensive purposes. But this assertion is obviously and demonstrably untrue.

In the authoritative and comprehensive Defense Department study, "Soviet Military Power, 1983," this is what is said about Soviet forces in Europe:

The continuing growth and modernization of the Soviet military have enabled the Soviet Union to structure and posture its forces for offensive use on short notice. . .

In the nuclear area, the Soviets continue to build far greater numbers of missiles and warheads than are necessary for a credible deterrent capability. Soviet conventional forces have increased offensive capabilities, and the Soviets have demonstrated detailed plans for the offensive use of these forces. Soviet tactical air and missile forces continue to acquire advanced weapons systems and support systems designed for the conduct of large-scale air offensives. Soviet ground force modernization, deployment and training permit rapid and sustained forward movement from peacetime locations to objectives well beyond Soviet/Warsaw Pact borders. At the same time, it is clear from Soviet strategic planning and operations that its naval ships and aircraft are committed to denying opposing navies' use of adjacent seas and conducting strikes against enemy land targets.

As for the statement that the Soviet nuclear forces in this area are there as a counterpart to NATO forces, a question arises: If this is so, why has the Soviet Union been placing hundreds of SS-20's in Europe while NATO has not had similar placements? What are the SS-20's a counterpart to?

Soviet forces are in Eastern Europe to serve as an instrument of the Soviet Union's imperialist foreign policy, to force Western nations to defend their freedom at great expense and to serve as an attacking, conquering military force in Europe when and if the opportunity arises. Those 4 million total military forces, 173 divisions, 42,500 main battle tanks and 78,000 armored personnel carriers of the Warsaw Pact are not there to deter anything. It is NATO which seeks to deter Soviet aggression.

I think this point must be emphasized again and again, especially in the face of the Soviet propaganda offensive that has convinced some Europeans and seeks to convince Americans that all the Soviet Union is concerned with is peace and defense.

This is not true. The Soviet Union is concerned with peace only insofar as propaganda involving peace themes serves its ideological goals. The old story of the Soviet leaders not wanting war because of the great slaughter visited upon the Soviet people in World War II is only half correct. Yes, the Soviet people did suffer more than any other as a victim of Nazi military

aggression—as opposed to Nazi death camps. But the Soviet military buildup, particularly in the last 10 years, has absolutely no relation to any kind of strategy concentrating exclusively on defense.

I need not remind our colleagues that millions of Soviet citizens were killed by their own leaders before and after World War II. Every member of the current Politboro was a part of the Stalin apparatus in one way or another so let us not be fooled by these stories about how much these leaders want to save the Soviet Union's people from suffering. They killed them before and they would do it again to keep power.

To those who say Marxist-Leninist ideology means nothing to the Soviet leaders, it should be pointed out that it is the only legitimizing force the Soviet Communist Party has. Whether the Soviet leaders believe Marxist-Leninist dogma is irrelevant; they need it and they use it.

I have debated with Soviet leaders. They are tough, disciplined, true-believers in their cause, ruthless in arguments, and dedicated in purpose. They are doing all they can to foster the myth that their unprecedented military buildup has been for purposes of deterrence. That is untrue and it is a melancholy statement about our times that a former Secretary of State should repeat such nonsense.●

GUNS AND BOOKS

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. HERTEL. Mr. Speaker, it is the greatest irony that the President's Commission on Excellence in Education recently recommended drastic improvements in our educational system while the President did his best to cut and abolish many important education programs. Mr. Reagan claims to be an advocate of education, "certainly there are few areas of American life as important to our society, to our people, and to our families as our schools and colleges." When, in fact, in his 30 months in office he has proposed cuts in nearly every aspect of the education budget including abolishing the Department of Education.

The greatest contradiction, as pointed out in the following Detroit Free Press editorial, is the President's insistence on increasing the military budget, but ignoring education. Cutting education programs is a grave handicap to our military and economic advancement.

The article follows:

GUNS AND BOOKS: REAGAN'S FORMULA FOR EDUCATION DOESN'T ADD UP

Imagine this wholly fictional scene for a moment:

President Reagan is speaking before the graduating class of the U.S. Military Academy at West Point. The chief thrust of his message is that throwing money at our nation's military establishment is no solution to our security problems. "Men not guns, win wars," he quotes from the military strategist Mao Tse-tung, peppering his talk with a few humorous anecdotes from the Vietnam war. "It was a lack of national will, a lack of dedication that kept us from winning that one," he says. "Pouring tax dollars down the rat hole didn't make a bit of difference. In fact, the military situation began to deteriorate when our federal government started interfering."

The cadets are getting a little restive. Commitment is fine, they're thinking. But if they can't get the money for weapons, training or salaries, maybe they should be looking around for another line of work. But wait. The President has a solution: Prayer. If God would only return to the barracks and situation rooms of the nation, well, we'd have a prayer of a chance against the Russians.

You can also imagine the reception such remarks would have provoked among the West Point cadets. Yet that is essentially the message the president delivered regarding federal aid to education in his recent commencement speech at Seton Hall University. On the same day that he broadcast a speech pushing for federal funding for military hardware as the essential ingredient in preserving the peace against the Soviet Union, he was telling his student audience that money wouldn't solve the problems of American education.

No one argues that dedication isn't important, for a teacher or a soldier. And most Americans appreciate the difference between the federal obligation to provide for national defense and the tradition of local funding for public education. But here is a president who claims to be upholding a constitutional distinction between federal and local responsibilities with regard to education, and who then cuts back on federal guarantees for college loans while advocating tuition tax credits for students in parochial schools. Here is a president who says more money won't give us better education, but who certainly must see what increased salaries and the attraction of relative job security in a recession have done to improve the quality of our armed forces.

National security and education are not as separate, in theory or practice, as the president apparently believes. The ability to design advanced weaponry and the ability to practice intelligent diplomacy so those weapons will not have to be used are obvious security assets. So is the ability of soldiers to read instruction and repair manuals for complex weapons.

One of the most popular Army enlistment incentives recently devised has been a college tuition funding program to help veterans continue their education after they leave the service. Is this the sort of federal intrusion into education the president finds so repugnant? Does he mark the deterioration in education from the introduction of the GI Bill? Does he favor an end to ROTC scholarships or to tax-supported tuition at the military academies?

Money has made a difference—not the only difference but a critical one—in education and in national security. Education has also made the difference in national security. But only in the real world, not in the curious, history-defying ideology that shaped his speech at Seton Hall.●

WHAT ABOUT GUERRILLA VIOLATIONS OF HUMAN RIGHTS IN EL SALVADOR?

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. LAGOMARSINO. Mr. Speaker, recently, on the floor of the House, I commented that the rightist groups in El Salvador do not have a monopoly on human rights violations. A commentary in the Los Angeles Herald Examiner of June 5, 1983, by Deputy Assistant Secretary of State for Human Rights and Humanitarian Affairs, W. Scott Burke examines the human rights violations of the left and the flawed process of the certification requirements for aid to El Salvador. His comments deserve the serious attention of my colleagues.

WHAT ABOUT GUERRILLA VIOLATIONS OF HUMAN RIGHTS IN EL SALVADOR?

(By W. Scott Burke)

In December 1981, the Congress of the United States enacted legislation concerning American aid to El Salvador. That statute requires that in order for aid to be given to El Salvador the president must formally certify every six months that the Salvadoran government has made a variety of significant human-rights advances. Congress and the administration must next address the certification issue at the end of this month.

The certification requirement is designed to force the Salvadoran government to behave as we think appropriate. This is a worthy objective and it is motivated by the best of intentions. To the extent that it has encouraged El Salvador to respect human rights and curtail human-rights abuses by the armed forces, it has been worthwhile. Nevertheless, it suffers from serious flaws that have distorted the debate over El Salvador within the United States and has detrimentally affected American interests abroad.

The present certification process is flawed, because it focuses only on a few of the human-rights problems that exist in El Salvador. It completely ignores the human-rights violations of the Marxist-Leninist guerrillas. This omission means that Congress and the American people do not receive the full picture. The assassination of Lt. Comdr. Albert A. Schaufelberger and the massacres by guerrillas of captured Salvadoran soldiers are recent examples of facts deserving Congress' consideration. Any human-rights analysis that fails altogether to consider the violations of one side in a conflict seriously distorts and makes impossible comprehension of the situation.

Many in Congress respond to this criticism by noting that the United States is not aiding the guerrillas but the government. They argue that it is correct to focus upon the recipient of our assistance and that there is no need to examine closely those who do not receive our help. But this analysis fails to consider that when we assist one side in a conflict we do so because we believe they are superior in some way or because we believe it serves our national interest to do so. Thus, we must consider the nature and behavior of the other side. This principle can be illustrated by our policies during

World War II. We did not aid the Soviet Union because it had an acceptable human-rights record, but because it was in our interest to enable them to resist an opponent far worse.

Congress in its certification process and debate and many critics of the administration have failed to consider two essential factors of the human-rights situation. First, they do not consider what alternatives exist to the present government. Who will replace the government, and what will be their likely human-rights behavior, is important because a troubled government may be replaced by one far worse.

Many in the United States failed to consider the alternatives in Indochina and Iran. The governments we helped were far from perfect. Yet the regimes that replaced them were infinitely worse. The Vietnamese communist regime is among the most brutal in the world, and hundreds of thousands of Vietnamese have fled their homeland at great risk. The Cambodian communists instituted a reign of terror and murdered more than a million Cambodians. In a few short years, Khomeini has executed tens of thousands of Iranians, instituted widespread repression and focused vicious attacks on Christians, Jews and especially Bahais. The shah's regime was progressive and mild by comparison.

The current certification process has an additional glaring and related flaw: It entirely ignores the consequences of a withdrawal of American aid. United States assistance to El Salvador has given American officials the leverage to bring about human-rights improvements in El Salvador. The Salvadoran government has made real efforts to improve its human-rights performance in the most difficult of circumstances, and real advances have been made. Admittedly, not enough progress has occurred. The situation is far from perfect and further improvements must be insisted upon by the United States government. But without aid, we have greatly reduced influence. Without American influence, there probably would have been far more killing. If the United States ceases its involvement, it is safe to predict severe human-rights retrogression and conceivably a tremendous upsurge in violence and killing. Discussion of aid and human rights in El Salvador that does not consider this fact ignores one of the most important aspects of the human-rights situation in El Salvador.

Continued aid depends solely upon certification of several limited aspects of human rights in El Salvador. Thus debate about the situation in El Salvador and American interests there focuses exclusively upon *only* one factor, human rights. Human rights are important and are a necessary component of American foreign policy in general and in El Salvador in particular. They are not, however, the only factor. America has other important interests at stake in El Salvador, interests that have been virtually ignored in the public debate over our involvement.

There is a land bridge between El Salvador and the United States. Communist regimes in the Third World always generate many refugees. It cannot be predicted how many Salvadorans would flee a Marxist regime, but it is safe to predict there will be many. If Mexico or other countries in Central America were destabilized as a result of the fall of El Salvador, millions of refugees might be produced. The humanitarian problem for the United States could be overwhelming.

The current certification process is well-intentioned and has had desirable results. It aids the United States in dealing with the Salvadoran government and in pressing for beneficial changes. This feature of certification should not be changed. However, the incomplete and distorted nature of the current certification process results in evasion of many of the most important issues presented by the guerrilla insurgency in El Salvador. The process can easily be changed to avoid these flaws and allow us to avoid long-term irremediable damage to American interests.●

EQUAL PAY: MILES TO GO

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. HOYER. Mr. Speaker, I rise on this 20th anniversary of the signing of the Equal Pay Act and, like many of my colleagues, I am struck by the fact that the optimism that greeted the signing of the act has been tempered by the experience of the 1970's and reality of the 1980's. We now know that merely changing the law to prohibit pay discrimination does not mean that women will receive equal pay. Blatant pay discrimination still exists today, though significant progress has certainly been made. Even more widespread is the lack of pay comparability. The ratio of women's earnings to men's is no better today than it was 20 years ago; it is worse. Instead of earning 60 cents to every $1 that men earn, as was the case in 1965, women now earn 59 cents to every $1 earned by a man.

Certainly women have moved into positions of power and influence in unprecedented numbers, and there is no doubt that the Equal Pay Act has helped. But we must remember that one of the fastest growing poverty groups is comprised of women and children. The 9.4 million households headed by women by and large hover at or near the poverty level. The U.S. Civil Rights Commission in its report, issued just 2 months ago, entitled, "A Growing Crisis: Disadvantaged Women and Their Children," cites the growth over the past 20 years in the number of poor people in families headed by women. The increase is an astounding 54 percent. Possibly the most shocking statistic in the report is the conclusion that if the number of households headed by women in poverty continues to grow at the rate of the last two decades, the sole occupiers of poverty status in the United States in the year 2000 will be women and children.

We in the Congress have not made this situation any easier in the last few years. The first domestic budget cuts fell heavily on the working poor, and many of the working poor are women who are heads of families. I would like to quote from a letter I received in my office just the other day from one of my constituents.

I am writing this letter to tell you how we in the middle (low) income bracket feel.

I am a single mother with a 3 year old daughter. I have been out of high school for 6 years, and since that time I have been with the Federal Government. Every time I apply for any type of financial assistance from the Government, they tell me that my income is too high. "Too high, for what?" Here it is I never have enough (after paying rent, gas, electric, day care, insurance) to buy food for us to eat.

I'm wondering, why is it that those of us who go out everyday and try to make a living can't get help? But those who stay at home and are on public assistance get everything. We may as well stay home and become welfare recipients too.

I do think it's time someone tried to help us a little more.

So do I.

It now appears that equal pay for equal work is just the beginning. Merely giving women the protection of the law in this area is not enough; we know that now. Equal pay, equal status, equal opportunity, all of these goals have been elusive.

What can we do on this 20th anniversary of the signing of the Equal Pay Act to attain these goals? The Congress can enact legislation that will assist parents with day care costs, so that women can afford to go out and seek employment; support educational equity programs so that equality of opportunity in education is continued; legislative measures to improve and strengthen child support collection mechanisms. And we can get the Federal Government's own house in order by evaluating the pay scales of jobs traditionally held by women versus those traditionally held by men, to see if even at this level the question of pay comparability is being avoided.

The past 20 years have taught us that there are limits to what Federal law can change. But this anniversary gives us the opportunity to take stock and to continue to pursue the broad goals first addressed in the Equal Pay Act.●

A GREAT COACH RETIRES

HON. WILLIAM R. RATCHFORD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. RATCHFORD. Mr. Speaker, I rise today to honor Coach Lou DeFilipo of Derby, who leaves in his retirement one of the winningest records in Connecticut high school football.

Lou DeFilipo has always been a man dedicated to his profession, his players, and his community. It is no accident that Derby High School compiled a record of 116 wins, 30 losses, and 9

ties in 15 years under Coach DeFilipo. In that time, Derby had 5 undefeated seasons, 9 Housatonic League championships, 2 State championships, and 24 all-State players. Lou earned a lifetime record of 162 wins, 39 losses, and 9 ties, including 5 league championships, before coming to Connecticut.

But more importantly, Lou DeFilipo earned the respect of his peers and the community at large. His impressive won-lost statistics are in fact an inadequate measure of his larger accomplishments.

Coach DeFilipo is properly known as a man who was both a taskmaster and a father to his players, a man who made sure the lines were always clear. Those he coached knew they had to carry more than just their own weight. He pushed his kids and out of that sense of interdependence Lou built a team. The kids would inevitably respond, and although Derby is not one of Connecticut's larger towns, its football tradition remains second to none.

How does one measure the lasting influence that Coach DeFilipo has had on his players, the sense of pride and teamwork that he worked to develop? How does one measure the years that Lou has already given to the sport of football, and to Derby?

Lou DeFilipo has won no less than 18 awards, including Coach of the Year by the National High School Coaches Association. Perhaps that is one small measure. That those awards included citizenship honors from police unions and civic organizations is another indication of the depth of his commitment to the community and its way of life.

Perhaps it is best to say that Coach Lou DeFilipo has made a lasting impression on Derby, the State of Connecticut, and this Member of Congress. Today, I am honored to have the opportunity to tell my colleagues of this fine man.●

FAIR TAX PLAN

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. GEPHARDT. Mr. Speaker, today I am introducing the Fair Tax Act of 1983. It is an attempt to make our income tax system simple and sane. I see it as the first step toward rebuilding public confidence in the Federal Government generally by creating a tax system that is responsive to all the people, not just the special interests who have created havens for themselves within the Tax Code.

This bill would result in a tax cut for most Americans, but that is not its major goal. Rather, it is an attempt to create a system that people will both understand and respect. Major features include:

A personal progressive income tax with rates of 14, 26, and 30 percent. Most taxpayers would pay only at the 14-percent rate.

The elimination of many existing deductions and a reduction in the value of the deductions retained. These deductions include home mortgage interest, State and local taxes, charitable contributions, extraordinary medical expenses and personal business expenses. These would yield a tax reduction of 14 cents per $1 spent, regardless of income level.

A flat 30-percent corporate tax rate.

A new corporate depreciation plan that brings the Tax Code into agreement with economic depreciation. There is also a new way of handling mining, mineral, and oil drilling expenses.

This plan will yield the same amount of revenue as we anticipate receiving in 1985. It will not change the distribution pattern among income classes or between personal and business taxes. What it will do is insure that people earning the same income will pay approximately the same tax.

It will aslo encourage more rational investment behavior by stripping away many of the preferences currently enshringed in the Tax Code. An investor will be able to concentrate his full attention on the attractiveness of a potential investment rather than on whether it successfully outwits the Tax Code.

This plan is a move toward fairness and rationality. I hope it generates substantial public debate in the months ahead.●

EQUAL PAY ACT

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Ms. SNOWE. Mr. Speaker, tomorrow marks the 20th anniversary of the Equal Pay Act. Passed in 1963, the Equal Pay Act was the first piece of Federal legislation on women since the 19th amendment. It requires that men and women who work in the same establishment and perform jobs requiring equal skill, effort, and responsibility, receive equal compensation for that work.

The Equal Pay Act of 1963 and the Civil Rights Act of 1964 made wage discrimination illegal and have been successful in eliminating some of the most blatant forms of employment discrimination against women. However, the fact of a widening wage gap and the devastating implications of the phenomenon known as the feminization of poverty make clear that economic discrimination against women involves far more than the issue of equal pay for equal work.

A closer look at the history of the Equal Pay Act is insightful, and instructive in understanding why the Equal Pay Act, although a useful first step in addressing economic concerns of women, remains far from sufficient in eradicating pay inequities.

Significantly, the Equal Pay Act arose because of the wage concerns of men. Up until World War I, women were a relatively small proportion of the labor force, found primarily in sex-segregated jobs. The issue of equal pay for equal work was of little relevance. However, during World War I, women were needed to move into jobs formerly held by men. Since women traditionally had worked for less money than men, the sudden influx of 2 to 4 million women into the labor force created a concern that they would depress the wage rates and that men would be forced to work at lower rates after the war. A typical response to this concern is demonstrated in the 1918 report of the War Labor Conference Board:

> If it shall become necessary to employ women on work ordinarily performed by men, they must be allowed equal pay for equal work.

World War II refueled the concern that large numbers of women moving into traditionally male jobs would threaten the economic status of men. In 1942, the War, Navy, and Labor Departments issued a joint statement saying "Wage rates for women should be the same as for men, including the entrance rate." It was during this period that the first equal pay bills were introduced into Congress, although it took 18 years before such a bill won approval.

It is important to reiterate that throughout the early agitation for equal pay, the major concern of Congress and the supporting unions was the prevention of women's wages for undercutting the wages of men. Although women's unions and feminist groups supported the legislation in principal and recognized the importance of training programs for women, for the most part equal wages were not forthcoming. Male unions continued to exclude women from membership and apprenticeship programs while employers, when faced with a choice between male and female employees, chose women only if they would work for lower wages. Then as now, equal pay was irrelevant without equal job opportunity.

The Equal Pay Act was passed as an amendment to the Fair Labor Standards Act in 1963, and therefore covered only those 61 percent of all wage and salary earners covered by the FLSA. Administrative, executive, and professional positions were not covered until the act was amended in 1972 as part of the Education Amendments Act. The act was enforced by the

Wage and Hours Division of the Labor Department until July 1, 1979, when it was shifted to the Equal Employment Opportunity Commission. As of 1978, the Labor Department had determined that $176 million was owed to 279,000 workers due to wage discrimination by employers. Nearly all of the 279,000 workers were women. In fiscal year 1977, $7 million was actually restored to about 13,000 workers. From 1980 to 1982, approximately $7 million in back pay was awarded to individuals according to the EEOC. Although its coverage was limited, its implementation was quite effective for those few situations where men and women did perform the same work. Unfortunately, this was probably due less to an overriding concern with women's pay, than to the fact that the Equal Pay Act was included in the overall efforts of the Wage and Hour Administration to enforce the multifaceted Fair Labor Standards Act.

Although the Equal Pay Act was not conceived of as the vehicle for eliminating wage discrimination against women, and its success at addressing the causes of pay inequity between the sexes has been limited, the 20th anniversary of its passage provides an appropriate opportunity to assess the current economic status of American women.

In May 1983, nearly 48 million women, 16 years and over, were in the labor force. Forty-three percent of the American labor force is comprised of women. This number has doubled in the last 20 years, and by 1990, women are expected to comprise more than half of all our Nation's workers.

While women's participation in the labor force has increased, their pay has actually decreased. In 1955, women earned only $0.64 for every $1 earned by a man. Incredibly, this has decreased to $0.59 to every $1 earned by men today. In 1981, women workers with 4 or more years of college education earned approximately the same income as men who had only 1 to 3 years of high school, while women high school graduates earned less than men who had not completed their elementary school.

One of the primary reasons for this gross disparity in pay continues to be the concentration of women in traditional, low-paying, deadend jobs. In 1981, women were 80 percent of all clerical workers, 63 percent of all retail sales workers, and 89 percent of all health service workers. At the same time, they were only 4 percent of all engineers, 14 percent of all doctors and lawyers, 7 percent of workers in heavy construction, and 1 percent of all truck drivers.

Women work for the same reason men do—economic necessity. Two-thirds of all working women are single, widowed, divorced, or separated, or have husbands who earn less than $15,000 a year. Additionally, a growing proportion of American families are headed by women. Tragically, almost 1 in 3 female-headed families lives in poverty today, as contrasted to 1 in 18 headed by a man. Three-fourths of the poor are women, a phenomenon that has recently been described as the "feminization of poverty."

There is no doubt that the Equal Pay Act was, and continues to be, a necessary tool for eliminating some of the wage discrimination that threatens the economic security of women across the country. Beyond that, it served as an important catalyst in the sixties for the growing concern with the economic problems of women. However, we have not yet begun to confront the primary sources of the wage gap that have persisted, and indeed worsened, since 1963. Until we meet this challenge head on and can guarantee a fair wage to all American workers, regardless of their sex, each anniversary of the Equal Pay Act of 1963 will serve more as a reminder of the enormous inequities faced by American women, than as a piece of landmark legislation furthering the principles of fairness and equality upon which this country was founded.●

THE SECRETIVE SOVIET SOCIETY

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. LAGOMARSINO. Mr. Speaker, by its nature, we do not often get a glimpse of the secretive, Soviet society. However, a recent commentary in the Los Angeles Herald Examiner offers an interesting account of the crippling effect of Soviet society on the psyche of Communist man. I urge my colleagues to consider the views of Stephen Miller on this fascinating subject.

The article follows:

[From the Los Angeles Herald Examiner, May 31, 1983]

THE CRUMBLING OF COMMUNIST MAN

(By Stephen Miller)

The great Marxist-Leninist project was the creation of Communist Man. Purged of bourgeois traits, this new man would be free of petty ambition and greed. He would be dedicated to the welfare, to giving to each according to his needs. But what kind of man has the Soviet Union created? A fair question, I think, because the USSR's Communist Party justifies its dictatorship by pointing to the new man and the new society it allegedly is creating.

We know, of course, that such a new man has not been created. In recent years, however, we have learned that a different kind of man now exists in the Soviet Union, and that he is not something to cheer about. Indeed, even high party officials are worried about him, for he is corrupt and more often than not, a drunkard.

Yuri Andropov has declared war on corruption and alcoholism. Yet the Soviet leadership really cannot do much to curtail them. For one thing, corruption prevents the extraordinarily rigid and inefficient economic system from breaking down altogether. And the massive consumption of alcohol is an important source of revenue. Vladimir Treml of Duke University estimates that the alcohol tax is the regime's single most important source of revenue, amounting to 12 percent of the Soviet Union's annual budget. In the United States, the excise tax on liquor accounts for about 1 percent of the federal budget.

What is the extent of corruption in the Soviet Union? In "USSR: The Corrupt Society," Konstantin Simis argues that it is pervasive. While working as a lawyer in Moscow, Simis collected evidence for this book, which he wrote in 1976. When the KGB got wind of his project, it confiscated the manuscript and kicked Simis out of the country. Fortunately, he already had sent a copy of the manuscript abroad.

Most people in the Soviet Union, Simis says, are corrupt out of necessity. Illegal wheeling and dealing is necessary just to put food on the table, fix appliances and educate children. Moreover, corruption is essential in meeting one's quota at work. "Only by committing theft," Simis writes, "by cheating the government and their customers and by falsifying the accounts are officials and managers of state farms, collective farms and food stores able to bear the burden of the tribute system."

Corruption—a complex array of bribes, tribute and kickbacks—is the oil that greases the sluggish Soviet economy. According to some estimates, the unofficial economy accounts for as much as 40 percent of the USSR's GNP.

Corruption, of course, is not unique to the Soviet Union. It did not arrive with communism. But often overlooked is that the imposition of communism makes a society more corrupt, not less. Communism always creates a shortage of goods and services, leading inevitably to a vast expansion of the black market. Argued Simis. "It is the power of the part apparat that has turned the Soviet Union, in the 63 years of its existence, into a country eaten away to the very core by corruption." According to Jerry Hough, an American scholar of the Soviet Union, even party officials are coming to see the connection between socialist control and corruption. "Paradoxically," Hough said recently, "the market, which once was looked upon as the cause of a social problems becomes in this view the solution to a severe moral problem.

High party officials, one would think, have no reason to be corrupt. They face no shortages; they have access to special stores with Western consumer goods and high-quality food; they have access to special hospitals and Western medicines. They also enjoy many other perks, including better education for their children. Nevertheless, many party officials are corrupt, if only because of their positions. They are well aware that their perquisites do not belong to them, and that in a purge, they would be left with nothing. In other words, party officials are saving for a rainy day. Naturally some of them are merely greedy, but that is to belabor the obvious.

It would be misleading simply to lament the corruption so prevalent in the Soviet Union, because the story does have its

heartening side. It is, after all, the story of people who use their wit and imagination to beat the system; the story also of numerous underground capitalists driven not solely by need or greed but by a desire to exercise their entrepreneurial talents—for whom, as Simis says, the "Process of making money—not the money itself—had become the real aim." Two cheers, then, for corruption in the Soviet Union, for it reveals that Marxist-Leninist ideology has not taken root. Better the shrewdness and cynicism of the corrupt than the fanaticism of the true believer.

But then again, two cheers may be too many, for ultimately the story of corruption in the Soviet Union is tragic: the story of people who must scheme all the time in order to survive. Communist rhetoric wails about the social Darwinian aspects of capitalism, but life under communist rule is much more of a rat race than is life in the democratic West.

Perhaps because life is so degrading and boring in the Soviet Union, more and more Russians are taking to drink. Although the Russian appetite for liquor is well-known, alcoholism has become a critical problem only in the past 20 years. Tremi points out that in recent years, approximately 50,000 Soviet citizens died from alcohol poisoning, as opposed to 400 such deaths in the United States, and this does not include indirectly alcohol-related deaths. More alarming is the increasing number of women, especially young women, suffering from alcohol abuse, which is in part the reason for the extraordinary increase in infant mortality—up 36 percent since 1971.

To blame this entirely on communism is probably wrong, since Muslims living under communism don't have the same drinking problem that ethnic Russians do. The rate of alcohol abuse in Uzbekistan, for instance, is 150 times less than it is in the Russian Soviet republic. Why? Perhaps because Soviet Muslims have greater cultural resources. More rooted in their traditional culture than Russians are in theirs, Soviet Muslims can better resist the corrosive aspects of communist life. Life may be gray in Ferghana, but not as gray as in Gorky; and Uzbeks—or other Muslim peoples of the Soviet Union—suffer less from boredom, self-contempt and alienation.

Indeed, in some respects Soviet Muslims are flourishing. Their birthrate is much higher than the Russian birthrate. Soviet political and military leaders are very worried about this, for most of them are of Slavic descent and they clearly do not put a great deal of faith in the loyalty of Soviet Muslims. The leadership is worried not only about military manpower but also about manpower in general. There is a serious labor shortage in the industrial north, and, as Cullen Murphy reported in a fascinating article in the February Atlantic, the Soviets are "pulling in thousands of 'guest workers' from fraternal socialist neighbors: Bulgarian lumberjacks, North Korean coal miners, Vietnamese laborers."

What is happening in the Soviet Union is grotesquely ironic: It is not the state that is withering away, but the Russian people. As Murphy points out, the population is being eaten away by infant mortality and by premature deaths among 20- to 44-year-old males. Those who survive are in poor shape; they smoke too much, eat poorly and receive terrible medical care. There are shortages in the Soviet Union of X-ray film, surgical instruments, even aspirin.

What can the Soviet leadership do about the terrible conditions of ethnic Russians? If it raises the already high tax on alcohol, as it did a few years ago, people turn to moonshine, or even brake fluid, with what effect one can imagine. If it tries to fight alcoholism through education and better health care, the program is not only costly, but leads to a drop in liquor revenue. What other choice does it have? It could attack the problem indirectly—reducing the grayness of socialist life by allowing more private incentive, in effect bringing more of the underground economy above ground. A little more economic "freedom" would be good for the health of Soviet man.

When Andropov took office, there was a good deal of talk in the West about the "Kadarization" of the Soviet economy. Andropov, it was argued, had been ambassador to Kadar's Hungary and had seen the workings of the Hungarian economy up close—had seen how an increasing reliance on the profit motive and on wage differentials had improved agriculture, so that Hungarians rarely have to stand in line for food.

But, as with so much of the surmise that greeted Andropov's accession, there are no reasons to expect Soviet leaders to risk Kadarization, which comes down to a diminution of party control. A dash of economic "freedom" may work in Hungary, a small country with a homogenous population disciplined by the "lessons" of 1956, but would it work in the Soviet Union, a vast empire of many different nationalities? Sovietologist Seweryn Bialer writes: "I have yet to meet a Soviet economist or official who believes that installing an extensive market system on the Hungarian model is possible in the USSR—not least because of the diffusion of political power that would result from such a change. Decentralization of power would tend to increase the power of non-Russian elites, a threatening prospect for the Soviet rulers."

The central question faced by the Soviet leadership is posed by Helene Carrere d'Encausse in her excellent book, "Confiscated Power: How Soviet Russia Really Works": "How can the system be modernized without at the same time weakening the sources of its legitimacy?" The answer, she suggests, is that it can't.

It is tempting for the West to derive some satisfaction from the terrible state of the Soviet Union—tempting to assume that the Soviet leadership, confronted with such an appalling domestic situation, will turn inward, cutting its military budget and perhaps making a deal with the West on Afghanistan. No doubt the Soviet leadership will try to make a deal with Western Europe, in order to drive a wedge between it and the United States. But why should the Kremlin be expected to refrain from an adventurist foreign policy, the one arena in which it enjoys success? (Of course its military might is also a success story—used to intimidate foreign countries, suppress revolts in satellite countries and, in the case of Afghanistan, prevent a socialist ally from turning away from communism.) As Brezhnev once said: "Our foreign policy is our great method for domestic politics."

As D'Encausse points out, because the USSR is on the one hand a domestic failure and on the other a triumphant world power, what we can expect of Andropov is an attempt not to liberalize the economy, but rather to militarize it even further—turning it more into a command economy and reminding "corrupt" Soviet citizens that they will be shot for economic crimes. To do the opposite would require the party to reduce its power voluntarily—an unlikely prospect, needless to say. The Soviet leadership will tells its citizenry that such a command economy is necessary in view of the military threats the USSR faces, especially the threat of a Chinese invasion.

Whether the Soviet citizen will believe such rhetoric is another matter. More than likely, he will remain—especially if he is an ethnic Russian—bored, depressed and indifferent. And likelier still, he will continue to escape the dreariness of communist life by drowning in drink.●

LEE VERSTANDIG

HON. GUY V. MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. MOLINARI. Mr. Speaker, I would like to commend a man for whom I have only the highest respect—Mr. Lee Verstandig.

Mr. Verstandig has recently been appointed by President Reagan as the Assistant to the President for Intergovernmental Affairs. I wish him well as he assumes these new responsibilities and am confident of his success in this capacity.

As you know, Mr. Verstandig was appointed Assistant Secretary of Transportation for Governmental Affairs in February 1981. During his 2 years of service at the Transportation Department, Mr. Verstandig played an instrumental role in working with Congress to achieve the passage of such major pieces of legislation as the Conrail Act and the Airport and Airways Development Act, helped to quickly resolve the rail strike, and established an open, profitable working relationship with Members of Congress and State and local governments.

In February 1983, Mr. Verstandig was transferred to the Environmental Protection Agency as Assistant Administrator for Legislation. Just 1 month later, at the resignation of Mrs. Anne Burford, he was appointed Acting Administrator of the EPA. At the Agency's darkest moment in its 12 year history, Mr. Verstandig was responsible for restoring order to an agency which was in disarray. In my opinion, no one could have been better suited for the job.

Mr. Verstandig was always available and took an active interest in committee hearings relating to the EPA. Through his actions one could see how committed he was to putting EPA back on the right track. Perhaps what impressed me most was his willingness to work with and learn the concerns of Members of Congress. He provided the competence and stability the EPA needed at this most critical time.

Mr. Verstandig has used his past educational and legislative experience to effectively serve in the many roles he has undertaken. I am looking forward to seeing Mr. Verstandig's accom-

plishments in his new post as Assistant to the President for Intergovernmental Affairs and am sure my colleagues join me in commending him for a job well done at EPA.●

SOVIET WATCH

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. FIELDS. Mr. Speaker, in 1935 the noted historian, Will Durant, wrote:

For barbarism is always around civilization, amid it and beneath it, ready to engulf it * * * Barbarism is like the jungle; it never admits its defeat; it waits patiently for centuries to recover the territory it has lost.

In all the history chronicled in Durant's monumental, 11-volume work, "The Story of Civilization," in no place or time has this statement been more true than in the history of the Soviet Union and its client states.

As E. J. Dillion observed in 1930,

Sovietism is no mere philosophy content to assert itself or even endoctrinate others by convincing, persuading, or cajoling them * * * (it is) first of all a relentless destroyer of the roots of past culture, religious, social, pedagogical, and also of those champions of that culture who remain true to it, refusing to be converted and live.

So it is that the leadership of the Soviet Union, from Lenin to Andropov, have been men of unrestrained brutality who have progressively, patiently, driven back the boundaries of civilization, both Western and Eastern, with a relentless sword of blood and horror, allowing the jungle of barbarism to reclaim the Earth, masked by mendacity, propaganda, and the kindly face of socialism.

The following material is presented as another evidence.

[From the New Republic, June 1983]

THE ANDROPOV FACTOR (HE IS BOLD, COLD, AND HEAVILY ARMED—HE MAY BE DANGEROUS)

(By Charles Krauthammer)

They are still counting early returns from the East, and only a few precincts have reported from the West. The computers are mum, the pundits are saying it's too soon to tell, and the final result may never come in at all. Nevertheless, after six months of preliminary tabulation, it is not too soon for a projection, or at least a hypothesis: Yuri Andropov is a bold, supremely confident, high-stakes player, prepared to take a chance. Since he comes heavily armed, that makes him, if not wild and crazy, at least a scary guy. His trademark is a willingness to ratchet up the level of risk in a crisis, confident that he can either win or withdraw unharmed. With him, not Brezhnev, in charge of the Soviet Union, the world will be a more dangerous place.

Start with a look at the four most active East-West border wars: Cambodia, Afghanistan, Lebanon, and Central America. In all of them, since Andropov's accession to power in November 1982, the Soviet side has turned up the heat.

In Cambodia, the Soviets' Vietnamese client has massed troops at the Thai border, launched a ruthless offensive against resistance forces and refugees (see "The New Indochina War," by Al Santoli, TNR, May 30), and repeatedly attacked across the Thai border. As a result, Vietnam has engaged Thai border patrols, inflicted casualties, and provoked counterattacks by the Thai Army and Air Force.

In Afghanistan, Andropov's initial two-track policy of negotiation and military confrontation seems to have lost one of its tracks. Early overtures to Pakistan's President Mohammad Zia-ul-Haq, hinting at a softening of the Soviet negotiating position, have turned out to be ephemeral. In December Pravda restated the Soviet Union's familiar maximalist position: full recognition of the puppet government in Kabul and the effective surrender of the nationalist guerrillas. This summer the Russians carried out massive carpet bombings, the heaviest of the war, in the strategic Shomali region north of Kabul. The result was thousands of new refugees streaming into Kabul and a message to the rebels that despite continuing losses and occasional setbacks the Soviets are prepared to pursue relentlessly a policy of military escalation.

Meanwhile, back in the Middle East, the Soviet Union was busy scattering a few burning embers on the tinderbox that is Lebanon. Trying to frighten Lebanon out of signing an American-backed withdrawal agreement with Israel, the Soviets turned tension into crisis. First they spread rumors that Israeli forces were massing for an attack on Syria. Then they ordered the ostentatious and premature evacuation of dependents from Beirut, a move meant to reinforce the expectation of imminent war, and expressed full support for Syrian threats against Lebanon for signing the Israeli agreement. The Soviets know that it would not take much to set off even an unintended war between armies as bitterly opposed, heavily armed, and closely arrayed as Israel's and Syria's. In May 1967 similar Soviet rumors of impending Israeli attack on Syria triggered a series of events that led directly to the Six Day War. What makes this case of Soviet rumor-mongering, panic-sowing, and sabre-rattling so remarkable is the size of the potential gain: all that risk just to prevent the signing of an agreement which could be (and is being) scuttled just as easily by simple inaction, Syria's refusal to withdraw.

What distinguishes Andropov's Soviet foreign policy thus far is not his ambition or aggressiveness, but the degree to which he is willing to tolerate high levels of risk for relatively little gain, and the degree to which he is prepared to tolerate (and discount) any counteraction from his adversaries. A stunning example was the almost casual suggestion made by Vadim Zagladin, a high official of the Central Committee of the Soviet Communist Party, that Moscow might place nuclear missiles in Nicaragua as a response to the planned deployment of American Euromissiles. The idea raised an alarm in the United States. It may be hard to mobilize Americans to stop guerrillas armed with leftist slogans and AK-47s from overthrowing Americo-trophic Latin American juntas, but nothing is surer to produce an American consensus than a threat to put missiles in America's backyard. After initial expressions of open-mindedness about the idea, Nicaragua prudently declined the offer. The Russians, however, lost nothing; in fact, they succeeded in planting the seeds of a new Western fear about Euromissiles.

Other Soviet-backed "border" actions have elicited counteraction. After Vietnamese troops attacked across the Thai frontier, the United States rushed military supplies to Thailand, and China shelled the Vietnam border, its usual response to Vietnamese misbehavior. (Even the foreign minister of Australia was moved to jump into the fray with the somewhat tame suggestion of an Australian and perhaps Japanese peacekeeping force on the Cambodian-Thai frontier.)

Soviet actions in Syria were even more provocative. Not only did they threaten war with a close American ally, but the historically unique forward deployment in Syria of Soviet-manned SA-5 missiles represented a direct, ground-based threat to the Sixth Fleet in the Eastern Mediterranean. Secretary of Defense Caspar Weinberger responded sternly by warning the Soviets that any aggression in the area would be met by "retaliatory force," a threat made particularly credible by the fact that Israel can be counted on to carry it out.

Then there are the petty provocations against friendly nations like Sweden. The affinity of Soviet submarines for Swedish (and Norwegian) territorial waters has succeeded in rousing the Swedes, whose equanimous neutrality dating from World War II is legendary. They recently announced that the next submarine intruder will not be shooed out but blown out of Swedish waters. Within days of the threat, Sweden reported new sightings.

It might be argued that Andropov's foreign policy is not very different from Brezhnev's. After all, the boldest projection of Soviet power took place under Brezhnev, beginning with Angola and reaching its climax with the invasions of Cambodia and Afghanistan in 1979. But it is not only the action that defines risk; it is also the context. These moves occurred in a climate that almost guaranteed that they would be risk free. With the cutoff of American aid to the Savimbi faction in Angola in 1975, the United States made it very clear that after Vietnam it was not prepared to risk any intervention in the name of containment. Brezhnev's actions were certainly aggressive and expansionist, but with America on the sidelines the risks were only regional, not global. President Carter's sanctions against the Soviet Union for its invasion of Afghanistan marked the end of this period of almost total American withdrawal. The Iranian hostage humiliation helped consolidate a national consensus for a more assertive foreign policy, and the election of a strongly anti-Communist President institutionalized that change. An action by Andropov in 1983 might be far more risky than an identical action by Brezhnev, say, five years ago. It is one thing to breach the status quo when the United States is struggling to banish "an inordinate fear of communism." It is quite another to do the same when the President directs American attention to the "focus of evil" in the Kremlin. As the Sovietologist Dimitri Simes put it, "while Andropov's policy retains a basic continuity in substance" with Brezhnev's, it is characterized by "a ruthless flexibility at the operational level."

It is at the operational level, unfortunately, that we all live. Perhaps we should not be surprised that Andropov's policy should turn out to be so risky and provocative. He is, after all, the man who took out a contract on the Pope. At least that is what the Pope thinks, and what the available evidence strongly suggests. Ali Acga was most

likely acting on behalf of Bulgarian intelligence, which is a branch office of the K.G.B., which was then headed by Yuri Andropov. Even the Bulgarians, for whom umbrella murders on the streets of London are fairly routine, would consider shooting the Pope a big deal. It is unimaginable that they would have arranged it without direction from Moscow. (Again, high risk and little gain, for even at the height of Solidarity's strength, a successful assassination would most likely have only marginally affected the course of events in Poland.)

Andropov's reputation for ruthlessness precedes him. Consider what little we know about his career before he became Party chairman. He began as a Party apparatchik in the Karelo-Finnish Republic, where he helped the Stalin-installed leader, Otto Kuusinen, to deport thousands of Finns and Karels to labor camps and death. As ambassador to Hungary in 1956, he convinced Imre Nagy to leave Budapest under the promise of safe conduct, a trap which led to Nagy's execution. And as head of the K.G.B., he conducted a ruthless and largely successful campaign to destroy what little organizational structure Soviet dissent had. He was also the first to introduce on a mass scale the use of psychiatric hospitalization to control dissent. In 1977 this practice was condemned by the World Psychiatric Association, and this year Western psychiatrists were considering new sanctions against the Soviet Union, including possible expulsion from the World Psychiatric Association. In an unprecedented move shortly after Andropov came to power, the Soviets simply withdrew from the W.P.A. A minor incident, but, as Dr. Walter Reich, the foremost Western scholar of Soviet psychiatry, has suggested, "perhaps the first major statement on human rights to be sent to the West since Andropov came to power," a statement of disdain, and unconcern with even appearances.

There are other signals, too. Jewish emigration has been almost completely halted. And a weather vane of Soviet attention to Western concern for human rights, its treatment of Andrei Sakharov, has shown another turn. After refusing exile for many years, Sakharov recently indicated that he was prepared to leave Russia to accept a position at the University of Vienna. A few days later, the Soviet government, which for years had been anxious to get rid of Sakharov, indicated that because of national security reasons, he would not be allowed to leave the country.

When Richard Nixon was President, the United States enjoyed the benefits of the Nixon factor: a reputation for unpredictability, and even craziness, that made adversaries hesitate before taking actions that they might otherwise contemplate. The Soviet Union is now acquiring its own version, the Andropov factor: a willingness to risk and provoke that will make its adversaries think twice. But the factor derives from more than just the personality and history of one man. For one thing, Andropov has not yet consolidated power. There is an element of power sharing, particularly in foreign policy (involving veterans like the defense minister, Dmitri Ustinov, and the newly appointed first deputy premier, Andrei Gromyko). A "great-man" theory of this new phase of Soviet foreign policy is inadequate. There are other forces at work here.

One of these is institutional. The elevation of the K.G.B. chief, any K.G.B. chief, to Party Secretary is a sign that the K.G.B.-military-foreign policy establishment has advanced its position, and perhaps, as some believe, achieved a decisive advantage over the Party apparatus (whose champion, Konstantin Chernenko, was defeated by Andropov in the struggle for the Party chairmanship) in the conduct of Soviet policy. In this respect, the Kremlin is following a trend toward Eastern bloc military communism begun by the Jaruzelski regime in Poland.

The other factor is probably the most important of all. It derives from the radical increase in Soviet global power over the last two decades. There is nothing particularly new about current Soviet objectives. They derive, as always, from a peculiar wedding of traditional Russian defensiveness with Communist universalism, whose issue is the quite sincere belief that the encircling capitalist powers (and their vital interests) represent a threat to the very existence of the Soviet world, and therefore are the legitimate object of "defensive" attack. That is not new. What is new is the acquisition of vastly improved means for carrying out these ends. A fifteen-year military buildup; important Third World bases, like Cuba, Vietnam, and soon Afghanistan, from which to project Soviet power; a European public seeking equidistance between the two superpowers; and, finally, an America, though no longer in complete withdrawal, still a far cry from J.F.K.'s bear-any-burden posture—all these have resulted in a drastic transformation of what the Soviets like to call "the correlation of forces." As Adam Ulam writes, "with the worldwide configuration of forces much more in their favor than it had been in 1972, it was probably genuinely incomprehensible to the Soviet leaders that anyone could expect them to abide by the same obligations and cautions they had pledged to observe" at the height of Brezhnev's détente. Even without an ex-K.G.B. heavy, it is hard to imagine any nonsenile Soviet leader who would not press such obvious advantages.

When Ronald Reagan came to power, there was a school of American hawks, including Paul Nitze, who argued that the United States had weakened itself so radically in the 1970s that it was in no position to exercise anything but a cautious and accommodating foreign policy until it rebuilt its strength. The Soviet Union is now in a reverse position, having achieved vis-a-vis the United States, strategic parity, conventional advantage, and pyschological initiative. One would expect "objective factors" alone to produce a more provocative and adventuresome foreign policy.

And yet like all good Marxists, Andropov will give history a push. Seweryn Bialer recently wrote that at the beginning of Andropov's tenure we should expect a "generally defensive and rather benign direction" in Soviet policy, "low-cost gestures of reconciliation toward the United States, for example the release of Sakharov from his exile," a "peace offensive" on Euromissiles (this has occurred), and "a low-profile Soviet foreign policy concerning regional danger spots where a Soviet-American confrontation is most likely, for example in the Middle East and the Persian Gulf. One may expect that the phase of retrenchment rather than expansion will continue for a while until Andropov's leadership is consolidated. . . ."

In fact, the opposite has been the case. Andropov has adopted a high-risk profile, even while trying to consolidate his position and weed out rivals from among Brezhnev's protégés.

The Andropov hypothesis has one corollary: if a leader is willing to take risks early in his tenure, he will be even more willing to take them after he has achieved full power. And that should happen by the time the Euromissile crisis comes to a head at the end of this year. The Soviets see the Euromissile problem as the Cuban missile crisis in reverse. They believe the tables have been turned, geographically, militarily, and psychologically. On this issue, Andropov has been at his most ruthlessly flexible, dangling sticks and carrots before the European public, trying to woo it away from the United States while threatening vague retaliation if the missile deployment takes place. It is not hard to understand the waves of apprehension now sweeping Europe: it faces a power that feels it need no longer blink, and a leader who has never had much practice. The Andropov factor has only begun its work.●

ELEVENTH ANNUAL FOSTER GRANDPARENT PROGRAM RECOGNITION DAY LUNCHEON

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. FISH. Mr. Speaker, June 17, the foster grandparent program of Westchester and Putnam Counties will be honored with the 11th annual Recognition Day luncheon, sponsored by the Westchester Community Opportunity Program, Inc. The program, supported by ACTION agency grants, provides an invaluable service to both the children and foster grandparents. I commend the efforts of these seniors in participating in such a worthwhile cause. Through their commitment to the program, retarded, disturbed, and handicapped, as well as noninstitutionalized children, are provided with the love that they too often lack. The program also provides the seniors with a sense of accomplishment and self-worth and helps to uphold their quality of life.

The foster grandparent program was formed in 1965 as a joint effort between the Office of Economic Opportunity and the Administration on Aging in the Department of Health, Education, and Welfare. Today, the foster grandparent program is supported by ACTION agency grants which are rewarded to various private and public nonprofit organizations in which foster grandparents serve.

There are now over 16,000 foster grandparent volunteers who work with physically and mentally handicapped children in 199 projects in all 50 States. The seniors involved with the program provide 4 hours of their time daily and give special, individualized attention to each of two children. The foster grandparents give the love and caring these children need and often provide a stabilizing influence in the child's often turbulent life. The grandparents involved in the program deserve credit for helping many of these

disturbed children develop beyond previous expectations.

The foster grandparent program is available to low-income persons 60 years old and over. The volunteers receive a stipend to cover expenses they might incur during their service, such as transportation, hot meals while volunteering and annual physical examinations. For many of the seniors in the program, the daily meeting with their grandchildren provides the only contact they have with the younger set. It helps to keep them mentally and physically alert and gives them a sense of importance necessary for their well-being. The foster grandparent program is not designed to replace salaried professionals, but rather to supplement the staff to help and care for the special child.

Again, I congratulate the volunteers in the foster grandparent program and encourage them to continue in their valuable service. Their humanitarian spirit provides an example for us all.●

ROMULUS JUNIOR HIGH SCHOOL SYMPHONIC BAND RECEIVES MORE HONORS

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. FORD of Michigan. Mr. Speaker, I would like to call your attention to the recent accomplishments of the Romulus Junior High School Symphonic Band, which is located in the 15th District of Michigan, which I represent.

This outstanding band performed May 7 at the State band festival in Grosse Pointe, Mich., and received a first division superior rating. The coveted "I" rating places the Romulus Band among the few class A junior high school bands to achieve this distinction in Michigan.

Earlier, on March 12, the Romulus group received a first division rating at the district band festival held in Ida, Mich. This qualified the young musicians for the State festival.

The bands were graded by three judges in the prepared music section, which includes a required composition, a march and a selected number, and then by another judge in the sight reading section, where two numbers are performed without practice.

The Romulus Junior High Symphonic Band, under the leadership of band director, Richard Kruse, has set the standard for performance for junior high school groups in the Metropolitan Detroit area—Wayne, Oakland, and Macomb Counties—during the past 7 years. During this time period, only 26 of the 264 junior high school bands in the area have managed to earn even 1 first division rating at the State festival. The Romulus group has recorded seven first division ratings during this 7-year period.

The Romulus Junior High School Band members have achieved these high performance goals despite the difficult economic times which have forced school consolidations, program cutbacks, and a very uncertain fiscal environment. They have been able to do this because of the concern, sacrifice, and outstanding support from the Romulus Board of Education. These members are: Daniel R. Bales, president; Kenneth E. Berlinn, vice president; Sandra F. Langley, secretary; Jo Ann Marvicsin, treasurer; Richard F. Campbell, trustee; Mary M. King, trustee; and Edward L. Wilkerson, trustee.

The band also has received the help and special support provided by Superintendent William Bedell. Additional encouragement and expertise has been forthcoming from Dr. Terrel LeCesne, assistant superintendent; Nick Tottis, principal; and William McDonald, assistant principal.

Mr. Speaker, I want to take this opportunity to express my congratulations to the Romulus community and to this fine band. The members of this band who have made us all so proud are:

SYMPHONIC BAND

Flute: Jennifer Blaszczak, Kelly Noel, Renee Hardt, Candi Silvey, Debbie Szente, Robin Brooks, Sue Nash, Carel Chafins, Veronica Marchetti, Tammy Michniewicz, Tammy Potter, and Melissa Heikkila.

Oboe: Mary Silvey.

Bassoon: Marva Hopewell.

Alto Saxophone: Lynne Garcia, Sharren Cook, Kim Lyles, and Rachelle Gibbs.

Tenor Saxophone: Kevin Allen.

Baritone Saxophone: Tom Greenan.

Clarinet: Mary Fletcher, Melissa Shellenbarger, Debbie Barr, Larraine Zurawski, Nancy Herdon, Missy Ward, Sherri McFall, Tracie McGraw, Cindi Silvey, Angela Spierling, Kelly Slaughter, Mia Kennedy, Crystal Markowski, Kim Wehrmeister, and Lori McLean.

Alto Clarinet: Mike Hawkins, Kristi Lyles.

Bass Clarinet: Donna Poletti, Cathy Mann.

French Horn: Kathy Hood, Herman French, Kim Burgess, Sherri Hernandez, and Yolanda Alexander.

Baritone: Mary Orgovan, Bob Dunn, Mike Ross, and Sam Farmer.

Cornet: Jovita Imielowski, Jeanette DeBellefeuille, Angela Gaffka, Paula Wilson, Marian Berlinn, Denise Domas, Mark Calderone, Delanor Drumgo, Bob Ledford, Michelle Good, Steve Chafins, and Dawn Cotham.

Percussion: Bob Langley, Greg Milatz, Kevin Fairris, Sharlene Gaffka, and Joey Schuster.

Trombone: Steve Bagwell, Rose Devita, Scott Ursiney, Steve Hoinka, Julie Glotfelty, Mike Lederle, Tim Easterling, Doug Clark, and Mark Dubyak.

Tuba: Michelle Williams, Crystal Roles, Kim Thompson, and Shannon Wiley.●

TO PRESERVE THE DEPARTMENT OF EDUCATION

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. FEIGHAN. Mr. Speaker, on June 6, the Reagan administration all but admitted defeat on a 1980 campaign promise to dismantle the Department of Education—and is likely to preserve the DOE after all.

Congressional opposition to the administration's attempts was a formidable barrier, and I commend my colleagues for their steadfast support to education.

We have all heard horror stories about the rising tide of mediocrity running through our Nation's schools. But the Department of Education was created to stem that tide and to meet today's educational challenges—the decline of public confidence in our schools, the high rates of school dropout, and the deterioration of basic academic skills.

While the primary responsibility for education must continue to be directed at the local level, I firmly believe that the Federal Government maintains a critical role in assisting local school systems and demonstrating a deep commitment to our children.●

RAY McDONALD COMMUNITY ACHIEVEMENT AWARD

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. LIPINSKI. Mr. Speaker, I would like to call attention to a unique and outstanding citizen in Illinois' Fifth District, Helen Mikols. She has been active in transportation and civic issues in our area, and is a recent recipient of the "Ray McDonald Community Achievement Award." Mrs. Mikols has worked to speed highway and commercial development in southwest Chicago, and has donated her time to numerous other worthwhile causes. I proudly insert into today's RECORD an article describing the achievements of Helen Mikols.

Her tireless efforts and dedication to improve the quality of life for her fellow neighbors in the 23rd Ward are two reasons why Helen Mikols is the recipient of the Ray McDonald Community Achievement Award.

Mikols attributes her interest in civic affairs to the inspiration and encouragement provided by her husband, Joe, who is also active in the Vittum Park Civic League as well as being a past member of the Ward Zoning Committee.

Helen is proud of her eleven year involvement as secretary of the Vittum Civic League. She has been an active member in

this organization since its inception and in addition has helped the civic league build a beneficial rapport with such public agencies as the Board of Education and the Chicago Lawn Police District. Working with the league she was the motivating force in striving for the new Vittum Park fieldhouse. Presently she is involved in working to annex the vacant Baum School to the Vittum Park fieldhouse.

Helen is also chairman of the 23rd Ward Council Transportation Committee which is actively involved in improving the modes of transportation in the area.

The bitter experience of losing the $2.2 billion Crosstown Expressway in June 1979, was not the end for Helen Mikols, who served as president of Citizens for Crosstown for eight years. It merely forced her to shift gears and fight for an equitable share of the de-designated Crosstown funds for the southwest area. The controversy that surrounded the Crosstown Expressway proved that the only way to obtain better transportation improvements was to unite the majority behind all the important projects the southwest area needed.

As a member of the Southwest Rapid Transit Citizen Advisory Committee, she realized the final decision of choosing one rapid transit alternative, from the twelve offered, would not be an easy task. Over two years ago Helen Mikols sponsored a meeting of transportation representatives from six southwest area wards. That night a unanimous decision was reached to support the 49th Street alignment (from downtown to Ford City) for the southwest area rapid transit. For the past two years, she has consistently opposed all other alternatives and worked to unite community groups, business groups, and individuals to support the 49th Street alignment. Her greatest fear has been that if too much controversy surrounds the rapid transit we might end up losing it just as we did the Crosstown expressway.

In her continuing battle for our fair share of de-designated Crosstown funds, she has worked with community groups, local elected officials and the Southwest Council of Mayors to assure our common goals for the Cicero Avenue bridge, the upgrading of Cicero Avenue from the Stevenson to 67th, the Central Avenue Overpass and the new Harlem Avenue bridge.

Over two years ago, Helen Mikols, with the financial and moral support of Alderman William O. Lipinski, organized the Crosstown Corridor Development Committee to focus attention on the deplorable conditions of Cicero Avenue including Midway Airport.

Concern for the deteriorated conditions of Cicero Avenue motivated a few businessmen to become involved in the Crosstown Corridor Development Committee and in February 1982, the Alderman and Helen Mikols sponsored a special breakfast for Cicero Avenue businessmen.

This meeting gave birth to a new organization, the Midway Business Association, dedicated to upgrading Cicero Avenue and Midway Airport. Helen Mikols serves on the Board of Directors of MBA as a community liaison.

During the past year Helen Mikols has also served on States Attorney Richard Daley's Citizen Advisory Committee. She is currently fighting for our fair share of funds and in addition is at war with the CTA in trying to improve our bus service.

Besides her many other duties, Helen has also served as captain for the American Cancer Society.

In regards to her involvement in civic affairs, Helen stated: "The more you get involved, the more you want to be involved." Her interests have grown to embrace not only the neighborhood but the city and the state.

Helen said she plans to continue to donate her time to worthwhile causes throughout the 23rd Ward.

Her desire and devotion to numerous community projects clearly epitomizes what the Ray McDonald Award truly means.●

TREATY OF PARIS BICENTENNIAL

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. ZABLOCKI. Mr. Speaker, on September 3, 1983, our Nation will commemorate the 200th anniversary of the signing of the Treaty of Paris. This historic occasion, and the achievement it represents, will be observed with appropriate ceremony by numerous events in this country, and in Paris as well. A commemorative stamp will be issued in Philadelphia on September 3 and on the following day a National Symphony concert from the Capitol steps will feature a new composition by Stephen D. Burton, entitled "Fanfare for Peace."

Mr. Speaker, on April 17, 1983, Dr. Joan R. Challinor, chairman of the National Committee for the Bicentennial of the Treaty of Paris, delivered an address at Old North Church commemorating the proclamation issued by Gen. George Washington on April 19, 1783, that the Preliminary Articles of Peace had been signed and that all hostilities would end. Her tribute to Benjamin Franklin, John Adams, and John Jay who negotiated the Treaty of Paris is also a tribute to all who work for peace today.

Mr. Speaker, Dr. Challinor's inspiring remarks have a value far beyond marking the historic event which was commemorated that evening. For that reason, a well as to honor the patriots of our Revolution, I wish to share with our colleagues her address and the message it conveys, as follows:

The remarks follow:

REMARKS OF JOAN R. CHALLINOR AT THE OLD NORTH CHURCH ON APRIL 17, 1983

We come together this evening to celebrate the waging of a peace and the winning of a nation. Two hundred years ago, on April 19, 1783, General George Washington ordered his troops assembled on a New York hillside above the Hudson River. Deliberately choosing the eighth anniversary of the battle at Lexington and Concord, he commanded that a proclamation be read to the men announcing that Preliminary Articles of Peace had been signed in Paris and that all hostilities would now cease. When the proclamation was finished, the soldiers standing in their ranks shouted three long "huzzahs" and sang the popular song "Independence."

It was the new nation's most brilliant achievement—winning far more in peace than it could in war. It was a diplomatic triumph built on the nation's resolve for independence. Yet, the Treaty of Paris has become an almost forgotten document in the celebration of United States history. The negotiators are known for other, supposedly grander, accomplishments. Benjamin Franklin, John Adams, and John Jay are most often thought of as scientist, writer, inventor, and President and Chief Justice. But the fortunes of the new nation may well have turned more on what they accomplished at that negotiating table than on all their other attainments.

A recognition of those negotiating skills and the expertise of international diplomacy is an appropriate commemoration of the Treaty of Paris at a time when the whole world cries out for reasonable talk to end an unthinkable threat to human survival. This Bicentennial year of 1983 is a good time for us to examine the international situation of 1783, because it may seem that no time could be more complex or difficult than our own in which to achieve a just peace for the world.

The complexities of 1783 were staggering. Seven years after our Revolution began, four European nations had been drawn into the struggle and the war encompassed not only North America, but parts of Africa, India, the Caribbean, and the Mediterranean. Many of the naval and military forces of the European powers were engaged in the fight, each pursuing her own national interests. The historian Jonathan R. Dull has put these conflicts into focus: "The United States was struggling for independence; France to improve her position in the European balance of power; Spain to recover possessions lost in other wars; and the Netherlands to assert trading rights." England was attempting to extricate herself from an unpopular colonial war, which she knew she could not win. Our ministers had to negotiate a rocky path between loyalty to their ally France, the interest of Great Britain to end the American conflict, and their own overwhelming desire to settle for nothing less than independence.

Diplomats are admittedly less colorful than soldiers, and the drama of war is more easily recreated than the drama of peace. Costumed soldiers and fife-and-drum corps stir us as they march 200 years later on the fields of Yorktown and Valley Forge. Yet, the story of the peacemaking in 1783 is packed with drama. The Treaty of Paris bicentennial should awaken the public to its unknown stories: agents and double agents who penetrated the American delegation in Paris; a bogus firm for the transfer of French arms to America run by a French playwright; serious personality clashes between our three negotiators; and twists and turns which alternately raised and dashed hopes for peace and an honorable settlement. But, in the end, what a victory these ministers finally snatched from those talks in Paris, and how provocative to consider how different might be the history of the United States had they been less skillful!

The greatest victory Franklin, Jay, and Adams won was a clear recognition from their former monarch of American independence. "His Britannic Majesty acknowledges the said United States"—here the states were named one by one—"to be free Sovereign and independent states." Further, the Treaty, which extended the boundaries of the thirteen colonies northward to Canada and southward to Florida, estab-

lished the Mississippi as our western boundary. It granted the United States fishing rights off the banks of Newfoundland, navigational rights on the Mississippi, and promised "a firm and perpetual Peace between his Britannic Majesty and the said States."

The United States gained millions of square miles she had neither conquered nor occupied. This new western territory would, in time, include all or part of Ohio, Illinois, Indiana, Michigan, Wisconsin, Minnesota, Kentucky, Tennessee, Mississippi, and Alabama—room for a population rapidly outgrowing its old Appalachian boundary.

The negotiating of the Treaty of Paris took more than intellectual skill, it took political courage as well. Our negotiators could not let months pass while vital communications went back and forth across the Atlantic. Instructed by Congress to undertake nothing in the negotiations without the knowledge and concurrence of France, they nevertheless agreed to a separate peace with England, bypassing the French, whom they came to believe were as committed to the interests of the Spanish as they were to the claims of the Americans. Our negotiators in Paris believed that the boundaries suggested by France and Spain along the western Appalachians would have kept us a small and feeble nation, ripe for the plucking by imperial European powers.

Later they had to defend their actions. John Adams had no doubt they were right and answered his critics by saying: "If any man blames us, I wish him no other punishment than to have, if that were possible, just such another peace to negotiate exactly in our situation." Franklin described the peacemaking to the British negotiator David Hartley in a different light. "We have long been fellow labourers," Franklin wrote, "in the best of all works, the work of peace."

Can we ever find a equal sense of excitement and accomplishment in the winning of a peace as we find in the waging of a war? Franklin thought men, "More easily provok'd than reconciled, [more] disposed to do mischief to each other than to make reparation." He seems to be right. We thrill to martial music, the daring of fighter pilots, the courage and determination of foot soldiers.

But let us also remember the warriors at the peace table who win the wars as surely as do the troops on the battlefield. The final great act of the American Revolution took place at Paris, not a Yorktown. We can commemorate General Washington's announcement, that peace had been achieved in Paris, with a new determination today to move toward world peace and to seek negotiation out of conflict. We must reaffirm our commitment to the bodies that encourage talk and debate—the United Nations, the international commissions, the disarmament talks, our schools of international diplomacy. We must encourage our citizens to trade, study, travel abroad, exchange ideas, and try to reconcile points of view. We must wage a peace that will make it possible for humanity to breathe freely instead of merely holding its breath. And we need a peace to let our children grow old and for our old to die a natural death.

Such a determination, born out of the commemoration of this Treaty, would pay due respect to our peacemakers of 1783 and the men and women who study peace today. We must, at last, place our emphasis on negotiations rather than conflict.

It is altogether fitting that we celebrate the end of the Revolution where it began; fitting that the quiet of peace should fall where the noise of war commenced. Tonight we "sing unto the Lord a new song"—a song of peace. In 1775, Robert Newman hung two lanterns in the steeple of this church, alerting the citizens of Charlestown that the British were heading for Lexington and Concord by sea. Those two symbols of independence of spirit and resourcefulness have inspired our country for 200 years. I suggest that tonight we rededicate ourselves to the third lantern, the lantern that was lit by President Gerald Ford on April 19, 1975. This third lantern might signify perseverence in "the work of peace" and let the world know that we are now about the work of peace as we were once about the work of war. The same alertness, self-reliance, and endurance which were the hallmark of Franklin, Jay, and Adams must now inform our peacemaking. Let us tonight, hang our third lantern alongside the first two and, remembering Christ's words, "Blessed are the peacemakers," add to them for our own very dangerous times: "and blessed be 'the work of peace,' so help us God." ●

PAPER ON MOTLEY'S STATE DEPARTMENT APPOINTMENT

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. LAGOMARSINO. Mr. Speaker, with so much discussion and newspaper speculation over the personnel changes at the State Department in the Latin American region, I thought it might be useful to share with my colleagues a commentary on the newly named Assistant Secretary of State for Inter-American Affairs, Langhorne Motley. The commentary comes from a Brazilian newspaper where Tony Motley has served as Ambassador for the past 2 years.

A SIGNIFICANT APPOINTMENT

The appointment of Mr. Langhorne Motley as assistant secretary of state for American affairs could turn out to be of fundamental importance for relations between the United States and the continent. This may be so for two reasons: First, because Thomas Enders left the post at a time when the Central American crisis is beginning to acquire a new complexion; and second, because Motley, not being a career diplomat enmeshed with the establishment at the Department of State but being a personal friend of President Reagan, might be able to work hand in hand with the White House (the president of the National Security Council) and the U.S. representation to the United Nations, and do so without worrying about maintaining appearances. Taking these facts into account and considering his performance as ambassador in Brasilia, one can say that Motley goes to the post of assistant secretary of state with the conviction that the Reagan policy requires a tough man in that position. And the impression he leaves in Brazil is that Motley has the qualifications for the post.●

OILSPILL LIABILITY AND COMPENSATION

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. YOUNG of Alaska. Mr. Speaker, for nearly a decade I and others in Congress have been striving for legislation which would establish a comprehensive system of liability and compensation for damages caused by oil pollution. As many of us are aware, the need for a uniform law to provide a comprehensive system of liability and compensation for damage caused by oil pollution, particularly along the coastline of our Nation, is well recognized. This oilspill legislation is a logical complement to legislation Congress has adopted in the past, such as the Port and Tanker Safety Act, to prevent pollution damage of our coastal and marine environment, so that cleanup is facilitated and innocently victimized and damaged parties are compensated.

Today, I am pleased to cosponsor a revised bill which incorporates the elements in H.R. 2222, H.R. 2115, and H.R. 2368 introduced earlier this Congress by my colleagues, the Honorable GERRY E. STUDDS of Massachusetts, the Honorable MARIO BIAGGI of New York, and myself, respectively. The three bills differ in various ways but have the same purpose. The revised legislation:

Contains a comprehensive enumeration of the scope of damages and claims to insure adequate and just coverage;

Sets appropriate limits of liability for vessels and facilities;

Excludes natural seepage;

Permits States, even with limited preemption, to retain and use their own funds;

Clarifies the law as it applies to the offshore industry;

Creates a private corporation rather than a public fund in the Treasury to administer claims and cleanup responsibilities;

Removes the restrictions in existing law for cleanup to an acceptable standard;

Implements international oil pollution liability conventions when ratified by the United States; and

Consolidates various existing Federal oilspill laws.

I can assure you that this is of critical concern to my State of Alaska, which has more coastline than the lower 48. Last Congress we worked on legislation which would include provisions important to not only Alaska but all States including no preemption of the use of a State cleanup fund, recovery for natural resource damage and loss of their subsistence use, cleanup

to an acceptable standard, and proper transition between the various current Federal laws and the new comprehensive law. These provisions have been retained in the revised bill.

The revised bill covers vessels and offshore facilities, such as drilling units and deepwater ports, but does not include onshore facilities. This, however, is an issue that is still under consideration, particularly for onshore facilities which are involved in oil transfer activities with vessels or offshore facilities.

Mr. Speaker, it is my hope to continue to work on improvements in the bill as it goes through the legislative process so that by the conclusion of this Congress we have in place a comprehensive oil pollution liability and compensation law.●

COMPREHENSIVE HEALTH CARE IMPROVEMENT ACT OF 1983

HON. MARTIN OLAV SABO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. SABO. Mr. Speaker, today I introduced legislation which would offer all Americans access to comprehensive health insurance. The proposal is based upon a comprehensive health insurance and catastrophic health coverage bill passed into law in Minnesota in 1975. I was speaker of the Minnesota House at the time, participated in the passage of the bill, and followed the results of the law after enactment.

The proposal consists of three major parts: Title I makes comprehensive health insurance available to all persons; title II assists low-income individuals in purchasing comprehensive insurance; and title III provides catastrophic health coverage for all persons if their health costs should exceed their insurance coverage.

The bill places its major stress upon encouraging private businesses and individuals to provide comprehensive health insurance for their employees and for themselves. The bill also provides for State administration and cost sharing in programs to assist low-income individuals in purchasing comprehensive insurance and in providing last-resort public payment for the costs of truly catastrophic health costs which exceed insurance coverage. Due to the stress on the private provision of comprehensive insurance and the provisions for State administration and cost sharing, this bill requires much less Federal outlay than do those calling for a federally financed health insurance system and even costs less than most proposals for a federally financed catastrophic health insurance program.

Title I aims at the rationalization of the current system of private health insurance. It establishes a standard of qualified health insurance and requires that all health insurance plans be plainly labeled qualified or nonqualified. There are four types of qualified plans. A qualified type A plan provides minimum benefits of 80 percent of medical costs, limits the 20-percent copayment to no more than $3,000 a year, sets a maximum benefit of not less than $250,000, and a deductible of not more than $150.

A type B plan is the same with a maximum deductible of not more than $500 and a type C plan is the same with a deductible of not more than $1,000. Health Maintenance Organization plans are defined as equivalent to a type A plan. The bill also defines qualified medicare supplement plans as those with benefits equal to at least 50 percent of costs not covered by medicare, a maximum copayment of $1,000 a year, and a maximum benefit of not less than $100,000 a year.

These standard qualified plans will allow consumers to shop around for coverage by easily comparing premiums of plans of the same qualified level. It will discourage the offering and purchase of substandard plans which do not meet the minimum qualification levels.

This bill provides that HHS should delegate certification of insurance plan qualification to State insurance regulatory bodies whenever possible.

All business firms which employ 10 or more persons are required to offer type A or B plans to its employees. There is no requirement that a firm pay for an offered plan, nor is there a requirement that employees accept and pay for a plan. What does occur is that employees will have an opportunity to get qualified comprehensive health insurance at group insurance rates. Group rates are, in almost all cases, much less costly than individual insurance policies. These plans must also cover dependents and must be convertible if the individual leaves the group.

Under the bill, States are required to establish a statewide pool of all health insurance companies. This pool will offer qualified health insurance to any individual at group rates. In effect, this provision establishes a group out of all persons not eligible for a regular group plan—the self-employed, employees of firms with less than 10 workers. It also allows firms to pay all or part of the premiums of the pool insurance so that small firms not eligible for group insurance can assist their employees with insurance premiums.

Title II of the bill establishes a program to assist low-income persons in purchasing the insurance made available in title I. Most employed Americans have the financial ability to purchase adquate health insurance or have it purchased for them as a fringe benefit of employment. Title I insures that all persons will have the opportunity to purchase qualified plans. Those on medicare and under medicaid already have access to health coverage. This still leaves a number of families who are not covered by medicare, medicaid, or an employer-paid group plan whose economic circumstances make it difficult to purchase health insurance. Title II establishes a Federal-State program to assist low-income individuals in purchasing type A, type B, or medicare supplement plans.

Under the program the Federal Government would pay 50 percent of the cost up to a maximum of $5 times a State's total population. Thus the maximum Federal liability would be about $1.2 billion matched by at least $1.2 billion in State funds for a $2.4 billion program of health insurance for low-income persons. This would be in addition to medicare and medicaid programs. States would not be required to establish a program and would have wide flexibility in designing the program to suit their own needs. Each State has a different pattern of need because of varying medicaid coverage, different demographic patterns, and varying patterns for existing private health insurance. States would be able to target the low-income program toward those most in need and States would be able to experiment with total subsidy of purchase, cost sharing, or sliding fee schedules.

Title II also has a provision for senior citizen couples where one spouse requires long-term nursing home care. Current medicaid income and asset standards often leave the healthy spouse with too little income to remain economically independent. The bill would allow States to set more liberal income and asset requirements in those cases so that the healthy spouse need not be forced to drastically cut his or her living standard.

Title III of the bill establishes a State-Federal program of catastrophic health coverage. State participation would be optional. After an individual had exhausted existing private insurance or medicare/medicaid, the State would pay 90 percent of medical costs exceeding $2,500 or 30 percent of household income up to $15,000, 40 percent of income over $15,000 and less than $25,000, and 50 percent of income over $25,000, whichever is higher. Claimants would not be required to sell their homes, businesses, or other assets to receive benefits.

Title III insures that any citizen, no matter what his condition, will not be devastated by a severely expensive illness. It will insure that a person will not face liquidation of the bulk of his assets to pay for a catastrophic illness. Yet the standards of coverage of $2,500 or the 30 percent plus of income

threshold for payment will insure that only truly catastrophic illnesses are covered and that adequate incentive for purchases of comprehensive insurance remains.

The Federal Government would pay 50 percent of the costs of the catastrophic program, with a maximum of $1 times the population of the State involved. The maximum Federal cost would be about $226 million with a minimum State match of a like amount. This amount would be more than adequate to pay for the program because title I and title II would have already provided most individuals with adequate health insurance and only truly catastrophic cases would be paid for by the program. The funding level is in excess of the actual experience of the State-administered catastrophic program in Minnesota, which has benefit levels higher than those provided in this bill.

The bill seeks to rationalize and build upon the existing system of private health insurance, medicaid, and medicare. It attempts to make the existing system comprehensive by filling in gaps in the existing system. It does not require a massive change in existing programs or a large governmental organization or financial contribution. Even if every State were to establish low-income assistance and catastrophic coverage programs and to use the maximum amount of Federal funds, the Federal costs would be about $1.4 billion. This would be matched by an equal State contribution, but one that most States are in a better position to afford than is the Federal Government under current circumstances.

In offering this bill I do not feel it is in competition with some of the other national health insurance plans being considered. The generosity of benefits provided by these plans is, unfortunately, matched with a cost that I fear will preclude enactment. I have sought to design a bill which can be accommodated within the Federal budget limits we now face.●

THE 20TH ANNIVERSARY OF THE EQUAL PAY ACT

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. WEISS. Mr. Speaker, today we mark the 20th anniversary of the Equal Pay Act, a law that has helped contribute to equity in the workplace. The majority of Americans agree with its premise—that men and women doing the same job should receive the same pay. Yet, pay inequities based on sex are still prevalent in factories, businesses, and institutions throughout the country. In the field of sales, women earn 52 percent as much as men. In engineering, women earn 67 percent as much as men. No matter what the job, women lag behind men in earnings. If this were the key problem, however, we could use litigation and collective bargaining to help solve it. The deeper inequity results from women's concentration in a few occupations at the low end of the wage scale. No matter how valuable to society, women's work is paid less. To correct this inequity, we will need legislation to insure equal pay for work of comparable value. This then is the next step in the long struggle for equity in the workplace.●

UNITED STATES-JAPAN TRADE WORKSHOP IN BOSTON

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. MARKEY. Mr. Speaker, on Monday, I had the pleasure to host in Boston a workshop on the procurement practices on Nippon Telephone and Telegraph, the Japanese Government-owned phone company. U.S. sales under our bilateral procurement agreement have been very disappointing, and this joint effort by the Japanese Government, our Department of Commerce, and the House Subcommittee on Telecommunications was a first step toward improving this record.

At the luncheon during the workshop, Mr. Edmund Fitzgerald, president of Northern Telecommunications, was our featured speaker. Mr. Fitzgerald, with an impressive background and expertise in international trade matters, spoke eloquently on the challenges facing our two nations in telecommunications trade and economic issues generally. I commend his remarks to all of my colleagues.

REMARKS OF EDMUND B. FITZGERALD, CHAIRMAN OF THE BOARD, NORTHERN TELECOM INC.

All of us are familiar with Murphy's infamous law which states "if anything can go wrong, it will go wrong." There is a corollary to this law which further states that "left to themselves, things tend to go from bad to worse." Additionally many feel that Murphy was an optimist.

As regards U.S. trade and investment policy, it is clear to me that the U.S. is not going to leave international trade issues "to themselves" in that there is a solid perception in Washington, D.C., and throughout the U.S. that left to themselves trade issues will go from bad to worse.

Certainly Congressman Wirth, Congressman Markey and the other members of the Telecommunications Subcommittee give every indication through this series of seminars that the Telecommunications Subcommittee is concerned about the NTT procurement agreement. I want to commend Chairman Wirth and his subcommittee for focusing on the importance of the NTT agreement and for focusing on the benefits of open competition to both nations. It is important that the Members of Congress recognize the crucial importance of market access because without free and open participation in each others telecommunications markets, the U.S. and Japan will continue to experience the difficulties inherent in protectionism and will continue to experience severe tensions in our trading alliance. In truth, the NTT procurement market has become the lightning rod for U.S.-Japan trade tensions.

Major Japanese manufacturers have been enormously successful in the U.S. communications marketplace. Companies like NEC, Hitachi, Oki, Fujitsu currently pursue successful marketing strategies in the open U.S. marketplace. These strategies benefit from significant periods of U.S. marketing investment by these suppliers.

U.S. manufacturers believe that it is only elementary fairness that we enjoy equal access to the NTT market. We know that NTT plans to significantly enhance their network over the next 20 years to effectively integrate their information network system. We know that NTT is committed to the use of digital technology.

We recognize that we must make the same marketing investments in Japan that the Japanese suppliers have made in the U.S. A number of us have, in fact, already begun this process. However, to date, we lack concrete evidence that even if we offer competitive products supported by appropriate marketing resources that we, in fact, can do business with NTT.

The NTT communications network system represents a hallmark opportunity for Japan to demonstrate equal market access. The NTT procurement agreement could be the framework for this opportunity, but the key ingredient must obviously be implementation. The current verbal assurance that the NTT procurement market is open must be supported by sales awards to U.S. companies who offer globally competitive products and who have done the homework required to fully understand the NTT requirements.

As a businessman who has engaged in international trade over a period of many years, I find myself increasingly drawn into public debate over U.S. industrial and trade policy. It is in that context that I am here today—as a businessman concerned with his government's international trade and investment policies.

What I need to do today is reflect what I believe to be the view of U.S. telecommunications equipment manufactures.

I am also here today because at Northern Telecom we believe that the NTT procurement agreement cannot be permitted to expire. While I recognize the frustration felt by many, I am convinced that the constraints on access to the NTT market are in the process of being eased. But as indicated before, the process desperately needs concrete evidence of awards.

I can assure you that we at Northern Telecom are committed to achieving success in the NTT market. We pioneered the development and implementation of digital telecommunications technology, and today we manufacture and supply the industry's most extensive line of digital switching and transmission systems. We currently have installed or have on order more than 12 million equivalent lines of fully digital switching and transmission systems.

Our customers include AT&T, GTE, and most of the Bell operating companies; in all 33 of the 35 largest telephone companies, and specialized common carriers such as MICI, SBS and SPCC. We also sell to the

U.S. Government, its Department of Defense, the Federal Reserve System and to hotels, motels, universities, hospitals, banks and major industrial companies. In almost all of these markets, we successfully compete against Japanese suppliers.

It is for these reasons we feel we have the ability to successfully compete with Japanese suppliers in the NTT market.

Much of the international trade news recently has been dominated by angry or frustrated voices. Many U.S. businessmen believe we are doubly cursed by constraints on market access abroad and by domestic barriers to our ability to be globally competitive.

Virtually every soverign nation has identified high technology industries as strategic national industries. Every industrialized nation wants the high technology companies within its borders to be world-class competitors. And in every capital the high technology debate revolves around a similar topic: What should the government do to protect and promote our high technology companies?

Rightly or wrongly, there is a widespread belief in the U.S. private sector that the world trading system is unfair. The belief seems to be that U.S. high technology companies will not be able to compete internationally unless the U.S. Government becomes pro-active and pro-competitive in matching the pro-competitive activities of other governments.

At the same time, many people in the U.S. today are calling for protectionist measures. We have apparently learned nothing since the Smoot-Hawley days or many of us have chosen to forget Smoot-Hawley under the pressure of current world events.

Throughout the world, national economies are still reeling from the global recession. While many economic indicators seem inclined upward, each country is under intense domestic pressure to protect its own industries. Every politician listens to the grassroots whether in Washington, D.C., or Tokyo. It is inevitable that governments, including the U.S. Government, will continue to play an active role in supporting industry (particularly high technology industry) in the years ahead.

My own view is that the U.S. Government must take the domestic steps necessary to improve our global competitiveness, and it must continue to work within the framework of existing international trading agreements to assure that U.S. producers enjoy the same opportunities to enter foreign markets as foreign producers enjoy to the U.S. market.

If we do not enjoy the same opportunities, I am persuaded that the grassroots demand for protectionism will intensify in the months ahead. The importance of international trade to U.S. prosperity is reasonably well understood by many Americans. Workers and their families of exporting companies are aware of the fact that one of every seven manufacturing jobs depends on international trade. But we should never forget that only ten percent of our firms are involved in export.

So, while it is accurate to describe world trade as important to the growth and future of the U.S., the simple fact is that the vast majority of Americans are not well aware of the economic benefits of free-world trade. Politically, "Buy American" would win overwhelmingly over export expansion.

Even though the political benefits of protectionism must be appealing, I am convinced that the U.S. Congress and the Reagan administration will favor an extension of the NTT procurement agreement. Even though there is little satisfaction with it to date, I believe most businessmen and leaders in government would prefer to focus attention on positive steps to remove restrictive procurement practices. Terminating the agreement would simply add another impediment to our marketing task, and those of us who are currently marketing telecommunications equipment worldwide to nationally owned telephone systems do not need another impediment.

Rather than terminate the agreement, I believe the U.S. Government should work with NTT to establish some mutually agreeable "mileposts of openness." My own view is that the senior management of NTT, including the representatives here today, has fully accepted the spirit of this agreement and is committed to making its intent come true. However, I am fearful that the same spirit has not permeated the operating levels of the organization and that the middle managers, contracting officers and engineers have yet to be moved by the same spirit. Reorienting the priorities of a massive organization is not a simple task. In this country I am sure that AT&T would fully endorse that sentiment. Within NTT the task is further exacerbated by a fear at the operating level or having to do business and process documentation in a language other than Japanese. Although the reasons for slow progress are understandable, they can't be permitted to foil the intent of the agreement. Jointly agreed upon "mileposts of openness" should give us a more objective basis for analyzing future progress.

It is essential that those of us in the U.S. and in Japan who recognize the pervasive benefits of international trade do everything possible to assure an understanding of the economic interdependence that exists in the world today. A world that has been in a protracted recession and a world which is seeing a rise in economic nationalism is a world that must find bilateral and multilateral solutions in its trading disagreements.

Many of us in the U.S. believed and hoped that the NTT procurement agreement would help in easing the strains in the U.S.-Japan relationship but it appears that most U.S. businessmen do not believe the NTT agreement has brought down the marketplace barriers at NTT.

The NTT agreement was negotiated by the U.S. Government to gain access to the NTT market for U.S. producers, and while progress has been made in the process for gaining access, there has been little progress in contract awards. Japan's image in the U.S. is unfortunately still that of a mammoth exporter with a closed home market.

While I do not ascribe to that image, the fact remains that the depth of feeling against Japanese trading policies in the U.S. is intense. We have 1984 Presidential candidates campaigning against Japanese imports and we have powerful Congressmen eager to enact protectionist measures in the U.S. Congress. On the Japanese side, the belief seems to be that U.S. politicians are attempting to make Japan a scapegoat. Others seem to believe the problem will go away when the U.S. economy improves. The U.S.-Japan relationship in recent months has been characterized primarily by misunderstanding, misinformation, rhetoric and symbolism. But symbolism and rhetoric are a part of the real world.

The rising tide of emotionalism shows no signs of abating. Japan in general and NTT in particular cannot afford a protectionist war. Neither can the United States. No two nations would be so decimated by protectionism as Japan and the United States. The hostility and resentment in the U.S.-Japan relationship must be addressed by our political leadership and by the private sector. NTT could make a major contribution to the improvement of the U.S.-Japan relationship by making merited purchasing decisions in favor of U.S. suppliers. I certainly credit NTT for the significant progress it has made in process changes to open its markets to U.S. suppliers in these past two years. But I do not believe it unjust to suggest that we have not achieved the level of market access originally intended by the procurement agreement. I would say to our leaders in the U.S. Government: You must continue to encourage NTT and Japan to give us the same opportunities within NTT as the Japanese companies enjoy in the U.S. telecommunications markets.

To the executives of NTT I would say, many U.S. companies produce globally competitive telecommunications equipment. We have proven this in world markets other than Japan. You have every right to demand that, as suppliers, we fully understand your needs and that we are as easy to do business with as your alternate sources. But when we satisfy these criteria, we are deserving of your business. If I may paraphrase an American slang expression "Try us, you might like us."●

SAN JOAQUIN GENERAL HOSPITAL'S 125TH YEAR

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. LEHMAN. Mr. Speaker, Sunday, June 12, 1983, marks the 125th anniversary of the San Joaquin General Hospital. I would like to join the citizens of California's 18th Congressional District in commending the San Joaquin General Hospital for its 125 years of continuous, comprehensive, and above all, quality health care to the people of San Joaquin County. This hospital truly deserves to be commemorated on its 125th anniversary.

To commemorate the event, I would like to make note of the following proclamation declaring the week of June 12 the Anniversary Celebration Week of San Joaquin General Hospital.

The proclamation follows:

SAN JOAQUIN GENERAL HOSPITAL'S 125TH ANNIVERSARY CELEBRATION PROCLAMATION

Whereas, San Joaquin General Hospital was established in 1857 and has provided 125 years of continuous comprehensive health care to the people of San Joaquin County; and

Whereas, San Joaquin General Hospital is a full-service hospital offering acute medical/surgical services, intensive care, family-centered maternal and child care, family practice and a comprehensive outpatient department with clinics accessible to all community members; and

Whereas, San Joaquin General Hospital, in addition to the above mentioned services, also offers specialized programs including a

six-bed Newborn Intensive Care Nursery (intermediate level), Physical Medicine and Rehabilitation Program and a ten-station Hemodialysis Unit; and

Whereas, San Joaquin General Hospital has been a source of education and clinical experience for physicians, registered nurses and licensed vocational nurses, dentists, pharmacists, medical laboratory and radiologic technologists, and occupational and physical therapists; and

Whereas, San Joaquin General Hospital's staff has consistently developed innovative skills and modern technologies to meet the changing health care needs of the community; and

Whereas, San Joaquin General Hospital's staff has demonstrated commitment to providing quality health care, evidenced by the Hospital's continuous accreditation since 1919;

Now therefore, I proclaim the week of June 12, 1983 as the Anniversary Celebration of San Joaquin General Hospital, in recognition of 125 years of quality community-based health care.●

A TRIBUTE TO FRANK RIFKIN

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. SCHUMER. Mr. Speaker, on Wednesday, June 15, 1983, the Mendel J. Dreese Lodge No. 644 of the Knights of Pythias will honor Frank Rifkin by presenting him with the prestigious Banner Man Award. It gives me great pleasure to draw the attention of my colleagues to the accomplishments of Mr. Rifkin, one of the most distinguished members of our district. I now present to you an article on Mr. Rifkin published in the Dreese Lodge's "Scroll" which follows:

P.D.G.C. FRANK A. RIFKIN—1983 BANNER MAN

He served in the United States Coast Guard for over five years. He was awarded the Purple Heart for wounds received in combat and was entitled to wear the ribbon with two clusters representing the Presidential Unit Citations, totaling three.

Prior to his discharge from the military service, he was proposed by deceased P.D.G.C. Philip Gooter and Brother Moe Vogel, for membership in Mendel J. Dreese Lodge in 1945. He took his ranks while still in uniform and achieved the rank of Knight on February 4th, 1946.

Frank started to work for the lodge immediately. He worked as a member of the Degree Team for the first and second century classes held in 1946 and 1947. He worked his way through the stations in the lodge to become Chancellor Commander in 1953. He served as Chancellor Commander two times and has served as Chairman and as Co-Chairman of practically every committee in our lodge at one time or another. For over twenty years Frank has served on the Board of Directors, of which he served as Vice President for six years and as President of the M. J. Dreese Welfare Association for seven years. He has now been elected as President of the Welfare Association for three years. This term of office expires in 1986. He also is currently serving our members as Mortuary Chairman, and as Prelate of our lodge. He has been elected to serve as the Vice Chancellor again at our just recently completed elections.

Frank Rifkin has served on the Grand Lodge Sports Committee and other Grand Lodge Committees over the past thirty-three years. During the past two years he served as Chairman and General Chairman on the Grand Lodge Sports Committee. He is currently the General Chairman Emeritus for the Grand Lodge Sports Committee. He served as Chairman of the Grand Lodge Youth Sports Committee for over five years, he is currently a member of the Grand Lodge Memberships Committee for the past three years. He is currently serving as one of the few appointed Aides to the Grand Chancellor. In 1979 he was appointed a Deputy Grand Chancellor at Large by the then Grand Chancellor Paul Pepper. He was awarded this appointment for the many years of devoted service to the Grand Lodge, his Pythian Brethren and for all of his untiring efforts and labors for the Pythian Order as a whole.

To keep occupied since he has so much time on his hands, he is currently serving and has served for the past fourteen years as Sec./Treas. for the Pythian Bowling Leagues in Brooklyn. Prior to serving as Sec./Treas., he served the Bowling Leagues as President for over twenty years.

This year Frank will attend the Grand Lodge Convention as the duly elected Grand Lodge Representative for M. J. Dreese Lodge.

His entire Pythian life has been a devoted effort of continuous untiring service for his Lodge, our 9th Pythian District, the Grand Lodge and his Pythian Brothers needs and benefits, thereby fulfilling his Pythian obligations to the utmost. Even when seriously ill, he still continued and still continues to work in his usual diligent manner to fulfill all of his undertaken commitments for our members and the Pythian order as a whole.

If anyone can fulfill the statement, that if you want something done, give it to a busy man.

That man is P.D.G.C. Frank Rifkin.

P.C. HAROLD BERNSTEIN,
Chairman.●

FRANKLIN ROOSEVELT AND WORLD ORDER: AN IDEALIST WITHOUT ILLUSIONS

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. JONES of Oklahoma. Mr. Speaker, former Ambassador Richard N. Gardner, who is now a professor of law at Columbia University, addressed a conference in Florence, Italy, last week. The conference was in commemoration of the 50th anniversary of Franklin D. Roosevelt's inauguration as President of the United States. Ambassador Gardner is a truly gifted man who is equally comfortable at the negotiating table or in the classroom, and his address underscores his outstanding scholarship. He has favored me with a copy of his address, entitled "Franklin Roosevelt and World Order: An Idealist Without Illusions." His comments should be read by any person interested in our history and in the lessons we may learn from history. I enter his address in the CONGRESSIONAL RECORD with the hope that all of my colleagues will read it.

FRANKLIN ROOSEVELT AND WORLD ORDER: AN IDEALIST WITHOUT ILLUSIONS

(By Richard N. Gardner, Professor of Law and International Organization, Columbia University; U.S. Ambassador to Italy 1977–81)

January 6, 1941: Adolph Hitler and Benito Mussolini are the masters of Western Europe. Nazi armies have overrun Poland, occupied Denmark and Norway, invaded the Netherlands and Belgium, and conquered France. Russia stands aside, faithful to the Hitler-Stalin pact. Only England resists the onslaught of Fascist tyranny, bracing itself under terrifying air raids for the expected German invasion. In Asia, the warlords of Japan are on the march. The United States is beginning, hesitantly, to give help to England, yet lend-lease has not yet passed the Congress, and the American people are overwhelmingly against entering the European war. It is hard to imagine when or how peace and freedom could ever be restored to Europe—or the world.

In this dramatic setting, an American President, Franklin Delano Roosevelt, appeared before the Congress of the United States. He told the American people they faced an unprecedented threat to their freedom. He pledged all of America's resources to the defense of the democracies. And he painted the following picture for his countrymen of what the historic struggle was all about:

"As men do not live by bread alone, they do not fight by armaments alone. Those who man our defenses, and those behind them who build our defenses, must have the stamina and courage which come from an unshakable belief in the manner of life which they are defending. The mighty action which we are calling for cannot be based on a disregard of all things worth fighting for.

"In the future days, which we seek to make secure, we look forward to a world founded upon four essential human freedoms.

"The first is freedom of speech and expression—everywhere in the world.

"The second is freedom of every person to worship God in his own way—everywhere in the world.

"The third is freedom from want—which, translated into world terms, means economic understandings which will secure to every nation a healthy peace time life for its inhabitants—everywhere in the world.

"The fourth is freedom from fear—which, translated into world terms, means a worldwide reduction of armaments to such a point and in such a thorough fashion that no nation will be in a position to commit an act of physical aggression against any neighbor—anywhere in the world.

"That is no vision of a distant millenium. It is a definite basis for a kind of world attainable in our own time and generation. That kind of world is the very antithesis of the so-called new order of tyranny which the dictators seek to create with the crash of a bomb.

"To that new order we oppose the greater conception—the moral order. . . . The world order which we seek is the cooperation of free countries, working together in a friendly, civilized society."

What prompted Franklin Roosevelt to present this ambitious vision of a postwar world? What specific measures did he initiate to move toward that goal—and with what result? What guidance can we find in his foreign policy legacy today? One could write a book about questions like these, but let me try, in a very brief summary, to suggest some answers.

I believe it is fitting that we discuss such questions in Europe, and particularly in Italy. Had Roosevelt not been President of the United States, it is not at all clear that the United States would have moved so firmly in 1941 to oppose the Axis powers. With a different President, committed to an isolationist policy, Japan might not have attacked Pearl Harbor; Hitler and Mussolini might not have declared war on the United States. Europe might never have been liberated from Fascist tyranny. Moreover—and this is the point I wish to develop here—our postwar structure of political and economic collaboration might never have been created.

Franklin Roosevelt was an idealist. He was also, to use John F. Kennedy's famous description of himself, "an idealist without illusions." He could be pragmatic—should I say even Machiavellian?—in accommodating to political realities, but he remained faithful to a consistent vision of the future. He understood only too well how hard it would be to realize the kind of postwar world he described, but he was equally convinced of the necessity to try. As Democratic Vice-Presidential candidate in 1920, he had campaigned, in vain, for Woodrow Wilson's League of Nations. In his view, the rise of Fascism and the coming of the Second World War were caused in large part by the failure of the United States to join the League. He also blamed the peacemakers at Versailles for failing to create effective international institutions to assure collective security, economic solidarity, and human rights. He believed that the American people would never throw their full weight into the struggle against Fascism if they saw nothing better at the end of the road than more unrestrained military competition, more "spheres of influence," more economic nationalism, more colonial aggrandizement—and more war. He was convinced that these misfortunes would inevitably result unless the United States once and for all renounced isolationism and took the leadership in constructing a new world order based on enduring moral principles. As he told the Congress: "We shall have to take the responsibility for world collaboration, or we shall have to bear the responsibility for another world conflict."

Thus it was that Roosevelt moved swiftly, even before the United States entered the war, to lay the basis for American leadership in a postwar peace system. In an historic meeting at sea with Winston Churchill in August 1941, the two leaders proclaimed in the Atlantic Charter "certain common principles . . . on which they base their hopes for a better future for the world." The Charter contained eight fundamental propositions: No territorial aggrandizement; no imposed or undemocratic territorial changes; sovereign rights and self-government for all peoples; access, on equal terms, to the trade and raw materials of the world for "all States, great or small, victor or vanquished"; international economic collaboration to secure "improved labor standards, economic advancement and social security"; a postwar peace assuring safety to all nations and freedom from fear and want for all men; freedom of the seas; and, "pending the establishment of a wider and permanent system of general security," the disarmament of aggressor nations and the reduction "for peace-loving peoples of the crushing burden of armaments."

On January 1, 1942, the principles of the Atlantic Charter were subscribed to in a document promulgated in Washington by the twenty-six nations allied in the struggle against the Axis powers. That document was called the "Declaration by the United Nations"—a term invented by President Roosevelt. It was his inspiration to propose the same term to describe the permanent peace organization that would be founded by the victorious allies at San Francisco.

Roosevelt's conception of a postwar world order had three main elements—collective security, economic solidarity, and human rights. Each of these elements found its way into the United Nations Charter and achieved concrete expression in global international institutions that remain with us today. We now take these so much for granted that it is hard to realize how revolutionary they were when they were first conceived and developed by Roosevelt and his Administration some forty years ago.

To begin with, collective security. Roosevelt pressed a skeptical Winston Churchill and an unconvinced Joseph Stalin to accept the idea of a global organization to keep the peace. Churchill preferred several regional peace organizations; Stalin probably wanted none at all—just Big Three arrangements to keep the Axis powers disarmed and acceptance of a new Soviet Empire in Eastern Europe. But Roosevelt prevailed. His postwar peace system seemed at the time a judicious blend of realism and idealism: Four so-called "policemen"—the United States, Britain, Russia and China—would put their forces at the disposal of the United Nations to keep the peace and would receive the special privilege of veto (later these became the five Permanent Members of the Security Council with the addition of France). All UN members large and small would undertake common commitments to settle their disputes peacefully and refrain from the threat or use of force against the territorial integrity or political independence of other nations. . .

* * * * *

Economic solidarity was the second essential element in Roosevelt's conception of world order. He was determined to put an end to the American tradition of economic nationalism and use American power to construct a new and cooperative international economic order. He had told his countrymen that American democracy could not survive if one-third of the nation were ill-housed, ill-clothed, and ill-fed; he now urged upon his countrymen the further recognition that American welfare could not be assured in a disordered and stagnant world economy.

The Second World War, Roosevelt believed, was caused in part by the wild currency disorders, mass unemployment and economic desperation that brought Hitler and Mussolini to power. This time priority must be given to laying the economic foundations of the peace. And these foundations could not be left to unregulated market forces either within or between nations. To assure high levels of employment growth, trade and economic justice would require an active role by governments working together through new international organizations.

To this end, Roosevelt first of all rejected the idea of a Carthaginian peace—there were to be no war reparations exacted from Germany, Italy and Japan as Stalin and others wanted. On the contrary, vanquished as well as victor countries were to be given fair economic treatment and equal access to markets and raw materials. Not only that, but the peoples of vanquished as well as victor countries liberated from Fascism were to receive generous help from the United Nations Relief and Rehabilitation Agency (UNRRA), ably led by Herbert Lehman and, later, Fiorello La Guardia. And to prevent another divisive postwar argument over war debts, Roosevelt invented the lend-lease program, which brought $27 billion in wartime aid to Britain and $11 billion to the Soviet Union, with nothing asked in repayment except for a few hundred million dollars representing the postwar value of materials remaining at the end of hostilities. Lend-lease was truly, as Churchill put it, the "most unsordid act in history."

* * * * *

Human rights comprised the third element in Roosevelt's conception of world order. Roosevelt worked to establish a new and revolutionary concept in international relations—that how a nation treated people and individuals under its dominion or within its borders was no longer its own business alone, but the business of the international community. Thanks to Roosevelt, the United Nations Declaration of January 1, 1942 spoke of "human rights" as a fundamental object of the struggle against Fascism. And it was largely due to his Administration, prodded by private American academics and religious leaders, that the concept of human rights was firmly embodied in the UN Charter.

Human rights meant, first of all, the rights of people to self-government and independence. Roosevelt was determined that the Second World War should put an end to colonial empires and to the centuries-old system of territorial aggrandizement by victorious powers. Clark Eichelberger, the founder of the American Association for the United Nations, has written of a wartime conversation with Roosevelt: "The President said that when he had signed the Altantic Charter, he had said we did not want more territory and that he was fool enough to mean it and would stand by it in the future." Eichelberger has also reminded us that even before the State Department developed its proposals for a United Nations organization it had, at Roosevelt's urging, started work on the idea of an international trusteeship system, under which colonial territories conquered from the Axis powers (as well as other territories) would be administered for the benefit of the people and advanced toward independence.

In our disillusionment with many aspects of the United Nations, we sometimes forget that it presided over a process of decolonization that brought over a billion people in nearly one hundred countries to political independence. That this happened so swiftly—that it happened with so little bloodshed—that the path to self-government was eased by the work of several dozen UN agencies engaged in public administration and technical assistance—all this owes much to Roosevelt's vision.

* * * * *

From this brief review of the historical record, it is clear that the institutions of global cooperation that we work with today were shaped more by Franklin Roosevelt than by any other individual. Indeed, it is clear that without Roosevelt, we would have no United Nations, no International Mone-

tary Fund and World Bank, no General Agreement on Tariffs and Trade, no treaties embodying minimum standards of human rights or procedures, however weak and tentative, to implement them. We all know what these international institutions have failed to achieve, but how much more dangerous and disagreeable our world would be without them.

What guidance can we draw from Roosevelt's legacy today? It would be an idle exercise to seek in the words and deeds of a man who died thirty-eight years ago detailed answers to the complex international questions that now confront us in a radically altered world environment. But based on this review of the historical record, I believe we can imagine Franklin Roosevelt giving advice along the following lines today to his countrymen and to the peoples of the world:

"Be strong and united in the defense of freedom. Stand fast against Soviet military and political pressure. Strengthen collective security in NATO. At the same time, seize every opportuntiy to halt the nuclear arms race and to find honorable settlements to international differences. Unless you do, there will be no lasting security.

"Remember that freedom is not defended by arms alone. Therefore redouble your efforts at economic cooperation, because no nation can achieve a durable recovery without the durable recovery of its trading partners. Make maximum use of private enterprise, but do not believe that the 'magic of the marketplace' can resolve all the world's problems. Governments have a vital role to play in promoting economic growth and social justice among as well as within nations.

"Keep open the channels of world trade, but do not forget that an open trading system requires properly-aligned and cooperatively managed exchange rates, which require in turn the cooperative pursuit of mutually consistent monetary, fiscal and other domestic policies.

"Seek practical ways to implement human rights in your own societies and in the world at large. Demonstrate an objective concern for human rights—in Latin America, Africa and Asia no less than in Eastern Europe. Do not demand instant perfection in the human rights practices of underdeveloped countries. But avoid the trap of embracing totalitarian regimes of the left in the name of anti-imperialism—or authoritarian regimes of the right in the name of anti-Communism."

Roosevelt, I believe, would also urge each of us to be, as he was, an idealist without illusions. He would ask us to be steadfast in pursuit of the goals of human betterment, yet flexible, innovative and pragmatic in our choice of the means to achieve them. Above all, he would ask us not to abandon hope in the face of our current disappointments, nor to seek refuge from frustration in a cynical passivity, but to meet our challenges through creative action.

As he himself put it in the speech he was preparing at the time of his death: "The only limit to our realization of tomorow will be our doubts of today. Let us move forward with strong and active faith."

The best way we can honor his memory is to work together "with strong and active faith" to strengthen the institutions of a better world order which he has bequeathed to us.

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J. P. HALL, JR.

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. CHAPPELL. Mr. Speaker, today I rise to salute an outstanding American, Mr. J. P. Hall, a constituent in the Fourth Congressional District of Florida. Mr. Hall is a respected member of his community. He has amassed a record of public service and community involvement which has placed him in high esteem among his peers, friends, and fellow citizens.

Recently, Mr. J. P. Hall was singularly honored in a manner befitting his stature and reputation. I would like to have read into the CONGRESSIONAL RECORD at this time the details of that honor as well as to have recorded a list of the many areas of community and philanthropic involvement in which Mr. J. P. Hall is active.

I am proud that we have citizens of such high character in Florida's Fourth Congressional District.

The material follows:

CITIZEN OF THE YEAR

Mr. J. P. Hall, Jr. has been chosen Citizen of the Year by a joint committee of the Jacksonville Sheriff's Office and Fraternal Order of Police, Lodge 5-30. Mr. Hall, a lifelong resident of Green Cove Springs, is married to the former Anita Sue Winchester and is the father of six. He was chosen for this honor based upon his many contributions to the efforts of local law enforcement and in recognition of his outstanding support of professional standards in the field of criminal justice.

Mr. Hall's involvement in law enforcement began with the influence of his father, J. P. Hall, Sr., who was Sheriff of Clay County for 36 years, a state record. Mr. Hall was Chief Deputy of the Clay County Sheriff's Office for ten years. During his career he attended many professional schools, among them the prestigious F.B.I. National Academy in Washington, D.C. While serving with the Sheriff's Office, Mr. Hall simultaneously pursued a career in banking. Today he is President and Chairman of the Board of the Bank of Green Cove Springs. He is also the Co-Founder and President of Enforcement Security Corporation, a large Jacksonville based industrial security firm.

Mr. Hall's professional and civil involvement include membership on the Board of Directors of the Greater Orange Park Community Hospital, the State Board of Administration Investment Advisory Committee, the Private Security Advisory Council for the Secretary of State's Office and most notably the Criminal Justice Standards and Training Commission which sets standards for police training on a state-wide basis. It is with the Police Minimum Standards Board that Mr. Hall has made the most positive impact within the field of criminal justice. His career, indeed his entire life, has been directed toward the goals of law enforcement to provide and promote a safer community in which to live. These standards of involvement and support which Mr. Hall exemplifies so well have led to his recognition as Citizen of the Year.

J. P. Hall, Jr. was born in Green Cove Springs, Florida on February 17, 1930. A lifetime resident of Green Cove Springs, he is married to Anita Sue Winchester. The Halls have six children.

Education: Attended elementary school in Green Cove Springs; graduated from Bolles Military Academy; attended Jacksonville University and University of Florida; graduated from the F.B.I. Academy in Washington, D.C.; attended several Banking Schools in which courses in phases of banking were completed.

Served for two years in the U.S. Army.

Mr. Hall's offices and activities include: President and Chairman of the Board of the Bank of Green Cove Springs, President of Enforcement Security Corporation, President of J.P. Hall & Son, Board of Directors of Greater Orange Park Community Hospital, State Board of Administration Investment Advisory Committee Member, Executive Board Member of the Florida Sheriffs' Boys Ranch and Girls Villa, Member of the Private Security Advisory Council for the Secretary of State's Office, Investment Committee of the Shrine of North America, Past Director of the Greater Jacksonville Agricultural Fair.

Honorary Member Bold City Jaycees, Past Potentate of Morocco Temple, Past Chairman of the Board of Clay County Hospital Authority, Past President of Clay County Chamber of Commerce, Past Chairman of Board of Soil Conservation, Past Member of Financial Committee of Morocco Temple, Past Member Career Service Commission of Florida.

Member of: Cabul Lodge 116, Red Cross of Constantine, Order of Eastern Star, Loyal Order of Moose, Veterans of Foreign Wars, Royal Order of Jesters, York Rite Bodies, Scottish Rite Bodies, Morocco Temple Horse Patrol (past), Benevolent Protective Order of Elks, Doctors Inlet Civic League, Rotary Club (Honorary).

Member of Criminal Justice Standards and Training Commission.●

GUAM IS PROUD OF COMMANDER BERMUDES

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. WON PAT. Mr. Speaker, I am proud to announce to my colleagues that the first person from Guam to graduate from the U.S. Naval Academy has been promoted to the rank of commander by the U.S. Navy. Several weeks ago, Eulogio C. Bermudes pinned on the shoulder boards of a Navy commander and in doing so brought honor to himself and to the people of Guam.

In 1966, Eulogio Bermudes of Agat, Guam, was chosen to be the first Chamorro to attend the Academy at Annapolis, Md. I well remember that occasion and the price which Commander Bermudes' family, including his late father Juan Guerrero Bermudes and his mother, Maria Concepcion Bermudes, felt when their son went to the Academy.

We all believed that this outstanding young man was capable of great things and his standing among the top 25 percent of his graduating class in 1970 is a reflection of his dedication and willingness to work hard.

Since his graduation, Commander Bermudes has gone on to obtain a master's degree in mechanical engineering and has held a number of high level posts in the Navy. Today, he is the planning officer and executive officer at the naval ship repair facility on Guam.

Commander Bermudes is a tribute to what can be achieved when a person really devotes his full time and energy to one goal. This was best shown in his own words when he received his new rank—"I can do more things than I ever thought I could," he said. Well done, Commander Bermudes, and I, along with the rest of your fellow Guamanians salute you on a job well done and wish you the best of success in the years ahead.

Mr. Speaker, at this time I am inserting in the RECORD a fine article about Commander Bermudes. I commend the article to my colleagues here today for their enlightenment. Thank you.

The article follows:

AGAT MAN PROMOTED TO COMMANDER

(By Paul J. Borja)

In 1966, Eulogio "Loy" C. Bermudes of Agat was a teen-ager. That year, he was chosen by Gov. Manuel Guerrero to be the first Chamorro to attend the U.S. Naval Academy at Annapolis, Md.

With the appointment, a heavy burden fell upon his shoulders.

Bermudes was the only one appointed from candidates from the American territories of Guam, the Virgin Islands and American Samoa, and he endured pressure that perhaps no other plebe, a first-year midshipman, felt.

"A couple of times I thought about quitting, but then the thought of letting the people of Guam down kept me going," the 36-year old Agat man said yesterday.

Yesterday, Bermudes shouldered something considerably lighter—the shoulder boards of a Navy commander.

In ceremony he was formally promoted to his new rank at the Naval Ship Repair Facility.

Bermudes' first year saw him persevere not only through the academy's intense academic and physical conditioning requirements, but also through a severe case of homesickness.

"I was homesick for about six or eight months that first year," said Bermudes, the son of Maria Concepcion Bermudes and the deceased Juan Guerrero Bermudes of Agat.

"After that first year, though, everything fell into place," Bermudes said.

He studied and eventually placed in the top 25 percent of his graduating class of 1970.

Bermudes was the first Chamorro to graduate from the Navy academy.

From Annapolis, Bermudes took on further burdens as a surface warfare line officer.

He served as weapons officer on the USS Benicia and USS Henry W. Tucker.

From January 1974 to December 1976, he studied at the Navy Postgraduate School at Monterey, Calif., and obtained a Master of Science degree in mechanical engineering.

His next tour was with the Naval Reactors Representatives Office at Pearl Harbor, where he learned about nuclear power systems and administrative duties.

At Mare Island in the San Francisco Bay area, Bermudes became a nuclear ship superintendent and was one of the officials decommissioning the USS Nautilus, the Navy's first nuclear-powered submarine.

After Mare Island, Bermudes was transferred in June 1981 to his present post at the Ship Repair Facility where he is planning officer and executive officer.

After all the ceremony of his promotion yesterday, he reminisced calmly in his office about his days at Annapolis.

"They taxed you to your maximum—in physical conditioning, in academics, in self-control and discipline."

Because of his Annapolis experience, the Agat man realizes he is meeting challenges and burdens he never thought he could shoulder.

"I can do more things than I ever thought I could," he said.●

EQUAL PAY ACT ANNIVERSARY

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Ms. MIKULSKI. Mr. Speaker, today marks the 20-year anniversary of the Equal Pay Act, a law that was supposed to have guaranteed women equal pay for equal work. Where the law has been enforced, women have made some gains, but they still make only 59 cents for every $1 a man makes, and it is 20 years later.

For too many years the work of women has been trivialized, and the worth of women has been overlooked, and we are still undervalued and underpaid.

When economists talk about "the American worker" or the policymakers talk about the American taxpayer, they never mean us. The social security system still pays benefits based on the assumption that every household has a single wage earner—and that wage earner is a male.

Too many people in this country are making money right now out of a system that pays women too little to live on. Insurance companies are making profits from the money that women pay to get coverage that is not as good as men's. Pension programs make profits from plans that give women lower monthly payments than those that men receive, and companies everywhere make profits from women workers who are locked in the pink ghetto.

Equal pay is a civil rights issue, but more importantly, it is an economic issue. Women want equal pay for equal work, and equal pay for comparable work. The women in this country who take care of the newborn and the sick ought to be paid as much as the men who adjust the radiators in the hospitals.

Without the end to economic discrimination against women, we will see in the next decade the devastating and humiliating effects of the feminization of poverty. Today, 1 out of every 3 families headed by a woman lives in poverty, compared to 1 out of 18 headed by a man. Only 10 percent of the women over 65 receive pensions compared to 27 percent of the men in this country, and those pensions for women were only half the amount received by men.

This is not a way to treat our mothers, sisters, aunts, and daughters. This is not the way to treat our working women. At this anniversary, we must commit ourselves to a new beginning for equal pay or suffer the shame of a nation that lets its women die in poverty.●

DR. EDWARD TELLER—"I WAS NOT THE ONLY VICTIM OF THE NEW YORK TIMES"

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. McDONALD. Mr. Speaker, Dr. Edward Teller is one of the great scientists of his time, and certainly one of America's greatest living scientists. On April 28, 1983, the New York Times published a story concerning Dr. Edward Teller, alleging a conflict of interest in his advising President Reagan on matters of defense, due to ownership of stock in a defense-related firm. The story contained numerous errors and Dr. Teller attempted to set the record straight with a press release of his own which the New York Times ignored. The Accuracy in Media organization then attempted to straighten out the matter with a letter to the editor, which was ignored. Therefore, with the continued aid of Accuracy in Media, Dr. Teller has been placing full-page ads in various newspapers. I commend to the attention of my colleagues Dr. Teller's story as it appeared in the Wall Street Journal on Tuesday, May 31, 1983:

DR. EDWARD TELLER: "I WAS NOT THE ONLY VICTIM OF THE NEW YORK TIMES"

On April 28, I testified before the House Armed Services Committee about how to re-

place the retaliatory balance of terror with an effective defense. As my testimony stated, President Reagan's proposal to emphasize protective defense has a basis both in reason and scientific fact.

After my testimony, television crews came out in force. But not one question was asked about this topic of critical importance to every American. All interest was directed to a front page article published that morning in the New York Times. Headlined, "Reagan Advisors Receive Stock in Laser Company," the New York Times story repeatedly asserted by innuendo and false statements that I had been given stock in Helionetics, and created the impression that I had used prior knowledge of the President's protective defense proposal to inflate the value of some of the stock I own.

The very next day Radio Moscow broadcast worldwide the New York Times story—with each misstatement and innuendo embellished. The New York Times, of course, is not directly responsible for this. But when the New York Times—through misinformation—totally deflects attention from information of utmost national importance, discredits testimony given to the Congress, and provides grist for the Soviet propaganda mill, the list of the victims include more people than those directly attacked.

Because of the New York Times' historic reputation, each charge deserves careful attention. With apologies to similarly besmirched colleagues and friends, I shall deal only with the facts that involve me.

The New York Times suggests unusual activity in Helionetics stock. According to the National Association of Securities Dealers' figures, Helionetics' weekly trading volume during the weeks ending January 21, 28 and February 4 (when it averaged 65,000 shares per day) exceeded the trading that occurred in the week prior to the President's speech. However, the yearly average trading on March 16 was a little over 41,000 shares per day, and the following week it rose to a little more than 55,000 shares per day, an increase of 35 percent—well within normal market fluctuations—and not the 50 percent that the New York Times reports. In the week preceding the President's speech, Helionetics stock rose four points—to $17.50 per share.

The Times spent several days in research but asked no company officer about the rise in trading volume and price. They could have told him that in the week prior to March 23, Helionetics president, Charles Jobbins, had been traveling around the country announcing to investment brokers the Helionetics would report record first quarter sales and earnings.

The day after the New York Times story, Helionetics trading rose to almost 175,000 shares per day—more than a 200 percent increase, and a week and a half later, the price reached $31.00! Mr. Jobbins with his well-founded report seems to have had less effect on the stock market than the New York Times.

During the Carter administration, I purchased considerable stock in Helionetics—a recently bankrupt company with good scientists (one of whom I know personally) and ingenious ideas related (as the company name suggests) to solar energy. Since my retirement in 1975, as a physicist I have interested myself in several high technology companies. In this case, I not only put up time and energy but some of my own capital. The Los Angeles Times (without my help) on the day following publication of the New York Times' lengthily "researched" story correctly reported my stock purchase. I have neither bought nor sold Helionetics stock since the time of my original purchase.

Helionetics' most outstanding product is a near-perfect device for converting DC power to very precisely controlled AC power. This frequency converter is important in the use of solar cells, in batteries, and in assuring reliable energy supply to sensitive apparatus such as computers. In this field, to the best of my knowledge, Helionetics has outpaced all of its competitors.

Currently, Helionetics is completing a three-year program, financed mostly by internal funding, to produce a laser. Company scientists have used this laser to make solar electric cells with the highest verified efficiency as yet produced. This laser may also have application in communications.

In the past year, Helionetics' direct sales to the government amounted to 23 percent of its total sales—13 percent for energy devices, 10 percent for laser development. Yet the New York Times asserts that the company "has derived about 70 percent of its business from contracts with the Departments of Defense and Energy."

The Times article states that the White House communications agency purchased the frequency converters mentioned above and that "a spokesman for the communications agency said that the contract has been granted without competition."

The excellence of the converters and their proven reliability are facts; this comparatively mild innuendo conveys misinformation by omission of these facts.

The amazing error is that New York Times asserts "Helionetics' laser technology includes a high-powered ultraviolet laser that can be used in spaced-based weapons . . ."

Confusing an annealing—or communications—laser with a weapon laser is comparable to identifying penknives as armaments. The Helionetics laser is a big and efficient penknife, but it has no possible use in missile defense. The Lawrence Livermore National Laboratory, where I continue to consult, is conducting research on the concept of a nuclear-explosive pumped x-ray laser. However, to the best of my knowledge, no communication or collaboration on x-ray lasers between the laboratory and Helionetics has existed in the past, none exists at present, and I can imagine no reason for collaboration on this completely different type of laser in the future.

Late last summer on television, I mentioned that technological advances made by my young friends at the National Laboratories and elsewhere had improved the prospects for protective defense. I emphasized the small amount of research money that was required to pursue these possibilities. Responding to a question, I also reported that I had not seen the President since his inauguration.

As a consequence, perhaps, I had a half hour interview with the President and some of his advisors in September, 1982. In the following few months, I talked about these technical advances and their defense implications on several occasions with more Presidental advisors. On March 21, I was asked to come to the White House for dinner two days later. Until I arrived—two hours before the President's historic speech and after the New York stock market was closed—I had absolutely no indication of the reason for the invitation or of the strategic research and development program which he would propose.

What prompted the New York Times to publish a front page story in which every pertinent fact printed was wrong and all clarifying facts were omitted? I realize that in the narrow financial sense Helionetics and its investors apparently owe it a debt of gratitude since publication of the article was followed by a major increase in stock price. But the question before the House Armed Services Committee on April 28 is one of truly critical dimensions for each citizen of our nation.

Why the New York Times published misinformation masquerading as news at that particular time is a question I cannot answer. But I suspect that this small but blatant example of the New York Times' mixture of politics with misrepresentation does not stand alone. That the lives of uncounted people in the United States and abroad suffer repercussions from such editorial decisions cannot be questioned.

Indeed, I was not the only victim of the New York Times.●

CLAY COUNTY SCHOOL BUS DRIVERS FIRST IN NATION IN SAFETY

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. CHAPPELL. Mr. Speaker, I rise today to salute a grand group of dedicated citizens from Clay County. This is one of the six counties that make up the Fourth Congressional District of Florida.

The citizens to whom I make reference today placed first in the United States in safe operation of school buses. Indeed, there can be no area of greater responsibility than the care and safe transport of the children of America.

I am proud to represent this group of citizens. I am doubly proud to be able to call the attention of this esteemed body to the achievement of these school bus drivers. At this juncture, I submit the following article from one of our fine district newspapers, the Clay County Crescent, to be entered into the CONGRESSIONAL RECORD.

[From the Clay County (Fla.) Crescent, June 2, 1983]

RECEIVE NATIONAL SAFETY AWARD—CLAY SCHOOL BUS DRIVERS ARE FIRST IN NATION

(By Elaine Williamson)

Clay County's school bus drivers and the transportation department of the Clay County School System are No. 1 in the nation, according to the National Safety Council and were presented a First Place Award in the National Fleet Safety Contest for the year 1982.

The award was given to Clay County school bus drivers for superior performance during 1982 during which time Clay County drivers transported 9,700 students on routes totaling 1½-million miles without a single chargeable accident. Emory Frame, Director of Transportation noted that driver training was a key factor in reducing the accident rate to zero.

The award presentation took place at the Bayard Ranch of J. P. Hall, Jr. last Thursday night following a barbecue dinner. The program was called, "This is Your Night" and was attended by school bus drivers, shop personnel and office personnel as well as invited guests, including members of the School Board Martha Maxwell, Jean Varga, Robert Paterson, George Bush and Jack Eckdahl; and Superintendent of Schools, Jesse P. Tynes, Jr. Also present were Director of Transportation for the school system, Emory Frame, and his assistant, Doug Hopkins.

The opening prayer and the invocation were given by Rev. Jack Hall and Emory Frame led the salute to the flag. Following this, those in attendance stood for a moment of silence in memory of the late Victor Moore and Dorothy Hatcher.

Presenting the first place award plaque was Gary Buerger, vice president of the Northeast Fla. Safety Council, and accepting it was Martha Maxwell, chairman of the Clay County School Board.

Other speakers on the program included Supt. Jesse P. Tynes, Jr.; J. P. Hall, Jr., president of the Bank of Green Cove Springs; A. P. Edlin, Jr., captain of the Florida Highway Patrol; John Dial, Jr., retired specialist with the State Department who has assisted the school system in training and routing; James Booth, principal of Orange Park High School; Clay County Sheriff Jennings Murrhee; Larry H. McIntire, state administrator; and Gwen Hall, president of the Clay County School Employees Association, as well as a school bus driver. Also speaking to the drivers were Hopkins and Frame.

Each speaker praised the drivers for their enviable safety record and many spoke of personally noticing the caliber of driving that Clay County buses have while on their routes.

Each of the following (including drivers, bus aides and substitutes) received an award certificate which reads, in part: "To certify that you have made a significant contribution in helping Clay County Schools attain the first place award in the National Fleet Safety Contest determined by the National Safety Council for the year 1982."

Gina Argo, Sara Argo, Barbara Armstrong, Ida Bowman, Betty Bridges, Phillajoy Brown, Christine Bush, Freddie Butler, Billie Cagle, Edgar Carter, Judy Carter, Thelma Carter, Geraldine Cercy, Merle Chapman, Christine Chick, Bonita Coleman, Zedra Collins, Doris Cook, Joyce Coon, Barbara Crawford, Frances Custis, Esther Day, Gail DeLuca, Martha Dyal, Judy Evans, Roy Fisher, Annie Gann, Dolores Garner, Kellie Goetzke, Linda Green, Sara Griffin, Betty Hall, Gwenelle Hall, James Harsey, Connie Hatcher, Nina Hatcher, Angelene Haworth, Carol Haydt, Gail Head, Lisa Henderson, Stephanie Herring, Wynoan Herring, Detha Hickey, Shirley Houle, Barbara Hubal, Edwin Ivey, Everett Ivey, Martha Ivey, Laverne Jeffers, Frances Johnson, Gayer Lanier, Mary Jo Lee, Patricia Manhart.

Ruby Manning, Maude Margadonna, Helen Mathis, Mary McClure, Barbara McInerney, Gloria Meek, Sharon Mills, Jerrie Moody, Melba Morgan, Elsie Padgett, Juli Padgett, Kathy Padgett, Ruby Padgett, Shirley Padgett, Verla Page, Nina Parker, Cora Parkinson, Joyce Payne, Linda Perry, Alma Pierson, Carole Pippin, Addie Pohalski, Lawrence Powell, Mary Reeves, Cora Rivers, Clara Rogers, Patricia Saunders, Effie Schlemlien, Annie Shine, Eddie Shine, Becky Shrowder, Grethe Smith, Hilda Smith, Paulene Snodgrass, Mary Solomon, Annette Starling, Johnna Starling, Linda Green Starling, Helen Stewart, Bettie Watson, Joyce Welch, Sharon Welch, Linda West, Teresa West, Carthel Wilkinson, Arthur Williams, Margaret Wisseman, Betty Woods, Betty Yeager.

SHOP PERSONNEL

James Adams, Robert Chastain, Robert Frame, Walter Jenkins, Andrew Mosley, Sr., John Nash II, Marion Padgett, Marcus Padgett, Robert Padgett, James Richardson, Owen Tatro, Bobby Wager.

OFFICE PERSONNEL

Elouise Droney, Donna Hall, Rosalie Helvenston, Donna Swank.

According to Frame, the Clay County School Transportation Dept. transport some 9700 students daily in 83 buses assigned to specific drivers. There are 115 buses used in the department, including those used on field trips, ones used when assigned drivers are ill, etc. The department also includes 11 mechanics, two parts persons and three office personnel.

Transportation director Frame said that each person in the department contributed to the national honor and first place award. He also said that he asks the Lord each day for the safety of the students and the bus drivers and added that "it all goes back to the Lord."

Prior to the presentation of the certificates, Mary Solomon, school bus driver, sang a moving solo, "Somebody Bigger than You or I."

The facilities and the barbecue were arranged through the generosity of J. P. Hall Jr.●

ST. FLORIAN CHURCH CELEBRATES ITS 75TH ANNIVERSARY

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. HERTEL of Michigan. Mr. Speaker, I would like to take this opportunity to give special recognition to the 75th anniversary of St. Florian Church in Hamtramck, Mich. For 75 years, St. Florian has enhanced the ethnic identity, education, and heritage of its parish.

Among the highlights of its history, Pope John Paul II visited St. Florian Church when he was a cardinal in September 1969. Three years ago, in December 1980, St. Florian's Christmas Midnight Mass was nationally televised by ABC.

The parish, established in October 1907 to serve the residents north of the boulevard and the railroad tracks, immediately began a commitment to education. Just 1 year after the parish was established, St. Florian built its first church-school building for elementary education. Under the guidance of the Felician Sisters, children were offered a first rate Catholic education.

By 1912, the school enrollment had increased to 477 students. By 1925, enrollment in St. Florian Elementary School had reached 2,900, and had firmly established itself as a unifying force within the community.

Not only did St. Florian meet the educational demands of elementary students within its parish, but also the demands of high school students. In 1940, Father Walkowiak founded St. Florian High School, and admitted a freshman class of 74 students. Four years later, 31 students had graduated from St. Florian High School, and the total enrollment had increased to 234 students. Today the enrollment is 380 students.

In addition to an educational commitment, St. Florian established the popular strawberry festival. Fourteen years ago, the first strawberry festival was held to enhance the art, craft, and music programs of the school. The attractiveness of this festival has since caught the attention of all Metropolitan Detroit.

Mr. Speaker, I would like to give special recognition to St. Florian Church, for its commitment to community action, which has enabled its members to preserve their heritage.●

PERSONAL EXPLANATION

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. SKELTON. Mr. Speaker, for the record, last week, the Small Business Subcommittee on Energy, Environment and Safety, which I chair, held a field hearing in California. The subject of the hearing was one of the Nation's largest hazardous waste landfills which is situated in the middle of a residential/business community. Our purpose was to gather information on the health effects, and the economic effects of the landfill on the surrounding area. We chose to hold the hearing on a day the landfill was in operation, therefore, I was absent from the House on Thursday, June 2 and Friday, June 3. As a result I was unable to record my votes on those days.●

NUCLEAR BUILDDOWN DELUSION

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. MARKEY. Mr. Speaker, Senator ALAN CRANSTON has written a superb analysis of the current arms control debate. I urge all my colleagues to read this thoughtful article. Senator CRANSTON has led the fight for the Kennedy-Hatfield nuclear

weapons freeze in the Senate Foreign Relations Committee. He has strengthened the nuclear freeze movement all around the country and is one of this Nation's leading scholars and political leader on the issue of arms control. His article should be read by all.

The article follows:

[From the Los Angeles Times, June 9, 1983]

THE NUCLEAR BUILD-DOWN DELUSION—PROPOSAL IS CATCHING ON, BUT RELIES ON UNREALISTIC ASSUMPTIONS

(By Alan Cranston)

President Reagan is embarked on a public-relations campaign designed to persuade skeptics at home and abroad that he is committed to achieving equitable nuclear-arms reductions with the Soviet Union.

A critical element in this campaign was the recent White House move toward endorsement of the nuclear "build-down" proposal, which has gained bipartisan support from several respected members of the Senate Armed Services Committee. This proposal would seek to curb the nuclear-arms race by attaining U.S. and Soviet agreement to retire two nuclear warheads for every new one deployed.

The President endorsed the "build-down" concept in a letter that he circulated last month on the eve of congressional voting on the MX missile. When moderate swing votes then fell into line behind the MX, the build-down proposal was elevated to new prominence. And now key congressmen are publicly conditioning their future support for the MX on the President's willingness to follow through on his suggestion that he might make a build-down proposal to the Soviets in the Geneva nuclear-arms talks.

Opponents of the MX were of course dismayed by Congress' vote giving the green light to further production of the dangerous, destabilizing MX missile-without-a-mission. But it was also disconcerting to witness the congressional rush toward the ineffectual build-down proposal now being offered by many as a panacea for the cancer that is the nuclear-arms race.

Build-down is advertised as a practical means of curbing the nuclear-arms race while permitting "stabilizing" arms modernization. Proponents argue that it "would permit the replacement of aging weapon systems with more survivable systems" by requiring the superpowers "to eliminate two older, less stabilizing nuclear warheads" for each new warhead deployed.

At the heart of the build-down are two related assumptions that could prove to be dangerously unrealistic. These assumptions are that our strategic planners will move us toward deployment of more survivable weapons systems, and that these new systems will somehow stabilize the arms competition.

First, aging weapon systems are not necessarily being replaced by more survivable systems. In fact, the vote that rescued the MX—with the help of those who support the build-down—also would have it installed in fixed silos that this Administration has long insisted are not survivable.

Second, new U.S. and Soviet deployments are not necessarily more stabilizing. Putting 10 highly accurate warheads on MX missiles in each of the "vulnerable" U.S. silos limits this weapon primarily to first-strike use, while the Soviets' deployment of hundreds of mobile, three-warhead SS-20s exposes all European capitals to attack virtually without warning.

Proponents argue that, under build-down, prudent defense planners would soon move toward deployment of more survivable systems. But there is little in current deployment practices to justify this optimism. And, with more than 50,000 nuclear warheads in the superpowers' arsenals, it could take decades of costly modernization before we had "built down" to significantly lower levels of survivable systems.

In their eagerness to provide an arms-control gloss for their commitment to continued production of new nuclear systems, build-down proponents have ignored another basic fact governing U.S.-Soviet arms competition: With such enormous overkill in the U.S. and Soviet arsenals, the perilous nuclear-arms race is today much more qualitative than quantitative. It is the Sisyphean insistence that nuclear stability awaits after just one more round of modernization that drives the superpowers to waste so many billions on still more nuclear weapons. And adherence to the Orwellian logic that to get less we must first have more obscures the fact that we must first stop the escalating arms race if we are to achieve deep reductions.

The administration is now selling the MX to Congress as essential for arms control. It is making the same argument regarding plans to put 572 Pershing 2 and cruise missiles in Europe beginning this December.

This is not arms control. Neither is the build-down. These are prescriptions for a continued nuclear buildup, a continued waste of U.S. and Soviet human, financial and technological resources.

The buildup/build-down proposal is perhaps best understood by recognizing its source. It was first pushed by people who were concerned that the nationwide call for a nuclear freeze might hamper U.S. weapons modernization. It was offered in the House of Representatives as an amendment to kill the genuine nuclear-freeze resolution while providing an arms-control fig leaf for continued nuclear-arms production. It is now backed by a President who has refused to support ratification of three arms-control treaties that were accepted by the Soviets and negotiated by past Republican and Democratic Administrations (the SALT II, Threshold Test Ban and Peaceful Nuclear Explosions treaties) and who has walked away from a fourth, nearly completed, negotiation (Comprehensive Test Ban).

For those sincerely committed to real arms control now, there remains a simple, equitable, verifiable proposal that drew 81 percent support in a May Business Week/Lou Harris poll.

It's called the bilateral nuclear-weapons freeze.●

PERSONAL EXPLANATION

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. BONKER. Mr. Speaker, due to several longstanding commitments in my home district, I was unable to be present for a number of votes on Thursday, June 2, and Friday, June 3.

On June 2, Senator MARK HATFIELD and I hosted a major export trade conference in Portland, Oreg. The conference involved more than 500 individuals, representing the Pacific Northwest's ports, financial institutions, and exporting firms large and small. The all-day program included some of the top trade officials from both the region and Washington, D.C. The long lead time and elaborate preparations necessary for this type of major conference made it impossible to change plans when it became clear the House would be taking up substantive legislation.

I have already communicated to the leadership my frustration at the sweeping last-minute changes in Friday's schedule, so I will not dwell on that point here. It is a telling point—but certainly no consolation—that over 100 of my colleagues were also caught off guard by the heavy legislative schedule.

I would like to take a moment to highlight several of the key issues considered Thursday and Friday.

I strongly support the Wirth amendment to H.R. 3133, restoring EPA funding to 1981 levels and reaffirming a strong congressional commitment to a healthy environment. Since President Reagan took office, overall EPA funding has been slashed, and Agency personnel has been cut by nearly one-third. At a time when the threat posed by toxic wastes, acid rain, and other pollutants is increasing, the administration's cuts have severely undermined the Federal environmental protection effort. Adoption of the Wirth amendment is a step toward reversing these dangerous and shortsighted policies.

On a second issue, H.R. 3155, the legislative appropriations bill, includes a provision which I think is long overdue. The bill resolves the uncertainty over Members' pay that has developed in recent years, capping the salaries of Members of Congress and senior Federal executives at current levels. Since 1977, when Congress voted itself an automatic, annual cost-of-living increase, we have been in the position of voting each year to deny ourselves some or all of these accumulated salary increases. H.R. 3155 eliminates this accumulated but unrealized adjustment, setting salaries at current levels.

I have always believed that any actions affecting Members' compensation should be debated openly on the House floor, and subject to an independent, recorded vote. This direct and honest approach is the only way to deal with these difficult issues and help rebuild public respect for this institution.

Listed below are the votes from June 2 and 3, together with how I would have voted had I been present:

Rollcall No. 146: On resolving into the Committee of the Whole House on the State of the Union for the further consideration of H.R. 3133, HUD and independent agencies appropriations for fiscal year 1984. (Approved, 324 to 6). "Yea."

Rollcall No. 147: Wirth amendment to H.R. 3133, restoring the operating budget of the Environmental Protection Agency to fiscal year 1981 levels, an increase from less than $1.1 billion to $1.3 billion. (Approved 200 to 167). "Aye."

Rollcall No. 148: Boland Motion to report H.R. 3133 to the full House (Failed 144 to 225). "No."

Rollcall No. 149: Dannemeyer amendment to H.R. 3133, to prohibit the use of funds to impose sanctions upon any local area for failure to attain national air standards under the Clean Air Act. (Approved 227 to 136). "Aye."

Rollcall No. 150: Boland Motion to report H.R. 3133 to the full House. (Approved 241 to 120). "Aye."

Rollcall No. 151: Final passage of H.R. 3133. (Approved 216 to 143). "Yea."

Rollcall No. 152: H.R. 3135, legislative branch appropriations for fiscal year 1984. Walker amendment to reduce committee staff funding. (Failed 142 to 213). "No."

Rollcall No. 153: Final passage under suspension of the rules of S. 639, Lebanon Emergency Assistance Act of 1983. (Approved 276 to 76). "Yea."

Rollcall No. 154: On approving the Journal for the previous day's proceedings. (Approved 283 to 21). "Yea."

Rollcall No. 155: On resolving into the Committee of the Whole House on the State of the Union for the further consideration of H.R. 3135, legislative branch appropriations for fiscal year 1984. (Approved 301 to 10). "Yea."

Rollcall No. 156: Gregg amendment to H.R. 3135, to reduce funding for standing and special committees. (Failed 133 to 189). "No."

Rollcall No. 157: Barlett amendment to H.R. 3135, to reduce funding for congressional office expenditures. (Rejected 156 to 160). "No."

Rollcall No. 158: Hunter amendment to H.R. 3135, to reduce funding for reimbursement of official mail costs. (Rejected 134 to 173). "No."

Rollcall No. 159: Hiler amendment to H.R. 3135, to reduce funding for the nonpartisan Congressional Budget Office. (Rejected 141 to 164). "No."

Rollcall No. 160: Brown amendment to H.R. 3135, to reduce funding for maintenance, care, and operation of the House Office Buildings. (Rejected 101 to 193). "No."

Rollcall No. 161: Final passage of H.R. 3135. (Approved 184 to 104). "Yea."●

NEWPORT AND THE NAVY

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. FRANK. Mr. Speaker, the Fall River Herald News recently published a thoughtful editorial making several strong arguments in favor of the selection of Newport, R.I., as the new base for the battleship group scheduled to be home ported in the Northeast.

I agree with the Herald News. Taking into account both strategic and economic considerations, Newport would be an excellent choice. The Navy should know that the people of Rhode Island and of southeastern Massachusetts will welcome eagerly a decision to select Newport as the base for these ships, and there will be national and regional economic benefits to the choice.

The editorial follows:

[From the Fall River (Mass.) Herald News, June 1, 1983]

NEWPORT AND THE NAVY

The Navy is planning to berth a battleship and as many as seven escort vessels in a northeastern port.

That much is certain.

The Navy has made clear that it no longer plans to concentrate the nation's fleet in Norfolk, Virginia, or San Diego, California, alone.

In its new strategy of dispersing the fleet, one of the major changes will be the use of a port in the northeast.

Being seriously considered are New York and Boston, as well as Newport.

Newport was a relatively late-comer, and in fact, was not initially enthusiastic about the possible return of the fleet.

It was still smarting from the economic wound the Navy had dealt it when it unceremoniously withdrew the units that were at that time so important to the economy of Newport and, secondarily, this area too.

Newport has fought back to a prosperity as a resort center that at the time the Navy withdrew, was still in the future.

In any case, the degree of its present popularity would have been considered beyond all the bounds of possibility at the time the Navy left.

With the Pentagon reconsidering its strategy, Newport initially felt it could afford to be less than overwhelmingly enthusiastic.

Its attitude has changed, however, and now it has made clear that it will welcome the fleet's return.

Meanwhile, both New York and Boston have registered great interest in being the port city for the northeast.

Against this background, the Navy is perhaps wisely taking its time in making a decision about which port to use.

An interview with Navy aides indicates that factors that will help determine where the battleship and the escort vessels are sent include the economic impact of its presence, but also the available facilities for the fleet personnel.

It can hardly be disputed that the economic impact of Newport being the choice would be most beneficial to Rhode Island and this part of Massachusetts.

Even less disputable is the fact that Newport has existing facilities for any number of persons that would be lodged wherever the vessels are berthed.

Both New York and Boston can make strong claims, and may well have greater political clout, but it is hard to believe that either has a greater economic stake in the fleet's presence than Rhode Island or southeastern Massachusetts.

Furthermore, the fact that Newport was the traditional home port of the North Atlantic fleet should not be disregarded.

Newport was not the traditional base for sentimental reasons. It was used because it has one of the best harbors in the world for vessels of any size, and because of its location, has covered and protected the maritime approaches to New York as well as New England since the Revolution.

Newport's importance in the naval history of the United States is unrivalled.

There is no real reason why the relatively brief hiatus that is still going on should affect the future use of Newport's harbor and base facilities.

It should not be overlooked either that the presence of the buildings and the housing developments that the fleet used until so recently would also represent a vast saving for the Navy in reestablishing it as a port.

On all levels, then, it is to be hoped that the Navy gives favorable consideration to making Newport once again the home port for the North Atlantic fleet.●

EQUAL PAY ACT ANNIVERSARY

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. FAZIO. Mr. Speaker, today we are marking an auspicious anniversary—20 years ago the Equal Pay Act became law, taking its place alongside the other landmark civil rights legislation of the 1960's. The act forbids unequal pay for women and men who work in the same establishment and whose jobs require equal skill, effort, and responsibility. This anniversary is a cause for celebration, because we as a nation have eliminated some of the most blatant forms of employment discrimination against women over the past 20 years. Though this date presents us with the opportunity to reflect on the accomplishments of the past 20 years, it is also an occasion for rededicating ourselves to completing the task of ridding the American workplace of all forms of wage discrimination.

Studies of the effects of the Equal Pay Act reveal some disturbing statistics. In 1960, among full-time workers, a woman earned 60.8 cents for every dollar earned by a man. By 1979, however, women were paid only 59.6 cents for every dollar paid to a man. During the past two decades, the proportion of women in the work force has risen from 38 to 53 percent, with most working out of economic necessity to help support their families. In 1982, more than 2½ million wives were the only employed family members—an increase of 44 percent in 4 years. Additionally, families headed by women with no husband present are 11 percent of all households, further illustrating the necessity for these women to receive equal pay when their job requires the same skill, effort, and responsibility as a man's. However, most of the new women workers have entered the service industries which are already dominated by women, and not the skilled blue-collar jobs where the Equal Pay Act would allow them to receive the high wages paid to men.

The bottom line is that there is still work to be done. I would urge my colleagues to rededicate themselves to insuring that the working women of our Nation receive no less than full eco-

nomic justice and equity under the law. Our predecessors in the Congress took the first step 20 years ago with the passage of the Equal Pay Act. It remains for us to strengthen that guarantee made 20 years ago, that sex shall not be the determining factor when providing compensation for a job well done.●

PERCEPTIONS OF THE HOLOCAUST

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. SCHUMER. Mr. Speaker, I would like to call your attention to the winning essays and poems in the 1983 B'nai B'rith essay and poetry contest. The subject of these moving works is the Holocaust, and the thoughts and impressions these young men and women have of it are extremely powerful. These essays and poems convey the full range of atrocities that occurred during this period and serve to remind us that the past is indeed not forgotten. Inhumanity must never triumph again.

THE SILENT SIX MILLION

The barbed wire is rusted,
trailing on the ground from rotted posts.
The barracks stand, forbidding and mute,
with the wind rushing through the decaying doors.
The grounds are overgrown with coarse weeds,
blotting out the paths to the fiery furnaces.
The smokestacks stand like sentinels against the sky,
grisly reminders of a bygone time.
As we stand and gaze, the memories come rushing.
Why, oh why was this condoned?
The few angry voices, unheard by an insensitive world.
Heed not the pleas of those who would remove this place.
But let it stand erect for all time and speak.
With a far greater eloquence than voices crying now what might have been.
While from above the six million stare down at those who turned a deaf ear to their anguished cries.

JULIA MALIN,
P.S. 217, 6-513.

As the world sat back,
Six million people died,
And the Nazis didn't care,
How hard the children cried.

This was a time of symbols,
Swastikas and stars,
This was a time of murder,
And everlasting scars.

The sky was filled with human smoke,
The day was changed to night,
Hitler's ovens burned the sky,
While his armies proved their might.

All know the horror,
All know the tears and pain,
Even those not yet born,
Say "Never Again!"

And when at last it was over,
And peace came again world-wide,
No one could ever forget how hard the
Children cried.

JESSICA SOFIER,
P.S. 193, 6-507.

THE HOLOCAUST

Are men so insensitive,
Cruel and unjust,
To take lives of the innocent,
And kill them off?
The Holocaust,
Are men learning by history,
Or are we ever to repeat
Such hate!
No one is perfect
We all have emotions
May we learn by the sacrificed lives,
May they not be in vain
May no one be judged by Race, Color or Creed.
For then we may repeat
The Holocaust.
I hate the thought it ever happened,
I hate the thought no one seemed to care,
I hate the thought it might be forgotten,
I hate the thought it could happen all over again.

FRANCES ORTIZ,
P.S. 279, 6-318.62.

THE HOLOCAUST—THOUGHTS AND IMPRESSIONS

Their troops came marching in, they never left.
We were tossed out of our homes
Our identities lay amongst the ashes.
Our feeling were abandoned when our hair was chopped off.
We were forced into the hands of a tyrant.
He, to some, was the almighty, greater than God
But, to us he was nothing more than a savage beast who spared none.
The ruins, our ruins, lay in the Warsaw ghetto
Nothing was left of the people who lived there.
Memories of good times were killed along
With the six million of our people who perished.
We had barely any hope and little chance
Of survival but we never gave up.
When our one source of happiness was taken
From us, when our children were murdered
In front of us and when we were branded like cattle, we prayed.
Oh God, how we prayed, hoping that
Someday this torment and devastation would end.
Why, we would ask God, why be it the Jews who always suffer?
It took a while but out prayers were answered!
He, the tyrant, tried to exterminate us from this earth.
Many he killed but what he could not destroy
Was our love to live and our strong belief in ourselves
That is how we survived.

JENNIFER SHELDON,
J.H.S. 142, Grade 7.

THE HOLOCAUST: A TIME OF TERROR

Some recall its dim beginnings;
Before the massacres, before the killings;
The deaths so many, the survivors so few;
The pain and tortures that so many went through;
Behind barbed fences and thick brick walls;
The horrors so great that every witness recalls;
These were death camps, where so many prisoners would die;
So many rumors, so many a lie;
And as the war was ended, the truth came out;
The rumors were true, beyond any doubt;
The camps are still there, a remainder to all;
And if one were to listen, you can hear the spirits call;
Remember . . .

RICHARD KRINSKY,
J.H.S. 234, 9-32.

THE HOLOCUAST

The Holocaust was an awful time,
An awful time indeed;
The Jews were living in filth with pain,
And everyone in need.

Hitler's so-called "superior race",
Showed its cowardness when;
They attacked the Jews with murder weapons,
Time and time again.

They reduced the value of human life,
To a very low degree;
Because of that madness Hitler's,
"Final Solution" decree.

"Absolute power corrupts absolutely",
As said by someone wise;
He must have looked at Hitler,
And saw that in his eyes.

The Jews who died at the Germans' hand
May not have died in vain;
We may have learned a lesson,
A lesson laced with pain.

We are all the children of our God,
And every life is dear;
When we look back on this disaster,
We all will shed a tear.

JESSE KAVADLO,
J.H.S. 68, 7SPE.

THE HOLOCAUST: MY THOUGHTS AND IMPRESSIONS

My recent readings concerning the holocaust have had a profound effect on my life. Up to then, I was relatively sheltered from this dark period in history, despite an extensive religious background. If I had lived in Europe at that time, as some of my relatives, I would have been imprisoned or slaughtered because of my Jewish faith.

How did this occur and how can it be avoided in the future? These are the lessons to be learned from the holocaust. Who were these butchers and how did they convince others to carry out these hideous deeds? Reading about the architect, Albert Speer, taught me that the so-called intelligent group of Germany, who didn't want to get involved in something political, were responsible for the power of Adolph Hitler, as a result of their indifference.

Why didn't the United States, supposedly a pillar of freedom, come to the aid of these victims of the holocaust? Places like Auschwitz were public knowledge at a certain point. The rest of the non-Jewish world just closed their eyes and hearts to these cries of agony.

Yet one can not denounce all of mankind for not preventing the holocaust. There were many who rose to the occasion, like Raoul Wallenberg, the Christian warrior, who risked his life over and over again to save thousands. The stories of these heroes, Anne Frank, and many others, showed me that there was some deep compassion to be found.

But how can one ensure the saying "never again"? One must accept the fact that it could happen again, even in our own country. In todays difficult economic times, similar to post World War I Germany, it is conceivable that radicals could twist events to turn masses against a few. Minorities in any country must not close their eyes to this.

To say never again is not enough. Words must be replaced by a voice of activism. The continuation of the State of Israel is a prime example. The stereotype of a Jew being a meek, pious person, has been replaced in reality by perhaps the finest soldier in the world.

I do not preach pure violence, but I feel that an active response initially to all the patterns that led to the holocaust, would help prevent such destruction of human life. Violence against any form of humanity must be met with a strong hand. It calls for strong actions and not gentle words.

SUSAN OFSIE,
H41-1, Mr. Gluck.

THE HOLOCAUST

The story's told in many ways
In movies, books and plays;
The tragic memory must live on
No matter length of days.
Some bow their heads,
Some close their eyes,
And others turn their backs;
No matter what they try to do
They must accept the facts.
Six-million men, not long ago,
Fell prey to genocide
A heinous crime of man to man
Such scar we can not hide.
There is no way we can forget
No way to compensate
No way that men can e'er erase
This plague of terrible hate.
Premeditated murder
An almost perfect plan
If man will someday be destroyed.
His assassin will be man.

LISA HILL,
Samuel J. Tilden High School.

THE THUNDER OF THE HOLOCAUST

Thunder! or an explosion; perhaps it was a knock at the door,
I'm so disgusted with everything now, I can't remember any more.
To think back to that terrible night,
When harsh footsteps echoed through the hall,
Then, Time was on a rapid flight,
But all fatigued now, it has slowed to a crawl.
We thought it impossible—it couldn't happen to us,
They even told us that we'd be safe, and there was no
Need to make a fuss.
Although for a moment we believed,
Our instincts strongly steered us right.
We could not be wholly deceived,
Instead, we listened stiffly to our fright.
We knew where we were headed for
When we saw the muddy wheels of the Nazi jeep,
That represented ruthless torture, and gore,
A vision that I would for long keep,
Others knew it, too—I inferred so from their ways
Because some seemed shocked, or in a daze.
Hands quivered and twitched and trembled and shook,
Some furtively grasping the Holy Book.
The children were silent; as if too old for their years,
They saw their mama's and papa's eyes
Fighting back desperate tears.
I soon smelled forest--the dampness, the dew,
Ironically, a place where things flourished and grew.
We jumped off the truck, yearning for air,
While the soldiers shouted for us to go there!
There, was a large foundation,
Over my skin ran a tingling sensation.
Those singled out, climbed inside, amidst all the wailing,
I soon felt my mind drifting and sailing.
How did they feel? I began to wonder.
For only a moment, because then I heard something like
Thunder! Again.
After that scary, peace-shattering sound,
The last pebbles skipped across the ground.
Along its path, the truck continued,
To bring me to this place,
A camp where horrors are constantly viewed,
A discredit to the human race.

SIMMY HABER,
South Shore High School, 201.●

MICHIGAN CONFERENCE VIEWS THE HUMAN DIMENSION OF JAPAN'S ECONOMIC PERFORMANCE

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. BROOMFIELD. Mr. Speaker, a remarkable 2-day conference, The Human Dimension of Japan's Economic Performance, was held recently in Michigan where Japanese economic competition has been of special concern, especially to the unemployed auto industry workers in my congressional district.

The convention was originated and managed by Prof. Paul Tai, director of Asian studies at the University of Detroit, and was supported principally by the Michigan Council for the Humanities along with its parent, the National Endowment for the Humanities.

The conference made a very original and useful contribution to our understanding of the profoundly complex cultural significance of Japanese economic competition and helps us to avoid the sometimes too simplistic view that knowledge alone of economics or engineering is enough for understanding clearly, and therefore dealing effectively, with such a problem.

The Michigan Council for the Humanities is to be commended for recognizing the importance of Professor Tai's conception and for providing substantial support for such a practical application of the humanities perspective to one of Michigan's most important problems.

Mr. Speaker, the following brief evaluation, prepared for the Michigan Council for the Humanities, provides an illuminating glimpse of what took place at this remarkable conference.

THE HUMAN DIMENSION OF JAPAN'S ECONOMIC PERFORMANCE

In making an evaluation of the conference, primary consideration centered on whether the subject matter of the meetings had been dealt with successfully in terms of the Humanities, as defined by MCH guidelines. Because the Michigan economy has suffered more severely from Japanese competition than has the economy of any other section of the country, the Japanese economy has been the object of special interest and discussion in Michigan. Study and discussion have usually jumped off from the bare engineering and general business considerations. Predictably, the kind of questions raised and the answers sought for have been quite narrowly construed from within the disciplines of economics and engineering, or as they might appear to businessmen dealing with their customary problems. In the technical-business environment, it is not usually apparent that rich and even indispensable insight may be gained from bringing to bear such seemingly esoteric humanities disciplines as the history and business of making music, the study and use of language, the quality of Japanese education, the pervasive effects of Japanese religion, the role of the individual versus the group in Japanese society, or the role of the family in society and of the individual within the family, or any such perspectives as understood from the point of view of the Humanities. As a businessman, this evaluator can say that such narrowness of vision has undoubtedly led to defective analysis and inadequate programs of action by business, and caused even a certain bewilderment when attempting to understand the various aspects of Japanese economic behavior.

Professor Tai and his planning committee sought to bring such humanities perspective to bear in a manner that would make their relevance become clear. To hope to achieve so much in a brief two days, even to open the door for a glimpse of overlooked possibilities in a convincing way, was a risky challenge. The present evaluation of the conference has been to estimate the success of Professor Tai's conference in meeting such a challenge.

After a preliminary and illuminating discussion on May 16 with the program director, Professor Paul Tai, the writer attended the conference on May 20-21. In the discussion with Professor Tai, it became evident that the backgrounds of the members of the planning committee were more deeply humanistic than the formal description of their current employment might suggest. For example, several members described only as government officials, and another described only by a home address, actually had a background in Asian or Japanese historical studies.

As planned, four to five workshops were scheduled to operate simultaneously in different rooms. Each lasted several hours. Several workshops were repeated during the conference, to ensure all conferees of an opportunity to attend any desired sessions. Six workshops were chosen to be observed for evaluation during the two days, the six being considered the "riskiest" among those listed, in terms of the presumed difficulty of making the humanities subject matter clearly relevant to the kind of audience-participants expected to be present (mostly businessmen and technicians.)

"Business of Music and Arts in Japan" was the first workshop evaluated. This was

a hard test of the conference at its outset. Given the other workshops simultaneously active, it was an open question whether the subject could attract attendance and inspire participation by conferees, in competition with other more obviously "relevant" workshops. It was a test, also, of the workshop leaders. Could they make the difficult bridge between Japanese music and art and Japanese economic performance?

As the members of the well-attended workshop became aquainted, the writer found himself next to two Chrysler engineers, and across from a lawyer engaged in overseas practice who had come from Chicago, an interior decorator from Birmingham, and a retired Japanese businessman, among others. The advance promotion and publicity effort had clearly had widespread effect in attracting the interest of active, busy people and convincing them, at the outset, of the relevance of topics not usually perceived as essential for understanding the "Japanese Economic Performance." The attendance at this apparently esoteric workshop further confirmed the conclusion arrived at during the opening general session, which was so crowded that people were standing at the back of a good-sized hall. Professor Tai's introductory talk was a model of clarity and tact, and helped effectively to orient the surprisingly diverse conferees, before they dispersed throughout the building to attend their chosen workshops.

One or two representative examples only will be cited to indicate the subtle, but convincing, cultural relationship between music and the economy, in a broad if indirect sense. In Japan, there are groups of people in various parts of the country who come together weekly to sing—the same song. Each week they come together to sing the song again, in an effort to perfect their performance. At the end of a year, many groups come together in one place for a contest—to choose the most nearly perfect rendition of this one song. What interests them is the attainment of the highest possible standard of quality for the single song. The great respect for high standards, and the profound involvement of the individual in the group-setting of standards is clearly demonstrated. The conclusion becomes evident that it is a mistake to think of the high standards of performance in economic matters as a phenomenon isolated from the rest of the culture. Such an attitude, it becomes clear, is deeply involved in the entire Japanese culture and can only be adequately understood as such.

A sense of discipline is, moreover, seen to be deeply involved in other musical activities, as is pride in the achievement of the group rather than of the individual. Such rigorous discipline and group standards are also evident in Japanese art.

In music, solo performance is unknown. It is the group that performs. Each player is meticulously trained according to a teacher whose style conforms to a known and named tradition, but the individual always expresses himself in the context of the group.

Pride in standards, pride in discipline, pride in group performance: these qualities in making music are a part of a complex cultural phenomenon, reflected, also, in the Japanese economic performance. It is worth repeating, such characteristics are not purely an economic phenomenon. To treat them as such is to be a victim of faulty analysis, which can lead to faulty action, and even bewilderment.

Other humanities workshops, such as Japanese language and literature, provided a perspective on the astonishing adaptability of the Japanese to new technical situations, not easily understood in view of the general cultural traditionalism. The language is in such a state of growth, it was stated, that a new book could be published, more than an inch thick, containing the new words added in any single year.

In another workshop, a Japanese mother, living temporarily in the United States, talked of the problem of her son learning the Japanese language while living abroad. Despite the custom of speaking Japanese at home and attending a local Japanese language school one day each week, while attending American schools, she feared that the speed of change of the language would make him somewhat handicapped in speaking the language, should he return to Japan.

Other workshops, from the point of view of the humanities, were similarly helpful in deepening an understanding of Japanese economic performance. Besides the Music and Art workshop and the Language and Literature workshop, the writer attended workshops on Education, on popular Culture as shown in films, on the Life-style of Japanese in the city and on the farm, the Power of Women in the Japanese Culture (especially surprising), and Industrial Management Problems as seen by Japanese managers and by American managers. Thomas W. Miner, V. P., of Chrysler Corp., described what he had learned from the Japanese about the aesthetic response of workmen to their environment and its effect upon their work behavior.

There emerged from the workshops a paradoxical and complex picture of the Japanese culture, at once intensely traditional, rigorous, devoted to high standards, disciplined, group-oriented, yet capable of adaptation and change, at the technical level, at sometimes breath-taking speed. Even the Japanese have difficulty keeping up with their own language changes, many of which are related to technical changes such as the use of computer technology. Yet the basic social attitudes remain remarkably constant, as many of the cultural activities retain a remarkably conservative pattern. Individual performance remains strictly constrained by group norms.

Not all the workshops were so centrally concerned with the humanities as were those which I chose to attend, but all of the workshop leaders were evidently aware of the importance of the humanities perspective, and businessmen like Miner were conscious of the need for emphasizing such a perspective at this conference, as I learned at the social hours from my discussions with conferees who were able to attend workshops where I was unable to be present.

The considerable group of Japanese businessmen present entered freely into the discussions, and on such matters as education, the give and take was lively, almost heated, but always notably politic. I was told that there were more Japanese experts present than at any previously held meeting in the area.

The Japanese atmosphere of the conference was maintained by an exhibition of Japanese artifacts, in the centrally-located atrium, and the playing of Koto music during the luncheon breaks. Japanese box lunches were availble for purchase by conferees.

Every effort was made to aid the convenience of the conferees, including free parking and two social hours which were heavily attended. At the end of the conference, after two days of intense activity, when fatigued conferees are usually in a hurry to leave a long conference, such was the continuing interest that the writer was able to observe, during a half hour, only two persons leaving for the nearby parking lot.

In the judgment of this writer, the potentially difficult conference was a remarkable success. Observing Professor Tai, who regularly visited the working groups during the two days, the writer was impressed in his original impression of Professor Tai's personal and professional fitness for the task of originating and carrying through such a conference. A highpoint of the conference, indeed, was a remarkable video take of Professor Tai's interviews with American workmen at a Japanese owned and managed manufacturing plant, located at Smyrna, Tennessee.

In the judgment of this evaluator, MCH funds were very effectively used for this conference, and guidelines were well understood and fully complied with. The evaluator would be hard put to name significant defects in planning or performance of the objective, as stated in the original proposal to MCH.●

DOUBLETHINK—DOUBLEPLANT

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. STARK. Mr. Speaker, in the world of agricultural price support programs, George Orwell's "1984" has already arrived.

This winter, we started a payment-in-kind (PIK) program to pay farmers for not planting; the payment was not cash, but supplies of the crop they did not plant.

But now we find we do not have enough wheat to pay the farmers who agreed not to grow wheat.

So we are asking those farmers to plant some wheat.

So that the Government can buy it from them to pay them.

For not planting.

This is called not growing your own cake and eating it too.

This $18 to $20 billion program should stop.

There has to be a better way to save the family farms.●

BILINGUAL EDUCATION: WHO KNOWS BEST?

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. GOODLING. Mr. Speaker, as you may know the Elementary, Secondary, and Vocational Education Subcommittee held a hearing on June 7 on the proposal to reform the Bilingual Education Act, H.R. 2682 intro-

duced by my colleague JOHN ERLENBORN and me. That hearing involved the Secretary of Education as well as a panel of experts representing several major national education organizations, Albert Shanker of the American Federation of Teachers, Prof. Diane Ravitch one of the authors of the "Twentieth Century Fund" report on education in America, and the director of a bilingual education program from one of the nation's major school systems. All of these witnesses enthusiastically endorsed the major provision of H.R. 2682 which states, in essence, that the Federal Government should not dictate the specific method of bilingual instruction for local school systems under the Bilingual Education Act.

The essay in the most current issue of Time magazine gives an excellent analysis of the bilingual education problem in this Nation and I commend this article for review by my colleagues. The Time essay from June 13, 1983 appears below:

[From Time Magazine, June 13, 1983]

AGAINST A CONFUSION OF TONGUES

(By William A. Henry III)

"We have room for but one language here, and that is the English language, for we intend to see that the crucible turns our people out as Americans and not as dwellers in a polyglot boarding house."—Theodore Roosevelt

In the store windows of Los Angeles, gathering place of the world's aspiring peoples, the signs today ought to read, "English spoken here." Supermarket price tags are often written in Korean, restaurant menus in Chinese, employment-office signs in Spanish. In the new city of dreams, where gold can be earned if not found on the sidewalk, there are laborers and businessmen who have lived five, ten, 20 years in America without learning to speak English. English is not the common denominator for many of these new Americans. Disturbingly, some of them insist it need not be.

America's image of itself as a melting pot, enriched by every culture yet subsuming all of them, dates back far beyond the huddled yearning masses at the Baja California border and Ellis Island, beyond the passage in steerage of victims of the potato famine and the high-minded Teutonic settlements in the nascent Midwest. Just months after the Revolution was won, in 1782, French-American Writer Michel-Guillaume-Jean de Crèvecoeur said of his adopted land: "Individuals of all nations are melted into a new race of men." Americans embittered by the wars of Europe knew that fusing diversity into unity was more than a poetic ideal, it was a practical necessity. In 1820 future Congressman Edward Everett warned, "From the days of the Tower of Babel, confusion of tongues has ever been one of the most active causes of political misunderstanding."

The successive waves of immigrants did not readily embrace the new culture, even when intimidated by the xenophobia of the know-nothing era or two World Wars. Says Historian James Banks: "Each nationality group tried desperately to remake North America in the image of its native land." When the question arose of making the U.S. multilingual or multicultural in public affairs, however, Congress stood firm. In the 1790s, 1840s and 1860s, the lawmakers voted down pleas to print Government documents in German. Predominantly French-speaking Louisiana sought statehood in 1812; the state constitution that it submitted for approval specified that its official language would be English. A century later, New Mexico was welcomed into the union, but only after an influx of settlers from the North and East had made English, not Spanish, the majority tongue.

Occasional concentrations of immigrants were able to win local recognition of their language and thereby enforce an early form of affirmative action: by 1899 nearly 18,000 pupils in Cincinnati divided their school time between courses given in German and in English, thus providing employment for 186 German-speaking teachers. In 1917 San Francisco taught German in eight primary schools, Italian in six, French in four and Spanish in two. Yet when most cities consented to teach immigrant children in their native Chinese or Polish or Yiddish or Gujarati, the clearly stated goal was to transform the students as quickly as possible into speakers of English and full participants in society.

Now, however, a new bilingualism and biculturalism is being promulgated that would deliberately fragment the nation into separate, unassimilated groups. The movement seems to take much of its ideology from the black separatism of the 1960s but derives its political force from the unprecedented raw numbers—15 million or more—of a group linked to a single tongue, Spanish. The new metaphor is not the melting pot but the salad bowl, with each element distinct. The biculturalists seek to use public services, particularly schools, not to Americanize the young but to heighten their consciousness of belonging to another heritage. Contends Tomás A. Arciniega, vice president for academic affairs at California State University at Fresno: "The promotion of cultural differences has to be recognized as a valid and legitimate educational goal." Miguel Gonzalez-Pando, director of the Center for Latino Education at Florida International University in Miami, says: "I speak Spanish at home, my social relations are mostly in Spanish, and I am raising my daughter as a Cuban American. It is a question of freedom of choice." In Gonzalez-Pando's city, where Hispanics outnumber whites, the anti-assimilationist theory has become accepted practice: Miami's youth can take twelve years of bilingual public schooling with no pretense made that the program is transitional toward anything. The potential for separatism is greater in Los Angeles. Philip Hawley, president of the Carter Hawley Hale retail store chain, cautions: "This is the only area in the U.S. that over the next 50 years could have a polarization into two distinct cultures, of the kind that brought about the Quebec situation in Canada." Professor Rodolfo Acuña of California State University at Northridge concurs. Says Acuña: "Talk of secession may come when there are shrinking economic resources and rising expectations among have-not Hispanics."

Already the separatists who resist accepting English have won laws and court cases mandating provision of social services, some government instructions, even election ballots in Spanish. The legitimizing effect of these decisions can be seen in the proliferation of billboards, roadside signs and other public communications posted in Spanish. Acknowledges Professor Ramon Ruiz of the University of California at San Diego: "The separatism question is with us already." The most portentous evidence is in the classrooms. Like its political cousins, equal opportunity and social justice, bilingual education is a catchall term that means what the speaker wishes it to mean.

There are at least four ways for schools to teach students who speak another language at home:

(1) Total immersion in English, which relies on the proven ability of children to master new languages. Advocates of bilingual education argue that this approach disorients children and sometimes impedes their progress in other subjects, because those who have already mastered several grades' worth of material in their first language may be compelled to take English-language classes with much younger or slower students.

(2) Short-term bilingual education, which may offer a full curriculum but is directed toward moving students into English-language classes as rapidly as possible. In a report last month by a Twentieth Century Fund task force, members who were disillusioned with the performance of elaborate bilingual programs urged diversion of federal funds to the teaching of English. The panel held: "Schoolchildren will never swim in the American mainstream unless they are fluent in English."

(3) Dual curriculum, which permits students to spend several years making the transition. This is the method urged by many moderate Hispanic, Chinese and other ethnic minority leaders. Says Historian Ruiz: "The direct approach destroys children's feelings of security. Bilingual education eases them from something they know to something they do not."

(4) Language and cultural maintenance, which seeks to enhance students' mastery of their first language while also teaching them English. In Hispanic communities, the language training is often accompanied by courses in ethnic heritage. Argues Miami Attorney Manuel Diaz, a vice chairman of the Spanish American League Against Discrimination: "Cultural diversity makes this country strong. It is not a disease."

The rhetoric of supporters of bilingualism suggests that theirs may be a political solution to an educational problem. Indeed, some of them acknowledge that they view bilingual programs as a source of jobs for Hispanic administrators, teachers and aides. In cities with large minority enrollments, says a Chicago school principal who requested anonymity, "those of us who consider bilingual education ineffective are afraid that if we say so we will lose our jobs." Lawrence Uzzell, president of Learn Inc., a Washington-based research foundation, contends that Hispanic educational activists are cynically protecting their own careers. Says Uzzell: "The more the Hispanic child grows up isolated, the easier it is for politicians to manipulate him as part of an ethnic voting bloc."

The signal political success for bilingualism has been won at the U.S. Department of Education. After the Supreme Court ruled in 1974 that Chinese-speaking students were entitled to some instruction in a language they could understand, the DOE issued "informal" rules that now bind more than 400 school districts. Immersion in English, even rapid transition to English, does not satisfy the DOE; the rules compel school systems to offer a full curriculum to any group of 20 or more students who share a foreign language. The DOE rules have survived three presidencies, although Jesse Soriano, direc-

tor of the Reagan Administration's $138 million bilingual program, concedes, "This is money that could be spent more effectively." About half of students from Spanish-speaking homes drop out before the end of high school; of the ones who remain, 30% eventually score two or more years below their age group on standardized tests. But it is hard to demonstrate the value of any bilingual approach in aiding those students. In 1982 Iris Rotberg reported in the Harvard Education Review: "Research findings have shown that bilingual programs are neither better nor worse than other instructional methods," Indeed, the DOE's review found that of all methods for teaching bilingual students English and mathematics, only total immersion in English clearly worked.

One major problem in assessing the worth of bilingual programs is that they often employ teachers who are less than competent in either English or Spanish, or in the specific subjects they teach. In a 1976 test of 136 teachers and aides in bilingual programs in New Mexico, only 13 could read and write Spanish at third-grade level. Says former Boston School Superintendent Robert Wood: "Many bilingual teachers do not have a command of English, and after three years of instruction under them, children also emerge without a command of English." Another complicating factor is the inability of researchers to determine whether the problems of Hispanic students stems more from language difficulty or from their economic class. Many Hispanic children who are unable to speak English have parents with little education who hold unskilled jobs; in school performance, these students are much like poor blacks and whites. Notes Harvard's Natham Glazer: "If these students do poorly in English, they may be doing poorly in a foreign language."

Even if the educational value of bilingual programs were beyond dispute, there would remain questions about their psychic value to children. Among the sharpest critics of bilingualism is author Richard Rodriquez, who holds a Berkeley Ph.D. in literature and grew up in a Spanish-speaking, working-class household; in his autobiography "Hunger of Memory," Rodriguez argues that the separation from his family that a Hispanic child feels on becoming fluent in English is necessary to develop a sense of belonging to American society. Writes Rodriguez: "Bilingualists do not seem to realize that there are two ways a person is individualized. While one suffers a diminished sense of private individuality by becoming assimilated into public society, such assimilation makes possible the achievement of public individuality" By Rodriguez's reasoning, the discomfort of giving up the language of home is far less significant than the isolation of being unable to speak the language of the larger world.

The dubious value of bilingualism to students is only part of America's valid concern about how to absorb the Hispanic minority. The U.S. despite its exceptional diversity, has been spared most of the ethnic tensions that beset even such industrialized nations as Belgium and Spain. The rise of a large group, detached from the main population by language and custom, could affect the social stability of the country. Hispanic leaders, moreover, acknowledge that their constituents have been less inclined to become assimilated than previous foreign-language communities, in part because many of them anticipated that after earning and saving, they would return to Puerto Rico, Mexico, South America or Cuba. Says Historian Doyce Nunis of the University of Southern California: "For the first time in American experience, a large immigrant group may be electing to bypass the processes of acculturation." Miami Mayor Maurice Ferré, a Puerto Rican, claims that in his city a resident can go from birth through school and working life to death without ever having to speak English. But most Hispanic intellectuals claim that their communities, like other immigrant groups before them, cling together only to combat discrimination.

The disruptive potential of bilingualism and biculturalism is still worrisome: millions of voters cut off from the main sources of information, millions of potential draftees inculcated with dual ethnic loyalties, millions of would-be employees ill at ease in the language of their workmates. Former Senator S.I. Hayakawa of California was laughed at for proposing a constitutional amendment to make English the official language of the U.S. It was a gesture of little practical consequence but great symbolic significance: many Americans mistakenly feel there is something racist, or oppressive, in expecting newcomers to share the nation's language and folkways.

Beyond practical politics and economics, separatism belittles the all-embracing culture that America has embodied for the world. Says writer Irving Howe, a scholar of literature and the Jewish immigrant experience: "The province, the ethnic nest, remains the point from which everything begins, but it must be transcended." That transcendence does not mean disappearance. It is possible to eat a Mexican meal, dance a Polish polka, sing in a Rumanian choir, preserve one's ethnicity however one wishes, and still share fully in the English-speaking common society. Just as American language, food and popular culture reflect the past groups who landed in the U.S., so future American culture will reflect the Hispanics, Asians and many other groups who are replanting their roots. As author Rodriguez observes after his journey into the mainstream, "Culture survives whether you want it to or not."●

GOLDEN ANNIVERSARY OF EDWARD AND MARY SOLTIS

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. LIPINSKI. Mr. Speaker, I would like to have my colleagues join the citizens of Illinois' Fifth District in a joyous event. Two outstanding civic leaders in my community, Edward and Mary Soltis, are celebrating their golden wedding anniversary on July 1, 1983. They were married on July 1, 1933, at St. Joseph's Church and have been as dedicated to serving their community as they have been in their love for each other.

Mr. Soltis, served the southwest side of Chicago as a precinct captain, district leader, and past president of Senior Hearts Athletic and Social Club. He also holds a life membership in the Knights of Columbus as a third degree member. During membership, he served as chairman of Catholic activities and cochairman in the Catholic Youth Fund.

Mr. Soltis worked as a mechanical supervisor for American Can Co. and as a safety industrial inspector for the State of Illinois.

Mrs. Soltis also worked for American Can Co. until she married Mr. Soltis. She then turned her attentions to the fulltime job of raising their five children, Robert, Dolores, Donald, Jerry, and Claudette. Mary is presently very active in the Tops Club of Oak Lawn and the St. Symphorosa Super Club. She is also a member of the M and N Cancer Group, which is responsible for making cancer dressings.

The dedication, care, and love of the Soltis is an inspiration to all who know them. It is with pride that I offer my congratulations to Edward and Mary and the very best wishes of all in our community for many years of happiness in the future.●

IN MEMORIAM OF RABBI AVRAHAM SOLTES

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. GILMAN. Mr. Speaker, it is with deep distress that I must inform the House of the death of a respected and dear friend, Rabbi Avraham Soltes, Jewish chaplain of the U.S. Military Academy. Rabbi Soltes died at Mount Sinai Hospital in New York City on May 23, 1983.

The Rabbi served for 20 years as Jewish chaplain of the U.S. Military Academy at West Point. He began as a voluntary chaplain in 1963, and was made a permanent member of the staff in 1981. He was an admired and respected friend and adviser, not only to Jewish cadets and their families, but to cadets of other religions as well.

Early on in his ministry, Rabbi Soltes saw the need for more adequate facilities for Jewish cadets. The chapel used by the Jewish cadets at that time was a large distance from the cadet area, and inadequate for a full chapel program. Consequently, he developed a plan for a Jewish chapel at the Academy.

With the work of Rabbi Soltes and the West Point Jewish chapel fund, plans for a more adequate Jewish chapel came into effect. These plans included an area which would be used for a meeting place, a gallery-museum depicting the contributions of American Jews to the history of our country, as well as other community and cadet services.

The rabbi's work to gain aid and much needed funds for the chapel spanned a 20-year period. Construction began only recently on the

chapel, in an area near the two main chapels. Though Rabbi Soltes will never see the completed chapel, the memory of his hard work, dedication and love will live on in the memories of the many whose lives he touched during his ministry at West Point.

In addition to his many years of dedicated service at West Point, Rabbi Soltes served as the leader of Beth Chavairuth Congregation in Tenafly, N.J., along with congregations in Manhattan, Long Island, and East Orange, N.J.

The rabbi was a graduate of City College in New York, and holder of a master's degree from Columbia University. He was ordained at the Hebrew Union College in 1942. He later served as chaplain at Cornell and McGill Universities.

His other endeavors included leading a radio program on Jewish music in New York City, and the position of assistant to the president of Tel Aviv University. He served as vice president for community affairs of the Glen Alden Corp., and received the Jabotinsky Award from Prime Minister Begin for his service to Israel. He was also a renowned commentator and author on Jewish culture and fine arts.

Rabbi Soltes is survived by his wife, Marcia; a stepson, Douglas Levy of Manhattan; a stepdaughter, Suzanne Levy of Fort Lee; two daughters and three sons from a former marriage to Sara Rudavsky of Manhattan, Michal Garte of Nyack, N.Y., Dafna Soltes of Manhattan, Ori Soltes of Cleveland, Eyton Soltes of Chicago and Marnin Soltes of Manhattan; a brother, Aron Soltes of Waltham, Mass., and two grandchildren.●

HONORING DR. ALLAN CHOTINER

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. HOYER. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues the admirable work of Dr. Allan I. Chotiner, who is retiring as deputy superintendent of the Prince Georges County school system in Maryland. Dr. Chotiner has had a long and distinguished career as an educator, with more than 32 years of service to the Prince Georges County school system and an additional 14 years of service in other areas of this country, most notably in Aliquippa, Pa., and in other Maryland cities.

Dr. Chotiner began his career, after graduating from Pennsylvania State University, as a teacher in his hometown of Aliquippa. During this time he received his masters in education from the University of Pittsburgh. After a stint in the U.S. Army, he joined the Veterans' Administration as an education specialist, and moved to Williamsport, Md., and then Lisbon, Md., where he served as a school principal. Concurrent to his serving as principal of Greenbelt Junior High School, he began working on a doctorate degree in education at the George Washington University. He attained that degree in 1968 and did additional work at Columbia University.

In 1954, Dr. Chotiner really made his mark on the Prince Georges County system, as he took on the demanding task of principal of the newly opened High Point High School. His enthusiasm and concern quickly earned him the name "Mr. High Point." In fact, just this week the board of education named the auditorium in the high school for Dr. Chotiner in his honor.

In 1973, Dr. Chotiner was appointed assistant superintendent for the southern area of the system and in 1976, he became the deputy superintendent, a post he has held until this time. Throughout his long and illustrious career, Allan Chotiner has shown a unique sensitivity to the needs of both student and teacher alike, and his humanitarian efforts on behalf of countless community organizations are indeed commendable.

Mr. Speaker, I know that he and his wife, Ann, and their three children will cherish the upcoming years together and will joyfully reflect on the many years they shared with their community. I know that I speak for many, many people in my district when I say how thankful they are that Dr. Chotiner chose to settle in our county. He has devoted his life to the needs of his students, his fellow faculty and administrators, and to the community. He is truly one of the most highly respected educators in our State, and I know that, especially in this trying time for our educational systems across America, he is going to be sorely missed. I am honored to pay tribute to him here today.●

MY COMPLIMENTS TO THE PRESIDENT

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. BROOMFIELD. Mr. Speaker, yesterday, I was privileged to attend a meeting called by the President to announce the new flexible U.S. negotiating position for the strategic arms reduction talks in Geneva. The President has gone more than half way in laying the groundwork for a real and lasting agreement. Now is the time for the Soviets to make a serious and constructive response. Let them now come forward and meet the President half way before the present negotiating initiative in these important talks is lost.

I am pleased with the administration's new position for a number of reasons. The President has been sensitive to the varying perspectives and viewpoints which have been expressed here in America regarding the entire question of nuclear arms control, arms negotiations, and United States-Soviet relations. In addition, the President is incorporating the thoughts and concerns of our allies in this new stance in these critical talks.

By displaying a sense of compromise on the issue of arms control, the President has won wide support here in Congress, across America, and overseas with our European allies. The selection of members of the Scowcroft Commission reflected a sense of wanting to have the best and the brightest involved in the vital issue of arms control and the defense of America.

I believe that the President's decision to give Ambassador Rowny a freer hand and a more flexible mandate in exploring all appropriate avenues of meeting our objectives is encouraging and promising. I join the President in hoping that this new opportunity for progress in the START negotiations be seized upon and not lost. I call upon Mr. Andropov to dedicate himself to achieving real progress in the Geneva talks so that both nations can walk together on the long road to peace. I strongly believe that the Geneva talks can and will succeed if a spirit of compromise and flexibility can prevail. Intransigence at this juncture serves neither the long-term interests of the Soviet Union nor the interests of the United States.

The United States has made a significant concession to the Soviet Union by dropping the insistence that the Soviets agree to a limit of 850 in the number of ballistic missiles. I will eagerly await the Soviet negotiator's response.

I strongly suggest that all of my colleagues in this Chamber read the President's statement carefully and realize the significance of America's new negotiating position. It is a tribute to the administration's sincere desire to move closer to peace in the world by ending the arms race.

The President's statement follows:

STATEMENT BY THE PRESIDENT

The Strategic Arms Reductions Talks, or START, officially resumed today in Geneva. I would like to speak for a moment about my hopes for these important negotiations and about changes which I have decided to make in our START proposal. Such changes reflect concerns and recommendations of the Scowcroft Commission, the Congress, and others. They offer the prospect of new progress toward a START agreement.

NEW CONSENSUS AND NEW PROGRESS

Before discussing these specifics, I would like to comment on what I see as very positive developments taking place both here and abroad. I am happy to say that today there is a growing sense that we are making progress. I just met in Williamsburg with the leaders of the major industrialized nations, and I was struck there not only by the facts and figures pointing toward economic recovery, but also by a spirit of optimism and cooperation which was remarkable. This same spirit is visible in our discussions of security issues. In NATO, as in our other alliances, there is a new feeling of partnership. The Atlantic Alliance is alive and well, and its close consultations are a source of strength and participation for each of its members.

THE SCOWCROFT COMMISSION

At least as important, and very gratifying to me, is the new spirit of bipartisanship on national security issues which is increasingly evident in both Houses of Congress. When I established the Scowcroft Commission I could not then foresee the impact that this outstanding panel would have. Clearly, the Commission's work, which went beyond MX to address critical issues of deterrence and arms control, has become a major stimulus to the rethinking of national policy. The Commission's report challenged some favorite assumptions, and called for changes in our strategic planning. At the same time, it expressed support for my Administration's most heartfelt objectives in arms control: deep reductions, modernization for stability's sake, and the elimination of the first-strike threat.

I have pledged to Congress my full support for the Scowcroft Commission recommendations and my intention to incorporate them in our START proposal. So that we can continue to benefit from the wisdom of its counsel, I intend to ask the Commission to continue to serve. Its bipartisan membership will thus be able to provide timely advice to me both with respect to the adoption of its proposals into our defense program and our arms control policies.

CONGRESSIONAL CONSULTATIONS

In recent weeks, I and officials of my Administration have had an extensive series of private meetings with many Members of Congress. We have reviewed implications for the START negotiations of the Scowcroft Commission recommendations and also of the "Mutual Guaranteed Build-Down" advocated by a number of distinguished Members of the Congess.

The review of our START position was capped by four recent meetings: three yesterday, and one today. Yesterday morning, at a meeting of the National Security Council, my senior advisors and I reviewed major implications and options. We also considered a range of congressional viewpoints. Yesterday afternoon, I met with groups of Senators and Congressmen whose interest and expertise in arms control I value highly. I discussed with them the major issues before us. This morning I met with the leadership of both Houses of Congress. And throughout the START negotiations, the Administration has consulted with our allies.

START

Three full rounds of negotiations on START are now behind us. It is my judgement that these rounds have been useful and have permitted us to cover necessary ground. However, due largely to Soviet intransigence, we have not yet made meaningful progress on the central issues. I remain firmly committed to take whatever steps are necessary to increase the likelihood of real, substantive progress towards an agreement involving significant reductions in U.S. and Soviet strategic nuclear arsenals—and in the national security interests of both sides. Above all, our goal is to maintain a stable nuclear balance in order to reduce the risk of war. Our efforts in the START negotiations must be guided by that objective.

The report of the Scowcroft Commission offers us a new opportunity for progress. It has provided a consistent and coherent framework to guide our thinking about the fundamental elements of our national security policy—deterrence, defense and arms control. But, more than that, it has provided the basis for renewed, bipartisan support for that policy.

To capitalize on this critical opportunity and on the basis of the widest possible range of advice, I have directed new steps toward progress in achieving real arms reductions at the START negotiations. The purpose of this guidance, provided to Ambassador Ed Rowny, our Chief START Negotiator, is to adjust the U.S. START position to bring it into line with the Scowcroft Commission's recommendations and to provide additional flexibility to our negotiators in pursuing our basic goals.

Although we have put forth a comprehensive proposal on limiting strategic ballistic missiles and bombers, our primary aim in the START negotiations has been, and continues to be, to reduce the threat posed by the most destabilizing systems, namely ballistic missiles. To achieve that aim, measures that constrain the number and destructive capability and potential of ballistic missile warheads are essential. Our proposed limit of 5,000 total ballistic missile warheads—a reduction by one-third of the current level—remains the central element of the U.S. START position.

The U.S. START position tabled in previous negotiating rounds includes another constraint. It would have limited each side to no more than 850 deployed ballistic missiles. This measure was never viewed as being as useful or important a constraint as the limit on total ballistic missile warheads. The Scowcroft Commission report specifically suggested that it should be reassessed since it could constrain the evolution we seek toward small, single-warhead ICBM's.

Acting upon the Scowcroft Commission's recommendation, I have now directed our negotiators to adjust our position on deployed ballistic missiles by relaxing our current proposal for an 850 deployed ballistic missile limit. At the same time, the U.S. remains firm on the point that the destructive capability and potential of ballistic missiles must be addressed in START. Our current position includes a network of constraints designed to lead to a more stable strategic balance at reduced force levels—while addressing the destructive potential of missiles. The Soviets and others have complained that these constraints are designed to dictate Soviet force structure according to U.S. standards. This is not the case. We believe, as does the Scowcroft Commission, that stability can be increased by limitations on the destructive capability and potential of ballistic missiles. As a consequence, we will continue to propose such constraints which indirectly get to the throw weight problem while making clear to the Soviets our readiness to deal directly with the corresponding destructive capability if they prefer.

There may be more than one way to achieve our objective of greater stability at reduced levels of arms. So I have instructed Ambassador Rowny to make clear to the Soviet delegation our commitment to our fundamental objectives, but I have also given him the flexibility to explore all appropriate avenues for meeting our goals. I sincerely hope that the Soviet Union will respond with corresponding flexibility.

Finally, high-priority work is continuing on how the mutual and guaranteed build-down concept proposed by several United States Senators can be applied in our quest for significant and stablizing strategic arms reductions.

CONCLUSION

These actions reflect a bipartisan consensus on arms control, and new flexibility in the negotiations—steps to be viewed seriously by the Soviets and all others who have a stake in world peace. To the leaders of the Soviet Union, I urge that this new opportunity not be lost. To America's friends and allies around the world, I say that your steadfast support for the goals of both deterrence and arms control is essential in the future. To Congress and to the American people, I say let us continue to work together in a bipartisan spirit so that these days will be spoken of in the future as the time when America turned a corner. Let us put our differences behind us. Let us demonstrate measured flexibility in our approach, while remaining strong in our determination to reach our objectives of arms reductions, stability, and security. Let us be leaders in the cause of peace.●

THE TENNESSEE VALLEY AUTHORITY'S 50TH ANNIVERSARY

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mrs. LLOYD. Mr. Speaker, TVA has just recently marked its golden anniversary. On such an occasion it is only natural that we should reflect back on what the valley was in 1933, what it is today, and what it can become tomorrow.

When TVA was created there were only two dams on the river and only a few coal-fired plants scattered throughout the valley. Ninety-seven percent of the rural homes were lighted by kerosene lamps. The area's per capita income was less than $200 per year. Periodic floods brought destruction. Nearly 7 million acres of cleared land was seriously eroded.

Today, we have 49 hydroelectric dams, 12 coal-fired steam plants, 2 nuclear stations, the Raccoon Mountain pumped-storage plant, and shipping channels to the sea. TVA operates the largest power system in the Nation; distributors of TVA power serve 2.8 million customers in parts of 7 States. The transmission system is one of the largest and most reliable in the country, consisting of over 17,000 miles of transmission lines and substations. Per

capita income, though still lagging behind the national average, has increased significantly. The river has been tamed and put to work by and for the people of the valley.

As we look toward the next 50 years, the goals remain the same: To provide a climate for industrial development, to electrify homes and farms at reasonable cost, and to promote soil and water conservation. But TVA planners have been faced with a new challenge: How to operate the power system efficiently in an unstable economy of fluctuating interest rates, inflation, soaring construction costs and, for the first time in TVA's history, virtually no growth in demand for electricity. The decision must be made carefully but the problems have been recognized and the agency is trying to meet them head on.

Ours is a world of uncertain energy sources and demands. In the past few years we have seen one cartel bring chaos to the world's economies. We need a power system that is able to respond to these economic conditions and develop new technologies to meet a changing industrial world. TVA has taken the initiative. The Tennessee Valley Authority is a model for regional developers throughout the world. The agency has touched the lives of valley residents in ways outsiders may not understand. Only when you travel throughout the region and talk to the older people can you appreciate the difference TVA has made. There have been problems as there will continue to be but TVA has made all our lives more livable. It is a great achievement with greater things yet to come.●

THE 20TH ANNIVERSARY OF THE EQUAL PAY ACT

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. EVANS of Illinois. Mr. Speaker, tomorrow the Equal Pay Act will begin its 21st year as law. This important anniversary demands that we take a close look at what this law has achieved and what is still left to be done.

Pay equity is becoming a fact of life. The progressive efforts of unions, women's groups, civil rights organizations, and enlightened employers, in particular, have resulted in nationwide pay equity victories.

Not only has the act forbidden unequal pay for women and men who work in the same place and do the same task, but it has established the principle that jobs need not be identical in order to be considered equal. This principle of comparable worth is the key that will turn equal pay into pay equity, and move the Equal Pay Act boldly forward into the next 20 years.

Although comparable worth is gaining acceptance, it still faces substantial resistance in many corners. Some detractors say that it is impossible to accurately compare dissimilar work. Others believe that it is a violation of our free market system to attempt to compare salaries. And there are those who say that we cannot pay women workers what their jobs are worth because it will simply cost too much.

Instead of rising to meet the challenges of a growing and changing society, this kind of defensive reasoning seeks to shroud the idea of comparable worth in fear.

There are difficulties in devising a system of comparison but the Federal Government and private industry have been in the business of evaluating dissimilar jobs for the purpose of setting salaries for decades.

The concern that social reforms might destroy our economic system is not new. Proponents said the same thing about child labor laws in the 19th century.

And finally, there will be a cost, but one which is far from catastrophic if handled responsibly. The cost of correcting discriminatory practices is no justification for continued inequality and injustice.

Until now, the advance toward pay equity has rested with individual women and men and private organizations working on their behalf. It is time for the Federal Government to catch up and to assume a leadership role in creating wage equity between women and men.

It is time to expand the jurisdiction of the Equal Pay Act toward the concept of comparable worth. In addition, other laws, such as the Civil Rights Act of 1964, must be fully enforced toward the goal of pay equity. And we must do all that is within our power to insure the ratification of the equal right amendment.

As we stand at the brink of the Equal Pay Act's next 20 years, we know that it is not a question of whether or not there will be pay equity, but when.●

TRIBUTE TO WILLIAM STOLLHANS

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. GEPHARDT. Mr. Speaker, it is ironic that we Americans never think about our police until we are in trouble. We want policemen to catch crooks and applaud them when they do. But, when times are calm, we never give them the credit they deserve for keeping the peace. That is where their real value lies—in their daily commitment to keeping things calm.

Lt. William Stollhans retired last month from the St. Louis Police Department after more than a third of a century of keeping the peace. In the 34 years he has been on the force, much of America has changed, but the vital role of our police departments has not. He has served the people of his city well and deserves recognition and praise.

Our cities and indeed much of our American civilization are dependent on the career policemen who have, over time, proven both responsive and responsible. My fellow St. Louisians join me in wishing Lieutenant Stollhans well as he begins his retirement.●

TRIBUTE TO HENRY "WHITEY" DISLEY—1983 MAN OF THE YEAR

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. ANDERSON. Mr. Speaker, it is my pleasure to announce that on June 17, Henry "Whitey" Disley will be honored as the 1983 Man of the Year by the Southern California Ports Council Maritime Trades Department of the AFL-CIO.

Henry Disley has held the position of president of the Marine Fireman's Union since April 1974. For the same period of time, he has been a vice president of the Seafarers' International Union of North America, the largest union representing unlicensed seamen aboard U.S.-flag vessels.

Born and educated in Liverpool, England, "Whitey" ran away to sea at the age of 15. On his first voyage, as a deckhand on a Dutch vessel, his ship was torpedoed off the west coast of Africa and he spent 11 days in a lifeboat. From 1941 to 1947, he sailed on merchant ships throughout the world and participated in the invasion of North Africa and in the invasion of Sicily. At the end of World War II, he came to the United States and shipped in the engine department of U.S. vessels as a refrigeration engineer, and in other engine room classifications.

He became a business representative of the Marine Fireman's Union in 1963 and advanced to become vice president in 1969 and president in 1974.

"Whitey" was appointed by Gov. Edmund G. Brown, Jr., to the Board of Pilot Commissioners for the San Francisco, San Pablo, and Suisun Bays in May 1976, and was appointed to the Board of Governors of the California Maritime Academy in February 1980.

He is a delegate to the Maritime Trades Department of the AFL-CIO, and the Maritime Trades Port Council of the San Francisco bay area and vi-

cinity. In addition, he is an executive board member of the San Francisco Labor Council and has served for many years as a member of the San Francisco-Oakland subregion of the National Maritime Council. Mr. Disley is also a member of the Navy League and the Propeller Club.

It is indeed fitting that his peers have chosen "Whitey" to be this year's Man of the Year. He has dedicated his life to the advancement of our maritime trades and his contributions will long be remembered. My wife, Lee, joins with me in congratulating "Whitey's" receipt of this prestigious honor. We wish him the very best in all of his future endeavors.●

REVISION TO OUR ESTATE TAX LAWS

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. FIELDS. Mr. Speaker, I am today reintroducing a bill I first introduced in the 97th Congress to alleviate an inequity in our Tax Code as it relates to the valuation of property for estate tax purposes.

Under current law, section 2032A of the Internal Revenue Code allows qualified real property used in a farm or other closely held business to be included in a decedent's gross estate at a value less than its fair market value. If the act's requirements are satisfied, the executor may elect to value such property on the basis of the property's actual use rather than on the traditional basis of highest or best use. Prior to the enactment of the Economic Recovery Tax Act, this provision could only be elected on a timely filed return.

With the passage of the ERTA in 1981, however, a new section 421(j)(3) amended the code to allow the special use valuation provisions of section 2032A to be elected on a late-filed return, provided the return is the first filed by the estate. The legislative history of this amendment clearly indicates it was motivated by the belief that it is inequitable to deprive qualified heirs of the benefits of special use valuation solely because the decedent's estate tax return was filed after the date on which it was due. In fact, the Treasury Department agrees that section 2032A was not designed to be a late filing penalty.

Mr. Speaker, although several of the Economic Recovery Tax Act amendments to section 2032A apply retroactively to the estates of decedents dying after December 31, 1976, section 421(j)(3) does not. Section 421(j)(3) currently applies only to the estates of decedents dying after December 31, 1981.

Mr. Speaker, in my judgment, it seems unfair and inequitable that these individuals, whose inability to file a timely return inspired the amendment in the first place are now unable to benefit from it.

With this in mind, I am today offering this technical noncontroversial amendment to the Economic Recovery Tax Act of 1981 and am hopeful that the House Ways and Means Committee will in its wisdom include this provision within its upcoming tax legislation.

Finally, let me say to my colleagues, that if section 421(j)(3) were given retroactive treatment, the revenue loss to the U.S. Treasury would be insignificant. This amendment is limited to those situations where the executor made an election on the estate's first return, but the election was not honored because the return was filed late.

Mr. Speaker, the taxpayers assisted by this amendment are the very persons that section 421(j)(3) was designed to aid, namely farmers whose executors, and legal representatives were not able to file a timely estate tax return due to the complexity of our Tax Code.

Mr. Speaker, I believe this legislation is long overdue and hopefully will be adopted.●

VETERANS HONORED BY NEW MEDAL OF HONOR STAMP

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1983

● Mr. GILMAN. Mr. Speaker, this week at the Pentagon, we held a ceremony upon the first day of issue of a new stamp, the Medal of Honor stamp. We heard our Postmaster General and the Secretary of the Army deliver moving tributes to those many winners of the Medal of Honor who were in attendance at the ceremony.

Mr. Speaker, that recognition of those who have been honored by such an enviable tribute is well deserved. It reflects this country's gratitude to our millions of veterans of the military service, who gave so unselfishly of themselves in the past.

As we heard the Postmaster General deliver his remarks, I thought of those from many generations who fought so valiantly in so many wars: Those who distinguished themselves fighting with the Green Mountain Boys of Vermont; and those who fought with Francis Marion, the Swampfox, during the Revolution. And those of World Wars I and II. And I thought of those distinguished gentlemen under General Patton, who, as we all know, moved more troops, more miles over more rugged terrain than anyone else in history! Their lightning sweep across Europe still thrills military historians and those who remember it!

And I thought of those of Korea and Vietnam. All perhaps of different generations, but bound together in a brotherhood, dedicated to freedom and the American spirit of extending democracy to the world.

The guns are silent, but the new Medal of Honor stamp, with its universal visibility in America and the entire world, will serve notice that we highly value the tremendous efforts of our veterans and, particularly, the distinguished 3,414 persons who have been so honored with the Medal of Honor. Mr. Speaker, so that my colleagues may share his views, I offer the entire text of remarks of Postmaster General William F. Bolger for the RECORD:

REMARKS OF WILLIAM F. BOLGER, POSTMASTER GENERAL, ON FIRST DAY OF ISSUE CEREMONY OF MEDAL OF HONOR STAMP

Thank you, and good afternoon. Distinguished guests, ladies and gentlemen.

A short distance from here stands a simple monument which, to me, symbolizes this Nation's desire for just and lasting peace. On the monument are inscribed four words which aptly describe the qualities necessary for preserving peace with honor . . . they are "Courage," "Endurance," "Devotion" and "Valor." I refer to "The Peace Cross" at Bladensburg, Md.

Those four qualities are the very hallmarks of the Nation's highest decoration for military service—the Medal of Honor. And they appropriately describe the qualities of each of the 3,414 members of the Armed Forces who have earned this country's highest respect since 1861.

The Medal of Honor is the proud symbol of the gallant spirit of those who put love of country above love of self. It is a fitting tribute to those who, by their heroic actions, have demonstrated that the price of honor is of little concern to honorable men.

No matter how exacting the toll . . . no matter how onerous the price . . . it has been paid throughout the decades by honorable Americans . . . purchased by meritorious deeds at places such as Gettysburg, Santiago, Argonne Forest, Guadalcanal, Pork Chop Hill, and Cam Lo.

And what you have earned by your actions is, indeed, priceless. In presenting a Medal of Honor to Sgt. John C. Latham in World War I, Gen. John J. Pershing remarked, "I'd swap my stars for this medal. . ." And a generation later, when once again America's Armed Forces were called upon to restore peace, Gen. George S. Patton enviously observed in awarding a medal that he would give his very soul for that decoration.

Indeed, this medal is the most appropriate award that a humble and appreciative Nation can bestow on those who, during periods of war or national emergency, were willing to serve with distinction.

To those Medal of Honor recipients who are with us this afternoon . . . to those who could not share this occasion with us . . . and, to the families of those who received the Medal of Honor posthumously, I hope that the stamp you see behind me today will serve to remind you in the months and years to come that your devotion, courage, endurance and valor were not wasted on an ungrateful Nation.

Americans value life, and for that reason we truly appreciate, and honor, the measure of the sacrifice of those who distinguished themselves by their gallant deeds . . . at the risk of their lives . . . above the call of duty . . . in action involving actual combat with an enemy. Yours is the finest measure of patriotism.

Two centuries ago, when this Nation was establishing the first award for military service, the Badge of Military Merit, George Washington wrote, "The road to glory in a patriot army and a free country is open to all." His timeless remarks are just as applicable to the Medal of Honor . . . the country's best known decoration.

Indeed, this Medal is a mirror of America. Anyone who has walked through the Hall of Heroes here can attest to that. The honor roll of Medal of Honor recipients reflects the names of heroes from every walk of life, from people whose varied backgrounds have become an integral part of our heritage.

In issuing this stamp here this afternoon, we are honoring the Medal itself and, much more importantly, every individual who has earned it, for, indeed, they deserve to be remembered and revered.

That we remember is significant, for all too often, it seems, some Americans take the liberty this Nation offers and the devotion this country deserves for granted. For this reason, I believe it is important that we remember what the Medal of Honor signifies and what those who have received it represent, for their valiant acts deserve enduring recognition.

As many of you know, 15 years ago, the Department of Defense established the Pentagon's Hall of Heroes as an exhibit area to house a large replica of the Army, Navy and Air Force version of the Medal of Honor and the names of all recipients.

While each of the medals on display—whether for the Army, Navy or Air Force—looks somewhat similar, they are that way only in appearance.

Behind each of the medals is a truly unique story . . . a story which tells in very human terms the ways in which people of honor and conviction respond in times of crises. Indeed, each of the medals on exhibit is a veritable "Profile in Courage."

But while the specific details of each Medal of Honor recipient's story is unique, there is a common thread which unites them. The nature of that shared quality is to be found in the character of each recipient . . . his or her extraordinary courage . . . endurance . . . devotion . . . and valor. Indeed, each of the stories—and the lives—behind the 3,414 medals which have been bestowed is inspiring.

And speaking of inspiration, congratulations are in order also today to Dennis J. Holm, the designer of the Medal of Honor stamp. Mr. Holm, a veteran and a Postal Service employee, told us how much he enjoyed developing this handsome design . . . one which will enhance every piece of mail it adorns.

And at the same time, it will call to mind the singular achievements of those who have earned our Nation's highest accolade for military valor.

The Medal of Honor stamp we are dedicating today is our way of giving Americans a graphic reminder of our country's regard for, and appreciation of, those heroes who have protected our land and preserved our liberty.

A postage stamp may not be great in size, but its sphere of influence is immense. This is because stamps have nearly universal visibility. They are seen and used by millions of people in this country and around the world. In this way, stamps such as this help to focus the attention of a grateful Nation and our friends throughout the globe on those values which are at the very heart of our country . . . and on those people who have fought for the continuation of our freedom.

With this stamp, we reaffirm our respect for our Nation and our dedication to the ideals which have shaped and sustained the Medal of Honor.●

SENATE—*Friday, June 10, 1983*

(Legislative day of Monday, June 6, 1983)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

God of Grace and Mercy, in a society where many are starved for love, in which many suffer and some die from acute loneliness, help us to recover love. Forgive us for cheapening love by reducing it to sentimentalism or sex. Help us to comprehend real love—selfless love—tough love which does not collapse when rejected or mistreated. Help us to remember a man on a cross who prayed for forgiveness for those who put Him there while they taunted Him in His agony.

Gracious God, teach us true love which respects the value of each human being, honors each one's personal dignity, desires the very best for each. Help us to be sensitive to those who hurt, compassionate to those who suffer, responsive to those in need. Teach us to care—to be courteous—to be thoughtful—to be kindly affectioned one to another. This we ask in the name of Him whose sacrificial love was universal, embracing all people, everywhere. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

SENATE SCHEDULE

Mr. BAKER. Mr. President, I remind Members that today at 12 noon it is the intent of the leadership on this side to propound a unanimous-consent request that only listed amendments, a list which will be compiled between now and 12 noon, will be in order to the supplemental appropriations bill. This is consistent with the statements I have made for several days now, that we must try to finish this measure, as soon as possible. I will remind Senators that any votes ordered today will occur on Tuesday.

It is possible to get through with the amendment process by unanimous consent. At 12 noon, it is my intention to ask unanimous consent that no further amendments other than those identified at that time will be in order. As of this moment, there are 12 amendments on my list.

Mr. STENNIS. Mr. President, if the Senator will yield, I just heard again his announcement that he is going to ask unanimous consent with reference to amendments. I commend him. As one of the managers of the bill, I thank him, too. That is the only way to get at this. We have made tremendous headway already. We might be able to get this bill finished up and passed by Tuesday.

Mr. BAKER. Mr. President, I thank the Senator. There is not another person in this Chamber at this time, with the possible exception of the distinguished occupant of the Chair, who understands the importance of the Senate doing its work. I thank him for that. I appreciate his understanding. There are some not as familiar with the Senate as an institution who will challenge me in asking for that ruling when I make that request. As he points out, there is no other way to finally end major debates. I thank the Senator for his understanding and volunteering his statement.

Mr. STENNIS. The membership, as they come along, will gradually see the necessity for this.

Mr. BAKER. I thank the Senator from Mississippi.

GUN FIRES CHICKENS AT PLANES

Mr. BAKER. Mr. President, yesterday, while browsing through the New York Times, I came upon a story of major significance that I would now like to share with my colleagues. I am hopeful that this story is as comforting to them as it was to me. The story stated the following:

GUN FIRES CHICKENS AT PLANES

LANGLEY, VA., June 8.—Officials at Langley Air Force Base said today that a cannon that hurls dead chickens at airplanes at 700 miles an hour is helping to reduce accidents caused by jets hitting birds. Maj. Dennis Funnemark said the device, called a chicken gun, was a converted 20-foot cannon that shoots 4-pound chickens into engines, windshields and landing gear to determine how much damage such collisions can cause.

Mr. President, I must admit that my first reaction to this story was one of bitterness. I wondered why a special classified briefing had not been set up for Members of Congress on the new chicken gun, and I wondered if Secretary of Defense Weinberger was planning one. I was also surprised that the New York Times decided to run this story on the bottom of page A24, since this newest strategic development speaks directly to our Nation's safety, and might even change the focus of the defense budget debate.

I am sure that since reading the story yesterday many Americans are trying to [illegible] how far along the Soviet Union [illegible] their deployment of the chicker[illegible], and how will our Minuteman, M[illegible]man, and Sparrow missiles get al[illegible] with this new weapon, which I [illegible]ld personally like to call the Perd[illegible]missile. I am also trying to find ou[illegible] the Navy is working with the Air [illegible]ce on this project to develop one of [illegible]heir own missiles which would be, one assumes, a chicken of the sea.

These concern[illegible] notwithstanding, Mr. President, I w[illegible]nt to congratulate the Air Force on t[illegible]eir resourcefulness and attention to [illegible] most disturbing problem. Despite [illegible]he fact that there will no doubt be [illegible]hose that will be skeptical of such [illegible]earch, I for one, see nothing more i[illegible]volved than a little "fowl" play.

Mr. President, I have no further need for my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The minority leader is recognized.

S. 1448—DESIGNATION OF THE SQUARE DANCE AS THE NATIONAL FOLK DANCE OF THE U.S.A.

Mr. BYRD. Mr. President, in the last Congress, I introduced a Senate resolution to designate the square dance as the national folk dance. The resolution was adopted by the Congress with an amendment and signed into law by the President on June 1, 1982.

Since that time, the square dance has enjoyed an increase in popularity. Membership in the many square dance organizations formed over the years has grown, and new organizations have come into being since the enactment of the law. Below, I am inserting a summary of square dance activities since last June which I have received from the National Folk Dance Committee. I ask unanimous consent that the statement be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE DESIGNATION OF THE SQUARE DANCE AS THE NATIONAL FOLK DANCE OF THE U.S.A.

The recent designation of the Square Dance as the National Folk Dance of the United States of America, by Congress, has resulted in a proud and positive reaction by millions of people, especially active dancers, all over the Nation. The wide coverage by the media, focusing attention on the National Dance through television, radio, newspapers, and magazines, has created an enormous interest and growth in square dancing which is overwhelming.

Clubs, churches, and social groups are clamoring for information about the dance. Square dancing is currently being taught in schools across the Nation, from elementary through high school, and many more schools are seeking ways to include the activity in their curriculum.

A number of universities, through their English Language Extension Course for foreign students, include students' participation in square dance parties so they may be aware of this part of our American heritage. Commercial concerns entertaining foreign customers use these square dance parties and blue grass music to treat them to a true part of America.

The recognition, by Congress, has increased spectator attendance at square dance festivals and civic functions. Formal organizations have increased in number by twenty-five percent. Many who have ridiculed the Square Dance for being rough and hayseed, are taking a second look, and finding square dancing to be modern, appealing to people of all ages, races and creeds. The Square Dance has been danced for more than two centuries, conforming with the ever-changing life style of the American people. Class distinction is forgotten when people join together to enjoy the true fellowship of the Square Dance. The Square Dance is recognized everywhere as indigenous to America, and even in foreign lands the calls are in the English language.

The Square Dance is recognized as the State Dance of Alabama, New Jersey, Oregon, Tennessee and Washington. It has been declared the official dance of Cook County, Illinois, and legislation is pending, according to reports in Alaska and Kentucky to designate the Square Dance as the official dance of those States.

Everyone can enjoy the fun and fellowship of this wonderful part of our American heritage. We truly believe the Square Dance should have permanent designation, by the Congress, as the National Folk Dance of the United States of America.

Mr. BYRD. Mr. President, the amendment to the square dance resolution limited the designation to 2 years. After reviewing the summary statement above, I hope that all of my colleagues in the Senate will agree that the enthusiasm with which the Nation has accepted the square dance as the national folk dance justifies a permanent designation.

I am pleased that I am supported in presenting this bill to the Senate by the distinguished majority leader, Senator HOWARD BAKER, and the distinguished chairman of the Judiciary Committee, Senator STROM THURMOND, and many other Senators on both sides of the aisle who cosponsor this bill today, and I thank them for their interest.

Mr. President, I ask unanimous consent that the names of the cosponsors and the bill be printed in the RECORD.

There being no objection, the cosponsors and the bill was ordered to be printed in the RECORD, as follows:

The following Senators cosponsor the legislation to designate the square dance as the national folk dance of the United States of America:

Senators BAKER, THURMOND, CRANSTON, RANDOLPH, ABDNOR, BAUCUS, BENTSEN, BINGAMAN, BOREN, BUMPERS, DECONCINI, DOMENICI, DURENBERGER, EAST, GOLDWATER, HEFLIN, HUDDLESTON, JACKSON, LAUTENBERG, LAXALT, LEAHY, MATHIAS, MELCHER, NUNN, PROXMIRE, SASSER, and WILSON.

S. 1448

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds that—

(1) square dancing has been a popular tradition in America since early colonial times;

(2) square dancing is a joyful expression of the vibrant spirit of the people of the United States;

(3) the American people value the display of etiquette among men and women which is a major element of square dancing;

(4) square dancing is a traditional form of family recreation which symbolizes a basic strength of this country, namely the unity of the family;

(5) square dancing epitomizes democracy because it dissolves arbitrary social distinctions; and

(6) it is fitting that the square dance be added to the array of symbols of our national character and pride.

SEC. 2. The square dance is designated as the national folk dance of the United States.

SEC. 3. This Act shall take effect January 1, 1984.

Mr. BYRD. Mr. President, I yield any remaining time to the majority leader.

Mr. BAKER. Mr. President, I have no further need for my time or the time that he graciously yielded to me. If he has no objection, I will yield back the aggregate time.

Mr. President, I yield back the time allocated to the two leaders under the standing order, and I ask that the Chair now proceed with the order previously entered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. ABDNOR). Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond the hour of 11:30 a.m., with statements therein limited to 3 minutes each.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Assistant Secretary of the Senate proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REAGAN NUCLEAR ARMS CONTROL POSTURE—RIGHT OR WRONG?

Mr. PROXMIRE. President Reagan has announced that his arms control negotiations with the Soviets will take on a more flexible approach. The United States will negotiate with the Soviet Union on some issues on the terms the Soviets prefer, provided we can satisfy ourselves that we do not suffer any disadvantage in such negotiations. Specifically, if the Soviets want to negotiate on the basis of megatonnage, we will say OK, let us proceed. If they choose throw-weight instead of megatonnage, we shall consider that. We are willing to shift to the number of warheads instead of the number of missiles to discourage the deployment of destabilizing multiwarhead missiles, as the MX, if the Soviets will go along.

All this sounds encouraging and it is. It does, indeed, represent a more constructive attitude toward arms control negotiations. On the other hand, unless the public is actually privy to the negotiations—which we cannot be—we have no way of knowing whether these very general public instructions to General Rowney and other U.S. negotiators really mean that the U.S. negotiators are, in fact, working in good faith with full flexibility to achieve an agreement.

Has the President given Mr. Rowney any confidential instructions that have not been publicly released? The President, of course, has every right to do exactly that. He has never said, and I would not expect him to say: "Here is what I have told Rowney and I have told him nothing else." So we cannot and will not know what the full instructions from the administration to Rowney have been.

We do know that the President certainly must have told Mr. Rowney that whatever agreement he may achieve with the Soviets should under no circumstances be disclosed publicly by Rowney or other U.S. negotiators and that the President himself will, if he desires, modify such an agreement and, if he wishes, send Mr. Rowney back with further instructions. And, certainly, the President will decide whether to accept or reject any agreement at which our Geneva negotiators tentatively arrive. Again the President has every right to do this. He would, in fact, be derelict in his duty as President if he did not reserve for his exclusive decision every word in any agreement our negotiators might secure.

So what is wrong with all this? Nothing, except—let us face it—we do not have and will not have any handle to make a fair judgment of the Reagan

administration's actual sincerity on arms control.

Here is why: Unfortunately, for any President—Democratic or Republican—any announcements of flexibility or bending this way or that to reach an agreement must be viewed by the public as public relations statements that mean nothing. This is not meant to demean or belittle what the President is doing or saying. It is simply to recognize that there is no way we can appraise his negotiations except by looking at the final product, if any.

Now, suppose the President reaches no agreement with the Russians on major limitations on nuclear arms. Suppose any limitations are minor and leave the great bulk of nuclear arms outside of the agreement. Does that signal a failure by the President to sincerely try to reach an arms control agreement? No, it does not. The Soviets may have been unreasonably stubborn and intractable in negotiations. Undoubtedly, if negotiations failed, the administration would say exactly this. And we would deny it. Who would be right? No one would really know or could know. The conclusion of a reasonably comprehensive arms control agreement with the Soviet Union does not necessarily indicate success on the President's part until we have a chance to examine the agreement over time and in detail.

The administration has already shown reluctance in pressing for an agreement to stop satellite killers. This weapon could make arms control monitoring virtually impossible because either side would knock out the satellites on which we rely to determine whether the U.S.S.R. has launched a nuclear missile attack on the United States. This weapon could effectively end any arms control agreement. The Russians have a crude satellite killer. We have spent over $200 million in research and the administration is asking for $3.4 billion to produce and deploy a far more effective weapon to destroy satellites. The GAO tells us the weapon system could cost $15 billion before it is complete. It would be deployed in 1986, and if deployed and ready could signal the end of whatever arms control agreement the negotiators reach at Geneva.

Why? Because, for any arms control agreement, verifiability lies at its very heart. If the Russians have the capability of knocking our monitoring satellites out and we have the power to do the same to theirs, then no arms control agreement could be enforced. It would be a pious and meaningless pledge that both sides would feel—understandably—constrained to violate.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Assistant Secretary of the Senate called the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TOWARD A MORE PERFECT JUSTICE: THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, Robert E. Conot has recently published a valuable book on the trial of Nazi war criminals. The book, "Justice at Nuremberg," deserves the Senate's attention: it serves as a vital reminder to those who lived through the trials of Goering, Himmler, and others; more importantly, Conot's book can educate the large number of Americans who were born too late to remember these historic trials.

Conot argues for what is today out of fashion: that justice was served at Nuremberg. As defendent Albert Speer put it: "However imperfect, these Nuremberg trials are a necessary step in the process of recivilization."

The opposite side remains, however: that justice at Nuremberg was not perfect justice. For one thing, the German defendants could claim that the laws under which they were prosecuted were made ex post facto—that prosecution was, in fact, persecution. Skeptics further complained that it was unfair for the victors to try the vanquished. Most importantly, Nazi Germany was not punished for its most heinous crime—the systematic liquidation of 6 million Jews.

The irony, that the Nazis went unpunished for the thing they were most guilty of, was not lost on the policymakers after World War II. In an attempt to remedy the imperfections of Nuremberg, the United Nations swiftly produced a Genocide Convention, engineered, I am proud to say, by the United States. Since 1949, the Convention has continually been supported by U.S. Presidents, both Republican and Democratic. Astonishingly, 34 years later, the Convention remains unratified.

The idea behind the Convention should not be controversial: by declaring genocide a crime against international law, the framers hoped to deter any future attempts at a final solution. No perpetrator of genocide would be able to claim, as the Nazis did, that he never violated the law.

I would be the first one to admit, Mr. President, that this Convention is only a small step and certainly no panacea. But if this treaty, in some small way, lessens the need for another Nuremberg trial, if the Convention somehow makes the justice a little more perfect, then we would all be better for it.

I urge my colleagues to give consent to the Genocide Convention now.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Assistant Secretary of the Senate proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

SUPPLEMENTAL APPROPRIATIONS, 1983

The PRESIDING OFFICER. Under the previous order, the hour of 11:30 a.m. having arrived, the Senate will now resume consideration of the pending business, H.R. 3069, which will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 3069) making supplemental appropriations for the fiscal year ending September 30, 1983, and for other purposes.

The Senate proceeded to consider the bill.

Mr. BAKER. Mr. President, as I indicated earlier today and last night, and as I announced during the last several days—I believe every day this week—I hope we can finish this bill today, except for those votes which are stacked to occur beginning on Tuesday.

At 12 noon today, or thereabouts, I intend to propound a unanimous-consent request that only listed amendments will be in order on this bill. The amendments I have now are as follows: Armstrong, a Dallas Creek project; Bumpers, re Elementary and Secondary Education Act; Bumpers, Six-Mile Creek; Baucus, farmers home, business, and industrial loans; Tower, $5 million for Army operation and maintenance; Weicker, a $500,000 add-on for ACTION pay; and Eagleton-Rudman amendment dealing with health centers; a Dole amendment dealing with pay and honoraria; a Baker amendment dealing with pay and honoraria; a Metzenbaum amendment dealing with Navy leasing; a Boren amendment in respect to the announcement of farm programs.

Mr. STENNIS. Mr. President, what the majority leader has read coincides exactly with the list we have.

Mr. BAKER. I thank the manager on the Democratic side. I hope there are no more amendments; but if there are, I urge Senators to present the amendments so that we can include them in the request at 12 noon.

Mr. HATFIELD. Mr. President, I ask the Chair to set aside the pending

committee amendment, the D'Amato amendment, in order that the Senator from Texas may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Texas.

AMENDMENT NO. 1359

(Purpose: To restore funding for POMCUS Division Sets 5 and 6 and to repeal the provision that prohibits transportation of equipment intended to fill those Division Sets)

Mr. TOWER. Mr. President, I send to the desk an amendment on behalf of myself and Senators PERCY, THURMOND, JACKSON, COHEN, LUGAR, NUNN, HATCH, EXON, WARNER, BINGAMAN, LEAHY, HUMPHREY, JEPSEN, QUAYLE, LEVIN, and MATHIAS.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Texas (Mr. TOWER), for himself and others, proposes an amendment numbered 1359.

Mr. TOWER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 12, line 21, strike out "$1,190,000" and insert in lieu thereof "$6,190,000".

On page 17, between lines 14 and 15, insert the following:

Section 773 of the Department of Defense Appropriation Act, 1983, as contained in Public Law 97-377 (96 Stat. 1862), is repealed.

Mr. TOWER. Mr. President, this amendment would permit the Department of Defense to begin to fulfill an important U.S. commitment, first made by President Carter in 1978, to pre-position U.S. Army division sets 5 and 6 in Belgium and the Netherlands.

The 1983 supplemental appropriations bill, H.R. 3069, jeopardizes this important pre-positioning program—known as POMCUS—by failing to provide $5 million requested by the President to train and equip the initial group of personnel required to maintain the equipment of division sets 5 and 6 in Europe. H.R. 3069 also fails to repeal, as requested by the President, section 773 of the fiscal year 1983 Defense Appropriations Act which specifically prohibits the use of funds to transport equipment to these POMCUS sites. The amendment offered would provide the $5 million requested by the President and would repeal the restrictive prohibition.

The Senate has long been concerned about shortcomings in NATO's conventional defense capabilities. Given the ability of the Warsaw Pact to quickly mobilize its forces and to launch an attack after a relatively short period of strategic warning, the United States and her European allies have given increased emphasis to improving NATO's warfighting capabilities in the initial days of conflict. The POMCUS program is the key element of this effort.

The United States does not now have, nor can she acquire in the foreseeable future, the mobility assets to deploy from the continental United States the unit equipment of sufficient combat forces to reinforce Europe in a timely manner. The only option available at this time is the POMCUS program. Failure to implement the POMCUS program for division sets 5 and 6 would be a decision to forgo plans to substantially strengthen NATO's conventional defense capabilities.

Mr. President, what troubles me most about the possible rejection of the POMCUS program is the fact that trends in the strategic and theater nuclear balances have made improved conventional capabilities more important than they have ever been. Despite this fact, certain of my colleagues want to undo the most cost-effective program for strengthening NATO's conventional capabilities.

In testimony before the Committee on Armed Services in April of this year, General Rogers, the Supreme Allied Commander Europe, stated: "By nations' continued failure to meet fully their commitments to improve conventional forces, NATO has mortgaged its defense to the nuclear response." Speaking specifically to the POMCUS program, General Rogers added: "With POMCUS sets 5 and 6 in place, there is a good chance that those divisions would be able to reinforce in time and sustain defense of Northern Germany using conventional weapons. Without such timely reinforcement, early use of nuclear weapons would be unavoidable." I would ask those Senators who oppose the POMCUS program to explain what alternative programs, if any, they have in mind for strengthening NATO's conventional capabilities.

When the NATO heads of state approved the long-term defense program in 1978, they agreed to the pre-positioning of heavy equipment for three additional U.S. divisions in the central region, for a total of six U.S. division sets of POMCUS. The pre-positioning of the first of these three additional division sets, located in the Federal Republic of Germany, is well underway and is not at issue. The last two sets—division sets 5 and 6—are to be located in Belgium and the Netherlands. It is these two division sets that are set back by H.R. 3069.

The POMCUS program demonstrates an effort by our European allies to assume a greater share of the burden of NATO defense. In return for the U.S. commitment to provide POMCUS division sets 5 and 6, our European allies agreed to acquire the land and to finance the construction of the storage sites. The NATO allies have lived up to their part of the bargain. The Belgians and Dutch have spent more than $60 million to acquire the real estate for storage warehouses for division sets 5 and 6. The NATO infrastructure program has allocated more than $180 million for construction at these sites. In fact, construction of facilities for division sets 5 and 6 in Belgium and the Netherlands is virtually completed at a time when the U.S. Congress is still wavering on its support for this crucial program.

If the United States were to renege on her POMCUS commitments, this would clearly demonstrate a lack of U.S. reliability and credibility, and could have untold consequences for other burden-sharing initiatives. In addition, the failure of the United States to fulfill her POMCUS commitments could have serious political repercussions in Belgium and the Netherlands where the planned ground-launched cruise missile deployments remain an important, yet controversial, program.

During consideration of the 1983 continuing resolution, the Senate expressed its full support for the POMCUS program by appropriating funds for division sets 5 and 6 and by repealing section 773. Unfortunately, during the joint conference, the conferees elected to delete the funds and retain the restrictive provision. Nothing has occurred since December, in my estimation, to warrant a change in Senate support for this vital program.

Mr. President, I understand the frustration that my colleagues have expressed about getting our NATO allies to assume a greater share of the conventional defense burden. At the same time, I am convinced that if the United States withdraws from commitments that we have already made to our allies—when they have fulfilled their part of the bargain—we will only cause the allies to do less, not more, and harm vital U.S. security interests in the process. Thus, I urge the support of my colleagues for this amendment that will permit the United States to begin to fulfill an important international commitment and that will lead to a substantial strengthening of NATO's conventional defense capabilities.

Let me state again, Mr. President, that I cannot understand why my colleagues would reject this amendment and make us more reliant on escalating to a nuclear exchange when we have an opportunity here to strengthen our conventional capability.

That is something we should address ourselves to if indeed we want to have an effective means of combating potential threat, without the prospect of having to escalate the nuclear weapons.

Mr. HATFIELD. Mr. President, I do not think there is any problem in accepting the amendment of the Senator from Texas. In fact, I merely wish to

take this opportunity to emphasize a point that I frequently have felt and stated that too much of our leadership in Congress has been too mesmerized by the strategic nuclear weapons program to tend to the real needs of the military in the operation-maintenance readiness factors and comparability of pay.

I think it is very interesting to note that comparability of pay was initiated by Members who were not even members of the Armed Services Committee. Even though I may have some reputation of being opposed to military spending I am proud of the fact that I did initiate, along with Senators MATSUNAGA and ARMSTRONG, a comparability pay proposal from the floor. I have supported the strengthening of the reserve programs and the operation and maintenance readiness factor.

I commend the Senator from Texas because I think this is the kind of leadership that is desperately needed not only to fulfill our commitment to NATO and to strengthen our conventional weapons program and welfare but also in terms of the operation and maintenance portion of this $5 million he is asking to be added to the supplemental.

I checked this with the chairman of the Subcommittee on Defense, Senator STEVENS of Alaska, and it is cleared with his subcommittee people, and I am very pleased to accept the amendment being offered by the Senator from Texas.

Mr. TOWER. I thank my distinguished friend from Oregon for his statesmanlike attitude on this measure. I think none of us want to see us have to fall back on nuclear weapons.

There is another aspect of this should that happy day occur when we reach the zero option and there are no more nuclear weapons hopefully deployed in Europe. Given their great superiority of numbers, the Soviets might be more tempted to engage in conventional warfare. So I think we should keep the threshold of risk for them and have a credible conventional deterrent for that day when perhaps we have achieved what might be called nuclear balance between the two great superpowers or at least a standoff that would make it less likely that either side would resort to nuclear weapons.

I think that my distinguished friend from Georgia, Senator NUNN, who is one of our best experts on European matters is in the Chamber, and I yield to him.

Mr. NUNN. Mr. President, I rise in support of the amendment offered by the distinguished chairmen of the Committees on Armed Services, Foreign Relations, and other cosponsors. This amendment will permit the implementation of an important NATO defense cooperative program—that is the operation of the storage sites for sets 5 and 6 of the pre-positioned fighting equipment needed for U.S. reinforcements to NATO.

It is critically important that the United States adhere to our POMCUS commitments. Both General Rogers, Supreme Allied Commander Europe, and General Froesen, former Commander in Chief of the U.S. Army in Europe, have repeatedly insisted that the full 6-division set POMCUS program is necessary—both militarily and politically. The forward stationing of 4 U.S. divisions and the pre-positioning in Europe of equipment for an additional 6 divisions is the least expensive way for the United States to support our 10-division D-day force commitment and the only feasible way to do it in the near term.

I think the U.S. Army needs the $5 million requested for operation of the storage site in the Netherlands. Although that site will not open until March 1984, the Army must begin to train and equip local civilians in fiscal year 1983 to insure that they are prepared to receive and maintain the equipment. The Committee on Appropriations had recommended deferring funding for this program until fiscal year 1984. However, if funding is delayed until the fiscal year 1984 Defense Appropriations Act is passed, the necessary contract arrangements would not be finalized until January 1984 at the earliest. The subsequent training period for workers and supervisors maintaining the sites would mean a delay of at least 3 to 6 months between the time that the site is released to the United States and the time when the U.S. Army could place trained workers and supervisors at the site.

In addition, failure to repeal the provision prohibiting the use of funds to transport equipment to the POMCUS sites in Belgium and the Netherlands prolongs the uncertainty which surrounds the U.S. commitment to this program. Removing the prohibition would signal a clear U.S. commitment to this essential program and would insure that unit equipment could begin moving to the warehouse when the sites become available.

We have been sending mixed signals on this and other important NATO cooperative and two-way-street programs for several years. I think the Congress should clarify our message—we will honor our alliance commitments just as we expect our allies to honor theirs.

Mr. President, this amendment, if passed, would do precisely that, and I urge my colleagues to support it.

Mr. President, if I heard correctly, the Senator from Oregon agreed to accept the amendment. Perhaps I should cut my remarks very short. So I will not say anything that would disrupt that accord that has obviously been reached between the Senator from Texas and the Senator from Oregon.

My purpose, though, is to endorse the amendment which both the Senator from Texas and the Senator from Oregon has endorsed. I think it is a very important amendment. I think it is exactly what the Senator from Texas and the Senator from Oregon have been talking about. It is a move toward less reliance on early use at least of the nuclear weapons and more conventional capability.

I thank the Senator from Texas for proposing the amendment which I think is a good one. I cosponsored it. I also particularly thank the Senator from Oregon for being willing to accept the amendment.

Mr. HATFIELD. The Senator from Mississippi I am sure concurs in acceptance of the amendment.

Mr. STENNIS. Mr. President, if the Senator will yield to me, we know of no opposition to this amendment on this side of the aisle.

Mr. HATFIELD. I thank the Senator.

This is an historic time where the Senator from Texas, the Senator from Georgia, the Senator from Mississippi, and the Senator from Oregon all agree on military expenditure. I think it is very significant.

Mr. TOWER. We are all men of goodwill and judgment.

Mr. NUNN. We may want to each reexamine our position.

Mr. HATFIELD. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas.

The amendment (No. 1359) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. TOWER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I wish to make a statement of resume on the activities of yesterday.

I thank my colleagues for their cooperation. It was a long session and a busy one, and we adopted 20 amendments yesterday and stacked 3 more for votes on Tuesday.

In those 20 amendments—I might add, we might consider this a rather remarkable achievement—we only added $23.1 million to the total cost of the bill and that for widely supported worthwhile projects.

I am very hopeful we can conclude all the amendments very early today and be again in a sense of restraint for adding money to this bill because we are going to have to in conference reduce this overall figure by over $600 million or at least approximately $600

million, and this is not going to be easy.

So every dollar that is added by amendment will make that task more difficult in conference.

With that admonition in mind, Mr. President, I suggest the absence of a quorum.

Mr. METZENBAUM. Mr. President, I wish the Senator from Oregon to know that I am prepared to go forward.

Mr. HATFIELD. I appreciate that. We will move to that very shortly after I have a brief quorum call.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask again that the Chair temporarily lay aside the committee amendment and the D'Amato pending amendment in order that the Senator from Ohio may be privileged to offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1360

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Ohio (Mr. METZENBAUM) proposes an amendment numbered 1360.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert the following new section:

SEC. . (a) An agency of the Government may not use any funds available to such agency to indemnify any person (including costs of legal fees), pursuant to any contract with the United States, for amounts paid by such person to the United States by reason of any action of the Internal Revenue Service unless authorized by a statute enacted before, on, or after the date of enactment of this Act.

(b) Notwithstanding any other provision of law, any amounts paid by an agency of the Government on or after the effective date of this Act to indemnify any person, pursuant to a contract with the United States, for amounts paid by such person to the United States by reason of any action of the Internal Revenue Service shall be a debt owed by such person to the United States to the extent that the funds available to such agency from which such amounts were paid were not authorized by a statute enacted before, on, or after the date of enactment of this Act to be used for such purpose. Each such debt shall be subject to all Federal laws having general applicability to debts owed to the United States and shall be collected in the same manner as is provided by such laws.

(c) It is the sense of the Congress that in the case of any contract by which the Department of the Navy has leased cargo space in a maritime vessel from a contractor, the Department of the Navy should (1) exercise any option to purchase such maritime vessel provided by the lease contract or (2) renegotiate the terms of the contract to procure such cargo space by the most cost effective means authorized by law.

Mr. METZENBAUM. Mr. President, this amendment addresses actions taken in recent months by the Department of the Navy to procure naval vessels in a manner which circumvents the authorizing and appropriations process and which obligates the U.S. Government to pay the legal expenses of contractors. For what purpose? To fight the IRS.

This method of acquisition imposes substantial extra costs upon the taxpayers and jeopardizes the future readiness of our naval forces by converting the operations and maintenance budget into a procurement account, and it further requires the taxpayers of this country to pay attorney's fees of major defense contractors which want to defend their tax shelter deal.

Imagine that, it is almost unbelievable, that the Navy would enter into a contract with a lessor of a ship and agree that if the lessor does not get its tax advantages under the tax leasing program that the Navy will not only pay the lease charges but it will pay the taxes that will be incurred by the lessor, and as if that were not enough, and I believe this is almost beyond compare in anything that I have seen in Government documents, it provides that the Navy will pay the costs of the lawyers who will be fighting the IRS.

What does that amount to? What that amounts to is that one arm of Government is paying a private individual who is fighting another arm of Government and guaranteeing that individual that if they do not win, the Navy will pay the costs of the extra taxes and will also pay the legal fees that the private individual incurs.

Mr. President, the Navy has determined that 13 cargo ships are required to support the Rapid Deployment Force. I want every Member of this body to understand that I do not question the need for those 13 cargo ships. This issue has nothing at all to do with whether or not the Navy should or should not have the cargo ships. It is perfectly fine with me if the proper committees of the Senate and the House agree that those ships are needed. I have no quarrel with that at all. As a matter of fact, the ships can be purchased at a cost of $178.2 million apiece and I am not standing on this floor to question whether that price is right or wrong. As far as I am concerned the price is fine.

But instead of buying the ships the Navy chose to take another route, to contract for the construction of the vessels and then lease them for a 5-year period with an option to extend the lease for up to 25 years.

Frankly, I want to say to my colleagues in the Senate I do not know that I would get that excited if they were leasing ships for 5 years and then extending it for 25 years. I do not object to that. That may be an entirely appropriate manner in which the Navy would like to use ships or obtain ships, provided the authorizing committee and the Appropriations Committee say that is what should be done. That is fine with me.

But what it means to the U.S. Treasury is not so fine with me. In dollars these leases will mean a cost to the taxpayers of $415 million per ship over the term of the lease. I want to refresh your recollection. I just said a moment ago that those same ships can be bought for $178 million and the Navy is going to pay $415 million per ship instead of $178 million.

Mr. President, so there is no misunderstanding about it, that figure is for the ship alone. It does not include the cost of personnel, it does not include the cost of maintenance, and it does not include the cost of operation. I have no objection to that, but I do not want any misunderstanding among my colleagues.

Mr. President, may we have order in the Senate, please?

The PRESIDING OFFICER. The Senate will be in order.

Mr. METZENBAUM. I thank the Chair.

Under this arrangement the Navy bears the financial risk in the event that any of the vessels are destroyed in wartime. The Navy bears sole responsibility for future increases in fuel costs, wages, insurance, and other operational expenses, and if the Navy decides not to renew any of its 5-year options, the taxpayers of this country are obligated to pay to the owners an amount equal to the fair market value of the vessel in question. This, Mr. President, is only the tip of the iceberg. But so there is no question about it, I am not even attacking those provisions, although I do believe them to be questionable. But that is not the thrust of this amendment.

I have cited the direct cost figure of $415 million per ship over the term of the lease as against a cost of $178 million. But there are other costs, and that is a matter about which I am concerned. Those are indirect costs that very substantially increase the price that the people of this country will be required to pay. This is so because with this leasing arrangement, the U.S. Navy has gone into the business

of selling tax shelters. Since they are constructing these ships for lease, not sale, the shipowners intend to take an investment tax credit and depreciation deductions for the first 5 years. They plan also to deduct any interest they pay on bonds used to finance the construction, and according to a Navy study these tax writeoffs could cost the Treasury $210 million for each ship over the 25-year lease term.

I just finished saying that the total cost of the ship can be bought for $178 million but the tax writeoffs will cost the Treasury $210 million alone. But that is fine with the Navy. The money does not come from their budget. The money does come from the Federal Treasury in the form of taxes never paid, and in the end it is money that will have to be made up by taxpayers who do not enjoy the benefit of these enormous writeoffs.

In present dollar terms the Government will pay about $199 million to charter the ship that could have been purchased for $178.2 million.

And that $199 million is over and above that $210 million in tax writeoffs. But, again, Mr. President, I still have not told the whole story. The Navy has gone one step further.

Because no one can be certain whether the IRS will permit the entire $210 million per ship writeoff, the Navy decided to indemnify the shipowners. Permit me to explain in plain English just what indemnify means.

First, the Navy and the shipowners agree that the $210 million per ship tax break may not survive IRS scrutiny. So the Navy says:

> Don't worry. Have no fear, Uncle Sam's here. We'll guarantee the tax break. Either you get it or we'll pay it. Now if you have to go to court, we, the Navy, will do something else for you. We are not only going to pay you to lease the ships, we are not only going to guarantee you the tax breaks, but we are going to do something else. We are going to let you hire the best lawyers in the country, and we'll pay you for your lawyers.

Now, how absurd can you be? The Navy pays the individual who is getting $199 million in lease fees, getting $210 million in tax breaks if they are deductible, guaranteeing the tax breaks, and then saying, "But if there is any problem, we'll pay you for your lawyers." That is a pretty good deal for the lessor. And the Navy further says, "If you lose, no trouble. Don't worry, we're here. We, the Navy, will pay every penny of the lost tax breaks, every penny of the interest, and every penny of the penalty."

Now, come on. How far can the U.S. Government be milked before we in the Congress say, "Wait a minute. Slow down"?

Now, my amendment does not say they cannot make these deals. That is some other pending legislation that will be considered at an appropriate time on the floor of the Senate. All my amendment does is to say that no part of the dollars in this supplemental appropriation bill may be used to indemnify the lessor for his tax deductions if he does not get them nor may any portion be used to pay the attorney's fees.

Now, where does the Navy plan to get this money? The answer, unfortunately, is from the Navy's operation and maintenance account, the money designated by the Congress for keeping the ships sailing, the planes flying, and the weapons in working order.

Mr. President, may I have order in the Senate.

The PRESIDING OFFICER (Mr. MATTINGLY). There will please be order in the Senate so the Senator from Ohio can be heard.

Mr. METZENBAUM. I thank the Chair.

Mr. President, I must say that I have been in public life and private life a good many years, but never before have I seen nor heard of one branch of the Government so willing to fight it out in court with another branch. The executive departments were never intended to compete one against the other. When disputes arise between departments, the proper place to resolve them is in the White House. It is the way it has always worked in the past. But what we have here is a totally different approach. And I believe it is one that is contrary to the basic principles of our form of government.

I am not sure if the Navy is going to pay to fight the Internal Revenue Service. What will the next step be? Will the Navy be suing the Air Force over which branch of the armed services has the right to use a certain landing field? Will the Department of Health and Human Services sue the Argiculture Department over food stamp illegality? Will the Treasury Department sue the Labor Department over a dispute involving a pension plan? Of course not. It will be resolved, as it has traditionally been resolved, in the White House or by representatives of each of those departments of Government meeting with each other to work it out, but not in the courts.

Well, what the Navy is saying to the Internal Revenue Service is something entirely different. They are saying:

> If you find that the owners of the ships that we are using do not qualify for certain tax breaks, we will see to it that the lessor, the individual, the private operator, will take you to court. If we lose, we will pay the bill. And because we want to be certain that that individual is able to best state his or her case, we'll pay for his or her lawyers as well.

Now, another point should be made. What happens if Congress changes the tax laws? Mr. President, if Congress changes the tax laws, the Navy has taken care of that as well. The Navy has decided that those changes will not adversely affect the shipowners. The Navy will pay for any increases in their tax liability.

It is Congress, as I see it, which is vested with the authority to make the laws of the land, including our tax laws. It is the responsibility of the executive branch, including the Department of the Navy, to execute those laws. For the Department of the Navy to tell a taxpayer that he will, in essence, be immune from any changes in the law is utterly outrageous.

The fact is that this provision may already be benefiting the shipowners, because last fall Congress enacted a change in the amount of tax writeoffs all taxpayers may take, known as a basis adjustment. Now that provision will normally deny certain tax breaks to the shipowner, but the Navy has indicated that because the price of the ship was negotiated prior to the enactment of that basis adjustment provision, the Navy will likely have to pay the extra amount.

Mr. President, this provision is also important because the House Ways and Means and the Senate Finance Committees are now considering or about to consider legislation to curb the use of leasing as a tax gimmick by State and local governments and nonprofit entities.

In all candor, the distinguished chairman of the Finance Committee has directed his attention to the subject of the use of leasing by State and local governments and nonprofit entities. He and I engaged in a colloquy on the floor of this Senate, I think it was on May 23, relative to the fact that legislation would be jointly introduced by himself, with me as a cosponsor, and recognizing that the House was, as of that date, introducing legislation addressing itself to the issue of leasing by State and local governments and nonprofit entities.

It is a further fact that the distinguished chairman of the Finance Committee has discussed with me this very issue. Although we have not as yet arrived at an appropriate result, it certainly is fair to point out that Senator DOLE, my good friend from Kansas, the chairman of the Finance Committee, has, in my opinion, been as attentive and as concerned and aware of this kind of abuse of normally accepted provisions of our tax laws as any single Member of the Senate, and certainly has been very willing and has shown by his actions that he is prepared to eliminate those abuses of existing provisions of law when those provisions of law are being used in a manner for which they were not originally intended.

I point out that it is entirely possible that the Congress will, in the near future, eliminate some of these tax advantages currently available to investors. I should also point out that the Internal Revenue Service has spoken

and testified at the House Ways and Means Committee hearing, not on this particular legislation but on the Pickle bill which deals with the entire subject of the abusive use of leasing as a tax shelter.

Mr. HATFIELD. Will the Senator yield for a question? Will he indicate his time requirement? We have about 20 amendments to deal with.

Mr. METZENBAUM. I would say just about 10 minutes.

Mr. HATFIELD. I would say that we do have about 20 amendments——

Mr. METZENBAUM. If the chairman can assure me that I have been sufficiently persuasive thus far that he is prepared to accept the amendment——

Mr. HATFIELD. I believe the longer the Senator speaks, the less likely we are to accept it. [Laughter.]

Mr. METZENBAUM. What does the Navy say about all of this? It says if we treat the Navy like every other Government unit impacted by the House bill, we, the taxpayers, will be liable for more than $2 billion. In other words, instead of the taxpayers paying the $2 billion through tax writeoffs given to the investors, the Navy will be required to properly account for its expenditure as part of its budget. When they have to account for a greater amount of the cost in the price of ships, we hear them arguing, "No, this is not such a great deal at all." In fact, according to the Navy's analysis, an end to these tax practices means that we will pay $9 million more than the purchase price of the ships.

What does the Office of Management and Budget say about the indemnity clause? In response to my inquiry about the clauses, OMB Director David Stockman wrote:

> Legal fees incurred in connection with the claims against the Government are generally not allowed.

But this, Mr. President, is exactly what these contracts provide. The TAKX cargo ship program is not the only Department of Defense leasing program. The Navy is planning to lease several T-5 tankers. The Navy has indicated full accounting of the costs of this leasing program will raise the price tag by $89 million per year.

The Air Force is planning to lease more than 100 CT-39 executive aircraft to fly Members of Congress and high-ranking Pentagon officials around the country. The Air Force, too, is asking to be exempt from any changes in the tax laws that might require budgetary recognition of the full costs of the lease.

The supplemental appropriations bill, I should point out, addresses this issue, but I do not believe that it goes far enough.

The GAO has issued an opinion that the Navy must set aside in its industrial fund moneys to cover any potential liability. That sum is so large that if the Navy is required to pay a contractor an amount under the indemnity clauses, the Navy will face the prospects of depleting its operations and maintenance account.

Mr. President, it simply does not make sense to spend $415 million to charter a ship that could be purchased for $178.2 million. There is certainly no reason that should subject the taxpayers to even more costs to pay the legal fees, the court costs, and the tax bills of private contractors.

Mr. President, I believe my amendment does not prevent the Navy from getting the leases and does not prevent any other department or agency from properly entering into contracts. My amendment merely states that no funds can be used to protect a Government contractor from an action of the Internal Revenue Service.

In essence, my amendment says that Congress, not the executive branch, has the authority to exempt persons from provisions of the law.

I want to further make it clear that the amendment does not in any way imply that the indemnity provisions that have presently been written into these contract are valid. I do not know if they are valid. I doubt that they are valid. But I believe we ought to make it clear that the Navy and the Air Force, and other divisions of Government, should not be involved in tax indemnification and further providing for the cost of paying the legal fees.

Mr. President, I got the message from the chairman of the Appropriations Committee. As sure as I was there was a chance he would accept the amendment, I do hope that based on the brevity of my remarks he may see fit to do that.

Mr. HATFIELD. Mr. President, I am delighted that the Senator has raised this issue. At this point, I must say I will not be able to accept the amendment because of the fact we have not been able to contact the subcommittee chairman on this subject matter. If I may recommend, I would suggest that the Senator ask for the yeas and nays in order to get this stacked over until Tuesday when we will have the full Senate dispose of it on a vote.

Mr. METZENBAUM. I will be happy to do that. But I see the distinguished chairman of the Finance Committee is standing. I would like to hear his remarks.

Mr. DOLE. Mr. President, I commend the distinguished Senator from Ohio. Again, I think we are getting into an area that, frankly, the Finance Committee has not had the opportunity to take a look at. We are attempting to stop some of the abuses we see building up in this area. We have been advised that campuses want to lease their whole campus and then can use their tax benefits and take advantage of all kinds of tax gimmicks. I think now with the Government involved in this with the Navy, it is time we take a hard look and enact some corrective legislation. I share the views expressed by the Senator from Ohio.

As he indicated, we did have a colloquy on the floor on the 23d of May. We are putting together a bill right now that we hope to introduce very soon which will address this problem. At that time, we will have public hearings, with the Navy, the Government, campuses, colleges, universities, and others using this technique, having the opportunity to come before the committee and try to make their case.

Mr. President, this Senator supports new substantive limitations on the use of Navy leasing. This Senator has announced in this Chamber that he will soon introduce a bill to disallow the benefits of such leasing—ACRS deductions and the investment tax credit, according to the Navy and the private parties to this transaction. I am pleased to join the Senator from Ohio in supporting this amendment to prevent the tax indemnity provision of the leasing contracts from subverting the efforts this Senator will make to close this loophole.

It seems to me, however, that we are stretching, if not the law itself, the intent of the law. I would just say in suporting the distinguished Senator from Ohio I do not want to be misunderstood.

First, I do not want to be construed as endorsing the private parties claims that both ACRS and the ITC's exist for the investors under these leases. They get the investment tax credit in addition to depreciation here, so it is really a sweetheart deal. It is a big, big, subsidy by the taxpayers. In fact, there is substantial doubt as to the merits of those claims.

Second, I do not want to be taken as endorsing the validity of the indemnity clause. It may be valid, it may contravene public policy. This Senator, frankly, can express no valid opinion at this time. It does seem to me that if, in fact, we put an end to this leasing effort, then they will have to go back and address the indemnity clause in the contract.

Here we are, at a time of high Federal deficits, and the funding of tax indemnities for this aggressive tax planning purpose, for me, turned out to be a very important goal. It may be that one way to hide the high cost of defense spending is this way, to do it with some leasing arrangement so it does not show up as an appropriation.

It is a serious problem. It is one that ought to be addressed and discussed. I am not going to support the amendment of the Senator from Ohio, and I am not going to try to make any effort to otherwise try to derail those who may be involved in this particular area.

I say to my colleagues, this may seem like a great opportunity at the moment, but if it spreads and expands, it is going to be a big, big drain on the Treasury. It is going to be through the back door instead of the front door. I think it is an area we ought all to have an opportunity to look at carefully—Republicans, Democrats, whatever.

Having said that, I am perfectly willing to let my statement stand in the RECORD.

Mr. RUDMAN. Mr. President, let me say, in behalf of the Defense Appropriations Subcommittee chairman, that this is a debate where really, like many here, the issues could not join. Much of what the Senator from Ohio says I agree with. There is something rather unusual about a Federal policy which allows one department to attempt to thwart with Federal dollars the efforts of the other. That is not the issue on the part of the Appropriations Committee.

I am advised that if, in fact, this amendment were to be adopted by this body, then essentially, we shall have to find an additional $200 million in outlays and about $200 million in budget authority. We want to check those figures out. They seem a bit high to me, but that is what I am advised this morning.

The distinguished chairman of the Defense Appropriations Subcommittee, Mr. STEVENS of Alaska, and the distinguished member of the Armed Services Committee, Mr. COHEN of Maine, both are intimately familiar with the financial ramifications of what is happening here. So, at least if we are going to vote for the amendment offered by the Senator from Ohio, if we think it has merit, we at least ought to think about what the costs are going to be.

I assume the Senator from Ohio is going to call for the yeas and nays. If he does not wish to, I certainly shall. Then in the few moments preceding the vote on Tuesday allocated in the unanimous-consent agreement, we shall have a chance to hear that side of the story and vote as we wish.

Mr. HATFIELD. Mr. President, is that satisfactory to the Senator?

Mr. METZENBAUM. Mr. President, let me make it clear that I think this practice which Senator DOLE has just addressed himself to and Senator RUDMAN has spoken to as well is really an egregious one that we all ought to be working together to eliminate. I indeed am going to ask for the yeas and nays, but I am not going to kid my colleagues: The issue in connection with this amendment is not the totality of the problem. It does not strike the totality of the problem. I am concerned about the totality, I want to put a stop to it. This is a way of at least trying to get our foot in the door, of sending a message.

I shall ask for the yeas and nays, but I want to say to the distinguished member of the Defense Appropriations Subcommittee that if some assurance can be given that the practice will be stopped in the future, I am less concerned about one deal that has been made than I am about stopping the Navy and the Air Force and the Army from doing it tomorrow, the next day, and the day after. If some way can be worked out that some different amendment will do that or achieve that objective, I am less concerned about the specifics of the language of my amendment.

Having said that, Mr. President, in order to protect my position, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HATFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HATFIELD. The D'Amato amendment, which we temporarily laid aside—may I inquire as to how that is to be disposed of? Has it had the yeas and nays requested?

The PRESIDING OFFICER. It has not.

Mr. HATFIELD. Mr. President, again, on behalf of the managers, I ask the Chair to set aside the committee amendment and the D'Amato amendment temporarily so the Senator from Mississippi (Mr. COCHRAN) may offer an amendment.

The PRESIDING OFFICER. Is there objection?

Mr. HATFIELD. Mr. President, it was not a unanimous-consent request. It is just a request to set them aside.

The PRESIDING OFFICER. The Chair advises the Senator that it will take unanimous consent to set aside the D'Amato amendment, but not the committee amendment.

Mr. HATFIELD. I ask unanimous consent to set aside the D'Amato amendment temporarily and I instruct the clerk to set aside the committee amendment temporarily so the Senator from Mississippi may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1361

(Purpose: To appropriate funds for Gulf Islands National Seashore, Mississippi)

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Mississippi (Mr. COCHRAN) proposes an amendment numbered 1361.

Mr. COCHRAN. I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 56, line 23, strike out "$64,000,000" and insert in lieu thereof "$68,300,000".

On page 57, line 16, after the semicolon insert the following: "$4,300,000 is for Gulf Islands National Seashore, Mississippi;".

Mr. COCHRAN. Mr. President, I am offering this amendment to restore $4,300,000 to the National Park Service for the Gulf Islands National Seashore. This funding was included in H.R. 3069 as passed by the House of Representatives, but it was not included in the bill approved by the Senate Committee on Appropriations. This amount is needed to satisfy a judgment rendered in the U.S. District Court for the Southern District of Mississippi in April 1982 in an action by the Government to condemn an offshore island, Petit Bois Island, for the Gulf Islands National Seashore, in accordance with the act of Congress in January 1971 establishing it. The trial judge rendered judgment against the United States and in favor of the owners of the property in the amount of $6,120,000, plus interest at 14.5 percent per annum.

Thereafter the Government filed a motion for a new trial. That motion was denied, and the Government filed an appeal. In November 1982 the Government attorneys elected to dismiss their appeal, and this decision became final.

Earlier this year the judgment creditor, through his attorneys, attempted to have that judgment satisfied by a writ of execution on the judgment. After considering the motion to quash the writ of execution, the district judge stated, in an order which was entered in the U.S. District Court for the Southern District of Mississippi on May 4, that unless the judgment is satisfied by October 31 of this year, he will consider permitting the judgment creditor to execute the judgment against property, possibly, of the National Park Service, located in the State of Mississippi.

Mr. President, this is a serious problem. The National Park Service has requested funds to be included in this supplemental appropriations bill to satisfy that judgment. As I stated, the House of Representatives included $4.3 million to satisfy the balance that is owed on the judgment. Of course, the interest continues to increase the amount that is owed to the judgment creditor.

It is my hope that, because the judgment is final, the appeal has been dismissed, and the court has entered an order stating in clear language that the judgment creditor has a right to

collect the judgment and that it will be reopened for consideration, for execution or other appropriate relief if it is not paid by October 31, 1983, the managers of the bill will include this requested addition to the National Park Service account.

Mr. President, during consideration of this bill by the full committee, I offered this amendment and urged its adoption. The chairman of the subcommittee (Mr. McCLURE) argued against approving the amendment because of an investigation that is taking place involving the judgment creditor in the State of Florida. There is some suggestion that there may have been some wrongdoing or some fraud involved in the contracts for the subdividing of property on Petit Bois Island preceding the condemnation proceeding.

However, Government attorneys in the condemnation action stipulated prior to trial, that the contracts were valid, and there was no issue raised in the condemnation case about any fraud or wrongdoing on the part of the judgment creditor in establishing the value of the surface of this land. There was a difference of opinion, of course, and that difference was argued. Witnesses were called to establish the value of the land. The court made a decision about the value of the land. We think, and urge the Senate to agree, that any suggestion now about alleged wrongdoing by a judgment creditor in developing contracts for the subdividing of this land is irrelevant. The judgment is final and the court has issued a subsequent order stating that the judgment creditor is entitled to have his judgment satisfied. I believe the Government is going to look bad, Mr. President, if the Government continues to refuse to pay the judgment which is accumulating interest at 14½ percent, and the judge orders that lands of the National Park Service or other Government property should be sold to satisfy the judgment.

I think we ought to include this appropriation in the bill, Mr. President.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. HATFIELD. Mr. President, the Senator has stated his case very well. There is no question that this money will be made available at a time when the clouds or the questions have been removed that surround this particular project. The Senator from Mississippi knows that originally I believe it was appraised at around $330,000 and the court award was $6.1 million which was quite a variance between appraisal and award. I understand, too, that the original appraisal was on a piece of property of some 700 acres and it now is approximately 600, so we have lost about 100 acres in the process. There is, according to the information Senator McCLURE and staff provided the full committee, information that the Justice Department is looking into this matter, so until that cloud is removed it was not deemed the appropriate time to include this money. The Senator from Mississippi knows it is a conferrable item because I believe the $3.2 million has been included on the House side. I merely say to the Senator from Mississippi that once these clouds are removed, according to the comments made in the full committee markup by the Senator from Idaho, the chairman of the subcommittee, and my own feeling about the project, we certainly support the Senator, but I do think at this time with these unanswered questions that have been raised it would be inappropriate to move ahead with the amendment he has proposed.

Mr. COCHRAN. Mr. President, will the Senator yield?

Mr. President, in order to have the record complete, I ask unanimous consent to include at this point in the RECORD a copy of the judgment entered by the court in this case dated April 8, 1982.

There being no objection, the judgment was ordered to be printed in the RECORD, as follows:

IN THE U.S. DISTRICT COURT FOR THE SOUTHERN DISTRICT OF MISSISSIPPI, SOUTHERN DISTRICT

Civil action No. S80-0450(N)

UNITED STATES OF AMERICA, PLAINTIFF,

versus

714.42 ACRES OF LAND, MORE OR LESS, SITUATED IN THE COUNTY OF JACKSON, STATE OF MISSISSIPPI, AND PETIT BOIS, INC., ET AL., DEFENDANTS

JUDGMENT

This action came on for trial before the Court, and the issues having been duly tried and a Memorandum Opinion having been duly rendered on March 29, 1982.

It is, therefore, ordered and adjudged That the Defendant owners of the surface rights of subject property recover of the Plaintiff the sum of Six Million One Hundred Twenty Thousand and No/100 Dollars ($6,120,000.00) and all costs of Court accrued herein.

It is further ordered and adjudged That in addition to the foregoing amounts said Defendants shall be entitled to interest thereon at the rate of Fourteen and One-half percent (14.5%) per annum from and after May 16, 1980, up to and including the date of payment, with Plaintiff being given the benefit of deposits heretofore made, with any interest earned thereon while in the Court Clerk's possession to be payable to the Defendants.

It is further ordered and adjudged That the Findings of Fact and Conclusion of Law contained in the Memorandum Opinion of this Court dated March 29, 1982, should be, and are hereby made a part of this Judgment.

It is further ordered and adjudged That pursuant to Rule 54B, Federal Rules of Civil Procedure, that notwithstanding the fact that the interest of the owners of the minerals have not been adjudicated by the Court, there is no just reason for delay in entry of this Court's Judgment herein in favor of the owners of the surface rights of the subject property.

Mr. COCHRAN. I also ask unanimous consent, Mr. President, that a copy of the court's order in the case dated May 4, 1983, be included at this point in the RECORD.

There being on objection, the order was ordered to be printed in the RECORD, as follows:

IN THE U.S. DISTRICT COURT FOR THE SOUTHERN DISTRICT OF MISSISSIPPI, SOUTHERN DISTRICT

United States of America, Plaintiff, versus *717.42 acres of land, more or less, stituate in the county of Jackson, State of Mississippi, and Petit Bois, Inc., et al*, Defendants

Civil Action No. S80-0450(N)

ORDER

This cause came on to be heard on Motion to Quash Writ of Execution filed by the United States of America, wherein the United States of America moved to quash a writ of execution issued at the request of the Defendants in this cause, which writ of execution sought to enforce the judgment entered in this cause by judicial sale of Ship, Horn and Petit Bois Islands, and the Gulf Islands National Seashore Headquarters Facilities at Ocean Springs, Mississippi. The Court having been fully informed in the premises, and having reviewed the Briefs and Affidavits of all parties, and having heard argument, finds that based upon representations of the United States of America to the effect that the United States of America, acting through the Department of Interior, will probably have sufficient funds appropriated by Congress beginning at the first of the 1984 fiscal year, which begins October 1, 1983, it appears to the Court that this judgment will probably be satisfied in full during the month of October, 1983.

The Court therefore finds that the Motion to Quash Execution should be granted subject, however, to the right of the Defendants to petition this court for relief in collection of the judgment, including execution if they so choose, if said judgment is not satisfied in full by October 31, 1983. The Court finds that should said judgment not be satisfied by October 31, 1983, then the Defendants will have full right to open up all avenues to collect said judgment, and this ruling on this Motion will be no bar to any such proceeding. It is therefore:

Ordered, adjudged and decreed that the Motion of the United States of America to Quash Execution be, and the same hereby is, sustained, subject to the right of the Defendants to pursue collection of this judgment in any form they may deem appropriate if the same is not paid by October 31, 1983. It is further:

Ordered, adjudged and decreed that if the Judgment is not paid by October 31, 1983, then this matter will be reopened for consideration of Defendant's request for execution of other appropriate relief.

Mr. COCHRAN. Mr. President, one final word, if I may, about the appraisals that are involved in the case. In any condemnation proceeding, as we all know, there are differences in the testimony of witnesses. There was an appraisal that was included in the case that stated a value of some $330,000 for the property in question. That was

a witness called by the Government. There were other witnesses who testified in this case, and it was the testimony of other witnesses that the district judge in his wisdom chose to believe, finding their evidence and testimony to be more credible as to value in the case.

The Government has had an opportunity to take an appeal from that judgment and argue that the judgment was erroneously rendered or was not supported by the evidence, but that appeal has been dismissed.

I am hoping, Mr. President, in view of the opposition of the chairman to including the amount in the bill at this point that I could at least get some indication of an interest in considering in conference to receding to the position of the House, carefully considering the reasons why the House has included the money in its bill. I want some assurance that it would be possible at least that the Senate might go along with the House version in conference. If I could have such an assurance, this Senator would be willing, if others have no objection, to not push for a vote on this amendment.

Mr. HATFIELD. The Senator from Mississippi, I can assure, will be named as a conferee. I will certainly make sure he is on the conferee list so that the matter can be again aired in the conference with the House. Again, I want to emphasize the simple point that I support the Senator. I want to make sure that we have all the bases covered and all the questions answered so that whatever action we take cannot be considered precipitous or premature in light of some of the questions that have been raised. Right or wrong, the questions are still before us, directly and indirectly. So I want to assure the Senator I will work with and support him in every way I can to see this to completion in the time frame of these questions.

Mr. COCHRAN. Mr. President, with that assurance, I withdraw the amendment.

I thank the chairman of the committee.

The amendment is withdrawn.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the pending committee amendments and the D'Amato amendment be temporarily set aside in order that I may offer an amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AMENDMENT NO. 1362

(Purpose: To limit the use of funds appropriated by this act to indemnify provisions in certain Government contracts)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Ohio (Mr. METZENBAUM) proposes an amendment numbered 1362.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert the following new section:

SEC. . Notwithstanding any other provision of this Act, funds appropriated by this Act may not be used to indemnify any person (including costs of legal fees), pursuant to any contract with the United States, for amounts paid by such person to the United States by reason of any action of the Internal Revenue Service.

Mr. METZENBAUM. Mr. President, I have no particular debate to offer in connection with this amendment. It relates to a previous subject I have debated. I felt that it should be pending at the desk in the event there is a unanimous-consent agreement as to what further amendments can be offered.

Mr. President, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. STENNIS addressed the Chair.

The PRESIDING OFFICER (Mr. COCHRAN). The Senator from Mississippi.

Mr. STENNIS. Mr. President, I say to the chairman that I propose to call the Members on this side of the aisle who are expected to be here to present their amendments. The chairman has called out the names of three Members. As I understand it, they were to be here by 1 p.m.

Mr. HATFIELD. Twelve noon.

Mr. STENNIS. I think we should move along. We will have to call them and tell them we are waiting for them.

Mr. HATFIELD. Would the Senator consider calling up amendments and tabling them?

Mr. STENNIS. No, I would rather not do that.

Mr. HATFIELD. I will call up the ones on the Senator's side, if he will call up the ones on my side.

Mr. STENNIS. I think they will come to the floor.

Mr. HATFIELD. Mr. President, the distinguished comanager of the bill has raised a very good point, because last night I did inform Senator BAUCUS, Senator GARN, and other Senators that they could take up their amendments between 11:30 a.m. and 1 p.m. Some of them indicated that they would be here at that time. None of them has shown up. I will read the names: Senators BUMPERS, ARMSTRONG, BAUCUS, MELCHER, MOYNIHAN, TSONGAS, HATCH, and KASSEBAUM.

I ask unanimous consent that the D'Amato amendment be temporarily laid aside and that the committee amendment be temporarily laid aside so that the Senator from New Hampshire may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1363

(Purpose: To provide additional funds to develop needed academic facilities)

Mr. RUDMAN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Hampshire (Mr. RUDMAN), for himself and Mr. EAGLETON, proposes an amendment numbered 1363.

Mr. RUDMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 72 after line 9, insert the following:

FACILITIES DEVELOPMENT HEALTH RESOURCES AND SERVICES ADMINISTRATION

Health Resources and Services

For an additional amount for "Health resources and services" for the remodeling and expansion of an existing academic health center library in the Pacific Northwest under section 720(a)(1) of the Public Health Service Act, $14,500,000, to remain available until expended; and notwithstanding any other provision of this or any other Act, such amount shall be made available without regard to the provisions of sections 702(b) and 722(a)(1) of the Public Health Service Act.

NATIONAL INSTITUTES OF HEALTH

National Library of Medicine

For an additional amount to carry out section 301 and parts I and J of title III of the Public Health Service Act with respect to conducting research, development, and demonstration projects at an existing academic health center in the Pacific Northwest, $5,900,000 to remain available until expended.

GRANTS FOR CONSTRUCTION OF ACADEMIC FACILITIES

For part B of title VII of the Higher Education Act of 1965, $22,500,000, to remain available until expended, shall be available for two grants in New England except that the provisions of section 721(a)(2) and (b) shall not apply to the funds appropriated under this heading, and the amount of the grants paid from funds appropriated under this heading shall not be subject to any matching requirement contained in section 721(c) of such part and shall be used for two facilities of the type mentioned in section 713(g).

Mr. RUDMAN. Mr. President, the amendment Senator EAGLETON and I are offering provides a total of $42.9 million for three important projects in which the Federal Government has a stake. First, there is $20,400,000 in the bill to support the development of a Biomedical Information Communication Center at the University of Oregon Health Sciences Center in the Pacific Northwest. A recent study by the Association of American Medical Colleges, "Academic Information in the Academic Health Sciences Center: Roles for the Library in Information Management," pointed out the need for academic health sciences centers and hospitals to take immediate steps to implement a network that facilitates the flow of recorded biomedical knowledge throughout their institution in as direct and useful a form as possible. The study further recommended that support should be provided for the development of prototype network systems as well as programs that encourage the rapid integration of information technologies in the learning and practice of the health professions.

The proposed development of a Biomedical Information Communication Center at the Oregon Health Sciences University is an innovative approach in response to a regional need. The model described is in concert with the recommendations of several studies describing future trends in the management of health information. It is hoped that the University of Oregon facility might be one of five regional prototype centers developed over the next few years in the Nation. The concept of five such libraries would provide an opportunity to show how such facilities might be used in different urban and rural environments, responsive to a variety of health information needs.

The recommended project also will be job-creating and this will be particularly helpful to the Oregon economy, one of the most hard-hit by the recession. The committee is advised that the project has the enthusiastic support of health practitioners in the area, and has the interest of local business firms in regard to technological aspects of the project. In addition, the project might help stimulate the creation of industrial activity in the information field in the Pacific Northwest.

Within the total amount made available, the committee has included $14,500,000 for remodeling and expanding the existing library space at the Oregon Health Sciences Center. The estimated total of 82,000 square feet of space will be used to house the computer and other technologies required to develop and maintain an academic health resource network for the State of Oregon. The funds are made available under section 720(a)(1) of the Public Health Service Act.

In addition, $5,900,000 is provided for planning the project and for providing the equipment locally for the research and development to be undertaken, for the networking of the system, and for disseminating equipment to local hospitals and physicians on a demonstration basis. The funds are made available under section 301 and parts I and J of title III of the Public Health Service Act.

In addition to funding for the Biomedical Information Center, a total of $22.5 million is provided under part B of title VII of the Higher Education Act. Of this amount, $7.5 million is directed to Boston College, Boston, Mass., for the purpose of assisting in the completion of construction of its Central Research Library. This central library is the cornerstone of the university's campus and rounds out 70 years of planned growth and development. It will house the central collection of the university and provide study and research facilities critical to the academic enterprise. Libraries of the college are a major depository of government documents used by both the university community and the broader general public.

The remaining $15,000,000 is for the purpose of constructing a Center for Advanced Technology Development at the University of New Hampshire. This project will enable the university to consolidate and modernize its space science and marine research facilities, a step which will greatly improve the efficacy of, and the return on, the Federal Government's substantial research investment at the institution. It should be noted that, even without the appropriation, the university could recover much of the cost of this construction from the Federal Government through the indirect cost component of Federal research grants and, therefore, that the actual cost of this provision is much less than $15,000,000.

The proposed amendment includes all the necessary waivers to insure that the Department of Education can fund the projects in line with the intent of the Congress. The Department is prohibited from holding the Federal share of the project to 50 percent and from requiring the Boston College or the University of New Hampshire to contribute any of their own funds. Since both facilities will be combined graduate and undergraduate facilities, and since part B appears to be limited to graduate facilities, specific language is included to insure that the Department has the legal authority and will make the grants to the combined facilities. Finally, section 712(a)(2), relating to interstate distribution of funds, and section 712(b), relating to the establishment of a panel of experts to give advice, are waived.

In conclusion, Mr. President, I reiterate that this $42.9 million appropriation is to fund three specific projects. All three will represent a continued affirmation of the Government's necessary role in education and address projects with which there is direct, Federal contact. The amendment will help improve the research and high technology capability of the United States, and I hope and expect that it will be accepted in conference by the other body.

Mr. President, this is a noncontroversial amendment. It is my understanding that it has been cleared on both sides.

Mr. HATFIELD. Mr. President, the amendment of my distinguished colleague from New Hampshire, Senator RUDMAN, includes $20,400,000 for the development of a Biomedical Information Communication Center at the University of Oregon Health Sciences Center in the Pacific Northwest. It is an amendment I fully support.

A recent study by the Association of American Medical Colleges entitled, "Academic Information in the Academic Health Sciences Center: Roles for the Library in Information Management," pointed out the need for academic health sciences centers and hospitals to take immediate steps to implement a network that facilitates the flow of recorded biomedical knowledge throughout their institution in as direct and useful a form as possible.

This study further recommended that support should be provided for the development of prototype network systems as well as programs that encourage the rapid integration of information technologies in the learning and practice of the health professions.

The proposed development of a Biomedical Information Communication Center at the Oregon Health Sciences University is an innovative approach in response to a regional need. The model described is in concert with the recommendations of several studies describing future trends in the management of health information. It is hoped that the University of Oregon facility could be one of five regional prototype centers developed over the next few years in the Nation.

The concept of five such libraries would provide an opportunity to show how such facilities can be used in different urban and rural environments and be responsive to a variety of health information needs.

The recommended project also will be job creating and this will be particularly helpful to the Oregon economy, one of the most hard hit by the recession. The committee is advised that the project has the enthusiastic support of health practitioners in the area, and has the interest of local business firms in regard to technological aspects of the project. In addition, the

project could help to stimulate the creation of industrial activity in the information field in the Pacific Northwest.

Within the total amount made available, the committee has included $14,500,000 for remodeling and expanding the existing library space at the Oregon Health Sciences Center. The estimated total of 82,000 square feet of space will be used to house the computer and other technologies required to develop and maintain an academic health resource network for the State of Oregon. The funds are made available under section 720(a)(1) of the Public Health Service Act.

In addition, $5,900,000 is provided for planning the project and for providing the equipment locally for the research and development to be undertaken, for the networking of the system, and for disseminating equipment to local hospitals and physicians on a demonstration basis. The funds are made availabale to the Oregon Health Sciences Center under section 301 and parts I and J of title III of the Public Health Service Act.

Mr. President, Senator PROXMIRE, on the minority side, is aware of this amendment and does not oppose it, and we accept it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1363) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, if we could handle 18 more amendments with that brevity, we would be through with this bill.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. RUDMAN). Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask unanimous consent to temporarily lay aside the D'Amato amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask unanimous consent to lay aside temporarily the committee amendment in order that the Senator from Kansas may offer an amendment or a colloquy.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Kansas is recognized.

AMENDMENT NO. 1364

Mrs. KASSEBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mrs. KASSEBAUM), for herself, Mr. DANFORTH, Mr. EAGLETON, Mr. DIXON, and Mr. BOREN, proposes an amendment numbered 1364.

At the appropriate place in the bill p. 87, above line 6, add the following new material: "Rock Island Labor Assistance, For employee protection as authorized by the Rock Island Railroad Transition and Employee Assistance Act, as amended, (45 USC 1001, et seq.), $35 million to remain available until expended."

Mrs. KASSEBAUM. Mr. President, I rise today to discuss an amendment dealing with the Rock Island Railroad. I add Mr. DANFORTH, EAGLETON, DIXON, and BOREN as cosponsors.

As many of my colleagues well know, the Rock Island Railroad was determined to be cashless in September 1979. That simple statement belies the tremendous turmoil and hardship that the bankruptcy of the Rock Island caused throughout the Midwest. When directed service ended in 1980, a total of 9,700 people had lost their jobs. Large numbers of shippers were left without service, and businesses suffered as higher cost alternatives were found. Legitimate claims for damages and back pay went unpaid for long periods of time. Towns became concerned at the loss of employment and their ability to attract businesses without adequate rail service.

The process of repairing the damage caused by the Rock Island bankruptcy has been a long one. Perhaps the most emotionally draining part of the problem has been the extreme hardship inflicted upon the workers who lost their jobs as a result of the Rock's demise. Many of these people, with years of loyal railroad service, remain unemployed today. They literally were left with nothing when the railroad ceased operations.

A number of different approaches were tried in order to get some compensation and retraining allowances into the hands of the former Rock Island employees. Finally, Congress passed the Rail Safety and Service Improvement Act of 1982. This legislation, passed late last year, authorized 35 million dollars' worth of employee protection funds for people who were adversely affected by the Rock Island bankruptcy. The legislation also directed the Department of Transportation to devise a plan for the distribution of this money. The DOT issued such a plan in April of this year.

It now only remains for Congress to appropriate this $35 million so that the former workers can receive the benefits authorized by Congress. The amendment I have sent forward today would provide for that appropriation as part of the 1983 supplemental. I understand that the House has included the $35 million as part of the 1984 DOT appropriations bill. I can see no reason to make these former workers wait for what could be as much as another year to receive their benefits. This money is needed now to allow them to help rebuild their lives. Naturally, if appropriated now, the money could be taken out of the 1984 DOT bill.

Mr. DOLE. Mr. President, will the Senator from Kansas yeild?

Mrs. KASSEBAUM. I yield.

Mr. DOLE. I commend my colleague from Kansas, Mrs. KASSEBAUM.

Mr. President, when the transportation appropriations bill is considered, I will join my distinguished colleague from Kansas in making sure we resolve, again, the labor protection questions and problems flowing from the Bankruptcy of the Rock Island Railroad several years ago. Senator KASSEBAUM has ably traced the history of our attempts to help those left out in the cold when the railroad folded. But Mr. President, neither Senator KASSEBAUM nor this Senator can adequately convey the toll that the collapse of the railroad has had on the families and communities located along the old Rock Island Line. In many cases, the economy of entire communities had been based on the railroad. Many people had located originally only because of the presence of the railroad. With the railroad in the hands of bankruptcy trustees, these people had no option but to relocate in other towns and communities—in different lines of work.

Mr. President, the employees of the Rock Island have been infinitely patient. With Senator HATFIELD's accommodating attitude already displayed, this Senator is confident that the final chapter to this story will indeed be written in the next few weeks.

(By request of Mrs. KASSEBAUM, the following statement was ordered to be printed in the RECORD:)

● Mr. DANFORTH. Mr. President, I wish to offer my support for the amendment offered by my colleague from the State of Kansas, Senator KASSEBAUM. This amendment would provide $35 million in appropriations to assist employees of the Rock Island Railroad who lost their jobs when that railroad stopped operating.

I fully agree with Senator KASSEBAUM that this funding is necessary to alleviate the hardship experienced by these employees. Further, I agree that there is no reason to delay this assistance for another year. Also, I want to point out to my colleagues that this funding is clearly required in order for Congress to make good on its promise to help these employees. This promise dates back to 1980, when Congress

first passed legislation authorizing assistance for these employees. This legislation was later struck down by the courts. In December 1982, Congress passed the Rail Safety and Service Improvement Act of 1982, which included a revised version of the Rock Island labor protection program. When Congress passed this legislation, it was with the understanding that this assistance was necessary, fair, and reasonable.

I urge my colleagues to support this amendment. It provides vital assistance for these employees and demonstrates Congress commitment to help them.●

● Mr. BOREN. Mr. President, I am honored to add my support as a cosponsor of this amendment offered by my good friend from Kansas, Senator KASSEBAUM. This amendment is the culmination of long and arduous efforts to provide severance pay and other benefits for those former Rock Island employees who were adversely affected by that railroad's bankruptcy.

Since March 1980, when the directed rail carrier ceased operations over the Rock Island lines, Congress has made several attempts to compensate these employees, only to be frustrated in those efforts. Finally, last year, Congress authorized the expenditure of $35 million for employee protection benefits. Now all that remains is for us to pass this amendment to the supplemental appropriations bill which will appropriate the already authorized $35 million.

It has been almost 4 years since the Rock Island ceased operations in August 1979; 4 years in which these former railroad employees have suffered through periods of anticipation and despair waiting for Congress to do something to help them.

Mr. President, this is our chance to help several thousand former Rock Island employees who have been unable to find other qualified railroad employment.

The Federal Railroad Administration, the Railroad Retirement Board, and others have done their part to establish the procedure for distributing these benefits. It is now time for us to act so that these former railroad employees will not have to wait any longer for the benefits they deserve.

I commend Senator KASSEBAUM for offering this amendment and for all the hard work she has done to help these former employees. I urge my other colleagues to join us in supporting this amendment.●

● Mr. EAGLETON. Mr. President, Congress has been wrangling with a Rock Island labor assistance package since 1980 when a crippling strike and a pending bankruptcy totally shut down the railroad. The railroad ceased to operate on its own in September 1979 when it became cashless. Shortly thereafter, a majority of its 10,000 employees lost their jobs.

Since that time, approximately half of the former Rock Island employees have returned to work as portions of the line were sold and returned to service. Needless to say, that has been a slow and cumbersome process and many of those who went back to work were forced to relocate their families or take jobs with less seniority than they had spent years achieving. Their lives were completely disrupted. However, some 3,000 are still without work today, and given the unemployment situation and the state of the economy in the Midwest, prospects for locating work either with a rail company or in some other field are slim. In addition, many of these people have spent their entire lives working for the railroads. Now they have found themselves without a job and without jobs skills to enter an alternate field.

In 1980, Congress enacted the Rock Island Transition and Employee Assistance Act, which contained a provision requiring the trustee of the Rock Island to pay limited labor compensation as an expense of the administration of the estate. Because of legal challenges, no payments were made and the provision was eventually declared unconstitutional.

Last year, Congress made another attempt to provide these former Rock Island employees some assistance. Fortunately, this time we were successful in overcoming the constitutional objections. The only obstacle now is the necessary appropriation of funds authorized in the 1982 Rail Safety and Service Improvement Act.

There is now a program in place and all concerned parties are in agreement on the distribution of the funds.

These people have been waiting since 1979 for this assistance—to ask them to wait any longer is unreasonable. The unemployment situation is not going to resolve itself in the near future. We need to disburse these retraining benefits and subsistence allowances immediately to allow the former Rock Island employees to provide for their families and put their lives in order. we must put an end to their hardships.

Mr. President, I hope my colleagues can appreciate the urgency involved here and I ask them to support the Kassebaum amendment.●

Mrs. KASSEBAUM. Mr. President, I wish to further speak at this point about the amendment, which has been sent to the desk, on behalf of myself, Senator DANFORTH, Senator EAGLETON, Senator DIXON, and Senator BOREN.

Mr. President, in regard to this amendment, what it does is address an issue that resulted from the bankruptcy of the Rock Island Railroad.

The funds in the amount of $35 million have been authorized as benefits for Rock Island employees who have suffered hardships and layoffs since that happened in 1979. It has caused tremendous turmoil in those States in which the Rock Island served.

With the authorization and the benefit plan that has been drawn up by the Department of Transportation, it was hoped that we could address the question on the supplemental appropriations bill.

In discussing this with the chairman, I have realized that it imposes problems on the supplemental but have also in talking with him realized that the 1984 appropriations bill will be coming through soon and have the assurance of not only the Senator from Oregon (Mr. HATFIELD) but the subcommittee chairman, Mr. ANDREWS, that this will be taken care of in the 1984 appropriation bill.

With that assurance, I will withdraw that amendment at this time but only on the understanding that it will be taken care of and addressed at that time, and I wish the chairman's comments on that.

Mr. HATFIELD. Mr. President, the Senator from Kansas (Mrs. KASSEBAUM) has certainly been diligent in pursuing this particular project. I commend her for it. In fact, she might be interested to know that I received a call in my field office in Portland yesterday asking why this money had not been appropriated before so at least there is at least one Rock Island employee in my State of Oregon. I do not know how he got out there.

Mrs. KASSEBAUM. He was probably calling from Kansas.

Mr. HATFIELD. But I wish to assure the Senator that the House Subcommittee on Transportation of the House Appropriations Committee will be marking their bill up next week in the full committee and this project is included in the 1984 transportation appropriation subcommittee bill on the House side.

I have discussed the matter with the chairman of the Transportation Subcommittee of the Senate Appropriations Committee, Senator ANDREWS of North Dakota. Senator ANDREWS has stated to me that he expects to have it placed in the Senate bill so that it would, therefore, not be a conferenceable item because we would have it in bills assuming it remains through the floor action and full committee markup. I know of no reason to believe it would not be expected to remain in that.

So if the Senator could withhold pursuing this on this particular vehicle at this time I do not think she is going to be really behind schedule more than a month or 6 weeks on getting this project approved and underway.

But it would be very helpful to take it on the regular 1984 bill as I indicated before. We are facing a proposition

of having to reduce this bill that we now have, this supplemental, at least in the neighborhood of $600 million in the conference and every add-on becomes really vulnerable to being dropped in conference as one of those add-ons that we could just reduce this total bill size.

So I think there would be far more success in pursuing it in the regular appropriations bill.

I hate to see the Senator from Kansas have it adopted here and then having it dropped in conference whereby we have much better chances, the odds are much better, of getting it through in a month or 6 weeks from now in a regular appropriations bill.

Mrs. KASSEBAUM. Mr. President, I appreciate those comments, and on that assurance of the chairman I withdraw my amendment.

The amendment is withdrawn.

Mr. STENNIS. Mr. President, addressing myself primarily to the chairman of the committee who wants to arrange for additional amendments to be taken up.

Mr. BAUCUS is on his way here now from his office and will be ready to proceed with an amendment as soon as he arrives.

We find that the Senator from Arkansas (Mr. BUMPERS) is away for the day.

Mr. HATFIELD. Mr. BUMPERS is away for the day?

Mr. STENNIS. He is away for the day.

Mr. HATFIELD. Is someone else going to handle his amendment?

Mr. STENNIS. I have not gotten that far yet on it, but I will go back to him.

I have a report on another one.

There is Mr. BOREN's amendment. Will the Chair indulge me just a moment?

The PRESIDING OFFICER. Yes.

Mr. STENNIS. Mr. President, I say to the distinguished Senator from Oregon that accounts for the three names that he had mentioned. Mr. BAUCUS will be here momentarily, I am sure.

I will make another call regarding these other two, except Mr. BUMPERS, and I understood he was out of the city

Mr. President, I yield the floor.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I have a statement to make as the manager of the bill. I am hopeful all of the offices are listening, because I am going to leave the floor at 1:30 p.m. and ask the leadership to either bring the bill to a close at that time or to propose a unanimous-consent agreement that no more amendments will be accepted.

We have a series of amendments here that have been indicated on a list that we have set up by Members of the Senate that they expect to present. Senators are not on the floor to present them. I have more important things to do. I am sure other Senators on the floor have more important things to do than to sit here waiting for Senators to make up their merry minds to come over here to present an amendment.

So, at 1:30 p.m., I am going to ask the leadership to cut off the amendment of Senators MATTINGLY, BUMPERS, ARMSTRONG, TOWER, THURMOND, MELCHER, MOYNIHAN, BOREN, HATCH, QUAYLE, BOSCHWITZ, and WALLOP if they are not here. As far as I am concerned, those amendment can be vitiated as far as our list is concerned and I would ask that there be no more amendments offered for this bill.

We have made telephone calls. We have made statements urging Senators to get to the floor to offer these amendments. I think it is highly inconsiderate for Senators to withhold their amendments when the managers of the bill are here waiting to deal with those amendments.

We are all busy. We all have schedules to keep. I cannot accept the proposition that Senators have other business more important than amendments. Obviously, the amendments are not terribly important or they would be here.

I might say, I am going to make a judgment on the importance of those amendments as far as whether we should fight for them in the conference. If a Senator does not think that much about his amendment to be here on the floor to offer it within a reasonable period of time, it is obviously not terribly important. So why should we, even if it is adopted, make any efforts to hold it in the conference?

Now, these may be harsh words, but I do feel we have been more than patient over all the period that we were in session yesterday, last night, and the fact that this bill has to be held for the convenience of Senators for 4 days on the floor—4 days—is absolutely unreasonable to begin with, and then not to be able to handle the business of the Senate because Senators just do find it convenient to their personal schedules to come over here and offer their amendment.

Mr. STENNIS. Mr. President, will the chairman yield?

Mr. HATFIELD. Yes.

Mr. STENNIS. I have an announcement to make. Senator BAUCUS is here, and he is ready to proceed with his amendment, as I understand it. I thank him for coming right on it. Mr. BOREN is on his way and will be here in 30 minutes.

I yield to the Senator from Montana.

Mr. BAUCUS. Mr. President, if the Senator will yield, the Senator from Montana is ready. It is my understanding the Senator from Mississippi (Mr. COCHRAN) may wish to be involved with this amendment. I do not know what the wishes of the Senator from Mississippi or the Senator from Oregon are, but I am willing to proceed at this time.

Mr. STENNIS. That is fine.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the D'Amato amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask the Chair now to set aside the pending committee amendment temporarily so that the Senator from Montana (Mr. BAUCUS) may offer an amendment.

The PRESIDING OFFICER. The committee amendment is set aside. The Senator from Montana.

AMENDMENT NO. 1365

(Purpose: To provide funds for making and insuring loans to certain farm supply businesses and cooperatives which have been adversely affected by the payment-in-kind program)

Mr. BAUCUS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Montana (Mr. BAUCUS) proposes an amendment numbered 1365.

Mr. BAUCUS. Mr. President, I ask unanimous consent that further reading of the amendement be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, between lines 10 and 11, insert the following new paragraph:

"For making and insuring loans pursuant to section 310B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932) to businesses and cooperatives which are (1) engaged in the business of furnishing to farmers and ranchers machinery, supplies, and services directly related to the production of commodities diverted from production under payment-in-kind land diversion programs carried out by the Secretary of Agriculture, and (2) experiencing substantial economic hardship directly attributable to the operation of such programs, $100,000,000 to remain available until September 30, 1984.".

Mr. STENNIS. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Montana.

Mr. BAUCUS. Mr. President, I wish to join in the words of the Senator from Oregon. I think he is absolutely

right. If Senators do not have amendments ready at this time, after giving full notice to those Senators who have indicated they may have amendments, the Senator from Oregon and the Senator from Mississippi should move for third reading.

Mr. President, I have been waiting for a letter from the Farmers Home Administration before proceeding with my amendment. I now have such a letter and I am ready to proceed with the amendment.

Mr. President, there is a clear need for Congress to address the impact of the payment-in-kind program on farm supply businesses.

The U.S. Department of Agriculture has projected purchase declines throughout the farm supply industry this year. For example:

Fertilizer use is expected to decline by 12 to 14 percent—with use on corn and sorghum down 25-27 percent. USDA admits that some production facilities may close and that fertilizer manufacturers' revenues will decline by more than 12 to 14 percent.

Farm machinery purchases are estimated to drop 2 to 3 percent. This is on top of a decline in sales that has been occurring since 1979 due to high interest rates.

Demand for maintenance, parts and repairs of farm equipment is expected to decrease by 12 to 15 percent.

Use of pesticides is expected to drop 13 to 17 percent.

Cotton-ginning firms and rice-milling firms could see a 20 to 25 percent decline in demand for their services.

In Montana, the Hardware & Implement Dealers Association has told me that 12 of their members have already gone out of business in the past 4 months.

Mr. President, I believe the Federal Government should help these farm-supply businesses who had little chance to plan ahead for the adverse impacts of the PIK program. The amendment I am proposing would do just that.

USDA now has the authority to grant guaranteed loans to farm supply businesses under the business and industry program of the Farmers Home Administration (FmHA).

Yet, FmHA has obligated only a small fraction of the $300 million appropriated for this program. We are only 3 months from the end of the fiscal year and I am told that only $40 million has been obligated.

My amendment addresses the growing need for assistance and the lack of action on the part of FmHA.

Mr. President, thanks to the continued efforts of the distinguished chairman of the Agriculture Appropriations Subcommittee (Mr. COCHRAN) the Farmers Home Administration has agreed to make the obligating of these funds a top priority.

FmHA has also agreed to publicize their intention of making this loan guarantee program available to farm supply businesses that need assistance.

Mr. President, I ask unanimous consent that a copy of the notice from the FmHA be printed in the RECORD.

There being no objection, the notice was ordered to be printed in the RECORD, as follows:

JUNE 10, 1983.

Subject: Businesses Affected by the Payment-in-Kind (PIK) Program.

To: All State Directors, FmHA.

Some concern has been expressed that agricultural service and support businesses in some areas may be experiencing temporary reductions in sales. These may include grain elevators, feed mills, farm machinery dealerships and fertilizer distributors, among others. Any inquiries for assistance should be given particular attention.

We believe that we can assist such creditworthy businesses to weather the temporary setback in sales that may have resulted from lower overall farm income in past years and reduction in planted acres because of PIK. This can be accomplished through the business and industry program.

CHARLES W. SHUMAN,
Administrator.

Mr. BAUCUS. Mr. President, I again want to commend the Senator from Mississippi for his diligent efforts on behalf of farm supply businesses facing financial difficulties as a result of the PIK program.

Mr. President, at this point I am prepared to yield to whoever wishes to speak on the amendment.

The PRESIDING OFFICER. Who seeks recognition?

Mr. STENNIS. Mr. President, I do not know of anyone else to speak for the amendment. I do not know if there is anyone who wishes to speak in opposition. Does the Senator from Connecticut wish to speak in opposition to this amendment?

Mr. WEICKER. Mr. President, it is my understanding the Administration is looking at the problems raised by the distinguished Senator from Montana. They are aware of the points that he has made. I hope, at least at this time, until we have a further clarification of the matter, that he would withhold in what he is offering on the floor.

Mr. BAUCUS. Mr. President, I appreciate the comments of the Senator from Connecticut. It is my intention to withdraw the amendment.

Let me say that I do have a notice just received today from the Farmers Home Administration, the same notice that I just asked to have printed in the RECORD, which indicates that the Farmers Home Administration is willing to stand ready to provide business and industry loan guarantees to firms who are adversely impacted by the PIK program, the point being that FmHA does stand ready to make those guaranteed loans available.

I thank the Senator from Connecticut.

Mr. President, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KASTEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

KASTEN AMENDMENT: OPPOSITION TO NATIONAL FOREST LANDS SALE

Mr. KASTEN. Mr. President, I would like to call the Senate's attention to an amendment which was unanimously adopted by the full Appropriations Committee during markup of this legislation. My amendment clearly expresses the Senate's opposition to the sale of any significant portion of our national forest lands.

It is imperative that we protect our national forests. We must continue the solid, consistent management of our national forest lands, and we cannot allow a reversal of carefully developed management practices to meet short-term needs. Such a reversal would be short-sighted, and future generations of Americans would have to pay for our actions today.

Our national forest system was established almost a century ago with the adoption of the Organic Administration Act of 1897. This act gave the President the authority to establish forest preserves, which later became national forests, by withdrawing property from the public domain. The Organic Act was the culmination of many years of work to increase protection for important watersheds and timber resources. It also provided for the use of timber or mineral resources on forest lands so long as the forests were not permanently disrupted.

In 1911, Congress adopted the Weeks Act which authorized and directed the Secretary of Agriculture to purchase cut-over or denuded lands for inclusion in the national forest. Like the Organic Act, the new law was intended to protect watersheds and assure the availability of an adequate supply of timber. This law, however, is noteworthy because it granted the authority to establish national forests by purchasing lands. In the Eastern United States, and in my home State of Wisconsin, national forests could now be established. In the East, public domain lands had long since been disposed of. The Weeks Act became the mechanism for establishing most of the national forest lands in the Eastern United States.

During the 1920's the principal of multiple use of these public lands was

codified by law. This action directed forest managers to provide for a wide range of uses of our national forests. Forest lands were no longer to be used for an exclusive purpose, but to help meet a variety of needs such as recreation, wildlife habitat protection, timber production, mineral development, and watershed protection.

Mr. President, I have briefly outlined the history of how our national forest system was created in order to illustrate our Nation's long-term commitment to resource protection and conservation.

Over the past century our national forests have come to play a critical role in protecting an important part of our Nation's heritage. We cannot allow these careful management policies, which have been forged over an extensive period of time, to be suddenly reversed.

I believe that it is very important for the Senate to send a strong message expressing its opposition to the sale of these forest lands. Selling a significant portion of our national forests would be inconsistent with a long history of protecting these lands.

My amendment will clearly point out how strongly the Congress feels about protecting our national forest. I believe this amendment will tell those calling for the disposal of this land that Congress and the American people will not stand for such action. Through this amendment, I hope we can head off future attacks on our national forests.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ARMSTRONG). Without objection, it is so ordered.

AMENDMENT NO. 1366

Mr. MATTINGLY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Georgia (Mr. MATTINGLY), for himself, Mr. THURMOND, Mr. TOWER, Mr. JACKSON, Mr. HOLLINGS, and Mr. NUNN, proposes an amendment numbered 1366.

On page 37, strike lines 1 through 23 and insert in lieu thereof the following:

"None of the funds appropriated by this Act, or by any other Act, or by any other provision of law, shall be available for the purpose of restarting the L-Reactor at the Savannah River Plant, Aiken, South Carolina, until the Department of Energy completes an Environmental Impact Statement pursuant to section 102(2)c of the National Environmental Policy Act of 1969. For purposes of this paragraph the term "restarting" shall mean any activity related to the operation of the L-Reactor that would load fuel into the reactor core, achieve criticality, generate fission products within the reactor, or discharge cooling water from either testing or operations into Steel Creek.

Consistent with the National Environmental Policy Act of 1969, and in consultation with State officials in South Carolina and Georgia, the preparation and completion of the Environmental Impact Statement called for in this paragraph shall be expedited. The Secretary of Energy may reduce the public comment period, except that the public comment period shall not be reduced to less than forty-five days and the Secretary shall provide his Record of Decision, based upon the completed Environmental Impact Statement, not sooner than December 1, 1983, and not later than January 1, 1984.

The PRESIDING OFFICER. The Chair points out that it is necessary for the manager of the bill to set aside the pending committee amendment prior to the unanimous-consent agreement. The Senator from Connecticut is recognized.

Mr. WEICKER. I ask the Chair——

The PRESIDING OFFICER. The Chair points out there is also a D'Amato amendment pending that would have to be also laid aside.

Mr. WEICKER. We have the D'Amato amendment pending before us and also the committee amendment pending before us?

The PRESIDING OFFICER. The Senator is correct.

Mr. WEICKER. They would both have to be laid aside?

The PRESIDING OFFICER. That is correct.

Mr. WEICKER. Mr. President, I ask unanimous consent that the committee amendment and the D'Amato amendment be laid aside so that the distinguished Senator from Georgia may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Georgia is recognized.

Mr. MATTINGLY. Mr. President, the amendment being offered here today is substantially the same as the Hollings/Mattingly amendment on the L-reactor that passed the Appropriations Committee without a dissenting vote. That required the Department of Energy to complete an expedited environmental impact statement before the L-reactor could be restarted.

The major change in this amendment is the addition of a deadline. I have no objection to the January 1, 1984, deadline. In fact, I welcome a quick but thorough study. I have always felt that an expedited EIS could be completed rapidly. It has been the DOE that has expressed fears of an 18-month delay. The addition of the date just puts into the law the certainty there will not be a long drawn out process.

My office has been in touch with environmentalists from such groups as the natural resources defense council and the Georgia conservancy. They also see no problem with this timeframe.

Mr. President, I want it clearly understood that I believe strongly in the need for the material that will be produced by the L-reactor. I also believe that this material should be produced at the Savannah River plant.

But as important as this facility is to our strategic defense program, we cannot take risks with the environment. This is especially true at the Savannah River plant for it sits on top of the Tuscaloosa aquifer that provides water for all of south Georgia and portions of other States. There has already been some minor contamination of the aquifer by ground water at the plant.

This is not something you can play around with. We only have one environment. If we poison it, what are we going to do? Georgians are as patriotic or more so than the citizens of any State in this Union. They will support the production of plutonium by the L-reactor as long as they know it is not going to ruin the water their children and grandchildren will one day drink. That is not too much to ask.

The environmental impact statement should have been initiated at the beginning of this project. It would have been long over and done with by now. That initial mistake has been compounded over and over again during the last year or two. This could serve as a classic object lesson to officials and bureaucrats the world over. It is always less painful to admit and then undo mistakes than it is to stubbornly insist that no mistake has been made.

I commend the chairman of the Armed Services Committee and the ranking minority member for their help in working out this situation. I would also like to commend the two Senators from South Carolina who have both spent many hours studying this complicated problem. Senator THURMOND cordially allowed me to participate in his February hearing in North Augusta on the L-reactor. Senator HOLLINGS spoke forcefully and convincingly for an environmental impact statement when this was considered in the Appropriations Committee. Both have worked hard to balance the concerns about safety with the obvious economic impact the Savannah River plant has on their State.

What is being offered here today provides a mechanism for answering the remaining questions of reasonable citizens living in the area affected by this plant. The EIS should be and can be done thoroughly and carefully even under the accelerated schedule.

I ask my colleagues to join me in supporting this reasonable amendment.

● Mr. TOWER. Mr. President, I am pleased to cosponsor an amendment with my colleagues, Senators JACKSON, MATTINGLY, NUNN, THURMOND, and HOLLINGS, which is in the nature of a perfecting amendment to the provision added during full committee markup by Senators HOLLINGS and MATTINGLY to require an environmental impact statement before the L-reactor at the Savannah River plant, Aiken, S.C., can be restarted.

The L-reactor is critically important to our national security. It will produce plutonium that will be needed in the mid-1980's as we modernize our stockpile of nuclear weapons. There simply is no alternative to restarting the L-reactor.

Given the critical requirement to restart the L-reactor, I am, nonetheless, sympathetic to the concerns of Senators HOLLINGS and MATTINGLY that the restart be done carefully and with adequate concern for potential environmental consequences.

The purpose of the perfecting amendment that is being offered here is to balance the two concerns—national security on the one hand and health and safety concerns on the other hand. The original Hollings/Mattingly provision specified an expedited environmental impact statement. The perfecting amendment simply specifies a schedule for that expedited environment impact statement that will insure that the restart of the L-reactor is not unduly delayed.

Under the perfecting amendment, I would expect the Energy Department to complete an expedited EIS on the following general schedule:

	Days
Preparation of a draft EIS	60–90
Public comment on draft EIS	45
Preparation of final EIS	15
Preparation of a record of decision	30

This would permit restart of the L-reactor shortly after January 1, 1984, and I think warhead production schedules will not be jeopardized with that schedule.

I am pleased that we have been able to reach this compromise. I urge my colleagues to support the amendment.●

Mr. THURMOND. Mr. President, I have joined with Senators TOWER, JACKSON, HOLLINGS, and MATTINGLY in cosponsoring this proposal.

On a number of occasions I have stated, and I reiterate now in the context of this amendment: While timely restart of the L-reactor at the Savannah River plant (SRP) in my State is of critical importance to our national security, we must never take chances with the public's health and safety, or threaten the integrity of our environment. I have been working for many months to achieve both a prompt resumption of reactor operations to meet our defense needs and the fullest measure of environmental protection. Frankly, there has been some difference of opinion among members of the South Carolina and Georgia congressional delegations about this matter. Where a difference of opinion has existed, it has been about the most desirable means of achieving these goals, rather than about any divergence in commitment to environmental protection.

Having studied the many facets of this matter for some time, I have discovered that most of the remaining concerns about the L-reactor restart are founded on misunderstanding, lack of awareness of available factual information or, in some cases, opposition to any activities related to the manufacture of nuclear weapons material. In an effort to bring enlightenment to the situation and air public concerns about the L-reactor and the environmental assessment prepared by the Department of Energy, I arranged for the Senate Armed Services Committee to hold a field hearing in North Augusta, S.C., a few miles from the SRP site. Senator MATTINGLY, in his capacity as a member of the Senate Appropriations Committee, joined me at that hearing, which lasted more than 7 hours.

Subsequently, Senator MATTINGLY and I secured written commitments from Secretary of Energy Hodel to: First, undertake a further public review and hearing process to thoroughly brief the public on plans for the reactor restart and to answer questions from the public; second, conduct further thermal studies for all SRP effluent streams as they impact on the Savannah River; third, conduct comprehensive epidemiological studies associated with the L-reactor restart; and, fourth, operate the L-reactor within the limits set by the environmental assessment or modify operations as necessary to achieve compliance.

In fulfillment of the first of these commitments, the Energy Department has recently held a total of eight additional public hearings at four different locations in South Carolina and Georgia. For the most part, these morning and evening hearings were sparsely attended, perhaps indicating a lack of widespread interest or concern about the reactor restart. I sent a member of my Washington office legislative staff to represent me at each of these eight hearings.

Mr. President, I shall not now take the time of the Senate to detail the full history of this issue. However, I do feel it important to provide this brief background of public participation in the matter, particularly since the major criticism of the environmental assessment voiced at the hearing I chaired and in the media has been the lack of public input. Thus, one of the principal reasons for these nine public hearings was to remedy that alleged deficiency in the environmental assessement.

On the heels of this extensive public participation process and specific commitments regarding SRP operations made by the Secretary of Energy, Senator HOLLINGS proposed his amendment in the Appropriations Committee to now require an environmental impact statement (EIS) before the L-reactor can be restarted. In comparison to that provision, I view the pending amendment as a constructive step toward expediting the EIS process, in order that any remaining questions may be resolved and the reactor restarted with the minimum necessary delay.

Mr. President, I wish to make it clear that I have never opposed, and do not now oppose, doing an environmental impact statement on the L-reactor restart. I have simply taken the position that an EIS is not necessarily required, nor would it be particularly enlightening or productive, considering all the circumstances. My decision to cosponsor this proposal for an expedited EIS is based solely on the fact that it may facilitate restart of the L-reactor with the minimum delay. In my judgment, this is neither a necessary, desirable, nor especially wise means of obtaining the fullest measure of environmental protection.

APPROPRIATENESS OF CONGRESS REQUIRING EIS

I particularly question the appropriateness of Congress making a judgment, on a specific project basis, to require by statute that an EIS be conducted. Just as I have a longstanding concern about executive branch agencies or the courts making policy decisions which exceed statutory authority, so do I also oppose the legislative branch of our Government attempting to make what is essentially a technical and scientific determination delegated by law to the executive agencies. I find it somewhat ironic that some, who pride themselves on their environmental sensitivity and preach strict adherence to the National Environmental Policy Act (NEPA), are so quick to advocate what, in my opinion, amounts to a distortion of that act.

Under NEPA, the executive agency is charged with deciding whether, on a particular project, an EIS should be required. That decision is subject to judicial review, just as the Department of Energy decision not to perform an EIS on the L-reactor restart has been challenged in Federal district court here in Washington, D.C. Are we, through enactment of the Hollings proposal, now establishing a precedent for congressional preemption, on a case-by-case basis, of a decisionmaking process that is particularly better suited for resolution in the other branches of our Government? I have genuine concern, Mr. President, about the wisdom of such action. I also fear

that this procedure has the potential of requiring an EIS whenever there is a clamor for one, regardless of whether there is a real need.

QUESTIONS ABOUT USEFULNESS OF AN EIS

Additionally, while I do not oppose an EIS on the L-reactor restart, I have serious reservations about the usefulness of an EIS on the project at this juncture. Clearly, the National Environmental Policy Act and implementing regulations reflect the intent that an EIS be done when there is a need for additional information about the environmental impact of a particular project. In the case of the L-reactor restart, this project has already been far more intensively and extensively studied than are most for which a full-scale EIS is prepared.

Also, as I pointed out, there have now been extensive opportunities for public comment and participation. In fact, the record of the recently held public hearings will remain open through August 17. In veiw of this record of public involvment, I question whether an EIS will significantly contribute to greater public understanding of the issue. If an EIS is to be required, however, I certainly hope that it will further the goal of alleviating public concerns.

Mr. President, when all is said and done, an EIS is nothing but another study. In this case, environmental impacts of the L-reactor are well-known, for after all, the reactor operated without any damage to public health and safety for 14 years. Moreover, its restart has already been thoroughly studied. I believe the people of South Carolina and Georgia are more interested in actions to protect their health and environment, rather than just another study. The specific commitments made by the Department of Energy to me represent commitments to concrete actions, not only with respect to the L-reactor, but with respect to improving the level of environmental protection at the entire Savannah River plant site.

The State of South Carolina, which had earlier joined in the lawsuit to require an EIS, recently concluded a memorandum of understanding with the Department of Energy, with the objective of reaching a consent decree for terminating the State's involvement in the lawsuit. I am pleased that both the Department of Energy and the attorney general of South Carolina have stated that the specific commitments made by Secretary Hodel to me formed the basis on which the memorandum of understanding was reached. Both the attorney general and the Department of Energy contend that their agreement will accomplish far more in the way of specific actions to protect public health and the environment than would an EIS alone.

EFFECT ON THE MEMORANDUM OF UNDERSTANDING

Mr. President, it is my view that an EIS paper study at this juncture may be, in reality, a step backward from the progress achieved by the State of South Carolina in its carefully negotiated agreement with the Department of Energy. Both the lawyers for the Federal agency and the lawyers for the State acknowledge this. Indeed, the lawyers representing the State confess that an EIS paper study was not really their objective, but they simply wanted leverage to achieve concrete mitigative actions for the entire SRP site, including the L-reactor.

For example, the memorandum of understanding contains specific commitments to mitigate the impact of hot water discharges into all streams within the SRP site, whereas the EIS would only study the thermal impact of the L-reactor. The memorandum of understanding contains a commitment to correct the problem of ground water contamination within the site, whereas the EIS would simply study the problem to the very limited extent that it might be related to the L-reactor restart. The memorandum of understanding enhances State environmental regulatory authority over the entire SRP site, while an EIS affords no such advantage to the State. In short, Mr. President, the memorandum of understanding would have required specific corrective and preventive actions for all SRP operations where deficiencies may exist, whereas the EIS would do no more than further study the environmental impact of one reactor.

Clearly, Mr. President, this comprehensive, negotiated preliminary agreement, built upon the commitments made by DOE to me, is far superior to an L-reactor EIS. Frankly, I am concerned about the effect of an EIS requirement on these negotiations. I have been assured by the Energy Department that the commitments given to me will be honored, and I shall expect them to be carried out as planned; however, the legal effect of requiring an EIS on the additional commitments contained in the memorandum of understanding is in doubt at this time. It is my hope that, regardless of the technical, legal questions, both the Department of Energy and the State of South Carolina will continue their negotiations on the issues of a water discharge permit, ground water pollution containment and cleanup, and related matters. I am sure the sponsors of this EIS amendment do not intend for their proposal to negate real progress that has been made, and I sincerely hope that all parties will go forward in good faith negotiations to insure the maximum degree of environmental and public health protection.

NEED FOR EXPEDITING EIS PROCESS

Mr. President, if the Hollings committee amendment, as modified by the pending proposal, is enacted, it is my hope that it will produce beneficial results. First, because of the critical importance to our national defense of restarting the L-reactor without undue delay, it is essential that any required EIS be expedited as much as reasonably possible. While the preparation of the EIS described in this substitute will delay restart, I hope the delay will not exceed 3 months. Unless the EIS yields unforseen adverse environmental consequences, this should permit restart around the end of this year or early 1984.

Second, the preparation of this expedited EIS, as described in this statutory language, should be viewed by the courts as a congressional mandate in lieu of any EIS that might be required under the National Environmental Policy Act and regulations, thereby rendering moot the pending litigation which seeks to require an EIS. If this congressional action should become law, it is certainly my hope that it will have the effect of moving the project beyond the potential legal obstacle posed by the current lawsuit. Additionally, I fully expect that the series of eight public hearings recently held in South Carolina and Georgia will be deemed to fulfill the requirement of "scoping hearings" preparatory to doing the EIS.

Finally, Mr. President, I hope that all those involved in the pending litigation, and any other affected parties, will use profitably the additional time which an expedited EIS will provide to work out any remaining problems. I cannot overemphasize the importance of progressing with good faith discussions so that this reactor can resume operations at the earliest possible time. If this objective is vigorously pursued, I am confident that our national defense needs can be met reasonably on schedule without any threat to public health, safety or the environment.

As I have indicated, I doubt the wisdom of this present course. It simply is not the kind of well reasoned, informed, productive action that is needed in this situation. I support it soley because it offers an opportunity for this essential national defense project to go forward. Nevertheless, I do reserve the option to support a more desirable approach, should the House and Senate conferees make such a proposal. I am committed to taking every necessary step to see that the public health and safety and the integrity of the environment are protected. Consistent with those objectives, it is essential to our national security that this reactor restart without further delay.

Mr. President, I ask unanimous consent that the following documents relating to this issue be printed in the RECORD at the end of my remarks:

First. Letter dated December 8, 1982, from Senator THURMOND to Environmental Protection Agency Administrator Anne Gorsuch.

Second. Reply from Administrator Gorsuch dated January 28, 1983.

Third. Letter dated February 28, 1983, from Senators THURMOND and MATTINGLY to Secretary of Energy Donald P. Hodel subsequent to February 9, 1983, Armed Services Committee hearing in North Augusta, S.C.

Fourth. Reply from Secretary Hodel dated March 15, 1983.

Fifth. Letter dated March 11, 1983, from Senators THURMOND and MATTINGLY to Secretary Hodel regarding certain questions about L-reactor restart discussed in Environmental Protection Agency internal documents.

Sixth. Reply from Secretary Hodel dated April 20, 1983.

Seventh. Letter dated April 28, 1983, from Secretary Hodel to the attorney general of South Carolina together with memorandum of understanding between the State and the Department of Energy.

Eighth. Letter dated May 13, 1983, from South Carolina Attorney General Medlock to Senator THURMOND with attachment explaining advantages of L-reactor settlement.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., December 8, 1982.

Hon. ANNE GORSUCH,
Administrator, Environmental Protection Agency, Washington, D.C.

DEAR MS. GORSUCH: I am concerned that the environmental interests of the people of South Carolina be properly safeguarded with respect to the restart of the L-Reactor at the Savannah River Plant, Aiken, South Carolina. There have been recent press accounts suggesting that the Department of Energy is not complying with the requirements of the National Environmental Policy Act with regard to the proposed Federal action.

I would be deeply grateful if you would conduct an independent analysis of the actions taken by the Department of Energy to date with regard to the restart of the L-Reactor. Specifically, I would like your views on the following questions:

1. Has the Department of Energy complied with the National Environmental Policy Act and the appropriate implementing regulations with respect to their environmental analyses to date?

2. In your view, are adequate precautions being planned in connection with the restart of the L-Reactor to protect the environmental interests of the people in the South Carolina-Georgia vicinity of the plant? I am particularly concerned with the potential impact on the Savannah River water quality and associated marine and wildlife.

I would hope that you could provide me your views by January 31, 1983. Thank you for your prompt attention to this matter.

Sincerely,

STROM THURMOND.

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, D.C., January 28, 1983.

Hon. STROM THURMOND,
U.S. Senate,
Washington, D.C.

DEAR SENATOR THURMOND: Thank you for your letter of December 8, 1982, on the restart of the L-Reactor at the Savannah River Plant, Aiken, South Carolina. Following your request, we have made an analysis of the action taken by the Department of Energy (DOE) in regard to this proposed Federal project.

First, concerning your request for EPA's views on the environmental consequences of the restart of the L-Reactor, I would like to discuss each of six areas of environmental impact individually. The first is the impact of routine radioactive releases on the water in the plant area. Since there are three reactors similar in design to the L-Reactor now in operation in this area, it is very unlikely that the restart of a fourth reactor would substantially increase adverse environmental impacts resulting from increased radioactive releases. The routine discharges of tritium to the river have been and will continue to be monitored. Based on monitoring data and other information supplied through DOE, the amount of radioactive tritium in the water supplies will increase over present levels. The resulting level, it is estimated, will amount to an average of 2,500 or 3,000 picocuries per liter, far below EPA's drinking water standard of 20,000 picocuries per liter. EPA's knowledge of other reactors also indicates that there is no significant environmental hazard from routine radiological releases.

The resuspension of sediments containing some radioactive materials is a second, related question. Some sediment with radioactive cesium will be resuspended and released into the Savannah River. EPA agrees with the Department of Energy's view that cesium will remain chemically bound in the stream or river sediments. Contaminated sediment could move down river through a repeated process of deposition and resuspension. However, the monitoring data suggests that this process is not likely to result in the presence of detectable radioactive cesium in the water supplies of Beaufort-Jasper or Port Wentworth. Most of the cesium would be deposited in the swamp adjacent to the Savannah River Plant. EPA believes there will be no significant environmental hazard from this release.

A third environmental impact discussed in DOE's assessment is the withdrawal of water from the river for reactor cooling. Currently, the Savannah River Plant uses about 456 million gallons of water per day. This withdrawal represents about 7% of the average Savannah River flow. With the restarting of the L-Reactor, an additional 251 million gallons per day of cooling water will be needed. This will result in a total withdrawal of approximately 13% of the River's average flow. These water withdrawals would involve some impingement, or entrainment, of fish, fish eggs, larvae, and other aquatic organisms. We do not believe the impingement, or entrainment, would be significant.

Fourth, the liquid discharges from the L-Reactor to Steel Creek and the river are subject to a permit issued under the MPDES program which has been delegated to South Carolina by EPA. This permit process can establish operating conditions such as requiring sufficient precautions to protect the environment. Since negotiations between the State and DOE concerning this permit and its conditions are underway, I do not feel it is appropriate for EPA as the delegating Agency to publicly comment on this issue, at this time.

Fifth, one of the possible environmental impacts of the proposed thermal discharges will be the impact on certain wetlands in the area. The assessment indicates that the amount of wetlands affected in some degree will approximate a thousand acres (580 acres along Steel Creek and 420 acres along the swamps bordering the river). These wetlands are still impacted as a result of prior operation of the L-Reactor from 1954 to 1968, but there has been some return to earlier conditions since the L-Reactor was placed in a "stand-by" status. If no steps are taken to minimize the impacts of these thermal discharges, hot water would eliminate or impair wildlife and vegetative forms which have started to reappear in this area during the "stand-by" period. The hot water would return the area to its pre-1968 condition.

An additional impact discussed in the Environmental Assessment is the L-Reactor's impact on groundwater underlying the site. According to the Assessment the L-Reactor will discharge wastewater into a presently dry, nearby seepage basin. Supporting facilities would also discharge wastewater into seepage basins. The plant has an extensive groundwater monitoring network and all seepage basins are closely monitored. The plant staff is preparing a comprehensive hydrogeological report to identify existing groundwater problems and propose remedial actions. From this we see that groundwater contamination impacts are being carefully evaluated and appropriate mitigative measures are in the planning stages.

We are also aware of programs of the State of South Carolina and the State of Georgia that concern the Savannah River Plant. The South Carolina Department of Health and Environmental Control (SCDHEC) and the Georgia Department of Natural Resources (GADNR) monitor both the air and water in the surrounding area as well as downstream of the facility. The river is monitored once a month as part of a state-wide surveillance program. The analytical methods used detect radiological contaminants and the associated concentrations. South Carolina plans to monitor the river more frequently once the L-Reactor goes on-line to determine the additional radiological impacts associated with its operation. The results of these monitoring programs are published annually in environmental surveillance reports that can be obtained upon request. In addition to the radiological surveillance programs, the States also have primary authority for their drinking water supplies in accordance with EPA regulations.

As to your procedural inquiry, the Department of Energy's environmental Assessment on the restart of the L-Reactor is a comprehensive document which sets forth a detailed discussion of the expected environmental effects of the proposed project, including a comparison of the anticipated impacts of the post-1984 operation with the environmental impacts of the pre-1968 operation, and indicates no net increase in environmental effects between the two. The En-

vironmental Assessment provides a sufficient basis for the Department of Energy's decision that it was not necessary to prepare an Environmental Impact Statement, particularly in light of the fact that this is a restart operation. Therefore, the Environmental Protection Agency does not question the Department's conclusion that its procedures comply with the pertinent statutory provisions of the National Environmental Policy Act and with regulations issued pursuant to the Act.

I can assure you that we have followed this project very closely from the time the DOE assessment was issued in August 1982. Charles Jeter, our Regional Administrator in Atlanta, Paul Cahill, the Director of EPA's Office of Federal Activities, and Glen Sjoblom, the Director of EPA's Office of Radiation Programs, are maintaining surveillance of this project for EPA. Mr. Jeter has also met with State and DOE officials to discuss this project. I appreciate the opportunity to express EPA's views and I hope I have responded satisfactorily to your questions. If EPA can assist you further in this matter, please let me know.

Sincerely yours,

ANNE M. GORSUCH.

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., February 28, 1983.

Hon. DONALD P. HODEL,
Secretary, Department of Energy,
Washington, D.C.

DEAR MR. SECRETARY: After the holding of an extensive public hearing on February 9, 1983, in North Augusta, South Carolina, on the restart of the L-Reactor at the Savannah River Plant, we feel that further public review of this federal action is necessary. The citizens of both our states believe in a strong national defense and will support this project if they can be confident their health and environment will not be jeopardized.

Therefore, we request that you undertake an extended public review process as outlined below. The planned restart of the L-Reactor in October 1983 should be dependent on the results of this review and should occur only after all significant public concerns have been adequately addressed.

We would envision an expended public review process comprised of the following steps:

1. Distribute the February 9, 1983, public hearing record to all those who participated in the hearing and to those who received a copy of the Environmental Assessment concerning the L-Reactor restart.

2. Allow a 90-day public comment period on the hearing record.

3. During the middle 30 days of the public comment period, hold public hearings to brief the public on the plans for the restart of the reactor and to answer questions from the public, at four locations: Augusta, Georgia, Savannah, Georgia, Aiken, South Carolina, and Beaufort, South Carolina,.

4. Within 30 days after the end of the public comment period, provide a report to the Committees on Armed Services and Appropriations of the Congress, summarizing public concerns and indicating measures that will be taken to mitigate those concerns.

Additionally, the commitments made to DOE officials at the February 9, 1983, hearing should be formalized, explained, and discussed during the public hearings. As we understand them, these commitments are:

1. to operate within the limits set by the Environmental Assessment or modify operations;

2. to conduct further thermal studies for all Savannah River Plant effluent streams as they impact on the Savannah River, and

3. to conduct epidemiological studies.

Your earliest favorable response to our proposal would be greatly appreciated.

Sincerely,

MACK MATTINGLY,
U.S. Senator.
STROM THURMOND,
U.S. Senator.

THE SECRETARY OF ENERGY,
Washington, D.C., March 15, 1983.

Hon. STROM THURMOND,
U.S. Senate,
Washington, D.C.

DEAR SENATOR THURMOND: Thank you for your letter of February 28, 1983, in which you and Senator Mattingly requested that the Department of Energy undertake an extended public review process on the planned restart of the L-Reactor at the Savannah River Plant. As we stated at your February 9, 1983, hearing, we are confident that we have complied with the National Environmental Policy Act. At the same time, we certainly agree that remaining public concerns need to be adequately addressed, so we would be pleased to conduct the public review process which you outlined. We welcome the opportunity to further discuss the information we have developed and the actions we have taken in preparing for the restart of L-Reactor.

Relative to our commitments to operate within the limits of the Environmental Assessment, conduct further thermal studies of the Savannah River Plant effluent streams as they impact the Savannah River, and continue epidemiological studies, we will be prepared to present and discuss the plans for these during the public hearings.

We anticipate issuance of a public notice regarding the extended review process shortly after receiving the hearing record and will keep you advised as to the steps we propose to take to implement your recommendations.

If I can be of any further assistance in this matter, please call me. I appreciate your continued support for our defense activities and your interest in this important project.

Sincerely,

DONALD PAUL HODEL.

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., March 11, 1983.

Hon. DONALD P. HODEL,
Secretary, Department of Energy, Washington, D.C.

DEAR MR. SECRETARY: Please find enclosed a copy of correspondence of this date from Senator Hollings to the President and to Senator Thurmond.

As his correspondence explains, Senator Hollings has obtained internal documents from the Environmental Protection Agency indicating that certain staff of that agency have concluded that restart of the L-Reactor is a major Federal action significantly affecting the human environment and therefore requires preparation of an environmental impact statement. As you are probably aware, Mrs. Burford informed Senator Thurmond by letter dated January 28, 1983, that EPA supported DOE's conclusion that reactivation of the L-Reactor would not require preparation of an environmental impact statement. Also, Senator Hollings states that some EPA staff in Atlanta have indicated that there may be problems of groundwater contamination near the Savannah River Plant resulting from the discharge of certain chemicals into the environment.

We would appreciate your comments regarding the substance of the issues raised by these EPA document, particularly with regard to the issue of possible groundwater contamination. While we remain strong supporters of the President's defense programs and are pleased that the Savannah River Plant is able to make such a significant contribution to those programs, we are vitally concerned about protecting the health and safety of every citizen of South Carolina and Georgia. Activities at the Savannah River Plant must never be allowed to impinge on their health and safety or on the quality of their environment or drinking water. The issues raised by these EPA documents highlight, in our opinion, the need for the Department to promptly undertake the extensive public review process which we recently requested in our February 28, 1983, letter to you.

Thank you for your prompt response to our concerns.

With kindest personal regards and best wishes,

Sincerely,

MACK MATTINGLY,
U.S. Senator.
STROM THURMOND,
U.S. Senator.

THE SECRETARY OF ENERGY,
Washington, D.C., April 20, 1983.

Hon. STROM THURMOND,
U.S. Senate,
Washington, D.C.

DEAR SENATOR THURMOND: Thank you for your letter of March 11, 1983, in which you and Senator Mattingly requested the Department's comments regarding issues raised in recently released Environmental Protection Agency documents concerning L-Reactor. Our response to the specific issues is provided in the enclosure. In our review, we did not find any new environmental questions raised in these documents which were not adequately addressed in the L-Reactor Environmental Assessment. As I indicated in my letter to you of March 15, 1983, we will be pleased to conduct the public review process which you outlined, and we will address fully all of the issues which have been raised, including those in the Environmental Protection Agency documents. This review will be initiated as soon as the hearing record is available.

Relative to your specific concern about potential groundwater contamination, this issue is being very actively addressed on a total site basis, rather than as part of the L-Reactor restart, since L-Reactor operation would only have an incremental potential impact. Although very low levels of chlorinated hydrocarbons were recently reported in wells drawing from the Tuscaloosa aquifier on the Savannah River Plant site as indicated in the enclosure, no contamination of offsite groundwater has occurred. The Savannah River Plant has monitored the quality of groundwater extensively for many years and instituted projects to reduce the discharges to the seepage basins and demonstrate the cleanup of onsite groundwater. A comprehensive hydrogeologic investigation of the Savannah River Plant is being conducted, and the information is being used as the basis for decisions

concerning onsite groundwater management. We initiated work on projects in FY 1983 totaling over $22 million aimed at preventing offsite contamination of groundwater. The Savannah River Plant personnel have been working for some time with the South Carolina Department of Health and Environmental Control to ensure that all standards concerning groundwater will be met.

These actions, which are already underway, will ensure that the Savannah River Plant does not pose either an imminent or long-term threat to the groundwater or the quality of drinking water for the surrounding communities.

If you have any questions on this information, we would be glad to meet with you and your staff at your convenience. I appreciate your continued support for our defense activities and your interest in this important project.

Sincerely,

DONALD PAUL HODEL.

DEPARTMENT OF ENERGY COMMENTS ON SPECIFIC ISSUES RAISED IN ENVIRONMENTAL PROTECTION AGENCY DOCUMENTS CONCERNING L REACTOR

WETLANDS

The Department of Energy (DOE) analysis in the L Reactor Environmental Assessment (EA) is based on the condition of Steel Creek as it currently exists. The Steel Creek system was impacted by previous L-Reactor operation, and planned L-Reactor operation would only effect previously affected areas. There will be no additional long-term impacts to these previously affected areas. When L-Reactor ceases to operate in the future, the Steel Creek system will begin successional recovery again. The affected areas are less than 3 percent of the total Savannah River Plant (SRP) wetland area. The Steel Creek delta area in only about 0.3 percent of similar wetlands in the bottomland swamp forest of the Savannah River floodplain between Augusta, Georgia (River Mile 195), and Ebenezer Landing, Georgia (River Mile 45). DOE followed approved guidelines in complying with the Executive orders concerning wetlands and floodplains. A notice was published in the Federal Register on July 14, 1982, and a wetlands assessment was included as Appendix B of the EA, which was issued in August 1982. A Floodplain/Wetlands Statement of Findings was published in the Federal Register on August 23, 1982, in which DOE determined that there was no practicable alternative to direct discharge of cooling water to Steel Creek. To the extent practicable, wetlands impacts will be minimized, including protecting two lagoons adjacent to Steel Creek, which are used by alligators, from the hot water effects.

GROUNDWATER CONTAMINATION FROM MERCURY AND CHLORINATED SOLVENTS

DOE programs to reduce discharges of potentially hazardous materials from SRP operations have been developed in close cooperation with the South Carolina Department of Health and Environmental Control (SCDHEC). Comprehensive hydrogeologic investigations of the aquifers underlying the SRP site have been conducted since prior to plant startup. Groundwater movement patterns, both horizontal and vertical, have been studied. Protection of the Tuscaloosa formation, a regionally significant aquifer, has been an important consideration in SPR waste management practices. An extensive groundwater quality monitory program has been instituted at the SRP site and serves as the basis for decisions concerning onsite groundwater management.

Relative to the incremental effects of L-Reactor operation, discharges of mercury to the seepage basins from the chemical separations facilities (F-Area and H-Area) will increase approximately 33 percent when L-Reactor operates (approximately 1.5 kilograms (kg) per year). Mercury from the seepage basins has migrated to Four-Mile Creek. DOE has reduced discharged of mercury into the seepage basins substantially and is pursuing changes in operations that will further reduce these discharges.

The chlorinated solvents, "triclene" and "perclene," used as degreasing agents in the Fuel and Target Fabrication Facilities (M-Area), were discharged into a seepage basin in this area between 1958 and 1979. Use of these substances was discontinued when they were classified as "suspect carcinogens." Currently, a less toxic material, trichloroethane, is used as the degreasing agent. In 1981 when results from monitoring wells showed that contamination of the shallow groundwater below the seepage basin had occurred, the SRP notified SCDHEC and in January 1983, began operating a prototype facility to remove these organics from the groundwater. Recently, very low levels of triclene were reported in wells adjacent to the M-Area which draw from the Tuscaloosa aquifer. No offsite contamination of groundwater or drinking water supplies has occurred, and DOE is committed to a cleanup program to avoid offsite contamination. In addition, DOE has instituted a program to control releases of trichloroethane from the process equipment which has resulted in a significant reduction in discharges to the M-Area seepage basins to concentrations well below the Environmental Protection Agency (EPA) suggested health advisory levels for drinking water.

Waste disposal practices have changed at SRP, as they have throughout the United States in the past 30 years. Wastes generated at SRP have always been discarded in accordance with accepted practices at the time. As substances were identified as toxic in nature or classified as hazardous, the procedures for disposal of these materials were changed. The use of many chemicals were discontinued or significantly reduced after such reclassification.

AVAILABILITY OF SUPPORTING DOCUMENTS

All documents used as references for the EA were and are available for review in the DOE Public Reading Room in the Federal Building in Aiken, South Carolina.

NPDES PERMIT

SRP discharge of cooling-water into onsite streams was in accordance with the NPDES permit issued by the EPA to SRP in 1976.

Currently, DOE is in the process of negotiating the NPDES permit effluent limitations with SCDHEC to be included in the renewal of DOE's industrial NPDES permit. However, at the time the EA was published and the Finding of No Significant Impact (FONSI) was issued, the draft permit issued by SCDHEC provided for compliance with thermal stream criteria at the point where Steel Creek enters the Savannah River. Subsequently, in November 1982, SCDHEC Issued a revised draft permit which changed the compliance point to the locations where the reactors discharge into the onsite streams and identified the onsite streams as class B waters. Given the historical use and the unavailability for public use of SRP streams due to national security restrictions, DOE is requesting that the SRP streams receiving thermal discharges be reclassified as thermal receptors in accordance with South Carolina Water Pollution Control regulations. This would allow for compliance with thermal stream criteria at the point where Steel Creek enters the Savannah River.

An Environmental Protection Agency (EPA) staff attorney suggested that the FONSI for L-Reactor restart was not appropriate, partially because the action was potentially a violation of Federal, State, or local law. This was because an option under consideration at the time the EPA memorandum was written (December 1982) would involve compliance with thermal stream criteria at the point of discharge to Steel Creek from the discharge canal, rather than where Steel Creek enters the Savannah River. As indicated, we are still holding discussions with SCDHEC on the NPDES permit. It is our intent that L-Reactor effluent will meet all applicable standards.

ENDANGERED SPECIES

The SRP has no critical habitats, as designated by the U.S. Fish and Wildlife Service, for the American alligator. Consultation under Section 7 of the Endangered Species Act with the U.S. Fish and Wildlife Service resulted in DOE receiving a Biological Opinion of "no effect" for the red cockaded woodpecker and a Biological Opinion "that the proposed reactivation of L-Reactor is not likely to jeopardize the continued existence of the American alligator." Plans are proceeding to protect two lagoons near Steel Creek where alligator adults and juveniles have been observed. DOE is committed to continuing its ongoing comprehensive monitoring program for assessing potential impacts to endangered species.

NEED FOR EIS DUE TO SIGNIFICANCE

Any determination of significance is necessarily judgmental. In the case of L-Reactor, DOE has carefully followed approved procedures and has thoroughly considered the significance of the impacts of L-Reactor operation and concluded that, considering the previous impacts from operation of L-Reactor from 1954 to 1968 and viewed in the context of the physical setting and current use of the SRP site, the impacts resulting from the resumption of L-Reactor operation should not be significant.

Some EPA staff suggested that the size (2,150 megawatts thermal (MWt)) of L-Reactor would make the proposed action significant since the size is comparable to commercial power reactors for which preparation of an Environmental Impact Statement (EIS) is routine. However, DOE is neither siting, designing, nor operating a new reactor but merely restarting a reactor which previously operated.

Also, some EPA staff suggested that the amount of public controversy associated with this action would indicate that DOE should prepare an EIS. This judgment was made in a December 1982 document after a lawsuit concerning L-Reactor had been filed which generated significant media attention. At the time of the publication of the EA and issuance of the FONSI, there was no indication of public controversy. There have been no substantive technical issues raised which were not adequately addressed in the EA. Congressional intent concerning DOE's preparing voluntary EIS's to avoid public controversy when the technical facts did not warrant the preparation of an EIS was evidenced in Section 212 of Public Law 97-90 (Department of Energy National Se-

curity and Military Applications of Nuclear Energy Authorization Act of 1982). Pursuant to Section 212, DOE can only prepare EIS's for defense program activities which are required by statute. Accordingly, DOE prepared an EA to determine if the impacts were significant such that an EIS would be required. The determination was that the impacts would not be significant.

DEPARTMENT OF ENERGY,
Washington, D.C., April 28, 1983.

Hon. TRAVIS MEDLOCK,
Attorney General, State of South Carolina, Columbia, S.C.

DEAR GENERAL MEDLOCK: Attached is a signed copy of the Memorandum of Understanding. We appreciate your interest and efforts to resolve the issues regarding restart of the L-Reactor at the Savannah River Plant.

Sincerely,

DONALD PAUL HODEL.

Attachment.

MEMORANDUM OF UNDERSTANDING

The following points have been agreed to in principle by DOE and the State of South Carolina.

(1) DOE will conduct a comprehensive study of alternatives to substantially mitigate thermal impacts of all operations at SRP. The study will make recommendations to substantially mitigate thermal impacts on the Savannah River, its tributary streams and wetlands.

In addition to alternatives listed in the EA, DOE will consider:

Cogeneration, Low Head Hydro separate or in combination.

Operations of a fish hatchery.

Others as developed in the study process.

The study will involve appropriate South Carolina agencies in accordance with their statutory responsibilities and other U.S. government agencies or departments to consider both on- and off-site impacts. Representatives from organizations such as Friends of the Earth. Sierra Club, Environmental Policy Institute, League of Women Voters, etc., will also be invited to participate in a public comment and hearing process. Georgia agencies and public groups will be invited to participate as to potential considerations regarding the Savannah River thermal aspects.

Based on the thermal study, DOE commits to support the mitigative actions recommended. To this end, DOE also commits to submit and actively support appropriate legislation to accomplish the mitigative actions recommended.

After appropriate legislation is passed, DOE will commit to a compliance schedule with the State under the NPDES permit process. It the alternative recommended is currently in the EA, the schedule for compliance will be the schedule listed in the EA. If a new alternative is chosen, a compliance schedule will be established and mutually agreed upon.

Noncompliance by DOE would allow the State to take appropriate actions as established by law under NPDES.

(2) DOE will not seek a presidential exemption from the NPDES permitting requirements with respect to the commitments made in (1) above.

(3) DOE, with DHEC concurrence, will conduct a comprehensive epidemiological study of the human health effects of all operations at SRP. Public participation in a comment and hearing process will be provided. Other appropriate South Carolina agencies will assist in accordance with their statutory responsibilities. Government agencies, such as NIH, may be requested to participate. If the study indicates that mitigative actions should be undertaken, DOE commits to take appropriate mitigative action. If appropriate, a mutually agreed upon implementation schedule will be established.

(4) DOE will continue an expanded program of monitoring and study of groundwater impacts of all operations at SRP. Appropriate South Carolina agencies in accordance with their statutory responsibilities will be involved in on-site and off-site monitoring of groundwater impacts. DOE commits to take appropriate mitigative actions regarding groundwater impacts both on-site and off-site. A mutually agreed upon compliance schedule will be established.

(5) DOE will provide the State with data showing compliance with EPA radionuclide standards on a continuing basis.

(6) Within the limits of classification, DOE will provide to the State a history of independent studies, reactor safety improvements, and planned improvements, focusing particularly on safety measures taken since TMI. A schedule for implementation of additional safety measures now planned will be provided.

(7) Within the limits of classification, DOE will provide to the State a descriptive discussion paper regarding differences in SRP and commercial power reactors and the reasons why containment is not a feasible nor necessary retrofit on existing production reactors at SRP.

(8) DOE will commit to operate the L-Reactor within the limits specified by DOE in the EA and at the February 9,1983 hearings before the Senate Armed Services Committee unless such limits exceed any existing or future EPA requirements, in which case the EPA requirements will control. Appropriate South Carolina agencies will be involved in monitoring L-Reactor operation for compliance with these standards. In the event L-Reactor operation exceeds these limits, DOE commits to modify L-Reactor operation, including stopping of operations.

(9) Notwithstanding any other provisions of this agreement, DOE agrees to comply with all applicable State and federal environmental statutes and regulations relating to toxic and hazardous wastes at SRP.

(10) In consideration of the above, South Carolina will propose for issuance an NPDES permit which will include the L-Reactor operation and allow discharge into Steel Creek for two years. Further extension or modification of the NPDES permit will be based on the thermal study and the recommendations resulting from it and compliance with the provisions under (1) above.

(11) The State will enter into a consent decree with DOE terminating the State's participation in the current NEPA lawsuit.

DONALD P. HODEL,
Secretary of Energy.

THE STATE OF SOUTH CAROLINA,
May 13, 1983.

Hon. J. STROM THURMOND,
President pro tempore,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: Enclosed, herewith, is a simplistic explanation of the rationale which caused us to enter the Agreement in Principle in the so-called "L-Reactor" suit.

If you desire further clarification on the rationale for this settlement relative to technical or legal details, I will be happy to personally confer with you or arrange a conference call between you, me and the various attorneys involved in the preparation of the case.

With kindest regards, I am

Sincerely yours,

T. TRAVIS MEDLOCK.

Enclosure.

ADVANTAGES OF L-REACTOR SETTLEMENT

The State of South Carolina has not withdrawn from the so-called "L-Reactor" suit. Governor Riley and Attorney General Medlock simply affirmed the conclusion of the first phase of negotiations which hopefully will lead to a constructive solution of problems at SRP. Thus far, the State has entered an "Agreement in Principle" which is a conceptual outline of basic responsibilities and commitments on the part of DOE in the event of settlement. Attorneys for both parties will continue during the ensuing weeks with more detailed negotiations.

Set out below is the Attorney General's perception relative to advantages, to the State, of the "Agreement in Principle":

ADVANTAGES ALREADY OBTAINED IN "AGREEMENT IN PRINCIPLE"

1. Suit sought to protect 1,000 acres. Settlement ultimately protects and restores 7,000 acres.

2. Suit sought to study the problem of ground water contamination. Settlement obtains commitment to correct that problem and to prevent its happening again.

3. Suit sought a study of the environment on one reactor. Settlement requires corrective and preventive action on all reactors and operations.

4. Suit sought a study of DOE Settlement provides that the State of South Carolina must concur in the studies and will monitor operations on site.

5. Suit sought compliance by DOE of EPA standards. Settlement legally binds DOE to standards more stringent than those of EPA.

6. Total victory in the suit could not have prevented a Presidential exemption from permitting operations to begin regardless of requirements of the Clean Water Act.

7. Total victory in the suit would provide ultimately for a study of the L-Reactor only (EIS). Therefore, that Court Order could be enforced to require DOE to perform an EIS.

Settlement will result in an enforceable Court Order requiring compliance with terms for corrective action on all four reactors. If DOE should fail to comply, the Attorney General could bring suit on behalf of the State to enforce the Order as well as suits based upon other causes of actions which have not yet been asserted.

● Mr. JACKSON. Mr. President, the amendment before the Senate relates to the restart of the L-reactor at the Savannah River Plant in Aiken, S.C. The amendment is quite simple. It specifies a schedule for completing an expedited environmental impact statement before the L-reactor can be restarted. It builds upon a provision authored by Senators MATTINGLY and HOLLINGS during the markup of this supplemental appropriations bill. I understand it has been agreed to by all Senators who are involved in the L-reactor.

Senator TOWER has mentioned the importance to our national security of getting this L-reactor back into production. It was originally built in the late 1950's and operated until 1968. At

that time the reactor was placed in standby. Based upon current requirements to replace our aging stockpile of nuclear weapons, we are going to have to increase our current ability to produce both plutonium and tritium. We are doing several things to meet this increased demand, including converting the N-reactor in my State to plutonium production. However, the restart of the L-reactor is a vital part of this effort. We simply cannot delay the restart of the L-reactor for very long. A plutonium shortfall would force the President to make some very difficult decisions to cancel or defer some of our strategic programs.

I also understand the concerns for the health and safety of the people of the States of South Carolina and Georgia. I have similar concerns for my home State which has a large defense nuclear complex at Hanford, Wash.

I think the balance struck here is good. An environmental impact statement will be completed, but it will be expedited. Based on the environmental studies that have been done up to now and the series of public hearings that have already been held, I am confident an expedited EIS can be completed that will adequately address the potential environmental issues.

Mr. President, I support this perfecting amendment and urge my colleagues to consider it favorably.●

● Mr. HOLLINGS. Mr. President, I am pleased to join my distinguished colleagues in sponsoring this amendment. This amendment is very similar to the language which I introduced in the Appropriations Committee on May 26 and which passed the committee without objection. The new language essentially clarifies what was implicit in my original language: That the environmental impact statement we are mandating on the L-reactor project shall be expedited and completed by the first of next year.

In supporting this amendmemt, I want to thank my three distinguished cosponsors for their role in this matter. Like me, Senator TOWER and Senator JACKSON are strong supporters of our Nation's defense programs and wish to avoid unnecessary delays in a project as important as this. But they also support prudent and reasonable steps to protect the environment and the public safety. I appreciate the way that they have worked with me and Senator MATTINGLY to craft language that meets both sets of concerns. This language mandates an environmental impact statement that will provide us with the additional information we need on this reactor's environment effects, but it expedites the EIS so that the reactor will be on line by the time it is truly needed.

I also want to compliment the distinguished Senator from Georgia (Mr. MATTINGLY) for his statesman approach to this difficult L-reactor issue. He has done much here to protect both the interests of Georgia and the defense interests of the Nation.

Mr. President, I am pleased to see this EIS issue finally resolved. When the Energy Department announced last August that they thought no EIS was necessary on the L-reactor restart, I was very skeptical. Environmental impact statements often have been required on projects smaller than the reconstruction and restart of a large nuclear reactor. So I was not surprised when a suit was filed last November challenging the Department's "finding of no significant impact."

The irony here, Mr. President, is that a protracted legal fight might eventually delay the L-reactor far longer than would any DOE decision to do the EIS on its own and get it over. In fact, if DOE had stuck to its original 1980 commitment to do the statement, we would not now be in this situation. Even if DOE had started the EIS last December, when I and others urged them to do so, the process would now be almost complete. But DOE has dragged its feet and done nothing to remove the legal uncertainty that hangs over the L-reactor restart. This amendment today actually will remove that uncertainty and insure that the EIS is completed no earlier than December 1, 1983, and no later than Janaury 1, 1984.

I want to stress something else. While we seek an expedited EIS, I for one fully intend that it be a serious, complete document that addresses the concerns that have been raised by both citizens and elected officials alike. This whole issue of an EIS arose because of serious questions about the possible environmental and health consequences of this project as now designed. Like other facilities at the Savannah River plant, the L-reactor uses what is essentially 1950's-type pollution control equipment. And serious questions were raised from almost the beginning about this equipment—not about the reactor itself but about its emissions. First, there were questions about the reactor's effects on surrounding wetlands and about the fate of some radioactive cesium that the reactor would flush into the Savannah River. Then there were serious questions about the contamination of underground water by toxic chemicals used to clean related SRP facilities. These were serious, important questions that deserved to be treated forthrightly and with full written documentation. But the Energy Department refused to do the EIS, issuing instead a shorter "environmental assessment" that raised more questions than it answered.

The Department and other administration officials then compounded the problem by using some heavyhanded tactics. Environmental Protection Agency officials here in Washington said that the Agency did not disagree with DOE's "finding of no significant impact," when in fact EPA's own analysts raised serious questions about the project's environmental impact and explicitly called for an EIS. Then in February DOE officials threatened to block new jobs-producing facilities at the Savannah River plant. Later, in May, they said that an EIS would lead to the layoff of 700 current workers, when in fact postponement of L-reactor operations would delay 400 new jobs. Such tactics were not appreciated by either me or many others in my State.

These events of the past few months have only reinforced my demand for a full EIS. DOE's credibility with me and many in South Carolina is low, and I want to see their assertions in writing, backed up by documentation. The EIS process is the appropriate vehicle for presenting their views and data.

It is now my hope that today's language will do much to improve the present situation. Settling the EIS issue once and for all will remove the legal uncertainty that now hangs over the project and which eventually might have seriously delayed this important defense project. The EIS will also do much to answer the questions that have been raised in both South Carolina and Georgia. And, equally important, a good and candid EIS will help restore the public credibility of the U.S. Department of Energy.

Mr. President, I now want to turn to the amendment itself for a moment. This amendment is designed to allow DOE to finish its construction work on the L-reactor. It also allows them to store fuel elements at the reactor, but prohibits the Department from actually loading that fuel into the reactor's core until the EIS is completed. It also allows water tests at the reactor before the completion of the EIS, providing that none of this water is discharged into Steel Creek until the EIS is finished. This provision is to prevent radiocesium now in Steel Creek from being flushed into the Savannah River before the EIS process is completed.

Finally, Mr. President, I want to emphasize again that this environment impact statement is to be a serious effort, and one that fully addresses the questions that have been raised by me, Senator MATTINGLY, and many others. Attached to this statement is a list of the topics that I want to see addressed in the EIS, and I ask that it be printed at the conclusion of these remarks.

Mr. President, I understand that the distinguished chairman of the Armed Services Committee, Senator TOWER, agrees with me on this point.

Mr. TOWER. Mr. President, I do agree with the Senator from South

Carolina that this EIS should be a serious study and one that addresses the environmental questions that have been raised about the L-reactor project. I have seen the list of topics that the Senator wants the EIS to address, and I feel that this list is reasonable.

My concern has been to keep this EIS from taking so long that it hurts vital national security programs, but this expeditied schedule insures that the EIS will be completed in a timely way. It also provides the Department of Energy with sufficient time to perform a complete, indepth analysis of the issues raised.

Mr. HOLLINGS. I thank the Senator from Texas, and once again want to commend him, Senator JACKSON, and Senator MATTINGLY for their roles in this matter.

The material requested to be printed in the RECORD is as follows:

TOPICS THAT THE L-REACTOR EIS SHOULD COVER IN DETAIL

Since the purpose of the L-Reactor EIS is to provide additional information to the public and to elected officials, and to allow for additional citizen input, the EIS should provide details on those issues that have been raised by citizens and government officials. In particular, the EIS should provide clear, complete information on the following topics.

(1) Ground water contamination.—Since the L-Reactor will lead to more fuel fabrication in the "M" area of the Savannah River Plant, one question that arises is whether restarting the L-Reactor will add to the already troubling ground water contamination problems in M. There is also the question of whether L/Reactor-related activities in the separations area will, or possibly can, lead to groundwater contamination. Thus the EIS should discuss these matters in considerable detail, especially covering these points:

(a) Potential impacts.—In particular, what quantities of chemicals and radioactive materials have already been discharged into the ground at both M-area and the separations area? What steps are being taken now to prevent further contamination in these areas, to monitor existing contamination, and to clean up those underground reservoirs now contaminated? In particular, what will be done to clean up or restore the Congress and Tuscoloosa aquifers? How much would the L-Reactor's operation, using current pollution control equipment, add to the present discharges? And what are the pathways by which any such contamination could flow into areas outside of the Savannah River Plant?

(b) Mitigation options.—It is very important that the EIS discuss in detail the options available—both in the short-term and the longer-term—to prevent or mitigate any ground water contamination that might be caused by L or L-related activities. For instance, commercial plants of all kinds often use advanced waste water treatment technologies? Which are available here, at what costs, and with what time frames?

(2) Radiocesium and tritium:

(a) Potential impacts.—There are a great many questions about the cesium now in the Steel Creek area that will be resuspended by L-Reactor operations. Among the questions that the EIS should explicitly address and answer are the following. How much cesium is in the Creek area, where exactly is it, and how did it get there? Where exactly is it likely to be deposited after the restart and at what pH? What concentrations are likely at different locations along the Creek and the Savannah River? What are the possible health effects of radiocesium? What data and assumptions lie behind DOE's answers to these questions? Similar details on waterborne and airborne tritium releases also should be provided.

(b) Mitigation options.—Would cooling towers or other cooling technologies reduce the resuspension or migration of the radiocesium in Steel Creek? It is possible to excavate the sediments presently holding the cesium? What technologies are available for retreiving and storing the cesium if it should end up in any city's water treatment filters or sludge? Similarly, what, if anything, can be done to reduce tritium emissions from either the L-Reactor or L-related activities?

(3) Thermal effects.—Present DOE plans call for the direct discharge of the L-Reactor's cooling water into Steel Creek. This leads to several questions.

(a) Potential impacts.—How would both the heat and flooding caused by direct discharge affect both neighboring wetlands and animal life? What data and assumptions lie behind these calculations?

(b) Mitigation options.—The EIS should contain detailed information on the options available to manage this cooling water. Both interim measures, such as spray cooling, and longer-term options, such as cooling towers, should be discussed. Details should be presented on cost, efficacy, and the time required to install.

(4) Containment.—The reactors at the Savannah River Plant do not have containment domes of the type required at commercial nuclear power plants. The EIS should present a clear description of why this is the case, what technologies are now used to prevent accidental releases of nuclear material, and how much a containment dome for the L-Reactor might cost in terms of time and money.●

● Mr. NUNN. Mr. President, I am pleased to join my colleagues from South Carolina and Georgia, Senators THURMOND, HOLLINGS, and MATTINGLY, in cosponsoring this amendment requiring an expedited environmental impact statement prior to restart of the L-reactor at the Savannah River plant.

In my view, this approach represents a reasonable balance between the environmental concerns related to startup and the national security requirements.

As I indicated in my testimony before the field hearing in North Augusta, S.C., I recommended a thorough and comprehensive examination of the environmental, health, and safety aspects as well as having answers to all the outstanding questions prior to any final decision or startup. The proper way for these issues to be examined, with full public input, is through the environmental impact process.

In my judgment, this amendment will help insure that these goals are met and that health, safety, and environmental concerns will be thoroughly addressed prior to startup.●

Mr. WEICKER. Mr. President, it is my understanding that this matter has been thoroughly discussed in the subcommittee dealing with energy, more particularly with the chairman, Senator HATFIELD, and it is acceptable to the committee. It is also my understanding that this has been cleared with the minority side and is acceptable to the minority, and I urge adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1366) was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MATTINGLY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. COHEN). Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I ask unanimous consent that the D'Amato amendment be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I ask unanimous consent also that the committee amendment be laid aside at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1367

Mr. WEICKER. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Connecticut (Mr. WEICKER) proposes an amendment numbered 1367.

Strike the language on page 71, line 23 to page 72 line 10 and insert the following:

Higher and continuing education for an additional amount for "higher and continuing education", $4,817,000.

Mr. WEICKER. Mr. President, the purpose of this amendment is to give to my colleagues the opportunity to review an action taken on this floor earlier today. Unfortunately, at the time such action was taken, the chairman of the subcommittee responsible for the jurisdiction contained in that action was not on the floor.

It would be my hope that we will have a chance to confer with all the

parties concerned and the matter can be resolved in a positive fashion.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WEICKER. Is my amendment the pending business?

The PRESIDING OFFICER. It is.

Mr. WEICKER. Can the Senator from Connecticut by unanimous consent ask that this be laid aside temporarily?

The PRESIDING OFFICER. That is correct.

Mr. WEICKER. At which point it would be in the same category as the D'Amato amendment, or would it be?

The PRESIDING OFFICER. It would be in the same category.

Mr. WEICKER. I ask unanimous consent that the amendment at the desk, the pending business, be laid aside temporarily.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. WEICKER. Yes, indeed. I yield to the chairman of the committee.

Mr. HATFIELD. I wish to merely make a statement here to perhaps hopefully clarify the situation at hand.

For 2 days we have had a list of amendments to be offered by various and sundry Members of the Senate and the subject matter of those amendments.

Senators RUDMAN and EAGLETON had listed their amendment on that list, and I take full responsibility for any misunderstanding or lack of communication. It does not belong on the staff level or any other person's shoulders but my own as chairman of the committee.

I offer my apologies or whatever is necessary to the Senator from Connecticut for the kind of action that was taken that he feels to be improper.

But let me say to the Senator from Connecticut that as we have sought to get these amendments up and to get them acted upon it has been a matter of trying to expedite in every way possible to reduce the time that we have this bill pending which already is an inordinate period of time by the very mechanics of the way this bill has been handled. We have been out here on the floor for a 4-day period, mostly to accommodate the convenience of other Senators rather than really to expedite the business at hand.

As a consequence, as the Senator from Connecticut knows, we who have taken on the job of managing this bill have persuaded, cajoled, urged, threatened, and everything else Senators who have had amendments pending to get over here to the floor to get those amendments up. That is one factor.

The second factor is that we have a number of the subcommittee chairmen of the Appropriations Committee who are out of town and as these amendments have been brought up that are in their jurisdiction the managers of the bill have called upon staff to assist in the detailed information in order to handle these amendments that belong to these various jurisdictions, again, with those two factors of trying to expedite the handling of this supplemental.

I realize the Senator from Connecticut, who has been my right arm on this whole matter of managing this bill, has given more time to the leadership on the floor than anyone else in the management of this bill. As to this amendment offered by the Senator from New Hampshire (Mr. RUDMAN), on behalf of himself and the Senator from Missouri (Mr. EAGLETON), there was one of those lulls in the proceedings in which he was on the floor to respond to an amendment offered by the Senator from Ohio (Mr. METZENBAUM), who was on the floor representing the Subcommittee on Defense because Senator STEVENS is not here and we had to have someone. This was a new amendment which no one had any previous knowledge of and, therefore, Senator RUDMAN was on the floor for that purpose. When we went into a lull again I looked down the list and I saw the Rudman amendment pending and I said; "Do you want to offer your amendment at this time?"

So again it is my full responsibility, and I make all due apologies to the Senator from Connecticut. I will say that I discussed the matter with the Senator from Connecticut earlier on, and it was my understanding that he was fully aware of the amendment, the content of it, and so forth, but I do, Mr. President, make very clear in the RECORD that is was my error, my lack of judgment, my lack of sensitivity to the fact the Senator had total and complete jurisdiction of this subcommittee, and I have supported him in that role and will continue to do so. And this amendment very clearly fell within that subcommittee's jurisdiction.

I should have informed the Senator from Connecticut, and he should have been on the floor, or waited until he came to manage this bill for this amendment to be taken up. It was in I suppose part of the rush. I do not try to justify the action but merely to try to explain the action. It was in an effort to expedite, to get these amendments off our chart to get the completion of this action and get on with the other business of the Senate, and so, overwhelmed with that desire, I got a little foggy and perhaps my glasses need refocusing on some of these things.

I assure the Senator it will not happen in the future. I assure the Senator if he wishes to vitiate this amendment and have it eliminated from the bill I will support him in that action.

I am very hopeful that somehow this can be clarified so that there is no problem for anyone else except for me and my personal relationship with the Senator from Connecticut.

Mr. WEICKER. Let me assure my good friend from Oregon that no explanation at all is necessary insofar as he is concerned as he is the man who has been on his feet for almost 2 days now under the most difficult of circumstances trying to get this legislation through.

Second, clearly second to him, I have been here with him to try to accomplish the same end, and indeed all I wanted to do was to give the opportunity for me to exercise my jurisdiction. I, in my opening comments, gave no indication what this matter was about or who was involved or how it came to pass, except for the fact I was not here when it was decided.

All I am trying to do is have the opportunity to sit down with the interested parties to try to work this thing out, as I indicated in my remarks.

I think the Senator from Oregon has started to recapture the distinction that used to go with the Appropriations Committee in his leadership of it both in committee and on the floor, and there is just no question in my mind that both my most enjoyable moments and my most productive moments are in his company on the business of the Appropriations Committee.

He feels very strongly, I happen to know, about the fact that he is the chairman of that committee and that he is not going to give up any of the jurisdiction either to the executive branch or other committees in the legislative branch. So it is when I took on the chairmanship of the Subcommittee on Labor, Health and Human Services that I am trying to emulate his style of leadership. I will not give up the jurisdiction of that subcommittee to anyone else, but rather try to work things out with all my colleagues, and trying to achieve the aspirations of all of my colleagues, Republican and Democratic alike, as they relate to the committee.

So I do not see any problem at all. I think it can be worked out. I would like to leave the amendment where it is, which in effect gives us that opportunity to work on it. It has been laid aside and I think we all understand what the import of it is and it seems to me this matter can be resolved very quickly once everyone gets together.

But I could not agree more with the Senator from Oregon because certainly there was nobody who wanted to do anything intentionally during my absence from the floor and I take the responsibility for it. Again I repeat I

think this whole matter will be resolved.

Mr. HATFIELD. Mr. President, I thank the Senator from Connecticut for his comments.

I want to make it clear again, because if you want to go back in history I take full credit because I think his incredible leadership—I am taking full credit in trying to talk the Senator from Connecticut into taking the chairmanship in the first place because I knew it was going to be one of the most difficult and sensitive of the chairmanships to be exercised in this framework of political circumstances in the time problem of any committee. He has done a fantastic job in that role, and there is no way that his jurisdiction over those matters is going to be demeaned or diminished.

As I say, I am proud of the fact that we were able to sit down and work out these chairmanships and the Senator had moved from one committee to take on the chairmanship of this committee it was with reluctance that he did so. It was not a lack of interest in the subject because it was intense in this field but he had well established himself to become chairman of a committee, State, Justice, and Commerce I believe it was, or he had served as ranking member for the number of years he had been on the Appropriations Committee. But I knew there had to be a man of great stature and ability to take on this subcommittee because it was going to be terribly important and, consequently, I was delighted when he acquiesced to that urging.

Second, I think this is illustrative of what happens when we try to run the Senate in a very, very unsatisfactory manner, running the Senate in a sense of having an appropriations bill out here where we always for some reason become a magnet for every kind of conceivable amendment which has been germinating in the minds of men and women for probably months and years, and we always seem to attract a lot of amendments, oftentimes they seem really unnecessary, and then to have this vulnerability for 4 days makes it even more difficult.

I do not like to run late into the night. This committee has had bills out here where we have had to run all night. That is not the way to do the Nation's business.

Consequently I think this is one more example of what can happen when we are trying to operate in this kind of system, trying to get this bill through, having all these dozens of amendments confronting us, trying to expedite it against the problems of Senators' refusal to come on the floor, be a little bit considerate and a little bit courteous to their colleagues, rather than forcing this bill to go on and on and on. So I merely want to comment upon the system as well as upon the incident at hand.

Mr. President, I yield the floor.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the D'Amato amendment be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, on behalf of the managers I ask the Chair to temporarily set aside the committee amendment.

The PRESIDING OFFICER. The committee amendment is set aside.

Mr. HATFIELD. Mr. President, I believe the Senator from Oklahoma (Mr. BOREN) is ready to offer his amendment.

AMENDMENT NO. 1368

(Purpose: To provide for early announcement of the 1984 annual commodity programs for wheat, feed grains, upland cotton, and rice, under the Agricultural Act of 1949)

Mr. BOREN. Mr. President, I send an amendment to the desk and ask for it immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Oklahoma (Mr. BOREN) (for himself, Mr. HUDDLESTON, Mr. ANDREWS, Mr. ZORINSKY, Mr. DIXON, Mr. BAUCUS, Mr. PRYOR, Mr. KASTEN, Mr. LONG, Mr. EXON, Mr. BENTSEN, Mr. LEVIN, Mr. JOHNSTON, Mr. BUMPERS, and Mr. HART) proposes an amendment numbered 1368.

Mr. BOREN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 125, after line 7, insert a new section as follows:

SEC. 405. Effective only for the 1984 crops of wheat, feed grains, upland cotton, and rice, the Agricultural Act of 1949 is amended by inserting after section 107C (7 U.S.C. 1445b-2) the following new section:

"EARLY ANNOUNCEMENT OF PROGRAMS

"SEC. 107C. Notwithstanding any other provisions of this Act, the secretary shall announce the terms and conditions for each of the annual programs for the 1984 crops of wheat, feed grains, upland cotton, and rice (including the applicable loan rate and established price, and the details of the acreage reduction program, if any) according to the following schedule:

"(1) For wheat, by July 1, 1983;

"(2) For feed grains, by September 15, 1983;

"(3) For upland cotton, by November 1, 1983; and

"(4) For rice, by December 15, 1983."

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. BOREN. I am happy to yield to the Senator from Oregon.

Mr. HATFIELD. Mr. President, just to keep the record straight, I ask unanimous consent to temporarily set aside the Weicker amendment, as well.

The PRESIDING OFFICER. That had been done previously, the Chair would advise the Senator.

Mr. BOREN. Mr. President, as we all know, American agriculture is in the midst of an economic crisis. Not since 1932 have we experienced 3 straight years of declining net farm income; 1982 was the third such year. In my own State of Oklahoma, it is now estimated that while farmers had a net income per unit of $14 for the year last year, that they owe approximately $15 billion in our State alone. It is obvious that we have reached crisis proportions when we have an income per farm unit of $14 annually trying to service a debt of $15 billion.

When adjusted for inflation, 1982 net farm income was lower than net farm income in 1932, the worst year of the Depression. Net farm income could still decrease this year. Cash prices are down despite the large amount of land taken out of production this year because of the PIK program. For example, in my own State of Oklahoma alone, the cash price for wheat has fallen 30 cents in 30 days. We could still show an increase in wheat carryover stocks despite the PIK program as well.

U.S. agricultural exports fell to $18.1 billion during the first 6 months of this fiscal year, a 17-percent decline from the same period a year earlier. Wheat shipments are presently 17 percent below 1 year ago, and rice shipments have declined by 36 percent. Cotton exports have dropped by a third.

The current supply situation, coupled with declining exports, indicates that, at a minimum, another year of supply adjustment programs is necessary.

Right now farmers across the Nation are making planting and purchasing decisions for the 1984 crop year. These decisions cannot be properly made as long as vital information is withheld. It is essential for farmers to know what the commodity program will consist of early if they are to make informed decisions.

It serves no purpose for USDA to announce its commodity programs after planting and/or land preparation has already begun. It does not serve the interest of the farmer. It does not serve the interests of the consumer. It does not serve the interests of the farm suppliers. The only people that it might serve are the bureaucrats at USDA.

Just as the farmers need information in a timely manner in order to plan their expenditures and purchases, the agribusinesses which supply the inputs necessary for our crops' production are willing to help turn the situation around. But to do so it is only fair that they, too, have the information they need to help avoid any losses that could occur. Many of our supply businesses encountered serious financial difficulties this year because of the PIK program. I believe that a great deal of this could have been avoided had the Department announced the PIK program at an earlier time.

In other words, we had suppliers stocking up on seed, on fertilizer, and on other products. They would not have built their inventories up in such a degree had they known in advance that a program like the payment in kind program was going to be adopted.

Farmers also expended funds on land preparation which they would not have expended had they known earlier about the program.

For all these reasons, Mr. President, it is imperative that the Department responsibly announce their plans for our commodity programs. Numerous Members of this body have sent letter after letter to the Secretary of Agriculture urging him to announce the programs early. We had all thought that we would know at this point what the wheat program was going to be, and certainly by June 15, but the Secretary still has not come forward with an announcement. The amendment I am offering today, and several others, including many members of the Agriculture Committee, will set up a time schedule which the Secretary would have to follow in announcing programs. The programs would have to be announced according to the following schedule: For wheat, by July 1; for feed grains, by September 15; for upland cotton, by November 1; and for rice, December 15.

Under this plan, farmers as well as agribusinesses would know the information they need by a date certain. I urge my colleagues to join me in support of this amendment which could save millions of dollars for our farmers and our agribusinesses.

Mr. COCHRAN. Mr. President, first I compliment the Senator from Oklahoma for bringing up this discussion in our consideration of this supplemental appropriations bill. Just a few days ago, at his insistence, several of us in the Senate joined him in writing a letter to the Secretary of Agriculture urging early announcements on the programs for the 1984 crop year.

I think there is no question but what agriculture would benefit from more timely announcements, announcements that are made as early as possible, so that good decisions can be made by farmers in anticipation of the Government's intention in order that they will be able to earn a profit in the farming operation.

There is concern that this legislative mandate might be inappropriately attached to an appropriations bill. Clearly, it is mandatory by its terms. It is legislation, and it would be subject to a point of order for that reason. It is not germane.

Our understanding is that we do need to send a message to the administration. The question is, What form should that message take?

I am hoping that the Senator from Oklahoma will consider withdrawing this amendment and offering, instead, a resolution which would be in the nature of a sense-of-the-Senate resolution, stating the hope that these announcement dates could be accelerated.

Before proceeding further with any kind of suggested alternative, I might ask if this Senator's understanding is correct about the exact terms of the proposed amendment.

Is it correct that the announcement schedule proposed by the Senator would be July 1 for wheat, September 1 or September 15 for feedgrains, November 1 for upland cotton, and December 15 for rice?

Mr. BOREN. The Senator is correct. It would be July 1 for wheat, September 15 for feedgrains, November 1 for upland cotton, and December 15 for rice. Those are the dates set forth in the amendment.

Mr. COCHRAN. I might say that unless the Senator would agree to substitute a sense-of-the-Senate resolution, we would reluctantly have to make a point of order against the amendment as offered. I would hope that the Senator would consider substituting, instead, a sense-of-the-Senate resolution.

Mr. BOREN. Mr. President, I appreciate the comments made by the Senator from Mississippi, my colleague on the Agriculture Committee, Certainly, he is a person who has shared my deep concern for the plight of agriculture. He has very effectively worked as a member of the Agriculture Committee on behalf of the farmers not only in his State but all across the country. I appreciate and respect the work which he has done on behalf of agriculture.

I would feel on this occasion that I would like to try to press my amendment. The Senator would certainly be free to raise the point of order. Depending upon the ruling of the Chair, I would perhaps have a followup amendment to offer.

I feel very strongly about what I have proposed here. I am not attempting to be unfair to the Department. In fact, my original amendment specified June 15. There were some negotiations conducted last evening with some of the representatives of the Department in regard to their willingness to perhaps accept the amendment if it were changed. if the dates were changed. We made the modifications, moving from June 15 to July 1 on wheat, for example, including the other commodity dates as well.

I now understand that there is some division of opinion within the Department. It is not clear now that the Department would accept that change.

I think in terms of confidence within the agricultural community right now, and in terms of their ability to handle credit from the financial institutions and to stay afloat in general, it is very important that we have an early announcement

The Senator from Mississippi has joined me and others on the committee in urging early announcement. I know he feels as I do about it.

That is the reason I feel obliged to go ahead and at least offer this amendment, to see how the Presiding Officer would rule if there is a point of order raised against it.

There is also some talk that there might be an attempt to tie the program, for example, on wheat to a decision by Congress in regard to the Secretary's proposal that target price levels be frozen. I understand that the Secretary is operating under some constraint, but I think it is also very, very important that the Secretary make it clear publicly what the wheat program would be before we are pushed to vote on any kind of proposal to freeze target prices. I know a number of us on the committee have had an opportunity to convey this view to the Secretary and convey to him our hope that he will announce what the program would be, or at least what his program options would be, depending on the action of Congress. I hope that will be done.

So, Mr. President, that is another reason I feel it is very important that we send a message, a very strong and clear message, to the Department at this point and to the administration. I look at it as strengthening the hand of the Secretary of Agriculture. He is a farmer, himself. I an sure he understands the need for early announcement. I am sure he knows that there are serious dislocations in other parts of the agricultural economy, other businesses—the fertilizer business, for example, seed, machinery, and others—because of the fact that we did move at such a late date to establish the payment-in-kind program this year. I certainly want to make sure we do not make that mistake again.

I surely always have great respect for any point of view offered by the Senator from Mississippi and understand that he would be free to proceed as he feels obliged to do or feels that we should proceed on the program.

Mr. DOLE. Mr. President, I thank both the Senator from Oklahoma and

the Senator from Mississippi. In addition to being the chairman of the Agriculture Subcommittee of the Appropriation's Committee, the Senator from Mississippi is chairman of the Agricultural Production, and Stabilization of Prices Marketing Subcommittee in the Agriculture Committee. He therefore plays the role of double hero to residents of the State of Oklahoma as well as Mississippi and others.

I can understand the need for farmers to know as quickly as possible when their commodity program will be announced and what the program may entail. In fact, I must say that we were trying here last year to give the Secretary authority. There was some question as to whether the Secretary had the authority to go ahead with the PIK program without certain changes by Congress. Those changes were being sought by a number of us on both sides of the aisle last December, but the Senator from Montana (Mr. MELCHER) had a disagreement and he could not let us proceed with that legislation.

I would say that one reason farmers did not know about PIK earlier was because of the failure of Congress last year to act. Our efforts were very clear in that area. It is not because the Secretary of Agriculture or anyone else in the administration was dragging his feet. I think that Secretary Block has done an outstanding job. But because Congress would not give the authority to the Secretary by making the requested changes, the Secretary went out on his own with the PIK program. As the Senator from Oklahoma has indicated, this delay did cause some concern, particularly in wheat areas. It would have been better to have announced the program earlier.

I want the record to show that the delay in the PIK announcement was not the fault of the Secretary, but to an extent the fault of the entire Congress.

I recall one late evening working with several distinguished Members of the House including our friend, Representative TOM FOLEY, who was willing to keep the House in session another 30 or 40 minutes if there was some way to convince the Senator from Montana (Mr. MELCHER) that the PIK program we were proposing was a good idea. We could not do that, and the Secretary then did the next best thing. He did it on his own initiative, without some of the changes we thought were necessary.

Last evening, we delivered to the Secretary of Agriculture a letter signed by 11 members of the Senate Agriculture Committee—Senators HUDDLESTON, HELMS, LEAHY, DOLE, BOREN, PRYOR, COCHRAN, JEPSEN, BOSCHWITZ, HAWKINS, and DIXON. I understand that Senator ZORINSKY also indicated his intention to sign. That letter asks the Secretary to announce the 1984 wheat program as soon as possible, and hopefully by June 15. We just delivered the letter. The ink is barely dry. I do not think we should come on the Senate floor and mandate that the Secretary do the very thing we asked him to do by letter last evening.

In addition, Mr. President, as pointed out by the Senator from Mississippi and the Senator from Oklahoma, we would rather not get into a target price argument on the Senate floor until we know what the Secretary has in mind for a PIK program on next year's crop.

It is fair to say that the cost of farm programs is going out to sight. From $4 billion in fiscal year 1981, farm program costs have increased fivefold in 2 years to an estimated $21 billion in fiscal year 1983. Those of us from farm States have a responsibility, because we represent both farmers and taxpayers, to try to control the cost of farm programs within justifiable limits. If we fail in our responsibility, the urban Members of Congress, including Senators from primarily urban States, may begin to scrutinize closely the cost of farm programs.

This Senator finds that farmers in the State of Kansas and I am certain other Members find farmers in their States wanting to make a profit in the marketplace. They are not in the business of farming the U.S. Treasury and looking for Federal checks. If we are going to have another production management program that will add further to the expense of the one we are going through now, we must be willing to make a contribution on the target price side. I agree with both Senators that this decision should not be made until we have seen other details of the program. Then maybe we can make a judgment on what the target price level should be.

I also share the concern expressed by the Senator from Mississippi. This is clearly legislation on an appropriations bill. It is subject to a point of order. As I understand, the Senator from Mississippi will make that point of order. If that is sustained, I shall be happy to join the Senator from Oklahoma in a sense-of-the-Senate resolution, as I am certain the Senator from Mississippi would, because we do want the program announced as early as possible. Farmers have a right to know, particularly in wheat areas where they are in the middle of harvest now.

I thank the Senator from Oklahoma for raising this important issue.

(By request of Mr. BOREN, the following statement was ordered to be printed in the RECORD:)

● Mr. PRYOR. Mr. President, I am pleased to be a cosponsor of this amendment, offered by the Senator from Oklahoma (Mr. BOREN) concerning the announcement dates for the 1984 crops of wheat, feed grains, cotton, and rice. This is a very important amendment and I urge its adoption.

This amendment would require the early announcement of the 1984 crops. For wheat, it would be June 15, 1983; for feed grains, it would be August 15, 1983; for cotton it would be November 1, 1983; and for rice it would be November 30, 1983.

This amendment is a small change, Mr. President, but I think it would be very important for our Nation's farmers. Late last year the Secretary of Agriculture announced the payment-in-kind (PIK) program under which farmers would receive Government-owned commodities in return for idling part of their land. Most people, including officials of the Department of Agriculture, expected a good response from our Nation's farmers to this program. However, the results were absolutely remarkable when they were announced. There will be about 82 million acres of farmland idled this year under PIK.

The problem that we have to avoid, Mr. President, is a delay in announcing next year's program. The farmers deserve as much advance notice as possible with regard to the 1984 crops, especially since it will come on the heels of the PIK program. Early announcement of all crops will help people plan and bring a little more certainty to an often confusing area. Many farmers are asking when the programs are going to be announced, whether or not there will be another PIK program, and many other questions about our farm programs. They need and deserve answers to these important questions. If this amendment is adopted, it will at least give them more advance notice about next year's crops. At a time when many farmers are in serious financial shape, Mr. President, and have suffered through several years of low commodity prices and declining exports, it seems that the least that can be done is give them as much notice as possible about next year's programs and what will happen after PIK.

I urge the adoption of this amendment, and I commend the Senator from Oklahoma (Mr. BOREN) for bringing this very important matter before the Senate.●

EARLY ANNOUNCEMENT OF THE 1984 FARM PROGRAM

● Mr. BAUCUS. Mr. President, I am a cosponsor of the amendment offered by the distinguished Senator from Oklahoma (Mr. BOREN). Early announcement of the 1984 farm program is an absolute necessity for farmers—they need to plan their operations based on a variety of variables.

Anyone who is familiar with our complex farm programs realizes that farmers must have adequate lead time to plan their year's operations. Ques-

tions like how much fertilizer they will need, how much fuel they should budget for and what crops they should plant all need to be answered. Once a farm plan is developed, a farmer must secure the financing for his operations. All of this takes time.

There is another segment of the agricultural economy that must know what next year's farm program will be—farm supply businesses. Last January 11 Secretary Block announced the payment-in-kind program. After a short 30-day comment period the program was put into operation; 82 million acres of farmland was taken out of production under the PIK program. USDA's estimates show a $4.9 billion decline in production expenditures by farmers as a result of the PIK program.

Agricultural supply businesses had no chance to adjust their inventories with this short of notice. The magnitude of the PIK program is working a real hardship on these businesses as a result of the lack of time to prepare for the program.

The Appropriations Committee, in their report on this supplemental appropriations bill, recognized that the early announcement of the 1984 farm program will help restore the economic stability and viability of agribusiness adversely affected by the 1983 PIK program.

Mr. President, this amendment is not a complicated matter for the Department of Agriculture to deal with. It is an extremely important step for us to take on behalf of the farmers and farm supply businesses who depend on a well-planned operation for their profitability.

I urge my colleagues to support this important amendment.●

Mr. COCHRAN. Mr. President, because of the reasons stated, it is my judgment that the appropriate thing to do is make the point of order, which I shall do. First, though, let me express my appreciation to the Senator from Kansas not only for the contribution that he is making today to help sort out a legislative tangle of sorts to bring the Senate to a decision that is going to serve the interests of farmers who are trying to operate at a profit and to keep their farms in times of economic uncertainty, but also for the work that he does in behalf of the people who pay for the programs that are designed to help create a better economic environment for farmers.

We are confronted with a very serious cost problem. Looking at the figures that are in the agriculture appropriations bill to reimburse the Commodity Credit Corporation for net realized losses, which is a function of our committee, one can readily see that we are putting a lot of strain on the budget because of these farm programs. They are beginning to be quite expensive, and I am afraid taxpayers around the country are going to be asking why Congress cannot restrain the growth of spending in this area as we are trying to restrain the growth of spending in other areas.

I think progress is going to be made. I think we are seeing changes in policy that are bringing about an outlook of hope and optimism in the farm community. I recall that 2 years ago, the thing I kept hearing from farmers was:

We cannot possibly end up in a profit situation because of the high rate of inflation. The costs of production are out of sight. The cost of financing is absolutely impossible to sustain.

Two years ago, three years ago, that is all you would hear when you would talk to a group of farmers—cost of production, cost of money. I would say, Mr. President, that substantial and impressive progress has been made in reducing the growth of these expenses as they apply to farmers.

We have seen interest rates reduced by half; we have seen inflation rates reduced by a much greater percentage than that. I think that because of the PIK program, because of the fact that there was a tremendous amount of participation with farmers voluntarily coming in and signing up to participate in this program, and because it would assure a greater degree of profitability for them, there is for the first time in 3 or 4 years real hope, genuine optimism, and a feeling that things are getting better in the agriculture sector. I hope we can keep it moving forward.

For the reasons stated, Mr. President, I make a point of order against the amendment.

The PRESIDING OFFICER. It is the opinion of the Chair that the amendment offered by the Senator from Oklahoma does in fact amend the Agriculture Act. New duties are imposed on the Secretary. Therefore, it constitutes legislation upon appropriations. The amendment falls.

Mr. BOREN. Mr. President, I do have another amendment I would like to send to the desk at this point. I ask the distinguished chairman if it is necessary again to set aside the pending amendment at this point in order to do so.

The PRESIDING OFFICER. The Chair advises the Senator it would be necessary to set aside all three amendments.

Mr. COCHRAN. Mr. President, I make that request.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the D'Amato and the Weicker amendments be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. I ask unanimous consent that the Chair also set aside temporarily the committee amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. It is set aside.

AMENDMENT NO 1375

(Purpose: To urge the Secretary of Agriculture to announce the 1984 commodity programs for wheat, feed grains, upland cotton, and rice at an early date)

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. BOREN. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Oklahoma (Mr. BOREN) (for himself, Mr. HUDDLESTON, Mr. ANDREWS, Mr. ZORINSKY, Mr. DIXON, Mr. BAUCUS, Mr. PRYOR, Mr. KASTEN, Mr. LONG, Mr. EXON, Mr. BENTSEN, Mr. LEVIN, Mr. JOHNSTON, Mr. BUMPERS, Mr. COCHRAN, Mr. DOLE, Mr. HELMS, Mr. BOSCHWITZ, and Mr. HART.

Mr. BOREN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 125, after line 7, insert a new section as follows:

SEC. 405. It is the sense of Congress that the Secretary of Agriculture should announce the 1984 annual commodity programs for wheat, feed grains, upland cotton, and rice by the dates specified in the following schedule:

(1) For wheat, July 1, 1983;

(2) For feed grains, September 1, 1983;

(3) For upland cotton, November 1, 1983; and

(4) For rice, December 15, 1983.

Mr. BOREN. Mr. President, this is similar wording to the last amendment. I think the last three dates have been changed. The dates are now July 1—still the same—on wheat, and we are rapidly approaching that deadline, and August 15 for feed grains, November 1 for upland cotton and November 30 for rice. The amendment has simply been changed, in light of the ruling of the Chair, to reflect that it is a sense-of-the-Senate expression that the Secretary should move to announce the programs by these dates. I think it is important that we try to send, as strongly as we possibly can, a message to the Secretary that we have the program announced. As I talk to the farmers in my State, it is the point which they raise with greatest frequency and greatest urgency. They need to know what the program is going to be in time to make decisions in regard to their participation in it.

I hope that we can join together to pass this amendment. It reflects much the same sentiment that some of us have previously reflected to the Secretary in the letter which was presented on the floor earlier by my good friend from Kansas. I see the distinguished chairman of the committee also on the

floor, and I know that he shares our concern that we have a program in place and announced as soon as possible.

While there has been some progress made in some ways, as the Senator from Mississippi and the Senator from Kansas have indicated, I think we still have to bear in mind that in terms of the bottom line, which is really what enables the farmer to stay in business or will force him to go out of business, we have not seen any significant improvements in the net income figures. In fact, they are worse than they have ever been.

There are a lot of comments that could be made in terms of why we waited until so late to have a program. Several Senators, including myself, pushed for a pay diversion program. The Secretary was given the authority to have such a program last year. The record is now indicating that had a pay diversion program been adopted, at least in the case of wheat, instead of the payment in kind program, it would have probably been more effective and certainly would have been less expensive than the program which was adopted. But I will not go back over that ground. The mistakes have been made by administrations of both political parties in regard to agricultural policy. Certainly the present administration and the preceding one have made some serious blunders in terms of agricultural policy which have helped to bring us to this point.

I do not think a discussion of how we got to the point at which we now find ourselves is very profitable. The point is that the farmers are in deep trouble. We are going to lose a significant number of family farmers in this country if we do not act. The one thing that the Congress can responsibly do is make sure that we have a timely announcement of a program so that we can begin some long-range planning, so that we can restore certainty into the financial and credit markets that affect agriculture so that we can maximize the number of farmers that can make it through the next 12 months. It is important that we pass this sense-of-the-Senate provision so that we send as strong a message as we possibly can. Then we must be prepared to back it up.

If the Department does not act in a timely fashion—I certainly hope they will; the Secretary assured many of us this last week they would—we have to be prepared if for one reason or another announcement is not made to take further action to require that the program be put in place in time for the farmers and the others who are financially affected by decisions about the farm program to participate in it and to make their own decisions and judgments.

I hope, Mr. President, that we can adopt this amendment and other of my colleagues might want to join with the very significant Members who have already cosponsored this particular amendment.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, I do not have a copy of the resolution the Senator from Oklahoma has sent to the desk but as I was listening to the Senator state the dates on which these programs would have to be announced, I thought I heard him say that for rice the announcement date would be November 30, and for feed grains August 15. If that is correct, those are at variance with the provisions of the other amendment that was submitted. I wonder if, just as a point of clarification, the Senator could repeat the dates on which the program should begin.

Mr. BOREN. The Senator is correct. My original amendment some several days ago had earlier dates than the one which I offered immediately prior to offering this amendment, the one which fell under a point of order.

In discussion with the Department I had hoped they would endorse and support mandating the particular date that moved it back to July 1 for wheat. We are rapidly approaching that date. I kept July 1 in this sense-of-the-Senate amendment. I had moved my original provision of August 15 for feedgrain to September 15 in the hope of accommodating the Department. Since this is simply a sense-of-the-Senate amendment, I put back my original date of August 15. Cotton is the same under both, November 1. Rice was December 15, and I have here stated November 30.

Now, the reason for doing that—and I am happy to hear the thoughts of the Senator from Mississippi about it—was to try particularly to help those that are involved in agribusiness.

In the case of feedgrains, I am told by those in the fertilizer industry, for example, that the longer they have to wait to know what the program is, the more difficult it is for them to make decisions and adjustments about production, sales level, stocking of inventories, and the rest.

So really it is out of concern to try to be fair to those businesses that have to make decisions about production levels and inventory levels that I would hope, since we are dealing not with a mandated date but with a sense-of-the-Senate resolution at this point, we adopt dates as early as possible in terms of advising the Secretary. That was my motivation. I did keep cotton the same and I did keep wheat the same as in the immediately preceding resolution as we are fast approaching the July 1 date.

Mr. COCHRAN. Mr. President, I am concerned, because if we leave the August 15 date in the amendment, we are not going to give the Department enough information about the 1983 crop on which to base an accurate decision for the 1984 crop year. As a matter of fact, I am advised by the Department that even with the August crop report for corn, which would not be in hand in time to base a decision if they are required to make an announcement by October 15, does not provide a very accurate indication of the size of the crop.

So additional time is required, not because of some arbitrary decision that is made downtown, but because of the necessity to base a decision on fact—what the carryover is going to be into the next year. The Department is going to be put into a position, if it follows the sense-of-the-Senate resolution, of making a determination based on incomplete information or information that certainly is not going to be very accurate.

Mr. BOREN. Mr. President, will the Senator yield?

Mr. COCHRAN. I yield.

Mr. BOREN. Is it the feed grain date that is giving the Senator from Mississippi the greatest cause for concern—August 15?

Mr. COCHRAN. That seems to me to be the more heinous of the two changes.

I would be happy, as the Senator from Kansas has stated, to join in cosponsoring this amendment. I was hoping I could. I think we share this interest and the same concern that is shown by the letter we have all signed.

Mr. BOREN. I wonder if we could strike a balance between the viewpoint the Senator has expressed and the viewpoint I am offering in this amendment. Would it be agreeable if we changed the date to September 1 instead of the 15th? That puts us between the two dates.

I think that was the date also adopted in the committee report of this bill. It was September 1. I believe that was the date mentioned in the committee report.

Mr. COCHRAN. I hate to argue with the Senator.

Mr. BOREN. I commend the Senator from Mississippi for suggesting the date in the report.

Mr. COCHRAN. Mr. President, the Senator has come up with just the right date. Is the rice date in the report, too?

Mr. BOREN. No, that is not in the committee report.

The Senator from Mississippi is an expert on rice; the Senator from Oklahoma is not. It happens to be one of the very few commodities that we do not grow in quantity in Oklahoma. I would be happy if the Senator, in dealing with the rice date, would take this suggestion.

Mr. COCHRAN. I thank the Senator for being cooperative and understanding about this.

If we could make the change for feedgrains, to September 1 and for rice to December 15, I would hope the Senator could add my name as a cosponsor of the amendment. I would then recommend that the amendment be accepted.

Mr. BOREN. Mr. President, I ask unanimous consent that I may so modify my amendment—September 1 for feedgrains and December 15 for rice.

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

Mr. BOREN. I ask unanimous consent that the names of the Senator from Mississippi (Mr. COCHRAN), the Senator from Kansas (Mr. DOLE), and the distinguished chairman, the Senator from North Carolina (Mr. HELMS), be added as cosponsors, together with the others already listed as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, before yielding the floor, I should like to commend the Senator from Oklahoma for his leadership in this area. He has identified a problem that needs the attention of the Department and Congress. By working in this way, I believe we have clearly indicated in our review that farmers should be given every opportunity to have early information about farm programs. I think the Senator has done a good job in bringing this up, and I commend him for his efforts.

Mr. DOLE. Mr. President, I thank the Senator from Oklahoma for those changes, and I am pleased to cosponsor the sense-of-the-Congress resolution.

The chairman of the committee will speak for himself, but we have been in touch, trying to work out some of the details. I think this is the appropriate way to proceed.

I know that agriculture needs all the help it can get, but we still have to be responsibile in looking at the costs of these programs.

We are starting to recover from the grain embargo of January 1980. It has taken longer than we thought, but we are getting the pieces back together. As the Senator from Mississippi pointed out, interest rates have been cut in half and inflation is down, but farm prices are still low.

I hope that, in addition to what we are talking about here, we can urge the administration to proceed to a long-term grain agreement, to do everything we can to increase the prices in the marketplace, so that we can decrease the cost of the program to the U.S. Treasury.

Mr. STENNIS. Mr. President, I will take a few minutes of my time.

We have had a splendid debate on this far-reaching matter, and I commend the Senator from Oklahoma for the work he has done on the subject. He is well versed in it. I wish the amendment he has, in that form or in similar form, could have been adopted. It would have been of signal benefit. But I realize that it is difficult to cover the subject, and the ruling of the Chair was perhaps correct.

The Senator realized that and saved the sentiments and the juices of his work by getting it in this amendment, the sense-of-Congress resolution, which I think will be adopted unanimously and lead to a forward step of some proportion.

Most farmers I know and most farm areas I know are in serious condition and are up against conditions which, while not like those during the depression, are of enormous proportions. The road back is going to be hard, at best. There may not be a road back for some.

I believe that those who have engaged in the debate here have made a contribution to the matter, and they have laid the groundwork for a legislative step of real value. I thank them for that.

I do not think anyone on this side of the aisle has any objection to this amendment.

Mr. HATFIELD. Mr. President, there is no objection on this side of the aisle to this amendment by the Senator from Oklahoma.

Mr. BOREN. Mr. President, I thank the distinguished chairman, Senator HATFIELD, and the ranking minority member, the Senator from Mississippi (Mr. STENNIS), for their consideration. I also thank the others who have indicated an interest in this proposal.

By request of Mr. BOREN, the following statement was ordered to be printed in the RECORD:

● Mr. DIXON. Mr. President, farmers will soon be making planting decisions for the 1984 crop year. These decisions will be based in part on the commodity programs announced by the Department of Agriculture. Farm, commodity, and agribusiness leaders have stressed the need for an early announcement by USDA to assure ample time for farmers to act during the fall season. An early announcement will also help restore the economic stability and viability of agribusinesses adversely affected by the 1983 payment-in-kind program.

In my own State of Illinois, the fertilizer industry has been particularly hurt. Indications by the Illinois Fertilizer & Chemical Association, Inc., is that Illinois fertilizer dealers could lose over 30 percent of their sales. This next year will determine how many of these agribusinesses will survive.

We all hope the farm economy recovers quickly, but the farmers' input industries must also survive to properly serve our agricultural production effort. In addition, the economic health of these support industries must be maintained to protect both jobs and the economic viability of rural communities.

Mr. President, an early announcement of the 1984 crop programs is necessary for farmers to plan adequately and help preserve the farmers' vital input industries.●

Mr. BOSCHWITZ. Mr. President, will the Senator yield?

Mr. BOREN. I yield.

Mr. BOSCHWITZ. Mr. President, will the Senator add my name as a cosponsor of the amendment?

Mr. BOREN. Mr. President, I ask unanimous consent that the name of my colleague on the Agriculture Committee, the Senator from Minnesota (Mr. BOSCHWITZ), be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOSCHWITZ. I congratulate the Senator for bringing up this amendment, so that we can bring as much order to the farm program as possible and so that the farmers of the United States may make sensible decisions in advance.

Mr. BOREN. I thank my friend from Minnesota.

Mr. President, I hope that the adoption of this amendment, which will occur shortly, will send a strong message to the Department and that we can work cooperatively in Congress with the Department to have an early announcement of these programs, so that farmers, consumers, and everyone else involved can have the benefit of knowing what the programs are in time to make the decisions that are necessary.

● Mr. HUDDLESTON. Mr. President, this amendment will help farmers and industries that provide vital farm production supplies to make timely decisions for the 1984 crop year.

The amendment provides that it is the sense of Congress that the 1984 crop programs be announced earlier than the dates specified in the 1981 farm bill. Under the amendment, the Secretary of Agriculture would announce the 1984 wheat program by July 1, 1983, and the 1984 feed grain program by September 1, 1983.

Also, the Secretary would announce the 1984 cotton program by November 1, 1983, and the 1984 rice program by December 15, 1983.

This adjustment in the program announcement dates is needed because farmers and farm supply industries need to have adequate time to evaluate the 1984 programs and to make planting and purchasing decisions based on that evaluation.

The late announcement of the 1983 payment-in-kind (PIK) program gave

farmers and farm suppliers little opportunity to plan adjustments for the 1983 crop year. Due to the late announcement of the program, agricultural suppliers, such as fertilizer producers and dealers, were caught with very large surpluses of supplies.

Recently, Mr. Barney A. Tucker from Kentucky expressed to the Senate Small Business Committee the concerns of many farm suppliers regarding the effects of the PIK program on the fertilizer industry. Because the PIK program has dramatically reduced the total volume and consumption of fertilizer, the industry is reporting record losses.

It seems clear that the timing of the program announcements can seriously and adversely affect the fertilizer industry. To alleviate the problems of the industry, and the farm economy as a whole, the programs for the 1984 crops must be announced as early as possible. This amendment provides for timely announcements and I urge my colleagues to support it.●

The PRESIDING OFFICER (Mr. COCHRAN). Is there further debate?

The question is on agreeing to the amendment, as modified.

The amendment (No. 1375), as modified, was agreed to.

Mr. BOREN. Mr. President, I move to reconsider the vote by which the amendment as agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, we are about ready to wind up the amendments that are available for today. Mr. BUMPERS is out of town. Mr. MELCHER is out of town. Mr. MOYNIHAN is out of town. Mr. QUAYLE is out of town. Mr. WALLOP is out of town. Mr. CRANSTON is out of town.

Mr. BOSCHWITZ is here. I think he is ready to offer his amendment. I believe that will probably be the last amendment of the day.

Mr. President, I ask unanimous consent that the D'Amato and the Weicker amendments be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the committee amendment be temporarily laid aside in order that the Senator from Minnesota (Mr. BOSCHWITZ) be in a position to offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1376

(Purpose: To express the sense of the Congress that the Federal Government should maintain current efforts in Federal nutrition programs to prevent increases in domestic hunger)

Mr. BOSCHWITZ. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Minnesota (Mr. BOSCHWITZ) proposes amendment No. 1376.

Mr. BOSCHWITZ. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 4, between lines 18 and 19, insert the following new section:

GENERAL PROVISIONS

SEC. . (a) The Congress finds that—

(1) Federal nutrition programs, including the food stamp program, school lunch program, school breakfast program, child care food program, summer food program, special supplemental food program for women, infants, and children (WIC), the commodity supplemental food program, special milk program, and elderly feeding programs, have been effective in reducing hunger and malnutrition in the United States;

(2) the Congress has closely scrutinized and made significant changes in both child nutrition and food stamps over the past two years in an effort to achieve budgetary savings;

(3) current levels of unemployment have greatly increased dependency on Federal, State, and local food programs;

(4) churches and other volunteer organizations in the United States are having difficulty meeting the growing need for food created by poor economic conditions;

(5) the food stamp program provides nutrition benefits to those without the means to obtain a nutritionally adequate diet and is often the only form of Federal assistance available to many unemployed workers;

(6) nutrition benefits to mothers and children at critical periods of growth represent a cost-effective way to reduce infant mortality, low birthweight, and promote long-term health;

(7) nutrition benefits through the school lunch program and other child nutrition programs significantly contribute to the health maintenance and learning potential of our Nation's children;

(8) nutrition programs for elderly people, including the food stamp program, can prolong health, allow for independent living, and preserve the dignity of our Nation's senior citizens;

(9) a Federal role in meeting the nutritional needs of low-income Americans is appropriate since the costs of obtaining an adequate diet do not vary significantly throughout this country; and

(10) a reduction in the Federal Government's commitment to provide adequate nutrition to the needy would cause increasing hardship and hunger to those least able to survive in our society.

(b) It is the sense of the Congress that—

(1) the Federal nutrition programs, including the food stamp, child nutrition, and elderly feeding program, should be protected from budget cuts that would prevent them from responding effectively to nutritional needs in the United States;

(2) the special supplemental food program for women, infants, and children (WIC) should continue to be funded at the full level authorized by law; and

(3) the Federal Government should maintain primary responsibility for nutrition programs.

Mr. BOSCHWITZ. Mr. President, earlier this year Senator JACK DANFORTH and myself, along with seven of our colleagues, introduced a resolution entitled "Preventing Hunger at Home." The resolution expressed our commitment to insuring that Federal nutrition programs are funded at a level allowing them to respond effectively to the nutritional needs of Americans. Currently, that resolution has 58 cosponsors. Mr. President, my amendment today is offered in its stead, though the resolution will remain and perhaps we will take it up at a later date. This amendment is cosponsored by Senators DANFORTH, COHEN, JEPSEN, and KASSEBAUM. Unfortunately, I was not able to reach the other cosponsors of the resolution, but there is no question in my mind that virtually all of them would have cosponsored this amendment had I reached them.

Today, I am offering this amendment because I feel the time is right to once again demonstrate the Senate's concern about protecting funding for nutrition programs.

Right now we are in the midst of the conference on the budget, and passing this amendment will be an excellent signal to the conferees and others.

My amendment essentially does five things:

First, it recognizes that the Federal nutrition programs—food stamps, school lunch, school breakfast, child care food, WIC, and others have been extremely effective in reducing hunger and malnutrition in the United States. I should add to that the congregate dining for the elderly and the Meals on Wheels program specifically because they have been particularly effective.

Second, my amendment recognizes that reductions in Federal aid can cause increasing hardship and hunger to those least able to handle it. Therefore, the amendment expresses the sense of the Senate that: We will protect the nutrition programs from budget cuts that would prevent them from serving the nutritional needs; the special supplemental food program for women, infants, and children (WIC) should continue to be funded at the full level authorized by law; and, the Federal Government should maintain primary responsibility for nutrition programs.

In the face of our still high unemployment, I believe it is necessary to provide reassurance to those dependent on nutrition program, that Congress is indeed committed to providing adequate assistance to the needy.

I urge my colleagues to support my amendment.

Mr. DOLE. Mr. President, will the Senator from Minnesota yield for a question?

Mr. BOSCHWITZ. I yield.

Mr. DOLE. Mr. President, as the chairman of the Nutrition Subcommittee, I think I am in general agreement with the resolution. In fact, I am one of the cosponsors.

Mr. BOSCHWITZ. I believe the Senator is.

Mr. DOLE. It is my understanding and my interpretation of what the Senator proposes that this does not preclude us from monitoring any of these nutrition programs and eliminating any waste or abuse that we may find. We are moving in that direction.

As I understand the thrust of the amendment, it is to assure the people who may benefit from these programs that they can depend upon these programs and that the budget will not be balanced at their expense. However, the nutrition programs are still going to be subject to scrutiny and close review by our subcommittee, by the full committee, by Congress, and by everyone involved, as I understand it.

Mr. BOSCHWITZ. The Senator is correct.

Several of these programs have undergone rather extensive budget reductions, as the Senator from Kansas well knows. A number of the programs have undergone some very meaningful adjustments to make them more efficient in the way they distribute their funds, and I think we have made some important steps in gaining control over the programs, particularly the food stamp program.

So, the Senator's reading and interpretation of the amendment is indeed correct.

Mr. DOLE. I commend the distinguished Senator from Minnesota.

As I look back on the history of the food stamp program, let us face it, it has grown rather tremendously. It may be an economic barometer—when unemployment increases, the cost of the program increases.

There were some changes made during the last 2 years, as I think the distinguished chairman probably knows, that resulted in extensive program reforms. In fact, we adopted about 10 or 11 different provisions that Senator HELMS offered to address the areas of fraud, abuse, and waste—and they are now being implemented.

We are currently being told by the USDA and those who administer this program that they are achieving significant savings in the program, that they are uncovering fraud, that people are being prosecuted, and we should continue to press for program reforms.

Where we find waste, abuse, and fraud in the program and, where we find people participating in the program who really should not be in the program, we should aggressively correct the problems. Obviously we have an obligation to those who really need food stamp benefits to make certain that they are being reached. And we have a responsibility to the taxpayers generally, because they pay for the program. I applaud this initiative by the Senator from Minnesota, and am pleased to be a cosponsor of the original resolution, which was introduced early this session.

Mr. BOSCHWITZ. I thank the Senator from Kansas. He is indeed correct in his assessment that we must continue our oversight, our statutory duty indeed, and I agree that on the food stamp program, that it did have that mighty swerve upward in cost. As a matter of fact, it increased in a 12- or 13-year period 170 times or about 17,000 percent, but we have made some constructive changes in it.

Mr. HELMS. Mr. President, I commend the able Senator from Kansas (Mr. DOLE) and, of course, the able Senator from Minnesota (Mr. BOSCHWITZ) for the colloquy which they have engaged in.

Mr. President, there are some inside and outside of Congress, who mistakenly hold the impression that this resolution is a statement of opposition to further reductions in spending for the food stamp and child nutrition programs. A careful, objective reading of the resolution makes clear that the only reductions to which the Senate is expressing an opinion are those which, if enacted, "would prevent them—the programs—from responding effectively to nutritional needs in the United States."

It should be remembered that none of the budget reductions made during the 1981 or 1982 Reconciliation Acts had an adverse impact on the ability of these nutrition programs to respond effectively to nutritional needs of low income citizens in the United States. Rather those bills were aimed at targeting these benefits precisely to those who should be served by them—the poor who, through no fault of their own, are unable to care for themselves.

The common perception seems to be that large reductions were made in the food stamp program in past years. That is not accurate. The best that can be said is that the rate of growth has been slowed. The program continues to cost more each year than it did the year before. More people are being served by it each consecutive year.

Even those reductions which have been made have been exceedingly reasonable. The largest reduction in the 1981 bill for food stamps, for instance, was to provide that food stamp recipients should receive benefits on a pro rated basis, depending on the time of month in which they applied for benefits. Previously, households were entitled to a full month's benefits even if they applied during the last few days of the month. It was obvious that such recipients could not eat retroactively.

Hence Congress, in response to a report from the Senate Appropriations Committee which first called attention to this excess, established pro rated benefits. It is a good example of how improved management can result in large savings. The Congressional Budget Office estimated that the new pro rata system would save a half a billion dollars annually. The proposal has worked so well that in 1982 the same principle was applied to other Federal programs.

The other major cost-saving change was to delay the indexing of food stamp benefit increases. As noted in an April 29 study by the Congressional Budget Office, the savings resulting from delaying the indexing of benefits were significantly overstated.

Additionally, the 1981 act delayed indexing of deductions, and established, for the first time, a gross income ceiling for food stamp participation at 130 percent of the poverty line. The cumulative effect of these changes was to tighten program eligibility and reduce the rate of growth in the cost of the program—which had resulted in large part because of the liberal indexation policies which had existed in the program.

The 1982 reconciliation bill made very modest changes in the food stamp program and none in the child nutrition programs. Again indexing of the food stamp benefits was a primary method of attempting savings, by establishing the increase at 1 percent under the rate of food price inflation. Other savings were achieved by administrative tightening of the program, including an improved definition of eligible households, rounding down benefit calculations to the nearest lower whole dollar, and pro rating of the standard utility allowance.

The major food stamp change in 1982, as in 1981, did not come from an across-the-board reduction. Rather, in 1982, the largest savings in the bill was from the imposition, for the first time, of an error rate sanction system to require States to lower their overissuance error rates to certain levels or else reimburse the Federal Government for errors above those levels.

In both years, a primary objective of the legislative changes has been to tighten program administration in order to prevent abuses of the program. Tighter verification of eligibility, more stringent penalties for abuse—by both recipients and retail stores—and greater latitude to collect fraudulent overissuances have been important new tools added to the food stamp legislation.

The primary reduction in the school lunch and breakfast programs has been to reduce the Federal subsidy going to nonneedy children. Many people are unaware that such a large portion of the Federal support for the school feeding programs are actually provided regardless of the income of the children served. Inasmuch as over

half of all lunches are served to nonneedy children, it is obvious that significant savings could be made—and have been made—without impacting poor children at all. Even with the reductions made by the 1981 act, a significant subsidy continues to those who are not needy. But the point I want to emphasize is that the effect of the changes has been to increase the percentage of Federal dollars going to recipients who are poor.

For instance, the percentage of Federal dollars going for need-based programs in the child nutrition area has increased from 58 percent in fiscal year 1980 to 73 percent in the present fiscal year.

FISCAL YEAR 1984 ADMINISTRATION PROPOSALS

The administration's proposals for the next fiscal year in the food stamp and child nutrition areas would also be of a nature that would not conflict with the resolution's admonition against budget cuts that would prevent the programs from responding effectively to nutritional needs.

Again, the largest proposed reduction in the food stamp program does not come at the expense of even one penny from recipients. Rather, it is from improving the error tolerance rate which was established last year. The administration's proposal would set 3 percent as the tolerance level. Overissuance errors above that amount would have to be reimbursed by the States to the Federal Government. The objective is to require States to concentrate their attention and their resources on reducing the unacceptably high level of errors in the food stamp program. The 3-percent level is the same as that provided last year for the AFDC and medicaid programs.

Other administration proposals would considerably simplify the administration of the food stamp program and thereby contribute to more efficient administration and fewer mistakes, saving both Federal and State administrative expenses and Federal benefit costs.

Importantly, the food stamp proposals contain a provision to require workfare for able-bodied food stamp recipients. This provision would "adversely" affect only those able-bodied recipients who refuse to accept community service employment in exchange for their food stamp benefits.

Consistent with the government-wide delay in indexing this year, food stamp benefit increases and child nutrition reimbursement rate increases would be postponed for 6 months.

The primary savings in the child nutrition area comes from the elimination of funding for day care homes within the child care food program. A recent study by the Department of Agriculture has concluded that these homes are no longer serving primarily poor citizens but rather that over two-thirds are nonneedy. The remainder of the child care food program is to be combined with the breakfast and summer feeding programs into a block grant. States will be able to determine the type of nutrition assistance to be provided from the funds contained in the consolidated block grant.

Additionally, a minor change has been recommended in recomputing the indexation of the reduced price reimbursement rate for the school lunch program. The other reform proposal is to improve the verification of eligibility for the school lunch program by having applications for free and reduced price lunches verified by local food stamp offices.

These are hardly policies which would adversely impact on low-income Americans.

NO POVERTY-BASED HUNGER

I would also like to address the context in which this amendment is being considered. The stated or sometimes implied context is that somehow we are witnessing a resurgence of hunger in this country. A drumbeat of anecdotal stories apparently has convinced many that a massive problem exists throughout the country. There is no objective, rational, or scientific basis for this perception.

Unemployment has been higher than either anticipated or preferred. However, the existing Federal feeding programs have responded to this need, as they were intended to do. Participation in the food stamp program has increased to meet the needs of those who are newly unemployed who are poor. The program is not meant to serve those, even if unemployed, who are not poor. And this is the point. There is no basis to state or imply that poverty-based hunger exists in the United States today. What hunger or malnutrition which exists is often self-imposed by poor eating habits, but not through inability to purchase food or obtain food assistance.

For instance, much attention has focused on the laudatory efforts of churches and private organizations that have established various feeding programs. However, it should be remembered that in most such instances there is no eligibility criteria to determine whether all of those served are low income. Nor is there any method to determine whether, in fact, many of those served are not also receiving some degree of Federal feeding assistance.

Most stories of adversity have centered around isolated individuals or areas. Attempts have been made, quite successfully, to project these cases as the general rule rather than rare exceptions. But the facts simply do not support this generalization.

Dr. George Graham, professor of human nutrition and pediatrics at the Johns Hopkins University, probably best summarized the current state of nutrition in the United States during recently conducted subcommittee hearings. Said Dr. Graham:

All the evidence indicates that the nutritional status of our people, including low-income groups, is very good and continually getting better, and that the greatest threat to their health lies in overnutrition.

The Department of Agriculture is spending approximately $18 billion on various Federal feeding programs. I wonder just how much money people would think is "enough" if this is not.

INFANT MORTALITY

Mr. President, another subject which often arises in a discussion of nutrition is that of infant health and infant mortality. Inordinate attention has focused on a totally unsubstantiated report published earlier this year by the Food Research and Action Center which purported to show "that the steady decline in infant mortality rates is being reversed in recession-hit cities and states." These conclusions have been accepted as fact by many in Washington, although, again, the facts do not warrant this interpretation.

Dr. Edward N. Brandt, Jr., Assistant Secretary for Health, has clarified that the national infant mortality statistics show a continuation of the decline of recent decades. He has pointed out that annual fluctuations within States—and smaller subdivisions, such as cities—are not unusual. The overall pattern has been consistently downward. There is no apparent reversal of this pattern, contrary to the FRAC report's implications.

Dr. Alvin M. Mauer, chairperson of the Committee on Nutrition of the American Academy of Pediatrics and director of St. Jude's Children's Research Hospital, shares Brandt's assessment. "The fluctuations that were observed in infant mortality data can easily be explained by random variation."

Dr. Donald A. Cornely, chairman of the Department of Maternal and Child Health at the Johns Hopkins University, also questioned the statistical significance of the FRAC figures:

Fluctuation in infant mortality rates on an annual basis within states and cities are overwhelmingly due to the combination of infant death being a relatively rare event and the small number of live births occurring in many states and most cities in a single year.

Dr. Roy M. Pitkin, head of the Department of Obstetrics and Gynecology at the University of Iowa, has described the statistics cited in the FRAC report as "much too preliminary to permit any firm conclusions."

WIC PROGRAM

One further point. I know that many of my colleagues support, without qualification, the special supplemental food program for women, infant, and children, popularly called

WIC. The assertion is often made that the WIC program has been responsible for lowering infant mortality rates, for improving birth weights, and otherwise contributing to good health for low-income mothers and their infants and children. Indeed, the resolution makes these assertions.

Granted, some research has come to these conclusions. However, there is not necessarily a consensus on the program's effectiveness and specifically not with regard to its connection with infant mortality rates. Dr. David Rush, professor of pediatrics and of obstetrics and gynecology at the Albert Einstein College of Medicine in New York, recently testified before the Nutrition Subcommittee about the WIC program. "We cannot assert with any certainty," he stated, "whether there has been change in the health and nutritional status of poor pregnant women and their children over these last few years."

He elaborated:

We do not know whether the WIC Program has been effective, either on the surrogate measure of birthweight, or the more important outcomes of survival, or hematologic, somatic, behavioral, and intellectual change in the child. We do not even know whether the ongoing nutritional and other behaviors of the family have been modified.

Regarding infant mortality, Dr. Mauer has noted that since the introduction of the WIC program:

There is little, if any, indication of a change in the slope of the decreasing infant mortality curves following the beginning of the WIC program * * *. From the available data it is impossible to conclude much of anything concerning the influence of WIC during the past decade on infant mortality rates.

Dr. Cornely has noted:

One would judge the time to be too brief to associate any decline in the infant mortality rate with the appearance of the WIC Program. Far more important, however, is the question of whether if a decline in the infant mortality rate be demonstrated, should it be causally associated with the WIC Program?

So, I would caution Senators about overstating the significance of the WIC program. The jury is still out in the medical and nutritional community about its effectiveness.

I take the time to question some of the findings contained in the resolution in order to observe that by no means all professionals in the medical and nutrition fields concur with the statements which are made as if factual.

There has been little research at all on whether these programs do, in fact, improve nutrition. What little research has been done has been primarily with respect to the school lunch program, where findings have been generally favorable. Of course, it must be remembered that this is the largest nutrition program in which there is no income-based means test for participation. Research in other programs, especially the food stamp program, is sparse, and what little information does exist is inconclusive with regard to nutritional effectiveness.

While many of these programs were created to address the perceived needs of hunger, there is little substantiated documentation about the extent to which poverty-based hunger has ever existed in the recent past in the United States and even less about how much, if any, these Federal programs have improved the situation.

It is interesting to note how much discussion goes on about alleged, but undocumented, hunger and malnutrition when, in fact, according to almost all nutrition authorities, the primary nutrition-related problem in the United States, even among low-income Americans, is obesity.

While one would hope that Federal expenditures of over $18 billion a year spent on these programs are doing something to improve the nutritional health of our citizens, it is the concern that they may not, that adds to my lack of enthusiasm for the premises on which this resolution seems to rest.

Mr. BOSCHWITZ. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER (Mr. JEPSEN). Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Minnesota.

The amendment (No. 1376) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BOSCHWITZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STENNIS. Mr. President, I ask unanimous consent that I may be a cosponsor of the original Boren amendment that was filed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. I thank the Chair.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1377

(Purpose: To meet mandatory pay raise costs for the ACTION Agency)

Mr. WEICKER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Connecticut (Mr. WEICKER) proposes an amendment numbered 1377.

Mr. WEICKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 117, after line 7, insert the following:

ACTION

"Operating expenses", $250,000;

Mr. WEICKER. Mr. President, this amendment will provide the ACTION Agency with funds to meet that portion of the October Federal pay raise that cannot be absorbed within the existing fiscal 1983 appropriation.

The administration belatedly submitted this pay supplemental just prior to floor action on the pending bill. It is my understanding that the funds are needed to maintain agency operations and to avoid furloughing staff.

I urge adoption of the amendment.

Mr. STENNIS. Mr. President, there is no opposition on this side of the aisle.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Connecticut (Mr. WEICKER).

The amendment (No. 1377) was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The majority leader.

Mr. STENNIS. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. BAKER. Mr. President, I have been seeking for 5 days for some way to finish the supplemental appropriations bill this week and have the concluding vote on Tuesday. I still hope for the final, concluding vote on Tuesday. But I stand here now as a man prepared to confess that I have failed to make the arrangement. I must report to the Senate that it does not appear possible to get a unanimous-consent agreement limiting the number of amendments. Therefore, I

will not propose such a request at this time.

Mr. President, we still have other measures, the cable TV bill and two other appropriations bills, to deal with next week. There is a time limitation on only one of those measures, the cable TV measure.

Mr. HATFIELD. Mr. President, I would like to comment that today we have spent 1 hour 20 minutes in quorum calls during the consideration of the supplemental appropriations bill.

● Mr. LEVIN. I would like to discuss for a moment with the Senator from South Dakota, who is the chairman of the Treasury, Postal Service Subcommittee, a situation which has developed in my State of Michigan and which is within the jurisdiction of the subcommittee.

The General Services Administration has recently eliminated the only Federal protective officer from the Saginaw, Mich., Federal building.

There is no alternative security available in Saginaw, despite GSA claims of a move toward "electronic surveillance equipment." In fact, last week—the first week that no protective officer was present—an individual was assaulted in the building.

This facility is frequented by many homeless who use the building as a community washroom. Workers in the building are seriously concerned about their personal safety throughout the day, and last week's incident leaves these individuals with justified cause for their fears.

I understand that the House Committee is prepared to propose some language to rectify this problem during the conference on this funding bill. Can the Senator from South Dakota provide me with some assurances that you will work with that body to take steps to restore a security officer at the Federal building in Saginaw, Mich.?

Mr. ABDNOR. I can appreciate the Senator's concern about security in Federal office buildings, and I give him my assurance that I will work with the conferees from the other body to try to see if we can arrive at some resolution of the problem to which he refers.●

(By request of Mr. HATFIELD, the following statement was ordered to be printed in the RECORD:)

● Mr. GARN. Mr. President, I would just like to make some brief comments concerning chapter VI of the fiscal year 1983 appropriations supplemental bill (H.R. 3069). Chapter VI contains several positions involving the agencies under the jurisdiction of the HUD-Independent Agencies Subcommittee. Pages 62 through 71 of the Senate Report No. 98-148 explains, in some detail, the committee's actions concerning these items. The following briefly summarizes the actions of the committee:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS: ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

The House bill contains general reprograming language, which would permit the Department to request changes in the program levels that are specified for assisted housing in the jobs bill (Public Law 98-8). The Department's reprograming request would require the approval of both of the Committees on Appropriations. The committee is concerned that the administration might be reluctant to exercise the House provision because of the constitutional issue of a one-House veto.

The Senate retains the general reprograming language proposed by the House and adds language to permit the Department to use recaptures for specific problems already identified by the Department and cited in the committee's report.

The committee believes that this specific authority will enable the Department to expeditiously address these issues, while retaining the House's general reprograming language for other less pressing program adjustments.

HUD—RENT SUPPLEMENT/SECTION 236

The House bill sets aside funds over a 30-year period to accommodate cost increases in rent supplement and rental housing assistance program. The Senate bill retains the House proviso which applies funds to cover future amendment requirements for these programs. The House and Senate action assures that the estimated 33,700 State-aided non-FHA-insured units will not be lost from the assisted housing inventory and that the projects will not default on the bonds.

The Senate also added language delying the effective date of the 10-percent State agency cost sharing until October 1, 1983—fiscal year 1984. The effect of the Senate language would be to permit State agencies time to develop a cost-sharing plan.

HOUSING FOR THE ELDERLY OR HANDICAPPED

The House bill contains two provisions that would prohibit the Department from implementing its rules published on March 18, 1983, relative to section 202 cost savings.

The Senate removes the provision thereby permitting the Department to implement competitive bidding and thus effect cost savings.

The committee believes that the central reason for the use of competitive bidding in section 202 project development is cost containment. Competitive bidding is used throughout the Federal Government as the standard method for obtaining the lowest and best price on construction projects.

The committee notes that its action is consistent with the vote in the Senate Committee on Banking, Housing, and Urban Affairs.

HUD—PAYMENT FOR OPERATION OF LOW-INCOME HOUSING PROJECT

The House bill defers $69,000,000 of fiscal year 1983 public housing subsidy funds until October 1, 1983. These funds were proposed for rescission by the administration. The Senate retains the House language in order to partially offset fiscal year 1984 operating subsidies. The Senate also included a new provision that would make any additional amounts, in excess of the fiscal year 1983 requirements, available for use in fiscal year 1984.

The Committee included this provision based on recent testimony by the Secretary indicating that an additional $80,000,000 may be available above and beyond the fiscal year 1983 performance funding system requirements.

HUD-FHA LIMITATION ON GUARANTEED LOANS

The Senate bill includes language increasing the Federal Housing Administration (FHA) fund limitation on guaranteed loans by $5,000,000,000. The committee was recently informed by HUD that on the basis of the Department's latest projections that the FHA commitment level may exceed the current limitations by $5,000,000,000. The committee believes that without this increase in the limitation, the FHA program could be shut down during the peak of the housing season.

URBAN RENEWAL GRANTS

The House bill included $6,000,000 to closeout the Cambridge, Mass., urban renewal project. The Senate deleted this provision. The committee notes that there are 24 urban renewal projects which are currently active; 16 of the projects will require some additional amount of funding to complete their activities. The committee takes exception to the earmarking of funds for only one of these communities. The committee further notes that the proceeds from land sales and community development block grants can be used by these communities in lieu of urban renewal grants.

EPA—SALARIES AND EXPENSES

The House bill provides for $6,800,000 as an EPA pay supplemental. The Senate provides for $11,128,400. The committee notes that this supplemental appropriation will provide sufficient funds to cover EPA's salaries and expenses without further reducing the agencies' operating expenses below the operating plan approved by the committees of both Houses.

EPA—HAZARDOUS SUBSTANCE RESPONSE TRUST FUND

The House bill increases the administrative expense limitation on the Superfund by $2,000,000 with $500,000 of

the funds being designated for travel. The committee notes that the increase is necessary to continue onsite assessments and remediation at Superfund high priority sites. The committee further notes that the increased limitation will fund an additional 46 workyears to accelerate priority enforcement and cleanup activities such as is required in the areas of dioxin contamination.

CIC—REVOLVING FUND

The Senate bill includes language establishing a Consumer Information Center revolving fund. The committee notes that the bill language provides for deposit of moneys received as a result of newly instituted charges into a revolving fund to provide a more business-like operation of the Center's activities. The committee further notes that language requires that deposits shall be identified by source and reported semiannually to this committee.

VA—MEDICAL CARE

The House and Senate bills provided the requested program supplemental of $2,280,000 for VA medical care. The funding will support the expansion of the existing affiliation between the Meharry Medical College and the Murfreesboro Veterans' Administration medical center.

VA—CONSTRUCTION, MAJOR PROJECTS

The House and Senate bills contain $254,000,000 for the replacement hospital at Minneapolis and $9,400,000 for the clinical addition at Cleveland.

The committee notes that the conference agreement on the 1983 bill (Public Law 97-272) directed that funding for the two construction projects would be included in the first available appropriation legislation and that no additional construction projects would be added in fiscal year 1984 to compensate for the advanced funding of these hospitals.

The committee further notes that both of these hospitals are included in the VA's fiscal year 1984 budget request.●

(By request of Mr. HATFIELD, the following statement was ordered to be printed in the RECORD:)

FULL FUNDING OF STATE-FINANCED RENT SUPPLEMENT AND RENTAL ASSISTANCE FY 1983 AMENDMENTS

● Mr. TSONGAS. Mr. President, I state for the record my belief that the Appropriations Committee, at the initiation of Senator D'AMATO, has taken a positive step with regard to the funding of non-insured, State-financed section 236 projects which are assisted under the rent supplement and rental assistance payments programs. It is my understanding that the committee has mandated HUD to fully fund in fiscal 1983 all necessary amendments to rent supplement and rental assistance payments contracts which have been made available in connection with State-financed section 236 projects. I further understand that the Department will be required to fund each year 90 percent of the amendment amount required for each of these projects beginning in fiscal year 1984. Although I believe the committee has taken a necessary and a proper step in this regard, I would like to focus on my concern that OMB and HUD carry out the program by fully funding these necessary amendments as directed by the Congress upon the enactment of this legislation. It has been my experience in the past that OMB has strained to invent statutory ambiguities or uncertainty, so let there be no mistake, in this instance, that it is Congress clear intention in this legislation that HUD, upon enactment of this measure, fully fund all outstanding amendments in fiscal year 1983 for these projects. Am I correct that this is the committee's intention and will be the Congress clear intention on enactment of this legislation?

Mr. GARN. I very much appreciate the Senator's expression of support for the committee's action in assuring full funding of this year's amendment requirements for these projects. The Senator is absolutely correct that it is our intention that HUD fully fund all outstanding amendments in fiscal year 1983 upon enactment of this legislation and that we are firmly stating our resolve that this be done.

Mr. D'AMATO. Will the Senator yield?

Mr. GARN. I yield.

Mr. D'AMATO. I fully appreciate and certainly concur with the remarks and concerns raised by my colleague from Massachusetts, Senator TSONGAS. I reiterate my concern regarding this issue and completely endorse the comments of the chairman and thank him for his assistance in seeing this matter equitably resolved.

Mr. GARN. I appreciate the Senator's comments. I believe that the committee and the Congress are taking a positive step toward resolving this problem and urge the Department to honor and respect the clear intention of the Congress in this matter.●

LEGISLATIVE PROVISIONS IN H.R. 3069, SUPPLEMENTAL APPROPRIATIONS FOR 1983

● Mr. STAFFORD. Mr. President, the Congress labored long and hard last fall to pass the Surface Transportation Assistance Act of 1982. That legislation increased spending for the Federal-aid highway program from $8 billion per year to over $12 billion per year. This additional money should go a long ways in meeting the States highest priorities for road and bridge construction and repair.

I believe the Federal-aid highway program is one of the best examples we have of a successful Federal-State-local partnership. And the program has worked most cost effectively when State and local governments have had the responsibility of determining which projects have priority.

The Federal-aid highway program is unique. It is funded by contract authority from the Highway Trust Fund established pursuant to the Highway Revenue Act of 1956. The Committee on Environment and Public Works has jurisdiction over the Federal aid highway program. The programs authorized by the committee under title 23 provide obligational authority to the Federal Highway Administration without the necessity of an appropriation first being made. The Committee on Environment and Public Works has both authorizing and spending jurisdiction over this program.

The role of the Appropriations Committee in this process is to appropriate from the Highway Trust Fund the liquidating cash necessary to pay the vouchers of the States for work completed after the obligation has been incurred.

H.R. 3069 contains several provisions which I believe infringe on the jurisdiction of the Environment and Public Works Committee and which can have serious implications for the Federal-aid highway program.

H.R. 3069 appropriates $6.4 million for the reconstruction of an interchange at the intersection of Vista Boulevard and Interstate 80 near Sparks, Nev. While I understand that the city of Sparks feels some urgency for undertaking this project, I must point out to my distinguished colleague from Nevada that there is no authorization for this project.

The Surface Transportation Assistance Act of 1982 increased the level of funds for the Interstate 4R program from $800 million to $1.95 billion in fiscal 1983. The Vista Boulevard interchange is eligible for these Interstate 4R funds. According to information we have received from the Department of Transportation, the major problem with the interchange is one of geometrics. The larger trucks, in particular, have problems negotiating the interchange. Because of changes made by the 1980 Highway Act which increase truck lengths and widths, these will be many interchanges across the country where these larger vehicles will have difficulty. Additional Interstate 4R funds have been provided to address these kinds of problems.

H.R. 3069 also contains a provision which makes $5 million available from section 144 of title 23 for the design and engineering phase of the Talmadge Memorial Bridge replacement project in Savannah, Ga.

The bridge replacement and rehabilitation program was substantially increased in the STAA of 1982 to address the tremendous bridge needs in all the States. All but $200 million of each year's bridge authorization is apportioned to the States on October 1

by formula. Each year $200 million is made available to the discretionary bridge program which was established to fund those bridges that are in urgent need of repair, pose a threat to public safety, and are a very high priority within the State.

Many bridges have waited in line several years for this discretionary money. While I sympathize with my distinguished colleague from Georgia, every State in this Nation has identical problems. I must point out that there is no authorization for this specific project and I do not believe it is appropriate to take funds away from other projects which have been patiently waiting for funds.

Finally, Senate Report 98-148 accompanying H.R. 3069 contains a list of projects which are eligible for funding under the park roads and parkways category. The Surface Transportation Assistance Act of 1982 provided contract authority from the Highway Trust Fund for this category and also provided that these funds must be allocated by the Department of Transportation in cooperation with the Department of Interior by a formula based on relative need. The list in the report was supplied by the Department of Transportation and the National Park Service and represents their priority listing on the basis of needs as required by Public Law 97-424.

The Committee on Environment and Public Works, which authorized the contract authority for the park roads and parkways program, believes it is very important that these funds continue to be allocated according to the formula required by Public Law 97-424.

Mr. President, as chairman of the Environment and Public Works Committee which has both authorizing and spending jurisdiction over the Federal-aid highway program, I do not believe the supplemental appropriations bill is an appropriate vehicle for authorizing highway projects.

Mr. President, I wish to express my deep concern over a number of provisions contained in the supplemental appropriations bill (H.R. 3069). The bill reported by the Senate Committee on Appropriations contains 17 legislative items affecting water resources. Many are also contained in the House bill. These are provisions that infringe directly upon the jurisdiction of the Committee on Environmental and Public Works.

I recognize that there has not been a major water resources bill to become law since 1976. We have come close to enacting such legislation, but the Congress has failed.

Letters have been circulated arguing that these legislative items in H.R. 3069 are a reaction to inaction by the Committee on Environment and Public Works.

That is clearly an unfair characterization for several reasons. First, 11 of the 17 legislative items in the Senate bill have never been brought to the attention of the Committee on Environment and Public Works by either the corps or individual members. Very few, if any, can be categorized as emergency items.

The total first cost of these provisions is $85,000,000, with an estimated annual cost thereafter of $8,800,000. I think you will agree with me that cost levels of that magnitude are not minimal.

Most important, however, the Committee on Environment and Public Works is moving forward to report an omnibus water resources bill. We have held several days of hearings on items to be included in an omnibus bill. Four additional days of omnibus hearings are scheduled during this month, beginning on the 15th. The distinguished chairman of our Subcommittee on Water Resources (Mr. ABDNOR), is committed to enactment of such legislation. Our committee has reported a shell bill (S. 1289), which will be used to bring such an omnibus bill to the floor.

To help my colleagues understand this issue more completely, I believe it would be helpful if I discussed each of these legislative items, which begin on page 24 of the bill, line 23:

Chicago Sanitary and Ship Canal, Ill. This provision expands the description of the waterway in order to shift the operating responsibility for the waterway to the Federal Government from the local authorities. The cost is estimated at $500,000 in additional annual Federal maintenance. The House version of H.R. 3069 includes this item.

Bayou Rigolette, La. This provision authorizes channel clearing work at a cost of $500,000. The House bill includes this provision, which has never been brought to the attention of the Committee on Environment and Public Works.

Wallisville Reservoir, Tex. This language modifies the authorization, requiring an expenditure of $28 million to complete project. The House bill includes this item.

Bayou Pierre and the Buffalo River, Miss. This provision authorizes a study at an undetermined cost. The language appears to require a positive recommendation; not a study of feasibility. This item is not in the House bill nor has it ever been brought to the committee's attention.

Franklin Ferry Bridge, Ala. This language provides an authorization to rebuild a bridge and widen a navigation channel, although the required environmental impact statement has not been completed. The cost is listed at $4,000,000. The House bill includes this item; it, however, had never been brought to the committee's attention.

Columbia River. This language requires the entrance of the river to be deepened to 55 feet for its first 2,000 feet. The cost is $5,300,000 for this initial work, and it increases annual maintenance by an estimated $2.2 million. This item is not in the House bill, nor has it been brought to the committee's attention.

Ventura Marina, Calif. This provision requires reimbursement for local work on the marina. The cost is $82,000. it is included in House bill, but it was never brought to our committee's attention.

Flat River Channel, La. This item would reimburse local agencies for expenditure on channel improvements, at a cost not to exceed $3,500,000. This item is neither in the House bill nor has it been brought to our committee's attention.

Lewiston-Clarkston Bridge, Idaho-Washington. This provision authorizes the construction of an approach road on the Washington side of the bridge. It raises the authorization for the bridge by $800,000, plus uses a like sum left over from the original authorization. This is a part of the House bill.

Architect and engineering contracts. This provision requires awarding of contracts in accordance with Federal Property and Administrative Services Act. While this item is a part of the House bill, it was never brought to the committee's attention.

Corps police protection. This provision makes an attack on corps personnel a Federal crime. This is not a part of the House bill.

Corps uniform allowance. This provision raises the uniform allowance for corps officers to $400 a year from its present $125. The increased annual cost is $300,000. This item is a part of the House bill, but it was never brought the to committee's attention.

Volunteer services. This permits the corps to use volunteers. It is a part of the House bill. It was never brought to our committee's attention.

Moriches and Shinnecock Inlets, New York. This provision requires that the project's navigational features shall go forward ahead of other features, including erosion control. The construction cost is $18 million. Language would also make maintenance costs 100 percent Federal, a change from the 50/50 cost sharing in the original authorization. This item was included in the House bill.

Aquatic plant control. This provision raises the annual authorization level by $5,000,000. It is a part of the House bill.

Pearl River, Miss. This provision authorizes the corps, at a cost of $26,500,000, to design, construct, and build a flood protection project at Jackson, Miss. It is not a part of the

House bill, nor was it ever brought to the committee's attention.

Crater Lake, Alaska. This provision authorizes the corps to start construction on the Crater Lake phase of the Snettisham hydroelectric project near Juneau, Alaska. This item is not in the House bill, nor was it ever brought to the committee's attention.

Mr. President, the inclusion of these provisions in the supplemental bill of course has drawn the attention of other Members who are not on the Appropriations Committee. They of course would like to follow the lead of the Appropriations Committee members and include projects of their own in this bill. However, they have recognized the jurisdiction of the authorizing committee. Senator RANDOLPH, my distinguished ranking member on the Environment and Public Works Committee, and I have been consulted about the amendments offered on the floor. They are merely clarifications of existing corps authority, and have been before the committee. Consequently, although technically these provisions do not belong on this bill, we recognized the members concerns.

Nevertheless, Mr. President, the role of the Appropriations Committee in the water resources area is to provide funding for items authorized by the Committee on Environment and Public Works. This process has been established to insure that the Congress has completed substantive policy and financial review of Federal expenditures in this area. Inclusion of these legislative provisions in the supplemental appropriation bill infringes on our jurisdiction. The supplemental is not an appropriate vehicle on which to consider legislation.●

INTERNATIONAL TRADE DEVELOPMENT

● Mr. JOHNSTON. Mr. President, I wish to discuss with the distinguished chairman of the Commerce, Justice, State, and the Judiciary Appropriations Subcommittee language which I intended to offer during the full committee's markup of this supplemental appropriations bill. During that markup, I proposed language which would have directed the Commerce Department to set aside a planning grant in an amount not to exceed $200,000 to facilitate an effort on the part of a consortium of our Nation's minority owned commercial banks to establish an entity authorized by the Export Trading Company Act of 1982. Unfortunately, I was unable to discuss this proposal with the distinguished chairman of the subcommittee before the markup and therefore agreed to withdraw my language and give our respective staffs an opportunity to negotiate appropriate language to accomplish the objective of the consortium which is to establish a facility offering a full range of export trade services.

Mr. LAXALT. I recall the proposed language which the Senator offered during the markup by the full Appropriations Committee, and I thank him for his courtesy in withdrawing the language at that time. Since the markup of the supplemental appropriations bill, our staffs have met concerning the effort to establish a minority bank affiliated export trading company. I have been informed that a meeting with officials of the Commerce Department was held to determine whether an administrative solution could be reached.

Mr. JOHNSTON. The Senator is correct. My staff did meet with officials from the Commerce Department and I have been informed that the consortium concept for minority bank involvement in international trade through an export trading company structure was favorably received. At the same time, it is my understanding that the Commerce Department has several programs which may be used both for the planning and implementation of the minority bank affiliated facility.

I have also received correspondence from the Secretary of Commerce expressing his willingness to assist the minority bankers. He has suggested that a delegation meet with Charles Warner, Director of the Office of Trading Company Affairs, to further discuss the initiative of the minority bankers.

I encourage the distinguished chairman of the subcommittee to closely monitor these meetings with officials of the Commerce Department to insure that the discussions lead to expedited actions on the part of the Department to assist the planning, development and operation of the minority bank affiliated export trading company. It is my desire that the proposed program be in place at the time of the Louisiana World Exposition which begins in May of next year.

Mr. LAXALT. I share with the Senator from Louisiana the view that participation of minority banks in international trade is highly desirable. Minority banks are institutions through which minority entrepreneurship can be developed and enhanced. I support his efforts to assist in every appropriate way the participation of minority banks in international trade.

Mr. JOHNSTON. I thank my colleague for his remarks and trust that this colloquy will be viewed by officials in the Commerce Department as an indication that the use of fiscal years 1983 funds may be appropriately used to assist the consortium.

Mr. LAXALT. So long as the consortium qualifies under the guidelines of the various programs, I agree with my colleague.

Mr. JOHNSTON. I thank the distinguished chairman for his comments.●

BANKRUPTCY TRUSTEES

Mr. HATCH. Mr. President, the Administrative Office of the U.S. Courts has removed Robert Clendenen of Salt Lake City from the panel of chapter 7 trustees serving the bankruptcy court for the district of Utah. I bring this matter to the attention of the Senate because I believe the decision was wrong, has no basis in law and because of the possible national ramifications of this decision.

Mr. Clendenen is the executive vice president of the intermountain affiliate of the National Association of Credit Management, which is known as NACM Intermountain. Several hundred Utah manufacturers, distributors, and banks are members of NACM Intermountain. This organization of business creditors has been around for more than 80 years.

For 81 years, U.S. district judges and bankruptcy judges in my State have appointed NACM Intermountain or its executive officers as trustees in bankruptcy cases.

Now, the Administrative Office says that Mr. Clendenen or other NACM Intermountain executives cannot meet a legal standard of trustee disinterestedness when appointed in cases where some of the creditors are dues-paying members of the association.

For this reason, not for any breach of his trustee responsibility, he was removed. I am concerned that the Administrative Office in this case is applying a standard that is unfair, unworkable and, in fact, neither provided for nor contemplated in the Bankruptcy Code.

Mr. DOLE. Will the Senator yield? I sent a letter to the Administrative Office in January of this year on this matter. I agree with the Senator from Utah that the disqualification of Mr. Clendenen is the result of a misinterpretation of the law.

When the Judiciary Committee was developing the Bankruptcy Reform Act, which we passed in 1978, we considered conflict of interest questions and there are many provisions that protect debtors and creditors from such situation.

I cannot see that in a case like this, where there is no actual violation of trustee responsibilities, that any action, let alone such drastic action as Mr. Clendenen's disqualification, is warranted.

Mr. HATCH. The whole issue developed as a result of the Utah bankruptcy clerk's contention that Mr. Clendenen could not meet the standard of disinterestedness.

The clerk specifically said that he was not alleging that Mr. Clendenen or his predecessors "have ever actually preferred association members over nonmembers in a bankruptcy." Indeed, the clerk said that the association has "served the court well." The clerk said, and I quote:

It has always associated expert bankruptcy counsel. It has, at times, sued members to

recover preferences in bankruptcy. I am told that it has lost some members because of this. However, I do not believe that proves there is no conflict of interest. It simply shows that the professionalism of NACM manager(s) and bankruptcy counsel, the conflict has been overcome by affirmative effort.

In removing Mr. Clendenen for this reason, the Administrator misinterpreted 11 U.S.C. section 701(a). That section requires that a trustee appointed in a chapter 7 case be a "disinterested person." Such a person is defined in section 101(13), which spells out what are unavoidable conflicts of interest. The only relevant portion of the definition provides that a "disinterested person" is one that:

Does not have an interest materially adverse to the interest of the estate or any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the debtor or an investment banker. . . .

This "materially adverse" standard has been applied by bankruptcy judges and U.S. district judges in Utah for more than 81 years in appointing NACM Intermountain or its executives as trustees, consistently finding, by necessity, no interest materially adverse to the estate arising out from the association's member composition.

The Administrator's action with regard to Mr. Clendenen emanated solely from the clerk. The bankruptcy judges in this district did not initiate the request and they are not parties to it. Indeed, the judges in the district continue to appoint this association executive as trustee in chapter 11 cases, which is the responsibility of judges, who are bound to apply the same standard of disinterestedness used by the Administrator in the appointment of chapter 7 trustees.

I am concerned that application across the board of the standard of disinterestedness proposed by the Administrator's decision, which finds no support in statute, would adversely affect the ability to enlist other panel trustees, not only in Utah, but also in many other regions of the country.

Other panel trustees, who are lawyers, routinely represent creditor clients both in and out of bankruptcy court. These clients may be creditors in cases assigned to an individual trustee in a "blind rotation" system. The problems suggested by the administrator's decision are much more real for an attorney trustee than for an association, because an attorney has a direct and confidential relationship with his client.

To accept the decision of the administrator would call into question the qualifications of not only every lawyer trustee in Utah, but the majority of such trustees across the Nation, unless such trustees were willing to forgo or severely limit their private practices. This would place an unwarranted burden on any lawyer willing to serve as trustee.

Mr. DOLE. I agree with Senator HATCH. Back in January, when I wrote the Administrative Office, I said the following:

If you believe that this situation is serious enough to warrant removal of this person in Utah from the panel even though he has done nothing to adversely affect any parties at interest in the cases on which he has served as a trustee, perhaps the Congress should study this question. We respectfully ask that in the event you so believe, that you defer from making a decision until Congress can review the matter.

On May 5, 1983, the Administrative Office advised me that it was removing Mr. Clendenen from the panel for cause, even though there is nothing in the record that calls Mr. Clendenen's service as a trustee into question.

Senator HATCH, I am sorry that this situation could not have been addressed in the manner in which I proposed to the Administrative Office in January. I believe the Administrative Office has misinterpreted the law.

My subcommittee has been receiving a number of complaints about the apparent inability of the Administrative Office to deal with clerical matters relating to bankruptcy court caseloads around the country. As you know, yesterday, the Senate had to get involved with postage used to send out notices to creditors.

Perhaps, we should have a hearing on the efficiency and economy of the operations of the Administrative Office.

Mr. HATCH. Would the chairman of the Courts Subcommittee consider amendments to the Bankruptcy Code that would address the unfortunate situation presented by Mr. Clendenen's removal?

Mr. DOLE. We will.

Mr. HATCH. Thank you.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, to extend not past the hour of 4 p.m., in which Senators may speak.

GENETIC ENGINEERING

Mr. HATFIELD. Mr. President, on Wednesday morning, June 8, a sizable number of the Nation's religious leaders issued a call for Congress to prohibit genetic engineering of the human germline cells. The resolution calls for a prohibition on the use of specific technology with the warning that the long-term detrimental moral and ecological consequences outweigh any perceived short-term benefits.

On July 22, 1982, the New York Times editorialized about the question "of whether the human germline should be declared inviolable deserves close attention" because "deliberate manipulation of the human germline will constitute a watershed in history, perhaps even in evolution. It should not be crossed surreptitiously, or even before a full debate has allowed the public to reach an informed understanding of where scientists are leading. The remaking of man is worth a little discussion."

As many know, it was my awesome and troubling privilege to be one of the first Americans into Hiroshima after the atomic bomb was dropped. I wandered the leveled neighborhoods of that once beautiful Japanese city with the dreadful sense of ambivalence. My life as a landing craft commander likely was spared because the bomb precluded the need for a bloody assault on Japan. But I could not help but wonder what dangers lurked beyond the devastation before me. E. B. White said it best for me when he wrote, "The quest for the substitute for God was suddenly ended. The substitute turned up, and who do you suppose it was? It was man himself * * * man stealing God's stuff."

With atomic weapons, we have the ability to destroy creation, to divest the Creator of His prerogatives. And now it appears that humankind is on the verge of another idolatry in taking the stuff of God into our own hands with the ability to recreate life in our own image. In my view, the nuclear arms race is the ultimate abrogation of power. And at the same time, the science of genetic engineering is rushing us toward the ethical questions inherent in our ability to change the very nature of created life.

Recently, I had an enlightening and troubling 3-hour conversation with several of the Nation's top geneticists. It is likely that soon not only genetic corrections—somatic engineering—will be commonplace, but that sex cell gene removal and replacement—eugenic engineering—will be possible. No one knows the long-range implications of offspring born of eugenically engineered individuals. One would be called anti-Galileo to stand against progress that would relieve the world of sickle cell anemia, diabetes, and Downs syndrome. But as Dr. David Baltimore from MIT said in a recent U.S. News & World Report article:

Scientists really have only two choices: Either stop doing science entirely or take the risk that your work might be misused. Science finds what it finds and hands that over to society. It is up to society to use it intelligently, scientists can play a major role in interpreting and explaining their results, but in the end we have to live with the fact that we can create things that will have consequences that are very unpleasant to us. That is the chance we take.

In other words, his apparent unsettling view is that science must proceed unobstructed—no matter what the horrors, monsters, and genies, and

then allow the various forces for good or ill in society to sort out the applications and implications.

It appears that the sin of Adam has given us more of the knowledge of God than we can responsibly handle. No one I know is wise enough, even though certainly endowed with sufficient cleverness, to play God in the decision of how to make humankind more perfect. For example, is it wise by genetic manipulation to make people smarter by improving IQ? Bigger, by use of growth hormones? Livelier, so it will be natural to live past 100? Or prettier, by whatever definition?

In reality, without proper ethical approaches now—the issue will be decided by commercial pragmatics and market forces. The fifth biggest stock offering in the history of the corporations was by Cetus in 1981—a genetic engineering company that went public and raised $120.2 million. What is to prevent us from fulfilling the Huxleyian specter of a biologically designed caste system which would genetically sort the alphas, betas, gammas, and deltas for certain social and economic functions?

A return to slavery is a possibility unless public and private institutions enter into the dialog with vigor. A well-informed public is a safeguard against the arrogance of the laboratory that says there is no responsibility here, or that says there might be, but we do not know how. Some geneticists are urging pressing ahead with some accountability structure that would deal with unrestrained marketplace or research beyond the reach of scrutiny.

The option we in the general society must persistently put forth is the one that life is sacred and inviolable. Just because we can create and destroy life does not mean we should seize the stuff of God. There is a way of perceiving things beyond just the what of things—the why of the created order is also essential.

I have struggled with the eugenics issue a good deal since the July 1982, New York Times editorial. Is it appropriate for Congress to pass legislation that would forbid certain kinds of genetic engineering especially as it affects the germline and thus future progeny? In my search for answers, I have consulted a number of experts in the fields of genetics and ethics. My conclusions are not yet fully formed, but I do want to encourage my colleagues in Government and the public to engage in an informed debate with the hoped-for result that an effective ethics commission, quasi-independent agency, appropriate sanction, or worldwide moral consensus could be developed that would protect us from becoming enslaved to another uncontrollable demon. We need public hearings across the country on the issue. Let us not regulate until we have decided whether we want to go ahead at all. I want to commend the religious leaders who have raised this issue now to the public consciousness, and I want to commend the scientists who simultaneously have been meeting in the Capitol, and at the National Academy of Science, and elsewhere, to seek accountability on this urgent matter. My heartfelt concern is that we will not run off half informed and stir people's fears unduly, impose legislation that will be counterproductive later, or be so apathetic that technology will once again outstrip the human ability to control it. For the sake of all, let us engage our best minds, hearts, and energies around this crucial issue.

Mr. President, I ask unanimous consent that the "Theological Letter Concerning the Moral Agreements" that was released at the religious leaders press conference be printed in the RECORD for the purpose of discussion, along with the list of supporters of the proposed resolution to ban the engineering of specific genetic traits into the germline of the human species.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUPPORTERS OF THE RESOLUTION [1]

Rev. James T. Draper, Jr., President, Southern Baptist Convention.

Rev. James R. Crumley, Jr., Presiding Bishop, Lutheran Church in America.

Bishop A. James Armstrong, President, National Council of Churches.

Dr. Polycarp Kusch, Nobel laureate, Regental Professor Emeritus, University of Texas.

Rev. Arie R. Brouwer, General Secretary, Reformed Church in America.

Dr. George Wald, Nobel laureate, Professor of Biology, Harvard University.

Rev. Robert W. Neff, General Secretary, Church of the Brethren.

Father Richard McCormick, S.J., Professor of Christian Ethics, Kennedy Institute.

Dr. Richard Lovelace, Professor of Church History, Gordon-Conwell Theological Seminary.

Rev. Henry Nouwen, Harvard Divinity School.

Most Rev. Leroy T. Mattheisen, Roman Catholic Bishop, Diocese of Amarillo, Texas.

Dr. Jay Kesler, President, Youth for Christ/U.S.A.

Jeremy Rifkin, Director, Foundation on Economic Trends, Author, Algeny.

Bishop Finis A. Crutchfield, President, Council of Bishops, The United Methodist Church.

Rev. Robert C. Campbell, General Secretary, American Baptist Churches.

Pat Robertson, The 700 Club, President, Christian Broadcasting Network.

Rev. Kenneth L. Teegarden, General Minister and President, Christian Church (Disciples of Christ).

Most Rev. John F. Whealon, Roman Catholic Archbishop, Archdiocese of Hartford, Conn.

Rev. Ivan J. Kauffmann, General Secretary, Mennonite Church.

Dr. Richard C. Halverson, Chaplain United States Senate.

Most Rev. James D. Niedergeses, Roman Catholic Bishop, Diocese of Nashville, Tennessee.

Dr. Carl F. H. Henry, Founder, Christianity Today.

Jim Wallis, Editor, Sojourners Magazine.

Most Rev. Walter F. Sullivan, Roman Catholic Bishop, Diocese of Richmond, Virginia.

Dr. J. Robert Nelson, Professor of Theology, Boston University.

Dr. Sheldon Krimsky, Professor of Environmental Policy, Tufts University.

Most Rev. James W. Malone, Vice-President, U.S. Catholic Conference.

Rt. Rev. John M. Allin, Presiding Bishop, The Episcopal Church of America.

Rev. Avery Post, President, United Church of Christ.

Most Rev. John L. May, Roman Catholic Archbishop, Archdiocese of St. Louis, Missouri.

Dr. Jerry Falwell, Founder, Moral Majority.

Dr. Liebe Cavalieri, Sloan-Kettering Institute.

Dr. Ethan Signer, Professor of Biology, M.I.T.

Most Rev. George A. Fulcher, Roman Catholic Bishop, Diocese of Lafayette, Indiana.

Dr. Ted W. Engstrom, President, World Vision.

Dr. Ruth Hubbard, Professor of Biology, Harvard University.

Rev. Voy M. Bullen, Bishop and General Overseer, The Church of God.

Rabbi Ira Silverman, President, Reconstructionist Rabbinical College.

Most Rev. Mark J. Hurley, Roman Catholic Bishop, Diocese of Santa Rosa, California.

Most Rev. Thomas J. Drury, Roman Catholic Bishop, Diocese of Corpus Christi, Texas.

Most Rev. Edward J. Herrmann, Roman Catholic Bishop, Diocese of Columbus, Ohio.

Dr. Dale Brown, Professor of Christian Theology, Bethany Theological Seminary.

Most Rev. Thomas J. Mardaga, Roman Catholic Bishop, Diocese of Wilmington, Delaware.

Most Rev. Jerome J. Hastrich, Roman Catholic Bishop, Diocese of Gallup, New Mexico.

Tom Hess, Director, Christian Restoration Ministries.

Dr. Kurt Mislow, Professor of Chemistry, Princeton University.

Wes Granberg-Michaelson, Author and Former Managing Editor, Sojourners Magazine.

Most Rev. Paul V. Donovan, Roman Catholic Bishop, Diocese of Kalamazoo, Michigan.

Most Rev. Joseph J. Madera, Roman Catholic Bishop, Diocese of Fresno, California.

Most Rev. William G. Connare, Roman Catholic Bishop, Diocese of Greensburg, Penn.

Most Rev. Raymond A. Lucker, Roman Catholic Bishop, Diocese of New Ulm, Minnesota.

Most Rev. Frank J. Rodimer, Roman Catholic Bishop, Diocese of Patterson, New Jersey.

Dr. John Perkins, President Emeritus, Regent College.

[1] Organization affiliation used for identification purposes only.

Most Rev. Loras J. Watters, Roman Catholic Bishop, Diocese of Winona, Minnesota.

Fr. Richard Rohr, O.F.M., Pastor, New Jerusalem Community.

Most Rev. George A. Hammes, Roman Catholic Bishop, Diocese of Superior, Wisconsin.

Most Rev. Rene H. Gracida, Roman Catholic Bishop, Diocese of Pensacola-Tallahassee.

Most Rev. Daniel E. Sheehan, Roman Catholic Archbishop, Archdiocese of Omaha, Nebraska.

Dr. James I. Packer, Professor of Theology, Regent College.

THE THEOLOGICAL LETTER CONCERNING THE MORAL ARGUMENTS AGAINST GENETIC ENGINEERING OF THE HUMAN GERMLINE CELLS

While the nation has begun to turn its attention to the dangers of nuclear war, little or no debate has taken place over the emergence of an entirely new technology which in time could very well pose as serious a threat to the existence of the human species as the bomb itself. We are referring to human genetic engineering. On July 22, 1982 the New York Times published a major editorial entitled "Whether to Make Perfect Humans." It will soon be possible, says the Times, to fundamentally alter the human species by engineering the genetic traits of the sex cells—the sperm and egg. Humanity's new found ability to engineer genetic traits could well lead to the creation of a new species, as different from homo-sapiens as we are to the higher apes. So grave is the threat of human genetic engineering that the Times suggests that we consider "the question of whether the human germline should be declared inviolable."

Programming genetic traits into human sex cells subjects the human species to the art of technological manipulation and architectural design.

With the arrival of human genetic engineering, humanity approaches a crossroads in its own technological history. It will soon be possible to engineer and produce human beings by the same technological design principles as we now employ in our industrial processes.

The wholesale design of human life, in accordance with technological prerequisites, design specifications, and quality controls, raises a fundamental question. Nobel laureate biologist Dr. Salvador Lauria puts the question in its most succinct context when he asks "When does a repaired or manufactured man stop being a man . . . and become a robot, an object, an industrial product?"

The debate over genetic engineering is similar to the debate over nuclear power. For years the nuclear proponents argued that the potential benefits of nuclear power outweighed the potential harm. Today an increasingly skeptical public has begun to seriously question the basic presumption.

In a similar vein, proponents of human genetic engineering argue that the benefits outweigh the risks and that it would be irresponsible not to use this powerful new technology to eliminate serious "genetic disorders." The New York Times editorial board correctly addressed this conventional scientific argument by concluding in its editorial that once the scientists are able to repair genetic defects "it will become much harder to argue against adding genes that confer desired qualities, like better health, looks or brains." According to the Times, "There is no discernible line to be drawn between making inheritable repairs of genetic defects, and improving the species."

Once we decide to begin the process of human genetic engineering, there is really no logical place to stop. If diabetes, sickle cell anemia, and cancer are to be cured by altering the genetic make-up of an individual, why not proceed to other "disorders:" myopia, color blindness, left handedness. Indeed, what is to preclude a society from deciding that a certain skin color is a disorder?

As knowledge about the genes increases, the bio-engineers will inevitably gain new insights into the functioning of more complex characteristics, such as those associated with behavior and thoughts. Many scientists are already contending that schizophrenia and other "abnormal" psychological states result from genetic disorders or defects. Others now argue that "antisocial" behavior, such as criminality and social protest, are also examples of malfunctioning genetic information. One prominent neurophysiologist has gone so far as to say "there can be no twisted thought without a twisted molecule." Many sociobiologists contend that virtually all human activity is in some way determined by our genetic make-up and that if we wish to change this situation, we must change our genes.

Whenever we begin to discuss the idea of genetic defects there is no way to limit the discussion to one or two or even a dozen so called disorders because of a hidden assumption that lies behind the very notion of "defective." Ethicist Daniel Callahan penetrates to the core of the problem when he observes that "behind the human horror at genetic defectiveness lurks . . . an image of the perfect human being. The very language of 'defect,' 'abnormality,' 'disease,' and 'risk,' presupposes such an image, a kind of prototype of perfection."

The question, then, is whether or not humanity should "begin" the process of engineering future generation of human beings by technological design in the laboratory.

What is the price we pay for embarking on a course whose final goal is the "perfection" of the human species?

First there is the ecological price to consider. It is very likely that in attempting to "perfect" the human species we will succeed in engineering our own extinction. Eliminating so-called "bad genes" will lead to a dangerous narrowing of diversity in the gene pool. Since part of the strength of our gene pool consists in its very diversity, including defective genes, tampering with it might ultimately lead to extinction of the human race. It should be recalled that in the 1950's genetic modifications were made in wheat strains to create bumper crops of "super wheat." When a new strain of disease hit the fields, farmers found that their wheat was too delicate to resist. Within two years, virtually the entire crop was destroyed.

We have not doubt that a similar effort to "perfect" the human species by eliminating the so called bad genes would prove equally destructive. This simple biological fact is so patently obvious that one begins to wonder why it is so conveniently ignored by so many of the "experts" in the scientific community. Even Dr. Thomas Wagner, the scientist at Ohio University who is responsible for the first successful transfer of a gene trait from one mammalian species to the embryo of another mammalian species, has gone on record as being opposed to genetic engineering of the human germline cells because of the potentially devastating effect that such narrowing of genetic diversity might have on the ability of the human species to survive in the future. Dr. Wagner says,

"It is a terrible mistake to make a permanent, heritable change, even if it appears to be for the better, in a human being's genetic make-up. We don't know what the future brings, and we don't understand fully the process of evolution. Any species of animal needs a certain degree of diversity, some of which appears negative, in order for it to survive into the future. I don't think we should be manipulating the genetic material beyond the individual generation of the human involved."

Then there is the question of eugenics to carefully consider. Eugenics is the inseparable ethical wing of the Age of Biotechnology. First coined by Charles Darwin's cousin, Sir Francis Galton, eugenics is generally categorized into two types, negative and positive. Negative eugencis involves the systematic elimination of so-called biologically undesirable characteristics. Positive eugenics is concerned with the use of genetic manipulation to "improve" the characteristics of an organism or species.

Eugenics is not a new phenomenon. At the turn of the century the U.S. sported a massive eugenics movement. Politicians, celebrities, academicians and prominent business leaders joined together in support of a eugenic's program for the country. The frenzy over eugenics reached a fever pitch with many states passing sterilization statutes and the U.S. Congress passing a new emigration law in the 1920's based on eugenics considerations. As a consequence of the new legislation, thousands of American citizens were sterilized so they could not pass on their "inferior" traits and the Federal government locked its doors to certain emigrant groups deemed biologically unfit by then existing eugenics standards.

While the Americans flirted with eugenics for the first thirty years of the twentieth century, their escapades were of minor historical account when compared with the eugenics program orchestrated by the Nazis in the 1930's and 40's. Millions of Jews and other religious and ethnic groups were gassed in the German crematoriums to advance the Third Reich's dream of eliminating all but the "Aryan" race from the globe. The Nazis also embarked on a "positive" eugenics program in which thousands of S.S. officers and German women were carefully selected for their "superior" genes and mated under the auspices of the state. Impregnated women were cared for in state facilities and their offspring were donated to the Third Reich as the vanguard for the new super race that would rule the world for the next millenium.

Eugenics lay dormant for nearly a quarter of a century after World War II. Then the spectacular breakthroughs in molecular biology in the 1960's raised the spectre of a eugenics revival once again. By the mid 1970's, many scientists were beginning to worry out loud that the potential for genetic engineering might lead to a return to the kind of eugenics hysteria that swept over America and Europe earlier in the century. Speaking at a National Academy of Science forum on recombinant DNA, Ethan Signer, a biologist at MIT, warned his colleagues that:

"This research is going to bring us one more step closer to genetic engineering of people. That's where they figure out how to have us produce children with ideal characteristics . . . Last time around, the ideal

children had blonde hair, blue eyes and Aryan genes.

The concern over a re-emergence of eugenics is well founded but misplaced. While professional ethicists watch out the front door for tell tale signs of a resurrection of the Nazi nightmare, eugenics doctrine has quietly slipped in the back door. The new eugenics is commercial not social. In place of the shrill eugenic cries for racial purity, the new commercial eugenics talks in pragmatic terms of medical benefits and improvement in the quality of life. The old eugenics was steeped in political ideology and motivated by fear and hate. The new eugenics is grounded in medical advance and the spectre of extending the human life span.

Genetic engineering, then, is coming to us not as a threat, but as a promise; not as a punishment but as a gift. And here is where the true danger lies. If the Brave New World comes, it will not be forced on us by an evil cabal of self-serving scientists and Machiavellian politicians. On the contrary, what makes opposition to the Brave New World so difficult is the seductive path that leads to it. Every new advance in human genetic engineering is likely to be heralded as a great stride forward, a boon for humankind. Everyone of the breakthroughs in genetic engineering will be of benefit to someone, under some circumstance, somewhere in society. And step by step, advance by advance, we human beings might well choose to trade away the spontaneity of natural life for the predictability of technological design until the human species as we know it is transformed into a product of our own creation; a product that bears only a faint resemblance to the original.

How important is it that we eliminate all the imperfections, all the defects? What price are we willing to pay to extend our lives, to insure our own health, to do away with all of the inconveniences, the irritations, the nuisances, the infirmities, the suffering, that are so much a part of the human experience? Are we so enamored with the idea of physical perpetuation at all costs that we are even willing to subject the human species to rigid architectural design? Is guaranteeing our health worth trading away our humanity?

What is the price we pay for medical advance, for securing our own physical well being? If it means accepting the idea of reducing the human species to a technologically designed product, then it is too dear a price.

Ultimately, there is no security to be found in engineering the human species, just as we have now learned that there is no security to be found in building bigger, more sophisticated nuclear bombs.

Perhaps, if we had taken the time to look at the long range implications of our work in nuclear physics forty years ago, we might well have decided to restrict or prohibit the research and development of nuclear weaponry. Today we have the opportunity to look ahead and envision the final logical consequences of our work in genetic engineering. The question is whether we will choose to do so.

It is our hope that this resolution will represent a watershed in our thinking concerning science and technology. For the first time, it affirms the right of humanity to say no to the application of its own scientific knowledge. Just because something can be done is no longer an adequate justification for assuming it should be done or that it can't be stopped from being done.

We believe we have a sacred obligation to say no when the pursuit of a specific technological path threatens the very existence of life itself.

It is with this thought in mind that we now turn to you for support of this resolution.

In deciding whether to go ahead or not with human genetic engineering we must all ask ourselves the following question. Who should we entrust with the authority to design the blueprints for the future of the human species? In the words of the Nobel laureate biologist George Wald, "Who is going to set those specifications?"

Human genetic engineering presents the human race with the most important political question it has ever had to contend with. Who do we entrust with the ultimate authority to decide which are the good genes that should be engineered into the human gene pool and which are the bad genes that should be eliminated?

Today the ultimate exercise of political power is within our grasp; the ability to control the future lives of human beings by engineering their characteristics in advance; making them a hostage of their own architecturally designed blueprints. Genetic engineering represents the power of authorship. Never before in history has such complete power over life been a possibility. The idea of imprisoning the life span of a human being by simply engineering its genetic blueprint at conception is truly awesome.

Aldous Huxley's spectre of a biologically designed caste system with its alphas, betas, gammas and deltas looms on the horizon. Our society must now ponder whether to give sanction to this fundamental departure in how human life is formed. In examining this issue, we would ask everyone to consider one simple question. Would we trust the Congress of the U.S. with the ultimate authority to decide which genes should be engineered into the human gene pool and which should be eliminated? Would we entrust the executive or judicial branch with such authority? Or the corporations and the marketplace? Or the scientists and the medical community?

Who do we designate to play God? The fact is, no individual, group, or set of institutions can legitimately claim the right or authority to make such decisions on behalf of the rest of the species alive today or for future generations.

Genetic engineering of the human germline cells represents a fundamental threat to the preservation of the human species as we know it, and should be opposed with the same courage and conviction as we now oppose the threat of nuclear extinction.

We would like your support for this proposed resolution to prohibit the engineering of genetic traits into the germline of the human species.

LEO McMULLEN RECEIVES ROLL CALL CONGRESSIONAL STAFF AWARD

Mr. BAKER. Mr. President, I want to take this opportunity to congratulate Leo McMullen of the Senate Sergeant at Arms Office, for being selected as the 24th recipient of the Roll Call Congressional Staff Award. In awarding the honor to Leo, Roll Call editor Sid Yudain cited Leo's efforts on behalf of charitable causes and for his contributions toward furthering a spirit of community within the Congress.

All of us in the Senate are proud of Leo for this recognition. He has dedicated himself to the causes of others unselfishly, and has raised millions of dollars for the Children's Hospital, the Boy Scouts and other organizations that are part of many of our daily lives.

For the past 6 years, Leo has served as assistant director of telecommunications in the Senate, and I am sure that Howard Liebengood, the Senate Sergeant at Arms would agree with me that we are fortunate to have Leo's services.

TRIBUTE TO DAVID BRUCE MILLER

Mr. THURMOND. Mr. President, I want to express my deep sadness at the loss of a good and valued friend and a great American, David Bruce Miller, who together with Robert Buettgenbach, died tragically this week in a plane crash at an international air show in Mildenhall, England.

To his lovely wife, Mary Aimee; his two daughters and two sons; other family members; and David's colleagues at the Beech Aircraft Corp., where he and Robert Buettgenbach were employed, I want to extend my deepest condolences.

I rise to pay tribute to David Miller today because he was more than my friend; he was an exceptional man who was respected by everyone who knew him, including myself. However, those who knew David Miller will always remember him as a highly decorated Navy combat flyer, a man who loved his country and served it with great distinction, and, most importantly, as a man who loved his family and his God.

Mr. President, I would like to take a moment to share with my colleagues some of the highlights of this man's remarkable life and career as a naval officer and pilot.

David Miller began his Navy career in 1946, earning his wings 2 years after entering the service. He attained the rank of captain before he retired from the service in 1979 to work for Beech Aircraft Corp., in its governmental affairs office here in Washington.

During his military career, David Miller flew virtually every type of Navy aircraft, from both air bases and carriers. He served two tours in Vietnam, the first as an attack squadron commander aboard the U.S.S. *Bonhomme Richard,* and completed 240 combat missions before returning to the United States in 1968.

Before his retirement, David Miller had flown 5,900 hours of missions, almost all of them in single-piloted aircraft. His decorations for distinguished military service are numerous: the Silver Star, two Legions of Merit,

four Distinguished Flying Crosses, an Air Medal with a gold star, and the Vietnamese Cross of Gallantry. Those are just some of the 29 citations he received while serving in the Navy.

A graduate of the University of California at Berkeley and a member of the prestigious academic fraternity of Phi Beta Kappa, David Miller also served as an instructor at several naval air stations, and following his tours of duty in Vietnam, was assigned to the Pentagon to be head of the budget and legislative branch of the Office of the Deputy Chief of Naval Operations. In 1971, he was named president of the Red River Valley Fighter Pilots Association, and was later stationed in Naples, Italy, as Chief of Staff for the Southern Europe Commander Strike Force of NATO.

Captain Miller also directed Navy life support equipment programs before his retirement—drawing upon his experience as a veteran pilot to help insure that other Navy airmen had adequate safety equipment.

His service at the Beech Aircraft Corp. was also distinguished. He brought to that company a wealth of experience and knowledge about aircraft and a solid dedication to building reliable, safe, and modern planes. I know that his service at Beechcraft and his friendship with many people at that fine company will be greatly missed.

In addition, David Miller will be missed by his many friends in McLean and in nearby Arlington, where he and his family attended church.

Mr. President, there are more interesting aspects of David Miller's life and career that I would like to share with my colleagues. It is for that reason that I ask unanimous consent that two newspaper articles about him, in the Washington Times and the Washington Post, be included in the RECORD at the conclusion of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 6, 1983]

DAVID MILLER DIES IN CRASH AT AIR SHOW

David Bruce Miller, 55, a Beech Aircraft Corp. official who was a retired Navy captain and a decorated combat flyer, died May 29 in a plane crash at Mildenhall, England.

The Associated Press reported that Capt. Miller and Robert Buettgenbach, 59, of Augusta, Kan., who both worked for Beech Aircraft, died when the plane they were flying, a T34-C Mentor trainer, crashed during a demonstration at the International Air Fete at the RAF base at Mildenhall. The accident is under investigation.

Capt. Miller began his Navy career in 1946, and earned his wings two years later. Over the years, he flew both fighters and attack aircarft from carriers and air bases. Between 1965 and 1968, he served two combat tours in Vietnam, the first as commander of an attack squadron and the second as commander of a carrier air wing aboard the *Bonhomme Richard*. He flew A4 Skyhawks and F8 Crusader aircraft and participated in 240 combat missions.

In 1968, he was promoted to captain and came to Washington as head of the budget and legislative branch in the office of the Deputy Chief of Naval Operations. He accompanied the Blue Angels, the Navy's precision flying team, as director of their 1974 tour of Europe. He also served as chief of staff to the commander of Strike Force, Southern Europe, and as executive director of the Chief of Naval Operations' Aircrew Survivability Enhancement Program.

He retired from active duty in 1979 and joined Beechcraft later that year. At the time of his death, he was manager of the company's aerospace aircraft marketing division in Washington.

His decorations included the Silver Star, two Legions of Merit, four Distinguished Flying Crosses, and 22 Air Medals.

Capt. Miller, who lived in McLean, was a native of Galesburg, Ill. He was a graduate of the University of California at Berkeley, where he was a member of Phi Beta Kappa, and earned masters' degrees in international affairs and administration at George Washington University. He was a graduate of the Naval War College and the Industrial College of the Armed Forces.

He was a member of Walker Chapel United Methodist Church in Arlington, where he served on the finance committee and had been president of the Methodist Men's Club. He was a Mason.

Survivors include his wife, Mary Aimee, and four children, Linda Louise, Claude Harold, Monique Josette, and Eric Christopher Miller, all of McLean; his mother, Vera Milehem Miller of Camp Point, Ill.; a brother, Richard Neale Miller of Southfield, Mich., and a sister, Catherine Louise Anzelc of Joliet, Ill.

[From the Washington Times, June 6, 1983]

DAVID BRUCE MILLER, 55, RETIRED AS NAVY CAPTAIN

Funeral services for retired Navy Capt. David Bruce Miller, manager of aerospace aircraft marketing in Washington for the Beech Aircraft Corp., will be held at 11 a.m. today in the Old Fort Myer Chapel, with burial in Arlington National Cemetery.

Capt. Miller, 55, a resident of McLean, died May 29 in an air accident following an air show in Mildenhall, England.

One of Beech's top test pilots, Capt. Miller had more than 34 years of flight and administrative posts with the Navy and was one of the Navy's top administrators and coordinators in training naval aviators and flight officers. He oversaw the 1974 European tour of the Blue Angels precision flying team.

Capt. Miller was active in community and civic affairs. Recently elected president of the Methodist Men's Club of Walker Chapel in Arlington, he also served on the church finance committee. He was a 32nd degree Mason.

Capt. Miller was born in Galesburg, Ill. He began his career as a pilot in 1948 after receiving his wings as an aviation midshipman at age 20. He was commissioned an ensign the next year and flew A-1 Skyraiders from the Oceana Naval Air Station in Virginia and from the carrier Coral Sea.

Capt. Miller received a B.A. degree in psychology from the University of California at Berkeley in 1958 and was elected to Phi Beta Kappa. He received his M.A. in international affairs and M.S. in administration, both from George Washington University.

During his Navy career, Capt. Miller was an instructor at several naval air stations and was assigned to a number of carriers.

In 1965 on his first combat tour in Vietnam, Capt. Miller commanded Attack Squadron 144, flying A-4 Skyhawks.

He later was attack training officer on the staff of the commander of the Naval Air Pacific Fleet and then commander of Carrier Air Wing 5, serving his second combat tour aboard the carrier *Bonhomme Richard*.

Assigned to the Pentagon in 1968, Capt. Miller was head of the budget and legislative branch of the office of the deputy chief of naval air operations. In 1971, he was named president of the Red River Valley Fighter Pilots Association and in 1972 he attended the Industrial College of the Armed Forces here.

In the mid-1970s, he was stationed in Naples, Italy, as chief of staff for Commander Strike Force, Southern Europe, an assignment involving coordination of logistics and operational plans for the North Atlantic Treaty Organization.

He returned here to direct Navy programs on life support equipment and aircrew survivability.

Capt. Miller joined Beech in 1979 after retiring from the Navy with almost all of his 5,900 flying hours in single-piloted aircraft. His awards included the Silver Star, two Legion of Merits, four Distinguished Flying Crosses, 22 Air Medals, four Navy Commendation Medals and the Vietnamese Cross of Gallantry.

He is survived by his wife, Mary Aimee; two daughters, Linda Louise and Monique Josette; two sons, Claude Harold and Eric Christopher; his mother Vera Milehem Miller of Camp Point, Ill., a brother, Richard N., of Southfield, Mich., and a sister, Catherine L. Anzelc of Joliet, Ill.

The family suggests that expressions of sympathy be in the form of contributions to Walker Chapel, 4102 N. Glebe Road, Arlington, VA., 22207.

AN AUDIENCE WITH POPE JOHN PAUL II IN THE VATICAN

Mr. MATTINGLY. Mr. President, last week a group of colleagues and I had the honor of an audience with Pope John Paul II in the Vatican. This was the second time I had the privilege of meeting this courageous man. I know the rest of the Senate delegation including Senators PERCY, LUGAR, HATCH, DECONCINI, HAWKINS, and SPECTER were as impressed as I with this great world leader.

I would like to have printed in the CONGRESSIONAL RECORD Pope John Paul II's message to the Senate delegation.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

DEAR FRIENDS: I extend a very cordial welcome to you as we meet today in the Vatican. I have vivid recollections of my own welcome to the United States of America, especially the warm reception given to me in your nation's capital.

I am pleased that you should wish to meet me during your official visit to Europe. This clearly manifests your sentiments of respect, which I assure you are mutual, as well as your desire to engage in constructive dia-

logue regarding matters of interest and concern to you and to the Holy See.

You are men and women who exercise leadership in the United States and who influence the social, political and economic policies of America. And so, as you perform this important role, I would invite you to keep before your eyes a global vision of the events and happenings of our times. I would encourage you to reflect constantly on the moral implications and consequences of your actions and on your influence on the world community. Maintain a keen awareness of the dignity of the human person and be courageous in upholding the inalienable rights which flow from that dignity: the inalienable rights of every human person—every man, woman and child. In this way, you will be serving not only your fellow citizens, but you will be protecting and strengthening the bonds that unite the entire human family.

May you be strong in your resolve to pursue the path of truth and righteousness, no matter what the cost. And be assured that I accompany you in this endeavor with my blessing and my prayers for you and for all your fellow Americans.

MESSAGE FROM THE HOUSE

At 12:42 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 258. Joint resolution designating August 3, 1983, as "National Paralyzed Veterans Recognition Day."

At 1:21 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2915. An act to authorize appropriations for fiscal years 1984 and 1985 for the Department of States, the U.S. Information Agency, the Board for International Broadcasting, the Inter-American Foundation, and the Asia Foundation, to establish the National Endowment for Democracy, and for other purposes.

HOUSE MEASURE REFERRED

The following joint resolution was read the first and second times by unanimous consent, and referred as indicated:

H.J. Res. 258. Joint resolution designating August 3, 1983, as "National Paralyzed Veterans Recognition Day"; to the Committee on the Judiciary.

HOUSE MEASURE PLACED ON CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 2915. An act to authorize appropriations for fiscal years 1984 and 1985 for the Department of States, the U.S. Information Agency, the Board for International Broadcasting, the Inter-American Foundation, and the Asia Foundation, to establish the National Endowment for Democracy, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1230. A communication from the Deputy Administrator of the General Services Administration transmitting, pursuant to law, a prospectus proposing construction of a Federal office building in Knoxville, Tenn.; to the Committee on Environment and Public Works.

EC-1231. A communication from the acting chairman of the Nuclear Regulatory Commission transmitting, pursuant to law, a report on abnormal occurrences at licensed nuclear facilities for the fourth quarter of 1982; to the Committee on Environment and Public Works.

EC-1232. A communication from the acting chairman of the Nuclear Regulatory Commission transmitting, pursuant to law, a report on abnormal occurrences at licensed nuclear facilities for the fourth quarter of 1982; to the Committee on Environment and Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S. 969. A bill to amend section 1 of the act of June 5, 1920, as amended, to authorize the Secretary of Commerce to settle claims for damages of less than $2,500 arising by reason of acts for which the National Oceanic and Atmospheric Administration is responsible (Rept. No. 98-150).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation:

Mr. PACKWOOD. Mr. President, as in executive session, I report favorably from the Committee on Commerce, Science, and Transportation, a nomination list in the Coast Guard which appeared in the CONGRESSIONAL RECORD of May 7, 1983, and, to save the expense of reprinting them on the Executive Calendar, I ask unanimous consent that they may lie on the Secretary's desk for the information of Senators.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. LEVIN:

S. 1446. A bill to provide that loan guarantees in an economic development program shall be limited only by the availability of qualified applicants and limitations in appropriation Acts; to the Committee on Environment and Public Works.

By Mr. HELMS:

S. 1447. A bill to exclude from gross income certain distributions from a qualified terminated plan; to the Committee on Finance.

By Mr. BYRD (for himself, Mr. BAKER, Mr. THURMOND, Mr. CRANSTON, Mr. RANDOLPH, Mr. ABDNOR, Mr. BAUCUS, Mr. BENTSEN, Mr. BINGAMAN, Mr. BOREN, Mr. BUMPERS, Mr. DECONCINI, Mr. DOMENICI, Mr. DURENBERGER, Mr. EAST, Mr. GOLDWATER, Mr. HEFLIN, Mr. HUDDLESTON, Mr. JACKSON, Mr. LAUTENBERG, Mr. LAXALT, Mr. LEAHY, Mr. MATHIAS, Mr. MELCHER, Mr. NUNN, Mr. PROXMIRE, Mr. SASSER and Mr. WILSON):

S. 1448. A bill to designate the square dance as the national folk dance of the United States; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HELMS:

S. 1447. A bill to exclude from gross income certain contributions from a qualified terminated plan; to the Committee on Finance.

EXCLUSION FROM INCOME OF CERTAIN PLAN CONTRIBUTIONS

● Mr. HELMS. Mr. President, today I am introducing legislation that relates to the treatment of certain distributions from a qualified terminated pension plan, and is designed to remedy a problem encountered by a North Carolina citizen and taxpayer, Mr. John Pope.

Mr. Pope had a qualified pension plan with his company, Variety Wholesalers, Inc. The plan was terminated in 1976, and there was a lump sum distribution of all the plan's assets in December of that year except for an insurance policy on Mr. Pope's life. Mr. Pope wished to purchase the life insurance policy but could not because at the time Pension Benefit Guaranty Corp. regulations prohibited the sale of a life insurance policy by a pension plan.

In early 1977 Mr. Pope established a rollover IRA account with the proceeds from his payout. Also in early 1977, the PBGC changed its regulations governing the sale of a life insurance policy by a pension plan to allow such a sale. Mr. Pope was able to purchase his policy, and he promptly deposited these funds in a rollover IRA account. A complete rollover of all funds received by Mr. Pope from the terminated pension plan was thus accomplished within 60 days of the plan's termination.

The IRS audited Mr. Pope's 1976 and 1977 tax returns and disallowed the entire rollover because of a technicality that requires all payouts to be made within 1 calendar year. The IRS assessed an income tax deficiency, plus interest and a substantial penalty.

Mr. President, Mr. Pope has been unjustly penalized by the IRS because the PBGC changed the rules regarding the sale of a life insurance policy by a pension plan. When Mr. Pope's pension plan was terminated, PBGC regulations barred the sale of his life insurance policy. But within weeks the PBGC changed its regulations to allow such a sale.

Congress never intended to penalize taxpayers who comply with requirements of the Employee Retirement Income Security Act, but who nevertheless face adverse treatment by the IRS because the payout of the proceeds of a terminated pension plan straddles 2 calendar years.

Mr. President, my bill would allow Mr. Pope's distribution to be treated as a qualifying tax-free rollover. To my knowledge, Mr. Pope's situation is unique, and my amendment would apply to no other taxpayer. Its effect on the Treasury would be minimal.

This bill was adopted by the Senate by voice vote on December 15, 1982, as an amendment to the Surface Transportation Assistance Act of 1982. Unfortunately, it did not survive the conference on that bill. But this proposition has merit. As a matter of fairness Congress should adopt it.

I ask unanimous consent that the text of the bill be printed at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. TREATMENT OF CERTAIN DISTRIBUTIONS FROM A QUALIFIED TERMINATED PLAN.

(a) IN GENERAL.—For purposes of the Internal Revenue Code of 1954 if—

(1) a distribution was made from a qualified terminated plan to an employee on December 16, 1976, and on January 6, 1977, such employee transferred all of the property received in such distribution to an individual retirement account (within the meaning of section 408(a) of such code) established for the benefit of such employee, and

(2) the remaining balance to the credit of such employee in such qualified terminated plan was distributed to such employee on January 21, 1977, and all the property to such employee on January 21, 1977, and all the property received by such employee in such distribution was transferred by such employee to such individual retirement account on January 21, 1977.

then such distributions shall be treated as qualifying rollover distributions (within the meaning of section 402(a) (5)(D) of such code) and shall not be includible in the gross income of such employee for the taxable year in which paid.

(b) QUALIFIED TERMINATED PLAN.—For purposes of this section, the term "qualified terminated plan" means a pension plan—

(1) with respect to which a notice of sufficiency was issued by the Pension Benefit Guaranty Corporation on December 2, 1976, and

(2) which was terminated by corporate action on February 20, 1976.

(c) REFUND OR CREDIT OF OVERPAYMENT BARRED BY STATUTE OF LIMITATIONS.—Notwithstanding section 6511(a) of the Internal Revenue Code of 1954 or any other period of limitation or lapse of time, a claim for credit or refund of overpayment of the tax imposed by such code which arises by reason of this section may be filed by any person at any time within the 1-year period beginning on the date of enactment of this Act. Sections 6511(B) and 6514 of such code shall not apply to any claim for credit or refund filed under this subsection within such 1-year period.●

By Mr. BYRD (for himself, Mr. BAKER, Mr. THURMOND, Mr. CRANSTON, Mr. RANDOLPH, Mr. ABDNOR, Mr. DOMENICI, Mr. DURENBERGER, Mr. EAST, Mr. GOLDWATER, Mr. LAXALT, Mr. MATHIAS, Mr. WILSON, Mr. BAUCUS, Mr. BENTSEN, Mr. BINGAMAN, Mr. BOREN, Mr. BUMPERS, Mr. DECONCINI, Mr. HEFLIN, Mr. HUDDLESTON, Mr. JACKSON, Mr. LAUTENBERG, Mr. LEAHY, Mr. MELCHER, Mr. NUNN, Mr. PROXMIRE, Mr. RANDOLPH, and Mr. SASSER):

S. 1448. A bill to designate the square dance as the national folk dance of the United States; to the Committee on the Judiciary.

(The remarks of Mr. BYRD and the text of the bill appear earlier in today's RECORD.)

ADDITIONAL COSPONSORS

S. 216

At the request of Mr. BYRD, the name of the Senator from Kentucky (Mr. HUDDLESTON) was added as a cosponsor of S. 216, a bill to amend title 18, United States Code, to combat, deter, and punish individuals who adulterate or otherwise tamper with food, drug, cosmetic, and other products with intent to cause personal injury, death, or other harm.

S. 508

At the request of Mr. LAXALT, the name of the Senator from Missouri (Mr. EAGLETON) was added as a cosponsor of S. 508, a bill to exempt entities receiving financial assistance from the Rural Electrification Administration from fees under the Federal Land Policy and Management Act of 1976.

S. 801

At the request of Mr. THURMOND, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 801, a bill to amend title 10, United State Code, to establish a program to provide high school graduates with technical training in skills needed by the Armed Forces in return for a commitment for enlisted service in the Amred Forces.

S. 829

At the request of Mr. THURMOND, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 829, a bill entitled the "Comprehensive Crime Control Act of 1983."

S. 858

At the request of Mr. THURMOND, the name of the Senator from California (Mr. WILSON) was added as a cosponsor of S. 858, a bill to recognize the organization known as the National Association of State Directors of Veterans Affairs, Inc.

At the request of Mr. THURMOND, the name of the Senator from Virginia (Mr. TRIBLE) was withdrawn as a cosponsor of S. 858, supra.

S. 863

At the request of Mr. BOSCHWITZ, the name of the Senator from Wyoming (Mr. WALLOP) was added as a cosponsor of S. 863, a bill entitled "The Enterprise Zone Employment and Development Act of 1983."

S. 995

At the request of Mr. EXON, the name of the Senator from New Hampshire (Mr. HUMPHREY) was added as a cosponsor of S. 995, a bill to amend title 38, United States Code, to modify the rule for the commencement of the period of payment of certain adjustments in compensation in the case of hospitalized veterans.

S. 1004

At the request of Mr. D'AMATO, the names of the Senator from North Dakota (Mr. ANDREWS) and the Senator from Rhode Island (Mr. PELL) were added as cosponsors of S. 1004, a bill to amend the Federal employees health benefits plan provisions of chapter 89, title 5, United States Code to assure adequate mental health benefit levels and otherwise limit benefit reductions.

S. 1144

At the request of Mr. HEINZ, the names of the Senator from Iowa (Mr. GRASSLEY), the Senator from Arizona (Mr. DECONCINI), the Senator from New Jersey (Mr. LAUTENBERG), and the Senator from Florida (Mr. CHILES) were added as cosponsors of S. 1144, a bill to suspend periodic reviews of disability beneficiaries having mental impairments pending regulatory reform of the disability determination process.

S. 1276

At the request of Mr. MITCHELL, the names of the Senator from Illinois (Mr. PERCY) and the Senator from New York (Mr. MOYNIHAN) were added as cosponsors of S. 1276, a bill to provide that the pensions received by retired judges who are assigned to active duty shall not be treated as wages for purposes of the Social Security Act.

SENATE JOINT RESOLUTION 107

At the request of Mr. COCHRAN, the names of the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from Arkansas (Mr. BUMPERS), the Senator from North Dakota (Mr. BURDICK), the Senator from Utah (Mr. GARN), the

Senator from South Carolina (Mr. HOLLINGS), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Georgia (Mr. NUNN), the Senator from Indiana (Mr. QUAYLE), the Senator from West Virginia (Mr. RANDOLPH), and the Senator from Mississippi (Mr. STENNIS) were added as cosponsors of Senate Joint Resolution 107, a joint resolution to designate the year of 1983 as the "Wagner-Peyser Fiftieth Anniversary Year."

SENATE JOINT RESOLUTION 109

At the request of Mr. D'AMATO, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of Senate Joint Resolution 109, a joint resolution designating the week beginning June 19 1983, as "National Children's Liver Disease Awareness Week."

SENATE RESOLUTION 137

At the request of Mr. KASTEN, the names of the Senator from Wyoming (Mr. SIMPSON) and the Senator from Virginia (Mr. WARNER) were added as cosponsors of Senate Resolution 137, a resolution expressing the sense of the Senate that Taiwan should retain full membership in the Asian Development Bank, and that it should not be expelled as a precondition for membership in that body by the People's Republic of China.

AMENDMENTS SUBMITTED

SUPPLEMENTAL APPROPRIATIONS, 1983

TOWER (AND OTHERS) AMENDMENT NO. 1359

Mr. TOWER (for himself, Mr. PERCY, Mr. THURMOND, Mr. COHEN, Mr. QUAYLE, Mr. WARNER, Mr. LUGAR, Mr. HUMPHREY, Mr. MATHIAS, Mr. JACKSON, Mr. NUNN, Mr. EXON, Mr. LEAHY, Mr. HATCH, Mr. JEPSEN, Mr. LEVIN, and Mr. BINGAMAN) proposed an amendment to the bill (H.R. 3069) making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes; as follows:

On page 12, line 21, strike out "$1,190,000" and insert in lieu thereof "$6,190,000".

On page 17, between lines 14 and 15, insert the following:

Section 773 of the Department of Defense Appropriation Act, 1983, as contained in Public Law 97-377 (96 Stat. 1862), is repealed.

METZENBAUM AMENDMENT NO. 1360

Mr. METZENBAUM proposed an amendment to the bill H.R. 3069, supra; as follows:

At the appropriate place in the bill insert the following new section:

SEC. . (a) An agency of the Government may not use any funds available to such agency to indemnify any person (including costs of legal fees), pursuant to any contract with the United States, for amounts paid by such person to the United States by reason of any action of the Internal Revenue Service by reason of any action of the Internal Revenue Service unless authorized by a statute enacted before, on, or after the date of enactment of this Act.

(b) Notwithstanding any other provision of law, any amounts paid by an agency of the Government on or after the effective date of this Act to indemnify any person, pursuant to a contract with the United States, for amounts paid by such person to the United States by reason of any action of the Internal Revenue Service shall be a debt owed by such person to the United States to the extent that the funds available to such agency from which such amounts were paid were not authorized by a statute enacted before, on, or after the date of enactment of this Act to be used for such purpose. Each such debt shall be subject to all Federal laws having general applicability to debts owed to the United States and shall be collected in the same manner as is provided by such laws.

(c) It is the sense of the Congress that in the case of any contract by which the Department of the Navy has leased cargo space in a maritime vessel from a contractor, the Department of the Navy should (1) exercise any option to purchase such maritime vessel provided by the lease contract or (2) renegotiate the terms of the contract to procure such cargo space by the most cost effective means authorized by law.

COCHRAN AMENDMENT NO. 1361

Mr. COCHRAN proposed an amendment to the bill H.R. 3069; supra; as follows:

On page 56, line 23, strike out "$64,000,000" and insert in lieu thereof "$68,300,000".

On page 57, line 16, after the semicolon insert the following: "$4,300,000 is for Gulf Islands National Seashore, Mississippi;".

METZENBAUM AMENDMENT NO. 1362

Mr. METZENBAUM proposed an amendment to the bill H.R. 3069, supra; as follows:

At the appropriate place in the bill insert the following new section:

SEC. . Notwithstanding any other provision of this Act, funds appropriated by this Act may not be used to indemnify any person (including costs of legal fees), pursuant to any contract with the United States, for amounts paid by such person to the United States by reason of any action of the Internal Revenue Service.

RUDMAN (AND EAGLETON) AMENDMENT NO. 1363

Mr. RUDMAN (for himself and Mr. EAGLETON) proposed an amendment to the bill H.R. 3069, supra, as follows:

On page 72, after line 9, insert the following:

FACILITIES DEVELOPMENT

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

For an additional amount for "Health resources and services" for the remodeling and expansion of an existing academic health center library in the Pacific Northwest under section 720(a)(1) of the Public Health Service Act, $14,500,000, to remain available until expended; and notwithstanding any other provision of this or any other Act, such amount shall be made available without regard to the provisions of sections 702(b) and 722(a)(1) of the Public Health Service Act.

NATIONAL INSTITUTES OF HEALTH

NATIONAL LIBRARY OF MEDICINE

For an additional amount to carry out section 301 and parts I and J of title III of the Public Health Service Act with respect to conducting research, development, and demonstration projects at an existing academic health center in the Pacific Northwest, $5,900,000 to remain available until expended.

GRANTS FOR CONSTRUCTION OF ACADEMIC FACILITIES

For part B of title VII of the Higher Education Act of 1965, $22,500,000, to remain available until expended, shall be available for two grants in New England except that the provisions of section 721(a)(2) and (b) shall not apply to the funds appropriated under this heading, and the amount of the grants paid from funds appropriated under this heading shall not be subject to any matching requirement contained in section 721(c) of such part and shall be used for two facilities of the type mentioned in section 713(g).

KASSEBAUM (AND OTHERS) AMENDMENT NO. 1364

Mrs. KASSEBAUM (for herself, Mr. DANFORTH, Mr. EAGLETON, Mr. DIXON, and Mr. BOREN), proposed an amendment to the bill H.R. 3069, supra; as follows:

At the appropriate place in the bill, page 87, after line 6; add the following new material: "Rock Island Labor Assistance, For employee protection as authorized by the Rock Island Railroad Transition and Employee Assistance Act, as amended, (45 USC 1001, et seq.), $35 million to remain available until expended."

BAUCUS AMENDMENT NO. 1365

Mr. BAUCUS proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 3, between lines 10 and 11, insert the following new paragraph:

"For making and insuring loans pursuant to section 310B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932) to businesses and cooperatives which are (1) engaged in the business of furnishing to farmers and ranchers machinery, supplies, and services directly related to the production of commodities diverted from production under payment-in-kind land diversion programs carried out by the Secretary of Agriculture, and (2) experiencing substantial economic hardship directly attributable to the operation of such programs, $100,000,000 to remain available until September 30, 1984.".

MATTINGLY (AND OTHERS) AMENDMENT NO. 1366

Mr. MATTINGLY (for himself, Mr. TOWER, Mr. JACKSON, Mr. NUNN, Mr. THURMOND, and Mr. HOLLINGS) pro-

posed an amendment to the bill H.R. 3069, supra; as follows:

On page 37, strike lines 1 through 23 and insert in lieu thereof the following:

"None of the funds appropriated by this Act, or by any other Act, or by any other provision of law, shall be available for the purpose of restarting the L-Reactor at the Savannah River Plant, Aiken, South Carolina, until the Department of Energy completes an Environmental Impact Statement pursuant to section 102(2)c of the National Environmental Policy Act of 1969. For purposes of this paragraph the term "restarting" shall mean any activity related to the operation of the L-Reactor that would load fuel into the reactor core, achieve criticality, generate fission products within the reactor, or discharge cooling water from either testing or operations into Steel Creek.

"Consistent with the National Environmental Policy Act of 1969, and in consultation with State officials in South Carolina and Georgia, the preparation and completion of the Environmental Impact Statement called for in this paragraph shall be expedited. The Secretary of Energy may reduce the public comment period, except that the public comment period shall not be reduced to less than forty-five days and the Secretary shall provide his Record of Decision, based upon the completed Environmental Impact Statement, not sooner than December 1, 1983, and not later than January 1, 1984.".

WEICKER AMENDMENT NO. 1367

Mr. WEICKER proposed an amendment to the bill H.R. 3069, supra; as follows:

Strike the language on page 71, line 23 to page 72, line 10 and insert the following: "Higher and continuing education for an additional amount for 'Higher and continuing education', $4,817,000".

BOREN (AND OTHERS) AMENDMENT NO. 1368

Mr. BOREN (for himself, Mr. HUDDLESTON, Mr. ANDREWS, Mr. ZORINSKY, Mr. DIXON, Mr. BAUCUS, Mr. PRYOR, Mr. KASTEN, Mr. LONG, Mr. EXON, Mr. BENTSEN, Mr. LEVIN, Mr. JOHNSTON, Mr. BUMPERS, Mr. HART, and Mr. STENNIS) proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 125, after line 7, insert a new section as follows:

SEC. 405. Effective only for the 1984 crops of wheat, feed grains, upland cotton, and rice, the Agricultural Act of 1949 is amended by inserting after section 107C (7 U.S.C. 1445b-2) the following new section:

"EARLY ANNOUNCEMENT OF PROGRAMS

"SEC. 107C. Notwithstanding any other provisions of this Act, the Secretary shall announce the terms and conditions for each of the annual programs for the 1984 crops of wheat, feed grains, upland cotton, and rice (including the applicable loan rate and established price, and the details of the acreage reduction program, if any) according to the following schedule:

"(1) For wheat, by July 1, 1983;

"(2) For feed grains, by September 15, 1983;

"(3) For upland cotton, by November 1, 1983; and

"(4) For rice, by December 15, 1983."

CABLE TELECOMMUNICATIONS ACT

LAUTENBERG (AND OTHERS) AMENDMENTS NOS. 1369 THROUGH 1371

Mr. LAUTENBERG (for himself, Mr. EXON, Mr. DURENBERGER, Mr. BOSCHWITZ, and Mr. DECONCINI) submitted three amendments intended to be proposed by them to the bill (S. 66) to amend the Communications Act of 1934; as follows:

On page 39, line 3, strike out "a de novo" and insert in lieu thereof "judicial".

On page 39, line 5, immediately after the period insert "Such judicial review shall be de novo, unless the renewal applicant has been afforded a hearing on record before an independent hearing examiner or administrative law judge consistent with State law that requires—

"(1) adequate notice;

"(2) fair opportunity for participation by the renewal applicant, which includes—

"(A) discovery;

"(B) the filing of pleadings, motions, or objections;

"(C) the introduction of written or oral testimony; and

"(D) cross-examination of opposing parties; and

"(3) a written decision by the examiner or judge based exclusively on the full record of the hearings and stating the specific findings of fact and conclusions of law on which the decision is based.".

On page 31, line 15, insert "be required, as part of the franchise request for proposals, to dedicate or set aside channels for public, educational or governmental users, and the cable system operator may" immediately after "may".

On page 31, line 16, strike out all beginning with "public" through "or" on line 17.

On page 42, line 20, insert "public, educational or" immediately after "for".

On page 43, line 4, insert "other" immediately after "for".

On page 34, insert between lines 9 and 10 the following new paragraph:

"(3) The provisions of paragraph (1) of this subsection shall not be applicable where the cable system is subscribed to by at least 80 percent of the residences to which cable service is available, unless the cable operator demonstrates that 90 percent of the time, adequate on-site reception of the four television signals is available to more than 50 percent of the households to which cable service is available. Such a determination shall be made by the Commission. Failure by the Commission to make a determination within 180 days after the filing of an application by the cable operator shall be deemed to be a determination that such satisfactory reception is available.".

● Mr. LAUTENBERG. Mr. President, I submit for printing in the RECORD a number of amendments to Senate bill S. 66, the Cable Telecommunications Act of 1983.

The bill is intended by its sponsors to establish a national policy governing cable telecommunications. It would vest in the Federal Government primary jurisdiction over cable telecommunications, while restricting the power of State and local governments that previously have been actively involved in the franchising and regulation of cable systems. As some of my colleagues may be aware, I have expressed substantial reservations with regard to various aspects of this bill. I voted against reporting the bill from the Commerce, Science and Transportation Committee for that reason. Several days ago, I, along with my good friends, the Senator from Nebraska, with whom I serve on the Commerce Committee, and the Senators from Minnesota, circulated a letter to our colleagues expressing our intention to offer amendments addressing some of our principal concerns.

In the meantime, however, we have attempted to secure a reasonable accommodation of our concerns with the sponsors of the bill. I am pleased to report that the amendments that I, and my good friends from Nebraska, and Minnesota, along with the Senator from Arizona (Mr. DECONCINI), submit today are, acceptable to the chairman of the Commerce Committee, the Senator from Oregon, and, I understand the chairman of the Subcommittee on Communications, the Senator from Arizona, I want to say for the record how much I appreciate their willingness to compromise. I know they have worked long and hard on this bill.

While the amendments we offer today do not, of course, address all of the shortcomings in the bill as I see them, they do make what I believe are significant and salutary changes in the legislation. Given the alternative between simply opposing the bill, and securing what I believe are improvements, the choice for me was clear. Consequently, with the adoption of these amendments and certain other amendments to be offered by the committee, I am generally prepared to support this legislation.

Mr. President, the amendments we offer today would affect four general areas of the bill: The deregulation of rates for basic cable service; the provision of access; the procedure governing the renewal of cable franchises; and the abrogation of contractual duties.

RATE DEREGULATION

Mr. President, in many areas of the country, cable is the only available means of securing clear television reception. The bill as reported out of the committee would deregulate rates in many of these far flung areas, subjecting consumers to the monopoly power of cable operators.

Specifically, the bill provides that rates shall be deregulated in any area falling within the so-called B contour of four television signals, three of

which must be network signals. The B contour is defined as an area where more than 50 percent of the households receive adequate reception 90 percent of the time.

In some municipalities within the B contour, however, reception is much worse. These places could be in a valley, or faced with other barriers to reception. These are areas where cable serves the function of a utility providing essential reception services, where there are not available reasonably competitive alternatives to cable for the reception of television signals. These are areas where an overwhelming majority, and an unusual majority of the households subscribe. In these areas, I believe, rate regulation is entirely appropriate.

Consequently, the amendment would provide that where a system serves more than 80 percent of the households to which cable is available, then there should be a presumption that adequate reception is not available, and rate regulation shall continue. There is, moreover, a waiver provision, to permit a cable operator to show that he has secured subscriptions from more than 80 percent of the homes notwithstanding that adequate on site reception is available to a majority of the households.

Also, the bill provides that even where rates may continue to be regulated, cable operators are guaranteed annual rate increases equal to 5 percent or the increase in the Consumer Price Index, whichever was greater. We found no basis for providing an alternative measure to the CPI, assuming there are to be automatic rate increases. Consequently, the amendment we submit today would provide that the automatic rate increases would be no more than the rise in the CPI. Given the current level of inflation, I understand that this would result in lower automatic increases.

FRANCHISE RENEWAL

The bill provides guidelines governing a franchising authority's consideration of a cable operator's request for a renewal of his franchise. The bill provides, however, that notwithstanding these guidelines, if the franchising authority's decision is adverse to the cable operator, then the cable operator may secure de novo judicial review of the decision. In other words, the cable operator may secure a complete retrial of the issue in the courts. So, the franchising authority's decision would—regardless of its fairness and openness—be denied the respect that courts generally accord administrative decision.

I objected to his provision. Certainly, if the franchising authority has afforded the cable operator a full and fair hearing, and has rendered its decision on the merits, there should be no second bite at the apple in the courts. That would simply impose added costs on the franchising authority, added burdens on the courts, and generally discourage franchising authorities from acting in what they believe is the public interest.

Consequently, we are submitting an amendment to provide that where the franchising authority acts in accord with a State law setting out a fair procedure, then judicial review need not be de novo. By fair procedure, we mean one that includes adequate notice, a fair opportunity to be heard, and a review by an impartial trier of the facts.

I note that this amendment would clearly cover the procedure that is in effect in my State, where the franchising authority, the State Board of Public Utilities, refers cases for initial determination to administrative law judges, acting in accord with the State's Administrative Procedure Act and the rules of the Office of Administrative Law. Certainly, in my State, it would serve no public policy purpose to provide for de novo judicial review of the franchising authority's actions. This amendment would avoid that necessity.

I note also that the bill would require a franchising authority to consider within 90 days an application for franchise renewal by a cable operator. Some cities and franchising authorities believed that 90 days was too short a period. Consequently, we submit an amendment to extend that period to 120 days.

ABROGATION OF CONTRACTUAL DUTIES

The bill would grant to cable operators the power to abrogate contractual duties to provide certain cable facilities or equipment if there has been a significant change in circumstances. I concede that there should be some flexibility to revise terms of a cable operator's franchise or contract if those obligations become unduly burdensome. However, there should be a strong presumption in favor of mutually agreed upon terms. The cable operator should not be free to unilaterally withdraw facilities or equipment that were the subject of a freely entered contract. Consequently, the senior Senator from Minnesota is submitting an amendment, in which I join, that would require negotiation before any promised facilities or equipment are withdrawn because of significant change in the circumstances. Moreover, if negotiation fails, the amendment provides for arbitration, to avoid the resolution of these disputes in the courts.

ACCESS

I believe that the public has a substantial interest in increasing the diversity of information and views available to them. Indeed, our interest in diversity can be traced back to the first amendment of our Constitution, which protects the free marketplace of ideas. The bill provides that franchising authorities may require that cable operators provide channel capacity for access by governmental users. However, the bill does not allow for similar requirements for public and educational users—like the local college, community groups, and the like. We believe the bill was unduly restrictive in this regard. Consequently, the amendment we are submitting would expand the power of the franchising authority to secure access for a broader range of users, and expand the diversity of views and information available to the public.

CONCLUSION

We believe that these amendments address clear shortcomings in the bill and their adoption would improve the S. 66 and the national policy on cable telecommunications that it would erect. I urge my colleagues to support these amendments. And I again, I thank the principal sponsors of the bill for their graciousness in accepting them.

Mr. President, I also submit for the RECORD, and the information of my colleagues, a letter from Mr. John Gunther of the U.S. Conference of Mayors, in which he expresses support for these amendments, and I ask unanimous consent that the letter be printed.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. CONFERENCE OF MAYORS,
Washington, D.C., June 10, 1983.

Hon. FRANK LAUTENBERG,
U.S. Senate, Hart Senate Office Building, Washington, D.C.

DEAR SENATOR LAUTENBERG: On behalf of all of the nation's Mayors, I wish to express our strong support for the amendments you will be offering to S. 66, the Cable Telecommunications Act of 1983.

The leadership you have shown in this difficult area all year has been extremely appreciated by Mayors across the country, as have been the fine efforts of Senators Exon, Boschwitz and Durenberger who are joining in the amendments with you.

The U.S. Conference of Mayors believes the proposed amendments will be a definite improvement to S. 66. Conference policy opposes federal legislation in the cable area and we are grateful for amendments which will make S. 66 less onerous.

Thank you for your assistance. The U.S. Conference of Mayors looks forward to continuing to work with you on this and other important urban matters.

Sincerely,

JOHN J. GUNTHER,
Executive Director.●

EXON (AND OTHERS) AMENDMENT NOS. 1372

Mr. EXON (for himself, Mr. LAUTENBERG, Mr. BOSCHWITZ, Mr. DURENBERGER, and Mr. DECONCINI) submitted two amendments intended to be proposed by them to the bill S. 66, supra; as follows:

AMDT. 1372

On page 32, line 16, strike out "5 percent of the existing rate or".

On page 32, line 18, strike out "whichever is greater,".

AMDT. 1373

On page 37, line 20, strike out "90" and insert in lieu thereof "120".

DURENBERGER (AND OTHERS) AMENDMENT NO. 1374

Mr. DURENBERGER (for himself, Mr. LAUTENBERG, Mr. BOSCHWITZ, Mr. EXON, and Mr. DECONCINI) submitted an amendment intended to be proposed by them to the bill S. 66, supra; as follows:

On page 43, strike line 6 through line 14 and insert in lieu thereof the following:

"(d)(1) The cable operator may replace or remove a particular service specified in the cable franchise as part of the basic service or any other tier of cable service of telecommunications service in any case in which there has been a significant change in circumstances since the cable operator's offer to provide such service. The cable operator may be required to retain a specified service in any particular category of service other than basic service.

"(2) In any case in which a cable operator submits a showing that, as a result of a significant change in circumstances, particular facilities and equipment required by the franchise are economically, technically, or otherwise impracticable, the franchising authority shall enter into negotiations with the cable operator for the termination, modification, or deferral of such requirement. If such terms and conditions cannot be agreed upon within 45 days, the matter shall be submitted to binding arbitration. For the purposes of arbitration, each of the affected parties shall select one arbitrator and the two arbitrators so selected shall choose a third arbitrator. The existing franchise provisions, except for those which are the subject of arbitration, shall not be affected by the arbiter's final decision.".

BOREN (AND OTHERS) AMENDMENT NO. 1375

Mr. BOREN (for himself, Mr. HUDDLESTON, Mr. ANDREWS, Mr. ZORINSKY, Mr. DIXON, Mr. BAUCUS, Mr. PRYOR, Mr. KASTEN, Mr. LONG, Mr. EXON, Mr. BENTSEN, Mr. LEVIN, Mr. JOHNSTON, Mr. BUMPERS, Mr. COCHRAN, Mr. DOLE, Mr. HELMS, Mr. BOSCHWITZ, and Mr. HART) proposed an amendment to the bill H.R. 3069, supra (which was subsequently modified); as follows:

On page 125, after line 7, insert a new section as follows:

SEC. 405. It is the sense of Congress that the Secretary of Agriculture should announce the 1984 annual commodity programs for wheat, feed grains, upland cotton, and rice by the dates specified in the following schedule:

(1) For wheat, July 1, 1983;

(2) For feed grains, August 15, 1983;

(3) For upland cotton, November 1, 1983; and

(4) For rice, November 30, 1983.

BOSCHWITZ AMENDMENT NO. 1376

Mr. BOSCHWITZ (for himself and Mr. HUDDLESTON) proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 4, between lines 18 and 19, insert the following new section:

GENERAL PROVISIONS

SEC. . (a) The Congress finds that—

(1) Federal nutrition programs, including the food stamp program, school lunch program, school breakfast program, child care food program, summer food program, special supplemental food program for women, infants, and children (WIC), the commodity supplemental food program, special milk program, and elderly feeding programs, have been effective in reducing hunger and malnutrition in the United States;

(2) the Congress has closely scrutinized and made significant changes in both child nutrition and food stamps over the past two years in an effort to achieve budgetary savings;

(3) current levels of unemployment have greatly increased dependency on Federal, State, and local food programs;

(4) churches and other volunteer organizations in the United States are having difficulty meeting the growing need for food created by poor economic conditions;

(5) the food stamp program provides nutrition benefits to those without the means to obtain a nutritionally adequate diet and is often the only form of Federal assistance available to many unemployed workers;

(6) nutrition benefits to mothers and children at critical periods of growth represent a cost-effective way to reduce infant mortality, low birthweight, and promote long-term health;

(7) nutrition benefits through the school lunch program and other child nutrition programs significantly contribute to the health maintenance and learning potential of our Nation's children;

(8) nutrition program for elderly people, including the food stamp program, can prolong health, allow for independent living, and preserve the dignity of our Nation's senior citizens;

(9) a Federal role in meeting the nutritional needs of low-income Americans is appropriate since the costs of obtaining an adequate diet do not vary significantly throughout this country; and

(10) a reduction in the Federal Government's commitment to provide adequate nutrition to the needy would cause increasing hardship and hunger to those least able to survive in our society.

(b) It is the sense of the Congress that—

(1) the Federal nutrition programs, including the food stamp, child nutrition, and elderly feeding programs, should be protected from budget cuts that would prevent them from responding effectively to nutritional needs in the United States;

(2) the special supplemental food program for women, infants, and children (WIC) should continue to be funded at the full level authorized by law; and

(3) the Federal Government should maintain primary responsibility for nutrition programs.

WEICKER AMENDMENT NO. 1377

Mr. WEICKER proposed an amendment to the bill H.R. 3069, supra; as follows:

On page 117, after line 7, insert the following:

ACTION

"Operating expenses", $350,000;

ADDITIONAL STATEMENTS

AARP SERVICES AND OTHER AGING POLICIES STATEMENT

● Mr. PRESSLER. Mr. President, adequate income in retirement is the No. 1 problem confronting older Americans.

Consequently, an effective income strategy, which recognizes the importance of controlling inflation for the elderly, is absolutely essential for a national policy on aging.

However, our Nation must also recognize that a well-conceived services strategy for older Americans must complement a comprehensive income policy.

Transportation is one excellent example. If the elderly are mobile, they find it much easier to adapt to the challenges and problems associated with advancing age.

Without adequate transportation, older Americans frequently experience a syndrome of deprivation. In rural areas such as my home State of South Dakota, lack of transportation is often a serious problem which limits access to services for our older population. Routine tasks that most younger people take for granted—such as shopping, visiting relatives, or going to the doctor—become formidable obstacles for the aged who are without wheels.

Many now live under a form of house arrest, cut off from their families, friends, and service providers. Quite frequently, this problem is even more severe in rural areas because public transportation is not available.

Services under the Older Americans Act have also enriched the lives of the elderly. Many elderly are able to live independently now in their homes instead of being placed unnecessarily or prematurely in a nursing home because of the homemaker, home health, or other services under the Older Americans Act.

The American Association of Retired Persons—the largest national organization representing the elderly—also recognizes the indispensability of an effective services strategy. In South Dakota, the AARP has 39,108 members.

The AARP legislative council has developed a comprehensive set of recommendations affecting services and other issues—such as transportation, housing, nutrition, legal services, crime, and abuse of the elderly, and education and training.

These policy proposals merit the close attention of the 98th Congress, particularly because the House and

Senate must act on important services legislation during the next 2 years. One noteworthy example is the reauthorization of the Older Americans Act.

Mr. President, I ask that the AARP services and other aging policies statement be printed in the RECORD.

POLICIES ON OTHER AGING ISSUES

THE NEW FEDERALISM AND THE ELDERLY

A. Block grants

The New federalism—the redirection of power and money to the State and local levels from the federal level—has important implications for the elderly in terms of the way programs will be administered and the types and levels of services that will be available. At this juncture, the new federalism is being implemented in two ways: block grants and regulatory reform.

The consolidation of many like-purpose federal categorical programs into a block grant to the states is based on the premise that there are too many narrow-purpose federal programs which are costly, administratively burdensome, and often inefficient. Block grants remove federal administrative requirements and allow states to target funds as they see fit. Thus power and monies are turned over to the states and federal administration is reduced or eliminated.

The Associations support the consolidation of like-purpose programs which are duplicative or fragmented and also support the elimination of administratively burdensome or overly restrictive regulations. For example, the Associations have long advocated the consolidation (subject to minimal federal guidelines) of all federal energy assistance programs because such consolidation would eliminate costly administrative overhead and target limited resources to those truly in need.

On the other hand, however, the Associations have a number of concerns about the way in which categorical programs are being proposed for consolidation and turned into block grants. First, recent block grant proposals entailed virtually no assurance that monies will be used for their intended categorical purposes; the States were given the widest possible discretion. Second, federal monies are being passed to the states without any provision for monitoring or evaluating the state's use of these monies. Third, although it is probably true that aggregate costs of consolidated programs can be reduced by eliminating federal administrative overhead, the budgeted reductions in funds for these programs (12 to 25 percent) far exceed any savings achieved in administrative costs; these reductions will, therefore, translate into real benefit or service reductions.

Given the probability that more categorical programs (for pieces thereof) will be proposed for consolidation and block grants, the Associations recommend the following: First, no block grant proposal should be considered outside the normal channels of the legislative process with its public hearing requirement and other procedural safeguards. Second, each proposal should contain language designed to assure that block grant monies are spent for the purposes for which they were intended; the goal of providing states with more fund allocation flexibility and the goal of achieving federal expenditure objectives for benefits or services are not mutually exclusive. Third, block grant funds for consolidated programs should not be reduced (beyond what can be justified on the basis of reduced program overlays or duplication or reduced federal program administrative overhead) if such reductions will result in substantial reductions in benefits or services; it simply cannot be assumed that the states will increase their own funding to maintain benefit/service levels. Finally, program consolidation and block grant funding must not become a means for avoiding federal anti-discrimination statutes; such statutes must be complied with even in the context of block grants.

B. Regulatory reform

The second major aspect of the new federalism is regulatory reform. Over the past several years, Congress has come to reflect the increasingly strong "anti-government regulation" sentiment prevailing among the public. As a result, it has become attentive to charges that regulation is driving up the cost of doing business and restricting productivity. These regulation-related costs which are passed on to the consumer in the form of higher prices are looked upon as a significant factor contributing to overall inflation. Regulation, the sentiment continues, is inflationary, and, to the extent it has become excessive, is unnecessary.

Reflecting this public sentiment, the new Administration is totally committed to reducing federal regulatory activity. To this end a Task Force on Regulatory Relief has been created to review regulations alleged by industry to be the most burdensome. Also, a conscious effort has been made to appoint to the federal departments and agencies, persons who believe that, to be approved, the benefits of proposed regulations must demonstrably outweigh their costs. Finally, to assure proper scrutiny, the Office of Management and Budget must review all new federal rules and regulations before they can become effective.

As a consequence of all this, the rate of production of federal regulations has greatly slowed. Agencies are reluctant to move forward on proposed rules, even those which have nearly completed the regulatory process, like the Federal Trade Commission's funeral rule. In addition, agencies and departments have reversed or eliminated many pending or final rules, usually without an opportunity for public comment. This happened in the case of proposed rules on patients' rights linked to the Medicare/Medicaid nursing home reimbursement provisions. Finally, there has been an increasing propensity on the part of federal agencies to accept voluntary compliance by industry as a substitute for regulatory action and mandatory compliance. Such was the case with sodium labeling requirements for processed food products. (See section on Nutrition for further discussion.)

Congress has responded to the popular sentiment against regulation in four ways. First, it has tended to reject legislation which might impose additional regulatory burdens. Such was the case with hospital cost containment legislation in the 96th Congress. Second, Congress has tended to favor legislation to deregulate already heavily regulated industries. Over the last few years, legislation was passed to phase out or reduce government regulation over financial institutions and the trucking, railroad and airline industries. Currently, Congress is grappling with legislation to deregulate the telecommunication, bus and insurance industries. Third, Congress has acted to delegate to the states the responsibility for administering programs. This, for example, explains its recent receptivity to block grant proposals.

Certainly, when deregulation renders a particular industry more price competitive and cost conscious, all consumers including the elderly, benefit. The Associations have generally supported legislation designed to achieve these objectives—such as the legislation to deregulate the financial, trucking and airline industries. However, the Associations also believe that the anti-government regulation sentiment in the Congress has tended to become undiscriminating. If the label "over-regulation" or "consumer protection" is attached to a bill, it is almost automatically prejudiced, without regard to its merits. This inability to distinguish between beneficial and burdensome regulation can be harmful to the elderly. Not all regulation is unnecessary, anti-competitive, and inflationary; not all deregulation is competition promoting and anti-inflationary.

The increasing tendency of federal lawmakers to rely on the states to correct problems which are national in scope has its disturbing aspects. Although some issues are rightfully left to states, Congress should be willing to step in and act effectively when the states fail to act.

A good example of effective federal intervention in an area traditionally left to the states was the legislation enacted in 1980 to correct widespread, well-documented fraud and abuse in the advertising and sale of so-called "Medigap" health insurance—private health insurance which is designed to supplement basic coverage under Medicare. The new federal law creates a voluntary certification program for Medigap policies, offering a federal "seal of approval" for policies which meet minimum standards of adequacy and which are sold in accordance with standard marketing practices. States which wish to avoid federal certification of policies sold within their borders can do so by enacting statutes or implementing regulations that set standards as least as stringent as the minimum set forth in the federal law.

Finally, since the 95th Congress, existing programs and federal agency actions have come to be scrutinized with an eye toward reforming the regulatory process. The Associations generally endorse such Congressional scrutiny. Programs and regulations which have outlived their usefulness, duplicate the functions of others, or have become so administratively burdensome that they are no longer worthwhile should be thoroughly reviewed, revised and, where appropriate, eliminated.

Many regulatory reform proposals made to date, however, would further fragment authority among the Congress, the courts and the agencies, thus complicating an already complex regulatory process. Some of these proposals would require agencies to prepare and publish the costs and benefits of proposed major regulations, justify the need for them, list alternatives and, in most cases, implement the least costly alternative. While this type of reform has superficial appeal, it may provide agencies with a tool to circumvent Congressional intent.

"Sunset" legislation, another popular reform proposal, would require periodic review (by Congress and/or the agencies) of existing regulations. Although the concept itself has merit, the Associations believe that, rather than automatic terminations, positive action (either a congressional vote or a notice of agency intent) should be required in order to terminate programs or regulations.

The Associations are also concerned over the use of the "legislative veto" by one or both houses of Congress to stop the promulgation of agency rules and regulations. This mechanism tends to duplicate powers which Congress already has. To avoid problems arising as a result of agency regulatory or rulemaking activity, legislative language should be as clear, concise and specific as possible so as to leave little room for agency interpretation. Congressional oversight committee functions should be utilized to a greater degree. In addition, agencies should be made more responsive to those affected by proposed rules through expanded and adequately funded public participation programs.

Regulatory and deregulatory action that promotes a workable degree of competition, as well as fair and ethical business practices in a particular marketplace, is generally desirable and ought to be pursued. Given their relatively fixed and limited incomes and the impact of high rate inflation on them, the elderly are hurt the most by anti-competitive, cost and price promoting practices. In addition, the elderly are more vulnerable to and less able to afford the financial hardship resulting from fraud and deception in the marketplace.

THE OLDER CONSUMER: THE FEDERAL ROLE

In light of continuing efforts by the Administration and the Congress to cut back federal regulatory activity and shift to the states administrative responsibility for many of the programs that serve the elderly, the Associations must emphasize the need for continued, adequately funded consumer protection activity at the federal level. It is essential that the elderly be informed about the protections, rights and remedies available to them. It is equally essential that effective consumer education and information and mass media programs be developed or continued that will help protect the elderly against fraud and deceit, especially in the marketing of goods and services of which they are disproportionately large consumers. This means that agencies of the Federal Government, such as the Federal Trade Commission, Food and Drug Administration, Consumer Product Safety Commission, the U.S. Office of Consumer Affairs and consumer affairs offices within departments and agencies, must be allowed to continue their consumer protection and education activities. That means that appropriations for these agencies and offices must be sufficient to sustain these activities. It also means that artificial barriers to such activities must not be created and those that have been, such as the current moratorium on new government publications and the decision to eliminate 900 consumer publications and program guides, must be removed or reversed.

The federal government must also continue and increase outreach efforts so that the consuming public will have reasonable opportunity to participate in government decision-making and rulemaking processes. Agencies will tend to be more responsive to those affected by a proposed action or rule as a result of expanded and adequately funded public participation programs. The sensitivity of government agencies to the special concerns and interests of the elderly would be further enhanced by the appointment of qualified elderly citizens to the various panels and commissions that either regulate programs that are of importance to the elderly or provide guidance or advice to the administrators of such programs.

Another way the federal government can enhance effective decision-making at minimal cost is to carry through on the spirit of Executive Order 12160, which requires all federal executive agencies to create or improve consumer affairs offices. It is through the Order's requirements, which include the establishment of effective procedures for full participation by consumers in agency proceedings, that agencies will be more sensitive to the elderly's needs and concerns, especially when they differ substantially from those of younger consumers.

AGE DISCRIMINATION IN FEDERAL PROGRAMS

The Age Discrimination Act (ADA) prohibits age discrimination in federally supported programs and services. The Act has great potential to eradicate discriminatory practices. However, there are two serious loopholes in the Act. One grants an automatic exemption from the Act to age-restrictive practices authorized by state statute or local ordinance; the ADA is thus the only federal law permitting non-federal legislative bodies to override a prohibition against the discriminatory use of federal monies. The second permits federally supported programs to use age criteria that are shown to fulfill a business or program objective. Both loopholes ought to be eliminated so that the exclusionary use of age criteria is limited to programs where Congress has by statute authorized that use.

CRIME AND ABUSE OF THE ELDERLY

The elderly tend to have a greater fear of crime and are more vulnerable to certain types of crime than other population groups. Lack of mobility and living alone and/or in older, less secure housing exacerbates their fear and vulnerability. Steps must be taken to reduce the criminal victimization of the elderly.

The federal government should encourage state and local agencies to compile detailed and uniform crime statistics, including such information as victim age, so that those crimes to which the elderly fall disproportionate victims will be clearly and accurately identified.

Federal funds should be targeted to a greater degree on prevention of stranger-to-stranger violence and crimes against property. Increased government sponsorship and funding of crime prevention programs are needed to increase citizen interest and participation in community efforts to reduce crime. Additional public information and media programs are also needed to education persons, especially older persons, about simple crime prevention techniques. To reduce economic crime like criminal fraud and deceptive practices, education programs should be continued to demonstrate how the elderly are victimized and suggest means for self protection.

The federal government should take steps to control the availability of handguns because of their frequent use in the commission of violent crimes. Federal financial assistance should be provided to the states to provide adequate indemnification to victims of crime. Prosecution programs aimed at career criminals or repeat offenders should be established.

A new federal criminal code should be enacted to eliminate inconsistencies in present law and strengthen the criminal justice system. Consideration should be given to imposing prison sentences, with no suspension or probation for conviction of certain violent crimes. Additional reforms should include modifying evidentiary exclusionary rules, barring motions (including motions for continuances and appeals) that are frivolous, spurious or merely delaying and imposing limitations on plea bargaining in sentencing.

Another area of concern which must be addressed is the physical, psychological and material abuse of the elderly in their homes and in institutions. Because the potential for such abuse grows as the elderly population increases, the federal government should encourage research into the frequency and causes of the problem and development of education and training programs for care and service providers to foster preventive measures where possible. In addition, providers should be given incentives for reporting cases of elder abuse. If the nature and magnitude of the problem warrant, the federal government should encourage state and local governments to enact and enforce adult protection laws.

Although much has been done to correct institutional abuse, many states still do not effectively enforce compliance with criminal physical and chemical restraint statutes. If the states fail to take appropriate action to end abuse of the elderly in institutions, then the federal government should act through nursing home regulations for conditions of medicare-medicaid participation and through civil and community regulation by the Department of Justice.

EDUCATION AND TRAINING

Educational opportunities for the elderly have traditionally been directed primarily at enrichment activities, unrelated to economic or social needs. The Associations, however, regard education as a tool to help older persons solve fundamental problems, as well as assume or remain in productive roles.

Several actions should be taken to promote lifelong learning. First, assuming retention of the Department of Education, a position within the Office of the Secretary should be assigned responsibility for coordinating policy for older adult learner programs since education for older adults cuts across several areas (e.g., vocational education, research, adult education, and postsecondary education). Second, adequate funding should be provided to implement the new aspect of Title I of the Higher Education Act that is aimed at improving access for the older learner in a variety of settings. Third, the focus of lifelong learning should increasingly be directed at work-related areas as for example, by placing greater emphasis within the Vocational Education Act on community and technical colleges which offer potential job training opportunities for older persons and by funding that section of the Career Education Act that provides career education opportunities for adults (including older adults).

Fourth, improved financial assistance should be made available to the elderly to help assure that they have access to educational opportunities. Fifth, the Associations support adequate funding for the Adult Education Act which offers adults, including the elderly, who cannot read or write an opportunity to learn basic literacy and coping skills. Finally, under the Older Americans Act, the Associations urge full implementation of the provisions of the 1981 OAA Amendments that clarify and give greater attention to the education and training needs of the elderly; in addition, funding under the Act should be allocated for self-help education activities (to help older persons care for themselves and

remain productive) and for demonstration job training projects.

Once training programs which prepare older persons for employment or community service work are developed, the government should encourage the private sector to implement and build upon these. Coordination and strong linkages between traditional and non-traditional opportunities, including telecommunications, must be encouraged because many adult educational and/or training programs have been developed outside the traditional classroom setting where many older persons prefer to learn.

The training needs of those providing services to the elderly will increase as the frail elderly population increases. Therefore, institutions of higher learning should provide training in gerontology, geriatrics and in-service training for practitioners. The federal government should encourage this effort by establishing certifying programs for practitioners. Also training should be available to providers in non-aging fields who lack opportunities for professional gerontological training.

HOUSING POLICY

For the elderly, adequate housing at an affordable price is essential to most other aspects of their lives. Since the cost of housing consumes nearly one-third of their household budget, any government program that helps them afford adequate housing also helps them afford adequate food, fuel and medical care.

The government must assure an adequate supply of shelter—with related services—for the elderly and should financially assist low and moderate-income older persons with the cost of housing. Elderly housing policy should be flexible in both the types of housing made available and eligibility standards. In addition, government programs should promote and, as soon as possible, provide financial incentives for private, alternative living arrangements, such as group homes, the recycling of existing housing stock and use of equity, to postpone institutionalization and dependency upon public assistance. Government programs must also address the needs of the rural elderly.

The Section 202 Housing for the Elderly Program and the Section 8 Rental Assistance Program have been the government's principal response to elderly housing needs over the past few years. Now, the Administration is apparently persuaded that the best method of providing affordable housing to low income persons, including lower income elderly is through the use of housing vouchers. The President's Housing Commission has recommended that such housing assistance be available only to persons below 50 percent of area median income. (Assistance under the Section 8 program is based on 80 percent of area median income.) The Commission would eventually terminate the Section 202 and Section 8 programs. It is the Commission's position that vouchers would stretch federal housing dollars further while still meeting the needs of low-income tenants and qualified homeowners. It is felt that the federal effort can also benefit from the use of Community Development block grants.

The Associations do not oppose these recommendations in principle but would insist on an extended transition period as any voucher program is phased in and would urge then an appropriate percent of block grant funds be used specifically for elderly housing. For the present, until an alternative can be proposed and tested, the Associations think the Section 202 direct loan program should remain the primary vehicle supplying housing for the elderly. Section 8 funds, which provide rental subsidies to the low-income, should continue to be available in increasing amounts for use with Section 202 projects. To stimulate other construction, rehabilitation and use of existing housing, the Department of Housing and Urban Development (HUD) should continue efforts to expand the role of state housing finance and development agencies and local housing authorities.

Congregate housing provides shelter along with nutrition, housekeeping and personal care assistance for the elderly in public and private, non-profit housing projects. Sufficient funds should be appropriated and coordination of support services should be mandated between HUD and the Administration on Aging (AoA) to expand the congregate housing facilities available and provide a more adequate evaluation of assisted residential living as a long-term economical response to institutionalization. Other programs that justify further funding and appraisal are home maintenance, home delivery, nutrition, transportation and homemaker/home health services, all of which enable the elderly to remain in their homes. In addition, HUD should emphasize demonstration projects dealing with residential security and reduction of crime.

Most of the consideration at the present time is going to the needs of renters without addressing the needs of elderly homeowners. There is an acute shortage of safe, well-designed and affordable housing that has appropriate support services for the older population. The Associations believe this shortage could be addressed, at least in part, through development of housing coalitions that would have access to community development block-grant funds, tax-exempt bonds, and a federal housing administration insured program created for this purpose.

As an adjunct to government efforts to help the elderly remain in their homes, the concept of the reverse annuity mortgage should be thoroughly explored. Under this concept, older homeowners would be able to convert their home equity into current income while still retaining title and possession for life. However, appropriate safeguards must be established to protect older homeowners against fraudulent loss of both home and equity in such transactions.

In terms of Housing Policy, the issue of rent controls and their impact on the elderly's ability to remain in their homes merits discussion. Proposals have been advanced that would deny federal grants to cities which have rent control laws in place. Such controls, opponents charge, discourage investment in new rental properties, encourage conversion of existing properties to condominiums or cooperatives and prevent landlords from generating enough income to maintain rental properties. Although the Associations are sympathetic to some of these arguments, rent controls could not be lifted abruptly without causing severe hardship to, and perhaps displacement of, low-income renters, many of whom are elderly. Therefore, the Associations would oppose any proposal that predicates federal grant money on an abrupt lifting of existing rent controls. Instead, the Associations favor tax incentives to encourage development of moderately priced rental units and subsidies to community agencies to help them plan for developing sufficient rental property to meet local needs. Once these tax incentives and plans produce additional units, rent controls could be removed.

LEGAL SERVICES

Legal service programs are essential to the elderly because large numbers of them cannot afford to purchase legal representation privately. Older persons not only have the same legal service needs as most other Americans but also additional legal requirements directly related to their unique health, income and discrimination problems. Legal services help these individuals to obtain basic necessities, such as health care, in-home support services, protective services, and benefits from programs like social security and SSI.

It is particularly important that elderly persons retain their independence and dignity; decisons about their lives should be made by the individuals themselves and by their families. Legal services support these traditional values by informing older persons of their rights, reminding them that they are not helpless and assisting them to regain control over their lives.

For all of these reasons, the Associations believe it is imperative that legal services programs remain strong and that private bar resources serve to supplement them. Consequently the Associations continue to support the preservation and strengthening of legal service programs under the Legal Services Corporation and the Administration on Aging.

NUTRITION

Balanced, nutritional diets can help older persons avoid chronic ailments and high medical expenses. However, such diets require that the elderly be able to determine the nutritional ingredients of packaged foods, have no severe income limitations, and be informed as to what constitutes proper diet.

Mandatory labeling standards should be developed listing nutritional values; ingredients by percentage and other essential consumer information. Descriptive illustrations on product or shelf should be used to convey such information. Mandatory labeling is particularly necessary with respect to the sodium content of processed food since it is recognized that excess sodium in the diet is directly related to high blood pressure, heart attacks and strokes. The food industry should also be encouraged to offer products which contain minimum or negligible quantities of salt and/or sugar to accommodate those who are on restricted diets. Food retailers should utilize both unit and item pricing.

The AoA Nutrition Program, with its home-delivered meals aspect, provides needy elderly with at least one nutritional meal a day, five days a week. Although outreach is required under the program, it is often not attempted since the program is already operating at the maximum level permitted by funds available. Better information is needed to determine the potential number of eligible participants and, thus, the maximum cost. Once that information is obtained, the funding deficiency should be remedied. A study should also be undertaken to determine the extent to which home-delivered meals, particularly in rural areas, can be supplied in frozen form so that they would need to be delivered less often.

To date, nutrition education has been minimal and rarely directed toward the elderly. Therefore, nutrition education programs should be developed with special focus on low-income and minority elderly groups.

THE OLDER AMERICANS ACT AND SOCIAL SERVICES

Congress enacted the Older Americans Act (OAA) to (1) assist persons 60 or older to live independently in their own homes and (2) remove individual and social barriers to economic and personal independence for the elderly. Because of the home health, homemaker, chore, friendly visitor and other vital services provided under the Act, many older persons have been able to remain in their own homes and avoid institutionalization.

Since it was implemented, the nutrition program, for which the OAA provides, has enjoyed a record of success, providing nutritious meals and an opportunity for social interaction. In addition, the nutrition program reaches out and serves the homebound.

Research, training and demonstration programs under the Act complement the delivery of social services. Many service providers in the Administration on Aging's (AoA) network receive either short-term of career-type training under Title IV. Several innovative programs have evolved from AoA demonstrations, including the nutrition program for the elderly and the Retired Senior Volunteer Program (RSVP).

The 1981 OAA Amendments should build upon the solid achievements of the original Act and its subsequent extensions. The new amendments will grant greater flexibility to state and local offices on aging, but will maintain priority services for the elderly. Nutrition will remain a separate program, but local offices on aging will have greater latitude in allocating funds between nutrition and social services.

The Associations recommend the following actions to insure the continued success of the Older Americans Act. First, OAA should remain a separate program with earmarked funding; it should not be subsumed in an overall block grant. Second, it should be fully funded. Third, existing authorizations should be reviewed to determine whether they should be bolstered to keep pace with anticipated inflation and demand. Fourth, AoA should monitor the Act closely to insure that persons with the greatest economic or social needs are effectively served, as required by law. Fifth, funding for Title IV's research, training and demonstration projects should be increased to more adequate levels. Sixth, under Title III, specific emphasis should continue to be placed on provision of a continuum of care for the vulnerable elderly; supportive services should be coordinated so that those elderly who have mental and/or physical disabilities have the option of remaining in a home or congregate housing environment as long as possible. Finally, AoA should take positive steps to remove needless paperwork requirements for state and local offices on aging, service providers and others.

The newly restructured Title XX social services program under the Social Security Act is designed to implement several goals that include: (1) helping people live independently and maintain self-sufficiency; (2) preventing or remedying abuse or exploitation of children and adults; (3) providing in-home services to prevent people from being prematurely or unnecessarily institutionalized; and (4) providing services to individuals in institutions when appropriate. The Associations believe that administrative linkages between state plans under the Older Americans Act and Title XX state social services plans should be strengthened. Older individuals and local programs should participate in the Title XX planning process and the commitment of Title XX funds to implement the goals of state and area agency plans.

Although many state and local social service programs are supported by revenue sharing funds, the elderly have never received their fair share of these funds. To correct this, the federal government should require that greater consideration be given to the elderly's needs in distributing any revenue sharing funds available and that the elderly be given opportunities to be involved in the fund allocation process.

Federal policy should encourage families, volunteers and community groups to provide social services to the elderly. Families and unrelated individuals who provide care for older persons should be helped financially, educated as to proper techniques in caring for dependents, and made eligible for social support services. (See Health Policy and Tax Policy for further discussion.)

New and expanded roles should be provided for volunteers, especially since funding for service programs is generally being held in check or reduced. Volunteers should receive appropriate training, supervision and reimbursement for out-of-pocket expenses. The use of volunteers can be encouraged through the AoA network and ACTION's older American volunteer programs: RSVP, Foster Grandparents and Senior Companions. These programs should be adequately funded to insure that volunteers can help to compensate for the loss of social service funds.

Finally, there should be a comprehensive national study examining: (1) how services can be delivered more effectively to the elderly; (2) approaches to strengthen services delivered by families and informal support systems; and (3) overall financing and manpower needs. Problems of underserved groups should be studied closely, particularly for the minority elderly and those living in rural areas.

TRANSPORTATION

For the most part, the elderly's transportation needs are intertwined with those of the general public and can be met through a coordinated and improved transportation system which adequately serves the entire community. Certainly much more funding ought to be committed to mass transit in both urban and rural settings. To help meet the elderly's needs, special subsystems should be used as part of the total transportation system, particularly in areas where transportation services are limited or nonexistent.

The Association support regulatory efforts which allow local communities some flexibility in complying with the statutory requirement that all transit facilities and vehicles must be "barrier free" (i.e., accessible to wheelchairs). By giving local communities some options in accommodating the disabled, the needs of the handicapped and the elderly and the financial concerns of the communities can be reconciled.

Because transportation is the link to all other human services needed by the elderly, it must be affordable and reasonably accessible in terms of vehicle design and routing to the places elderly persons need to go. Therefore, efforts should be made on the federal level to improve accessibility for older persons through reduced fare programs, universally accepted identification cards for mass transit discounts (for example, Medicare cards) and the coordination of transportation services across human service programs.

Restrictions placed on persons who can be insured raise transportation costs for human service programs. For example, social service agencies are often unable to use older volunteer drivers because insurance often cannot be obtained for drivers above an arbitrary age. Utilization of school, church and privately-owned buses or vans is limited because, again, insurance often does not cover the social service clients who could be transported in such vehicles. Certainly, remedying these problems could promote more efficient use of transportation resources and, at the same time, enhance the elderly's and the poor's access to many social services available in the community.●

SAUDI DEMONSTRATION OF M-1 TANKS

● Mr. BOSCHWITZ. Mr. President, the U.S. Army plans to send two M-1 tanks to Saudi Arabia this summer to help demonstrate the latest model U.S. tanks to that country's officials.

The press reports of the plans aroused some concern that the demonstration might be viewed by the Saudis as a commitment, implied or otherwise, to sell them M-1 tanks. During the 1981 debate over the sale of AWACS to Saudi Arabia, Saudi officials contended they had a commitment from the U.S. Government to sell the planes. Apparently this was based on private conversations with some officials of the previous administration. Saudi interest was enhanced by demonstrations of the AWACS plane in Saudi Arabia to top Saudi officials including members of the royal family.

Because of this history, Senator SARBANES, the ranking minority member of the Senate Foreign Relations Committee on the Near East, which I chair, and I sent a joint letter to the President to express our concerns. Congress should not be told, some time in the future, that a commitment had been made to sell the tanks and that the demonstration was part of the commitment.

The State Department recently replied that the Saudis "clearly understand that demonstration of a particular item of military equipment does not imply an American commitment to sell that item."

I ask to place the exchange of letters in the RECORD.

The letters follow:

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C., April 6, 1983.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: We are writing to express our concern over recent reports that the United States intends to ship M-1 Abrams tanks to Saudi Arabia for testing and demonstration there. In particular, we are concerned that this action may be interpreted as a commitment, implied or otherwise, to sell M-1 tanks to the Saudi government.

Spokesmen for the Department of Defense have confirmed that the tanks are

scheduled to be shipped to Saudi Arabia this summer. We now ask your assurance that the tanks are meant for testing and demonstration only, and that no sale is contemplated or intended in connection with the shipment. In so doing, we seek to avoid any misunderstanding between the U.S. and Saudi governments that might later lead the Saudis to claim an M-1 sale to be a "litmus test" of U.S.-Saudi relations.

We look forward to your prompt reply about this serious matter.

Sincerely,

RUDY BOSCHWITZ,
Chairman, Subcommittee on Near East and South Asian Affairs.
PAUL SARBANES,
Ranking Minority Member.

U.S. DEPARTMENT OF STATE,
Washington, D.C., April 2, 1983.

Hon. RUDY BOSCHWITZ,
Chairman, Subcommittee on Near East and South Asian Affairs, Committee on Foreign Relations, U.S. Senate.

DEAR MR. CHAIRMAN: I am responding on behalf of the President to your joint letter with Senator Sarbanes of April 6 regarding the Administration's decision to demonstrate the M-1 tank in Saudi Arabia this summer.

This demonstration of the M-1 tank and the Bradley M-2/M-3 fighting vehicles will be a follow-up to a similar demonstration for Saudi observers conducted in the United States during 1982. We will be sending two M-1 tanks, one M-2, and two M-3 vehicles to Saudi Arabia on a temporary basis. This equipment will remain the property of the United States, and will be returned to U.S. Army inventories following the demonstration. The demonstration is being held at Saudi request, and the Saudi Arabian Government will bear all costs incurred.

We have received no request from the Saudi Arabian Government to purchase the M-1 tank or the fighting vehicles. The Saudis are looking at armored equipment from a number of countries in order to make an informed decision on how they can best improve their defensive capabilities. They clearly understand that demonstration of a particular item of military equipment does not imply an American commitment to sell that item.

Let me assure you that if a Saudi request to purchase the M-1 is made, it will be given careful scrutiny and consideration by the Administration in accordance with standard practice and law, including notification of a sale to the Congress prior to its approval.

I hope you have found this information helpful.

With best wishes,

Sincerely,

POWELL A. MOORE,
Assistant Secretary for Congressional Relations.●

PRINCESS YASMIN COMMENDED FOR EFFORTS RELATING TO ALZHEIMER'S DISEASE

● Mr. PRESSLER. Mr. President, I have come before this body many times in the past to speak about the problem that Alzheimer's disease presents to millions of older Americans and their families. Princess Yasmin Aga Khan is a woman I am proud to call my friend and someone who has done a great deal to increase public awareness about Alzheimer's disease. Her efforts in this area have been outstanding. She has gone before the public many times to share the story of the tragic effects of this disease, and her assistance has contributed enormously to the increasing recognition that Alzheimer's is, in fact, a national problem.

Mr. President, I would like to say here that Princess Yasmin deserves the thanks of all of us for her unselfish and extraordinary efforts. Recently, she received a letter from President Reagan in recognition of her work in this area. I would like to join the President in thanking Princess Yasmin as well, and to ask that the President's letter be printed in the RECORD.

The letter follows:

THE WHITE HOUSE,
Washington, D.C., May 10, 1983.

Princess YASMIN AGA KHAN,
New York, N.Y.

DEAR PRINCESS YASMIN: Like most Americans, my true understanding of the tragedy called Alzheimer's Disease is relatively recent. For too long this insidious, indiscriminate killer of mind and life has gone undetected, while the families of its victims have gone unaided.

In your letter, you asked for my help in increasing this awareness—among the public, insurance companies and governmental representatives. It is assistance I will provide whenever and wherever possible.

You asked, too, for the commitment of additional research funds. I am pleased to note that Federal funding for this will increase by nearly 50%—from $17 million to $25 million—in fiscal 1984. Also, Secretary Margaret Heckler of the Department of Health and Human Services has established a Task Force on Alzheimer's Disease to coordinate and promote the Department's many activities in this area.

In closing, I sincerely wish to applaud your efforts and those of the thousands of ADRDA volunteers who tirelessly provide support and hope to Alzheimer's families nationwide.

Sincerely,

RONALD REAGAN.●

STRUGGLING FOR DEMOCRACY AND HUMAN RIGHTS IN SOUTH KOREA

● Mr. KENNEDY. Mr. President, I wish to discuss again the deep concern which I share with such outstanding leaders as Mr. Kim Dae Jung and Mr. Kim Young Sam about the continuing repression in South Korea. I would like to take this opportunity to renew my expression of support for the goals of democracy and human rights to which Mr. Kim Young Sam committed himself during his recent hunger strike, which began on May 17, and has just ended.

We know that Mr. Kim and other Korean democratic leaders will continue to do all they can to further the cause of freedom in their land. I commend Mr. Kim for his commitment and his sense of responsibility to those who look to him for leadership in this great cause.

I have expressed my concern for Kim Young Sam's health, as well as my support for the goals of his hunger strike, to officials of both the American and Korean Governments. I have also expressed my hope for renewed efforts to achieve accommodation with the legitimate views expressed by Mr. Kim and his supporters. I know that many in the Congress and our Nation share the same concerns at this important time in the struggle for democracy and human rights in Korea.

Mr. Kim Dae Jung, the highly respected opposition leader who came to the United States this past December and who has met with me and many others in Congress since then, has written an important article in the New York Times regarding Kim Young Sam's hunger strike and its wide-ranging implications. The article provides valuable and timely insight into what our Nation's goals should be not only in Korea but elsewhere in the world.

In his article, Kim Dae Jung states that "all Koreans ask is that the United States now make clear its support for the restoration of democracy in South Korea, a country that has been a staunch ally for 3½ decades," and that "without democracy there is neither lasting security nor stability."

Mr. President, I submit for the RECORD Mr. Kim Dae Jung's article and excerpts from Mr. Kim Young Sam's May 2 "Statement to the Citizens of South Korea."

The material follows:

[From the New York Times, June 9, 1983]

KIM'S HUNGER STRIKE

(By Kim Dae Jung)

WASHINGTON.—The political unrest that has erupted in South Korea in recent weeks warrants a prudent decision by the United States Government. Kim Young Sam, former president of the now-banned New Democratic Party, has been on a hunger strike since May 17 to dramatize the popular desire for democracy in the country. He now is bordering on unconsciousness.

In his statement announcing the hunger strike, Mr. Kim demanded specific democratic reforms that include: release of all prisoners of conscience; restoration of the civil rights of those who have been deprived of them for political reasons: guarantee of freedom of expression; and rescinding of all antidemocratic laws. Mr. Kim also registered a strong protest against United States support for the repressive regime in Seoul.

Kim Young Sam's hunger strike and subsequent developments in South Korea have significant political implications. His action marks the first open confrontation between the Government of President Chun Doo Hwan and politicians who have been silenced by the regime's "Political Restriction Law."

Further, it has become a catalyst for a coalition of opposition politicans and other democratic figures, including clergymen, scholars and students. An increasing number of students have staged demonstrations on and off campuses that have resulted in a heightened level of popular unrest.

The South Korean Government has failed to take any positive steps in response to Mr. Kim's hunger strike. The authorities have prevented the news media from mentioning it and have tightened the suppression of Mr. Kim's supporters through house arrest and other measures. The Chun Government is unwilling to make any compromise with Mr. Kim. Yet it is incapable of suppressing Mr. Kim and his supporters, who are willing to risk their lives in nonviolent resistance.

Even though Mr. Kim's actions represents the democratic aspirations of the South Korean people, the United States Government has appeared indifferent. In the context of South Korean-United States relations, which have been defined by the presence of 40,000 American troops in South Korea and close political and economic ties, such an American attitude will be widely interpreted as tacit support for the repression in South Korea.

Quiet diplomacy has its place, but it has not worked effectively in this case. Moreover, Washington should never appear to abandon the principle of democracy and human rights, and it is for this principle that Mr. Kim is approaching death.

If takes no great insight to understand that Washington has to deal with those who are in power. Just as America had to deal with President Syngman Rhee's autocratic Government in the 1950's, so must it deal with the Chun regime. But it should be recalled that the United States Government evoked the gratitude of the South Korean people when, toward the end of Mr. Rhee's rule, it gave moral support to the nation's democratic movement. Similarly, the Carter Administration won the trust of the South Korean people through its support for human rights, even though its implementation of the policy was uneven.

We Koreans can never overemphasize that the task of restoring democracy is for the Koreans themselves. We Koreans are not asking anyone else to do the job for us, nor do we welcome interference in our domestic affairs. All we ask is that the United States now make clear its support for the restoration of democracy in South Korea, a country that has been a staunch ally for three and one-half decades.

Some of our American friends may say that dictatorship in South Korea, while objectionable, ought to be tolerated because of security needs and stability. I disagree. Without democracy there is neither lasting security nor stability. The best evidence is the current political instability in South Korea. Would American citizens accept a dictatorial form of government for themselves because of the threat from the Soviet Union? I think not. Why then should it be different for South Koreans because of the threat from North Korea?

Some may even argue that South Koreans are not ready for democracy. I believe that this argument is untenable in view of the fact that the educational, cultural and economic standards of the South Korean people far surpass those of Americans 200 years ago, when American democracy was established.

It is time for the United States Government to reaffirm the importance of freedom in South Korea. Without the restoration of democratic government and institutions, there will be neither stability nor security in my country.

Kim Young Sam's fast and its political impact seriously challenge the United States Government to reconsider its policy.

EXCERPTS FROM "STATEMENT TO THE CITIZENS IN SOUTH KOREA"

(By Kim Young Sam)

I appeal to the patriotic citizens who desire democracy and, at the same time, to my political colleagues in South Korea, to overcome whatever situations and differences and consolidate your strength and focus it on the restoration of democracy for the country.

* * * * *

My fellow citizens! We should bear in mind that democracy for our land can only be achieved by our own efforts and sacrifices. No allies or foreign powers can or will do the job for us. We, the minjung, the citizenry, should bear the awesome responsibility . . . I share the hope for the future with you. We shall stand up and move forward leaving despair behind us.

* * * * *

Finally, I challenge the current regime in our country to come up with solid evidence if it indeed wants democracy. I ask if the regime is willing to take the measures, outlined below, which I consider to be basic conditions for the restoration of democratic government.

1. To release the students, religious leaders, intellectuals, and workers who are languishing in prison for their participation in democratic movement.

2. To lift the political ban on certain individuals and allow all the citizens, including politicians, to freely participate in political process.

3. To reinstitute in their respective original status the professors, students, and workers who have lost their position for political reasons, and to restore civil rights to those who had been deprived of it for the same reason since the Yushin (Park Chung Hee) repression.

4. To guarantee freedom of expression, to rescind the control of press, to allow the reemployment of journalists fired for political reasons, and to liberalize the control on private media and Christian Broadcasting System.

5. To rescind all anti-democratic laws "unlawfully" enacted by the current regime, including laws on political activities, press, rally, national security, election for national assembly, presidential election, and labor law.●

EXPOSURE SUITS

REQUIREMENTS FOR MOBILE OFFSHORE DRILLING UNITS (MODU'S) AND OTHER OCEANGOING AND COASTWISE VESSELS

● Mr. TRIBLE. Mr. President, on February 12, 1983, the collier, *Marine Electric*, sank. Of the 34 persons on board, 31 lost their lives. Unfortunately, this was not an isolated occurrence, but merely the last in a series of similar disasters.

In 1971, the M/V *Maryland* sank, with the loss of six of its seven crewmen. In 1973, the M/V *Comet* sank, with the loss of 16 of its 27 crewmen. In 1975, the SS *Edmund Fitzgerald* sank, with the loss of its entire crew of 29. And, 1 year ago, the mobile offshore drilling unit (MODU), *Ocean Ranger*, sank, with the loss of all 84 persons on board. In each instance, lives would have been saved if the crew had exposure suits available for their use.

To prevent a recurrence of these tragedies, I have introduced legislation, S. 1441, which would require protective garments, or exposure suits, on all commercial oceangoing or coastwise vessels as well as MODU's—with the exception of passenger vessels—which operate in waters colder than 60 °F.

The National Transportation Safety Board has been advocating provision of exposure suits for more than a decade. It first called for such gear when the freighter *Maryland* sank in 1971, and renewed the call when the *Comet* sank 2 years later. My bill implements the recommendations of the NTSB.

My bill will add substantially to the safety of oceangoing commercial vessels at modest cost. The $200 to $300 cost per suit is a modest price for the preservation of life. The cost of equipping the *Marine Electric* with 36 exposure suits would have been about $10,000; a sum roughly equivalent to a captain's wages for 1 month, and less than the cost of operating the vessel for 2 days. The estimated average cost per vessel from this legislation is only $12,000.

In order to insure prompt and full compliance with the provisions of this legislation, my bill would make violations punishable by up to 2 years in jail and level a fine of up to $100,000. I believe that safety is a serious matter and calls for serious penalties.

Mr. President, I am aware that the Coast Guard has acted in this area, but the proposed regulations are inadequate.

My bill saves lives by insuring the availability of exposure suits in times of peril.●

NATIONAL DRAFTING WEEK

● Mr. CHAFEE. The designation of the week of April 4–8, 1983, as National Drafting Week marks the beginning of the second decade of the American Institute for Design & Drafting's program to commemorate the efforts of the more than 360,000 individuals in this country who work as designers and draftsmen.

Today's conventional wisdom tells us that we need to better coordinate our educational and business organizations if we are to achieve maximum efficiency and results. This goal has already been accomplished by the institutes which teach drafting and design.

I feel fortunate that one such organization—the Hall Institute—is located in Rhode Island. Hundreds of students from throughout New England have come to Hall Institute. They come for its personalized system of instruction and for its reputation for imparting to

its students the skills and attributes necessary to succeed in industry.

It is indeed fitting that Pawtucket, R.I.—the birthplace of the industrial revolution in this country—should also be the home of the Hall Institute, which is dedicated to teaching the skills necessary to keep this revolution going.

With its designation of a National Drafting Week, the American Institute for Designers & Draftsmen has helped to increase public awareness of the important contribution that designers and draftsmen make to our economy. They have my best wishes for continued success in this endeavor.●

NEW MEXICAN CAPTURES 56TH SPELLING CHAMPIONSHIP

● Mr. DOMENICI. Mr. President, as we know, performing well under stress is not easy. Blake Giddens, an eighth grader from Chaparral Junior High School in Alamogordo, N. Mex., knows this better than anyone today. Thursday, after watching 135 other contenders for the title of National Spelling Champion fall by the wayside at the hands of such words as "minestrone," "moussaka," and "echlalia," Blake became the 56th national champion of the Scripps-Howard National Spelling Bee. An award that carries with it a gold trophy, $1,000—and the pride of myself, and indeed, the entire State of New Mexico.

I understand that Blake and his mother, Nanette, spent countless hours laboring over dozens of words in preparation for his trip to Washington. It seems that at the moment of truth, all he needed was a knowledge of French cuisine. The word "ratatouille"—which I am sure not many of us could spell if our lives depended on it—enabled Blake to defeat the other surviving contender, and go on to correctly spell "purim" for the national title. I would like to take this opportunity to congratulate Blake on his stunning victory, and thank him for giving us another reason to be proud of our citizenship of New Mexico.●

REFUGEE VALEDICTORIANS

● Mr. KENNEDY. Mr. President, this week in Boston at the Madison Park High School, Hoan Binh La stood proudly in cap and gown as the valedictorian of her class. Ms. La is a Vietnamese boat refugee who came to our country with her family after spending a long, and difficult year in a Malaysian refugee camp.

At a time when we hear a lot of negative reports about refugee resettlement problems, it is important to note the many successes as well. Ms. La was joined by three other Vietnamese refugees as valedictorians of their high school graduating classes.

In Chattanooga, Tenn., Hieu Pham delivered the valedictory address at the Red Bank High School and his message to his class is the same message that all immigrants and refugees have given to our country throughout our history.

He said:

America is the land of opportunity. Even if you are nobody, you can make yourself somebody in this land. But you have to work for everything you get.

Mr. President, I commend to the attention of the Senate two articles describing these brave refugee valedictorians who came to our shores in desperation and in need of assistance, but who already are contributing to their communities in their new homeland. I ask that they be printed at this point in the RECORD.

The articles follow:

[From the Christian Science Monitor, June 9, 1983]

FROM WAR-TORN VIETNAM TO GRADUATION WITH HONORS

(By Robert Kilborn, Jr.)

BOSTON.—They are heartwarming stories—the kind that show the United States can indeed still be a land of opportunity for those who work hard.

In Pensacola, Fla.; in Chattanooga, Tenn.; and most recently in Boston, the spotlight at high school graduation exercises this spring has fallen on three young people with something in common besides their academic achievements.

All three fled a war-torn homeland in the mid-to-late 1970s. All arrived in the US speaking no English. Yet all graduated as valedictorians, the top scholars of their class of 1983.

All three are Vietnamese.

Moreover, all three plan careers in technical fields. Ironically, their performances stand out in contrast to recent criticism of a "rising tide of mediocrity" in US public education by a bipartisan federal commission.

The first to achieve the honor was Dung Nguyen, whom President Reagan phoned to congratulate on her graduation from Pensacola High School May 31. Miss Nguyen has been awarded a scholarship to attend Baylor University in Waco, Texas, next fall to study medicine. She reportedly plans to spend the summer selling encyclopedias in Louisiana.

On June 5 in Chattanooga, Hieu Pham delivered the valedictory address at Red Bank High School, telling his fellow graduates: "We must keep in mind that nothing is free in this world. . . . We must work, work, work for the things we want."

The young man, who also hopes to study medicine or computer science, escaped with his family in a fishing boat in 1975 as South Vietnam was falling to North Vietnamese forces.

Here in Boston on graduation day, June 6, Hoan Binh La stood proudly on the stage of the city auditorium in gown and mortarboard, facing the classmates with whom she had attended Madison Park High School for the past three years. "Nothing is so difficult that we cannot face it," she said.

Miss Hoan, who left Vietnam at age 14 without her family, spent nearly a year in a Malaysia refugee camp, eating only coconut and food scraps and bathing in the ocean. Her parents, both factory workers, had saved enough money to buy passage out of Vietnam for one of their eight children. She eventually reached the US by ship, settling first in Monterey, Calif., before coming to Boston. Of the three valedictorians, she has lived in the US the shortest time.

Miss Hoan lives with relatives and earns money by working in a grocery store and tutoring other Asian children in English.

She plans to study computer science at Boston College, where she has won a scholarship. In high school she earned an "A" in every course, including advanced physics and trigonometry.

According to US Immigration and Naturalization Service statistics, more than 600,000 Vietnamese now live in the US. Their lives here have not always been easy. Even as Miss Hoan was graduating from Madison Park, vandalism and assaults in Boston against Vietnamese and others of Southeast Asian origin were on an 18-month rise, police say. Texas, California, and other states have seen similar incidents.

Old antagonisms left over from the Vietnam war have turned refugees against each other in some cases, further complicating the acclimation to a new culture.

Still, says Darrel Monetero, an Arizona State University specialist in the study of Vietnamese-Americans and author of a recent book on the subject, they have demonstrated "an incredible tenacity" that is typical of Asians who migrate to the US.

By 1979, only four years after the war, more than 250 support groups had been organized in the US by Vietnamese refugees, Dr. Montero says.

"I think we'll see more" Vietnamese achieving high academic rank in the US, he says, just as Japanese and Chinese immigrants did before them.

"When you transplant someone, making it in the United States is so incredibly easy, compared with what they experienced in their own countries; whereas Americans take so much for granted," Dr. Montero says. "In the long run, I think what we're going to see is the Vietnamese providing an excellent role model for [other] Americans to follow in school and in the workplace."

[From the Washington Post, June 5, 1983]

VIETNAM REFUGEE TO GIVE VALEDICTORY TALK IN TENNESSEE

RED BANK, TENN., June 4.—A Vietnamese refugee who spoke no English when he escaped from his homeland in a fishing boat eight years ago will serve as the validictorian at his high school graduation Sunday.

Hieu Pham, 17, said he will advise his 298 class members in his message that "you have to work for everything you get. It doesn't just fall from the sky.

"America is the land of opportunity. Even if you are nobody, you can make yourself somebody in this land," Pham said.

Pham was named valedictorian of Red Bank High School along with two other students. All three students had straight A grade averages.

Maureen Shuh, 18, came to the United States from Taiwan when she was 4 years old. The third valedictorian, Tonya Taylor, 18, was born in the Chattanooga suburb of Red Bank.

Pham won an award as the top math student at his high school and wants to become a computer programmer or a doctor.

"I consider computers as the growing field right now," said Pham, one of five students who won chancellor's scholarships to the University of Tennessee at Chattanooga.

As South Vietnam was falling to the communists in the spring of 1975, Pham fled in his uncle's fishing boat with his four brothers and sisters, his parents and more than 100 South Vietnamese relatives and friends.

"At night we could see the firing. The north was taking over the city," Pham said. "We had heard the news that they were coming. The instant we heard we had surrendered, we left immediately. We didn't know where we were going."

Pham said his father, Huu Pham, was a lieutenant colonel in the South Vietnamese army and a political officer in his hometown of Vihn Long in the Mekong Delta.

"Because my father was in the military, he would have been put in a concentration camp," Pham said. "I might have gone to a camp too or had to work to feed my family."●

THE APPOINTMENT OF LEE VERSTANDIG

● Mr. CHAFEE. Mr. President, I wish to congratulate Lee Verstandig on his appointment as Assistant to the President for Intergovernmental Affairs.

My association with Lee goes back many years—from my service as Governor of Rhode Island and Secretary of the Navy and Lee's tenure with both Rhode Island College and Brown University.

During my first term in the U.S. Senate, Lee served initially as my legislative director and then as administrative assistant. No function in that office—be it national issues, local problems, or constituent mail—escaped Lee's watchful eye.

Ths same dedication marked his service as Assistant Secretary for Governmental Affairs to Transportation Secretary Drew Lewis. Whether it was fielding inquiries regarding the air traffic controllers strike or convincing Members of Congress on the administration's program for Conrail or a tax on gasoline, Lee earned respect and admiration for his integrity and attention to detail.

Most recently, Lee's efforts at getting the embattled Environmental Protection Agency off the front page of our Nation's newspapers and back on track toward protecting our environment have won high marks. He won especially high marks from members of the Senate Environment and Public Works Committee on which I serve.

I wish Lee continued success in his new position. The President will not be losing friends in Congress because of this switch—he will be gaining new ones in State houses and city and town halls across the country.●

VOTING PROCEDURE—STACKED VOTES

Mr. BAKER. Mr. President, the day before yesterday the minority leader and I had a colloquy pursuant to certain questions raised with respect to stacking votes. He made some very pertinent observations about some difficulties which could occur if the votes are stacked. I have thought a lot about that. I have conferred with the Parliamentarian about it and with other Senators.

I must say I believe that even though we have not had to face those difficulties and dangers in the past, at least not to my knowledge, the dangers and difficulties pointed out by the minority leader and certain others are very real in the way of an order to stack on any bill.

Mr. President, in addition to that, what has happened today, as the distinguished manager of the appropriations bill pointed out, is also typical of what happens when you stack votes. That is, everybody leaves town. Nobody will call up amendments. We end up with hours of quorum calls and wasted time.

What I am about to say, Mr. President, is not said on the spur of the moment, nor in anger. That is why I have gone to some length about what I am about to say. I have been thinking about if for a while. I believe it is a sound procedure.

Let me say for the benefit of all Senators, and I hope the staffs of Senators will note this in the RECORD and call it to the attention of their Senators, I do not intend to stack votes any more.

Mr. President, I suggest the absence of a quorum.

Mr. BYRD. Mr. President, will the Senator withhold for a moment?

Mr. BAKER. Yes.

Mr. BYRD. Mr. President, the majority leader has been so accommodating, far more accommodating than I was when I was majority leader. I did not do much stacking of votes.

The majority leader has attempted to accommodate every Senator in this Chamber of his, the majority leader's, sometimes disadvantage, to the disadvantage of the chairman of the committee, and the disadvantage of the ranking minority member.

The stacking of votes has become very frequent of late, and the more it is done, the more it is asked to be done. It has been done for Members on my side; it has been done for Members on the other side.

Mr. President, I fully understand the majority leader's reasoning here. I have to say I think he is right.

I know that there will be Members on my side of the aisle and on his side, who would not want him to stop stacking votes, but it will create one big problem. Furthermore, it grows and grows and grows, like the prophet's gourd grew overnight.

So I fully understand the position of the majority leader.

There may be some good, emergent reason or reasons sometimes for stacking votes, but I think it is leading the Senate further and further down the road into what could become a difficult problem. It could embarrass the majority leader one day and the minority leader and other Senators.

It is as the majority leader has said: when we say we will not have votes on Fridays and Monday, everybody leaves town. I might do the same if I were not the minority leader. But the ranking member (Mr. STENNIS), the chairman of the committee (Mr. HATFIELD) and the chairmen of all the subcommittees are involved. They stand on the floor to act on amendments, and Senators with amendments sometimes are out of town.

But the majority leader is into June and we have some work that has to be done. I told him yesterday that I wanted to leave at 5 o'clock next Tuesday to go to West Virginia. But I want him to know right now that he can just forget that on my part, and plow right ahead with getting this bill finished. I will have to decide whether to go to West Virginia or stay here for votes, that will have to be my decision.

I think it is very important that this bill be finished next week. I want to proceed with the chairman and other members of the appropriations committee to mark up the energy and water resources bill as quickly as we can. If the chairman is going to be tied up here on Tuesday and Wednesday on this bill, we are going to be delayed in marking up that bill and going to conference.

I fully sympathize with the majority leader. This is said with no criticism of any Senator who may seek to have votes stacked. I do not quarrel with them; if they can get votes stacked and can be out working in their States, I do not criticize them for that. But to the majority leader, I must say, he has taken a position and I am supportive.

Mr. BAKER. Mr. President, I thank the minority leader and I am grateful for his support.

Mr. STENNIS. Will the Senator yield for just a moment?

Mr. BAKER. Yes, Mr. President.

Mr. STENNIS. Something has been said for the majority leader and something has been said for the minority leader and they have spoken. I want to say something for the rank and file of the Senators.

I think it is up to the Senator to decide what he wants to do on a given day. If he wants to go away, he can do that. If he wants to stay here and tend to business, he can do that. But it is his responsibility as well as his choice. The Senate is an institution and it has to go on, day after day, and do its business.

I am the first one to criticize, but I believe that is the real test. People do not know—this would fail parliamentary law, but I believe that, too, it is the individual responsibility of an individual Senator as to what he will do on a certain day.

Mr. BYRD. Will the Senator yield when he is finished?

Mr. STENNIS. I am through, Mr. President, except I was thinking about no votes for 2 days would cause a slowdown here, but there are so many pluses in favor of the Senator from Tennessee that I was not going to say anything about it. But he got up and said something.

Mr. BYRD. Mr. President, may I say that I think we have to acknowledge that some Members on both sides are out today on a NATO Alliance trip. This is important. They were appointed to act by both the majority leader and minority leader through the Chair, is that correct?

Mr. BAKER. That is correct, Mr. President.

Mr. BYRD. What we have said is in criticism of nobody, but I think we are facing a real problem here. The majority leader has my support.

Mr. BAKER. I thank the Senator.

SUPPLEMENTAL APPROPRIATIONS, 1983

AMENDMENT 1367

Mr. BAKER. Mr. President, I yield to the Senator from Connecticut.

Mr. WEICKER. Mr. President, I ask unanimous consent that my amendment No. 1367 to the supplemental appropriations bill be withdrawn at this time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment was withdrawn.

ORDER OF BUSINESS

Mr. BAKER. Now, Mr. President, we have 6 more minutes for the transaction of routine morning business, when I intend to ask the Senate to recess until Monday.

Mr. MATSUNAGA. Mr. President, will the Senator yield?

Mr. BAKER. Yes; I yield.

"KE ALII, HAUOLE LA HANAU"

Mr. MATSUNAGA. Mr. President, today, the people of the State of Hawaii are celebrating Kamehameha Day, honoring King Kamehameha I, the monarch who united the Hawaiian Islands into a single nation after a bitter 10-year civil war in the late 18th century.

In Hawaii, this State holiday is marked by parades and luaus or feasts, while in the Nation's Capitol, Kamehameha Day will be observed this Sunday, June 12, when the Hawaii congressional delegation and the congressionally chartered Hawaii State Society will hold their annual ceremony in front of the statue of King Kamehameha I in Statuary Hall. At that time, the great King's golden statue will be draped with fragrant fresh flower leis flown in from Hawaii for the occasion, and authentic Hawaiian chants will be sung and hula dances will be performed by costumed musicians and dancers.

Kamehameha was a truly remarkable leader who judiciously used his power to promulgate just and honorable laws, His approach to leadership earned for him the respect of the people of Hawaii and he became known as a protector of the common man. One historian said of Kamehameha, "No king in history ever knew better how to rule his people." Indeed, there were few rulers in the 18th century who revered human rights as much as he. An outstanding example of his feelings for humanity and justice is the "Law of the Splintered Paddle," which he promulgated immediately after he became ruler of the United Kingdom of Hawaii. He laid down the law as follows:

O my people,
Honor thy God;
Respect alike (the rights of) men great and humble;
See to it that our aged, our women and our children
Lie down to sleep by the roadside without fear of harm.
Disobey, and die.

A man of deep convictions, Kamehameha is credited with preserving and strengthening the ancient Hawaiian way of life, while at the same time seeking the friendship and assistance of newcomers to the islands, such as the western traders who came to Hawaii during his reign. In his regard for the rights of others, and in his concern for social justice, he had a great deal in common with those who united the Thirteen Colonies and fought to establish a new, democratic nation—the United States of America. It is entirely appropriate therefore, that his statue stands in Statuary Hall along with George Washington, Thomas Jefferson, and other Founding Fathers of this great Nation.

Kamehameha's achievements in war and peace are happily shared by the people of Hawaii with our fellow Americans and with all people of the world. And in his memory we say: "Ke Alii, Hauole La Hanau. To the King, Happy Birthday."

I urge my colleagues and their families to join the Hawaii congressional delegation and the Hawaii State Society for Sunday's celebration, which begins at 1 p.m. in Statuary Hall of the Capitol.

TRIBUTE TO FORMER SENATOR MILTON R. YOUNG

Mr. LAXALT. Mr. President, on May 31 with the passing of Milton R. Young, the Senate lost a gentle and gracious former colleague. I join the people of North Dakota in mourning the death of their longtime, humble and honest public servant, whose Senate career spanned a period of 35 years and 10 months. I extend my deepest sympathy to his wife, Patricia, and to his family, and pray that time will ease their sorrow.

Mr. President, I am privileged to have served 6 years with Milt Young—beginning my first term as Milt began his final term in the Senate. Others have spoken of Milt's friendship and willingness to share his knowledge and experience with younger colleagues. Upon my appointment to the Appropriations Committee in the 96th Congress, I found Milt always eager to "lend an ear," assist a new member of the committee and offer sound advice and counsel.

Mr. President, Milt Young respected the Senate, believed in the committee process and strove with unrelenting determination to protect and improve the institution and that process. As ranking Republican on the full Appropriations Committee and the Defense Subcommittee, Milt attended meetings faithfully and fought diligently for a strong national defense in order to preserve those freedoms he so highly cherished. His quiet, untiring presence was an inspiration to all who served with him.

In the words of our 16th President, Milt Young believed that, "This country with its institutions, belongs to the people who inhabit it." He honored those institutions and traditions and never lost sight of the aspirations and hopes of those whom he served.

Mr. President, I am proud to have called Milt Young a friend.

ORDER OF BUSINESS

Mr. BAKER. Mr. President, there is an order that the Senate recess until Monday. I do not propose to change that. Let me now put a unanimous-consent request in several parts for the consideration of the minority leader and the Senate.

First, I ask unanimous consent that if the Senate adjourns today, when it reconvenes on Monday, the reading of the Journal be dispensed with, that no resolution come over under the rule, that the call of the Calendar be dispensed with and, following the time allocated to the two leaders under the standing order, that there be a period for the transaction of routine morning business for not to exceed the hour of 1 p.m., with Senators permitted to speak therein for not more than 5 minutes each, and provided further that the morning hour be deemed to have expired.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL MONDAY, JUNE 13, 1983

Mr. BAKER. Mr. President, to get that order in place now, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 12 noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that the time for the transaction of routine morning business be extended for 10 minutes under the same terms and conditions.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I have a series of items that I should now like to invite the attention of the minority leader.

First, Mr. President, I propose to pass House Joint Resolution 201, if the minority leader is prepared to consider that at this time.

Mr. BYRD. Mr. President, there is no objection.

Mr. BAKER. I thank the minority leader.

BALTIC FREEDOM DAY

Mr. BAKER. Mr. President, I ask unanimous consent that the Chair lay before the Senate House Joint Resolution 201 designating June 14, 1983, as "Baltic Freedom Day."

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (House Joint Resolution 201) designating June 14, 1983, as "Baltic Freedom Day."

There being no objection, the joint resolution (House Joint Resolution 201) was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolution was adopted.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

COMMITTEE DISCHARGED—BILL PLACED ON CALENDAR

Mr. BAKER. Next, Mr. President, I say to the minority leader that I propose to discharge the Committee on the Judiciary from further consideration of House Joint Resolution 234 and, assuming that consent is granted, to ask that the resolution be placed on the calendar.

May I inquire of the minority leader if he would approve of that request?

Mr. BYRD. Mr. President, there is no objection.

Mr. BAKER. I make that request, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE DISCHARGED—BILL PLACED ON THE CALENDAR

Mr. BAKER. In a similar vein, Mr. President, I next propose that the Committee on the Judiciary be discharged from further consideration of Senate Joint Resolution 86, the National Brick Week resolution, and that it be placed on the calendar.

Mr. BYRD. Mr. President, there is no objection.

Mr. BAKER. I make that request, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO HOLD H.R. 9 AT THE DESK

Mr. BAKER. Mr. President, may I inquire of the minority leader if he would object to unanimous consent to hold H.R. 9, which is an act to designate components of the national wilderness preservation system in the State of Florida, at the desk until the close of business on Tuesday, June 14?

Mr. BYRD. Mr. President, there is no objection.

Mr. BAKER. Mr. President, I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO HOLD H.R. 2477 AT THE DESK

Mr. BAKER. Mr. President, I make a similar request in respect to H.R. 2477, which is an act entitled the "Sipsey Wilderness Additions Act of 1983," and that it be held at the desk until the close of business on Tuesday, June 14.

Mr. BYRD. Mr. President, there is no objection.

Mr. BAKER. I make that request, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

SEQUENTIAL REFERRAL OF S. 1101

Mr. BAKER. Mr. President, now I propose that S. 1101, a bill to authorize appropriations for certain fishery programs, be sequentially referred to the Committee on Agriculture, Nutrition, and Forestry to consider provisions of section 1 of the bill relating to aquaculture for a period of not to exceed June 30, 1983, if there is no objection.

Mr. BYRD. There is no objection, Mr. President.

Mr. BAKER. I make that request, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

SEQUENTIAL REFERRAL OF S. 869

Mr. BAKER. Another sequential referral request, Mr. President, in respect to S. 869, which is entitled the "Export-Import Bank Act of 1945," and request that that measure be sequentially referred to the Committee on Foreign Relations for a period of not to exceed 30 calendar days for the purpose of considering section 205.

Mr. BYRD. Mr. President, there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR STAR PRINT—S. 1429

Mr. BAKER. Mr. President, I now propose and I ask unanimous consent that S. 1429 be star printed to reflect the text which I now send to the desk.

Mr. BYRD. Mr. President, there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE EXECUTIVE CALENDAR

Mr. BAKER. Mr. President, may I say to the minority leader that there are a number of items on today's Executive Calendar that are cleared for action by unanimous consent.

I refer specifically to those nominations beginning at the top of page 3 with Calendar Order 191, all of the nominations on page 3 including those in the Air Force, the nominations on page 4 in the Air Force and the Army, on page 5 in the Army and the Navy, page 6 in the Navy and the Marine Corps and the Department of Labor under new reports, as well as the nominations placed on the Secretary's desk in the Air Force and Navy on page 7.

Mr. President, may I inquire of the minority leader if he is prepared to consider all or any part of those nominations at this time?

Mr. BYRD. Mr. President, all of the foregoing nominations have been cleared on this side.

Mr. BAKER. I thank the minority leader.

EXECUTIVE SESSION.

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now go into executive session for the purpose of considering the nominations just identified.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the nomina-

tions be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

FEDERAL HOME LOAN BANK BOARD

Donald I. Hovde, of Wisconsin, to be a member of the Federal Home Loan Bank Board for the remainder of the term expiring June 30, 1985.

IN THE AIR FORCE

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. John J. Murphy, xxx-xx-xxxx FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. James E. Light, Jr., xxx-xx-xxxx xxx-... FR, U.S. Air Force.

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of chapter 34, 831, and 837, title 10, United States Code:

To be major general

Brig. Gen. Jerry W. Cochrane, xxx-xx-xxxx xxx-... FG, Air National Guard of the United States.

Brig. Gen. Myrle B. Langley, xxx-xx-xxxx xxx-... FG, Air National Guard of the United States.

Brig. Gen. Addison O. Logan, xxx-xx-xxxx xxx-... FG, Air National Guard of the United States.

To be major general

Brig. Gen. Alexander P. Macdonald, xxx-... xxx-xx-... FG, Air National Guard of the United States.

To be brigadier general

Col. Russell E. Allen, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Miles C. Durfey, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Albert J. Dye, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. George A. Franzen, Jr., xxx-xx-xxxx xxx-... FG, Air National Guard of the United States.

Col. Raymond M. Leonard, Jr., xxx-xx-x... xxx-... FG, Air National Guard of the United States.

Col. Leo E. McFadden, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Donald L. Owens, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Richard M. Sanders, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Otha R. Smith, Jr., xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Curtis G. Williams, xxx-xx-xxxx FG, Air National Guard of the United States.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Marion C. Ross, xxx-xx-xxxx (age 55), U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Charles P. Graham, xxx-xx-xxxx xxx-... U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. William J. Livsey, xxx-xx-xxxx, U.S. Army.

IN THE NAVY

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Joseph Metcalf III, xxx-xx-xxxx xxx-.../1110, U.S. Navy.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Donald S. Jones, xxx-xx-xxxx/1310. U.S. Navy.

IN THE MARINE CORPS

The following-named officer, under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. William R. Maloney, xxx-xx-xxxx, U.S. Marine Corps.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Bernard E. Trainor, xxx-xx-xxxx xxx-... U.S. Marine Corps.

DEPARTMENT OF LABOR

Janet L. Norwood, of Maryland, to be Commissioner of Labor Statistics, U.S. Department of Labor, for a term of four years (reappointment).

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, NAVY

Air Force nominations beginning John A. Almquist, Jr., and ending Ralph S. Smith, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of May 23, 1983.

Navy nominations beginning Stephen J. Bowdren, and ending Thomas A. Schultz, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of May 23, 1983.

Navy nominations beginning David A. Baran, and ending John A. Youngberg, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of May 24, 1983.

Mr. BAKER. I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate return to legislative session.

There being no objection, the Senate resumed the consideration of legislative business.

ORDER FOR THE RECORD TO REMAIN OPEN UNTIL 5 P.M.

Mr. BAKER. Mr. President, I ask unanimous consent that the record of today's proceedings of the Senate remain open until 5 p.m. for the purpose of the insertion of statements and the introduction of bills, resolutions, et cetera.

The PRESIDING OFFICER. Without objection, it is so ordered.

VOTING PROCEDURE—STACKED VOTES

Mr. BAKER. Mr. President, I reiterate what I said earlier about stacking votes. I think we have become intoxicated by that practice. I indicated earlier that I do not intend to make such a request any more, and implicit in that is that I would not agree to such a request made by another Senator.

I suppose there are some exceptions to that. In the case of a dire emergency, I would not rule out the possibility of a delayed vote. But I think Members must understand that we are talking about stacking votes as we have this week, from Friday until Tuesday, or even from Monday until Tuesday.

Another example of a situation I would be willing to consider for the continuation of vote stacking might be, say, when the Senate is going to be in late and we are going to run through the dinner hour and it would be mutually advantageous to allow a time, perhaps an hour, when Members could feel free to go to dinner, or to fulfill commitments at the dinner hour. But I am not talking about that sort of delay of a vote for minutes or an hour or so. I am talking about stacking votes to occur on another day. That is what is getting us in trouble. That is what is producing a situation where Members feel that the Senate has turned into a Tuesday-to-Thursday club. It has not. I can assure

them that is not the intention of the leadership on either side.

Let me elaborate my previous statement a little by saying that I do not mean to be perhaps as hardnosed as I sounded. I would not object to those momentary accommodations that are necessary to allow for the exigencies of that particular day, but I have no intention, absent extraordinary circumstances fully discussed and after conferring with the minority leader, of stacking votes until another day. That, I think, is an invitation to delay, as we have seen today and we will see again on Monday.

Mr. President, while I have the opportunity, let me remark on a subject that is fast becoming my favorite complaint.

I believe I am right when I say that even now in June the Senate has not performed a single regular rollcall vote within the 15 minutes allowed under the standard operating practices of the Senate this year, not a one. I may be incorrect, but if I am, it is only by one or two rollcalls and I do not believe I am incorrect. I think that is right.

We have had one or two 15-minute votes, but they have been when we ordered a 10-minute rollcall vote and they were back to back, so to speak, that is, votes had been stacked to occur in sequence and Members were on the floor.

We have never had a 10-minute vote when we ordered one, but even then we would do well to make it within 15 minutes.

What I am saying is we have wasted hours upon hours, tens of hours in the Senate waiting for Senators to arrive on the floor to cast their vote.

I am not talking about Republicans or Democrats. It is about equal, I think. And I understand the difficulties of getting from here to the Hart Building which sometimes seems across a national boundary.

But I call to the attention of Members that it is necessary that we try to conduct those rollcall votes within the prescribed 15 minutes.

So from now on I urge Members to consider that when they hear the vote bell ring they have 15 minutes before that rollcall will close out, and they should not assume that the leadership on this side will wait for them.

I hope Fridays have not turned into my bad-mood days, but that I feel is a necessary adjunct to the previous remarks that I made about scheduling votes.

Mr. BYRD. Mr. President, I agree with the majority leader that there are times during a portion of the day's session when Members—perhaps on both sides—have to go to the White House or they have a dinner engagement close by and it really may expedite the final action of the Senate on a particular piece of legislation to stack some votes for an hour or so. Even on those occasions I think the verbiage of the vote-stacking agreement has to be very carefully worded. The majority leader and I are both working on this, so we will try to avoid any possible pitfalls in the future.

Second, I agree with the majority leader that votes should be 15 minutes. If we hear, of course, that an elevator is jammed or stopped, or something is beyond the control of a Senator, then I am sure the majority leader and I both will attempt to accommodate Members by holding up the vote for a short time.

But it is getting to the point where Members just feel that the vote is going to be held up for them and we have delayed announcement of a vote 7, 8, 10 minutes or more for Senators on my side and Senators on the other side, and unless the majority leader and I really mean what we say and state it now and deviate not from it except in emergency situations, our statements will not amount to a hill of beans.

It is not difficult for a Senator to leave his office—fortunately, I am close by and the majority leader is close by and we can get here easily for every vote. But I am sure that barring a breakdown of an elevator or some such, any Senator can travel from the furthermost part of the Hart Building here and walk and do it in 15 minutes if he starts when the bell rings. I feel certain of that.

I think the majority leader is right. I hope he will enforce that rule.

Mr. STENNIS. Mr. President, will the Senator let me make one statement?

Mr. BYRD. I would suggest that the majority leader and I write a letter to each Member and sign it and let it be known that this is a rule we are going to try to enforce.

Mr. BAKER. Mr. President, I welcome that offer and I certainly will join with the minority leader in such an effort.

Let me say one thing, and then I will yield to the distinguished Senator from Mississippi. I know something about how hard it is to get here sometimes with crowd delays and elevator problems and the like. But I have requested the Sergeant at Arms of the Senate to make sure the Capitol Police are equipped with walkie-talkies in the subway so that they can report to the floor unusual difficulties such as subway breakdowns or elevator breakdowns, and the like.

So if there is such an occurrence, then Members should let one of the police know, one of the uniformed police in the subway or in the three buildings know, so that we do know it here. But we are not going to wait just for fear that something like that is going to happen, and if you have got a dozen Senators stuck in an elevator or some place—and after we do a careful tally on how many Democrats and how many Republicans are stuck, we will decide whether it is an emergency. [Laughter.]

But in all seriousness, I welcome the offer of the minority leader, and I will join him in that letter with great relish.

I yield to the distinguished Senator from Mississippi.

Mr. STENNIS. Let me say this: The Senate has made a great step here in the resolve to mend the situation greatly with reference to delays, both the stacking of votes, and so forth, and that will make it easier on our leaders who have enough trouble already.

No. 2, another big step forward is that we have taken the telephone out from up here where the Presiding Officer is, and that is a great improvement.

I do not know who is entitled to that credit, but I want to applaud him. I think that will help. I expect it was my friend, the majority leader, and I thank him for that.

Mr. BAKER. The majority leader is standing mute.

Mr. President, I thank the Senator from Mississippi.

It is late now and we have exceeded the time extended for the transaction of routine morning business, and I am prepared to extend it again if any Senator seeks recognition, but I see no Senator rising for that purpose.

PROGRAM

Mr. BAKER. Mr. President, on Monday next, the Senate will convene, pursuant to an order of adjournment, at 12 noon.

After the recognition of the two leaders under the standing order, there will be a period for the transaction of routine morning business, for not more than 1 hour.

Under the order previously entered, the Senate, on Monday, will proceed to the consideration of the cable TV bill, so-called. It is anticipated that most of the day, perhaps all of the day, will be devoted to that measure.

Rollcall votes ordered on that day will be stacked to occur on Tuesday, under the order previously entered.

The Senate will come in at 9:30 a.m. on Tuesday, return to the consideration of the cable TV bill at 10 a.m., and rollcall votes, as they may have been ordered on Monday, will begin 15 minutes after the Senate returns to the consideration of that measure, which would make it 10:15 a.m.

After that list of rollcall votes has been dispensed with and/or after the bill has been disposed of, the Senate will resume consideration of the supplemental appropriations bill.

At 12 noon on Tuesday, the Senate will recess for a period of 2 hours, to

accommodate the requirement of Senators to attend caucuses of their respective parties away from the floor of the Senate.

The Senate will continue voting on any rollcalls that have been ordered to the supplemental appropriations bill beginning at 2 p.m. and will continue the consideration of the supplemental appropriations bill thereafter. It is hoped that the supplemental appropriations bill be finished on Tuesday.

ADJOURNMENT UNTIL MONDAY, JUNE 13, 1983

Mr. BAKER. Mr. President, I move, in accordance with the order previously entered, that the Senate now stand in adjournment until the hour of 12 noon on Monday next.

The motion was agreed to; and at 4:17 p.m. the Senate adjourned until Monday, June 13, 1983, at 12 noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 10, 1983:

Federal Home Loan Bank Board

Donald I. Hovde, of Wisconsin, to be a member of the Federal Home Loan Bank Board for the remainder of the term expiring June 30, 1985, vice Richard T. Pratt, resigned.

Department of Labor

Janet L. Norwood, of Maryland, to be Commissioner of Labor Statistics, U.S. Department of Labor, for a term of 4 years (reappointment).

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.

Air Force

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. John J. Murphy, [redacted] FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. James E. Light, Jr., [redacted] FR, U.S. Air Force.

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of chapter 34, 831, and 837, title 10, United States Code:

To be major general

Brig. Gen. Jerry W. Cochrane, [redacted] FG, Air National Guard of the United States.

Brig. Gen. Myrle B. Langley, [redacted] FG, Air National Guard of the United States.

Brig. Gen. Addison O. Logan, [redacted] FG, Air National Guard of the United States.

Brig. Gen. Alexander P. Macdonald, [redacted] FG, Air National Guard of the United States.

To be brigadier general

Col. Russell E. Allen, [redacted] FG, Air National Guard of the United States.

Col. Miles C. Durfey, [redacted] FG, Air National Guard of the United States.

Col. Albert J. Dye, [redacted] FG, Air National Guard of the United States.

Col. George A. Franzen, Jr., [redacted] FG, Air National Guard of the United States.

Col. Raymond M. Leonard, Jr., [redacted] FG, Air National Guard of the United States.

Col. Leo E. McFadden, [redacted] FG, Air National Guard of the United States.

Col. Donald L. Owens, [redacted] FG, Air National Guard of the United States.

Col. Richard M. Sanders, [redacted] FG, Air National Guard of the United States.

Col. Otha R. Smith, Jr. [redacted] FG, Air National Guard of the United States.

Col. Curtis G. Williams, [redacted] FG, Air National Guard of the United States.

In the Army

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Marion C. Ross, [redacted] (age 55), U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Charles P. Graham, [redacted], U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. William J. Livsey, [redacted], U.S. Army.

In the Navy

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Joseph Metcalf III, [redacted]/1110, U.S. Navy.

The following named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Donald S. Jones, [redacted]/1310, U.S. Navy.

In the Marine Corps

The following-named officer, under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. William R. Maloney, [redacted], U.S. Marine Corps.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Bernard E. Trainor, [redacted] U.S. Marine Corps.

In the Air Force

Air Force nominations beginning John A. Almquist, Jr., and ending Ralph S. Smith, Jr., which nominations were received by the Senate and appeared in the Congressional Record of May 23, 1983.

In the Navy

Navy nominations beginning Stephen J. Bowdren, and ending Thomas A. Schultz, which nominations were received by the Senate and appeared in the Congressional Record of May 23, 1983.

Navy nominations beginning David A. Baran, and ending John A. Youngberg, which nominations were received by the Senate and appeared in the Congressional Record of May 24, 1983.